

infigen

Environmental, social and governance report 2018.

Infigen Energy



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Report boundary.

This publication is issued by Infigen Energy Limited (IEL) and Infigen Energy RE Limited as responsible entity for Infigen Energy Trust (collectively Infigen). This publication covers operating assets (including those under construction) that are operated by Infigen (referred to in this publication as 'assets', 'operating assets' or 'operations'); and development projects (referred to in this publication as 'development projects') that are owned wholly by Infigen or jointly with other companies during the period from 1 July 2017 to 30 June 2018; and business units managing Infigen's assets and development projects, and corporate business functions.

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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Image:
Capital Wind Farm, NSW

Managing Director's Report.

It is my pleasure to present to you Infigen's ESG Report for the 2018 financial year (12 months ended 30 June 2018, FY18). In this report we have adopted the GRI Standards to evaluate the environmental, economic and social impacts from our operations.

FY18 was a year of transformational change at both the operational and policy development levels.

In FY18, Infigen delivered strong financial performance and significant progress in delivering on key elements of the strategy to position our business to preserve existing and grow future value for all security holders.

Safety continues to be our highest priority. We continued our focus on safety at our operating assets as well as at our Bodangora Wind Farm, which was under construction during FY18.

The Board and Management of Infigen continue to look for opportunities to improve our systems and culture in vigilant pursuit of our goal of zero harm.

Over the course of the last 18 months, as a business Infigen has sought to reduce the exposure of its revenues to short-term electricity prices and grow the proportion of revenue under multi-year contracts. We have invested in additional production, introduced strategies to manage the risks associated with intermittent generation, and advanced consideration of several projects for future investment. In particular, we have:

- invested in new capacity by commercialising certain projects within the Infigen development pipeline by developing the 113 MW Bodangora Wind Farm;
- entered into a new corporate debt facility to enable Infigen to pursue a business strategy involving the diversification of our channels to market beyond large-scale retailers under long-term Power Purchase Agreement (PPA) style contracts;
- contracted more than one third of our expected generation capacity under multi-year contracts to Commercial and Industrial (C&I) customers;
- implemented long-term service agreements with Vestas to manage our existing operational generation fleet optimally across its service life with a mutual objective of maximising earnings being embedded within the agreements;
- enhanced the human and systems resources in energy markets and project delivery teams;

- developed a Five-Year Business Plan that involves investment in both the ability to firm supply to meet customer needs as well as additional energy capacity;
- undertaken Board renewal; in FY18 we were pleased to welcome Mr Mark Chellew and Ms Emma Stein to the Infigen Board; and
- positioned Infigen to take future decisions in relation to obtaining additional supplies of renewable generation as well as options to mitigate the risks associated with intermittent production.

Looking ahead, the National Electricity Market is continuing to undergo significant change that will require the Board and Management to remain vigilant and responsive to new opportunities that will preserve and create security holder value.

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.

As noted above the safety of our people and the communities in which we operate is of utmost importance. During the year we sustained one Lost Time Injury by a contract worker while performing turbine service works at the Woodlawn Wind Farm. With three Medical Treatment Injuries, this resulted in a Total Recordable Injury Frequency Rate of 13.0 for the year.

We note the level of complaints rising year-on-year. Ideally, we would have a clean slate, however, we appreciate the effort people make when raising with us their concerns and observations. When addressing individual issues, we take each learning and apply these in our systems and processes. During the year we addressed and closed four of the 15 formal complaints, most of which occurred alongside construction activities that are disruptive to a rural farming area. We welcome feedback about our conduct and the conduct of our suppliers, and are working towards a solution to address the 11 complaints that remained open at the beginning of FY19.



The nature of our operations is one where Infigen depends on strong community relations to operate our wind farms efficiently and safely. We set out to deliver positive social outcomes from wind farms through establishing benefit-sharing with our host landowners as well as more widely with the local community. Distributing \$4.7 million through landowner payments, local employment, and sponsoring over 40 community projects during the year is an example of this ambition. Our Run with the Wind open day at the Woodlawn Wind Farm took place for the sixth year and has been embraced as a form of engagement and open day by other wind farm operators.

In addition, over \$7 million has been spent in local and surrounding areas of the Bodangora Wind Farm during construction, which has created over 30 local jobs. We are proud to have launched the Bodangora Community Benefit fund with guidance and assistance from Dubbo Regional Council.

The growth and success of Infigen is reliant on the quality of all team members as individuals and as a team. During the year we introduced the People Strategy with an integrated focus on the entire employee experience to create a workplace culture that values high performance. I am also pleased to report that as the number of people in the organisation grew, so has the female participation increased from 40% to 42%.

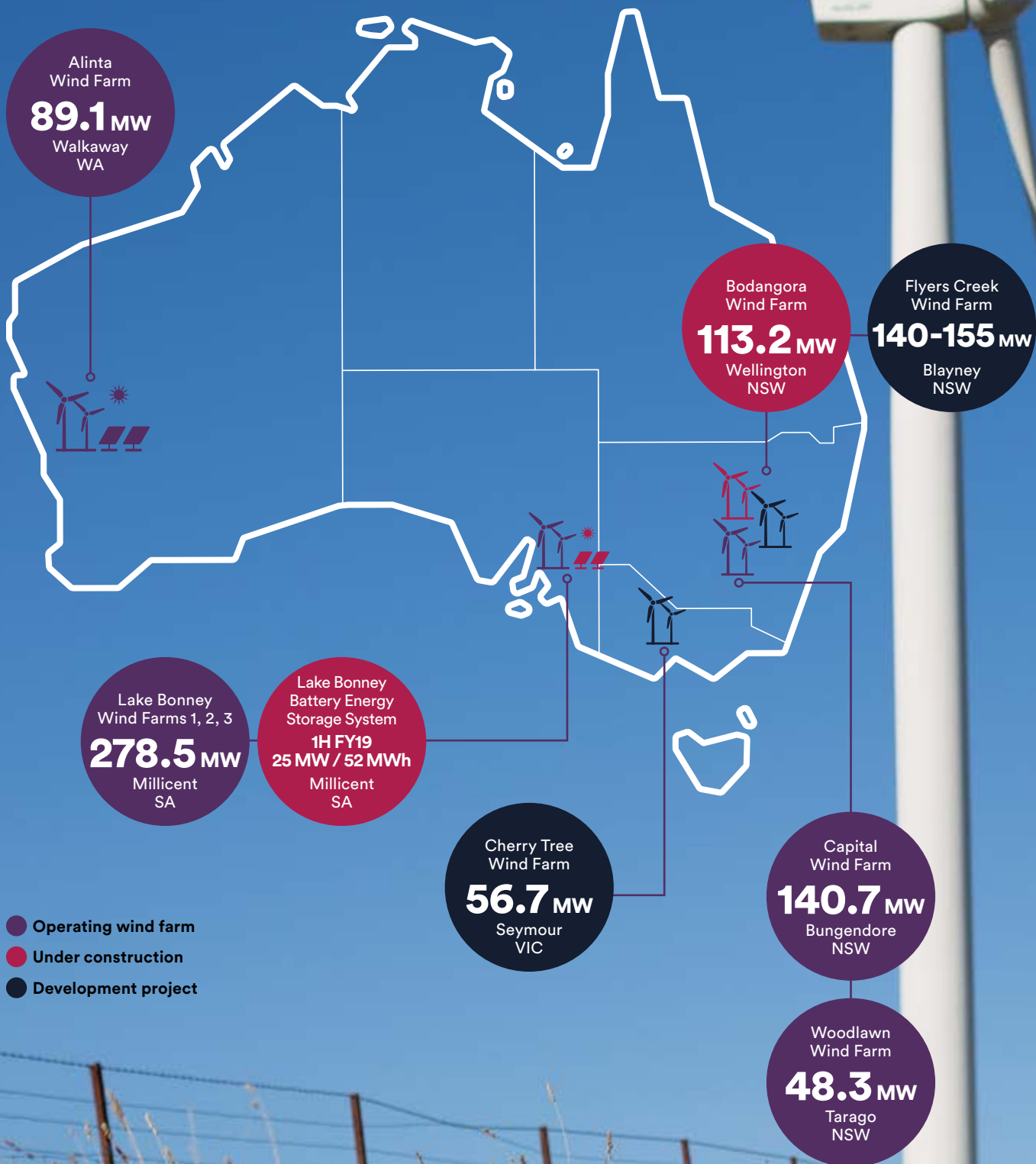
Throughout the year there were five interns rotating across the different business departments as part of UNSW's Co-op program and UNSW Women in Engineering program. Under an initiative by the Macquarie Graduate School of Management Infigen continued to sponsor a female member of our Finance team to undertake an MBA degree.

In accordance with the demand for listed companies to expand their governance disclosure, we have provided highlights from our engagement with proxy advisors (occurred following the reporting period) with regard to considerations and outcomes of the remuneration structure review in FY18.

Infigen's Corporate Governance Statement sets out the corporate governance framework and the extent to which Infigen followed the Principles and Recommendations in FY18. Infigen complied with the Principles and Recommendations within the ASX Corporate Governance Guideline during FY18, including disclosure of relevant information, except in relation to Recommendation 2.4 regarding maintaining a majority of independent Directors on the Infigen Boards. The Board commenced a process to identify a suitably qualified and experienced candidate to be appointed as an independent Director on each of the Infigen Boards. Following the reporting period of this report, Karen Smith-Pomeroy was appointed to the Board on 12 December 2018. Upon completion of that process, the Infigen Board had a majority of independent Directors.

Ross Rolfe AO
Chief Executive Officer /
Managing Director

Our portfolio¹ and head office.



¹ The map shows advanced development projects; Infigen's development pipeline comprises equity interests in approximately 1 GW of large-scale wind and solar projects in Australia.

About Infigen Energy.

Infigen (ASX: IFN) is a leading ASX listed energy market participant delivering energy solutions to Australian businesses and large retailers.

Infigen invests in renewable generation and is developing firming capabilities to deliver reliable energy to Australian businesses. As the Australian energy market transitions to lower emission energy, Infigen meets this transformation through its geographically diverse clean renewable generation portfolio of assets, proven operating expertise and focus on energy firming technology.

