

SAFETY AND SUSTAINABILITY

Health & safety

Infigen's first priority is the safety of our people and the communities in which we operate. Our goal is zero lost time incidents and injuries. We remain firmly committed to pursuing zero harm and reducing our 12 month lost time injury frequency rate. We continue to introduce new initiatives and enhance existing programs to assist with achieving this goal.

YEAR ENDED 30 JUNE	2014	2013	CHANGE
Group TRIR ¹	9.8	11.0	(1.2)
Group LTIFR ²	1.2	1.2	–

During the year, key initiatives to improve safety were: focussing on critical risk, with the first phase involving a comprehensive review of all the health and safety risks associated with the operations; and developing a collaborative approach to injury management between Infigen and contractors.

Community engagement

Infigen's Community Engagement Policy, published in July 2013, sets out engagement principles (see page 5) and lists our key stakeholders.

Our stakeholders

Infigen's key community stakeholders are:

- landowners
- neighbours
- traditional owners
- local businesses and chambers of commerce
- local, regional, state or national social and environmental interest groups
- local schools and clubs
- local, regional, state or national media
- transmission network service providers
- municipal, state and federal government departments, authorities, agencies and other regulators

Community Engagement Spectrum

Infigen follows the community engagement guidelines based on the framework established by the International Association for Public Participation (IAPP). This is an international association that seeks to promote and improve the practice of community engagement in relation to entities that affect the public interest.

The Community Engagement Spectrum based on the framework developed by the IAPP was adopted by Infigen in the 2014 financial year to:

- set community engagement objectives,
- explain the purpose of each community engagement activity, and
- measure Infigen's level of engagement.

Community Engagement Spectrum

	STANDARD LEVEL		HIGH LEVEL OF ENGAGEMENT AND COMMUNITY-DEVELOPER RELATIONSHIP		COMMUNITY INITIATION
	Inform	Consult	Involve	Collaborate	Empower
Engagement objective	<ul style="list-style-type: none"> ▪ Provide balanced and objective information ▪ Assist community in understanding problems, alternatives and solutions 	<ul style="list-style-type: none"> ▪ Obtain feedback on plans, options and decisions 	<ul style="list-style-type: none"> ▪ Work directly with the community throughout the process, from feasibility through operations and decommissioning ▪ Ensure concerns and aspirations are consistently understood and considered 	<ul style="list-style-type: none"> ▪ Partner with community in each aspect of planning, development and decision-making, including the development of alternatives and the identification of the preferred solution 	<ul style="list-style-type: none"> ▪ For the community to lead the development of the project ▪ Place final decision-making in the hands of the community
Activities to keep promise to community	<ul style="list-style-type: none"> ▪ Advertising and public relations ▪ Website and social media ▪ Fact sheets ▪ Display boards 	<ul style="list-style-type: none"> ▪ Stakeholder briefing and meetings ▪ Information sessions and collecting feedback 	<ul style="list-style-type: none"> ▪ Feedback mechanisms ▪ Addressing concerns 	<ul style="list-style-type: none"> ▪ Community committees ▪ Fundraising ▪ Local community relations 	<ul style="list-style-type: none"> ▪ Community recommended projects
Community engagement outcomes	<ul style="list-style-type: none"> ▪ Planning approval 		<ul style="list-style-type: none"> ▪ Community surveys ▪ Project champions in the community 		<ul style="list-style-type: none"> ▪ Working together on community projects

¹ Total recordable incident rate

² Lost time injury frequency rate



Infigen hosted the **Run with the Wind** fun run for the second year to support local businesses and raise funds for local community organisations



Sponsorships

Infigen supports various community groups that play an important role in making life better, healthier and safer for individuals and their communities. Direct financial contributions to community activities and sponsorships totalled approximately \$262,000 in the 2014 financial year.

Economic sustainability

Action on climate change

Building relations with community groups to increase public support for tackling climate change and switching to renewable generation is important to achieve the regulatory certainty that is needed to build large-scale renewable energy assets.

In Australia Infigen supported the Australians for Action project, Friends of the Earth's RET Road Trip, and the Community Energy Coalition's Congress in Canberra. In the US Infigen participated in the American Wind Alliance's Windpower 2014 conference.

Policy and regulatory participation

Regulators make rules and regulations for all energy market participants. The role of balancing electricity supply and demand in the electricity grid and making sure market participants comply with the rules is carried out by these regulators. Infigen continues to work closely with:

- the Clean Energy Regulator, the Australian Energy Market Operator, the Australian Energy Market Commission and the Independent Market Operator in Australia, and
- the North American Electric Reliability Corporation and the Federal Energy Regulatory Commission in the US.

