

GRI INDEX

4.0

Standard disclosures	Indicator	Reference	Comments
GENERAL INFORMATION			
STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability	Our story in 2016 About Alliander: Trends and market developments About Alliander: Sustainable development goals	
G4-2	Description of key impacts, risks, and opportunities	Our story in 2016 About this report: Materiality About Alliander: Trends and market developments About Alliander: Sustainable development goals Our results in 2016: what have we learned?	
ORGANISATIONAL PROFILE			
G4-3	Name of reporting organisation	Alliander N.V. Company profile	Alliander N.V.
G4-4	Primary brands, products and/or services	Company profile	
G4-5	Location of headquarters	Company profile	Utrechtseweg 68, 6812 AH te Arnhem
G4-6	Number of countries where the organisation operates (insofar as relevant to sustainability topics)	Company profile	Alliander has operations in the Netherlands and Germany
G4-7	Nature of ownership and legal form	Company profile Corporate Governance: Corporate Governance	
G4-8	Markets served (geographic breakdown, sector served and types of customer)	Company profile	
G4-9	Organisation scale	Company profile	
G4-10	Total number of employees by employment type, employment contract, region	Employees: Composition of our organisation Other information: Five-year summary	See 'other information' table: other company-related information (G4-LA1) for a breakdown of the employee numbers. The information concerns the activities in the Netherlands, a breakdown by region is not material. The nature of the activities leads to continuity in the employee base, there are no major fluctuations in the employee base.
G4-11	Percentage of employees covered by collective labour agreement	See Comments column	All employees fall within the Collective Labour Agreement, 'CAO Network Companies', which is valid from 1 November 2015 to 1 May 2018, as agreed between the trade unions and the joint network operators.
G4-12	Organisation's value and supply chain	About Alliander: Our role in the energy chain About Alliander: Our impact	
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership or its supply chain	See Comments column	In 2016, there were no significant changes regarding the organisation's size, structure, ownership or its supply chain.
G4-14	Adoption of the precautionary principle	About Alliander: Risks	The risk management department forms part of the Corporate Governance structure of Alliander; in addition, risk management is applied within the operational processes.
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	Other information: Interaction with stakeholders	
G4-16	List memberships of associations and national or international advocacy organisations	Other information: Interaction with stakeholders	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			

G4-17	a. List of entities included in the organisation's consolidated financial statements or equivalent documents. b. Entities included in the consolidated financial statements that are not covered by the report	About this report Financial statements: Notes to the consolidated financial statements Other information: Important subsidiaries and other participations	
G4-18	Process for defining the report content	More information: Materiality test More information: Interaction with stakeholders About Alliander: Our Impact	We have compiled this report with the utmost care. We are confident that the reported data provide an accurate and reliable representation of our activities and achievements. We recognize that some of the information is subject to a certain degree of uncertainty, arising from the limitations in measuring and calculating these data.
G4-19	List all the material aspects identified in the process for defining report content	More information: Materiality test	
G4-20	The boundaries of the material aspects within the organisation	About this report: Dialogue with stakeholders as base for this report Company profile: our role in the energy sector About Alliander: Our impact	The financial information in this annual report is consolidated for Alliander and all subsidiaries. The Corporate Social Responsibility information only includes the consolidated information of Alliander and the most important subsidiaries for 2016, namely Liander, Endinet and Liandon. Acquisitions and divestments are recognised in the notes to the financial statements. The acquisitions are requested to supply non-financial data. Non-controlling interests are not requested to supply non-financial data. The CO ₂ figures exclude Stam and Alliander AG. Deviations from the boundary indicated above are explained per aspect in the GRI Index in the 'Comments' column.
G4-21	Report any specific limitation regarding the Aspect Boundary outside the organisation	See Comments column	The following material aspects fall outside the organisation's boundaries but are reported on: Health & Safety: suppliers Energy transition: supply chain Energy consumption and CO ₂ : scope 1, 2 and 3 Any deviations from the above are explained per aspect or indicator in the "comments" column
G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements	See Comments column Financial statements: Consolidated financial statements	The CO ₂ KPI has been adjusted. A change in the estimation method has led to a change in the total CO ₂ number. The actual figures for 2016 are applied now that these are known. Adjustment in the fair values versus the half-year report 2016. See financial results.
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	More information: Materiality test More information: Interaction with stakeholders Consolidated financial statements: Consolidated financial statements	

STAKEHOLDER ENGAGEMENT

G4-24	List of engaged stakeholders	More information: Interaction with stakeholders More information: Materiality test	
G4-25	Basis for identification and selection of stakeholders	More information: Interaction with stakeholders More information: Materiality test	
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	More information: Interaction with stakeholders More information: Materiality test	
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	Our story in 2016: A tour of 160 municipalities Customers: Our customers and the energy transition More information: Our stakeholders More information: Interaction with stakeholders More information: Materiality test About Alliander: Strategy About Alliander: Trends and market developments Other information: Stakeholder panel	

REPORT PROFILE

G4-28	Reporting period to which disclosed information relates	About this report See Comments column	This report covers the period from 1 January 2016 up to and including 31 December 2016.
G4-29	Date of most recent previous report	About this report See Comments column	The Alliander annual report 2015 (1 January 2015 up to and including 31 December 2015) Alliander Half-Year Report: 29 July 2016.
G4-30	Reporting cycle	See Comments column	Once every calendar year.