Infigen is a licenced energy retailer in the National Electricity Market (NEM) regions of Queensland, New South Wales (including the Australian Capital Territory), Victoria and South Australia. Infigen has wind generation assets in New South Wales, South Australia and Western Australia. Infigen is also developing options for firming in the NEM to support its business strategy. Infigen is proudly Australia's largest listed owner of wind power generators by installed capacity of 557 MW, with a further 113.2 MW under construction in New South Wales, and actively supports the communities in which it operates.

For further information, please visit www.infigenenergy.com



Markets.

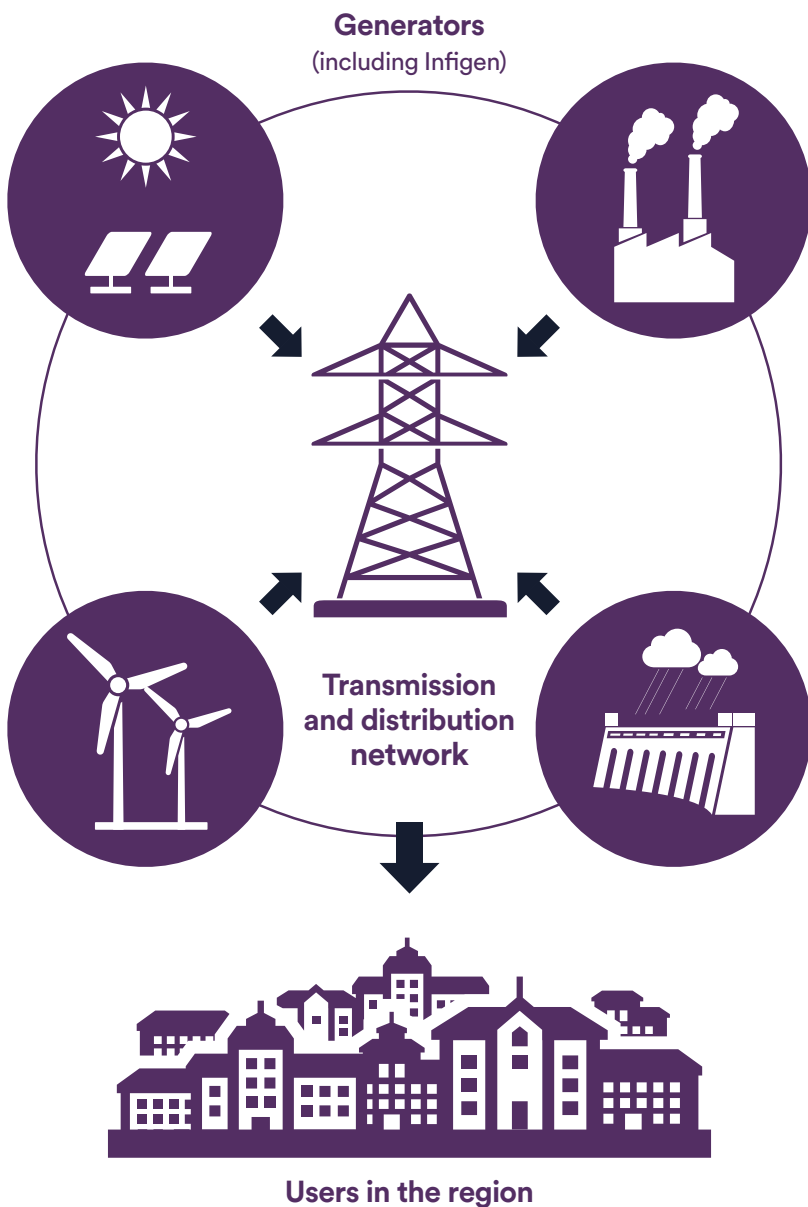
While electricity is delivered by all suppliers of electricity (i.e. retailers) to users via the transmission and distribution network (also called “the grid”), the source of electricity cannot be distinguished on the physical electricity market. The sale of electricity occurs on the financial electricity 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 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 laws of the WEM by the Economic Regulation Authority (ERA).

The physical electricity market.



The financial electricity market.



Customers.

Infigen delivers a range of energy solutions through a diverse sales strategy to commercial and industrial (C&I) customers (i.e. customers with an energy requirement of >10,000 MWh/year) and large electricity retailers.

Infigen's Multi-Channel Route to Market strategy balances price, tenor and risk. Central to the sales strategy is the response to emerging opportunities and new challenges accompanying the evolving energy market.

Infigen's retail market approach is one of partnership with C&I customers to help them achieve their energy affordability and sustainability goals. Infigen provides dedicated account management services, taking an active role in delivering these objectives. Infigen provides its customers price certainty within a volatile energy market, and manages this price risk through a combination of generation from its assets, physical firming contracts and financial contracts.

Channel	Value for Infigen	Value for customer
Spot market sales (merchant)	<ul style="list-style-type: none"> Market price received for uncontracted production No production risk – no penalties associated with non-production 	
Wholesale	<ul style="list-style-type: none"> Deep and liquid forward derivative market – a number of participants and platforms e.g. ASX futures Not linked to production Contract tenor 3 to 36 months forward sales 	<ul style="list-style-type: none"> Hedging capability
C&I contracts	<ul style="list-style-type: none"> Contract tenor 2 to 7 years 	<ul style="list-style-type: none"> Infigen manages price risk Tailored contract to reflect customer requirements
Run of plant PPA	<ul style="list-style-type: none"> Lowest risk route to market for Infigen: <ul style="list-style-type: none"> > Limited production risk > Generally no price risk for Infigen Contract tenor varies from 3 to 20 years (aligned with asset life) 	<ul style="list-style-type: none"> Customers manage individual energy use requirements Suitable for retailers and large energy users

As both a generator and retailer of renewable energy and an active energy markets participant, Infigen has a broad suite of products that can be tailored to individual needs and risk appetites



Standard fixed-price energy contracts



Power Purchase Agreements



Retail with a PPA

PPA firming to ensure no market exposure when generation is low



Financial Instruments

Hedges, caps, swaps



Spot products



On-site generation export tariffs

Solar and battery storage



Demand side management (DMS)



Environmental requirements

Large-scale Generation Certificates

Supply chain.

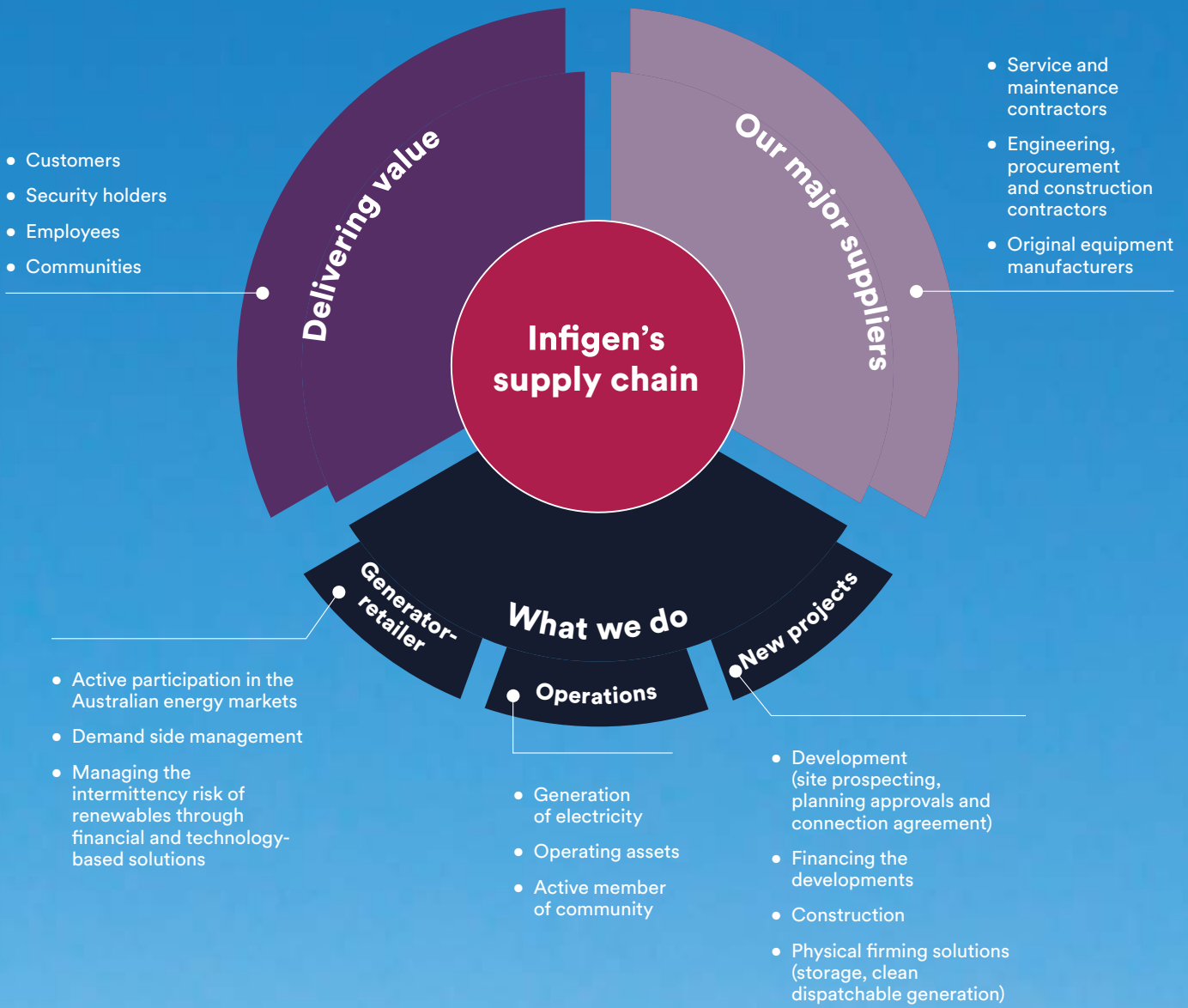
The success of Infigen's business strategy and economic performance benefits our stakeholders – customers, security holders, employees, and communities.

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 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.



Business risks and mitigants.

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.

