



**Alinta Energy Group**  
Sustainability Report - 2021/22

Alinta Energy Pty Ltd - ABN 64 614 975 629  
Renewable Energy Investment Fund Pty Ltd - ABN 85 624 371 259





# Contents

---

<b>A message from the MD and CEO</b>	<b>2</b>	<b>Our people</b>	<b>64</b>
<b>Alinta Energy at a glance</b>	<b>4</b>	Supporting our people	66
<b>FY22 highlights</b>	<b>6</b>	Diversity, equity and inclusion	68
<b>Our business</b>	<b>8</b>	Engagement, recognition and reward	70
What we do	10	Employee recognition -	71
Where we operate	10	Lex Lanyon and Rick Marshall	
What drives us	14	Employment at Alinta Energy	72
Business structure and governance	15	<b>Our communities</b>	<b>76</b>
Risk management and compliance	22	Community development program	78
Our operations	26	Employee volunteering and community support	87
Economic health	29	Community engagement	88
<b>Our safety</b>	<b>32</b>	<b>Our customers</b>	<b>90</b>
Safety performance	34	Customer service	92
Safety culture and management	36	Market regulation and compliance	95
Programs and initiatives	39	Products and customer benefits	97
<b>Our environment</b>	<b>42</b>	Branding and marketing activity	98
Our climate action	44	<b>Our report</b>	<b>102</b>
Renewable energy projects	47	Reporting principles	104
Getting to know – Dianne Nicotra	49	Glossary	106
Climate change	54	Definitions	106
Energy consumption, generation and emissions	56	SDG actions and initiatives	110
Energy efficiency, capacity enhancement and emissions reduction projects	59	GRI content index	115
Environmental compliance	60	Sustainability materiality assessment	118
Waste and water	61	<b>Independent limited assurance report</b>	<b>123</b>

---

## Scope

This sustainability report covers the results of Alinta Energy Pty Ltd and Renewable Energy Investment Fund Pty Ltd, together referred to as the Alinta Energy Group, or Alinta Energy.

---

## Acknowledgement of Country

In the spirit of reconciliation, Alinta Energy acknowledges the Traditional Custodians of the land on which we live, work, and operate our business. We acknowledge the continuing connections of Aboriginal and Torres Strait Islander peoples to the land, sea, and community. We pay our respect to their Elders past and present and extend that respect to all contemporary Indigenous Australians.



## A message from the MD and CEO

The Australian energy industry's transition to a low emission future is now at a critical point. While significant challenges remain, you'll see Alinta Energy has made terrific progress developing, building, funding and operating the critical storage and renewables we need today and for the future. We are determined to make energy better, which means coming up with new solutions for our customers, creating value for our stakeholders, and looking after our environment and communities.

### Energy market conditions

This year we experienced the most difficult energy market conditions in a generation. Adding to the existing challenges associated with transition, the markets faced a perfect storm of external events, including the war in Ukraine driving up gas and coal prices, impacts to fuel storage due to flood damage, generation plant outages, low renewable generation and high electricity demand. This resulted in governments and market operators intervening more than ever before.

Unfortunately, there are no quick fixes. Clear price signals, such as those provided by a well-designed market capacity mechanism, and additional markets for essential system services, will help build renewable capacity alongside stable infrastructure as rapidly as possible.

### Energy transition

I am under no illusion that the transition away from fossil fuels will be easy. The next decade will involve solving tougher challenges than we have faced before and, as they say, we need to build the plane while we fly it. But there is good reason to be optimistic. Recent history has shown that technology is more than capable of solving technical problems, and I firmly believe this will be the case with Australia.

For example, world class studies like the Australian Energy Market Operator's Integrated System Plan provide an excellent blueprint for what a viable future electricity grid will look like. This paves the way for increased investment in renewable energy, interconnectivity, energy storage, and peaking capacity.

Alinta Energy has a great track record of delivering large-scale low emission energy projects. They include the Yandin Wind Farm in Western Australia and the Chichester solar gas hybrid plant in the Pilbara region of Western Australia. We are also working on a pipeline of bold new projects, like the Spinifex offshore wind farm in Victoria and the Oven Mountain pumped hydro storage project in New South Wales.

### Digital transformation

The first step of our east coast digital transformation program was successfully deployed during the year. This is part of our continued investment to deliver an outstanding customer experience through market-leading digital solutions. It enables us to support our customers better, with simpler processes, faster response times and easier, more transparent access to their account information.

This is just the beginning of our digital transformation, with many more enhancements to come. Our retail transformation team have worked very hard to implement this state-of-the-art technology, and I would like to personally thank and congratulate everyone involved.

### Safety

I am pleased to report we achieved our key lead and lag safety indicator targets this year. Our Total Recordable Injury Frequency Rate (TRIFR) for the year was 2.78, well below our target of five. Next year we will reduce our TRIFR target to three, challenging ourselves to consistently improve our safety performance. The Board and I congratulate everyone at Alinta Energy for living our safety vision of everyone, every day, every job: zero harm.

### **Flexible work**

We understand that flexible work is a key driver to attract and retain talent and we support flexibility to ensure our people can balance their personal and work lives. Following our flexible work trial in 2021, we have now settled on a blended model of working from home and in the workplace.

Employees and leaders are empowered to design their work week to best support our customers and the team. While remote working will remain an important feature of most roles at Alinta Energy, we also recognise that collaboration, connections and learning are core to our culture and benefit from working together in person.

### **Community development**

It's been another wonderful year for our Community Development Program, which is contributing \$2.5 million over five years to organisations that alleviate social disadvantage or promote environmental sustainability.

We continued to provide meaningful support to our three major community partners, Foodbank, the Salvation Army and Conservation Volunteers Australia, helping them tackle growing issues and new challenges. After some of the worst floods on record in northern NSW and south-eastern Queensland in early 2022, the number of people seeking food relief almost doubled. Foodbank has helped hundreds of thousands of people in flood impacted communities, while also continuing their work to reduce hunger across the country. We donated an extra \$250,000, over and above our current support commitments, to help Foodbank provide 500,000 meals to flood relief victims.

Through our Community Development Program, we also awarded 11 community grants to a range of amazing small to medium not-for-profit organisations this year, assisting the great work they do to change the lives of everyday Australians.

### **Indigenous Australian reconciliation**

Meaningful progress to include and recognise Indigenous Australians is becoming an increasingly important part of our culture. I am passionately committed to cultivating partnerships with our Indigenous stakeholders based on trust, understanding and respect

This is a central part of engaging with Traditional Custodians of the lands where our next renewable energy projects are planned, ensuring that we understand the cultural heritage, alleviate concerns and provide ongoing opportunities. It's also the foundation of an inclusive culture where Indigenous employees and contractors feel welcomed as valued members of our diverse workforce. To support this, next year we will develop an Indigenous Engagement Strategy and prepare our first Reconciliation Action Plan.

### **Recognition of ESG performance in remuneration**

This year was the first time that achieving Environment, Social and Governance (ESG) targets and objectives were officially included in senior leaders' annual achievement goals and short-term incentive payments. This demonstrates the importance that Alinta Energy's Board and Executive Leadership Team place on embedding sustainability principles into the way we do business.

### **Looking ahead**

These are just a few of the exciting achievements and initiatives we have and will continue to engage in. I am extremely pleased with the performance of all facets of our business during this time of unprecedented change, which is all down to the hard work and dedication of our brilliant people.

I am genuinely optimistic about the long-term sustainability of our company and the Australian energy industry. It is a privilege to lead Alinta Energy through this pivotal transition towards a more sustainable future.



**Jeff Dimery**

Managing Director and CEO

# Alinta Energy at a glance

## Our business

**3,446 MW**

operational generation capacity across Australia and New Zealand<sup>a</sup>

**\$3,520**

million revenue

**\$462**

million EBITDA



**8 power stations<sup>a</sup>**



**7 wind farms<sup>b</sup>**



**6 solar farms<sup>c</sup>**



**1 large scale battery<sup>d</sup>**

## Our safety

**Zero Class 1 injuries**



**2.78 TRIFR**

(total reportable injury frequency rate)



**0.56 LTIFR**

(lost time injury frequency rate)



**1,396**

safety value adds

## Our environment



**1,155,596 tCO<sub>2-e</sub>**

Scope 1 greenhouse gas emissions

**6,643 tCO<sub>2-e</sub>**

net Scope 2 greenhouse gas emissions

**8,673,716 tCO<sub>2-e</sub>**

Scope 3 material greenhouse gas emissions<sup>e</sup>



**1,500 MW**

FY25 renewable energy and storage target



**860 MW**

renewable energy and storage capacity



**We have committed to:**

1. achieve net zero carbon emissions by FY50
2. not develop or support any new coal-fired generation assets



**3,015 ML**

water used by our power stations



**194 tonnes**

solid waste disposed to landfill by our power stations



**No material<sup>f</sup> environmental incidents**

a. Owned, operated and contracted.

b. Six contracted, and one operated.

c. Contracted.

d. Owned and operated.

e. From contracted electricity generation, owned but not operated electricity generation and gas sales to end-use customers.

f. Material environmental incidents are defined on page 105.

## Our people



**955**  
employees



**47% women**  
**53% men**  
**<1% non-binary**

**46%** of FY22 promotions awarded to women

**468** new people joined our team this year

**41** years worked by our longest-serving employee

## Our communities



**\$2.5 million**

over 5 years pledged under our Community Development Program



**500,000+**

extra Foodbank meals funded for flood-affected communities<sup>g</sup>



**3,200+**

native seedlings funded for Rottnest Island's Longreach Link dune system<sup>h</sup>



**500+ hours**

volunteered by our people this year

## Our customers



**1.16**  
million customers



**+62**  
net promoter score<sup>i</sup>



**88%**  
customer satisfaction<sup>i</sup>



**0.19**  
ombudsman complaints per month per 1,000 customers<sup>i</sup>



**2**  
Canstar Blue customer service awards

**1**  
Mozo People's Choice award

**7**  
Mozo Expert's Choice awards

g. Over and above our Community Development Program support.

h. Through our Community Development Program.

i. Weighted average east and west coast score

# FY22 highlights

---

## Our business

- **Governance** – Established an Environment, Sustainability and Community Committee to assist our Board of Directors with overseeing ESG issues and monitoring our progress.
- **Governance** – Elevated our approach to overseeing the delivery of our climate-related and decarbonisation strategies by restructuring our Safety and Sustainability Council into two separate bodies: the Climate and Decarbonisation Working Group, chaired by the MD & CEO, and the Safety and Wellbeing Council.
- **Accountability** – Incorporated ESG performance targets in senior leaders' short-term incentive payments for the first time.

## A constant focus on safety

- **Performance** – Total Reportable Injury Frequency Rate (TRIFR) was 2.78, marking our second year in a row of achieving a result below our target of 5. (FY21: 2.10). This reflected five injuries across more than 1.8 million hours worked, just one of which was a Lost Time Injury (LTI).
- **Safety culture** – Raised and closed 1,396 Safety Value Adds, up 72% on last year (FY21: 812).
- **Safety engagement** – Top quartile performance on health and safety responses in our employee engagement survey.

## Building towards net zero

- **Interim emissions reduction target** – Introduced interim emissions reduction targets for Scope 1 and 2 greenhouse gases by FY25.
- **Interim renewable generation and/or storage target** – Achieved cumulative progress of 860MW towards our target to support the development of 1,500MW of renewable generation and/or energy storage capacity by FY25.
- **Energy efficiency and emissions intensity target** – Achieved our target to improve energy efficiency and reduce the emissions intensity at each of our owned and trading facilities ahead of schedule.
- **Long term net zero target** – Committed to achieve net zero greenhouse gas emissions by FY50, supported by our Pathway to Net Zero plan.