COMMUNITY SUPPORT IN THE 2014 FINANCIAL YEAR

\$262,000

\$153,000

\$88,000

\$21,000

- Education, arts, sports and youth organisations
- Local community organisations and businesses
- Social welfare, diversity and charities

Contributions to political parties, politicians and related institutions³

YEAR ENDED 30 JUNE	2014 (\$)	2013 (\$)
Australia		
Financial contributions ⁴	48,450	33,900
In-kind contributions	–	–
USA		
Financial contributions	–	–
In-kind contributions	–	–

³ Any bodies established with the primary purpose of arranging official or unofficial funding support for political parties, their elected representatives or persons seeking political office. This definition also includes think tanks, trade associations, other support organisations linked to the creation of support for political parties, their representatives or candidates for office

⁴ Contributions include donations and costs associated with attending fundraising events

Find Infigen's photos and social communities on Flickr, Facebook, Instagram and Twitter.





Diversity and People

Infigen is committed to responsible corporate governance and has implemented a Diversity Policy as part of its corporate governance framework. In June 2013 Infigen endorsed diversity targets and objectives to promote diversity within Infigen.

DIVERSITY TARGETS BY 30 JUNE 2015

- Increase the workforce participation of females and persons from minority backgrounds by 10%.
- Increase the participation of females and persons from minority backgrounds within the professional, middle and senior management positions by 10% on a merit basis.

PROGRESS IN THE 2014 FINANCIAL YEAR

Female participation in the Infigen workforce has increased by 7% since 1 July 2011 (when diversity targets and objectives commenced). Organisational restructure initiatives have reduced the number of professional, middle and senior management positions, therefore opportunities to increase proportion of females and persons from minority backgrounds at these levels have been limited.

OBJECTIVES

- Complete the New and Emerging Leaders program to develop the skills needed to advance to more senior positions.
- Require all external recruitment processes to shortlist at least one female or other minority candidate.
- Engage tertiary institutions to help promote female careers in the renewable energy industry.
- Offer an Indigenous scholarship in addition to, or in substitution of, the Co-Op scholarship.

PROGRESS IN THE 2014 FINANCIAL YEAR

The Australian Graduate School of Management's (AGSM) New and Emerging Leaders program was conducted in July and August 2013 in Australia. 6 of the 14 participants were female.

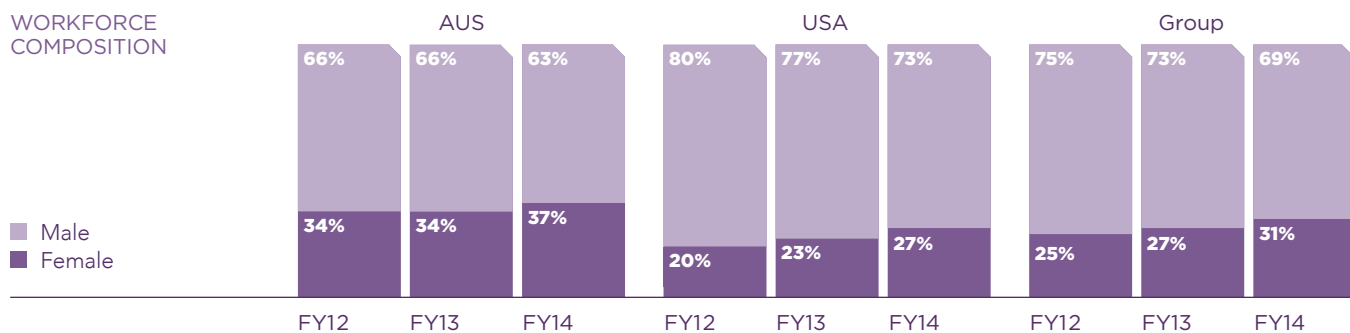
This has resulted in some outstanding results in both regions. In some cases candidates that had not made it to the recruitment consultant's original shortlist have become Infigen's preferred candidate.

Throughout the year Infigen sponsored and participated in the Women of Wind Energy network group in the US, University of NSW's Women in Renewable Energy seminars in Australia, and held a staff forum with Chloe Munro, Chair and Chief Executive Officer of the Clean Energy Regulator, as guest speaker.

