



INFIGEN ENERGY
ENVIRONMENTAL,
SOCIAL & GOVERNANCE
REPORT 2017



REPORT BOUNDARY

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Business units managing Infigen's assets and development projects, as well as corporate business functions are also included.

Topics refer to economic, environmental or social subjects relevant to Infigen, and are defined under the Global Reporting Initiative (GRI) Sustainability Reporting Standards framework available at www.globalreporting.org/standards/gri-standards-download-center.

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MANAGING DIRECTOR'S REPORT

It is my pleasure to present to you Infigen's ESG Report for the 2017 financial year (12 months ended 30 June 2017, FY17). In this report we have adopted the GRI Standards to evaluate the environmental, economic and social impacts from our operations.

FY17 has been a year of substantial change within the Australian energy market generally and for Infigen's business specifically. Infigen is a part of the solution and a participant in the drive to a lower emissions economy based on reducing carbon emissions. As the largest wind power generator by installed capacity in Australia we aim to promote effective communication of climate-related financial information in the context of the energy policy framework.

A range of unforeseen challenges and opportunities emerged for the key industry stakeholders from the transformation to a lower emissions future in FY17 that were not fully anticipated by governments, regulators, or industry participants. These include:

- customers facing upward pressure on prices due to under investment in new generation to compensate for thermal plant retirements and to meet the Renewable Energy Target
- investors and lenders have had to address risks associated with deploying capital where future cash flows are vulnerable to political policy uncertainty over a multi-decade life span
- governments have had to respond to community expectations that energy will be reliable and affordable as well as being concerned to ensure that the cost of doing business is internationally competitive. At the same time the community is increasingly mindful of the risks that carbon pollution presents to future generations
- regulators have had to respond to the challenges in integrating newer energy technologies into a system that was not prepared for the scale of their deployment.

These factors have influenced Infigen's financial performance in FY17, as well as the design of our business strategy for the future to respond prudently and opportunistically to the new challenges and capture opportunities. Infigen is transitioning to a business that seeks to become an active energy markets participant.

Central to the revised strategy is a recognition that long-term "run of plant" offtake contracts to retailers no longer preserve or create value for our security holders given the market pricing. At the same time there has been an emerging readiness of larger scale customers to meet their energy needs and LGC obligations under medium tenor contracts directly with generators. This is an important new channel to market for Infigen. It provides us with an opportunity to reduce the future volatility in the long-term cash flows that would be expected from uncontracted output and on terms that share value directly between ourselves and our customers.

Sustainable value can thus be secured through the production and supply of energy to end-customers. Infigen has now positioned itself to service the commercial/industrial market as well as other parts of the wholesale market. We have an existing installed capacity of 557 MW. We have also commenced construction on the Bodangora Wind Farm. This will deliver an additional 113 MW on completion.

We can thus draw upon a material portfolio of assets to meet customer requirements and manage the associated risks. We have a retail licence and the systems to deliver

this service. Over the course of the second half of FY17 we invested further in human resources and systems to support the strategy. As our customer base grows, we will introduce a range of energy firming strategies, including physical and financial firming products, and new generation to supplement our existing portfolio capacity in servicing customers. Risk adjustment in Infigen's portfolio will occur over time and in response to the changing requirements of customers.

During the year Infigen finalised incentive-based fleet-wide service agreements with Vestas (major service provider) to cover our six operating wind farms. Vestas has a track record of superior performance and will balance maximising production with optimising asset life. As a result we have increasing certainty over long term turbine operations and maintenance costs and balance of plant costs.

In terms of our environmental, economic and social impacts there are three issues that are material to our stakeholders – safety, our conduct in communities, and how we promote wellbeing and diversity.

Our first priority is the safety of our people and the communities in which we operate. During the year we had one lost time injury during a tower rescue simulation, and that resulted in both a lost time injury frequency rate and total recordable injury frequency rate of 4.7 for the year.

We set out to incorporate recommendations from the National Wind Farm Commissioner's Bulletin to improve user accessibility to information about our complaints management system. We were able to address and close 12 of the 14 formal complaints received during the year. We are working towards a solution to address the two complaints that remained open at the beginning of FY18.

We sponsored over 50 projects, supported charities and diversity and community groups with over \$490,000 during the year.

We estimate that over \$650,000 was spent on products and services in the local and surrounding areas of the Bodangora Wind Farm since the construction started.

I am pleased to report that as the number of people in the organisation grew, so has the gender ratio improved from 38% to 40%. We formed the Wellbeing Committee, which is tasked with developing initiatives for employees and their families in the areas of home, work and life, and expanded our diversity objectives (set every two years) to include an emerging leader mentor program and a lesbian, gay, bisexual, transgender and intersex Diversity and Inclusion Plan.

We were proud to sponsor one Indigenous student from Poruma Island of the Torres Strait Islands as part of the Career Trackers scholarship program, and two students through the UNSW Women in Engineering scholarship program. We partnered with Macquarie Graduate School of Management, and sponsored a female member of our Finance team to undertake an MBA degree.

We are committed to fostering strong relationships with our host communities, and continue to maintain regular community consultation through face-to-face meetings and formal committee meetings, and host wind farm open days or facilitate visits as is appropriate taking into account community demand.

Ross Rolfe AO

Managing Director / CEO

ABOUT INFIGEN ENERGY (INFIGEN)

We are Infigen Energy – an active, integrated Australian energy market participant.

Our purpose is to deliver clean energy solutions to Australian businesses and large retailers.

Our strategy is to enhance the performance of our existing assets, commercialising our development pipeline and investing in growth and create security holder value.

We value our SPIRIT – safety, performance, integrity, respect, innovation and teamwork.

Our portfolio & head office

Infigen has 557 MW of installed generation capacity across New South Wales, South Australia and Western Australia with a further 113 MW under construction in New South Wales.

We sell electricity and Large-scale Generation Certificates (LGCs) to our customers through a combination of medium and long-term contracts, and through the National Electricity Market.

Infigen trades on the Australian Securities Exchange (ASX) under the code IFN.

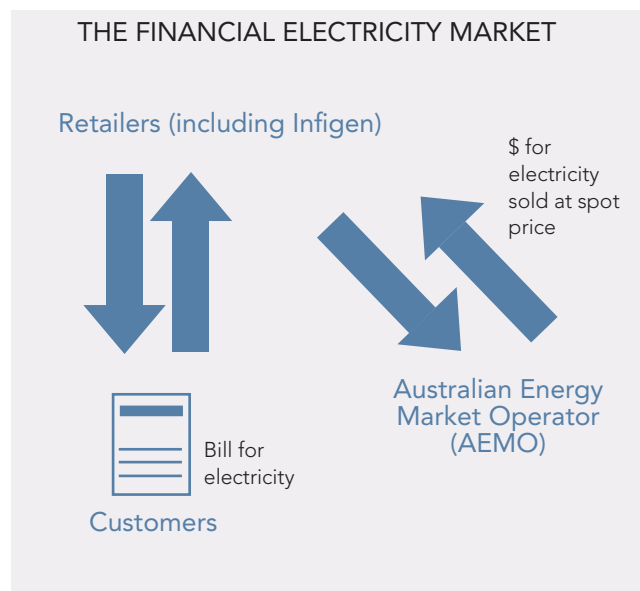
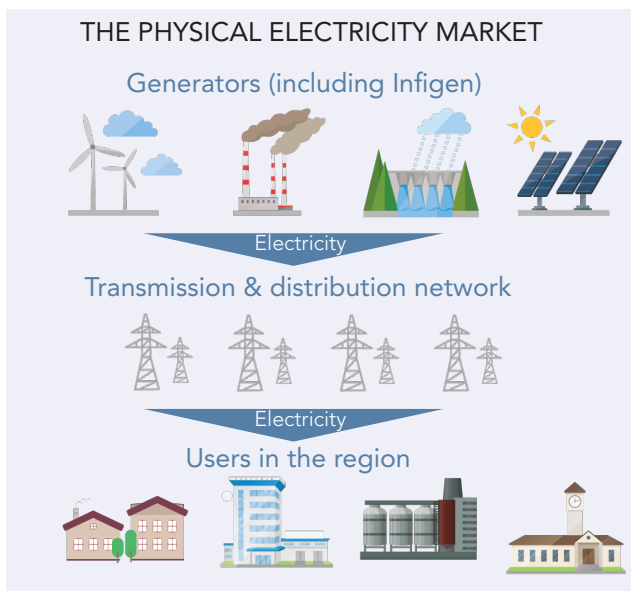
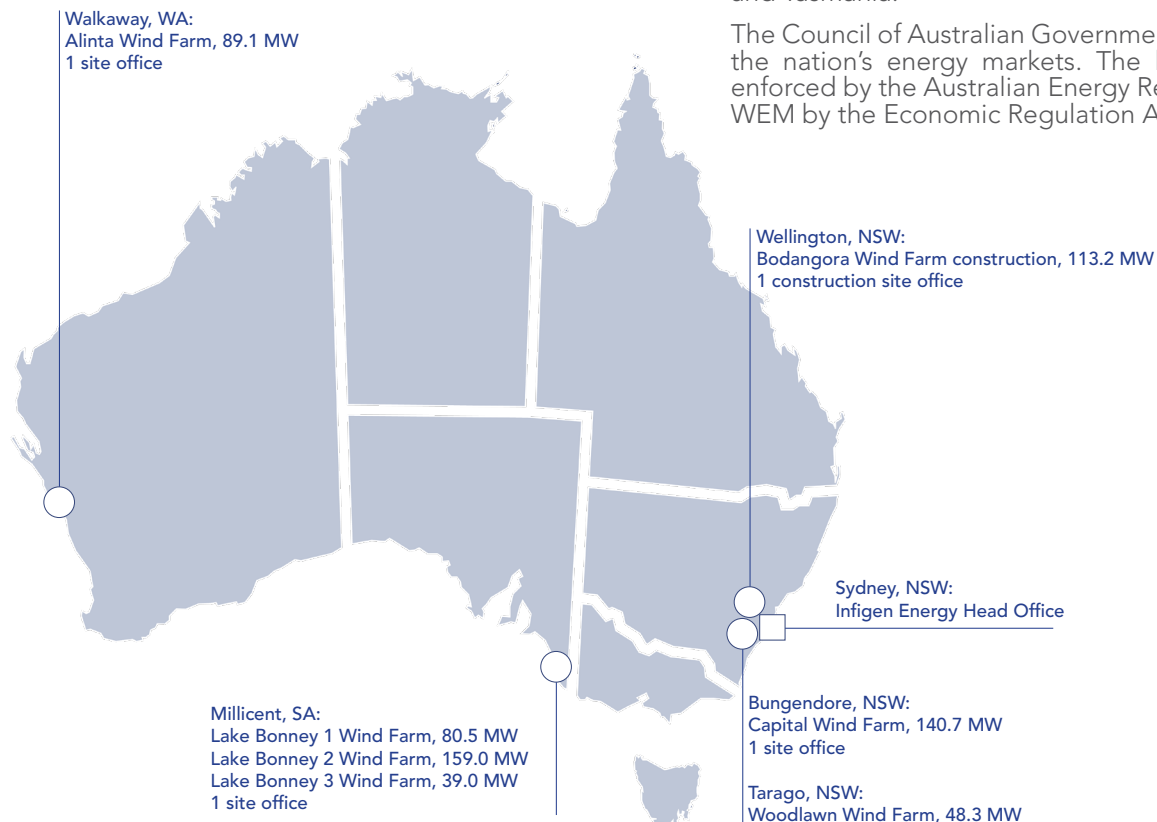
Our markets & customers

