

ANNUAL REPORT

2022-23



ACKNOWLEDGEMENT OF COUNTRY

Pilbara Ports Authority acknowledges the Traditional Owners of the land and waters in which it operates and pays its respects to Elders past, present and emerging.



Turtle Dreaming by Tana Kickett, Dampier Art Awards 2023

CONTENTS

OVERVIEW

Statement of compliance	5
2022-23 highlights	8
Chair's report	10
Chief Executive Officer's report	12
Organisational profile	14
Organisational structure	18
Board of Directors	20
Executive team	22
Performance highlights	24
Key business results	26

PERFORMANCE

Performance framework	30
Performance against 2022-23 State Government goals	32
Performance of strategic initiatives	34
Sustainability Framework	34
People	36
Resilience and Prosperity	42
Partnerships	54
Planet	68

DISCLOSURES AND LEGAL COMPLIANCE

Directors' report	76
Financial report	84
Directors' declaration	124
Independent auditor's report	125
Financial performance indicators	128
Governance disclosures	129
Glossary	134



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

OUR VISION

To be the global leader in port planning, operations and marine services.

OUR VALUES

EXCELLENCE
be the best in all we do

RESPECT
in all our dealings

COURAGE
do the right thing

INTEGRITY
operate honestly, fairly and impartially

CARE
for our environment, our staff and our community



Shelby Noble, Environment Advisor



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

STATEMENT OF COMPLIANCE

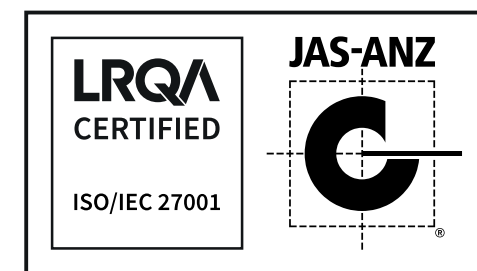
To the Hon. David Michael MLA

Minister for Ports; Local Government; Road Safety;
Minister assisting the Minister for Transport

In accordance with Section 68 and clauses 34 and 35 of Schedule 5 of the *Port Authorities Act 1999 (WA)*, as continued under the *Government Trading Enterprises Act 2023 (WA)* effective date on 1 July 2023, I hereby submit for your information and presentation to Parliament, the Annual Report of Pilbara Ports Authority for the financial year ended 30 June 2023.

Brad Geatches

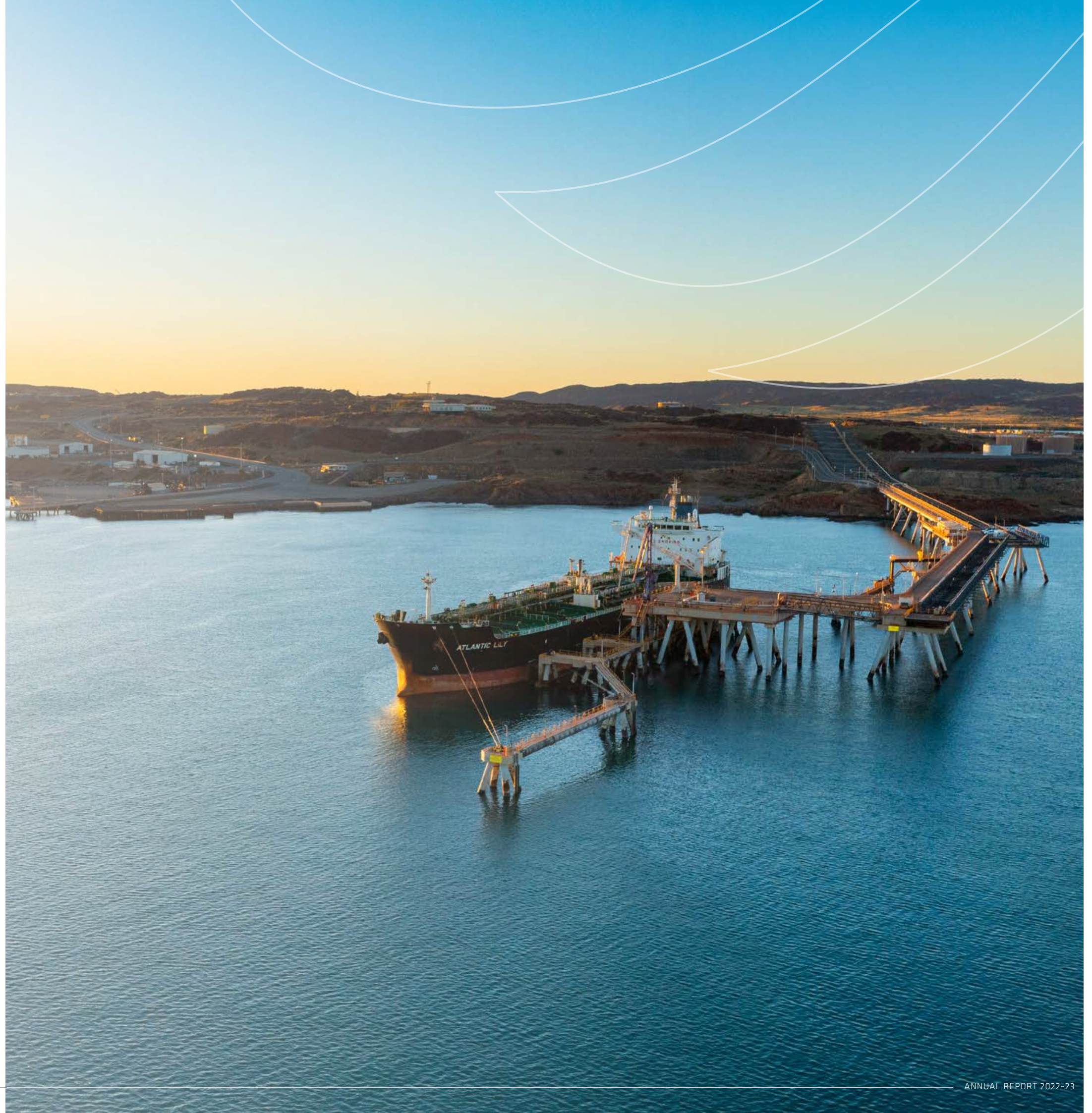
Chair, Pilbara Ports Authority Board of Directors



OVERVIEW

2022-23 highlights	8
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Key business results	26

Port of Dampier



OVERVIEW

PERFORMANCE

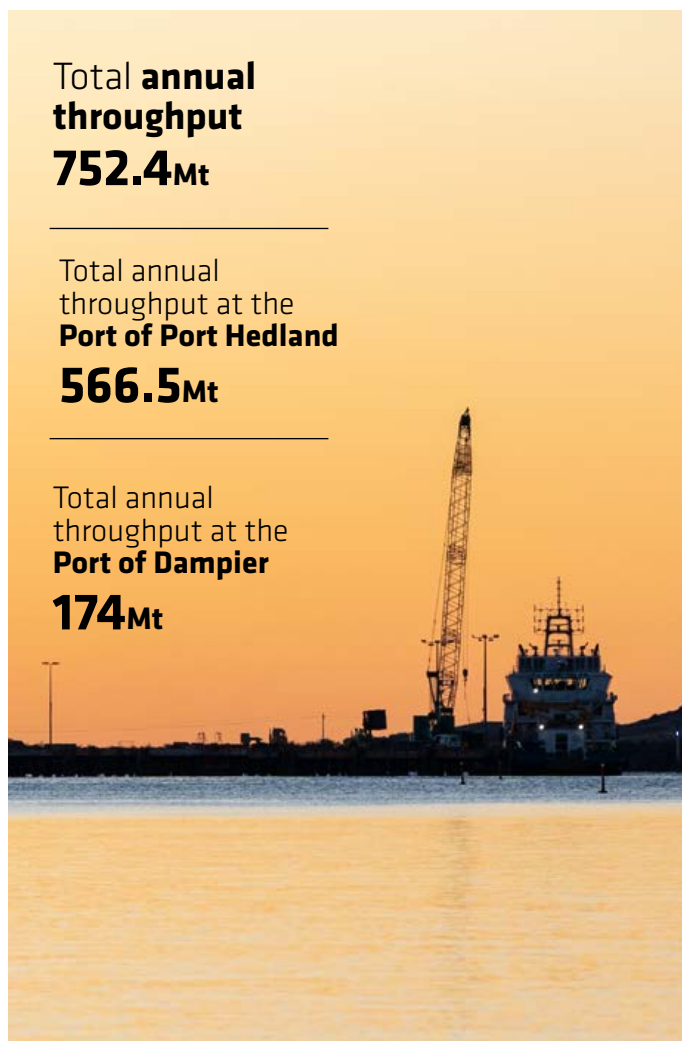
DISCLOSURES
AND LEGAL
COMPLIANCE

2022-23 HIGHLIGHTS



17,511
safe vessel
movements

Total revenue
\$664.8
million



Total annual
throughput
752.4Mt

Total annual
throughput at the
Port of Port Hedland
566.5Mt

Total annual
throughput at the
Port of Dampier
174Mt

\$565 million
committed by the Federal Government for
port infrastructure in the Pilbara to **support**
emerging green industry and technologies

\$166 million
in supply contracts awarded, including
\$85 million to Pilbara businesses

10,659
twenty-foot equivalent units achieved
in direct shipping to and from the Pilbara



\$290,420
of support provided
to local community
groups, sporting
and not-for-profit
organisations
in the Dampier/
Karratha, Onslow
and Port Hedland
communities

Final stage
of construction under
way on the Spoilbank
Marina project

199 properties
acquired through the
Port Hedland Voluntary
Buy-Back Scheme

DCN Shipping
& Maritime Industry
Youth Achievement
Award
'Highly
Commended'
awarded to inaugural
marine cadet

Australian Maritime Safety
Authority Australian Vessel
Traffic Services Award for
Best Vessel
Traffic Services
Awarded to **Port**
of Dampier Vessel
Traffic Service



Memorandum of Understanding

signed between Pilbara Ports
Authority and Port of Himeji,
Japan to boost renewable
energy trade opportunities

Port of Cape Preston West

declared as a port reserve
December 2022

First cruise ship visit

to Port of Dampier



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE



CHAIR'S REPORT

During the year ending 30 June 2023, Pilbara Ports Authority continued to deliver safe and reliable port services, met our mandate to facilitate trade development and generated good financial returns.

Pilbara Ports' impressive results during the year were substantially due to the performance of our team of passionate and committed employees, who I congratulate and sincerely thank. We remain committed to providing them safe, inclusive and caring workplaces, reflecting our deeply held belief that diverse and inclusive workplaces are better for our employees, our customers, our communities and our owner.

By the end of the year, the substantial public health and operational impacts of the pandemic were, for the most part, in the rearview mirror. One lingering impact of the pandemic was disruption of supply chains and related significant increases in construction costs, which continued throughout the year.

The pandemic also highlighted that reliance on workforces residing outside of Western Australia results in unacceptable risks to operational reliability, therefore during the year plans were progressed to address this risk to the provision of marine pilotage services.

Important planning and investment milestones were achieved during the year, with \$145.1 million of capital expenditure invested across our three operating ports.

Agreement was reached with iron ore exporting companies for the next substantial investment in iron ore export infrastructure at Port Hedland, including agreements reached with a joint venture between Mineral Resources Ltd and Hancock Prospecting Pty Ltd to develop a new wharf in South West Creek.

The continued growth of Pilbara region general cargo trade, growth in battery minerals exports and the enormous potential of the Pilbara to be a global leader in the green energy sector are central factors driving Pilbara Ports' planning and investment program.

During the year, we secured funding support from the WA and Federal governments to develop the Lumsden Point General Cargo facility in Port Hedland. We expect to invest \$632.7 million in this new facility over the next four years. During the same period, we expect to invest more than \$368.8 million in new and expanded general cargo infrastructure at Port of Dampier, including facilities to support exports from the planned Perdaman Urea Plant.

Pleasing progress was made with the construction of the Port Hedland Spoilbank Marina, with all project safety, quality, cost and program milestones having been achieved. This wonderful public facility will be progressively opened commencing in 2024.



Good progress was also achieved with the Port Hedland Voluntary Buy-Back Scheme, which provides residential property owners in the West End an opportunity to sell their properties to the scheme on reasonable market-informed terms.

Plans for transshipment of iron ore through Port of Ashburton progressed, with facilities construction now underway. Our activities to support long-term growth beyond our existing operational ports also progressed with planning for up to five new ports in the region being progressed.

During the year we also made good progress with developing our Net Zero Transition Plan aligned with the State Government's Climate Change Policy. The bulk of Pilbara Ports' emissions are from electricity usage, therefore our plans will include procuring and generating electricity from green sources. We have a critical role to play supporting our customers with their carbon reduction plans, with our significant investments in new general cargo facilities being a significant component of that support.

In May, we welcomed Samuel McSkimming as our new Chief Executive Officer. Sam brings significant experience to the role, with more than a decade in senior customer, community and operational leadership in the rail freight sector.

I acknowledge our previous Chief Executive Officer, Roger Johnston whose leadership was integral to Pilbara Ports' success during his 12 years of dedicated service.

We also welcomed the Hon. David Michael as the new Minister for Ports. We benefitted greatly from the support and guidance of the previous Minister for Ports, the Hon. Rita Saffioti and look forward to working with Minister Michael.

It is a privilege to work with my fellow board members, Amy Lomas, Tom Stephens, Karlie Mucjanko, Walter Purio and Rob Scharnell and I thank them for their contribution and support.

I also extend our appreciation to the teams of dedicated people at the Department of Transport, the Department of Jobs, Tourism, Science and Innovation, and the Department of Treasury whose support has been important for our success.

Brad Geatches
Chair
Pilbara Ports Authority



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE



CEO'S REPORT

I am pleased to report that Pilbara Ports Authority has achieved yet another year of record throughput, with 752.4 million tonnes of commodities passing through our ports. While this is a significant achievement, there is much more to Pilbara Ports than breaking volume records.

At the heart of our organisation is a deep motivation to realise the ambitions of our customers and community. We are just one member of the world's biggest, integrated industrial team. Record throughput is a sign of success that goes well beyond Pilbara Ports – it shows the remarkable and continued importance of the Pilbara and its people in underwriting Australia's economic prosperity.

We are proud to play our part in that success, driven by our values of excellence, respect, integrity, care, and courage.

Our overriding priority is that everyone working within our ports goes home safely. Against that goal, we have had mixed results this year. The target we set for our lost time injury frequency rate was not met, however we improved on our total recordable injury frequency. We have had an unacceptable number of serious near-miss events in our workplace, which has motivated an increase in hazard reporting.

We have commenced a comprehensive review of our health and safety framework, and are actively engaging with our workforce, contractors, and port users on how safety performance can be improved across our operation. We share in the community's grief after the fatalities that have occurred this year in Pilbara workplaces and recommit ourselves to our safety performance.

We delivered \$241.4 million in net profit after tax for 2022-23, up 30.6 per cent on the prior year. This strong result reflects record volumes as well as cost discipline. We are proud to be able to generate this value for the community and for Western Australia.

A highlight this year has been delivering a new Diversity and Inclusion Plan, which includes our commitment to

Indigenous employment. We have put processes in place to accommodate cultural and ceremonial leave and provided more opportunities to recognise and celebrate diversity in the workplace. We have committed to firm targets, including a commitment to increase the number of women in leadership roles at Pilbara Ports.

One of the legacies of the COVID-19 disruptions has been a shortage of qualified marine pilots at Port Hedland. To improve our resilience in marine pilotage service provision, we are rapidly growing our internal capacity, with the team having piloted more than 200 vessels to date while undergoing their on-water training. We have constructed a marine simulator facility in Port Hedland and will continue to expand our marine services team to improve service delivery.

This year, we have seen substantial investment and growth across the Pilbara. At the Port of Ashburton, we are working with Mineral Resources to develop the Onslow Iron project, an innovative supply chain that will unlock a new resources precinct. At Port Hedland, we are supporting further growth in iron ore exports from the world's biggest bulk export port, including through the HanMin Joint Venture's proposed new Stanley Point Berth 3.

Pilbara Ports has continued to support the diversification of the Pilbara's export commodities. We are investing in the Dampier Bulk Handling Facility to support Perdamman's Karratha Urea Project, a milestone investment that will open access to the global urea market. The development of the Port of Cape Preston West is continuing, enabling the export of salt and potash. For the first time, more than one million tonnes of lithium was exported from the Port of Port Hedland in 2022-23.



The energy transition will drive tremendous change in the Pilbara, and we are just at the start of the journey. We have partnered with government and industry to invest in port infrastructure to export the critical minerals that are vital for the energy transition, as well as enable the import of green energy infrastructure.

The development of a new multi-user facility and logistics hub at Lumsden Point in the Port of Port Hedland will add a further two berths to support our clean energy future. We welcome the investments made by the State and Commonwealth governments in this vitally important strategic asset.

The Lumsden Point development and the Dampier Cargo Wharf Projects will create the capacity for additional direct shipping services between predominantly Asian ports and the Pilbara. In 2022-23, the continued strength of direct shipping services saw an average of one vessel arrival per week, which meant a reduction in carbon emissions, road traffic, road maintenance costs and noise pollution. Additionally, direct shipping benefits the community, with lower costs for Pilbara business and consumers.

This year, we aligned our business planning cycle with our Sustainability Plan, such that our performance was matched to our sustainability principles: People, Resilience and Prosperity, Partnerships, and Planet. We are finalising a Net Zero Transition Plan and are now focused on accessing renewable electricity in the Pilbara region.

We made significant progress on the Spoilbank Marina this year, including opening the marina basin to the ocean. It has been fantastic to partner with stakeholders to deliver community infrastructure for the people of Port Hedland.

The Spoilbank Marina will boast wonderful community amenities, improve safe access to deep water for recreational vessels, and provide a boost to the local economy.

Through our wholly owned subsidiary, the Hedland Maritime Initiative (HMI), we have continued to work with the owners of residential properties in the West End area of Port Hedland. Through HMI, we acquired more than half of the eligible West End properties. HMI continues to partner with local government and other agencies to plan for future development in the area.

I would like to thank the Minister for Ports, the Hon. David Michael and the preceding Minister for Ports, the Hon. Rita Saffioti for their support. I am grateful for Minister Saffioti's contribution to the portfolio, and the strong legacy of her leadership. I look forward to continuing a successful working relationship with Minister Michael.

I would like to acknowledge Pilbara Ports' board members and the executive team for their leadership of our organisation. I also extend my thanks to our former Chief Executive Officer, Roger Johnston, for his contribution this year and for his long service to Pilbara Ports.

Above all, I wish to thank our people, for their innumerable efforts and accomplishments, in delivering a year of exceptional performance.

Samuel McSkimming
Chief Executive Officer
Pilbara Ports Authority



ORGANISATIONAL PROFILE

Pilbara Ports Authority is the world's largest bulk export port authority, encompassing the operating ports of Ashburton, Dampier, Port Hedland and Varanus Island and five future port sites*.

The ports of Dampier and Port Hedland are among the world's largest bulk export ports, responsible for approximately 78 per cent of Australia's, and more than 43 per cent of the world's iron ore trade.

Other major export commodities include liquefied natural gas (LNG) and salt. Approximately 38 per cent of Australia's exports and 7.5 per cent of global LNG trade is exported through the ports of Dampier and Ashburton.

Salt exports through the ports of Port Hedland and Dampier totalled approximately 6.9Mt in 2022-23, accounting for approximately 53 per cent of Australian salt mine production.

*Future port sites include non-operational ports and proposed sites as shown on the map

There are 19 operational berths at the Port of Port Hedland. Pilbara Ports operates berths 1, 2 and 3 in the harbour's east side operations, and the Utah Facility. BHP owns and operates eight berths, Fortescue Metals Group (FMG) owns and operates five berths, and Roy Hill Infrastructure owns and operates two berths. During the reporting period, Pilbara Ports commenced a project to complete the development of the Lumsden Point Bulk Handling Facility, which will result in the addition of two common user berths in the Port.

At the Port of Dampier, Pilbara Ports owns and operates the Bulk Liquids Berth and the Dampier Cargo Wharf, which together provide up to three berths. Rio Tinto and Woodside Energy own and operate private port terminals; Toll and Qube also operate private facilities.

The Port of Ashburton is a multi-user facility located adjacent to a strategic industrial area accommodating LNG facilities and other hydrocarbon-based and natural gas processing facilities for WA's domestic gas supply.

Overall port management, including the coordination of vessel traffic services, ship scheduling, berthing allocations for multi-user facilities and port communications, is managed by Pilbara Ports. This includes maintaining shipping channels, navigation aids and other port infrastructure. Third party contracts or licences are issued for stevedoring, towage, pilotage, pilot transfer helicopters and pilot boats, security services and waste management services.

Pilbara Ports is the parent entity of Hedland Maritime Initiative Pty Ltd (HMI), which was established to administer the Port Hedland Voluntary Buy-Back Scheme (PHVBS) and facilitate the planning and development of a maritime precinct in the West End of Port Hedland.

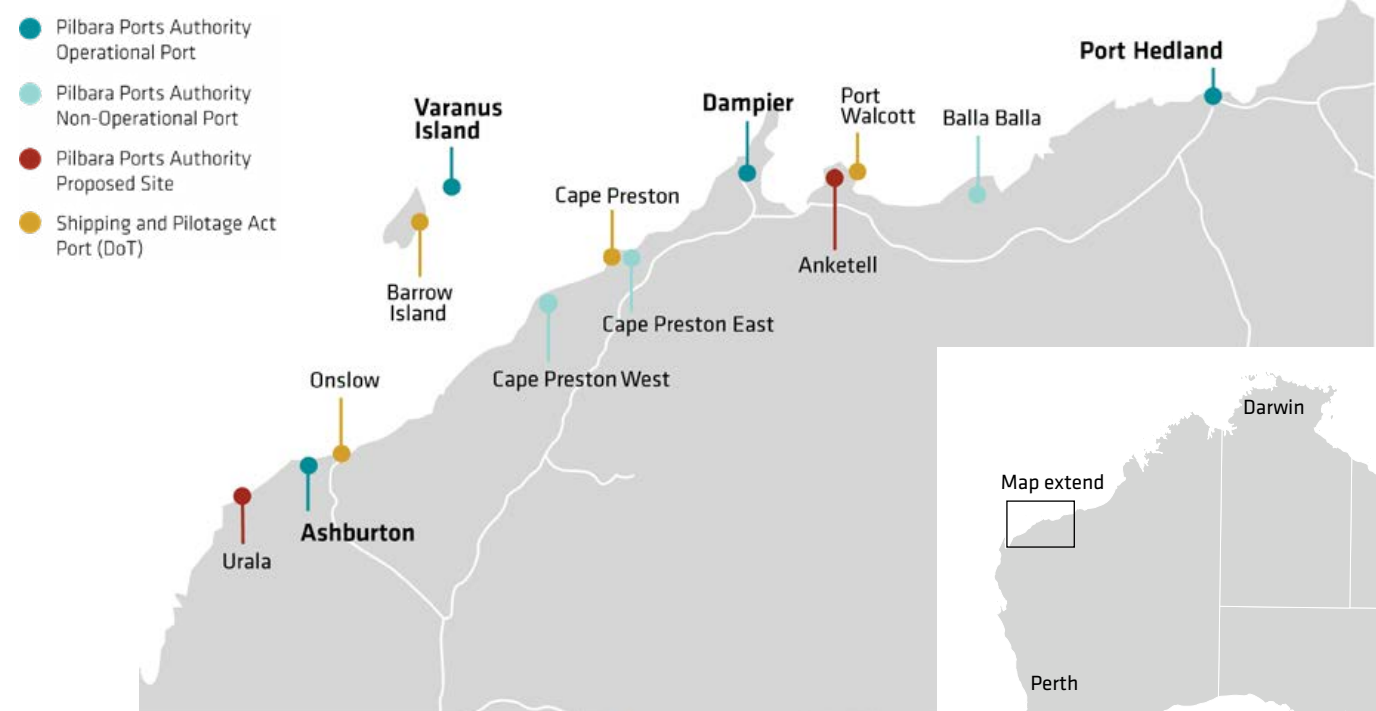
The Spoilbank Marina in Port Hedland is a major community infrastructure initiative that is being constructed by Pilbara Ports. The marina boat ramps are expected to be operational in late 2023, with final completion of remaining marine and landside areas expected in 2024.

Pilbara Ports oversees 141,532 hectares of land and seabed across the operating ports of Ashburton, Dampier, Port Hedland and Varanus Island, and a further 76,752 hectares of tenure at the future ports of Cape Preston West, Cape Preston East and Balla Balla.

Other future ports are proposed at Ashburton West (Urala) and Anketell. Pilbara Ports is also expecting to soon take over responsibility for additional ports including Port Walcott, Cape Preston, Barrow Island and Onslow. These ports are subject to the Department of Transport's responsibility under the *Shipping and Pilotage Act 1967*.

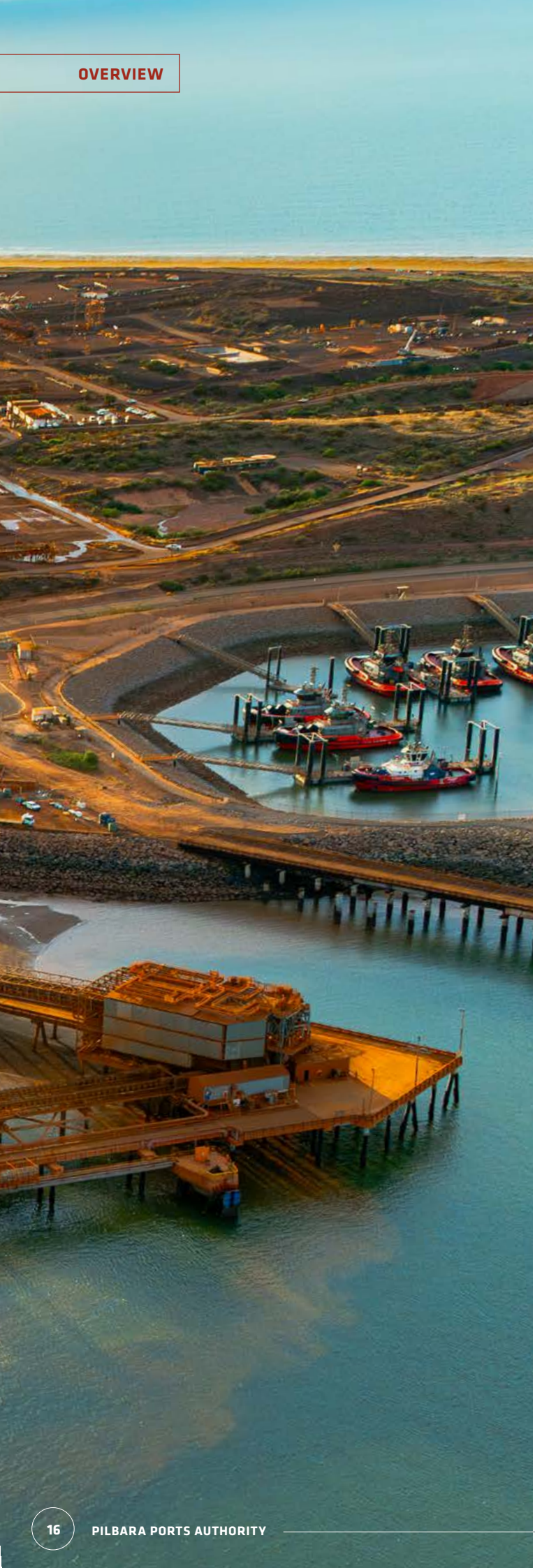
On 2 December 2022, the Port of Cape Preston West was declared to be a port under the *Port Authorities Act 1999*. Construction works at this port commenced during the reporting period.

Pilbara Ports also facilitates port-related industries by leasing and licensing land to third parties. As of 30 June, a total 1,645 hectares of land was leased to more than 40 port users.



Port of Port Hedland

- 🏠
- OVERVIEW
- PERFORMANCE
- DISCLOSURES AND LEGAL COMPLIANCE



Hunt Point tug haven, Port of Port Hedland

Shared responsibilities

Pilbara Ports has shared responsibilities with numerous Federal and State Government agencies in relation to certain activities at its ports. It oversees marine safety and port security, cooperating with Commonwealth Government agencies responsible for customs, quarantine and marine safety. It also has obtained First Port of Entry status for the ports of Port Hedland and Dampier and has been approved by the Department of Agriculture, Fisheries and Forestry to undertake certain biosecurity inspections for cargo arriving at the Port of Port Hedland. This includes rural tailgate inspections on containers, and an approval to handle chilled meat products in reefer containers. Dampier and Ashburton ports will seek similar approvals in 2023-24.

Role and legislative framework

Pilbara Ports operates as a Government Trading Enterprise (GTE) and is governed under the *Port Authorities Act 1999* (WA) (PA Act) and the *Government Trading Enterprises Act 2023* (WA) (GTE Act). Read together, the PA Act and the GTE Act define a clear role for all GTEs and establish lines of accountability and reporting to the State Government.

Under the GTE Act, Pilbara Ports' stated purpose is to advance the public benefit through the performance of its functions.

Its functions are outlined in the PA Act and include to:

- facilitate trade within and through the port and plan for future growth and development of the port;
- undertake or arrange for activities that will encourage and facilitate the development of trade and commerce generally for the economic benefit of the State through the use of the port and related facilities;
- control business and other activities in the port or in connection with the operation of the port;
- be responsible for the safe and efficient operation of the port;
- be responsible for maintaining port property;
- be responsible for port security; and
- protect the environment of the port and minimise the impact of port operations on that environment.

