Sustainability Policy

Purpose	To provide guidance to leaders on key sustainability principles in decision making.
Applies to	All employees and any person or business undertaking work at or for the organisation.
Introduction	Environmental, social and governance (ESG or sustainability) issues are key considerations being used to judge organisational performance. Our application of sustainability principles aligns with the achievement of our business plan and our strategic priority to Foster Community Trust.

Overarching guiding principles

In order to be a sustainable organisation, the following overarching guiding principles apply to the conduct of our business activities and are common to all stakeholders:

- Supporting the organisation's vision to become a leading energy solutions provider, recognised both locally and globally.
- Supporting the achievement of our business plan and strategic goals by managing material risks to our business.
- Creating social dividend through our support of the principles of our aligned UN Sustainable Development Goals and applying this in our decision making.
- Fostering stakeholder trust and improving our reputation by taking actions valued by our employees, customers and communities.
- Encouraging a culture of ethical behaviour that lives our values as outlined in our *Code of Conduct* and *External Partner Code of Conduct*.
- Increasing business transparency will create legitimacy with our stakeholders.
- Building employee engagement through our sustainability initiatives.

Environmental guiding principles

Keeping our employees and communities safe and protecting the environment is vital in maintaining our social licence to operate. The organisation recognises it has an obligation to manage its assets efficiently and effectively and that aligning our activities with our corporate strategy will support our economic sustainability. Therefore, environmental guiding principles are:

- Ensure compliance with all relevant laws and regulations and our ISO 14001 certified *Environmental Management System*.
- Always seek ways to reduce our carbon footprint from scope 1 (fuels, oils, SF_6 – sulphur hexafluoride, natural gas and LPG) and scope 2 (electricity use and line losses) carbon dioxide equivalent emissions and our scope 3 emissions from our waste, travel and travel accommodation. A shadow carbon price should be applied to investment decisions to assess the immediate and longer term financial impacts of options.
- Engineering design, including product design, where possible should be whole of life and whole system based, with consideration of all impacts from product inception to reuse/repurposing/recycling.
- Continuous improvement to reduce dependency on using new raw resources and to re-use and recycle wastes.
- Eliminating waste should be a primary consideration. Unavoidable waste should be examined for recycling potential or as an input into another productive process.
- Environmental and social impacts should be considered and assessed in all business undertakings or construction.

Social guiding principles

To maintain and grow our social licence to operate it is important our stakeholders view us as an organisation that brings a benefit to the lives of our customers and communities. The organisation needs to maintain a positive stakeholder reputation for it to prosper, and to recruit, retain and develop an inclusive and diverse workforce that reflects the communities it serves. Therefore, social guiding principles are:

- Minimise risks that our assets, operations and activities pose to the health and safety of all employees, contractors, visitors and the public in accordance with our *Commitment to Health, Safety and Environment*.

- Engage with our customers and communities to measure their satisfaction, strengthen their connection to the organisation and seek ways to continuously improve our services.

- Maintain awareness of opportunities on our network and non-network infrastructure to provide additional community utility or benefit.

- Consider inclusion and diversity in all internal and external events and business activities.

- Seek opportunities to identify and implement changes that make us an employer of choice for all employees irrespective or age, gender, race, religious beliefs, sexual orientation or disability.

- Consider our customers in all our actions and strive to provide them with services that are safe, affordable, reliable and sustainable, and communicate our performance in our *Sustainability Report*.

Governance guiding principles

The organisation's governance framework is designed to ensure that our business is effectively managed, that statutory obligations are met and that a culture that lives our values remains reinforced. Therefore, our governance guiding principles are:

- Adopt corporate governance practices, in line with good governance recommendations generally accepted in international markets, based upon business transparency and mutual trust with our stakeholders.

- Adopt practices to identify and address any modern slavery practices in our business or by our business partners and adopt responsible practices in our procurement of goods and services as detailed in our *Sustainable Procurement Policy*.

Climate change guiding principles

It is important that we give our stakeholders confidence that we have identified and are managing any climate change risks and opportunities as well as monitoring and reducing our own impact. Therefore, our climate change guiding principles are:

- Promote decarbonisation of the economy and prevent pollution by gradually reducing the intensity of greenhouse gas emissions in our operations.

- Integrate climate change variables in internal decision making processes as well as in the analysis and management of the long-term risks and opportunities for the organisation.

- Include in our decision making, ways to harden and increase the resilience of our network and operations to the physical impacts of climate change.

- Consider climate change risks and impacts on our operations and assets and seek opportunities for the organisation to provide innovative clean energy, infrastructure or operational solutions on our network or to our customers.

Policy ownership

This policy will be owned and reviewed annually by Corporate Affairs, Sustainability.