

Sustainability Report 2021

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Acknowledgement of Country

In the spirit of reconciliation, SA Power Networks and Enerven acknowledge the multiple Traditional Owners of the lands that host the South Australian electricity network and their connections to land, sea and community. We would also like to pay our respects to Elders past and present and acknowledge that these are living cultures by paying respect to emerging leaders.



Disclaimer

The information contained in this report is relevant and accurate to 31 December 2021. This report and the information contained in this report is for general information only and should not be taken, read or relied upon as anything other than general information.

South Australia facts



SA Government committed to
100% net renewable
energy generation in SA by
2030



63%
of energy demand in SA
met by renewables
– second only to Denmark



Around
\$20 billion
of renewable energy projects
in the pipeline in SA

SA Power Networks Sustainability highlights

Released Climate Change
Position Statement



~300,000
solar PV systems
enabled



~30,000
home batteries
enabled



1 in 3
customers in SA
with solar
– highest in NEM



Facilitating
9
Virtual Power
Plants (VPPs) in SA



100%
of distribution network
demand regularly met
by renewables



Committed to
net zero Greenhouse
Gas (GHG) emissions by
2035



Reduced our
GHG emissions by
5%
compared to last year



#1
Benchmark ranking by
the Australian Energy
Regulator



55%
of the public lights
we manage are now
energy saving LED



Sustainability
Strategy
developed



Achieved
\$4m
in donations through
the Employee Foundation



\$1.7m
invested
in community
partnerships

About SA Power Networks

Sole distributor in
South Australia

Supply South
Australia's
1.7 million population

Supplying **900,000**
homes and businesses

2,200 employees in
more than 30 sites
across the state

600 apprenticeships
since 2003

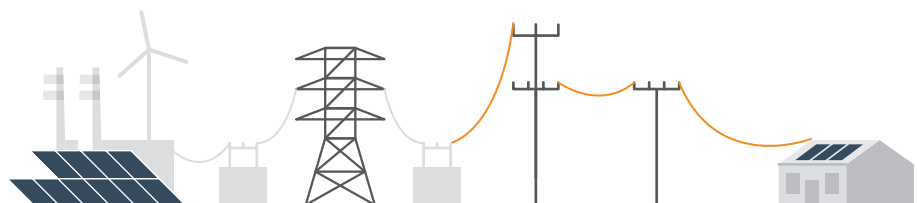
Peak demand
3,145MW

Electricity distributed
9,636GWh

Network coverage
over **178,000km²**

Route length around
89,000km

Oldest network assets
in the NEM



South Australian electricity supply chain

Generation
Gas, wind and solar
Generate electricity

Transmission
ElectraNet
Carry electricity
long distances

Distribution
SA Power Networks
Carry electricity to and
from customers

Retailers
Bill customers for all the
costs in getting electricity
to their home or business



Foreword



Empowering a prosperous and low carbon future for South Australia – a message from our Chief Executive Officer

I am pleased to present the inaugural Sustainability Report for the SA Power Networks Group*.

As South Australia's electricity distributor, SA Power Networks plays a critical role in the energy sector. We are known for safely and reliably delivering power to residential and business customers across the State, but what is less well known is that we are actively supporting the State's leadership in transitioning to a low carbon economy.

The energy sector is changing at a rapid pace, with the uptake of large-scale renewables, rooftop solar PV and, increasingly, residential batteries and electric vehicles, presenting a challenge with respect to maintaining a stable and reliable grid. Additionally, our business and community are already experiencing the impacts of our changing climate.

However, along with these changes and challenges comes a power of possibility, and we recognise that to effectively move forward we must align our approach with the principles of sustainability with equity, fairness, transparency, community, and environmental considerations integrated into our systems, processes and resourcing.

The SA Power Networks Group's purpose is to Empower Tomorrow. By paying attention to the longer term, to stakeholder and customer needs, and to the social and environmental consequences of our operations and activities, we believe we will achieve outcomes that will be good for our business and our community, as well as the planet. We actively consider environmental, social and governance (ESG) risks and opportunities in our business practices, and our ESG work is centered around making a positive impact for our stakeholders, whether it be reducing our carbon footprint, fostering a more diverse and inclusive workforce, or delivering an affordable, secure and decarbonised energy system.

In 2021 year we consolidated our ESG activities as part of the development of our Sustainability Strategy and Plan and the refresh of our Customer Strategy. Research and engagement during this time provided a very clear message from our customers, our people and other stakeholders about our role, and their strong support of our action on sustainability issues.

The development of the SA Power Networks Group's inaugural Sustainability Report has provided an opportunity to reflect on the contribution we have to make in relation to:

- Our role in transforming energy and the decarbonisation of South Australia
- Our customers and the communities we work in and their central importance to everything we do
- Ensuring that we are playing our part by focussing on our carbon footprint, our environmental impact and the diversity and inclusivity of our workforce

Our strategy, as outlined in this report, has provided a vehicle for us to articulate a more ambitious approach to sustainable practices. This report will help us focus on further opportunities for the SA Power Networks Group to contribute.

A handwritten signature in dark ink, reading 'R Stobbe'.

Robert Stobbe
Chief Executive Officer

* SA Power Networks Group has two key businesses:

- SA Power Networks, which manages the regulated electricity distribution network serving 1.7 million South Australians, and
- Enerven, a specialist service provider in the competitive energy and telecommunications sectors.

About this report

Organisational scope and boundary

Our 2021 Sustainability Report provides an introduction to the SA Power Networks Group’s Sustainability Strategy and our vision and approach to sustainability. It also details the Group’s Environmental, Social and Governance (ESG) performance and achievements related to our South Australian network, assets as well as projects¹ (including work conducted interstate by Enerven) during the 2021 calendar year.

Reporting principles and frameworks

Like many businesses, we are watching the developments in the global ESG reporting landscape, including the alignment of the more prominent frameworks and standards by the newly created International Sustainability Standards Board (ISSB). Our reporting follows the guidance of the Taskforce for Climate-related Financial Disclosure (TCFD) framework, the Global Reporting Initiative (GRI) Standards and general industry standards. Our carbon footprint is derived from our annual reporting under the *National Greenhouse and Energy Reporting Act (2007)*. Supporting information that forms part of our sustainability disclosures is available on our website.

Our sustainability and ESG reporting is guided by a number of key principles including:

Sustainability vision and corporate strategy

Our Sustainability Strategy and Plan are linked directly to and aim to deliver on the aspirations outlined in our Strategic Direction 2035.

Sustainability governance and management

We have refreshed our sustainability governance, oversight and management frameworks to reflect the elevation of ESG across our business, including establishment of a Board Sustainability Committee.

Materiality and value chain

We focus on the ESG risks and opportunities that matter to our stakeholders (employees, community, owners, governments, regulators and suppliers). We have commenced a value chain mapping process to better articulate the activities, impacts, and outcomes along the value chain.

Metrics and targets

Metrics and targets are defined and disclosed for material topics and are linked to our Sustainability Strategy to enable performance monitoring. Metrics with targets still undergoing refinement or development are disclosed for transparency.

Balance, transparency and consistency

We aim to discuss and disclose both the negative and positive aspects of our sustainability performance, and to utilise nationally and globally recognised reporting methodology and protocols.

Assurance

SA Power Networks engaged KPMG to undertake Limited Assurance over the sustainability reporting data and an assessment of other selected information in this report. The full details of the process, scope of assurance and outcome are detailed in KPMG’s assurance statement in Appendix 4.

1 Projects undertaken by private (eg Council-owned) networks or assets that we do not operate are excluded.

Our contribution to achieving the UN Sustainable Development Goals

We are building on our achievements in the ESG space and our increasing focus on sustainability will see us provide a significant contribution towards five of the 17 Sustainable Development Goals (SDGs). The SDGs were adopted by the United Nations in 2015 to end poverty, fight inequality, improve the natural environment and tackle climate change.

13 CLIMATE ACTION



Climate Action

We are preparing our network, our people, customers and communities for the significant challenges of the changing climate and positioning our businesses to capitalise on the emerging opportunities presented by the transition to a low carbon economy. We are targeting net zero greenhouse gas emissions from our operations by 2035.

7 AFFORDABLE AND CLEAN ENERGY



Affordable and Clean Energy

The vision for our network is to provide a decarbonised, decentralised future enabled by a resilient, affordable and flexible network. We aim to deliver safe, reliable and equitable energy services that our customers and communities value. We know that we play a vital role in ensuring that no one gets left behind in the transition to a low carbon economy.

11 SUSTAINABLE CITIES AND COMMUNITIES



Sustainable Cities and Communities

Our overall organisational vision is to “Lead the transformation of energy services for a sustainable future”. Our network provides not only an essential service, but will be a key enabler of the transition to a decarbonised South Australia. We are actively supporting the SA Government’s sustainability aspirations, and we are committed to contributing to the long-term prosperity, safety and vitality of the communities we work in.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Industry, Innovation and Infrastructure

Our distribution network sits at the heart of the low carbon transition, and the next decade will be the most exciting period for our business since the network was built more than 120 years ago. We are industry leaders in energy distribution innovation and have a strong record for building partnerships with the private and public sectors and other stakeholders across and beyond the energy system. We will accelerate our efforts to evolve and transform our network and the services we provide to better reflect our customers’ needs and adapt to our changing role at the centre of an increasingly distributed, two-way energy system.

5 GENDER EQUALITY



Gender Equality

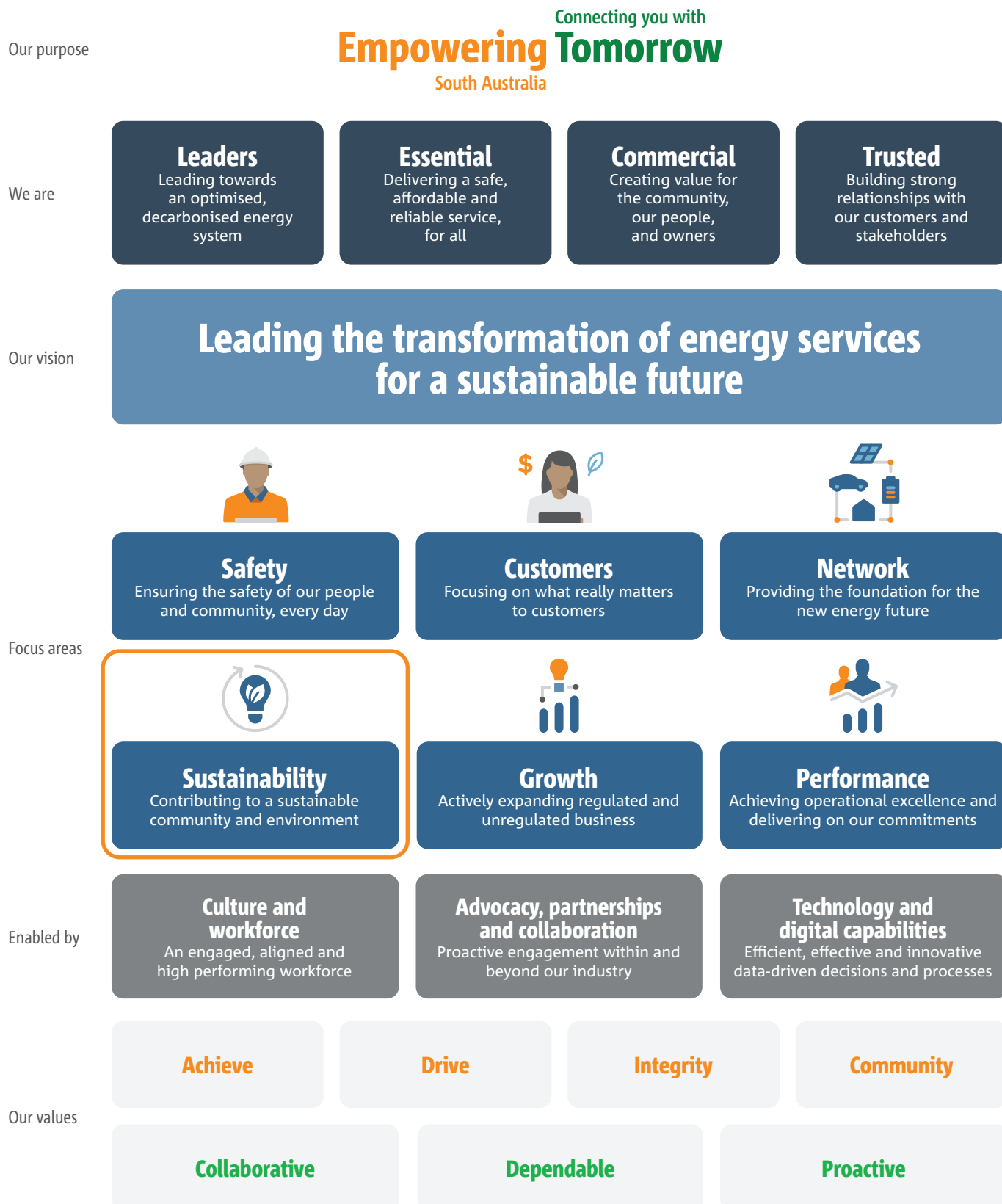
The energy sector has traditionally been male dominated, but we are working towards achieving our vision to foster an inclusive workplace that better reflects the diversity of our community. We are implementing a range of initiatives to increase the representation of women in leadership roles and non-traditional careers in field-based, operational and engineering roles.

About SA Power Networks

Our Strategic Direction

Our Strategic Direction 2035 recognises the opportunity to leverage our existing leadership to support State decarbonisation and prosperity. Our long-term direction has elevated Sustainability to a focus area – an acknowledgement of its importance to our business.

Building on established programs and performance in the environmental, safety and customer space, we have developed a Sustainability Strategy that enables our organisation to accelerate our contribution to a prosperous, equitable low carbon and environmentally responsible future for South Australia.



Our value chain and providing the foundation for a new energy future

Our core business is electricity distribution. As part of this we maintain 650,000 Stobie poles, 89,000 km of powerlines and underground cables, more than 400 zone substations, and 73,000 street transformers. We provide and maintain around 220,000 streetlights for over 70 Council, Aboriginal and regional areas across South Australia.

We provide a safe and reliable network that involves us undertaking construction and maintenance works, trimming vegetation under our powerlines, and conducting helicopter and ground patrols to inspect our assets. This helps to protect our customers, communities and network from bushfires, outages, and storm impacts.

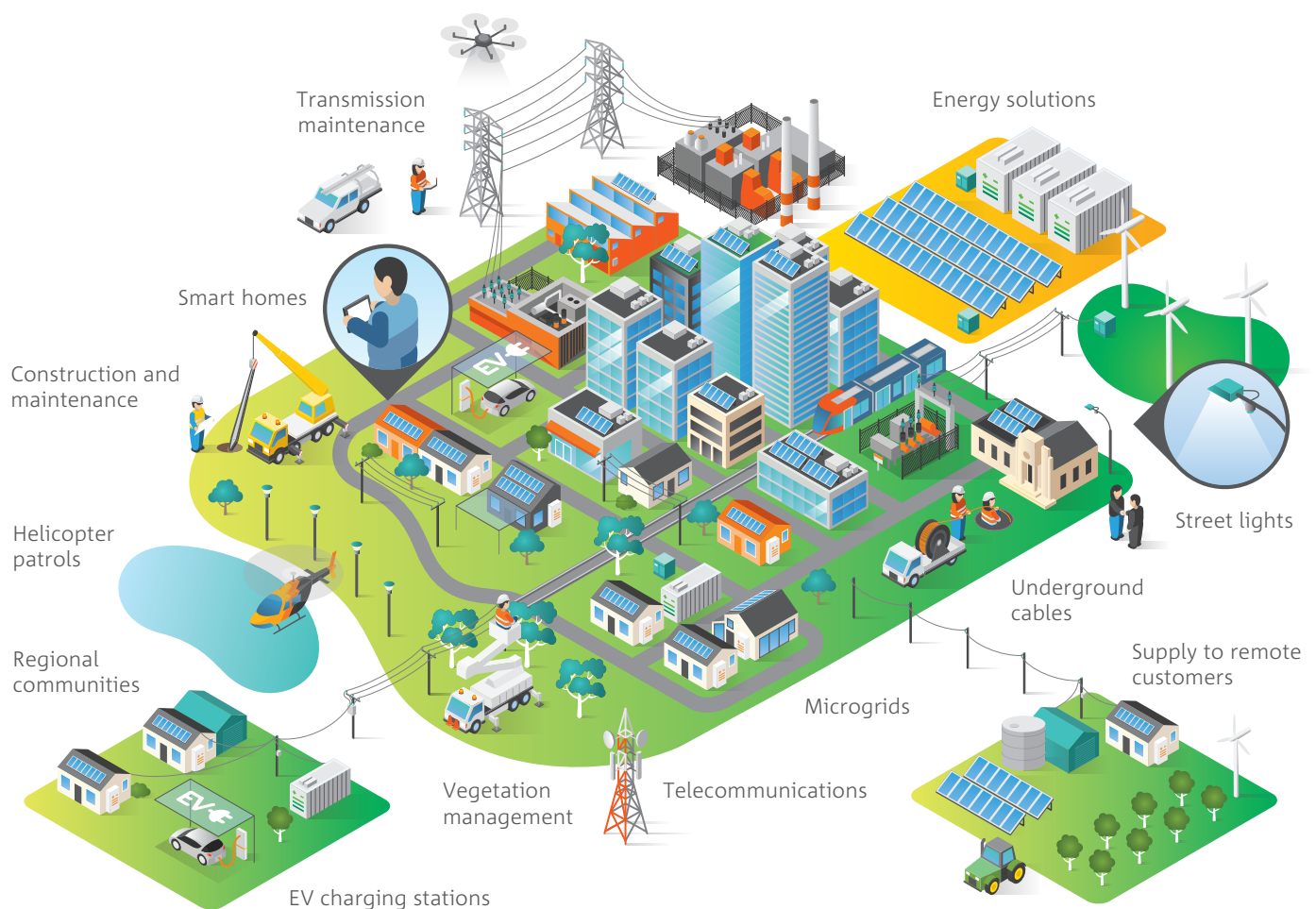
We have our own telecommunications fibre network on our infrastructure, which is also used by third parties, and this assists in our communities staying connected. Our subsidiary business Enerven works in the competitive market delivering energy and telecommunications solutions.

Our materiality assessment considered our full value chain, as depicted below.

Our network is set to play a vital role as South Australia transitions to a distributed and decarbonised energy system.

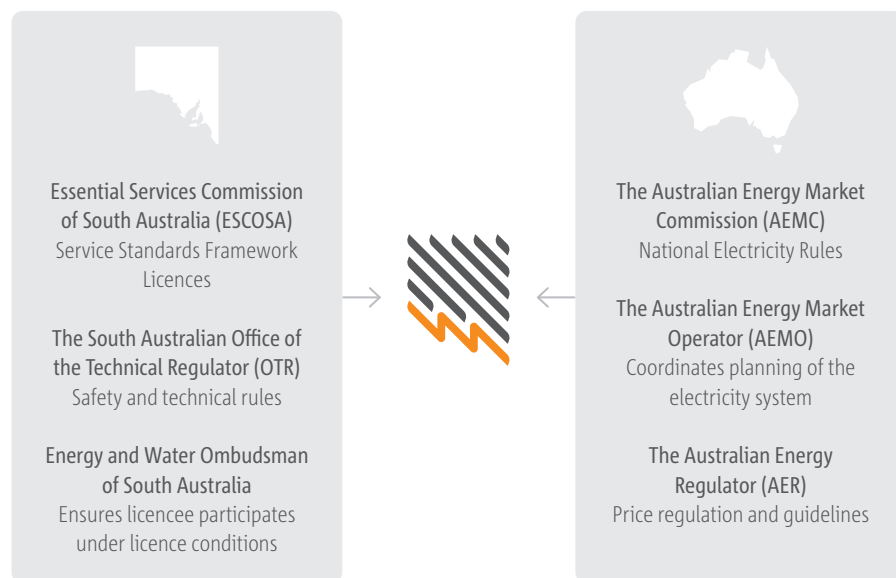
A network that once served only to supply energy generated by large, centralised fossil-fuelled generators, now hosts more than half of the State's generation capacity, with much of it owned by customers. Increasingly, batteries connected to the distribution network are providing system security services once provided solely by grid-scale generators. Over the longer term, our network will enable broader decarbonisation through electrification of transport and potentially other end-use applications currently powered by hydrocarbons.

