

Sustainability Indicators Supplement

2011/12



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Sustainability Reporting

Ausgrid defines sustainability as meeting the needs of the present without compromising the ability of future generations to meet their own needs.

About this Report

Ausgrid chooses to report its sustainability commitment in accordance with the *Global Reporting Initiative (GRI) Sustainability Reporting Guidelines version 3.0 and Electric Utility Sector Supplement* and the Energy Supply Association of Australia's (esaa) *Sustainable Practice Framework*. The Electric Utility Sector Supplement includes 30 indicators (referred to as EU) designed for electric utilities compiling sustainability reports.

The voluntary inclusion of the GRI and esaa reporting guidelines shows Ausgrid's commitment to transparent disclosure of its sustainability performance and material issues to its stakeholders.

This supplement should be read in conjunction with Ausgrid's 2011/12 Annual Report to provide a complete picture of Ausgrid's corporate responsibility and sustainability performance.

Assurance

This Sustainability Indicators Supplement together with the non-financial content of Ausgrid's 2011/12 Annual Report have been externally audited by Net Balance to AA1000 Assurance Standard 2008. A detailed assurance statement can be found on p.47

Feedback

Ausgrid welcomes your feedback on this report. Feedback can be provided:

- electronically via annualreport@ausgrid.com.au
- by post via GPO Box 4009 Sydney NSW 2001.

Availability

Printed copies of this report are not available as Ausgrid works to minimise its impact on the environment. However, the Annual Report, Sustainability Indicators Supplement and previous reports are available on Ausgrid's website www.ausgrid.com.au.

Legend

● fully covered
◐ partially covered
○ not covered
AR Annual Report
N/A not applicable to Ausgrid's operations

Reporting Principles and Guidance

Defining report content

Indicator	Coverage	2011/12 AR page(s)
Materiality	●	5

Ausgrid has prioritised its resources and activities on matters where it has the most impact. This enables Ausgrid to develop effective strategies and targets to deal with its material issues. In defining these, the major source of input is from key issues and concerns raised during the year by Ausgrid stakeholders through various communication channels. Ausgrid also takes the following external and internal factors into account:

External

- Enabling legislation such as the Energy Services Corporations Act 1995
- Topics and challenges as raised by peers i.e. the esaa Code (industry code)
- Comparability assessments by participating in benchmarking, award nominations and sustainability reporting e.g. Dow Jones Sustainability Index (DJSI) benchmarking service, the GRI and esaa reports
- Assurance assessments e.g. Net Balance
- Media coverage.

Internal

- Key organisational values and behaviours as indicated in “Our Scorecard”
- Issues, concerns and targets raised by the most invested stakeholders - employees and shareholder, the NSW Government
- Significant risks to the organisation and stakeholders as assessed through Ausgrid’s Network Management Plan, Public Electricity Safety Plan and Bushfire Mitigation Plan which are externally audited.

As a result of these assessments, highest priority was given to 12 areas, which are reflected in “Our Scorecard 2011/12” goals. These were:

1. Improve safety performance
2. Improve safety culture
3. Drive regulatory outcomes
4. Drive efficiency
5. Manage our risks
6. Demonstrate leadership in the community
7. Improve system reliability
8. Improve procurement
9. Leader in smart grid technology
10. Develop our people and knowledge
11. Maintain customer focus
12. Demonstrate environmental responsibility.

Indicator	Coverage	2011/12 AR page(s)
Stakeholder Inclusiveness	●	5

In 2008/09, Ausgrid conducted a mapping exercise of its stakeholders to ensure that, as far as possible all relevant stakeholders have been identified. In 2009/10, a review was undertaken to ensure that Ausgrid’s approach and engagement with its stakeholders was still relevant and accurate. In addition to this review, the 15 stakeholder groups originally identified were consolidated into a smaller number of groups for clarity and comparability reporting purposes.

In 2010/11, a number of significant factors affected not only the organisation but its stakeholders including the sale of its retail assets and EnergyAustralia brand and the renaming of the distribution business to Ausgrid.

In 2011/12, interaction with a particular group of stakeholders significantly increased – fellow NSW distributors, Endeavour Energy and Essential Energy. Prior to its election in 2011, the Government made a commitment to reform the network businesses. Following detailed discussions between the three distributors and the government, it was announced on 18 March 2012, that a new State-owned corporation (SOC) would be created to own and operate the electricity distribution network. Ausgrid, along with Endeavour Energy and Essential Energy, will provide operational services to the new SOC under the current brands.

Ausgrid’s major stakeholders include:

- Employees - including contractors
- Network Customers - commercial & industrial, small & medium enterprises and residential
- Energy Retailers - other retailers using the network
- Shareholding Ministers - NSW Treasurer and the NSW Finance Minister
- Local Communities - local community groups/committees/chambers and local government councils
- Partners & Suppliers - including electrical, construction, fuel, telecommunications suppliers
- Government & Regulators - NSW Treasury, members of Parliament, Australian Energy Regulator, various government departments, Federal Government
- NSW Distributors - Endeavour Energy and Essential Energy
- Industry Associates - energy sector, key agencies, industry associations, academic and scientific community, partnerships/sponsorships.

Ausgrid undertakes a range of formal and informal stakeholder engagements and forums as part of its overall business process. Work is being undertaken to implement engagement channels with new stakeholders as well as revising and improving channels with existing stakeholders given their different needs.

To learn more about its stakeholders and how Ausgrid engages with them, refer to <http://www.ausgrid.com.au/Common/Community/Corporate-responsibility/Stakeholder-engagement.aspx>.

Indicator	Coverage	2011/12 AR page(s)
Sustainability context	●	4

Sustainability is commonly defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs. Ausgrid ensures its people have the skills, knowledge and resources to meet its commitments to protect or improve the environment in which it operates and help preserve it for future generations.

Ausgrid adopts the esaa Sustainability Practice Framework (SAF) and approaches sustainability and corporate responsibility in an integrated framework throughout the business, rather than as a stand-alone separate pillar of work. The esaa SAF commits to continually improve sustainability practices in line with the following principles:

1. Maintain good corporate governance practices
2. Deliver value to shareholders, customers and the community
3. Provide a safe, secure and reliable energy supply
4. Engage key internal and external stakeholders on significant sustainability matters
5. Maintain and enhance workforce health, safety, wellbeing and development
6. Develop and implement climate change responses
7. Improve environmental performance and resource efficiency
8. Foster and support community programs
9. Promote measurement and reporting of sustainability performance.

To learn more about the esaa Sustainability Practice Framework, refer to www.esaa.com.au/policy%3a-sustainability.html.

Indicator	Coverage	2011/12 AR page(s)
Completeness	●	4

Given its size and nature, Ausgrid recognises that it is not possible for this report to meet all the information requirements of its stakeholders. Ausgrid selects the topics and indicators that reflect the most significant social, environmental and economic issues on the basis of the principles of materiality, stakeholder inclusiveness and sustainability context. This report does not omit relevant information that would influence or inform stakeholder assessments or decisions, or that would reflect significant economic, environmental, and social impacts.

Ausgrid's 2011/12 Annual Report is prepared in accordance with the *Global Reporting Initiative (GRI) Sustainability Reporting Guidelines version 3.0 and Electric Utility Sector Supplement* and the *Energy Supply Association of Australia (ESAA) Sustainable Practice Framework*. The case studies, performance data and commentary in this supplement and Ausgrid's Annual Report includes all significant actions and events occurring during 2011/12 to ensure readers can assess Ausgrid's sustainability performance.

To build on its culture of performance in relation to accountability, Ausgrid has ensured that all facts and statements are supported by robust evidence. Each year Ausgrid attains third party assurance on the report. The non-financial content of this report was reviewed by Net Balance.

Reporting principles for defining quality

Indicator	Coverage	2011/12 AR page(s)
Balance	●	8-9

Ausgrid's 2011/12 Annual Report and this supplement disclose both favourable and unfavourable results and topics relevant to its material operations and performance outcomes.

Ausgrid's 2011/12 key results are presented in a format that allows readers to see trends in performance on a year-to-year basis and the emphasis on topics is in proportion to its relative materiality as defined above.

Indicator	Coverage	2011/12 AR page(s)
Comparability	●	8-9

The key results and strategic achievements, challenges and targets in Ausgrid's 2011/12 Annual Report contain results that can be compared on a year-to-year basis. Where previous year-to-year information is available or relevant it will be included in the GRI Indicators in this supplement.

Internally, Ausgrid uses a balanced scorecard, "Our Scorecard" to communicate its strategies, goals and targets. These targets are then reported upon monthly with an emphasis on continuous improvement.

Externally, Ausgrid participates in a number of benchmarking studies. In its first year participating in the Dow Jones Sustainability Index (DJSI) in 2010/11, Ausgrid received a score of 65%, which put it in the top quarter for electricity companies worldwide. In 2011/12, it improved its score to 75%, which placed it in the top 15% of electricity companies worldwide.

Ausgrid also chooses to put itself forward for award nominations, both within its sector and across business in general (See 2.10). Regardless of whether it wins awards or not, it enables Ausgrid to obtain feedback where possible and measure its performance to continually improve.

Indicator	Coverage	2011/12 AR page(s)
Accuracy	●	4, 93-94

The financial content of the 2011/12 Annual Report was audited by the Auditor General, and in his opinion, this financial report presents fairly, in all material respects, the financial position of the Corporation and the consolidated entity as at 30 June 2012, and Ausgrid's financial performance for the year that ended, in accordance with Australian Accounting Standards.

The non-financial content of this supplement and the 2011/12 Annual Report was reviewed and verified by Net Balance. In their opinion, and based on the scope of the assurance process (a moderate level of

assurance was provided over the sustainability content of the report and this sustainability indicator table was reviewed for consistency with the report), the information presented in the report is fair and accurate and the report is a reliable account of Ausgrid’s sustainability performance during 2011/12.

The qualitative statements in this report are valid on the basis of other reported information and other available evidence.

Indicator	Coverage	2011/12 AR page(s)
Timeliness	●	4

Ausgrid’s 2011/12 Annual Report and this supplement disclose all information that reflects the most significant social, environmental and economic issues that occurred between 1 July 2011 and 30 June 2012. Where another time period has been used, this is clearly outlined.

Indicator	Coverage	2011/12 AR page(s)
Clarity	●	3, 98-99

Ausgrid believes by incorporating materiality and stakeholder inclusiveness considerations into its 2011/12 Annual Report and this supplement these reports contain the level of information required by its key stakeholders.

By using the contents page at the front of the report and the index at the back of the report, in addition to various webpage links, tables and diagrams, readers of the 2011/12 Annual Report and this supplement should be able to find the specific information they want.

All technical terms and acronyms likely to be unfamiliar to readers have been explained either where these issues have been addressed or in the glossary page at the back of the report.

Indicator	Coverage	2011/12 AR page(s)
Reliability	●	4, 93-94

Ausgrid has identified the scope and extent of external assurance on its 2011/12 Annual Report and this supplement in the “About this report” sections. The individual Independent Auditor’s report and Independent Assurance statement in both reports, outline the scope.

Ausgrid conducted both an internal and external audit on its 2011/12 Annual Report to ensure that representation is available from the original data owners. This proves to its accuracy within acceptable margins of error.

Standard Disclosures

- NOTE:**
- All GRI Indicators from 1.1 to 4.17 are fully covered except for 1.1 which is not covered and 3.7, 3.9, 4.3, 4.5, 4.7, 4.9, 4.10, 4.11, 4.16 and 4.17 which are partially covered.
 - Where a GRI Indicator is fully addressed in the 2011/12 Ausgrid Annual Report then only a page reference to the Annual Report is provided. In some cases a page reference as well as supplementary information is included.

GRI #	GRI Description and Annual Report Page No. and/or Comment
1.1	Chairman's and Managing Director's statement - p.6
1.2	Description of key impacts, risks and opportunities - p.7-9
2.1	Name of organisation – Ausgrid
2.2	Primary brands, products and/or services - p.5,12-13, 16-17
2.3	<p>Operation structure of organisation</p> <p>Ausgrid is a NSW State Owned Corporation established under the Energy Services Corporations Act 1995 and the State Owned Corporations Act 1989.</p> <p>Ausgrid delivers its business activities through seven business divisions (Distribution Operations & Reliability, Transmission & System Operations, System Planning & Regulation, Finance & Corporate, Shared Services, Energy Services and Human Resources), Internal Audit and the Office of the Managing Director, which includes Corporate Secretary, Legal and Corporate Communications.</p> <p>Ausgrid's Shareholding Ministers are the NSW Treasurer and the Minister for Finance. The Shareholding Ministers appoint the Ausgrid Board.</p>
2.4	<p>Location of headquarters:</p> <p>Ausgrid's Head Office Building is at 570 George St, Sydney 2000 NSW.</p>
2.5	Number of countries where the organisation operates - Australia
2.6	Nature of ownership and legal form - p.5
2.7	Markets served - p.5
2.8	Scale of reporting organisation - p.5
2.9	<p>Significant changes during the reporting period – p.5.</p> <p>In March 2012, a significant change to Ausgrid's business was announced, with the NSW Government advising that changes would be made to the operations of the three State-owned electricity network businesses of Ausgrid, Endeavour Energy and Essential Energy to maximise efficiencies and minimise costs. Managing Director George Maltabarow, Chairman John Conde and Director Paul Jeans left Ausgrid on 30 June 2012. A new Board was established from 1 July 2012, comprising Chairman Roger Massy-Greene, Directors Peter Dodd, Barbara Ward and Penny Le Couteur and interim Chief Executive Officer Vince Graham.</p>
2.10	<p>Awards</p> <p>Members of Ausgrid's IT and business teams won the 2011 SAP Customer Awards of Excellence for the best SAP upgrade in Australia and New Zealand. The project is one of the largest IT projects at Ausgrid. It affected about 3,000 users, included more than 50 critical business processes and updated the SAP environment in Ausgrid's new data centre.</p> <p>Ausgrid won two national Fairfax Employment Marketing Awards. The apprentice recruitment</p>

GRI #	GRI Description and Annual Report Page No. and/or Comment
	<p>campaign won best corporate careers website for its new apprentice Facebook site. The judges said it was engaging, informative and well targeted. The best regional recruitment program was recognised for targeting applicants outside the Sydney metropolitan area.</p> <p>Joshua Toomey was named Aboriginal and Torres Strait Islander Student of the Year at The Australian Training Awards. Joshua started Ausgrid's Aboriginal and Torres Strait Islander Pre-Apprenticeship Program in 2006 and has been involved with mentoring other indigenous employees.</p> <p>Staff involved with the Hunter and Central Coast Capital Works program were recently highly commended at the 2012 Engineering Excellence Awards, Newcastle Division. The submission focussed on 17 recently completed projects between the Central Coast and Scone. Crews from Gosford, Noraville, Newcastle, Maitland, Singleton and Muswellbrook worked on these projects.</p>
3.1	Reporting period - 1 July 2011 to 30 June 2012 (unless otherwise stated)
3.2	Date of most recent previous report - 2010/11 Annual Report
3.3	Reporting cycle – Annual, based on financial year timeframe
3.4	Contact point of the report – p.4
3.5	Process for defining report content - p.4
3.6	Boundary of the report - p.4
3.7	Limitations on the scope or boundary of the report - There are no limitations
3.8	Reporting on joint ventures and other entities - There were no significant entities
3.9	Data measurement techniques - Described in report where relevant
3.10	Explanation of re-statements - p.77, 85
3.11	Significant changes from previous reporting periods - Due to the sale of the retail assets in March 2011, this is the first complete financial year without Retail figures (p.6)
3.12	<p>Table of standard disclosures on p.3 including:</p> <p>Strategy & Analysis 1.1 – 1.2 (p.6-9)</p> <p>Organisational Profile 2.1 – 2.10 (p.5, 12-13, 16-17)</p> <p>Report Parameters 3.1 – 3.13 (p.4, 77-85, 93-94)</p> <p>Governance, Commitments and Engagement 4.1 – 4.17 (p. 5, 14-19, 21-23, 85)</p>
3.13	External assurance - p.4, 93-94
4.1	Governance structure - p.5, 21-23
4.2	Chair of the highest governance body - p.21-23
4.3	Independent and/or non executive board members - p.21-23
4.4	<p>Mechanisms to provide recommendations or direction to the Board</p> <p>External parties who wish to communicate with members of the Board may send correspondence to them either directly to the Board or to the Corporate Secretary at Head Office Building, GPO Box 4009, Sydney NSW 2001.</p> <p>Employees that wish to communicate with members of the Board may do so through the Corporate Secretary or the Managing Director.</p>

