



Sustainability Strategy 2022

A letter from our CEO

I am pleased to present Endeavour Energy's 2022 Sustainability Strategy. It provides a platform for us to stand up and be counted and demonstrate our purpose in powering communities for a brighter future.

Our Sustainability Strategy charts the course for the positive impact we believe Endeavour Energy must have for our people, customers and communities to thrive.

As a proud, essential services provider for more than 130 years, we occupy a privileged position in society—we want to help build a world where people and the environment can flourish, at present and for generations to come.

One of our greatest opportunities and challenges is to lead the shift from a traditional electricity network to a smarter, cleaner and more efficient energy system. One that democratises, decentralises and decarbonises the future grid. We are aiming high, and we will also hold ourselves to account.


As an Energy Charter signatory, we disclose our progress against targets and reinforce our commitment to provide electricity safely, sustainably and reliably.

We support the United Nations Sustainable Development Goals, including building resilient infrastructure that promotes inclusive and sustainable industrialisation, and we foster innovation, among others listed below.

We're proud to have achieved a 5 star rating in the Global Real Estate Sustainability Benchmark (GRESB) last year. This Sustainability Strategy shares our efforts, highlights our commitment, and establishes our intentions for the future.

I invite our people, business partners and community to join our journey towards positive and real change.

Regards,
Guy Chalkley, CEO



**"We look forward
to being the change
we want to see in
the world."**

Endeavour Energy's purpose is to power communities for a brighter future



For over 100 years, we've been serving Australians from the Blue Mountains to the South Coast.

Today, Endeavour Energy plans, builds, operates and maintains an electricity distribution network that **connects 2.6 million people to power**, across Sydney's Greater West, the Blue Mountains, the Southern Highlands, Illawarra, and the South Coast of NSW.

Sustainable, reliable and affordable energy is critical to the prosperity of these fast growing regions. That's why we've created this sustainability strategy as a road map and clear action plan.

Endeavour Energy is evolving from a poles and wires business, to distributed clean-energy services. We're progressing towards the future grid - one where smart meters, batteries, and solar integrate seamlessly with the distribution network.

This approach is based on the principles of sustainable development and intergenerational

equity - meeting the needs of the present generation without compromising the needs of future generations.

This means ensuring social inclusion, wellbeing, and economic development, while also protecting the environment on which all communities depend.

We're focused on powering a brighter future - for the planet, our people and our communities.

OUR VISION

To be amongst the best performing networks in Australia¹



¹As measured by safety, people engagement, customer and financial performance metrics.

We're making sustainability part of how we do business

We've honed in on the material issues where we can have the most impact, including:



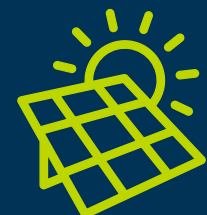
Climate



Nature



Circularity



Resilience



Wellbeing



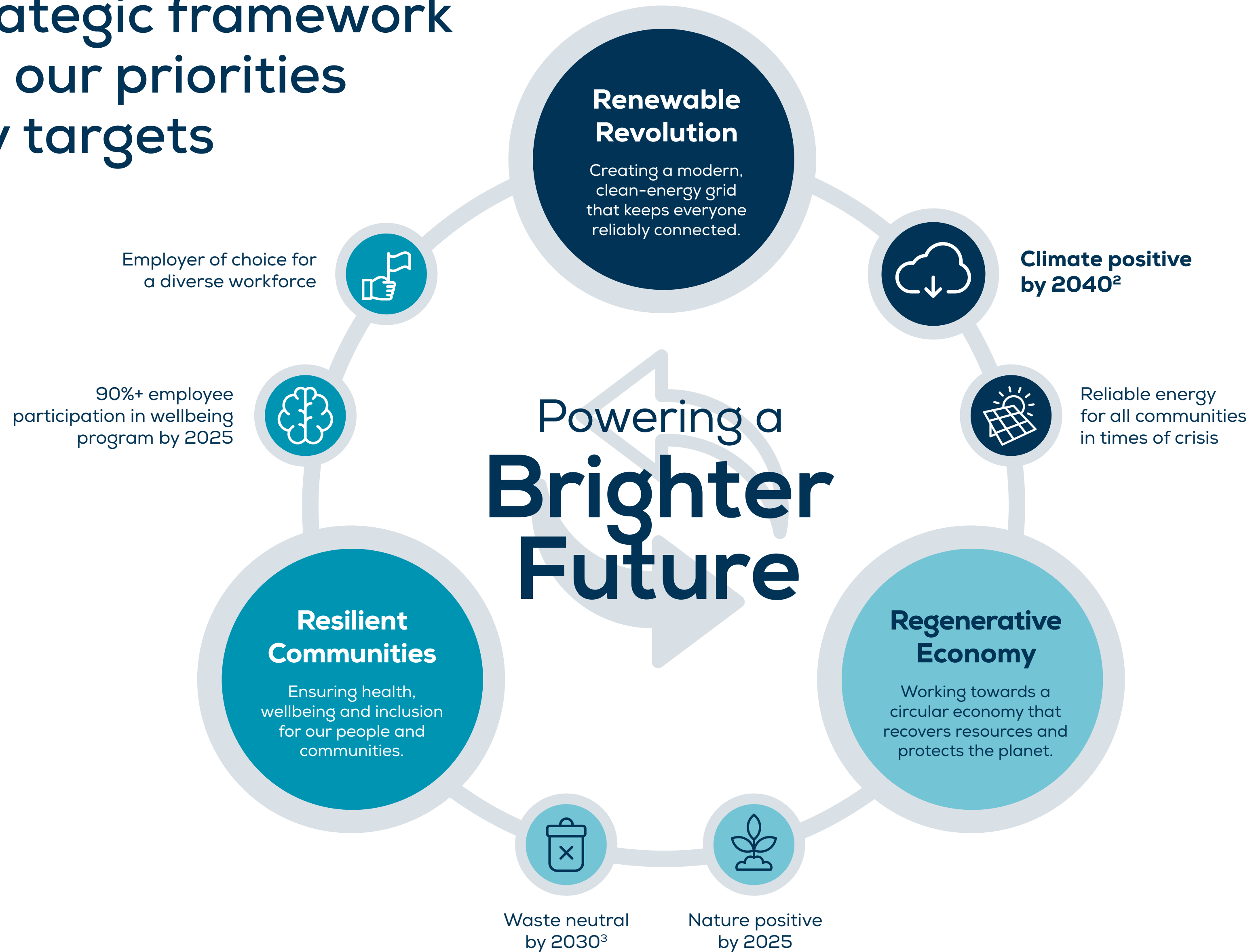
Inclusion

Key targets for each of these issues are captured in our sustainability strategy (over page).

Endeavour Energy drives positive change in alignment with the United Nations Sustainable Development Goals:



Our strategic framework defines our priorities and key targets



A brighter tomorrow begins with action today

We're accelerating the renewable revolution, advancing a regenerative economy, and supporting resilient communities. This is how.

2019

- Founding signatory of the Energy Charter

2020

- Reduced emissions 12% in one year⁴
- Launched a stand-alone power system trial

2021

- Endorsed our Reconciliation Action Plan
- Achieved a 5 Star GRESB rating
- Launched the YOUUnique wellbeing program

2022

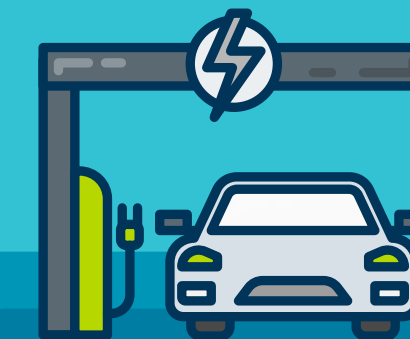
- First community batteries providing shared access to energy storage
- Improved transparency on climate & nature-related risks

2023

- Regenerate 50% more habitat
- Develop social impact programs

2025

- Divert 90% of waste from landfill
- 50% of apprentice & graduate roles to be filled by women
- Nature positive
- 90%+ employee participation in our wellbeing program

2030

- 40% emissions reduction (scope 1 and 2)⁴
- Aim to connect 590,000 solar systems and batteries²
- 100% of new fleet to be zero emissions
- Waste neutral³

2040

Endeavour will be Climate Positive²

We're creating a modern, clean-energy grid that keeps everyone reliably connected.