Description	How Infigen is equipped to manage and monitor this risk
<p>Operations and safety</p> <ul style="list-style-type: none"> Loss of life, or serious harm to people or 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 Infigen seeks to eliminate and manage risks by applying a hierarchy of measures including engineering and design solutions, work practices and behaviours and protective equipment
<p>Energy and climate change policy</p> <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
<p>Demand and price for electricity and LGCs</p> <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: Quantitative 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
<p>Construction and development projects</p> <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 landowners, 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 to monitor the project progress against the business case and internal policy requirements Infigen is actively engaged with the local communities

Description

How Infigen is equipped to manage and monitor this risk

Operations and production

- 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 landowner relationships to operate efficiently
 - Operating costs can be adversely affected by regulatory settings, equipment or key component failure
- 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 landowner 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

Capital management

- 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
- Monitoring and stress-testing of cash flow and liquidity requirements
 - Monitoring of AFSL requirements through regular committee meetings

Regulatory, legal and accounting

- Potential exposure to litigation and claims
 - Adverse changes in law or regulation can increase the cost of doing business
- Where insurable, Infigen maintains insurance to address relevant exposures
 - Regulatory, legal and accounting risks are captured through Infigen's Enterprise Risk Management framework and managed through Infigen's policies and procedures, as well as through external accounting and legal advice as appropriate

Climate change risks and mitigation in base case scenario.

Description of potential impact	How Infigen is equipped to manage and monitor this risk
<p>Regulatory: Delay in implementing a policy framework to achieve commitments under the Paris Agreement</p> <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 investing and lending community on energy policy and regulation • Membership of and engagement through the Australian Energy Council and the Clean Energy Council
<p>Other: Disruption from emerging technology</p> <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
<p>Physical: Higher frequency and severity of weather, heatwaves and extremely hot days</p> <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"> • Infigen's 24/7 OCC monitors meteorological data and Infigen's operating assets (refer to 'Operations & production' risk on page 11) • Business continuity plans • Workplace policies to ensure safety of people in severe weather and on extremely hot days • 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
<p>Physical: Changes to wind patterns</p> <ul style="list-style-type: none"> • Lower production and revenue • Increased fluctuations in 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 • Access to financial and insurance products to mitigate impacts of production volatility



Stakeholders.

Continuous disclosure

Infigen is committed to providing equal and timely access to material information concerning Infigen to all investors. The Continuous Disclosure Policy is designed to ensure that material price sensitive information arising from any part of the business is notified to the ASX in a complete, balanced and timely manner in accordance with the Corporations Act and the ASX Listing Rules.

Engagement approach

Infigen places a high priority on addressing feedback received from our stakeholders. Maintaining an effective and collaborative relationship with suppliers and contractors, emergency services, landowners, and the local community is important to ensuring ethical business conduct and that people and the environment are not harmed by Infigen's activities. Stakeholders are identified within the risk management framework taking into account stakeholders' interests in Infigen and their influence on Infigen's operations and reputation.

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 reports provide stakeholders with detailed information in respect of the major achievements, financial results and the strategic direction of Infigen.

Notice of significant group briefings and details regarding the various methods to access and participate in those briefings is circulated broadly. Records are kept in relation to investor and analyst briefings. Infigen takes careful account of feedback and where possible, accommodates stakeholder views because we recognise that the long-term sustainability of Infigen is closely linked with the actions of our stakeholders and their continuing support for our operations and future developments.

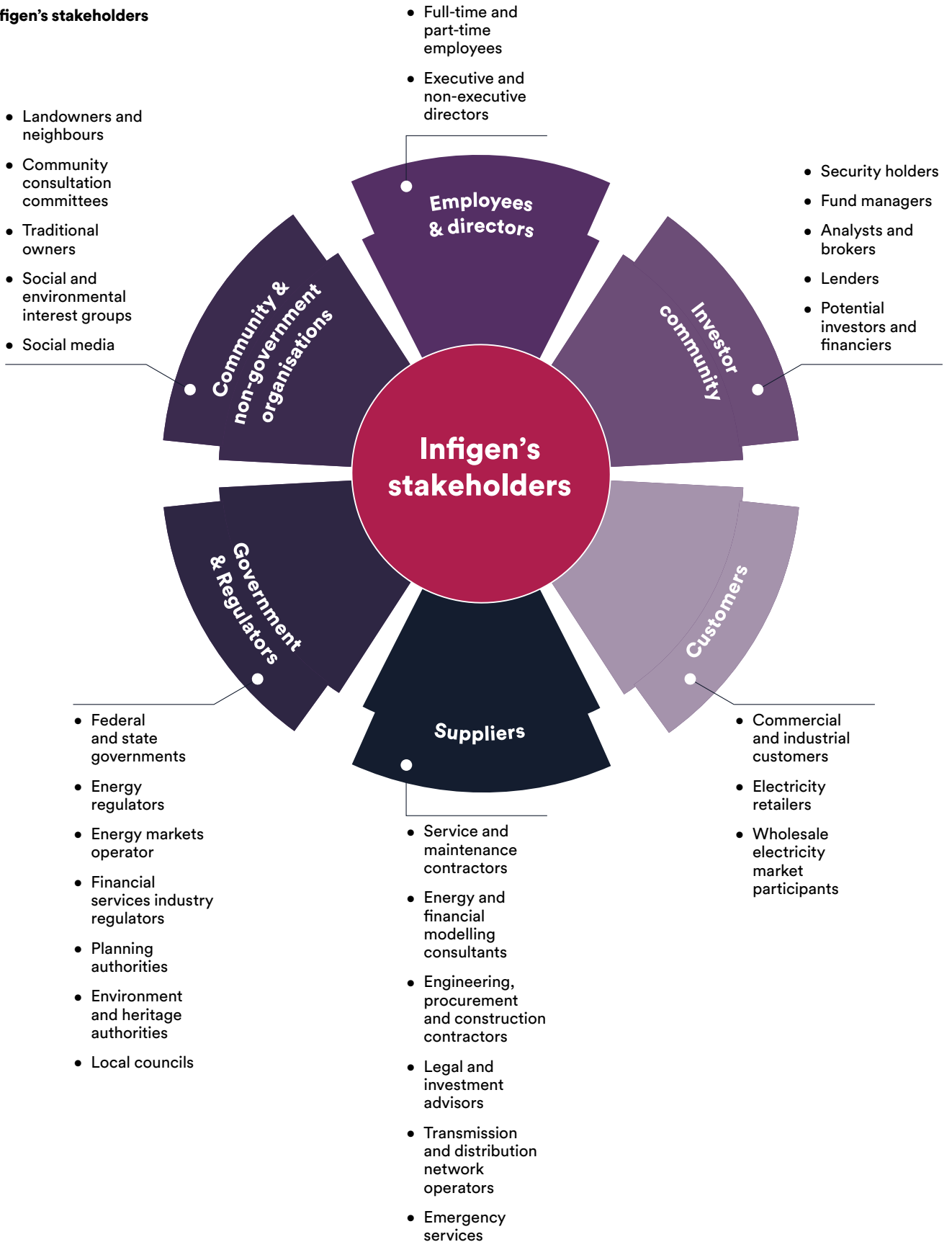
Ahead of the time of the company's Annual General Meeting (AGM) and drafting the relevant resolutions in the Notice of Meeting document, Infigen's Chairman, Managing Director and General Manager of People and Culture meet with proxy advisors to seek feedback on remuneration structure, corporate governance, key issues of interest that should be addressed at the AGM, disclosure of ESG data, and any other feedback. Infigen's external auditor attends each AGM and is available to answer questions regarding the conduct of the external audit and the preparation and content of the auditor's report.

When developing new projects, Infigen informs, consults and gives the community the opportunity to have a say in each of Infigen's development projects. Infigen has identified key stakeholder groups with whom we engage to 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, rather, is considered on a community and site basis.

As at 30 June 2018 Infigen held corporate memberships with the following industry organisations through which it further engages with its stakeholders:

- Australasian Investor Relations Association
- Australian Energy Council
- Australian Financial Markets Association
- Australian Information Security Association
- Australian Institute of Energy
- Clean Energy Council
- Committee for Economic Development of Australia
- Energy Users Association of Australia
- The Hawthorn Club

Infigen's stakeholders







ESG performance review



Standards

Infigen adheres to the following standards and best practice guidelines governing activities relating to the supply of energy:

- Australian National Wind Farm Commissioner's Observations and Recommendations
- Community Consultative Committee Guidelines (relevant to New South Wales)
- ISO 14001 (Environment) Standards
- ISO 31000 (Risk Management) Standards
- New Zealand Standard 6808:2018, Acoustics - Wind Farm Noise (relevant to Victoria)
- OHSAS 18001 (Occupational Health and Safety Standard)
- Task Force on Climate-related Financial Disclosures
- The Safe Work Australia's Code of Practice
- The Clean Energy Council's Community Engagement Guidelines
- SA EPA Wind Farm Noise Guidelines (relevant to South Australia, New South Wales, Western Australia)

Governance.

Our management approach to ESG

Infigen offers 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. Infigen believes that the business strategy must withstand changes to energy and climate change policies that often result from political debate, media and public interest. Infigen has a safety goal of zero harm.

Infigen aims to attract and engage skilled and talented people, who are collectively motivated to achieve business success. In adhering to responsible corporate governance, Infigen has the following goals:

- 1 Ensuring safety of our people and communities**
- 2 Responsible conduct in communities and the environment**
- 3 Promoting wellbeing and diversity in the workplace**
- 4 Contributing to energy security**

Ethical and responsible decision-making

Infigen's Code of Conduct sets out processes for employees and directors regarding safety, workplace bullying, equal employment opportunity, sexual harassment, confidentiality, cyber security, conflicts of interest, and securities trading. Infigen encourages ethical behaviour and, in accordance with Infigen's Whistleblower Policy, provides protection for those who raise genuine concerns and report any actual or potential breach of legal requirements, the Code of Conduct or other Infigen business policies.

Infigen's Securities Trading Policy regulates the manner in which directors and employees can trade in IFN securities. The policy aims to ensure that investment activity by directors and employees is conducted in a manner that is lawful and avoids conflicts of interests between their personal interests and the interests of Infigen.

Board committees

The Boards have established the following standing committees: an Audit, Risk and Compliance Committee (ARCC) for each of Infigen Energy Limited, Infigen Energy RE Limited and Infigen Energy (Bermuda) Limited, and a Nomination and Remuneration Committee (NRC).

The ARCCs oversee the implementation and ongoing management of systems of internal control, risk management and compliance at Infigen, ensuring that management has processes in place to identify, assess and properly manage risks. In addition to its nomination, succession and general human resource responsibilities, the NRC is responsible for monitoring and recommending the level of remuneration for Directors, as well as providing advice in relation to the level of remuneration for other key management personnel.