GRI #	GRI Description and Annual Report Page No. and/or Comment
4.5	<p>Compensation and performance – p.21-22, 85</p> <p>The remuneration of the Board (non-executive directors) is determined by the shareholders and paid for by Ausgrid.</p>
4.6	<p>Avoidance of conflicts of interest</p> <p>Ausgrid's Board has an approved policy for dealing with conflicts of interest (as outlined in its Board Charter). Directors are required to advise the Board of any actual or potential conflicts of interest which may exist as soon as they arise; comply with the provisions of the State Owned Corporations Act (1989) regarding the disclosing of direct or indirect interests in matters being considered by the Board; and advise the Chairman of any related party transactions other than personal and domestic dealings with Ausgrid that are undertaken on a normal commercial basis. Conflicts of interest are added to the monthly Board agenda whenever they arise.</p>
4.7	Board selection process - p.21
4.8	Mission and values statement, codes of conduct and principles - p.5
4.9	<p>Management of performance – p.5, 21-23</p> <p>At the core of Ausgrid's governance structure is a series of Executive Steering Committees and policies</p>
4.10	<p>Performance evaluation – p.5, 21-23</p> <p>Ausgrid's Board adopts the guidelines and performance review procedures in the NSW Government's "Guidelines for Boards of State Owned Corporations"</p>
4.11	<p>Explanation of whether and how precautionary principle is addressed – p.15-16</p> <p>Ausgrid has in place a robust business risk management policy and process that embeds effective risk management practices into Ausgrid's culture and processes. The aim of the risk management process is to achieve the realisation of potential opportunities, whilst managing possible adverse effects. Ausgrid's environment management system (EMS) assesses environmental risks in greater detail.</p> <p>For example, whilst the balance of scientific evidence is counter to the belief that electric and magnetic fields (EMF) result in adverse health effects, Ausgrid recognises there are still concerns in the community about EMF exposure and takes seriously its responsibility to help address these concerns.</p>
4.12	<p>Externally developed economic, environmental and social charters – p.4, 15</p> <p>Ausgrid has been a signatory to the esaa Sustainable Practice Framework (previously known as the Code of Sustainable Practice) since 2004.</p> <p>Ausgrid has been a participant in benchmarking against the Dow Jones Sustainability Index for the past 2 years.</p>
4.13	<p>Memberships</p> <p>As the distribution network provider to Australia's largest city, Ausgrid understands the important role knowledge sharing plays in an essential service industry. As a result Ausgrid maintained a number of key memberships at an organisation level in 2011/12 including:</p> <ul style="list-style-type: none"> • Energy Supply Association of Australia • Energy Networks Association • Asset Management Council • Australian Power Institute • Dial Before You Dig NSW/ACT

GRI #	GRI Description and Annual Report Page No. and/or Comment
	<ul style="list-style-type: none"> • Engineers Australia • Green Building Council Of Australia • CIGRE (Australia) • Geospatial Information & Technology Association (GITA)
4.14	<p>List of stakeholder groups – p.5</p> <p>Ausgrid defines its stakeholders as those who affect and/or could be affected by its activities, products or services and associated performance. This does not include all those who may have knowledge or views about Ausgrid.</p> <p>Refer to 'Stakeholder Inclusiveness' in this report.</p>
4.15	<p>Basis of identification and selection of stakeholders – p.5</p> <p>Engagement with stakeholders has always been a key part of Ausgrid's core business as a provider of an essential service.</p> <p>Refer to Stakeholder Inclusiveness in this report.</p>
4.16	<p>Approaches to stakeholder engagement – p.14-15, 17-19</p> <p>All stakeholders are communicated with by email, phone, written communications or face-to-face meetings on an as needed basis. In 2011/12, Ausgrid increased its use of social media sites like Facebook, Twitter and YouTube to communicate with stakeholders. In addition, the following regular contact was also made:</p> <p>NGOs – Community forums, targeted mailings, quarterly Customer Council meetings, letter-box drops, newsletters, panels and conferences; and three to six seminars a year with the scientific/academic community</p> <p>Customers – Annual surveys; quarterly Energy Wise pamphlets; Contact Centres</p> <p>Employees – Bi-annual roadshows, bi-annual review of personal work plans, monthly magazines, weekly broadcasts, regular employee surveys, Peak Consultative Councils and Division Consultative Councils, Corporate OH&S Consultative Committee and Local Workplace Consultative Committee meetings; team briefs and local workplace site meetings.</p> <p>Government & Regulators – Meetings with the Minister for Energy, incident and performance reports on an as needs basis; daily engagement for dispute resolutions; Annual Statement of Corporate Intent and Annual Report; quarterly reports, events, copy of newsletters that have been distributed to the community.</p> <p>Local communities – Community information displays; newsletters and notification letters; door-knocking; site meetings on an as needs basis; Community Care program, and environmental impact assessments on an as needs basis.</p> <p>Partners & Suppliers (Major) – Annual supplier breakfast; weekly, monthly and quarterly meetings with data centre, facilities management, telecommunications services, and hardware and software suppliers.</p> <p>NSW Distributors (New) – On 18 March 2012, the NSW Government announced that a new State-owned corporation (SOC) would be created to own and operate the electricity distribution network. Ausgrid, along with Endeavour Energy and Essential Energy, will provide operational services to the new SOC under the current brands. A Transitional Working Group and a Program Management Team were set up with staff from all three entities.</p> <p>Industry Associates – Joint planning meetings with RailCorp on an annual basis and six weekly meetings with TransGrid; partnership with NSW Rural Fire Service; membership of Dial Before You Dig; Ausgrid has senior management on many industry boards and associations including the Energy Supply Association of Australia (esaa) and the Energy Networks Association (ENA); forums, conferences; workshops; training; and newsletters on an as needs basis</p>

GRI #	GRI Description and Annual Report Page No. and/or Comment
4.17	<p>Key stakeholder topics and concerns</p> <p>As a result of assessments, highest priority was given to 12 areas, which are reflected in “Our Scorecard 2011/12” goals. These were:</p> <ol style="list-style-type: none"> 1. Improve safety performance 2. Improve safety culture 3. Drive regulatory outcomes 4. Drive efficiency 5. Manage our risks 6. Demonstrate leadership in the community 7. Improve system reliability 8. Improve procurement 9. Leader in smart grid technology 10. Develop our people and knowledge 11. Maintain customer focus 12. Demonstrate environmental responsibility.

GRI #	Indicator	Coverage
EU1	Installed capacity, broken down by primary energy source and by regulatory regime.	●

Ausgrid had renewable generators at Kooragang Island, Singleton, Homebush Depot, the Silverwater Learning Centre and the Sydney Superdrome. In 2011/12 the installed capacity for these generators was 600 kilowatts of wind energy and 538 kilowatts of solar.

Ausgrid had diesel generators installed at Wollombi, Cherrybrook and two at Medowie. The rated capacity for these generators totalled almost six megawatts.

Newcastle Foreshore Park and National Innovation Centre solar facilities, which were reported on last financial year, were decommissioned in February 2011.


GRI #	Indicator	Coverage
EU2	Net energy output broken down by primary energy source and by regulatory regime.	●

Ausgrid's net energy output in 2011/12 was 1078 MWh (or 3,880GJ), comprising:

Source	MWh	GJ
Solar	437	1,572
Wind	591	2,129
Diesel	50	180

GRI #	Indicator	Coverage
EU3	Number of residential, industrial, institutional and commercial customer accounts	●

In 2011/12, Ausgrid supplied electricity to 1,637,000 million network customers between Waterfall in Sydney's south, Auburn in Western Sydney and the Upper Hunter Valley in the north.


GRI #	Indicator	Coverage
EU4	Length of above and underground transmission and distribution lines by regulatory regime.	

Ausgrid operates an extensive network of transmission assets such as high-voltage and low-voltage electrical wires, poles and substations connected to the TransGrid transmission network. Ausgrid's transmission network includes the 66kV and 132kV transmission assets that are operated in parallel to, and in support of, TransGrid's transmission network. While these assets are operated as part of the distribution system for the purposes of the Electricity Supply Act 1995 (NSW), they fall within the definition of a transmission network under the National Electricity Rules. These assets are regulated by the Australian Energy Regulator (AER) as if they were part of the distribution system for the purposes of revenue, although transmission pricing rules apply.

Ausgrid's distribution network includes:


	2008/09	2009/10	2010/11	2011/12
Transmission System – 132kV (km)	885	962	962	1,024
Transmission Substation (#)	41	43	43	42
Subtransmission System - 33kV, 66kV and 132kV (km)	3,685	3,641	3,662	3,624
Substation - Zone (#)	177	185	187	188
Substation - Distribution (#)	29,974	30,261	30,551	30,860
High-Voltage Overhead – 11 kV and 22 kV (km)	10,290	10,227	10,195	10,159
High-Voltage Underground – 11 kV and 22 kV (km)	7,071	7,178	7,384	7,634
Low-Voltage Overhead – 415V (km)	21,156	20,895	20,834	*13,642
Low-Voltage Underground – 415V (km)	6,459	6,539	6,673	*5,494

* LV Overhead and Underground Mains have removed Streetlighting mains from the totals in the 11/12 figures.

GRI #	Indicator	Coverage
EU5	Allocation of CO ₂ e emissions allowances or equivalent, broken down by carbon trading framework.	

Ausgrid had 100% compliance with its greenhouse obligations in 2010/11. Ausgrid surrendered 240,439 large scale generation certificates in February 2012 as part of its obligations under the Commonwealth Renewable Energy Target.

Economic Indicators

Indicator	Coverage
Economic – Disclosure of management approach	

Ausgrid’s economic targets and performance are contained in the following section and throughout the Annual Report (p.10-11, 15, 17, 90-91 and 95) with detailed information in the Financial Content Section of the Annual Report p.24-77

For management responsibilities in relation to economic matters, refer to p.22-23 – Board Sub-Committees.

Ausgrid’s economic commitments are included in the following documents:

- Statement of Business Ethics
- Investing in Future Generations: Our Five Year Plan 2009-14: Supply and Demand
- Asset Management Strategy
- 2009 Australian Energy Regulator Submission: 10-15 year Replacement Program
- Our Scorecard 2011/12

Ausgrid operates an annual business planning cycle, which culminates in setting a budget and ten-year Group Business Plan. It reports monthly to the Board on performance against budget and quarterly to the NSW Treasury on economic performance against budget. It seeks to manage its economic risk profile through prudent financial risk policies in respect of energy trading, treasury, credit and finance.


Ausgrid is also required to follow government and regulatory direction. Locally the NSW Government Investment & Industry NSW department (IIN - Legislative framework) mandates the Design, Reliability and Performance Licence Conditions. The Independent Pricing and Regulatory Tribunal (IPART - Electricity) is responsible for administering licensing within the energy industry and monitoring compliance with licence requirements.

The Australian Energy Regulator ([AER](#)) regulates the transmission and distribution sectors of the national electricity market under the National Electricity Laws and National Electricity Rules. Every five years, in its submission to the AER, Ausgrid details issues relating to reliability of supply, as mandated under the Licence Conditions.

Each year, Ausgrid invests in its network increasing the capacity of the electricity network to ensure a reliable supply is maintained even during periods of peak demand. In some cases, it may be cheaper to reduce the peak demand, rather than increase the supply capacity. As such, Ausgrid has developed a Demand Management process which it uses in investigating, developing and implementing network Demand Management projects.


Smart grid technologies offer a way to reduce energy consumption and increase the amount of renewable energy that can be connected to the network. Ausgrid has been engaged to deliver the \$100 million Smart Grid, Smart City program to test out the latest smart technologies to make electricity supply more reliable, affordable and sustainable. The program will enable it to try out new ways to engage with its customers and help them understand their energy use better and also provide the information the government needs to make decisions about the future benefits of smart grids.

Availability and reliability

GRI #	Indicator	Coverage
EU6	Management approach to ensure short and long-term electricity availability and reliability.	

In 2011/12, Ausgrid continued to invest in capital works and technology to meet growing demand for power, deliver this energy safely and reliably, and to introduce new services for homes and businesses. Ausgrid rolled out major projects earmarked in a record capital program, while making significant progress in developing a smarter energy network.

Refer to Operational Excellence Section – p.10-11

GRI #	Indicator	Coverage
EU10	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	

Investment in the distribution network

Ausgrid continued its infrastructure replacement program during 2011/12 to allow ageing equipment, built between the 1950s and the 1970s, to be retired. This investment in the network was also needed to meet changing peak demand patterns, NSW reliability standards and demand for power. It also includes the roll-out of new smart grid technology to help make the electricity network more efficient.

Refer to p.10 – Determining network investment; and Network investment

Refer to p.10-11 – Supporting the network

Refer to p.11 – Building a smarter electricity grid.

Maintenance

Essential maintenance remains a key focus for field staff working throughout the electricity network.

Refer to p.10 – Network maintenance.


Peak demand

Refer to p.10 – Determining network investment

Ausgrid has rolled out a number of demand management projects, strong pricing incentives and energy efficiency programs to help reduce peak demand for power on the electricity network.


Demand management

Refer to p.17, 90-91 – Demand management.

GRI #	Indicator	Coverage
EU7	Demand-side management programs including residential, commercial, institutional and industrial programs	


Refer to p. 17 – Demand management, p.90-91 – Ministry Reporting requirements–demand management.

Refer to Ausgrid’s 2011/12 Network Performance Report available at www.ausgrid.com.au to review the demand management activities undertaken during 2011/12.

GRI #	Indicator	Coverage
EU11	Average generation efficiency of thermal plants by energy source and by regulatory regime	

Ausgrid does not own or operate any thermal plants (i.e. power plants fuelled by hydrocarbon energy sources).


Research and development

GRI #	Indicator	Coverage
EU8	Research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development	

Refer to p.11 – Building a smarter electricity grid


Refer to p.95 – Research and Development.

Plant decommissioning

GRI #	Indicator	Coverage
EU9	Provisions for decommissioning of nuclear power sites	


Ausgrid does not own or operate any nuclear power sites.

Economic performance

GRI #	Indicator	Coverage
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	

	2008/09 (million)	2009/10 (million)	2010/11 (million)	2011/12 (million)
Revenues	\$3,339.2	\$3,980.4	\$4,069.8	\$2,926.1
Operating costs	\$2,359.3	\$2,645.2	\$2,675.9	\$1,321.9
Employee wages and benefits	\$377.7	\$415.4	\$406.2	\$461.1
Payments to providers of capital	\$265.3	\$431.7	\$469.7	\$622.8
Payments to government (taxes)	\$99.4	\$136.3	\$188.5	\$149.9
Community investments (sponsorships and donations)	\$3.9	\$5.3	\$4.7	\$4.3

Refer to the Consolidated Financial Report (p.24-77) in Ausgrid's 2011/12 Annual Report for further details on direct economic value generated.