We're accelerating a
**Renewable
Revolution**



Creating a modern, clean-energy grid that keeps everyone reliably connected

Climate action demands that we electrify everything, from our cars to our homes. And we need to make sure that the electricity we use comes from Australia's affordable and abundant renewable energy sources.

At Endeavour Energy, our role is to smooth this transition - to innovate, evolve, and fast forward towards a flexible, climate-positive grid that is reliable and affordable for all.

We're leveraging emerging technologies to adapt to both the changing global climate, and the increase of renewable energy in the grid. As the world and energy market continues to evolve, we strive to keep communities reliably connected, always.

Change is an inside job too. As a business, we're cleaning up our own carbon footprint.

ACTIONS

Endeavour supports community-based emissions reductions and renewable transition programs.

- Community battery projects
- Electric vehicle initiatives
- Smart systems for distributed energy
- Innovations that facilitate multi-directional energy flows, so customers can import and export electricity from the grid
- Microgrid developments that generate and distribute energy locally
- Stand-alone power systems to keep remote customers reliably connected to their own energy source
- Community programs that support emissions reductions, including LED-street lights and energy smart apps for homes

We're cleaning up our own act.

- Developing a Net Zero Emissions roadmap to decarbonise our business
- Setting best practice rating requirements for our major buildings

TARGETS



Climate positive by 2040²

- 40% emissions reductions by 2030 (scope 1 and 2)⁴
- 100% EV fleet by 2040
- 100% of new fleet to be EV by 2030



Reliable energy for all communities in times of crisis

- Reduce customers' annual outage time by more than 36%⁵
- Aim to connect 590,000 solar systems and batteries by 2030²

Creating a modern, clean-energy grid that keeps everyone reliably connected

CASE STUDY

Innovating public transport charging

All 8,000 NSW buses will be zero emissions by 2025, so we need to future-proof the grid's ability to power a 100% electric fleet.

In 2021 we rolled out a smart electric bus depot in Western Sydney, in partnership with Busways, Everergi and Transport for NSW.

The depot integrates an initial 12 electrified buses with Endeavour Energy's network, using real-time data to charge buses outside of peak periods and smooth the load across the network. This is the first project of its kind, globally.



"It's a great example of local ingenuity delivering smart solutions that boost the development of local skills and capabilities in zero emission technologies, to support new local jobs and a stronger, cleaner economy."