G4-31	Contact information	Other information: Stakeholder panel	You can ask questions or give your opinion via communicatie@alliander.com
G4-32	a. The 'in accordance' option the organisation has chosen. b. The GRI Content Index for the chosen option. c. The reference to the External Assurance Report, if the report has been externally assured	Independent assurance report	In accordance: comprehensive GRI G4.0 Index Table was applied, as was the Electric Utilities sector supplement, edition GRI April 2009. Table is published on: jaarverslag.alliander.com
G4-33	Policy and current practice with regard to seeking external assurance for the report	See Comments column	Alliander considers it important for its stakeholders to obtain assurance on the corporate social responsibility (CSR) part of the annual report. It received an unqualified reasonable assurance report for the most relevant part of the annual report, namely the most important (financial and non-financial) control variables of the company. Alliander also obtained reasonable assurance on the most material themes for the report (Materiality test). Furthermore, Alliander received an unqualified limited assurance report for the rest of the CSR part of the annual report. To safeguard the quality of the CSR information, Alliander applies the 'three lines of defence model'. Based on the stakeholder dialogue, materiality test and GRI, the business units are requested to provide information on CSR issues. The business units constitute the first line of defence and are responsible for supplying reliable information. The business controller of each business unit is the second line of defence and ensures the timely and reliable delivery of the information by the business units. The business controller tests the justifications and analyses supplied by the business units and compiles a file for verification by the Internal Audit Department. The Internal Audit Department forms the third line of defence and verifies the CSR information before this is assessed by the external auditor. The external auditor is the final link in the verification process and provides assurance as set out in its report.
GOVERNANCE			
G4-34	Governance structure of the highest governance body and the committees responsible for decision-making on economic, environmental and social impacts	Corporate Governance Remuneration report	
G4-35	The process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	Corporate Governance: Corporate Governance: SB See Comments column	CSR is a key responsibility for all business units and forms an integral part of the Planning & Control cycle. All business units have an analysis of the qualitative and quantitative CSR effects of their operations. This analysis is the guideline for determining the business unit's approach and objectives. The company policy and the objectives for Corporate Social Responsibility as determined by the Management Board of Alliander form the starting point for the Business Planning and Budget Process of the business units.
G4-36	Responsibility for economic, environmental and social topics at executive-level position and/or post holders reporting directly to the highest governance body	Corporate Governance: Corporate Governance: Relevant CSR aspects See Comments column	The Management Board as a whole is responsible for the economic, ecological and social impact of Alliander. The members of the Management Board have no specific sub-responsibilities in this connection <ol style="list-style-type: none"> 1. The CSR manager personally communicates the policy to the directors of the business units and facilitates the management board team in determining quantifiable parameters for monitoring progress 2. The CSR team facilitates the business units in translating the policy into operations, the definition of objectives and, where necessary, the determination of policy on specific themes and key areas 3. The Corporate Control Department and the CSR team ensure that Business Plans and results are tested against policy 4. CSR forms part of individual arrangements with management and employees. Employees are given the opportunity to contribute to the company's objectives and themes 5. The planning and control cycle includes CSR. The progress on the objectives and the CSR policy is monitored through the dashboard and in reports.
G4-37	Process for consultation between stakeholders and the highest governance body on economic, environmental and social topics	Other information: Materiality test Corporate governance: Corporate governance	The Management Board and the Supervisory Board consult representatives of the stakeholders. By being present or represented at scheduled and ad-hoc meetings, they actively gather information and views on developments and strategic themes. The results of the CSR policy are evaluated with the stakeholders. Based on, among other things, customer consultations, employee engagement, shareholder meetings, roundtable sessions and the CSR Report, they determine the extent to which the stakeholders agree with and appreciate the policy and results.
G4-38	Composition of the highest governance body	Report of the Supervisory BoardMembers of the Supervisory Board/Management BoardCorporate Governance: Governance structureBy-Laws of the Supervisory Board	Alliander N.V. has a 'two-tier' board in which management and supervision are separated between, respectively, the Management Board and the Supervisory BoardNo detailed information on underrepresented groups has been gathered or stated. This is not material and is therefore not reported on, nor is there any ambition to report on this in the near term.
G4-39	Role of the chairman of the highest governance body	Corporate Governance: Members of the Management Board Corporate Governance: Members of the Supervisory Board	