This shift to widespread and decentralised energy resources directly connected into the electricity distribution network, has already resulted in an expansion of the services our network provides. There are further opportunities to increase the value that the network offers and leverage the significant investment our community has made in it.



Regulatory Framework and Reset

SA Power Networks is a regulated utility and every five years we are required to undergo a regulatory/price reset process and submit a service, expenditure and revenue proposal (called a Regulatory 'Reset' Proposal) to the Australian Energy Regulator (AER).



The Reset Proposal details our proposed business operations and service delivery, including:

- Our ongoing commitment to customers and communities
- Changes in our regulatory and physical environment
- Forecast expenditure
- Asset base and depreciation
- Revenue and tariffs
- Customer price impacts

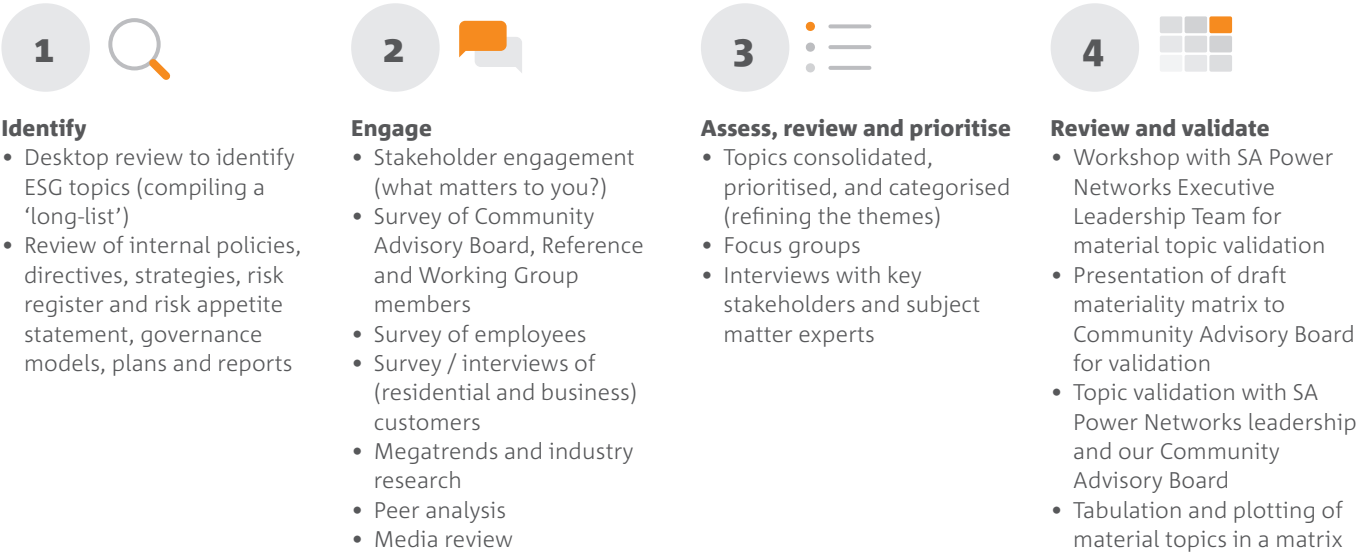
Our Reset Strategy aims to develop a proposal that meets the needs of our customers and provides a fair return for our business. For us, a successful proposal is one that has strong customer and stakeholder support gained through deep engagement, focuses on what matters, and is backed up by high quality analysis. You can find more information about our approach to stakeholder engagement during the Reset in the “Connecting and protecting communities” section of this report.

We are required to abide by the local regulatory environment and the National Electricity Law (NEL) and the National Electricity Rules (NER) in managing the distribution network.

Sustainability Strategy

Materiality assessment

To guide our sustainability approach, activities and reporting, we engaged with our stakeholders to undertake a materiality assessment – a common method to determine what environmental, social and governance issues, risks, and opportunities have the greatest impact on our business, customers and communities, and which we have the ability to influence. The process included:



Our materiality assessment resulted in a consolidated list of 15 material topics in five key areas.

These material issues were reviewed in the context of our overall Strategic Direction, with four key themes emerging:

- our network’s role in transforming energy;
- our people;
- climate change and the environment; and
- our customers and communities.

These themes and topics informed the development and structure of our Sustainability Strategy and Plan.

Theme	Material topic
Network	Energy affordability and equity
	Emerging technologies and integration
	Customer experience
	Grid resilience and reliability
People	Workplace diversity and inclusivity
	Workplace health and wellbeing
	Talent attraction and development
Environment	Climate change and our role in decarbonisation
	Protecting biodiversity and the environment
	Responsible consumption, resource use and our contribution to the circular economy
Social	Community development and engagement
	Contributing to economic development
Governance	Integrating sustainability into corporate governance and risk management
	Cyber security, privacy and data
	Responsible supply chain

Our Sustainability Strategy

Sustainability is not just about preserving natural resources and the environment. Embedded in most definitions of sustainability are concerns for social equity and economic development – and the goal of our *Sustainability Strategy* reflects this.

Our short and medium-term objectives aim to better understand and act on our sustainability risks and opportunities. Our longer-term goals are to achieve net-zero Scope 1 and Scope 2 greenhouse gas (GHG) emissions enterprise wide by 2035, and to be a significant contributor to a fair and just transition to an equitable, low carbon and prosperous South Australia.







Transforming energy

Enabling the net-zero transition through transformation of our energy system

Performance snapshot



~300,000
solar PV systems
enabled



~30,000
home batteries
enabled



Enhanced Voltage
Management System
enabling a doubling of
solar PV capacity



Facilitating
9
Virtual Power Plants
(VPPs) in SA



1 in 3
customers with solar –
world's highest %
State's largest generator



1.73GW
of Distributed Energy
Resource capacity



#1
Benchmark ranking by
the Australian Energy
Regulator

Contributing to

13 CLIMATE
ACTION



7 AFFORDABLE AND
CLEAN ENERGY



11 SUSTAINABLE CITIES
AND COMMUNITIES



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



Transforming energy

South Australia is leading the world in the transition to renewable energy. More than one in three of our customers have installed solar – the world’s highest ratio – and South Australians continue to lead the nation in the uptake of home batteries.

Our State also has a significant amount of large-scale wind and solar, harnessing South Australia’s natural abundance of renewable resources. In total, over 63% of South Australia’s energy needs are already met by renewable energy and the State is on track to be 100% net renewable energy before the end of the decade.

The SA Power Networks distribution network sits at the heart of this transition, and the next decade will be the most exciting period for our business since South Australia conceived its State-wide system in the 1940s. Over the next ten years we must accelerate our efforts to evolve and transform our network and the services we provide to better reflect our customers’ needs and adapt to our changing role at the centre of an increasingly distributed, two-way energy system.

An exciting vision for South Australia

We believe we can leverage our unique circumstances to help create a future where energy is clean, reliable and affordable. Our vision is to demonstrate that South Australia can solve the ‘energy trilemma’. The ‘energy trilemma’ is seen as a key challenge to the industry – how do we balance sustainability, reliability and affordability? We believe we can maintain reliability, while fully decarbonising and potentially halving household energy bills through increasing renewables-based electrification. Clean, reliable, affordable electricity will become the key foundation of the State’s economic growth and prosperity – reducing cost of living for customers, improving competitiveness of existing businesses, and attracting new energy-intensive industries and those seeking to reduce their carbon footprint.

A challenge and an opportunity

As the economy continues to decarbonise, we anticipate a significant amount of ‘electrification’ to occur – where applications previously powered by hydrocarbons (eg natural gas, petrol, diesel) will switch to clean, efficient, low cost electricity, for example electric vehicles. The electricity network currently delivers ~25% of state end-use energy. As the State decarbonises, the distribution network could ultimately supply 80%+ of the State’s energy needs. Our challenge is to efficiently adapt the existing network to support all these new applications – releasing significant value for customers. The period 2025–30 will be critical in managing the continued uptake of solar and batteries, and an acceleration in the take-up of electric vehicles.

Leadership through the transition

There are still many unknowns in the energy transition and we’re aware that we don’t have all the answers. However, we’re making a commitment to facilitate a customer centric pathway through the transition and using our leadership position to advocate for outcomes aligned with their interests. Managing uncertainty will require regular on-going collaboration, trials and shared learnings, environmental scanning and deep engagement on critical issues.

Power of Possibility

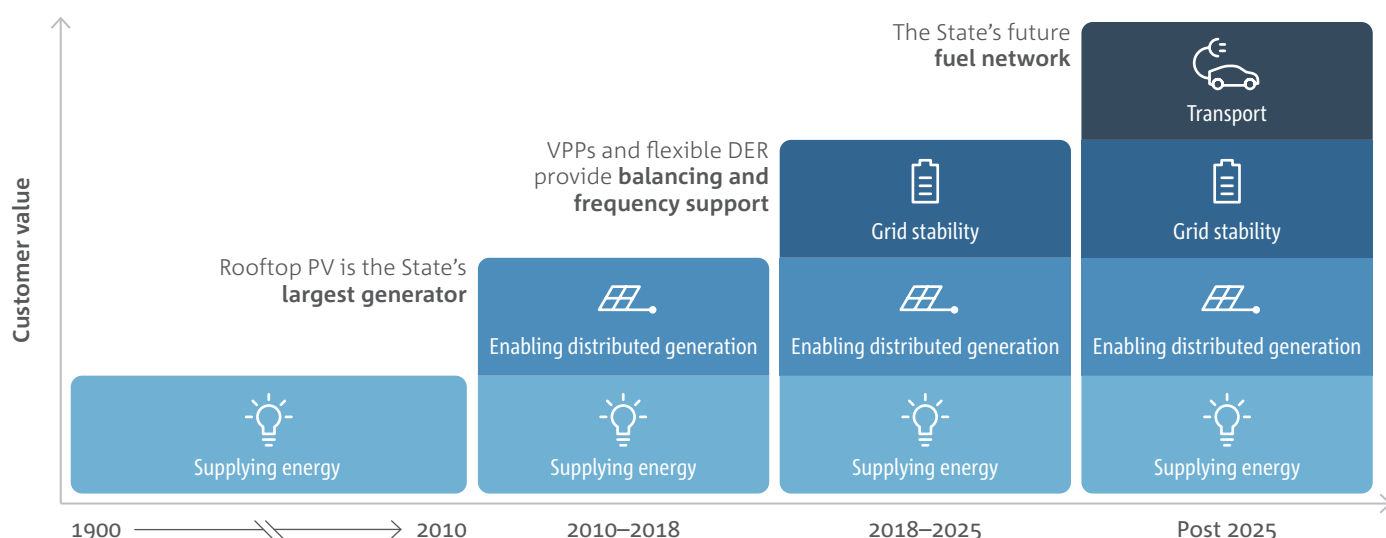
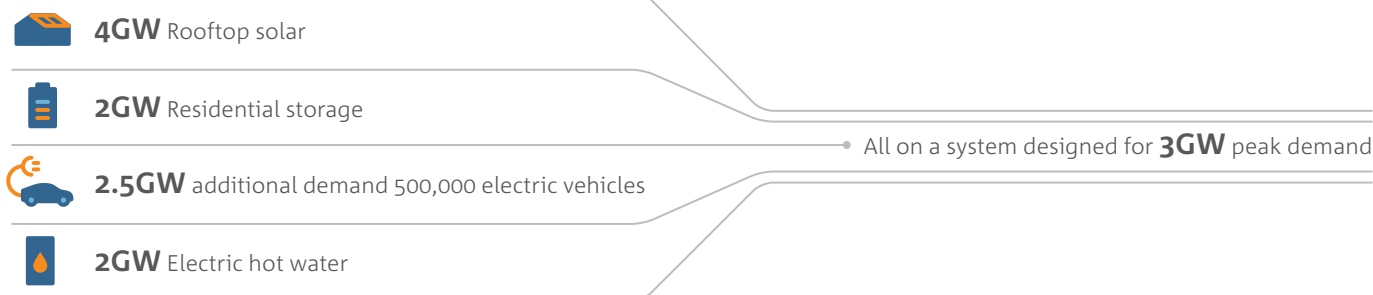
In 2021, we commenced our “Power of Possibility” advertising campaign. This was aimed at raising awareness of the progress South Australia is making in its transition to a distributed and renewables-based energy system and the role SA Power Networks is playing in helping make it happen. The campaign highlighted the fact that many of the things people thought may happen in the future are actually happening now. A feature of the campaign was the use of SA Power Networks Group staff in various acting roles showing the new ways we are making, storing and using electricity.



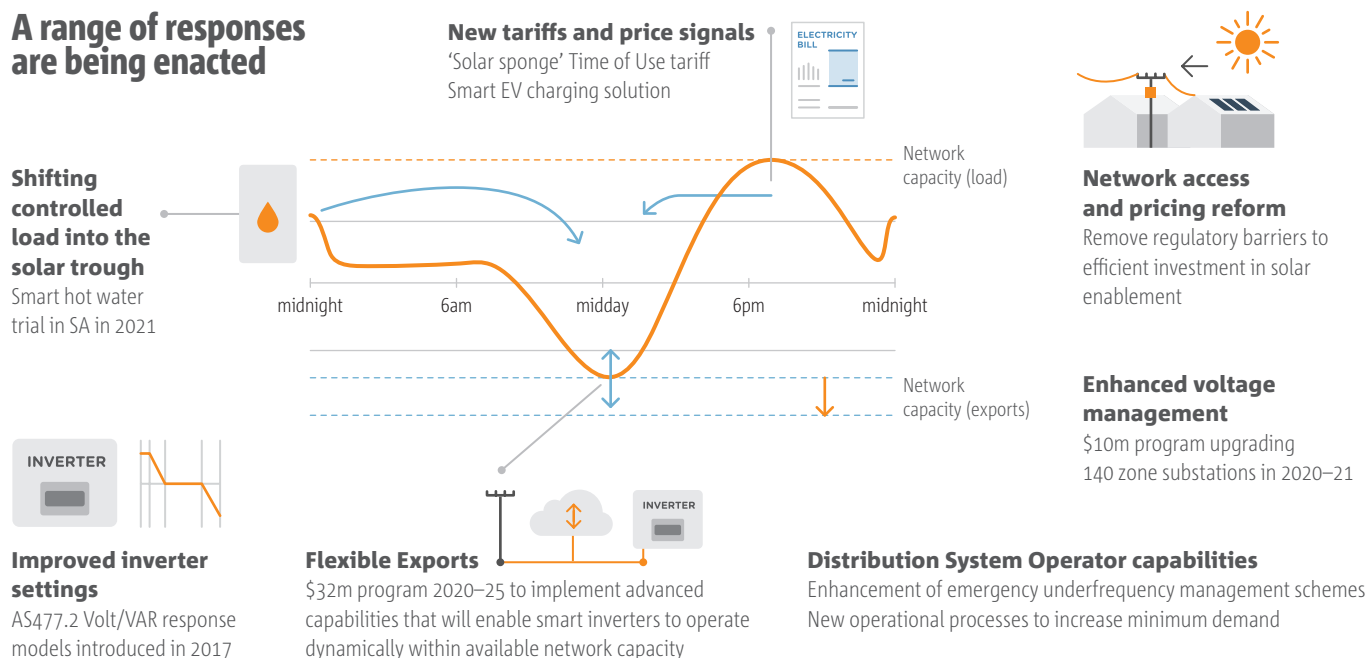
As we transition to this new energy future, we will need to develop new Distribution System Operator (DSO) capabilities, managing an enormous capacity of distributed energy resources (DER) on the network to ensure network safety and reliability, as well as system security in support of the Australian

Energy Market Operator (AEMO). We will release significant value through providing an 'open access' network platform to facilitate new energy services and connection of distributed energy resources (DER).

By 2035 we could have up to



A range of responses are being enacted





Facilitating the rapid uptake in renewables in South Australia

Over the past decade, the South Australian electricity system has undergone a dramatic transition from being predominantly coal and gas powered to being powered largely by renewable energy.

Indeed, South Australia set an impressive new renewable energy record in the final days of 2021, with the state's solar and wind farms supplying an average of just over 100% of local demand every day for a period of almost one week. In the longer term, the growing availability of renewable-generated energy combined with storage and other back-ups, will drive down wholesale energy prices benefitting all customers.

SA Power Networks' vision is that by 2030, all South Australians will share the benefits of the world's most advanced, decentralised and dynamic low-carbon energy system.

We are developing innovative solutions to help connect more solar rooftop to the network and enable new technologies like battery storage and virtual power plants, while also ensuring a safe, reliable and affordable network for all South Australians. Already we have the highest penetration of distributed solar of any gigawatt-scale energy system in the world and we're working on doubling our solar capacity in the next five years.

We have developed a [Distributed Energy Transition Roadmap 2020–2025](#) – in consultation with customer representatives and industry – to outline some of the initiatives we have underway in the next five years that will help us to enable this transition, including our plans to double the amount of solar that can connect to the SA electricity distribution network by 2025.

SA Power Networks is building systems that will enable data analysis from hundreds of thousands of smart distributed energy resources (DER) connections to optimise the operation of the network and unlock more value from network and customer assets. We are also improving our network planning and forecasting processes to accommodate future high-DER scenarios such as springtime reverse power flows and an expected 350,000 newly added electric vehicles charging on the network.

We work closely with the South Australian government, the Australian Energy Market Operator (AEMO) and the state's transmission network operator, Electranet, to improve technical capabilities to help support the state's energy system during severe faults, extreme weather events or other abnormal conditions that could destabilise the system, and to play our part in ensuring the whole energy system is optimised during the decarbonisation transition.



Helping deliver the world's largest Virtual Power Plant

Most people know that Tesla manufactures electric vehicles, but they are also a lead provider of home battery systems. With support from other stakeholders such as Enerven and the SA Government, Tesla is developing a network of potentially 50,000 home solar PV and Powerwall battery systems across both regional and metropolitan South Australia – all working together to form the world's largest Virtual Power Plant (VPP).

The SA VPP is designed to provide more affordable, reliable and secure electricity for all South Australians, while increasing homeowners' visibility of their energy use, and supporting South Australia's transition to a renewables-based economy.

Stage 2 of the Project involved the installation of 5kW of Solar and a Tesla Powerwall 2 (5kW/13.5kWh) at 1,100 Housing SA households across South Australia.

Stage 3 (due to be completed in 2023) will see the project grow to 3,000 Housing SA homes, where a Tesla Powerwall 2 is being installed along with up to 6.5kW of Solar.

Enerven has been involved in the coordination and installation of about 50% all Tesla VPP installations, both Solar and Powerwall to date, across both regional and metropolitan South Australia.

Enerven is a proud Partner in the [Carbon Neutral Adelaide](#) program and a [Clean Energy Council](#) member

*VPPs – where individual household batteries are aggregated under central control, will play an important role in balancing supply and demand in future.

Electric vehicles – the next frontier

A key piece in the net zero puzzle is the electrification of the transport sector.

Although uptake of EVs has historically been slow in Australia, the Electric Vehicle Council expects that by 2030, there will be around a million EVs on the road, and by 2035 around 30% of vehicles in Australia will be electric. In addition to beginning to transition our own large fleet of vehicles, we have developed a range of initiatives under our Network Strategy to ensure our network is 'EV Ready' as the uptake of EVs and chargers will have huge impacts on the energy system.

