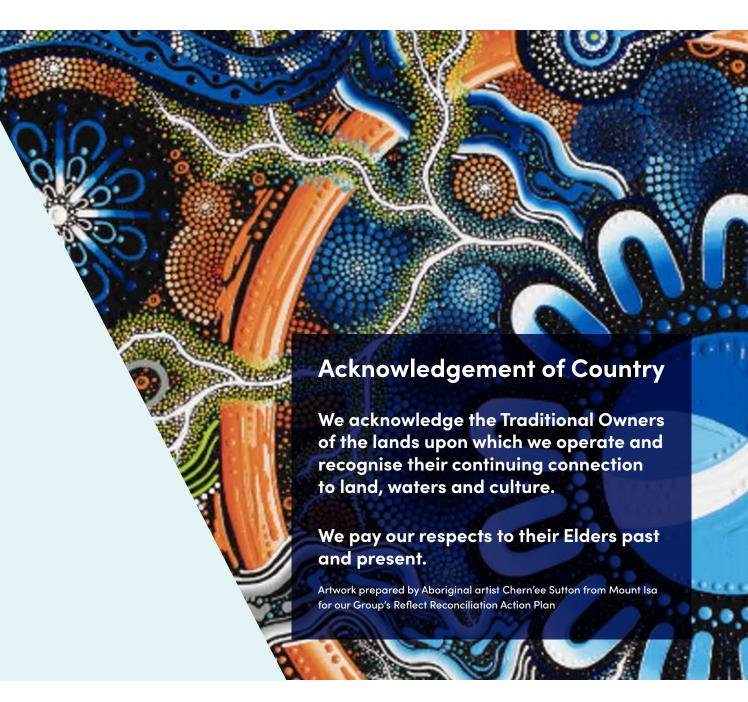




## **Contents**

2023 Performance Highlights	3
Climate Change	14
Environmental Footprint	22
Our Customers	26
Our Community	35
Safety and Wellbeing	45
Our People	51
Corporate Governance	62
Business Ethics	67



# 2023 Performance Highlights



### **CLIMATE AND ENVIRONMENT**

**1st** Australian biomethane-to-gas-network project operational with Malabar Biomethane Injection Plant

Introduction of mobile gas leak detection vehicles

**39%** of waste diverted from landfill compared to **37%** in 2022

#### **CUSTOMERS**



- 1.9 million customers
- **1.53** million Jemena Gas Network customers
- 381,248 Jemena Electricity Network customers
- **39** customers accessing pipeline services
- **8.6** out of **10** Jemena Gas Network Customer Satisfaction Score
- **8.5** out of **10** Jemena Electricity Network Customer Satisfaction Score

Zinfra clients include AusNet, Energy Queensland, Evoenergy, Jemena, Powerlink, TasNetworks, Transgrid and United Energy

## **PEOPLE**



101,000 technical training hours delivered

**Top 100** Graduate Employer

Women comprise **47** per cent of General Managers (or equivalent roles)

**19.4** per cent gender pay gap compared to **24.2** per cent in 2022

## **FINANCIAL**



- \$235 million net profit after tax
- \$223 million total tax paid<sup>1</sup>
- \$513 million capital expenditure
- \$910 million in operational maintenance and capital improvements
- \$576 million in employee benefits
- 1 Total tax paid for CY 2022. 2023 income tax return to be lodged in July 2024.

#### COMMUNITY



**79.9** Group Reputation Score compared to **78.7** in 2022

Ranked **39** in Australia's **Top 40** Workplaces to Give Back

\$630,000 in direct community contributions including \$150,000 in grants to 15 local groups

**135** First Nations people received job readiness training

More than **600** participants in energy literacy programs in Victoria and New South Wales

**750** suppliers completed modern slavery questionnaires

#### **SAFETY**



TRIFR<sup>2</sup> **3.3** recordable injuries per **1 million** hours worked

639 leadership safety walks

**1,508** Worker Authorisation System safety inductions completed

2 Total Recordable Injury Frequency Rate (TRIFR)

## **About this Report**

We're pleased to share what we're doing to meet our commitment to care for our people, the environment and the communities in which we operate, and to report on our performance for 2023, focusing on our material sustainability topics, in our Group's fifth Sustainability Report.

Our Group – comprising two companies, Jemena and Zinfra – reports on the preceding calendar year. We endeavour, as far as practicable, to issue our Sustainability Report by May. Additional information, including historical information and relevant data as it becomes available, can be found at our Sustainability Hub – <a href="https://www.sustainability.jemena.com.au">www.sustainability.jemena.com.au</a> or <a href="https://www.sustainability.jemena.com.au">www.sustainability.zinfra.com.au</a>.

## **Disclosure Frameworks**

In this report, we're reporting against the focus areas of our Group ESG Plan, and making disclosures against the Global Reporting Initiative (GRI) Standards, with a focus on those pertaining to the oil and gas sector. We are also making partial disclosures under the Task Force on Climate-Related Financial Disclosures (TCFD) framework for the first time. This is part of our pathway to improving how we make disclosures once proposed amendments to the *Corporations Act 2001* come into effect – more details about our progress are in the section *Corporate Governance* on page 62. Our GRI and TCFD Indexes are in the *Sustainability Data Centre Supplement* on page 74.

We've also indicated throughout this report where our initiatives align with the United Nations Sustainable Development Goals.

## **Our Reporting Suite**

We prepare a range of information annually for our stakeholders, available at <a href="https://www.jemena.com.au/about-us/investor-centre/">www.jemena.com.au/about-us/investor-centre/</a>

- Financial Statements and the SGSPAA Offering Circular
- SGSPAA Tax Transparency Report
- Energy Charter Disclosures
- Modern Slavery Statement

## **Material Topics**

This year, we reviewed the material topics against which we report with key stakeholders within our business. We also drew on work undertaken to develop our Group's Environment, Social and Governance (ESG) Plan, feedback from external stakeholders about our reporting, and an analysis of reporting by our peers in the energy sector. While our material topics have largely remained the same, we are including a number of new metrics and areas of reporting under these broad topics. We are planning to undertake a more extensive review of our material topics in 2024 as part of our preparation for mandatory climate-related financial disclosures being introduced by the Federal Government, for more details, see page 64.

## Report Feedback

We welcome your thoughts and feedback.
Email us at <a href="mailto:corporate.affairs@jemena.com.au">corporate.affairs@jemena.com.au</a>



Focus Area	2022 Sustainability Report	2023 Sustainability Report		
	Climate Change	Climate Change  Our Emissions Reduction Roadmap  Emissions data (greenhouse gases)		
Environment ·	Environment	Environment  Waste management  Water management		
	Our Customers	Our Customers  Customer and stakeholder engagement policies and processes  Service improvements		
Social	Our Community	Our Community Corporate Social Responsibility Program Investment and employment in local communities Stakeholder engagement at the local level, in relation to the construction and/or operation of assets		
	Safety and Wellbeing	Safety and Wellbeing  Our health and safety management system and related policies, procedures, programs and training  Emergency and crisis management policies and procedures		
	Our People	Our People  Diversity and Inclusion Strategy and related policies, procedures, programs and training, including parental leave policy  Training, including leadership development training		
Governance	Corporate Governance	Sustainability governance structures and future reporting pathway     Risk management (including management of climate and cyber-security risk)     Business continuity and resilience		
	Business Ethics	Business Ethics     Our values, Code of Conduct, related policies, procedures, programs and training (for example, in relation to whistleblowers, bribery and corruption and associated matters)     Compliance with regulatory regimes     Sustainable and ethical procurement		

## Message from the Managing Director and Chair

Welcome to our 2023 Sustainability Report: Sustainability in Focus.

Australia has long benefited from its natural energy advantage, thanks to its resources, ingenuity and skilled workforce. This has underpinned our economy, been the backbone of industrial Australia and created tens of thousands of jobs directly and indirectly. Australia is now facing the challenge of how to maintain these advantages as we transform our energy system.

It is against this backdrop that in 2023 our Group made steps towards our net-zero by 2050 ambition while also delivering a range of initiatives which enabled us to look after our people and customers.

To ensure we're doing this in a way that makes most sense for our customers, throughout 2023 we consulted widely about the future of our electricity and gas networks in Melbourne's north-west and across Sydney and regional New South Wales. Throughout these consultations we heard our customers tell us they were concerned with cost-of-living pressures and maintaining energy affordability, and that these considerations remain front-of-mind. They also told us they are grappling with the uncertainty of the energy transition and stressed that they want us to balance affordability while also planning for the future.

This means we're continuing to evolve our networks to meet these challenges, while delivering reliable energy for our customers, in as cost-effective a way as possible. In 2023, we've progressed further in preparing our network for projected increases in rooftop solar, while also working to deliver community batteries that store renewable energy generated from rooftops during the day and make it available to the wider community at night.

Separately, our services and projects business, Zinfra, is continuing to demonstrate its ability to partner with clients on major renewable electricity projects. In 2023, this included entering an agreement with Transgrid to support them to deliver transmission line and substation projects for the southern hemisphere's largest network battery, the Waratah Super Battery.

For our gas network in New South Wales, we were particularly proud of steps we took last year to support the development of Australia's biomethane sector.

Our Malabar Biomethane Injection Plant – Australia's first biomethane-to-gas-network project – became operational mid-year, showcasing that renewable gas derived from organic waste is a 'here and now' technology that can be used in our existing networks. We were also pleased to announce we've signed a Memorandum of Understanding with Optimal Renewable Gas (ORG), to support the development of three renewable gas plants in regional New South

Wales in coming years which ORG advises may produce up to 1.5 petajoules of biomethane per annum (or potentially even more). This is a great step towards putting to use potential sources of biomethane in New South Wales. Research we've commissioned indicates that if potential sources of biomethane – agricultural waste, wastewater, organic matter in landfill – in proximity to our gas network are put to use, more than 30 petajoules of renewable gas could be generated.

## Keeping our people safe

We continued to focus on our team members' safety and wellbeing so they can be their authentic selves at work, so they can contribute fully. Through our Respect@Work program we focused on our commitment to making our workplace safe, respectful and inclusive. We're implementing a number of additional measures that build on our already strong culture to proactively prevent sexual harassment, sex-based discrimination, hostile work environments and victimisation in the workplace. Respect@Work is an important building block of our new Diversity and Inclusion Strategy, launched in 2023, aimed at making our workplace a welcoming and positive one for all our team members.

We've sharpened our already strong focus on our team members' safety in the field, reintroducing and refining our Stop Work Authority campaign, which gives all our team members 100 per cent authority to stop unsafe work – with the message 'we do it safely, or not at all'. This is alongside starting work to review current processes and develop an updated People and Safety Strategy for launch in 2024.

We recognise the contributions of our more than 3,000 team members and thank them for their hard work last year. Their collective efforts have helped us continue to deliver energy services safely, reliably – and increasingly sustainably – to our customers, as well as to the customers of the major energy companies Zinfra partners with.

We also want to particularly recognise the contributions of our former Managing Director Frank Tudor, who stepped down from the role in September 2023, in leading our business through a period of significant change for the energy sector.

Thank you also to our customers and our stakeholders for your support in 2023. We hope this report provides you with a useful overview of what we're focusing on to make our operations sustainable, now and into the future.



**David Gillespie**Managing Director



**Jiang Longhua**Chair of the Board

#### **HIGHLIGHT:**

## **Our Leadership Team**

With change in our senior leadership ranks in 2023, we are very pleased that most roles have been filled by senior Group team members with a deep knowledge of the energy sector and our business – a demonstration of our Group's commitment to fostering talent. In December 2023, our Board appointed our long-standing Chief Financial Officer (CFO) David Gillespie to the role of Managing Director. In October, Cameron Dorse – our Chief Digital Officer since 2006 – was confirmed as our Executive General Manager (EGM) Gas Markets, and Julien Capraro, who joined our business as a General Manager in 2022, was confirmed as our Chief Digital Officer. EGM Services and Projects (Zinfra) Peter Iancov and EGM People, Safety and Governance Craig Ypinazar have both expanded their responsibilities. Peter is now also our Group's Chief Strategy Officer, with an emphasis on exploring new opportunities, particularly the development and growth of unregulated electricity assets. Craig now formally has responsibility for areas in the business responsible for governance, which he previously led in an acting capacity. This includes leadership of the Group's environment, sustainability and risk management functions. EGM Jemena Networks Shaun Reardon continues to have responsibility for our electricity and gas networks.

We also farewelled our Deputy Managing Director Sun Peng, who will be taking on a CEO role with State Grid International Development in Brazil.

Kate Webster was appointed as our new CFO, starting with the Group in February 2024. This follows her career in the energy and utility sector, most recently as co-CFO for Citipower, Powercor and United Energy.

# Who We Are and What We Do

## **Our History:**

We've been bringing energy to life for Australians for almost two centuries – we can trace our origins back to when Town Gas was used to light the streets of Newcastle, Sydney and other parts of New South Wales during the late 1800s. Since then, we have grown and evolved, as part of the energy sector, and we're proud to be continuing this evolution, as we play our part in the energy transition.

## **Our Vision:**

Creating sustainable energy solutions with communities

## **Our 2023 Strategic Priorities:**

## **Competitiveness**

Optimise and continually improve operations and customer outcomes

## **Adaptability**

Adapt to play a key role in Australia's net-zero future

## Sustainability

Sustainably run our business and look after our people, customers and the environment so that we continue to thrive in the long term

Underpinned by our Group Environment, Social and Governance (ESG) Plan



## **Our Values:**

Our Group's actions are guided by our values.



Better together We value the diversity of our people, working together to achieve great outcomes



Be accountable

We accept responsibility to deliver our commitments



Find a better way

We find improved and innovative ways to work



Think like a customer

Our actions consider our customers, community, and other stakeholders



We care

We value safety and wellbeing for ourselves, our community and environment

#### **CASE STUDY:**

## Winners Demonstrate Our Values and Help Reduce Emissions

Every year, our Group celebrates the team members who have best demonstrated our organisation's values in action.

