

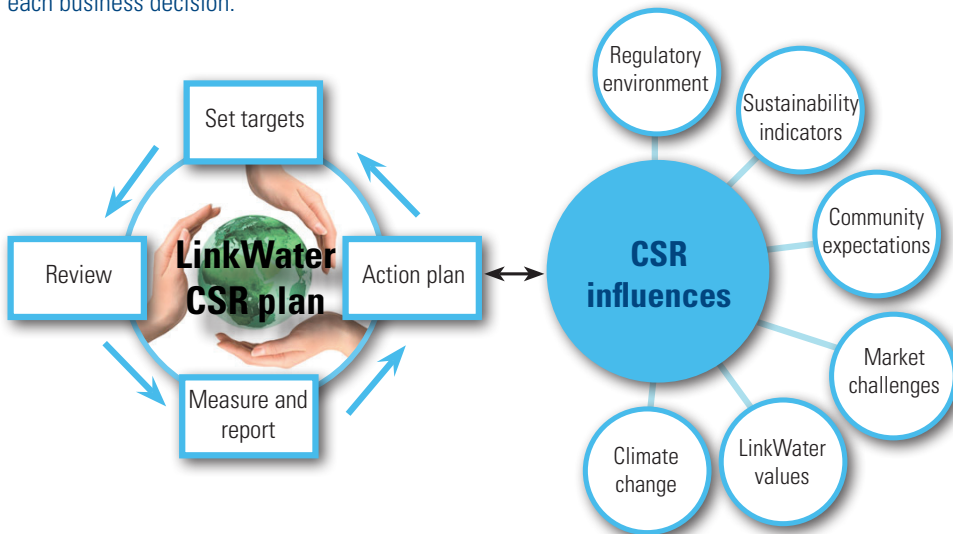
LinkWater 2011-12

Corporate Social Responsibility

How we measure success

LinkWater, a good corporate citizen

LinkWater developed its first Corporate Social Responsibility (CSR) Strategy in 2010, aimed at integrating CSR practices across all business functions. The underlying intent was to convert 'corporate responsibility' and 'sustainability' as words and functions into values embedded within each business decision.



Our environmental impact

LinkWater pumped 82,000 megalitres (ML) of potable water across the South East Queensland (SEQ) Water Grid in 2010-2011 which represented 98 percent of our total energy requirements. The combined power usage at our 22 pumping facilities was 20.2 gigawatt hours (GWh) which produced just over 18,000 tonnes of CO₂-e. Our efforts are therefore concentrated on our operational network, where we can realise the greatest savings.

LinkWater will continue to explore and develop new ways of reducing energy consumption. In 2010-2011, we made some headway by:

- Defining current power usage profiles by facility and investigating options for changing how and when power is used to realise further savings
- Identifying potential energy savings through revised procurement arrangements
- Undertaking major infrastructure upgrades and installing solar powered security cameras at select reservoirs and pump stations.

LinkWater is striving to meet various regional, national and international standards for energy/CO₂-e/Greenhouse Gas (GHG) emissions by:

- Implementing a whole-of-business GHG management program to deliver initiatives in energy conservation, energy efficiency, renewable/green energy and setting 50 percent long-term GHG offsets and green energy targets
- Setting GHG reduction targets internally and working with other SEQ Water Grid participants to standardise targets across the Grid.

The remaining two percent of energy savings are being addressed through our Green Office Program that is aimed at minimising waste, energy, GHG emissions and water consumption, purchase of sustainable products and improving staff awareness. To augment our Green Office Program, LinkWater signed up to CitySwitch (a partnership between businesses and local government aimed at improving energy efficiency) and undertook a second National Australian Built Environment Rating System (NABERS) assessment to cover this reporting period (currently stands at 3.5 stars).

