

Environmental Sustainability Strategy 2025-26

VicTrack Environment group procedure

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Contents

1.	Acknowledgement of Country	2
2.	Our commitment.....	2
3.	Our approach to sustainability	2
3.1.	A shared vision.....	2
3.2.	Aligning with local and global efforts	3
3.3.	About this strategy	5
4.	Our strategic objectives	6
4.1.	Protect, conserve and enhance our natural and built environment	6
4.2.	Embed sustainability in our ways of working	8
4.3.	Future-proof VicTrack.....	10
5.	Implementing this strategy.....	12
6.	Reference documents	12
7.	Document review and approval	12
8.	Document history	13
9.	Review period	13

1. Acknowledgement of Country

We proudly acknowledge Victoria's First Nations people, and celebrate their enduring connection to Country, community and culture. We pay our respects to Traditional Owners and their Elders, past and present, and recognise their continuous relationship with the land and waters where we work and live.

2. Our commitment

As custodians of Victoria's rail transport land, we are committed to protecting the environment and carefully managing rail land and meeting, wherever possible exceeding, legislative obligations.

We seek sustainable practices that can unlock environmental and community benefits.

3. Our approach to sustainability

3.1. A shared vision

As a part of the transport portfolio, we share a common vision as defined in the *Transport Integration Act 2010* (Vic):

"To meet the aspirations of Victorians for an integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible state."

In realising this vision, we are working towards a transport system that promotes:

- social and economic inclusion
- economic prosperity
- environmental sustainability
- integration of transport and land use
- efficiency, coordination and reliability
- safety, health and wellbeing.

In the VicTrack Corporate Plan 2024–28, we commit to advancing environmental, social and governance (ESG) initiatives that contribute towards the social, cultural, environmental and leadership responsibilities that VicTrack holds as a state-owned government enterprise, and a significant land and asset owner. Refreshing the Environmental Sustainability Strategy is a key objective of the Corporate Plan 2024–28.

Our approach to environmental sustainability is guided by the legislation that governs how we operate, as well as the broader opportunities that more sustainable practices can unlock and the positive impacts we can deliver as responsible custodians of our land and assets. It is underpinned by VicTrack's Environmental Sustainability Policy (VT-PO 167) and Environmental Management System (EMS), which serve as mechanisms for delivering on our environmental obligations and ambitions.

3.2. Aligning with local and global efforts

Since the development of VicTrack's first Environmental Sustainability Strategy (2021–25), new obligations have come into effect that govern how we manage and report on our environmental impact.

Under the *Climate Change Act 2017* (Vic), the Victorian Government has established a long-term emissions reduction target of net zero by 2045, with interim targets every five years. While we have been collecting data for over a decade, VicTrack now undertakes formal emissions reporting in our annual report, as required by the Victorian Government's Financial Reporting Direction 24 (FRD24). We are committed to providing a thorough and accurate picture of our greenhouse gas emissions and environmental performance, as part of our contribution to meeting Victoria's net zero target.

As required by the *Climate Change Act 2017* (Vic), and consistent with responsibilities under the *Transport Integration Act 2010* (Vic), the Victorian Government developed a *Transport Climate Change Adaptation Action Plan 2022–2026*. This plan outlines short-, medium, and long-term transport system adaptation objectives. In the short term (to 2026), the plan aims to build knowledge, capacity, capability and decision-making processes. These adaptation objectives inform the development of our Environmental Sustainability Strategy, ensuring alignment with broader transport system resilience goals.

Looking at the bigger picture, VicTrack has identified where we are best placed to contribute to the United Nations Sustainable Development Goals (UN SDGs). The UN SDGs comprise 17 goals aimed at addressing the world's most significant development challenges. They reflect a global shift towards a more holistic view of sustainability that incorporates environmental, social and economic considerations.

VicTrack's Environmental Sustainability objectives and focus areas contribute to the achievement of several SDGs. Where relevant, SDGs are highlighted throughout the remainder of this document. Key SDGs include:

- SDGs 6 and 15: Our environmental management practices help to keep Victoria's land and waterways healthy.
- SDG 7: VicTrack invests in solar and wind power by purchasing green power.
- SDG 9: VicTrack contributes to resilient infrastructure and fosters innovation on all Victorian transport infrastructure projects.
- SDGs 10, 11 and 13: Efficient public transport contributes to a more liveable and prosperous Victoria with fewer greenhouse gas emissions.
- SDG 12: We strive to consume resources sustainably throughout our supply chains.



3.3. About this strategy

VicTrack prepared its first Environmental Sustainability Strategy in 2021, for the period 2021 to 2025. During this time, we made good progress against the strategic objectives, focus areas and actions that were set. Many actions were completed, while others are ongoing. Key initiatives are reported each year in our annual report, and progress is reviewed annually against our Environmental Sustainability Action Plan (VT-FW 002).