GRI #	Indicator	Coverage
EC2	Financial implications and risks and opportunities for the organisation's activities due to climate change	

Ausgrid's strategy for addressing climate change is to be a leader in promoting energy efficiency and to work with employees and suppliers to reduce the environmental impact of its operations. Ausgrid invests in energy efficiency with details available at www.ausgrid.com.au. Through the National Greenhouse and Energy Reporting (NGER) Scheme, Ausgrid provides data and accounting in relation to its greenhouse gas emissions and energy consumption and production.

Ausgrid's Board and Executive are committed to playing their part in balancing the needs for a cleaner future with a secure, affordable access to electricity through:

- Sourcing and producing energy from greener sources
- Reducing wasted energy both by producing energy more efficiently and by helping customers and the community reduce their energy use
- Developing and implementing new technology.

Adaptation

Ausgrid has been working with the Energy Networks Association (ENA) to address the challenges associated with climate change and in particular adaptation. A report commissioned by ENA notes that "there are significant risks to energy network business from Climate Change. The highest of these risks are from bushfires, tropical cyclones and a change in the mix of generation. Lesser risks arise from floods, droughts and an increase in peak demand". www.ena.asn.au/udocs/PB-Report-and-Note.pdf. Within

Ausgrid’s network area the key adaptation risks are associated with bushfire, severe thunderstorms, drought and change in peak demand.

The environmental variables associated with climate change affecting electricity infrastructure are related to water, soil, atmosphere and biodiversity with complex interdependencies. The two key adaptation strategies are network “hardening” against more frequent and severe climatic extremes through revised design and maintenance standards, and the creation of a more “agile” network through greater use of monitoring, remote control and automation, as well as mobile and portable network facilities such as substations and generators. In many respects the responses to the challenges posed by climate change are identical to the initiatives being pursued to sustainably improve the overall performance and use of the network.

Ausgrid is working towards reducing its risk exposure in these areas through initiatives outlined in its Bushfire Risk Mitigation Plan, Network Management Plan and demand management initiatives. Refer to:

www.Ausgrid.com.au/Common/Network-Supply-and-Services/Network-regulation-and-reports/-/media/Files/Network/Regulations%20and%20Reports/Networkmanagementplan.ashx

www.Ausgrid.com.au/Common/Network-Supply-and-Services/Demand-Management/What-is-Demand-Management.aspx

Ausgrid is also playing a leading role in ensuring that climate change issues are considered in the preparation of new and revised industry standards, e.g. AS7000 Design of Overhead Lines.


Opportunities

There are two major opportunities for the organisation’s activities due to climate change – the proposed carbon pricing mechanism and Ausgrid’s *Smart Grid, Smart City* program.

With the proposed introduction of a carbon pricing mechanism, Ausgrid will also need to prepare for the future change to the profile of generation and its location within the network. The fuel mix of generation will change with more natural gas and renewable generation being brought on line. The location of generation will also change as generation is commissioned closer to the load e.g. an increase in embedded generation and further increases in small- scale photo-voltaics (PV). Fuel cells and battery storage are also expected to become more prevalent.

Ausgrid will need to be able to respond to changes in customer behaviour as a result of price increases and increasing customer engagement. It will also need to respond to customer and other shareholder concerns about further electricity cost increases.

Together with bid partners, Ausgrid will build a commercial-scale demonstration smart grid at five sites in Sydney and the Hunter Region over three years. The project will demonstrate future possibilities for smart grids in Australia and internationally, allowing the Federal Government to assess costs and benefits.

GRI #	Indicator	Coverage
EC3	Coverage of the organisation’s defined benefit plan obligations	

In Australia, retirement plans are known as superannuation. Ausgrid’s employees are covered by one of two types of superannuation funds: a defined benefits fund or an accumulation fund.

For defined benefit plans, employer obligations are met directly from general resources.

Where the plan’s liabilities are met by Ausgrid’s general resources, the present value of defined benefit obligations at the end of the 2011/12 financial year is \$997.4m (2010/11 - \$844.5 million and 2009/10 - \$801.6 million).

The bulk of employees’ benefits are held within three divisions of the Energy Industries Superannuation Scheme (EISS). A separate fund does not exist to pay the plan’s pension liabilities as employer obligations are met directly from general resources.

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

The method used to determine the employer contribution recommendations was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

The expected employer contributions to be paid in the next reporting period (2012/13) is \$29.1 million.

Participation in superannuation is mandatory in Australia and all Ausgrid employees have retirement plans.

The consolidated entity's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method.

GRI #	Indicator	Coverage
EC4	Significant financial assistance received from government	●

Ausgrid received no financial assistance from the government in 2011/12.

Ausgrid's shareholding is held by the NSW Treasurer and NSW Minister for Finance with each holding a 50% share.

Market presence

GRI #	Indicator	Coverage
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	●

As at June 30 2012, Ausgrid had a headcount of 5998 employees. 3.2% (190) were paid junior rates and 96.8% (5,808) were covered by Federal minimum wage in Australia.

The entry level adult wage for Ausgrid was \$766.35 per week, while the Federal minimum wage was \$569.90 per week, indicating that Ausgrid's entry level wage is above Federal minimum wage industry levels.

GRI #	Indicator	Coverage
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	●


Ausgrid's procurement activities are conducted within a governance framework based around six key principles of probity and ethical behaviour, value for money, visibility and accountability, consistency and compliance, effective risk management and sustainable procurement and corporate social responsibility.

Ausgrid defines local as existing within its electricity network distribution area. Ausgrid deals with a diverse supply chain and its procurement policy does not give any preference to locally-based suppliers or to a particular geographic location. It also does not set targets for local spending.

GRI #	Indicator	Coverage
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	●


Ausgrid primarily operates within the Sydney, Central Coast and Hunter Valley regions of NSW. While staff are employed generally from within this region there is no specific policy relating to the hiring of local residents.

Indirect economic impacts

GRI #	Indicator	Coverage
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	

Refer to p.15 – Community partnership

Refer to p.88 – Funds granted under Ausgrid’s Community Investment and Partnership Program

GRI #	Indicator	Coverage
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	


Ausgrid and its staff of about 6,000 employees service a community of more than three million people with customers ranging from rural to urban, and residential to commercial, as well as serving industries such as mining, manufacturing and agriculture. Its network spans an area of 22,275 square kilometres and includes some of the most densely populated, fastest growing and high profile areas of NSW.

Its large capital works program with its investment in materials and technology and contracts with external workforce partners positively impacts on local communities and suppliers.

Ausgrid provides data on household electricity consumption, solar connections, street lighting, graffiti and maintenance works divided by local government areas inside its distribution area. It shares the information to help inform and support the community. In particular, it may be of interest to researchers or developers who want to create applications for the web or smart phones.


Ausgrid invites submissions from interested companies, organisations and individuals regarding opportunities and ideas to reduce the peak electrical demand in different areas.

System efficiency

GRI #	Indicator	Coverage
EU12	Transmission and distribution losses as a percentage of total energy	

Ausgrid distribution network works by transferring electrical power from substations to customers. The transmitting of electricity over such long distances generates heat and therefore uses some energy. Ausgrid transmitted 30,474 GWh of electricity to customers in 2011/12 (compared with 31,816 GWh in 2010/11) however 29,276 GWh of electricity was actually supplied. The loss for 2011/12 was 1,198 GWh (1,054,240 CO2-e), compared with 1,125GWh (1,012,500 tonnes CO2-e) in 2010/11. This represents 3.93% of electricity transmitted, compared to 3.53% of in 2010/11 and 4.32% in 2009/10.

Environment Indicators

Indicator	Coverage
Environment – Disclosure of management approach	

Ausgrid's environmental targets and performance are in the following section and the Environmental and Statutory Information Sections of the Annual Report p.16-17, 95

For management responsibilities in relation to environmental matters, refer to p.22-23 – Board Sub-Committees.

Ausgrid's environmental obligations are contained in the following documents:


- Environmental Policy
- Environmental Objectives and 5 year goals
- Environmental Improvement Plan
- Environmental Sustainability Strategy and Action Plan
- Environmental Code of Conduct
- Environmental Services Charter
- Environmental Training Management System
- Environmental Guidelines

Ausgrid's commitment to the environment can be broken into two areas - environmental management and environmental sustainability. Its Environmental Management System, which is certified to AS/NZS ISO 14001, includes guidelines, training, performance indicators, incident management and the Environmental Improvement Plan. All these documents ensure the day-to-day systems are in place, making sure Ausgrid complies with environmental regulations and conditions required to operate.

Environmental sustainability is about being a responsible business through minimising environmental impact, beyond what is required by environmental regulations and conditions. This means demonstrating leadership on environmental sustainability and driving positive change within the organisation and the community by helping customers and the community reduce their energy use and carbon emissions.


Ausgrid's environmental governance and reporting structure provides the backbone for integrating environmental concerns into the way it does business. The Managing Director and Executive Team are held accountable for Ausgrid's environmental performance, but all employees are responsible for minimising the environmental impact of Ausgrid's day-to-day operations.

Materials

GRI #	Indicator	Coverage
EN1	Materials used by weight or volume	

	2008/09 (tonnes)	2009/10 (tonnes)	2010/11 (tonnes)	2010/11 (tonnes)
Poles	N/A	9274	7,656	7,420
Transformer Oil	186,997	274,516	471,558	337,000
Transmission Cable Oil	38,287	25,854	29,400	39,480

N/A – Not available

GRI #	Indicator	Coverage
EN2	Percentage of materials used that are recycled input materials	

Ausgrid's Waste Reduction and Purchasing Policy (WRAPP) report indicates that the following construction materials were purchased with recycled content:

- Landscaping - 87%
- Concrete - 1%
- Aggregates -1%
- Bricks -13%

There are ongoing investigations into the feasibility of recycled content materials for construction purposes. In 2011/12, gyprock and aggregate was investigated. A substation design guideline has been developed and will be trialled this year to further investigate the practicalities of using recycled content materials in substations, such as concrete.


When undertaking building refurbishments or new developments sustainable design including use of recycled materials, is often incorporated. For example:

- In hardstand/road repairs Ausgrid uses recycled ground concrete for stabilisation.
- Homebush Depot refurbishment - all workstations, chairs and furniture were reused.
- *Smart Grid Smart City Honeysuckle* Fitout - the timber wall is made from recycled Ausgrid power poles; flooring made from recycled rubber, including 70% recycled tyres; ceiling is lined with Echopanel, which includes 60% recycled PET plastic; kitchenette features engineered stone bench tops with 42% recycled content recovered from production waste material and joinery items include X-board Kraft for internal structure, a material which contains recovered paper waste and sugar-cane fibres. Daylight mesh stacking chairs in the 60 seat auditorium space, are partially constructed from recycled car batteries and can be recycled at the end of life.
- Mt Ku-ring-gai Depot Development - recycled content is included in the steel for the first floor office frames/ trusses/ roof and wall sheeting plus structural framing and cladding on the transformer storage building, security fencing and pole racks and recycled content glass. Much of the base materials incorporate the excavated sandstone from site. The carpet tiles for the office contain up to 50% recycled content.

Recently processes were put in place to recycle SF₆ (Sulfur hexafluoride). One unit was processed in 2011/12, with the amount of gas reclaimed for recycling being 1.2kg. SF₆ has a very high global warming potential and the new processes will lead to more being recycled.

Refer to Water Reduction and Purchasing Policy p.95

Energy

GRI #	Indicator	Coverage
EN3	Direct energy consumption by primary energy source	


Ausgrid's direct energy consumption from operations in 2011/12 was 360,763 GJ. This was mainly from the vehicle fleet used to maintain the network and a smaller amount from natural gas used in buildings.

Total fuel use and energy used for fleet vehicles was 9.4 megalitres (344,313) down 0.6% from last year. Total fuel use included 1.2 megalitres unleaded petrol (42,182 GJ), 5.9 megalitres diesel (228,168 GJ), 2.1 megalitres E-10 (70,098 GJ) and 0.148 megalitres LPG (3,865 GJ). Ausgrid used an estimated 0.04 megalitres (1,516 GJ) of petroleum-based oils.

Natural gas use was 14,934 gigajoules, which was an increase of 43%. This was largely due to the installation of a natural gas powered electric generator at the 6 star rated Silverwater Learning Centre in Sydney.

Ausgrid has set targets in its Environmental Sustainability Strategy for improving the carbon efficiency of the vehicle fleet.

Direct energy consumed is combined with indirect energy consumed (EN4), to determine Ausgrid's greenhouse gas emissions as reported in EN16.


GRI #	Indicator	Coverage
EN4	Indirect energy consumption by primary source	

Ausgrid's indirect energy consumption is comprised of network losses from the delivery of electricity to its customers and electricity used in its own operations.

The transmitting of electricity over long distances, from Ausgrid's substations to its customers, generates heat and therefore uses energy, known as network losses. Energy losses from the delivery of electricity to customers are an inherent part of electricity distribution. In 2011/12, total electricity losses were 1,198 gigawatt hours which is equivalent to a System Loss Factor of 3.93%.

Electricity use from Ausgrid's own operations was 28,826 megawatt hours, a reduction of 1.2%. Ausgrid is contracted to purchase 100% accredited renewable electricity for its own operations.

The reportable greenhouse gas emissions from indirect energy consumption are detailed in EN16.

GRI #	Indicator	Coverage
EN5	Energy saved due to conservation and efficiency improvements	

Ausgrid does not use a measure of energy savings as a benchmark for its performance. The measure of performance is in achieving the energy efficiency levels identified as appropriate for an electricity distribution business. Ausgrid's energy efficiency and energy conservation efforts are guided by the Environmental Sustainability Strategy. This Strategy has the first objective of, 'Minimise our energy use and carbon emissions' and includes two energy savings targets'. These targets are:

- Increase our average NABERS Office Energy rating to 4 stars (excluding 100% accredited renewable electricity)
- Improve the carbon efficiency of our vehicle fleet by 15%

Building energy use and fuel use from vehicles comprises more than 97% of Ausgrid's reportable energy use under the National Greenhouse and Energy Reporting system.

Actions to progress towards achieving the objective and targets are identified in the annual Environmental Sustainability Action Plan, the Property capital works program, staff engagement efforts and improvements in the day to day operation and maintenance activities at Ausgrid.

Activities in 2011/12 included:

- Implementating of energy efficiency opportunities across Ausgrid properties, including lighting replacements, air conditioning upgrades and building management system adjustments
- Monitoring and reporting electricity and fuel consumption to track performance
- Participation in the Fleetwise program to investigate actions to improve fuel efficiency in light and heavy fleet vehicles
- Use of energy efficient sustainable design tools for design development of facilities
- Car pooling trialled at a site and improved bike storage facilities to encourage alternative forms of transport to the car.

These actions contributed to an improvement in Ausgrid's performance against its energy efficiency targets. The average NABERS Office Energy rating increased from 2.6 to 2.7 stars in 2011/12 and overall electricity use decreased by 1.2%. The carbon efficiency of the vehicle fleet improved by 4.7% from 7,003 tonnes per vehicle to 6,673 tonnes per vehicle, and overall fuel use decreased by 0.6%.

GRI #	Indicator	Coverage
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	●

Ausgrid has committed to three key objectives in its Environmental Sustainability Strategy. One of these is to actively contribute to climate change solutions and support our customers in reducing their energy use. Activities in 2011/12 to help achieve this objective included:

- Events about energy efficiency for the public and industry at the Energy Efficiency Centre and the publishing of information and papers on the website and at conferences
- Implementing energy efficiency education campaigns to raise awareness of energy efficiency in the community and schools
- Implementation of an 'Appliance Assist' program to help disadvantaged customers.
- Ongoing implementing of the *Smart Grid, Smart City* project, including the Smart Home and events and tours of the *Smart Grid, Smart City* Centre
- Continuing to market to contestable customers the benefits of WebGraphs to assist them in the management of energy and water use and saving costs.