## Supporting our people

- **Support** – Continued to engage with our people throughout the ongoing COVID-19 pandemic to understand and respond to their needs by staying connected, offering pandemic leave, implementing wellbeing initiatives and offering flexible working arrangements.
- **Growth** – Supported business growth by recruiting 468 new employees.
- **Diversity** – Maintained the proportion of women in FY22 on our Board, the executive leadership team, in management positions and across the organisation.
- **Inclusion** – Supported our diverse families with expanded parental leave policies and saw a shift to more balanced caring with 27% of primary carer's leave taken by men (up from 18% in FY21).
- **Reconciliation** – Introduced Indigenous cultural awareness training.

## Investing in our communities

- **Community support** – Supported 11 not-for-profit organisations with community grants, as well as continuing our three community partnerships.
- **Community support** – Funded over 500,000 Foodbank meals.
- **Community support** – Supported the rehabilitation of Rottnest Island's Longreach Link dune system with over 3,200 native seedlings.
- **Volunteering** – Contributed over 500 hours of volunteering thanks to our employees.

## Serving our customers

- **Customer satisfaction** – Received 10 customer and expert awards from Mozo and Canstar Blue, including our 5th consecutive Canstar Blue award for Most Satisfied Electricity Customers in Queensland.
- **New customers** – Exceeded 700,000 East Coast retail customers, reflecting annual growth of 15%.
- **Customer service** – Launched our new retail and customer experience platform, enCORE.





# Our business

Alinta Energy supplies retail electricity and gas to more than 1.15 million customers. We have electricity generation, storage and transmission facilities across Australia and New Zealand and employ more than 950 people.

Our operations are divided into three main segments based on geography and business type:

- West coast integrated
- East coast integrated
- Contracted assets.

During the year, we maintained our leading position in the Western Australian retail mass market. On the east coast, we invested in systems and processes for ongoing growth and new customer solutions.

The actions and initiatives described in this section of the report align with the United Nations' Sustainable Development Goals (SDGs) shown below. For a summary of our contribution to each of these goals, refer to the SDG Actions and Initiatives section on page 110.

<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS 	



# What we do

Alinta Energy generates and supplies power across mainland Australia. Our main activities include:

- **Generation** – We own, operate, develop, and invest in energy generation facilities, including power stations, wind farms and solar farms.
- **Storage** – We own, operate, develop and invest in energy storage facilities such as batteries.
- **Transmission and distribution** – We own transmission and distribution networks such as electricity transmission lines and gas pipelines.
- **Energy retailing** – We provide electricity and gas to customers including households, small and medium businesses, and commercial and industrial organisations.

# Where we operate

Our corporate headquarters are in Sydney and our largest office is in Perth, where we began operating more than 20 years ago. We also have offices in Melbourne, regional Victoria and Adelaide, together with owned, operated and contracted generation sites across Queensland, Victoria, Western Australia and New Zealand..

## Gas operations

We sell gas to customers in New South Wales, Victoria, Queensland, South Australia and Western Australia and own (or have an interest in) gas transmission pipelines in Queensland and Western Australia.

Region	Gas transmission pipelines	Gas customers
New South Wales		○
Victoria		○
Queensland	○	○
South Australia		○
Western Australia	○	○

## Electricity operations

Alinta Energy generates and/or supplies electricity in New South Wales, Victoria, Queensland, South Australia, the resource rich Pilbara region of Western Australia and the southwest region of Western Australia (including Perth).

We operate in all major mainland Australian wholesale electricity markets and own electricity transmission lines in the Pilbara region. We also own and operate an electricity generation facility embedded in the NZ Steel facility in Glenbrook, on the North Island of New Zealand.

Region and electricity grid	Fossil fuel electricity generation	Renewable electricity generation	Electricity storage	Electricity transmission lines	Electricity customers
Australia - east coast (NEM)	○	○			○
Australia - west coast (SWIS)	○	○			○
Australia - west coast (NWIS)	○			○	○
Australia - west coast (off-grid)	○	○	○	○	○
New Zealand	○				○

### NEM

National Energy Market

### East coast of Australia

Includes New South Wales, Queensland, Victoria, South Australia, Tasmania and the Australian Capital Territory

### SWIS

South West Interconnected System

### West coast of Australia

Perth and surrounding area of Western Australia, including Kalgoorlie and Albany

### NWIS

North West Interconnected System

### West coast of Australia

Pilbara region of Western Australia

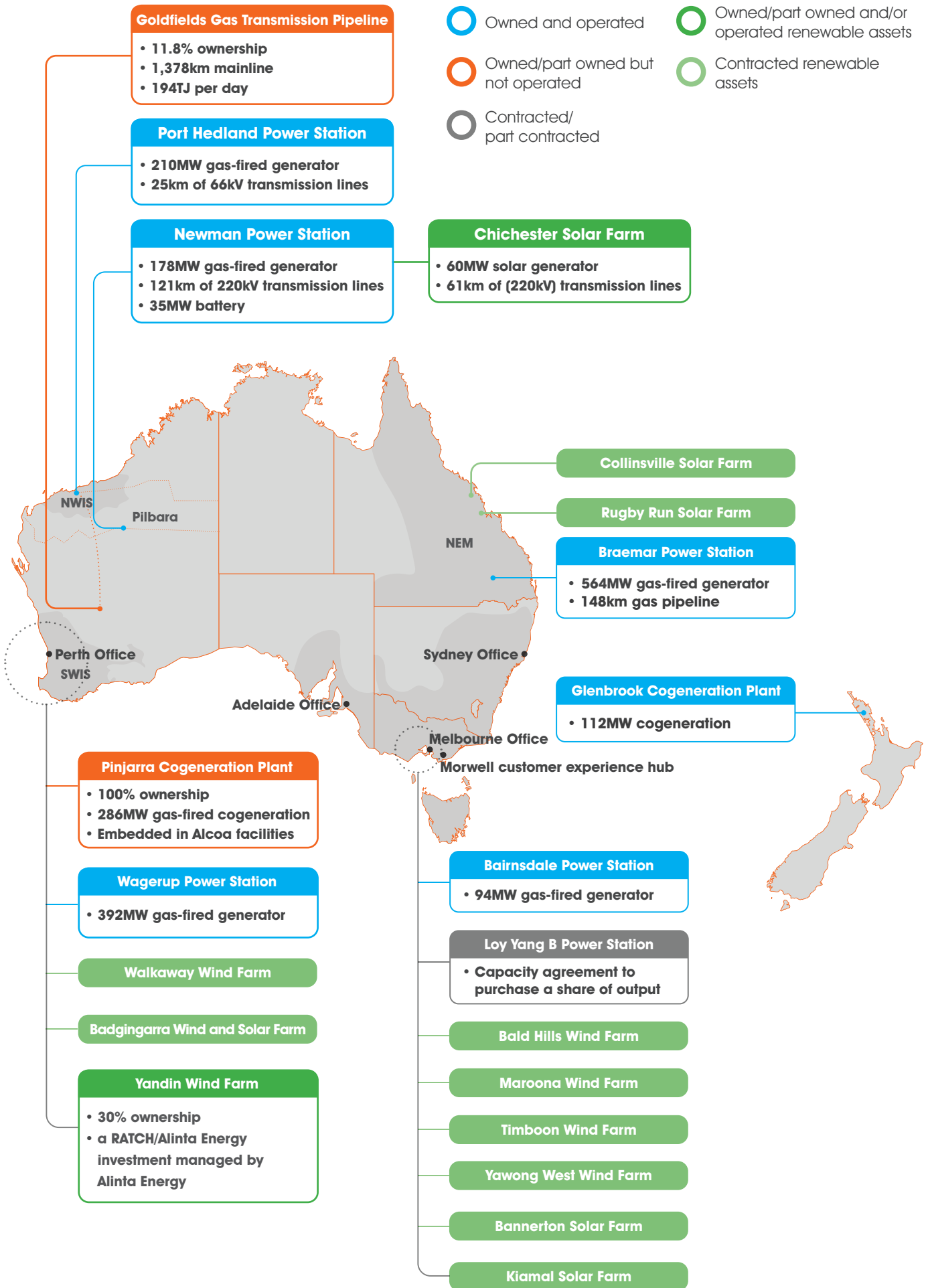
### Off-grid

Not part of one of the major grids

### Across Australia

Across Australia there are electricity networks and stand-alone generators that are not connected to one of the main grids.

## Our operating assets and offices



## Owned or operated renewable generation

### Western Australia

#### Chichester solar farm

- FY22 availability: 92.0%

#### Yandin Wind Farm

- FY22 availability: 96.3%
- A RATCH/Alinta Energy investment managed by Alinta Energy. Alinta Energy also contracts for the output of the wind farm.

## Owned power stations

### Western Australia

#### Newman power station and battery storage

- Employees: 20
- Capacity: 178MW
- Fuel type: Gas/distillate
- Load profile: Intermediate
- FY22 availability: 93.3%
- Other: 35MW battery storage facility

#### Port Hedland power station

- Employees: 11
- Capacity: 210MW
- Fuel type: Gas/distillate
- Load profile: Intermediate
- FY22 availability: 85.3%

#### Wagerup power station

- Employees: 6
- Capacity: 392MW
- Fuel type: Gas/diesel
- Load profile: Peaker
- FY22 availability: 89.5%

#### Pinjarra cogeneration plant

- Capacity: 286MW
- Fuel type: Gas
- Load profile: Base
- FY22 availability: 89.2%
- No Alinta Energy employees, operated by Alcoa

### Queensland

#### Braemar power station

- Employees: 7
- Capacity: 541MW
- Fuel type: Gas
- Load profile: Intermediate peaking
- FY22 availability: 79.9%

### Victoria

#### Bairnsdale power station

- Employees: 4
- Capacity: 94MW
- Fuel type: Gas
- Load profile: Peaker
- FY22 availability: 94.4%

### New Zealand

#### Glenbrook cogeneration plant

- Employees: 29
- Capacity: 112MW cogeneration
- Fuel type: Surplus gas from NZ Steel and waste heat
- Load profile: Base
- FY22 availability: 92.1%
- Integrated into NZ Steel (BlueScope Steel) facility under long-term power purchase agreement

## Transmission infrastructure

### Western Australia

#### Chichester solar farm transmission line

- 61km (220kV) transmission line linking the Roy Hill Mine substation and the Cloudbreak Mine to the Chichester solar farm

#### Newman to Roy Hill electricity transmission line

- 121km (220kV) transmission line from Newman Power Station to the Roy Hill Mine including substations, a distribution system and 6MW of on-site diesel generation

#### Goldfields Gas transmission pipeline

- 11.8% investment in 1,378km long pipeline

#### Port Hedland transmission line

- Three transmission lines totalling 25km (66kV) connecting the Port Hedland site to the Boodarie power station, Horizon Power's Wedgefield substation and Horizon Power's Murdock Drive substation

### Queensland

#### Braemar gas pipeline

- 148km pipeline supplying the Braemar power station and transporting gas to the Roma to Brisbane pipeline

## Offices

### Sydney

- Employees: 143
- Corporate headquarters and base for Alinta Energy's executive leadership team, national wholesale trading team and many supporting commercial functions

### Perth

- Employees: 244
- Location of Alinta Energy's west coast retail energy business and one of two in-house customer service centres

### Melbourne

- Employees: 236
- Base for our east coast customer operations

### Morwell customer experience hub

- Employees: 214
- Location of our new east coast customer call centre in regional Victoria

### Adelaide

- Employees: 37
- Location of many of our IT support services

## Contracted renewable generation

### Western Australia

#### Walkaway wind farm Badgingarra wind and solar farm

### Victoria

#### Bald Hills wind farm Maroona wind farm Timboon wind farm Yawong West wind farm Bannerton solar farm Kiamal solar farm

### Queensland

#### Collinsville solar farm Rugby Run solar farm

## Other contracted generation

### Victoria

#### Loy Yang B power station

Capacity agreement to purchase a share of the output from the Loy Yang B coal-fired power station

Our small Brisbane office, where our Connect Develop business was located, closed in mid-2021. Connect Develop now operates from the office of one of our strategic business partners in Queensland (CS Energy).

