

Sustainability Reporting Guidelines – 2007 CitiPower/ Powercor Sustainability Report

In preparing the 2007 Sustainability Report we have been guided by the performance indicators and criteria outlined in the Global Reporting Initiative, Version Three (GRI3), the AA 1000 Assurance Standard, the Electricity Supply Association of Australia (esaa) Code of Sustainable Practice, and additional indicators that we believe are relevant to our business.

The following pages list the key performance indicators of the GRI3 and the esaa Code of Sustainable Practice. We have noted beside them in red the pages in the report that address these indicators.

We have also noted where an indicator is not applicable (n/a). This may be because it does not apply to our business, or because it is already covered by Commonwealth or State legislation and therefore we have no specific policy relating to that indicator.

We have also indicated when information may be found in our annual report (a/r).

In some cases we have addressed the indicator directly in this index.

Global Reporting Initiative

GRI3 was released in 2006. We have been guided by the GRI3 and have considered its reporting principles, reporting guidance and standard disclosures.

1. Strategy and Analysis

- 1.1 CEO statement, comprising overall vision and strategy pages 1, 6, 7
- 1.2 Description of key impacts, risks and opportunities pages 6, 7

2. Organisational Profile

- 2.1 Organisation name pages 4, 5
- 2.2 Primary brands, products and services pages 4, 5
- 2.3 Operational structure pages 4, 5, ar
- 2.4 Location of organisation's headquarters pages 4, 5
- 2.5 Number of countries where organisation operates pages 4, 5
- 2.6 Nature of ownership and legal form page 10
- 2.7 Markets served pages 4, 5
- 2.8 Scale of organisation pages 4, 5
- 2.9 Significant organisational changes pages 4, 5
- 2.10 Awards received in the reporting period page 3

3. Report Parameters

Report Profile

- 3.1 Reporting period pages inside front, 1, 2, 3
- 3.2 Date of most recent report pages back cover

- 3.3 Reporting cycle page 2
3.4 Contact point for questions page back cover

Report Scope and Boundary

- 3.5 Process for defining content pages inside front, 2, 3
3.6 Boundary of the report page 2, 3
3.7 Specific limitations on scope or boundary of report page 2, 3
3.8 Reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities pages 4, 5
3.9 Data measurement techniques and the bases of calculations throughout report
3.10 Explanation of the effect of any restatements of information provided in previous reports page 34
3.11 Significant changes from previous report none

GRI Content Index

- 3.12 Table on standard disclosures this document

Assurance

- 3.13 Policy and current practice with regard to seeking external assurance for the report pages 2, 3

4. Governance, Commitments and Engagement

- 4.1 Governance structure of the organisation pages 10 - 13
4.2 Indicate if chair of highest governance body is also an executive officer page 10
4.3 If a unitary board structure in place, number of members of the highest governance body page 10
4.4 Mechanisms to provide recommendations or direction to the highest governance body pages 10 - 13
4.5 Linkage between compensation and organisational performance pages 10 -13
4.6 Conflicts of interest pages 10 - 13
4.7 Qualifications and expertise pages 10 - 13
4.8 Mission and values statements, codes of conduct and principles pages 6, 7, 10 - 13
4.9 Procedures for overseeing identification and management of economic, environmental and social performance page 7
4.10 Processes for evaluating the performance of the highest governance body pages 10 - 13

Commitments to External Initiatives

- 4.11 Explanation of whether and how the precautionary approach or principles is addressed page 37
4.12 Externally developed economic, environmental and social charters or principles pages 20 – 37
4.13 Significant memberships in associations and/or advocacy organisations page 17

Stakeholder Engagement During the Reporting Period

- 4.14 List of stakeholder groups engaged by the organisation pages 14 - 17
4.15 Basis for the identification and selection of stakeholders to engage pages 14 - 17

4.16 Approaches to stakeholder engagement	pages 14 – 17
4.17 Key topics and concerns raised through stakeholder engagement	pages 14 – 17

5. Management Approach and Performance Indicators

Economic Performance Indicators

Aspect: Economic Performance

EC1 Direct economic value generated and distributed	pages 20, 21, ar
EC2 Financial implications and other risks and opportunities for the organisation's activities due to climate change	pages 1, 30, 31
EC3 Coverage of the organisation's defined benefit plan obligations	page 27
EC4 Significant financial assistance received from government	n/a