In 2023, our Group Values Award went to three members of our Gas Markets team who worked on a way to reduce out-of-specification gas from our Phillip Creek Compressor Station in the Northern Territory entering our Northern Gas Pipeline. When this occurred previously, this meant the gas had to be vented at the Mount Isa Compressor Station, contributing to Jemena's Scope 1 emissions.

Thanks to our team members' commitment to 'finding a better way' through innovation and their commitment to delivering outcomes, gas quality can be verified at the Phillip Creek Compressor Station before flowing to the Northern Gas Pipeline. It's estimated this will help our Group avoid venting emissions of up to 1200 tCO<sub>2</sub>e annually.

In presenting the award, Managing Director David Gillespie said: "This team were able to, in finding a better way, reduce financial costs for the business in looking at a challenge on our Northern Gas Pipeline and the Phillip Creek Compressor Station particularly."

"This was great not only in terms of the financial implications... but also a great outcome from an emissions perspective that our team was able to achieve."

More than 130 individuals and teams were nominated for our Group Values Awards.

We congratulate Principal Engineer Andrew Mackay, Reliability Engineer Chris Pruysers and Operations Coordinator Patrick Nolan for their innovative work, and commitment to delivering this project – one great example of our focus on emissions reduction in our business.

## **Our Future:**

We will keep adapting to the evolving future as we head towards our ambition of net-zero emissions by 2050, delivering a mix of fuels and services safely, reliably and affordably.

## **Our Group**

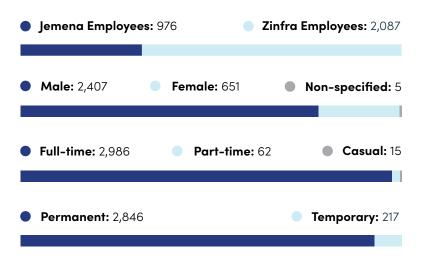
We are a \$12.4 billion energy infrastructure company. Under our Jemena brand, we own and operate some of Australia's most significant gas transmission and distribution assets, as well as major electricity distribution assets. Zinfra, our engineering management and construction company, partners with leading energy companies across the country, helping construct Australia's energy system for the future.

We are backed by our shareholders – the State Grid Corporation of China and Singapore Power (SGSPAA).

We operate primarily in locations in Queensland, New South Wales, Victoria, Tasmania and the Northern Territory, with our headquarters on Collins Street, Melbourne, Victoria. Additionally, we have an equity interest in ActewAGL (EvoEnergy), operating in the Australian Capital Territory, and United Energy, which distributes energy across east and south-east Melbourne and the Mornington Peninsula.

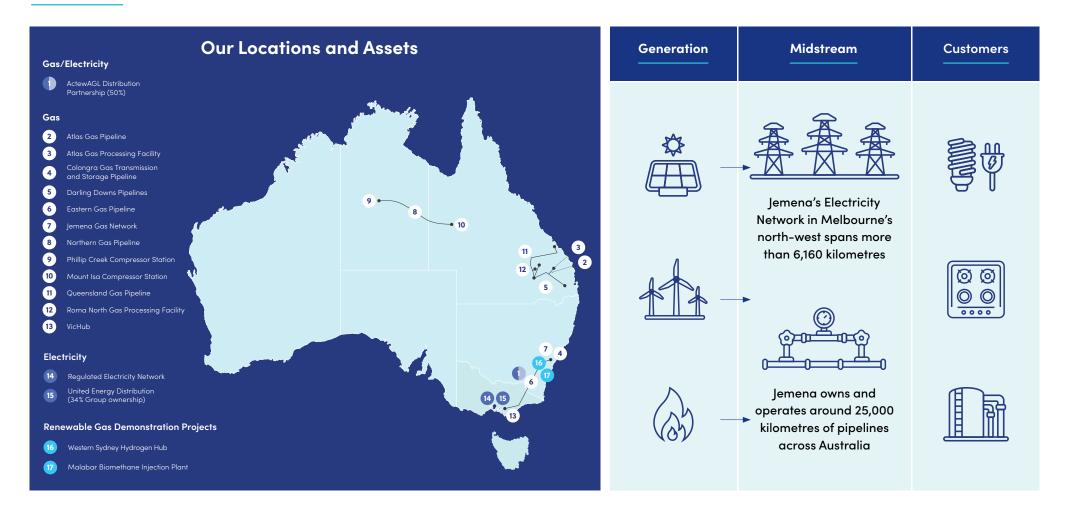
## **Our People**

On 31 December 2023, our Group employed 3,063 people.



Details about how we support our people, including our diversity and inclusion initiatives and gender equity targets, is in the section *Our People* on page 51.

## **Our Assets**



We own and operate more than \$12.4 billion worth of major utility infrastructure and deliver a range of engineering, project management, construction, operations and maintenance services, across Victoria, New South Wales, Queensland, the Australian Capital Territory, the Northern Territory and Tasmania.

## **Our Sustainability Approach**

As a provider of gas and electricity services and solutions, we are committed to caring for our people, the environment and the communities in which we operate. To meet this commitment, our business is focused on sustainable practices to improve environmental, social and governance (ESG) performance.

This focus is driven by making sustainability an integral part of how we do business, including our support for Australia's transition to a net-zero future.

To further mature our Group's approach to sustainable ways of working, late in 2023, through Zinfra we became a member of the nationally recognised Infrastructure Sustainability Council (ISC). We are adopting their criteria framework into our Group processes and procedures. This will support our people to embed ESG criteria through the planning, design, build and operations phases of our projects and programs, to help achieve ESG objectives both for the Group and our clients.

We have eight focus areas in our Group ESG Plan, aligned with our Group Values and UN Sustainable Development Goals.



	Enviro	nment	Social			Governance		
Focus Area	Climate Change	Environmental Footprint	Our Customers	Our Community	Safety and Wellbeing	Our People	Corporate Governance	Business Ethics
Objective	Transform how we operate to support our 2050 net-zero ambitions and position ourselves for long-term success	Minimise impact on the environment from the operations of our business	Reduce our impact on the climate and environment while continuing to deliver reliable, affordable, and sustainable energy to our customers	Leave a positive and lasting legacy in the communities where we operate	Continued excellence in the safe operation of our assets and the health of our people	Work enables our leaders to ensure we have inclusive workplaces where our people feel safe and are valued for their diversity of thought and experience	Build trust, transparency and accountability	Maintain a culture of acting lawfully, ethically and responsibly
Group Value		Find a better way	(A)	Think like a customer	We care	Better together		Be accountable
UN SDG	7 ANNOUNCE LAG CLES DISEST  9 MODIFY PRODUITS  11 SEPTEMBLY DISS  13 CLIMATE ACTION AC	11 DICHARGE CITES 12 REPONDENT AND PRODUCTION AND PRODUCTION	7 AHTERBARI MII 11 SEELAMARI CIRIS 11 SEELAMARI CIRIS 11 SEELAMARI CIRIS 12 SEELAMARI CIRIS	8 FICHN HORE AND TO REDUCED HOROGRAPHS	3 GOOD HEATH AND WILL REING  —//	5 GINDER B SECINT HORK AND CONCURS CHOPPEN	8 DECEM WORK AND COMMUNIC CRITICAL MASS TRANSIC. NORTHWAY AND STRONG NORTHWAY AND STRO	8 RICHT HORK AND IDONOMO CONTINUE INCIDENCE CONTINUE INCIDENCE INC





We find improved and innovative ways to work

# Our Response to Climate Change

As an integrated energy infrastructure and services company, which owns and operates, designs, constructs and maintains both gas and electricity assets, we recognise our responsibility to make changes to how we operate to help Australia meet its net zero emissions targets, while retaining system reliability.

As the Australian energy sector undergoes a once-in-a-generation transformation, we believe that our gas network can play an important role in supporting an orderly and least-cost transition to net zero.

We are seeking to address our own emissions to achieve our 2050 net-zero ambition, as well as using existing technologies and supporting the development of new technologies to deliver choice in renewable energy sources. Through Zinfra, we are designing, constructing and connecting to networks renewable electricity and gas projects for our partners.

Information about our progress in understanding and responding to climate-related risk and opportunity is in *Corporate Governance* on page 62.

#### **HIGHLIGHT:**

### **Picarro Leak Detection Vehicles**

Fugitive emissions form a significant part of our Scope 1 emissions. To help us manage and reduce these, we have piloted gas leakage detection technology in 2023, using two new gas leakage survey vehicles. They are equipped with technology that not only monitors methane levels, but also uploads the information directly to our systems, which we expect will save time and enable us to resolve leaks more quickly. The new technology is supporting more efficient and cost-effective collection of emissions data, thereby helping us towards our emissions reduction targets, and supporting a more proactive and targeted approach to network integrity.



## **Our Emissions Reduction Plan**

Our Group's Emissions Reduction Plan comprises three key strategic areas we are focusing on to reduce our Scope 1 and Scope 2 emissions, as we work toward our 2050 net-zero ambition.

In 2023, we undertook a range of work to better understand our emissions baseline, including our Scope 3 emissions, as well as initiating and progressing a number of projects aimed at reducing our emissions.

We also continued working towards helping establish a renewable gas sector, including injecting biomethane into the Jemena Gas Network for the first time.

## **2023 Emissions Reduction Progress**

- Avoid: As part of our major investment processes we will consider the economic options to avoid or minimise carbon emissions
- Introduced requirement to proactively assess carbon footprint impact
  and the cost of carbon through shadow carbon pricing in December
  2023 this is now a mandated part of our asset management strategies
  and planning process, alongside business case economics. We use
  multiple scenarios of carbon pricing as we assess our investment decisions.

- 2. Reduce: We will continually evaluate our operations and business practices to identify opportunities to reduce our carbon footprint
- Introduced advanced mobile leak detection solutions to measure, reduce and report fugitive emissions from the Jemena Gas Network. You can read more about this in *Highlight: Picarro Leak Detection Vehicles* on page 15.
- Made operational improvements at our Atlas Compressor Station that resulted in a reduction of gas being flared.
- Studies continued across our gas transmission and distribution assets to inform the reduction of fuel gas usage (for example, in driving gas turbines in compressors in our high-pressure transmission pipelines). In 2023, we completed an assessment to determine the viability of powering water-bath heaters using catalytic heaters in our gas network, and started to develop a program to replace these in many of our assets in 2024.
  - We are also undertaking studies to identify line losses in our electricity distribution network ahead of preparing a program to target those losses.
- Progressed the electrification of our vehicle fleet, acquiring 42 hybrid/ plug in hybrid vehicles, and one hybrid Elevated Working Platform. We also established a pathway to improve recording and reduction of emissions from our fleet, and reviewed our infrastructure locations to identify requirements for vehicle charging points.

- 3. Replace: We will start to address the carbon intensity of our operations by introducing low-carbon, carbon-neutral and carbon-free technology across our Group
- The Malabar Biomethane Injection Plant became operational. More information about Australia's first biomethane-to-gas-network project is at *Case Study: Putting Waste to Work* on page 18.
- Continued studies to assess the feasibility of transporting 100 per cent hydrogen in our gas transmission assets with GPA Engineering and University of Wollongong were under way. Feasibility studies for transporting 100 per cent hydrogen in our gas distribution networks were also in train.
- Our Western Sydney Hydrogen Hub demonstration project continued generating 4,573.6 kg of renewable hydrogen, produced using purchased renewable electricity. This project is focused on testing the potential for blending hydrogen into the gas network and using stored hydrogen in pipelines to convert into electricity. This can act as a 'battery' for intermittent renewable energy, like wind and solar.
- Continued participation in multiple research projects as part of the Future Fuels
  Cooperative Research Council, supporting the decarbonisation of Australia's
  energy networks through the introduction of renewable gases like hydrogen
  and biomethane

In addition to our emissions reduction initiatives, where required we will utilise carbon credits and offsets to achieve our sustainability aims. Our Board approved our Carbon Offset Policy in 2023. This policy establishes our governance, offset criteria and accountability should our Group purchase offsets. While we have established this policy, it is not our preferred approach to decarbonise. We did not purchase any offsets in 2023.

#### **CASE STUDY:**

## **Putting Waste to Work**

Our Group took a major step towards a future where our customers can use renewable gas in June 2023. This was when the Malabar Biomethane Injection Plant (MBIP) started operations, producing renewable gas from wastewater.

The MBIP is a joint project for Jemena and Sydney Water, turning biogas produced on site at the Malabar Wastewater Resource Recovery Facility to a gas that can be used interchangeably with natural gas, by removing water, carbon dioxide and other contaminants.

Our Malabar facility (co-funded by Jemena and the Australian Renewable Energy Agency), and project-managed by Zinfra, is an important early step in establishing a biomethane sector for Australia. Our Group sees potential for biomethane as a way for Australia to reduce its emissions, and through this project we've established our credentials in constructing biomethane plants and connecting them to the gas network.

Our Managing Director, David Gillespie said: "Transitioning the energy system so it meets Australia's net-zero emission targets is a massive undertaking, and we need to be looking at all available options."

"Continuing to use Australia's extensive, existing gas networks to transport increasing volumes of renewable gases like biomethane can complement renewable electricity, both in firming the network, and in continuing to power industries and heat homes and hot water systems."

EMERGE

Research we commissioned has identified enough potential sources of biomethane (for example, agricultural waste, organic matter in landfill and wastewater) that could produce enough gas for about 65 per cent of our current industrial load, much of which will be difficult to electrify.



Our Group is continuing to focus on establishing a comprehensive and realistic transition plan to reduce our greenhouse gas emissions, and consider the impacts of climate change on our operations, in line with legislative requirements coming into effect. These include both the proposed amendments to the Corporations Act 2001 to introduce mandatory climate-related financial disclosures, as well as meeting the requirements of the Safeguards Mechanism to reduce emissions, in line with the Australian Government's emission reduction targets of 43 per cent below 2005 levels by 2030 and net zero by 2050.