Pilbara Ports must perform these functions:

- consistent with its stated purpose;
- in accordance with the powers afforded to it under the PA Act;

- to endeavour to achieve Government policy objectives set out in policy orders;
- in accordance with prudent commercial principles; and
- in accordance with its ministerially approved statement of expectations and annual performance statement.

Pilbara Ports operates as a commercialised entity with an independent Board of Directors reporting to the Minister for Ports. The Board comprises up to nine directors, including a Chair. Its authority is to perform the functions of the port authority, determine its policies and control its affairs.

In exercising its authority, the Board recognises its overriding responsibility to act honestly, fairly and diligently, and in accordance with the law, in serving the interests of Western Australia, its employees, port users and the community.

Pilbara Ports is entitled under the GTE Act to establish a subsidiary to assist in the performance of any of the statutory functions. In November 2020, the State Government approved the PHVBS, a voluntary scheme to acquire residential properties in the West End of Port Hedland. The PHVBS supports a cap and reduction of the permanent residential population of the West End area covered by Port Hedland West End Improvement Scheme 1 and provides for the development of a maritime precinct.

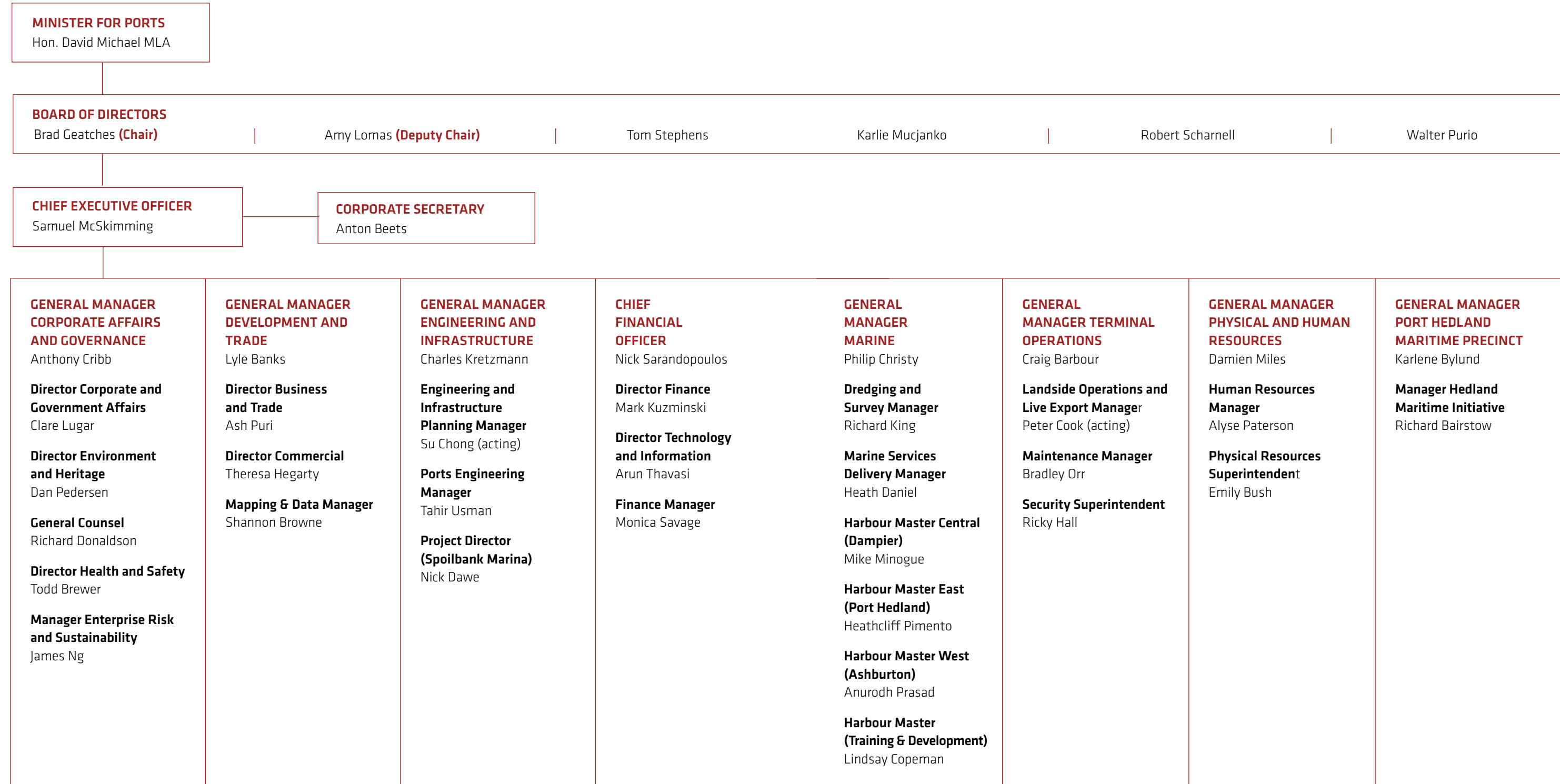
The PHVBS is administered by HMI, which is a wholly owned subsidiary of Pilbara Ports, operated as permitted under the GTE Act and as a corporatised entity under the *Corporations Act 2001*.

HMI operates with a Board of Directors reporting ultimately to the Minister for Ports. The Board comprises of between two and six directors, including a Chair. It oversees the activities of HMI.



ORGANISATIONAL STRUCTURE

As of 30 June 2023





Tug pens, Port of Ashburton

BOARD OF DIRECTORS



CHAIR
Brad Geatches
BComm, MAICD

Mr Geatches was appointed to the Board in May 2019 and was reappointed for a term ending 30 June 2024. Mr Geatches brings more than 30 years' senior executive experience in underground mining, airports and seaports. From 2007 to 2016, he was Chief Executive Officer of Perth Airport Pty Ltd. Previous roles included CEO of Cairns Port Authority and CEO of Powercoal Pty Ltd. Mr Geatches currently sits on the boards of Brisbane and Canberra airports, and MATES in Construction WA, a suicide prevention charity.



DEPUTY CHAIR
Chair of the Board Finance and Technology Committee
Amy Lomas
BEcon (Hons), MAICD

Ms Lomas was appointed to the Board in July 2018 and was reappointed for a term ending 30 June 2024. Ms Lomas was appointed as Deputy Chair in January 2022. She has a deep understanding of the Western Australian economy accumulated across more than 20 years working in consulting and public sector roles. She is a partner in PwC Australia's Integrated Infrastructure team.



DIRECTOR
Chair of the Board Organisational Development Committee
Karlie Mucjanko
BA, MBA(Exec), MAICD

Ms Mucjanko was appointed to the Board in October 2020 and was reappointed for a term expiring 30 June 2025. She is an experienced company executive and non-executive director, specialising in strategic communications, social licence and stakeholder relations. Ms Mucjanko spent most of her career in agribusiness including a decade as a senior executive with CBH Group. She is also a Director of Intergrain and the Australian Export Grains Innovation Centre.



DIRECTOR
Walter Purio
Master Mariner, BSc, MBA, GAICD

Captain Purio was appointed to the Board in January 2022 for a term expiring on 31 December 2023. Captain Purio spent 35 years at sea, including time with the US Navy and holds various executive and non-executive roles including as the Chair of Governors for Leeuwin Ocean Adventures Foundation and the Chair of the Asia Pacific committee for the Society for Gas as a Marine Fuel since 2021.



DIRECTOR
Chair of the Board Risk, Safety and Sustainability Committee
Robert Scharnell
BSc Eng, MAICD

Mr Scharnell was appointed to the Board in July 2021 and was reappointed for a term ending 31 December 2024. He has more than 30 years' global experience within the resources and maritime sectors, including engineering, project management, business strategy, operations and governance. He was a nominee director of the Marine Preservation Association which oversees the USA's largest oil spill response organisation. Rob is also a General Committee member for Royal Perth Yacht Club, Inc.



DIRECTOR
Tom Stephens
BA (ANU), OAM, JP, GAICD

Mr Stephens was appointed to the Board in August 2020 and was reappointed for a term expiring 30 June 2025. He served in the WA Parliament from 1982 to 2013, holding various portfolios including Housing and Works, Regional Development, Local Government and Heritage. Since retiring from Parliament, he has maintained his strong focus on regional and Indigenous communities and served on a range of boards and committees. He is Chair of the WA Geographical Names Committee, a member of the WA Regional Development Trust and a Director of the Jamukurnu Yapalikurnu Aboriginal Corporation.



EXECUTIVE TEAM



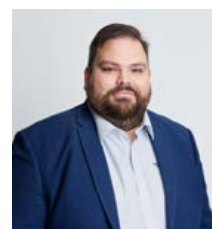
CHIEF EXECUTIVE OFFICER
Samuel McSkimming
BA LLB (Hons) MAICD

Mr McSkimming was appointed CEO of Pilbara Ports Authority in May 2023. He has extensive experience in leading all aspects of multi-user bulk infrastructure, including in operations, marketing, commercial negotiation, and corporate affairs. Prior to joining Pilbara Ports, Mr McSkimming was in an executive general management role in bulk export railroads. Mr McSkimming has a background in competition law and regulatory economics, and has studied at Harvard Business School and the University of New South Wales, where he obtained a Bachelor of Arts/ Bachelor of Laws (Hons).



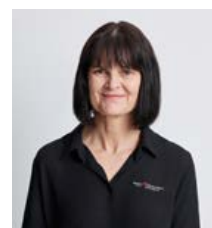
GENERAL MANAGER DEVELOPMENT AND TRADE
Lyle Banks
BEng(Hons), MLaw,
Grad Dip Bus, GAICD

Mr Banks joined Pilbara Ports in 2013 and is responsible for business development, industrial lands, port planning, commercial contracting and service provider licensing across all port sites. He has 35 years of national and international experience in port planning, approvals and development in the private and public sectors and managed several port expansion projects before joining Pilbara Ports. He has chaired Port Hedland Industries Council since 2019.



GENERAL MANAGER TERMINAL OPERATIONS
Craig Barbour
BSc, Assoc Dip Port MGMT, TechIOSH

Mr Barbour was appointed to join Pilbara Ports as General Manager Terminal Operations in August 2022. Prior to this, he held several senior roles at Associated British Ports, including General Manager at the Port of Southampton. He is knowledgeable about port management, including containers, roll on/roll off, break bulk and bulk material operations, including rail, and experienced in safe and efficient execution of terminal operations, maintenance and security, with a focus on customer service and productivity.



GENERAL MANAGER PORT HEDLAND MARITIME PRECINCT
Karlene Bylund
B.Comm, Assoc Dip Accounting,
Dip Project Management, GAICD

Ms Bylund joined Pilbara Ports in March 2010 and served in property and commercial management roles before being appointed Director Commercial from October 2017. In June 2020 she was appointed to lead HMI. Ms Bylund has extensive experience in commercial management and corporate governance, including critical infrastructure and service provider projects.



GENERAL MANAGER MARINE
Philip Christy
Master Mariner

Mr Christy joined Pilbara Ports in January 2021. Mr Christy's marine career spans more than 30 years. He served in the British Merchant Navy for a decade before moving to Associated British Ports where he remained for nearly 20 years with the Humber Harbour Authority. He served as marine pilot and then Harbour Master for a range of ports including the UK's largest port by tonnage.



GENERAL MANAGER CORPORATE AFFAIRS AND GOVERNANCE
Anthony Cribb
BA, LLB, MAICD

Mr Cribb joined Pilbara Ports in 2019 and has more than 25 years' experience as a senior executive in national energy infrastructure businesses and in the upstream oil and gas sectors. He has significant experience in risk management and corporate governance functions, including legal, access regulation, enterprise risk management, risk and assurance, OHS and environment and heritage, in listed and unlisted companies. He has acted as company secretary and held directorships.



GENERAL MANAGER ENGINEERING AND INFRASTRUCTURE
Charles Kretzmann
BSc (Civil Engineering), BComm,
Grad Dip Env Management

Mr Kretzmann joined Pilbara Ports in 2017, bringing more than 30 years' experience as a civil engineer in the public and private sectors. He has worked on large infrastructure and services projects, refurbishment and retrofitting programs, and strategic water and wastewater programs as a design consultant, project director and program manager.



GENERAL MANAGER PHYSICAL AND HUMAN RESOURCES
Damien Miles
MEthics&LegStud(Bus),
BSW (Hons), Grad Cert IHS,
Adv Dip Mgt

Mr Miles has held senior management positions in Western Australian ports since 2007 and was the Director responsible for the Pilbara Ports amalgamation. He has 25 years' experience in the human resources and human services sectors. In 2016, he was awarded the Human Resource Management Practitioner of the Year Award from the WA Institute of Public Administration Australia.



CHIEF FINANCIAL OFFICER
Nick Sarandopoulos
B.Comm, CA, Grad Dip App Fin,
MBA, GAICD

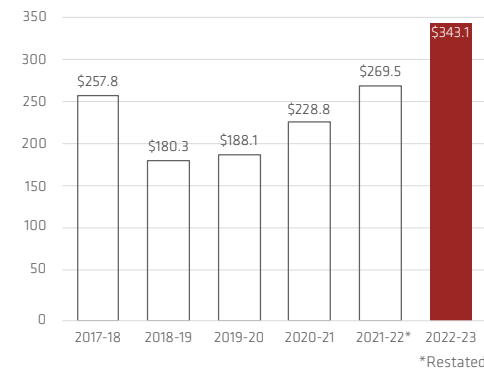
Mr Sarandopoulos joined Pilbara Ports in August 2014. He is an experienced financial professional with extensive financial, treasury and commercial management expertise, having held senior executive roles with ASX-listed companies for more than 25 years. Mr Sarandopoulos was the WA Institute of Public Administration Australia's Finance Practitioner of the Year in 2018 and CFO of the Year in 2020.



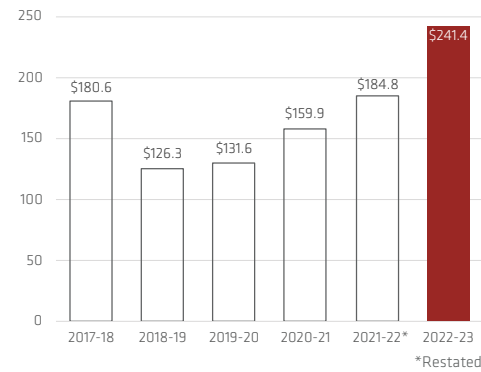
PERFORMANCE HIGHLIGHTS

Financial performance

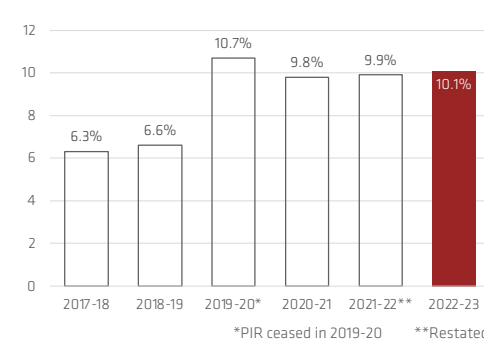
Profit before income tax (million)



Net profit after tax (million)

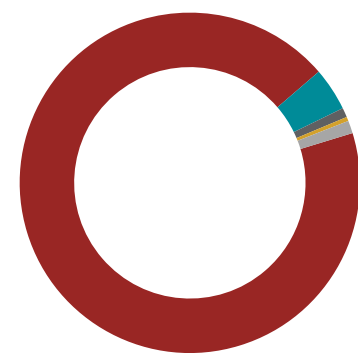


Return on assets excluding port improvement rate (PIR)

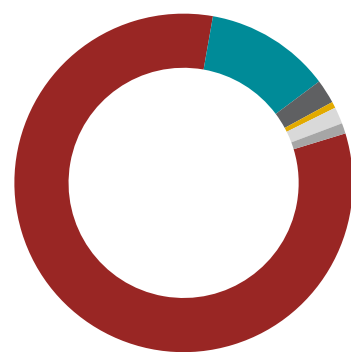


Throughput by commodity 2022-23

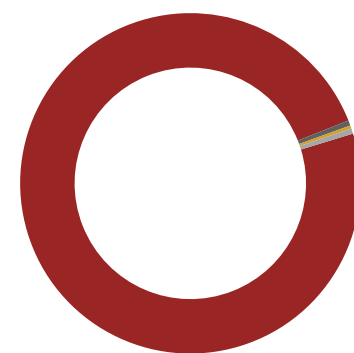
Pilbara Ports' total throughput by commodity %



Port of Dampier by commodity %

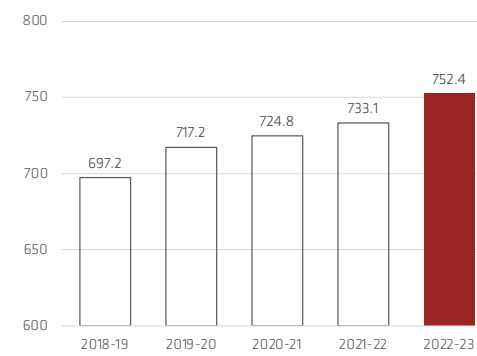


Port of Port Hedland by commodity %

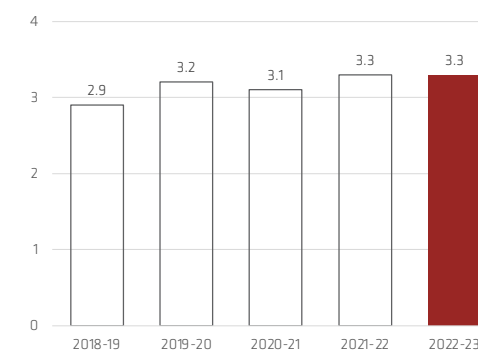


Throughput by tonnage (Mt)

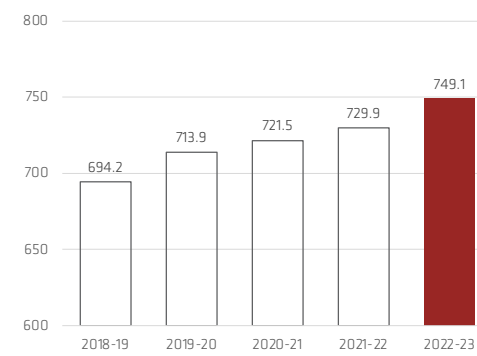
Total throughput Pilbara Ports



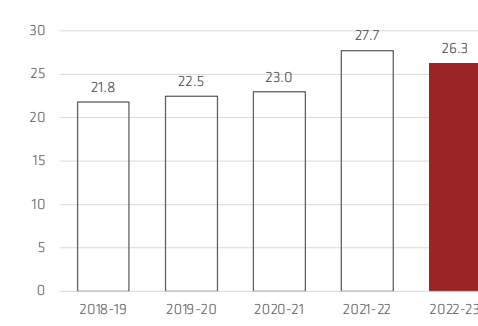
Total imports



Total exports

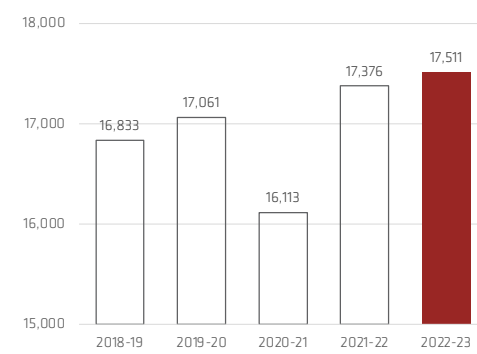


Throughput across the berths at the Port of Port Hedland

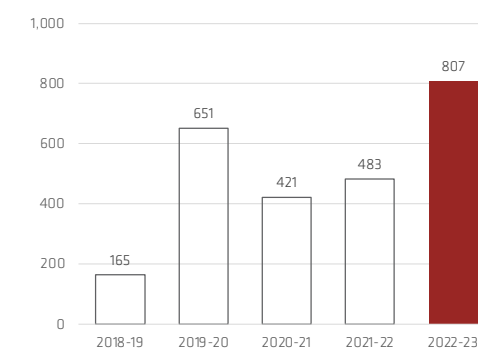


Vessel movements

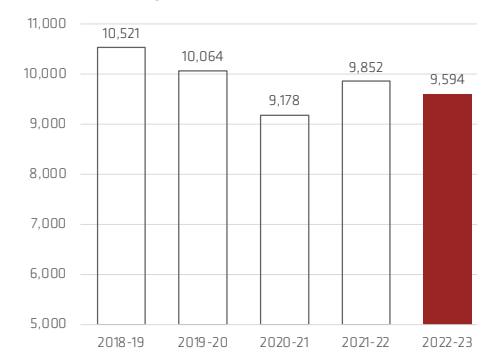
Total vessel movements



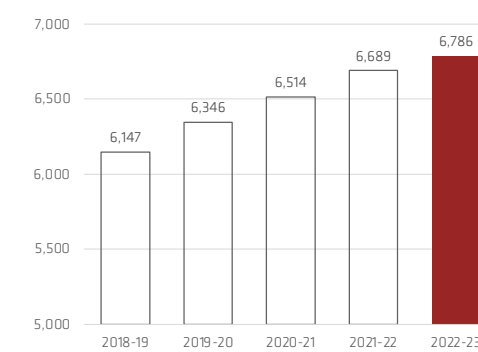
Port of Ashburton



Port of Dampier



Port of Port Hedland



The Port of Varanus Island, which transferred to Pilbara Ports management on 1 July 2022, facilitated 324 vessel movements in 2022-23, compared to 352 vessel movements in 2021-22.



KEY BUSINESS RESULTS

ECONOMIC RESULTS

FINANCIAL	FY TARGET	FY RESULTS
Rate of return on assets (%)	11.9	10.1
Economic rate of return (%)	12.0	10.5
EBITDA (\$ million)	485.9	425.1
Debt to equity ratio	0.38	0.31

TRADE RESULTS

PORT TRADE (MT)	FY TARGET	FY RESULTS
Port of Dampier	170.7	174.0
Port of Port Hedland	580.4	566.5
Total port trade	762.3	752.4

VESSEL VISITS	FY TARGET	FY RESULTS
Port of Ashburton	195	224
Port of Dampier	3,011	3,059
Port of Port Hedland	3,357	3,289
Port of Varanus Island	5	160
Total vessel visits	6,568	6,732

SYSTEMS AND INDUSTRY BEST PRACTICE

	FY TARGET	FY RESULTS
Lost Time Injury Frequency Rate	2.02	2.08
Environmental Protection Notices, s 65, Environmental Protection Act 1986 (WA)	0	0

COMMUNITY ENGAGEMENT AND CUSTOMER SATISFACTION

	FY TARGET	FY RESULTS
Number of Community Consultation Committee meetings held	8	8

EMPLOYEE ENGAGEMENT

GALLUP (%)	FY FORECAST	FY ACTUAL
Participation	85%	89%
Active engagement (AU avg. 42%)	50%	48%
Active disengagement (AU avg. 13%)	7%	7%



John Freimanis, Project Manager Spoilbank Marina



PERFORMANCE

Performance framework	30
Performance against 2022-23 State Government goals	32
Performance of strategic initiatives	34
Sustainability Framework	34
People	36
Resilience and Prosperity	42
Partnerships	54
Planet	68

Peter Cook, Acting Landside Operations Manager, Ariana St Pierre, Stakeholder Engagement Advisor



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE



Port of Port Hedland



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

PERFORMANCE FRAMEWORK

Pilbara Ports Authority's performance is aligned to four strategic themes.

These strategic themes, **People, Resilience and Prosperity, Partnership, and Planet**, reflect Pilbara Ports' approach to achieving sustainable operations, reflected in our Sustainability Framework. The strategic issues under each theme inform strategic and business planning processes, ensuring sustainability is incorporated into every part of the organisation.

Our story:

It all starts with **people and culture...**

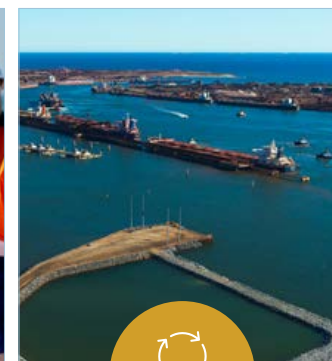
...who are a part of a **resilient and evolving** organisation...

...**partnering** to create better outcomes...

...to create a net positive for the **planet**.



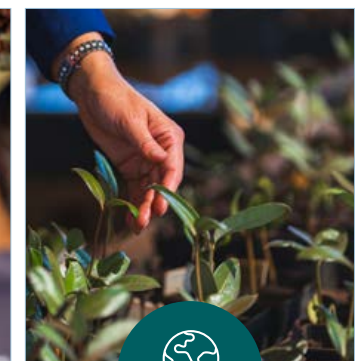
PEOPLE



RESILIENCE
& PROSPERITY



PARTNERSHIPS



PLANET

PERFORMANCE AGAINST 2022-23 STATE GOVERNMENT GOALS

Pilbara Ports' strategic initiatives in 2022-23 supported the State Government's goals of:

- 1. Strong and sustainable finances**
Responsible, achievable, affordable budget management.
- 2. WA Jobs Plan**
Diversifying the WA economy, creating local jobs for the future.
- 3. Safe, strong and fair communities**
Supporting our local and regional communities to thrive.

- 4. Investing in WA's future**
Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.

The following tables illustrate how Pilbara Ports' strategic initiatives align with the State Government's goals. Further information about these results are provided in the performance of strategic initiatives section.

ALL FOUR PILBARA PORTS' THEMES	STATE GOVERNMENT GOALS			
	1	2	3	4
Sustainability Framework	•	•	•	•

PEOPLE	1	2	3	4
	Enhance work health and safety			•
Fitness for work: mental health and wellbeing			•	
Diversity and inclusion		•		
Training and development:		•	•	•
• Youth Training Strategy				
• Internal leadership and management capability				

RESILIENCE AND PROSPERITY	1	2	3	4
Lumsden Point Bulk Handling Facility	•	•		•
Port of Ashburton Development	•	•	•	
Future greenfield ports	•	•		
Use data smarter		•		
Develop marine pilotage capability		•	•	
COVID-19 Recovery Plan projects	•	•		
• Port Hedland inner harbour revetment and sea wall upgrade				
• Nelson Point tug haven revetments				
• Nelson Point tug haven outer wall				
Dampier Cargo Wharf Projects	•	•	•	•
Port Hedland sustaining infrastructure projects	•	•		
Direct shipping to and from the Pilbara and associated services	•	•	•	•
Increase cruise ship visits and promote the Pilbara in the cruise industry			•	•
Integrate Shipping and Pilotage Act ports	•	•		
Develop Utah optimisation plan	•	•		
Review and further enhance the Security Strategy		•	•	
Implement GTE Act reform into processes and systems	•	•		

PARTNERSHIPS	1	2	3	4
Support local jobs and businesses		•	•	
• Aboriginal Procurement Policy				
• WA Industry Participation Strategy (WAIPS)				
• Buy Local Policy and regional content				
Deliver Spoilbank Marina and plan for management and operation	•	•	•	•
Revitalise Port Hedland's West End	•	•	•	•
• Hedland Maritime Initiative				
• PHVBS: Expressions of interest and acquisitions				
• Port Hedland Maritime Precinct				
Build strategic partnerships with ports worldwide		•	•	
Listen to our stakeholders		•	•	•
Engage with our community		•	•	•
Cultural heritage and engagement			•	•
• Cultural heritage management plan				
• Aboriginal Engagement and Reconciliation Plan				

PLANET	1	2	3	4
Support green industry	•	•	•	•
Investigate opportunities for ammonia bunkering		•		•
Care for our environment		•	•	•
Develop and implement Net Zero Transition Plan		•	•	•



PERFORMANCE OF STRATEGIC INITIATIVES

Sustainability Framework

Pilbara Ports Authority's Sustainability Framework outlines 78 initiatives for implementation.

These initiatives focus on 10 material issues that stakeholders have identified as most relevant to being a sustainable organisation. To align these issues with Pilbara Ports' strategic planning framework, these 10 material issues have been mapped under each key strategic theme.



Scan the QR code to learn more about our Sustainability Approach

Sustainability Approach 2021 to 2023

THEME	MATERIAL ISSUE	NUMBER OF INITIATIVES
People	1. Workplace health and safety	4
	2. Employee wellbeing	10
	3. Attraction and retention	7
Planet	4. Environment, biodiversity and habitat protection	8
	5. Biosecurity	7
	6. Climate change	9
Prosperity	7. Cyber security	9
	8. Port efficiency	8
	9. Robust governance and risk management	4
Partnerships	10. Stakeholder engagement (incl. cultural and heritage)	12

Over the last two years, working groups met quarterly to progress and monitor the implementation of these initiatives.

A biennial review of the Sustainability Framework has been undertaken, with the following progress achieved:

- 42 projects completed
- 27 projects in progress
- 9 projects not started

Some of the highlights include:

- implementation of staff inclusion and mental health and wellbeing initiatives;
- preparation of habitat maps for the ports of Port Hedland, Dampier and Ashburton to better protect environmentally significant areas;

- enhancing of cybersecurity capabilities;
- development of a Diversity and Inclusion Plan;
- implementation of a mental health and wellbeing working group; and
- report on the physical impacts of climate change.

More details on these initiatives are outlined in subsequent sections of this report.

Sustainability Approach 2023 to 2025

THEME	MATERIAL ISSUE
People	1. Workplace health and safety
	2. Talent attraction and retention
	3. Employee wellbeing
	4. Strategic leadership (customer focus)
Planet	5. Environmental protection (biodiversity and habitat protection)
	6. Climate change
Prosperity	7. Cyber security
	8. Port efficiency
	9. Regional prosperity
Partnerships	10. Stakeholder engagement
	11. Indigenous engagement

Working groups for each of these 11 issues are reviewing prioritised initiatives and targets to support and measure progress.



PEOPLE



Marina Sura, Landside Operations Coordinator

Enhance work health and safety

Safe operations within its ports is the top priority of Pilbara Ports.