G4-40	Process for determining the qualifications and expertise of the highest governance body members and the criteria for nomination	Report of the Supervisory Board Corporate Governance	The Supervisory Board is responsible for the recruitment and selection of a Management Board member. A company profile is drawn up for this purpose. This profile is based on Alliander's strategic objectives and ambitions and consists of several parts. The most important are: 1) the core tasks and responsibilities of the vacant position 2) the selection criteria such as the requested competences, experience and training. The Works Council also plays a role in the appointment. The Works Council must be given an opportunity to issue advice about the proposed appointment of the Management Board member. The Supervisory Board seeks to ensure that relevant areas of expertise for Alliander are represented in the Management Board. In addition, the Supervisory Board strives for a mixed composition of the Management Board. Appointment of Management Board members takes place in accordance with the Management and Supervision Act (Wet bestuur en toezicht), including the restriction on the number of other positions and the m/f diversity target.
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed	Corporate Governance: Members of the Management Board Corporate Governance: Members of the Supervisory Board	Alliander has embedded the Dutch Corporate Governance Code in the articles of association, the By-laws of the Management Board, the By-laws of the Supervisory Board, the By-laws of the committees of the Supervisory Board, the Code of Conduct (including the Insider Regulation) and the Whistleblower Policy. Other positions of Management Board members must be notified to the chairman of the Supervisory Board and Supervisory Board positions at large legal entities within the meaning of the Management and Supervision Act (Wet bestuur en toezicht) must be approved by the chairman of the Supervisory Board. Other positions of Management Board members are disclosed on the website. The By-laws of the Management Board contain strict conflict-of-interest rules. In 2016, no conflicts of interest were reported. In addition, the By-laws of the Management Board provide that each MB member can contact the Supervisory Board in the event of serious differences of opinion between the Management Board members. No such fundamental differences arose in 2016.
G4-42	The highest governance body's and senior executives' roles in the development, approval, and updating of the mission and vision, strategy, policies, and goals related to economic, environmental and social impacts	About Alliander: Strategy About Alliander: Mission, vision and ambition Our story in 2016: Objectives & results Corporate Governance	
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	More information: Interaction with stakeholders Report of the Supervisory Board	
G4-44	Process for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics and actions taken in response to this evaluation	Corporate Governance: Remuneration report Report of the Supervisory Board	
G4-45	Highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities	Corporate Governance: Risk management More information: Notes to risks	
G4-46	Highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics	Corporate Governance: Risk management Strategy: Risk management	
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	Corporate Governance: Risk management	Quarterly
G4-48	The highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material aspects are covered	More information: Materiality test Corporate governance: Internal audit	Once the internal assessments have been performed, the draft report is sent to the Disclosure Committee. The outcomes of the discussion are incorporated. The final draft version is submitted to and discussed in the Management Board. Comments are incorporated and this version is then adopted as the final version. This final version of the integrated Financial and CSR Reports is assessed and adopted (and approved?) by the members of the Audit Committee of the Supervisory Board. Any comments are incorporated in the final version.
G4-49	Process for communicating critical concerns to the highest governance body	Corporate Governance, Corporate governance structure in outline https://www.alliander.com/nl/over-alliander/corporate-governance/klokkenluidersregeling	The Supervisory Board supervises and proactively advises the Management Board with respect to the formulation and realisation of objectives, strategy and policy of Alliander and maintains contacts with internal and external stakeholders. The major shareholders and the Central Works Council regularly hold consultations with the Management Board. If required, critical concerns can be expressed. The Spokespeople and Public Affairs Department, which communicates with the press, shareholders and the political world, alerts the Management Board to possible reputation risks. The communication of critical concerns to the Management Board can also take place via the Nominated Officers to whom concerns have been reported by an employee. In addition, concerns can be reported on the grounds of the Code of Conduct and the Whistleblower Policy.
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	Corporate governance: Report of the SB, Strategy and Risks Corporate governance: Report of the SB, Other important subjects	In 2016, the Supervisory Board called attention to several developments that could have an impact on the organisation and its continuity. This concerns the debate about the Energy Transition Act (VET), the Public and Semi-Public Sector Executives Pay (Standards) Act (WNT), recruitment issues for the energy supply in the western conurbation (Randstad) and the availability of technical skills. In 2016, 44 reports were made to the Nominated Officers. The Management Board is informed about the numbers and nature of the reports to Nominated Officers and the business units concerned. If a report results in a complaint to the complaints committee, this committee will carry out an investigation and issue advice to the director of the business unit.

G4-51	Remuneration policies for the highest governance body and senior executives	Corporate Governance: Remuneration report Composition and report of committees: selection, appointment and Remuneration committee	The remuneration structure applicable to the Management Board is applied in a cascaded and equal manner to the senior executives.
G4-52	Process for determining remuneration	Remuneration report Composition and report of committees: selection, appointment and Remuneration committee	
G4-53	Process for ensuring that stakeholders' views are taken into account regarding remuneration	Corporate Governance: Remuneration report	The remuneration policy for the Management Board is adopted by the shareholders. During the Annual General Meeting of Shareholders (AGM), the Supervisory Board accounts for the remuneration policy during the discussion of the Annual Report (which includes the Remuneration Report). During the AGM, the shareholders have an opportunity to express their viewpoints regarding the Management Board's remuneration. Input from other stakeholders is not taken on board, or indirectly via the shareholders.
G4-54	Ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees	Employee	5,1
G4-55	Ratio of percentage increase in annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees	Employee	2015: 6,9The ratio is as follows: (5.1/6.9), a decrease of 26%.