Throughout 2022 and 2023, we completed work to better understand our emissions baseline, including our Scope 3 emissions, as well as undertaking analyses under different climate-related scenarios to understand the impact of climate change on our business.

With the proposed introduction of mandatory climate-related financial disclosures in the coming years, prior to making disclosures, we are reviewing the work undertaken to date to ensure it is both fit-for-purpose in aligning with mandatory reporting requirements and supports us to make sustainable decisions for the future of our Group.

More details about our timeframe for future reporting is in *Business Ethics* on page 67.

Australia's first biomethane-to-gas-network facility

#### **HIGHLIGHT:**

## **Community Batteries**

Our Group is preparing to install community batteries in Alphington, Bellfield, Coburg and Flemington in Victoria in 2024. Each battery will have around 360kWh of storage. Community batteries (or neighbourhood batteries) store renewable energy generated from rooftop solar during the day and make it available to the wider community at night. We received around \$2 million in funding to deliver these community batteries through the Australian Government's Community Batteries for Household Solar Program.



#### **HIGHLIGHT:**

## A Renewable Gas Future is Optimal for Regional NSW

Three new biomethane production facilities are a step closer to being developed, after our Group signed a three-year Memorandum of Understanding (MoU) with renewable gas producer Optimal Renewable Gas (ORG). Our Group will undertake feasibility and preparatory work so this biomethane can be injected into the NSW gas distribution network.



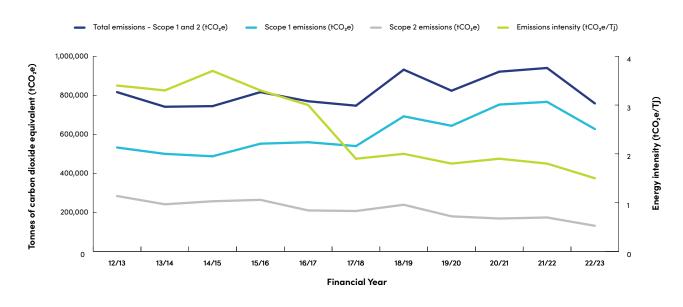
## Greenhouse Gas Emissions and Energy Used

Our emissions are listed below. We are reporting our Scope 3 emissions for the first time in this report, as part of work to improve our understanding of our emissions baseline.

 FY2022-23 Scope 1 Emissions (tCO₂e)
 FY2022-23 Scope 2 Emissions (tCO₂e)
 FY2022-23 Energy Intensity (tCO₂e/TJ)
 FY2022-23 Energy Consumption (GJ)

 627,150.00
 131,197.30
 1.5
 7,395,152.29

## Tonnes of Carbon Dioxide Equivalent (tCO<sub>2</sub>e)



#### Notes:

Scope 1 greenhouse gas emissions are those released to the atmosphere as a direct result of an activity or series of activities at a facility. Scope 2 greenhouse gas emissions are those released to the atmosphere from the indirect consumption of an energy commodity (for example, from the use of electricity produced by burning coal in another facility. Under the National Greenhouse and Energy Reporting (NGER) Act 2007 we report annually on our energy use and Scope 1 and 2 emissions to the Clean Energy Regulator (CER). This report is available on request.

The significant increase in emissions during the 2018–19 reporting period coincided with the commissioning of the Northern Gas Pipeline. The increase of emissions in 2020–21 is due to the CER updating/increasing the emissions factor of methane used for calculating fugitive emissions. There was also increased fuel gas throughput across the Eastern Gas Pipeline, Darling Downs Pipeline and Roma North facilities. In 2021–22, there was increased fuel gas throughput across the Eastern Gas Pipeline and Darling Downs Pipeline. In 2022–23, our overall emissions decreased by 30.9 per cent relative to the 2020–21 reporting period. This is due to a change in formula for calculating the fugitive emissions in distribution network by the Clean Energy Regulator.

## **Scope 3 Emissions**

Recognising the importance of understanding the full scope of emissions in our value chain, in 2023, we undertook a significant program of work to understand our Scope 3 emissions, which are indirect greenhouse gas emissions that are a consequence of a company's activities, but occur from sources not owned or controlled by the company. We have followed the GHG Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3) to define our operational boundary for reporting and calculating these emissions. We have completed Scope 3 inventories for our emissions in 2022 and 2023.

Emissions associated with natural gas products and electricity that we transport are not included in the table, in line with our operational boundaries. However, in the interests of enhanced disclosure, we estimate that the associated emissions were 29 million tCO<sub>2</sub>e in 2022 and 27 million in 2023.

Category	2022 (†CO <sub>2</sub> e)	2023 (†CO₂e)
1) Purchased Goods and Services	59,006.11	74,463.32
2) Capital Goods	17,435.69	20,000.29
3) Fuel and Energy Related Activities	53,038.47	63,319.74
4) Upstream Transportation and Distribution	572.66	248.93
5) Waste Generated in Operations	1,097.66	1,589.03
6) Business Travel	587.57	1,044.62
7) Employee Commuting	2,344.45	2,713.00
TOTALS	134,082.61	163,378.93





We find improved and innovative ways to work

## Environmental Management and Waste Reduction

Our Group, as a major energy infrastructure company, recognises that as we plan, construct and operate electricity, gas and renewable energy projects, we have a responsibility to manage the potential risks they pose to local flora, fauna and cultural sites. We are committed to positive environmental change through championing waste reduction and initiatives to increase resource recovery. We are also committed to protecting biodiversity, taking climate action and pursuing eco-friendly ways of living, guided by the United Nations Sustainable Development Goals.

Alongside working to reduce our emissions, minimising our other impacts on the environment is also a key focus of our sustainability efforts. Our ESG Plan sets the overarching direction of our environmental initiatives at a Group level, supported by our Health, Safety, Environment and Quality Management System (HSEQMS), with relevant policies and procedures and systems that support our team members to consider and mitigate potential impacts of our operations on local flora and fauna, and preserve the cultural value of the environments in which we operate.

## **New Waste Management Strategy**

Late in 2022, we reviewed our existing waste management services and the waste streams we generated to develop a strategy to improve our waste management practices. Following this review, we developed our new Waste Management Strategy, released in mid-2023, with the vision of minimising the waste we generate, optimising how we use resources and leading the way in creating a circular economy.

Through the strategy, we are:

- increasing the percentage of waste diversion (that is, redirecting waste from landfill) by 30 per cent by 2027, compared to our 2021 levels in 2021, the waste that ended up in landfill was 4,893.46 tonnes and waste diverted was 2,928.97 tonnes
- ensuring 100 per cent compliance with regulatory requirements for proper disposal of hazardous waste
- developing awareness campaigns about waste management to conduct in 2024, as well as engaging key suppliers in collaborative waste management efforts
- implementing a waste tracking system to monitor waste generation, recycling rates and key performance indicators, and establishing monthly reporting
- conducting regular audits, implementing waste management training for all our people and exploring innovative waste management techniques.
- In 2023, we started to reduce the number of waste management providers we partner with. At the time of writing, we were in the process of finalising engaging a waste management services provider to partner with us to identify opportunities for reduction in waste generation and to increase the amount of waste diversion from landfill. In 2022, we diverted 37 per cent of waste from landfill, and in 2023, this figure increased to 39 per cent.

## **Waste Management Strategy Goals**



#### **Raise Awareness**

Provide training programs and awareness campaigns to educate our team members about waste reduction, recycling practices, and proper waste disposal.



#### Streamline waste data

Develop systems to track and monitor waste generation, recycling rates, and key performance indicators.



#### Increase waste diversion

Divert waste from landfill through the promotion of reuse, repair, and donation programs.

## **Waste Management Data**

Year Waste Generated (tonnes)		Waste Diverted from Landfill (tonnes)	Waste Directed to Landfill (tonnes)	
2023	3,693.65	1,439.99	2,253.66	

## Water and Effluent Management

Our Group's water consumption is primarily for domestic uses, for example, in our corporate offices. We do not extract water from underground for our operations.

Our only operational facility where we use a significant volume of water is our Western Sydney Hydrogen Hub, where we use purchased renewable electricity to split water into hydrogen and oxygen through electrolysis. Water consumption at the Hub for 2022 and 2003 is in the table below.

Year	Water Consumed (kL)		
2022	138.25		
2023	84.17 (up to end of Oct 23)		

The downstream water that is generated at the Western Sydney Hydrogen Hub as a byproduct of producing renewable hydrogen is sprayed on to grassland within the existing facility.

The majority of our operational facilities are located in townships, which means effluent is connected to local council sewage services, except for in three remote locations where it is treated in Biocycle units, with the treated water sprayed on grassland in existing facilities.

#### **HIGHLIGHT:**

## **Chemical Spill Training**

Throughout 2023 we rolled out spill management training for team members working on our assets in New South Wales, Victoria, the Australian Capital Territory and Queensland.

The sessions combined theory and practical case studies and covered the risks of spills on our work activities and sites, our response processes and the control measures to implement to reduce risk and protect our people, the community and the environment.







## **Our Customers**

Gas Distribution	Total customers	Volume per year (PJ)
Residential  Non-business home-owners or tenants using gas mainly for heating, hot water, and cooking	1,490,618	28.3
Commercial  Small business and commercial properties using gas for space heating (offices, shopping centres) water heating, and commercial cooking	36,130	11.9
Industrial  Mainly representing chemical production, manufacturing, and electricity generation	397	49.1
Total	1,527,145	89.3

Electricity Distribution	Total customers	Volume per year (GWh)
Residential  Non-business home-owners or tenants using electricity mainly for heating and cooling, appliances and lighting	347,417	1,370.0
Small Business  Small business and commercial properties using electricity for heating, cooling, lighting, and operation of their equipment	32,328	620.9
Large Business  Mainly representing manufacturing, large infrastructure facilities, and data centres	1,503	2,167.2
Total	381,248	4,158.18

Gas Transmission Services	Total customers	Volume per year (PJ)
Retailers Aggregate demand from millions of households and businesses	13	85
Industrial Users  Use gas as a feedstock because of its chemical properties or because it can cheaply and rapidly heat to very high temperatures required for many industries	15	32
LNG Exporter  The newest market segment, LNG exporters developed their businesses rapidly from 2012, resulting in one of the world's largest LNG export industries	1	152
Producers Seek a route to market for their product	8	82
Brokers  Assist third parties in managing their gas supply, demand and trading requirements	4	6
Generators  Gas is used to generate electricity in all states in Australia to meet peak demand, provide baseload power, and deliver system strength and security	3	20
Total	44	376

#### Notes:

One customer is listed twice as they are both a Retailer and Generator.

17 petajoules of gas was used to operate our gas transmission infrastructure, and is not attributed to any customer.

## Services and Projects (Zinfra)

### Key clients include:

AusNet, Energy Queensland, EvoEnergy, Jemena, Powerlink, TasNetworks, Transgrid and United Energy

## **Our Customer Strategy**

We sharpened our focus and understanding of how we engage with our customers including whether we have the right systems in place to empower our people to provide the best service we can.

A critical behind-the-scenes program helping our people provide better services for our customers made great inroads in 2023. Through our CX Uplift program, we've made improvements to employee-facing systems and databases for storing customer data, so our people can more easily find all information that relates to a particular customer, rather than needing to access multiple databases.

The next stage of the program will focus on improving our customer-facing systems. In this regard, in late 2023 we were pleased to launch a new Jemena website – <a href="www.jemena.com.au">www.jemena.com.au</a>. The site is designed to enhance the experience for all visitors to our website and make it easier for our customers to find the information they need, when they need it. It's also designed to meet global web accessibility standards to ensure it's simple for everyone to use.

We are continuing our efforts to improve how we engage with customers about planned network outages. To this end, we are continually reviewing systems and processes across our organisation to build on work already underway which aims to provide the best possible service for customers.

While we have room for improvements and growth, the below initiatives aim to improve how we deliver for customers in a sustainable and affordable way – supported by our values: *Think Like a Customer* and *We Care*.

More information about our customers, initiatives to improve how we serve our customers and metrics measuring our customer service is available in our *Energy Charter Disclosures 2022–23*.





Participants at our customer forums sharing their views about the future of energy

## **Our Customer Charter**

At Jemena, our customers and communities are at the heart of what we do. Our Customer Charter sets out our promise to provide customers with safe, reliable and efficient power, and what customers need to do to continue receiving power safely and reliably. It also outlines the service levels we guarantee and what to do if customers have an issue or a complaint.

## **Vulnerable Customer Strategy**

We play a unique role in supporting vulnerable customers and communities, and we aim to ensure no customer is left behind. This is especially important given the ongoing cost-of-living pressures felt by many throughout 2023.

Many customers have unique circumstances that may impact their ability to understand energy usage and costs, and thus place them at a disadvantage. To support customers experiencing vulnerability, we have embedded a number of key initiatives and programs across our business. These include:

- the Uniting Energy Assist program to support customers who may be struggling with bills in Victoria and New South Wales
- the Voices for Power Culturally and Linguistically Diverse (CALD) community leadership outreach program in New South Wales
- working with our stakeholders and customers to facilitate 'Bring Your Bill Days' to promote energy literacy and identify those who need help
- promoting awareness of vulnerability and its impacts through our Customer Councils and Energy Charter
- equipping our customer-facing teams with the skills to identify, empathise and appropriately support customers experiencing vulnerability.
- translating our network communications to support CALD customers and communities.

More information about our Uniting Energy Assist and Voices for Power programs is in *Our Community* on page 35.

#### HIGHLIGHT:

## **Knock to Stay Connected**

The Knock to Stay Connected (K2SC) pilot program, in partnership with EnergyAustralia aims to improve how we inform customers about impending disconnection in our gas network.