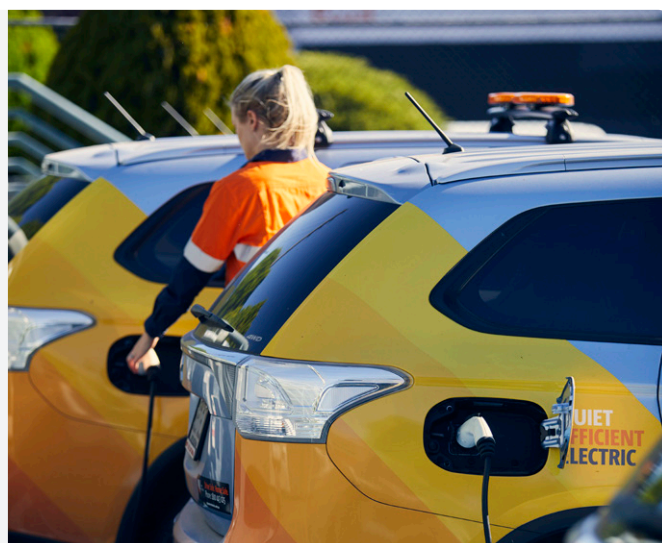
We are working to make the network 'EV Friendly' – we've updated our tariffs so EV owners can charge EVs overnight on the same low rate as off-peak hot water, and the 'solar sponge' tariffs provide an additional 'super off-peak' period in the middle of the day. We have also made changes to our tariffs for large commercial customers that will reduce the cost to large EV 'supercharger' stations and we're working with commercial EV charging networks to help them to find the best places to connect to the grid.

SA Power Networks is a member of the [Electric Vehicle Council](#).

Our EV fleet

At SA Power Networks we have a fleet of 16 electric vehicles (plug-in and fully electric) across a number of brands and also run 31 hybrid vehicles. We expect to bring more EVs into our vehicle fleet as more vehicles come on to the Australian market in the coming years.

Our EV parking area has 'smart' EV chargers that can adjust their load according to the level of demand on the grid. Running EVs in our own fleet not only saves us in fuel and maintenance costs and reduces our carbon footprint, it also helps us to learn about the future impact on the grid as the EV market grows, and how to integrate EV charging in a way that makes the most of available grid capacity.



Adelaide's charging hub

In 2017, SA Power Networks worked with the City of Adelaide, the SA Government, Tesla and Mitsubishi to create the unique City of Adelaide EV Charging Hub at Franklin St.

With four Tesla superchargers, two DC fast chargers and two AC chargers, the Hub caters for all EVs and plug-in hybrids (PHEVs) currently on the market in Australia. Fast EV chargers are a significant load on the electricity network. When all eight chargers are in use, the power consumed by the Hub is equivalent to more than 100 homes!

State-wide charging network

The State Government and RAA are investing in a public charging network in SA, to be constructed 2022–2023.

In total, 536 new fast and rapid chargers will be available to drivers across 140 locations. These will be in 55 rural, regional, and metropolitan locations, in supermarkets, car parks, town centres, council owned sites, hotels, and motels.



Building a resilient network and resilient South Australia

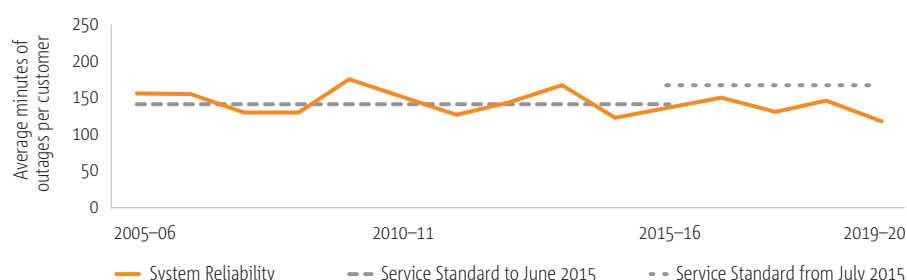
SA Power Networks has a holistic approach to organisational resilience that assists in managing both foreseen and unforeseen risks.

This approach addresses the resilience of the organisation through four key areas: risk management, business continuity, crisis and emergency management, cyber security and IT disaster recovery.

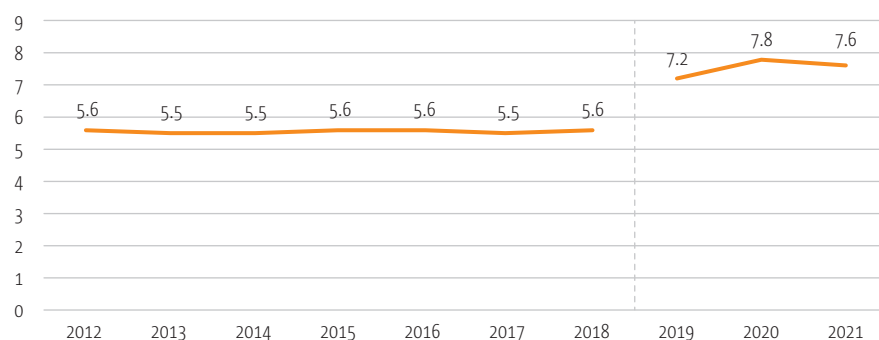
We operate an ageing network that supplies a vast geographical area of 178,000 square kilometres, in some particularly remote and hostile environments and conditions. Despite these conditions and having the oldest fleet of assets in the NEM, our underlying network reliability for customers has been maintained over a significant period of time.

We have consistently met the Essential Services Commission of South Australia's (ESCOSA) jurisdictional reliability targets as well as outperforming targets under the AER's Service Target Performance Incentive Scheme. Reliability is just one component of how we monitor our performance. We have been measuring customer satisfaction with our services and the interactions we have with customers. These indicate steady performance at the top end of industry performance, and result, in part, from significant recent improvements in automating the provision of outage information to customers.

System reliability (excluding major event days)



Customer satisfaction index (CSI)



2006–2018: CSI was an aggregated score out of 7 for planned and unplanned outages and general enquiries. 2019 onwards: CSI is an aggregated score out of 10 for planned and unplanned outages, general enquiries and new connections.

Did you know?

The majority of our network infrastructure assets were initially installed in the 1950s, 1960s and 1970s.

Our average asset age is now around 37 years old, with many assets in excess of 80 years old. Although some assets (eg poles) may last up to 100 years, others (eg protection relays) are unlikely to last more than 15 years. On average, we expect asset lives in the order of 50 years. Increasing numbers of assets are now approaching end of life and SA Power Networks is currently undertaking major work to understand

the condition and risk profile for a range of assets with differing working life expectations. This will be used to develop a sophisticated understanding of our assets and risk and to develop an uplift in replacement programs that intelligently manages risk over time and in a way that is cost efficient for customers and ensures safety for the community.

Climate change and the grid resilience challenge

As an essential service, we know that our customers want reliable electricity, and we also know our customers want us to act on climate change. We are already experiencing the impacts of climate change on the grid, including more frequent and severe storms and bushfires.

By 2035, current forecasts indicate that average temperatures across Australia will be at least one degree higher than historical averages. Consequently, South Australia is expected to experience more frequent and more severe weather events, requiring a greater focus on network resilience and storm response. In addition, the number of days of high bushfire risk is anticipated to increase significantly as we approach 2035, consistent with the trends in bushfire risk we have seen over the period from mid last century to 2020.

More information about how we manage the risk of bushfires to keep our communities safe and supply reliable is in the next section.

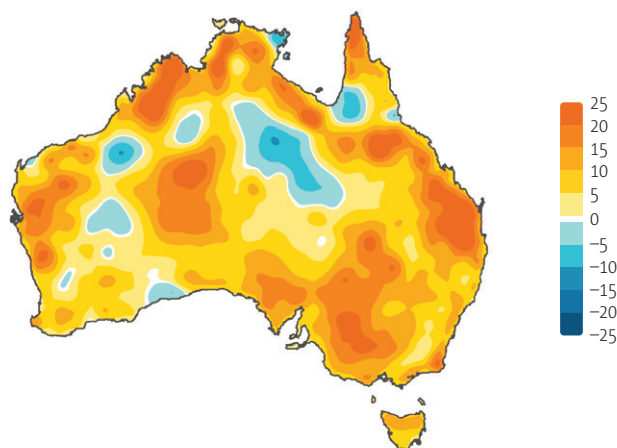
Our aim is to provide our customers and other stakeholders with clear information about our approach to climate change and our ability to manage the associated risks and opportunities.

Our [Climate Change Position Statement](#) outlines our organisation's position, objectives, and initiatives with respect to climate change. It is also a practical way to publicly affirm our commitment to supporting the transition to a low carbon economy.

Customer and owner expectations with respect to climate change action are rightly increasing, and our Statement makes clear our commitment to mitigation, adaptation, and supporting economy-wide decarbonisation.

Change in number of dangerous fire weather days from 1950 to 2010

Source: [Dowdy 2020](#)



Risk modelling the changing climate – helping us prepare for increasing bushfires and severe weather

The [AEMC reports](#) that 95.6% of blackouts are caused by sudden poles and wires breakdowns in the grid – typically caused by weather events such as storms and bushfires.

Climate change impacts – such as rising temperatures, increased frequency and severity of bushfires and extreme winds – on Australia's future energy system will become increasingly significant.

During 2019–2021 SA Power Networks participated in the Electricity Sector Climate Information (ESCI) project which was initiated in response to the independent review into the future security of the [National Electricity Market: Blueprint for the future](#).

The project delivered high resolution (5–12 km) climate projection data across the National Electricity Market (NEM) at sub-daily intervals to the year 2100. This data means that climate risk – including risk related to future weather – can now be consistently integrated into sector planning and risk modelling using a standard process and guidance.

The SA Power Networks Group is committed to the preparation and implementation of timely, effective and tested management strategies and procedures that assist us in identifying and managing any crisis events associated with business operations. This includes detailed mature approaches to managing extreme weather events (particularly with regard to bushfire risk) and the COVID-19 pandemic. Where necessary, a Crisis Management Team (with representation from executive) can be stood up to respond to crises in real time.



Building a diverse, high performance workforce

Ensure a safe and diverse workforce, ready and willing to embrace new capabilities

Performance snapshot



33.9%
of our leaders are women



\$4m
milestone reached of
Employee Foundation
donations to SA charities



Successfully transitioned to the new International
Standard for Occupational Health and Safety
ISO 45001



42
countries of birth are
represented by our people



0.88%
of our workforce identify
as First Nations people



7.7%
of our non-traditional roles
are filled by females

Contributing to



Building a diverse, high performance workforce

Our people are critical to our success, and our culture is a key foundational enabler for our business. Our culture ensures that our people demonstrate behaviours that are aligned to our values and are equipped with the capabilities that support successful delivery of our key focus areas.

We need to ensure that our people are safe, well, engaged, supported and contributing in ways that are meaningful to them and aligned to our goals.

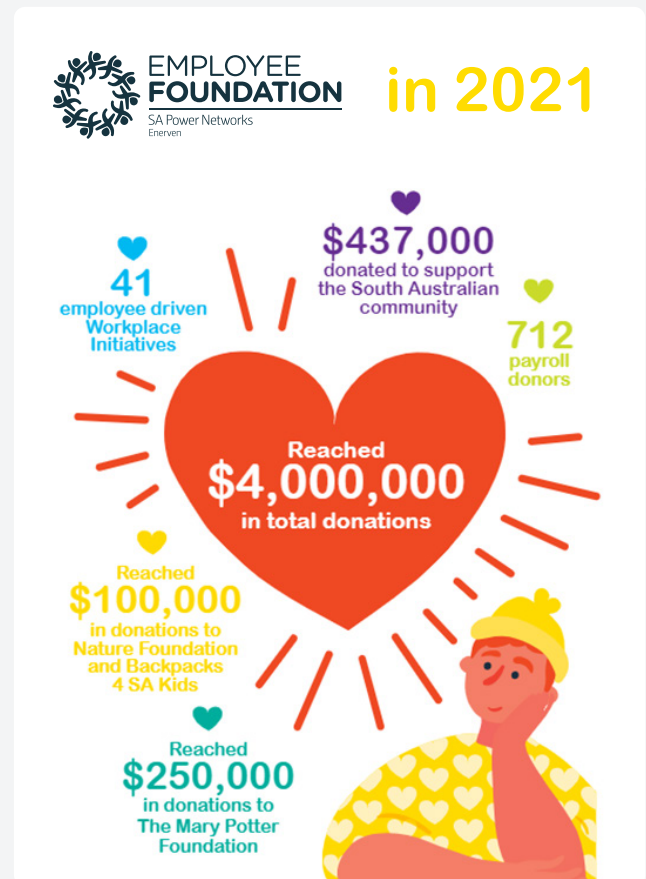
Our focus is on developing people who will add value now, and into the future and be enriched by the work they do. There are exciting possibilities to make the working lives of our people more seamless and productive in an environment where they thrive.

Our people coming together to make a difference in our community

The SA Power Networks Group Employee Foundation was established in 2006, with a philanthropic view that big organisations should do more to contribute to the community. The Employee Foundation was set up as a Charitable Trust with the Principal Purpose of making donations to worthy charitable causes, as nominated by the Foundation. The SA Power Networks Employee Foundation supports many charities, however regular donations are made to many more.

The aim of the Employee Foundation is to enable our employees, their families and friends to make a positive contribution to the lives of people in our community. We do this through payroll donations, fundraising and volunteering. SA Power Networks provides a full work day for every staff member to volunteer with a South Australian based charity.

With the COVID-19 pandemic still impacting, 2021 saw another year of challenges in terms of movement and gathering restrictions. Despite the limitations on our ability to get together in person, our people still stepped up with a number of Workplace Initiatives and online events. And in 2021 we reached the \$4 Million donation milestone. You can read more about the work of our Employee Foundation in our [2021 Annual Report](#).



Health, safety and wellbeing

Safety is our top priority and while our safety record is one we are proud of, we recognise that we cannot be complacent. To ensure our people work safe, and go home safe, every day, we are increasing our focus on managing risks and transforming our safety leadership.

We are committed to providing a safe and reliable electricity supply for South Australians and an important part of this is ensuring the wellbeing of the community. Electricity can be dangerous and touching powerlines or even getting close to them, can be fatal or lead to serious injury.

The primary goal for safety is to ensure “no serious safety incidents or harm to ourselves or others” as we continue to build on embedding our *Work Safe Values and Standards*.

During 2021, we transitioned our Safety Management System to ISO 45001, the new International Standard for Occupational Health and Safety, undertook a self-insurance evaluation (Return to Work SA), and implemented a new Contractor Management System, Site Pass.

In 2018 we upgraded our incident management system to an integrated Risk, Environment, Health and Safety Management system (Enablon) that has enabled improved event reporting, investigation and management. Information we gather from Enablon is shaping our safety strategy, approach to specific risks and emergency management.

Other key initiatives underway include:



Case Study: Switch ON Safety Leadership Academy

Our Switch ON brand is one of the key initiatives of Safety Strategy 2021–2025, symbolising our aim to keep people safe and well, empower leaders and improve our safety culture and systems.

Our safety performance is widely recognised as one of the best in the country, however we continue to record incidents and near misses that have a real potential for a fatal outcome. We must not wait for these types of incidents to occur before we act. What may have worked in the past might not continue to fully protect our people from harm in the future.

A signature project under our Safety Strategy 2021–25, the Switch ON Safety Leadership Academy held its inaugural event in March 2018. Since then, hundreds of employees from across SA Power Networks have taken part in the 3-day and 2-day programs, with our 1-day program for those who support or provide a service to high-risk work groups. The focus continues to be on the standards, values and supporting behaviours, with key themes of ownership and leadership at all levels to drive operational efficiency and excellence.



Case study: Mental Health and Wellbeing – The Health Hub

Keeping our people safe and well includes both the physical and mental capacity of an individual. The Health Hub and Wellness Portal is an initiative that reflects the SA Power Networks Group commitment to the physical and mental health and wellbeing of employees at work in the office or at home and aims to provide practical resources to support and improve the work experience. Content includes tips on physical health, leadership support, positive mindset and wellbeing courses.

SA Power Networks and Enerven are committed to creating a culture that encourages conversation and engagement in support of activities relating to the mental health of our workforce.

A key initiative of this commitment is the Mental Health First Aider (MHFA) program that teaches people the skills to help someone who they're concerned about. MHFA's are formally trained volunteers embedded within work groups.



Diversity and Inclusion

Our ambition is to be a leader in our industry through fostering an inclusive workplace that better reflects the diversity of our community.

Although diversity and inclusion has been a central element of our human resources plans, practices and processes for many years, with increasing interest from all stakeholders. To elevate our focus and commitment on diversity and inclusion issues, in 2021 we refreshed our Diversity and Inclusion Strategy and began drafting an Action Plan.

Successful delivery of the Diversity and Inclusion Strategy and Action Plan will enable the SA Power Networks Group achieve our vision and capitalise on the opportunities and benefits that a more diverse and inclusive organisation can generate.

While we recognise there are many dimensions of diversity, we have identified three pillars of focus requiring our initial efforts:

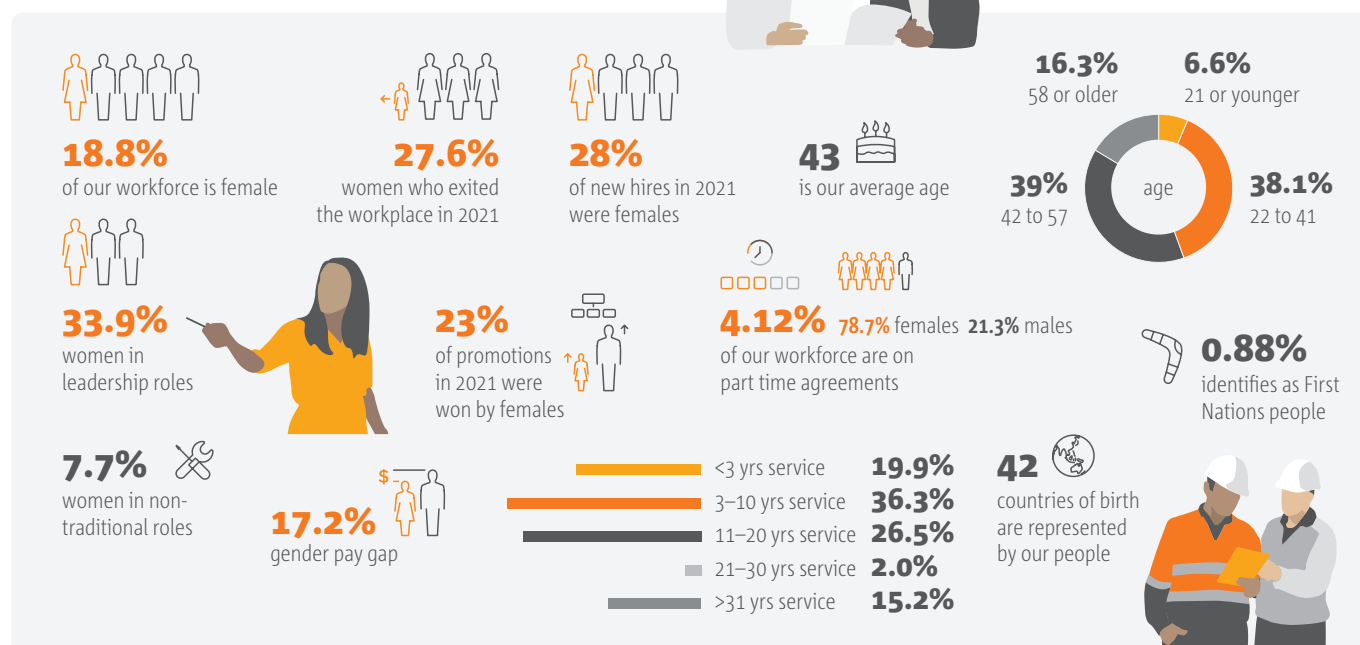
- Gender Equality
- Reflecting our Community
- Respect.

Over the next fifteen years we will undertake a range of initiatives to meet the targets being considered for the three focus areas, but the primary pillar of focus over this period is gender equality. The energy sector has traditionally been very male dominated, but we are working hard to change this. We currently sit below the (electricity supply) industry standard of 28.6% women in the workforce measure by the Workplace Gender Equality Agency (WGEA) in 2021, so for us to achieve our ambitious long-term targets we recognise this must be our main focus.