In 2022-23, Pilbara Ports recorded a lost time injury frequency rate of 2.08, higher than its target of 2.02. Five lost time injuries occurred, with all employees fully supported with their recovery and able to return to their normal work activities. The total recordable injury frequency rate improved to 6.25, compared to 6.55 in 2021-22.

Improving safety performance is a key focus area in the year ahead. This is core to Pilbara Ports' absolute commitment to be a safe organisation for its communities and employees.

Seven significant incidents were recorded, a reduction from the 10 incidents in 2021-22. A significant incident refers to an event that has the potential to cause a disabling injury or fatality. A detailed investigation is conducted into each of these incidents to understand root causes and contributing factors and to identify improvement actions. The Executive, Board, and Risk Safety and Sustainability committees discuss and review these incident investigations as part of continuous improvement activities.

To measure Pilbara Ports' work health and safety performance, both lead and lag performance indicators are regularly monitored. As a result of targeted improvements,

the number of hazard reports raised by employees significantly increased, and incident investigations were efficiently closed.

A new indicator introduced for 2022-23 was tracking the number of control verification checks (CVC) and job hazard analysis (JHA) quality checks; CVCs assess whether critical safety controls relating to high risk activities are in place, while JHA quality checks foster discussions to improve risk awareness, hazard assessment and control. Pilbara Ports' online event and hazard reporting system, CGR, was expanded to facilitate the recording of these checks, providing enhanced visibility into safety performance.

The information from CGR is used to create dashboards, empowering business leaders to proactively raise issues with their teams and make informed decisions.

The modernised work health and safety laws introduced into Western Australia in 2022, require officers of Pilbara Ports to exercise due diligence in ensuring compliance with health and safety duties. In anticipation of these laws, and upon their commencement, officers were provided with training and a package of guidelines and checklists to support them in fulfilling their responsibilities.





Amirah Waihi, Marine Cadet

Fitness for work: mental health and wellbeing

In recent years, Pilbara Ports has increased its focus on psychosocial risks for employees, including implementing a program to safeguard employee welfare.

In May 2023, an independent auditor was engaged to review our approach, which included mental health and wellbeing training, a mental health and wellbeing working group, workplace mentors, an integrated diversity and inclusion plan, as well as specific workplace conditions such as flexible work, return to work plans, and leave allowances.

“There is a genuine focus on mental health and wellbeing in the workforce, where people and culture are key pillars of Pilbara Ports Authority’s strategic framework and these values are reflected in how employees feel about Pilbara Ports.”

- Ernst & Young

Training has increased awareness of mental health and wellbeing among Pilbara Ports’ workforce. Employees understand the importance of building a mentally safe and healthy workplace is central to our culture. Line managers are also aware of how to assess and manage relevant risks. The audit noted that key workplace health and safety policies and procedures already include an express recognition of psychosocial risk where appropriate, and mental health and wellbeing risks are managed, including suitable controls.

Diversity and inclusion

Pilbara Ports is committed to advancing an inclusive and productive workplace culture where people are valued and respected.

The Diversity and Inclusion Plan has focused on building frameworks and programs that support an inclusive workplace culture. It supports equal employment opportunity (EEO) and a work environment that is free from racial, sexual and any other forms of harassment. It also includes actions that ensure the workplace is free from employment practices that are biased or discriminate unlawfully against employees or potential employees. The aims of the plan are supported by a Diversity and Inclusion reference group as well as the broader Including You @ PPA working group. Membership of the groups is drawn from all sites and business areas.

During the reporting period, the Diversity and Inclusion reference group has focused on developing a new Diversity and Inclusion Plan. The new plan will be published in 2023-24. The plan is informed by the Western Australia Public Sector Commission’s Workforce Diversification Strategy 2020 – 2025, and includes the twin goals of workforce diversification and workforce inclusion.

During 2022-23, Pilbara Ports has:

- developed pathways to improve Aboriginal employment and education through formal partnership and engagement with the Clontarf Foundation;
- increased youth development, by creating three additional youth training roles;
- delivered Working with Respect training to all new employees with existing employees retaking an updated program every two years;
- improved the Inclusive Recruitment and Selection Procedure with revised selection principles focused on quality, diversity and future fitness;
- provided inclusion based training for all employees and the Board;
- undertaken career planning initiatives for talented females through leadership programs, internal promotion, development roles and acting opportunities;



Leizyl Niddrie, Administration Officer – Marine Operations

- continued involvement in industry interagency knowledge sharing groups;
- provided numerous work experience and training opportunities for young people;
- promoted cultural and inclusion events such as International Women’s Day, International Day for the Elimination of Racial Discrimination, National Reconciliation Week, and Pride Month; and
- sponsored employees to attend diversity and inclusion events, EEO training, and provided organisational access to Diversity Council Australia.

Our people

43%
are **women**

23%
from **culturally diverse backgrounds**

8
employees identify as **Aboriginal**

6
employees have some form of **disability**

32
different **countries of origin**

34
different **languages** are spoken



Training and development

Youth Training Strategy

Pilbara Ports' Youth Training Strategy is part of its commitment to regional prosperity, providing learning and employment opportunities for Pilbara-based youth.

Many of the youth training opportunities offered by Pilbara Ports feature in the top 20 occupations in demand nationally, including information communications technology, engineering, metal fitters and electricians.

During the reporting period, 27 youth training opportunities were provided that included seven marine cadets, three graduates, four apprentices, four trainees and nine school-based trainees. While the young people who receive development at Pilbara Ports may choose to seek new adventures at the end of their training, one graduate and a trainee moved into permanent positions this financial year.



Scott Thomas, trainee; Malcolm Mackenzie, Mechanical Supervisor

CASE STUDY

Once in a lifetime training opportunity for marine cadet

Brodie Ninness, Pilbara Ports' sixth marine cadet, became the first to complete pre-sea training overseas.

Brodie, who graduated from high school in Karratha in 2021, spent five weeks during October and November 2022 at the Anglo Eastern Maritime Academy in the Indian town of Karjat, 60 kilometres south-east of Mumbai, completing the Deck Cadet Enhancement course.

He was the first marine cadet who was able to travel to India as COVID-19 restrictions prevented other cadets travelling previously.

"The course was aimed at ensuring cadets understand safety procedures under Anglo Eastern's ship management and Rio Tinto's management as the ship owners," Brodie said.



Brodie Ninness, Marine Cadet, with Indian marine cadets

"My experience in India was great and all the cadets were very welcoming."

Following this, Brodie did his first six-month stint at sea with the Anglo Eastern and Rio Tinto teams.

Internal leadership and management capability

Pilbara Ports' Leadership Program is a key means of investing in its organisational leadership capability.

The program seeks to meet or better the gender representation and cultural diversity targets set by the WA Public Sector Commission.

The two-year structured program is designed to ensure participants receive contemporary leadership development that practically assists them to meet their day-to-day challenges, while also building their theoretical knowledge and approach to longer term goals. Each participant receives a personalised leadership development plan that takes account of their experience, motivation, and interests, to deliver internal and external development opportunities.

Pilbara Ports draws on external organisations such as the Committee for Economic Development of Australia, Australian Institute of Company Directors, Institute of Public Administration Australia, and Leadership WA. Internally, participants are provided with opportunities to learn from experienced leaders within the organisation, as well as take part in group activities and forums designed to build capability across leadership areas.

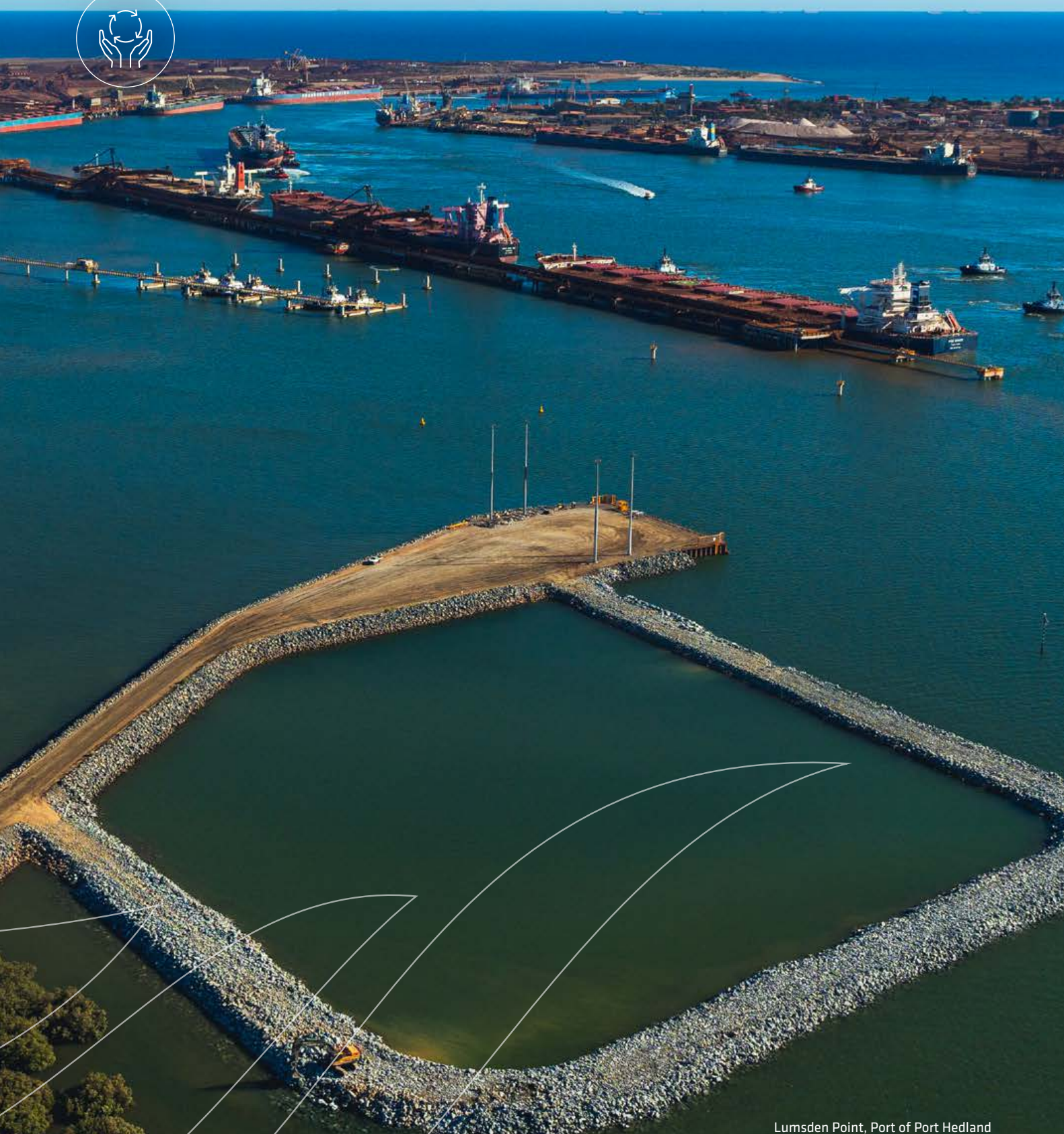


OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

RESILIENCE AND PROSPERITY



Lumsden Point, Port of Port Hedland

Lumsden Point Bulk Handling Facility

Pilbara Ports is progressing the development of a new multi-user facility and logistics hub at Lumsden Point in the Port of Port Hedland.

The Lumsden Point development will facilitate the export of battery metals such as lithium and copper concentrates, the import of renewable energy infrastructure including solar panels, wind turbines and blades, as well as support the growth of direct shipping services to the Pilbara.

The Commonwealth Government is investing \$565 million to support common user port upgrades in the Pilbara, part of which will enable the development of Lumsden Point.

This is in partnership with the Western Australian Government, which has committed \$129.1 million to the project on top of the more than \$150 million already invested by industry.

Lumsden Point forms part of the Pilbara Hydrogen Hub initiative, supporting the transition to renewable energy and decarbonisation of the resource industry.

The Commonwealth and State governments have committed \$36 million for road upgrade works at Lumsden Point to enable wind turbine and renewable energy project requirements to be directly imported into the Pilbara.

In January 2023, work began on the construction of the seawalls at Lumsden Point, which is being funded by the WA Government. The seawalls are an important first step to enable the project to progress.

The ultimate Lumsden Point development will include dredging of channel access and turning basins, construction of two new multi-user berths, and a central access road and service corridor connecting to Great Northern Highway, enabling private sector investment in a landside logistics hub.

This port expansion will help to position Port Hedland at the forefront of future green industries, helping drive WA's transition to renewables, unlocking trade and investment opportunities and creating hundreds of new jobs.

CASE STUDY

Investment to boost engine room of Western Australia's economy

Work is now under way on a major project that will expand port capacity in the Pilbara and support the growth of renewable industries in Australia, unlocking trade and investment opportunities, creating hundreds of new jobs, and helping drive Australia's Net Zero future.

The latest economic impacts assessment for Lumsden Point states that it is expected to boost Australia's gross domestic product by \$2.1 billion per annum, and generate a 34-fold increase in full time jobs (up to 3,500 jobs per annum by 2054-55) over the life of the project. It is expected to save 3.6 million tonnes of emissions by 2055 by supporting direct shipping to the Pilbara and providing a pathway for renewable energy infrastructure.

Growing the capacity of Pilbara Ports has been identified by Infrastructure Australia as a national infrastructure priority.

"Demand is growing locally and overseas for clean energy sources and our government's investment in the Lumsden Point expansion will help position Northern Australia to take advantage of the economic opportunities this demand presents," Prime Minister Anthony Albanese said.



Mark McGowan, former Premier of Western Australia; Anthony Albanese, Prime Minister of Australia; Kevin Michel, Member for Pilbara



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

Port of Ashburton Development

There were several projects under way and completed throughout the financial year at the Port of Ashburton.

Maintenance facility shed

Construction of a new maintenance facility shed was completed in December 2022. The new facility will provide an improved area for maintenance activities, a general storage area for oil spill response equipment, firewater and potable water systems, ablution block and an adjacent wash pad. The shed's services are powered by a 40-kilowatt solar panel system mounted on its roof as part of Pilbara Ports' commitment to sustainability.

Sand bypassing

A condition of environmental approvals to operate the port is to address impacts arising from port facilities on coastal processes in the area, mainly the shipping channel, Ashburton Cargo Wharf (ACW) and ACW breakwater.

One of the measures requires Pilbara Ports to undertake a sand bypassing campaign when the volume of sand that accumulates on one side of the ACW exceeds a stipulated amount. The campaign aims to mimic natural longshore sediment transport processes from the western side to the eastern side of the ACW. Campaigns have previously been conducted in 2019 and 2021, using a 'dig and dump' method to move 80,000m³ of sand. In February 2022, a study to determine the most cost-effective option for sand bypassing activities was undertaken. That study concluded that a 'dig and pump' solution was the most optimal solution.

The 2023 campaign and project scope will involve sand bypassing works via a sand slurry pipeline.

During the execution of this campaign, Pilbara Ports will gain knowledge in terms of productivity, efficiency and optimisation for future sand bypassing campaigns, which are expected to be required every two to three years.

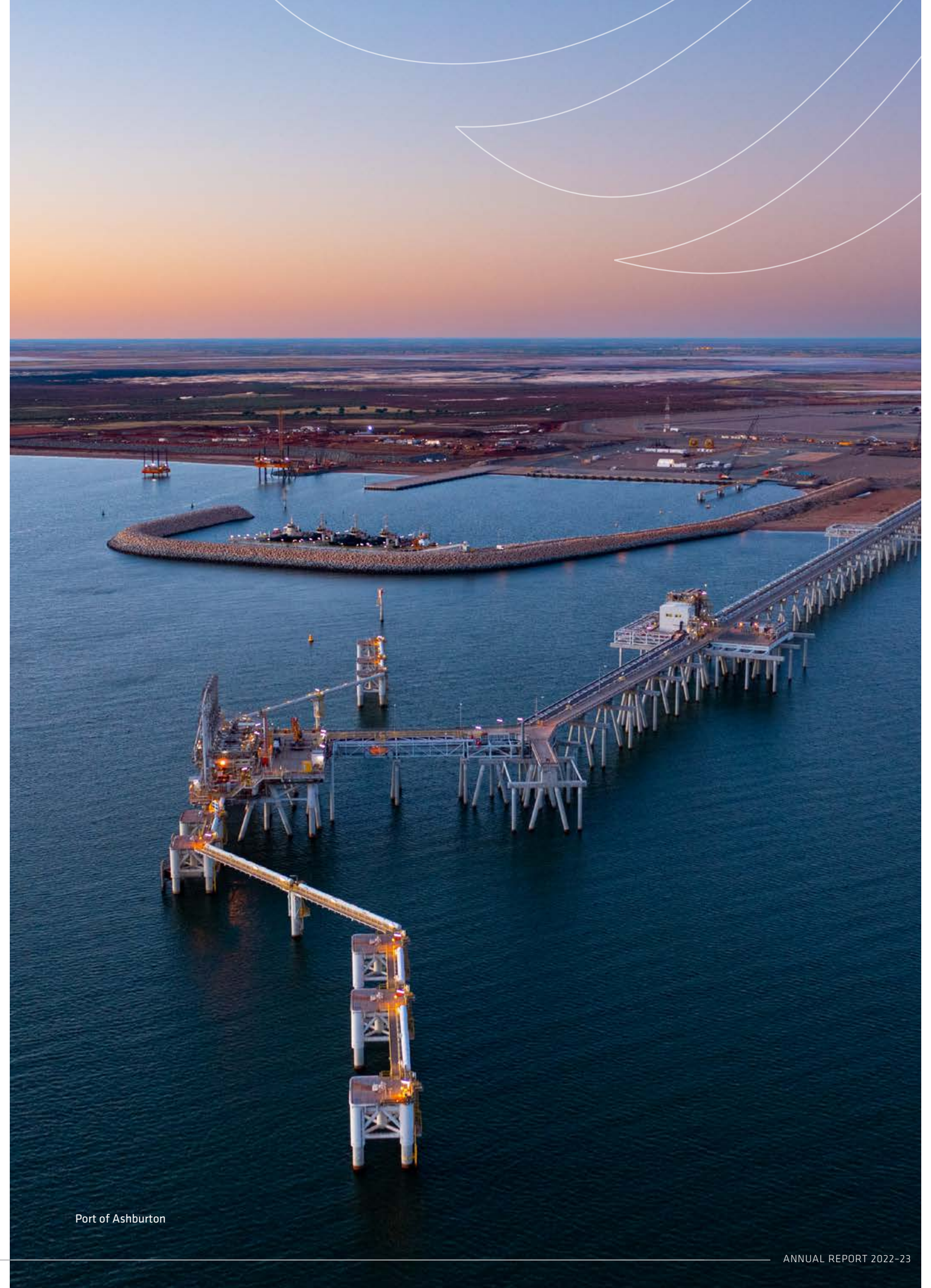
Eastern Port Precinct

As part of the Ashburton Port Master Plan, Pilbara Ports identified additional laydown areas at the eastern extents of the Port of Ashburton, totalling approximately 30 hectares of land. Mineral Resources Limited is developing stage two of this land, with the remaining stages one and three constituting the Eastern Port Precinct. The development of the precinct entails earthworks to form the embankment over which useable lots and roads will be created. It also involves the use of rock material for the construction of revetments for coastal and stormwater flood protection. The development will address the need for laydown areas and lease areas to the industry, boosting operations in the Port of Ashburton.

Port of Ashburton biosecurity

An upgrade to the existing biosecurity infrastructure will enable the port to be approved as a non-restricted First Point of Entry (FPOE), and as a Biosecurity Class 1.1 Approved Arrangement Facility. This will facilitate direct shipping into the Port of Ashburton and increase general cargo capacity at the port.

The port already partially meets the requirements for the FPOE and Approved Arrangements, however several upgrades are needed to fully satisfy the requirements. The main works involved in this project are bunding and suitable wastewater treatment and recycling for the wash bay, and fence repairs.



Port of Ashburton



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

Future greenfield ports

Pilbara Ports continues to liaise with stakeholders regarding future greenfield ports.

The port of Cape Preston West was gazetted during the reporting period and BCI Minerals commenced construction works on its solar salt project and associated port facilities.

Recognising the importance of timely development of the State's Strategic Industrial Areas (SIA), Pilbara Ports assisted the WA Government in preparing a land activation roadmap for the Anketell SIA and associated port facilities. The proposed port of Anketell is envisioned to be a multi-user port with capacity for resource commodity exports and general cargo and bulk liquid imports and exports.

Future transshipping facilities are proposed at the proposed Ports of Cape Preston East (salt), Urala (salt) and Balla Balla (iron ore).

Use data smarter

A wide range of initiatives were introduced to improve the use of data across port operations.

Key initiatives included developing a data framework, establishing a team of dedicated data professionals, and creating dashboard functionality for environment and engineering project management.

Pilbara Ports contributed to the Ports Australia Digital Twin Working Group, where a national approach was taken to define potential areas of business value for Australian ports. Port and supply chain simulation, digital asset management and holistic integration of digital operational systems were the three areas identified as having the most value for ports to invest in.



Navigating out of the Port of Port Hedland

Develop marine pilotage capability

Pilbara Ports has embarked on an internal program to enhance marine pilotage reliability.

The disruptions caused by COVID-19 highlighted to Pilbara Ports and port users the need to modify the existing approach to provision of marine pilotage. Several activities are under way to optimise marine pilotage service provision including strengthening its internal marine pilotage team.

The role of the marine pilotage team is to provide support across all ports within the Pilbara relating to regulation, marine standards and service delivery.

The marine pilotage team supports the whole of Pilbara Ports' port operational functions, specifically towage, marine pilot transfers, port research and development, support for *Shipping and Pilotage Act* ports, marine pilotage training and standards, and pilotage exemption certification and standards.

In addition, the team is committed to mentoring and supporting the domestic marine pilotage industry for the next generation of marine pilots. This includes the development and implementation of marine pilot training standards for alternative pathways into the industry. Revised marine pilotage standards will support development of WA-based marine pilotage services.

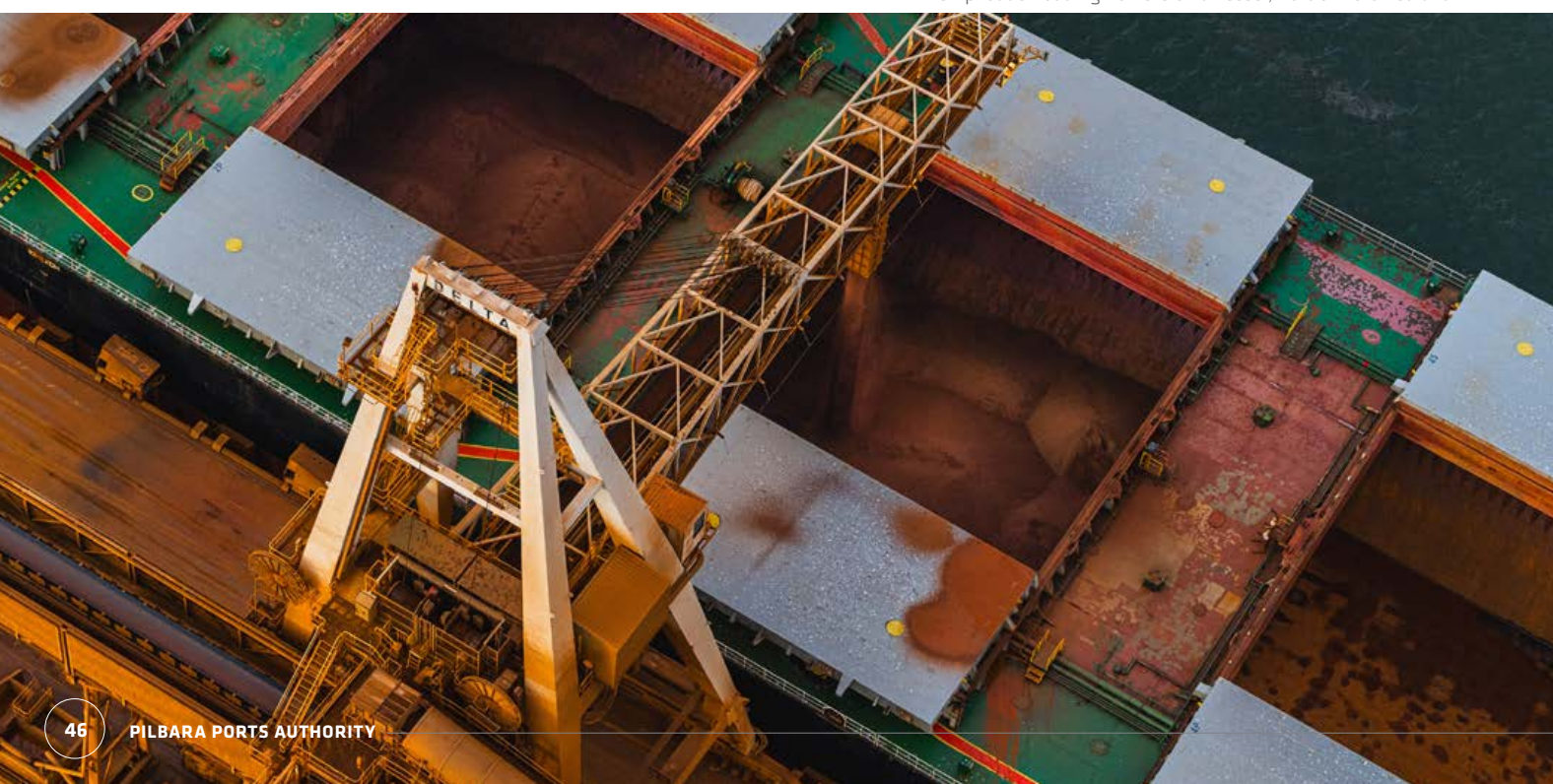
To enhance training and port development opportunities, the marine pilotage team has assisted with the development of domestic marine simulation centres, and provided ongoing support.

Other highlights include:

- marine pilot training supported by Shell Australia;
- playing a key role in the Port of Port Hedland achieving an all-time tonnage record for the month of June, with nearly 100 Pilbara Ports' marine pilotage movements completed for the month while under training;
- the development of a competency-based training program using technical and human behaviour markers;
- the competency-based training program has seen experienced Pilbara Ports pilots attain Cape Size license in approximately four months, compared to 14 months for contractor marine pilots;
- enhanced support to terminal operators;
- supporting diversity with employment of our first female pilot, which will in turn provide support and mentoring for female marine cadets;
- technical support for the Port of Onslow; and
- technical support for offshore ship to ship operations.

For the past 28 years the Port Hedland Port Authority and Pilbara Ports has relied on third party service providers to carry out many of these functions. The Pilbara Ports marine pilotage team will continue to work closely with port users, pilotage service providers and training organisations to further enhance the capacity and reliability of marine pilotage at all of its ports.

Ship loader loading iron ore on a vessel, Port of Port Hedland





Tug Haven, Port of Port Hedland

COVID-19 Recovery Plan projects

Pilbara Ports continued to deliver several projects as part of the State Government's COVID-19 Recovery Plan, which outlines the Government's vision for WA following the COVID-19 pandemic.

Port Hedland inner harbour revetments and sea wall upgrade

The Port Hedland eastern harbour revetments are being upgraded to protect against erosion and the impact of storm surge, from berth 3 (operated by Pilbara Ports) to the commercial jetty pontoons. Construction on the revetment under berth 3 was completed in 2021-22 and design works have been completed for the remaining sections during 2022-23. The tender for construction of the remaining revetments will be released early 2023-24.

Nelson Point Tug Haven revetment upgrade

The Nelson Point Tug Haven is being upgraded to stabilise the revetment affected by ageing and storm events. Austral was awarded the design and construct contract in 2021. Construction progressed and will be completed by the end of 2023.

Nelson Point Tug Haven outer wall repair

The new tug haven outer sheet pile wall has been designed to better withstand severe thunderstorms and cyclones, providing a safe and reliable asset for port users. This project also includes the replacement of the existing gangways and pontoons for tug pens 1 to 6, which are accessed from the outside wall. This will provide fit for purpose tug pens and improve functionality. The construction contract was awarded to Total AMS in March 2023 and construction will be completed next financial year.

Dampier Cargo Wharf Projects

The Dampier Cargo Wharf Projects will deliver a new multi-user facility that expands the capability of the Port of Dampier.

The project involves the delivery of the Dampier Bulk Handling Facility (DBHF), Dampier Link Bridge and Dampier Cargo Wharf Refurbishment.

The project reached an important milestone on 21 April 2023, with Perdaman Industries announcing a final investment decision had been reached on its proposed multi-billion-dollar urea plant in the Burrup Peninsula. Perdaman will be a foundation user of the DBHF.

With the certainty of the Perdaman projected demand for port services, Pilbara Ports can now move forward with the DBHF, which is the first phase of the Dampier Cargo Wharf Projects. This will be co-funded by the Federal Government through a Northern Australia Infrastructure Facility loan and funding from the Western Australian Government.

The DBHF will facilitate the export of urea. The upgraded facility will also expand the port's capability to support trade diversification.