Inroads is the largest non-profit source of paid internships for minority student internship programs in the US, having operated over four decades. Infigen offered an accounting and an engineering scholarship to two minority students in the 2014 financial year.

Michael Combs is a founder and CEO of Career Trackers Indigenous Internships Australia. As an Inroads alumni, Michael has adopted the Inroads model throughout Australia. Career Trackers recruits pre-professional scholarship university students and links them with private sector employers to participate in a multi-year internship. Infigen offered two Australian Indigenous scholarships in the 2014 financial year.

WORKFORCE COMPOSITION

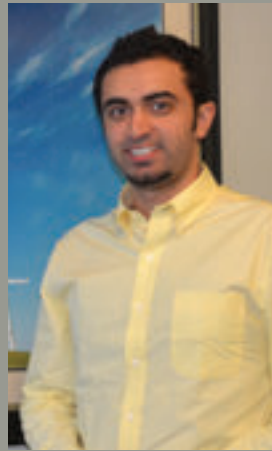




MARVIN KEITH

**INROADS INTERN, 21,
UNIVERSITY OF HOUSTON-
DOWNTOWN, HOUSTON**

"By my sophomore year I had begun to receive training on how to conduct myself professionally in interviews and within companies. That eventually led to opportunities of interviewing with Inroads' corporate partners by my junior year. I am very thankful and blessed to be able to be a part of an organization like Inroads that was able to match me with an amazing company like Infigen Energy to do an internship with."

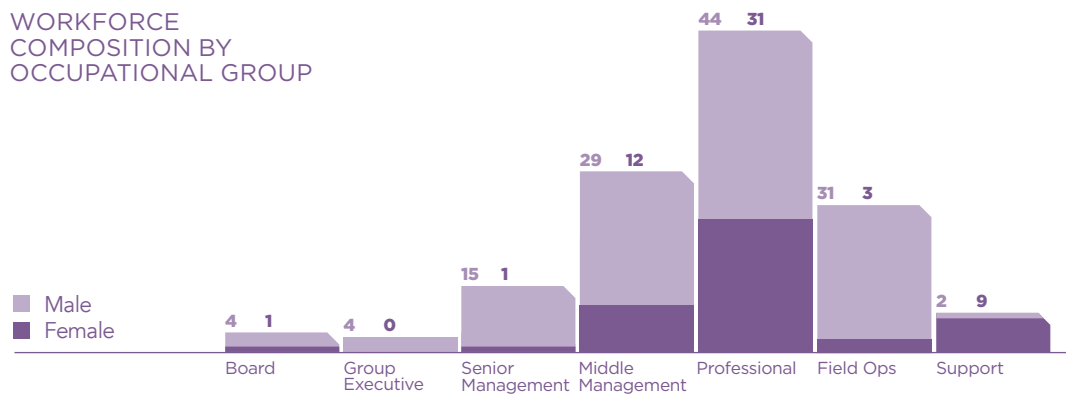


SAAMER MANSOOR

**INROADS INTERN, 22,
UNIVERSITY OF TEXAS, DALLAS**

"I wanted to intern over summer to experience what mechanical engineers really do. Applying for jobs when you do not have previous work experience seemed very challenging. I had never come across an organization like Inroads before. They helped me to improve my resume, interviewing skills, and most importantly, believing in the fact that I am a strong candidate."

WORKFORCE COMPOSITION BY OCCUPATIONAL GROUP



Employee engagement

During the year all Infigen employees were invited to participate in a staff engagement survey, the third survey since 2011. The survey received a 69% response, a 1% increase compared to the previous survey. The results of the survey are reviewed by the Group Executive for action in the following period.

Environment

Infigen is committed to the provision of a clean and healthy environment for current and future generations. During the 2014 financial year there were no significant environmental incidents reported.

Prior to the construction of a wind or a solar farm, Infigen is required to undertake comprehensive studies to determine any potential impacts to the environment and identify appropriate mitigation strategies. Specific site management activities include control of minor erosion along wind farm access roads and hardstands, weed control and ongoing avian fauna surveys and management. These environmental responsibilities are managed through the implementation of construction and operational environmental management plans.

Wind farms and fauna

Infigen undertakes bird and bat monitoring in order to understand the impact wind farms may be having on species of concern. The monitoring is designed to assist in making informed decisions about mitigation measures. Infigen commenced collaborating with the Clean Energy Council to compile and analyse the existing bird and bat strike data from Australian wind farms. This initiative will assist stakeholders to gain a better understanding of the relationship wind farms have on bird and bat species, and improve monitoring and mitigation strategies.