While electricity is delivered by all suppliers of electricity (i.e. retailers) to users via the transmission and distribution network (also called "the grid"), the source of electricity cannot be distinguished on the physical electricity market. The sale of electricity occurs on the financial electricity market, where customers enter into contracts with the retailers.

Electricity retailers participate in the regional energy markets, which are operated by the Australian Energy Market Operator (AEMO), and where electricity is sold at a spot price or directly to customers.

AEMO is responsible for operating the Wholesale Electricity Market (WEM) for the South West Interconnected System of Western Australia, and the National Electricity Market (NEM), which interconnects five regional market jurisdictions – Queensland, New South Wales (including the Australian Capital Territory), Victoria, South Australia, and Tasmania.

The Council of Australian Governments (COAG) supervises the nation's energy markets. The laws of the NEM are enforced by the Australian Energy Regulator (AER) and the WEM by the Economic Regulation Authority (ERA).



Supply chain

The success of Infigen’s business strategy and economic performance benefits our stakeholders – customers, security holders, employees, and communities.

What we do

Infigen is transitioning from a business that owned and operated assets and largely sought to sell its output of both electricity and LGCs to long-term offtakers, to a business that seeks to deliver a range of clean energy products and solutions through a diverse sales strategy to customers who manage their individual energy use requirements (e.g. large retailers or substantial consumers with energy markets management skills); and commercial businesses (e.g. telecommunications companies and data centres) and industrial product manufacturers with energy supply needs larger than 5 MW, and which seek direct engagement with generators to manage price volatility or obtain green credentials.

The long-term growth of the business necessitates growing customer numbers and volumes at sustainable profit margins. Delivery of this solution is supported by a portfolio of supply options that includes existing and new clean generation, firming products, long-term offtake agreements and contracts tailored with customers to create value. Infigen is transitioning to more proactively service commercial and industrial customers and become an active energy markets participant. This enables Infigen to secure sustainable value through the production and supply of clean energy products to end-customers.

Our suppliers and procurement practices

Infigen’s supply chain encompasses over 200 suppliers; including original equipment manufacturers as major suppliers, and contractors, major service providers of operations and maintenance, and those commercial parties that directly or indirectly help meet our needs and deliver value to our customers and security holders.

Infigen’s financial policies include a Fixed Asset Policy, Capitalisation Policy, Delegations of Authority Matrix and Procurement Policy; and are part of the wider compliance management practices integrated within the broader enterprise risk management and governance frameworks to drive consistent, effective and accountable decision-making.

We recognise that material impacts involving the procurement of material-intensive equipment occur in the development of new projects. We are committed to source materials and services from locally based suppliers, where feasible.

Delivering value:	
	<ul style="list-style-type: none"> • Customers • Security holders • Employees • Communities
What we do	<p style="text-align: center;">Gentailer</p> <ul style="list-style-type: none"> • Active participation in the Australian energy markets • Demand side management • Firming the output of renewables through financial & technology based solutions
	<p style="text-align: center;">Operations</p> <ul style="list-style-type: none"> • Generation of electricity • Operation of assets
	<p style="text-align: center;">New projects</p> <ul style="list-style-type: none"> • Development (site prospecting, planning approvals & connection agreement) • Project finance • Construction • Physical firming solutions (storage, clean dispatchable generation)
Our major suppliers	<ul style="list-style-type: none"> • Service & maintenance contractors • Engineering, procurement & construction contractors • Original equipment manufacturers
Other stakeholders important for delivering value	<ul style="list-style-type: none"> • Energy markets operator • Planning authorities • Lenders

Business risks

Key business risks that could affect Infigen's operating and financial performance are described below. These risks are not the only risks that may affect Infigen.

Risk description	How Infigen is equipped to manage and monitor this risk?
Operations & safety	
<ul style="list-style-type: none"> Loss of life or serious harm to people, or serious harm to the environment, brings significant damage to Infigen's stakeholders, along with potential legal, reputation, operational and financial implications 	<ul style="list-style-type: none"> Policies are aligned to OHSAS 18001 (OHS) and ISO 14001 (Environment) Standards Safety performance is linked to staff remuneration Training and education of staff
People & culture	
<ul style="list-style-type: none"> There is a limited availability of suitably qualified people with the energy market expertise required to operate Infigen's business and deliver on its growth strategy Infigen may be reliant on small groups of individuals with specialist knowledge to operate and maintain its assets and to develop its development projects The ability to attract and retain such suitably qualified staff may limit or delay Infigen's ability to undertake its activities efficiently and effectively 	<ul style="list-style-type: none"> Personal Development Program Setting Diversity Targets Supporting Human Resources policy framework Competitive remuneration policy
Energy & climate change policy	
<ul style="list-style-type: none"> Changes to the regulatory environment and the debate in relation to the energy markets' future design and rules may adversely affect the commercial performance of existing assets, the Infigen business or viability of proposed projects The policy debate may alter market sentiment towards IFN securities 	<ul style="list-style-type: none"> Infigen is actively engaged with policy makers, government and industry stakeholders, including energy users, to articulate the important role that clean energy can play in Australia's future Infigen monitors and assesses the effect of potential changes to energy policy on Infigen's operations and strategic planning
Operations & production	
<ul style="list-style-type: none"> Variation in wind resource will result in changes to Infigen's electricity production level (quantum) and generation profile (time). Fluctuations may adversely affect Infigen's revenue and market sentiment The availability of generation assets affects production. The failure of generation assets to operate and be available as expected carries significant financial and operational risk Infigen operates in predominately rural areas and requires strong community and landholder relationships to operate efficiently Operating costs can be adversely affected by regulatory settings, equipment or key component failure 	<ul style="list-style-type: none"> Infigen's 24/7 Operations Control Centre (OCC) monitors available wind resources, Infigen's operating assets, the market operator's instructions, market participants' behaviour, NEM prices, meteorological data, and carries out an electricity dispatch bidding strategy accordingly Use of asset-backed electricity and environmental hedging products Service and maintenance agreements under which service providers are paid to carry the risk of component failure subject to certain limits, and maximise generation availability and output through scheduled and unscheduled maintenance Community engagement and sponsorship program, along with structured landholder engagement maintains positive community relationships. Infigen's formal Complaints Handling Policy ensures that any negative engagement can be managed effectively Maintaining a broad insurance program, including an appropriate level of business interruption insurance