ETHICS AND INTEGRITY

G4-56	Organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Corporate governance: Corporate governance: Code of Conduct, integrity policy and complaints policies	https://www.alliander.com/nl/over-alliander/corporate-governance/gedragscode https://www.alliander.com/nl/over-alliander/corporate-governance/klokkenuidersregeling Alliander's Code of Conduct is available in Dutch and need not be signed. The code is not an exclusive subject of training within Alliander.
G4-57	Internal and external mechanisms for ethical behaviour, and matters related to integrity, such as helplines or advice lines	Corporate governance: Corporate governance: Code of Conduct, integrity policy and complaints policies	The whistleblower policy encourages employees to report every complaint or undesirable situation within the organisation. This can also be done anonymously and under protection. Employees can also call the fraud telephone. 1 FTE is available from the Internal Audit Department for investigations into reported situations. Employees of the fraud telephone must be members of the organisation of certified fraud investigators (ACFE) with CPE obligation. Every new employee is informed about the Alliander Code of Conduct for employees by means of a letter. In addition, an investigation protocol is available, including the whistleblower policy. Audits relating to the code of conduct are carried out by Internal Audit together with other departments.
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	Corporate governance: Corporate governance: Code of Conduct, integrity policy and complaints policies	

MATERIAL ASPECTS AND MANAGEMENT APPROACH

SPECIFIC INFORMATION

CATEGORY:	ECONOMY		
ASPECT	ECONOMIC PERFORMANCE		
G-4 DMA		Objectives & results: shareholders and investors About this report: Materiality Shareholders and investors	
G4-EC1	Direct economic value generated and distributed	Financial Statements Shareholders and investors: Alliander's tax matters	Direct answer Revenue: € 1,584 million Operating expenses: € 1,516 million Employee benefit expenses: € 585 million Net finance expense: € 72 million
		Shareholders and investors	Wage tax: 163 millionSufferance tax: 149 millionVAT balance: 183 millionCorporate income tax: 88 millionDividend withholding tax: 13 million

G4-EC2	Financial implications and other risks and opportunities for the organisation's activities arising from climate change	More information: Notes to risks About Alliander: Trends and market developments About Alliander: Strategy	The direct/indirect effects and risks of climate change form part of the risk approach. The exposure of existing and planned operating assets to e.g. flooding, wildfires, and storms is evaluated. Alliander is a member of the Delta programme in which climate change risks and the approach to these risks are discussed and coordinated on a national scale. Effects and risks are assessed and actions are targeted at adaptation and control by means of the crisis and calamities organisation. The strategic Energy Transition pillar and the policy for sustainable operations are aimed at active limitation of emissions and alternative sources of energy.
G4-EC3	Coverage of the organisation's defined benefit plan obligations	Financial statements: notes to the consolidated financial statements Financial statements: note 44 Provisions	Under Dutch law, Alliander employees have compulsory pension and unemployment insurance. A social plan for reorganisations has been agreed with employee representatives. See also Note 15 Provision for employee benefits.
G4-EC4	Significant financial assistance received from government	Shareholders and investors About Alliander: Company profile: organizational structure	Alliander: 3.800.000,- Significant financial support concerns subsidies/ contributions from the Dutch government Decentralised authorities are 100% shareholders of Alliander
CATEGORY: ENVIRONMENTAL			
ASPECT ENERGY			
G-4 DMA		Shareholders and investors: Sustainability strategy Objectives & results: shareholders and investors	
G4-EN3	Energy consumption within the organisation	Shareholders and investors: Sustainability strategy	2016: Gas consumption in buildings: 1,256,026 m3 Fleet fuel consumption in litres: Petrol 1,237,807 Litres Diesel 4,606,842 Litres LPG 9,786 Litres Electricity consumption in buildings: 10,456,041 kWh 2015: Gas consumption in buildings: 1,329,085 m3 Fleet fuel consumption in litres: Petrol 1,490,420 Litres Diesel 4,537,800 Litres LPG 11,774 Litres Electricity consumption in buildings: 9,903,562 kWh
G4-EN4	Energy consumption outside of the organisation	Shareholders and investors: Sustainability strategy CO2 emissions in 2016 (illustration)	Alliander's biggest impact outside its organisational boundaries arises from the transportation of energy to our end users; the following quantities were involved in 2015 and 2016.2016:Electricity: 29,990 GWhGas: 6,367 million m32015:Electricity: 29,882 Gwh
G4-EN5	Energy intensity	See Comments column	The energy intensity ratio applied by Alliander is its energy consumption in GJ divided by its revenue. The energy transition ratio for 2016 was 162.6 GJ/million € (254,590/1,584) The energy transition ratio for 2015 was 190.9 GJ/million € (293,298/1,580) The information is not available by type of energy: this information is not material and is therefore not reported here, nor is there any ambition to report this information in the short term.