During our two-month K2SC trial in Parramatta and Bankstown in 2023, we proactively contacted our customers by hand-delivering advice of their possible disconnection during field visits, before any non-payment disconnection service orders were received from energy retailers. The notification prompted the customer to contact their retailer and make arrangements to avoid the disconnection from taking place – especially important for people in vulnerable circumstances.



#### **HIGHLIGHT:**

## **Digital Metering Strategy**

More than 35,000 customers (primarily in apartment blocks) across the Jemena Gas Network and our partner EVOEnergy's network have meters that our meter readers can't readily get to. This means their bills are estimated and the risk of 'bill shock' is high. This has been a pain point for our customers and retailers for some time. It also means there are challenges with accessing premises for disconnections.

In 2023, we trialled installing hundreds of digital meters on the network which enable us to read and disconnect meters remotely. Lessons learned from the trial will inform the development of our digital metering strategy in 2024 and beyond.



## Focus on network outages

While we are proud of our high reliability standards, there are times when electricity and gas supplies to our customers are interrupted. When an interruption to supply is planned, it is communicated in advance to our customers and is usually necessary to facilitate critical maintenance work. When an outage is unplanned, our incident, emergency, and crisis management plans and structures help us to resolve the issue as safely and as quickly as possible.

In 2023, we resolved 2427 unplanned outages across our electricity network with an average time of 60 minutes, an improvement of 2 minutes from 2022 levels (excluding exclusion events) and our gas network reported a reliability score of 99.997 per cent.

## Addressing Customer Feedback

We are committed to addressing customer feedback as quickly as possible as outlined in our Customer Charter. Some issues are more difficult to resolve and we may need more time to solve the problem. If this happens, we advise our customers within five business days and try to provide details of how long it will take to resolve the issue.

Customers have the right to request their concerns are dealt with at a higher level at Jemena, and can take any complaints to the Energy and Water Ombudsman of Victoria (EWOV) or the Energy and Water Ombudsman of NSW (EWON).



#### **HIGHLIGHT:**

## **EV Grid outcomes**

Electric Vehicle (EV) drivers in Victoria, Tasmania, and the ACT participated in a 12-month 'smart charger' trial looking at how fast-charging technology in their homes can help manage demand placed on the electricity grid.

The trial concluded in March 2023 and demonstrated that network-managed charging can help balance extra demand on the electricity grid during peak times reducing the need to upgrade existing electricity infrastructure.

The trial was led by Jemena in partnership with AusNet, United Energy, TasNetworks and EvoEnergy, together with charging infrastructure company JET Charge, and co-funded by the Australian Renewable Energy Agency.



#### **HIGHLIGHT:**

## Port Kembla Energy Terminal lateral completion – helping address forecast gas shortfalls

In late 2023 we completed our Port Kembla Pipeline Project. The project involved building a 12 kilometre gas transmission pipeline connecting Squadron Energy's Port Kembla Energy Terminal to Jemena's existing Eastern Gas Pipeline, from where it can transport gas to customers on the east coast of Australia.

Zinfra managed the project, including design, procurement and construction of the pipeline and a new gas metering station at Kembla Grange.

This infrastructure is capable of supplying more than 70 percent of NSW's gas requirements bringing new, energy sources to the market and helping to avert possible supply shortages. Our Group is also planning to make the Eastern Gas Pipeline bi-directional, able to initially deliver 200 terajoules/day gas from PKET south into Victoria in time for winter 2026.



## **Stakeholder Engagement**

We have a strong track record of engaging with our stakeholders to ensure that our customer and community voices are reflected in our strategies and operations in keeping with our *Think Like A Customer* value.

With the Australian energy market evolving rapidly, it's more important than ever to listen to our customers and stakeholders. To help us grapple with this challenge we have established a number of forums and channels to help guide our thinking on how we can be ready for the energy system of the future while continuing to deliver reliable and affordable energy to our customers today.

In addition to our business and residential customers, our key stakeholders include retailers, economic and safety regulators, Federal, state and local governments, upstream producers, industry associations, community organisations and financial partners and stakeholders. Our approach to stakeholder engagement is tailored to each stakeholders' individual needs.

One of our most important avenues for obtaining key customer insights is through our Customer Councils, with which we engage on a quarterly basis, and have provided key insights into our major stakeholder and customer engagement programs.

## Peak Groups and Industry Association Memberships

We actively participate in industry associations, forums and programs to ensure that our customers' voices are heard and their needs are addressed as Australia moves to meet its net-zero by 2050 ambitions.

This whole-of-industry approach allows us to deliver the best outcomes not just for our customers, but also for the wider community. One of our most important memberships is in the Energy Charter, a Chief-Executive-Officer-led coalition of energy organisations with a focus on placing customers at the centre of the energy transition. A list of some of the key peak group and association memberships across our Group is available at Appendix 1 on page 76.

## **Political Contributions**

The Group's longstanding practice is to not make political contributions, and its internal procedures require Board approval for any such donations. No approvals were sought in 2023.

## **Customer Satisfaction Programs**

Our Voice of Customer (CSAT score) measures our customers' satisfaction, on a scale of 0-10, across eight different service experiences that represent the main interactions a customer may have with us. In 2023, we were pleased that both CSAT scores exceeded their targets, resulting in improved customer satisfaction. Our future focus in 2024 will be to maintain and improve our timeliness, communication, and quality with customers.

	2022 Target Score	2022 Actual Score	2023 Target Score	2023 Actual Score
Voice of Customer (CSAT score) Jemena Electricity Network in Vic	8.5	8.2	8.3	8.5
Voice of Customer (CSAT score) Jemena Gas Network in NSW	8.5	8.1	8.1	8.6





## **Our Communities**

With an operational footprint spanning much of northern and eastern Australia, including many regional areas, we are always striving to make a positive contribution to the communities where we operate.

Whether it's funding food-relief programs to help ease cost of living pressures for our customers, or supporting culturally and linguistically diverse (CALD) communities to build knowledge around their energy bills, or engaging local companies and people to work on our assets, we are always aiming to make a lasting impact for our customers and the community. This is reflected in our values, particularly our *We Care* value, which emphasises the role all of our people play in ensuring the safety and wellbeing of each other, the community, and the environment.

In 2023, Jemena was proud to be recognised as one of Australia's Top 40 Workplaces to Give Back for the fourth year in a row. The annual awards, sponsored by Good Company, recognise Australian companies making a real difference in the community through championing initiatives such as staff giving and volunteering, donations, fundraising, sponsorships, and other activities.

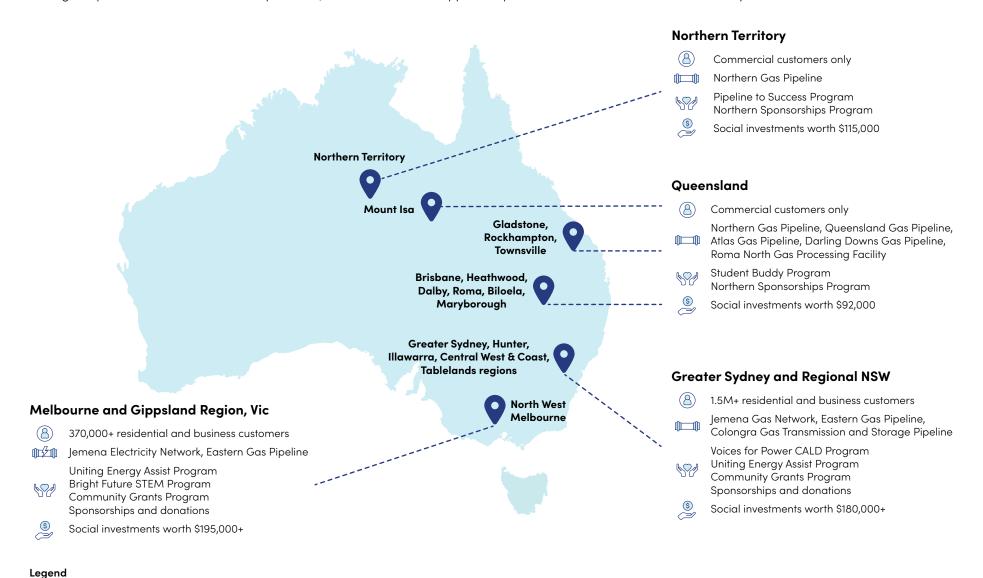
As a further reflection of our efforts to make a positive contribution to the community and have respectful interactions with our peers and stakeholders, Jemena achieved a 2023 Reputation Score of 79.9 out of 100 (up 1.2 from 2022), confirming that our reputation has stabilised after the years of solid improvement between 2018 and 2021. Our Group Reputation Management Program helps us to understand those stakeholders who can directly influence our operating environment, and what they think and feel about us. By annually measuring, benchmarking, and working to enhance our reputation amongst these groups, we gain insight into how we can further improve the services and support we provide to our stakeholders.



Celebrations for the Pipeline to Success program which helps Aboriginal people in the Northern Territory to become job-ready

# **Our Community Footprint**

This diagram provides an overview of our operations, customers and the support we provide to communities across the country.



Gas assets owned and operated 🗸 Electricity assets owned and operated 🦃 Community programs running 🐧 Value of direct community investments

# Corporate Social Responsibility Program

In 2023, our Corporate Social Responsibility Program saw the Group invest more than \$630,000 through partnerships, sponsorships, and donations to not-for-profit and community organisations that support people living in the communities we serve. With input from stakeholders across the Group, our 2023 program continued to focus on three areas:

#### • Education and Training

We partner with other organisations to increase access to relevant education and training opportunities in order to support people to secure employment which benefits them and the broader community.

#### Social Inclusion and Equity

We contribute to greater social equity by enhancing energy literacy and supporting activities which celebrate and bring communities together.

#### • Wellbeing and Resilience

We support community safety and wellbeing by contributing to critical relief and recovery efforts as well as ongoing awareness and resilience activities.

## Key achievements

## Flagship Programs and Partnerships

For the past few years, we have been proud to support three major partnerships with community organisations that are focused on making a difference to customers and communities experiencing disadvantage. In the Northern Territory, we support the Pipeline to Success program, supporting Aboriginal people in the Northern Territory. In Victoria and New South Wales, we support vulnerable Jemena Gas Network and Jemena Electricity Network customers with energy literacy programs, helping them better understand both their bills and energy usage.

## **Pipeline to Success**

The Pipeline to Success Aboriginal Workforce Mentoring program helps improve social and economic parity for First Nations and regional communities by increasing the number of empowered Aboriginal and Torres Strait Islander peoples in the workforce.

In 2023, our partnership with Saltbush Social Enterprises delivered mentorship training to 23 people, and helped 135 people either improve their job readiness skills, or achieve part-time or full-time employment. Thirty-one people supported by the program achieved full-time employment.



#### **Voices for Power**

People from culturally and linguistically diverse (CALD) backgrounds can experience particular challenges navigating the energy system, particularly in relation to understanding bills, concessions and other information about their electricity and gas services. This partnership with Sydney Alliance, Ausgrid and Endeavour Energy delivered train-the-trainer energy literacy workshops for more than 60 local leaders in culturally and linguistically diverse communities in 2023. In these workshops, community leaders learned how to help support their communities to better understand their energy bills, and provided support to more than 600 people as a result.

#### **Uniting Energy Assist**

Currently, many Australians are experiencing cost-of-living pressures – research conducted in 2023 by Uniting Vic.Tas and Swinburne University on their client cohort showed that 92 per cent of survey respondents were reducing food budgets to make their ends meet. Through our Uniting Energy Assist Program, our partner Uniting Vic.Tas connects vulnerable and disadvantaged local families with direct energy bill relief support.

Through delivering free in-language energy support calls, Uniting's expert team enables Jemena Electricity Network and Jemena Gas Network customers to better understand their bills, know what concessions they might be entitled to, access discounts and payment plans, and adopt efficiency tips to keep bills down. Uniting also provides referrals to other support services for people experiencing disadvantage.

In 2023, the program delivered 189 Energy Assist appointments.

#### **Community Grants**

In 2023 our annual Community Grants Program provided \$150,000 in grants to 15 grassroots community organisations in New South Wales and Victoria. Grants were awarded in the categories of social inclusion and delivering environmental impacts.

Since the program's launch in 2019, Jemena has awarded over \$650,000 in local grants to 66 groups supporting vulnerable people, critical emergency relief, mental and physical health, education and other benefits for thousands of Australians.

The 15 grant recipients for 2023 were:

#### **New South Wales**



#### 4 Voices - \$10,000

Providing support and social, digital, community, employment connections to women at risk of experiencing social isolation, family and domestic violence and/or homelessness.



#### Arcadia Vale Public School P&C -\$2.000

A breakfast club providing 90 primary school students with breakfast every week day.



#### Barnardos Australia - \$10,000

A non-denominational child protection charity, providing support to over 15,500 young people and families across NSW and the ACT every year.



#### Bower Reuse and Repair Cooperative -\$20,000

An environmental charity which reduces waste and carbon emissions, reduces its ecological footprint, and supports social causes by assisting members of the community who are vulnerable and disadvantaged.



#### Bushlink - \$10,000

Employs and supports people with intellectual disabilities, through providing employment in bush regeneration and garden care.



#### Corrimal Public School P&C Association - \$10.000

A new yarning circle will be designed and installed at Corrimal Public School where around eight per cent of students identify as First Nations.



#### Early Bird Café - \$10,000

A volunteer-run charity providing hot breakfasts, frozen meals, hygiene, warm clothing, and other essentials for people experiencing homelessness and hunger in Sydney's CBD.



#### Kind Hearts Illawarra - \$10,000

An outreach program in Wollongong for vulnerable people, particularly those at risk of homelessness, providing meals, hygiene supplies, food hampers and an opportunity for social connection.