Aspect: Market Presence

EC5 Range of ratios of standard entry level wage compared with local minimum wage	not stated
EC6 Policies, practices and proportion of spending on locally-based suppliers	page 26
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operations	not stated

Aspect: Indirect Economic Impacts

EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind or pro bono engagement	page 21
EC9 Indirect economic impacts, including the extent of impacts	page 20, 21

Environmental Performance Indicators

Aspect: Materials

EN1 Materials used by weight or volume	not stated
EN2 Percentage of materials used that are recycled input materials	not stated

Aspect: Energy

EN3 Direct energy consumption by primary energy source	pages 30 - 35
EN4 Indirect energy consumption by primary energy source	pages 30 - 35
EN5 Energy saved due to conservation and efficiency Improvements	pages 30 - 35
EN6 Initiatives to provide energy efficient or renewable energy based products and services and reductions in energy requirements as a result of these initiatives	pages 30 - 35
EN7 Initiatives to reduce indirect energy consumption and reductions achieved	pages 30 - 35

Aspect: Water

EN8 Total water withdrawal by source	none
EN9 Water sources significantly affected by withdrawal of water	none
EN10 Percentage and total volume of water recycled and re-used	pages 30 - 35

Aspect: Biodiversity

EN11 Location in or adjacent to areas of high biodiversity value	pages 30 - 35
EN12 Impacts on biodiversity rich areas	pages 30 - 35
EN13 Habitats protected or restored	pages 30 - 35
EN14 Managing impacts on biodiversity	pages 30 - 35
EN15 IUCN Red List species	none

Aspect: Emissions, Effluents and Waste

EN16 Total direct and indirect greenhouse gas emissions by weight	pages 30 - 35
EN17 Other relevant indirect greenhouse gas emissions by weight	pages 30 - 3
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved	pages 30 - 35
EN19 Emissions of ozone depleting substances by weight	pages 30 - 35
EN20 NO, SO and other significant are emissions by type / weight	pages 30 - 35
EN21 Total water discharge by quality and destination	pages 30 - 35
EN22 Total weight of waste by type and disposal method	pages 30 - 35
EN23 Total number and volume of spills	pages 30 - 35
EN24 Hazardous waste	pages 30 - 35
EN25 Biodiversity rich water bodies	none

Aspect: Products and Services

EN26 Initiatives to mitigate environmental impacts	pages 30 - 35
EN27 Percentage of products sold and their packaging materials that are reclaimed by category	none

Aspect: Compliance

EN28 Monetary value of significant fines and total number of sanctions for non compliance with environmental laws and regulations	none
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Aspect: Transport

EN29 Significant environmental impacts of transporting products and other goods and materials	none
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Aspect: Overall

EN30 Total environmental protection expenditures and investments by type	not stated
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Social Performance Indicators: Labour Practices and Decent Work

Aspect: Employment

LA1 Total workforce by employment type, employment contract and region	pages 24 - 26
LA2 Total number and rate of employee turnover by age group, gender and region	pages 24 - 26
LA3 Benefits provided to full-time employees that are not provided to temporary or part time employees	pages 24 – 26

Aspect: Labour/Management Relations

LA4 Percentage of employees covered by collective bargaining Agreements	not stated
LA5 Notice period for operational changes	6 weeks

Aspect: Occupational Health and Safety

LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees	100%
LA7 Injury rates, absentee rates	pages 24 – 26, 36 - 37
LA8 Programs for serious diseases	pages 36 - 37
LA9 Health and safety topics covered in formal agreements with trade unions	Covered by federal and state legislation

Aspect: Training and Education

LA10 Training per employee	pages 24 - 26
LA11 Programs for skills management and lifelong learning	pages 24 - 26
LA12 Percentage of employees receiving regular performance and career development reviews	pages 24 - 26

Aspect: Diversity and equal opportunity

LA13 Workforce by diversity indicators	pages 24 - 26
LA14 Salary ratio by gender	not stated

Human Rights Performance Indicators

Aspect: Investment and Procurement Practices

HR1 Investment agreements with human rights clauses	n/a
HR2 Supplier screening on human rights	not stated
HR3 Employee training on human rights.	pages 24 - 26

Aspect: Non-discrimination

HR4 Incidents of discrimination	none
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Aspect: Freedom of Association and Collective Bargaining