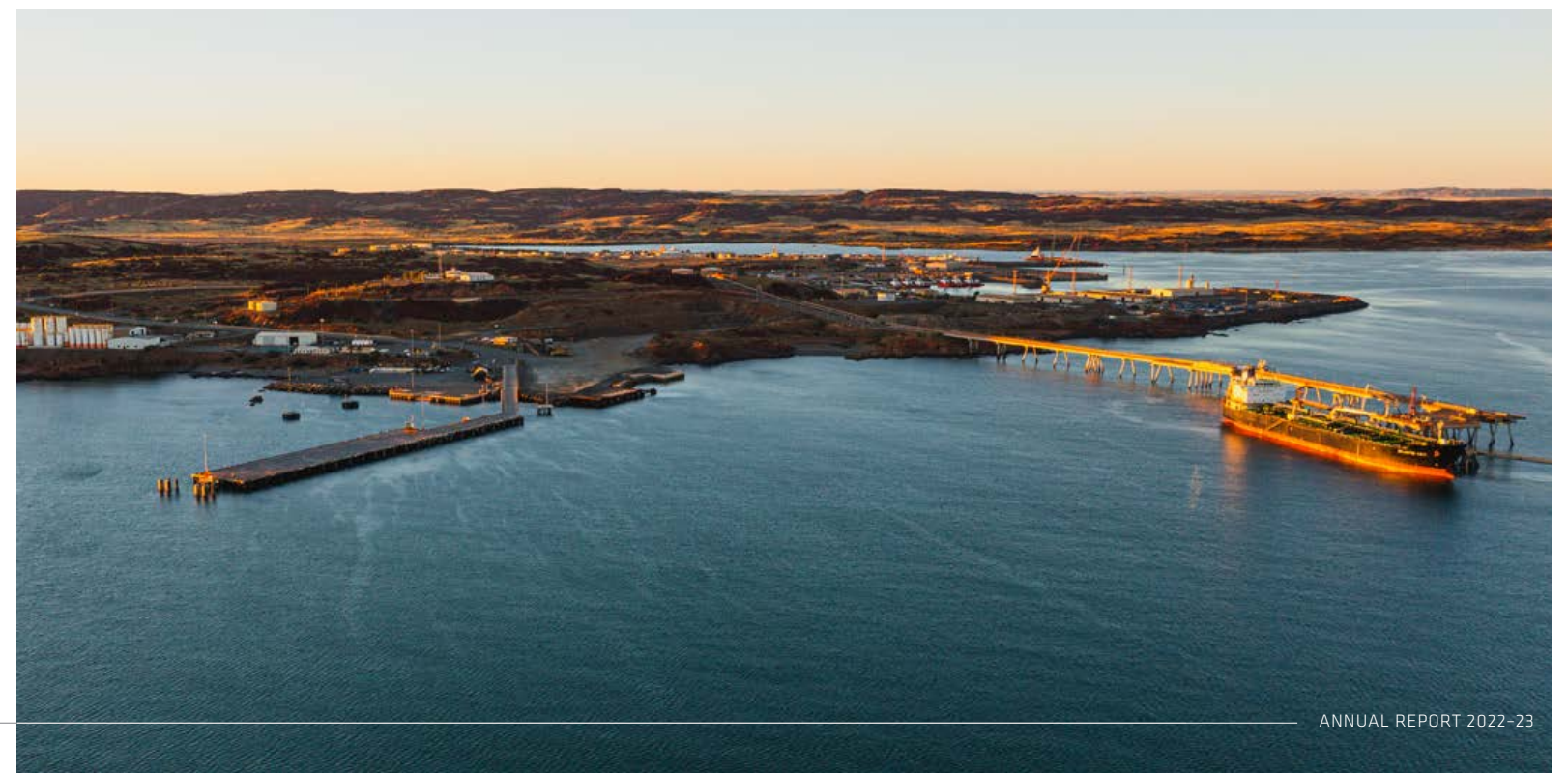
The DBHF involves construction of a new wharf, redevelopment of the heavy load out quarry laydown area, and dredging of a 13.2 metre deep berth pocket and an 11 metre deep manoeuvring area. The new wharf will be designed for berthing Supramax and Panamax bulk carrier vessels, and include a shiploader and conveyor for the bulk handling of urea. It will also accommodate general cargo vessels and cruise ships, as well as vessels supporting the offshore oil and gas industry.

Phase two of the project involves construction of the Dampier Link Bridge. This facility will create a continuous wharf between the existing cargo wharf and the new bulk handling facility. It will provide additional functionality to support trade growth, throughput capacity and efficiency at the port.

The Dampier Cargo Wharf will continue to operate while the DBHF and link bridge are being constructed.

At the end of the reporting period, Pilbara Ports was awaiting final environmental approvals for the DBHF and link bridge and was preparing for tender and subsequent contract award.

Dampier Cargo Wharf, Port of Dampier



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE



Shipping containers at the Port of Port Hedland

Port Hedland sustaining infrastructure projects

A key component of Pilbara Ports' Strategic Asset Plan is ensuring that the infrastructure at its ports is maintained and upgraded to service the expected demand from port users.

The plan includes several minor works projects at the Port of Port Hedland. The following is the status of those projects undertaken during the reporting period:

Utah ship loader luffing winch replacement

The luffing winch project at Utah Bulk Handling Facility (UBHF) was successfully delivered at a cost of \$2 million. This was replaced to mitigate the risk of premature rope failure and the associated down time of the ship loader.

Utah welding workshop

Construction of the new \$3 million welding workshop at UBHF was completed. The workshop allows Pilbara Ports to improve the response to maintenance issues with additional boilermakers and improve safety with a new fixed extraction system.

Port Hedland biosecurity lighting

New lighting and association electrical infrastructure was installed at the eastern harbour biosecurity area to ensure compliance with biosecurity requirements and to allow full utilisation of the hardstand 24/7.

Port Hedland Eastern Harbour laydown 3 asphalt sealing

An area of 18,500m² within the Eastern Harbour laydown 3, adjacent to the biosecurity area, was sealed to handle the increasing volume of cargo at the current biosecurity area.

Port Hedland berth 1 and 3 pile refurbishment

Refurbishment of piles on Port Hedland berths 1 and 3 was completed. The works included repairing corroded piles by adding steel jackets and applying a corrosion protection coating and wrap on all piles.

Direct shipping to and from the Pilbara and associated services

There was significant growth in the direct shipping services between Asia and the Pilbara that were launched in late 2020.

Direct shipping gives companies the option to ship directly into the Pilbara, reducing reliance on trucking products from Perth or from eastern Australian ports. This translates into lower costs for Pilbara businesses and consumers while benefiting the state and the nation by generating more inbound and outbound freight capacity. Other benefits include a reduction in road traffic, road maintenance costs, emissions and noise pollution.

During the reporting period, the Port of Port Hedland saw the introduction of a second direct shipping line, including two liner services visiting the Port of Dampier, with an average of one vessel arrival per week across both ports. ANL and Swires also established regular and published Direct Freight Service schedules into the ports of Port Hedland and Dampier. Current container import volumes average around 400 twenty-foot equivalent container units per month, with similar volumes of mainly empty containers exported. Cargo being delivered include tyres for the mining industry, cement, mill balls, clinker and steel.

Following First Point of Entry approval being obtained for the ports of Port Hedland and Dampier, steps are being taken to secure biosecurity approvals to allow direct shipments to the Port of Ashburton. Port Hedland is now able to handle a more diverse range of products, and Landside Operations staff can undertake broader biosecurity inspection duties following further Department of Agriculture, Fisheries and Forestry approvals. This includes rural tailgate inspections on containers, and an approval to handle chilled meat products in reefer containers. Dampier and Ashburton ports will seek similar approvals in a staged manner over the next 12 months.

Increase cruise ship visits and promote the Pilbara in the cruise industry

On 13 April 2023, the *MS Caledonian Sky* made the first of four visits to the Port of Dampier, the first ever cruise ship arrival to the port.

Approximately 80 passengers disembarked to visit tourist attractions including the Murujuga Cultural Landscape, which was recently submitted for World Heritage List nomination, and the Red Dog Memorial Statue.

Welcoming more cruise vessels remains a priority, due to the economic and social benefits to the region of increasing tourism, and Pilbara Ports' commitment to supporting local communities.

The planned construction of the multi-user Dampier Bulk Handling Facility will support future industry growth, providing additional capacity for cruise vessels at the Port of Dampier.

Pilbara Ports will continue to work with industry, community and the WA Government to grow regional maritime based tourism.



Captain Bill Fenelon and the *MS Caledonian Sky*





Utah Point, Port of Port Hedland

Integrate Shipping and Pilotage Act ports

Pilbara Ports is working with the Department of Transport (DoT), the Department of Jobs, Tourism, Science and Innovation (JTSI), port proponents and other entities to transfer responsibility for certain ports operated under the *Shipping and Pilotage Act 1967 (WA) (SPA)* to Pilbara Ports.

Transfer of ports is to be staged, with the next stage being the transfer of the Port of Barrow Island.

Pilbara Ports continued engagement with key stakeholders to develop a concept for an amended port area for Barrow Island, aligned with current and future operational requirements.

Pilbara Ports will continue to liaise with the DoT, JTSI and proponents to determine the timing for the transfer of the remaining SPA ports (Cape Preston, Onslow and Port Walcott) and to facilitate the transfer process for each port.

Develop Utah Optimisation Plan

The Utah Optimisation Plan began in January 2023. It involves several projects to increase the productivity rates at the Utah Bulk Handling Facility (UBHF) from 24.1 million tonnes (Mt) per annum to 28Mt per annum.

This is to meet current and future export demand from customers and is the maximum volume allowed to be exported under the environmental approvals for the UBHF.

The first project was completed in April 2023, involving the dual operation of conveyor 01 and conveyor 02. This is designed to reduce loader congestion and streamline loading.

The installation of two feed hoppers along conveyor 03 is another project in the optimisation plan. This will increase productivity from four stockpiles by significantly reducing the tramming distance of front-end loaders. The works required for this project are the subject of an application to the environmental regulator under Pilbara Ports' existing environmental licence for the UBHF.

A third project involves installing additional hoppers on conveyor 03. This will reduce dust emissions by decreasing front end loader travel. It will also ensure additional export capacity can be achieved within prescribed dust thresholds.

These projects are expected to be completed by late 2024.

Review and further enhance the Security Strategy

Pilbara Ports progressed a number of projects to further enhance physical security at its operating ports.

A project to optimise the existing closed circuit television system is under way, including use of analytics and artificial intelligence.

We are also exploring use of autonomous drone technology within our ports.

Pilbara Ports engages with the Commonwealth Government Department of Home Affairs on maritime security via:

- attending maritime industry security consultative forums;
- attending Cyber and Infrastructure Security Conference 2023; and
- involvement in consultation sessions for the Single Issuing Body Reform Project.

During the reporting period, the maritime security plans and security assessments for the ports of Ashburton, Dampier and Port Hedland were reviewed and updated to comply with a security direction from the Department of Home Affairs to include measures in place to protect critical systems and data.

Implement GTE Act reform into processes and systems

In June 2023, legislation was proclaimed that implements a governance framework applicable to certain Government Trading Enterprises (GTE), including Pilbara Ports Authority, to strengthen their connection within the WA Government.

The framework is set out in the *Government Trading Enterprises Act 2022* and associated regulations taking effect on 1 July 2023. It provides standardised governance, accountability, and oversight structures to be adopted by GTEs. It will replace the framework that applied under the *Port Authorities Act 1999*. Key changes applying from 1 July 2023 include:

- the need to inform, consult with, and seek approval from, the Minister for Ports and the Treasurer on proposed transactions that are classified as significant transactions;
- the need to inform and consult with the Minister for Ports and the Treasurer on courses of action being pursued by Pilbara Ports that are classified as significant initiatives;
- codified duties to be owed by directors and officers of Pilbara Ports;
- changes to financial and risk management practices;
- enhanced governance practices for GTE boards of directors; and
- changes to the key planning documents required to be prepared and be approved by the Minister for Ports.

Since the reforms were announced in August 2022, Pilbara Ports has worked collaboratively with other port authorities, DoT and the office of the Minister for Ports towards standardised processes to ensure compliance with the new legislation.



PARTNERSHIPS



Peter Cooper, Ranger Coordinator, Murujuga Aboriginal Corporation

Support local jobs and businesses

During the year, Pilbara Ports continued to support local workers and businesses by adopting and supporting State Government procurement and contracting initiatives.

Outcomes from the reporting period are listed here against each initiative.

Aboriginal Procurement Policy

Wherever possible, Pilbara Ports awarded contracts that demonstrated a commitment to Aboriginal participation, including Aboriginal employment outcomes or subcontracting opportunities to Aboriginal businesses.

Pilbara Ports has amended its contract documents to incorporate minimum targets for Aboriginal participation and changed its procurement procedure to improve Aboriginal business participation in procurement processes.

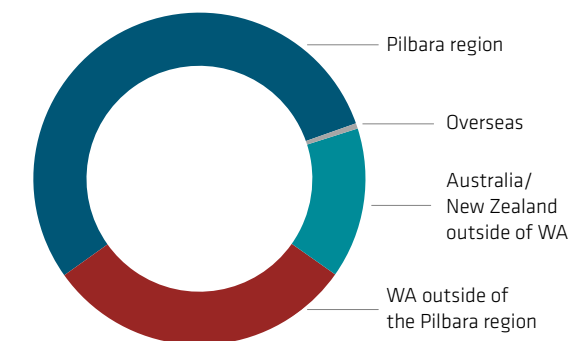
WA Industry Participation Strategy (WAIPS)

Six contracts were awarded by Pilbara Ports for the supply of goods and services that met WAIPS requirements to increase participation by local businesses and support jobs in WA.

Buy Local Policy and regional content

Pilbara Ports awarded 69 supply contracts with a total contract value of \$166 million. The labour, suppliers and materials in the contracts were:

- **52 per cent** (\$85 million) from the Pilbara region;
- **29 per cent** (\$48 million) from WA outside of the Pilbara region;
- **14 per cent** (\$25 million) from Australia/ New Zealand outside of WA; and
- **5 per cent** (\$8 million) from overseas.



In addition, Pilbara Ports provided input into Buy Local Policy reviews sponsored by the Department of Jobs, Tourism, Science and Innovation.



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

Deliver Spoilbank Marina and plan for management and operation

There was significant progress during the reporting period on the construction of the Spoilbank Marina in Port Hedland.

On 18 June 2023, the marina was connected to the ocean when the temporary bund wall was removed. The bund was in place for two years and allowed the marina basin to be dewatered, so construction could occur in dry conditions.

Dredging also reached completion in June 2023, with a new navigation channel created to enable boats to safely enter and exit the marina.

As at the end of the reporting period, bulk earthworks and the marina basin rock wall were close to completion and 60 per cent of the breakwaters are constructed.

The marine structures package of work, which includes the delivery of a four-lane boat ramp, boat pens, public jetty and navigation aids was also well progressed. At the end of the reporting period, the boat ramp was more than 50 per cent complete, final assembly of the jetty had begun, and all piles and floating pontoons had been installed at the boat pens. Nine navigation aids in the new marina channel are expected to be installed before the end of 2023.

In May 2023, Pilbara Ports awarded the sixth and final major contract for landside civils and landscaping works.

The contract includes construction of the marina roads, car and trailer parking, retaining walls, footpaths, landscaping, public amenities building, shade structures, barbecue areas and installation of utilities and services. Once completed, this final stage of work will provide a vibrant community gathering space for Port Hedland locals and visitors to enjoy.

The \$187.5 million Spoilbank Marina project is managed by Pilbara Ports, and is funded by the State Government, Town of Port Hedland and BHP.

The project will not only give the Port Hedland community access to better amenities, it will also improve safe access to deep water and provide a boost to the local economy. To date, approximately 60 per cent of the project spend has been awarded to local and Aboriginal-owned businesses.

Public artwork will also be another important feature of the marina, showcasing the culture and stories of the Kariyarra people and local community. A range of art is being commissioned, including large sculptures, shade areas with intricate designs casting patterns on the ground, medium-sized sculptures encouraging kids to play, and artwork showcasing designs inspired by local flora and fauna.

The marina boat ramps are expected to be operational in late 2023, with final completion of remaining marine and landside areas expected in 2024.



CASE STUDY

New habitat for fish at the Spoilbank Marina

Artificial reefs were installed at the Spoilbank Marina in November 2022. The reef structures are designed to provide additional habitat for fish and other aquatic organisms, increasing their numbers in the area, and enhance recreational fishing opportunities.

Six 'reef balls' were placed in location underneath the future public jetty. Marine organisms will begin to attach themselves to the reef structures, attracting fish and other aquatic life as the ecosystem develops.

Community members who love to fish will have even more opportunities at the public jetty once it has opened. Artificial reefs are increasingly popular in Western Australia and important to ongoing conservation of important aquatic habitats.



Spoilbank Marina 'reef ball'



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

Revitalise Port Hedland's West End

Hedland Maritime Initiative

Established in 2020 as a wholly owned subsidiary of Pilbara Ports, Hedland Maritime Initiative (HMI) progressed implementation of the Port Hedland Voluntary Buy-Back Scheme (PHVBS), and facilitated planning for the development of a maritime precinct in Port Hedland's West End.

HMI's specific objectives are to:

- provide residential property owners within the area of Port Hedland's West End that are subject to Port Hedland West End Improvement Scheme 1 (IS1) the opportunity to voluntarily sell their property for a guaranteed settlement price; and
- plan for and facilitate the development of the maritime precinct to support the revitalisation of the area in a way that minimises potential conflicts with existing land uses, and provides for commercial, leisure, tourist, cultural, training, educational and other land uses.

Plans are progressing with a variety of stakeholders to repurpose several of the acquired properties in line with the Maritime Precinct Masterplan and IS1. The first initiative involved Pilbara Ports establishing a marine simulator in a repurposed property. The marine simulator equipment is providing essential training for marine pilots, tug crews and other marine professionals locally.

PHVBS: Expressions of interest and acquisitions

At the end of the reporting period, offer letters to the owners of more than 73 per cent of the estimated 404 eligible properties in the West End had been sent, and 51 per cent of the eligible properties had been sold or were in the process of being sold to HMI under the PHVBS. This reflects significant progress since the PHVBS opened for participation on 1 January 2021.

The table on the opposite page provides participation rates in the PHVBS at the end of the reporting period.

Most of the residential dwellings acquired by HMI are from investor owners, with lease agreements in place. HMI continues to honour leases for the agreed term or until alternative accommodation is available. This ensures that West End residents are not displaced, and the housing availability in the Town of Port Hedland is not adversely impacted by the PHVBS.

Port Hedland Maritime Precinct

The proposed maritime precinct aims to revitalise Port Hedland's West End, drawing on the town's rich maritime history, and introducing new commercial, leisure, tourist, cultural, training, educational and other land uses with maritime links. It is an opportunity to create a unique maritime hub.

During the reporting period, HMI progressed the maritime precinct by engaging with stakeholders about the opportunities arising from more than 60 approved land uses. Discussions were continuing with stakeholders interested in leasing properties ready to be transformed into their next use, including in-demand short-stay accommodation uses.

HMI has developed a maritime precinct map on its website that will highlight project developments as they progress.



Scan the QR code to visit our [Maritime Precinct Development website](#)



AS OF 30 JUNE 2023:

Of the estimated **404** eligible properties

199 Properties have been acquired

76%
Have been or are being valued

51%
Have been sold or are selling to HMI

2
Properties are progressing to settlement

5
Properties are at contract stage

295
Offer letters have been issued

One of the properties acquired through the Port Hedland Voluntary Buy-Back Scheme



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE



“WA’s ports are the lifeblood of our export industries and will play a key role as we embrace new low-carbon industries and opportunities.”

“The Pilbara has enormous growth potential in renewable hydrogen, ammonia and critical minerals – and this initiative today will help us to work with our Japanese trading partners to drive local jobs in the region.”

– Premier Mark McGowan

Port of Dampier, a key ammonia export port



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

Build strategic partnerships with ports worldwide

In September 2022, Pilbara Ports hosted its fourth annual Safe Ships Safe Ports forum. This was the first forum held since the COVID-19 pandemic related restrictions were implemented in early 2020.

The two-day event, held in Perth, was attended by more than 250 delegates from international ship operators, terminal operators, port service providers and other port authorities and national and state regulators.

The forum content is based on participant feedback from prior forums, with key themes including imminent industry changes and port risk management initiatives.

Following the forum, 50 delegates travelled to the ports of Port Hedland and Dampier where they were provided with an overview of operations.

In January 2023, then-Premier Mark McGowan witnessed the signing of a Memorandum of Understanding between Pilbara Ports and Port of Himeji to support cooperation and

knowledge exchange on renewable energy and net zero carbon emission initiatives.

The Port of Himeji, located in the western part of Japan, has strong trade relationships with Western Australia, importing LNG, iron ore, oil, and salt from Pilbara ports.

In May 2023, Pilbara Ports hosted a delegation from the Maritime and Port Authority Singapore to explore opportunities for collaboration in port operations, including clean marine fuel safety and regulation, cybersecurity and maritime training. The organisation was invited to participate in an international workshop on managing accidents involving ammonia as fuel for ships in Singapore. The three-day interactive workshop involved international representatives presenting on ongoing developments on ammonia maritime fuel projects, lessons learned from experiments and past accidents involving ammonia, and working groups to develop guidelines for emergency response.

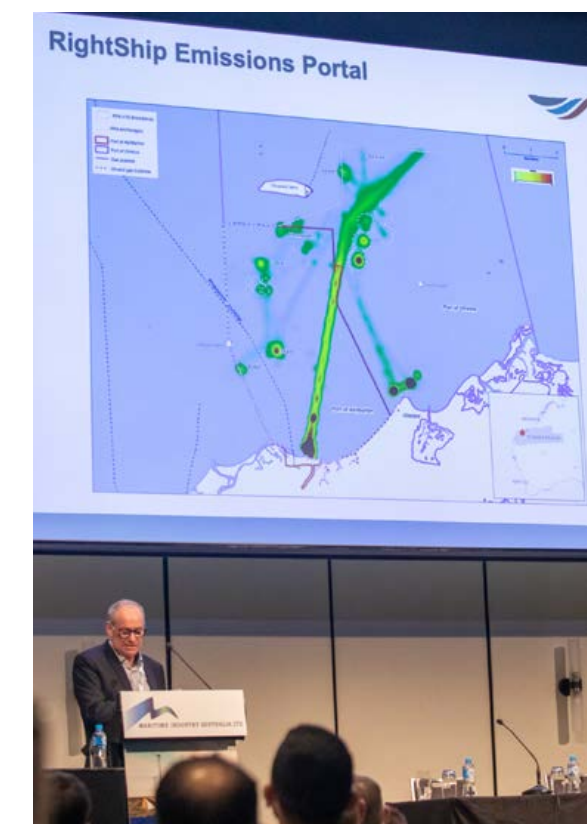
CASE STUDY

Green corridors

Pilbara Ports is contributing to several international working groups and taskforces exploring opportunities for green shipping corridors. This includes the Global Maritime Forum Getting to Zero Iron Ore Green Corridor Taskforce and Maersk Mc-Kinney Moller Centre for Zero Carbon Shipping Green Corridors Project.

Other national and international forums Pilbara Ports engaged on include:

- Maritime Industry Australia Limited – Decarbonisation Summit (Pilbara Ports was a sponsor)
- Global Maritime Forum – Blueprint for Future Ports program
- CSIRO – Australia-Singapore Low Emissions Technology Hub
- Future Energy Exports Cooperative Research Centre/ Arup – Clean Marine Fuel



Maritime Industry Australia Limited Decarbonisation Summit

Engage with our community

Community investment

Pilbara Ports is a proud member of the Pilbara community and is committed to building sustainable communities in the region.

Community investment is one element of Pilbara Ports' stakeholder engagement strategy. For the reporting period, Pilbara Ports committed \$290,420 in financial support to 45 community initiatives and events, local government groups, sporting groups, and not-for-profit organisations through its Community Support Initiative (CSI).

The CSI provides opportunities to engage with local communities. All investments and activities are subject to a transparent governance framework to ensure the application and decision-making process is fair and consistent.

The types of events, initiatives, organisations and community groups supported through the CSI included:

- sponsorship of the Dampier Community Association's 2023 Dampier Art Awards Youth category;
- funding for Reach Us Pilbara quiz nights in Karratha and Port Hedland to raise funds for cancer support services in the region;
- sponsorship of the Port Hedland Visitor Centre's inaugural Pride Pilbara Festival 2023;
- funding for sustainability initiatives, including the Karratha Falcons Football Club to install solar panels; and
- sponsorship of four initiatives in the Ashburton/Onslow region, including the Onslow Rodeo.

Local government sponsorships

Pilbara Ports also worked with local government authorities to sponsor the following major community events under the CSI:

Town of Port Hedland

- Australia Day fireworks
- Citizen of the Year Awards
- Community Sports Awards
- Sunset Food Markets
- Ship to Shore Run
- Matt Dann Live shows
- Welcome to Hedland Community Expo
- SLAM Basketball youth program
- Reconciliation Week
- Festive Lights Competition

City of Karratha

- Australia Day community celebration
- Australia Day Community Citizen of the Year Awards
- City of Karratha Sports Awards
- Cossack Art Awards
- Red Earth Arts Festival



Ship to Shore Run, Port Hedland

Community Consultation Committees

Pilbara Ports hosts Community Consultation Committees (CCC) in Onslow (adjacent to the Port of Ashburton), Karratha (adjacent to the Port of Dampier) and Port Hedland, consistent with under Section 14A of the *Port Authorities Act 1999*. CCC membership is open to local community members who are then approved by Pilbara Ports to represent the community.

Presentations are given to CCC members covering topics such as updates on port operations, projects and initiatives, environmental matters and community programs. Options were made available for CCC members to attend the meetings remotely if they could not attend in person. Meeting minutes are published on the Pilbara Ports' website. The following table outlines the number of meetings held during the reporting period and the number expected to be held in the next reporting period.

LOCATION	MEETINGS HELD IN 2022-23	MEETINGS EXPECTED IN 2023-24
Port of Ashburton	2	2
Port of Dampier	3	3
Port of Port Hedland	3	3

Industry collaboration

Pilbara Ports collaborates with other port authorities and industry groups to share experiences and learnings. Pilbara Ports is a member and active participant of:

- Chamber of Commerce and Industry WA
- Chamber of Minerals and Energy
- Clean Marine Fuels Institute
- Committee for Economic Development Australia
- Karratha & Districts Chamber of Commerce & Industry
- Maritime Industry Australia Limited
- Onslow Chamber of Commerce & Industry
- Port Hedland Chamber of Commerce & Industry
- Port Hedland Industries Council
- Ports Australia
- Ports WA



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

Complaint management process

Pilbara Ports encourages feedback from its stakeholders and has a transparent process in place to ensure feedback is captured and responded to in a timely manner. For stakeholders who wish to make a formal complaint, there is an external complaints procedure in place. The procedure is supported by a system which provides stakeholders with several options for progressing a complaint, and enables complaints to be submitted in confidence and anonymously if requested. The system ensures complaints are investigated thoroughly, on a timely basis, confidentially and with the complainant receiving regular updates.

During the reporting period, Pilbara Ports received 11 external complaints and concluded two investigations in connection with complaints made in the prior reporting period. All complaints were managed in accordance with an external complaints procedure.

The investigations into the two complaints made in the prior reporting period related to two separate issues: a complaint from a neighbour at a Pilbara Ports-owned property and high noise levels at the Port of Port Hedland.

The complaint related to high noise levels was investigated and a range of actions implemented to mitigate the issue. No further noise complaints were received by Pilbara Ports during the reporting period.

The outcome of the investigation into the neighbour issue did not satisfy the complainant, and they were advised of recourse options should they wish to take the matter further. It was not progressed further during the reporting period.

The following is a summary of the 11 complaints received:

- In July 2022, a complaint was received from a concerned relative of a seafarer regarding COVID-19 related shore leave restrictions. Pilbara Ports contacted the complainant and provided current information regarding the WA Government's shore leave restrictions, advising that there were no restrictions in place at the time.

- In October 2022, a complaint was not investigated as it related to alleged employee behaviour outside of work.
- In November 2022, Pilbara Ports received a complaint regarding inadequate waste facilities at the Port of Port Hedland. The complaint was investigated, and the outcome communicated to the complainant. Since then, Pilbara Ports has established a waste management service for arriving vessels.
- Between November 2022 and March 2023, four complaints were received from Port Hedland residents regarding work undertaken as part of the Spoilbank Marina project. All complaints were reviewed and the outcomes, including mitigation strategies, were communicated to the complainants to their satisfaction.
- In March 2023, a complaint was received regarding trucks dumping remnants of iron ore in Wedgefield. The complainant was contacted and advised that the area and operations the subject of the complaint were outside Pilbara Ports' jurisdiction.
- In April 2023, a complaint related to a Maritime Security Identification Card was received. The complainant was notified that the subject matter of the complaint was outside of Pilbara Ports' jurisdiction, but the complainant was referred to the relevant body (Auscheck) to progress the complaint.
- In June 2023, two complaints were received.
 - The first involved alleged harassment and bullying. No investigation took place as the involved parties were not within Pilbara Ports' jurisdiction. The complainant was advised accordingly.
 - The second complaint related to alleged drug use. The allegation was investigated and found to be unsubstantiated. The complaint was lodged anonymously, therefore Pilbara Ports could not inform the complainant.



Nyree Campbell, Administration Officer – MSIC



Cultural heritage and engagement

Cultural Heritage Management Plan

Pilbara Ports has a Cultural Heritage Management Plan (CHMP), developed in consultation with stakeholders, which identifies the systems and processes that protect, promote and manage the cultural heritage values that exist within its lands and waters.

The CHMP is available on Pilbara Ports' website. The CHMP was first developed in 2015 in consultation with cultural heritage stakeholders including Traditional Owners, port users, regulatory authorities, local government, and local history groups.

The CHMP is reviewed on a biennial basis with feedback from cultural heritage stakeholders taken into consideration. The CHMP will be reviewed in mid-2024 in consultation with these stakeholders.



Scan the QR code to access the CHMP

Ngajarli rock art tour, Dampier



Aboriginal Engagement and Reconciliation Plan

Pilbara Ports has an Aboriginal Engagement and Reconciliation Plan (AERP) which is reviewed annually. The AERP outlines a range of actions, initiatives and opportunities to advance engagement and reconciliation with Aboriginal and Torres Strait Islander peoples. The AERP also reports how the organisation progressed actions, initiatives and opportunities in the prior reporting period.