We report every year to the WGEA, and will be developing appropriate targets to improve our gender composition and performance against other measures in line with better practice in our industry.

Analysis conducted for our 2021 WGEA Report indicates that our pay gap of 17.2% compares favourably to the WGEA's Electricity Supply sector average of 17.9% for 2021. We recognise that this gap arises mainly because we have an uneven distribution of males and females through the pay scales in our business, with more women in lower paying roles and less in higher paying roles. This is why we are focusing our efforts to not only attract and retain females in our business, but also want to see greater female career progression.

Snapshot of our workforce



We have a strong focus on increasing female representation across our business, encompassing all roles and all levels of leadership, with multiple (current and planned) initiatives identified for achieving this over the coming years. Initiatives include specific projects around recruitment, internal movements, development, talent pipeline building, succession,

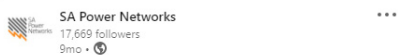
and education programs. This program of work will be outlined in our D&I Action Plan, delivered as part of our People Strategy, and overseen by our Executive Leadership Team. We feel that these activities will also increase diversity across other aspects of the diversity spectrum.

Snapshot: SA Power Networks D&I Committee

The Diversity and Inclusion Committee is an internal advocacy group made up of staff who are passionate about ensuring all people come to work feeling safe, valued, respected and included. The group's collective mission is to build an organisation that embraces cultural, gender and identity diversity, where individual talents, attributes and skills are celebrated.

The Power Network

A NETWORKING EVENT FOR WOMEN IN OUR BUSINESS

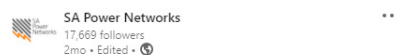
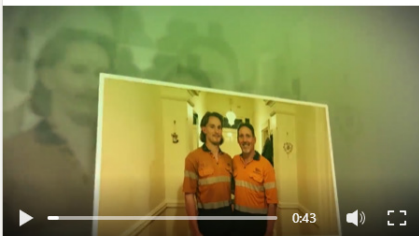


Happy Father's Day. 🎉👨👧👦

It's a family affair with more than 30 combinations of father and son / daughter families working at SA Power Networks. We think it's pretty special to have so many generations of families in the organisation.

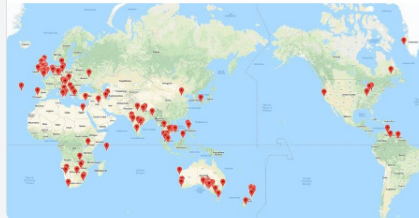
To you, and all the other fathers out there, enjoy your special day.

#fathersday2021



Today, on Harmony Day, and the start of Harmony week, we celebrate and embrace the diversity, multiculturalism and inclusivity that makes Australia such a vibrant country and a great place to live. Our people and their diverse voices are from more than 40 countries. We're proud to have a culturally diverse workforce and acknowledge the significant contributions made within our organisation - and the broader South Australian community.

#HarmonyDay #HarmonyWeek #Diversity



Today is International Day Against Homophobia, Biphobia and Transphobia (IDAHOBIT), a day celebrated in over 130 countries as an opportunity to stand with and support the LGBTIQI community.

Our staff celebrated the day by wearing rainbow colours and glittering up for the occasion.

We are also flying the rainbow flag on our head office billboard at Keswick, so keep an eye out if you drive past.

#IDAHOBIT #Allies



Talent and workforce

To meet the challenges and capitalise on the opportunities of the rapid energy transition, in 2021 we refreshed our People Strategy, with a goal of an engaged, aligned and high performing workforce. Because culture and workforce are key foundational enablers, the organisation aims to further strengthen our existing 'performance culture', with emphasis on action to:

- Drive towards an aligned and purposeful culture that is customer centric, commercial, accountable and adaptable.
- Ensure our people are inspired and engaged.
- Ensure our people are empowered and aligned with our purpose in order to consistently deliver high performance.

Like many businesses driving the decarbonisation of the economy, SA Power Networks recognises that to achieve a high performing, customer centric and commercially sustainable business for the long term, it will be critical to develop a workforce for the future, with diverse people who are ready and willing to embrace new capabilities. Our workforce planning and development activities will create a future ready workforce that embraces new capabilities and utilises robotics and technology to increase their focus on higher value adding activities.

The SA Power Networks Group offers a rewarding and flexible working environment where skills, safety and diversity are valued, and the importance of work-life balance is recognised. Other benefits include leadership development and mentoring programs, online training and development opportunities and study assistance.

We are an equal opportunity employer committed to a diverse and inclusive workplace, with opportunities ranging from technical and engineering positions through to management and administration roles.

Our nationally-accredited and award-winning Training Services team also delivers a wide range of programs designed to develop new skills and improve existing ones, plus ensure our people are up-to-date with industry standards and practices, so that together we all meet our legislative and regulatory responsibilities.

We will strive to maintain our position as an attractive employer, with an engaged, proud and aligned workforce who are strong brand ambassadors. We will improve the customer focus and commercial mindset across the whole workforce; develop new ways to ensure our people feel their ideas are valued; empower our leaders to make decisions; focus on improving our diversity and inclusion; and embed safety in all we do.



Learning and development

The organisation supports a culture of continuous learning. Every employee engages with their leader, recognising that it is imperative for individuals to be lifelong learners in order for the organisation to be able to meet the demands of a changing and ever more complex electricity supply industry (ESI) environment. Skills are developed through a range of professional development activities supported by a comprehensive leadership development framework.

SA Power Networks is recognised as a leader in the delivery of quality trade technical training services in the electricity supply industry. As an Enterprise Registered Training Organisation, (ERTO) with two dedicated training facilities, one in the metropolitan area and one in rural South Australia, our Training Services function is well positioned to service the current and future training needs of our employees. We also deliver accredited and non-accredited training to our contractors.

The combination of training professionals working alongside leaders and accredited trainers in an Enterprise RTO, ensures the operational efficiency of our trade technical training delivery and apprenticeship program, resulting in a highly skilled and motivated workforce.

The qualifications on scope and delivered by Training Services include:

- Certificate III in ESI Power Systems – Distribution Overhead
- Certificate III in ESI Power Systems – Transmission Overhead
- Certificate IV in Networks Systems

To facilitate a pathway into IT for indigenous South Australians we established a partnership with Garu InfoTech – a member of Dialog Group which SA Power Networks has an existing relationship with – to find candidates for work placements and support them through skill development and hands-on experience during their time with us.

Case Study: SA Power Networks Graduate Development Program, Apprenticeships and Traineeships

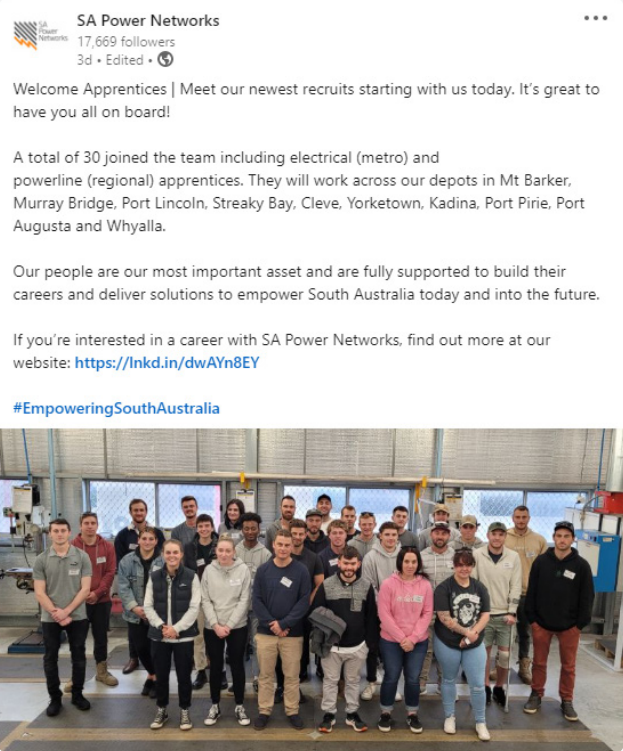
SA Power Networks has first-hand proof of how training and a rewarding workplace feeds directly into high levels of retention.

One of South Australia's largest employer of apprentices and graduates, SA Power Networks runs a range of accredited training and entry-level work programs. The Apprenticeship Program includes both on and off-the-job training at a dedicated Training Centre, and since 2003, about 600 apprentices have been trained or are in training. About 430 have gained employment following completion of their training – a 96% retention rate.

Our Graduate Program provides the opportunity to put theory in to practice and supports the transition from university to full-time employment. It includes employment opportunities within the organisation's engineering, information technology and telecommunication departments, with around 130 engineering and 26 IT graduates completing the program since 2006.

In 2021, SA Power Networks launched a digital apprenticeship targeting increased focus on females in STEM roles, especially those from disadvantaged backgrounds.

SA Power Networks is a member of the Australian Associate Graduate Employers (AAGE) and we consistently rate in their top graduate employer list, as voted by graduates.



Conserving the environment

Contributing to positive environmental outcomes

Performance snapshot



Committed to net zero
Scope 1 and Scope 2
GHG emissions by
2035



Released Climate Change
Position Statement



7%
of our fleet is electric



we have installed
17
EV charging stations
across 2 sites



Achieved target:
80%
of our waste diverted
from landfill



8,500
public lights converted
to LED lamps



Reduced our (Scope 1 and
Scope 2) GHG emissions by
5%
compared to last year

Contributing to

13 CLIMATE
ACTION



7 AFFORDABLE AND
CLEAN ENERGY



Conserving the environment

Like most large businesses, we have in place a comprehensive Environmental Management System (EMS) aligned to the ISO14001 Standard for managing environmental impacts and risks. Compliance with environmental legislation and regulation is viewed as a minimum requirement – we aim to go beyond compliance with environmental sustainability principles integrated into our systems, processes and people.

We are committed to the monitoring and protection of the environment in which we operate in. We have defined a number of [environmental commitments](#) on our website, and we will report on our progress against those commitments in future reports.

The Environment Branch is responsible for coordinating the implementation of the Environmental Management Plan, monitoring and reporting environmental performance of the SA Power Networks Group, providing legislative compliance requirements and other advice, as well as providing environmental training and conducting asset audits/risk assessments to determine environmental risk in conjunction with applicable business units and departments.

Our Environmental Management Committee, comprising senior and operational managers, oversees the implementation of the Environmental Management Plan and monitors emerging legislation and issues. This committee reports via the Executive Leadership Team to the Board's Sustainability and Risk Management and Compliance Committees.



Snapshot: A more sustainable works depot

Because we deliver electricity across the entire State, the SA Power Networks Group owns Works Depots in all main regional areas and several in metropolitan Adelaide, plus two large industrial facilities for our transformer, fleet and Stobie pole workshops. In addition we own or lease several commercial office buildings, all of which require ongoing maintenance and refurbishment. On occasion we will also build new depots or facilities.

We make sure that when decisions are made about the design, equipment, appliances or materials used in these upgrades, that sustainability principles are utilised. For example, in 2020 a new depot at Angaston in the Barossa Valley was built, providing a great opportunity to put into practice a range of environmentally sustainable principles.

The building's aspect, design and materials are intended to minimise heating and cooling requirements and provide a beneficial work environment such as large eave overhangs, high narrow windows on the Western side, sustainably forested spotted gum timber paneling, and abundant natural light. The roof features 94kW of solar panels, which on sunny days is enough to power the entire depot, the carpark provides electric vehicle charging, and energy efficient LED lighting is used throughout the facility.

South Australia experiences very hot and dry Summers, so 50,000L capacity rainwater tanks were installed, enabling rainwater to be used for flushing toilets and the truck washdown bay. In addition, permeable pavement has been used in the light vehicle carpark to allow water ingress to aid the River Redgum trees at the front of the depot, and a large water retention basin was constructed to capture and filter 100% of the site's stormwater run-off.

SA Power Networks Group's carbon footprint

Under the *National Greenhouse and Energy Reporting (NGER) Act (2007)*, the SA Power Networks Group is required to submit an Energy and Emissions Report every year to the Federal Government (the Clean Energy Regulator).

The NGER Scheme requires companies to report scope one and scope two greenhouse gas (GHG) emissions. The scope that emissions are reported under is determined by whether the activity is within the organisation's boundary (direct-scope 1) or outside it (indirect-scope 2 and 3).

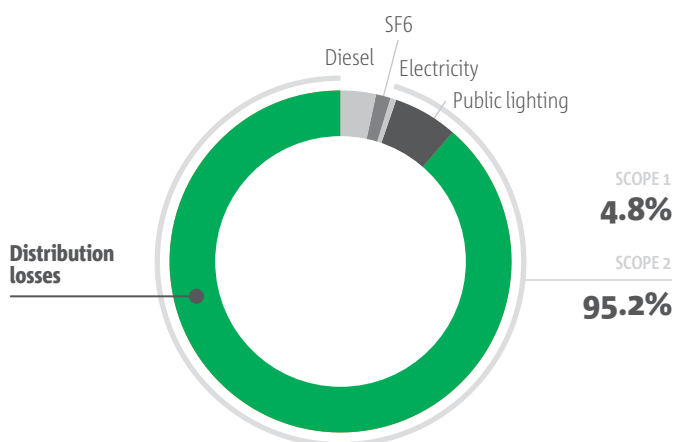
Scope one emissions are the direct emissions produced from sources within the boundary of an organisation and as a result of the organisation's activities. Our scope 1 emissions result from transport (fuel use) as well as emissions relating to Sulphur HexaFluoride (SF6 – an insulating gas used in switching equipment).

Scope two emissions are indirect emissions generated in the wider economy as a consequence of an organisation's activities, but which are physically produced by the activities of another organisation. SA Power Networks Group's scope 2 emissions result from electricity used in our offices and depots, electricity consumed by public lighting, as well as line losses which occur when transporting electricity.

One of the greatest challenges an energy network must face with respect to GHG emissions reduction relates to inherent losses in energy systems, termed "losses" or "leakages". While there are many efforts an electricity network distribution business will take, such as efficient equipment selection and planning, technical losses are an unavoidable consequence of energy distribution. However, the extent of GHG emissions related to line losses will also rely on how the throughput energy is generated (for example fossil-fuels or renewable sources). Because we are actively encouraging the uptake of renewable and clean energy sources, the issue of distribution line losses will soon disappear.

More detailed information about our scope 1 and scope 2 GHG emissions can be found in the sustainability data tables in Appendix 1.

Greenhouse Gas emissions 2020/21



Total Greenhouse Gas emissions per year



We've joined the race to net-zero

In 2021 we committed to achieving net-zero Scope 1 and Scope 2 (including distribution line losses) GHG emissions across our operations by 2035. In developing our Climate Change Roadmap, we will be aiming to develop interim reduction targets that are 'science-based', that is, in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to no more than 1.5°C above pre-industrial levels.

An area of increasing focus for many businesses is the measurement and reduction of their Scope 3 GHG emissions - the indirect (upstream and downstream) GHG emissions other than Scope 2 emissions that occur as a consequence of the activities of a facility, but from sources not owned or controlled by that facility's business. Over 2022/23 we will be compiling an inventory of our Scope 3 GHG emissions, with a view reporting and addressing material value chain emissions.



Climate change

Our aim is to provide our stakeholders with clear and consistent information about our approach to managing the risks (and opportunities) associated with climate change adaptation and mitigation. To enable investors and other interested parties to assess our approach and performance, we are working towards aligning our activities and reporting against the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).

Governance

The Board's role in defining the SA Power Networks Group's approach to climate-related risks and opportunities is key to the integration of climate change into organisational governance, strategy and risk management. A 2020 Board Audit of the organisation's climate change preparedness and strategy recommended a number of actions to improve climate-related governance beyond the existing oversight of climate related risks by the Board Risk Management and Compliance Committee.

A significant development is the establishment of a Board Sustainability Committee to assist the Board to fulfil its corporate governance and oversight responsibilities relating to ESG obligations and maintain oversight of material sustainability risks, including climate change and greenhouse gas emissions, emerging trends, and market developments regarding climate and emissions policy. It is expected to meet twice per year, with the first meeting occurring in June 2022.

SA Power Networks Group's management implements our governance structure and Risk Management Framework, which includes climate-related risks, and our Risk Appetite Statement, which outlines our ESG risks and opportunities. Key management roles accountable for climate-related risks are included in our Governance and Risk, Network Management, Strategy and Transformation, Customer and Community, People and Culture, Audit, Risk and Insurance, and Sustainability departments and functions.

The scope of the Environmental Management Committee has been broadened to cover climate change impacts more deeply. Those identified as being accountable for a key area will be considered for ongoing, or as needed, attendance at future meetings.

To further build capability within our workforce and among key stakeholders, we provide environmental training and climate change impact communications throughout the business.

Strategy

Action on climate change is embedded in our overarching business vision and strategy and explicitly articulated in our Network and Sustainability Strategies. SA Power Networks has long recognised the risks a changing climate will have (and is already having) on maintaining a reliable energy supply and the condition of our electricity distribution assets. We have identified a number of our most material climate-related risks and opportunities within our overall risk management approach, such as:

- the changing regulatory environment and a move towards more distributed energy;
- increasing uptake of solar and batteries; and
- severe weather events (storms, flooding) and bushfire risk.

We collaborate with the CSIRO, the Energy Networks Association Australia and the Bureau of Meteorology (BoM) to better understand, plan for and manage the impact these risks have on our assets, people and operations. This analysis is used to provide evidence supporting the need to integrate climate considerations into the network planning spend when engaging with the Regulator. Specific risks including those posed by bushfire and extreme weather events are considered in network planning and operational capacities during our strategy and risk management processes.

SA Power Networks considers the transitional impact of changes to the state's energy generation mix and the shifting preferences of our customers within our strategy and network planning processes, as highlighted in our refreshed Network Strategy, Strategic Directions 2035 document and Sustainability Strategy. Our key role at the centre of a distributed energy network and as an enabler of South Australia's transition to a low-carbon economy has been prioritised as a core business opportunity.

While the most material risks and opportunities have been identified, over 2022 and 2023 a more structured, holistic assessment of climate-related risks and opportunities will be undertaken to ensure that no risks or opportunities are being missed. For instance, climate-related risks and opportunities are not always called out as being "climate-related", and the time horizon of the impact has not been defined in many cases.

Risk Management

Assessment and management of climate-related physical and transition risks is ongoing as part of our business processes as well as specifically through our Risk Management Framework, consistent with the process for all risks at SA Power Networks. Relevant risk identification and assessment processes are as follows:

- The process for identifying and assessing risks generally is well-documented in the SA Power Networks Risk Management Framework. SA Power Networks employs an Enterprise Risk Management Framework in alignment with ISO 31000:2009. This document refers to 'emerging risks' and specifically includes a Climate Change Policy within SAPN's Corporate Governance Model diagram.
- A climate change risk is included our existing list of top 10 enterprise risks. A review is planned that will state specific time horizons for pertinent risks, and also include a formal register of climate-related opportunities.
- A [Climate Change Position Statement](#) which articulates our high-level objectives and climate-related risks and opportunities was released in 2021.
- Risks are reported regularly to the Executive Leadership Team and to the Board on a six-monthly basis. There are currently three climate-related risks for which key mitigation activities have been identified: (1) 'Climate change impacting business and increasing potential for bushfire and severe weather events', (2) 'Inability to align business and deliver transformation required, including impact of new regulatory and distributed energy environment' and (3) 'Injury or death of our workers, contractors or the public'.

While our overall risk management approach is well-developed, establishing a more robust process to identify and assess climate-related risks and opportunities builds on SA Power Networks' already mature risk management process is planned.

Improved incorporation of climate risks into the standard risk management process will increase the information used to manage risks and may result in the identification of improved management practices, integrate these practices into other areas of operations (eg network planning or asset management) or identify new risks and opportunities.

Metrics and Targets

As SA Power Networks is required to report annually under the *National Greenhouse and Energy Reporting (NGER) Act 2007*, we have developed foundational climate-related metrics such as the NGER emissions inventory (covering Scope 1 and 2 greenhouse gas (GHG) emissions) and monitor our carbon footprint.