## Load profiles – what they mean

### Base

These facilities generate a reliable ongoing power supply by operating continuously.

### Intermediate

Flexible power generation that bridges the gap between base load and peak supplies.

### Peaker

Quick to start, these facilities can ramp up operations, providing additional power to meet higher demand.

# What drives us

## Vision, sense of purpose and values

**Vision** - We're committed to be the best energy company

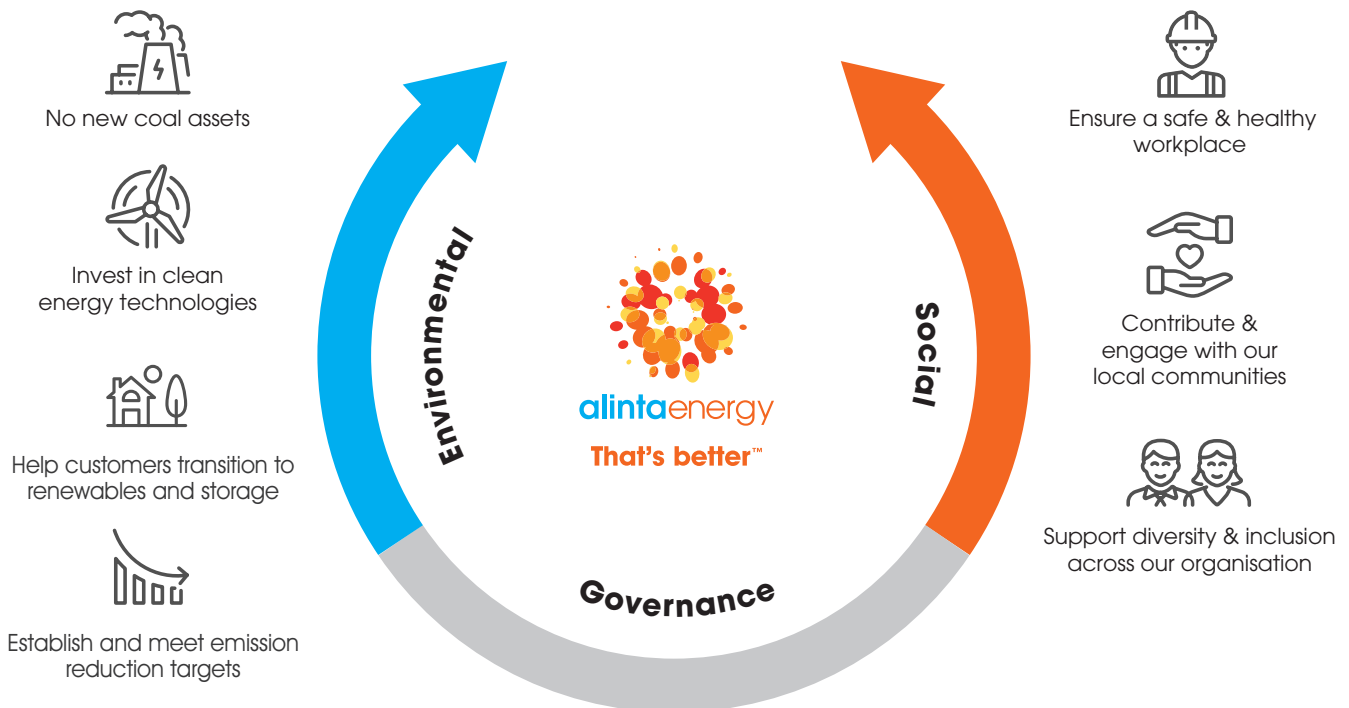
**Sense of purpose** - We're determined to make energy better

**Values** - Safety, People Matter, Customer Focus, One Alinta, Commercial Leadership and Respect & Integrity



## Our 5-year ESG strategy

Our 5-year ESG strategy incorporates 13 environmental, social and governance commitments. Throughout this report, we discuss specific targets related to these commitments, including our safety targets, our Pathway to Net Zero, our community development program and our approach to diversity.





# Business structure and governance

We are committed to doing business ethically. Our governance structures and frameworks are designed to uphold high standards and enable us to achieve our vision, purpose and strategy while operating in line with our values.

## Ownership

Alinta Energy Pty Ltd and Renewable Energy Investment Fund Pty Ltd (together referred to as the Alinta Energy Group, or Alinta Energy) are subsidiaries of Chow Tai Fook Enterprises Limited (CTFE) and Pioneer Sail Australia Pty Limited (ABN 91 617 846 385) (Pioneer Sail Australia).

## Chow Tai Fook Enterprises

Chow Tai Fook Enterprises Limited is the flagship private investment holding company of the Cheng Family who is the controlling shareholder of the Chow Tai Fook Jewellery Group Limited (Hong Kong stock code 1929) founded in 1929, one of the world's leading jewellery retailers with approximately US\$12.6 billion revenue in the financial year ended 31 March 2022.

The Cheng Family's businesses focus on jewellery, property development, hospitality services, infrastructure, energy, healthcare, education, technology, environmental services, retail and media. As of March 2022, the Cheng Family held controlling or significant interests in 15 listed companies on the Main Board of the Stock Exchange of Hong Kong Limited with total assets of approximately US\$100 billion.

CTFE seeks to deliver sustainable growth through professional investing and upholding the relationship-driven philosophy of family-owned businesses. CTFE is also the largest shareholder of New World Development Company Limited (Hong Kong stock code 0017), a constituent stock of the Hong Kong Hang Seng Index with assets of over US\$81 billion as of December 2021. CTFE, together with its subsidiaries and jointly controlled entities, has operations in 27 countries globally.

## Pioneer Sail Australia

### Loy Yang B power station

Pioneer Sail Australia also owns the 1,200MW Loy Yang B power station, located in the Latrobe Valley in Victoria. Alinta Energy has a capacity agreement with Loy Yang B to purchase a share of its output, which is reflected in the contracted energy generation information included in this report.

Alinta Energy and Loy Yang B (operated by Latrobe Valley Power (Holdings) Pty Ltd) have separate boards, each chaired by independent non-executive directors. Loy Yang B prepares a separate sustainability report which is available from its website<sup>1</sup>.

### Yandin Wind Farm

Pioneer Sail Australia owns Renewable Energy Investment Fund Pty Ltd (REIF) which holds a 30% ownership in the Yandin Wind Farm. Alinta Energy manages the wind farm's operations and contracts for its output. REIF is included in the Alinta Energy Group for the purpose of this sustainability report.

## Our Board of Directors

Alinta Energy's Board has nine members; four independent non-executive directors including the Chair, four non-executive directors, and the Managing Director and Chief Executive Officer (MD and CEO).

## Responsibilities

The Board meets monthly and has primary responsibility for Alinta Energy's governance. It approves our overall strategy, monitors its implementation and oversees our operations. The Board has delegated authority to the MD and CEO to manage the day-to-day business and approves matters beyond management's authority.

As part of its oversight role, the Board monitors our sustainability performance and initiatives, including health, safety, environmental and community matters, including with assistance from a newly established committee. It also monitors matters related to audit and risk, and people and culture with assistance from two dedicated committees.

1. <https://www.loyyangb.com.au/environment-and-sustainability>

# Business structure and governance

## Director profiles

### Independent Non-Executive Directors



#### **Tony Howarth AO (Chair)**

- Independent non-executive director of Alinta Energy since March 2011 and Chair since December 2020
- Chair of BWP Trust and the St John of God Foundation
- Non-executive director of Coventry Group Limited and Viburnum Funds Pty Ltd
- Previous non-executive director of Wesfarmers and former President of the International, West Australian and Australian Chambers of Commerce and Industry, Senator of University of WA
- Tony is a Life Fellow of the Australian Institute of Company Directors and the Financial Services Institute of Australasia. He holds an Honorary Doctorate of Laws from the University of WA and is an Adjunct Professor of the University's Business School.



#### **Kathleen Bailey-Lord**

- Independent non-executive director of Alinta Energy since April 2021
- Senior executive experience spanning the financial services, technology and professional services sectors
- Non-executive director of QBE Insurance (Auspac), Melbourne Water, Janison, Datacom and Monash College (a subsidiary of Monash University)
- Kathleen holds a Bachelor of Arts (Hons) in political science and history from the University of Melbourne, and has completed executive education programs at Harvard and the Macquarie Graduate School of Management
- She is a Fellow of the Australian Institute of Company Directors, a member of Chief Executive Women, and has undertaken the non-executive director program in sustainability governance at the Cambridge Institute for Sustainability Leadership.



#### **John Borghetti AO**

- Independent non-executive director of Alinta Energy since October 2020
- Over 45 years of experience in the aviation industry including as Managing Director of Virgin Australia from 2010 to 2019 and prior to this, a long career at Qantas Airways
- Non-executive director of Brisbane Airport Corporation Pty Ltd, Balmoral Pastoral Investments Pty Ltd, Crown Resorts Ltd and Chairman of Crown Sydney Gaming Pty Ltd
- Member of the John Sample Advisory Board, Marprop Advisory Board, and O'Connell Street Associates
- Previous non-executive directorships include Coca-Cola Amatil Ltd, Energy Australia and the Art Gallery of NSW.



#### **Robert Nicholson**

- Independent non-executive director of Alinta Energy since May 2021
- Over 30 years of experience in commercial law, including the energy, infrastructure, resources and forestry industries
- Non-executive director of Port of Melbourne, Baker Heart and Diabetes Institute and Landcare Australia
- Senior advisor with Herbert Smith Freehills after serving as a partner for 28 years, and a former Chair and Board member of the firm
- Robert holds a Bachelor of Science, Bachelor of Laws and Master of Laws from Monash University and an MBA from University of Melbourne and is a Graduate of the Australian Institute of Company Directors.

## Non-Executive Directors



**Dr Henry Cheng**

- Non-executive director of Alinta Energy since April 2017
- Director of Chow Tai Fook Enterprises Limited
- Chairman and executive director of New World Development Company Limited (HK stock code: 0017), Chow Tai Fook Jewellery Group Limited (HK stock code: 1929) and NWS Holdings Limited (HK stock code: 0659)
- Chairman and non-executive director of FSE Lifestyle Services Limited (HK stock code: 0331) and i-CABLE Communications Limited (HK stock code: 1097)
- Executive vice chairman of Silk Road Chamber of International Commerce
- Chairman of the Advisory Council for The Better Hong Kong Foundation
- Awarded the Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region
- Dr Cheng holds an MBA from the University of Western Ontario, an honorary DBA from Johnson and Wales University, and an honorary LLD from the University of Western Ontario.