The AERP is available on Pilbara Ports' website. Objectives, actions, outcomes, and future goals will continue to be listed in the AERP under four outcome areas: acknowledgment and respect, employment, engagement, and business opportunities. Actions and outcomes related to the AERP that occurred during the reporting period include:

ACTION	2022-23 OUTCOMES
Support the Public Sector Commission's Solid Futures Aboriginal traineeship program by providing placement positions for trainees.	Facilitated an Aboriginal school-based trainee at Port of Dampier, and supported continuance of certificate with a different employer following student geographical relocation
Expand Pilbara Ports' Diversity and Inclusion Plan to increase Indigenous employment.	Pilbara Ports has focused on developing partnerships and embedding a workforce culture that supports employment of Aboriginal and Torres Strait Islander peoples. Highlights include: <ul style="list-style-type: none"> a partnership with Bloodwood Tree and Department of Training and Workforce Development to develop an administration traineeship; progressing public artwork at the Spoilbank Marina, showcasing the culture and stories of the Kariyarra people; engaging a local Aboriginal artist to design a NAIDOC week polo shirt; a partnership with Clontarf Foundation; and supporting Clontarf Foundation via attendance at the Hedland Academy Spinifex Shield Carnival; end of year award ceremony, and attendance at employment forums.
Establish a legal internship program for Indigenous law students, providing pathways for future opportunities and support.	Facilitated an internship for an Aboriginal law student from UWA.
Develop Human Resources processes to accommodate cultural leave, enabling Indigenous staff to attend cultural events (e.g. customary law and funerals).	Employee enterprise agreements have access to cultural and ceremonial leave provisions.

Since 2021, Pilbara Ports has engaged with the Department of Biodiversity, Conservation and Attractions and Murujuga Aboriginal Corporation regarding the proposed Murujuga Cultural Landscape World Heritage Nomination. The area covered includes portions of port land and waters relating to the Port of Dampier. Pilbara Ports acknowledges the significant cultural value of the Murujuga Cultural Landscape, is supportive of the nomination, and believes a commitment to coexistence is central to the success of the nomination.



Scan the QR code to access the AERP



PLANET



Mangrove seedlings at the Port of Port Hedland



Support green industry

Port land use planning is an important role of Pilbara Ports Authority to support the transition to renewable energy and emerging green industries.

The Pilbara has also been identified as a regional hub under Australia's National Hydrogen Strategy. During the reporting period, we supported the Department of Jobs, Tourism, Science and Innovation (JTSI) in progressing Pilbara Hydrogen Hub initiatives involving port upgrades. This included identifying early opportunities to develop renewable energy and hydrogen, as well as the creation of a Clean Energy Training and Research Institute with facilities in the Pilbara region.

The Pilbara Hydrogen Hub presents opportunities to diversify the regional economy and build a new export industry for renewable energy. This involves:

- leveraging its comparative advantages of location and developed trade routes;
- established port infrastructure;
- land availability with appropriate zoning and buffer distances; and
- a carbon-intensive skilled labour force that can transition to green jobs over the next decade.

Pilbara Ports also progressed its Pilbara Ports Capacity project, which was first included in the Infrastructure Australia Priority List in February 2020. This project will provide critical infrastructure to support decarbonisation projects, critical minerals mine expansion and green industry developments in Strategic Industrial Areas (SIAs) adjacent to Pilbara Ports.

Land allocations by the State Government within key Pilbara SIAs including Boodarie (Port Hedland), Maitland (near Karratha) and Ashburton North SIA (Onslow) are available to support multi-billion dollar export-scale projects. This includes renewable energy generation, production of direct reduced iron to value-add to the State's iron ore industry, clean ammonia, hydrogen and methanol, and processing lithium and critical minerals.

The Pilbara Ports Capacity project developments in proximity to these SIAs will facilitate green industries and support the decarbonisation of the mining and transport sectors in the Pilbara.

Pilbara Ports will continue to coordinate implementation of the Pilbara Ports Capacity project with JTSI, DevelopmentWA and prospective proponents.

Care for our environment

Pilbara Ports undertook a wide range of environmental and cultural heritage management activities across its sites during the reporting period. Some significant achievements and milestones included:

- The State-Wide Array Surveillance Program (SWASP), developed in collaboration with the Department of Primary Industries and Regional Development and other WA port authorities to monitor for and manage introduced marine pests, was implemented at the ports of Ashburton, Dampier, and Port Hedland with no detections of new marine pest species. Pilbara Ports continued to collaboratively implement the SWASP at Dampier and Port Hedland with port

industry. A business case was developed for funding the implementation of the SWASP in Port Hedland through the Port Hedland Industries Council (PHIC). This proposal was adopted during the reporting period and has significantly increased industry participation.

- Planning for a second sand bypassing campaign at the Port of Ashburton, in accordance with its Coastal Processes Monitoring and Management Plan, will maintain the flow of sand along the Ashburton coast and protect its environmental and social values. This campaign will start on or before 1 November 2023 and will be undertaken using a combination of land-based earthmoving equipment and sand pumps.

Louise Purkis, Environment and Heritage Advisor



- Continued collection of data for the development of a Marine Environmental Quality Management Program, as a best practice measure to monitor and protect the unique environmental values of the ports of Dampier and Port Hedland. Program implementation will continue collaboratively with industry at the Port of Dampier, and run solely by Pilbara Ports in Port Hedland. A similar program was also developed for the first time for the Port of Ashburton, which is planned to be implemented in the 2023-24 financial year.
- Implementation of a range of environmental monitoring programs to support the Spoilbank Marina project, including a comprehensive marine water quality monitoring during capital dredging for the marina's access channel. All dredging works were completed outside the peak nesting season for flatback turtles. Dredging was also restricted to daylight hours to minimise potential impacts on sawfish foraging.

Six artificial reef structures were installed under the public fishing jetty within the marina basin to support the establishment of marine ecosystems and enhance recreational fishing.

- The Vertebrate Pest Management Program was expanded to include BHP's tenure in Port Hedland and was run as a collaborative project through PHIC led by Pilbara Ports. In Dampier, a collaboratively timed program was run with the Department of Biosecurity, Conservation and Attractions (DBCA), Woodside and Rio Tinto. At the Port of Ashburton, an innovative sensor driven vertebrate pest management strategy called Felixer was trialled. Felixers use rangefinder sensors to distinguish non-native pests and spray targets with a measured dose of toxic 1080 gel. Results of the program were shared with DBCA as part of its ongoing research into the innovative technology.



CASE STUDY

Mangrove Mates program

Approximately 250 children from seven Pilbara schools participated in the Mangrove Mates education program, which involves learning about and planting mangrove seedlings. Pilbara Ports also raised and maintained a viable stock of mangrove seedlings to support internal mangrove rehabilitation projects, and projects led by community and industry. The nursery in Port Hedland houses up to 5,000 thriving mangrove seedlings, which are replenished each year (in part) through the Mangrove Mates program. Pilbara Ports donated an additional 1,000 seedlings from its mangrove nursery for further plantings in Murujuga National Park. This is the second year the organisation has helped to plant mangrove seedlings at the site in collaboration with Murujuga Aboriginal Corporation Rangers, the Department of Biodiversity, Conservation and Attractions, local school children and Yara Pilbara.



Student Bradley Smith-Farrugia and Andrew Stanley, Environment Advisor

Investigate opportunities for green ammonia bunkering

In July 2022, Pilbara Ports signed a Collaboration Agreement with Yara Clean Ammonia to jointly facilitate the uptake of clean ammonia as a marine fuel in the region.

This collaboration illustrates the confidence and commitment of both organisations for ammonia to be a leading zero-carbon fuel for decarbonising the shipping industry.

The purpose of the agreement is to jointly assess the potential ammonia demand and required bunker infrastructure, leveraging the existing world-scale ammonia production facility of Yara Pilbara, and its clean ammonia potential in the region.

The assessment will also examine safe ammonia bunker operations within Pilbara Ports, through collaborative safety analysis and development of ammonia bunkering guidelines. It is an important initiative on the path towards a net zero shipping industry.

There are four areas in the scope of the study:

- **Market:** initial market assessment and uptake analysis of ammonia as a bunker fuel in the Pilbara;
- **Modality and infrastructure:** analysis of bunker modalities and required bunker infrastructure to facilitate the effective use of ammonia as a fuel in Pilbara Ports;
- **Safety and operations:** understanding ammonia bunker operations and their potential impact on the operational and safety profile of Pilbara Ports and potential synergies with port development and/or expansion plans of the ports; and
- **Regulations:** establishing ammonia bunker regulations to apply to Pilbara Ports, based on the above items and the existing ammonia handling best practices of Yara Clean Ammonia.

The joint assessment will continue into 2023-24, with results informing plans to provide alternatives to fossil fuels, contributing to decarbonising the maritime industry.

Develop and implement a Net Zero Transition Plan

The WA Government's Climate Policy, released in 2020, requires Government Trading Enterprises, including Pilbara Ports, to develop and implement plans to transition toward net zero emissions by 2050.

In June 2022, the WA Government made a supplementary announcement that its policy also includes a commitment for all agencies to achieve an 80 per cent reduction in emissions from 2020 levels by 2030 and for this to be reflected in their transition plans.

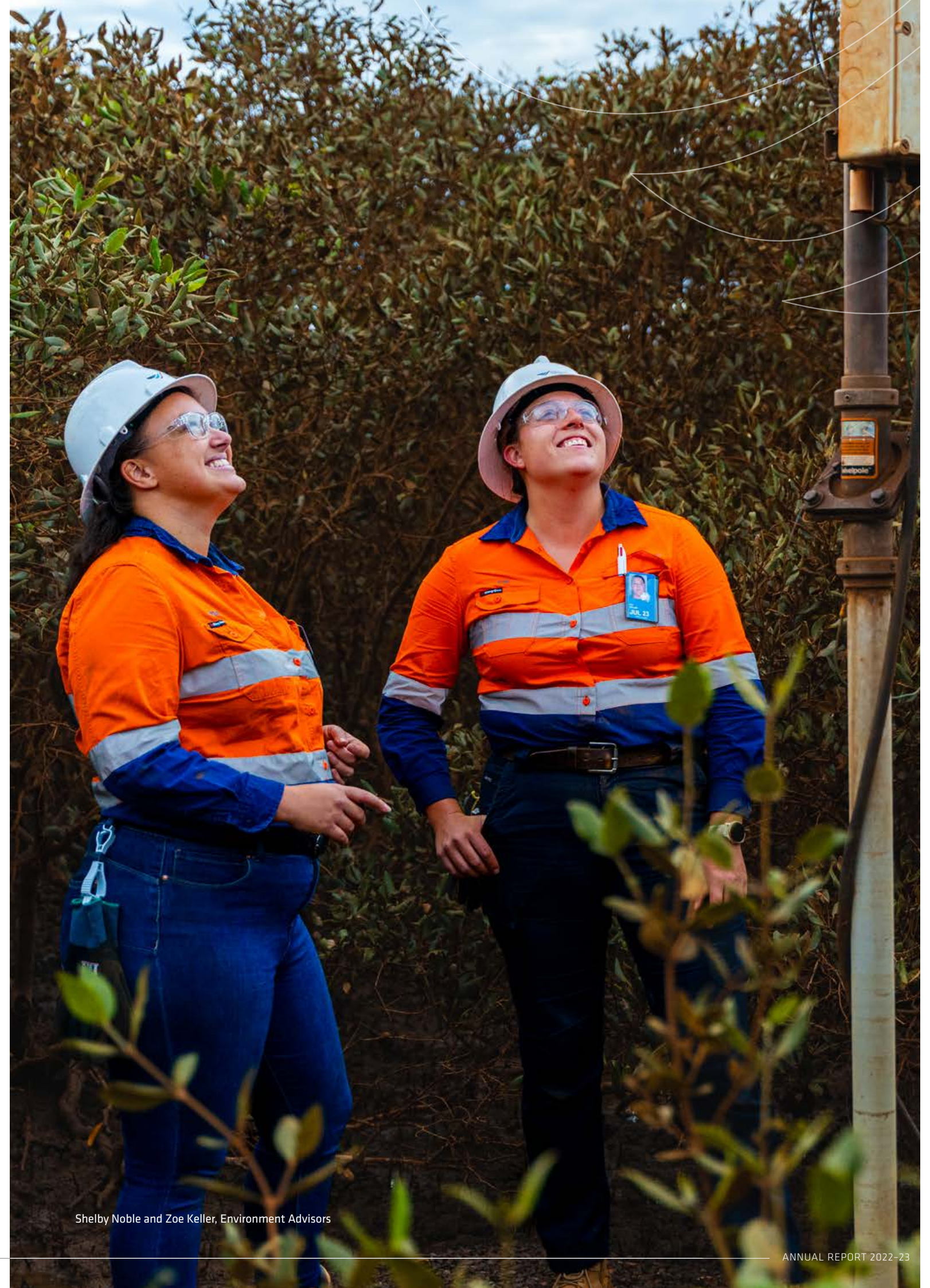
To align with these targets, Pilbara Ports is developing a Net Zero Transition Plan. The first stage of this process involved holding emission reduction workshops across all sites, which resulted in 71 emission reduction initiatives being developed. These initiatives were then screened against the following criteria to identify which ones to progress to further analysis and potential adoption:

- Emissions reduction
- Cost including capital expenditure, operational expenditure, and return on investment
- Time i.e. time to develop the project, start date, and life of the project
- Availability of technology
- Operational impacts i.e. health safety and environment, land use impacts, regulations, heritage considerations, and community impacts
- Resourcing requirements
- Stakeholder impacts

At the end of the reporting period, this screening process was in progress. Pilbara Ports is required to finalise its Net Zero Transition Plan by 2025.



Scan the QR to find out more



Shelby Noble and Zoe Keller, Environment Advisors



OVERVIEW

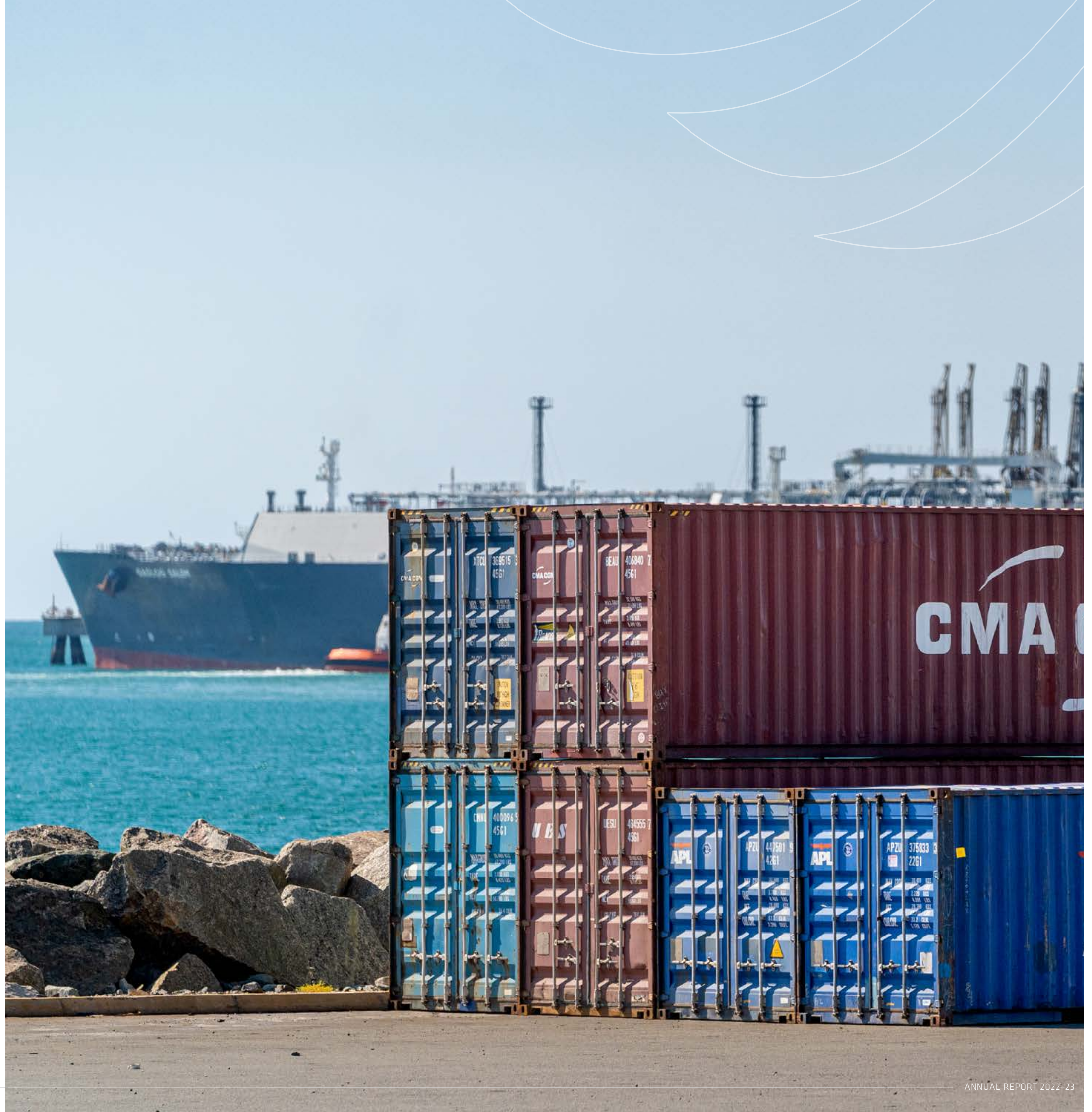
PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

DISCLOSURES AND LEGAL COMPLIANCE

Directors' report	76
Financial report	84
Directors' declaration	124
Independent auditor's report	125
Financial performance indicators	128
Governance disclosures	129
Glossary	134

Shipping containers at the Port of Dampier



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

DIRECTORS' REPORT

In accordance with Schedule 5, Division 3 of the *Port Authorities Act 1999 (WA)*, as continued under the *Government Trading Enterprises Act 2023 (WA)* effective date on 1 July 2023, the Directors of Pilbara Ports Authority present their report for the 12 months ended 30 June 2023.



Navigation aid at the Port of Dampier

Appointment, retirement and continuation of directors

A Director is appointed by the Minister for Ports in accordance with Section 7(1) of the *Port Authorities Act 1999*, as continued under the *Government Trading Enterprises Act 2023 (WA)* effective date on 1 July 2023.

Directors are appointed for periods of up to three years and are eligible for reappointment.

The following persons were Directors of Pilbara Ports Authority during the reporting period.

Brad Geatches – BComm, MAICD
CHAIR

Appointed on 24 May 2019 and was reappointed for a term ending on 30 June 2024.

Mr Geatches has 30 years' senior executive experience in underground mining, airports and seaports including as the Chief Executive Officer of Perth Airport Pty Ltd 2007–2016. He is also currently a Board Member of Brisbane Airport and Canberra Airport.

Amy Lomas – BEcon (Hons), MAICD
DEPUTY CHAIR
Chair of the Finance and Technology Committee

Appointed as a Director on 1 July 2018 and Deputy Chair on 1 January 2022 for a current term ending 30 June 2024.

Ms Lomas has 20 years' experience working in WA consulting and public sector roles. She is currently a Partner in the PricewaterhouseCoopers' infrastructure team.

Tom Stephens – BA (ANU), OAM, JP, GAICD
DIRECTOR

Appointed as Director on 17 August 2020 for a term ending on 30 June 2025.

Mr Stephens was a Member of the Western Australian Parliament 1982–2013, and held various portfolios including Housing and Works, Regional Development, Local Government, and Heritage. He is also the Chair of the WA Geographical Names Committee, a Trust Member of the Western Australian Regional Development Trust and a Director of the Jamukurnu Yapalikurnu Aboriginal Corporation.

Karlie Mucjanko – BA, MBA(Exec), MAICD
DIRECTOR
Chair of the Organisational Development Committee

Appointed as Director on 5 October 2020 for a term ending on 30 June 2025.

Ms Mucjanko is an experienced company executive and non-executive director, specialising in strategic communications, social licence and stakeholder relations. She spent most of her career in agribusiness including a decade as a senior executive with CBH Group. She is also the Chair of Intergrain and a Director of the Australian Export Grains Innovation Centre.

Robert Scharnell – BSc Eng, MAICD
DIRECTOR
Chair of the Risk, Safety and Sustainability Committee

Appointed as Director on 1 July 2021 for a term ending on 31 December 2024.

Mr Scharnell has 30 years' global experience within the resources and maritime sectors, including engineering, project management, business strategy, operations and governance.

Walter Purio – Master Mariner, BSc, MBA, GAICD
DIRECTOR

Appointed as Director on 1 January 2022 for a term ending on 31 December 2023.

Captain Purio spent 35 years at sea, including time with the US Navy, and holds various executive and non-executive roles including the Chair of Governors for Leeuwin Ocean Adventures Foundation, and the Chair of the Asia Pacific committee for the Society for Gas as a Marine Fuel since 2021.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

Board committee structure during the period

The Pilbara Ports Authority Board has established the following Board committees:

- Risk, Safety and Sustainability Committee;
- Finance and Technology Committee; and
- Organisational Development Committee.

In 2021, the Board revised its committee structure, with the following committees in place since then.

The Risk, Safety and Sustainability Committee

The Risk, Safety and Sustainability Committee is responsible for assisting and advising the Board in relation to the internal control systems, corporate governance, risk management systems, internal audit, sustainability, health and safety management systems and incident management.

Meetings:

Three formal meetings for the period and one informal meeting (quorum not present but decisions and actions were subsequently ratified by the in a formal meeting).

Members:

Robert Scharnell – Chair
Walter Purio – Committee Member
Brad Geatches – Alternate Committee Member for one meeting

Finance and Technology Committee

The primary responsibilities of the Finance and Technology Committee are to assist and advise the Board in relation to financial reporting, the annual external financial audit, technology and information management governance (including cybersecurity management) and finance and technology internal audits.

Meetings:

Four meetings during the period

Members:

Amy Lomas – Chair
Brad Geatches – Committee Member

Organisational Development Committee

The role of the Organisational Development Committee is to assist and advise the Board on remuneration, Board and committee nominations, people, organisational culture and structure and performance evaluation.

Meetings:

Three meetings during the reporting period

Members:

Karlie Mucjanko – Chair
Brad Geatches – Committee Member
Tom Stephens – Committee Member

Board and committee meeting statistics 2022-23

Board meetings held during the period	14
Board meeting hours for the period	52 hours
Board papers considered (substantive papers only)	174
Total pages of board papers	3,613
Circular resolutions considered	3
Board member meeting attendance rate	87%
Committee meetings held during the period	10
Committee meeting hours for the period	24 hours
Committee papers considered (substantive papers only)	86
Total pages of committee papers	1,586
Committee circular resolutions considered	1
Committee member meeting attendance rate	88%



Port of Port Hedland



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

Board meetings

DIRECTOR	Board meetings		Risk Safety and Sustainability Committee		Finance and Technology Committee		Organisational Development Committee	
	Meetings held ²	Meetings attended	Meetings held	Meetings attended	Meetings held	Meetings attended	Meetings held	Meetings attended
Brad Geatches	14	14	Alternate member Observer	1 1	4	4	3	3
Amy Lomas	14	13	Not member	Not member	4	4	Not member	Not member
Tom Stephens	14	14	Not member	Not member	Observer	1	3	2
Karlie Mucjanko	14	12	Not member	Not member	Observer	1	5	5
Robert Scharnell	14	10	4 ³	3	Not member	Not member	Not member	Not member
Walter Purio	14	10	4 ⁴	3	Observer	1	Observer	1

¹ Meetings in the period and in the Board member's term.

² Three formal, one informal (no quorum) meetings

³ Three formal, one informal (no quorum) meetings

Principal activities

The principal activities during the year were provision of port services and facilities at the Ports of Port Hedland, Dampier, Ashburton and Varanus Island and administration of the Port Hedland Voluntary Buy-Back Scheme (PHVBS), undertaken by a subsidiary of Pilbara Ports, Hedland Maritime Initiative Pty Ltd (HMI).

There were no significant changes in the nature of the activities during the year.

Results

The profit before income tax for the financial year was \$343.1 million. The income tax expense attributable to the profit for the financial year was \$101.6 million.

Dividends

There were no dividend payments made during the financial year. The State Government approved the retention of the interim dividend relating to the year ended 30 June 2023. A decision on the final dividend is yet to be made by Government. Retained dividends are set aside to fund future approved infrastructure projects.

Review of operations

Pilbara Ports Authority manages the ports of Dampier, Port Hedland, Ashburton and Varanus Island pursuant to its statutory functions. Through its wholly owned subsidiary, HMI, Pilbara Ports also administers the PHVBS.

A summary of the results during the year is detailed below.

\$'000	2023	2022*
Profit before income tax	343,054	269,543
Income tax expense	(101,628)	(84,715)
Profit for the year	241,426	184,828
Other income	(13)	14
Retained earnings at 1 July	697,741	512,899
Dividend paid in the financial year	-	-
Retained earnings at 30 June	939,154	697,741

*Restated

State of affairs

There were no significant changes in the state of affairs during the reporting period.

Pilbara Ports Authority operates in WA under the provisions of the *Port Authorities Act 1999* (the Act), as continued under the *Government Trading Enterprises Act 2023* (WA) effective date on 1 July 2023.

Environmental regulation

Pilbara Ports Authority's operations are subject to regulation under both Commonwealth and State environmental legislation applicable to any Australian commercial entity. Under the Act, Pilbara Ports is also required to 'protect the environment of the port and minimise the impact of port activities on that environment'.

Events subsequent to the end of the reporting date

Land title for the Boodarie Stockyard stage 2 was granted to Pilbara Ports under management order on 7 August 2023.

In the opinion of the Directors, no other matters have arisen since 30 June 2023 that significantly affect, or may significantly affect the Group's operations, the results of those operations, or the state of its affairs in future financial years.

Likely future developments and expected results

Pilbara Ports Authority will continue to operate the business and work closely with its customers and other stakeholders to fulfil its trade facilitation role, including in relation to the Spoilbank Marina and Lumsden Point developments and the Dampier Cargo Wharf Projects.

Pilbara Ports will continue to administer the PHVBS.



Spoilbank Marina, Port Hedland



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

Directors' disclosures

Directors' disclosures of interest and benefits

During the financial year, Directors have received the benefits disclosed in the financial statements as emoluments.

Pilbara Ports is a party to an agreement with a Director for the lease of a residential property in Port Hedland. The lease was entered into prior to the Director being appointed to the Pilbara Ports Board and has since been managed by an intermediary at arm's length on behalf of the Director. Pilbara Ports has put control measures in place to manage the Director's interest and access to related Pilbara Ports information.

Pilbara Ports did not enter into any other contracts with Directors or their immediate families, who have a controlling interest in an entity.

Indemnification of directors and officers

The Directors and Officers Liability Insurance Policy was renewed during the financial year to ensure that the Directors and Officers had adequate insurance cover against liabilities and expenses arising from work performed in their capacities, to the extent permissible under the law. Pilbara Ports paid an insurance premium of \$183,000 in respect of the Directors and Officers Liability Insurance Policy for the 2022-23 reporting period.

At the date of this report, no claims have been made against the policy in respect to Directors' and Officers' liabilities.

Appointment of auditors

The Office of the Auditor General (OAG) has been appointed as Pilbara Ports Authority's auditor in accordance with Schedule 5 Clause 14 of the Act, as continued under the *Government Trading Enterprises Act 2023 (WA)* effective date on 1 July 2023.

KPMG was engaged by the OAG to conduct the audit field work and provide advice to the OAG. The total fee payable for the financial year ending 30 June 2023 was \$198,750 (GST exclusive) in accordance with Schedule 5 Clause 37 (2) of the Act.

Rounding of amounts

Amounts in the financial statements and Directors' report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

Remuneration report

Board and executive remuneration

The nature and amounts of emoluments of the Board are determined by the Minister for Ports. The Board, with the approval of the Minister and subject to the *Salaries and Allowances Act 1975*, determines the emolument package of the Chief Executive Officer. The board delegates to the CEO the power to determine the terms and conditions of other senior executives, in accord with a policy under which the Pilbara Ports Authority engages emolument consultants to report and recommend competitive emolument packages for senior executives, based on benchmarking with other organisations. The performance of the CEO and senior executives is monitored against agreed criteria and reported regularly to the Board.

In accordance with Clause 13(c) (ii) of Schedule 5 of the Act, the following report details the nature and amount of each element of the emolument of each Director and the three officers of Pilbara Ports receiving the highest emoluments.

Non-Executive Directors emoluments

Name	Position	Membership during the period	Short term benefits Board and committee fees	Post-employment benefits superannuation	Total
Brad Geatches	Executive Chair	1 July 2022 – 30 June 2023	\$89,000	\$9,000	\$98,000
Amy Lomas	Non-Executive Deputy Chair	1 July 2022 – 30 June 2023	\$53,000	\$6,000	\$59,000
Tom Stephens	Non-Executive Director	1 July 2022 – 30 June 2023	\$45,000	\$5,000	\$50,000
Karlie Mucjanko	Non-Executive Director	1 July 2022 – 30 June 2023	\$48,000	\$5,000	\$53,000
Robert Scharnell	Non-Executive Director	1 July 2022 – 30 June 2023	\$48,000	\$5,000	\$53,000
Walter Purio	Non-Executive Director	1 July 2022 – 30 June 2023	\$45,000	\$5,000	\$50,000
Total			\$328,000	\$35,000	\$363,000

Executive emoluments

Name	Position	Short term benefits			Post-employment benefits superannuation	Total
		Salary	Other	Total		
Roger Johnston	Chief Executive Officer	\$603,000	\$301,000	\$904,000*	\$86,000	\$990,000
Nick Sarandopoulos	Chief Financial Officer	\$372,000	\$30,000	\$402,000	\$52,000	\$454,000
Philip Christy	General Manager Marine	\$335,000	\$66,000	\$401,000	\$52,000	\$453,000
Total		\$1,345,000	\$362,000	\$1,707,000	\$190,000	\$1,897,000

*Amount includes approximately \$256,000 in leave and allowances accrued in 2022-23, but paid after 30 June 2023

This report has been approved in accordance with a resolution of the Board on 31 August 2023.