#### The Groundswell Collective - \$10,855

A community organisation delivering sustainability projects that support and assist the local Lake Macquarie community to be resilient and regenerative.

#### Victoria



Darebin Creek Management Committee - \$16,000

A committee supporting the communities of plants and animals of Darebin Creek. The grant is supporting the Restoring Ivanhoe Floodplain project.



Reading Out of Poverty (ROOP) - \$10,000

Strives to ensure that every disadvantaged Victorian child has the opportunity to acquire literacy and reading skills to reach their full potential, succeed at school and beyond.



#### Flemington Chamber of Commerce -\$10,000

Promotes and supports the 120 local Flemington businesses. This grant supported the multicultural festival in Flemington.



Reservoir Cobras Cricket Club - \$675

A local club for men, women and children. This grant supported the purchase of the first team uniform for young players to reduce economic barriers for participation.



#### Glenroy Neighbourhood House -\$10,000

Advances social and public welfare.
This grant is funding a weekly food relief program that supports people struggling with cost of living pressures.



The Venny - \$10,000

Provides regular social and support services for young people living in public housing. This grant supports the Dinner Night program to provide a safe space for vulnerable children and young people to connect and access a healthy meal once a week.

#### **Emergency Relief Donations**

#### \$20,000

Donations to support local community groups providing emergency relief services: Vinnies (New South Wales)

#### \$25,000

Donations to enhance healthcare, family support, and cultural safety for local children, families and Indigenous community members: Austin Health (Victoria) and Very Special Kids (Victoria)

#### Staff Fundraising and Volunteering

#### \$11,000

We recognise our employees are passionate and involved in volunteering activities in their local communities.

Through our Community Link and Get Out There programs employees can apply for a donation to a not-for-profit organisation or charity if they have volunteered more than 25 hours in the past 12 months.

#### **Donations and Sponsorships Program**

#### \$60,000

Donations to support essential aeromedical, health and rescue services for regionally based communities and team members: RACQ Capricorn Rescue Service (Qld), Royal Flying Doctor Service (Queensland, Northern Territory, Victoria)

#### \$20,000

Sponsorships to support events connecting and celebrating regional businesses and communities, this year in Queensland: 2023 Maranoa Business Awards, 2023 Northern Outback Business Awards, Callide Dawson Beef Carcase Competition, 2023 Callide Show

#### \$67,000

Sponsorships to support special learning and celebration opportunities for kids in regional areas and donations to support work, wellbeing, outreach and safety service access for local women:

Northern Territory: Tennant Creek Women's Refuge, Tennant Creek Childrens Christmas Tree

Queensland: Solar Buddy STEM Schools Program, the Christmas Party Townsville, Miles Women's Wellness Day

Victoria, New South Wales, Queensland: University of Newcastle STEM Challenge

National: Fitted For Work – an in-kind donation of personal protective equipment (PPE)

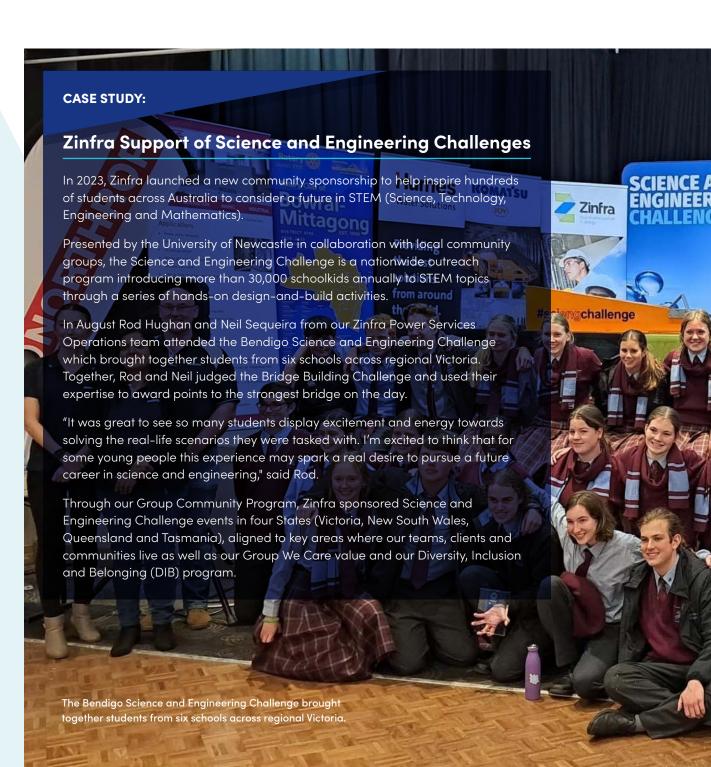
#### **HIGHLIGHT:**

## Caffeine for a Cause

In March 2023, we opened a new café space in our Collins St, Melbourne headquarters as part of a re-design project aimed to build a welcoming and inclusive work space. After an initial trial period, a 12-month contract was signed with Coffee On Cue to provide coffee and pastries to employees at a subsidised rate.

Each month proceeds from coffee and pastry sales go to a different charity aligned with our Diversity, Inclusion and Belonging (DIB) or Corporate Social Responsibility (CSR) strategies. Throughout 2023 charities receiving the funds have included the Cancer Council, Clean Up Australia, KARI Foundation, Headspace and the Smith Family.





#### **HIGHLIGHT:**

## **Fitted For Work with PPE**

Fitted for Work is a charity that helps women experiencing disadvantage in Australia to become work ready, gain secure employment, and experience success in their careers.

One of the services offered by Fitted for Work is providing the clothing needed for women to be job-ready and reduce the economic barriers for women who may not be able to buy clothing required for a new role.

Fitted for Work approached the Group with a request for donations of unbranded women's personal protective equipment (PPE) to support women seeking employment in construction and engineering as there was a specific need for this workwear.

The Group quickly responded to this need by donating unbranded PPE garments (212 vests, shirts and pants).



More than 200 unbranded PPE items were donated to Fitted for Work to support women seeking employment in construction and engineering.

#### **HIGHLIGHT:**

## **Tennant Creek Christmas Tree**

For many families across the Northern Territory's Barkly region the annual Tennant Creek Children's Christmas Tree event marks the highlight of the festive season.

For more than 80 years, the event has brought the community together to enjoy food, games, performances and of course a visit from Santa giving out presents to local children, including many who may not otherwise receive gifts at Christmas.

To support our ongoing relationship with the Tennant Creek community, the Group was proud to sponsor this event in 2023 for the fifth year in a row.



The Tennant Creek Children's Christmas Tree event is the highlight of the festive season for many local families.

# **Community Investment**

The Group has established systems and processes to effectively identify small businesses within its supply chain and monitor payment times, as part of our commitment to good practice in procuring goods and services. This helps small businesses enhance their cash liquidity. Our payment performance has been submitted to the Payment Times Reporting Scheme.

	2023 Amounts in millions
Total Group Procurement Spend	\$1,828.3 ex GST
Australian suppliers spend	\$1,786.2 ex GST
Percentage of Australian-based Group suppliers	98%
Number of active suppliers identified across the Group	3,712
Percentage of suppliers paid within 30 days	94%
Percentage of contracts awarded to small businesses	55%

Investing in local communities continues to be one of our priorities, particularly for projects based in regional, rural and small communities. Whenever possible we use local suppliers and businesses, with a strategy for doing so developed on a project by project basis.

# **Community Engagement**

Strong local stakeholder engagement is a key component of our operational and project management processes to ensure we're keeping in mind the best interests of the local community.

Community and stakeholder management plans are developed as part of the initial planning work for major projects managed by the Group. Impacted groups are determined as part of this process and may include residential and business customers, vulnerable customers, Traditional Owners, local Government representatives, landholders and community representatives. The most effective engagement and communications activities are determined based on the individual needs of each group and engagement begins as early as possible to anticipate and discuss concerns raised by these groups before work commences.

After work begins project teams proactively share news and seek feedback from community in a variety of ways, including email and newsletter updates, mailbox drops, public information sessions, project webpages, dedicated phone numbers and, where possible, site tours.

Potential impacts to local biodiversity or areas of cultural and historical significance are identified, mitigated and managed and communicated to local communities – for more information, go to *Environmental Footprint* on page 22. Depending on a project's scale, teams may also work closely with local stakeholders to contribute to activities that enhance local wellbeing, such as new public amenities or greenery. Any issues or concerns raised are also formally logged, responded to, and made publicly available via a complaints register, supporting full transparency.





We value safety and wellbeing for ourselves, our community and environment

# Creating a Safe Workplace

As a leading engineering and energy infrastructure company, we know there are risks involved in what we do and we strive to place safety at the heart of our operations. We do this not only because millions of people rely on us for energy each day, but because it is crucial to keeping our people and the communities in which we operate safe. With this ethos in mind, all of our actions are guided by our SAFE Commitments.

In 2023, we continued channelling our 'Safety First' focus through implementing our *People and Safety Strategy 2020–24*. This strategy focuses on: leadership; effective systems and risk management practices; and engagement with our people, as key pillars of our Group's safety response.

Throughout 2023 we also took steps to enhance psychological safety across our workplace so that our people feel safe to speak up, not only in relation to physical risk, but also in relation to discrimination, sexual harassment, and bullying. This work was brought to life through our Respect@Work campaign which you can learn more about on page 55 of this report.



**Our SAFE Commitments** 

# Overview of our Group's Safety Strategy



#### Leadership

Our leaders consistently and authentically engage with our people to inspire a shared safety vision, which drives improved safety performance and a proactive safety culture.



#### **Risk and Systems**

Our systems and risk practices support us to effectively manage our material health, safety, people, and environmental risks. Through them we drive continuous improvement which focuses on simplicity and an easy end-user experience.



#### **Engagement**

The engagement and wellbeing of our people matters. They are trusted, capable, kept informed about what matters and feel like they belong.

# **Our Leadership Focus**

Our *People and Safety Strategy* acknowledges the profound influence leaders in the business have on shaping our safety culture. Reflecting this, a key focus in 2023 was delivering leadership safety training and support. Pleasingly, in the reporting year, 98 leaders from across our Group participated in our Safety Leadership Program. Comprised of five sessions, our Safety Leadership Program helps leaders to understand our Group's safety culture, relevant legislation, the psychology of behavioural change, how to identify hazards and undertake risk assessments, how to have safety conversations with their teams, and what a great safety culture looks like.

In addition to this training, in 2023 we also conducted 639 leadership safety walks, which ensured leaders in our business spent time on site to understand the environment our teams work in.

Alongside this focus on supporting our leaders, safety training for all our Group members starts as soon as a new employee joins our Group, through our Group Welcome training module. As our people progress with their employment, this is supported by role-specific training, particularly for those in technical and field-crew roles. We maintain a record of all training undertaken, together with licences, competencies, and accreditations in our Worker Authorisation System.

# **Risk and Systems Improvements**

In February 2023, we launched our new enterprise risk and compliance management platform, Omnia. With the purpose of managing enterprise and business unit risks and compliance obligations, the introduction of Omnia allows us to centrally manage risk controls, causes and actions, as well as our compliance requirements, while also gaining insights through detailed reporting. Our ambition throughout 2024 is to expand Omnia so it replaces our current Audit, Inspection and Incident Management System. Expanding this system will allow us to better understand and link our risk and incident data, in turn providing greater insight and ability to manage the safety of our work.

More detailed information about our safety policies, processes and systems (including information about our Health, Safety, Environment and Quality Management System, risk management and audit program, and our Asset Management System) is available at <a href="https://www.sustainability.jemena.com.au">www.sustainability.jemena.com.au</a> or <a href="https://www.sustainability.zinfra.com.au">www.sustainability.zinfra.com.au</a>.

# **Engagement with Our People**

# 2023 Safety Survey

Understanding how our people think and feel about safety in our business is critical to how we engage with them about this important aspect of their working lives.

In the second half of 2023, we undertook a whole-of-company exercise to hear the views of our people on how we are managing safety. We completed an enterprise-wide survey and a series of site visits, focus groups, interviews and reviews of our systems. Pleasingly, the result of the review told us that we have improved our safety culture and that our people believe safety is a genuine priority and shared value with senior leaders. We also heard that our teams feel supported with resourcing and improvements in safety, and that we are shifting to focus more on learning and improving when safety incidents occur.

The review also identified that greater alignment between leadership and field crews is needed, that we can enhance field risk management practices and ensure we learn from both everyday work and incidents, as well as more effectively communicate critical safety information to target audiences. The insights gained from the review will help inform our 2024 priorities and the development of our refreshed safety strategy for 2025-2028.

#### **Our 2023 Safety Survey**

60% of our workforce told us about their experiences

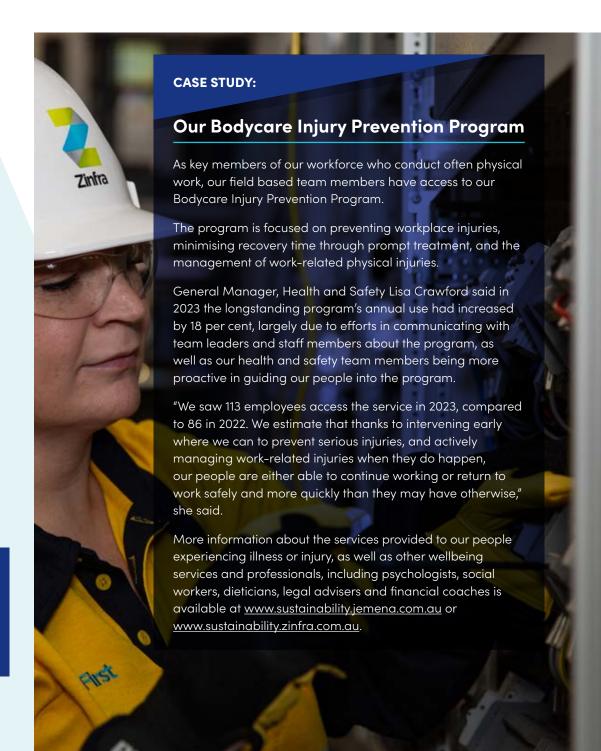
with safety

10

senior leaders interviewed 94 🔠

frontline and technical specialists participated in **10** focus groups **7** 

site visits with crews with **10** days in the field



# **Communicating Safety**

For our Group, safety is a continuous conversation year-round, embedded in our Group Value, *We Care*. It is recognised in our Group Values Awards program, where one of our award categories recognises those who go above and beyond to demonstrate safety and wellbeing for our team, our communities and our environment.