We have pledged to achieve net zero scope 1 and scope 2 GHG emissions across our operations by 2035 and in 2021 commenced work on a *Climate Change Roadmap* that outlines how we can achieve a science-based net zero target in alignment with the Science Based Targets initiative (SBTi). The *Climate Change Roadmap* will include:

- Targeting net zero Scope 1 and Scope 2 GHG emissions, and an assessment and delineation of our Scope 3 GHG emissions, with an aim to report and target Scope 3 emissions when they are more clearly defined;
- Analysis of the business climate-related risks and opportunities to better understand and manage the impacts, and exploring metrics or KPIs related to key risks as part of our strategy and risk management processes; and
- Investigating the development of measures related to the decarbonisation contribution and carbon footprint/intensity of our energy delivery, type of service, customer growth, consumption and reliability.

Apart from our enterprise carbon footprint, other key climate-related metrics that we monitor include dollar spend on research and development partnerships and the amount of Distributed Energy Resources (DER) enabled to date/per year. We have engaged with our stakeholders (including the AER) in the identification of climate-related risks within the distribution network and has endeavoured to support funding submissions with empirical evidence of these impacts. Additionally, climate-related risks and opportunities have been identified and communicated publicly through the annual Distribution Annual Planning Report.

We recognise that a key opportunity exists to engage more effectively with the community and communicate about the significant role we play in enabling decarbonisation. Customer and community support of SA Power Networks' purpose as an enabler may positively influence government and regulator decisions related to the importance of investing to support the future of the network as it decarbonises, and electrification of the economy progresses.

A summary of our progress in working towards alignment with the TCFD guidance is provided in Appendix 3.

Contributing to a circular economy

The SA Power Networks Group is exploring opportunities to contribute to a more circular economy in South Australia.

A circular economy is an alternative to a traditional linear economy (make – use – dispose) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life.

The circular economy (CE) entails gradually decoupling economic activity from the consumption of finite resources and designing waste out of the system. It is based on three principles:

- Design out waste and pollution
- Keep products and materials in use
- Regenerate natural systems

Snapshot: Waste and recycling

There are numerous waste streams throughout the SA Power Networks Group's operations, including office waste, hazardous waste, oils, scrap metals, plastics, packaging and street lighting consumables, as well as solid wastes from depots, workshops, stores and corporate headquarters. A substantial percentage of these waste streams are recovered, re-used or recycled.

In 2012, an improved recycling system was introduced throughout the organisation that significantly increased our recycling performance.

2010

51.6%

landfill diversion (overall)



2020

74.5%

landfill diversion (overall)



Our overall landfill diversion rate, across all sites and including bulk/salvage waste materials, is approximately 80%. Organic waste is sent to Jeffries for the production of mulch and compost, bulk recyclables such as paper, plastics, batteries, oil, e-waste, printer cartridges, glass and metals are recycled or sold, and dry (general) waste from all of the metropolitan sites is processed at the SUEZ-ResourceCo Alternative Fuels Facility. This facility uses an advanced resource recovery process to generate a fuel substitute for coal and gas in high combustion factories. As a result, only about 10% of SA Power Networks' total office-based waste is now sent to landfill.

2021 – New initiatives

80%

landfill diversion (overall)

- Recycling of concrete from salvaged stobie poles
- Replacing pallets wrapped in soft plastics with reusable tubs
- Refurbishing/reuse of pallets instead of shredding for recycling
- Investigating reuse of surplus or no longer needed items or materials through sale at auction
- Recycling of plastic strapping and hard hats (anticipated 2022)

Moving to a circular economy is not only about recycling. A circular economy is one where waste is 'designed out'. Products are made to be repaired, refurbished and kept circulating at their highest value for as long as possible. Circular production and consumption is underpinned by renewable energy and regenerative practices.

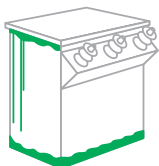
Examples at SA Power Networks include the refurbishment of leaking, damaged or faulty transformers at the Transformer Workshop, the collection, re-use and on-selling of transformer oil at the Marlestone oil reclamation plant, generation of solar power on most sites, and the on-selling and recycling of IT equipment.

While circular economy approaches are most commonly associated with reducing waste and driving greater resource productivity, it is also a vital lever in the race to net-zero. By eliminating waste and pollution, the emissions associated with the production of the materials that go to waste are likewise eliminated. And by keeping products and materials in use, embodied energy in products and materials is retained instead of producing new materials and products, which generates even more greenhouse gases.

1

Keep products and materials in use

Refurbishing
leaking, damaged
or faulty
transformers



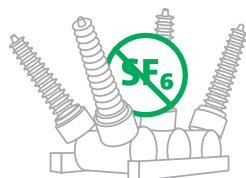
Re-use and on-selling of transformer oil
and IT hardware

2

Design out waste and pollution



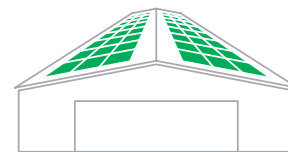
Reducing plastic packaging and paper use



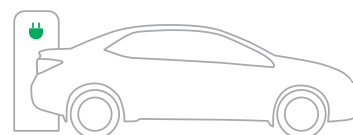
Phasing out the
use of sulphur
hexafluoride (SF6)

3

Regenerate natural systems



PV installed at most major sites



Transition to EV passenger vehicles

Nature and biodiversity

We recognise that the rich biodiversity of our State is under threat and we have a key role to play in preserving and enhancing the plants, animals and ecosystems we work around and within.

Although the SA Power Networks Group's operations and activities do not have a significant direct impact on natural habitats and ecosystems, we strive to minimise that impact through a range of biodiversity related planning and operational procedures and systems.

Our Environmental Management Committee, which reports through to our Board Sustainability Committee has oversight of our biodiversity related issues.

We already focus on numerous key activities to:

- improve the consideration of ecosystem health in the planning and construction of infrastructure (eg green/community focussed substation and depot design);
- reduce removal of native vegetation and explore options for rehabilitating habitat (rewilding). We will continue to work with Department of Environment and Water, National Parks and Wildlife Service, Trees for Life and Greening Australia to enhance biodiversity in and around our facility and project sites; and
- protect SA's biodiversity through adhering to biosecurity protocols. Preventative measures are required to reduce potential harm to the environment, community and economy from the entry of pest plants (weeds), pest animals (feral) and plant and animal diseases.

Our electricity distribution network stretches across South Australia, comprising thousands of kilometres of powerline and hundreds of substations, so wildlife such as birds, possums, and Grey Headed Flying Foxes (bats) will utilise our infrastructure to nest, roost or access food sources. Unfortunately, this can harm or kill the animal, damage electrical assets and interrupt supply.

What is SA Power Networks doing about wildlife interacting with electrical infrastructure?

To mitigate against the risk of harm to wildlife and power outages, we implement a range of measures such as:

- Maintaining a robust Environmental Management System including procedures for managing wildlife;
- Working closely with Fauna Rescue, Bat Rescue SA, Koala Life, Birds SA, the Department of Environment and Water and consultant ecologists to ensure that the welfare of wildlife is being appropriately managed during work activities and innovative solutions are sought for high risk issues;
- Installing animal guards (which look like a frisbee) on lines to stop animals climbing on them;
- Regularly inspecting substations and other infrastructure to identify and relocate/remove nests;
- Installing nest rings (which look like basketball hoops) on Stobie poles to offer birds an alternative location to build their nests;
- Removing Rod Air Gaps and other 'problematic' equipment from powerlines to minimize the risk of electrocution of bats; and
- Engaging specialist ecologists to undertake fauna assessments and develop management plans for projects at sensitive sites.

We have always strived to preserve or minimise the impact on native vegetation, significant and regulated trees, and native fauna from our work activities, but our shift towards a more sustainability focussed mindset has resulted in rethinking our approach with respect to biodiversity and how we can work towards a net-positive impact.

In 2021 we committed to the development of a Biodiversity Action Plan that will align with the guidance of the Taskforce on Nature-related Financial Disclosures (TNFD).



Case study: KI Osprey nest relocation

Safely moving the nest of an endangered species is not exactly in the job description, but all in a day's work for our Kangaroo Island (KI) crews. The Eastern Osprey nest – estimated to be 20 years of age – was recently moved from an old Stobie pole within an abandoned quarry. The pole was no longer in use and was due to be removed so the land could be rehabilitated.

The collaborative effort involved staff from Kingscote, Mt Barker and Keswick working closely with coastal raptor experts, the Department for Environment and Water (DEW), and National Parks and Wildlife Service. With small and fragmented populations, the Eastern Osprey are mostly found occupying more remote offshore island habitats such as those found on KI. Unfortunately, with populations declining, there are only an estimated eight active breeding pairs on KI – making the safe relocation of this precious nest extremely important.

Early in July last year, David Berry (Works Planner, Mt Barker Depot) contacted the Environment Branch when a job came up to replace an old crossarm Stobie pole near Kingscote. Fortunately, David – who had worked on KI and is an avid birdwatcher – knew that the nest atop the pole was likely that of an osprey pair, and therefore protected if containing eggs or young.

“I had known about this particular nest in the disused quarry for some years, but with the mains disconnected there was no danger to the birds,” he said.

Working with ecologists and rangers from DEW and National Parks, a plan to safely remove the nest was hatched. The expertise of our linesmen was crucial as the nest was woven into the lines, making it difficult to lift the nest off the infrastructure without significantly damaging it. With the help of a crane and elevated work platform truck, the nest was shifted onto a square platform where it was bolted and wired down, before being hoisted atop a purpose-built pole several metres offshore.

“The new location is great; it's in the water so it can't be disturbed, but also not too far from shore so people are still able to observe the ospreys,” Daryl said. “The guys do feel great they could help relocate the nest, and more importantly, the ospreys look happy.”



Connecting and protecting communities

Enhancing the wellbeing of our community

Performance snapshot



New Community Advisory Board membership appointed



Launched new Customer Relationship Management System



10 active community and industry reference/working groups



\$1.7m invested in **40** community partnerships

Contributing to



Social value

Empowering affordable and accessible energy services

Increased cost of living means that not everyone has the luxury of being able to easily afford energy, let alone new technology like solar panels or a home battery system. According to the latest government [statistics](#), over the last decade, overall goods and services costs have increased by over 23%. Supporting customers in need is therefore a priority. The COVID-19 pandemic has also hit disadvantaged communities the hardest, compounding deep-rooted socio-economic issues. It is also critical to ensure as the world transitions towards net-zero that it is done so in a just and fair manner and to think ahead to identify and address new forms of exclusion and inequality.

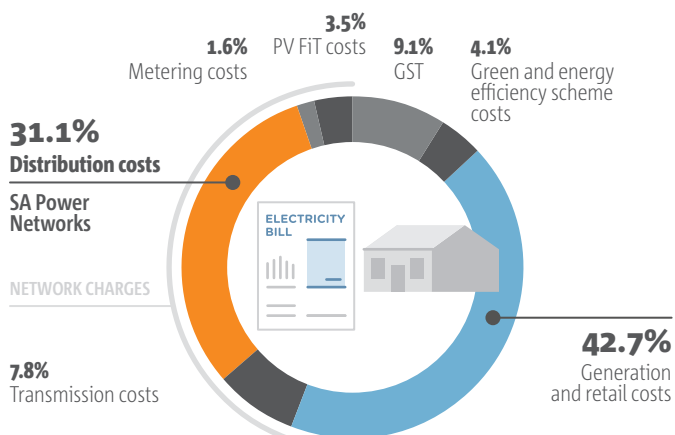
Our distribution charges make up around a third of customers' total electricity bills for a typical residential customer. Our charges have not changed in real terms since 1999 and are about \$12 per week for the average customer.

In 2021 we supported the Thriving Communities partnership, a collaborative organisation that connects vulnerable people to a range of government and other services aimed at relieving financial stress. We acknowledge that vulnerability is not a label – it is a situation in which customers find themselves. A vulnerable customer is someone who, due to their personal circumstances, is susceptible to detriment or personal hardship. There are a variety of reasons that customers may be considered vulnerable, including financial, disability, age, cultural/linguistic, or geographic/remote living.

We are actively contributing to a fair and just energy transition through education, awareness and accessibility whilst maintaining affordable energy services. For example, we are:

- actively developing and enabling new energy products, services, tariffs and markets, which can make energy more affordable;
- transforming the customer experience to make energy services and options simple and accessible;

Breakdown of typical residential electricity bill in SA



- enhancing our Energy Advisory Service to educate and build capacity in energy awareness, services, technology, and digital platforms to support customers through the energy transition; and
- working with our Community Reference Group to review and evolve the [Vulnerable Customer Strategy](#) and actions to ensure access and support in the new energy future.

During 2021 we:

- Worked with the three main retailers in South Australia on planning a trial to undertake a Pre-Disconnection Welfare Field Visit to customers who are on the disconnection pathway due to non-payment in an effort to increase engagement with the retailer
- Lodged a submission to State Government on behalf of the Group to the Electricity Emergency Payment Scheme supporting a review of the payment amount, frequency and debt eligibility criteria, to ensure more customers in need are able to access this payment if required
- Undertook a review of Life Support Customers to seek options to improve the process to support those customers that are most vulnerable and investigate a more functional State-wide register for Life Support
- Established a Community Grants Funding Trial to provide small grant assistance to clients of the ConnectEd program, a state-wide utilities literacy program, to improve energy affordability for vulnerable clients.

To ensure that we are investing in strategic programs that enhance positive social outcomes in areas that matter most to our community, we have begun developing a “Social Value Framework” that aims to establish an approach to measuring and reporting the social value of our energy services, community investment and programs and enables improved visibility of the positive and negative impacts of business activities and initiatives, with a view to enhancing our social sustainability performance.

Genuine engagement, respect and reconciliation

We know that to achieve our strategic goals and be a leading force in the successful transition of the energy sector in our State, we will need to collaborate with our stakeholders, partner with our customers and advocate for positive and constructive change.

We have already made significant strides in the way we involve customers and other stakeholders in decision making on key issues and have been recognised by the industry and the Regulator for our customer engagement processes, particularly in relation to the 2020–25 Regulatory outcome and Tariff Structure Statement. We are also recognised for our leadership through a maturing customer engagement framework.

To enhance the breadth and quality of our stakeholder engagement to better reflect the diversity of our communities and the complexity of energy sector issues, we are refreshing our Stakeholder Engagement Framework to:

- improve the scope and quality of business-wide engagement;
- formalise communication and engagement systems and processes;
- establish advocacy priority issues; and
- better include Culturally and Linguistically Diverse (CALD) communities, Traditional Owner groups and aligns with our planned Reconciliation Action Plan

Developing a Reconciliation Action Plan – our next step in meaningful engagement with Aboriginal and Torres Strait Islander peoples

Our network and operations are hosted on the lands of multiple Traditional Owner Groups, and we recognise this connection to country and know that Aboriginal heritage sites provide an important link with traditional cultural heritage. We have always striven to respect this when

planning projects, and will work with Traditional Owners to ensure sites of significance are not disturbed. We also endeavour to build our relationships with local communities and employ Indigenous owned and operated suppliers. To better articulate our aspirations and build on our current understanding and engagement with Traditional Owners, in 2021 the SA Power Networks Group committed to developing an organisational Reconciliation Action Plan (RAP). We engaged Reconciliation South Australia to help us start the journey.

Recognition and Reconciliation – Australia Day Council of South Australia

Open Circle collaborates with SA Power Networks to address Australia Day challenge

In 2021, an official part of the Australia Day Council of South Australia's program for Australia Day was the Mourning in the Morning Smoking Ceremony — a respectful way of including voices of First Nations peoples and recognising their concerns with the day as it currently stands.

The event was one of a collection of gatherings hosted by the Open Circle Discussion Group — who work with the Australia Day Council of SA to ensure Aboriginal peoples' voices and engagement with Australia Day in SA is given prominence.

SA Power Networks has sponsored the Open Circle Discussion Group for a number of years to help them develop a program that recognises the challenges of Australia Day while looking for ways to engage and educate; recognising that for some Aboriginal people the day will only be one of sorrow.



Working with our customers and stakeholders

Ensuring our customers are at the heart of our business starts with good engagement. We engage with a broad and diverse range of stakeholders across the State, and we're committed to improving the way we engage with these groups, understand, and consider their needs in our decision-making. We understand that good stakeholder engagement is built on trust, inclusivity, transparency, consultation and collaboration. We utilise a wide range of forums, channels and mechanisms to engage with our customers, communities and other stakeholders, including digital engagement websites, focus groups, surveys, working and reference groups, field days and industry events.

Service and revenue setting engagement

Our most significant and deepest engagement with customers and stakeholders centres on determining our service targets and business and network plans to achieve them for each regulatory period (five years).

We generally commence these engagements about 3–4 years before the commencement of the new regulatory period. Our engagement has developed significantly since 2010 reflecting a focus on more deeply understanding the needs of customers and their preferences in terms of the services we provide and their affordability, as well as considering other issues including sustainability and safety.

Commencing in 2022, engagement on our 2025–30 Reset Regulatory Proposal will include a series of regional and metro workshops, deep dives, collaboration with our Community Advisory Board and other Working/Reference Groups, and options presentations to a 'People's Panel'.

Our comprehensive Reset engagement reinforces our commitment to working with our customers and stakeholders to understand their needs and deliver services they value. We believe that our relationships with our stakeholders and our willingness to engage with our customers and to listen and respond to their needs, is fundamental to achieving balanced outcomes for our customers and community.

Talking Power Forum

Talking Power is designed to give South Australians the opportunity to have their say on important issues and projects that shape their community. By participating in Talking Power people can contribute to strengthening their community and assist SA Power Networks in making important decisions. Talking Power gives participants the opportunity to access information, read the discussions, join in the conversation and add ideas and feedback when and where it suits them – 24 hours a day, seven days a week.

Talking Power is also a key forum for engagement as part of developing our Regulatory (Reset) Proposal for the Australian Energy Regulator.

Community Advisory Board (CAB)

Our Community Advisory Board (CAB) was established in 2009 to ensure the customer voice is considered in our decision making. Our CAB consists of a broad range of stakeholders with an interest in shaping the decision-making of SA Power Networks and includes customer advocacy representatives. A new 15 Member panel was appointed in January 2022 for a two-year term.

The CAB supports a number of sub-groups and working parties which allow more focussed conversations on topics of interest and of importance. This includes engagement with a broad range of stakeholders on the following topics:

- Vulnerable customers and affordability
- Vegetation management and appropriate species selection
- Connections
- Tariffs (business and residential)
- Public lighting
- Solar industry
- Flexible exports

We use the feedback from these groups to develop and refine our strategies, initiatives, and activities, and meet the expectations of our current and future customers and stakeholders.

The CAB also plays a crucial role in supporting SA Power Networks plan via its regulatory proposal process and our organisation's goal to accelerate the transformation of our state's energy system to one in which energy is affordable, reliable and zero carbon.



The Energy Charter

The Energy Charter

#BetterTogether Collaborator

SA Power Networks is a signatory to the #BetterTogether initiatives under [The Energy Charter](#), a national project focused on embedding a customer-centric culture and conduct in energy businesses. The aim is to create tangible improvements in affordability and service delivery.

We have a dedicated local customer relations team and Customer Relationship Management System, operate a 24/7 faults and emergencies line, and our [Customer Charter](#) outlines our commitment to our customers and guaranteed service levels. Although we have always prided ourselves on excellent, customer-centric service provision, in 2021 we embarked on a major research initiative as part of the refresh of our Customer Strategy, involving nearly 1,300 people and over 435 hours of survey, workshops with employees, focus groups with

Supporting and investing in our communities

We are proudly South Australian and a strong supporter of the South Australian community. We do this by creating employment opportunities and supporting community organisations and events. Contributing to the communities where we live and work has led to long-term partnerships.