Brad Geatches
Chair



Amy Lomas
Deputy Chair

FINANCIAL REPORT

for the year ended 30 June 2023

CONTENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....	86	19. Other payables	106
CONSOLIDATED STATEMENT OF FINANCIAL POSITION ...	87	20. Interest bearing borrowings	106
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	88	21. Lease liabilities	107
CONSOLIDATED STATEMENT OF CASH FLOWS	89	22. Current tax liabilities	108
NOTES TO THE FINANCIAL REPORT	90	23. Provisions	108
1. Reporting entity.....	90	24. Deferred tax liabilities	110
2. Basis of preparation.....	90	25. Equity	111
3. Revenue.....	91	26. Dividends	112
4. Other revenue.....	92	27. Financial risk management	112
5. Supplies and services.....	92	28. Contingencies	116
6. Employee benefits.....	93	29. Capital commitments	117
7. Finance expenses.....	93	30. Operating lease	117
8. Impairment of assets	94	31. Parent entity disclosure	118
9. Other expenses.....	94	32. Related parties	119
10. Income tax expense	95	33. Key management personnel	120
11. Cash and cash equivalents.....	96	34. Supplementary financial information	120
12. Notes to the statement of cash flows.....	96	35. Remuneration of Auditors	120
13. Trade receivables	97	36. Events occurring after the end of the reporting period	121
14. Other receivables.....	97	37. Correction of errors.....	121
15. Property, plant and equipment.....	98	38. Future impact of Australian Accounting Standards not yet operative	123
16. Fair value measurements.....	101	DIRECTORS' DECLARATION	124
17. ROU property, plant and equipment	103	INDEPENDENT AUDITOR'S REPORT	125
18. Intangible assets.....	104		



OVERVIEW

PERFORMANCE

**DISCLOSURES
AND LEGAL
COMPLIANCE**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2023

	NOTES	GROUP 2023 \$'000	GROUP 2022 *Restated \$'000
REVENUE			
Revenue	3	610,511	571,527
Other revenue	4	54,268	17,585
Total revenue		664,779	589,112
EXPENSES			
Supplies and services	5	(86,175)	(95,540)
Employee benefits	6	(65,807)	(57,189)
Asset maintenance		(26,264)	(23,418)
Port utilities		(12,054)	(11,028)
Rates and taxes		(10,087)	(8,300)
Finance expenses	7	(3,844)	818
Depreciation and amortisation		(103,509)	(101,423)
Impairment of assets	8	(4,298)	(10,023)
Other expenses	9	(9,687)	(13,466)
Total expenses		(321,725)	(319,569)
Profit before income tax		343,054	269,543
Income tax expense	10	(101,628)	(84,715)
Net profit after tax		241,426	184,828
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability, net of tax	23 (c)(ii)	(13)	14
Changes in the asset revaluation reserve, net of tax	25 (b)	469,791	470
Total other comprehensive income		469,778	484
Total comprehensive income for the period		711,204	185,312

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	NOTES	GROUP 2023 \$'000	GROUP 2022 *Restated \$'000	GROUP 1 July 2022 *Restated \$'000
ASSETS				
Current assets				
Cash and cash equivalents	11	832,774	609,088	422,817
Trade receivables	13	81,210	72,478	67,062
Other receivables	14	9,578	16,644	6,878
Inventories		7,038	6,589	6,614
Total current assets		930,600	704,799	503,371
Non-current assets				
Property, plant and equipment	15	3,641,761	2,907,349	2,869,240
ROU property, plant and equipment	17	36,726	39,773	39,240
Intangible assets	18	1,145	1,789	3,217
Investment in associates		269	280	302
Total non-current assets		3,679,901	2,949,191	2,911,999
Total assets		4,610,501	3,653,990	3,415,370
LIABILITIES				
Current liabilities				
Trade payables		5,849	1,849	4,933
Other payables	19	29,073	23,700	28,904
Interest bearing borrowings	20 (a)	43,848	43,626	3,416
Lease liabilities	21 (a)	18,011	15,181	12,927
Current tax liabilities	22	17,432	18,128	19,453
Provisions	23 (a)	11,839	10,593	9,726
Total current liabilities		126,052	113,077	79,359
Non-current liabilities				
Interest bearing borrowings	20 (b)	94,725	98,573	102,198
Lease liabilities	21 (b)	20,349	25,707	27,175
Provisions	23 (b)	64,530	73,144	80,040
Deferred tax liabilities	24	793,847	608,038	624,077
Total non-current liabilities		973,451	805,462	833,490
Total liabilities		1,099,503	918,539	912,849
NET ASSETS		3,510,998	2,735,451	2,502,521
EQUITY				
Contributed equity	25 (a)	485,527	421,184	373,566
Reserves	25 (b)	2,086,317	1,616,526	1,616,056
Retained earnings	25 (c)	939,154	697,741	512,899
Total equity		3,510,998	2,735,451	2,502,521

The Statement of Financial Position should be read in conjunction with the accompanying notes.

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2023

	NOTES	CONTRIBUTED EQUITY \$'000	RESERVES \$'000	RETAINED EARNINGS \$'000	TOTAL EQUITY \$'000
Balance at 1 July 2021 as previously reported		373,566	1,579,438	512,899	2,465,903
Impact of restatement*	37	-	36,618	-	36,618
Restated balance at 1 July 2021		373,566	1,616,056	512,899	2,502,521
Total comprehensive income (restated)					
Profit for the period		-	-	184,828	184,828
Other comprehensive income		-	470	14	484
Total comprehensive income for the period (restated)		-	470	184,842	185,312
Transactions with owners in their capacity as owners	25 (a)	47,618	-	-	47,618
Dividends paid	26	-	-	-	-
Restated balance at 30 June 2022*		421,184	1,616,526	697,741	2,735,451
Restated balance at 1 July 2022		421,184	1,616,526	697,741	2,735,451
Total comprehensive income					
Profit for the period		-	-	241,426	241,426
Other comprehensive income		-	469,791	(13)	469,778
Total comprehensive income for the period		-	469,791	241,413	711,204
Transactions with owners in their capacity as owners	25 (a)	64,343	-	-	64,343
Dividends paid	26	-	-	-	-
Balance at 30 June 2023		485,527	2,086,317	939,154	3,510,998

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2023

	NOTES	GROUP 2023 \$'000	GROUP 2022 \$'000
Cash flows from operating activities			
Receipts from customers		675,733	636,794
Payments to suppliers and employees		(267,895)	(289,283)
Government contributions	3	8,699	6,848
Interest received		27,006	2,702
Interest paid		(5,331)	(4,000)
Lease interest		(1,489)	(796)
Income taxes paid		(119,133)	(102,279)
Net cash provided by operating activities	12	317,590	249,986
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles		(136,714)	(132,936)
Proceeds from sale of property, plant and equipment		-	5
Net cash (used in) investing activities		(136,714)	(132,931)
Cash flows from financing activities			
Repayment of borrowings		(3,626)	(3,416)
Repayment of lease liabilities		(17,782)	(16,056)
Equity contributions	25 (a)	64,218	48,688
Proceeds from borrowings		-	40,000
Net cash provided by/(used in) financing activities		42,810	69,216
Net increase in cash and cash equivalents		223,686	186,271
Cash and cash equivalents at the beginning of the period		609,088	422,817
Cash and cash equivalents at the end of the period	11	832,774	609,088

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023

1. Reporting entity

The Pilbara Ports Authority (the "Authority" or the "Parent") is a WA Government entity, controlled by the State of Western Australia, which is the ultimate parent. The Authority is a not-for-profit entity (as profit is not its principal objective) formed under the *Port Authorities Act 1999* (WA), (as continued under the *Government Trading Enterprises Act 2023* effective date on 1 July 2023). The financial statements comprise the financial results of the Authority and its 100% owned subsidiary Hedland Maritime Initiative Pty Ltd (collectively the "Group"), for the year ended 30 June 2023.

A description of the Group's operations and principal activities has been included in the Directors' Report which does not form part of these financial statements. These annual financial statements were authorised for issue by the Board of Directors on 31 August 2023.

2. Basis of preparation

These consolidated financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Statement of Compliance

These general purpose financial statements are prepared in accordance with:

- *The Government Trading Enterprises Act 2023* including section 176
- The Government Trading Enterprises Regulations 2023
- Corporation Regulations 2001
- Australian Accounting Standards (AASs) including applicable interpretations.

Comparative accounts

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

Changes in accounting policies, new and amended standards and interpretations

In the current year, the Group has adopted all new AASs or Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period.

Accounting standards and interpretations issued but not yet effective

The Group did not early adopt any new or amended AASs and Interpretations issued but not yet effective. Refer to Note 38 Future impact of Australian Accounting Standards not yet operative for additional information regarding new and amended AAS and Interpretations issued but not yet effective.

Other accounting policies

Significant and other accounting policies that summarise measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements; with the exception of inventory and trade payables. Their accounting policies are below.

Inventory:

Inventories are not held for resale and are measured at cost; unless they are no longer required, in which case they are measured at net realisable value.

Trade payables:

Trade payables are recognised at the amounts payable when the Group becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement is generally within 30 days.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

2. Basis of preparation (continued)

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. Estimates and associated assumptions are based on professional judgements derived from historical experience and other factors that are believed to be reasonable under the circumstances.

The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed, including in the following notes:

- Note 15 – Property, plant and equipment: useful life;
- Note 16 – Fair value measurements: fair value;
- Note 21 – Lease liabilities: term, control and incremental borrowing rate;
- Note 23 – Employee benefit provision: actuarial assumptions;
- Note 23 – Provision for land rehabilitation: assumptions and uncertainties, including the:
 - extent of environmental damages to be rectified;
 - methodology and timing of the rectifications; and
 - financial rates to be used, including discount and inflation rates.

3. Revenue

	NOTES	GROUP 2023 \$'000	GROUP 2022 \$'000
Shipping	(i)	397,725	361,835
Charges on cargo	(i)	127,072	129,745
Port Hedland Voluntary Buy-Back Scheme port charge	(i)	38,521	38,058
Rental and leases	(ii)	33,331	32,495
Licence		5,163	2,546
Government contributions	(iii)	8,699	6,848
Total revenue		610,511	571,527

Revenue recognition

Revenue is recognised at the transaction price when the Group transfers control of the services to customers.

Revenue is recognised for the major activities as follows:

(i) Rendering of services

Revenue from services rendered is recognised in the Statement of Comprehensive Income over time for shipping and cargo related services based on the satisfaction of performance obligations.

(ii) Rental and leases

Rental and leases income is recognised as revenue on a straight-line basis over the term of the lease.

Lease incentives granted are recognised as an integral part of total rental income, over the term of the lease. The Group predominantly rents out land assets. Refer to Note 30 Operating lease for the Group's policy on managing lessor risk.

(iii) Government contributions

Grants received from the State Government of Western Australia for the operation of the Bulk Liquids Berth at the Port of Dampier are recognised when the funds are deposited into the Authority's bank account.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

4. Other revenue

	NOTES	GROUP 2023 \$'000	GROUP 2022 \$'000
Utility revenue	(i)	6,881	6,287
Interest revenue	(ii)	27,129	2,799
Maritime Security Identification Check (MSIC) revenue	(iii)	914	856
Non-Government contributions	(iv)	-	200
Reversal of impairment	(v)	8,259	-
Other revenue	(vi)	11,085	7,443
Total other revenue		54,268	17,585

Revenue recognition

Other revenue is recognised and measured at the fair value of consideration received or receivable as follows:

(i) Utility revenue

Utility revenue is a cost recovery of utility expenditure passed onto proponents. The revenue is recognised when the utility expenditure is incurred by the Group.

(ii) Interest revenue

Interest revenue is recognised as the interest is earned.

(iii) Maritime Security Identification Card (MSIC) revenue

MSIC revenue is recognised when MSIC cards are ordered by customers.

(iv) Non-Government contributions

Nil gifted assets received in 2023 (2022: \$200,000 received from a proponent at the Port of Dampier for road improvements).

(v) Reversal of impairment

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. Refer to Note 15 Property, plant equipment.

(vi) Other revenue

Other revenue consists of:

- gains which may be realised or unrealised and are recognised on a net basis
- income from sub-leasing right-of-use (ROU) residential properties of \$361,200 (2022: \$142,137). Refer to Note 17 ROU Property, plant and equipment for the Group's lease accounting policy
- income from renting HMI residential properties \$4.379 million (2022: \$2.231 million).

5. Supplies and services

	NOTES	GROUP 2023 \$'000	GROUP 2022 \$'000
Contractor expenses	(i)	46,646	59,893
Consulting	(ii)	14,021	14,193
Software licences	(iii)	8,888	8,269
Short-term lease of plant and equipment, and commercial property	(iv)	150	265
Other	(v)	16,470	12,920
Total supplies and services		86,175	95,540

Supplies and services are recognised as expenses in the reporting period in which they are incurred. These include the day-to-day running costs incurred in the normal course of operations.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

6. Employee benefits

	GROUP 2023 \$'000	GROUP 2022 \$'000
Salaries	49,610	43,497
Superannuation	6,321	5,529
Annual leave expense	3,794	3,183
Long service leave expense	1,110	708
Board member fees	329	352
Other employee expenses	4,643	3,920
Total employee benefits	65,807	57,189
Add: AASB 16 non-monetary benefits (not included in employee benefits)	6,902	3,919
Less: employee contributions (per the statement of comprehensive income)	(361)	(142)
Net employee benefits	72,348	60,966

Employment on-costs comprising of superannuation, payroll tax and workers' compensation are recognised as liabilities and expenses when the employment to which they relate has occurred. Payroll tax and workers' compensation on-costs are included in other expenses.

AASB 16 non-monetary benefits are non-monetary employee benefits predominantly relating to the provision

of vehicle and housing benefits that are recognised under AASB 16 which are excluded from the employee benefits expense.

Employee contributions are contributions made to the Group by employees towards employee benefits that have been provided by the Group. This includes both AASB 16 and non-AASB 16 employee contributions.

7. Finance expenses

	NOTES	GROUP 2023 \$'000	GROUP 2022 \$'000
Western Australian Treasury Corporation borrowing expenses		5,697	3,945
Interest expenses		15	7
Land rehabilitation provision net present value increase/(decrease)	23 (c)(i)	(3,352)	(5,572)
Lease finance expenses	21 (b)	1,484	802
Total finance expenses		3,844	(818)

All finance expenses are recognised using the effective interest method.

Borrowing costs are recognised as expenses in the period in which they are incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset in which case they are capitalised as

part of the cost of the asset, in accordance with AASB 123 *Borrowing Costs*.

Lease finance expenses represents the interest incurred on lease liabilities. Refer to Note 21 Lease liabilities for further information.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

8. Impairment of assets

	NOTES	GROUP 2023 \$'000	GROUP 2022 \$'000
Buildings and improvements impairment loss		4,298	9,201
Land		-	1,839
Reversal of impairment	(i)	-	(1,017)
Total impairment losses		4,298	10,023

(i) Reversal of prior year impairment loss of \$8.259 million for the year ended 30 June 2023 was recorded in Note 4 Other revenue (v).

Property, plant and equipment and intangible assets are tested for indications of impairment at each reporting period. Where there is indication of impairment, the

recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised in the Statement of Comprehensive Income.

9. Other expenses

	NOTES	GROUP 2023 \$'000	GROUP 2022 \$'000
Insurance		4,378	3,894
Short-term lease residential properties	(i)	3,695	3,754
Property acquisition expenses		700	1,773
Donations		529	963
Memberships and subscriptions		1,205	854
Rehabilitation change in cost assumptions	23 (c)(i)	(5,315)	(1,094)
Other		4,495	3,322
Total other expenses		9,687	13,466

Other expenses are recognised as expenses in the reporting period in which they are incurred. These include the day-to-day running costs incurred in the normal course of operations.

All expenditure relating to asset maintenance, port utilities, and rates and taxes is recognised as an expense in the reporting period in which they are incurred.

(i) Short-term leases (being leases with a term of 12 months or less) are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

10. Income tax expense

	NOTES	GROUP 2023 \$'000	GROUP 2022 *Restated \$'000
(a) Income tax expense			
Current tax	(i)	118,589	100,950
Adjustment for prior period	(ii)	(1,292)	(1)
Temporary differences		(15,669)	(16,234)
Total income tax expense		101,628	84,715
(b) Numerical reconciliation of income tax expense to profit before income tax			
Profit before income tax		343,054	269,543
Tax at the Australian tax rate of 30%		102,916	80,863
Adjustments for prior periods		(6)	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:			
Other		34	30
Total numerical reconciliation of income tax expense to profit before income tax		102,944	80,893
Deferred tax asset not recognised		(1,316)	3,822
Total income tax expense		101,628	84,715

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

The Group operates within the National Tax Equivalent Regime (NTER) whereby an equivalent amount of income tax is payable to the State Government. The calculation of income tax is governed by the NTER guidelines and directions approved by Government. As a consequence of participation in the NTER, the Group is required to comply with *AASB 112 Income Taxes*.

Income tax expense comprises current and deferred tax and is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other

comprehensive income. Refer to Note 24 Deferred tax liabilities.

- (i) Current tax comprises the expected tax payable on the taxable income for the year.
- (ii) Any adjustment to tax payable in respect of previous years is separately disclosed. It is measured using tax rates enacted or substantively enacted at the reporting date.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

11. Cash and cash equivalents

	NOTES	GROUP 2023 \$'000	GROUP 2022 \$'000
Non-restricted cash and cash equivalents		304,976	285,615
Restricted	(i)	527,798	323,473
Total cash and cash equivalents		832,774	609,088

For the purposes of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

- (i) Cash reserved for a specific purpose and therefore not available for general business use, including:
- Proponent contributions of \$57,443 million (2022: \$59,872 million) for Port of Ashburton development and Port of Port Hedland land rehabilitation.

- Port improvement rate cash of \$796,786 (2022: \$782,236) for approved Port of Port Hedland improvement projects.
- Spoilbank Marina development cash of \$26.053 million (2022: \$25.526 million).
- Retained dividends to fund infrastructure projects of \$440.224 million (2022: \$230.868 million)
- Cash reserved for property settlements of \$3.281 million (2022: \$6.425 million).

12. Notes to the statement of cash flows

	GROUP 2023 \$'000	GROUP 2022 *Restated \$'000
Reconciliation of net profit after tax to net cash inflow from operating activities:		
Net profit after tax	241,426	184,828
Non-cash items:		
Non-Government contributions gifted assets	-	(200)
Depreciation and amortisation expense	103,509	101,423
Impairment expense	4,298	11,040
Impairment reversal	(8,259)	(1,017)
Derecognition of assets	-	605
Loss on disposal of assets	-	143
Loss on disposal of right-of-use assets	-	1
Doubtful debt provision	(33)	149
Cost of asset disposal	-	(26)
Other	(7,130)	(155)
Change in assets and liabilities:		
Trade receivables	(8,765)	(5,267)
Other receivables	7,066	(9,766)
Inventories	(449)	24
Deferred tax liabilities	(15,383)	(16,154)
Trade payables	4,000	(3,084)
Other payables	5,373	(5,204)
Current income tax	(696)	(1,325)
Provisions	(7,368)	(6,029)
Net cash inflow from operating activities	317,589	249,986

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

13. Trade receivables

	GROUP 2023 \$'000	GROUP 2022 \$'000
Trade receivables	81,243	72,478
Provision for doubtful debt	(33)	-
Total trade receivables	81,210	72,478

Trade receivables are initially recognised at the transaction price less allowance for any uncollectable amounts. Receivables are generally settled within 30 days except for property rentals, which are governed by the terms of the individual lease agreements.

The credit risk of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written-off against the allowance account. The allowance for uncollectable amounts (doubtful debts) is based on the estimated lifetime expected credit loss for trade receivables.

The maximum exposure to credit risk at the end of the reporting period for trade receivables is the carrying amount of the asset inclusive of any allowance for impairment. Ageing analysis is shown in Note 27 Financial instruments. Impairment of trade receivables was \$32,771 (2022: \$131,880 as bad debt expense) is shown in Note 34 Supplementary financial information.

14. Other receivables

	GROUP 2023 \$'000	GROUP 2022 \$'000
Accrued income	2,582	3,508
Prepayments	3,240	8,498
GST paid to suppliers	3,629	3,448
Other receivables	127	1,190
Total other receivables	9,578	16,644



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT for the year ended 30 June 2023 (continued)

15. Property, plant and equipment

GROUP	NOTE	CHANNELS AND BREAKWATERS \$'000	LAND \$'000	BERTHS AND JETTIES \$'000	BUILDINGS AND IMPROVE- MENTS \$'000	PLANT AND EQUIPMENT \$'000	INFRA- STRUCTURE \$'000	WORK IN PROGRESS \$'000	TOTAL \$'000
1 July 2022									
Gross carrying amount		1,902,509	47,843	330,825	156,658	191,464	144,009	70,276	2,843,584
Add fair value increment restated*		265,048	191,530	70,014	-	-	-	-	526,593
Less accumulated depreciation previously reported restated*		(181,593)	-	(59,961)	(26,958)	(114,703)	(64,560)	-	(447,776)
Less accumulated impairment		-	(2,192)	-	(12,861)	-	-	-	(15,053)
Carrying amount at start of year restated*		1,985,964	237,181	340,878	116,839	76,761	79,450	70,276	2,907,349
Additions		-	1,410	13,940	10,764	6,427	853	111,912	145,306
Transfer from work in progress		-	9,655	1,290	21,991	420	-	(33,356)	-
Transfer to Statement of Comprehensive Income		-	-	-	-	-	-	(1,504)	(1,504)
Depreciation		(47,416)	-	(15,808)	(4,582)	(9,790)	(6,794)	-	(84,390)
Disposals		-	(90)	-	-	-	-	-	(90)
Revaluation increments ⁽ⁱ⁾	25(b)	580,876	14,271	90,017	-	-	-	-	685,164
Revaluation (decrements) ⁽ⁱ⁾	25(b)	-	(14,034)	-	-	-	-	-	(14,034)
Impairment losses ⁽ⁱⁱ⁾		-	-	-	(4,298)	-	-	-	(4,298)
Impairment losses reversed ⁽ⁱⁱ⁾		-	1,745	-	6,514	-	-	-	8,259
Carrying amount at 30 June 2023		2,519,424	250,138	430,317	147,228	73,818	73,509	147,328	3,641,761

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

- (i) For asset classes measured at fair value, revaluation increments and decrements are recognised in the asset revaluation reserve.
(ii) Recognised in the Statement of Comprehensive Income. Where an asset measured at cost is written down to the recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.

NOTES TO THE FINANCIAL REPORT for the year ended 30 June 2023 (continued)

15. Property, plant and equipment (continued)

GROUP	NOTE	CHANNELS AND BREAKWATERS \$'000	LAND \$'000	BERTHS AND JETTIES \$'000	BUILDINGS AND IMPROVE- MENTS \$'000	PLANT AND EQUIPMENT \$'000	INFRA- STRUCTURE \$'000	WORK IN PROGRESS \$'000	TOTAL \$'000
1 July 2021									
Gross carrying amount		1,900,581	36,076	330,825	97,672	186,170	142,639	17,304	2,711,267
Add fair value increment previously reported		212,736	190,858	70,014	-	-	-	-	473,609
Impact of restatement*		52,312	-	-	-	-	-	-	52,312
Less accumulated depreciation		(134,317)	-	(41,861)	(23,234)	(105,714)	(57,791)	-	(362,918)
Less accumulated impairment		-	(353)	-	(4,677)	-	-	-	(5,030)
Carrying amount at start of year restated*		2,031,312	226,581	358,978	69,761	80,456	84,848	17,304	2,869,240
Additions		1,928	661	-	3,368	3,115	185	125,061	134,318
Transfer from work in progress		-	12,229	-	55,755	2,755	1,186	(71,925)	-
Transfer to Statement of Comprehensive Income		-	-	-	-	-	-	(164)	(164)
Depreciation previously reported		(44,659)	-	(18,100)	(3,728)	(9,551)	(6,769)	-	(82,807)
Impact of restatement*		(2,617)	-	-	-	-	-	-	(2,617)
Disposals		-	(1,123)	-	(137)	(576)	-	-	(1,836)
Revaluation increments/(decrements) ⁽ⁱ⁾	25(b)	-	672	-	-	-	-	-	672
Accumulated depreciation on disposals		-	-	-	4	562	-	-	566
Impairment losses ⁽ⁱⁱ⁾		-	(1,839)	-	(9,201)	-	-	-	(11,040)
Impairment losses reversed ⁽ⁱⁱ⁾		-	-	-	1,017	-	-	-	1,017
Carrying amount at 30 June 2022 restated*		1,985,964	237,181	340,878	116,839	76,761	79,450	70,276	2,907,349

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

- (i) For asset classes measured at fair value, revaluation increments are recognised in the asset revaluation reserve.
(ii) Recognised in the Statement of Comprehensive Income. Where an asset measured at cost is written down to the recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.



NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

15. Property, plant and equipment (continued)

Initial recognition and measurement

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Property, plant and equipment are initially recognised at cost. For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition. Gifted land is generally transferred at the Valuer General's fair value at the time of transfer. Purchased software that is integral to the functionality of related equipment is capitalised as part of that equipment. If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent measurement

The revaluation model is used for the subsequent measurement of channels and breakwaters, land and

berths and jetties, and historical cost is used for all other property, plant and equipment. Channels and breakwaters, land and berths and jetties are carried at fair value less accumulated depreciation and accumulated impairment losses. All other items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

Useful lives

All items of property, plant and equipment having a limited useful life are systematically depreciated using the straight-line method over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. Depreciation expense is recognised in the Statement of Comprehensive Income.

Estimated useful lives for each class of depreciable asset are:

Asset class at cost	Estimated useful lives	Asset class at fair value	Estimated useful lives
Infrastructure	5 – 50 years	Channels and breakwaters	10 – 80 years
Buildings and improvements	5 – 50 years	Berths and jetties	10 – 50 years
Plant and equipment (including office equipment, motor vehicles)	2 – 40 years		

The estimated useful life and depreciation method are reviewed and adjustments made where appropriate.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount. For assets measured at cost, an impairment loss is recognised in the Statement of Comprehensive Income. Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through Other Comprehensive Income.

As the Group is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

15. Property, plant and equipment (continued)

Repairs and maintenance

Routine maintenance and repair costs are expensed as incurred. This includes repairs that relate to the restoration of an asset to its original service potential. Repairs that improve functionality or increase an asset's effective life are recognised as an item of property, plant and equipment and depreciated.

Land

Land which is either freehold, vested to the Authority or under management order in accordance with the *Port Authorities Act 1999* is considered to be under the control of the Authority and is recorded in property, plant and equipment. Land assets are considered to have an indefinite life and are not depreciated. Depreciation is not recognised because the service potential has not, in any material sense, been consumed during the reporting period.

16. Fair value measurements

	NOTES	GROUP LEVEL 2 \$'000	GROUP LEVEL 3 \$'000	GROUP FAIR VALUE AT THE END OF THE PERIOD \$'000
2023				
Assets measured at fair value:				
Channels and breakwaters	15	-	2,519,424	2,519,424
Land	15	250,138	-	250,138
Berths and jetties	15	-	430,317	430,317
Total assets measured at fair value		250,138	2,949,741	3,199,879
2022				
Assets measured at fair value:				
Channels and breakwaters restated*	15	-	1,985,964	1,985,964
Land	15	237,181	-	237,181
Berths and jetties	15	-	340,878	340,878
Total assets measured at fair value at 30 June 2022 restated*		237,181	2,326,842	2,564,023

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

Reconciliations of the carrying amounts of the assets measured at fair value are provided in Note 15 Property, plant and equipment.

Valuation techniques

During the year, the Group became aware of changes in projects costs for materials and labour. Due to this, the Group engaged the services of an independent valuer to determine the fair value of channels and breakwaters, land and berths and jetties as at 30 June 2023. The Group will continue to do so as a minimum every three years. The Authority disposed of land to and gained land from the Department of Planning, Land and Heritage. This land was fair valued on disposal and acquisition.

Valuation technique to derive level 2 and 3 fair value

The basis of the valuation assumes an asset can be exchanged after an adequate period of marketing to obtain its best price, having regard to the highest and best use of the asset for which market participants in the principal or most advantageous markets would be prepared to pay. In the absence of a market price, fair value has been estimated by reference to the best available market evidence including current market prices for recent transactions of similar assets or current market new replacement costs. These are considered to be level 2 inputs against which an allowance for depreciation is applied. Where no market price or market evidence is available, unobservable inputs are applied such as indexation, which are considered to be a level 3 input.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

16. Fair value measurements (continued)

Valuation technique to derive level 2 and 3 fair value continued

Where the market buying price and market selling price differ materially, often in the case of specialised assets, fair value has been estimated using the direct replacement cost of the asset, whereby replacement cost is depreciated for consumption of service potential and other obsolescence. Where inputs in this method of valuation are directly or indirectly observable they are considered level 2 inputs, for example direct replacement cost in new asset market, asset utilisation and allocation of useful life. Where inputs in this method of valuation are unobservable, they are considered level 3 inputs, for example indexation of acquisition cost, industry or consumer price indices.