In addition, every October, in National Safe Work Month, we have a particular focus on communicating with our teams about safety, including psychological safety. To do this we hold a range of activities and events including an annual Field Panel event - which brings together our executive leadership team, employees working in corporate roles, and our field crews to better understand the safety challenges and concerns faced in the workplace.

This work is complemented by various safety campaigns throughout the year, including our *Stop Work Authority*.

# **Stop Work Authority Cards**

Marking National Safe Work Month, Zinfra re-issued a *Stop Work Authority Card* to all team members to reiterate the message that everyone has the 100 per cent authority to stop unsafe work. In accordance with the Group's SAFE Commitment: every time, team members are directed to perform a piece of work they are:

- Empowered to do it safely or not at all.
- Reminded that we always have time to do it right.
- Empowered to stop a task if they believe an unsafe act is being performed.
- Reminded there will be no repercussions to individuals when they stop unsafe work.







You will always have my full support to make decisions in accordance with our Safe Commitment "Everytime":

- · We do it safely or not at all
- We always have time to do it right.
- You have the authority to stop a task if you believe an unsafe act is being performed.
- There will be no repercussions to you when you stop unsafe work.



Peter lancov Managing Director

# **People and Safety Performance**

Key Performance Indicator	Timeframe	Target	Actual	Index
TRIFR – Total Recordable Injury Frequency Rate  The number of recordable injuries (lost time or medical treatment injuries)  per million hours worked	12 month rolling	3.0	3.3	76.46
People Survey – Engagement  The average result of five engagement questions in our annual People Survey	Once yearly	68	72	100
People Survey – Leadership  The average result of five leadership questions in our annual People Survey	Once yearly	81.0	80.0	78.5
Risks and Systems  Following the implementation of the Group HSEQ Management System, this measure assessed implementation of Group Critical Risk Control procedures	YTD	85.0	99.0	100.0
Safety Maturity Assessment Internal safety maturity assessment completed and actions developed	YTD	85.0	100.0	100.0

Notes: Our teams have been working to understand an increase in our TRIFR score in 2023, with a number of activities and campaigns to be launched in 2024 to address the causes including a focus on distraction, hand safety, driving and apprentice management. Positively, the number of Significant (High Potential) Incidents across the business decreased in 2023, and both hazard (60%) and near miss (163%) reporting increased.





We value the diversity of our people, working together to achieve great outcomes

# An Inclusive and Diverse Workplace

Our aim is for our Group to be a place where everyone can truly be themselves at work, where diversity fosters innovation, where we offer flexible working arrangements, where individuals feel like they can contribute fully, as well as build their careers, and where teams can deliver excellent outcomes for our customers.

To support this aim, in 2023 we released our *Diversity, Inclusion* and *Belonging Roadmap 2023–25*, building on the initiatives of our previous *Diversity and Inclusion Plan 2021*.

Created with input from our Diversity, Inclusion and Belonging (DIB) Council - made up a diverse range of people from across our Group and chaired by our Managing Director - the DIB Roadmap has three key strategic focus areas: **community partnering**, **inclusion and wellbeing**, and **flexibility and equity**.



## **Community Partnering**

We partner with the communities in which we operate to provide social and economic value that supports our social responsibilities.



#### **Inclusion and Wellbeing**

We enable an inclusive environment that embraces diversity, values wellbeing and provides a place where people feel like they can contribute fully.



## **Flexibility and Equity**

We have established a flexible workplace that develops and rewards our people in a way that meets their diverse needs and contributions.

#### **HIGHLIGHT:**

# **People Survey and Engagement Results**

With a participation rate of 82 per cent, the majority of our team members thought it was important to have their say in our 2023 People Survey. We were pleased that our scores indicated an increase in staff engagement, up 4 per cent from last year – from a score of 68 in 2022 to 72 in 2023, higher than the benchmark set in our Group Safety and People Index (see the full Index on page 50).

Our people also rated the leaders and leadership in our Group more highly than in 2022, with a small increase in the leadership score from 79 to 80. While this was positive, it was slightly under the benchmark set in our Index. We have a continuing program of leadership training in our Group to uplift our capability, outlined on page 60.

Consistent themes our people provided in their survey feedback included positive sentiments relating to our focus on safety and wellbeing, diversity inclusion and belonging, and continuing flexible working arrangements. That said, we know there is always more we can continue to do to provide our people with a more positive and authentic experience at work. We are using the survey results to inform our workplace strategies both at the team and individual manager level, all the way to the Group-wide work environment.

## What our people say

In 2023, 82 per cent of our people completed our annual *People Survey*. Through the survey they told us that overall we are making progress in DIB. They told us that:

72% & & engagement result

74% Say our workplace is diverse and inclusive

84% Supported to use flexible work

# Community Partnering – 2023 Achievements

We partner with the communities in which we operate to provide social and economic value that supports our social responsibilities.

## Focus Area Building Blocks

Reconciliation
Action Plan

Industry/ Community Partnerships

Employment Partnerships Cultural
Competency and
Awareness

## **Reconciliation Action Plan**

Our vision for reconciliation is fostering an inclusive environment for Aboriginal and Torres Strait Islander peoples both in our Group and the broader Australian community. To help achieve this we launched our first *Reflect Reconciliation Action Plan* in November 2020. Key activities and achievements in 2023 include:

- establishing 22 formal or informal relationships with Aboriginal or Torres Strait Islander organisations
- sharing indigenous artwork on more of our vehicles as a way of connecting with the community
- partnerships with and donations to community groups and other organisations supporting Indigenous people – read more in the Our Community section on page 35
- group-wide participation in NAIDOC and National Reconciliation Week activities
- working with our Indigenous Employee Network and external stakeholders to develop our *Innovate Reconciliation Action Plan* for release in 2024.

# **Industry and Community Partnerships**

We partner with a range of industry and community groups to support our team members in their careers, as well as recruit talented people to our business. This includes a partnership with Engineers Australia which supports eligible team members to become Chartered Engineers, to meet government requirements for engineers in Australia.

# **Employment Partnerships**

Through our cadetship programs with the Smith Family and CareerSeekers, we offer university students in their third or fourth years the opportunity to turn theoretical knowledge into real-life experience. Through these partnerships, we provide young people from disadvantaged or humanitarian arrival backgrounds with workplace experience, as well as the opportunity to build networks. We also advertise cadetships directly to university students.

#### **HIGHLIGHT:**

# Zinfra Partners with Australian Universities to Support the Next Generation of Engineers

To support the next generation of engineers, Zinfra has partnered with the University of Queensland, the University of Sydney, Monash University and the University of Tasmania to recognise and reward excellence in Civil and Electrical Engineering and support students financially to continue their studies. This year, the top performers of each degree received prizes of up to \$5,000 and were invited to participate in summer internships. The prizes allowed students to lean into their studies, participate in co-curricular activities and lessened the financial impact of everyday university life.



#### **HIGHLIGHT:**

# Partnering with Career Seekers for Cadetships

Rashidulla Noor Hassan completed a cadetship with the Group during his university holidays, something he says he couldn't have imagined when he first arrived in Australia, speaking no English, at age 13 as an asylum seeker originating from Myanmar.

As part of our ongoing focus on diversity and inclusion, we have partnered with Career Seekers to attract people like Rashidulla from diverse backgrounds to take part in our annual cadetship program, which gives university students on-the-job learning opportunities. CareerSeekers is a non-profit organisation supporting humanitarian entrants into professional careers. Their program provides in-depth preparation and support to both refugees and people seeking asylum who are either currently studying at university, or looking to start their professional career in Australia.



# Wellbeing and Inclusion – 2023 Achievements

We enable an inclusive environment that embraces diversity, values wellbeing and provides a place where people feel like they can contribute fully.

## **Focus Area Building Blocks**

Equality and Respect@Work Employee Networks

nployee Mental Health tworks and Wellbeing

# **Equality and Diversity**

#### Respect@Work

In 2023, we stepped up our approach to improving wellbeing and psychological safety in our Group through our Respect@Work program, to better understand the experiences of our people in relation to sexual harassment, discrimination and victimisation.

As a first step we commissioned a voluntary, anonymous internal survey which asked our people about their experiences in our Group, including first-hand experiences of team members either witnessing or being subjected to harassment or discrimination in the workplace.

We were pleased more than 63 per cent of our people completed the survey, providing thoughtful responses and a suite of insights to make meaningful change. Results indicated high levels of awareness of what constitutes sexual harassment and how to report incidents of inappropriate behaviour. We also identified the need to provide education for all employees on how to intervene if they see or hear something inappropriate. In response to the survey, our leadership team committed to three key actions – to talk about issues more openly, to improve the transparency of reporting and to build our people's capability to offer support.

Our first step was to partner with Griffith University to deliver a train-the-trainer course. In the first session, 24 team members from across our Group were equipped with the knowledge, skills, and tools necessary to deliver our Creating a Respectful Workplace program from 2024.

In 2023, our Group investigated a small number of formal complaints relating to sexual harassment or bullying. This led to termination in three instances, additional training in two instances, one instance of disciplinary action and one incident no longer subject to action. One incident remains open, and the remaining three have had other resolutions, primarily due to involving external parties.

#### **Our Employee Networks**

Our three employee networks – allyra, Diversability and our Indigenous Employee Network – were established in 2022. They are a key part of making all our employees feel like they can bring their authentic selves to work, without fear of discrimination or professional disadvantage, and where their unique abilities and perspectives are valued. Each undertook a range of activities in 2023.

#### allyra

Our LGBTQIA+ Community Network

- Partnered with Pride in Diversity to provide training to 70 of our team members.
- Led events marking IDAHOBIT and Wear It Purple Day.
- Provided rainbow lanyards for our team members can choose to wear, a visible signal of acceptance and allyship.

#### **Diversability**

Promoting inclusion, support and empowerment for people with disabilities

- Conducted a virtual panel to share lived experiences of living with or caring for a person with a disability to promote International Day of Persons with a Disability.
- Created and shared videos talking about their experiences with the Group.

#### **Indigenous Employee Network**

Bringing a First Nations voice to the table

- Connected regularly with our 32 Aboriginal and Torres Strait Islander team members to share experiences and ideas in a culturally safe environment.
- Brought their perspectives and lived experience to the development of our new RAP, to be released in 2024.

## **Mature Age Workers**

Our Group is also undertaking a program of work to engage with our workers over 45 years of age, as this cohort comprises nearly half of our current workforce. Many of our long-serving team members are in this age-range, so we want to recognise the value and experience they bring to our organisation, support people as they transition to retirement, and ensure they are engaged with mentoring, succession planning and passing on their knowledge to colleagues.

One of the important ways we are engaging with our long-serving team members is through our Quarter Century Club.

## Mental Health and Wellbeing

More information about our efforts in this space is available in the Safety and Wellbeing section, including our efforts to support the psychosocial wellbeing of our people at <a href="https://www.sustainability.jemena.com.au">www.sustainability.zinfra.com.au</a>.

#### **HIGHLIGHT:**

# **Valuing our Long-Standing Team Members**

Our Group values highly the skills and experience our long-standing team members bring to our business. In 2022, we started inducting team members with more than 25 years of service into our Quarter Century Club to recognise their commitment, and celebrate their achievements with us. We were pleased to induct nine new Quarter Century Club members in 2023, bringing the total membership to 243.



# Flexibility and Equity – 2023 Achievements

We have established a flexible workplace that develops and rewards our people in a way that meets their diverse needs and contributions.

#### **Focus Area Building Blocks**

Pay and Performance

Recruitment and Talent Development

Workplace and Workforce Design

DIB Policy Refresh

# Addressing Gender Equity and the Gender Pay Gap

Focusing on our gender pay equity position continues to be important for our Group.

We are pleased that our gender pay gap has reduced from 24.2 per cent in 2022 to 19.4 per cent in 2023, according to the data we provided in our <u>Workplace Gender Equality Agency (WGEA) Employer Statement</u> for 2022-23. Our gender pay equity gap for work of equal or comparable value is between one to two per cent, which is in line with data from 2021 and 2022.

We've identified the following drivers behind the gender pay gap:

- a high distribution of men in technical field, trade and engineering roles
- roles with significant overtime pay largely held by men
- a high distribution of women in lower banded positions which results in lower average pay for women.

To drive change, we are implementing a number of initiatives to increase women's participation, from attracting more women to entry level positions in the business, through to supporting women to flourish in their careers and take on leadership roles in the traditionally male-dominated energy sector.

We have a commitment to increase the percentage of women in our Group to 40 per cent by 2030 in two primary areas – in our pipeline to senior leadership and career entry pathways. These targets align with 40:40:20 gender diversity targets (that is, employee population ratios of 40 per cent men, 40 per cent women and 20 per cent of any gender). Our position in 2022 and 2023 is in the table below, together with our targets.

	2022 Position	2023 Position	2026 Target	2030 Target
Pipeline to Senior Leadership	28.0%	29.8%	36.0%	40.0%
Graduate Program	29.0%	31.0%	40.0%	-
Apprentices	14.0%	8.0%	25.0%	40.0%

We have seen increased representation of women in our senior leadership levels. Currently, 47 per cent of our cohort of General Managers (and other roles reporting to Executive General Managers) are women. Pleasingly, the majority have been internal promotions, demonstrating our focus on supporting career development. More information about career development training opportunities is on page 60.