GRI #	Indicator	Coverage
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	●

Indirect energy consumption from sources such as travel, commuting, purchasing materials and subcontracted products can be reduced. A key objective of Ausgrid's Environmental Sustainability Strategy is minimising the energy use and greenhouse gas emissions from its own operations and minimising environmental impacts. Activities that assisted in achieving these objectives in 2011/12 included:

- Conducting feasibility studies into recycled content construction products, namely gyprock and aggregates. Previous investigations have been made on coal ash and concrete. The aim of these investigations is to reduce the environmental impact of purchased materials.
- Development of a design guideline for substations that provides requirements for the purchasing of materials with lower environmental impact or embodied carbon or energy, for example concrete.

For details of our efforts to reduce indirect energy consumption around business-related travel and employee commuting see EN 29.

Water

GRI #	Indicator	Coverage
EN8	Total water withdrawal by source	●

Almost all of Ausgrid's water is supplied from water utilities. Ausgrid activities do not require any licences for abstraction from sensitive water sources.

Ausgrid's potable water consumption in 2011/12 totalled 144 GL, down 3.5% on the previous year.

GRI #	Indicator	Coverage
EN9	Water sources significantly affected by withdrawal of water	●


Ausgrid does not own or operate any infrastructure that withdraws water from any sensitive water source nor does it source electricity from any hydro sources.

GRI #	Indicator	Coverage
EN10	Percentage and total volume of water recycled and reused	○

Refer to p.16 – Environmental sustainability and Water use.

At the *Smart Grid, Smart City Centre* in Newcastle the dual-flush 4 star WELS rated toilets use recycled water, collected from the roof of the building and treated for use in non-potable water tanks in the basement.

Biodiversity

GRI #	Indicator	Coverage
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	


Ausgrid's network area includes approximately 5,634km² of National Parks and 984km² of State Forests (according to data supplied by each agency), giving a combined total sum of land in protected areas of 6,618km². Areas of high biodiversity value within Ausgrid's area of operations have been determined as being those areas comprising the value of "Vegetation Category 1" (forest, woodlands, heath, wetlands) as shown in the bushfire prone land dataset obtained by Ausgrid under licence agreement with the New South Wales Rural Fire Service. Approximately 12,788km² of land of high biodiversity value is estimated to be within the area of operations. Data analysis of the intersection of the total sum of land in protected areas and the total sum of land of high biodiversity value reveals that there are 6,434km² of land of high biodiversity value outside of protected areas.

Area	Square kilometres	
Land of high biodiversity value	12,788	
Land protected in National Parks	5,634	Total protected = 6,618
Land protected in State Forests	984	
Land of high biodiversity value outside of protected areas	6,434	


The Ausgrid electrical infrastructure network comprises a subtransmission powerline network (>33kV underground and overhead) approximately 5,000km long and an 11kV overhead powerline network approximately 10,000km long. The amount of protected land and land of high biodiversity value outside of protected areas traversed by the various operating voltages of electrical transmission infrastructure for the 2011/12 reporting period is outlined in the table below.

Operating Voltage	Protected areas (km)	High biodiversity value non-protected areas (km)
132kV overhead	123.8	199.7
132kV underground	2.8	7.7
66kV overhead	9.9	42.8
66kV underground	0	1.26
33kV overhead	117.5	171.3
33kV underground	1.1	4.7
11kV overhead	137	1233.6
TOTAL	392.1	1661.1

Note: The above figures were obtained from the Environmental GIS, which includes the entire Upper Hunter LGA, and inflates the network area surveyed to approximately 24,350 km². This is currently being investigated to ensure that the most accurate data is obtained.

GRI #	Indicator	Coverage
EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	

There was one incident in 2011/12 where an Ausgrid contractor cut a threatened species (*Gravellia caleyi*) and damaged EEC (Duffy's Forest) during access track maintenance. An ecologist was engaged to determine the potential extent of damage and recommend recovery actions and minimising impact to the biodiversity of the area.

GRI #	Indicator	Coverage
EU13	Biodiversity of offset habitats compared to the biodiversity of the affected areas	

Work across the electricity network is planned to minimise the impact on local ecology. Where there is an impact, additional work is often carried out to help compensate, repair or improve biodiversity of an area. In October 2011, there were 67 nest boxes installed in trees as a part of the Mitchell Line project in the upper Hunter, to help provide a safe place for local native species to nest.


Forty of these boxes that were previously erected in Tomago were audited on 18 October 2011, as part of the ongoing monitoring to such projects. Six boxes (16%) had native vertebrates present with a further twenty-nine boxes (61%) showing positive signs of vertebrate activity, six boxes (15%) had limited signs that they were being used such as insect remains and scratches around the entrance hole.

In February 2012, the Office of the Environment and Heritage issue a letter of commendation to Ausgrid in relation to the restoration works associated with the endangered Eastern Suburbs Banksia Scrub at Ausgrid's Bunnerong subtransmission substation. At the start of the project, the site was badly infested with Bitou Bush, Lantana and African Love Grass. Three years on, it is about 60% free of mature weed species. A bush regeneration group helped manage the site, including removing weeds, controlling erosion, fauna protection and monitoring flora and fauna. Most weeds the team removed have been used to control erosion, along with tree branches removed by substation maintenance crews.

Bushland regeneration works have started at Buttonary tip, involving weed control, seed collection and propagation. Seeds of native species were collected from the pole pad area and will be replanted near the site following propagation.


GRI #	Indicator	Coverage
EN13	Habitats protected or restored	

See EU13

GRI #	Indicator	Coverage
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	

Ausgrid incorporates strategies for managing the impacts on biodiversity as part of the planning process for all new construction activities. Ausgrid's Environmental Management System is focussed on developing strategies and management plans to reduce impacts on the environment.

Ausgrid aims to enhance the biodiversity of the environment within the boundaries of its sites, working with local agencies, interest groups and schools to contribute to the environment around them. Ausgrid's Environmental Handbook develops greater awareness among employees and contractors of their impact on the environment and steps they can take to improve Ausgrid's performance.

GRI #	Indicator	Coverage
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	


In order to minimise the impact of operations on individual species of high conservation value, every three months Ausgrid receives updated records of those species from the New South Wales Government Office of Environment and Heritage's Atlas of NSW Wildlife database. This data is used in the Ausgrid Environmental Geographical Information System to allow engineers, planners and designers to consider high conservation value species as part of their work process. These individual species of high conservation value are listed on the Schedules of the NSW Threatened Species Conservation Act 1995 (TSC Act), and include species listed both nationally under the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), and internationally on the Union for Conservation of Nature (IUCN) Red List of Threatened Species.

At May 2012, there were 17,884 flora records representing 182 species listed in the dataset, and 50,369 fauna records representing 140 species. The Table below shows the breakdown of these species numbers by level of extinction risk according to the TSC Act. While it may appear as though the number of records is down from the May 2011 results, it appears the previous year's results were calculated using datasets that included species within a 10 km buffer of the Ausgrid network boundary. The results for May 2012, shown here, have been clipped back to the actual network boundary.

Extinction Risk	May 2012 Fauna	May 2012 Flora
E4 – Presumed Extinct	1	3
E4A – Critically Endangered	5	9
E2 – Endangered Population	3	10
E1 - Endangered	29	73
V - Vulnerable	102	87
TOTAL	140	182

Note: The above figures were obtained from the Environmental GIS, which includes the entire Upper Hunter LGA, and inflates the network area surveyed to approximately 24,350 km². This is currently being investigated to ensure that the most accurate data is obtained.


Emissions, effluents, and waste

GRI #	Indicator	Coverage
EN16	Total direct and indirect greenhouse gas emissions by weight	

Ausgrid's total greenhouse gas emissions in 2011/12 were 27,970 tonnes of CO₂-e. This total excludes emissions from electricity use which are close to zero because Ausgrid purchases 100% accredited renewable electricity. Overall emissions increased by 3.7% from 26,971 tonnes of CO₂-e in 2010/11, primarily due to an increase in the deemed emissions from greater use of SF₆ (Sulfur hexafluoride) for arc suppression in network equipment. This gas has a very high global warming potential and the deemed emissions from its use make up 15% of 2011/12 emissions. Emissions from fuel use are 82% of Ausgrid's greenhouse gas emissions, rose 0.4% in 2011/12. Emissions from natural gas use and oils complete the remaining 3% of total emissions. Note that the National Greenhouse and Energy Reporting Act requires Ausgrid to report greenhouse gas emissions from electricity without consideration for the purchase of accredited renewable electricity. In 2011/12, Ausgrid used 28,826 MWh of electricity and the reportable emissions for this use would be 25,366 tonnes of CO₂-e.

The National Greenhouse and Energy Reporting Act also requires Ausgrid to report the emissions associated with the electricity losses from delivering electricity to our customers. In 2011/12, the total electricity losses were 1,198 GWh or 3.93% of total delivered electricity. Reportable emissions from this electricity use would be 1,054,240 tonnes.


See EN3 for direct energy use and EN4 for indirect energy use.

GRI #	Indicator	Coverage
EN17	Other relevant indirect greenhouse gas emissions by weight	

Ausgrid monitors and reports on scope 1 and scope 2 greenhouse gas emissions as required under the National Greenhouse and Energy Reporting Act 2007 and for internal environmental performance purposes. A review was completed in 2009/10 on a range of scope 3 emission sources for operations in 2008/09. This review estimated greenhouse gas emissions from electricity and gas use, waste disposal, business travel (taxi, train, bus, ferry, and plane) and employee commuting. The review did not include emissions from our upstream supply chain.

This review identified waste disposal and employee commuting as the most significant of those reviewed at 17,468 tonnes CO₂-e and 15,539 tonnes CO₂-e respectively. Scope 3 emissions from electricity and natural gas use was found to be 5,445 tonnes CO₂-e and only 567 tonnes CO₂-e from business travel.


Apart from this review, we have not compiled data on our scope 3 greenhouse gas emissions due to the consistent nature of our business (i.e. no change in location or staff numbers) which means scope 3 emissions are unlikely to vary much on a year-to-year basis.

GRI #	Indicator	Coverage
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	


A key objective of the Environmental Sustainability Strategy is minimising the energy use and greenhouse gas emissions from Ausgrid's own operations. Activities that contributed towards this goal in 2011/12 included:

- Continued purchase of 100% accredited renewable electricity for Ausgrid's operations, which has significantly reduced the greenhouse gas emissions attributable to our buildings to almost zero.
- Implementation of energy efficiency opportunities from energy audits across Ausgrid properties, including lighting replacements, air conditioning upgrades and building management system adjustments.
- Participation in the Fleetwise program to identify fuel efficiency improvement opportunities from light and heavy fleet vehicles.
- Ongoing provision of driver training (eco-driving) to increase fuel efficiency in the fleet.
- Improved management and measurement of SF6 to improve reporting and reduce losses of SF6.

Greenhouse gas emissions increased 3.7% in 2011/12, due to the deemed increase of SF6 in service, which has a high global warming potential. The activities above are a series of activities that contribute to a long-term strategic reduction in our energy use and overall carbon emissions and are not quantified individually.


GRI #	Indicator	Coverage
EN19	Emissions of ozone-depleting substances by weight	

Reporting in past years had identified limited sources of ozone depleting substances in refrigeration equipment only. As reported previously upgrades to refrigeration equipment in our three main office buildings is estimated to have reduced overall inventory of ozone depleting substances by more than 90%. These upgrades involved the removal of chillers using refrigerants with an ODP>0 (R11, R22, R114 & R123) and replacement with chillers using refrigerants with a zero ODP (R134a).

GRI #	Indicator	Coverage
EN20	NOx, SOx and other significant air emissions by type and weight	

A review of potential NOx (nitrogen oxide) and SOx (sulphur oxide) emissions from our operations was completed in FY10. This review identified vehicle emissions as our primary source of NOx and SOx emissions and the NOx emissions identified as about 122 tonnes per year. Estimates for SOx emissions were not calculated. As part of Ausgrid's efforts to reduce our greenhouse gas emissions, reduced fuel use will result in reductions to NOx and SOx as well.


Ausgrid has set a target to improve the carbon efficiency of the vehicle fleet and to achieve this, a range of actions have been identified in EN29.

GRI #	Indicator	Coverage
EN21	Total water discharge by quality and destination	

Water discharges from the Campbell Street and City North Zone Substation water treatment plants are subject to Operational Environmental Management Plan. Ausgrid also operates 12 vehicle wash bays at its depot locations subject to trade waste agreements supplied by the relevant water supply authority.

From time to time small water discharges are required to remove accumulated water in Ausgrid's assets. Environmental guideline 162 provides water quality criteria that must be met to discharge water into the environment. This is done in accordance with our environmental procedures and if it does not meet the quality criteria it is removed by a licensed contractor for treatment.

Ausgrid does not own or operate any other infrastructure that requires water discharging, other than collecting rainwater and domestic sewage, neither of which are included in this indicator.


GRI #	Indicator	Coverage
EN22	Total weight of waste by type and disposal method	

Reusing or recycling materials helps Ausgrid reduce waste generated from building and maintaining its network. The recycling rate was up from 67% last year to 70%. Ausgrid recycled 8,767 tonnes of material in 2011/12, up 14% on the previous year, which reduced landfill costs. This included more than 4,100 tonnes of metals, 3,000 tonnes of construction materials, 700 tonnes of paper and cardboard and 270 tonnes of timber.

All power lines are recycled when replaced and more than 1,400 tonnes of copper and aluminium cable was recycled, equivalent to approximately 1,000 kilometres of low-voltage cables.

Electricity transformers contain oil to assist in their safe operation. Historically, transformer oil contained PCB (polychlorinated biphenyl), a known hazardous substance. In 1989, Ausgrid began a program to remove PCBs from its network, in line with the Environmentally Hazardous Chemicals Act 1985. All known pure PCBs have been removed from the network.


In the reporting period, 433,768 litres of PCB-contaminated oil and 678 tonnes of PCB-contaminated equipment were removed from the network and sent to a licensed facility for recovery.

GRI #	Indicator	Coverage
EN23	Total number and volume of significant spills	

Oil containment systems are installed at 84.3% of Ausgrid's larger substations for ongoing environmental management. Of Ausgrid's larger type substations, 7.2% do not require oil containment in accordance with Ausgrid Oil Filled Equipment Management Strategy. The remaining 8.5% are covered through a Substation Risk Mitigation Program.


Ausgrid used a total of 12,568 litres of cable fluid, compared to 17,745 litres in 2010/11 and 17,004 in 2009/10.

Ausgrid has targets for managing and reducing its cable fluid losses. The 2011/12 cable fluid losses were in line with Ausgrid's longer-term targets in its Underground Transmission Cables Management Strategy.

GRI #	Indicator	Coverage
EN24	Weight of transported, imported, exported or treated waste deemed hazardous, and percentage of transported waste shipped internationally	

In 2011/2012, approximately 590,442 litres of used transformer oil (polychlorinated biphenyls (PCB) free) and 433,768 litres of used PCB-contaminated oil were transported to and disposed of in appropriate licensed facilities. No hazardous waste was transported internationally in 2011/2012.

There was a PCB licence breach relating to the storage of Scheduled PCB waste for greater than 40 days. Since this breach was identified, Ausgrid has negotiated an extension to this time period with the Office of Environment and Heritage so PCBs can now be stored for 60 days.

GRI #	Indicator	Coverage
EN25	Identify size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff	

There have been no reported incidents that have significantly affected water bodies or related habitat during 2011/12.

Products and services

GRI #	Indicator	Coverage
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	●

Ausgrid’s main products or services are the provision of the infrastructure services to enable the supply of electricity; and the supply of electricity to network customers.