For 2025, we have refined and refreshed our existing strategy (2021–25) to cover the period from **1 July 2025 to 30 June 2026**.

During this period, we are focusing on building our capability and the enabling actions that will allow us to deliver on longer term sustainability commitments. It also aligns us with the broader Victorian Government Climate Change Strategy period – with the Victorian Government currently preparing its 2026–2030 Climate Change Strategy, which will set the course for Victoria to reduce emissions and strengthen climate resilience over the next five years.

This strategy focuses on VicTrack’s environmental and climate change obligations, guided by legislation, as well as our vision, mission, and purpose. We do acknowledge that ‘Sustainability’ is a broad reference that encompasses many environmental, social, economic and governance considerations. Our approach to and progress against other aspects of sustainability, such as gender equality, staff wellbeing, and governance, are outlined in our Corporate Plan 2024–2028.

4. Our strategic objectives

Our approach to environmental sustainability is summarised into three strategic objectives. These objectives reflect VicTrack’s commitment to protecting the environment and meeting legislative obligations, while also broadening the focus to consider the positive opportunities that more sustainable practices can unlock. This approach has not changed significantly from our previous strategy; however, we have rationalised four strategic objectives into three, to streamline our efforts.

Each strategic objective is supported by several focus areas, which describe our commitments in more detail. This strategy is supported by the VicTrack Environmental Sustainability Action Plan 2025 (VT-FW 002), which lays out specific actions, accountabilities and timeframes to ensure we meet our strategic objectives.



4.1. Protect, conserve and enhance our natural and built environment

VicTrack plays a vital role in preserving and managing the cultural and heritage values of our land. We are committed to adopting a sustainable approach to managing our natural and built environment, ensuring that our assets are protected now and into the future.

At VicTrack, our Environmental Policy and Environmental Management System (EMS) guide the way we manage our environmental responsibilities, particularly when it comes to meeting compliance obligations and addressing risks. We are committed to ongoing improvements in our environmental practices and in achieving zero environmental non-conformances.



4.1.1. Support Victoria's unique biodiversity

VicTrack carries out activities across multiple land areas that are home to some of Victoria's most threatened ecosystems and encompass flora and fauna of state and Commonwealth significance.

We recognise the value of meeting our compliance obligations and are committed to protecting Victoria's unique biodiversity. We have a biodiversity program to assess if significant biodiversity is on our land. We then protect and enhance biodiversity via a land management program, to ensure that significant biodiversity continues to thrive and weeds are managed. VicTrack also has a spatial Biodiversity Tool, which models values, maps report boundaries, assigns risk categories, and defines management requirements for a proposed activity.

We have an ongoing relationship with Landcare, dating back to 2005, to provide funding to protect and enhance areas of native vegetation on railway land. VicTrack is proactively involved in several biodiversity stakeholder groups across the industry, which aim protect and enhance values and waterways, share knowledge, as well as increase community engagement. We will continue to engage with relevant stakeholders to improve biodiversity on VicTrack land and measure our efforts to ensure that they are effective.

We also participate in an annual native vegetation planting day where staff can volunteer to help enhance biodiversity on our land, by accessing VicTrack's volunteer leave.

4.1.2. Protect Cultural and European heritage values

VicTrack's portfolio includes many assets of local and state heritage significance, including operational and disused stations, workshops, and tram depots. We have ongoing engagement with Heritage Victoria and are committed to the protection of our heritage assets.

Our heritage assets are becoming increasingly vulnerable to climate change. Following the completion of a heritage study of our property assets, we will ensure that our asset management approach takes climate change into consideration, and that we can identify where action is required to minimise potential negative impacts from climate change.

VicTrack also holds land of Aboriginal cultural heritage significance. We have specific obligations under the *Aboriginal Heritage Act 2006* regarding how we engage with Indigenous communities and conduct ground-disturbing works. We will continue to comply with our obligations and consult Aboriginal communities through operations and projects. VicTrack also has a spatial Cultural Heritage Sensitivity Tool which models values, maps registered values, assigns risk categories and management requirements for a proposed activity.

4.1.3. Prevent and minimise harm from pollution

Managing legacy contamination is a crucial environmental consideration for VicTrack. Activities and environmental discharges from activities on VicTrack land may also adversely impact the land and environment. With this in mind, we are committed to identifying opportunities to better prevent pollution and improve climate resilience on VicTrack land.