MAKING IDEAS HAPPEN

Infigen's employees are encouraged to put forward business cases for initiatives that are consistent with Infigen's sustainability program objectives. If approved, staff are given the opportunity to implement the initiatives, which may involve them learning in areas outside their area of expertise. Infigen utilises an online collaborative application to communicate ideas and develop staff initiatives. Prospective initiatives range from new product ideas and efficiency improvements to improved methods of community engagement. As a result of one of the ideas, Infigen has reduced its office power consumption and waste.

Measuring our emissions footprint

Infigen has adopted the Global Reporting Initiative (GRI)⁶ framework to report on emissions and energy consumption from Infigen's US and Australian business units. Infigen also reports under the National Greenhouse and Energy Reporting (NGER) framework for the Australian business unit, in accordance with Australian legislation.

Scope 1 (GRI indicator G4-EN15) emissions are defined as the release of greenhouse gases into the atmosphere as a direct result of an activity from a facility such as a wind farm (for example, from diesel fuel use in vehicles on site). Scope 1 emissions of Infigen's Australian and US wind and solar farms reduced 35% to 536 tonnes of CO₂e, approximately 88.4g⁷ of CO₂e gases per megawatt hour generated in the 2014 financial year. Scope 1 emissions remain small relative to the size of our business.

Scope 2 (GRI indicator G4-EN16) emissions are those released into the atmosphere as a result of activities at Infigen's wind and solar farms and our offices. Examples are the emissions from the electricity used in site offices during periods of no wind. Scope 2 emissions for Infigen's Australian and US businesses reduced by 2% to 12,694 tonnes of CO₂e. Both scope 1 and scope 2 include the emission of carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O).

Greenhouse gas emissions

GRI INDICATOR	YEAR ENDED 30 JUNE (CO ₂ E TONNES)	2014	2013	CHANGE %
G4-EN15 (Scope 1)	Australia	216	319	(32)
	USA	320	506	(37)
	Group	536	825	(35)
G4-EN16 (Scope 2)	Australia	2,502	2,617	(4)
	USA	10,192	10,302	(1)
	Group	12,694	12,919	(2)
Scope 1 & 2 Group		13,230	13,744	(4)

Energy consumption

The following types of energy (as defined in the GRI framework) apply to Infigen's energy consumption:

- purchased non-renewable energy (G4-EN3a)
- purchased renewable energy (G4-EN3b)
- electricity consumption (G4-EN3c)
- total energy consumption (G4-EN3e)

Total energy consumption of Infigen's Australian and US operations reduced 12% to 86,461 gigajoules (GJ) in the 2014 financial year compared with the previous year, due to energy reduction initiatives such as installing low energy consumption lights implemented in late 2013.

Energy consumption (GJ)

GRI INDICATOR	AUSTRALIA YEAR ENDED 30 JUNE	2014	2013	CHANGE %
G4-EN3a	Purchased energy (non-renewable)	4,027	6,562	(39)
G4-EN3b	Purchased energy (renewable)	–	–	–
G4-EN3c	Electricity consumption	12,173	12,397	(2)
G4-EN3e	Total energy consumption	16,200	18,959	(15)

GRI INDICATOR	USA YEAR ENDED 30 JUNE	2014	2013	CHANGE %
G4-EN3a	Purchased energy (non-renewable)	7,181	10,544	(32)
G4-EN3b	Purchased energy (renewable)	–	–	–
G4-EN3c	Electricity consumption	63,079	69,025	(9)
G4-EN3e	Total energy consumption	70,260	79,569	(12)

GRI INDICATOR	GROUP YEAR ENDED 30 JUNE	2014	2013	CHANGE %
G4-EN3a	Purchased energy (non-renewable)	11,209	17,106	(35)
G4-EN3b	Purchased energy (renewable)	–	–	–
G4-EN3c	Electricity consumption	75,252	81,422	(8)
G4-EN3e	Total energy consumption	86,461	98,527	(12)

FACT CHECK: HAS GLOBAL WARMING PAUSED?

There is less than 1 in 100,000 chance that global average temperature over the past 60 years would have been as high without human-caused greenhouse gas emissions⁵

⁵ Kocic, P. et al 2014, 'A probabilistic analysis of human influence on recent record global mean temperature changes', Climate Risk Management, vol. 3, pp. 1-12

⁶ Find out more at www.globalreporting.org

⁷ On an operating basis