G4-EN6	Reduction of energy consumption.	Shareholders and investors: Sustainability strategy	<p>2016 Gas consumption in buildings: 44,174 GJ (conversion factor 35.17, official energetic value of Slochteren gas) Electricity in consumption buildings: 37,641 (conversion factor 3.6, SI units) Total energy consumption in buildings: 81,816 GJ Petrol: 40,105 GJ (conversion factor 32,4) Diesel: 164,925 GJ (conversion factor 35,8) LPG: 254 GJ (conversion factor 26) Electricity: 490 (conversion factor 3.6) Total energy consumption of transport: 175,774 GJ Total energy consumption: 257,590</p> <p>2015 Gas consumption in buildings: 46,743 GJ (conversion factor 35.17, official energetic value of Slochteren gas) Electricity consumption in buildings: 35,653 (conversion factor 3,6, SI units) Total energy consumption in buildings: 82,397 GJ Petrol: 48,290 GJ (conversion factor 32.4) Diesel: 162,453 GJ (conversion factor 35.8) LPG: 305 GJ (conversion factor 26) Electricity: 483 (conversion factor 3.6) Total transport energy consumption: 211,531 GJ Total energy consumption: 293,298</p> <p>Increase in energy consumption compared to 2015: 35,708 GJ</p>
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G4-EN7	Reductions in energy requirements of products and services.	About Alliander: Strategy Objectives & results: customers Customers: engaged in a transition to renewable energy	<p>The total green gas feed-in in the service area in m3 during the year was 17,255,674 m3. This took place through eight green gas connections</p> <p>Green gas is defined as follows: Green gas: Bio-SNG, Biogas or Landfill Gas that has been upgraded to natural gas quality Biogas: Gas whose distinguishing characteristic within the definition of <u>_gas_</u> in the Gas Glossary is that it is a product from a fermentation process. Its main constituent components are CH4 and CO2 . Landfill Gas: gas whose distinguishing characteristic within the definition of <u>_gas_</u> in the Gas Glossary is that it is a product of a landfill site. The composition is comparable with Biogas. Bio-SNG: SNG that is produced exclusively from biomass.</p> <p>The total number of public E-charging points within the Alliander service area realised on reference date by stichting E-laad and other customers concerns 2883 locations</p>
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ASPECT	EMISSIONS		
G-4 DMA		Shareholders and investors: our sustainability results, energy usage and CO2 Objectives & results: Shareholders and investors	Alliander has no special programmes to support people with language barrier, illiteracy or other language-related issues. In view of the obligation to connect customers, this is material to a limited extent. See also EU23 and EU24.
G4-EN15	Direct GHG emissions (scope 1)	Shareholders and investors: sustainability performance See Comments column	<p><u>Scope 1:</u>*Gas consumption in buildings: 2,366 Natural Gas Network Leakage Loss: 48,468 Lease & company cars: 18,373 SF6 Emissions: 907 Total: 70,042</p> <p>A sector-uniform scope is applied within the report. This diverges from the classic GHG protocol. The values according to the GHG protocol are included in this table. Most data, as contained in the tables and charts in this report, are based on underlying source systems. Some data are obtained from the records and/or reports of third parties. One example is the waste volume and the waste-related CO2 emissions. The CO2 footprint and the energy consumption are calculated using assumptions and estimates. The CO2 coefficient was calculated with 0.535908 (concerns 2015 national production mix for grey power). This includes a 2% correction for tank-to-wheel. Over 90% of the CO2 footprint is caused by electricity network losses. This number is calculated with the value 0.45811, which represents the national production mix for grey power. About 5% of the CO2 footprint is caused by gas leakage losses, based on the number of pipes in Alliander's network. The grey cast-iron pipes produce larger leakage losses (323 m3 per kilometre), and hence larger emissions, than the standard pipes (55 m3 per kilometre). The CO2 equivalent applied for methane in this connection is 25.</p>

G4-EN16	Energy indirect GHG emissions (scope 2)	Shareholders and investors: sustainability performance	<p><u>Scope 2:</u> Buildings electricity consumption: 5,603 Electricity transmission/distribution network losses: 486,397 Administrative network losses: 232,190 Total: 724.190</p> <p>For a more detailed explanation, see EG4-EN15, which covers over 90% of the emissions</p>
G4-EN17	Other indirect GHG emissions (scope 3)	Shareholders and investors: sustainability performance	<p><u>Scope 3:</u> Home-work travel, business trips, flights: 5,270 <u>Total: 5,270</u></p> <p>Compared to previous years, trips made by employees in private cars have also been included as home-work travel. These have now also been included in the numbers for previous years using the same method. This results in an increase in the recorded CO₂ emissions of about 3000 per year.</p> <p>For notes to the breakdown, see EG4-EN15; based on this method, over 90% of the emissions are covered.</p>
G4-EN18	GHG emissions intensity.	Shareholders and investors: sustainability performance	<p><u>Objectives and results: Total emissions included</u></p> <p>Alliander calculates its greenhouse gas emissions-intensity ratio in three different ways: 1) by dividing its scope 1, 2 and 3 emissions as reported in EN15, EN16 and EN17 by its revenue, 2) by dividing its scope 1, 2 and 3 emissions as reported in EN15, EN16 and EN17 (minus the network losses and leakage losses) by its revenue in order to determine the operational greenhouse gas emissions and 3) by dividing its emissions due to the network and leakage losses by its transported volumes in order to calculate the transport efficiency.</p> <p>Revenue (m. euro)/CO₂ (Ktonnes) (net including greening) 502.9 (796,590/1584) Operational efficiency (Ktonnes CO₂ mobility+buildings per million of euros) 19.92 (31,550/1584) Network efficiency (Ktonnes CO₂/Mj transported volumes) 2.97 (769,963/257,590)</p>
G4-EN19	Reduction of GHG emissions.	Shareholders and investors: Our sustainability performance	<p>Excluding greening, the following reductions and increases were achieved:</p> <p>Scope 1 4,556 Scope 2 83,042 Scope 3 87</p> <p>Including greening, a reduction on scope 2 was also achieved. As this greening applies to both the leakage losses (scope 1) and the network losses (scope 2), it was not included separately.</p>
G4-EN20	Emissions of ozone depleting substances (ODS)	Not applicable	
G4-EN21	NOx, SOx and other significant air emissions	See Comments column	Alliander's share in the Netherlands' total NOx and SO ₂ emissions is, respectively, 0.12% (299 tonnes of NOx) and 0.23% (76 tonnes of SO ₂). NOx: about 75% of the emissions are caused indirectly by network losses and are released during electricity production. The other part of the NOx emissions are directly related to operations and arise from the use of diesel generators, the use of lease and company cars and, to a limited extent, the use of other transport and the buildings energy consumption. SO ₂ : the emissions are almost entirely caused indirectly by network losses and are released during electricity production. In view of the close connection of the emissions with the network losses and CO ₂ footprint, controlling these emissions is part of Alliander's CO ₂ policy.
ASPECT	PRODUCTS AND SERVICES		
G-4 DMA		Customers: engaged in a transition to renewable energy Objectives & results: Customers	Internal: Alliander Group (exceptions are explained in the footnote) External: customers, suppliers and service providers in the Netherlands
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Shareholders and investors: Our sustainability performance Customers: Our customers and the energy transition	Objectives & results: Customers