**Conrad Cheng**

- Non-executive director of Alinta Energy since May 2018
- Non-executive director and non-executive chair of Greenheart Group Limited (HK stock code: 0094)
- Director of New World China Land Limited (a listed public company in Hong Kong until its delisting on 4 August 2016)
- Vice-chair of Green Council (a non-profit, non-partisan environmental association and certification body of Hong Kong)
- Conrad holds a Bachelor of Arts in Statistics from the University of Toronto.



**Patrick Tsang**

- Non-executive director of Alinta Energy since April 2017
- Chief Executive Officer and a director of Chow Tai Fook Enterprises Limited
- Vice-chairman and executive director of i-CABLE Communications Limited (HK stock code: 1097)
- Executive director of UMP Healthcare Holdings Limited (HK stock code: 0722) and Melbourne Enterprises Limited (HK stock code: 0158)
- Governor of Chow Tai Fook Charity Foundation
- Over 20 years of international capital markets experience, including as Managing Director and Head of Asia Fixed Income Capital Markets at Deutsche Bank AG, Hong Kong Branch prior to joining CTFE
- Patrick holds a Bachelor of Arts in Economics from Columbia University.



**Alison Chan**

- Non-executive director of Alinta Energy since April 2021
- Chief Operating Officer of Chow Tai Fook Enterprises Limited
- Over 20 years of international investment banking and wealth management experience at international banks, including Lehman Brothers, UBS, Bank of America Merrill Lynch and as Head of Greater China Ultra High Net Worth at Standard Chartered Bank prior to joining CTFE
- Alison holds a Bachelor of Science from the London School of Economics at London University.



**Jeff Dimery**

- CEO of Alinta Energy since 2011 and Managing Director since 2017
- Board member of the Australian Energy Council
- Previous energy industry directorships include the National Generators Forum, the Australian Wind Energy Association, the Renewable Energy Generators of Australia, the Clean Energy Council and the Australian Energy Market Commission's Reliability Panel
- 15 years at AGL prior to joining Alinta Energy
- Jeff holds a Bachelor of Business from RMIT University and has completed the Executive Learning Program at IMD Business School in Switzerland.



## Executive leadership team

Alinta Energy's organisational structure promotes efficient decision-making supported by individual accountability and effective oversight.

Our executive leadership team consists of the two operating pillars of merchant energy and retail markets and the four foundation functions of finance, information technology, corporate services and people and culture. Each member of the team reports to the MD and CEO.

Our executive leadership team and their areas of responsibility are shown below:



### Managing Director and Chief Executive Officer

Jeff Dimery



**Executive Director – Merchant Energy**  
Ken Woolley<sup>a</sup>

- Power station asset management and operations
- Power development and construction
- National spot trading
- Gas and electricity trading
- Energy pricing
- Systems and analytics
- Environmental products trading
- Commercial and industrial sales and marketing
- Pathway to net zero – clean energy technologies



**Executive Director – Retail Markets**  
Amanda Hagan

- East coast retail sales
- West coast retail sales
- Small and medium enterprise sales
- Brand and marketing operations
- Customer operations
- Pathway to net zero – customer climate ambition products



**Chief Financial Officer**  
Vince Nicoletti

- Group finance
- Treasury
- Taxation
- Risk management
- Strategy and planning
- Payroll
- Strategic projects
- Capital markets



**Chief Information Officer (interim)**  
Nick Smith<sup>b</sup>

- Cybersecurity and IT risk management
- Solutions delivery
- Enterprise architecture
- IT service delivery
- Platforms and operations
- Data and analytics
- Strategic projects (transformation)



**Executive Director – Corporate Services**  
Daniel McClelland<sup>c</sup>

- Safety and sustainability
- Legal, governance and secretariat
- Regulatory and government affairs
- Enterprise compliance
- Community development
- Communications and media relations
- Insurance
- National retail compliance
- Pathway to net zero – interim emissions reduction targets



**General Manager – People and Culture**  
Fiona Osler

- Culture and engagement
- Learning and development
- Leadership programs
- Recruitment
- Talent management and succession planning
- Performance management
- Reward and recognition
- Policies and procedures
- Employee relations
- Organisation design

a. Ken is a representative for generators on the Australian Energy Market Commission's Reliability Panel and is a Fellow of Engineers Australia.

b. Nick has been appointed as Interim CIO following David Gillespie's resignation.

c. Daniel is a director of the Energy Policy Institute of Australia in his capacity as an Alinta Energy executive.

## Supporting committees

### Board committees

The Board is assisted by three committees of directors that oversee specific operational and risk issues. These committees provide additional governance and oversight and update the Board regularly on their responsibilities.

#### Environment, Sustainability and Community Committee

Established during the year to oversee environmental, sustainability and community matters and the progress of plans to achieve our ambitions in these key areas.

#### Audit and Risk Committee

Oversees financial reporting, risk management, compliance, and internal and external audit functions.

#### People, Remuneration and Benefits Committee

Oversees key people and culture policies and practices and makes recommendations to the Board on remuneration, benefits, and executive retention and succession plans.

### Management committees

Alinta Energy's management committees include members of the executive leadership team, senior leaders and other employees whose skills or roles support the committees' functions.



During the year, the Safety and Sustainability Council was restructured into two separate bodies: the Safety and Wellbeing Council and the Climate and Decarbonisation Working Group. This reflects the increased activity and complexity to addressing climate change by our business, with the working group chaired directly by the MD and CEO.

<b>Safety and Wellbeing Council</b>	<p>Monitors our safety and wellbeing performance, reviews the progress of improvement actions and considers new initiatives.</p> <p>Chaired by the General Manager, Safety and Sustainability, with representatives from across operations, engineering, large scale power development, wholesale, people and culture, sales, retail, small scale renewables, safety, finance and risk.</p>
<b>Wellbeing Committee</b>	<p>Helps the executive leadership team maintain appropriate frameworks, tools, resources, training and reporting to support our people's wellbeing and mental health.</p> <p>Includes representatives from across the business.</p>
<b>Climate and Decarbonisation Working Group</b>	<p>Responsible for governance of climate change-related and decarbonisation matters including targets, identifying and responding to risks and opportunities, and reviewing strategies and policies for the Board's Environment, Sustainability and Community Committee.</p> <p>Chaired by the MD &amp; CEO with representatives from across asset strategy, strategy and planning, finance, treasury, retail operations, trading and portfolio management, sustainability, legal, communications, regulation and government affairs and people and culture.</p>
<b>Capital Steering Committee</b>	<p>Reviews significant capital proposals, including their risks, benefits and strategic alignment, monitors the project pipeline, and oversees proposals for Board approval.</p> <p>Considers new projects and capital expenditure as well as expenditure for major outages.</p>

<b>Energy Risk Management Committee</b>	<p>Oversees our energy financial market and compliance activities, including risk management associated with energy and environmental commodity markets. Monitors limits on market risk exposures in line with our risk appetite and financial constraints.</p> <p>Chaired by the Chief Risk Officer.</p>
<b>Foreign Investment Review Board (FIRB) Steering Committee</b>	<p>Oversees our ongoing compliance with FIRB conditions, including reviewing new arrangements, processes and systems to ensure they satisfy the conditions.</p>
<b>Modern Slavery Working Group</b>	<p>Monitors our actions to address modern slavery risks and comply with the Modern Slavery Act.</p> <p>Includes representatives from across procurement, safety, sustainability, legal, merchant energy, and people and culture.</p>
<b>Office Safety Committees</b>	<p>Coordinate the management of health and safety risks associated with each office. This includes maintaining sufficient trained fire wardens and first aid officers and performing safety floor inspections using risk-based checklists.</p> <p>Each office has its own safety committee and membership is voluntary.</p>
<b>Community Development Committee</b>	<p>Oversees our community development program's funding allocation framework. This includes voting on which applicants receive community grants based on eligibility criteria and alignment with our focus on reducing social disadvantage, closing the gap between Indigenous and non-Indigenous Australians, and improving environmental sustainability.</p> <p>Includes representatives from across our business and our external brand ambassador.</p>
<b>Security, Architecture, Data and Infrastructure Review (SADIR) Committee</b>	<p>Provides ongoing proactive oversight across the full lifecycle of security, architecture, data and infrastructure improvements. Approves planning, development, delivery and review of strategic technology projects.</p> <p>Established in 2020 as part of our increased focus on technology and digital transformation.</p>
<b>Privacy and Information Management Committee (PIMCo)</b>	<p>Oversees our privacy compliance and information management, including policies, standards, procedures, and controls for information management and data security and responses to data breaches and related incidents.</p> <p>Established in 2020 under our Information Management Compliance Framework. Please see pages 95 for more information on our approach to privacy compliance.</p>
<b>Cybersecurity Committee</b>	<p>Oversees our processes and controls to reduce cyber risk and build resilience against attack, including reviewing the results of vulnerability monitoring and security audits. Makes decisions on cybersecurity investments, priorities and initiatives based on the threat landscape and target levels of security maturity.</p>

# Risk management and compliance

## Enterprise Risk Management

Alinta Energy’s enterprise risk management framework (ERMF) has been developed in accordance with standards AS/NZS ISO 31000 and the Committee of Sponsoring Organizations’ Enterprise Risk Management – Integrated Framework (COSO II). It governs how we identify, analyse, evaluate, address, monitor and communicate risks to support our risk culture. Risks are classified as financial, strategic, operational or reputational and are assessed against consequence and likelihood rating criteria.

Business units prepare risk reports which include current, new and emerging risks and the progress of mitigating actions. This happens twice a year and follows a bottom-up process to support accountability for risk. It incorporates a divisional risk register review which includes all business leaders. Divisional risks are reported to the Board and its Audit and Risk Committee.

## Enterprise compliance

Our enterprise compliance management framework (ECMF) compliments the ERMF and aligns with the new international compliance standard: ISO 37301: 2021 Compliance Management Systems. The new standard replaces and builds upon the guiding principles of its predecessor (ISO 19600) and is certifiable by regulators and independent experts. One of the new requirements in ISO 37301 is to establish a compliance obligations register where obligations are risk assessed for the purpose of setting the organisation’s risk appetite and controls environment. The Board-approved ECMF standardises compliance management across Alinta Energy and serves to:

- Define the key attributes and objectives of our compliance culture
- Describe the roles and responsibilities to manage compliance
- Outline the process for ongoing monitoring, reporting and review.

Alinta Energy’s enterprise compliance reporting framework is underpinned by compliance strands, which are defined compliance groupings that reflect key compliance risk exposures. Each compliance strand has an accountability structure, owned by the relevant executive leadership team member.

Some of these compliance strands include sustainability compliance and reporting, health and safety, environment, modern slavery, retail markets, regulatory compliance, merchant energy, power generation and asset management, information security, and privacy and information management. These compliance strands may change over time to reflect changes in our operations or the regulatory and compliance landscape.