Leanne Pickering
Chief Customer & Strategy Officer

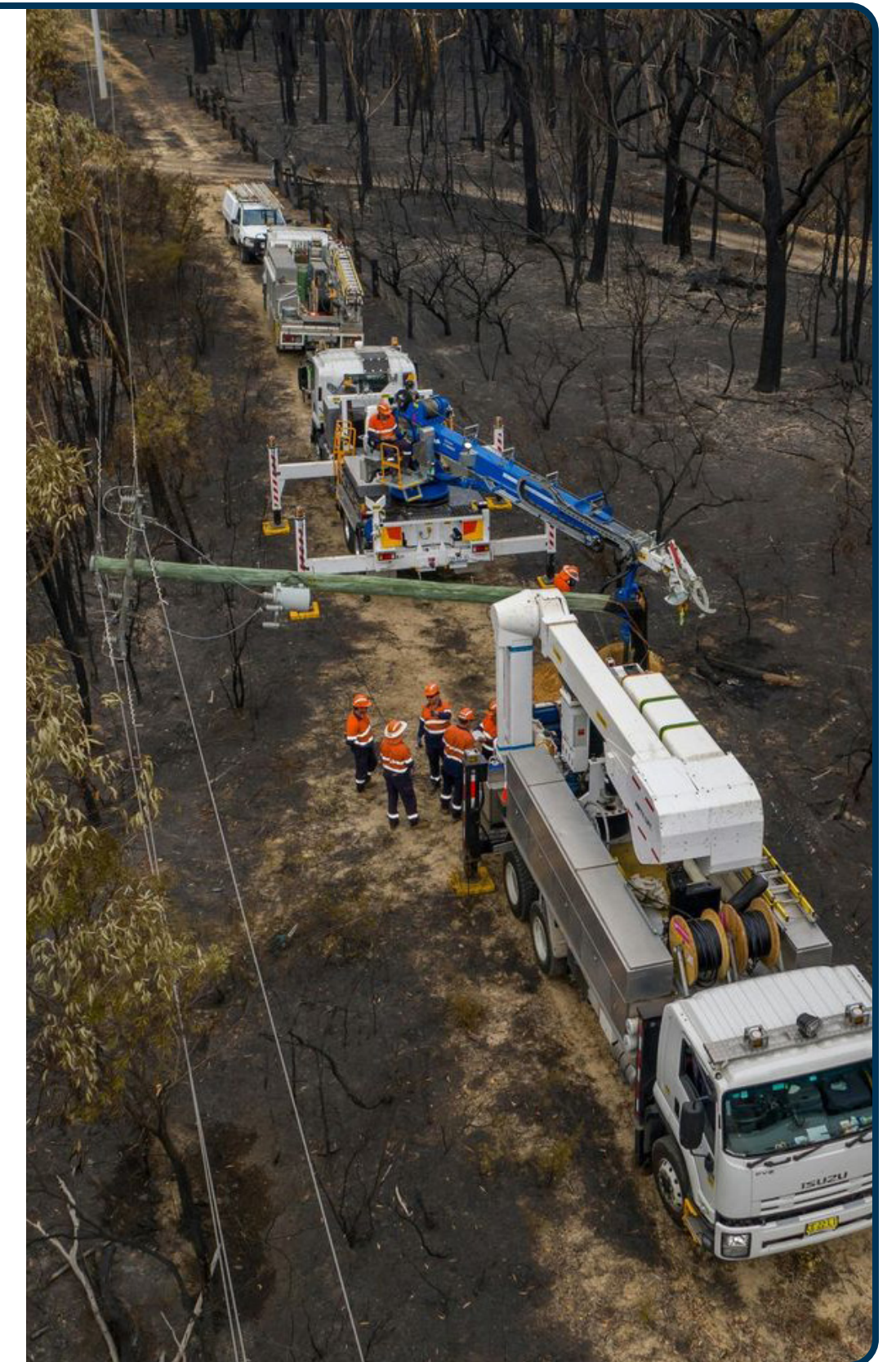
CASE STUDY

Protecting poles to protect communities

During the black summer bushfires of 2019-2020, 11,040 poles were impacted and 772 burnt down. Communities were cut off from power in what was already a devastating time.

More than 92% of our field staff worked around the clock to restore power to 54,000 bushfire affected customers. They replaced 800 poles, rebuilt many kilometres of overhead wires, and supplied 95 generators to impacted homes and businesses.

To prepare for future emergencies, we applied protective Fire Mesh to timber poles in high risk areas. More resilient physical infrastructure keeps our communities connected when they need it most.



We're advancing a

Regenerative Economy



Working towards a circular economy that recovers resources and protects the planet

We're redefining waste as a resource, and the environment as essential.

Our goal is to have a net positive impact on the nature & biodiversity of the communities in which we operate. In doing this, we preserve the planet for future generations, protect native habitats, and reduce urban heat effects as our climate changes. Greening urban spaces increases the lifespan of our public spaces and encourages communities to enjoy the outdoors.

Advancing a regenerative economy means building circularity into the way we do business. We're maximising the useful life of our assets through reuse and repurposing.

In FY21, we diverted 51%+ of our waste from landfill.³

ACTIONS

We're supporting nature and biodiversity.

- Expanding our tree planting and biodiversity offset programs
- Trialling low impact vegetation management

We're enhancing circularity.

- Reducing waste to landfill, including PPE, poles, scrap metal, cardboard, oil and timber
- Implementing behaviour change programs that embed circularity into decision-making
- Identifying new revenue streams and cost reductions through material recovery
- Developing standards to assess environmental impacts across contracts, projects and assets

TARGETS



Nature positive by 2025

- Regenerate 50% more habitat by FY23⁶
- Increase partnerships to maximise the local impact of our tree plantings efforts



Waste neutral by 2030³

- 90% waste diverted from landfill by 2025
- Engage suppliers to improve circularity across our supply chain

³Excluding hazardous and contaminated waste. ⁶Compared with FY21 baseline.