We are also focusing on our graduate and apprentice intake, and are looking at a number of ways to achieve our targets in the coming years, including supporting women studying engineering and similar degrees through scholarship and internship programs. We are pleased to note that 22 per cent of the apprentices we recruited in 2023 to commence in 2024 are women, as are 66 per cent of the graduates recruited in 2023 to commence in 2024.

More information and data relating to our people is available at our Sustainability Hub – www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au.

#### **HIGHLIGHT:**

# Monash University and Jemena Industry Leader Scholarship

In 2023, Monash University student Bianca Poort was awarded the inaugural Jemena Industry Leader Scholarship. The scholarship is a five-year partnership between Jemena and Monash University, which sees an annual scholarship awarded to a female Monash University engineering student and is aimed at attracting the next generation of engineering talent to a career enabling Australia's energy transition.



# **Talent Development**

Providing our people with the training, support and development opportunities they need to grow and develop their careers is important to our Group.

In 2023, we focused on providing training, mentoring and coaching programs, while also providing our people with opportunities to broaden their skillsets to develop their careers. This included:

- focusing on our succession planning, with targeted development of team members with leadership potential – we have identified successors for 46 per cent of our senior leadership positions
- our coaching program helping 18 leaders and 26 other staff members in our business
  to improve their leadership skills and establish a coaching leadership style, following a
  successful pilot in 2022 equating to around 300 hours of coaching
- our new Grow Coaching Service which had graduates of our coaching program connecting and working with others in our business
- our new mentoring service, which formed 32 relationships in the business supporting career and personal development
- a new frontline leadership program pilot
- 230 staff seconded to other roles across the Group for opportunities to expand their skills and experience.

We provided 1106 hours of development training for 190 leaders across our Group – almost six hours each, covering delegation, planning and management, effective people management, communication skills and having difficult conversations. Supporting the development of women leaders in our business was also a priority, through our Chief Executive Women Leadership Program for team members in senior roles, and our Women Rising programs for emerging leaders.

For our field crews and other team members working on our electricity and gas assets, we delivered 101,000 hours of training to maintain and enhance their critical skills and capabilities, as well as obtaining formal accreditations where needed.

#### **HIGHLIGHT:**

## 2023 Top 100 Graduate Employer

We made the top 100 Graduate Employer list for the first time in 2023. We value the diverse range of perspectives and skills graduates bring to our energy infrastructure operations, and our corporate functions. Our graduates come from a range of disciplines – engineering, computer science, commerce and accounting, human resources, media and marketing and more, and complete a two-year program working across different areas of our business.



# Our Family-Friendly Workplace Commitment

Our Group is committed to being a family-friendly workplace, with policies that support our people to have balance between their commitments at work, and family and care-giving responsibilities. We are accredited as a Family Inclusive Workplace, and are also endorsed by Work180 as a workplace committed to equity and inclusion, promoting flexible work arrangements, shared caring responsibilities and career development.

The centrepiece of our commitment is our Supporting Families Initiative, which incorporates our parental leave arrangements, together with other forms of support for parents and people with other caring responsibilities. Like all Group benefits, our permanent employees (irrespective if they are part time or full time) have access to our parental leave arrangements.

Key features of our parental leave approach are:

- a gender-neutral parental leave policy to suit all family types offering equitable parental leave for parents
- no minimum service eligibility requirement to access paid parental leave or primary carers leave for permanent employees
- 14 weeks' paid parental leave for the primary carer, or 28 weeks at half pay (this can be taken in the first 24 months following birth, adoption or legal guardianship)
- two weeks partner leave at the time of birth or adoption or legal guardianship as well as up to five days of personal leave entitlement
- employer superannuation contributions continuing for up to 12 months for all leave during parental leave absence, including any unpaid leave.

Information about our team members who took paid and unpaid parental leave last year is in the table below.

	Men		Woman		
	Primary	Partner	Unpaid	Primary	Unpaid
Jemena	25	21	0	21	19
Zinfra	41	75	1	12	9
Total	66	96	1	33	28





# Integrating ESG into our Governance Framework

# **Our Sustainability Governance Structure**

#### SGSPAA Board (meets quarterly)

- · Monitors and optimises the Group's financial and non-financial performance
- Develops strategies to establish the Group's long-term viability and sustainability
- Manages risks facing the Group

Audit and Compliance Committee (meets quarterly) Funding and
Disclosure Committee
(meets quarterly)

#### Risk, Health, Safety and Environment Committee (RHSEC) (meets quarterly)

• Assists the Board in fulfilling its oversight responsibilities on the type and level of Group business risks, risk management and sustainability risks, including climate-related risks

Nomination and Compensation Committee (meets quarterly)

#### Leadership Team (meets monthly)

 Develops Group strategy, business plans and budget for Board consideration, and drives their implementation – including the Group's ESG Plan

#### **ESG Steering Committee (meets quarterly)**

- Leaders across the business responsible for managing our business sustainably
- Provides guidance and advice in relation to ESG Plan

#### **Emissions Reduction Working Group (meets quarterly)**

- Senior subject matter experts across the Group providing input to our Emissions Reduction Roadmap
- Supported by Emissions Reduction Working Groups focused on our gas transmission and distribution assets

#### **Environment and Sustainability Team**

 Leads development of Group ESG Plan, Emissions Reduction Roadmap and climate transition plans with subject matter experts across the business

#### **Group Strategy Team**

- Leads development of Group strategic objectives
- Undertaking climate risk and opportunities analysis

#### **Executive Risk Management Committee (meets quarterly)**

- Supports our Managing Director and RHSEC in executing their responsibilities
- Chaired by Executive General Manager, People, Safety and Governance

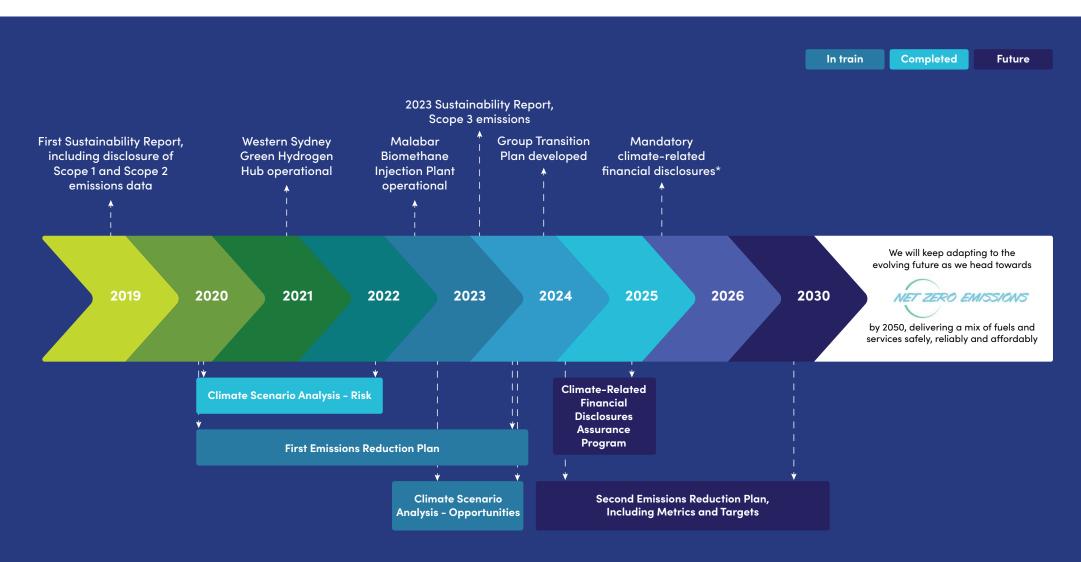
#### Risk Management and Internal Audit Team

- Responsible for delivering the Group's annual Risk Management Plan and overseeing the Group's Risk Register
- Maturing our climate-related risk responses is a key deliverable in the 2024 Risk Management Plan

**Finance, Human Resources, Health and Safety, Business Resilience, Property and Procurement Teams** are responsible for developing relevant Group-wide plans, strategies and processes in alignment with the Group ESG Plan, and working with teams across the organisation to implement and monitor. Responsible for risk management in their areas of responsibility.

**Jemena Networks, Gas Markets, Services and Projects (Zinfra)** are responsible for implementing Group-wide ESG initiatives and relevant policies, including identifying and managing risk, and identifying and actioning potential emissions reduction opportunities.

# **Our Disclosure Pathway**



<sup>\*</sup>Based on current information - at the time of writing relevant legislative amendments had been introduced to Parliament but not yet passed.

# **Risk Management**

Our Group recognises risk management is fundamental to effective corporate governance and achieving our objectives as a business. In pursuing our commitment to managing risks, we maintain a risk management framework in accordance with AS ISO 31000:2018 Risk Management - Guidelines. We also integrate risk management into our organisational culture, activities and decision-making processes, with resources and training available for our people. Our Risk Management Framework is outlined in the below infographic.

As part of our commitment to continuous improvement in risk management, in 2023 we implemented a new online governance, risk and compliance system, Omnia. It provides a number of benefits to our team members involved in managing risk for our business, including improved reporting and minimising the number of systems in which relevant risk-related information is stored.

A range of risks our business is exposed to, including climate change-related risks, is listed in the SGSPAA Offering Circular.

## **Enterprise Risk Management Framework**



#### **Corporate Governance**

- Risk Management Structure
- Terms of Reference
- Roles and Responsibilities
- Risk Management Policy

#### **Risk Definition and Categories**

- Strategic Risk
- Financial Risk
- Health, Safety and Environment Risk
- Climate Risk
- Operational Risk
- Regulatory Risk
- Reputational Risk

#### Risk Management Methodologies

- Top-Down and Bottom-Up
- Approach
- Risk Assessment and Treatment
   Risk Profiling/Reporting

#### **Risk Management Processes**

- Establish the Context
- Risk Identification
- Risk Analysis
- Risk Evaluation
- Communication and
   Consultation
- Monitor and Review
- Record and Report

#### **HIGHLIGHT:**

# **Securing Critical Infrastructure**

Energy infrastructure is critical to Australian homes, businesses and industry. In 2023, team members from across our Group came together to review and enhance the ways in which we manage the risks inherent in operating electricity and gas infrastructure, in line with amendments to the Security of Critical Infrastructure (SOCI) Act 2018. This required us to have a comprehensive Risk Management Plan (RMP) in place by August 2023.

Our SOCI program spanned six months and involved more than 100 stakeholders across the business. They ranged from our cyber-security experts, procurement team, to our human resources team and team members responsible for managing our gas and electricity assets, who worked together to evolve how we manage risk through a better understanding of our material risks, strength of current controls and identifying further opportunities to strengthen the resilience of our critical infrastructure assets.



# **Resilience and Business Continuity**

Through our approach to organisational resilience, we endeavour to maintain the continued viability of our business. It focuses both on preventing incidents and crises, as well as managing issues and disaster recovery. Our approach guides our preparedness and responsiveness to disruptive events and change opportunities, and integrates a range of elements including the security of our critical infrastructure, emergency management, crisis management and business continuity management.

Our approach to emergency management is established under the Group's Business Resilience Framework. The framework, developed in line with the Australian Inter-service Incident Management System (AIIMS) doctrine, formalises the linkages between policies, organisational structures, and crisis and emergency management systems and plans that must be maintained in a state of readiness for effective deployment and activation. This includes running regular training sessions and exercises for our business. Our programs set the minimum training and exercise requirements to meet this goal.

In 2023, to further improve our processes, we conducted a thorough review of our management of an incident in late 2022 where more than 20,000 customers in Bathurst, Lithgow, Oberon and Wallerawang were without gas due to an incident on the APA Group's Young-Lithgow pipeline. While the review found we managed the incident effectively, we have implemented lessons learned, and undertaken considerable work across our business to prepare to respond more effectively to major gas outages.

#### **HIGHLIGHT:**

#### **Crisis Exercise Portus Primus**

What would happen if we had an outage affecting more than 800,000 of our customers in Sydney? It's a situation we hope to never address in reality, but it provided a thought-provoking crisis management exercise for our Group in August 2023.

To help us test our crisis management processes, we welcomed more than 30 representatives from organisations including the Australian Energy Market Operator, New South Wales Police, the New South Wales Office of Energy and Climate Change and local councils, to work with team members from across our business. Lessons learned from the exercise have helped us further refine our emergency and crisis management processes.





# A Culture Underpinned by Our Values

Our Values underpin everything we do, which means how we deliver outcomes is just as important as what we deliver. We want to set clear expectations for our people and the organisations we work with to maintain our culture of acting lawfully, ethically and responsibly, including meeting or exceeding our regulatory obligations. In addition, we apply a rigorous approach to improving our processes if we fall short. The most important document that provides clear guidance for our employees, contractors and suppliers in relation to their behaviour, day-to-day conduct and decision-making is our *Code of Conduct*.



Better together

We value the diversity of our people, working together to achieve great outcomes



Find a better way

We find improved and innovative ways to work



Be accountable

We accept responsibility to deliver our commitments



Think like a customer

Our actions consider our customers, community, and other stakeholders



We care

We value safety and wellbeing for ourselves, our community and environment

# **Our Code of Conduct: Doing the Right Thing**

After our Code of Conduct was reviewed and updated in late 2022, all our team members were required to complete code of conduct training by May 2023.

Our Code sets expectations for our people on the following matters, supported by more detailed policies, procedures and other guidance:

- health, safety and environment
- diversity and inclusion
- bullying, harassment and sexual harassment
- privacy and personal information
- relationships with authorities
- fraud and corruption

- · ring-fencing
- conflict of interest
- · procurement and contracting
- protecting our assets
- accuracy and security of data
- communicating publicly.