Ausgrid has an Environmental Sustainability Strategy with three distinct objectives :

1. Minimising our resource use and carbon emissions from our own operations - an annual action plan details a range of practical actions across the business to minimise energy use, water use, carbon emissions and reduce waste and increase recycling.
2. Minimising environmental impacts - Ausgrid’s Environmental Management System, Environmental Policy,
3. Contribute to climate change solutions - to assist our customers in using electricity efficiently and minimising associated greenhouse gas emissions, Ausgrid provides advice and assistance to customers (see EN6 for details).

Environmental Management System

Environmental Code of Conduct and Environmental Sustainability Strategy provide the framework to assess and manage the environmental impacts of operations. Ausgrid identifies and manages risks associated with all proposed activities through an environmental management system certified to AS/NZS ISO 14001. Independent external audits of this system were conducted in September 2011 and February 2012.

Emissions

Ausgrid has adopted a position to positively influence the impact of both its suppliers and customers and their associated scope 2 emissions. This is done through energy efficiency education and awareness activities.

Refer to p.17 - Customers

Noise

Ausgrid works to minimise the impact on customer’s power supply, local traffic, businesses and residents. Noise mitigation options are investigated during the assessment phase of both major and minor projects. Ausgrid guidelines reflect regulations set by the NSW Office of the Environment and Heritage (OEH). Six construction noise complaints about night works were received in 2011/12, an improvement from 10/11 where 10 complaints were received.

Transport initiatives

Ausgrid continued its participation in the Fleetwise program to identify fuel efficiency improvement opportunities from light and heavy fleet vehicles. This included ongoing provision of driver training (eco-driving) to increase fuel efficiency in the fleet.

Waste management

Ausgrid seeks to use materials that limit the operational waste it generates. Where waste is unavoidable, to minimise incineration or landfill, recycling and reusing options are found.

Refer to p.16 – Waste and p.95 – Waste Reduction and Purchasing Policy

GRI #	Indicator	Coverage
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	●

Ausgrid's product is to supply electricity via a network of transmission power lines. It does not make products that create packaging materials. Ausgrid does have a successful program of reclaiming metals and recycling other wastes from construction, demolition and offices. These materials are collected and

either on-sold as a valuable resource, such as copper, aluminium and steel or collected by a third party for recycling, including plastics, paper, soil, vegetation clippings. See EN22 for comprehensive detail about reclamation and recycling.

Compliance

GRI #	Indicator	Coverage
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	●

Ausgrid received no significant monetary fines or non-monetary sanctions for non-compliance with environmental laws and regulations in 2011/12.

Transport

GRI #	Indicator	Coverage
EN29	Significant environmental Impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	●

Ausgrid uses heavy vehicles, trucks and passenger vehicles to maintain the extensive electricity network and makes up the largest part of Ausgrid's energy use. Total fuel use was 9.4 million litres with 1.2 million litres of unleaded petrol, 5.9 million litres of diesel, 2.1 million litres of E-10 and 0.15 million litres of LPG. Greenhouse gas emissions from the fleet make up 82% of emissions. Emissions from fuel in 2011/12 were up slightly by 0.4% to 22,926 tonnes of CO₂-e.

The Ausgrid Vehicle Selection Guide requires vehicle selection to take into account environmental impact, such as CO₂ emissions and air pollution.

Information regarding transportation used for commuting to work, travel for business purposes (including air, train, bus) is outlined in EN17.

Ausgrid provides:

- Eco-driving training to employees
- 20 electric vehicles for use as fleet vehicles
- A survey of all staff and a trial at an Ausgrid site aims to encourage car-pooling as an option to reduce single occupant vehicle trips to the workplace
- Improved bicycle storage facilities have been provided at two of the largest office buildings to encourage cycling as a form of transport.


Overall

GRI #	Indicator	Coverage
EN30	Total environmental protection expenditures and investments by type	●

Ausgrid invested almost \$49 million on environmental management in 2011/12. This is a large decrease from previous years due to the absence or reduction in retail related expenditure such as Renewable Energy Certificates (REC) including quarantined RECs, NSW Greenhouse Abatement Certificates (NGAC) including quarantined NGACs and acquittals for ACT and VIC, Greenhouse Energy Certificates.

The costs that are included in this measure are funding for the labour and materials for operating and maintaining renewable generators owned by Ausgrid; energy management for Ausgrid properties; the cost of environmental licences; vegetation management and access tracks; polychlorinated biphenyl (PCB) disposal; and environmental duty of care projects.

Labour Practices and Decent Work Indicators

Indicator	Coverage
Labour Practices and Decent Work – Disclosure of management approach	

Ausgrid's targets and performance in relation to labour and decent work practices are in the following section and in the Annual Report p.18-19, 85.

For management responsibilities in relation to labour practices, refer to p.22-23 – Board Sub-Committees.

Ausgrid's support for labour and decent work practices are in the following documents which are all available to staff via our intranet:

- Code of Conduct
- Ausgrid Agreement 2010
- Disciplinary policy
- Part-time Work / Job Sharing policy
- Working from Home Policy
- Be Safe Policy and Management System
- Employee Assistance Program Policy & Procedure
- Online Induction checklists
- Equal Employment Opportunity & Discrimination & Harassment Prevention policy
- Grievance Procedure
- Learning & Development Framework
- Parental Leave Policy
- Performance Development, Recognition & Recovery Plan
- Merit Appointment Policy
- Statement of Business Ethics

The Be Safe Management system is Ausgrid's Occupational Health & Safety System. This system includes the Be Safe policy, procedures to follow and guidelines on how to manage specific hazards and tools to continually improve our OHS performance. Ausgrid is independently assessed by Work Cover to maintain its self-insurers licence, and the operational divisions have external certification to AS4801 for its OHS Safety Management Systems. A number of predefined measures are reported monthly to the Executive team and quarterly to the Board. Each year Ausgrid reviews its performance and develops a strategic plan to address any shortcomings. Both employees and contractors are subject to the same safety management system and training.


To ensure awareness of the principles in the Equal Employment Opportunity and Discrimination and Harassment Prevention Policy, it is compulsory for all Ausgrid staff and contractors to complete an online Working with Equity & Respect training session.

All permanent Ausgrid employees are offered the opportunity to change their role within the organisation in order to further develop their skills, seek more challenging or interesting work, to further their career or to apply their current skill set in a different role or work environment. Ausgrid recruits employees on merit, in line with our commitment to employment equity.

In terms of increasing the diversity of our workforce, Ausgrid is committed to increasing recruitment, retention and inclusion of Aboriginal and Torres Strait Islander employees through its Aboriginal & Torres Strait Islander Pre-Apprenticeship Program and Indigenous Steering Committee.

The Women@Work program features unconventional training, initiatives and events designed to empower women at Ausgrid to enhance their performance, seek improvements to their work and go beyond what is expected of them in their roles.

Employment

GRI #	Indicator	Coverage
EU14	Programs and processes to ensure the availability of a skilled workforce.	

Maintaining a highly skilled workforce is essential to the safety and reliability of Ausgrid's services. Nationally endorsed qualifications are the basis for determining the skills that Ausgrid's workforce needs. This means that for each group of technical staff, there is a qualification that underpins them being eligible for that role. Ausgrid trains its apprentices to that standard and assesses them against it to determine their level of competency. Ausgrid's Performance Development System (Workplan and Scorecard) is where goals are set for staff and then measures them against achievement of that goal.

The Learning Centre, completed in 2011, forms part of Ausgrid's long-term learning and development framework. The framework demonstrates a commitment to the development of all staff with links to Ausgrid's goals.


Ausgrid recruited 81 new apprentices in 2011/12 to help meet the needs of the company's growing capital works program. Apprentice Open Days were held in June 2012, offering the community and potential recruits in insight into the apprentice program. In 2011/12, seven engineering graduates, five cadets and 10 trainees started their careers at Ausgrid. The program for graduate electrical engineers and commercial graduates includes experience in various business areas on a six-monthly rotational basis. Ausgrid also offers cadetships in electrical engineering which combine full-time university study specialising in power engineering and work experience at Ausgrid. Electrical engineering traineeships are offered that include part-time study at TAFE and full-time work experience.

Ausgrid encourages participation in its workforce through its sponsorship of secondary school science programs, an indigenous pre-apprenticeship program and tertiary engineering programs, including the Chair of Power Engineering at Sydney University. Ausgrid also partially sponsors the Science & Engineering challenge to encourage secondary students to undertake advance maths and science studies, forming the basic skills for engineering studies.

Ausgrid continues its five year partnership with Sydney and Newcastle Universities to advance Ausgrid's industry-leading work on smart grids, and help train the next generation of power engineers. This partnership will create a Centre of Excellence at both institutions for research and development of electricity networks.


Ausgrid also plays an active role on industry training boards and committees including: Transmission, Distribution and Rail National Training Advisory Group, NSW Utilities and Electrotechnology Industry Training and Advisory Board, EE-Oz Electrocomms and Energy Utilities Industry Skills Council and EE-Oz Blended Learning Steering Committee.

During 2011/12, workforce planning was further established. Forecasts for future demand and supply were developed with action plans to address gaps. This resulted in adjustments to program sizes and recruitment strategies including changing the focus of the traineeship from external recruitment to providing additional training to internal employees from suitable trades backgrounds.

GRI #	Indicator	Coverage
EU15	Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region.	


Ausgrid acknowledges that the forced retirement age is discriminatory and that an organisation can benefit by continuing to draw on the valuable contribution of its experienced workforce.

As at June 30 2012, Ausgrid had 974 employees (up from 953 in 2010/11) over the age of 55, meaning that 16% of Ausgrid's employees are eligible for retirement.


GRI #	Indicator	Coverage
EU16	Policies and requirements regarding health and safety of employees and employees of contractors and subcontractors	

In 2011/12, Ausgrid's Be Safe system was introduced to provide one consistent safety framework for the entire organisation to fulfil its requirements for workplace health and safety.


Refer to Ausgrid's website at <http://www.ausgrid.com.au/Common/About-us/Corporate-reports.aspx> to review its BeSafe policy.

GRI #	Indicator	Coverage
LA1	Total workforce by employment type, employment contract, and region	

	2008/09	2009/10	2010/11	2011/12
Total employees in NSW	5,643	5,903	6,060	5,998
Total full time staff	4,957	5,087	5,167	5,079
Total part time staff	260	319	318	325
Total fixed-term staff	432	502	582	594

GRI #	Indicator	Coverage
LA2	Total number and rate of employee turnover by age group, gender and region	

	2008/09	2009/10	2010/11	2011/12
Male employees	4,653	4,857	4,993	4,948
Female employees	996	1,051	1,074	1,050
Employees aged less than 18 years	32	14	9	7
Employees aged between 18-29 years	1,293	1,390	1,402	1,321
Employees aged between 30-49 years	2,853	2,916	3,019	2,997
Employees aged between 50-65 years	1,389	1,483	1,521	1,571
Employees aged over 65 years	82	105	116	102
Employees with length of service less than one year	445	441	410	181
Employees with length of service between 1-5 years	2,196	2,163	1,611	1,914
Employees with length of service between 6-10 years	890	1,095	1,610	1,568
Employees with length of service between 11-20 years	677	701	847	818
Employees with length of service greater than 20 years	1,441	1,508	1,589	1,517
Employees entering Ausgrid	458	471	440	211
Employees leaving Ausgrid	174	193	303	287
Contractor terminations and dismissals	6	8	7	15
Employees resignations	103	117	171	151
Employees retirements	48	44	84	65
Bona-fide employee redundancies	11	5	20	32
Fixed-term employee expiries	2	1	15	18
Deceased employees	4	6	6	6

GRI #	Indicator	Coverage
EU17	Days worked by contractor and subcontractor employees involved in construction, operation & maintenance activities.	

Ausgrid uses contract organisations for several construction, operation & maintenance activities including:

- Bulk streetlight replacement
- Tree trimming
- Cable laying
- Building repairs & maintenance and
- Substation work via alliance contracts

Ausgrid does not track the information of specific days worked by individual contractors or subcontractors as our major contracts are based on payment for work completed.

GRI #	Indicator	Coverage
EU18	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training.	●

All Ausgrid employees, contractors and subcontractors are required to complete specific safety training courses relevant to their activities. The training provided to contractors and subcontractors is equivalent to the training Ausgrid provides to its own employees (refer to p.18 – Safety improvements).

Under Procedure 8 – Training and Competency of the Be Safe Program, induction programs are available for all individuals, including contractors, labour-hire personnel and visitors. Programs are based on likely risk exposure, providing relevant instruction on the Be Safe Policy, Be Safe Procedures and Be Safe Hazard Guidelines. Training records of contractors and labour hire personnel are also sent to their primary employers under this procedure.

GRI #	Indicator	Coverage
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	●

Ausgrid provides standard benefits (meaning those offered to the majority of full-time employees) to all part-time and fixed-term employees. These benefits include parental leave, flexibility in balancing work and family responsibilities, limited income support for employees on parental leave, encouragement to return to work, access to a corporate health plan with NIB and gym membership. A part-time work procedure enables negotiation for part-time and job-sharing arrangements.

Two employee assistance programs provide confidential counselling services to all employees and their immediate families, including specific counselling for employees exposed to trauma or critical incidents. Other support includes a manager advisory hotline service, Energy Industries Superannuation Scheme information sessions, and an active staff club.

Labour / management relations

GRI #	Indicator	Coverage
LA4	Percentage of employees covered collective bargaining agreements	●

Ausgrid has a two-year enterprise agreement covering the employment conditions of 5,531 (92.2%) staff. This agreement ends in December 2012.

GRI #	Indicator	Coverage
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	●

Ausgrid does not have a minimum notice period regarding operational changes, however consultation is part of all employees work agreements.

'Ausgrid Today' is a series of employee briefing sessions held twice a year across Sydney, the Central Coast and the Hunter region. The Managing Director provides an update on targets, progress and projects. All employees are also able to use the Ausgrid feedback channel at any time if they have any questions or issues.

Ausgrid is committed to a consistent way of sharing information face-to-face in each division as part of good internal communication. Team Briefs are usually held monthly and are a structured, two-way communication session between a leader/manager/supervisor and his or her team where employee questions and issues are raised and followed up.

Occupational health and safety

GRI #	Indicator	Coverage
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	●

Ausgrid's Occupational Health and Safety Executive Steering Committee covers 100% of all employees, contractors and subcontractors.

GRI #	Indicator	Coverage
LA7	Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities by region	●

Refer to p.18 – Safety performance

A key safety measure is the Lost Time Injury Frequency Rate (LTIFR), determined by the number of lost time injuries for each million hours worked. Ausgrid's LTIFR for 2011/12 was 3.8 compared to 4.4 the previous year.

No employee fatalities occurred during 2011/12.

GRI #	Indicator	Coverage
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	●

Ausgrid has a Pandemic Management Plan (PMP) in place which outlines its risk-control approach to preparing for and responding to serious disease (i.e. a pandemic). It includes the hygiene and infection control measures to be adopted, the personal protective equipment available, as well as the associated communication, exercising and awareness training to be undertaken. During 2011/12, the following initiatives were maintained or improved upon:

- General hygiene items such as hand sanitiser, alcohol wipes and tissues being available in the workplace year round to support good hygiene procedures. The use of these items was re-enforced by "Don't Share Your Germs" posters on notice boards.
- Pandemic kits containing personal protective equipment being held in stock for all Ausgrid employees and full-time contractors. A kit deployment exercise was successfully undertaken at a major office and a depot location.
- 662 managers, supervisors and critical staff as outlined in Ausgrid's Business Continuity Plans, were provided awareness training via in-house DVD and/or face-to-face presentations regarding hygiene procedures and social distancing strategies to minimise the risk of infection in the workplace.
- All staff were encouraged to participate in the onsite flu vaccination program which included H1N1 vaccination; 1,935 employees chose to receive the vaccination.


