

message from **the managing director.**

At APA, we continue to manage and grow our business by focusing on our key sustainability objectives.



We focus on delivering sustainability initiatives while keenly aware of the role we play within the community and the responsibility we have to our stakeholders –our customers, the environment, our community, our employees and our investors. It gives me great pleasure to provide an update on some of these key sustainability initiatives in APA's FY2016 Sustainability Report.

Our people are our greatest asset and we have continued our commitment to keep them safe through our culture of Zero Harm. While it is disappointing to report a small increase in the Lost Time Injury Frequency Rate from the prior year, we are unrelenting in our health and safety initiatives to ensure everyone is able to return home safely to their families at the end of each day.

Mindful of our responsibility to the community, we have continued our Building Brighter Futures community investment program. Established in 2010, the program includes partnering with organisations focused on supporting disadvantaged young Indigenous Australians and on supporting four employee-nominated causes. The program's broader aims are to improve future prospects of at-risk Australians and to connect APA as a business and our people to the communities in which we operate. It has been a privilege to continue our partnerships with the Clontarf Foundation, the Rev Bill Crews Foundation and The Fred Hollows Foundation, which has included APA employee involvement in our partners' activities.

At the core of the success of our business are our customers. It is pleasing to report that during FY2016 we completed a number of projects to further enhance our customer offerings and enable us to provide flexible and creative solutions in response to our customers' changing needs.

We recognise the potential to impact the environment through our business activities and, with this in mind, continued to pursue a high standard of environmental management. Our purpose is not only to address risks and meet our legal obligations, but to ensure we preserve and restore the natural state of the areas we operate in, and minimise any possible impacts to flora and fauna, and their dependent habitats.

The shift towards a low carbon economy is front of mind in APA's growth aspirations. In FY2016, we again – for the sixth time - participated in the voluntary Carbon Disclosure Project, scoring highest amongst our direct peers. We also joined the Clean Energy Council to further our knowledge of renewable energy and low carbon markets, as we continue the development of wind and solar renewable energy projects and expand our low emission generation portfolio of assets.

In FY2017 we will continue our commitment to maintaining and growing a sustainable business through several programs and initiatives that provide value to our customers, the environment, the communities, employees and investors.

A handwritten signature in black ink, appearing to read 'M. McCormack'.

Mick McCormack
Chief Executive Officer and Managing Director