If the Code of Conduct is breached, corrective or disciplinary action can range from verbal or written warnings, to termination of employment. Breaches which potentially constitute criminal or illegal conduct may also result in referral to appropriate authorities. Our Code notes particularly that breaches of fraud, bribery and anti-corruption laws are serious offences, and any breach will be treated as serious misconduct warranting disciplinary action.

Should any of our team members wish to report unlawful or unethical behaviour in our business, we have a whistleblower program in place, supported by our Whistleblower Policy. This policy provides information about how and to whom a team member can make a notification, the support and protections provided, and how investigations proceed.

More information about our Code of Conduct and associated policies is available at <a href="https://www.sustainability.jemena.com.au">www.sustainability.jemena.com.au</a> and <a href="https://www.sustainability.zinfra.com.au">www.sustainability.zinfra.com.au</a>.

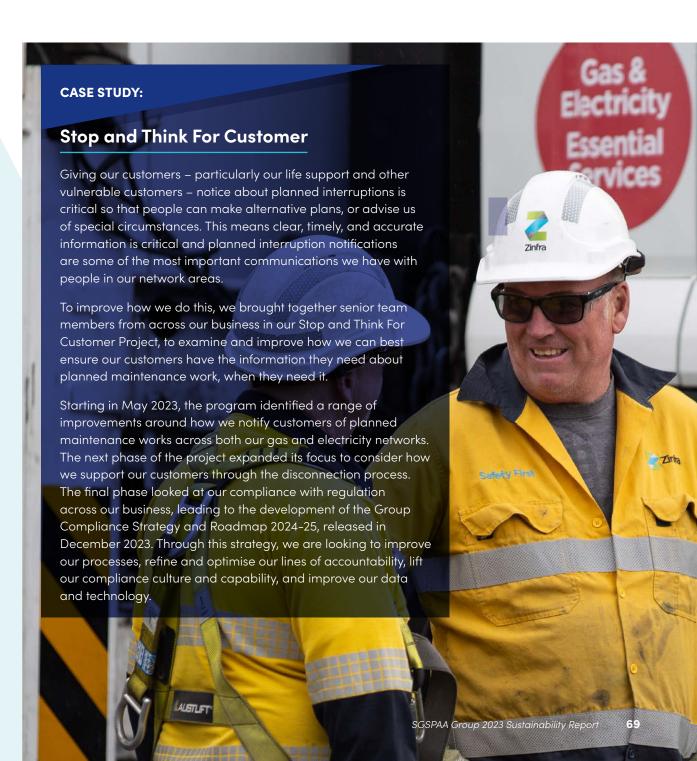
# **Upholding our Regulatory Obligations**

This year, we critically examined our performance in ensuring our gas and electricity network customers have the information they need, and in upholding our regulatory obligations across our business through our Stop and Think for Customer Project. This followed our Group reporting to the Victorian Essential Services Commission some instances where we regrettably did not meet our obligations in informing vulnerable customers of planned outages.

Our Stop and Think for Customer project started in 2022, and in 2023, we expanded its remit from focusing on our electricity network and its customers, to taking a broader view across the business, covering:

- disconnection processes across our gas and electricity networks
- planned outages across our gas network
- specific compliance obligations relating to our gas transmission pipelines.

From the start of 2024, we will begin implementing our Stop and Think for Customer Roadmap, based on our work in 2023. See the Stop and Think for Customer case study following for more information.



# Managing ESG Risks in Our Supply Chain

When procuring goods and services from suppliers, our people are supported by our governance and policy framework.

Our Procurement and Contract Management Procedure provides guidance in a clear and standardised approach to make sound, sustainable and fair procurement decisions. It supports our people by incorporating our corporate, social and environmental responsibilities. This extends to our 2023 procurement ESG action plan, which is underpinned by our Group's corporate strategy.

In line with the *Modern Slavery Act 2018*, we have focused on maturing our understanding of potential risks in our supply chains as highlighted by the below case study. More information on this topic and our action–plan is available in our *2023 Modern Slavery Statement*. When published, our 2024 Modern Slavery Statement will be available online at our Sustainability Hub.

#### **HIGHLIGHT:**

# Better Understanding Supplier ESG Risks

In 2023, as part of maturing our approach to managing ESG-related risk in our supply chains more broadly, we entered into an agreement with Fair Supply. This platform will provide us with reporting data that will help us better identify, mitigate and manage modern slavery and associated risk, Scope 3 emissions and other impacts on the environment. It also provides us with information about suppliers critical to our asset risk management program bringing us in line with the Security of Critical Infrastructure (SOCI) Act reforms.



# **Sustainability Data Centre Supplement**

Our CY2023 Report uses the disclosure framework set out by the Global Reporting Initiative (GRI) to provide an overview of our sustainability performance throughout the reporting year. We are also improving our capability to report against Task Force on Climate-Related Financial Disclosures (TCFD), ahead of mandatory climate-related financial disclosure requirements commencing from 1 July 2024.

Our Data Centre Supplement also includes a list of Group strategy, planning policy and procedure documents. Where we can make these publicly available, they are available on our Sustainability Hub – <a href="https://www.sustainability.jemena.com.au">www.sustainability.jemena.com.au</a> or <a href="https://www.sustainability.jemena.com.au</a> or <a href="https:

We've also included a table of our stakeholders and how we engage with them in our data centre supplement this year.

# **GRI Index**

Standard	Disclosure	Section	Page
GRI 2-1	Organisational details	Who We Are and What We Do	8
GRI 2-2	Entities included in the organisation's sustainability reporting	Who We Are and What We Do	8
GRI 2-3	Reporting period, frequency and contact point	About this Report	4
GRI 2-4	Restatements of information	N/A	-
GRI 2-5	External assurance	N/A Details about our plans for future disclosures are included	64
GRI 2-6	Activities, value chain and other business relationships	Performance, Who We Are and What We Do	3, 8
GRI 2-7	Employees	Who We Are and What We Do	10
GRI 2-9	Governance structure and composition	Who We Are and What We Do www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	8

Standard	Disclosure	Section	Page
GRI 2-11	Chair of the highest governance body	Who We Are and What We Do www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	8
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Who We Are and What We Do  www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	8
GRI 2-13	Delegation of responsibility for managing impacts	Who We Are and What We Do, Corporate Governance	8, 62
GRI 2-14	Role of the highest governance body in sustainability reporting	Corporate Governance	62
GRI 2-22	Statement on sustainable development strategy	Who We Are and What We Do	8
GRI 2-23	Policy commitments	Who We Are and What We Do, Corporate Governance	8, 62
GRI 2-24	Embedding policy commitments	Who We Are and What We Do, Corporate Governance	8, 62
GRI 2-25	Processes to remediate negative impacts	Our Community	35
GRI 2-26	Mechanisms for seeking advice and raising concerns	Our Customers, Our Community	26
GRI 2-27	Compliance with laws and regulations	Business Ethics	67
GRI 2-28	Membership associations	Our Customers	34
GRI 2-29	Approach to stakeholder engagement	Our Customers, Our Community	35, 67
GRI 2-30	Collective bargaining agreements	www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	_
GRI 3-1	Process to determine material topics	About this Report	5
GRI 3-2	List of material topics	About this Report	5

Standard	Disclosure	Section	Page
GRI 3-3	Management of material topics	About this Report	5
GRI 201-1	Direct economic value generated and distributed	Performance	3
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Business Ethics	65
GRI 203-1	Infrastructure investments and services supported	Our Community	44
GRI 203-2	Significant indirect economic impacts	Our Community	44
GRI 204-1	Proportion of spending on local suppliers	Our Community	44
GRI 205-1	Operations assessed for risks related to corruption	Corporate Governance	65, 68
GRI 205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance	68
GRI 205-3	Confirmed incidents of corruption and actions taken	N/A – no confirmed incidents of corruption	-
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	N/A – no such legal actions taken against the Group	-
GRI 207-1	Approach to tax	About this Report, SGSPAA Tax Transparency Report	4
GRI 207-2	Tax governance, control and risk management	About this Report, SGSPAA Tax Transparency Report	4
GRI 302-1	Energy consumption within the organization	Climate Change	20
GRI 302-2	Energy consumption outside of the organization	Climate Change	20
GRI 302-3	Energy intensity	Climate Change	20

Standard	Disclosure	Section	Page
GRI 303-5	Water consumption	Environmental Footprint	25
GRI 305-1	Direct (Scope 1) GHG emissions	Climate Change	20
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Climate Change	20
GRI 305-3	Other indirect (Scope 3) GHG emissions	Climate Change	20
GRI 305-4	GHG emissions intensity	Climate Change	20
GRI 305-5	Reduction of GHG emissions	Climate Change	16
GRI 305-7	Nitrogen oxides, sulphur oxides and other significant air emissions	www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	-
GRI 306-1	Waste generation and significant-waste-related impacts	Environmental Footprint	22
GRI 306-2	Management of significant waste-related impacts	Environmental Footprint	22
GRI 306-3	Waste generated	Environmental Footprint	24
GRI 306-4	Waste diverted from disposal	Environmental Footprint	24
GRI 306-5	Waste directed to disposal	Environmental Footprint	24
GRI 401-3	Parental leave	Our People	61
GRI 402-1	Minimum notice periods regarding operational changes	www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	-
GRI 403-1	Occupational health and safety management system	Safety and Wellbeing	47
GRI 403-2	Hazard identification, risk assessment and incident investigation	Safety and Wellbeing	47

Standard	Disclosure	Section	Page
GRI 403-3	Occupational health services	www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	-
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Safety and Wellbeing	45
GRI 403-5	Worker training on occupational health and safety	Safety and Wellbeing	45
GRI 403-6	Promotion of worker health	www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	-
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	-
GRI 403-8	Workers covered by an occupational health and safety management system	www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au	-
GRI 403-9	Work-related injuries	Safety and Wellbeing	50
GRI 403-10	Work-related ill-health	Safety and Wellbeing	48
GRI 404-1	Average hours of training per year per employee	Our People	60
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Our People	60
GRI 406-1	Incidents of discrimination and corrective actions taken	Our People	56
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Business Ethics	70
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Business Ethics	70

Standard	Disclosure	Section	Page
GRI 413-1	Operations with local community engagement, impact assessments and development programs	Our Community	35
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	Our Community	35
GRI 414-1	New suppliers that were screened using social criteria	Business Ethics, Modern Slavery Statements	70
GRI 414-2	Negative social impacts in the supply chain and actions taken	Business Ethics, Modern Slavery Statements	70
GRI 415-1	Political contributions	Our Customers	34

# **TCFD Index**

	Recommended Disclosures	Where to find information
C	Describe the Board's oversight of climate-related risks and opportunities	63
Governance	Describe management's role in assessing and managing climate-related risks and opportunities	63
	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	65, SGSPAA Offering Circular
Strategy	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	In progress, 64
	Describe the resilience of the organisation's strategy, taking into consideration different climate- related scenarios including a 2 degree Celsius or lower scenario	In progress, 64
	Describe the organisation's processes for identifying and assessing climate-related risks	65, www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au
Risk Management	Describe the organisation's processes for managing climate-related risks	65, www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	65, www.sustainability.jemena.com.au or www.sustainability.zinfra.com.au
	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	In progress, 64
Metrics and targets	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas emissions, and the related risks	20-21
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	In progress, 17

# **Appendix 1: Association Memberships**

# **Energy**

#### The Energy Charter

The Energy Charter is a whole-of-industry advocacy initiative with around 20 member companies committing voluntarily to put customers first by challenging and holding ourselves accountable for being customer focused and transparent in what we do.

#### **Energy Networks Australia**

We are a member of Energy Networks Australia, the national industry body representing Australia's electricity transmission and distribution and gas networks. Energy Networks Australia works with networks, regulators and industry partners to develop research and advise on issues including national and state government policy and regulation and key technical issues such as network safety, reliability and energy efficiency and sustainability.

#### Australian Pipelines and Gas Association (APGA)

We are a member of APGA as the peak body representing Australasia's pipeline infrastructure.

#### **Professional**

#### **Engineers Australia**

We have partnered with Engineers Australia to support our engineers to become chartered via their Engineering Workforce Credentialing Program. Engineers Australia are the leading peak professional body for engineers in Australia. Their chartership is a professionally recognised accreditation where we can sponsor eligible engineers across our workforce to become chartered and if required, obtain professional engineering registrations.

#### **CPA Australia**

We are a CPA Australia Recognised Employer Partner. As one of the largest professional accounting bodies in the world, CPA Australia delivers the highest standard in professional development and support to the Jemena team.

#### **CEDA**

We are a member of CEDA – the Committee for Economic Development of Australia –an independent, think tank whose purpose is to achieve sustainable long-term prosperity for all Australians.

#### **Business Council of Australia**

We are a member of the Business Council of Australia, which brings together the expertise of Australia's leading chief executives and representatives from their companies to shape public policy and support economic growth and social progress for the benefit of all Australians.

# Workplace

#### Work180

Our Group is endorsed by WORK180 as a workplace committed to equity and inclusion, promoting flexible work arrangements, shared caring responsibilities and career development.

#### **Family Friendly Workplaces**

We are certified as a Family Inclusive Workplace by Family Friendly Workplaces. Our Group is assessed against the National Work and Family standards to provide an action-oriented plan for the creation of a family friendly workplace culture. Implementation of this plan is reviewed by Family Friendly Workplaces as part of an annual reporting program to retain certification.

#### Australian Institute of Health and Safety

We have partnered with the Australian Institute of Health and Safety to learn from other organisations and health and safety experts, and share our experiences with others.

# Sustainability

## **Supply Nation**

We are a proud member of Supply Nation, which provides its members with access to Australia's leading database of verified Indigenous businesses. The database was designed to build a vibrant and prosperous Indigenous business sector by incorporating Indigenous owned businesses into the supply chain of Australian businesses.

SGSPAA Group Level 16, 567 Collins Street Melbourne 3000 1300 536 362

For more information about this report email Corporate\_affairs@jemena.com.au.