Working towards a circular economy that recovers resources and protects the planet

CASE STUDY

Greening Shoalhaven

The black summer bushfires devastated local Lake Conjola and Manyana communities and the surrounding environment.

To revitalise the area, Endeavour Energy revegetated 450 square metres of lake foreshore with native species, in partnership with Greening Australia. This project regenerated habitat, and reduced dune embankment erosion.



CASE STUDY

A new life for poles means more life for trees

Each year we repurpose more than 500 tonnes of poles. This high quality timber is used commercially as flooring, cladding, furniture and more, opening up new revenue streams for Endeavour Energy.

Repurposing poles avoids the economic and environmental cost of sending them to landfill. Giving poles a new life reduces demand for virgin timber, keeping more trees in the ground.

We also recover dry waste, which is turned into process engineered fuel. This is used in cement kilns instead of coal, reducing Australia's dependence on fossil fuels.



We're building
**Resilient
Communities**



Ensuring health, wellbeing and inclusion for our people and communities

We're using our power to empower others.

Our priority is supporting the health and wellbeing of our people and the communities we serve, both physically and psychologically.

We're focused on being a workplace that welcomes, respects and represents diverse people and views. We're doing this by building an inclusive culture and providing a safe, supportive and flexible working environment. By attracting, developing and retaining diverse talent, our leadership and broader team reflects our communities. We're making Endeavour Energy a place where everyone feels respected and supported to grow.

Through our Reconciliation Action Plan, we are taking meaningful steps to build relationships, respect and opportunities for Aboriginal and Torres Strait Islander peoples and communities. In doing this, we are making a positive contribution towards reconciliation.

ACTIONS

Ensuring inclusion

- Delivering our Reconciliation Action Plan
- Creating an inclusive safe and supportive workplace culture through embedding inclusive leadership practices by 2023
- Building employment pathways and procurement opportunities for Aboriginal and Torres Strait Islander people
- Strengthening future female leaders

Empowering wellbeing

- Encouraging staff engagement in the YOUUnique health program
- Promoting a psychologically safe work environment
- Conducting public safety programs

TARGETS



Employer of choice for a diverse workforce

- 50/50 gender balanced apprenticeship intake by 2025, opening leadership pathways for women in STEM
- Deliver our Reconciliation Action Plan



90%+ employee participation in wellbeing program by 2025

- Develop social impact initiatives within our local community by 2023



Ensuring health, wellbeing and inclusion for our people and communities

CASE STUDY

Unique programs support unique people

The health, wellbeing and safety of our people comes first. Endeavour Energy's YOUUnique program supports our people with mentoring, self development, health programs, and retirement preparation.

We also provide Mental health First Aid training through The Wingman peer support program. So far, 160 staff are equipped to identify and respond to colleagues who may need psychological support. This helps build a culture where we look out for one another.



CASE STUDY

Employee volunteering events

In the aftermath of fire and other disasters, people are most in need of life's basics, and the risk of homelessness increases.

Our team partners with charities like Hawkesbury Helping Hands, Foodbank and Dignity, to collect and distribute donations across NSW. Together, we support communities when they need us most.

This is just one of the ways the Endeavour Energy team supports communities. All staff have two days of paid volunteer leave annually, to support organisations close to their heart.



"Endeavour Energy's first year apprentices were unfazed by the seven tonnes of recovered food that we received over the past four weeks from our wonderful charity partner, SecondBite.

Thank you Endeavour Energy for your ongoing support of Dignity and people at risk of or experiencing homelessness."

Dignity



**We've been serving
our communities for over
100 years, and we're
preparing for the next 100.**

By accelerating a renewable revolution,
advancing a regenerative economy, and
supporting resilient communities, we're
powering towards a brighter future.





To discover more sustainability initiatives,
contact sustainability@endeavourenergy.com.au