

# CORPORATE AND SOCIAL RESPONSIBILITY

## Working with stakeholders

**Geodynamics business activities affect a broad range of stakeholders. Each day, we strive to ensure that our operations are carried out in line with the Geodynamics values and that each initiative is designed to achieve positive outcomes for our stakeholders.**

### Our stakeholders and activities in 2008/2009

#### Employees

The 2008/2009 year has seen the Company grow from 40 people to 75.

In recognition that people are the Company's best asset, Geodynamics has put in place a number of initiatives designed to attract and retain good people, and to keep them safe and engaged whilst at work.

These initiatives include:

- Employee culture surveys;
- The Cultural Improvement Agency (an internal group) to foster great culture from the grass roots level;
- Competitive short and long term incentive programs;
- Master Classes to share information and cross train interested team members;
- A focus on health and safety both at work and outside of it; and
- Team building events during and outside of business hours.

#### Business Partners

Business partners include contractors, suppliers, advisors, advocates and associations. We work with them to develop long term industry relationships and to mutually drive growth and business efficiency improvement. Engagement activities include:

- Contributing to initiatives of AGEG and AGEA (Australia's geothermal industry bodies) to raise awareness of geothermal energy and its benefits;
- Employing a skilled Procurement team with specialist members to drive best value relationships with suppliers; and
- Requiring a cultural fit with suppliers to ensure they support our values, especially safety.

#### Government

Geodynamics' government relations strategy involves educating government at all levels with respect to geothermal energy.

Our long term aims are to develop awareness of the industry and its potential to provide Australia with a new base-load energy source; and to encourage the establishment of better infrastructure to remote Australian locations. Activities include:

- Briefing government at all levels;
- Conducting visits to our Cooper Basin site operations;
- Working with AGEA and other industry groups to encourage industry awareness and growth; and
- Submitting funding applications – such as for the Federal Government's Renewable Energy Demonstration Program to contribute to Geodynamics' Commercial Demonstration Plant.

## Community

This relates to communities local to our offices, as well as those affected by our operations in remote locations.

We strive to make a minimal environmental impact in all areas of business operation, and attempt to support our community partners where possible through:

- Community sponsorships;
- Regular communications with important community stakeholders – such as the people of Innamincka; and
- Regular contributions to Earth Science education programs and other educational initiatives.

## Investors

Investors form our largest stakeholder group and are one that we focus the largest amount of effort on.

We are extremely proud of our relationships with shareholders and grateful for the passion that many shareholders display when talking about geothermal energy and its potential to change Australia's energy landscape.

We are regularly complimented on our efforts to keep the market updated and continually strive to earn that praise. Communication activities include:

- Producing quarterly reports to provide a regular overview;
- Implementing initiatives to reduce the cost of printing – saving money and providing environmental benefits;
- Organising AGM and shareholder roadshows so shareholders can meet with the Board and management in most capital cities – run yearly;
- Organising regular meetings with the institutional investment community; and
- Fostering of relationships with cornerstone investors and Origin Energy, our partner in the Innamincka Joint Venture.

## Environment

Fundamental to Geodynamics' future growth is protection of the environment in which we conduct our activities.

One of Geodynamics Values is that we respect The Living Earth and it is our overarching objective to act with integrity and respect for the community and the environment. Institution of sound environmental practices in our daily activities is of paramount importance. Activities include:

- Adhering to our Environmental Management System;
- Considering the environment before undertaking activities – such as determining well locations;
- Consulting with landholders prior to starting activities in new locations to ensure minimal impact on culturally significant environments and artefacts; and
- Appraising our team based on whether they demonstrate Geodynamics Values – one of which is The Living Earth.

## Corporate regulators

With a growing team, your Company has focussed on implementing systems and procedures to ensure that corporate ethics underpin all our operations.

We continue to pay strict attention to the ASX listing rules and our continuous disclosure obligations. In other areas of our business, we have further developed relationships with relevant regulators - such as Primary Industries and Resources, South Australia (PIRSA) to ensure we go above and beyond observing laws and regulations. Activities include:

- Releasing material as early as practical during management of the Habanero 3 incident (on a Saturday);
- Inviting PIRSA people to join our team during incident management and accepting critical recommendations for safe environmental management;
- Educating the whole team as to Environmental laws and legislation relating to health and safety; and
- Engaging with the Australian Securities Exchange and legal counsel to ensure we comply with continuous disclosure obligations.