A new Drugs and Alcohol Hazard Guideline was implemented in February for all employees and contractors, including random drug and alcohol testing.

Supporting employees' personal or health issues is Ausgrid's Employee Assistance Policy. This policy provides 24 hour - 7 day access to professional counselling services for staff and their immediate family. During 2011/12, 205 people utilised these counselling services.

GRI #	Indicator	Coverage
LA9	Health and safety topics covered in formal agreements with trade unions	●

Ausgrid's occupational health and safety policy and strategy is relevant to all employees, contractors and subcontractors, not just those covered by specific union agreements.


Training and education

GRI #	Indicator	Coverage
LA10	Average hours of training per year per employee by employee category	

Ausgrid remains committed to the training of its employees, particularly safety training. An ongoing focus also remains on culture, leadership and performance (refer to p.18-19 – Workplace Section).

This data is based on ‘job family’ categories and annual regulatory training courses. Other courses delivered by internal and external providers are not yet recorded in the Corporate Training Management System on which this report is based. It is anticipated that future reports will provide a consolidated view of training delivered.


Job Family	Hours (Average)
Administration	11.7
Professional	14.3
Electrical Engineer	52.2
Electricity Supply Operative	79.7
Engineering Officer	66.6
Electrical Technician	147.9
Powerline Worker	102.9
Non-Electrical Engineer	40.0
Operator	84.5
Non-Electrical Technician	46.7

GRI #	Indicator	Coverage
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	

In planning for the future, the organisation has in place many initiatives to support the transfer of knowledge from experienced and senior employees to developing employees, including succession planning, a talent program, a mentoring program and career development training (Refer to p.19 – Developing people).

Ausgrid's Study Assistance Program provides a consistent and effective approach to investing in the further education of employees. Employees can access funding to attend external training courses where eligibility criteria are met. Ausgrid also allows career breaks which can be approved for periods ranging from three months to a maximum of 12 months.

A learning and development framework has been developed to identify both technical and leadership skills that are required for Ausgrid employees. This has been designed to drive targeted training and over development activity to enhance capability in the business.

GRI #	Indicator	Coverage
LA12	Percentage of employees receiving regular performance and career development reviews	


Ausgrid's Performance Development System (PDS) aims to provide 100% of employees with regular performance and career development reviews. The PDS is an ongoing communication process, undertaken in partnership between the employee and their manager. It has been designed to support the performance development of all employees across the organisation.

Ausgrid's Vision, Values, Behaviours and Goals drive the Ausgrid Scorecard, which in turn, determines the strategies and targets for each division of the organisation. These strategies and targets make up each Executive General Manager's divisional scorecard. From this, objectives are set for each business unit, manager, team leader and the team or individual.

Executive General Managers develop business plans for their division ensuring they align with the Ausgrid Group Business Plan and Our Scorecard. From this, objectives are set for each business unit, manager, team leader and the team or individual. At Ausgrid the outcomes of the PDS is documented on either a Scorecard or a Workplan template.

Scorecards and workplans are generally set annually and provide for mid-term and full year reviews as part of Ausgrid's performance development system.


Diversity and equal opportunity

GRI #	Indicator	Coverage
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	

Ausgrid has 4,948 (down from 4,993) male employees and 1,050 female employees (down from 1,074). Ausgrid has 31 employees who identified themselves as indigenous, compared to 55 in 2010/11.

Ausgrid has 7 (down from 9) employees aged under 18; 1,321 (down from 1,402) employees aged between 18 and 29, 2,997 (down from 3,019) employees aged between 30 and 49; 1,571 (up from 1,521) employees between 50 and 65, and 102 (down from 116) employees over 65 years old.

At year end 30 June 2012, Ausgrid's Board consisted of four male directors (three non-executive and one executive). Two female directors' terms expired during the year (Refer to p.21-23).


GRI #	Indicator	Coverage
LA14	Ratio of basic salary of men to women by employee category	

Ausgrid's payroll system's categories are based on full-time, part-time, award and contract staff. During 2011/12:

- The average earnings of a full time male employee was 135% to that of a full-time female employee (125% in 2010/11)
- The average earnings of a part-time male employee were 100% to that of a part time female employee (105% in 2010/11).
- The average earnings of a senior contract male employee were 114% to that of a senior contract female employee (138% in 2010/11).
- The average earnings of a male award employee were 148% to that of an award female employee (150% in 2009/10).

Note: Total earnings used for the above calculations include overtime and allowances but exclude oncosts incurred.

Human Rights Indicators

Indicator	Coverage
Human Rights – Disclosure of management approach	

Ausgrid’s targets and performance in relation to human rights are in the following section and in the Annual Report p.19.

For management responsibilities, in relation to human rights matters refer to p.22-23 – Board Sub-Committees.

Ausgrid’s support for human rights is incorporated into the following documents:

- Code of Conduct
- Ausgrid Agreement 2010
- Disciplinary policy
- Be Safe Policy and Management System
- Employee Assistance Program Policy & Procedure
- Equal Employment Opportunity & Discrimination & Harassment Prevention Policy
- Grievance Procedure
- Merit Appointment Policy
- Statement of Business Ethics
- Ethics Statement
- Our Scorecard 2011/12


All the policies and procedures detailed above articulate the performance and behaviours Ausgrid expect’s from all stakeholders in promoting responsible business practices and a commitment to human rights. State and Federal legislation based on an inherent respect for human right, also govern all Ausgrid actions.

The Equal Employment Opportunity and Discrimination and Harassment Prevention Policy is a guide to what represents acceptable behaviour and highlights what may constitute harassment, discrimination, bullying and victimisation at Ausgrid. It also provides guidance procedures for employees, managers and supervisors to follow in the event of an incident. To ensure awareness of these principles, it is compulsory for all staff and contractors at Ausgrid to complete a Working with Equity & Respect training session, which can be accessed online.

Ausgrid is committed to maintaining high standards of accountability and ethics, as governed by Ausgrid’s Business Ethics Committee. The Committee includes senior divisional management representatives. Employees can also call the St James Ethics Centre helpline if they do not wish to raise an issue with the Ausgrid Ethics Committee.

A Business Ethics Statement outlines Ausgrid’s ethical standards and its expectation that goods and service providers and contractors will comply with these standards. Ausgrid’s commitment to responsible purchasing includes conducting business in a resourceful manner and where applicable, incorporating social, economic and environmental principles into its procurement activities.

Investment and procurement practices

GRI #	Indicator	Coverage
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	

To date, Ausgrid has not undertaken detailed screening on investments on human rights performance as Ausgrid’s Codes of Conduct, Policies and procedures articulate the performance and behaviours expected from all stakeholders in promoting responsible business practice and a commitment to human rights. State and Federal legislation, based on an inherent respect for human rights, also govern any of Ausgrid’s investment agreements.

GRI #	Indicator	Coverage
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	●

To date, Ausgrid has not undertaken detailed screening of suppliers and contractors on human rights issues for the following reasons:

1. One of the pillars in Ausgrid's Governance Procurement Policy Framework is to demonstrate probity and ethical behaviour.
2. Ausgrid's Business Ethics Statement also outlines Ausgrid's ethical standards. The expectation is that goods and service providers and contractors will comply with these standards in their dealings with Ausgrid.

GRI #	Indicator	Coverage
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	●

Ausgrid employees do not receive any specific training in human rights as it is inherent in the company's mission and values and supported by various codes of conduct.

Non-discrimination

GRI #	Indicator	Coverage
HR4	Total number of incidents of discrimination and actions taken	●

Ausgrid is committed to maintaining high standards of accountability and ethics, as governed by its Business Ethics Committee which is comprised of senior divisional management representatives. There have been no cases referred to the Ethics Committee by either Ausgrid employees or contractors. Employees can also call the St James Ethics Centre helpline if they do not wish to raise an issue with the Ausgrid Ethics Committee.

There were six EEO grievances lodged by employees during 2011/12:

- Three cases were raised internally with the matter resolved informally through mediation and training.
- One case raised by an employee against several employees and a manager. External investigator engaged due to severity of claims. Claims found unsubstantiated with mediation and training recommended.
- One case was raised by an employee against several employees and management. The matter was formally investigated internally and claims unsubstantiated. Employee then escalated to Anti-Discrimination Board but dropped on own volition by employee before hearing.
- One case was raised by an employee and referred to an external investigator. The investigation was still ongoing during 2011/12.

Freedom of association and collective bargaining

GRI #	Indicator	Coverage
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	●

Ausgrid negotiates collectively with employees, with a two-year collective agreement in place from March 2011. All employees have the right to choose whether to join a union and 3,889 employees elected to have union membership fees deducted directly from their pay.

Child labour

GRI #	Indicator	Coverage
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	●

No Ausgrid operations are identified as having a significant risk for incidents of child labour.

Forced and compulsory labour

GRI #	Indicator	Coverage
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	●

No Ausgrid operation is identified as having a significant risk for incidents of forced or compulsory labour.

Security practices

GRI #	Indicator	Coverage
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations	●


See HR3.

Indigenous rights

GRI #	Indicator	Coverage
HR9	Total no. of incidents of violations involving indigenous people and actions taken	●

Ausgrid has had no incidents of violations involving the rights of indigenous people.

Society Indicators

Indicator	Coverage
Society – Disclosure of management approach	

Ausgrid's targets and performance in relation to society are contained in the following section and in the Annual Report p.15.

For management responsibilities in relation to societal matters, refer to p.22-23 – Board Sub-Committees.

Ausgrid's commitments relating to society are included in the following documents:

- Code of Conduct
- Environmental Code of Conduct
- IT Code of Conduct
- Fraud & Corruption Prevention Guidelines
- Stakeholder Engagement Plan 2011/12
- Customer Consultative Group Charter
- Statement of Business Ethics
- Ethics Statement
- Business Continuity Management Policy
- Incident Management System Outline (network incident)
- *Be Safe Procedure 18: Incident Management Procedure*
- *Be Safe Procedure 16: Emergency Preparedness and Response*
- Network Management Plan (includes Network Safety & Reliability Plan, Customer Installation Safety Plan, Public Electrical Safety Awareness Plan and the Bushfire Risk Management Plan).

Ausgrid has in place a robust business risk management policy and process for embedding risk management practices into the organisation's culture and actions. The policy is consistent with the Australian/New Zealand Standard on risk management (AS/NZS ISO 31000:2009). Risks and action plans to address them are formally analysed annually at Executive, Divisional and Operational levels. The Executive Risk Assessment is reviewed and approved by the Board and included in Ausgrid's Business Plan. This is then discussed and agreed upon with Ausgrid's Shareholder, the NSW Government, represented by the NSW Treasury. For 2011/12, 18 key strategic risks were identified, assessed, mitigated and reported to the Board.

Ausgrid has comprehensive systems for the management of safety related incidents which are based on internal risk identification processes and external legislative requirements. Ausgrid's emergency procedures for managing incidents such as fires, storms, natural disasters or anything else that may affect the electricity network or critical business processes are defined in its Incident Management System available to all staff. Ausgrid's response to emergencies centres around three priorities – safety for both people and property, the environment and restoring the network. Any non-Network incidents are covered in business continuity plans for each of Ausgrid's critical processes.

Ausgrid's Network Management Plan is prepared in accordance with the requirements of the *Electricity Supply (Safety and Network Management) Regulations 2002*. It also sets out information on how Ausgrid complies with the various codes, standards and guidelines nominated by the Department of Water and Energy and has a strong focus on the safety of the community.

Ausgrid's procurement activities are conducted within a governance framework based around key principles, including integrity, ethical behaviour, value for money, sustainability, corporate responsibility and managing process risks effectively. Additionally, Ausgrid's Environmental Sustainability Strategy outlines its commitment to minimise environmental impacts from suppliers. "Our Statement of Business Ethics" outlines ethical standards and the expectation that goods and service providers and contractors will comply with these standards in their dealings with Ausgrid.

Ausgrid is committed to effective two-way communication with stakeholders, which includes maintaining strong relationships, ongoing communication and contact, and ongoing education on key community issues, reliability and response. This communications approach firmly highlights Ausgrid's commitment and

involvement in the local community. Ausgrid’s Stakeholder Engagement Plan aims at developing stronger relationships at a community level for day-to-day business, while specific stakeholder relationship plans are prepared for major infrastructure projects.

Community

GRI #	Indicator	Coverage
EU19	Stakeholder participation in the decision making process related to energy planning and infrastructure development.	●

As Ausgrid’s capital works program expands, so does its work with the community. Ausgrid understands that building and maintaining an electricity network can impact the residents it serves and the goal is to balance the technical needs of the electricity network with the needs of local communities.

Ausgrid is committed to supporting the communities where its network exists and assist in their development and growth through investing in future generations. Ausgrid is committed to involving the community in the planning, designing and building of both new and replacement infrastructure. Consultation includes community information displays, distributing newsletters and notification letters, and door-knocking of residents and businesses around project sites.

Community Liaison Officers and project managers respond to enquiries on a variety of subjects including impacts from services and maintenance on street lighting, project duration, tree trimming, footpath and road restoration, aerial bundling cables, underground cables and overhead powerlines, graffiti, cable laying, major hazard reduction burning, long-hanging wires, EMF, access to properties, noise, dust, property values and pole, pillar and infrastructure placements in footpaths and streets.

Refer to p.15 – Respecting the community.

GRI #	Indicator	Coverage
EU20	Approach to managing the impacts of displacement	●

The potential economic, social and environmental impacts of any new development projects are assessed as part of Ausgrid’s planning approvals process. Where possible, land already owned by Ausgrid is used for construction or existing sites are upgraded. However, if this is not possible, Ausgrid enters into considerable communications with relevant property owners regarding the purchase of their properties. In any purchase, property owners are well compensated to cover both the tangible and intangible impacts of the sale of their property and any relocation.

GRI #	Indicator	Coverage
SO1	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting	●

Programs are in place to assess and manage the impacts of operations on local communities prior to entering the community, while operating in the community and when making decisions to exit the community. All major substation and transmission feeder projects are supported by a community relations program (refer to p.15 – Respecting the community).

Ausgrid has programs in place to inform communities about projects, from local distribution upgrades to major new substations and transmission projects. Where feasible, Ausgrid works to seek input into project planning from the relevant local community. Guidelines are in place to assist staff identify relevant community members and help them to communicate with them and receive feedback.

GRI #	Indicator	Coverage
EU22	Number of people physically or economically displaced and compensation, broken down by type of project	○

See EU20.

The financial details of property purchases are considered to be commercial-in-confidence.

Disaster / emergency planning and response

GRI #	Indicator	Coverage
EU21	Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans.	●

Ausgrid has an Incident Management System (IMS) for managing major network incidents and network emergencies to enable a rapid response to emergency situations. The IMS documents the operational procedures for preparing for and responding to major incidents and emergencies, including fires, explosions, storms, natural disasters, civil disturbances or anything else that may affect the electricity distribution network.

The IMS is available to all staff on Ausgrid's intranet. The IMS forms part of the "Ausgrid Emergency Management Plan", which links into the NSW State Disaster Plan and its Emergency Management arrangements. Ausgrid's priorities when responding to emergencies are:

- safety (people and property);
- the environment; and
- restoring the network.

The IMS is tested (via simulation) annually – unless there has been a declared incident requiring the use of the IMS during that period. After each incident or simulation, a debrief is held with any resulting alteration or improvement to the system implemented accordingly. The Incident Management Steering Committee provides guidance and support for the continual improvement of emergency management arrangements within Ausgrid.