The Committee Charters detail the responsibilities of each Committee and how they exercise their authority. During FY18 the ARCCs comprised at least three members, all of whom were Non-Executive Directors and a majority of whom were independent Directors. The Chair of the ARCCs throughout the period were independent Directors.

The NRC was comprised of three Non-Executive Directors throughout the reporting period, all of whom were independent Directors. Accordingly, the Chair of the NRC throughout the period was an independent Director.

Board renewal and performance

The Boards, with the assistance of the NRC, regularly assess the skills required by Directors to competently discharge the Boards' obligations to consider the strategic direction of Infigen, review potential candidates for appointment to the Boards, provide confirmation of the Directors to retire annually by rotation, and have oversight of the Boards' regular performance evaluation process.

During FY18 two independent Directors retired and two further independent Directors were appointed to fill casual vacancies (and subsequently elected as Directors by security holders at the AGM on 22 November 2017). A new Board Chairman was also elected. With such change occurring at Board level during FY18, it was considered that it would be more productive to defer the performance evaluation of the Board to the following periods.

Responsibilities of management

The Boards of Infigen have reserved certain matters for approval as set out in the Board Charters. In addition to delegating specific responsibilities to Board Committees, the Boards also determine delegations to management, approve relevant delegation limits and review business developments for consistency with the Enterprise Risk Management framework for Infigen. That framework is consistent with International Standard ISO 31000 and is monitored by the ARCC. The CEO has authority for those matters not reserved for the Boards or a Board Committee.

Infigen's management committees assist in the exercise of the CEO's delegated authority. The CEO, executives and other senior management report to the Boards at each Board meeting. In addition to regular reporting from management, the Boards have access to management as well as external advisors when required.

Corporate Governance Statement 2018

Infigen has adopted policies and procedures to adhere to the Principles and Recommendations of the ASX Corporate Governance Council guideline (Third edition). Infigen’s Corporate Governance Statement (CGS) sets out the corporate governance framework and the extent to

which Infigen followed the Principles and Recommendations for the financial year ended 30 June 2018.

The CGS 2018 was approved by the Board. A summary of Infigen’s compliance with the Principles and Recommendations within

the ASX Corporate Governance Council guideline during FY18 is provided below. The full statement, including the diagram representing the structure of the Infigen Energy group at 30 June 2018 is available at www.infigenenergy.com/CGS.

ASX Principle	Infigen’s compliance in FY18
1: Lay solid foundations for management and oversight	Complied
2: Structure the Board to add value	<p>Infigen complied with the Recommendation in this Principle, including disclosure of relevant information, except in relation to Recommendation 2.4 regarding maintaining a majority of independent Directors on the Infigen Boards. Due to the ongoing Board renewal program, there were two periods within the reporting period where there were an equal number of independent and non-independent Directors on the Infigen Boards, rather than a majority of independent Directors. For the remainder of the reporting period there was a majority of independent Directors on the Infigen Boards (i.e. at no time during the reporting period were there a majority of non-independent Directors on the Board).</p> <p>The Board commenced a process to identify a suitably qualified and experienced candidate to be appointed as an independent Director on each of the Infigen Boards. Upon successful completion of that process, the Infigen Boards will have a majority of independent Directors.</p>
3: Act ethically and responsibly	Complied
4: Safeguard integrity in financial reporting	Complied
5: Make timely and balanced disclosure	Complied
6: Respect the rights of security holders	Complied
7: Recognise and manage risk	Complied
8: Remunerate fairly and responsibly	Complied

Highlights from the engagement with proxy advisors

What has the Infigen Board taken into account when reviewing the remuneration structure?

1. Whether the remuneration arrangements appropriately incentivise and reward management to deliver the Board endorsed strategy.
2. Relative competitiveness of the remuneration arrangements with industry peers.
3. Overall cost structure with the aim to contain costs within the existing cost structure for key management personnel's remuneration.
4. External market review of at-risk remuneration to ensure the remuneration structure and reward outcomes are aligned with the progressive delivery of strategic objectives contained within Infigen's Five-Year Business Plan.

What are the outcomes of the remuneration structure review in FY18?

The Board determined that while Short Term Incentive (STI) deferral is important, Infigen's previous policy of 50% deferral in equity was not reflective of broader market practice of comparably sized companies and served to diminish the incentive value of the remuneration offered. It was therefore considered appropriate to reduce the quantum deferred for 12 months to 20% of the key management personnel's FY18 STI.

The Board determined that it is appropriate and reasonable to adjust the relative proportion of the overall distribution of at-risk remuneration allocated between short-term and long-term incentives while remaining within the existing total at-risk remuneration opportunity.

In future, the split between STI and Long Term Incentive (LTI) will be 65:35 (50:50 previously), which better reflects the relative importance of achieving transformational short-term goals (albeit with long-term benefits), and are the foundations of an enduring and sustainable business model that positions the company to protect existing and create new value for our security holders.

Infigen will maintain its clawback mechanisms that are a feature of both the STI and LTI plans, and which enable forfeiture of some or all deferred STI and unvested LTI performance rights if a previously awarded STI or vested LTI grant was associated with a materially adverse financial misstatement.

For more information about FY18 remuneration and incentive payments refer to Infigen's 2018 Annual Report, pages 25-38.



Image:
Lake Bonney Wind Farm, SA

Carbon footprint and energy security.

Our approach

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 fuel. Regulations to reduce the risk of climate change may impose additional costs on or affect the way business is conducted.

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).

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 variable renewable generation in the physical and financial markets is not without its challenges. During the year we examined a range of storage and dispatchable generation options as part of our plans for future growth and core business strategy. We are focussed on working with policy-makers and regulatory authorities to ensure our strategy responds to changing energy markets.

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 in Australia determines 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.

FY18 performance

Our wind farms produced 1,549 gigawatt hours (GWh) from renewable generation.

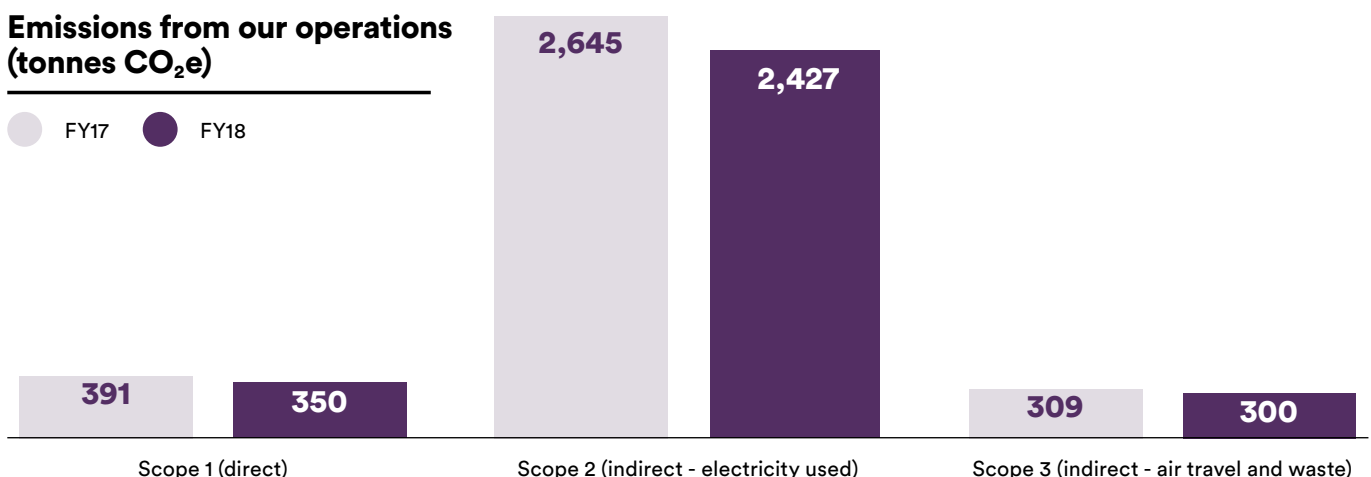
Throughout FY18 Infigen progressed development of the 25 MW / 52 MWh Battery Energy Storage System (BESS) located adjacent to the Lake Bonney Wind Farm in South Australia. Infigen entered into funding agreements with the South Australian (SA) Government and the Australian Renewable Energy Agency (ARENA) to co-fund the Lake Bonney BESS. The SA Government and ARENA have each committed \$5 million in funding.

Emissions

The total measure of Infigen’s emissions in FY18 reduced 8% to 3,077 tCO₂e. We measure and disclose indirect emission from our business travel, waste and office energy use. Scope 1 emissions in FY18 reduced 11% to 350 tCO₂e compared to FY17. FY17 emissions were higher due to diesel consumption that occurred from generator repairs at Capital and Woodlawn wind farms (-41 tCO₂e). Scope 2 emissions reduced 8% to 2,427 tCO₂e compared to FY17 due to lower wind farm electricity consumption as a result of more frequent favourable wind speed periods in FY18. Scope 3 emissions reduced 9% to 300 tCO₂e primarily due to reduced air travel.

Emissions from our operations (tonnes CO₂e)

● FY17 ● FY18



Energy

Energy consumption during FY18 decreased 9% to 15,427 GJ due to lower fuel consumption in site vehicles and lower wind farm electricity consumption. This was partially offset by increased office electricity consumption and fuel consumption in maintenance generators.

Materials

Maintenance of wind turbines involves use of oil-based materials, for example, lubricants applied to components in turbine gearboxes. During FY18, the amount of materials used in the maintenance of the operating wind farms increased 16% to 37 kilolitres.

We Mean Business Coalition Commitments

Infigen is a signatory to the We Mean Business Coalition Commitments and participates in the Australian Science Based Targets Initiative Community of Practice. Progress in FY18 is reported in the table below.