Risk description	How Infigen is equipped to manage and monitor this risk?
Demand & price for electricity & LGCs	
<ul style="list-style-type: none"> • Adverse changes in the price for electricity and LGCs arising from decreasing demand, increasing competition, changes to the regulatory regime or other factors could affect Infigen’s ability to capture appropriate value from the existing portfolio on a risk adjusted basis 	<ul style="list-style-type: none"> • The Multi-Channel Route to Market strategy seeks to balance price, tenor and risk and thereby manage earnings certainty and co-optimize production, contract and spot exposures • Active energy market portfolio management: Quantative Volumetric Hedging limits; Earnings at Risk analysis; Strategic Portfolio balancing; daily compliance testing • Infigen undertakes analyses using in-house expertise and external consultancies to monitor market conditions and outlook
Construction & development projects	
<ul style="list-style-type: none"> • Projects may not be delivered safely, on time and on budget. The delivered assets may fail to generate the expected earnings • Failure to engage positively with landholders, the local community and other stakeholders may lead to the loss of Infigen’s ability to develop further projects 	<ul style="list-style-type: none"> • Disciplined approach to expansion and the commitment of capital to growth projects • For development projects, a formal Project Control Group is created which monitors the project progress against the business case and internal policy requirements • Infigen is actively engaged with the local communities as outlined above
Capital management	
<ul style="list-style-type: none"> • As an energy markets participant, Infigen must retain sufficient liquidity to meet its prudential obligations to the market, business needs, including any ASX positions or other positions that it has taken, and its Australian Financial Services Licence (AFSL) conditions • Availability of capital from financial institutions supports the sustainability of the business 	<ul style="list-style-type: none"> • Monitoring and stress testing of cash flow and liquidity requirements • Regular monitoring of AFSL requirements through the Energy Market Risk Committee
Regulatory, legal & accounting	
<ul style="list-style-type: none"> • Potential exposure to litigation and claims • Adverse changes in law or regulation can increase the cost of doing business 	<ul style="list-style-type: none"> • Where insurable, Infigen maintains insurance to address relevant exposures • Regulatory, legal and accounting risks are captured through Infigen’s ERM framework and managed through Infigen’s policies and procedures, as well as through external accounting and legal advice as appropriate
Financial climate-related considerations	
<ul style="list-style-type: none"> • Climate change creates a risk to the costs of and the way business is conducted generally • Climate change could adversely affect wind conditions / patterns upon which Infigen relies for energy • Regulations to effect changes to reduce the risk of climate change may impose additional costs on or affect the way business is conducted 	<ul style="list-style-type: none"> • Infigen is actively engaged with policy makers and other relevant stakeholders to articulate the important role that clean energy can play in the transition to a lower emissions electricity future • The medium-term financial implication from weather-related risks, such as changes to long-term wind patterns and extreme weather events, are considered as part of Infigen’s strategic planning (e.g. production, revenue and cost forecasting)

Climate change risks and mitigation in a base case scenario

	Risk description & potential impact	How is Infigen equipped to manage and monitor this risk?
Medium term	Regulatory: Delay in implementing a policy framework to achieve commitments under the Paris Agreement	
	<ul style="list-style-type: none"> • Delay in new project development • Limitation to new project development and financing • Lower revenue and security price 	<ul style="list-style-type: none"> • Engagement with policy makers • Educating the lending community on energy policy and regulation • Membership of and engagement through the Australian Energy Council and the Clean Energy Council
Long term	Other: Disruption from emerging technology	
	<ul style="list-style-type: none"> • Loss of market share 	<ul style="list-style-type: none"> • Working with leaders in areas of emerging technology • Continuous interaction with technology providers
Long term	Physical: Higher frequency and severity of weather, heatwaves and extremely hot days	
	<ul style="list-style-type: none"> • Health and safety of employees and suppliers • Higher costs to service assets • Disruption to operations and generation • Physical damage to plant and roads • Availability of the distribution network 	<ul style="list-style-type: none"> • Business continuity plans • Policy of no hot work conducted on fire ban days and scheduling work in accordance with fire warnings • Support funding of training equipment and capabilities of rural fire brigades • Signatory to the We Mean Business Coalition and participate in the Australian Science Based Targets Initiative Community of Practice
Long term	Physical: Changes to wind patterns	
	<ul style="list-style-type: none"> • Lower production and revenue • Higher operating costs 	<ul style="list-style-type: none"> • Analysis using data from operating assets and external consultancies for forecasting and testing our portfolio against unlikely and extreme events and potential long term impacts

“Belief makes more sense than disbelief when the worst outcome is total loss.”

Pascal Wager

On this basis, supporting renewable energy makes sense even without knowing the true impact of greenhouse gas emissions on sea levels and the climate – especially given its increasing competitiveness as a source of electricity in the evolving energy market.

Ross Rolfe

Managing Director / CEO, Infigen Energy

STAKEHOLDER ENGAGEMENT

Stakeholders are identified within the risk management framework considering stakeholders' interests in Infigen and influence on Infigen's operations and reputation. Our key stakeholders are outlined below.

<p>Employees and directors</p>	<ul style="list-style-type: none"> • Full-time and part-time employees • Directors
<p>Investor community</p>	<ul style="list-style-type: none"> • Security holders • Fund managers • Analysts & brokers • Lenders • Potential investors & financiers
<p>Customers</p>	<ul style="list-style-type: none"> • Commercial & industrial customers • Electricity retailers • Wholesale electricity market participants
<p>Suppliers</p>	<ul style="list-style-type: none"> • Service & maintenance contractors • Modelling consultants • Engineering, procurement & construction contractors • Legal & investment advisors • Transmission & distribution network operators • Emergency services
<p>Government and regulators</p>	<ul style="list-style-type: none"> • Federal & state governments • Energy regulators • Energy markets operator • Financial services industry regulators • Planning authorities • Environment & heritage authorities
<p>Community and non-government organisations</p>	<ul style="list-style-type: none"> • Landowners and neighbours • Traditional owners • Local councils • Local businesses • Social & environmental interest groups • Social media

An extensive program of information is made available to our stakeholders throughout the year, including via ASX/market releases, direct mailing, electronic alerts, briefings, presentations and via Infigen's website. In addition to encouraging stakeholders to utilise Infigen's website to access investor information and disclosures, the Annual Report provides stakeholders with detailed information in respect of the major achievements, financial results and the strategic direction of Infigen. Advance notice of significant group briefings and details regarding the various methods to access and participate in those briefings are circulated broadly. Records are kept in relation to investor and analyst briefings.

ESG PERFORMANCE REVIEW

Material impacts inherent to Infigen's business and relevant to ESG stakeholders

Our material topics - what matters to stakeholders ¹ ?	GRI topics - what is provided in this report?
Energy & climate change	Our approach to climate change risks, renewable energy development and disclosure of emissions intensity of our production
Safety of people and communities	Records of occupational health and safety, biodiversity, and our approach to disaster/emergency response and planning
Community engagement and environment	Our approach to public consultation practices, the economic value generated for our stakeholders and economic impacts from our activities in local communities
Promoting wellbeing and diversity in the workplace	Our approach to people, culture and cyber security. Outcomes of diversity objectives, workforce composition, remuneration, training and education

FY17 at a glance

 <p>Safety</p> <ul style="list-style-type: none"> 1 lost time injury Alinta and Lake Bonney Wind Farms reached the nine-year milestone for staying free of lost time injuries 	 <p>Community</p> <ul style="list-style-type: none"> \$140,000 in local sponsorships and donations \$150,500 payments to charity, events & advocacy groups \$650,000 indirect investments in Bodangora community 86% of 14 formal complaints resolved 	 <p>People & culture</p> <ul style="list-style-type: none"> 65 employees and directors 40% female employees and directors in the workforce \$201,400 in diversity, education and indigenous support 	 <p>Energy</p> <ul style="list-style-type: none"> 1,487 gigawatt hours (GWh) of production² from renewable generation 1 wind farm development project in NSW reached financial close Emission intensity of generation from operating assets 0.002 tonnes CO₂ per MWh
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¹ Relates to stakeholders who are affected by Infigen's operations.

² Includes 5 GWh of compensated production (notional production that represents compensated revenue from insurance proceeds and proceeds arising from compensation claims made against AEMO or maintenance service providers).

Our carbon footprint and contribution to energy security

Our approach

Our business strategy must withstand changes to energy and climate change policies that often result from political debate, media and public interest. Within the next decade over 3,300 MW of coal-fired capacity is expected to retire from the Australian National Electricity Market, creating an investment signal for new generating capacity.

Our strategy in managing energy security and climate change risks is informed and underpinned by technology developments, scientific knowledge from external consultants, and engagement with key stakeholders. We recognise the integration of intermittent generation in the physical and financial markets is not without its challenges. We are examining a range of storage/dispatchable generation options as part of our plans for future growth, and are focussed on working with policy makers and regulatory authorities to deliver reliable generation. These activities form part of our core business strategy.