In order to manage its network performance risks, Ausgrid has adopted a 24-hour recovery time target for major equipment failures. This is supported by the implementation of a range of mobile substation recovery strategies, which provide for recovery from catastrophic substation asset failure, and a spare equipment strategy that provides a risk based framework for the acquisition, maintenance and storage of critical spare assets.

Ausgrid also supports and assists other distributors (DNSPs) by sharing resources and equipment during emergencies, to ensure their supply is restored safely and as quickly as possible.

In Ausgrid's Environmental Management System (EMS), emergency response management exists to provide the necessary support to address the needs of staff, facilities and equipment in the event of unplanned emergency situations, should they occur.

Corruption

GRI #	Indicator	Coverage
SO2	Percentage and total number of business units analysed for risks related to corruption	●

Ausgrid's Fraud and Corruption Prevention Guidelines, Code of Conduct and Internal Reporting Policy provide a mechanism for the reporting of fraud or corruption and for supporting whistle-blowers under the Public Interest Disclosures Act 1994. Ausgrid has guidelines for the investigation of allegations of fraud, corruption, serious misconduct and the reporting of corrupt conduct to the Independent Commission Against Corruption (ICAC) and if required, to police.

During 2011/12, 29 reports of fraud, corruption or serious misconduct were investigated. Six of these investigations resulted in disciplinary action against Ausgrid employees. The Internal Audit Division also conducted a fraud risk assessment of 100% of Ausgrid's business divisions during the financial year. It also coordinated the implementation of Ausgrid's enterprise risk management framework in conjunction with Divisional Managers who have been trained to identify, analyse, evaluate and develop mitigating controls to manage risk.

GRI #	Indicator	Coverage
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures	●

Ausgrid has Codes of Conduct and Our Statement of Business Ethics, which outline the rules for professional conduct of Ausgrid employees and contractors. The Audit & Risk Sub-Committee periodically reviews the codes as well as procedures to ensure compliance. All employees and contractors are made aware of Ausgrid's Code of Conduct during the induction process.

Ausgrid's Code of Conduct and Our Statement of Business Ethics is published on the intranet and website at www.ausgrid.com.au/Common/About-us/Corporate-reports.

GRI #	Indicator	Coverage
SO4	Actions taken in response to incidents of corruption	●

Refer to SO2.

Public policy

GRI #	Indicator	Coverage
SO5	Public policy positions and participation in public policy development and lobbying	●

For information on submissions Ausgrid has made to the government and other regulators, refer to <http://www.ausgrid.com.au/Common/Our-network/Network-regulation-and-reports/Regulatory-submissions.aspx>

Ausgrid is a member of a number of forums and organisations seeking to provide inputs to the development of new public policies (refer to 4.13 - Memberships).

GRI #	Indicator	Coverage
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	●

It is Ausgrid's policy not to give any financial or in-kind contributions to political parties, politicians and related institutions. This is governed by the Premier's Department Circular C2002-50 Public Employees' and Agencies Involvement in Political Fundraising Activities which prohibits Government agencies and employees from using Government funds or resources in support of political fundraising activities.

Anti-competitive behaviour

GRI #	Indicator	Coverage
SO7	Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes.	●

There have been no legal actions by regulators for anti-competitive behaviour, anti-trust, and monopoly practices.


Compliance

GRI #	Indicator	Coverage
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	●

Ausgrid takes a proactive role in ensuring compliance with licence and statutory obligations to identify minor breaches before they become significant issues. Programs developed and implemented in accordance with the Australian Standard for Compliance 3806:2006 consist of establishing clear responsibility and accountability for each individual obligation with a structured reporting and validation process.

During 2011/12, neither Ausgrid nor its employees in their capacities as Ausgrid staff received any significant fines. Nor has Ausgrid had any non-monetary criminal-law sanctions for non-compliance with laws and regulations.

Product Responsibility Indicators

Indicator	Coverage
Product Responsibility – Disclosure of management approach	

Ausgrid’s product responsibility targets and performance are contained in the following section and in the Annual Report p.5, 12-15.

For management responsibilities in relation to Ausgrid products, refer to p.22-23 – Board Sub-Committees.

Ausgrid’s product responsibility obligations are included in the following documents:

- Network Management Plan (includes Network Safety & Reliability Plan, Customer Installation Safety Plan, Public Electrical Safety Awareness Plan and the Bushfire Risk Management Plan.
- Network Standards
- Public Lighting Management Plan
- Network Reliability Reports
- Standard Form Customer Connection Contract
- Privacy Statement & Privacy Policy
- Our Scorecard 2011/12


Ausgrid’s Network Management Plan provides the management framework for ensuring that Ausgrid’s network provides an adequate, reliable and safe supply of electricity of appropriate quality.

Ausgrid’s Standard Form Customer Connection Contract governs the terms and conditions upon which Ausgrid’s network will provide a customer with connection services, miscellaneous services and monopoly services, and any customer requested relocation services for a customer’s premises in Ausgrid’s distribution area.

The electricity network operates 24 hours a day and Ausgrid takes steps to keep the public and electrical workers safe at all times. Ausgrid thoroughly investigates all electrical accidents within its network area to improve future safety plans. All reportable serious electrical network accidents are lodged with the NSW Department of Water and Energy.


Security around electrical infrastructure is the most effective way to make the public safe from electrical hazards. In 2011/12, Ausgrid continued to invest in its safety and security operations to protect the network and the community. Ausgrid’s Public Electrical Safety Awareness Plan is designed to educate and alert the community to the dangers of coming in close contact with live electricity. An analysis of safety incidents is conducted each year to help update this plan. Research into public attitudes and awareness of electrical hazards is also conducted to make sure appropriate areas are being targeted in the plan.

Access


GRI #	Indicator	Coverage
EU23	Programs, including those in partnership with government, to improve or maintain access to electricity and customer support services.	

Ausgrid offers a range of tools to help its network customers reduce their energy use and to meet NSW Government Customer Service Standards.

Refer to p.12-13 – Marketplace section

GRI #	Indicator	Coverage
EU26	Percentage of population unserved in licensed distribution or service areas	

There are no areas within Ausgrid’s distribution network area where Ausgrid’s electricity infrastructure is not available.

GRI #	Indicator	Coverage
EU27	Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime	

Disconnections are a function of the Retail side of the energy business.


As such, with the sale of its Retail assets, it is no longer applicable for Ausgrid to report on this matter.

GRI #	Indicator	Coverage
EU28	Power outage frequency	

	2008/09	2009/10	2010/11	2011/12
System Average Interruption Frequency Index (SAIFI)	1.31	1.05	1.08	0.94

GRI #	Indicator	Coverage
EU29	Average power outage duration	

	2008/09	2009/10	2010/11	2011/12
System Average Interruption Duration Index (SAIDI)	109 mins	79.05 mins	98.59 mins	82.35 mins


GRI #	Indicator	Coverage
EU30	Average plant availability factor by energy source and by regulatory regime	

Ausgrid does not own or operate any significant generation plants.

GRI #	Indicator	Coverage
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes	


Ausgrid had no significant incidents of non-compliance with regulations and voluntary codes concerning the health and safety of products and services during 2011/12. No significant breach means that Ausgrid was not subject to any compliance enforcement action involving financial penalties greater than \$50,000, enforceable undertakings, or the threat of licence suspension or cancellation. However, Ausgrid was issued one notice and the matter is still under investigation.

Provision of information

GRI #	Indicator	Coverage
EU24	Practices to address language, cultural, low literacy and disability related barriers to accessing and safely using electricity and customer support services.	

Refer to p.92 – Multicultural policies and program.


Customer health and safety

GRI #	Indicator	Coverage
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	

Refer to p.14-15 – Community Section


Ausgrid also retained the safety certification to AS/NZS ISO 4801:2001 in 2011/12.

Refer to www.ausgrid.com.au to find information on how to avoid electrical accidents around the home, at work, outdoors or during a storm. This site also provides tips on what to do in case of an accident involving electricity. Advice on electrical safety for children is in the Kids Safety Zone and Resources for Teachers sections of Ausgrid's website. Additionally, if there is any uncertainty about electricity and safety, further advice can always be provided by calling Ausgrid on 13 15 25.

GRI #	Indicator	Coverage
EU25	Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements and pending legal cases of diseases	

Refer to p.14 – Public safety

Product and service labeling


GRI #	Indicator	Coverage
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	

Ausgrid's Network Management Plan provides the management framework for ensuring that Ausgrid's network provides an adequate, reliable and safe supply of electricity of appropriate quality. The Network Management Plan consisting of the following four chapters:


1. Network safety and reliability
2. Customer installation safety
3. Public electrical safety awareness and
4. Bush fire risk management.

Ausgrid's Standard Form Customer Connection Contract governs the terms and conditions upon which Ausgrid's network will provide a customer with customer connection services, miscellaneous services and monopoly services, and any customer requested relocation services for a customer's premises located in Ausgrid's distribution area.

Both documents are available at www.ausgrid.com.au.


GRI #	Indicator	Coverage
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	

There were no incidents of non-compliance with regulations or codes concerning product and service information labelling.


GRI #	Indicator	Coverage
PR5	Practices relating to customer satisfaction, including results of surveys measuring customer satisfaction	

Refer to p.13 – Contact Centre performance and customer satisfaction

Marketing communications


GRI #	Indicator	Coverage
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship	

All of Ausgrid's marketing communications are reviewed for adherence to laws, standards, and the codes prior to use.

GRI #	Indicator	Coverage
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	

There were no incidents of non-compliance with regulations concerning marketing communications resulting in fines, penalties or warnings.


Customer privacy

GRI #	Indicator	Coverage
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	

Ausgrid collects personal information in order to conduct its business and respects the privacy of its customers, business contacts and employees. The way personal information is handled is guided by the 10 National Privacy Principles (NPPs) contained in the Privacy Act 1988.

In 2011/12, Ausgrid received one substantiated complaint regarding breaches of customer privacy. Ausgrid incorrectly provided a network customer's personal details to a third party which resulted in the customer receiving an unsolicited sales call from that organisation. The customer notified Ausgrid of the call and upon investigation the error was identified. Ausgrid has since made changes to its processes to improve controls around provision of customer information to third party service providers.

Compliance

GRI #	Indicator	Coverage
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	

Ausgrid did not receive any significant fines or breaches during 2011/12 in relation to environmental breaches, health and safety impacts of products and services, product and service information labelling, and marketing communications.

No significant breach means that Ausgrid was not subject to any compliance enforcement action under its licences from a licensing or regulatory agency involving financial penalties greater than \$50,000, enforceable undertakings, or the threat of licence suspension or cancellation.

Independent Assurance Statement



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INDEPENDENT ASSURANCE STATEMENT

To the Board and Management of Ausgrid:

Ausgrid commissioned Net Balance Management Group Pty Ltd (Net Balance) to provide independent assurance over selected sustainability content of the 2012 Annual Report (the Report) and the Sustainability Indicators Supplement (the SIS). The Report and the SIS presents Ausgrid's sustainability performance over the period 1 July 2011 to 30 June 2012. Ausgrid was responsible for the preparation of the Report and this statement presents our opinion as independent assurance providers. Net Balance's responsibility in performing its assurance activities is to the Board and Management of Ausgrid in accordance with the terms of reference agreed with them. Other stakeholders should perform their own due diligence before taking any action as a result of this statement.

Assurance Standard and Objectives

The assurance engagement was undertaken in accordance with AccountAbility's AA1000 (2008) Assurance Standard (AA1000AS). This standard allows for the evaluation of whether an organisation is responsible for its management, performance and reporting on sustainability issues.

This was undertaken by evaluating the organisation's adherence to the AA1000 AccountAbility Principles (2008) of:

Inclusivity: How does the organisation include stakeholders in developing and achieving an accountable and strategic response to corporate responsibility and sustainability?

Materiality: How does the organisation include in its reporting the material (most important) information required by its stakeholders to make informed judgements, decisions and actions?

Responsiveness: How does the organisation respond to stakeholder concerns, policies and relevant standards and adequately communicate these in its reporting?

Assurance of the accuracy and quality of selected sustainability performance information was guided by the Australian Standard on Assurance Engagements ASAE3000 Assurance Engagements other than Audits or Review of Historical Financial Information (ASAE3000) issued by the Australian Auditing and Assurance Standards Board.

Assurance Type, Level, Scope and Limitations

Net Balance provided Type 2 moderate level of assurance in accordance with the AA1000AS. The review of adherence to the Principles was undertaken using the criteria outlined in the AA1000 Assurance Principles Standard (2008), while assessment of the accuracy and quality of selected sustainability performance information was guided by the ASAE3000.

The material issues that were the focus of this engagement and the criteria used during the assurance process included:

Topic	Assessment Criteria	Report Reference
Community Investment Spend	GRI Indicator EC1	Annual Report pg.14-15. SIS pg.14.
Procurement and Suppliers	GRI Indicator EC6, HR2, AA1000 Principle of Responsiveness	Annual Report, pg. 93. SIS pg. 9-10, 16, 37.
Environmental Performance	GRI Indicators EN22, EN26, EN28	Annual Report pg. 16-17. SIS pg. 25-28.
Availability and Reliability	GRI Indicators EU6, EU7, EU10	Annual Report pg. 15-17, 28, 112-116. SIS pg. 12-13.
Training and Development	GRI Indicator EU14	Annual Report pg. 18-19. SIS pg.29.
Public Safety	GRI Indicators PR2, EU25, AA1000 Principle of	Annual Report p. 6, 14-15, 18-19.

Table 1: Performance information selected for assurance (2012 data only)		
Topic	Assessment Criteria	Report Reference
	Responsiveness	SIS pg. 44.
Workplace Safety	GRI Indicator LA7	Annual Report pg. 18-19. SIS pg. 33.
Community Engagement	GRI Indicators SO1	Annual Report pg. 15. SIS pg. 40.

The assurance scope excluded the following:

- The scope of work did not involve assurance of financial data, other than that relating to environmental, social or broader economic performance where applicable.
- The Ausgrid head office in Sydney was visited as part of this assurance engagement with any non-head office data being reviewed remotely.
- The assurance provider's involvement with stakeholder engagement was limited to reviewing external and internal stakeholder engagement processes and outcomes.
- Ausgrid's National Greenhouse and Energy Reporting as per the NGER Act (2007) was exempt from this engagement.

Assurance Methodology

The assurance engagement was undertaken from June to September 2012, and involved:

- Interviews with managers responsible for oversight of the strategic planning, public reporting, procurement, community engagement, environment and sustainability performance.
- A review of the report content determination process and stakeholder engagement activities undertaken by Ausgrid during the reporting period.
- Review of the Ausgrid internal reporting tool and follow-up with key personnel responsible for collating and writing various parts of the Report to substantiate the reliability of selected claims.
- A review of the content of the Report and the SIS for any significant omissions and anomalies, particularly in relation to claims as well as trends in data.
- Testing of selected data points and statements relating to the subject matter outlined in Table 1.

Our Independence

Net Balance was not responsible for preparing any part of the Report or the SIS. Net Balance had no other involvement with Ausgrid on any other engagement during the reporting period. Net Balance confirms that we are not aware of any other issue that could impair our objectivity in relation to this assurance engagement. A copy of our Independence Policy is available at <http://www.netbalance.com/services/assurance>.

Our Competency

The Ausgrid assurance engagement was carried out by an experienced team of professionals led by a Lead Sustainability Assurance Practitioner (Lead CSAP), accredited by AccountAbility in the UK. The project included personnel with expertise in environmental, social and economic performance measurement across a range of industry sectors. Net Balance is a global leader in the use of AccountAbility's AA1000AS, having undertaken over 150 assurance engagements in Australia in the past six years. The project team also has demonstrated experience in the application of the ASAE3000.