We Mean Business Commitments and FY18 outcomes	
1. Set an internal carbon price	<ul style="list-style-type: none"> • Infigen incorporates a carbon price in its trading strategy and budget forecasting. • Infigen communicated policy considerations, including the proposed National Energy Guarantee, in investor reports. • To date Infigen has not implemented an ESG based criteria, however, it promotes sourcing locally where possible.
2. Commit to responsible corporate engagement in climate policy and communicate on actions and outcomes via public statements	<ul style="list-style-type: none"> • Infigen advocates for regulation that enables renewable energy to supply reliable affordable and clean energy. • Infigen reported the relevant greenhouse gas emissions and its approach to climate change risk management to the CDP 2017 (September 2017).
3. Adopt and announce a science-based emissions reduction target via the global organisation Science Based Targets	<ul style="list-style-type: none"> • To ensure the quality of data when determining our carbon footprint from wind farm construction, Infigen committed to undertake an emissions life-cycle assessment study of the Bodangora Wind Farm.
4. Commit to implement the recommendations of the Task Force on Climate-related Financial Disclosures	<ul style="list-style-type: none"> • The recommendations relating to the governance, strategy, risk management, and metrics and targets have been implemented by reporting to the CDP 2017 and in the ESG Report 2017.
5. Committing to source 100% from renewable power by 2020	<ul style="list-style-type: none"> • Electricity at site offices and wind farms is generated at the wind farm or drawn from the grid. All electricity that is consumed from the grid is offset by additional wind farm generation, since renewable energy generators are not allowed under the Renewable Energy Target legislation to earn LGCs for generation that is offsetting energy consumed at times of low wind resource. • Infigen consumed 100% of its office-based energy consumption from certified renewable sources. • Infigen contributed to the installation of a solar panel system for the Wellington Men's Shed as part of the Bodangora Community Benefit Fund.

The emissions intensity of production remained at

0.002
tonnes
of CO₂ equivalent

FY19 target

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.

Safety.

Our approach to health and safety

Infigen's first priority is the safety of the people and the communities in which it operates. Infigen remains committed to achieving its goal of zero harm. Infigen adopts a combination of engineering solutions, as well as human practices and behaviours, to reduce or eliminate safety risks from our operating assets.

Individual responsibility for the safety of ourselves and our colleagues is at the core of our organisational values and drives our efforts to continuously improve our safety performance.

Infigen has a Health, Safety and Environment Committee, which oversees implementation of appropriate safety procedures and a system of ongoing environmental and safety improvement programs. In particular, the Boards and management aim to promote an internal culture whereby the health and safety of employees, contractors and visitors to Infigen offices and asset sites is paramount.

Achieving our safety target strives for year-on-year safety performance improvements. Our contractors – service and maintenance providers at operating sites and designated contractors at construction sites – are responsible for safety and day-to-day management of operations at those sites.

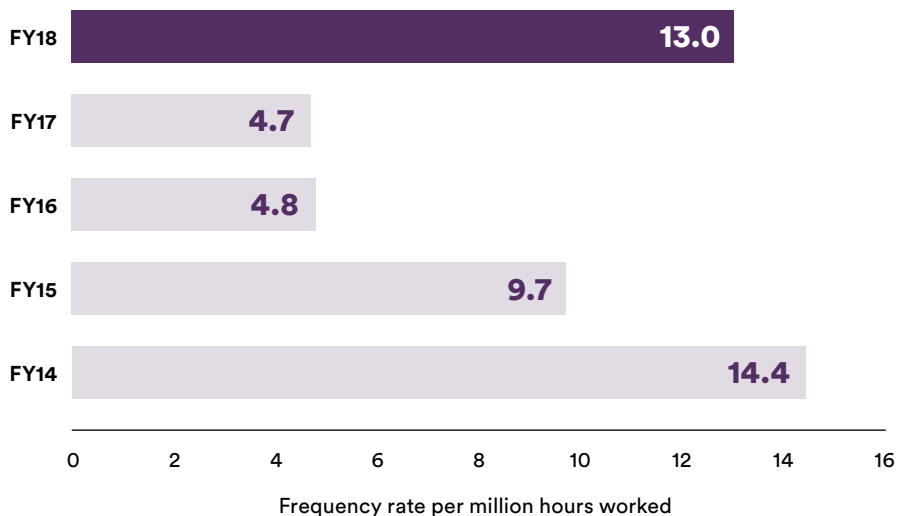
During FY18 the Lake Bonney 1 and Alinta Wind Farms achieved a significant milestone of being 10-years Lost Time Injury free.



FY18 performance.

Infigen's safety performance is measured on a rolling 12-month basis in accordance with standards of Safe Work Australia.

Total recordable injury frequency rate



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.

During the year the Total Recordable Injury Frequency Rate increased to 13.0 from 4.7 as a result of one Lost Time Injury and three Medical Treatment Injuries.

The one Lost Time Injury was sustained by a contract worker while performing turbine service works at the Woodlawn Wind Farm. The worker has returned to their normal duties. Principal contractors are responsible for the management of daily operations and safety of their workers at Infigen's sites. Infigen however, includes contractor worker recordable injuries in its statistics. There were no recordable injuries reported involving Infigen employees.

In FY18, Infigen completed the transition of maintenance service providers at Capital and Woodlawn Wind Farms incident-free. A Big Day Out was held with Vestas, the service and maintenance supplier at the operating wind farms. This event is held to focus on procedure harmonisation in safety.

Throughout FY18 Infigen actively consulted, cooperated and coordinated on safety matters with its contractors through workshops, monthly meetings, and audits.

Infigen's Directors and management visited Lake Bonney and Bodangora Wind Farms.

Currandooley fire

As noted in Infigen's 2017 ESG Report, a fire occurred in the vicinity of the Capital and Woodlawn Wind Farms on 17 January 2017. As a result of the fire, Infigen was served with legal proceedings. Subsequent to the reporting period those legal proceedings have been successfully resolved, through settlement agreements with the respective parties.

The terms of the agreed settlements are confidential. However, the settlement amounts will not have a material financial impact on Infigen as it maintains appropriate insurance sufficient to cover the terms of the settlements.

Whilst the fire was caused by a bird strike, Infigen has undertaken some physical improvements to its transmission infrastructure as additional precaution against avian electrocution.

FY19 targets.

In FY19 the safety focus will be on critical safety risks and the effectiveness of the mitigation measures in place to manage those risks. Our suppliers at the wind farms implement a range of administrative controls and procedures to mitigate these high risks.

Targets set to achieve the zero harm goal in FY19 include:

- 1 Complete the transition from construction to operations at the Bodangora Wind Farm incident-free.
- 2 Accommodate an ongoing program of audits designed to monitor contractor compliance and prepare for the construction of the Lake Bonney Battery Energy Storage System.
- 3 Hold a Big Day Out with key personnel from major suppliers focusing on procedure harmonisation in safety.

Community engagement and heritage.

Our approach to community engagement



Community committees

When developing new projects, we inform, consult and give the community the opportunity to have a say in each of Infigen's 14 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.



Community feedback

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.

To foster respectful, responsive and enduring relationships with our local communities, we aim to 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. Infigen's formal Complaints Handling Policy ensures that any negative engagement can be managed effectively. All material complaints are reported to the Board.



Heritage and environmental compliance

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 Aboriginal 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.



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.



Benefit-sharing

Our indirect investments to the community occur through the use of local products and services such as retail, transport and accommodation; employment at our operating plant; landowner payments; and sponsoring community projects. 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.



Monitoring performance

We implement a community engagement strategy that follows the Clean Energy Council's Community Engagement Guidelines, which include the engagement framework based on the public participation spectrum of the International Association for Public Participation.

The spectrum outlines activities beyond informing and consultation that assist 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.



Image:
Run with the Wind 2017
Woodlawn Wind Farm, NSW

FY18 performance

Consultation, open days and site visits

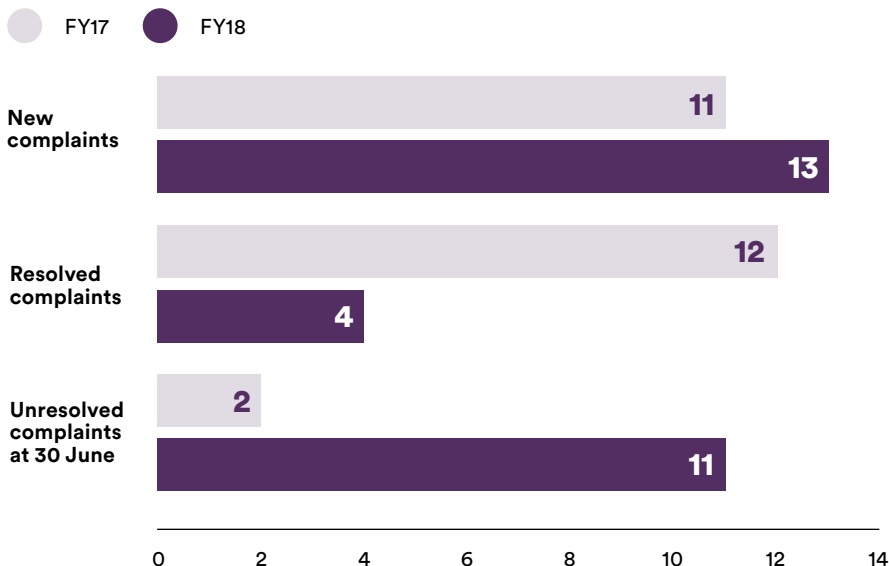
During FY18 Infigen attended or hosted over 90 meetings with stakeholders from communities in which it operates; including with local councils and suppliers, landowners, planning authorities, and transmission and distribution network operators. Infigen continued to facilitate regular meetings with the community

consultative committees established for the development of the Flyers Creek and Bodangora wind farms, as well as the Capital Community Committee that oversees the community funding at our Capital and Woodlawn wind farms.

In FY18 Infigen hosted the Run with the Wind open day at the Woodlawn Wind

Farm for the sixth year to raise funds for local community organisations. This year over 600 runners and volunteers visited the wind farm. Proceeds from this event went towards the Tarago Landcare Group, the Tarago Rural Fire Brigade, and purchasing training equipment for the Goulburn Mulwaree Junior Fire Brigade.

Formal complaints



Complaints management

At the beginning of FY18 there were two unresolved complaints from the previous period. In FY18 Infigen received 13 new formal complaints compared to 11 in the previous year. Complaints related to timing of work undertaken on site, truck movement, and waste and dust management. During the year, 4 complaints were addressed by enforcing conduct on site and notifying relevant suppliers. As at 30 June 2018, 11 complaints remained open to be resolved in FY19.