We follow the guidelines of the Task Force on Climate-related Financial Disclosures Recommendations, and are committed to increasing transparency of risks and potential impacts on Infigen and our stakeholders.

Our carbon footprint

Operating wind farms

While no net direct emission of greenhouse gases result from power generation employing wind technology, there are emissions associated with maintenance of the operational facilities and corporate activities to sell energy and supporting business services.

Infigen's direct (scope 1) emissions, including carbon dioxide (CO₂) and sulphur hexafluoride (SF₆), occur from maintenance of turbines and high voltage equipment, fuel used for transport on-site, and operating circuit breakers. Energy-consumption related (scope 2) emissions occur from electricity used in site offices.

How is non-renewable wind farm electricity consumption offset?

Wind farms consume electricity from the grid when there is insufficient wind to meet their auxiliary load. In recognition of this consumption and associated emissions, the legislation and regulations in Australia determine that a large-scale renewable energy generator is not entitled to create renewable energy certificates associated with its generation until such time as its generation exceeds the amount of electricity consumed from the grid. In effect, a renewable energy generator must deliver an equivalent amount of renewable energy to the grid to offset the amount of non-renewable energy it has consumed.

Materials

Maintenance of wind turbines involves use of oil-based materials, for example, lubricants applied to components in turbine gearboxes.

FY17 performance

We engaged an external auditor Pangolin Associates to review our reporting processes to identify errors in data collection and calculation. Our scope 1 and 2 emissions during the year decreased 4% to 3,036 tCO₂e. Emission intensity of generation from Infigen's wind farms was 0.002 tCO₂e/MWh.

Research and development

Development of renewable energy projects is part of Infigen's core activity and is reported in detail in the 2017 Annual Report and Full Year Results.

The progressive withdrawal of synchronous generation creates new challenges in terms of ensuring the reliability of energy supply. During the year Infigen focussed on reviewing financial and technology based solutions to manage the intermittency of supply issues.

During FY17 Infigen achieved financial close of Bodangora Wind Farm and commenced preliminary construction works. Once operational the wind farm will have an installed capacity of 113.2 MW, and power the equivalent of 49,000 NSW households (annual generation ~361 GWh). The first 25 years of generation from the Bodangora Wind Farm will avoid approximately eight million tonnes of carbon dioxide equivalent emissions in the electricity sector in Australia.

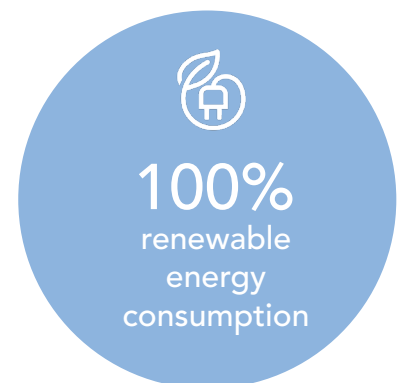
FY18-FY20 targets

Wind farms

We recognise that material impacts occur from the extraction and processing of raw materials to manufacture wind turbine components, cement and cables during construction. There are studies that determine the industry average of environmental impacts from construction of wind turbine components. However, to ensure the quality of data when determining our carbon footprint from wind farm construction, we will report environmental impact findings at the completion of wind farm construction.

Supporting communities

We aim to support initiatives in our communities to improve energy efficiency and build small-scale renewable energy projects.



How do we ensure safety of our people and communities?

Our approach to health and safety

Our assets exist predominantly in rural locations, side by side with farmers' land holdings. Operating wind farms involves work performed in confined spaces on high voltage and transmission equipment, utilising industrial compounds and lubricants at heights 80 metres above ground.

We place a high priority on addressing complaints received from our stakeholders. Maintaining an effective and collaborative relationship with suppliers, emergency services, landholders, and the local community is important to ensuring that people and the environment are not harmed by our activities.

Our goal is to achieve zero harm through:

- High performing leadership – everyone has a leadership role in Health, Safety and Environment (HSE)
- Strong HSE culture; lead with an unqualified message of “zero harm”, unify HSE across office, operational and development teams
- Established HSE systems and processes; with plans to advance efficiency and accessibility of HSE systems and information with smart technology

Hierarchy of Controls approach

The Hierarchy of Controls Approach, endorsed by SafeWork Australia, is a set of risk management control measures on three levels in the order of priority. The first level of control requires the elimination of the hazard. This level is the most reliable and safest option. If first level controls cannot be implemented, the second level controls require substitution of the hazard with something safer, isolating the hazard from people, and reducing the risks through engineering controls. The third level control requires reducing exposure to the hazard using administrative actions. This is the least reliable of the control measures and provides the lowest level of health and safety protection.

FY17 performance

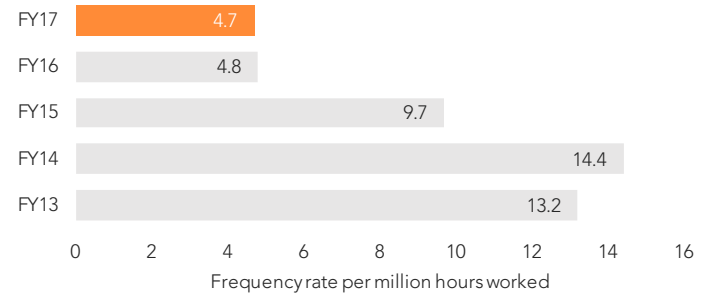
We tested our disaster/emergency response plan to identify improvements in the areas of staff readiness and emergency rescue equipment at the Alinta Wind Farm, Lake Bonney Wind Farm, and both Capital Wind Farm and Capital East Solar Farm. The test at the Capital Wind Farm included a tower rescue simulation, during which there was one lost time injury resulting in both a lost time injury frequency rate and total recordable injury frequency rate of 4.7 for the year.

We held HSE induction refresher sessions with our contractors, and undertook a gap analysis and audit by an external consultant to ensure compliance with relevant Australian and international standards. This review identified 13 improvement areas.

While there were no complaints made by stakeholders in relation to safety, reporting of office-related hazards increased from 6 to 12 hazards.

With over 100 construction workers expected on-site during the construction phase of the Bodangora Wind Farm in FY18 and FY19 (including concreters, machine operators and steel fixers), we actively worked with our contractors to manage work, health and safety risks.

Total recordable injury frequency rate



Currandooley fire

A fire occurred in the vicinity of the Capital and Woodlawn Wind Farms on 17 January 2017 that caused loss and damage to private properties in the surrounding areas of the Tarago township. Infigen has supported subsequent independent investigations into the cause of the fire. Infigen has been served with legal proceedings, filed in the Supreme Court of New South Wales in respect of the Currandooley fire. Proceedings are ongoing in FY18.

FY18 targets

Our targets strive for year-on-year safety performance improvements, and we remain committed to build the processes and culture to support the achievement of our zero harm goal by:

- Increasing Senior Leaders' safety leadership through operational and project site visits.
- Completing the handover transitioning from service providers at Capital and Woodlawn Wind Farms incident-free.
- Holding a Big Day Out with key personnel from major suppliers focussing on procedure harmonisation in safety.
- Implementing best practice incident investigation methodologies, including the Hierarchy of Controls approach, to review any safety incidents allowing us to learn from our past and, where possible, engineer out the causes of incidents.

Our conduct in communities and the environment

Community engagement

Community committees	Community feedback	Heritage & environmental compliance	Sponsorships & socio-economic benefits	Monitoring performance
<p>When developing new projects, we inform, consult and give the community the opportunity to have a say in each of Infigen’s 16 development projects. We have identified key stakeholder groups with whom we engage to achieve or maintain community support for projects. Community committees are formalised to discuss concerns and provide feedback. Establishing community committees may not be appropriate for all projects or operating assets, and is considered on a community and site basis.</p>	<p>To foster respectful, responsive and enduring relationships with our local communities, we engage effectively and address their concerns. We place a high priority on addressing complaints received from our stakeholders and follow a formal complaints management process to channel and resolve legitimate issues. All material complaints are reported to the Board. Wind generation technology is subject to public debate, with key issues relating to biodiversity, visual amenity, and noise. Our communities expect us to effectively manage their feedback in relation to our operating assets, and address legitimate concerns.</p>	<p>Developers of wind and solar farms are required to determine whether the relevant site has the potential to have heritage value. Conducting a risk assessment and landscape character and utilisation modelling prior to any field studies are essential to ensure that potential areas of importance to indigenous people are identified. These areas can then be assessed during field studies, and where necessary, avoided during construction. Once preliminary research has been completed, archaeologists, anthropologists, and specialist indigenous advisors are engaged to conduct research and consultation to identify indigenous heritage values and associated management or regulatory requirements.</p>	<p>The extent of investment to enhance infrastructure and services in local communities is determined during the planning phase of wind and solar farms, and is subject to receiving development approvals from planning authorities. The specifications of such arrangements are typically part of conditions of consent, and audited for completion. We set annual funding targets in each community where we operate. We are committed to source materials and services from locally based suppliers to support local community engagement, and to reduce our impact on the environment from transportation in conjunction with our contractors to seek local suppliers where possible.</p>	<p>We implement a community engagement strategy that follows the Clean Energy Council’s Community Engagement Guidelines, which include the engagement spectrum framework based on the public participation spectrum of the International Association for Public Participation. The spectrum outlines activities beyond informing and consultation that assists with achieving community support. The spectrum is used to communicate performance of community engagement and enables Infigen to communicate the status of our social licence to operate.</p>

Protecting environment, biodiversity and heritage

We seek to ensure our operations do not negatively affect the environment or heritage. Undertaking ecological surveys to understand environmental sensitivities helps determine effective management strategies and is a requirement of planning approval processes. These surveys include flora and fauna risk assessments and vegetation and fauna habitat assessments. Results of these investigations are provided to key government stakeholders such as environmental authorities and state planning departments prior to project approval.