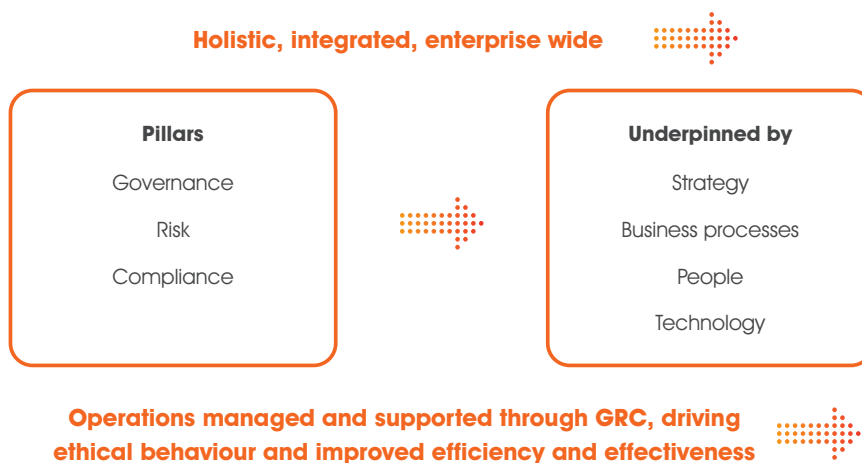
## Compliance improvements

### Governance, Risk & Compliance (GRC) platform

During the year, we have continued implementing our comprehensive GRC platform, ServiceNow, through a phased, risk-based approach. This operationalises the management of our compliance obligations and risks and will elevate our compliance and risk management maturity.

### Enhanced Audit and Risk Committee reporting

We have introduced enterprise compliance reporting to the Board’s Audit and Risk Committee, which aligns with the compliance strand operating model for oversight and monitoring of compliance management.





## Information technology

Alinta Energy's IT function plays a pivotal role in serving external and internal customers, underpinning regulatory compliance, and developing new solutions to support growth and innovation.

A key achievement during the year has been implementing our new retail and customer experience platform, enCORE. Please see page 93 for further details.

Our digitisation program helps our people work more efficiently. It includes providing new tools, improving existing systems, and automating key business processes across the organisation. In addition to the enCORE and ServiceNow platforms, some of our other initiatives are:

- **Wholesale markets and power generation** – We have mature digital practices in the power generation and wholesale markets areas of the business. This has delivered reliable systems that support operational efficiency and continue to effectively meet our compliance requirements.
- **Future planning** – We have enhanced our software development and IT operations culture and invested further in cloud capabilities. This improves our agility while maintaining stable systems and supporting scalability.
- **Robotics** – We have invested in technologies like robotic process automation which reduce our overall costs across the value chain. We are conducting active discovery and implementation across retail markets and merchant energy.

## Internal audit

Alinta Energy's internal audit function provides independent assurance by assessing the effectiveness of our governance, risk management and controls. Internal audit operates with a co-sourced structure, reporting to the Board's Audit and Risk Committee, with a functional reporting line to the Chief Financial Officer. EY has been appointed to conduct internal audits.

An annual internal audit plan is approved by the Committee, providing coverage of business activities over time and based on their risk profile. Reports are presented to senior management and the Committee, including recommendations for actions to address any weaknesses and enhance our control environment. The Committee oversees management's progress to complete agreed actions on a timely basis.

## Legislation and policy

Alinta Energy is subject to extensive legislation relating to health and safety, competition, environmental compliance, retail practices (including customer communications, rights and protections), renewable energy, energy efficiency, energy trading and tariff setting.

Our whole business is actively involved in complying with these requirements, supported by specialists from our risk management, legal, regulatory, safety, compliance and sustainability teams. Our systems and controls support and monitor our ongoing compliance.

We make investments that streamline our processes, develop our people, and allow us to respond to risks before they result in an incident or cause harm. This is reflected in an uplift in how we conduct business, our people's understanding that compliance is non-negotiable, and our shared responsibility to meet our ongoing obligations.

We actively monitor legislation, government policy and regulatory expectations to consider the impact of changes and new requirements and make plans to address them. Regulatory developments are monitored by our specialist regulatory team and other functions and business units through third-party alert services, regulatory and departmental websites, industry associations, industry working groups and ongoing stakeholder engagement.

### Safeguard mechanism

The safeguard mechanism provides a framework for Australia's largest emitters to measure, report and manage their emissions, by requiring those that exceed the threshold, to keep their emissions at or below emissions baselines set by the Clean Energy Regulator.

While generators that are connected to the major power grids operate under a separate sectoral baseline, our Newman power station is captured by the safeguard mechanism.

The government is consulting with stakeholders on amendments to the mechanism, including baseline reductions, which will be developed by over 2022-23. There is the potential for a reducing baseline at Newman to impact the plant's ability to earn excess Australian carbon credit units (ACCU) in the short term and impose a liability to surrender additional ACCUs in the medium term.

### Security of critical infrastructure

During the year, the Security Legislation Amendment (Critical Infrastructure) Act 2021 (SLACI Act) and the Security Legislation Amendment (Critical Infrastructure Protection) Act 2022 (SLACIP Act) were passed into law. These apply to Alinta Energy as our power generation facilities include critical electricity assets.

We have heightened our cybersecurity maturity at our power generation sites, most recently by introducing continuous monitoring for vulnerabilities and improving the automation of critical IT and operational technology practices.

### Retail compliance and privacy

Our processes for compliance with laws relating to our retail operations, including competition and consumer law, privacy and addressing customer complaints, are discussed at page 95.

### Foreign Investment Review Board

Alinta Energy must meet conditions set during 2017 by the Foreign Investment Review Board (FIRB conditions) when the business was acquired by Hong Kong based Chow Tai Fook Enterprises Limited.

The FIRB conditions relate to a range of governance and operational matters. They include the composition of our Board, data security and protecting information about our network and operation technology. This affects how we manage data, and how we operate and maintain our systems and infrastructure.

Alinta Energy's compliance with the FIRB conditions is independently audited annually and reported to Commonwealth Treasury. Treasury has confirmed that Alinta Energy is in full compliance with conditions 1-5 of the FIRB conditions throughout the 2021 audit period (1 November 2020 to 31 October 2021).

## Ethical behaviour

### Code of Conduct

Our Code of Conduct provides the framework for our people to behave ethically and is the basis of our policies and procedures.

All employees must complete online training on the Code of Conduct every two years, including a competency test to check they understand their obligations. New employees complete this training as part of our induction process. The Code of Conduct is available to all employees on the intranet.

### Anti-corruption

Alinta Energy has zero tolerance for bribery and corruption. We expect all our people to act with honesty and integrity across all aspects of their work and adhere to our high ethical standards.

This is reflected in our values and incorporated in our Code of Conduct and our Anti-Corruption and Bribery Policy, which are available to all employees. Behaving in accordance with our values is part of our employee review process and people who do not meet this core expectation face disciplinary action, which can include dismissal.

Alinta Energy did not have any suspected or confirmed incidents of corruption or any legal cases regarding corruption brought against the business or our employees during the year.

### Whistleblowing

Alinta Energy is committed to ethical behaviour at all levels of our business.

Our people are strongly encouraged to immediately report any illegal or inappropriate acts to their manager, a member of the executive leadership team, or to an independent whistleblower hotline. This includes actual or suspected theft, fraud, dishonesty, harassment, unethical behaviour and workplace safety hazards. Reports are investigated by the General Counsel and the Chief Risk Officer.

Our reporting channels enable people to raise concerns without fear of harassment or discrimination. This includes an independent whistleblower notification service operated by Deloitte.

### Modern slavery

We are committed to fair business practices and protecting human rights. Alinta Energy strongly opposes modern slavery in all its forms including child labour, forced labour, involuntary labour and people trafficking. We expect everybody we work with, internally and at every level of our supply chain, to do the same.

Alinta Energy is a reporting entity under the Modern Slavery Act (Cth) 2018 and reports jointly with our parent entity, Pioneer Sail Holdings, and its other Australian subsidiaries. Our Modern Slavery Statement<sup>2</sup> explains how we address modern slavery risks across our supply chain, including the governance framework, due diligence, training and awareness campaigns and resources we have implemented.

### Insurance

Alinta Energy has a comprehensive insurance program that includes policies for property damage, business interruption, workers compensation, combined liability, directors and officers liability, corporate travel, motor vehicle, marine transit and group journey injury cover. We maintain insurance policy deductibles and limits at levels we believe are adequate, reasonable, consistent with our risk profile and aligned with industry practice.

### Business continuity

We have planned carefully to eliminate or minimise interruptions from events that could affect our ability to operate. These might include accidents, natural disasters or malicious attacks targeting our business or other events in the physical or digital environments where we operate.

Our facilities all have site-specific emergency response plans which include details such as contact numbers, how to raise the alarm, how to notify authorities, initial response procedures, roles and responsibilities, emergency equipment, communication protocols, drills and training and post incident recovery. We also have a corporate crisis management plan for emergency situations.

Four recent issues that could impact our business are considered below, along with our approach to minimise their impact and strengthen our risk management practices.

### Supply security and energy prices

Our capacity agreement with Loy Yang B power station and our long-term gas supply agreements on the west coast have significantly reduced our exposure to the recent sharp increases in international coal and gas prices.

### COVID-19

The controls we put in place to manage the spread of COVID-19 in the workplace meant that we were able to continue operating throughout the year with minimal interruptions to our business activities. For more details on our response to COVID-19, see page 39.

### Cybersecurity

Cybersecurity is a growing global concern and organisations with significant infrastructure and large customer databases are primary targets. New legislation to increase the security of critical infrastructure has been introduced during the year. There are also upcoming energy sector reforms focused on consumer data rights.

Alinta Energy is investing significantly in leading edge capabilities to protect our physical and digital assets and building ongoing cyber resilience. We are committed to improving our cybersecurity practices through a dedicated professional team and collaboration with industry partners. We apply the Australian Energy Market Operator's (AEMO) voluntary assessment program and the Australian Energy Sector Cyber Security Framework. This includes regularly assessing ourselves against the framework and implementing improvements, partnering closely with AEMO.

Key focus areas to elevate our maturity include:

- Risk management and practised resilience activities focused on critical infrastructure assets.
- Further collaboration with our industry and government bodies, including participating in the Department of Climate Change, Energy the Environment and Water's national energy sector cybersecurity exercise (GridEx VI).
- Continuous assurance of customer information throughout its lifecycle, including deleting it when it is no longer required.

### Climate-related risks

We recognise that climate-related risks pose a threat to business continuity. This includes:

- Physical risks posed by acute and chronic changes to weather patterns and natural disasters such as bushfires, cyclones, and increasing temperatures
- Transition risks associated with the shift to a lower-carbon economy such as insurability, access to finance and changes to the legal landscape.

We have engaged an external consultant to help us better understand our exposure to these risks and build our resilience based on the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations. We plan to publish our first TCFD report for FY23.

2 <https://modernslaveryregister.gov.au/statements/file/214e5cf8-d4c8-449d-aeb1-cc4350ed68bd/>

# Our operations

## Generation asset strategy

Alinta Energy's strategy to develop new renewable power generation assets and improve our existing assets drives long-term growth through a portfolio of supply options that meet markets' future energy needs. This includes our interim emissions reduction targets on the way to our goal of net zero by FY50, as outlined at page 44.

Our determination to make energy better drives our strategy and has seen us:

- Develop a 35MW battery at our Newman power station, the largest battery in Western Australia for a specific industrial application.
- Build a 60MW solar farm as part of the Chichester solar gas hybrid project, supporting up to 100% of Fortescue's Cloudbreak and Christmas Creek iron ore mines' daytime operations and displacing approximately 100 million litres of diesel generation annually.
- Build the Yandin Wind Farm (a RATCH/Alinta Energy investment managed by Alinta Energy), Western Australia's largest wind farm which powers the equivalent of around 200,000 homes and is connected to the South West Interconnected System.