CASE STUDY - Aerial technology providing a bird's eye view of Bodangora

Jedd Manning was just 16 years old but already running his own film production and photography business out of Dubbo when he was hired to take footage of the construction of the Bodangora Wind Farm. Using drone technology for aerial photography, Jedd has been capturing a unique aspect of the wind farm's development.

With the Infigen project in full swing, Jedd has been creating a visual anthology of its progress.

"The best part of doing work for Bodangora Wind Farm is creating the unique perspective that would otherwise go unnoticed in such projects," he explained.

"This aerial view helps Infigen and CATCON to assess and monitor the construction process."

"I realised that drones were the next best thing and a unique perspective to add to my videos," he said.

With four years' experience and 70 flight hours under his belt, Jedd made the transition from hobbyist to professional two years ago.

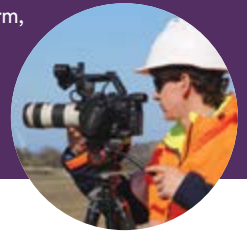
"It was about realising the need for aerial operators in the Central West NSW," he said.

Seeing the potential for aerial video and photography, Jedd also does traditional

photography and video, aerial asset inspections as well as video editing.

"I have had great interest in my services from real estate, site development, weddings, independent art projects, short films, regional shows, and rodeos and large television corporations including Nine network programs."

And for Bodangora Wind Farm, that means an exciting visual record of the project's development.



Bodangora Wind Farm construction

In July 2017 Infigen started construction of the Bodangora Wind Farm.

The construction activities of the Bodangora Wind Farm disturbed a small amount of native vegetation. In order to offset this impact and as part of the project approval conditions, Infigen has committed to make a contribution to the NSW Biodiversity Conservation Trust.

During the course of construction, the main contractor inadvertently placed gravel fill over a possible Aboriginal Stone Procurement Area. This area had been identified during the earlier Cultural Heritage assessment process but had not been appropriately identified and marked in advance of construction commencing. Following this occurrence, Infigen and its contractor notified the Department of Planning and Environment (DPE) and consulted with the relevant key stakeholders.

Following a DPE investigation, the main contractor was issued a penalty notice by the DPE and fined \$15,000. No action was taken against Infigen. Having undertaken consultation with key stakeholders, the area has been fenced off and a plan has been agreed to install specific signage that identifies the site for future reference.

Supporting communities locally

In FY18 Infigen distributed \$4.5 million to the community through landowner payments and local employment. In addition to this, over \$7 million has been spent in the local area during the construction of Bodangora Wind Farm in FY18, which has created 37 local jobs.

Direct local investment included over \$115,000 distributed to 44 local community projects or organisations sponsoring sports teams, education programs and fundraising events. This year we had an exciting opportunity to join a partnership funding the construction of a new mobile tower in Cadia Valley (near the community of the proposed Flyers Creek Wind Farm) to improve access to mobile phone reception and mobile data to offer a vital service for agribusinesses and local operators.

At Bodangora Wind Farm, Infigen awarded the first half of the \$50,000 annual fund to eight projects ranging from supporting the local touch footy, soccer and cricket teams, upgrading the local community centre, supporting St John's Ambulance, the Senior Citizens Trust, Historical Society, and purchasing equipment for the walking trails maintained by the Mt Arthur Reserve Trust. Direct investment into the community during the first 25 years of the wind farm operating will be approximately \$3 million through the Community Benefit Fund and the Community Enhancement Fund.

Advocacy and industry engagement

Infigen continued to support community advocacy and industry groups with over \$99,000 spent in FY18. During the year the focus of those groups was on the proposed energy policy and on enhancing community engagement between developers and operators of wind farms in regional Australia. Infigen participated in a community benefits study undertaken by the Australian Wind Alliance producing a report "Building stronger communities: Wind's growing role in regional Australia", which identified financial and social benefits to Australia's regional communities from across 82 operating wind farms. This is an up-to-date research study in highlighting the positive socio-economic benefits wind farms can deliver to regional Australia.

Infigen continued to support the Central NSW Renewable Energy Cooperative (CENREC). CENREC was created with the support of local community members from Blayney and Orange in October 2012, with the aim of facilitating community investment in the proposed Flyers Creek Wind Farm as well as other opportunities to facilitate community renewable energy projects in central NSW.

\$11.5m

flow-on to communities

FY19 targets

- Distribute \$178,500 to local community sponsorships
- Launch the Bodangora Community Benefit Fund in partnership with Dubbo Council
- Celebrate the Australian Wind Farm Open Day
- Address unresolved and any new complaints
- Facilitate regular community consultative committee meetings at the proposed Flyers Creek Wind Farm and the Bodangora Wind Farm

People and culture.

Our approach

People Strategy

In FY18 Infigen reviewed the People and Culture Strategy with an emphasis on creating an organisational culture that focusses on:

- the ability to build strong, enduring relationships based on trust and mutual respect combined with dynamic and adaptable leadership to achieve appropriate outcomes for all stakeholders;
- recognising our responsibilities to our security holders, customers and employees, and that we are accountable for the safety and sustainability of our operations, our people, the communities in which we operate and the environment;
- earning and maintaining the trust of key stakeholders and teammates by behaviours that are honest, transparent and fair;
- the continuous development of capabilities and talent through effective performance management, succession planning and personal development; and
- valuing diversity of opinion whilst acknowledging we are accountable to each other for Infigen's performance and outcomes as we strive for continuous improvement and the achievement of collective results.

The People and Culture Strategy focusses on the entire integrated employee experience to create a workplace culture that values high performance. The employee experience includes:

- attraction
- onboarding
- leadership
- communication and feedback
- wellbeing
- diversity and inclusion
- professional development
- remuneration and benefits

Drawing upon feedback from staff via the staff engagement survey we developed specific actions within the Plan to introduce in FY19.

Infigen's Nomination and Remuneration Committee (NRC) is responsible for setting measurable 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 and education

Infigen's Human Resources policy framework 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.

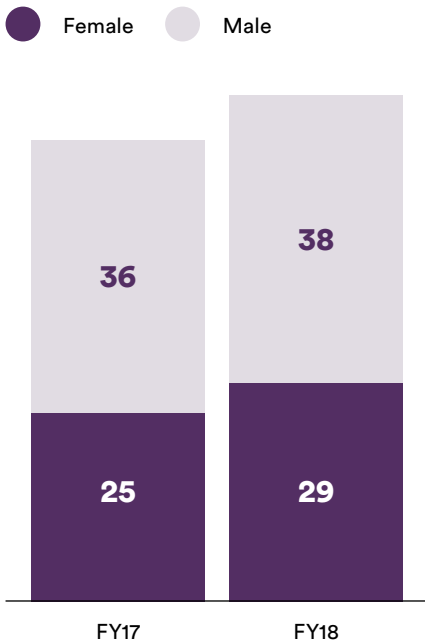
FY18 performance

As at 30 June 2018 Infigen's workforce included 67 employees and 4 Non-Executive Directors. In FY18 the number of contractors and sub-contractors who are employed through our major suppliers to operate, maintain and construct our facilities rose from 60 to approximately 100. Throughout the year there were five interns rotating across the different business departments as part of UNSW's Co-op program and UNSW Co-op program.

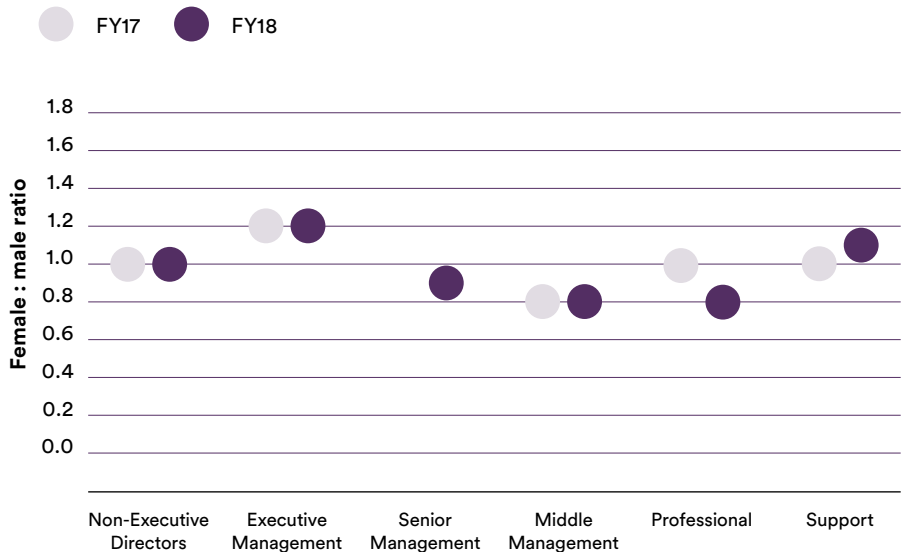
Equal remuneration

Our primary objective of measuring pay equity is to ensure that pay gaps are not a result of gender. Infigen regularly measures and analyses gender pay data to determine the cause and will take action to close the pay gap if the only possible conclusion for the pay gap is gender. Management are confident that gender is not a cause for the pay gap and will continue to monitor remuneration in each category to ensure that we know when a pay gap occurs and why.

Composition of workforce (including employees on parental leave)



Pay ratios at year ended 30 June



The number of female employees and Board directors increased by

16%
by the end of FY18

Females in the workforce by occupational categories

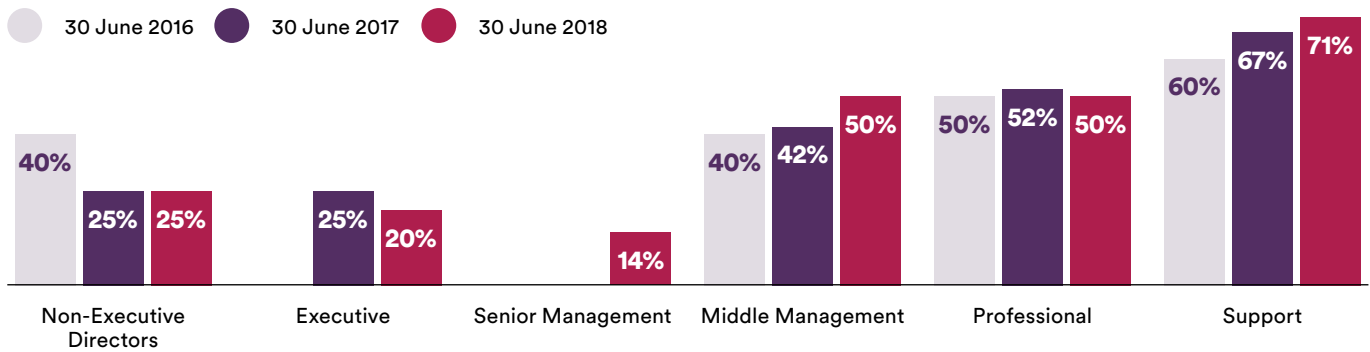


Image: Our engineers giving a talk to the UNSW Women at the Engineering Camp Head office, NSW

Diversity and equal opportunity

Our efforts to achieve gender balance have been successful with an equal proportion of males and females across the Middle Management and Professional occupational categories as at 30 June 2018, representing 64% of employees and directors. Infigen employed 18 engineers (Operations and the Operations Control Centre), of whom an equal proportion were males and females.