G4-EN28	Percentage of products sold and their packaging materials that are reclaimed, by category	<u>Not applicable</u>	
ASPECT	TRANSPORTATION		
G-4 DMA		<u>Shareholders and investors: our sustainability results, energy usage and CO2</u>	Internal: Alliander Group (exceptions are explained in the footnote) External: customers, suppliers and service providers in the Netherlands
G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	<u>Shareholders and investors: Sustainability strategy</u>	
CATEGORY:	SOCIAL ASPECTS		
SUB-CATEGORY	LABOUR PRACTICES AND DECENT WORK		
ASPECT	OCCUPATIONAL HEALTH AND SAFETY		
G-4 DMA		<u>Our results in 2016: Employees Objectives & results: Safety Employees: Safe working practices</u>	Internal: Alliander Group (exceptions are explained in the footnote) External: not material with exception of subcontractors
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	<u>Corporate Governance</u> <u>Our results in 2016: Employees, safety</u>	100% The Works Councils Act (Wet op de Ondernemingsraden (WOR)) stipulates that every company with 50 or more employees must have a Works Council. The Works Council consists of employees who hold consultations with the director on the employees' behalf about the company policy and the employees' interests. The WOR sets out the rights and powers of a Works Council. Employees can thus exercise influence on the company's policy. In other words: employees have a say in the company. There are three Works Councils: Alliander Works Council, Liander Works Council and Endinet Works Council, which jointly represent all employees in the Netherlands. Employees of Alliander AG have their own Betriebsrat.
G4-LA6	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities, by region and gender	<u>Our results in 2016: Employees, Safe working practices</u> <u>Objectives & results: LTIF and absenteeism due to illness</u> <u>Employees: Safe working practices</u>	To calculate the Lost Time Injury Frequency (LTIF), we multiply the number of accidents with absenteeism by a million divided by the estimated number of hours worked (average: 1800 hours per year per employee). The quantitative information is included in this annual report, either with or without comparative figures from one or more years. The trends and developments that can be derived from this information are explained in this report.
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	<u>See Comments column</u>	Employees of Liander and Endinet work with electricity and gas and are therefore exposed to an increased risk. Despite this, no occupational groups within Alliander contend with specific occupational diseases.
G4-LA8	Health and safety topics covered in formal agreements with trade unions	<u>Our results in 2016: Employees</u>	There are no specific groups of Employees within Alliander for whom additional formal arrangements have been made.
ASPECT	TRAINING AND DEVELOPMENT		
G-4 DMA		<u>Our results in 2016: Employees: Training and development</u>	Internal: Alliander Group (exceptions are explained in the footnote) External: not material with the exception of subcontractors
G4-LA9	Average hours of training per year per employee by gender and employee category	<u>Our results in 2016: Employees: Training and development</u>	3.35%, the total labour costs divided by the training costs. The information is not available by hour. Reported as training costs in relation to the salary costs.
G4-LA10	Programmes for skill management and lifelong learning that support the continued employability of employees and assist them in managing career endings	<u>Our results in 2016: Employees: Training and development</u> <u>Our results in 2016: Employees: Step2WorkAnnual Report: Note 15 Provisions for employee benefits</u>	
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and employee category	<u>See Comments column</u>	Every year, all managers and employees jointly discuss the individual performance and development.
ASPECT	SUPPLIER ASSESSMENT FOR LABOUR PRACTICES		
G-4 DMA		<u>Our results in 2016: Shareholders and investors: Our sustainability performance</u>	Internal: Not applicable External: suppliers and supply chain parties

G4-LA14	Percentage of new suppliers screened for 'labour practices' criteria	Our results in 2016: Shareholders and investors: Our sustainability performance:	Shown by means of increase in the number of SRP-screened suppliers in the annual report. No figures are known regarding the percentage of new suppliers that were screened for labour practices. Alliander reports the number of new suppliers screened for SRP statements. 0 % new suppliers screened for SRP statements Calculation of SRP figure: Every year about € 903 million worth of products and services is purchased, with freedom of supplier choice. In addition, purchases also take place without freedom of choice.
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G4-LA15	Significant actual and potential negative impacts for labour practices in the supply chain and actions taken	Our results in 2016: Shareholders and investors: Our sustainability performance: Invulling ketenverantwoordelijkheid met partners Our sustainability performance Shareholders and investors: Supply chain responsibility	
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SUB-CATEGORY	HUMAN RIGHTS	Not applicable	
SUB-CATEGORY	SOCIETY		
ASPECT	PUBLIC POLICY		
G-4 DMA		Our story in 2016 Our results: Customers: Going forward Our results: Customers: Boosting customer satisfaction through an enhanced customer experience	Alliander occupies a special position as a company. Regional authorities are the company's shareholders, a public regulator oversees the company's operations at national level and the energy policy is also made at national level. Alliander maintains contacts with these stakeholders at their respective levels, also to explain our ambitions and strategy. Alongside formal contacts, Alliander values regular interaction. We make an active contribution to political and other debates and highlight the steps necessary for the further development of the energy market, such as in the field of sustainability.
G4-SO6	Total value of political contributions by country and recipient/beneficiary	More information: Interaction with stakeholders	Alliander has no financial relationship with political parties.
SUB-CATEGORY	PRODUCT RESPONSIBILITY	Not applicable	