Channels and breakwaters

To determine the value of the marine channels the gross current replacement cost was calculated and depreciation applied based on estimated economic life. The gross current replacement cost of each channel was calculated using dredging quantities specific to each channel and recent dredging costs. An assessment of the age of each channel was made from the last date at which the channel was dredged to the current maximum vessel size being able to be operated for the current port operation.

The estimated economic life of each channel was assessed using the longest lease period of a current port lessee which was used to depreciate each channel accordingly to determine the current written down value.

Land

Commercial land was valued using an income based approach to best reflect the highest and best use of the assets. Values were determined using current ground lease agreements and applying discount rates in line with the term of the lease and renewal options. Freehold land assets were valued using the sales comparison approach. Available market sales evidence of similar or substitute properties transacted in the market was used to establish a value estimate by processes involving comparison.

Berths and jetties

To determine the Gross Current Replacement Cost, major asset components have been considered. A quantity surveying calculation was derived from physical site inspections and physical measurement estimates, cross checking to engineering and General Arrangement drawings supplied and making enquiries with relevant stakeholders.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

17. ROU property, plant and equipment

	GROUP BUILDINGS AND IMPROVEMENTS \$'000	GROUP PLANT AND EQUIPMENT \$'000	GROUP TOTAL \$'000
Year ended 30 June 2023			
At 1 July 2022			
Gross carrying amount	35,834	50,645	86,478
Accumulated depreciation	(16,760)	(29,946)	(46,704)
Carrying amount at start of period	19,074	20,699	39,773
Additions	11,542	3,908	15,450
Depreciation	(7,844)	(10,630)	(18,474)
Derecognition of right-of-use asset (i)	(254)	(1,376)	(1,630)
Accumulated depreciation on derecognition	243	1,364	1,607
Carrying amount at 30 June 2023	22,761	13,965	36,726
Year ended 30 June 2022			
At 1 July 2021			
Gross carrying amount	24,189	52,417	76,606
Accumulated depreciation	(12,403)	(24,963)	(37,366)
Carrying amount at start of period	11,786	27,454	39,240
Additions	12,308	5,311	17,619
Depreciation	(5,020)	(10,316)	(15,336)
Derecognition of right-of-use asset (i)	(664)	(7,083)	(7,747)
Accumulated depreciation on disposal	664	5,333	5,997
Carrying amount at 30 June 2022	19,074	20,699	39,773

(i) Relates to right of use assets for which the lease term has ended during the reporting period

Short-term and low value leases

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets (with an underlying value of \$5,000 or less) and short-term leases (with a lease term of 12 months or less). Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

Initial recognition and measurement

The Group leases residential properties for employee housing in the Pilbara region, commercial buildings, and marine plant and equipment and fleet. Right-of-use assets are recognised at the lease commencement date, which is when the assets are available for use. They are initially

measured at cost, which comprises the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liabilities.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

17. ROU property, plant and equipment (continued)

Depreciation and impairment

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The impairment accounting policy is outlined in Note 15 Property, plant and equipment.

The following amounts relating to leases have been recognised in the Statement of Comprehensive Income:

	GROUP 2023 \$'000	GROUP 2022 \$'000
Depreciation expense of right-of-use assets	18,474	15,336
Lease interest expense	1,484	802
Short-term leases	3,845	4,019
Total amount recognised in the Statement of Comprehensive Income	23,803	20,157

The total cash outflow for leases in 2023 was \$19.271 million (2022: \$16.852 million). As at 30 June 2023 there were no indications of impairment to right-of-use assets.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in Note 21 Lease liabilities.

The Group recognises leases as right-of-use assets and associated lease liabilities in the Statement of financial

18. Intangible assets

	GROUP WORK IN PROGRESS \$'000	GROUP COMPUTER SOFTWARE \$'000	GROUP ENVIRONMENTAL APPROVALS \$'000	GROUP TOTAL \$'000
Year ended 30 June 2023				
At 1 July 2022				
Gross carrying amount	-	8,052	449	8,501
Accumulated amortisation	-	(6,563)	(149)	(6,712)
Carrying amount at start of period	-	1,489	300	1,789
Amortisation expense	-	(635)	(9)	(644)
Carrying amount at 30 June 2023	-	854	291	1,145

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

18. Intangible assets (continued)

	GROUP WORK IN PROGRESS \$'000	GROUP COMPUTER SOFTWARE \$'000	GROUP ENVIRONMENTAL APPROVALS \$'000	GROUP TOTAL \$'000
Year ended 30 June 2022				
At 1 July 2021				
Gross carrying amount	820	7,997	449	9,266
Accumulated amortisation	-	(5,909)	(140)	(6,049)
Carrying amount at start of period	820	2,088	309	3,217
Derecognition of assets	(768)	-	-	(768)
Additions	-	4	-	4
Transfer between asset classes	(52)	52	-	-
Amortisation expense	-	(655)	(9)	(664)
Carrying amount at 30 June 2022	-	1,489	300	1,789

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138.57 Intangible Assets, are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of comprehensive income.

Subsequent expenditure

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Computer software

Software that is not an integral part of the related hardware is recognised as an intangible asset. Software that is an integral part of related hardware is treated as property, plant and equipment.

Environmental approvals

Environmental approvals are the costs of obtaining dredging approval of the Bulk Liquids Berth Channel; amortised over the life of the channel.

Amortisation

Amortisation of intangible assets with finite useful lives is calculated for the period of the expected benefit on a straight-line basis, recognised in the Statement of Comprehensive Income. All intangible assets controlled by the Group have a finite useful life and zero residual value. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The expected useful lives for each class of intangible asset are:

Asset class at cost	Estimated useful lives
Computer software	2 – 7 years
Environmental approvals	50 years

Impairment

Intangible assets are tested for impairment annually or when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 15 Property, plant and equipment.

Research and development

Research expenditure is recognised in the Statement of Comprehensive Income, as incurred. Development expenditure is capitalised only if the following applies:

- can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable; and
- the Group intends to and has sufficient resources to complete development and to use or sell the asset.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

19. Other payables

	Note	GROUP 2023 \$'000	GROUP 2022 \$'000
Rent received in advance		5,827	7,077
GST collected from customers		5,778	5,887
Accrued expenses	(i)	17,468	10,736
Total other payables		29,073	23,700

(i) Accrued expenses are recognised at the amounts payable in the future, for goods and services received prior to the reporting date. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

20. Interest bearing borrowings

	GROUP 2023 \$'000	GROUP 2022 \$'000
(a) Current		
Western Australian Treasury Corporation	43,848	43,626
Total current interest bearing borrowings	43,848	43,626
(b) Non-current		
Western Australian Treasury Corporation	94,725	98,573
Total non-current interest bearing borrowings	94,725	98,573
Total interest bearing borrowings	138,573	142,199

Borrowings are classified as financial instruments. All interest bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. The Group determines the classification of its interest bearing liabilities at initial recognition. Subsequent measurement depends on whether the Group has categorised its interest bearing liabilities as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'. The classification depends on the nature and purpose of the interest bearing liabilities.

The Authority has three loans with the Western Australian Treasury Corporation (WATC) being:

- The loan for the Utah Point Bulk Handling Facility (BHF) which is an interest only loan in accordance with the Authority's approved borrowing limit schedule provided by WATC. Interest payments are made quarterly. The loan is due to conclude by 15 April 2051. Weighted average interest rate as at 30 June 2023 2.33% (2022: 1.05%).

- The loan for the Port of Dampier Bulk Liquids Berth (BLB) which is repayable via quarterly instalments of principal and interest over 25 years in accordance with a fixed instalment repayment schedule, due to conclude by 1 August 2030. Weighted average interest rate as at 30 June 2023 6.15% (2022: 6.15%).
- The loan for Hedland Maritime Initiative (HMI) is in accordance with the Authority's approved borrowing limit schedule provided by WATC. Interest is paid on the maturity of the liquidity trade. The loan was due to conclude by 26 July 2023 as at 30 June 2023 and has been subsequently rolled over to 26 October 2023. Weighted average interest rate as at 30 June 2023 4.00% (2022: 1.75%).

Apart from the contractual obligation to repay the WATC under its portfolio lending arrangements, the Group has not provided any security in respect of the loans.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

21. Lease liabilities

	GROUP 2023 \$'000	GROUP 2022 \$'000
(a) Current		
Building and improvements	7,397	5,274
Plant and equipment	10,614	9,907
Total current lease liabilities	18,011	15,181
(b) Non-current		
Building and improvements	16,537	14,374
Plant and equipment	3,812	11,333
Total non-current lease liabilities	20,349	25,707
Total lease liabilities	38,360	40,888

Movements in lease liabilities are set out below:

(i) Buildings and improvements		
Carrying amount as at 1 July	19,648	12,062
Additions	11,537	12,266
Repayments	(8,232)	(5,063)
Accretion of interest	992	383
Disposals	(11)	-
Carrying amount as at 30 June	23,934	19,648
(ii) Plant and equipment		
Carrying amount as at 1 July	21,240	28,040
Additions	3,952	5,343
Repayments	(11,246)	(12,562)
Accretion of interest	492	419
Disposals	(12)	-
Carrying amount as at 30 June	14,426	21,240
Total lease liability carrying amount as at 30 June	38,360	40,888

Initial recognition and measurement

The Group initially measures lease liabilities for buildings and improvements and plant and equipment at the commencement date, at the present value of future lease payments that are not paid at that date. The lease payments are discounted using the WATC incremental borrowing rate if the rate implicit in the lease cannot be readily determined. Lease payments are fixed payments or index-based variable payments incorporating the Group's expectations of extension options and do not include the non-lease components of a contract, where the Group has elected to separate out non-lease components.

The Group includes the following lease payments as part of the present value calculation of lease liabilities:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options (where these are reasonably certain to be exercised).
- Payments for penalties for terminating a lease, where the lease term reflects the Group exercising an option to terminate the lease.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

21. Lease liabilities (continued)

Initial recognition and measurement continued

The interest on the lease liability is recognised in the Statement of Comprehensive Income over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Group if the lease is reasonably certain to be extended (or not terminated).

Subsequent measurement

Lease liabilities are remeasured when there is a change in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. This is done by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made, and remeasuring the carrying amount at amortised cost, subject to reassessment or lease modification adjustments. A corresponding adjustment is made to the carrying amount of the right-of-use assets, with any excess recognised in the Statement of Comprehensive Income.

22. Current tax liabilities

	GROUP 2023 \$'000	GROUP 2022 \$'000
Opening balance	18,128	19,453
Prior year true up	(152)	5
Tax instalments paid	(119,133)	(102,280)
Current tax expense	118,589	100,950
Total current tax liabilities	17,432	18,128

23. Provisions

	Note	GROUP 2023 \$'000	GROUP 2022 \$'000
(a) Current			
Employee benefits			
Annual leave		5,562	5,045
Long service leave		5,701	5,095
Other employee benefits		576	453
Total current employee benefits		11,839	10,593
Total current provisions		11,839	10,593
(b) Non-current			
Employee benefits			
Long service leave		809	750
Other employee benefits	23 (c)(ii)	442	449
Total non-current employee benefits		1,251	1,199

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

23. Provisions (continued)

	Note	GROUP 2023 \$'000	GROUP 2022 \$'000
Other provisions			
Provision for land rehabilitation	23 (c)(ii)	63,279	71,945
Total other provisions		63,279	71,945
Total non-current provisions		64,530	73,144
Total provisions		76,369	83,737
(c) Movements in other non-current provisions are set out below:			
(i) Land rehabilitation			
Carrying amount as at 1 July			
Change in cost assumptions	9	71,945	78,611
Net present value increase/(decrease)	7	(5,315)	(1,094)
		(3,352)	(5,572)
Carrying amount as at 30 June		63,279	71,945
(ii) Pension and Gold State Superannuation			
Carrying amount as at 1 July			
Interest cost		449	496
Actuarial losses/(gain)		15	7
Benefits paid		13	(14)
		(35)	(39)
Carrying amount as at 30 June		442	449

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period. The unwinding of a discount is recognised as a finance cost.

Land rehabilitation

The land rehabilitation provision has been recognised using a discounted cash flow methodology. Management's estimates have been developed from an internal cost model which requires assumptions such as the application of the legislative rehabilitation requirements imposed on the land, available technologies, rehabilitation input costs, inflation and discount rates. Discount rate (Australian Government 5 year bond) applied in 2023: 3.95% (2022: 3.6%).

Employee benefits

The liability for annual and long service leave relate to services provided by employees up to the reporting date. These liabilities are expected to be settled within 12 months after the reporting date and are recognised and measured

at undiscounted amounts expected to be paid when the liabilities are settled; using the remuneration rates expected to apply at the time of settlement. Long service leave not expected to be settled wholly within 12 months after the reporting date is disclosed as non-current and is discounted accordingly. Discount rate applied in 2023: 4.1% (2022: 2.6%).

When assessing expected future payments, consideration is given to estimated future wage and salary levels including non-salary components, such as employer superannuation contributions, as well as the trend of employee departures and periods of service. The expected future payments are discounted to present value using market yields at the reporting date based on Federal Government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Employment on-costs are not employee benefits and are recognised as liabilities and expenses when the employment to which they relate has occurred.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

24. Deferred tax liabilities

		GROUP 2023	GROUP 2022 *Restated	GROUP 1 July 2021 *Restated
	NOTES	\$'000	\$'000	\$'000
(a) Deferred tax assets				
Property, plant and equipment		73,876	59,161	40,891
Project pool and business related costs		2,603	230	236
Provisions	(i)	22,914	25,121	26,975
Lease liabilities	(ii)	11,508	12,266	12,030
Other		528	78	260
Total deferred tax assets		111,429	96,856	80,392
(b) Deferred tax liabilities				
Property, plant and equipment	(iii)	(894,136)	(692,789)	(692,596)
Right-of-use assets	(iv)	(11,018)	(11,932)	(11,772)
Other		(122)	(173)	(101)
Total deferred tax liabilities		(905,276)	(704,894)	(704,469)
Net deferred tax liabilities		(793,847)	(608,038)	(624,077)

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

(i) This balance represents the deferred tax impact of the total provisions. Further information on provisions is provided in Note 23 Provisions.

(ii) This balance represents the deferred tax impact as a result of lease liabilities. Further information on lease liabilities is provided in Note 21 Lease liabilities.

(iii) This balance represents the deferred tax impact of increased future depreciation for accounting purposes as a result of fair value accounting. Further information on fair value measurements is provided in Note 16 Fair value measurements.

(iv) This balance represents the deferred tax impact as a result of right-of-use assets. Further information on ROU property, plant and equipment is provided in Note 17 ROU property, plant and equipment.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and for taxation purposes. Deferred tax is not recognised for temporary differences on the initial

recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit(s) will be realised.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

25. Equity

		GROUP 2023	GROUP 2022 *Restated	GROUP 1 July 2021 *Restated
	NOTES	\$'000	\$'000	\$'000
(a) Contributed equity				
Carrying amount as at 1 July		421,184	373,566	353,449
Port improvement rate		-	-	4,117
Vested land	(i)	125	(1,070)	-
Other government contributions	(ii)	64,218	48,688	16,000
Equity contributions during the year		64,343	47,618	20,117
Carrying amount as at 30 June		485,527	421,184	373,566
(b) Asset revaluation reserve				
Carrying amount as at 1 July		1,616,526	1,616,056	1,247,911
Net revaluation increments:				
- Channels and breakwaters	15	580,876	-	212,736
- Impact of restatement*	37	-	-	52,312
- Land	15 & (i)	237	672	190,858
- Berths and jetties	15	90,017	-	70,014
Asset revaluations during the year		671,130	672	525,920
Deferred tax impact		(201,339)	(202)	(157,776)
Carrying amount as at 30 June		2,086,317	1,616,526	1,616,056
(c) Retained earnings				
Carrying amount as at 1 July		697,741	512,899	464,850
Total comprehensive income for the year	(iii)	241,413	186,674	159,962
- Impact of restatement*		-	(1,832)	-
Dividends paid	(iv)	-	-	(111,913)
Carrying amount as at 30 June		939,154	697,741	512,899
Total equity at end of period		3,510,999	2,735,451	2,502,521

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

Contributions received from the Government of Western Australia are recognised directly as a credit to contributed equity:

(i) A Port Hedland Boundary Redeclaration carried out from FY21-22 to FY22-23. In FY22-23, land was received \$215,000 (2022: \$2,450) and returned \$90,000 (2022: \$1.122 million) to the State Government of Western Australia. Returned land was fair valued on disposal, with a fair value increment recorded in the asset revaluation reserve.

(ii) The following equity injections were received:

- Spoilbank Marina development funding of \$6.050 million (2022: \$31.972 million) from Royalties for Regions and \$42.234 million (2022: \$6.400 million) from Department of Treasury.
- HMI's income tax instalments of \$15.934 million (2022: \$10.316 million) returned from Department of Treasury.

(iii) Total comprehensive income for the year excludes the changes in the asset revaluation reserve, net of tax.

(iv) Cabinet approved the retention of the FY2022-23 dividend payments to fund infrastructure projects over the forward estimates. Further information on dividends is provided in Note 26 Dividends.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

26. Dividends

	GROUP 2023 \$'000	GROUP 2022 \$'000
Final dividend prior year	-	-
Total dividends	-	-

The Authority is required to pay dividends to the State Government of Western Australia. Dividends are payable on net profit after tax at the Government approved payout rate of 85%.

The State Government of Western Australia approved the retention of the interim and final dividend relating to year ended 30 June 2022 and interim dividend relating to year ended 30 June 2023. This retained dividend is to fund infrastructure projects over the forward estimates. Refer to Note 11 Cash and Cash Equivalents.

Dividends, to the extent that they are not paid within the period, are recognised as a liability in the period in which they are declared. In accordance with Australian Accounting Standards, the final dividend relating to the financial results for the year ended 30 June 2023 has not been provided for as it is expected to be declared by the Board of Directors and approved by Government after the reporting date.

27. Financial risk management

Financial risk management objectives and policies

Financial instruments held by the Group are cash and cash equivalents, restricted cash and cash equivalents, receivables, payables and Western Australian Treasury Corporation (WATC) borrowings. The Group has limited exposure to financial risks. The Group's overall risk management program focuses on managing the risks identified below.

(a) Summary of risks and risk management

Credit risk

Credit risk arises when there is the possibility of the Group's customers defaulting on their contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table in Note 27 (c). The Group trades only with recognised, creditworthy third parties. The Group has policies in place to ensure that the provision of services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is minimal. Debt will be written-off against the allowance account when it is improbable or uneconomical to recover the debt.

At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Group is unable to meet its financial obligations as they fall due. The Group is exposed to liquidity risk through its trading in the normal course of business. The Group has appropriate procedures to manage cash flows including monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The Group does not trade in foreign currency and is not materially exposed to other price risks [for example, equity securities or commodity prices changes]. The Group's exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations.

The Group's borrowings are all obtained through the WATC and at prescribed fixed and variable rates with varying maturity dates. Interest rate risk is managed by WATC through portfolio diversification and variation in maturity dates. The Group does not trade in foreign currency.

NOTES TO THE FINANCIAL REPORT for the year ended 30 June 2023 (continued)

27. Financial risk management (continued)

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	GROUP 2023 \$'000	GROUP 2022 \$'000
Financial assets		
Cash and cash equivalents	832,774	609,088
Financial assets at amortised cost (i)	76,533	70,587
Total financial assets	909,307	679,675
Financial liabilities		
Financial liabilities at amortised cost (ii)	205,545	202,581
Total financial liabilities	205,545	202,581

(i) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

(ii) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

(c) Ageing analysis of financial assets

2023	NOTES	CARRYING AMOUNT \$000	NOT PAST DUE AND NOT IMPAIRED \$000	NOT PAST DUE AND NOT IMPAIRED					IMPAIRED FINANCIAL ASSETS \$000
				UP TO 1 MONTH \$000	1 - 3 MONTHS TO 1 YEAR \$000	1 - 5 YEARS \$000	MORE THAN 5 YEARS \$000		
Financial assets									
Cash and cash equivalents	11	304,976	304,976	90,836	214,140	-	-	-	-
Restricted cash and cash equivalents	11	527,798	527,798	32,062	495,736	-	-	-	-
Trade receivables (i)		73,824	73,824	73,824	-	-	-	-	-
Other receivables (i)		2,709	2,709	2,709	-	-	-	-	-
Total financial assets		909,307	909,307	199,431	709,876	-	-	-	-
2022									
Financial assets									
Cash and cash equivalents	11	285,615	285,615	165,006	120,609	-	-	-	-
Restricted cash and cash equivalents	11	323,473	323,473	35,592	287,881	-	-	-	-
Trade receivables (i)		65,889	65,889	51,685	14,204	-	-	-	-
Other receivables (i)		4,698	4,698	4,698	-	-	-	-	-
Total financial assets		679,675	679,675	256,981	422,694	-	-	-	-

(i) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

NOTES TO THE FINANCIAL REPORT for the year ended 30 June 2023 (continued)

27. Financial risk management (continued)

(d) Liquidity risk and interest rate exposure

The following table details the Group's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	NOTES	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	CARRYING AMOUNT \$'000	INTEREST RATE EXPOSURE			NOMINAL AMOUNT \$'000	MATURITY DATES										
				FIXED INTEREST RATE \$'000	VARIABLE INTEREST RATE \$'000	NON- INTEREST BEARING \$'000		LESS THAN 1 MONTH \$'000	1 - 3 MONTHS TO 1 YEAR \$'000	3 MONTHS TO 1 YEAR \$'000	1 - 5 YEARS \$'000	MORE THAN 5 YEARS \$'000						
2023																		
Financial assets																		
Cash and cash equivalents	11	3.98	304,976	-	304,976	-	304,976	90,836	214,140	-	-	-	-	-	-	-	-	-
Restricted cash and cash equivalents	11	3.98	527,798	-	524,517	3,281	527,798	32,062	495,736	-	-	-	-	-	-	-	-	-
Trade receivables (i)			73,824	-	-	73,824	73,824	73,824	-	-	-	-	-	-	-	-	-	-
Other receivables (i)			2,709	-	-	2,709	2,709	2,709	-	-	-	-	-	-	-	-	-	-
Total financial assets			909,307		829,493	79,814	909,307	199,431	709,876									
Financial liabilities																		
Trade payables (ii)			5,317	-	-	5,317	5,317	5,317	-	-	-	-	-	-	-	-	-	-
Other payables (i)	19		23,295	-	-	23,295	23,295	23,295	-	-	-	-	-	-	-	-	-	-
Borrowings (iii)	20	3.75	138,573	79,163	59,410	-	198,818	577	1,635	45,981	30,594	120,031						
Lease liabilities	21	2.73	38,360	38,360	-	-	38,360	1,636	3,200	13,175	14,271	6,078						
Total financial liabilities			205,545	117,523	59,410	28,612	265,790	30,825	4,835	59,156	44,865	126,109						

(i) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable) and prepayments.

(ii) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

(iii) With reference to the nominal amount, the maturity date analysis of borrowings is inclusive of principal and interest cash flows.

NOTES TO THE FINANCIAL REPORT for the year ended 30 June 2023 (continued)

27. Financial risk management (continued)

(d) Liquidity risk and interest rate exposure (continued)

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	NOTES	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	CARRYING AMOUNT \$'000	INTEREST RATE EXPOSURE			NOMINAL AMOUNT \$'000	MATURITY DATES											
				FIXED INTEREST RATE \$'000	VARIABLE INTEREST RATE \$'000	NON- INTEREST BEARING \$'000		LESS THAN 1 MONTH \$'000	1 - 3 MONTHS TO 1 YEAR \$'000	3 MONTHS TO 1 YEAR \$'000	1 - 5 YEARS \$'000	MORE THAN 5 YEARS \$'000							
2022																			
Financial assets																			
Cash and cash equivalents	11	1.26	285,615	-	285,615	-	285,615	165,006	120,609	-	-	-	-	-	-	-	-	-	-
Restricted cash and cash equivalents	11	1.26	323,473	-	317,048	6,425	323,473	35,592	287,881	-	-	-	-	-	-	-	-	-	-
Trade receivables (i)			65,889	-	-	65,889	65,889	51,685	14,204	-	-	-	-	-	-	-	-	-	-
Other receivables (i)			4,698	-	-	4,698	4,698	4,698	-	-	-	-	-	-	-	-	-	-	-
Total financial assets			679,675		602,663	77,012	679,675	256,981	422,694										
Financial liabilities																			
Trade payables (ii)			1,681	-	-	1,681	1,681	1,681	-	-	-	-	-	-	-	-	-	-	-
Other payables (ii)	19		17,813	-	-	17,813	17,813	17,813	-	-	-	-	-	-	-	-	-	-	-
Borrowings (iii)	20	2.59	142,199	82,789	59,410	-	191,046	169	41,873	4,753	27,115	117,136							
Lease liabilities	21	1.9	40,888	40,888	-	-	40,888	1,338	2,634	11,210	19,979	5,728							
Total financial liabilities			202,581	123,677	59,410	19,494	251,429	21,001	44,507	15,963	47,094	122,864							

(i) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable) and prepayments.

(ii) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

(iii) With reference to the nominal amount, the maturity date analysis of borrowings is inclusive of principal and interest cash flows.

(e) Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Group's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	NOTES	2023 \$'000	2022 \$'000
Financial assets			
Cash and cash equivalents			
Change in carrying amount (1%)	27 (d)	829,493	602,663
Change in carrying amount (-1%)		(8,295)	(6,027)
Financial liabilities			
Borrowings			
Change in carrying amount (1%)	27 (d)	59,410	59,410
Change in carrying amount (-1%)		(594)	(594)
		594	(594)

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

28. Contingencies

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes and, if quantifiable, are measured at the best estimate. The Group has no contingent assets for the year ended 30 June 2023.

Contingent liabilities

The following contingent liabilities are excluded from the liabilities included in the financial statements:

Contaminated sites

Under the *Contaminated Sites Act 2003* (WA), the Authority must report known and/or suspected contamination to the Department of Water and Environmental Regulation (DWER). After receiving such a report, DWER must classify the site on the basis of risk to human health, the environment and/or environmental values. Where sites are classified as “contamination – remediation required” or “possibly contaminated – investigation required”, the Authority is likely to be responsible for investigation and/or remediation (and associated expenses). The Authority will only incur liability if a lessee fails to comply with its obligations under its lease.

Port of Dampier

In October 2006, the Authority reported suspected contamination at three isolated sites within the De Witt Location 471. As the Contaminated Sites Management System is linked to the State cadastral system, DWER can only list whole land parcels (and not portions of a lot). Accordingly, on 15 June 2007, after investigations identified concentrations of contaminants exceeding adopted assessment levels, DWER classified all of De Witt Location 471 as “Possibly contaminated – investigation required under the *Contaminated Sites Act 2003*”. In 2009, Rio Tinto undertook the required remediation works to have one of the three areas de-listed from the Memorial.

In 2010, Mermaid Marine Australia (lease now assigned to Toll Transport Pty Ltd) had another area added to the same Memorial and in 2014, a small diesel spill occurred within the Woodside leased area. While investigations and remedial works were undertaken, some residual impact remains beneath a concrete slab and as a result, this contamination was added to the Memorial.

DWER has assessed the De Witt Location 471 to be suitable for ongoing commercial/industrial use, but it may not be suitable for more sensitive land uses (such as residential housing). DWER has also indicated that further works may be required to determine the contamination status of soil, surface water and groundwater at the site. During financial years 2015-16 and 2016-17, the Authority engaged specialist consultants to further investigate groundwater across Location 471 in accordance with a request from DWER. The Authority also worked with lessees to undertake additional site investigations in order to further understand and manage contamination matters on the site. This information has been provided to DWER and the Authority is yet to be advised of the outcome.

The Authority’s lease agreements require lessees to comply with all environmental laws, to prepare and submit an Operational Environmental Management Plan to the Authority and to address all forms of environmental damage to the occupied leased land, including contamination. Where specific contamination events have resulted from the direct actions of the lessee, the lessee has, at its cost, the obligation to investigate and remediate any affected site.

Port of Port Hedland

On 1 July 2010, an area of land (Lot 6098, now referred to as Lot 400) vested in the Authority was listed under the *Contaminated Sites Act 2003* (WA) as “Contaminated – remediation required”. The Authority has made submissions and is working with the lessees and specialist consultants to investigate and manage remediation requirements.

In February 2016, an area of land located within the Wedgefield Estate (part of Lot 370, now referred to as Lot 603) was classified by DWER as “Possibly contaminated – investigation required” under the *Contaminated Sites Act 2003* (WA). This listing resulted from a hydrocarbon (diesel) spill which occurred on land parcel W002. The spill site was subsequently investigated by specialist consultants and remediated. However, the ongoing use of the site (and surrounding areas) by lessees for commercial and light industrial use warrants the current classification. The Authority is working with lessees in this area and continues to undertake environmental monitoring in order to manage contamination.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

29. Capital commitments

	GROUP 2023 \$'000	GROUP 2022 \$'000
Within one year	112,077	82,624
Later than one year but not later than five years	-	7,842
Later than five years	-	-
Total capital commitments	112,077	90,466

30. Operating lease

The Group leases out properties to proponents under operating leases with lease payments in accordance with the terms of their respective lease agreements. The Group has classified these leases as operating leases, because they do not transfer substantially all the risks and rewards incidental to the ownership of the assets. The Group recognises lease payments received as income on a straight line basis over the lease term. Rental and lease income recognised by the Group during 2023 was \$33.331 million (2022: \$32.495 million). Refer to Note 3 Revenue. In addition, the Group recognise income from renting HMI residential properties, \$4.379 million in the year ended 30 June 2023 (2022: \$2.231 million). Please refer to Note 4 (vi).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payment to be received after the reporting date.