It also remains a priority for us to maintain environmental regulatory and compliance activities to safeguard our land and surrounding environment. We commit to continuing our contaminated land and asbestos programs with a risk-based approach to protect Victoria's ecosystems and the community, and to improve the value of VicTrack's land. We have

invested in a contaminated land tool to assign and prioritise risk, and assist with impact identification and management and compliance requirements.

VicTrack has robust processes to prevent harm from known contamination. We have a soil reuse application process to review if soil can be diverted from landfill.

We have implemented a prioritised sensitive site and environmental assurance and compliance program with our tenants. Moving forward, we will also engage with rail operators and contractors who conduct work on VicTrack land, ensuring we are aligned in our efforts.

VicTrack participates in Clean-Up Australia Day, enabling staff to volunteer to clean-up litter from railway land, to play a part in the prevention of pollution of our environment.

4.2. Embed sustainability in our ways of working

To consistently achieve positive sustainability outcomes, we commit to further integrating environmental sustainability into how we do business. This includes meaningful actions to reduce resource use and tackle our largest sources of emissions and implementing processes and systems that facilitate sustainable outcomes.

We have established a Sustainability Working Group with representatives across the business to advocate and promote sustainable ways of working and to drive initiatives including waste reduction.

4.2.1. Manage our resource use

Resources are essential to VicTrack's operation. We prioritise reducing our consumption and being mindful of our energy resourcing and use. We monitor resource use at VicTrack operated sites to build on our greenhouse gas emissions reporting. This will enable us to identify data gaps and opportunities to reduce our resource consumption.

Innovations in energy efficiency are promising, and we are investigating ways to incorporate this into our every-day operations. We will continue to optimise our vehicle fleet through a detailed review of fleet composition, identifying opportunities to replace combustion engine vehicles with hybrid vehicles and, into the future, electric-powered vehicles where possible. We will also investigate the supporting infrastructure needed to support fleet electrification at our sites where feasible following the completion of an electric vehicle and charging point trial at our Dynon facility. Furthermore, we are pursuing energy efficiency improvements at VicTrack data centres.

We will continue to ensure our office-based equipment power usage is minimised through use of low power consumption settings when not in use and encourage staff to turn off laptops when not in use.

4.2.2. Pursue circular economy principles

At VicTrack, we understand that resources are finite and aim to approach our work with a circular economy mindset, especially when making decisions on procurement, resource use and waste management. A circular economy approach focuses on managing resources within a closed system, prioritising the recycling of products at the end of their lifecycle, repurposing materials, and ultimately aiming to eliminate waste.

To foster future circular economy progress, we aim to undertake a high-level review of VicTrack's guidelines around circular economy to identify opportunities to align practices across the organisation and reduce overlap across policies. We will align with the Recycled First Policy, to ensure projects undertaken or funded by government valued over \$20 million incorporate recycled materials in construction.

We will also review criteria for decision making to embed sustainability and climate change resilience into existing procedures.

4.2.3. Support communities

VicTrack is proud of its enduring partnerships focused on sustainability including our collaboration with Landcare Australia, established in 2005, to fund initiatives aimed at protecting and enhancing native vegetation on rail land.

We also manage the Station Volunteers Program on behalf of the partnership between the Department of Transport & Planning, V/Line, Metro Trains Melbourne and VicTrack, that allows volunteers to beautify railway stations across Victoria through planting, weeding, and general maintenance. The Station Volunteers Program aims to encourage a more welcoming and sustainable environment around railway stations, including supporting biodiversity.

We are eager to expand our partnerships with communities to support the use of VicTrack land through leases, grants and funding, and support of community battery projects.

4.2.4. Strengthen our systems

We understand that better environmental outcomes can be achieved when sustainability is integrated into our systems and routine operations.

Using a dashboard, we track key sustainability data – electricity, fuel, paper, fleet, air travel, and waste – to identify trends and improvement opportunities. Our next step will be to map out additional sustainability data across the VicTrack value chain, including supplier responses in Avetta, and consider how to best use this data to support sustainability goals. We're also exploring new ways to collate data to ensure efficient and accurate sustainability reporting.

Ensuring that sustainability is embedded in the systems we rely on will support meaningful progress towards a sustainable future.

4.3. Future-proof VicTrack

Victoria's climate has warmed since the 19th century, with recent decades becoming drier and marked by an increase in severe weather events like heatwaves, bushfires, droughts, and extreme rainfall. As global greenhouse gas emissions increase, these changes are projected to continue, posing heightened risks to VicTrack assets, including telecommunications networks and areas of ecological value, while also presenting opportunities in the transition to a net-zero emissions future.

In 2024, VicTrack completed a climate change risk and opportunities assessment for our operations, which enables us to identify and prioritise climate change adaptation and mitigation measures.