ELECTRIC UTILITIES SECTOR SUPPLEMENT

ADDITIONAL MATERIAL

ASPECTS

CATEGORY:	Organisational profile		
ASPECT	Sector specific disclosures		
EU 3	Customer connections	About Alliander: Company profile	Small consumers Number of active E connections: 3,043,578 Number of active G connections: 2,497,659 Large users Number of active E connections: 65,616 Number of active G connections: 12,251
EU 4	Transport and distribution lines	About Alliander: Company profile	
CATEGORY:	Economic aspects		
ASPECT	Availabilty, Reliability, R&D		

EU 6	Capacity planning aimed at short- and long-term electricity availability and reliability	Our story in 2016 Our results in 2016: Customers More information: Notes to risks Our results in 2016: Shareholders and investors	https://www.liander.nl/over-liander/bedrijf/financieel/kwaliteit-capaciteit?searchterm=capaciteitsdocument
EU 8	Research and Development	About Alliander: Strategy	
ASPECT	System efficiency		
EU 12	Efficiency of transport and distribution	See Comments column	2016 Total network loss: 4.6% of total inflow 2015 Total network loss: 4.6% of total inflow 2014 Total network loss: 4.6% of total inflow 2013 Total network loss: 4.7% of total inflow
CATEGORY:	Environmental aspects		
	Labour practices and decent work		
EU 14	Knowledge and competence management	Our results in 2016: Employees Employees: Training and development	
EU 15	Percentage of employees eligible for pension scheme in 5 and 10 years' time by job grade and region	See Comments column	41.16% of the employee base is eligible for a pension scheme within 10 years (including Endinet) 28.46% of the employee base is eligible for a pension scheme within 5 years (including Endinet) Information about the breakdown by position is unknown. This distinction is not material and there is no ambition to keep a record of this in the near term. The breakdown by region is not considered material and is therefore not reported.
EU 16	Health & Safety policy and conditions for employees and (sub-)contractors	Our results in 2016: Shareholders and investors: Our sustainability performance Employees: Safe working practices: Safety in the energy chain Employees: Training and development	Alliander employees are certified (VIAG & BEI), employees of contractors must also meet this requirement.
EU 17	Total labour volume at (sub-)contractors	See Comments column	Alliander keeps no records of the number of hours or man years expended by (sub-)contractors of Alliander on projects. Based on the expenditures on (sub-)contractors, we estimate that about 2,000 (2012 figure) FTEs of direct (sub-)contractor staff carry out work for Alliander. There are no indications to assume that this figure has changed substantially. In 2017, Alliander will decide how to report on this topic; no data are available at present.
EU 18	Employees of (sub-) contractors with relevant health & safety training	See Comments column	Alliander employees are certified (VIAG & BEI), Employees of contractors must be similarly certified.
CATEGORY:	Society		
ASPECT	Society		
EU 19	Participative decision-making and stakeholder participation and outcomes	About this report: Stakeholder dialogue is the basis Other information: Interaction with our stakeholders Other information: Materiality test	
EU 20	Schemes for involuntary home relocations, business relocations, expropriation	See Comments column	These situations did not occur

EU 21	Emergency plans and repair of damage	Customers: Interruptions and incidents See Comments column	Alliander has a crisis organisation. Officers of various hierarchical levels work on-call shifts. Depending on the scale of an incident, escalation can take place from Phase 1 to Phase 2 and, ultimately, Phase 3. Escalation criteria have been drawn up for this purpose. In the case of Phase 3 escalation, the Alliander Crisis Team (ACT) assembles. The Alliander Crisis Team includes members of diverse departments such as Communications, Customers & Markets, IT, Shared Services and Operations. The crisis situation is resolved on the basis of plans and procedures, making a distinction according to key priorities such as Energy, IT, accommodation, terror, etc. When the crisis is sufficiently under control, the ACT de-escalates. Depending on the nature and scale of the incident, a case and/or investigation team is set up to assist and ensure the completion of any internal and/or external investigations. All Phase 3 incidents are evaluated so that possible improvements can be identified. The members of the crisis organisation and the ACT in particular receive annual training.
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EU 22	Number of people involved in expropriation/compulsory home relocation	See Comments column	Not material. Did not occur. Occasionally, cable or pipes need to be laid across the land of third parties
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CATEGORY: Product Responsibility