We have a strong presence in the general community through sport, education, environmental concerns and the arts with over \$1.7million invested in 2021. These partnerships not only reflect our values, but also help us to create a better future for South Australians.

Our program of Strategic Partnerships and Community Partnerships with local organisations has operated since 1995 supporting a wide range of community organisations and aspirations. In 2021, the program was revised to align more closely with the new strategic direction with partnerships and a new grants program aiming to:

- Keep the community safe
- Support our customers and community
- Grow a sustainable SA
- Support innovation for future growth



40

community partners



19

programs involving regional SA



17

programs focusing on young South Australians



20

free community programs



12

organisations supporting disadvantaged individuals and communities



7

programs with development pathways for women



1

national award winning program supported

Highlight – Operation Flinders Foundation

The Operation Flinders Foundation provides remote outback adventure programs for young people identified as ‘at risk’. We support their Peer Group Mentor (PGM) program, which provides an opportunity for young people, who have previously completed an Operation Flinders trek, to continue their development journey with support from the Foundation. PGM activities include walking again on an exercise as part of the leadership team, taking part in activity weekends, camping, trekking and exploring iconic areas of South Australia, as well as taking part in accredited certifications, short courses and employment pathway programs.

Independent studies have revealed that, compared to a control group, Operation Flinders participants showed evident trends toward improved behavioural characteristics in areas of reduced short term offending behaviour, increased self-control, improved attitudes to authority figures, enhanced wellbeing or confidence, improved educational engagement, increased motivation to change, and reduced unexplained absences from school.

32 young people achieved a Certificate II in Outdoor Recreation

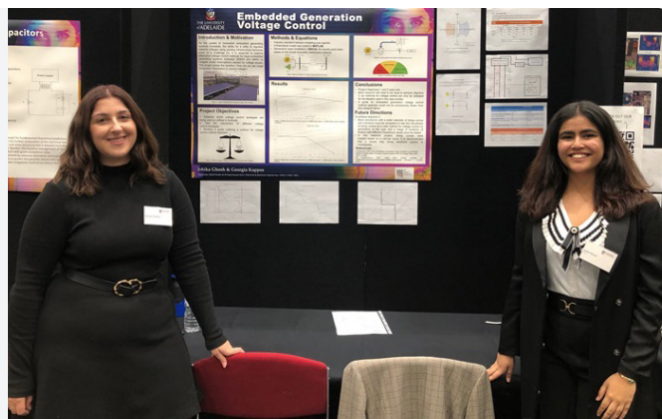
10 weekend activities undertaken

268 young people supported to take their next steps as part of the PGM program



Highlight – Playford Trust

The Playford Memorial Trust supports high-achieving South Australian students working in areas of strategic importance to the State. SA Power Networks and the Playford Trust have combined to provide a scholarship for a promising undergraduate student in their final year of a degree in Electrical Engineering – in the field of power engineering or asset management. The 2021 awardees, Georgia and Ishika, combined their honours project to look at what voltage control strategies would be best for large embedded generators connecting to the grid, with an aim to find the best method for South Australia’s network.



Community safety, education and bushfire risk management

Electricity can be dangerous and touching powerlines, or even getting close to them, can be fatal or lead to serious injury.

Electrical infrastructure can also start fires if damaged or if trees or animals impact our network. This has implications for the way we design our network and monitor assets. Fire starts from either vegetation or asset failure is our highest corporate risk, and vegetation management are our largest operating expenditure. Consequently, vegetation and asset management requires proactive and rigorous management in particular in extreme weather conditions or responding to events.

To support these fundamental activities, we:

- Proactively address bushfire, electric shock, wires down and life support risks;
- Maintain our assets to minimise risk of asset failure especially in the face of intense and prolonged summer heatwaves brought on by climate change;
- Provide safety information that is relevant, timely and easily accessible via [safety campaigns](#), social media, website updates and two-way communication with customers;
- Maintain a timely response to community concerns raised through SA Power Networks' 24/7 faults and emergencies line; and
- Refine the definition and identification of life support customers in order to provide enhanced services to this customer group.

Managing the increasing risk of bushfires

Electricity distribution businesses in Australia are particularly at risk from bushfires which are exacerbated by rising temperatures. We therefore invest millions every year to reduce the risk of bushfire and loss of power supply in communities. Similarly, SA Power Networks undertakes a range of bushfire risk preparation, mitigation and adaptation activities, including partnering with organisations such as the Bureau of Meteorology, the Energy Networks Association and the Commonwealth Scientific and Research Organisation (CSIRO) to undertake sophisticated modelling to enable more targeted activities. In addition, SA Power Networks is the only utility in Australia required to comply with, and to be externally audited for, vegetation compliance against the *Electricity (Principles of Vegetation Clearance) Regulations 2021* annually.

Keeping everyone safe around electricity infrastructure

Our safety ambition extends beyond the health and wellbeing of our workforce. It extends to customers and the community with a key emphasis on safety related to bushfires, electric shocks and asset management practices that contribute to public safety. All of our contractors and other workers are required to meet stringent work, health and safety requirements and be trained or inducted prior to working around our infrastructure.

You'll Be Shocked By What You Don't Know Campaign

This campaign highlighted the inherent dangers associated with 'live wires' as the result of traffic accident, weather events, environmental impacts, asset failure etc. The campaign comprised a series of advertisements using radio, television and billboards that addressed safety around downed powerlines, tingles or zaps from taps, on-farm safety and what to do if in a traffic accident involving our infrastructure. The campaign followed detailed research which showed South Australians were relying on misinformation and "common sense" and needed simple clear advice on what to do to stay safe in various hazardous situations. Follow up research has shown the campaign has positively influenced awareness of what to do in key scenarios such as staying 10 metres clear of downed powerlines. More than half of respondents said they would change their behaviour after seeing the advertising.



Supporting those who support us – CFS Foundation

The CFS Foundation provide financial assistance to CFS volunteer firefighters and their families who have suffered through death, injury, loss or damage of property while in the line of service. In 2021, the Lucindale and Blackford fires in the South East and Cherry Gardens fire in the Adelaide Hills were a primary focus for support. In total, 19 CFS volunteers who assisted during these fires, received financial and in-kind support of a combined \$360,000 from the SA Power Networks Group Employee Foundation. Assistance also continued for those affected from the bushfire season of 19-20 in Kangaroo Island, Cudlee Creek and Keilira in the South East.

Why is tree trimming important?

Bushfires can start suddenly, destroying property and putting lives at risk without warning. Trimming trees and branches near powerlines reduces the risk of bushfire, and also helps us to:

- Provide a safe and reliable electricity supply of our customers and communities;
- Minimise the risk of bushfires; and
- Comply with our legal responsibilities

We work with the Arborist Reference Group and Local Government Association (LGA) Working Group to improve how we engage with our stakeholders and manage vegetation near powerlines. We have developed a self-serve vegetation portal which enables councils, customers and communities to view our indicative vegetation management scoping and cutting activities across South Australia.

We recently established an Appropriate Species Advisory Committee to develop a long-term approach for species selection for planting under powerlines.

Our [Protocol for vegetation management near powerlines](#) outlines our commitment to improving vegetation management and was developed in consultation with local councils and key stakeholders. The revised protocol (2019–2021) was endorsed by the LGA Board in May 2019. The protocol is currently under review and an updated protocol will be available in mid-2022.

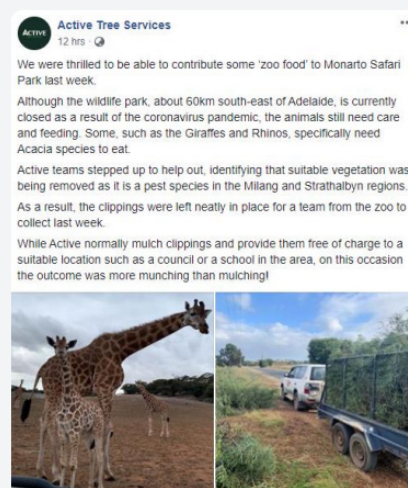
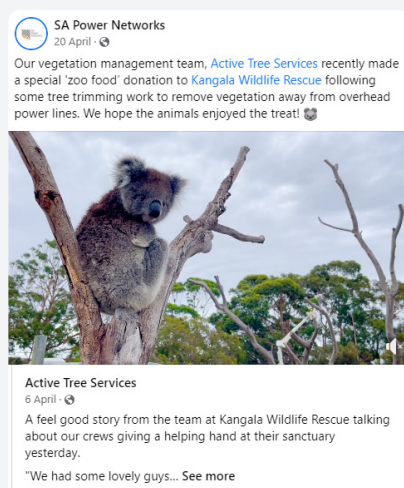
Vegetation Management – mitigating bushfires risk and feeding wildlife

Our vegetation management contractor Active Tree Services does more than trim the trees too close to our powerlines. Active Tree Services' arborists work with ecologists to minimise impacting native wildlife and undertake a range of activities to create habitats.



The SA Power Networks Group likes to partner with suppliers that share our values. Active Tree Services staff volunteer to run internal projects such as mulching for wildlife and communities, tree planting for schools and tree planting to offset printing.

They have recently achieved Carbon Neutral status via two certified projects, the Australian native reforestation of the Yarra Yarra Biodiversity corridor and the VCS VCU Chakala wind power project in India.



Our bushfire management process

Preparation

Each year we patrol the powerlines in bushfire risk areas, looking for damaged equipment and trees that are too close. You might see our teams clearing shrubs, trimming trees, and maintaining or upgrading our equipment.

During high-risk periods

We operate a 24/7 call centre, 'live' communication via 'Power at my place', our website, and social media channels. We have a suite of emergency management manuals and protocols and collaborate closely with the Country Fire Service (CFS), State Emergency Service (SES), police (SAPOL), state agencies and local government and other first responders. If the risk escalates too high we will disconnect supply to ensure the community remains safe.

After

There are many considerations to our approach on reconnecting power after a bushfire. Safety of our people and the community is our first priority, so entering an area after a bushfire will be guided by relevant authorities. Our efforts are usually informed by a multi-agency collaborative approach via the Zone Emergency Support Team (ZEST).

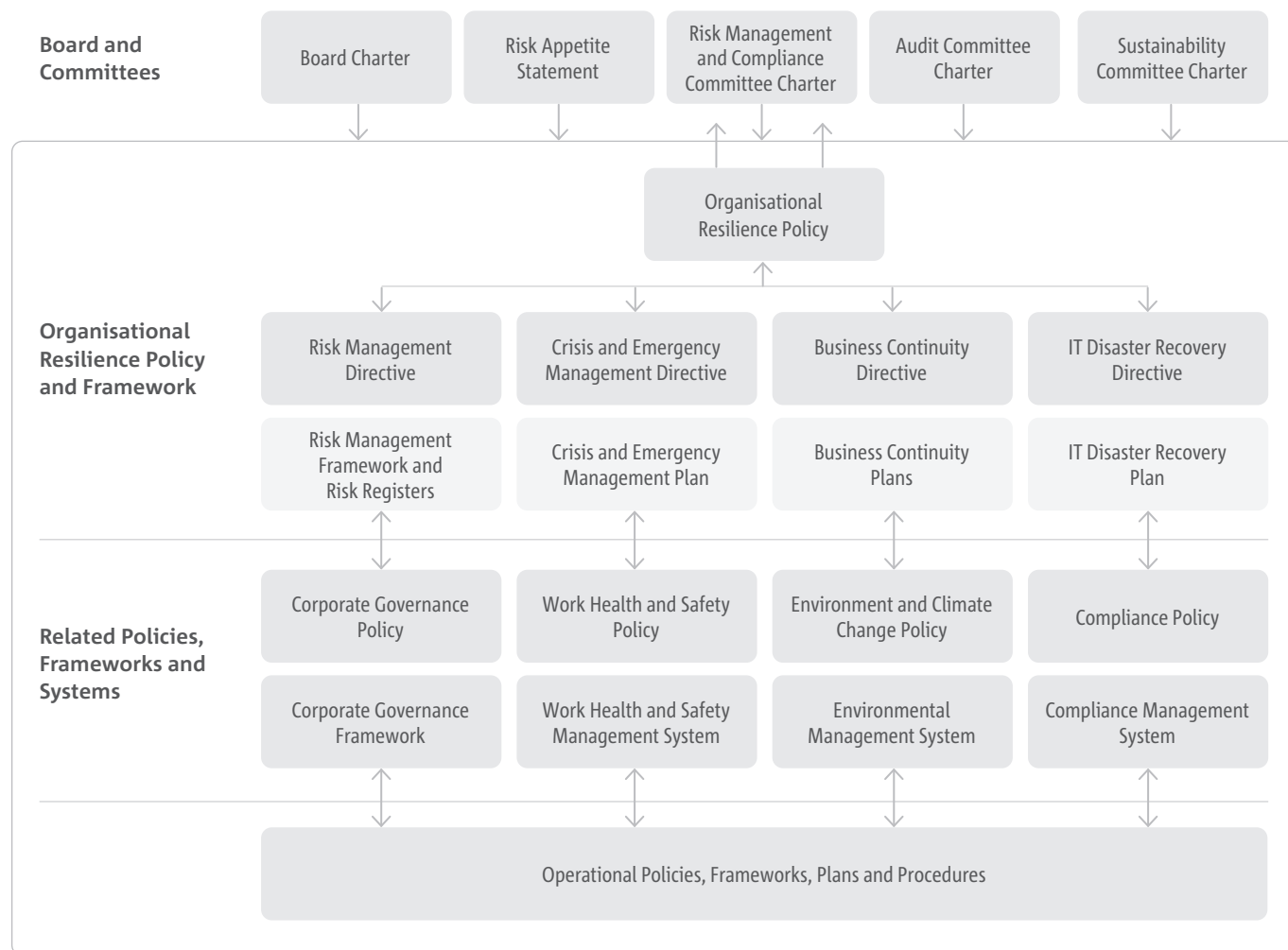
Sustainability Strategy – Integrated Sustainability Governance

Sustainability Governance

The SA Power Networks Group is a business owned and operated by a Partnership, who have delegated their powers to a Board to operate the business. To assist in its functioning, the Board has established several committees to allow detailed consideration of more complex issues.

The current committees of the Board are the Audit Committee, Risk Management and Compliance Committee, Remuneration Committee, and the recently established Sustainability Committee.

SA Power Networks Group Risk Management Framework and Governance



Our Strategic Plan is refreshed annually and governance is exercised by the Board through the approval of corporate policies. These determine the broad conduct of the business of the SA Power Networks Group, and cover the key areas of corporate governance, compliance, finance, people, assets, information technology, safety, customers and community, and environment. It is anticipated that some of these areas will soon be consolidated under a new sustainability policy.

We have an internal audit function reporting to the Audit Committee to provide independent assurance to the Board the business operations and controls are in line with the corporate governance model.

To protect our reputation, and achieve our strategic goals, we aim to operate in a manner compliant with all legal and regulatory requirements and act in an ethical manner as prescribed in an employee Code of Conduct. In addition, risk management principles are incorporated into all operations and decision making associated with the achievement of the Strategic Plan.

SA Power Networks and Enerven employees act ethically within a Code of Conduct and relevant State and Federal legislation. Stopline operates an independent Whistleblower's Line under contract for employees to anonymously report misconduct or unethical behaviour, via email, reporting website or phone line. All individuals who disclose information about illegal or improper conduct occurring within SA Power Networks will be protected in accordance with legal obligations.

To continually improve our ability to identify and define sustainability risks and opportunities, we have a program of initiatives that seek to integrate sustainability policies, processes, and accountabilities into our corporate governance structure and operations. This includes ensuring that sustainability risks are covered in key risk documents that include the Risk Appetite Statement, Risk Management Framework and corporate Risk Registers.

We have implemented three levels of sustainability governance oversight, which report on progress in achieving the Strategic Plan, key issues, and any emerging risks, which are as follows:



Cyber security and data privacy

As an essential service, and one that manages large amounts of personal information and critical data, SA Power Networks undertakes a range of programs to protect critical assets and data from cyber attacks.

Over recent years we have made a significant investment in maturing our cyber security approach, aligning to the Australian Energy Sector Cyber Security Framework (AESCSF) and other recognised industry frameworks. This program consists of multiple streams of work, focusing on both technical and management cyber security outcomes.

SA Power Networks Group recently completed work with the Australian Energy Market Operator (AEMO) and the Department of Industry, Science, Energy and Resources (DISER) on a self-assessment of our cyber security capability and maturity as aligned to the AESCSF, achieving compliance with 95% of cyber maturity level 2 controls in 2021.

Driving our cyber security response capability is the SA Power Networks Group cyber security threat profile. This outlines how we will most likely be attacked, what assets will be targeted – both information technology (IT) and operational technology (OT) and the techniques that will be used. Supporting this are automated threat simulations, where we test our systems against known advanced attacks and identify where we need to better detect and prevent malicious activity.

Our proactive and threat led security operational capability is built around a hybrid model, with 24/7 monitoring and actioning of security alerts across the IT and OT networks. This includes automated incident response processes to decrease time to respond. The team regularly participate in desktop simulation exercises to test playbooks and maintain levels of preparedness.

Collaborating across the Innovation and Technology department, the IT resilience team is elevating readiness to respond to operational disruptions. This is aligned to a recent review of the criticality of applications and sensitivity of information across the SA Power Networks Group.

In late 2021, the cyber security and legal teams completed an organisation-wide review and update to our existing privacy impact assessment. Over a series of 36 workshops, the assessment gathered information from each business unit to understand the business activities that involve the collection, processing, storage or transmission of personal information, the types of information collected, and any associated IT systems or third parties. This data will continue to be updated regularly and will be used to enhance protections already in place through existing programs, such as the cyber security program of work.

Cyber security awareness and training



An organisation wide security awareness program is in place. This program aligns to the SA Power Networks cyber security threat profile to increase awareness of the specific threats that we face.

All new employees must complete awareness training upon joining, with ongoing employees being required to complete yearly refresher training. The awareness program includes bi-monthly email phishing drills that mimic real attacks, with those who fail the training completing additional training. Online training includes additional training for privileged users.

The program also includes online articles, organisation-wide briefings, face to face small training sessions and physical elements such as posters across our sites.

We also offer vocational educational programs in cyber security. Training programs are delivered by registered training organisations and nationally accredited qualifications are credited.

Partnerships and advocacy

There has been a huge shift in Australia's electricity sector, with customers increasingly seeking to take control of their energy needs. Equally, government, regulators and policy makers have demanded greater involvement of customers in the design of the system and its outcomes.

We also have, in recent times, been able to engage with government to shape policy, legislation and State-based regulation, improving our ability to cost-effectively manage a stable and secure network for South Australians and to advocate on behalf of our customers.

We are industry leaders in integrating distributed energy resources like rooftop solar PV, household batteries and Virtual Power Plants (VPP)* into the distribution network. To do this, we have undertaken a range of trials and pilots in partnership with industry leading solutions providers (eg Tesla), supported by funding through the Australian Renewable Energy Agency (ARENA). We also work very closely with our key stakeholder groups such as the SA Government, Energy Network Association (ENA), AEMO, and ElectraNet.

Through this and other initiatives we will continue to play a leadership role in ensuring distribution networks can support and enable the distributed energy transition.



Smart homes



Diverse low voltage data trial



Rheem smart hot water control



Electric vehicles



Closed loop voltage control trial



Assets and works



STPIS strategy



Salisbury battery trial



Stand-alone power systems



Feeder automation



Virtual power plants

Enablement of solar PV feed-in



SA Power Networks' solar feed-in management capability is one of the most advanced in the world. In 2021, our Enhanced Voltage Management solution won the Premier's Award for Innovation and Collaboration in Energy.

The solution allows the business to better manage solar feeds into the electricity distribution network. Working with the South Australian Government and Australian Energy Market Operator, SA Power Networks developed this innovative voltage management solution, which not only significantly improves network capacity to host solar but also provides a solution to manage system security emergencies.