Being our first reporting year, it is difficult to quantify success against previous years, but note some initiatives already in place:

- ✓ We recycled 320 wheelie bins (240 litre/75kg) totalling 24 tonnes or 70 percent of LinkWater's paper usage
- ✓ We commenced a recycled paper trial to reduce consumption of non-renewable paper by 16 t/annum
- ✓ We installed lighting timers and sensors and set air-conditioning to 24°C with A/H manual switches
- ✓ We changed our kitchen supplies to fair trade options and now use projectors and iPads to present Board minutes and agendas.



LinkWater 2011-12

Corporate Social Responsibility

How we measure success

Our financial impact

LinkWater is active in at least two major supply chains: the SEQ Water Grid and the broader water services industry. We recognise that our actions impact on fellow supply chain participants (by transporting water and by our operations) and by how we procure goods and services. We are particularly proud of our environmental, social and economical record of responsible product and service procurement and our message to potential businesses that we:

- Give local suppliers, contractors and manufacturers full, fair and reasonable opportunity to tender
- Use Australian standards and codes in formulation of specifications, tenders and contracts
- Incorporate local initiative criteria into tenders and contracts
- Encourage private suppliers and contractors to adopt local industry principals
- Avoid unnecessary energy and water consumption
- Minimise whole-of-life environmental impacts and capturing and evaluating whole-of-life costs
- Ensure effective management of health and safety risks associated with procured goods and services.

Our social impact

LinkWater measures safety, human resources and stakeholder satisfaction indicators with progress made in almost all aspects. Although some of these align with the Global Reporting Index, we will broaden our measures for social impact in future reports.

During 2010-2011, LinkWater staff actively and voluntarily raised funds for a variety of causes:

- Brisbane flood assistance
- Moverber
- Bridge to Brisbane
- Red Cross
- Ipswich 100km charity ride
- WaterAid
- Rio Tinto Ride to Conquer Cancer

Community murals

LinkWater recognises that graffiti, vandalism and third-party property damage reduce the enjoyment of public spaces and make areas look and feel unsafe.



To address this, LinkWater commissioned its first (660m²) mural in May 2010 in Brisbane's north. Based on the success of the first mural project, LinkWater commissioned its second mural in Brisbane's south in June 2011.

Murals are an excellent tool to prevent graffiti, saving maintenance dollars and providing the community with a visually appealing amenity. Vandalism is also reduced.

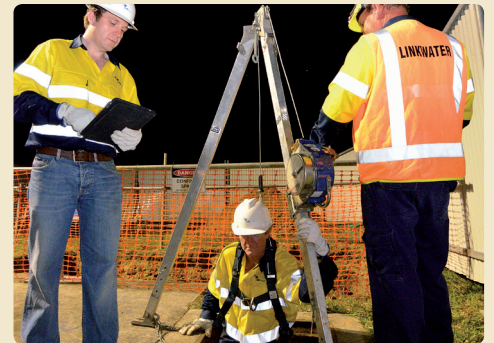
Residents surrounding both murals were kept informed during both projects and continue to assist LinkWater in reducing future vandalism.

Community and staff feedback

To ensure public awareness of our work, we communicate extensively with affected communities and regularly conduct anonymous surveys to measure our performance. To date, we have bettered our 80 percent target.

Each year we survey our staff to capture how we are tracking as an employer of choice, comparing data with averages from national and international companies. In all areas, LinkWater performed above the average and, in two areas, featured as 'best practice'.

- ✓ In 2010-2011, LinkWater hosted seven work placements across the business. In 2011-2012, this will be formalised and rolled out as a key social deliverable
- ✓ LinkWater achieved zero lost time injuries in 2010-2011 and all health and safety indicators were improved on the previous year
- ✓ In the Commission of Inquiry, LinkWater has been mentioned as playing a key and positive role in responding to the flood crisis
- ✓ Staff volunteered at the St Vincent DePaul collection centre sorting through donations made to the Flood Appeal.



Our future plans

Being new to the CSR sphere, LinkWater is keen to address the challenges of becoming a truly sustainable business. By ensuring sustainability inhabits our strategic and business planning, demonstrated through better dialogues with stakeholders, improved business and operational efficiencies and balancing environmental, social and economic considerations, we can be sure that we are on the way.