ASPECT: Access to energy

EU 23	Measures to support access to and promote safe energy usage	Our results: Customers: Power and gas interruptions See Comments column	Liander warns customers before their energy supplier terminates their energy supply contract. We advise these customers to immediately look for a new supplier in order to prevent disconnection. As a responsible corporate citizen, Liander does not disconnect during periods of sub-zero temperatures when customers have a debt to Liander or when an energy supplier terminates the energy supply contract during such a period of sub-zero temperatures. To avoid long-term payment arrears or disconnections, we alert customers to the option of seeking debt assistance. We see a careful debt collection and disconnection policy as part of our corporate social responsibility. Liander does not disconnect customers who can present a medical certificate. https://www.liander.nl/consument/aansluitingen/veiligheid
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EU 24	Programmes aimed at improving and maintaining access to electricity for vulnerable groups	See Comments column	Alliander has in the past devoted attention to the use of simpler language in letters, but currently has no concrete projects for low literacy or other cultures. Alliander does try to be a reflection of society and offers opportunities to visit the company at various locations. In addition, concepts for the energy market (e.g. the Energiebank) are developed together with subsidiaries.
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EU 25	Accidents and health complaints of citizens in relation to operating assets	See Comments column	Still unknown, Alliander will ascertain whether this topic can be reported on in 2017.
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EU 26	Unconnected part of population in network operator's concession area	See Comments column	There is no statutory obligation to provide connections to the electricity network.
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EU 27	Number and duration of disconnections due to payment arrears	See Comments column	Reasons for disconnections are not given in the data communications from supplier to the network operator.
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EU 28	Frequency of power interruption	See Comments column	Interruption frequency is reported (SAIFI):Liander: 0,323
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EU 29	Power interruption duration	See Comments column	SAIDI 23,32 minutes
		See Comments column	CAIDI 72,09 minutes

ADDITIONAL INFORMATON

	Indicator	Reference	Comments
CATEGORY:	Company-related information		

G4-EN12	The significant impact of activities, products and services on biodiversity in protected areas as well as areas with a high biodiversity value outside protected areas	See Comments column	The European Union has set up a coherent network of protected nature areas called 'Natura 2000' within its borders. There are 162 Natura 2000 areas in the Netherlands. 60 areas within the Alliander service area are expected to receive Natura 2000 status. This status also has consequences for the performance of works in these areas. In 2012 Alliander adopted an internal code of conduct for the activities and operating assets to be used in nature areas. This code of conduct ensures that Alliander complies with the Nature Protection Act and Flora and Fauna Act. Network components such as cables and pipes in Natura 2000 areas are recorded in the internal geographical information system, GIS
G4-EN23	Total weight of waste by type and disposal	See Comments column	<p>In tonnes of waste:</p> <p>Office waste Paper/cardboard: 900 Secure shredding: 163 Miscellaneous office waste: 497</p> <p>Industrial waste Metal: 9,183 Wood: 241 Plastics: 782 Soil: 1,868 Miscellaneous industrial waste: 4,771 Miscellaneous hazardous waste: 876</p> <p>Total: 19,306</p>
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	See Comments column	In 2016, four non-financial sanctions were imposed as well as two financial sanctions of EUR 120,000.
G4-LA1	Total number and rate of employee turnover by age group and gender	See Comments column	<p>Measured on the last day of the year under review. FTEs refer to a full working week, irrespective of the number of hours worked in that week.FTEs5343: Full Time Equivalent of the total number of employees with a permanent contract of employment1077: Full Time Equivalent of the total number of employees with a temporary contractContract type338: employees with fixed-term contract5176: employees with indefinite contract5584: Concerns employees with full-time indefinite contract or full-time temporary contract 1218: Employees with part-time indefinite contract or part-time temporary contract1290: Employees with temporary contract 4415: male employees1098: female employees73 Younger than 241171: Between 25 and 351371: Between 35 and 441329: Between 45 and 541569: older than 55Changes280: Total number of new male employees 114: Total number of new female employees 411: Total number of departed employees143: Total number of departed female employees15.95: The average weighted term of employment in years.Alliander including all its subsidiaries</p>

G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	See Comments column	The number of financial sanctions imposed by the regulator for compliance failures or shortcomings regarding the use of products was 1, with a monetary value of 60,000. The number of non-monetary sanctions was also 1.
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	See Comments column	24.59% of our managers are female.
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations governing the provision and use of products and services	See Comments column	See G4-S08
CATEGORY:	ALLIANDER KPI's	-	
EXTRA	Renewable energy feed-in	See Comments column	Our results in 2016
EXTRA	Number of employees at a distance from the labour market	See Comments column	Our results in 2016
EXTRA	Percentage of procurement based on Alliander's Socially Responsible Procurement (SRP) guidelines, in % euros	See Comments column	70.07%
EXTRA	Number of postcode areas with more than five interruptions per year	See Comments column	17
EXTRA	Digitisation of networks	See Comments column	Progress of the digitisation projects of 2016: 8.2%
EXTRA	Alliander Foundation	Employees: Alliander Foundation	
EXTRA	Length of fibre optic infrastructure	See Comments column	Total length of hired fibre optic infrastructure: 4009 km Total length of own fibre optic infrastructure: 1497 km New realised optic fibre infrastructure: 85 km
EXTRA	Customer satisfaction	See Comments column	Consumer market: 97% Business market: 89% Customer satisfaction is based on surveys conducted on behalf of Alliander by an independent research agency.
EXTRA	Employee survey	See Comments column	Great Place to Work Employee Survey score is 70 The employee survey score is based on surveys carried out on behalf of Alliander by Great Place to Work. uitgevoerd door Great Place to Work.