This level of gender diversity was achieved through our engagement with the UNSW to build brand recognition, talent pipelines in support of graduate recruitment and initiatives to support professional development and career progression. The focus moving forward is on retaining and developing our emerging leaders and attracting talent in under-represented categories. Recruitment decisions will continue to be based on merit and external recruiters are required to present a shortlist that is ethnically and gender diverse.

\$103,000 for diversity, education and indigenous support

Wellbeing Committee

Infigen's Wellbeing Committee is tasked with developing initiatives for employees and their families in the areas of home, work and life. In FY18 the initiatives for the wellbeing of staff included:

- 1 **Celebrated R U OK? Day and Harmony Day**
- 2 **Facilitated skin cancer checks and Get Healthy at Work**
- 3 **Supported Stillbirth Foundation, Movember, White Ribbon, National Breast Cancer Foundation, Motor Neuron Disease Association, Australia Literacy and Numeracy Foundation and Animals Australia charities**

FY18-FY19 diversity objectives

Diversity Objectives and the outcomes in FY18 are as follows.

Two-year Diversity Objectives to 30 June 2019 and FY18 outcomes

<p>1. Maintain progress towards achieving an equal proportion of workplace participation of females and males by:</p> <ul style="list-style-type: none"> • Increasing the total number of females employed (baseline as at 30 June 2017 is 26 females and 39 males including non-executive directors) • Increasing the proportion of females in Senior and Middle Management roles (baseline as at 30 June 2017 is nine females and 20 males excluding non-executive directors) • Maintaining an environment where flexible work arrangements are supported 	<p>In FY18:</p> <ul style="list-style-type: none"> • Workforce participation of females increased by 2%. • Voluntary employee turnover was 12% (25% females and 75% males). • Number of females in the workforce increased from 26 to 30, and number of males increased from 39 to 41. • Two roles were filled with female employees returning from maternity leave. Of the remaining five positions two roles were filled by female employees and three by male employees.
<p>2. Implement an emerging leader mentor program to attract, develop and retain emerging leaders.</p>	<p>In FY18, Infigen contributed over \$103,000 to enable scholarships through:</p> <ul style="list-style-type: none"> • The Career Trackers indigenous scholarship program (one place available to be filled in FY19). • The UNSW Co-op program (three students). • The Macquarie Graduate School of Management Women in MBA scholarship (one employee). • The UNSW Women in Engineering program (two students).
<p>3. Implement a lesbian, gay, bisexual, transgender and intersex (LGBTI) Diversity and Inclusion Plan.</p>	<p>In preparation for release in FY19.</p>
<p>4. Achieve gender pay equality within each occupational group.</p>	<ul style="list-style-type: none"> • FY18 is the fourth year that Infigen has measured pay equity between females and males. As at 30 June 2018 there was pay equity across 72% of the organisation. • Pay gaps range from 10-15% in two occupational categories (favouring females in the first instance and males in the other). The pay gaps were due to the diversity of roles and experience, not gender. When analysing the occupational groups based on experience, the pay gap narrows or disappears.

More diversity data is on page 31 of this report.

FY18 Performance.

People

Safety by gender	FY18 total	Gender		FY17 total	Gender	
		Female	Male		Female	Male
Lost time injuries	1	-	100%	1	100%	-
Lost time injury frequency rate	2.6			4.7		
Medical treatment injuries	3	-	100%	-	-	-
Total recordable injury frequency rate	13.0			4.7		

Employees and directors by category and diversity	30 June 2018			30 June 2017		
	Total #	Female %	Male %	Total #	Female %	Male %
Non-executive directors	4	25%	75%	4	25%	75%
Executives	5	20%	80%	4	25%	75%
Senior management	7	14%	86%	6	-	100%
Middle management	16	50%	50%	19	42%	58%
Professional	28	50%	50%	23	52%	48%
Field operations	4	-	100%	3	-	100%
Support	7	71%	29%	6	67%	33%
Employees and directors	71	42%	58%	65	40%	60%

Remuneration ratio female to male ¹ (female : male)	30 June 2018	30 June 2017	Variance %
Non-executive directors	1.0	1.0	-
Executives ²	1.3	-	-
Senior management	0.9	1.7	(47)
Middle management	0.8	0.8	(1)
Professional	0.8	1.0	(17)
Field operations ³	-	-	-
Support	1.1	1.0	11

¹ Data analysis undertaken on 7 June 2018.

² This group was included in the Senior Management category in FY17.

³ No comparatives are available in this category.

People (Continued)

Parental leave	30 June 2018		30 June 2017		30 June 2018		30 June 2017	
	Total #	Total %	Female %	Male %	Female %	Male %	Female %	Male %
Full-time and part-time	-	2	-	-	100%	-	-	-

Employees by employment and gender	30 June 2018				30 June 2017			
	Total #	Total %	Female %	Male %	Total #	Total %	Female %	Male %
Full-time	61	91%	39%	61%	56	92%	43%	57%
Part-time	6	9%	83%	17%	5	8%	80%	20%

Employees by region	Sydney, NSW	Bungendore, NSW	Walkaway, WA	Millicent, SA	Wellington, NSW
Full-time	61	1	1	1	1
Part-time	6	-	-	-	-

Employee and director turnover	FY18			FY17		
	Total	Gender		Total	Gender	
		Female	Male		Female	Male
Restructure	(2) 3% of total employees and directors	1	1	(3) 4% of total employees and directors	-	(3) 8% of males
Voluntary turnover	(8) 11% of total employees and directors	2	6	(15) 22% of total employees and directors	(3) 10% of females	(12) 32% of males
New hires and appointments	15 28% of total employees and directors	5	10	20 30% of total employees and directors	8 28% of females	12 32% of males

Diversity in the board and committees	30 June 2018			30 June 2017		
	Over 50	Female	Male	Over 50	Female	Male
Board	100%	33%	67%	100%	33%	67%
ARCC	100%	25%	75%	100%	40%	60%
NRC	100%	25%	75%	100%	40%	60%

Community and economic

Complaints across all sites and projects	FY18 #	FY17 #	Variance %
Unresolved complaints at the beginning of the year	2	3	(33)
New complaints made during the year	13	11	18
Complaints addressed during the year	4	12	(67)
Complaints to be resolved	11	2	450

Community meetings and visits across all sites and projects	FY18 #	FY17 #	Variance %
NSW: Blayney, Bungendore, Tarago, Wellington	64	74	(14)
VIC: Seymour	13	14	(7)
QLD: Bluff, Bowen, Forsayth	2	12	(83)
NT: Batchelor, Manton Dam	9	9	-
SA: Woakwine	6	3	100
WA: Geraldton, Walkaway	1	4	(75)
Total	95	116	(18)

Socio-economic performance	FY18 \$ million	FY17 \$ million	Variance %
Direct economic value generated: revenue	223.8	196.7	14
Suppliers: operating and development costs, including landowner payments	42.6	37.3	14
Employees: salaries, wages, superannuation, bonus, workers compensation, long service leave	15.6	14.4	8
Lenders: interest expense	32.9	47.6	(31)
Payments to government: payroll tax expense	1.1	1.5	(27)
Community investments: sponsorships and payments to charity, events and advocacy groups	0.4	0.5	(20)
Economic value distributed⁴	92.6	101.3	(9)
Economic value retained⁵	131.2	95.4	38

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

5 Calculated as economic value generated less economic value distributed.

Community and economic (Continued)

Direct community investments	FY18 \$	FY17 \$	Variance %
Community funds and donations	115,075	154,777	(26)
Diversity and education	103,585	201,359	(49)
Community and industry advocacy ⁶	99,311	110,100	(10)
Community events and stakeholder engagement	43,523	27,014	61

Spending on products and services (operating assets)	FY18	FY17
In-state	28%	21%
Interstate	72%	78%
Overseas	0.2%	1%
Total	100%	100%

Indirect community investments	FY18 \$ million	FY17 \$ million	Variance %
Bodangora Wind Farm construction spending within 200 km	7.0	0.7	969%
Land leases and local employment	4.5	4.0	12%
Total	11.5	4.7	146%

⁶ Payments to the Australian Energy Council, Clean Energy Council, Australian Wind Alliance, Bungendore Chamber of Commerce, Australian Institute of Energy, WA Independent Power Association.

Carbon footprint and environment

Emissions	Unit	FY18	FY17	Variance %
<i>Emissions from generation:</i>				
Scope 1 – transport and equipment fuels	tonnes CO ₂ e	167	208	(20)
Scope 1 – emission of SF ₆	tonnes CO ₂ e	183	183	-
Total scope 1 emissions	tonnes CO₂e	350	391	(11)
Scope 2 – imported from the grid	tonnes CO ₂ e	2,182	2,413	(10)
Scope 2 – office electricity consumption	tonnes CO ₂ e	245	232	6
Total scope 2 emissions	tonnes CO₂e	2,427	2,645	(8)
Total scope 1 and 2 emissions	tonnes CO₂e	2,777	3,036	(9)
<i>Indirect emissions:</i>				
Scope 3 – business travel	tonnes CO ₂ e	210	240	(12)
Scope 3 – waste, IT equipment, fuels & electricity	tonnes CO ₂ e	90	69	(31)
Total scope 3 emissions	tonnes CO₂e	300	309	(3)
<i>Emissions intensity:</i>				
Electricity production ⁷	GWh	1,549	1,482	5
Emissions intensity of production	tCO ₂ e/MWh	0.002	0.002	-

Energy	Unit	FY18	FY17	Variance %
Wind farm consumption	GJ	11,722	12,660	(7)
Transport and equipment fuels	GJ	2,424	3,005	(19)
Non-renewable electricity consumption	GJ	1,282	1,201	7
Total energy consumed within organisation	GJ	15,427	16,866	(9)
<i>Energy intensity:</i>				
Sales (revenue)	\$'000	223,755	196,664	14
Energy intensity of sales	\$/GJ	14,504	11,660	24

Materials	Unit	FY18	FY17	Variance %
Lubricants used in wind farm maintenance	kilolitres	37	32	16

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).