In September 2021, SA Power Networks launched a trial of its smart **Flexible Exports** system in Adelaide's southern suburbs. It is a world-leading technology which enables new solar customers to export up to 10kW per phase from their panels, doubling the current standard fixed export limit. Flexible export limits offered under the trial will provide greater solar export opportunities throughout the year, while providing a mechanism to orchestrate the level of solar exports on rare days of network congestion.



The Network Innovation Centre

SA Power Networks' Network Innovation Centre (known as 'the NIC') showcases a wide range of displays to share some insights into where the future of the electricity network might be heading, and the role that customers, networks and other key stakeholders may play in that future.

The NIC was established in 2012 in response to significant changes in the electricity industry. The NIC provides SA Power Networks with a facility to trial and test new technologies that could impact on our business and customers in the immediate and mid-term future.

The NIC has both network side and customer side technologies on display including a section of distribution network that can be viewed close-up as well as a 'smart house' which integrates solar PV, battery storage, an electric vehicle and a home energy management system with a range of traditional appliances. Our aim is to understand, trial and test new technologies then develop strategies to adapt and capture new opportunities.

SA Power Networks is a proud Industry Partner in the Race for 2030 initiative.

RACE for
2030
 RELIABLE
 AFFORDABLE
 CLEAN
 ENERGY

Responsible supply chain

As a large, geographically widespread business, we procure goods and services from a diverse range of suppliers.

With around 2,000 suppliers, we are aware of our ‘purchasing power’ so are investing in strategic programs and initiatives that address salient human rights, community and environmental issues across our value chain.

Of this approximate 2,000 suppliers, 98% (based on their direct engagement locations) are based in Australia with a small number based overseas in Canada, Chile, Germany, UK, Hong Kong, Ireland, Japan, New Zealand, South Korea and the USA. Our Australian vendors are pre-dominantly based in South Australia (49%), New South Wales (27%) and Victoria (18%). Sustainable procurement looks beyond the up-front cost to make purchasing decisions based on the entire life cycle of the goods and services, taking into account associated costs, environmental and social risks and benefits, and broader social and environmental implications. Sustainable procurement aims to reduce the adverse environmental, social and economic impacts of purchased products and services throughout their life.

We have developed a dedicated supplier website that includes a Sustainable Procurement Statement, information about the organisation’s expectations with respect to ethical and sustainable procurement and links to partner and industry websites. We are a proud member of the Good Environmental Choice Australia, Supply Nation, and the Sustainable Procurement Pledge initiative. In compliance with the Australian *Modern Slavery Act 2018*, we provide an annual Modern Slavery Statement, and 2021 marked our 5th year of Ethical Procurement Supply certification by the Chartered Institute of Procurement and Supply (CIPS).

The SA Power Networks Group has taken a human-centred and collaborative approach in our actions to address modern slavery and environmental risks in our supply chain and operations. This has involved upskilling our people on addressing modern slavery risks and sustainable procurement principles through external training, adding appropriate clauses to our supplier contracts, and through the development of a supplier questionnaire and risk management framework in collaboration with the Energy Procurement Supply Association (EPSA).

Our progress to date

We have already started to take strong action to identify and mitigate the risks of modern slavery in our operations and supply chain. These actions include:



We are committed to measuring the effectiveness of our modern slavery risk management framework. As part of this process, we conduct a review of our relevant policies and procedures annually to ensure they allow us to measure and assess the effectiveness of our modern slavery risks. Additionally, we submit a legal compliance reporting to the Board Audit Committee twice a year for review, which contains a specific section on modern slavery that ensures we are compliant with the relevant legislation.

The SA Power Networks Group employs a centralised supplier onboarding system to streamline the induction of new and existing suppliers. This team has established system controls to segregate duties and all suppliers' information is audited daily. This allows the elimination and mitigation of any actual or perceived risks in supplier engagement and a consistent onboarding practice of all suppliers. Over coming years we will further explore the integration of sustainability considerations through the whole supply chain, from selecting products, onboarding suppliers and contractors, to measuring our impact via value chain mapping.



Appendices

Appendix 1

Sustainability reporting data

Note: The majority of the sustainability reporting data provided below is for the 2021 calendar year, however there are some datasets that are reflective of the 2021 financial year (FY) or other mandated time periods to align with regulatory reporting.

Transforming energy and network performance

Table 1 – Our network performance

Network performance	Unit	FY21	FY20
Reliability – SAIDI (planned)	Minutes	58	65
Reliability – SAIDI (unplanned)	Minutes	125	132
DER capacity	GW	1.73	1.43
DER energy	GWh	1,524	1,340
		2021	2020
MEDs	Days	5	3
AER benchmark performance	Ranking	1	1
Distribution affordability (bill proportion)	%	1.57	1.66

DER capacity – Distributed Energy Resources (eg. solar panels, battery systems, wind power etc) Capacity, cumulative DC installed.

DER energy – Renewable (eg. solar, battery, wind, etc) energy exported from customers into the distribution network. Net exports exclude consumption behind the meter.

SAIDI – Total System Average Interruption Duration Index, is a description of the length of time all customers would have been out of power if the total number of hours out of service in a year's time were to be shared (typically measured in minutes).

MEDs – Major Event Days (usually severe storms) that impact reliability outside of normal conditions.

AER – Australian Energy Regulator

Distribution affordability – Annual DUoS cost as a proportion of disposable income for a low-income households.

Building a diverse, high-performance workforce and connecting and protecting communities

Table 2 – Our safety performance

Safety, health and wellbeing	Unit	2021	2021 Target	2020
Work-related fatalities	#	0	0	0
TRIFR	#	9	8.0	7.1
Fatal risk event	#	4	0	4
Workers covered by an occupational health and safety system	%	100	100	100
Community safety				
Electric shocks > 50v	#	35	48	65
Bushfire starts	#	15	34	41

Total Recordable Injury Frequency Rate (TRIFR) – Identifies the # of Lost Time (LTI), Medically Treated (MTI) and Restricted Work Cases (RWC) standardised per 1,000,000 hours worked ie. 6.5 individuals are unable to perform the work for which they were engaged due to injury; enables benchmarking comparisons of lag performance across organisations of significantly different size or comparisons across time where changes to key factors have occurred, such as significantly different employee numbers or hours worked.

Fatal Risk Event – an event with credible potential to have caused death(s) where preventative/control measures were absent or potentially deficient and person(s) were in the 'line of fire'; incident may have resulted in injury.

Electric Shocks >50v – a report by customer, third party of shock determined by testing or the reasonable assumption of voltage > = 50v where SAPN is identified as primarily responsible.

Bushfire Starts – a fire caused or created by asset failure, operational activities or any interaction with the environment that presents a risk to the community or a third party as a result of workmanship or design and operational factors. (Workmanship - SAPN worker error, omission, violation as a Contributing Cause / Cause of Failure. Design and Operational Factors – SAPN has primary responsibility for influence or control such as asset failure, abrasion, corrosion, hot joint, design, insulation breakdown, vegetation, fault current, vibration, conductor ties, fuses.

Table 3 – Our customers

Customer satisfaction	Unit	FY21	FY20
Combined Grade of Service score	%	88.8	90.4
Customer satisfaction	Unit	2021	2020
Customer Satisfaction Index (CSI)	#	7.6	7.8
Brand Health score	#	5.1	4.9
Community and Social Value			
Sponsorship and partnership arrangements	#	40	52

Combined Grade of Service score – a target of 85% of calls answered in under 30 seconds across customer facing incoming call lines.

Customer Satisfaction Index – scoring derived from our interaction with customers across the key touch points of planned and unplanned interruptions, new connections and general enquiries.

Brand Health – Score out of 7, derived from a survey about our performance in managing the network, serving customers and our community activity.

Table 4 – Our people

Our employees	Unit	2021		2020	
Full-time	#	2,188		2,145	
Part-time	#	94		106	
		Male	Female	Male	Female
Total – gender split	#	1,852	430	1,834	417
Total – gender split	%	81.2	18.8	81.5	18.5
Full-time – gender split	#	1,832	356	1,808	337
Full-time – gender split	%	83.7	16.3	84.3	15.7
Board of Directors – gender split	%	87.5	12.5	100.0	0.0
Executive Leadership Team – gender split	#	9	1	9	1
Executive Leadership Team – gender split	%	90.0	10.0	90.0	10.0
Managerial positions – gender split	#	29	18	29	16
Managerial positions – gender split	%	61.7	38.3	64.4	35.6
Newly hired employees – gender split	#	140	58	114	54
Newly hired employees – gender split	%	70.7	29.3	67.9	32.1
Average years employed – gender split	#	13.4	7.6	13.4	7.5
Average training per year per employee	Hours	42	35	32.97	20.36
Employees receiving regular performance and career development reviews	%	100.0	100.0	100.0	100.0

Note: All company employee information is managed via our HR systems, Success Factors and SAP (Payroll). All data required for the WGEA submission is sourced from these systems annually at the end of March.

Our employees – all full-time, part-time and casual employees. Supplementary labour and contractors are not included.

Managerial positions – those roles that report to an Executive General Manager (L3).

Conserving the environment

Table 5 – CO2 and other air emissions

Greenhouse gas (GHG) emissions	Unit	FY21	FY20
Scope 1			
Diesel (transport and stationary)	Tonnes CO2-e	13,574	13,043
Petrol (transport and stationary)	Tonnes CO2-e	503	571
LPG (transport and stationary)	Tonnes CO2-e	12	26
Natural gas	Tonnes CO2-e	191	156
Sulphur hexafluoride (SF6)	Tonnes CO2-e	5,035	2,486
Total (scope 1) carbon footprint	Tonnes CO2-e	19,317	16,283
Scope 2			
Electricity consumed by properties	Tonnes CO2-e	2,605	2,680
Electricity consumed by public lighting in SA	Tonnes CO2-e	24,421	26,130
Distribution line losses	Tonnes CO2-e	352,063	376,305
Total (scope 2) carbon footprint	Tonnes CO2-e	379,093	405,119
TOTAL (scope 1 and 2) carbon footprint	Tonnes CO2-e	398,410	421,402
Air emission (polluting substance)			
	Unit	FY21	FY20
Carbon monoxide	kg/year	256.56	249.83
Oxides of nitrogen	kg/year	356.2	254.4
Particulate matter 10.0 um	kg/year	20.8	20
Particulate matter 2.5 um	kg/year	19.2	18.4
Polycyclic aromatic hydrocarbons	kg/year	0.0000222245	0.0000047625
Sulfur dioxide	kg/year	9.942535	2.13061
Total volatile organic compounds	kg/year	154.40172	33.08712

Note: Immaterial sources of CO2 emissions such as acetylene, oil, greases and the inactive Depot in the NT have been excluded from being itemised but are included in overall totals to align with NGERS reports. The Scope 1 and 2 emission factors applied are standard factors consistent with the Australian National Greenhouse and Energy Reporting Measurement Determination 2008, the Intergovernmental Panel on Climate Change (IPCC), the IEA, and the National Greenhouse Gas Inventory to the United Nations Framework Convention on Climate Change (UNFCCC). We use calculation approaches aligned to guidance from the World Resources Institute/ World Business Council for Sustainable Development. Limited Assurance has been provided over these metrics as part of our NGERS reporting process.

SF6 – an insulating gas used in some of our electricity distribution equipment. The significant increase in volume from the 20FY and 21FY reporting period is due to a material leakage at one substation. Work to fix this leak will occur in 2022.

Public lighting – SA Power Networks assists in the delivery of public lighting services through design, vested ownership and maintenance for a range of public lighting customers (eg Councils, Department of Infrastructure and Transport).

Distribution line losses – the 'leakage' of electricity which occurs when transporting electricity.

Air emissions (polluting substance) – relates to our Kangaroo Island back-up power plant and data is reported under the National Pollutant Inventory (NPI).

Table 6 – Our energy consumption and production and electric vehicles (EV)

Energy consumption	Unit	FY21	FY20
Energy consumed – transport	GJ	178,097	185,182
Energy consumed – stationary	GJ	6,088	5,165
Electricity consumed by properties	kWh	6,058,297	6,089,985
Electricity consumed by public lighting in SA	kWh	56,792,287	59,386,494
Distribution line losses	kWh	818,751,183	855,237,571
Energy production			
Electricity (solar generation) used onsite	kWh	1,165,965	1,088,174
Electricity (solar generation) exported to grid	kWh	1,169,019	745,983
Electricity (thermal generation)	kWh	2,007,129	649,404
Electric vehicles (EVs)		2021	2020
Fleet vehicles transitioned to EV – passenger	%	7	6
Fleet vehicles transitioned to EV – light commercial	%	0	0
Fleet vehicles transitioned to EV – passenger	#	16/215	13/205
Fleet vehicles transitioned to EV – light commercial	#	0/544	0/544
Operational sites with EV charging facilities	#	2	2
EV charging stations	#	17	17

Note: Energy conversion factors applied are standard factors consistent with the Australian National Greenhouse and Energy Reporting Measurement Determination 2008, the Intergovernmental Panel on Climate Change (IPCC), the IEA, and the National Greenhouse Gas Inventory to the United Nations Framework Convention on Climate Change (UNFCCC), using calculation approaches aligned to guidance from the World Resources Institute/World Business Council for Sustainable Development. Limited Assurance has been provided over the energy consumption and energy production metrics as part of our NGRS reporting process. Thermal generation – Power generated by the Kangaroo Island (back-up) power station and mobile generators. EV totals includes both EVs and plug-in hybrid electric vehicles (PHEVs)

Table 7 – Waste and recycling

Resource recovery and recycling	2021	2021 Target	2020	2020
Percentage of waste diverted from landfill	80%	75%	75%	NA
Waste type	Tonnes 2021	Tonnes 2020	Disposal	Materiality
General waste				
Paper and cardboard (office and packaging)	173.3	184.2	Recycled	Material
Plastic (packaging etc)	0.8	0.1	Recycled	Not Material
Comingled waste (glass and plastic bottles)	32.9	33.8	Recycled	Not Material
General waste (metro)	621.8	657.2	Energy Recovery	Material
General waste (residual and regional)	321.2	277	Landfill	Material
Organics (food waste, paper towels)	99.8	70.4	Recycled	Not Material
Timber (crates and veg)	215.5	185.6	Recycled	Not Material
Textiles (workwear)	0.55	Not collected	Recycled	Not Material
Metals				
Ferrous metals (steel cross arms, poles, scrap)	714	655	Recycled	Material
Mixed metal commodities – recycled	416.04	145.44	Recycled	Material
Mixed metal commodities – not recycled	277.36	218.16	Landfill	Material
Non-ferrous metals (TFs, copper, aluminium) – recycled	228.5	435.15	Recycled	Material
Non-ferrous metals (TFs, copper, aluminium) – not recycled	19.9	48.35	Landfill	Not Material
Poles				
Concrete (slurry, poles)	414.3	NA	Recycled	Material
Concrete (poles)	195	640	Landfill	Material
Total non-hazardous	3,730.95	3,550.4		
E-waste				
Batteries (eg diesel generator, truck, AA, etc)	0.9	0.9	Recycled	Not Material
Public lighting equipment (fluorescent, sodium, metal halide, mercury-bearing)	3.5	5.3	Recycled	Not Material
E-waste (including computers, mobile phones, field equipment and solar panels)	0.6	1.2	Recycled	Not Material
Toner cartridges	0.1	0.1	Recycled	Not Material
Construction materials				
Liquid and hazardous liquid waste (sefton gel, mercury, solvents, grease trap, liquid waste, oily water)	111.54	125.1	Recycled/ Landfill	Material
TF oil reclaimed/re-used	71.05	78.83	Recycled	Not Material
TF oil sold/recycled	199.8	213.18	Recycled	Material
Waste oil and articles containing or contaminated with PCBs	2.51	39.5	Recycled	Not Material
Asbestos	33.66	37.59	Landfill	Not Material
Total hazardous	423.66	501.7		
Total generated waste	4,154.61	4,052.1		

Table 8 – Water consumption

Water consumption	Unit	2021	2020
Purchased potable water	kL	31,747	33,491

Table 9 – Environmental compliance

Environmental (legal) compliance	Unit	2021	2020
Fines or prosecutions	#	0	0
Licence breaches	#	0	0
Reportable incidents	#	5	5

Reportable incidents – Under Section 83/83a of the SA Environment Protection Act (1993), any incident that results in ‘material’ environmental harm (ie an oil spill that costs \$5,000+ to remediate) is notifiable to the SA Environment Protection Authority.

Integrated governance

Table 10 – Governance

Governance	Unit	2021	2020
Confirmed incidents of corruption and actions taken	#	0	0
Employees received training on anti-corruption/ethics and integrity	%	9	11
Legal action for anti-competitive behavioural, anti-trust and monopoly practices	#	0	0
Whistle-blower system reports	#	11	4
Whistle-blower system reports involving bribery/corruption	#	0	0
Cyber security			
Significant notifiable cyber security breaches	#	0	0
Responsible supply chain			
Proportion of spending on local suppliers	%	49	45

The procurement figures above represent spend with South Australian companies and South Australian branches/entities of a National parent company.

Appendix 2

GRI Content Index



The following table demonstrates our reporting in alignment with the GRI Sustainability Reporting Standards (Core option), where we are able to demonstrate that alignment. We will aim for full alignment to the GRI in future reporting periods.

GRI disclosure references

Location or explainer

GRI 102: General Disclosures 2016

GRI 102: General Disclosure 2016	102-1 Name of organisation	The SA Power Networks Group (SA Power Networks and Enerven) (p9–11)
	102-2 Activities, brands, products and services	About the SA Power Networks Group SA Power Networks website – Our Role Enerven website – About Us
	102-3 Location of headquarters	1 Anzac Highway, Keswick, SA 5035
	102-4 Where we operate	About the SA Power Networks Group (p3,9–11) SA Power Networks website – Our Role
	102-5 Ownership and legal form	SA Power Networks website – Regulatory Information and Our Role
	102-6 Markets served	About the SA Power Networks Group (p2,3,9–11) SA Power Networks website – Our Role
	102-7 Scale of the organisation	About the SA Power Networks Group (p2,3,9–11) SA Power Networks website – Our Role
	102-8 Information on employees and other workers	Appendix 1 Sustainability Reporting Data (Table 4)
	102-9 Supply chain	Responsible Supply Chain (p56–57) SA Power Networks website – Supplying to us Modern Slavery Statement
	102-10 Significant changes to the organisation and its supply chain	No significant changes
	102-11 Precautionary Principle or approach	Climate Change Position Statement
	102-12 External initiatives	The SA Power Networks Group commits to abiding by all applicable laws and regulations in the places we conduct our activities and operations. ESG principles we subscribe to include those described in the vision, goals and principles of the UN Sustainable Development Goals, and the associations we are a member of, as listed in GRI 102-13. We also have a number of external legislative, regulatory and voluntary ESG frameworks we adhere to, as described on our website.
	102-13 Membership of associations	Key industry associations and memberships: Energy Networks Association (ENA) RACE for 2030 Energy Charter – #BetterTogether Collaborator Clean Energy Council Electric Vehicle Council Carbon Neutral Adelaide Chartered Institute of Procurement and Supply (CIPS) Procurement Excellence Program Good Environmental Choice Australia (GECA) Positive Procurement Pledge Energy Procurement Supply Association (EPSA) Fluorocycle Program

GRI disclosure references

Location or explainer

102-14 Statement of senior decision-maker	A message from our CEO (p5)
102-15 Key impacts, risks and opportunities	Sustainability Governance (p51–52) Building a resilient network and a resilient South Australia (p22–23)
102-16 Values, principles, standards and norms of behaviour	Our Code of Conduct Our Customer Charter
102-17 Mechanisms for advice and concerns about ethics	Sustainability Governance (p51–52) SA Power Networks website – Whistleblower reporting
102-18 Governance structure	Sustainability Governance (p51–52)
102-21 Consulting stakeholders on economic, environmental and social topics	Connecting and protecting communities SA Power Networks website – Customer and stakeholder engagement
102-22 Composition of the highest governance body and its committees	SA Power Networks website – Our structure
102-29 Identifying and managing economic, environmental and social impacts	Sustainability Governance (p51–52) SA Power Networks website – Our structure Materiality Assessment (p13)
102-32 Highest governing body's role in sustainability reporting	The Board Sustainability Committee oversees the preparation and presentation of sustainability disclosures.
102-43 Approach to stakeholder engagement	Connecting and protecting communities (p42–49) Materiality Assessment (p13) SA Power Networks website – Customer and stakeholder engagement
102-46 Defining report content and topic boundaries	About this Report (p6–7) Materiality Assessment (p13) Our value chain and providing the foundation for a new energy future (p10) Sustainability Strategy (p14)
102-47 List of material topics	Materiality Assessment (p13)
102-50 Reporting period	About this Report (p6)
102-51 Date of most recent report	This is the first annual sustainability report
102-52 Reporting cycle	Annual
102-53 Contact point for questions regarding this report	Contact us @ SA Power Networks
102-54 Claims of reporting in accordance with the GRI Standards	SA Power Networks' 2021 Sustainability Report aligns with the Global Reporting Initiative's (GRI) Standards, Core Options.
102-55 GRI content index	This table is our GRI content index and summarises available GRI disclosures at this point in time. Although not complete, we are working to improve our GRI disclosures in coming years.
102-56 External assurance	About this Report (p6) Key material areas in this report have been subject to external assurance. Refer to notes below Sustainability Data Tables in Appendix 1 and the Sustainability Assurance Opinion in Appendix 4 (p74–76).