HR5 Rights to freedom of association and collective bargaining pages	Pages 24 -46
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Aspect: Child Labour

HR6 Risk of child labour	Covered by federal and state legislation
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Aspect: Forced or Compulsory Labour

HR7 Risk of forced or compulsory labour	Covered by federal and state legislation
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Aspect: Security Practices

HR8 Security personnel trained in human rights	n/a
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Aspect: Indigenous Rights

HR9 Incidents involving indigenous people	none
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Social Performance Indicators

Aspect: Community

SO1 Managing impacts on communities page 21

Aspect: Corruption

SO2 Analysis on corruption n/a
SO3 Percentage of employees trained in organisation's anti-corruption policies and procedures pages 24 - 26
SO4 Actions in response to incidents of corruption none

Aspect: Public Policy

SO5 Public policy positions and participation in public policy development and lobbying pages 15 - 17
SO6 Political donations none

Aspect: Anti-competitive Behaviour

SO7 Anti-competitive behaviour, anti-trust and monopoly practices none

Aspect: Compliance

SO8 Non-compliance with laws and regulations none

Product Responsibility Performance Indicators

Aspect: Customer Health and Safety

PR1 Health and safety in products and services pages 36 - 37
PR2 Non-compliance with regulations and voluntary codes concerning health and safety impacts pages 36 – 37

Aspect: Product and Service Labelling

PR3 Product and service information page 4
PR4 Non-compliance with regulations and codes none
PR5 Customer satisfaction pages 27 - 29

Aspect: Marketing Communications

PR6 Laws, standards, and voluntary codes for marketing n/a
PR7 Non-compliance with regulations and codes none

Aspect: Customer Privacy

PR8 Complaints on breaches of privacy none

Aspect: Compliance

PR9 Fines for non-compliance none

esaa Code of Sustainable Practice

CitiPower and Powercor have signed the esaa Code of Sustainable Practice. The code was introduced in 2005. It expands on the esaa Code of Environmental Practice and was developed with the support of the Commonwealth Government.

In signing the code we agreed to support a range of actions. This index lists those actions and notes the pages in the report that address them.

Economic Strategy

- | | | |
|----|---|------------------|
| 1 | Comply with legislation and regulations | pages 10 - 13 |
| 2 | Support ethical business practice | pages 10 - 13 |
| 3 | Integrate sustainability principles into planning and decision making | pages 6 - 7 |
| 4 | Deliver competitive return on assets/equity | pages 20 - 21 |
| 5 | Improve productivity and efficiency | pages 20 - 21 |
| 6 | Apply transparent, fair and affordable prices | pages 20 -21 |
| 7 | Support research and development | pages 20 -21, 39 |
| 8 | Provide training and education | pages 24 - 27 |
| 9 | Support business development | pages 38 - 39 |
| 10 | Manage liabilities and risk | pages 10 -13 |
| 11 | Measure and report performance | |

Environmental Strategy

- | | | |
|---|--|--------------|
| 1 | Comply with environmental legislation and regulations | pages 30 -33 |
| 2 | Implement environmental management systems | pages 30 -33 |
| 3 | Develop and implement low environmental impact technologies and measures | pages 30 -33 |
| 4 | Develop greenhouse gas reduction strategies | pages 30 -33 |
| 5 | Develop renewable energy | pages 30 -33 |
| 6 | Promote energy and resource efficiency | pages 30 -33 |
| 7 | Undertake environmental education and training | pages 30 -33 |
| 8 | Rehabilitate sites | pages 30 -33 |
| 9 | Support conservation programs | pages 30 -33 |

Social Strategy

- | | | |
|----|-------------------------------------|---------------|
| 1 | Achieve equitable outcomes | pages 15 - 17 |
| 2 | Provide safe and reliable service | pages 23 - 24 |
| 3 | Adopt a precautionary approach | pages 36 - 37 |
| 4 | Promote employee health and safety | pages 36 - 37 |
| 5 | Promote employee well-being | pages 24 - 26 |
| 6 | Consult stakeholders | pages 14 - 17 |
| 7 | Provide information | pages 27 - 29 |
| 8 | Support key social programs | page 21 |
| 9 | Support employment | pages 24 - 26 |
| 10 | Create viable products and services | pages 22 - 23 |