Environment, biodiversity and heritage management strategies and emergency response plans are formulated for the construction and operational phases of each project and operating asset. Emergency response plans are tested regularly.

Stewardship of environment and heritage can influence decisions of investors and customers who regard this aspect important in their risk assessment of organisations. During the consultation and construction stages we engage with external subject matter experts, who provide their knowledge and overall risk assessment of each project site.

FY17 performance

Organised two open days (attended by 1,200 visitors) and held over 110 organised site and project visits



Over \$650,000 spent in the local area during preliminary works for construction of the Bodangora Wind Farm



Community engagement

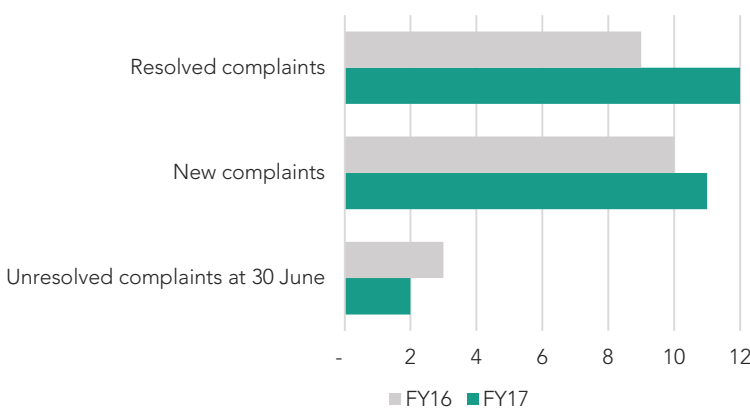
Our engagement activities are relevant to the key communities of our development projects and operating assets. We held two open days: Run with the Wind and NSW Renewable Energy Day, and over 110 face-to-face meetings and site visits with key stakeholders in total across the operating assets and development projects.

We supported the Australian Wind Alliance, Yes 2 Renewables, and Coalition for Community Energy.

Bodangora and Flyers Creek Community Consultative Committees held nine meetings throughout the year. At the Capital Wind Farm, the Capital Community Committee met four times to provide recommendations as to how Infigen can further contribute to the economy, community and environment of Bungendore and Tarago.

During consultation activities for the Bodangora Wind Farm construction we identified a greater need for communication in response to which we employed a locally based media and community advisor.

Formal complaints



Complaints management

We set out to incorporate recommendations from the National Wind Farm Commissioner's Bulletin in our complaints handling process. As a result we implemented recommendations to improve user accessibility to information about the complaints management system.

There were three unresolved complaints from the previous period. During the year we received 11 formal complaints (from eight individuals) compared to 10 (from five individuals) in the previous year. Complaints related to impacts on society (noise, TV reception, economic opportunities) and supply chain (truck movement, landholder property, and investor engagement). During the year, 12 complaints were addressed by enforcing conduct on site or notifying relevant suppliers. As at 30 June 2017 two complaints remained open to be resolved in FY18.

FY18 targets

In FY17 we participated in the Clean Energy Council's project "Building positive social outcomes in wind". This is a collaboration between wind developers, Embark and Community Power Agency to evaluate and improve wind industry members' community engagement practices. The Clean Energy Council's report (published in March 2018) will be reviewed with a view to incorporate required actions into future activities.

In FY18 we aim to distribute \$125,000 to local community sponsorships and launch the Bodangora Community Benefit Fund in collaboration with Dubbo Council.



How do we promote wellbeing and diversity in the workplace?

Our approach

Culture

Our purpose is to offer Australian industries the supply of energy from clean sources of generation at affordable prices to assist them in reducing the impact of their activities on the global climate.

We want to attract and engage skilled and talented people, who are collectively motivated to achieve business success. Creating conditions for high standards of performance and enthusiastically pursuing our goals requires effective teamwork, employee wellbeing and engagement, and embracing our differences and the benefits of diversity.

Retaining skilled and talented people means we need to create conditions for effective teamwork, achieve high standards of performance, provide training and education opportunities, and preserve the wellbeing of our employees. Feedback from staff surveys is critical to setting targets within Infigen's ESG strategy.

We recognise the importance of diversity and supporting talented leaders of the future. To that end, Infigen's Nomination & Remuneration Committee is responsible for setting measureable diversity objectives every two years, and reviews progress and continued appropriateness of those objectives. We have reported on the outcomes of these targets since September 2014.

Training & education

Infigen has in place a policy that outlines support for professional qualifications, professional or technical development, and professional memberships. We have established a personal development program, a reward and recognition program, and charitable giving and community participation programs for our employees.

Cyber security

Infigen is reliant on its information technology (IT) and systems to support its operations and resilience of IT systems to corruption, technology breakdown and attacks. The event of a cyber attack could have significant implications for Infigen's integrity and affect our employees, suppliers and investors. Infigen is regulated by the Privacy Act 1988 (Privacy Act), and is required to take reasonable steps to protect personal information from misuse, interference and loss, and from unauthorised access.

Infigen follows best practice guidelines that are aligned with the International Standard ISO 27001:2013. We have developed an IT Security and Usage Policy to monitor systems, identify necessary changes to the IT security risk profile, educate staff, and provide relevant training. We seek to ensure that Infigen meets its legal and regulatory requirements in relation to cyber security and privacy, including building awareness by conducting compulsory information security compliance training, internal phishing email simulations, testing of IT systems, and ongoing review of Infigen's business continuity and disaster recovery plans.

FY17 performance

The number of employees and directors increased from 63 to 65 in FY17 (includes full-time and part-time employees and those on parental leave). In addition to our full-time and part-time employees, there are over 60 contractors and sub-contractors who are employed through our major suppliers to operate and maintain our facilities.

During the year we formed the Wellbeing Committee, which is tasked with developing initiatives for employees and their families in the areas of home, work and life; including family and relationships, parenting, care giving, self-improvement, career development, health, addiction and giving back to the community.

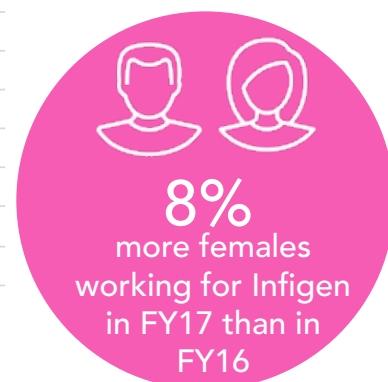
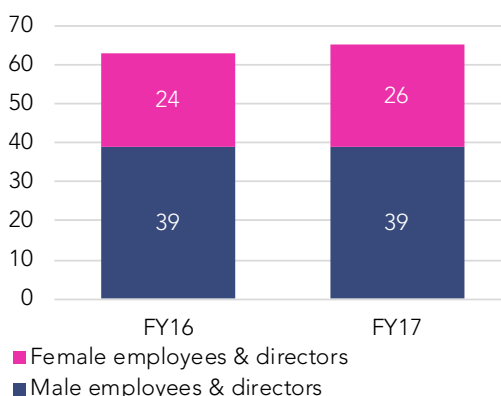
We tested our IT systems and user settings for resilience to cyber penetration. We also undertook simulation testing in relation to our business continuity and disaster recovery plans.

Equal remuneration

This is the third year that Infigen has measured pay equity between females and males. Pay equity (ratio of 1:1 between females and males) exists for 62% of the workforce. The pay differential within the remaining 38% of the workforce is due to the diversity of roles, experience and number of employees.

Pay ratios can be highly sensitive to slight changes to the workforce composition. For example, in previous years there have been no female comparators in the senior management occupational category, and this year the pay ratio is now in favour of females. Infigen will continue to measure and monitor remuneration within each occupational category; any pay differentials are identified and analysed.

Composition of workforce (including employees on parental leave)



Diversity & equal opportunity

During the year, we supported initiatives to promote diversity and inclusion scholarships programs.