GRI disclosure references

GRI 103: Management Approach 2016

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Location or explainer
		<p>Our management approach for material topics is outlined on the SA Power Networks website – About us; and Your Power and within each section of this report as per the Materiality Assessment:</p> <ul style="list-style-type: none"> • Workplace diversity and inclusivity – Building a diverse, high performance workforce (p24–31) • Workplace health and wellbeing – Building a diverse, high performance workforce (p24–31) • Talent attraction and development – Building a diverse, high performance workforce (p24–31) • Climate change and our role in decarbonisation – Transforming energy; (p16–23) Conserving the environment (p32–41) • Protecting biodiversity and the environment – Conserving the environment (p32–41) • Responsible consumption, resource use and our contribution to the circular economy – Conserving the environment (p32–41) • Integrating sustainability into corporate governance and risk management – Sustainability governance • Cyber security, privacy and data – Sustainability governance (p51–57) • Responsible supply chain – Sustainability governance (p51–57) • Energy affordability and equity – Transforming energy (p16–23); Connecting and protecting communities (p42–49) • Emerging technologies and integration – Transforming energy (p16–23) • Customer experience – Connecting and protecting communities (p42–49) • Grid resilience and reliability – Building a resilient network and a resilient SA (p22–23,48–49); Transforming energy (p16–23) • Community development and engagement – Connecting and protecting communities (p42–49) • Contributing to economic development – Transforming energy (p16–23); Connecting and protecting communities (p42–49)

GRI disclosure references

Location or explainer

GRI 200: Economic Disclosures 2021

GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	The SA Power Networks Group requires that employees' and contractor remuneration complies with statutory and regulatory requirements, and does not have any employees whose compensation is subject to minimum wage rules.
	202-2 Proportion of senior management hired from the local community	In 2021, 100% of senior leaders had been hired from the local community. For the purposes of GRI 202-2, senior leaders are defined as Level 3 roles and above, and we define local as the State in which we operate.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Some high-level information that addresses GRI 203 (in part) includes: SA Power Networks website – About us Building a resilient network and a resilient SA (p22–23,48–49) Transforming energy (p16–23) Connecting and protecting communities (p42–49) We are working to improve our disclosures in this area in coming years.
	203-2 Significant indirect economic impacts	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Responsible supply chain (p56–57) SA Power Networks website – Supplying to us Appendix 1 Sustainability Reporting Data (Table 10)
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	The SA Power Networks Group holistically reviews fraud and corruption risks as a business, and will conduct focussed assurance activity in the areas that considered higher risk (ie. financial processes, procurement). Sustainability governance (p51–52) Responsible supply chain (p56–57)
	205-2 Communication and training about anti-corruption policies and procedures	We have clear policies and directives around corruption, anti-bribery, fraud prevention and ethics, supported by the Code of Conduct and Sustainable Procurement Directive. All workers receive anti-corruption training at induction, and refresher training is provided to a portion of relevant employees every year. Appendix 1 Sustainability Reporting Data (Table 10)
	205-3 Confirmed incidents of corruption and actions taken	Appendix 1 Sustainability Reporting Data (Table 10)
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Appendix 1 Sustainability Reporting Data (Table 10)

GRI disclosure references

Location or explainer

GRI 300: Material (Environmental) Topics 2021

GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Appendix 1 Sustainability Reporting Data (Table 6)
	302-2 Energy consumption outside of the organisation	Transforming energy (p16–23)
	302-3 Energy intensity	Building a resilient network and a resilient SA (p22–23,48–49)
	302-4 Reduction of energy consumption	We do not currently report against GRI 302-2, 302-3, 302-4 and 302-5, however we will be commencing work on our Climate Change Roadmap which includes investigation of information that will improve our disclosures in this area in coming years.
	302-5 Reduction in energy requirements of products and services	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Conserving the environment (p32–41)
	304-2 Significant impacts of activities, products, and services on biodiversity	We do not currently report against GRI 304-1, 304-2, 304-3, and 304-4 however we will be commencing work on our Biodiversity Action Plan which includes investigation of information that will improve our disclosures in this area in coming years.
	304-3 Habitats protected or restored	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Conserving the environment (p32–41)
		Appendix 1 Sustainability Reporting Data (Table 6)
	305-2 Energy indirect (Scope 2) GHG emissions	Conserving the environment (p32–41)
		Appendix 1 Sustainability Reporting Data (Table 6)
	305-3 Other indirect (Scope 3) GHG emissions	Conserving the environment (p32–41)
	305-4 GHG emissions intensity	We do not currently report against GRI 305-3, 305-4, and 305-5, however we will be commencing work on our Climate Change Roadmap which includes investigation of information that will improve our disclosures in this area in coming years.
	305-5 Reduction of GHG emissions	
GRI 306: Waste 2020	305-6 Emissions of ozone-depleting substances (ODS)	We do not currently report against GRI 305-6 as the topic is not material and information is not available.
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Appendix 1 Sustainability Reporting Data (Table 5)
	306-1 Waste generation and significant waste-related impacts	Conserving the environment (p32–41)
	306-2 Management of significant waste-related impacts	We do not currently report against GRI 306-1 and 306-2 however we will be commencing work on our Circular Economy Action Plan which includes investigation of information that will improve our disclosures in this area in coming years.
	306-3 Waste generated	Conserving the environment (p32–41)
GRI 307: Environmental Compliance 2016		Appendix 1 Sustainability Reporting Data (Table 7)
	306-4 Waste diverted from disposal	Conserving the environment (p32–41)
		Appendix 1 Sustainability Reporting Data (Table 7)
GRI 307: Environmental Compliance 2016	306-5 Waste directed to disposal	Conserving the environment (p32–41)
		Appendix 1 Sustainability Reporting Data (Table 7)
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Conserving the environment (p32–41)
		Appendix 1 Sustainability Reporting Data (Table 9)

GRI disclosure references

GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria
	308-2 Negative environmental impacts in the supply chain and actions taken

Location or explainer

Responsible supply chain (p56–57)
SA Power Networks website – [Supplying to us](#)
Compliance with minimum requirements (including applicable environmental laws and regulations) is necessary for suppliers to the SA Power Networks Group. We also employ a centralised supplier onboarding system to streamline the induction of new and existing suppliers, allowing the elimination and mitigation of any actual or perceived environmental risks.

We do not report against GRI 308-2 as this information is currently unavailable however we plan to progress our disclosures in this area in coming years.

GRI 400: Material (Social) Topics 2021

GRI 401: Employment 2016	<p>401-1 New employee hires and employee turnover</p> <p>401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees</p> <p>401-3 Parental leave</p>	<p>Building a diverse, high performance workforce (p24–31) Appendix 1 Sustainability Reporting Data (Table 4)</p> <p>We do not report fully against GRI 401-1, GRI 401-2 and GRI 401-3 as complete information is currently unavailable, however we plan to progress our disclosures in this area in coming years.</p> <p>SA Power Networks Group employees who have more than 12 months continuous service as a full time or part time employee at the time of the expected birth or placement in the case of adoption are eligible for paid parental or maternity leave.</p>
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	<p>Minimum notice periods for significant operational changes can vary, depending on the employee's role, location, terms of contract or other factors.</p> <p>Provisions for consultation are specified in the SA Power Networks Group (Utilities Management) Enterprise Agreement.</p>
GRI 403: Occupational Health and Safety 2018	<p>403-1 Occupational health and safety management system</p> <p>403-2 Hazard identification, risk assessment, and incident investigation</p> <p>403-3 Occupational health services</p> <p>403-4 Worker participation, consultation and communication on occupational health and safety</p> <p>403-5 Worker training on occupational health and safety</p> <p>403-6 Promotion of worker health</p> <p>403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</p> <p>403-8 Workers covered by an occupational health and safety system</p> <p>403-9 Work-related injuries</p> <p>403-10 Work-related ill health</p>	<p>Building a diverse, high performance workforce (p24–31) SA Power Networks website – Our Commitment to Safety Appendix 1 Sustainability Reporting Data (Table 2)</p> <p>We do not report fully against GRI 403 as complete information is currently unavailable, however we plan to progress our disclosures in this area in coming years.</p>
GRI 404: Training and Education 2016	<p>404-1 Average hours of training per year per employee</p> <p>404-2 Programs for upgrading employee skills and transition assistance programs</p> <p>404-3 Percentage of employees receiving regular performance and career development reviews</p>	<p>Building a diverse, high performance workforce (p24–31) SA Power Networks website – Careers Appendix 1 Sustainability Reporting Data (Table 4)</p>

GRI disclosure references

GRI disclosure references		Location or explainer
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees 405-2 Ratio of basic salary and remuneration of women to men	Building a diverse, high performance workforce (p24–31) SA Power Networks website – Women at work Appendix 1 Sustainability Reporting Data (Table 4) We do not report fully against GRI 405 as complete information is currently unavailable, however we plan to progress our disclosures in this area in coming years.
GRI 408: Child Labor 2016	408-1 Operations and suppliers a significant risk for incidents of child labor	Responsible supply chain (p56–57) Modern Slavery Statement SA Power Networks website – Supplying to us Appendix 1 Sustainability Reporting Data (Table 10)
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Responsible supply chain (p56–57) Modern Slavery Statement SA Power Networks website – Supplying to us Appendix 1 Sustainability Reporting Data (Table 10)
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	There were no reported incidents (legal action/complaint registered) of violations involving rights of Indigenous peoples related to our assets or operations in 2021.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, with development programs 413-2 Operations with significant actual and potential negative impacts on local communities	Connecting and protecting communities (p42–49) Building a resilient network and a resilient SA (p22–23,48–49) Transforming energy (p16–23) Conserving the environment (p32–41) SA Power Networks website – About us SA Power Networks website – Supporting customers in vulnerable circumstances
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria 414-2 Negative social impacts in the supply chain and actions taken	Responsible supply chain (p56–57) Modern Slavery Statement SA Power Networks website – Supplying to us Appendix 1 Sustainability Reporting Data (Table 10) We do not report fully against GRI 414 as complete information is currently unavailable, however we plan to progress our disclosures in this area in coming years.
GRI 415: Public Policy 2016	415-1 Political contributions	SA Power Networks Group will attend business and networking forums organised by political parties. In 2021 the SA Power Networks Group made two indirect donations totaling \$37,000 to organisations affiliated with the two dominant political parties in South Australia, allowing attendance at a small number of their networking and fundraising events. SA Power Networks has never sought political benefit from these donations.

Appendix 3

TCFD summary

Summary table of the SA Power Networks Group's current approach and future plans with respect to climate change related governance, strategy, risk management, and metrics and targets.

TCFD category and recommended disclosures	Current approach and 2021 actions	Maturing our approach
Governance		
a) Board oversight of climate-related risks and opportunities b) Management's role in assessing and managing climate-related risks and opportunities	<ul style="list-style-type: none"> • Board Risk Management and Compliance Committee oversees management of climate-related risks. • Executive Leadership Team recommended the establishment of a dedicated Board Sustainability sub-Committee, which will monitor progress on climate-related activities. • A review of the SA Power Networks Risk Management Framework and <i>Risk Appetite Statement</i> was undertaken. • The role of the Board, and the appetite of the Board with regard to climate change, was considered as part of the <i>Risk Appetite Statement</i>. 	<ul style="list-style-type: none"> • Review governance approach to climate-related threats and opportunities • A review will be undertaken to better detail accountability for key areas of the business where climate change is, or may have, an impact. • Review climate-related roles and responsibilities, as part of the development and implementation of our <i>Climate Change Roadmap</i> • Continue to build employee capability regarding climate-related risk
Strategy		
a) Climate-related opportunities and threats the organisation has identified over short, medium, and long-term b) Impact of climate-related risks and opportunities on business Strategy and financial planning c) Resilience of organisation's Strategy, including to a 2°C or lower scenario	<ul style="list-style-type: none"> • Action on climate change and our role as the enabler of South Australia's transition to a low-carbon economy is embedded in our overarching business strategy and explicitly articulated in our Network and Sustainability Strategies. • A key action identified under the Sustainability Strategy is the development of a <i>Climate Change Roadmap</i>, which will outline how we will achieve a science-based net zero target by 2035. • Specific risks including those posed by bushfire and extreme weather events are considered in network planning and operational capacities during our strategy and risk management processes. • The transitional impact of changes to the state's energy generation mix and the shifting preferences of our customers are considered within our strategy and network planning processes. 	<ul style="list-style-type: none"> • Conduct further physical and transition climate-related opportunity and threat assessment using scenario analysis, incorporating asset and corporate functions. The use of scenarios that are updated over time would provide information that can be used in our decision-making process to manage avoidable physical risks and build resilience in specific areas of the grid. • Undertake transition risk assessment using scenarios aligned to Paris Agreement goals • Consider climate-related threats and opportunities across our value chain and supply chain • Commence implementation of our <i>Climate Change Roadmap</i>

TCFD category and recommended disclosures

Current approach and 2021 actions

Maturing our approach

Risk management

<p>a) Process for identifying and assessing climate-related risks and opportunities</p> <p>b) Process for managing climate-related risks and opportunities</p> <p>c) How climate-related risk management is integrated into overall risk management</p>	<ul style="list-style-type: none"> • A 2020 Audit of Climate Change Preparedness and Strategy found that the process for identifying and assessing risks generally is well-documented in the SA Power Networks Risk Management Framework. • Assessment and management of climate-related physical and transition risks occurs through our Risk Management Framework, consistent with the process for all risks at SA Power Networks. A climate change risk is included our existing list of top 10 enterprise risks. • A Climate Change Position Statement which articulates our high-level objectives and climate-related risks and opportunities was released in 2021. 	<p>Further refine and embed the process to identify and assess climate-related risks and opportunities, including:</p> <ul style="list-style-type: none"> • Improved incorporation of climate risks into the standard risk management process and identification of improved management and operational practices, (eg network planning or asset management) or identify new risks and opportunities; • Review and update physical climate risk assessments; • Climate-related opportunity and threat control ownership is clearly defined; • Specific time horizons for pertinent risks; • A formal register of climate-related opportunities; and • Review process and climate-related risks for value chain
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Metrics and targets

<p>a) Metrics used to assess climate-related risks and opportunities in line with Strategy and risk management processes</p> <p>b) Scope 1 and 2 GHG emissions, and if appropriate, Scope 3</p> <p>c) Targets used to manage climate-related risks and opportunities and performance against targets</p>	<ul style="list-style-type: none"> • We have developed foundational climate-related metrics covering Scope 1 and 2 greenhouse gas (GHG) emissions and monitor our carbon footprint. • We have pledged to achieve net zero GHG emissions by 2035 and have commenced work on a Climate Change Roadmap that outlines how we can achieve a science-based net zero target in accordance with the Science Based Targets initiative (SBTi). • We also monitor dollar spend on research and development partnerships and the amount of Distributed Energy Resources (DER) enabled to date/per year. 	<p>Finalise preparation of and commence activities under the <i>Climate Change Roadmap</i> including:</p> <ul style="list-style-type: none"> • Targeting net zero Scope 1 and Scope 2 GHG emissions, and an assessment and delineation of our Scope 3 GHG emissions, with an aim to report and target Scope 3 emissions when they are more clearly defined; • Analysis of the business climate-related risks and opportunities to better understand and manage the impacts, and exploring metrics or KPIs related to key risks as part of our strategy and risk management processes; • Investigating the development of measures related to the decarbonisation contribution and carbon footprint/intensity of our energy delivery, type of service, customer growth, consumption and reliability; and • Investigating opportunities for working with value chain partners to reduce Scope 3 emissions via development of a reduction pathway focusing on key sources.
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Appendix 4

Sustainability Assurance Opinion Statement



Independent Limited Assurance Report to the Directors of SA Power Networks Group

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Information Subject to Assurance, described below, which has been prepared by SA Power Networks Group (SAPN) in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards (GRI Standards), and the basis of preparation as disclosed in the SAPN 2021 Sustainability Report (SR) for the year ended 31 December 2021.

Information Subject to Assurance

The Information Subject to Assurance comprised:

- the following sections as presented in Appendix 1 of the SR available on the SAPN website at www.sapowernetworks.com.au/about-us/sustainability:
 - Table 1 – Our network performance;
 - Table 2 – Our safety performance;
 - Table 3 – Our customers;
 - Table 4 – Our people;
 - Table 6 – Electric Vehicles (EVs) (as a subset of Our energy consumption and production and electric vehicles (EV));
 - Table 7 – Waste and Recycling; and
 - Table 10 – Governance.

Criteria Used as the Basis of Reporting

The criteria used as the basis of reporting includes the GRI Standards (Core level of disclosures), and the basis of preparation disclosed in the SR prepared by SAPN (“the criteria”).

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (Standard). In accordance with the Standards we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Information Subject to Assurance, whether due to fraud or error;
- considered relevant SAPN internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and

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- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- interviews with senior management and relevant staff at SAPN corporate office, including enquiries with relevant SAPN personnel to understand the internal controls, governance structure and reporting processes in relation to the Information Subject to Assurance;
- assessment of the suitability and application of the criteria in respect of the Information Subject to Assurance;
- evaluation of the design and implementation of the key systems, processes and controls for collecting, managing and reporting the Information Subject to Assurance;
- assessment of the alignment of the Information Subject to Assurance to the GRI Standards;
- walkthroughs of the Information Subject to Assurance disclosures and agreeing the Information Subject to Assurance to relevant underlying sources on a sample basis;
- analytical procedures over the Information Subject to Assurance; and
- reviewed the SAPN SR in its entirety to ensure it is consistent with our overall knowledge of the assurance engagement.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of SAPN.

Use of this Assurance Report

This report has been prepared for the Directors of SAPN for the purpose of providing an assurance conclusion on the Information Subject to Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of SAPN, or for any other purpose than that for which it was prepared.

Management's responsibility

SAPN are responsible for:

- determining that the criteria is appropriate to meet their needs;
- preparing and presenting the Information Subject to Assurance in accordance with the criteria;
- determination of SAPN's GRI Standards Core level of disclosures in accordance with the GRI Standards and guidelines;

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Information Subject to Assurance for the year ended 31 December 2021, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants*



- establishing internal controls that enable the preparation and presentation of the Information Subject to Assurance that are free from material misstatement, whether due to fraud or error;
- ensuring the basis of preparation in accordance with which the Information Subject to Assurance has been determined and compiled is clearly and unambiguously set out in the SR and Data Book;
- telling us any known and/or contentious issues relating to the information subject to assurance; and
- maintaining integrity of the website at www.sapowernetworks.com.au/about-us/sustainability

(including *Independence Standards*) issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

KPMG

KPMG

Tanya Kerkvliet

Director

Perth

13 September 2022



SA
Power
Networks

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