Findings and Conclusions

Adherence to AA1000 Principles

Inclusivity:

Ausgrid was found to have a suitable approach in place to assist with the identification of and engagement with key stakeholder groups. Ausgrid has in place a companywide Stakeholder Engagement Plan which identifies its key stakeholder groups. This plan also provides an update on performance to outline key actions, liaison activities and the outcomes of engagement during the year. This assurance engagement focused on the review of community engagement mechanisms. In late 2011, Ausgrid also finalised a detailed Community Relations Program Plan. This plan guides Ausgrid

staff on how to engage with the community on transmission and systems operations projects. This guidance is now used to develop tailored community consultation plans for major projects.

Materiality:

Ausgrid has a companywide scorecard that tracks the business' performance against both financial and sustainability metrics. The scorecard clearly aligns with the organisation's goals and objectives and is supported by a number of action plans to drive performance. The companywide intranet was also updated to provide real-time reporting of performance on each metric in the scorecard. This approach ensures that material issues are proactively managed and clearly linked to performance metrics across the organisation. The Report and the SIS were found to present performance information that aligns with the scorecard and the issues identified as being material to the business.

Responsiveness:

Net Balance tested Ausgrid's responsiveness to the management of priority sustainability issues through a number of interviews with Ausgrid senior managers and a review of systems and documentary evidence. These interviews and reviews focused on the topics of community engagement, procurement, environment and sustainability. It was found that Ausgrid had engaged with a number of key internal and external stakeholders to develop improvement and management strategies in each of these areas. Over the short and medium term, these strategies will help the business to continue to improve their performance in each of these areas.

Reliability of Performance Information

Based on the scope of the assurance process, the following was observed with regard to performance information:

- The findings of the assurance engagement provide confidence in the systems and processes used for managing and reporting sustainability performance information included in the scope of this assurance engagement.
- The level of accuracy of sustainability performance information was found to be acceptable.
- Data trails selected were identifiable and traceable, and the personnel responsible were able to reliably demonstrate the origin and interpretation of data.

Based on our assurance procedures, nothing has come to our attention that causes us to conclude that the selected sustainability performance information has not been prepared, in all material respects, in accordance with the criteria as presented in Table 1.

The Way Forward

To ensure Ausgrid continues to improve, Net Balance has identified a number of recommendations for the AA1000AS component of the assurance engagement. These recommendations cover topics including report content, reporting procedures, staff engagement and procurement. These and other recommendations have been presented in more detail in Net Balance's report to Ausgrid's management.

On behalf of the assurance team
5 October 2012
Melbourne, Australia



Kirsten Simpson
Lead CSAP (AccountAbility UK)
Associate Director, Net Balance



Glossary

Abbreviations

V volt	A volt is the unit of potential or electrical pressure
W watt	A measurement of the power present when a current of one ampere flows under a potential of one volt
kW kilowatt	One kW = 1000 watts
KWh kilowatt hour	The standard unit of energy which represents the consumption of electrical energy at the rate of one kilowatt for one hour
kV kilovolt	One kV = 1000 volts
MW megawatt	One MW = 1000 kW or one million watts
MWh megawatt hour	One MWh = 1000 kilowatt hours
GWh gigawatt hour	One GWh = 1000 megawatt hours or one million kilowatt hours
GJ gigajoule	One gigajoule = 1000 megajoules. A joule is the basic unit of energy used in the gas industry equal to the work done when a current of one ampere is passed through a resistance of one ohm for one second
STS subtransmission system	Consists of 33 kV, 66 kV and 132 kV assets
HV high voltage	Consists of 5 kV, 11 kV and 22 kV distribution assets
LV low voltage	Consists of 240V and 415 volt distribution assets

Other

AER	Australian Energy Regulator
CBD	Central Business District
CO2-e	Carbon dioxide equivalent
EBIT	Earnings Before Interest and Tax
EEO	Equal employment opportunity
EMF	Electric and magnetic fields
esaa	Energy Supply Association of Australia
FTE	Full-time equivalent
GIS	Geographical Information System
GRI	Global Reporting Initiative
IPART	Independent Pricing and Regulatory Tribunal
LTIFR	Lost Time Injury Frequency Rate
OHS	Occupational Health and Safety
PCB	Polychlorinated biphenyls
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index

Summary of Sustainability Indicators

Legend

● fully covered	AR Annual Report
▸ partially covered	N/A not applicable to Ausgrid's operations
○ not covered	

GRI #	Coverage	Indicator	2011/12 AR page	2011/12 Supplement page
Reporting Principles and Guidance				
-	●	Materiality	5	2
-	●	Stakeholder Inclusiveness	5	2
-	●	Sustainability context	4	3
-	●	Completeness	4	4
-	●	Balance	8-9	4
-	●	Comparability	8-9	4
-	●	Accuracy	4, 93-94	4
-	●	Timeliness	4	5
-	●	Clarity	3, 98-99	5
-	●	Reliability	4, 93-94	5
Standard Disclosures				
1.1	○	Chairman's and Managing Director's statement about the relevance of sustainability to the organisation and its strategy	-	6
1.2	●	Description of key impacts, risks and opportunities	7-9	6
2.1	●	Name of organisation	Cover	6
2.2	●	Primary brands, products and/or services	5, 12-13, 16-17	6
2.3	●	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures	5,21-23	6
2.4	●	Location of headquarters	Back cover	6
2.5	●	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	5	6
2.6	●	Nature of ownership and legal form	5	6
2.7	●	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	5	6
2.8	●	Scale of the reporting organisation	5	6
2.9	●	Significant changes during reporting period regarding structure or ownership	5	6
2.10	●	Awards received in the reporting period	-	6
3.1	●	Reporting period for information provided	4	7
3.2	●	Date of most recent previous report	-	7
3.3	●	Reporting cycle	4	7
3.4	●	Contact point for questions regarding the report or its contents	4	7
3.5	●	Process for defining report content	4	7
3.6	●	Boundary of the report	4	7
3.7	▸	State any specific limitations on the scope or boundary of the report	4	7

GRI #	Coverage	Indicator	2011/12 AR page	2011/12 Supplement page
3.8	●	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations	N/A	7
3.9	▸	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators in the report	Where applicable	7
3.10	●	Explanation of the effects of any re-statements of information provided in earlier reports, and the reasons for such re-statements	77, 85	7
3.11	●	Significant changes from previous reporting periods in the scope, boundaries or measurement methods applied in the report	6	7
3.12	●	Table identifying the location of the Standard Disclosures in the report	3	7
3.13	●	Policy and current practice with regard to seeking external assurance for the report. Also explain the relationship between the reporting organisation and the assurance provider(s).	4, 93-94	7
4.1	●	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight	5, 21-23	7
4.2	●	Indicate whether the Chair of the highest governance body is also an executive officer	21-23	7
4.3	▸	State the number of members of the highest governance body that are independent and/or non-executive members	21-23	7
4.4	●	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	-	7
4.5	▸	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	21-23, 85	8
4.6	●	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	-	8
4.7	▸	Processes for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental and social topics	21	8
4.8	●	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation.	5	8
4.9	▸	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and compliance with internationally agreed standards, code of conduct and principles	5, 21-23	8
4.10	▸	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	5, 21-23	8
4.11	▸	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	15-16	8
4.12	●	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	4, 15	8
4.13	●	Memberships in associations and/or national/international advocacy organisations in which the organisation has positions in governance bodies, participates in projects or committees, provides substantive	-	8

GRI #	Coverage	Indicator	2011/12 AR page	2011/12 Supplement page
		funding beyond routine membership dues or views membership as strategic.		
4.14	●	List of stakeholder groups engaged by the organisation	5	9
4.15	●	Basis for identification and selection of stakeholders with whom to engage	5	9
4.16	▸	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	14-15, 17-19	9
4.17	▸	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	4-23	10
EU1	●	Installed capacity, broken down by primary energy source and by regulatory regime.	-	10
EU2	●	Net energy output broken down by energy source and by regulatory regime.	-	10
EU3	●	Number of residential, industrial, and commercial customer accounts	5	10
EU4	●	Length of above and underground transmission and distribution lines by regulatory regime.	-	11
EU5	●	Allocation of CO ₂ e emissions allowances or equivalent, broken down by carbon trading framework.	-	11
Economic Indicators				
-	▸	Economic – Disclosure of management approach	10-11, 15, 17, 24-77, 88, 90-91, 95	12
EU6	●	Management approach to ensure short and long-term electricity availability and reliability.	10-11	12
EU10	▸	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	10-11, 17, 90-91	13
EU7	●	Demand-side management programs including residential, commercial, institutional and industrial programs	17, 90-91	13
EU11	●	Average generation efficiency of thermal plants by energy source and by regulatory regime	N/A	13
EU8	●	R&D activity and expenditure aimed at providing reliable electricity and promoting sustainable development	11, 95	13
EU9	●	Provisions for decommissioning of nuclear power sites	N/A	14
EC1	●	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	24-77	14
EC2	▸	Financial implications and risks and opportunities for the organisation's activities due to climate change	16-17	14
EC3	●	Coverage of the organisation's defined benefit plan obligations	-	15
EC4	●	Significant financial assistance received from government	-	16
EC5	●	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	-	16
EC6	●	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	-	16
EC7	●	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	-	16
EC8	▸	Development and impact of infrastructure investments and services provided for public benefit through commercial, in-kind, or pro bono engagement	15, 88	17

GRI #	Coverage	Indicator	2011/12 AR page	2011/12 Supplement page
EC9	▶	Understanding and describing significant indirect economic impacts, including the extent of impacts	-	17
EU12	●	Transmission and distribution losses as a percentage of total energy	-	17
Environmental Indicators				
-	▶	Environmental – Disclosure of management approach	16-17, 95	18
EN1	▶	Materials used by weight or volume	95	18
EN2	▶	Percentage of materials used that are recycled input materials	95	19
EN3	●	Direct energy consumption by primary energy source	16	19
EN4	▶	Indirect energy consumption by primary source	-	20
EN5	●	Energy saved due to conservation and efficiency improvements	16-17, 95	20
EN6	●	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	16, 17, 95	21
EN7	●	Initiatives to reduce indirect energy consumption and reductions achieved	-	21
EN8	●	Total water withdrawal by source	-	21
EN9	●	Water sources significantly affected by withdrawal of water	-	21
EN10	○	Percentage and total volume of water recycled and reused	16	21
EN11	●	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	22
EN12	▶	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	-	22
EU13	▶	Biodiversity of offset habitats compared to the biodiversity of the affected areas	17	23
EN13	▶	Habitats protected or restored	17	23
EN14	▶	Strategies, current actions, and future plans for managing impacts on biodiversity	-	23
EN15	●	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	-	23
EN16	▶	Total direct and indirect greenhouse gas emissions by weight	-	24
EN17	●	Other relevant indirect greenhouse gas emissions by weight	-	24
EN18	●	Initiatives to reduce greenhouse gas emissions and reductions achieved	17	25
EN19	●	Emissions of ozone-depleting substances by weight	-	25
EN20	▶	NOx, SOx and other significant air emissions by type and weight	-	25
EN21	▶	Total water discharge by quality and destination	-	25
EN22	●	Total weight of waste by type and disposal method	16, 95	26
EN23	▶	Total number and volume of significant spills	-	26
EN24	●	Weight of transported, imported, exported or treated waste deemed hazardous, and percentage of transported waste shipped internationally	-	26
EN25	●	Identify size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff	-	26
EN26	●	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	16-17, 95	27
EN27	●	Percentage of products sold and their packaging materials that are	-	27

GRI #	Coverage	Indicator	2011/12 AR page	2011/12 Supplement page
		reclaimed by category		
EN28	●	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	-	28
EN29	●	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	-	28
EN30	●	Total environment protection expenditures and investments by type	-	28
Labour Practices and Decent Work Indicators				
-	▶	Labour Practices and Decent Work Indicators – Disclosure of management approach	18-19, 85	29
EU14	●	Programs and processes to ensure the availability of a skilled workforce.	18-19	30
EU15	▶	Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region.	-	30
EU16	●	Policies and requirements regarding health and safety of employees and employees of contractors and subcontractors	18	30
LA1	●	Total workforce by employment type, employment contract, and region	-	31
LA2	▶	Total number and rate of employee turnover by age group, gender and region	-	31
EU17	○	Days worked by contractor and subcontractor employees involved in construction, operation and maintenance activities.	-	31
EU18	●	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training.	-	32
LA3	●	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	-	32
LA4	●	Percentage of employees covered by collective bargaining agreements	19	32
LA5	●	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	-	32
LA6	●	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	-	33
LA7	●	Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities	18	33
LA8	●	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	18	33
LA9	●	Health and safety topics covered in formal agreements with trade unions	-	33
LA10	●	Average hours of training per year per employee by employee category	18-19, 85	34
LA11	●	Programs for skills management and lifelong learning that support the employability of employees and assist them in managing career endings	19, 85	34
LA12	●	Percentage of employees receiving regular performance and career development reviews	-	34
LA13	●	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group, and other indicators of diversity	18-19, 85	35
LA14	●	Ratio of basic salary of men to women by employee category	-	35

GRI #	Coverage	Indicator	2011/12 AR page	2011/12 Supplement page
Human Rights Indicators				
-	▶	Human Rights – Disclosure of management approach	19	36
HR1	●	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	-	36
HR2	●	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	-	37
HR3	●	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	-	37
HR4	●	Total number of incidents of discrimination and actions taken	-	37
HR5	●	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	19	37
HR6	●	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	N/A	38
HR7	●	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	N/A	38
HR8	●	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations	-	38
HR9	●	Total number of incidents involving indigenous people and actions taken	-	38
Society Indicators				
-	▶	Society – Disclosure of management approach	15, 22-23	39
EU19	●	Stakeholder participation in the decision making process related to energy planning and infrastructure development.	15	40
EU20	●	Approach to managing the impacts of displacement	-	40
SO1	●	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting	15	40
EU22	○	Number of people physically or economically displaced and compensation, broken down by type of project	-	40
EU21	●	Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans.	-	41
SO2	●	Percentage and total number of business units analysed for risks related to corruption	-	41
SO3	●	Percentage of employees trained in organisation's anti-corruption policies and procedures	-	41
SO4	●	Actions taken in response to incidents of corruption	-	42
SO5	●	Public policy positions and participation in public policy development and lobbying	-	42
SO6	●	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	N/A	42
SO7	●	Total number of legal actions for anticompetitive behaviour, anti-trust and monopoly practices and their outcomes.	-	42

GRI #	Coverage	Indicator	2011/12 AR page	2011/12 Supplement page
SO8	●	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	-	42
Product Responsibility Indicators				
-	▶	Product Responsibility – Disclosure of management approach	7-8, 12-15	43
EU23	●	Programs, including those in partnership with government, to improve or maintain access to electricity and customer support services.	12-13	43
EU26	●	Percentage of population unserved in licensed distribution or service areas	N/A	43
EU27	●	Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime	N/A	44
EU28	●	Power outage frequency	7-8	44
EU29	●	Average power outage duration	7	44
EU30	●	Average plant availability factor by energy source and by regulatory regime	N/A	44
PR2	●	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes	-	44
EU24	▶	Practices to address language, cultural, low literacy and disability related barriers to accessing and safely using electricity and customer services.	92	44
PR1	▶	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	14-15	45
EU25	●	Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements and pending legal cases of diseases	8, 14	45
PR3	●	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	-	45
PR4	●	Total number of incidents of non-compliance with regulations and codes concerning product and service information and labelling, by type of outcomes	-	45
PR5	●	Practices relating to customer satisfaction, including results of surveys measuring customer satisfaction	13	46
PR6	●	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship	-	46
PR7	●	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	-	46
PR8	●	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	-	46
PR9	●	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	-	46