Our merchant energy team supports our overall asset strategy using a framework to prioritise our decisions about what solutions to develop, where and when. This incorporates collaboration across the business and provides a flexible approach to the fast-moving energy and technology landscapes.

The team uses their diverse skill sets to take options from the ideation phase through development and analysis, and eventually to implementation and delivery. We maintain an innovative culture by creating a safe space for our people to challenge assumptions and think creatively, balanced with accountability for specific objectives.

## Capacity of our traded electricity generation portfolio

The capacity of our traded electricity generation portfolio is made up of:

### 1. Owned generation

Electricity generation assets owned or partly owned by Alinta Energy.

This excludes generation assets owned by subsidiaries of our parent company, Pioneer Sail Australia, that are outside the Alinta Energy group, such as the Loy Yang B power station. Loy Yang B is managed by a separate board of directors and operates independently from Alinta Energy. Pioneer Sail Australia also has an investment in the Yandin Wind Farm (a RATCH/Alinta Energy investment). Because Alinta Energy manages the Yandin Wind Farm, we believe it is appropriate to include it in this sustainability report.

### 2. Operated generation

Electricity generation assets operated by Alinta Energy.

These are determined using the definition of operational control under the National Greenhouse and Energy Reporting (NGER) Act. This excludes generation assets operated by subsidiaries of our parent company, Pioneer Sail Australia, that are outside the Alinta Energy group.

The only difference compared to our owned generation assets is the Pinjarra cogeneration plant in Western Australia, which is owned by Alinta Energy and operated by Alcoa.

### 3. Contracted generation

Electricity generation purchased from entities outside the Alinta Energy group through wholesale contracts associated with plant capacity.

This includes Loy Yang B power station, which has a capacity agreement with Alinta Energy for a share of its output.

The stated capacity of our contracted generation excludes financial derivatives (such as swaps and caps) and contracts associated with purchasing electricity (such as our joint venture with CS Energy in Queensland), as Alinta Energy does not control a proportion of these facilities' capacity. However, contracted electricity purchases are included in Alinta Energy's Scope 3 emissions as shown on page 58.

### Operating generation capacity by fuel source

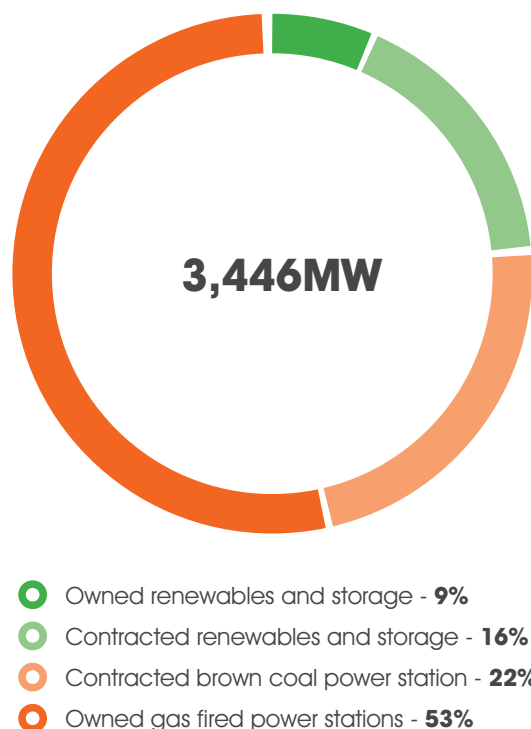
The total capacity from our owned, operated and contracted generation assets at 30 June 2022 was 3,446MW.

This comprised 2,145MW (62%) from owned and operated generation, and 1,301MW (38%) in contracted generation assets.

Renewable energy from owned, operated and contracted generation makes up a quarter of our total generation capacity.

Emissions from our generation assets are shown on page 57.

### Operating capacity split at 30 June 2022



### Generation and storage capacity by fuel sources across our generation portfolio (MW)

Asset name	Fuel type	Ownership and operational status	Capacity traded by Alinta Energy
Newman power station	Battery storage	Owned and operated	35
Newman power station	Natural gas <sup>a</sup>	Owned and operated	178
Port Hedland power station	Natural gas <sup>a</sup>	Owned and operated	210
Wagerup power station	Natural gas	Owned and operated	392
Bairnsdale power station	Natural gas	Owned and operated	94
Braemar power station	Coal seam methane <sup>b</sup>	Owned and operated	564
Glenbrook power station	Other <sup>c</sup>	Owned and operated	112
Pinjarra power station <sup>d</sup>	Natural gas	Owned and externally operated	286
Loy Yang B power station	Brown coal	Contracted PPA <sup>e</sup>	750
Multiple	Wind	Contracted PPA <sup>e, f</sup>	350
Multiple	Solar	Contracted PPA <sup>e, f</sup>	201
Multiple	Wind	Capital assets <sup>f</sup>	214
Multiple	Solar	Capital assets <sup>f</sup>	60
<b>Total</b>			<b>3,446</b>

All facilities were operational at 30 June 2022.

a. Newman and Port Hedland use dual fuel turbines fuelled by natural gas with a distillate backup option.

b. Braemar uses coal seam methane supplied by third parties. Alinta Energy does not own or operate gas production facilities.

c. Glenbrook uses a multiple hearth furnace fuelled by surplus production gas and waste heat from NZ Steel.

d. Pinjarra is a cogeneration facility which produces both electricity and steam and is operated by Alcoa.

e. PPA refers to power purchase agreement.

f. Definitions of these renewable energy and storage project categories are provided on page 1080.

## Power station performance

We measure our power stations' performance against targets for availability, start reliability and forced outages.

In FY22, we met two of our nine site-specific availability targets, which are set based on planned outage and upgrade activities. This was partly due to forced outages, where we also met two of our eight targets. However, our start reliability target performance was strong, with six of our seven targets met<sup>3</sup>.

### Availability results of owned and/or operated power stations and generation facilities

Facility	FY23 target	FY22 target	FY22 actual	FY21	FY20
Yandin wind farm <sup>a</sup>	98.0%	97.0%	<b>96.3%</b>	-	-
Chichester solar farm <sup>b</sup>	95.0%	95.0%	<b>92.0%</b>	-	-
Newman power station	90.8%	88.4%	<b>93.3%</b>	95.1%	94.5%
Port Hedland power station	87.9%	96.5%	<b>85.3%</b>	91.9%	90.8%
Pinjarra power station	97.7%	90.4%	<b>89.2%</b>	89.9%	94.9%
Wagerup power station	90.6%	95.1%	<b>89.5%</b>	88.9%	90.1%
Bairnsdale power station	97.4%	97.6%	<b>94.4%</b>	97.5%	97.6%
Braemar power station	92.8%	79.5%	<b>79.9%</b>	77.1%	97.0%
Glenbrook power station	97.0%	96.6%	<b>92.1%</b>	89.5%	94.8%

a. Yandin Wind Farm reached completion in May 2021 and has no comparative availability figures for FY21 and FY20.

b. Chichester solar farm reached completion in November 2021 and has no comparative availability figures for FY21 and FY20. While it is within the bounds of the Newman facility, it has its own availability target and is reported on separately.

Port Hedland power station (Western Australia) was below its availability target due to a lubricant oil piping failure on the TG302 turbine and a load gearbox issue on the TG103 turbine. Wagerup power station (Western Australia) was below its availability target due to an increase in outage duration for a generator rotor rewind on the GT2 turbine. Bairnsdale power station (Victoria) was below its availability target due to a turbine rear frame issue on the GT2 turbine. Glenbrook power station (New Zealand) was below its availability target due to several issues with boiler feed pumps. Chichester Solar Farm (Western Australia) was below its availability target due to two of the 48 inverters being out of service as a result of an inverter fire in early 2022.

## Sales and customers

Our sales and customer numbers by region are shown below. Details of our electricity generation are discussed on page 56.

### Energy sales<sup>a</sup>

Energy type	NSW	VIC	QLD <sup>b</sup>	SA	WA	NZ	FY22 total	FY21	FY20
Total gas sales (TJ)	3,528	15,383	1,283	664	20,607	-	<b>41,465</b>	39,939	38,439
Total electricity sales (GWh)	657	2,015	1,046	325	3,371	637	<b>8,051</b>	8,946 <sup>c</sup>	9,422

a. Figures relate to sales to third-party customers who consumed the energy themselves. Excludes volumes from Alinta Energy group intercompany sales or sales to an energy market.

b. Queensland energy sales includes sales to customers who are serviced as part of a joint venture with CS Energy.

c. Prior year figure has been restated to include electricity sales to mass market customers in Queensland. Figures were restated from 7,771 GWh.

<sup>3</sup> Start reliability factors are not relevant for the Yandin wind farm and Chichester solar farm. Yandin wind farm has not been assigned a forced outage factor target.

## Customer numbers

Customer type	NSW	VIC	QLD	SA	WA	NZ	FY22 total	FY21	FY20
Residential	147,974	224,526	215,055	71,129	439,659	-	1,098,343	1,023,446	1,068,338
SME <sup>a</sup>	8,928	21,716	9,739	6,339	7,644	-	54,366	43,657	50,155
C&I <sup>b</sup>	152	1,153	106	152	1,372	1	2,936	2,802	2,623
<b>Total</b>	<b>157,054</b>	<b>247,395</b>	<b>224,900</b>	<b>77,620</b>	<b>448,675</b>	<b>1</b>	<b>1,155,645</b>	<b>1,069,905</b>	<b>1,121,116</b>

a. SME refers to small and medium enterprise customers.

b. C&I refers to commercial and industrial customers.

c. FY21 and FY20 numbers have been reallocated between SME and C&I, however total customer numbers have not changed.

## Economic health

Alinta Energy's sustained economic health is important to the stakeholders who receive income from our business, including employees, suppliers, owners and lenders. Our approach to creating economic value is based on operating efficiently and making targeted strategic investments<sup>4</sup>.

### Economic value

Alinta Energy directly generates and distributes economic value, which benefits a wide range of stakeholders.

Our operations indirectly benefit local and regional communities by providing employment and buying goods and services from local businesses.

We also contribute to not-for-profit organisations that assist the community and our environment through donations, fundraising and volunteering, while our sponsorships support social and cultural initiatives. For more information, please refer to Our Communities on page 76.

### Direct economic value

Economic value (\$ million)	Stakeholders	FY22	FY21	FY20
Operating costs <sup>a</sup>	Suppliers and contractors	2,915	2,652	2,757
Salaries, wages and benefits	Employees	158	113	124
Finance expenses	Lenders	59	51	49
Income tax	Government/public	91	37	132
<b>Total economic value distributed</b>		<b>3,223</b>	<b>2,853</b>	<b>3,062</b>
Electricity revenue	Customers	1,155	1,256	1,432
Gas revenue	Customers	658	639	644
Other retail revenue	Customers	2	16	22
Contract and trading revenue	Customers	1,709	1,123	1,197
Other	Customers	(4)	1	5
<b>Total economic value generated</b>		<b>3,520</b>	<b>3,035</b>	<b>3,300</b>
<b>Total economic value retained</b>		<b>297</b>	<b>182</b>	<b>238</b>

a. Includes around \$740,000 in corporate sponsorships, community programs and charitable donations (FY21: \$385,000, previously reported as \$510,000 and restated to reverse budgeted spend that was not yet allocated to a specific community development partner or grant recipient).