The Victorian Government's revised commitment to achieving net-zero greenhouse gas emissions by 2045 will require significant changes to our transport system. Although railways account for a small share of transport-related emissions, population growth is increasing usage, requiring the rail sector to decarbonise while supporting higher commuter numbers. As the custodian of Victoria's rail infrastructure, VicTrack will have a supporting role to play in transitioning to a net-zero emissions future, balancing challenges with opportunities like energy efficiency, renewable energy, and carbon offsetting.



4.3.1. Support Victoria's net-zero ambitions

The Victorian Government has set ambitious targets to achieve net-zero greenhouse gas emissions by 2045, with interim targets of 28–33 per cent reduction by 2025, 45–50 per cent by 2030, and 75–80 per cent by 2035 (compared to 2005 levels). VicTrack reached 37 per cent reduction in emissions associated with its energy use, vehicle use, air travel and waste reduction between its 2015–16 baseline (our earliest available data) and 2024–25.

We will commence preparation of a plan on how VicTrack will transition to net zero, with consideration of cost–benefit analysis of key sustainability initiatives and increased use of renewable energy.

VicTrack quantifies and reports on its Scope 1 and 2 greenhouse gas emissions in accordance with reporting requirements for Victorian Government entities. This data is key to understanding our contribution to the state-wide emissions footprint, and where we can best contribute to emissions reductions efforts.

We will continue to monitor and report our emissions footprint, review our data for gaps and improve our data management processes. This will support continuous improvement of our FRD 24 reporting, and longer-term initiatives.

We will also continue to partner closely with the Department of Transport and Planning (DTP) to identify ways to support Victoria's transition to net-zero greenhouse gas emissions by 2045.

4.3.2. Build climate resilience

We acknowledge the positive role that rail infrastructure plays in ensuring that Victorians are resilient to a wide range of acute shocks (e.g. pandemics, terrorist attacks and extreme weather) and chronic stresses (e.g. unemployment, chronic illness). We will seek to maximise resilience through our role as asset managers and through our partnerships with DTP and rail operators.

VicTrack has taken steps to understand the physical and transition climate risks and opportunities facing our organisation and assets, with the development of a Climate Change Risk Register (EM-RE 015) in 2024. This will inform our ongoing approach to asset management, ensuring that vulnerability to climate change is a key consideration. This includes identifying and prioritising mitigation, adaptation measures or maintenance for assets that have known vulnerability and the greatest potential risk of negative climate change impacts, in accordance with the Victorian Government's Transport Climate Adaptation Plan 2022–2026.

4.3.3. Unlock value creation opportunities

Environmental sustainability initiatives can support VicTrack's financial sustainability. Under this focus area, we will take a more proactive approach to identifying, evaluating and positioning for cost-saving and revenue-generating opportunities associated with environmentally sustainable practices.

In addition to optimising our vehicle fleet and data centre energy usage, we will also continue to identify opportunities to unlock existing land for other uses in a way that meets VicTrack's vision and supports our Environmental Sustainability Strategy. This may include opportunities to develop sustainable housing, improve biodiversity and support local communities.

While some of these initiatives may require additional up-front capital expenditure, this whole-of-life approach is supported by the Department of Treasury and Finance's Asset Management Accountability Framework (AMAF).

5. Implementing this strategy

This strategy is supported by the VicTrack Environmental Sustainability Action Plan 2025–26 (VT-FW 002). The plan describes specific initiatives VicTrack will pursue in support of our strategic objectives and relevant focus areas. It also documents how we will monitor our progress and communicate this to internal and external stakeholders.

For each action, the plan outlines:

- activities to be undertaken
- interim and end targets
- accountable parties
- resources required.

6. Reference documents

This procedure should be read and applied in conjunction with the following documents:

Document ID	Document Title
VT-PO 167	Environmental Sustainability Policy

7. Document review and approval

This document was endorsed by the Executive Committee and Sustainability Working Group on 17 June 2025.

Delegation	Name	Position	Version	Date
Owner	Madelyn Nunn	Acting Group Manager Environment	2.0	28 May 2025
Reviewers	Madelyn Nunn	Acting Group Manager Environment	2.0	28 May 2025
	Eunjee Vella	Environmental Programs Manager	2.0	28 May 2025
Approver	Antony Borgese	Acting Executive General Manager Property	2.0	12 June 2025

8. Document history

Version	Amendment description	Author	Date
Version 1.0	Environmental Sustainability Strategy 2021-2025	WSP, Sally Cunnington and Narelle Simmons	2021
Version 2.0	Environmental Sustainability Strategy 2025-2026	Senversa, Madelyn Nunn	28 May 2025

9. Review period

This strategy will be reviewed by 30 June 2026 or amended as appropriate.

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