Career Trackers is a national non-profit organisation that creates private sector internship opportunities for Indigenous university students in Australia. Infigen's partnership with Career Trackers continued for a third year with an Indigenous Australian from Poruma Island of the Torres Strait Islands (also known as Coconut Island).

We support the Women in Engineering initiative at UNSW to attract young women into engineering roles, and their goal of increasing female enrolments to 25% by 2020.

We do this by engaging with school leavers at networking opportunities on campus, and in FY17 supported two students as part of their scholarship program. We partnered with the UNSW Women in Engineering camp – a program for young women considering engineering career paths in our industry.

We partnered with Macquarie Graduate School of Management, and sponsored a female member of our Finance team to undertake an MBA degree.



UNSW Women in Engineering camp 2017



FY18-FY19 diversity objectives

Diversity objectives to achieve by 30 June 2019

1. Maintain progress towards achieving an equal proportion of workplace participation of women and men by:
 - Increasing the total number of women employed (baseline as at 30 June 2017 is 26 women and 39 men including non-executive directors)
 - Increasing the proportion of women in senior and middle management roles (baseline as at 30 June 2017 is nine women and 20 men excluding non-executive directors)
 - Maintaining an environment where flexible work arrangements are supported
2. Implement an emerging leader mentor program to attract, develop and retain emerging leaders.
3. Implement a lesbian, gay, bisexual, transgender and intersex (LGBTI) Diversity and Inclusion Plan.

APPENDIX A: PERFORMANCE DATA

FY17 Performance Data – Safety & People

Safety by gender	Total	Gender	
		Female	Male
Lost time injuries	1	100%	-
Lost time injury frequency rate	4.7		
Medical treatment injuries	-	-	-
Total recordable injury frequency rate	4.7		

Employees & directors by category and diversity	30 Jun 2017	30 Jun 2016	30 Jun 2017		30 Jun 2016		Remuneration ratio female to male	
			Female	Male	Female	Male	30 Jun 2017	30 Jun 2016
Support	6	5	67%	33%	60%	40%	1.0	1.1
Professional	23	22	52%	48%	50%	50%	1.0	1.0
Field operations	3	3	-	100%	-	100%	-	-
Middle management	19	20	42%	58%	40%	60%	0.8	0.7
Senior management ³	10	8	10%	90%	-	100%	1.7	-
Non-executive directors	4	5	25%	75%	40%	60%	1.0	1.0
Employees & directors⁴	65	63	40%	60%	38%	62%		
Parental leave	2	-	100%	-	-	-		

Employees by employment and gender	Total	Gender	
		Female	Male
Full-time	56	92%	57%
Part-time	5	80%	20%

Employees by region	Sydney, NSW	Bungendore, NSW	Walkaway, WA	Millicent, SA
Full-time	53	1	1	1
Part-time	5	-	-	-

Employee and director turnover	Total	Gender	
		Female	Male
Restructure	(3) 4% of total employees & directors	-	(3) 8% of males
Voluntary turnover	(15) 22% of total employees & directors	(3) 10% of females	(12) 32% of males
New hires & appointments	20 30% of total employees & directors	8 28% of females	12 32% of males

Diversity in the Board and committees	Age group	Gender	
		Female	Male
Board	Over 50	33%	67%
Audit, Risk & Compliance Committee	100%	40%	60%
Nomination & Remuneration Committee	100%	40%	60%

³ Including executive directors.

⁴ Including Non-Executive Director Len Gill.

FY17 Performance Data – Community & Economic

Complaints across all sites and projects	FY17 #	FY16 #	Variance %
Unresolved complaints at the beginning of the year	3	2	50
New complaints made during the year	11	10	10
Complaints addressed during the year	12	9	33
Complaints to be resolved	2	3	(33)

Community meetings & visits across all sites and projects	FY17 #	FY16 #	Variance %
NSW Blayney, Bungendore, Nyngan, Tarago, Wellington	74	76	(3)
VIC Seymour	14	10	40
QLD Bluff, Bowen, Cloncurry, Forsayth	12	6	100
NT Batchelor, Manton Dam	9	-	N.m.
SA Mt Benson, Woakwine	3	8	(63)
WA Geraldton, Walkaway	4	10	(60)
Total	116	110	5

Socio-economic performance	FY17 \$ million	FY16 \$ million	Variance %
Direct economic value generated: revenue	196.7	173.2	14
Suppliers: operating and development costs	41.6	38.8	7
Employees: salaries, wages, superannuation, bonus, workers compensation, long service leave	14.4	15.4	(6)
Lenders: interest expense	47.6	52.0	(8)
Payments to government: payroll tax expense	1.5	0.2	650
Community investments: sponsorships & payments to charity, events & advocacy groups	0.5	0.3	67
Economic value distributed⁵	105.6	106.6	(1)
Economic value retained⁶	91.1	66.6	37

Direct community investments	FY17 \$	FY16 \$	Variance %
Community sponsorships	141,387	99,430	42
Payments to charity, events & advocacy groups	150,504	142,193	6
Diversity, education and indigenous support	201,359	106,800	89
Total direct community investments	493,250	348,423	42

Spending on products & services (operating assets)	FY17	FY16
In-state	21%	25%
Interstate	78%	75%
Overseas	1%	-
Total	100%	100%

Indirect community investments	FY17 \$
Bodangora Wind Farm construction spending within 200 km	654,649

⁵ The economic value distributed includes operating and development costs, wages and benefits, and community investments.

⁶ Calculated as economic value generated less economic value distributed.

FY17 Performance Data – Carbon Footprint & Environment

Emissions		FY17	FY16	Variance %
Emissions from generation:				
Scope 1 – transport and equipment fuels	tonnes CO ₂ e	208	220	(5)
Scope 1 – emission of SF ₆	tonnes CO ₂ e	183	183	-
Total scope 1 emissions	tonnes CO₂e	391	403	(3)
Scope 2 – wind farm electricity consumption	tonnes CO ₂ e	2,413	2,491	(3)
Scope 2 – office electricity consumption	tonnes CO ₂ e	232	259	(10)
Total scope 2 emissions	tonnes CO₂e	2,645	2,750	(4)
Total scope 1 & 2 emissions	tonnes CO₂e	3,036	3,153	(4)
Indirect emissions:				
Scope 3 – business travel	tonnes CO ₂ e	240	340	(29)
Scope 3 – waste	tonnes CO ₂ e	69	50	38
Total scope 3 emissions	tonnes CO₂e	309	390	(21)
Emissions intensity:				
Electricity production ⁷	GWh	1,482	1,461	1
Emissions intensity of production	tCO ₂ e/MWh	0.002	0.002	-
Energy				
		FY17	FY16	Variance %
Wind farm consumption	GJ	12,660	12,734	(1)
Transport and equipment fuels	GJ	3,005	3,152	(5)
Non-renewable electricity consumption	GJ	1,201	1,328	(10)
Total energy consumed within organisation	GJ	16,866	17,214⁸	(2)
Energy intensity:				
Sales (revenue)	\$'000	196,664	173,229	14
Energy intensity of sales	\$/GJ	11,660	10,063	16
Materials				
		FY17	FY16	Variance %
Lubricants used in wind farm maintenance	kilolitres	32	9	256
Spending on environmental compliance services				
		FY17	FY16	Variance %
Environmental, archaeological, noise, landscape & other protection services	\$	294,554	345,166	(15)
Public policy				
		FY17	FY16	Variance %
Donations to political parties	\$	33,500	38,570	(13)

⁷ Excluding compensated production (notional production that represents compensated revenue from insurance proceeds and proceeds arising from compensation claims made against AEMO or maintenance service providers).

⁸ Differs from 18,370 GJ reported in Infigen Energy 2016 ESG Report due to changes in methodology.

APPENDIX B: ESG REPORTING

Infigen uses the Global Reporting Initiative (GRI) Standards⁹ and the GRI Sector Disclosure (Electric Utilities)¹⁰ to disclose its governance approach, and environmental, economic, social (EES) and general impacts of its operations.

The 2017 Directors' Report is available in the Annual Report, and outlines the operating and financial results of the business, as well as matters related to remuneration and nomination of Infigen's employees and directors.

In our 2017 Corporate Governance Statement we reported how Infigen implemented the ASX Corporate Governance Council's principles and recommendations during FY17.

Our 2017 Corporate Governance Statement is available at www.infigenenergy.com/CGS.

Infigen reports its electricity consumption and production, and scope 1 and scope 2 emissions to the Clean Energy Regulator (CER) under the National Greenhouse and Energy Reporting Act 2007 (NGER Act). NGER reports are reviewed and assessed by the CER for compliance with legislative obligations.

Infigen reports under the Carbon Disclosure Project (CDP) framework, which identifies risks and opportunities from climate change and risk management procedures to reduce potential exposure from risks to Infigen's operations. The full report can be downloaded at www.infigenenergy.com/ESG and www.cdp.net (log in required).