<sup>4</sup> The data shown in this section of the report excludes results related to REIF, which holds a 30% ownership in the Yandin Wind Farm, and includes results related to our joint venture with CS Energy Ltd at 50%, reflective of our share in the joint venture.

Our effective tax rate is reflective of the contribution we make to the economy.

### Effective tax rate

	FY22	FY21	FY20
Effective tax rate	23%	17%	36%

### Financial performance

Underlying EBITDA refers to earnings from our operating activities before deducting interest, tax, depreciation and amortisation. It also excludes items that do not reflect our underlying operations such as adjustments for contracts that are winding down, unrealised gains and losses on derivative instruments and currency, impairment of intangible assets, restructuring and transition expenses and transaction costs (to the extent they apply in the year).

Our earnings declined 3% year on year. These results reflect high levels of volatility in the wholesale energy market which impacted earnings on the east coast. While wholesale energy prices have begun to stabilise in FY23, they remain at elevated levels and are expected to impact on future earnings.

### EBITDA growth

Target	FY22 target	FY22 actual	FY21	FY20
EBITDA growth	-10%	-3%	-5%	-13%

### Segment underlying EBITDA (\$ million)

Business area	FY22	FY21 <sup>b</sup>	FY20
West coast integrated	220	221	211
East coast integrated	185	188	201
Contracted assets	138	130	153
<b>Underlying EBITDA before corporate and other costs</b>	<b>543</b>	<b>539</b>	<b>565</b>
Corporate and other <sup>a</sup>	(81)	(61)	(64)
<b>Group underlying EBITDA</b>	<b>462</b>	<b>478</b>	<b>501</b>

a. Reflects costs incurred at head office.

b. FY21 figures have been restated to take into account a reallocation of charges between different business units. This does not impact the total EBITDA figure which remains consistent with the value previously reported.

### Invested capital

Alinta Energy's total invested capital and debt at 30 June 2022 was \$3.28 billion, made up of 58% equity and 42% debt.

### Consolidated accounts

Alinta Energy's consolidated financial statements are independently audited by KPMG to verify they are a true and fair representation of our financial position and performance and ensure they comply with Australian accounting standards. Alinta Energy's FY22 financial report received an unqualified audit opinion.

Our consolidated financial statements include data from 77 subsidiaries which are listed in the Alinta Energy Pty Ltd 2022 Annual Financial Report.





# Our safety

Alinta Energy is committed to providing safe and healthy places for our people, customers, visitors, business partners and others wherever we work. Safety will always be our highest priority and comes first whenever we make choices in our business.

Our culture is underpinned by our safety vision of everyone, every day, every job: zero harm. This is incorporated across everything we do.

The actions and initiatives described in this section of the report align with the United Nations' Sustainable Development Goals (SDGs) shown below. For a summary of our contribution to each of these goals, refer to the SDG Actions and Initiatives section on page 110.

**3** GOOD HEALTH AND WELL-BEING



**8** DECENT WORK AND ECONOMIC GROWTH





# Safety performance

## Planned safety activities

Update on FY22 planned activities	FY23 planned activities
Made substantial progress to improve our One Alinta Safety Management System. We have now entered the continuous improvement phase and are focused on making the underlying documents easier to use.	Roll out a safety culture climate survey, run workshops with key personnel to discuss the results and develop an action plan to address any identified improvements.
Created a series of 10 short, animated videos for staff to use for safety/wellbeing moments at the beginning of Alinta team meetings. Each video provides high level information relating to a big idea in safety or wellbeing and leaves the viewers to follow up with a group discussion.	Update our Safety Value Add program to help control risks that lead to safety incidents and use collaboration within teams to help solve problems.
Ongoing COVID-19 disruptions meant we deferred resuming our face-to-face safety leadership training program until FY23.	Resume our safety leadership training program when levels of COVID-19 in the community reduce.

## Safety lead indicator performance

Lead indicators focus on the critical tasks that drive safety and effective risk management. Our safety lead indicator dashboard gives managers real-time feedback on their teams' compliance with our targets. It is available to all employees on the intranet as part of our shared responsibility for safety.

We performed well against our targets throughout the year. As shown in the table below, three of our seven targets were exceeded and two more were achieved. There was a marked increase in the proportion of hazard reports closed out within 60 days compared to last year, which rose from 88% in FY21 to 96% in FY22.

For the remaining two targets which were not achieved, the contributing incidents were closely monitored by our Safety and Sustainability Council. After considering why the people addressing these incidents sought more time to investigate the events and close out actions, the Council determined it was appropriate to extend the deadlines based on the specific circumstances.

Lead performance indicators	FY22 target	FY22 actual
Safety Value Adds (SVA) identified	90%	96%
Hazard reports closed out within 60 days	90%	96%
High / Extreme events investigated within 30 days	100%	93%
Extreme risk: incident actions completed within 3 months	100%	100%
High risk: incident actions completed within 3 months	100%	80%
Medium risk: Incident actions completed within 9 months	90%	100%
Closed incident and hazard events	80%	96%

## Safety lag indicator performance

Lag indicators measure the occurrence of safety incidents and reflect how effectively our safety framework and controls operate.

We achieved our goal to keep our annual total recordable injury frequency rate (TRIFR<sup>5</sup>) at or below 5, with our FY22 rate of 2.78 staying well under this threshold. This reflected an increase compared to 2.10 last year. However, our lost time injury frequency rate (LTIFR<sup>6</sup>) decreased from 2.10 to 0.56, indicating there were fewer serious injuries. Only one of the five injuries during the year was a lost time injury, with the others involving medical treatment or restricted work.

<sup>5</sup> The total recordable injury frequency rate (TRIFR) is calculated as the number of recordable injuries relative to 1,000,000 hours worked. Recordable injuries include lost time injuries, restricted work injuries and medical treatment injuries. They do not include first aid injuries or injuries where no treatment is needed.

<sup>6</sup> The Lost Time Injury Frequency Rate (LTIFR) is calculated as the number of lost time injuries relative to 1,000,000 hours worked. Because it is a subset of TRIFR, it is not assigned a separate target.

We are pleased there continued to be zero Class 1<sup>7</sup> injuries during the year, consistent with our target and last year's results. As part of our commitment to a safe and healthy workplace, we are challenging ourselves to move closer to our safety vision of zero harm and have set a more challenging TRIFR goal of 3 or below for FY23.



In December 2021, Alinta Energy proudly announced the completion of the Chichester solar gas hybrid project, which included the solar farm and high voltage transmission lines. The project was delivered safely, with zero lost time injuries across 570,000 hours worked on site under tough conditions in the Pilbara, all during COVID-19.

### Performance against our safety targets

Safety targets	FY23 target	FY22 target	FY22 actual	FY21	FY20
Class 1 incidents	0	0	0	0	0
TRIFR <sup>b</sup>	3	5	2.78	2.10	7.10
LTIFR	N/A	N/A	0.56	2.10	4.05

Split by employees and non-employees	Employees	Contractors
Number of Class 1 injuries	0	0
Number of recordable injuries	4	1
Number of lost time injuries	1	0
Number of hours worked	1,642,172	155,553
Class 1 injury rate	0	0
TRIFR	2.44	6.43
LTIFR	0.61	0

FY22 data is at 30 June 2022 and is subject to change to reflect injuries that may be reported or reclassified in the future. From FY21 onwards, injury statistics include employees and major contractors where Alinta Energy exercises material influence and control. They do not include contractors where we have an influence and control assessment score of less than 25%, determined using Alinta Energy's Influence and Control Assessment Tool. All contractor injuries are reported to senior management and the Board, regardless of their influence and control status.

### Summary of recordable injuries

Date	Nature of event	Nature of injury	Classification	Worker type
30 Aug 2021	Ergonomic	Sprains and strains to back	Medical Treatment Injury	Employee
10 Feb 2022	Ergonomic	Sprains and strains to shoulder and arm	Medical Treatment Injury	Employee
22 Apr 2022	Line of fire	Fracture to hand	Restricted Work Injury	Contractor
29 Apr 2022	Trips and falls	Sprains and strains to neck	Lost Time Injury	Employee
25 May 2022	Manual handling	Sprains and strains to back	Medical Treatment Injury	Employee

<sup>7</sup> Class 1 injuries include fatalities, total permanent disability, partial permanent disability, or long-term temporary impairment lasting for more than 6 months.

# Safety culture and management

## Safety governance

Alinta Energy's safety culture is embedded at every level of our organisation.

It is monitored by the Board and the executive leadership team, promoted by managers and people leaders and reflected in our Health and Safety Policy. The Board and our Safety and Wellbeing Council receive regular reports on our ongoing safety performance.



## Our shared safety responsibility



**Alinta Energy Board**



**Executive leadership team**



**Wellbeing Committee**



**Safety and Wellbeing Council**



**Office safety committees**



**Managers and people leaders**

## Safety vision: Every one, every day, every job: Zero Harm

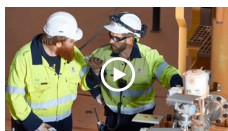
### All Alinta Energy employees and contractors

Refer to pages 20-21 for more information on the above groups and committees.

#### AlintaSafe strategic model

The AlintaSafe model illustrates our safety expectations and reinforces our safety vision of everyone, every day, every job: zero harm with specific guidance and practical action that:

- Incorporates the safety principles and pillars that support how we work
- Lifts the profile of our safety value and embeds it in our culture and day-to-day practices
- Encourages people to eliminate hazards, reduce risks and improve safety systems.



What do our people say about what the AlintaSafe program means to them? – [www.youtube.com/watch?v=UsuJJ\\_FDkP8](https://www.youtube.com/watch?v=UsuJJ_FDkP8)

#### Safety management system

Our safety management system is consistent with the requirements of ISO 45001<sup>8</sup> and applies to everybody on our sites and workplaces. This includes directors, employees, contractors, visitors, volunteers and others who could be affected by our operations. Managers must ensure site-specific work health and safety procedures comply with the safety management system.

<sup>8</sup> ISO 45001:2018 specifies the requirements for facility management systems.

## Major hazard standards

Our major hazard standards outline the process to identify, assess and control the risks that are commonly associated with serious injuries in our industry and more widely. Our current major hazard standards cover:

- Confined spaces
- Electrical
- Fire and explosion
- Hazardous substances and dangerous goods
- Lifting operations and equipment
- Mobile plant and traffic management
- Working at heights and falling objects.

This year we reviewed our major hazard standards documentation in line with our commitment to continuous improvement with input from an independent specialist safety consultant. The identified improvements have been incorporated into these critical safety documents.

We conduct regular hazard identification activities through site walks and audits. All identified risks are entered into our incident reporting system and must be investigated, rectified and closed out within 60 days. During the year, 96% of identified hazards were closed out within this timeframe, above our target of 90%.

The controls put in place to manage the risks identified in our major hazard standards prevented related high-consequence injuries from occurring during the year.

## Safety assurance audits

We carry out independent safety assurance audits and implement major hazard standards controls at our power stations during maintenance shutdowns. This focuses on the periods when safety risks are at their highest.

All audit findings and recommendations for improvements were recorded in our event management system and all improvement actions under our control were tracked to completion. At year end, two matters for improvement remained open for monitoring to ensure successful close out.

### Safety assurance audits conducted in FY22

Facility	Date
Wagerup power station – WA	31 Aug to 2 Sep 2021
Port Hedland power station – WA	4 to 6 Oct 2021
Newman power station – WA	30 Mar to 1 Apr 2022
Braemar power station – Qld	18 to 20 Apr 2022
Glenbrook power station – New Zealand	1 May 2022

## Contractor safety

We engage a wide variety of contractors, from experts who perform highly specialised activities through to labour hire for straightforward work. All contractors and subcontractors undergo site-specific health and safety induction.