Carbon footprint and environment (Continued)

Spending on environmental compliance services	FY18	FY17	Variance %
Environmental, archaeological, noise, landscape and other protection services	\$170,503	\$294,554	(42)

Public Policy	FY18	FY17	Variance %
Donations to political parties	\$30,000	\$33,500	(10)



Defining the report content.

ESG reporting

Infigen uses the Global Reporting Initiative (GRI) Standards⁸ and the GRI Sector Disclosure (Electric Utilities)⁹ to disclose its governance approach, and environmental, economic, social (EES) and general impacts of its operations.

The 2018 Directors' Report is available in Infigen's 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. We outlined the management approach to ESG, performance targets in the areas of safety, diversity, and climate commitments.

We reported how Infigen implemented the ASX Corporate Governance Council's principles and recommendations during FY18. Our 2018 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.

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

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.

2 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 ESG program. Topics that were determined "not material" or "out of reporting boundaries" were excluded from this report.

3 Sustainability context

Infigen evaluates its ESG risks as a sub-set 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.

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 ESG 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).

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

9 Refer to guidelines available at www.globalreporting.org/resource/library/GRI-G4-Electric-Utilities-Sector-Disclosures.pdf

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



Image:
Run with the Wind 2017
Woodlawn Wind Farm, NSW

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	4-5, 7
102-3	Location of headquarters	4, back cover
102-4	Location of operations	4-5
102-5	Ownership and legal form	Infigen is a publicly listed company.
102-6	Markets served	5-6
102-7	Scale of the organisation (employees, operations, revenue, debt and equity, production)	4, 22, 31, 38 and Annual Report 2018, page 18
102-8	Information on employees and other workers	8-9, 15, 31, 32, 35 Data is compiled by analysing human resources database and consulting managers located at operating sites. There were no significant variations in employee numbers in FY18.
102-9	Supply chain	8-9
102-10	Significant changes to the organisation and its supply chain	Change of a major supplier providing operating and maintenance services at Capital and Woodlawn Wind Farms in NSW, Annual Report 2018, page 25.
102-11	Precautionary Principle or approach	Infigen applies the Precautionary Principle in relation to environmental protection where uncertainty exists.
102-12	External initiatives	18, 23
102-13	Membership of associations	14
102-14	Statement from senior decision-maker	2-3
102-16	Values, principles, standards, and norms of behaviour	18 and Code of Conduct at www.infigenenergy.com/about-us/corporate-governance/code-of-conduct/
102-17	Mechanisms for advice and concerns about ethics	26 and Code of Conduct at www.infigenenergy.com/about-us/corporate-governance/code-of-conduct/
102-18	Governance structure	19
102-19	Delegating authority	19
102-20	Executive-level responsibility for economic, environmental, and social topics	19
102-21	Consulting stakeholders on economic, environmental, and social topics	14, 26, 28 and Complaints Handling Policy at www.infigenenergy.com/about-us/corporate-governance/complaints-handling-policy/
102-24	Nominating and selecting the highest governance body	19, 35 and Corporate Governance Statement at www.infigenenergy.com/CGS
102-25	Conflicts of interest	19
102-26	Role of highest governance body in setting purpose, values, and strategy	Managing Director / CEO
102-27	Collective knowledge of highest governance body	19 and Corporate Governance Statement at www.infigenenergy.com/CGS
102-28	Evaluating the highest governance body's performance	Annual Report 2018, page 82

GRI disclosure		Reference (page number unless otherwise specified)
102-29	Identifying and managing economic, environmental, and social impacts	14-15, 18
102-30	Effectiveness of risk management processes	19
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	28 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	28, 36
102-35	Remuneration policies	21 and Annual Report 2018, page 27-28, 30
102-36	Process for determining remuneration	21 and Annual Report 2018, page 25-26
102-37	Stakeholders' involvement in remuneration	Annual Report 2018, page 38
102-40	List of stakeholder groups	15
102-41	Collective bargaining agreements	No employees are covered by collective bargaining agreements.
102-42	Identifying and selecting stakeholders	14, 40
102-43	Approach to stakeholder engagement	14, 21, 26 The Chairman, Managing Director and Head of HR met with three proxy advisors. Feedback from these meetings regarding increasing disclosure was addressed by including additional information in this report.
102-44	Key topics and concerns raised through stakeholder engagement	2, 26, 28, 36
102-45	Entities included in the consolidated financial statements	Annual Report 2018, page 63-64
102-46	Defining report content and topic boundaries	40, 44-47
102-47	List of material topics	41
102-48	Restatements of information	The methodology to calculate the socio-economic impacts was changed to exclude salaries from operating expenses. Emissions from diesel consumption associated with crane usage on site was reclassified from scope 1 to scope 3 in line with NGER methodology.
102-49	Changes in reporting	There were no changes to reporting in material topics and topic boundaries.
102-50	Reporting period	1
102-51	Date of most recent report	1 May 2017
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	reception@infigenenergy.com
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	No external assurance has been sought for 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	4-6	Internal
EU2: Net energy output broken down by primary energy source and by regulatory regime	38 (capacity factor of 31.8%)	Internal
EU10: Availability and reliability: planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	4	Internal
EU12: Transmission and distribution losses as a percentage of total energy produced	Annual Report 2018, page 17 (losses from total energy produced were 7%). Calculated using AEMO's marginal loss factors for FY18. Distribution lines that transfer power from substations to customers are not relevant to Infigen's operations.	Internal and external
Research and development	10, 22	Internal
Disaster/Emergency planning and response	10, 12, 25	Internal and 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	3, 8, 10	Internal and external
103-2 The management approach	27, 29	Internal and external
103-3 Evaluation of the management approach	Financial policies are reviewed as required.	Internal and external
201-1 Direct economic value generated and distributed	3, 29, 36	Internal
201-2 Financial implications and other risks and opportunities due to climate change	12, 22, 23 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 and external
203-2 Significant indirect economic impacts	3, 29, 37	External
204-1 Proportion of spending on local suppliers	29, 37	Internal

GRI disclosure		Reference (page number unless otherwise specified)	Boundary (causer of impact)
Environmental: Materials			
103-1	Explanation of the material topic	8, 10	External
103-2	The management approach	8, 23	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	23, 38	External
Environmental: Biodiversity			
103-1	Explanation of the material topic	10, 26	Internal
103-2	The management approach	10, 26, 27	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	10, 12	Internal and external
103-2	The management approach	10, 12, 22, 23	Internal and external
103-3	Evaluation of the management approach	Site-specific management plans and procedures are reviewed as required.	Internal and external
302-1	Energy consumption within the organisation	23, 38	Internal and external
302-3	Energy intensity	38	Internal and external
305-1	Direct (Scope 1) GHG emissions	22, 38 Gases included in the calculation are: CO ₂ , N ₂ O, and SF ₆ .	Internal and external
305-2	Energy indirect (Scope 2) GHG emissions	22, 38	Internal and external
305-3	Other indirect (Scope 3) GHG emissions	22, 38	Internal and external
305-4	GHG emissions intensity	23, 38	Internal and 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	22, 38 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 and external

GRI disclosure		Reference (page number unless otherwise specified)	Boundary (causer of impact)
Environmental: Effluents and Waste			
103-1	Explanation of the material topic	10 Included in “serious harm to the environment”.	Internal and external
103-2	The management approach	10	Internal and external
103-3	Evaluation of the management approach	Site-specific management plans and procedures are reviewed as required.	Internal and external
306-3	Total number and total volume of recorded significant spills	There were no spills recorded.	Internal and external
Environmental: Environment; Environmental Compliance			
103-1	Explanation of the material topic	10, 27	Internal and external
103-2	The management approach	10, 27, 40	Internal and external
103-3	Evaluation of the management approach	Environment management plans are reviewed as required.	Internal and external
307-1	Non-compliance with environmental laws and regulations	There were no incidents of non-compliance with environmental laws and/regulations.	Internal and external
Social: Occupational Health and Safety			
103-1	Explanation of the material topic	2, 10	Internal and external
103-2	The management approach	10, 24, 25, 33	Internal and external
103-3	Evaluation of the management approach	Health, Safety and Environment policies are reviewed as required.	Internal and external
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	25, 34 There were no fatalities. Methodology: 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 and external
Social: Training and Education			
103-1	Explanation of the material topic	30	Internal
103-2	The management approach	30, 31, 33	Internal

GRI disclosure		Reference (page number unless otherwise specified)	Boundary (causer of impact)
Social: Training and Education (Continued)			
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	30 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 and Equal Opportunity			
103-1	Explanation of the material topic	30	Internal
103-2	The management approach	30, 32	Internal
103-3	Evaluation of the management approach	Diversity objectives are set every two years.	Internal
405-1	Diversity of governance bodies and employees	35	Internal
405-2	Ratio of basic salary and remuneration of women to men	31, 34	Internal
Social: Local Communities			
103-1	Explanation of the material topic	2, 10	Internal
103-2	The management approach	10, 26, 28	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	26, 36	Internal
Social: Public Policy			
103-1	Explanation of the material topic	10, 12	External
103-2	The management approach	10, 12, 22, 29	External
103-3	Evaluation of the management approach	Business strategy is reviewed as required.	External
415-1	Political contributions	39	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
AGM	Annual general meeting
ASX	Australian Securities Exchange
Board or Boards	Unless otherwise stated, the Boards of IEL and IERL
Capacity	The maximum power that a wind turbine generator was designed to produce.
C&I	Commercial and industrial
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.
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.
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 and Environment
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
LTI	Long Term Incentive
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.
Proxy advisors	Advisors to security holders regarding voting on proposed resolutions at AGMs
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
STI	Short Term Incentive
tCO₂e	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.



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