Defining the report content

In applying the GRI Standards Infigen implemented the four Principles for Defining Report Content as follows:

Principle 1: Stakeholder inclusiveness

Material issues were identified through feedback from Infigen's stakeholders, for example, through the formal complaints management process, and inquiries made by authorities in relation to environmental impacts. We also consider issues in relation to wind farms identified indirectly, for example, from the media.

Principle 2: Sustainability context

Infigen evaluates its ESG risks as a subset of the broad risks that it manages within its Enterprise Risk Management (ERM) framework covering all functions, levels and activities for the entire organisation. For Infigen sustainability means always seeking to improve our long-term value to stakeholders across EES dimensions.

Principle 3: Materiality

All topics in the GRI Standards Guidance were reviewed and management approach recorded internally by relevant departments. We assessed the materiality of each topic in the GRI Standards and Electric Utilities Sector Disclosure, and completed a gap analysis of public disclosure. Those topics that were deemed material were reported on in this report according to the GRI topic-specific standards by describing how we manage our impacts, and provided relevant data points. Areas for improvement that were identified during the reporting process were documented for Infigen's sustainability program. Topics that were determined "not material" or "out of reporting boundaries" were excluded from this report.

Principle 4: Completeness

Boundaries of our material issues were identified to determine whether significant impacts were covered within or outside of the organisation.

Our first priority is the safety of our people and the communities in which we operate. In determining which GRI topics to report on, we prioritised those topics that are relevant to Infigen's risk and compliance management framework, and captured by Infigen's sustainability targets.

We then consulted with each department to consider interactions with our key stakeholders. We reviewed our management of each topic, and prioritised those where there was insufficient information available for our stakeholders. In some cases, we identified areas where Infigen's processes could be improved.

Validation

The validation process is internally documented having assessed the relevance of each topic and sector disclosure to Infigen and our stakeholders. In identifying gaps to improve ESG disclosure we were guided by peer reports.

Analysis of material ESG risks

The ERM framework has been developed in accordance with leading industry risk management standards, including International Standard ISO 31000 (based on AS/NZS 4360:2004).

Material topics

Material GRI topics reported on in this report:

- Economic performance
- Indirect economic impacts
- Procurement practices
- Energy
- Emissions
- Materials
- Effluents and waste
- Biodiversity
- Environmental compliance
- Occupational health and safety
- Training and education
- Diversity and equal opportunity
- Local communities
- Public policy
- Availability and reliability
- Research and development
- Disaster/Emergency planning and response

⁹ Refer to guidelines available at www.globalreporting.org/standards/gri-standards-download-center.

¹⁰ Refer to guidelines available at www.globalreporting.org/resourcelibrary/GRI-G4-Electric-Utilities-Sector-Disclosures.pdf.

APPENDIX C: GRI CONTENT INDEX

General Disclosure

GRI disclosure		Reference (page number unless otherwise specified)
102-1	Name of the organisation	Infigen Energy (Infigen)
102-2	Activities, brands, products, and services	5-7
102-3	Location of headquarters	6
102-4	Location of operations	6
102-5	Ownership and legal form	Infigen is a publicly listed company.
102-6	Markets served	6
102-7	Scale of the organisation (employees, operations, revenue, debt and equity, production)	6, 17 and in Annual Report 2017, page 22, 24, 28
102-8	Information on employees and other workers	17, 19 Data is compiled by analysing human resources database and consulting managers located at operating sites. There were no significant variations in employee numbers in FY17.
102-9	Supply chain	7
102-10	Significant changes to the organisation and its supply chain	Equity capital raising completed in May 2017, Annual Report 2017, page 21. Change of a major supplier providing operating and maintenance services at Capital and Woodlawn Wind Farms in NSW, Annual Report 2017, page 21.
102-11	Precautionary Principle or approach	Infigen applies the Precautionary Principle in relation to environmental protection where uncertainty exists.
102-12	External initiatives	Infigen endorses the principles or best practices outlined in: <ul style="list-style-type: none"> • Climate Disclosure Standards Board’s fiduciary duty & climate change disclosure • The Clean Energy Council’s Community Engagement Guidelines • The Safe Work Australia’s Code of Practice • We Mean Business coalition commitments
102-13	Membership of associations	During FY17 Infigen was a member of the following associations: <ul style="list-style-type: none"> • Australian Energy Council • Australian Energy Storage Council • Australian Information Security Association • Australian Institute of Energy • Clean Energy Council • Committee for Economic Development of Australia • Energy Users Association of Australia • Northern Gulf Resource Management Group
102-14	Statement from senior decision-maker	4, 10
102-16	Values, principles, standards, and norms of behaviour	5 and Code of Conduct at www.infigenenergy.com/about-us/corporate-governance/code-of-conduct/
102-17	Mechanisms for advice and concerns about ethics	Code of Conduct at www.infigenenergy.com/about-us/corporate-governance/code-of-conduct/
102-18	Governance structure	Annual Report 2017, page 126
102-19	Delegating authority	Annual Report 2017, page 126
102-20	Executive-level responsibility for economic, environmental, and social topics	Annual Report 2017, page 126
102-21	Consulting stakeholders on economic, environmental, and social topics	7 and Complaints Handling Policy at www.infigenenergy.com/about-us/corporate-governance/complaints-handling-policy/

GRI disclosure		Reference (page number unless otherwise specified)
102-24	Nominating and selecting the highest governance body	Annual Report 2017, page 126
102-25	Conflicts of interest	Annual Report 2017, page 125
102-26	Role of highest governance body in setting purpose, values, and strategy	Managing Director / CEO
102-27	Collective knowledge of highest governance body	Annual Report 2017, page 126
102-28	Evaluating the highest governance body's performance	Annual Report 2017, page 126
102-29	Identifying and managing economic, environmental, and social impacts	Annual Report 2017, page 126
102-30	Effectiveness of risk management processes	Annual Report 2017, page 126
102-32	Highest governance body's role in sustainability reporting	The ESG Report is reviewed by executive directors and/or the Board.
102-33	Communicating critical concerns	15-16 and Complaints Handling Policy at www.infigenenergy.com/about-us/corporate-governance/complaints-handling-policy/
102-34	Nature and total number of critical concerns communicated to the highest governance body	12, 14, 16, 20
102-35	Remuneration policies	Annual Report 2017, page 37-46
102-36	Process for determining remuneration	Annual Report 2017, page 47
102-37	Stakeholders' involvement in remuneration	Annual Report 2017, page 47
102-40	List of stakeholder groups	11
102-41	Collective bargaining agreements	No employees are covered by collective bargaining agreements.
102-42	Identifying and selecting stakeholders	11
102-43	Approach to stakeholder engagement	11, 12, 15, 16, 20 No engagement was undertaken for the purpose of the preparation of the ESG report.
102-44	Key topics and concerns raised through stakeholder engagement	15-16
102-45	Entities included in the consolidated financial statements	Annual Report 2017, page 104-105
102-46	Defining report content and topic boundaries	22, 25-26
102-47	List of material topics	22
102-48	Restatements of information	19 Energy consumed due to change in measurement methodology.
102-49	Changes in reporting	There were no changes to reporting in material topics and topic boundaries.
102-50	Reporting period	2
102-51	Date of most recent report	30 September 2016
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	2
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	The index is provided in this table.
102-56	External assurance	Infigen Energy has not sought external assurance for this report, however, a third party review was conducted by ZOOiD, a Certified Training Partner of the Global Reporting Initiative. Recommendations from this review were largely adopted when compiling this report.

Sector Disclosure (Electric Utilities)

Sector specific indicator	Disclosure (page number unless otherwise specified)	Boundary (causer of impact)
EU1: Installed capacity, broken down by primary energy source and by regulatory regime	6	Internal
EU2: Net energy output broken down by primary energy source and by regulatory regime	12 (capacity factor of 30%)	Internal
EU10: Availability and reliability: planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	Annual Report 2017, page 4	Internal
EU12: Transmission and distribution losses as a percentage of total energy produced	Annual Report 2017, page 24 Calculated using AEMO's marginal loss factors for FY17. Distribution lines that transfer power from substations to customers are not relevant to Infigen's operations.	Internal & external
Research and development	Annual Report 2017, page 4	Internal
Disaster/Emergency planning and response	8, 14	Internal & external

Topic-specific Disclosure

GRI disclosure		Reference (page number unless otherwise specified)	Boundary (causer of impact)
Economic: Economic Performance; Indirect Economic Impacts; Procurement Practices			
103-1	Explanation of the material topic	4, 7-9	Internal & external
103-2	The management approach	4, 7, 9, 15	Internal & external
103-3	Evaluation of the management approach	Financial policies are reviewed as required.	Internal & external
201-1	Direct economic value generated and distributed	20	Internal
201-2	Financial implications and other risks and opportunities due to climate change	9-10, 13 Refer to the "IEA WEO Bridge Scenario" on pages 21-23 in the Technical Use of Scenario Analysis in Disclosure of Climate-Related Risks and Opportunities (page 14) available at https://www.fsb-tcf.org/wp-content/uploads/2017/06/FINAL-TCFD-Technical-Supplement-062917.pdf	Internal & external
203-2	Significant indirect economic impacts	4, 6, 12, 16, 20	External
204-1	Proportion of spending on local suppliers	20	Internal
Environmental: Materials			
103-1	Explanation of the material topic	13	External
103-2	The management approach	7	External
103-3	Evaluation of the management approach	Site-specific management plans and procedures are reviewed as required.	External
301-1	Materials used by weight or volume	21	External