	GROUP 2023 \$'000	GROUP 2022 \$'000
Less than one year	38,415	34,396
One to two years	34,094	31,410
Two to three years	31,685	30,317
Three to four years	29,702	28,356
Four to five years	28,707	27,212
Later than five years (up to 50 years)	485,467	474,928
Total	648,072	626,619

Lessor risk management

The Authority conducts inspections to verify that leased assets are being used per their permitted use, maintained to the Authority’s standard and lessees are meeting their covenants and environment obligations. Lessees must obtain the Authority’s approval under a development approval process prior to any modifications to leased assets. Lease agreements include end of term yield up clauses which determines how the leased assets will be handed back to the Authority. If the lessee does not return the leased assets in the state required by the lease agreement, yield up works can be charged or any bonds deducted.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

31. Parent entity disclosure

	2023 \$'000	2022 *Restated \$'000	
Result of parent entity			
Net profit for the period	213,545	172,079	
Other comprehensive income	468,029	14	
Total comprehensive income	681,574	172,093	
	2023 \$'000	2022 *Restated \$'000	1 July 2021 *Restated \$'000
Financial Position of parent entity at year end			
Current assets	947,273	730,560	489,401
Non-current assets	3,609,611	2,896,887	2,908,410
Total assets	4,556,884	3,627,447	3,397,811
Current liabilities	129,060	113,549	75,940
Non-current liabilities	973,447	805,437	833,472
Total liabilities	1,102,507	918,986	909,412
Total equity of the parent entity comprising:			
Contributed equity	485,527	421,184	373,566
Reserves	2,084,447	1,616,405	1,616,056
Retained earnings	884,403	670,871	498,777
Total equity	3,454,377	2,708,460	2,488,399

* Refer to Note 37 for restatement of Bulk Liquids Berth channel fair value.

Parent entity contingent liabilities

The parent entity contingent liabilities are as disclosed in Note 28 Contingencies.

Parent entity capital commitment

Total capital expenditure contracted for at reporting date was \$110.503 million (2022: \$85.346 million).

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

32. Related parties

The Group is a wholly owned government trading entity.

Related parties of the Group include:

- all Cabinet ministers and their close family members, and their controlled or jointly controlled entities
- all senior officers and their close family members, and their controlled or jointly controlled entities
- other departments and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements
- associates and joint ventures of a wholly-owned public sector entity
- the Government Employees Superannuation Board (GESB)

Significant transactions with Government-related entities

In conducting its activities, the Group is required to transact with the State and entities related to the State.

These transactions are generally based on the standard terms and conditions that apply to all Government Agencies and Authorities. Such transactions include:

- Income from the State Government of Western Australia of \$8.699 million in 2023 (2022: \$6.848 million).
- Defined contribution superannuation payments made to GESB of \$2.321 million in 2023 (2022: \$1.985 million).
- Interest bearing borrowings from WATC: \$138.573 million in 2023 (2022: \$142.199 million).
Refer to Note 20 Interest bearing borrowings.
- No dividends paid to the State Government of Western Australia in 2023 (2022: nil). Refer to Note 26 Dividends.
- Equity contributions (on net basis) received from the State Government of Western Australia: \$64.373 million in 2023 (2022: \$47.618 million). Refer to Note 25 Equity.
- Insurance payments to the Insurance Commission and RiskCover Fund of \$4.393 million (2022: \$3.820 million).
- Remuneration for services provided by the Auditor General for Western Australia. Refer to Note 35 Remuneration of auditors.

Material transactions with related parties are shown in the below table:

	NOTE	GROUP 2023 \$'000	GROUP 2022 \$'000
Legal services	(i)	978	1,117
Professional services	(ii)	171	195
Total related parties transactions		1,149	1,312

(i) The Group has been notified that a current WA State Government Minister has declared that a non-dependent close family member is a partner of a law firm that provided services to the Group. The Group has used the firm in previous years. The unbilled WIP of the law firm as at 30 June 2023 was \$46,633 not included in the financial statements.

(ii) A Director of the Authority is a partner of a professional services firm that provides services to the Group. The Group has used the firm in previous years.

The Group had no other material related party transactions with key management personnel or their close family members or their controlled (or jointly controlled) entities for disclosure.

Related and affiliated bodies

The Group had no related bodies or affiliated bodies during the financial year.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

33. Key management personnel

The Group has determined that key management personnel include the Board of Directors and senior management of the Group.

The total fees, salaries, superannuation, non-monetary benefits and other benefits provided to key management personnel of the Group for the reporting period are presented within the following bands:

	GROUP 2023	GROUP 2022
Compensation bands (\$)		
Above 500,000	1	1
400,000 - 500,000	2	1
300,000 - 400,000	6	6
200,000 - 300,000	-	1
100,000 - 200,000	1	-
50,001 - 100,000	6	3
Up to 50,000	-	7
Total number of key management personnel	16	19

	GROUP 2023 \$'000	GROUP 2022 \$'000
Transactions of key management personnel		
Short-term employee benefits	3,812	3,426
Post-employment benefits	481	435
Other-long term employment benefits	(69)	108
Termination benefits	244	-
Total compensation of key management personnel	4,468	3,969
Other transactions	76	74
Total transactions with key management personnel	4,544	4,043

34. Supplementary financial information

During the financial year, \$32,771 (2022: \$131,880) was written off from the Group's accounts receivable balance:

	GROUP 2023 \$'000	GROUP 2022 \$'000
Write-offs		
Bad debts	33	132
Total write-offs	33	132

35. Remuneration of Auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	GROUP 2023 \$'000	GROUP 2022 \$'000
Office of Auditor General - external audit fee	199	167
Total remuneration of Auditors	199	167

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

36. Events occurring after the end of the reporting period

Land title for the Boodarie Stockyard Stage 2 was granted to the Authority under management order on 7 August 2023.

No other matters have arisen since 30 June 2023 that significantly affect, or may significantly affect the Group's operations, the results of those operations, or the state of its affairs in future financial years.

37. Correction of errors

During 2023, the Authority identified that incorrect assumptions were used in the independent valuation of the Bulk Liquids Berth channel to determine its fair value as at 1 July 2021. As a consequence, the fair value of the Bulk Liquids Berth channel and its depreciation charge have been understated since 1 July 2021. The errors have been corrected by restating each of the affected financial statement line items as at 1 July 2021 and for financial year 2022. The following tables summarise the impacts of the correction. There was no impact on the statement of cashflows.

	IMPACT OF CORRECTION OF ERROR		
	AS PREVIOUSLY REPORTED \$'000	ADJUSTMENTS \$'000	AS RESTATE \$'000
Consolidated Statement of Financial Position			
1 July 2021			
Property, plant and equipment	2,816,928	52,312	2,869,240
Total non-current assets	2,859,687	52,312	2,911,999
Others	503,371	-	503,371
Total assets	3,363,058	52,312	3,415,370
Deferred tax liabilities	608,383	15,694	624,077
Total non-current liabilities	817,796	15,694	833,490
Others	79,359	-	79,359
Total liabilities	897,155	15,694	912,849
Net assets	2,465,903	36,618	2,502,521
Contributed equity	373,566	-	373,566
Retained earnings	512,899	-	512,899
Reserves	1,579,438	36,618	1,616,056
Total equity	2,465,903	36,618	2,502,521
30 June 2022			
Property, plant and equipment	2,857,654	49,695	2,907,349
Total non-current assets	2,899,496	49,695	2,949,191
Others	704,799	-	704,799
Total assets	3,604,295	49,695	3,653,990
Deferred tax liabilities	593,130	14,908	608,038
Total non-current liabilities	790,554	14,908	805,462
Others	113,077	-	113,077
Total liabilities	903,631	14,908	918,539
Net assets	2,700,665	34,786	2,735,451
Contributed equity	421,184	-	421,184
Retained earnings	699,573	(1,832)	697,741
Reserves	1,579,908	36,618	1,616,526
Total equity	2,700,665	34,786	2,735,451

OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

37. Correction of errors (continued)

	IMPACT OF CORRECTION OF ERROR		
	AS PREVIOUSLY REPORTED \$'000	ADJUSTMENTS \$'000	AS RESTATED \$'000
Consolidated Statement of Comprehensive Income			
For the year ended 30 June 2022			
Total revenue	589,112	-	589,112
Depreciation and amortisation	(98,806)	(2,617)	(101,423)
Others	(218,146)	-	(218,146)
Total expenses	(316,952)	(2,617)	(319,569)
Profit before income tax	272,160	(2,617)	269,543
Income tax expense	(85,500)	785	(84,716)
Net profit after tax	186,660	(1,832)	184,828
Remeasurement of defined benefit of liability, net of tax	14	-	14
Changes in the asset revaluation reserve, net of tax	470	-	470
Total comprehensive income	187,144	(1,832)	185,312

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2023 (continued)

38. Future impact of Australian accounting standards not yet operative

The Group cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101. Where applicable, the Group plans to apply the following Australian Accounting Standards from their application date.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

The Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The mandatory effective date of this Standard is 1 January 2024. There is no financial impact.

AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback

This Standard amends AASB 16 to add measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 to be accounted for as a sale. The mandatory effective date of this Standard is 1 January 2024. There is no financial impact.

AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

This Standard amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The mandatory effective date of this Standard is 1 January 2024. There is no financial impact.

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

This Standard amends AASB 13 including adding authoritative implementation guidance and providing related illustrative examples, for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The mandatory effective date of this Standard is 1 January 2024. The Group has not assessed the impact of the Standard.

AASB 2021-7C Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 Editorial Corrections

This Standard further defers (to 1 January 2025) the amendments to AASB 10 and AASB 128 relating to the sale or contribution of assets between an investor and its associate or joint venture. The standard also includes editorial corrections. The mandatory effective date of this standard is 1 January 2025. There is no financial impact.

AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector

This Standard amends AASB 17 and AASB 1050 to include modifications with respect to the application of AASB 17 by public sector entities. This Standard also amends the following Standards to remove the temporary consequential amendments set out in AASB 2022-8 since AASB 4 and AASB 1023 do not apply to public sector entities for periods beginning on or after 1 July 2026:

(a) AASB 1; (b) AASB 3; (c) AASB 5; (d) AASB 7; (e) AASB 9; (f) AASB 15; (g) AASB 119; (h) AASB 132; (i) AASB 136; (j) AASB 137; (k) AASB 138; (l) AASB 1057; and (m) AASB 1058

The mandatory effective date of this standard is 1 January 2026. There is no financial impact.

AASB 17 Insurance Contracts

This Standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. It was amended by AASB 2022-8 to take effect for Not-For-Profit insurance contracts from 1 July 2026. There is no financial impact.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

DIRECTORS' DECLARATION

In the opinion of the Directors of the Group:

- (a) The financial statements and notes are prepared in accordance with *Government Trading Enterprises Act 2023*, including section 176 and the *Government Trading Enterprises Regulations 2023*, and:
- (i) gives a true and fair view of the financial position at 30 June 2023 and of its performance for the financial year ended on that date; and
 - (ii) in accordance with Australian Accounting Standards and the *Corporations Regulations 2001*;
- (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
- (c) The Directors have been given the declaration by the Chief Executive Officer and Chief Financial Officer for the reporting year ended 30 June 2023.

This declaration is signed in accordance with a resolution of the Directors.



Brad Geatches
Chair
31 August 2023



Amy Lomas
Deputy Chair
31 August 2023



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 Pilbara Ports Authority

To the Parliament of Western Australia

Opinion

I have audited the financial report of the Pilbara Ports Authority (the Authority), which comprises:

- the Consolidated Statement of Financial Position as at 30 June 2023, and the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended
- notes to the financial report, including a summary of significant accounting policies
- the directors' declaration.

In my opinion, the financial report of the Authority is prepared in accordance with the *Government Trading Enterprises Act 2023*, including section 176 and the *Government Trading Enterprises Regulations 2023*, and:

- gives a true and fair view of the financial position at 30 June 2023 and of its performance for the year then ended
- in accordance with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial report section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Restatement of comparative balances

I draw attention to Note 37 to the financial report which states that the amounts reported in the previously issued 30 June 2022 and 30 June 2021 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information is the information in the Authority's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.



OVERVIEW

PERFORMANCE

DISCLOSURES
AND LEGAL
COMPLIANCE

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the directors for the financial report

The directors of the Authority are responsible for:

- keeping proper records
- preparation of the financial report in accordance with the *Government Trading Enterprises Act 2023*, including section 176 and the *Government Trading Enterprises Regulations 2023* that gives a true and fair view in accordance with Australian Accounting Standards and *Corporations Regulations 2001*
- such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for:

- assessing the Authority's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

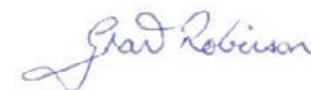
A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Authority for the year ended 30 June 2023 included in the annual report on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on the website, they are advised to contact the Authority to confirm the information contained in the website version.

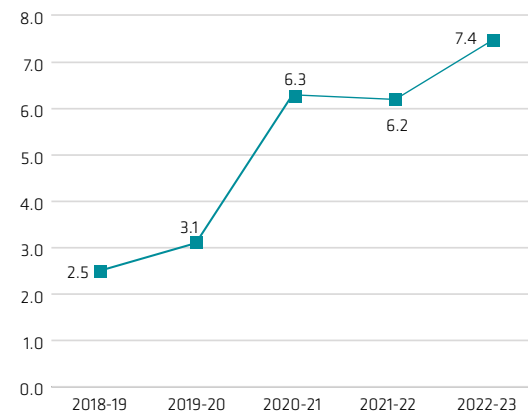


Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
6 September 2023

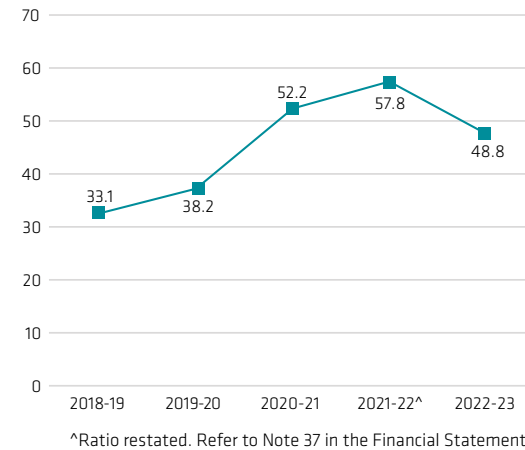


FINANCIAL PERFORMANCE INDICATORS

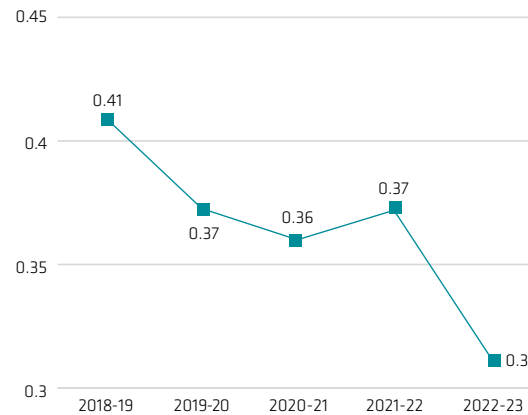
Current ratio comparison 2018-19 to 2022-23



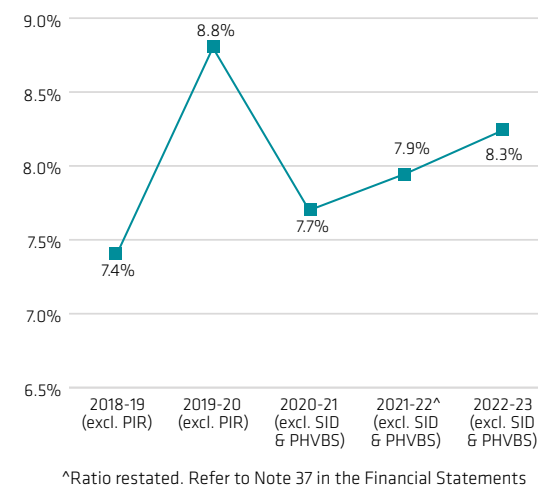
Interest cover comparison 2018-19 to 2022-23



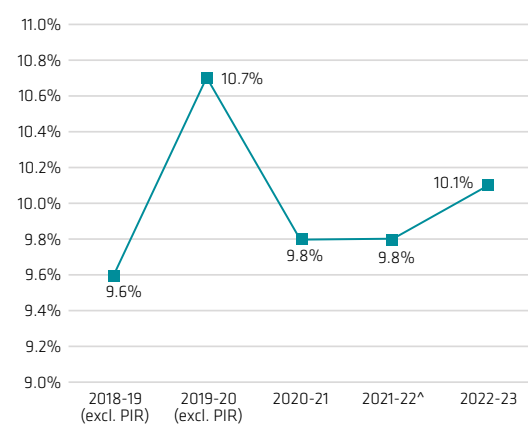
Debt to equity comparison 2018-19 to 2022-23



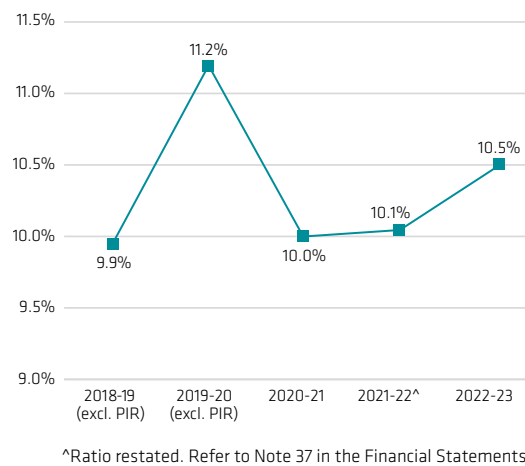
Return on equity comparison 2018-19 to 2022-23



Return on assets comparison 2018-19 to 2022-23



Economic rate of return comparison 2018-19 to 2022-23



GOVERNANCE DISCLOSURES

Ministerial directives

During the reporting period, the Minister for Ports was entitled under the Act to give directions in writing to the Board of Directors with respect to the performance of functions prescribed by the Act. There were no ministerial directives during the reporting period.

Other financial disclosures

Pricing policies of services provided

Pilbara Ports Authority's financial objectives include, as a minimum, recovering costs and achieving the State Government's required Rate of Return on Assets.

The organisation has adopted user-pays principles to recover costs and avoid unintended cross-subsidisation of fees and charges amongst users, both across ports and within ports.

Lease revenue enables Pilbara Ports to fund land development opportunities without impacting upon charges for existing port users.

Pilbara Ports will continue to seek commercial rents for all its properties and to develop port-vested land to support industry. The Authority's prices are reviewed on an annual basis and adjustments made to recover costs and achieve both strategic and operational objectives.

Capital works

Pilbara Ports has multiple capital funding sources including:

- internal funds and balances (Minor Works);
- major projects (Major Capital Works);
- COVID-19 Recovery Plan projects;
- funding from the Commonwealth for key major projects; and
- proponent contributions (the ports of Ashburton and Port Hedland).

Pilbara Ports' Minor Works program facilitates:

- upgrades to building, civil, mechanical, and electrical infrastructure;
- safety upgrades; and
- upgrading information and communications technology.

This also includes acquisition and replacement of:

- infrastructure;
- mobile plant;
- housing; and
- office equipment.

Pilbara Ports encourages private sector investment that is aligned to long-term port planning objectives. The organisation will also consider and facilitate private investment in port facilities and infrastructure where proponents provide multi-party or common user access.

Pilbara Ports may invest in port infrastructure and facilities that cannot be funded by the private sector and which promote trade and provide net economic benefits to the State, regional and local communities. The organisation actively seeks opportunities to invest in new and upgraded facilities.

All investments by Pilbara Ports are justified in terms of technical, financial, economic, social, safety and environmental benefits. Where appropriate, Pilbara Ports operates on commercial principles, with rates of return on investment agreed with the State Government.

Minor capital projects

There were 48 active projects in the reporting period. These had a total value of \$27.25 million versus a total budget of \$24 million. Actual costs for the 48 projects were incurred in previous years and the current reporting period. The spend on completed projects in the current reporting period was \$14.3 million.

Major capital projects

Spoilbank Marina

The final stage of the Spoilbank Marina project is under way. Pilbara Ports' spend during the reporting period was \$51.6 million, with the sixth and final major contract awarded during the reporting period. This project is estimated to be completed in 2024.



GOVERNANCE DISCLOSURES

COVID-19 Recovery Plan projects

Port Hedland Inner Harbour revetment upgrades

The total estimated cost of this project is \$20 million, with the remaining estimated cost to complete this project being \$7.9 million. Design works have been completed for the remaining sections of the upgrade. The project is estimated to be completed in financial year 2023-24.

Nelson Point Tug Haven revetment upgrade

The spend on this project during the reporting period was \$16.6 million. The total estimated cost of this project is \$92.5 million. Additional funds of \$21.6 million were approved to complete this project, with construction estimated to be completed by the end of 2023.

Port of Ashburton funding agreement projects

One project with a spend of \$4 million was completed at the Port of Ashburton during the reporting period and two projects were approved and underway, including a sand bypassing project that was initiated to comply with an environmental statutory condition. The development of a new eastern port precinct within the Port of Ashburton is anticipated to commence in 2024, pending the completion of a proponent development.

Employee numbers

TEAM	EMPLOYEE NUMBERS 30 JUNE 2022	EMPLOYEE NUMBERS 30 JUNE 2023
Executive	3	4
Corporate Affairs and Governance	37	45
Development and Trade	27	38
Engineering and Infrastructure	23	25
Finance and ICT	32	44
Physical and Human Resources	21	24
Marine	45	56
Terminal Operations	103	112
Hedland Maritime Initiative	1	5
TOTAL	292	353

Other legal requirements

Unauthorised use of credit cards

Pilbara Ports has provided details below of instances where a State Government purchasing card (credit card) is used for personal use, as per TI 321 Credit Card – Authorised Use and TI 903 Agency Annual Reports.

There were 14 instances of unauthorised use of a credit card during the reporting period, with a total value of \$827. These occurred due to emergency situations or minor private expenses coinciding with business travel. All instances were declared. The amount of personal use credit card expenditure outstanding at the end of the reporting period was \$190.

Advertising and market research expenditure

Total expenditure for reporting period was \$67,207. Expenditure was incurred in the following areas:

ADVERTISING AGENCIES AND MEDIA ADVERTISING	
Robert Garvey Photographer	\$23,057
Initiative Media	\$20,146
West Australian Newspapers Limited	\$10,891
Outlook Publishing Limited	\$4,796
SignsWest	\$3,624
Marsh Agencies	\$2,700
Social media advertising	\$1,992
TOTAL	\$67,207
MARKET RESEARCH AGENCIES	
Kantar Public Australia	\$41,100

GOVERNANCE DISCLOSURES

Compliance with public sector standards and ethical codes

The Code of Ethics and Conduct (Code) communicates Pilbara Ports' standards of conduct and integrity and promotes professionalism in the provision of services to customers, port users and the community. The Code is available on Pilbara Ports' website and intranet.

During the reporting period, the organisation ran a Working with Respect program which incorporated the most recent research on inclusion, provided an opportunity for all employees to explore workplace behaviour and reinforced the importance of observing legal and conduct requirements.

Where breaches of the Code occur, procedures are in place to support workplace resolution and/or disciplinary investigation when required. Disciplinary matters involving alleged breaches require involvement of the relevant General Manager and are reported to the CEO as well as the Risk Safety and Sustainability Committee.

During the reporting period, there were six instances leading to breaches of Pilbara Ports' Code of Ethics and Conduct. There were a further three breaches of Pilbara Ports' Fitness for Work: Drug and Alcohol Procedure.

Each instance was reported and managed in accordance with the organisation's procedures. Actions included written warning, resignation, and termination of employment in one instance.

Recordkeeping plans

Pilbara Ports meets the recordkeeping plan requirements:

- Pilbara Ports' Recordkeeping Plan was updated within the past five years, in December 2019;
- All staff are required to complete recordkeeping and information classification awareness training every two years;
- The training program was reviewed within the past two years to ensure relevance; and
- Pilbara Ports' induction program includes training modules on recordkeeping and Objective awareness, that clearly explain to staff their recordkeeping obligations and processes in accordance with the plan and legislation.

Internal audit

Pilbara Ports' Board endorsed a three-year internal audit plan that focuses on reviewing the adequacy of risk management applications and the effectiveness of controls for high-risk functions performed by the business. Eight audits progressed during the reporting period. Recommendations and actions are being regularly tracked and closed out.

Information classification

Pilbara Ports is in the process of implementing an information classification framework using the State Office of the Digital Government's classification scheme and maturity roadmap. A project has been established to implement the requirements of the State Government's Information Classification Policy and Pilbara Ports is working towards the required maturity level.

Privacy and Responsible Information Sharing (PRIS)

Pilbara Ports is implementing a readiness plan in anticipation of the upcoming PRIS legislation, which is being drafted by the WA Government and expected to take effect in December 2024.

Freedom of Information (Fol)

As required under Part 5 of the *Freedom of Information Act 1992* WA (FOI Act), Pilbara Ports publishes an information statement on its website that conveys to the public the organisation's operations, the kinds of documents it holds and the procedures for accessing them. In accordance with the FOI Act, an annual review of the statement was undertaken and the Information Commissioner was notified of the changes made.

During the reporting period, Pilbara Ports responded to four Fol applications (two new applications during the period and two applications completed from the previous period).



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

Government policy requirements

Health, safety and injury management performance

Pilbara Ports is committed to achieving a high level of work health and safety and injury management performance. The organisation values the physical and psychosocial health, wellbeing and safety of all persons and aims to prevent all work-related injuries, psychological harm, and illnesses when delivering its services and activities.

Pilbara Ports consults with other persons conducting a business or undertaking and workers on work health and safety matters. The tools it uses to consult include meetings, forums, surveys, questionnaires, and a formal electronic reporting system. The organisation has elected health and

safety representatives at each of its sites, and staff Health, Safety and Environment committees meet regularly to discuss work health and safety matters.

Pilbara Ports complies with the requirements of the *Workers' Compensation and Injury Management Act 1981*. Where an employee is injured and not able to immediately return to their normal duties, the organisation will work with the employee and other stakeholders to develop a return to work plan.

Pilbara Ports' work health and safety management system was audited in September 2022 to assess compliance and effectiveness to the requirements of ISO45001:2018. The audit found no minor or major non-conformities.

Pilbara Ports Authority employees only

Measures	Results 2020-21 ⁽¹⁾ base year	Results 2021-22 prior year	Results 2022-23 ⁽¹⁾ Current reporting year	Targets	Comments about targets
Number of fatalities	0	0	0	0	Target met
Lost time injury and disease incidence rate	0 ⁽³⁾	0 ⁽³⁾	0.67 ⁽³⁾	0 or 10% reduction in incidence rate	Target not met ⁽²⁾
Lost time injury and severity rate	0	0	0	0 or 10% reduction in severity rate	Target met ⁽²⁾
Percentage of injured workers returned to work (i) within 13 weeks	100%	100%	100%	Greater than or equal to 80%	Target met
Percentage of injured workers returned to work (ii) within 26 weeks	100%	100%	100%	Greater than or equal to 80%	Target met
Percentage of managers trained in work health and safety injury management responsibilities, including refresher training within 3 years	100%	100%	100%	Greater than or equal to 80%	Target met

Note (1) This is a three-year comparison trend (i.e. current reporting year is 2022-23 and comparison year is 2020-21).

Note (2) Comment on performance over the three-year period.

Note (3) Reporting guidelines only allow reporting on full-time equivalent, and not million hours worked.

GOVERNANCE DISCLOSURES

Asbestos management

Pilbara Ports maintains an asbestos management plan to assist with the management of potential health risks associated with the presence of asbestos containing materials (ACM) at its sites. The organisation continues to increase awareness of ACM risks through the delivery of its induction and safety campaigns. Pilbara Ports has a register of known ACM and regularly inspects its condition through a formal monitoring and inspection program, and where appropriate, safely removes it.

Pilbara Ports was required to report on its progress towards achieving the State Government's endorsed targets from the National Strategic Plan for Asbestos Awareness and Management 2019-2023. It met all reporting requirements during the reporting period.



OVERVIEW

PERFORMANCE

DISCLOSURES AND LEGAL COMPLIANCE

GLOSSARY

AAS	Australian Accounting Standards
ATO	Australian Tax Office
ACW	Ashburton Cargo Wharf
CCC	Community Consultation Committee
CHMP	Cultural Heritage Management Plan
CSI	Community Support Initiative
CVC	Control verification checks
DBCA	Department of Biodiversity, Conservation and Attractions
DBHF	Dampier Bulk Handling Facility
DWER	Department of Water and Environmental Regulation
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EEO	Equal employment opportunity
FoI	Freedom of Information
FPOE	First Point of Entry
FY	Financial year
GTE	Government Trading Enterprise
HMI	Hedland Maritime Initiative Pty Ltd
JHA	Job hazard analysis
JTSI	Department of Jobs, Tourism, Science and Innovation
LNG	Liquefied natural gas
MSIC	Maritime Security Identification Card
NTER	National Tax Equivalent Regime
Mt	Million tonnes
PAA	<i>Port Authorities Act 1999 (WA)</i>
PHIC	Port Hedland Industries Council
PHVBS	Port Hedland Voluntary Buy-Back Scheme
PIR	Port improvement rate
PPA	Pilbara Ports Authority
ROU	Right-of-use
SIAs	Strategic Industrial Areas
SID	Sustaining Infrastructure Dues
SPA	<i>Shipping and Pilotage Act 1967 (WA)</i>
The Act	<i>Port Authorities Act 1999 (WA)</i>
The Group	Pilbara Ports Authority and its wholly owned subsidiary, the Hedland Maritime Initiative Pty Ltd
The Authority	Pilbara Ports Authority
VTS	Vessel traffic services
WATC	Western Australian Treasury Corporation

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OVERVIEW

PERFORMANCE

**DISCLOSURES
AND LEGAL
COMPLIANCE**



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