

02 April 2024

## **VICT - 60 Day Notice - Industry Notice Review to Landside Charges & Infrastructure Surcharge**

Dear Customer,

VICT has experienced a notable increase in operational costs. Despite all efforts to contain and absorb some of the cost increases, VICT has been unable to avoid the increases in our operational input and lease cost which, without adjustment to some of our infrastructure related costs, would negatively impact the continued service levels that our customers expect from us.

Over the past nine years VICT has made significant investments in infrastructure and equipment, key highlights of our investments and commitments include:

- Capital investment of \$782 million from 2014 to 2021
- Recent investment of \$157 million in the development of Phase 3A of our terminal expansion, completed in December 2023. This phase included 3 additional yard blocks, 6 additional Auto Stacking Cranes, 15 truck lanes, and 6 Auto Container Carriers, resulting in a 30% increase in our Vehicle Booking System's time slot offerings.
- Ongoing terminal investment program of an additional \$100 million to develop Phase 3B of our terminal expansion; due to be completed by 2026. This phase will create 2 additional yard blocks, 10 truck lanes, 3 additional Auto Stacking Cranes (ASCs), and 3 Auto Container Carriers. This infrastructure investment will further increase our Vehicle Booking System's time slot availability by an additional 20%, supporting continued efficient landside service levels for our customers.
- VICT continues to invest heavily in technology to ensure our automated equipment and processes remain up to date to deliver consistently efficient service levels that the industry expects. We will be investing \$2.8 million in the next 12 months in system automation and new AI initiatives to enhance operational efficiencies and improve service offerings.

VICT has continued to maintain a sub 37-minute gate to gate truck turn time over the last twelve months despite the significant increase in activity through our gates.

The landside charges recover part of the costs related to maintenance and operation costs on our landside, property costs, capital investment to the landside infrastructure. This step is crucial to maintaining and enhancing the efficiency of our services to meet your needs effectively.

The below landside charges are intended to apply on full containers:

Effective 1st June 2024:

**VGM Weight Discrepancy Fee** of \$200 per container (subject to GST) - it will remain unchanged.

**Reefer Temperature Discrepancy Fee** will be adjusted from \$75 to \$86.25 per full container (subject to GST)

Effective 1<sup>st</sup> July 2024:

**Infrastructure Surcharge** will be adjusted from \$177.48 to \$194.85 (subject to GST) per full container.

VICT is a proud supporter and participant of the Victorian Department of Transport Voluntary Pricing Protocol and invites all parties to submit their questions and queries relating to the proposed changes to [customer@vict.com.au](mailto:customer@vict.com.au) before 26th April.

Yours truly,

Olga Coelho Heubert  
Chief Commercial Officer  
Victoria International Container Terminal Limited