GRI disclosure		Reference (page number unless otherwise specified)	Boundary (causer of impact)
Environmental: Biodiversity			
103-1	Explanation of the material topic	8, 15	Internal
103-2	The management approach	8, 15	Internal
103-3	Evaluation of the management approach	Site-specific management plans and procedures are reviewed as required.	Internal
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	There were no endangered species affected by our operations.	Internal
Environmental: Energy; Emissions			
103-1	Explanation of the material topic	8, 9, 13	Internal & external
103-2	The management approach	13, 22	Internal & external
103-3	Evaluation of the management approach	Site-specific management plans and procedures are reviewed as required.	Internal & external
302-1	Energy consumption within the organisation	21	Internal & external
302-3	Energy intensity	21	Internal & external
305-1	Direct (Scope 1) GHG emissions	21 Gases included in the calculation are: CO ₂ , N ₂ O, and SF ₆ .	Internal & external
305-2	Energy indirect (Scope 2) GHG emissions	21	Internal & external
305-3	Other indirect (Scope 3) GHG emissions	21	Internal & external
305-4	GHG emissions intensity	21	Internal & external
305-7	Significant air emissions: nitrogen oxides (NO _x), sulfur oxides (SO _x), persistent organic pollutants, volatile organic compounds, hazardous air pollutants, particulate matter	13, 21 Sulphur hexafluoride (SF ₆) has a global warming potential of 23,900 times that of CO ₂ and is a hazardous air pollutant. Other types of air emissions identified are not relevant to Infigen's operations.	Internal & external
Environmental: Effluents & Waste			
103-1	Explanation of the material topic	8 Included in "serious harm to the environment".	Internal & external
103-2	The management approach	8	Internal & external
103-3	Evaluation of the management approach	Site-specific management plans and procedures are reviewed as required.	Internal & external
306-3	Total number and total volume of recorded significant spills	There were no spills recorded.	Internal & external
Environmental: Environment; Environmental Compliance			
103-1	Explanation of the material topic	8, 15	Internal & external
103-2	The management approach	8, 15, 22	Internal & external
103-3	Evaluation of the management approach	Environment management plans are reviewed as required.	Internal & external
307-1	Non-compliance with environmental laws and regulations	There were no incidents of non-compliance with environmental laws and/regulations.	Internal & external
Social: Occupational Health & Safety			
103-1	Explanation of the material topic	8	Internal & external
103-2	The management approach	8, 14	Internal & external
103-3	Evaluation of the management approach	Health, Safety & Environment policies are reviewed as required.	Internal & external

GRI disclosure		Reference (page number unless otherwise specified)	Boundary (causer of impact)
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	14, 19 There were no fatalities. Methodology: <ul style="list-style-type: none"> Safety performance is measured on a rolling 12-month basis in accordance with standards of Safe Work Australia. First-aid level injuries are excluded from calculations. The total recordable injury frequency rate is calculated as the sum of recordable lost time injuries and medical treatment incidents multiplied by 1,000,000 divided by total hours worked. The lost time injury frequency rate is calculated as lost time injuries multiplied by 1,000,000 divided by total hours worked. Lost time injuries includes scheduled work time and begins with the first full day lost. 	Internal & external
Social: Training & Education			
103-1	Explanation of the material topic	8, 17	Internal
103-2	The management approach	8, 17	Internal
103-3	Evaluation of the management approach	Human Resources policies are reviewed as required.	Internal
404-2	Programs for upgrading employee skills and transition assistance programs	17 A career transition program exists for employees that experience involuntary termination of employment.	Internal
404-3	Percentage of employees receiving regular performance and career development reviews	All (100%) full-time and part-time employees have the opportunity to receive regular performance and career development review.	Internal
Social: Diversity & Equal Opportunity			
103-1	Explanation of the material topic	17	Internal
103-2	The management approach	8, 17	Internal
103-3	Evaluation of the management approach	Diversity objectives are set every two years.	Internal
405-1	Diversity of governance bodies and employees	19 Currently information has not been collected for employee categories and age groups but Infigen aims to include this in the next report.	Internal
405-2	Ratio of basic salary and remuneration of women to men	17, 19	Internal
Social: Local Communities			
103-1	Explanation of the material topic	8	Internal
103-2	The management approach	15	Internal
103-3	Evaluation of the management approach	Community Engagement program is reviewed as required.	Internal
413-2	Operations with significant actual and potential negative impacts on local communities	15	Internal
Social: Public Policy			
103-1	Explanation of the material topic	8, 10	External
103-2	The management approach	8, 10, 13	External
103-3	Evaluation of the management approach	Business strategy is reviewed as required.	External
415-1	Political contributions	21	External

GLOSSARY

AEMO	Australian Energy Market Operator; responsible for operating the National Electricity Market and the Wholesale Electricity Market.
AER	Australian Energy Regulator; enforces the laws for the National Electricity Market and spot gas markets in southern and eastern Australia.
AFSL	Australian Financial Services Licence
ASX	Australian Securities Exchange
Board or Boards	Unless otherwise stated, the Boards of IEL, IERL and IEBL
Capacity	The maximum power that a wind turbine generator was designed to produce.
CDP	Carbon Disclosure Project; global disclosure system for organisations to measure and manage their environmental impacts.
CER	Clean Energy Regulator; administers schemes legislated by the Australian Government for measuring, managing, reducing or offsetting Australia's carbon emissions.
Community consultative committee	Committees formed to provide a forum for discussion between a development proponent and representatives of the community.
Development projects (also Developments)	Infigen's prospective renewable energy projects that are in various stages of development prior to commencing construction. Stages of development include: landowner negotiations; wind and solar monitoring, project feasibility and investment evaluation; community consultation, cultural heritage assessment, environmental assessment; design, supplier negotiations and connection.
Earnings at Risk Analysis	Measuring potential changes in revenue in a given period having regard to relevant factors and varying degrees of confidence.
EES	Environmental, economic and social impacts
ERA	Economic Regulation Authority; enforces the laws of the Wholesale Electricity Market in Western Australia.
ESG	Environmental, social and governance
ERM	Enterprise Risk Management
FY	Financial year. A period of 12 months starting on 1 July and ending on 30 June in the next calendar year.
Gentailer	Electricity company that operates both as electricity generator and retailer.
GRI	Global Reporting Initiative; sustainability reporting framework
Grid	The network of power lines and associated equipment required to deliver electricity from generators to consumers
GW	Gigawatt. One billion watts of electricity.
HSE	Health, Safety & Environment
IEBL	Infigen Energy (Bermuda) Limited
IEL	Infigen Energy Limited
IERL	Infigen Energy RE Limited (AFSL 290 710), the responsible entity of IET
IET	Infigen Energy Trust
IFN	The code for the trading of listed IFN stapled securities on the ASX
Infigen	Infigen Energy
LGC	Large-scale Generation Certificate

Marginal losses	As electricity flows through the transmission and distribution networks, energy is lost due to electrical resistance and the heating of conductors. Revenue is subject to marginal loss factors that are fixed annually by AEMO to account for network losses.
MW	Megawatt. One million watts of electricity.
N.m.	Not meaningful
NEM	National Electricity Market; the interconnected power system of five regional market jurisdictions – Queensland, New South Wales (including the Australian Capital Territory), Victoria, South Australia, and Tasmania.
OCC	Operations Control Centre. A centrally located business function within Infigen that monitors and directs the operations of Infigen’s wind and solar farms.
Paris Agreement	In December 2015 the Australian Government committed to join with other nations under the Paris Agreement seeking to limit the worst effects of climate change. Australia’s initial commitment is to develop and implement an economy-wide target to reduce greenhouse gas emissions by 26-28% below 2005 levels by 2030.
Quantitative Volumetric Hedging Limits	Maximum volume based trading limits, determined having regard to known historical generation profiles and a predictable seasonality of operating performance from the operating assets.
Run of plant	Type of contract for the sale of electricity whereby the offtaker (customer) buys 100% of the amount of electricity generated by the plant as generated in each trading interval
Spot price	Wholesale electricity market price
Strategic Portfolio Balancing	The targeted contract mix for Infigen’s electricity and LGC sales between the channels to market as adjusted from time to time
tCO ₂ e	Tonnes of carbon dioxide equivalent. A measure used to compare the emissions from various types of greenhouse gas based on their global warming potential. The CO ₂ equivalent for a gas is determined by multiplying the metric tons of the gas by the associated global warming potential.
WEM	Wholesale Electricity Market; the power system of Western Australia.