Our contractor management framework uses an influence and control assessment to determine the extent to which Alinta Energy should give operational direction to our contractors versus the contractors being better placed to identify and control safety risks.

We plan to engage an external specialist to review our contractor management procedure during the next year to identify potential further improvements.

## Disaster and emergency response planning

Emergency preparedness and response are a critical part of our health and safety management and environmental systems. Our plans adopt a risk-based approach to help people manage emergencies effectively.

Each of our facilities has a site-specific emergency response plan, including details such as contact numbers, raising the alarm, notifying authorities, initial response procedures, roles and responsibilities, emergency equipment, communication protocols, drills and training and post incident recovery. We also have a corporate crisis management plan for emergencies.



## Managing the impact of COVID-19

### Keeping the lights on

We are pleased to report that the safety measures at our power stations prevented the spread of COVID-19 and maintained reliable energy supply to our customers throughout the year.

### Remote working arrangements

Our people remained adept at responding quickly to snap lockdowns in various locations.

Once government restrictions were lifted, people returned to work based on our flexible work approach (refer to page 66). Where specific health-related concerns were identified, including for family or household members, individual safe working arrangements were implemented.

### Vaccination and exposure

Once vaccines were readily available to all our Australian and New Zealand workers, we introduced a temporary policy requiring everyone at an Alinta Energy workplace to have received at least two doses of an approved COVID-19 vaccine. This policy remained in place as of 30 June 2022 to protect against the winter COVID-19 outbreak occurring at that time. Our COVID-19 safety response plan encourages people to maintain current vaccinations based on advice from public health experts.

We implemented a notification process to manage and track where people believed they could have been in the workplace while infectious. This allowed us to advise all potentially exposed employees to follow government directions relating to isolation and monitoring for symptoms.

### Reducing the risk

To minimise the spread of COVID-19 and other communicable diseases, we emphasise that people should not come to work if they are ill and must observe mandatory quarantine requirements if they test positive.

Our pandemic leave policy gives employees 15 days of paid leave for quarantine or caring responsibilities due to COVID-19 if they have used up their personal leave.

These measures enabled our people to make safe choices, minimised disruption and maintained productivity at exceptional levels throughout the year.

## Programs and initiatives

### Safety Value Add (SVA) program

The SVA program engages our employees, creates ownership of safety outcomes and increases awareness. Its inclusive approach encourages everyone to think about how they could make work safer.

#### Performance against our SVA targets

Safety Targets	FY23 Target	FY22 Target	FY22 Actual	FY21	FY20
% of employees with verified SVAs	90%	90%	96%	95%	95%
% of employees with closed SVAs	90%	N/A	88%	93%	87%

All SVAs were verified by a member of the safety team. This year, 96% of our employees identified and committed to implementing at least one SVA and 88% of our employees completed and closed their SVAs. This resulted in a total of 1,396 SVAs being implemented across Alinta Energy during the year. Our FY23 target is for 90% of people to implement a verified SVA.

**Looking ahead**

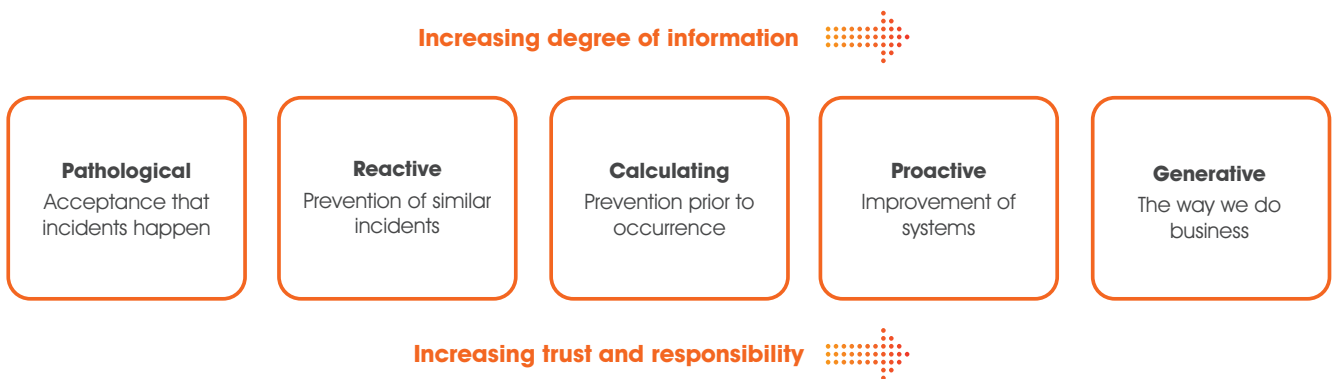
As part of the FY23 SVA program, we have introduced a collaborative, team-based SVA option along with more coaching. It aims to elevate safety knowledge across the group through structured workflows incorporating our safety principles, as shown:



**Safety culture climate survey**

We will conduct a safety culture climate survey across the workforce in FY23. The results from this survey will set a baseline for our safety culture using the Hudson Safety Cultural Maturity Model. This will be followed by workshops with employee groups for ideas to further improve our safety culture.

**The Hudson Safety Cultural Maturity Model**



The outcomes will inform the development of our safety culture improvement action plan and roadmap.



**Pictured** – Employees in our Sydney office attending a mental health training session.

**Mental health at work training**

Alinta Energy rolled out a number of initiatives including participating in the NSW Government and Black Dog Institute mental health at work training program.

This was hosted in our Sydney office and explored implementing habits that help shape and support healthy people and healthy workplaces. We will continue to explore further opportunities to strengthen understanding good mental health.



**Headspace**

Alinta Energy partners with Headspace to offer all employees a free subscription to its award-winning health and happiness mobile app. It includes hundreds of guided meditations on topics from managing stress to mindfulness and better sleep to help our people and their families have healthy, balanced lives.

## Learning Teams workshops

As part of our continued commitment to improving safety, we introduced the Learning Teams methodology. This strengthens our ability to investigate and identify additional controls to prevent future safety incidents.

It explores everyday work activities in a facilitated workshop format to understand how work is actually done and the types of problems that must be overcome in practice. This raises awareness about what could go wrong, even if it hasn't happened before. The workshops are attended primarily by the people who do the work, so they can share their insights, experiences and stories in a non-judgemental environment.

Our Safety and Sustainability Council was briefed on Learning Teams and Human Organisation Performance (HOP). We trialled a Learning Team at our Braemar power station to explore its benefits and provide recommendations to improve the planning and execution of outages.

The Braemar power station has incorporated the recommendations into their planning process for future outages and participants shared positive feedback on the exercise.

## Safety awareness videos

This year, we developed a series of 10 short, animated videos to focus on safety and wellbeing at the beginning of team meetings. Each video provides high-level information about a big idea in safety or wellbeing as a starting point for group discussion.

The videos explore:



**Pictured** – Philosopher Tim Dean presenting to our General Manager group on safety.

## Why care about safety session

During the year, we invited philosopher and writer Tim Dean to present to Alinta Energy's general managers about why we should care about safety. Tim guided the group through activities to help explore the foundational health values at the heart of why workplace safety matters. A recording of the presentation was shared across the entire business so all our people could benefit from this timely reminder that health and safety are of paramount importance.

## International travel

With international travel returning, we brought back our external support program which is available for all employees while travelling for work. International SOS provides our travellers with:





- Information such as security briefing and risk alerts; and
- 24/7 assistance in emergency situations, such as evacuation services, access to English speaking doctors, nurses, security and logistics experts.

Our people have access to the International SOS Assistance app to access information on the go.

# Our environment

Alinta Energy is proud to take a leading role in Australia's transition to a low carbon economy. We continue to invest in renewable energy generation and storage capacity, which reduces the emissions intensity of our power generation portfolio.

The actions and initiatives described in this section of the report align with the United Nations' Sustainable Development Goals (SDGs) shown below. For a summary of our contribution to each of these goals, refer to the SDG Actions and Initiatives section on page 110.

<b>7</b> AFFORDABLE AND CLEAN ENERGY 	<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 	<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES 
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	<b>13</b> CLIMATE ACTION 	



# Our climate action



**“Our long-term climate target is to achieve net zero greenhouse gas emissions by 2050. This will be achieved by delivering the clean energy strategies outlined in our Pathway to Net Zero.”**

– Jeff Dimery, CEO and MD

We are proud to be more than halfway to our FY25 renewable generation and/or storage capacity target and continue to progress key renewable and storage projects including the Oven Mountain pumped hydro energy storage project and Spinifex offshore wind farm.

While our installed capacity remained consistent with FY21, our Scope 1 emissions intensity decreased from 0.484 to 0.444 tCO<sub>2-e</sub> driven largely by increased generation from the Yandin Wind Farm (a RATCH/Alinta Energy investment managed by Alinta Energy) and other lower intensity facilities such as our Newman power station which includes the Chichester solar farm within its boundary as part of the solar gas hybrid project.

This marks a 9% reduction in Scope 1 intensity since FY21 and a 30% reduction since FY20. We have also offset 25% of our Scope 2 emissions as we progress towards our net zero target.

## Our climate targets

The climate targets discussed throughout this report are summarised below.

Target <sup>a</sup>	Timing	
	By FY25	By FY50
<b>Renewable generation and/or storage capacity<sup>b</sup></b>	1,500MW	No target set
<b>Net Scope 1 emissions<sup>c</sup></b>	40% reduction <sup>d</sup> in emission intensity to 0.400 tCO <sub>2-e</sub> /MWh of total generation	Net zero Scope 1 and Scope 2 emissions <sup>c</sup>
<b>Net Scope 2 emissions<sup>c</sup></b>	Net zero	

a. Refer to pages 106-109 for definitions relevant to our climate targets.

b. This includes Australian owned, operated and/or contracted projects.

c. This includes Australian facilities over which Alinta Energy has operational control.

d. Compared to our FY18 baseline year which had an emission intensity of 0.667 tCO<sub>2-e</sub>/MWh.

## Pathway to Net Zero

Our approach to achieve net zero by FY50 involves:



### Steps<sup>a</sup>

Reduce our Scope 1 and 2 greenhouse gas emissions as close to zero as practicable.

Offset any residual emissions using credible carbon offsets and/or renewable energy certificates.



### Strategies

Commit to no new coal assets

Establish interim emission reduction targets

Invest in clean energy technologies

Help customers meet their climate ambitions

a. Refer to pages 106-109 for definitions relevant to our climate targets.

### Commit to no new coal assets

We will not invest in, support, or underwrite any new coal-fired power generation assets.

While coal-fired generation is critical to Australia's electricity grid stability right now, Australia's transition to a low carbon future is well underway.

### Indirect exposure to coal generation

Alinta Energy is owned by Chow Tai Fook Enterprises, which also owns the brown coal-fired Loy Yang B power station in regional Victoria. We have a capacity agreement with Loy Yang B to purchase a significant portion of its output, meaning its emissions are classified as a Scope 3 emission for Alinta Energy. Loy Yang B is managed and operated separately from Alinta Energy, as outlined on page 15.

Loy Yang B is developing a decarbonisation roadmap which sets out a range of scenarios to reach zero greenhouse gas emissions over its remaining life. This identifies several technical pathways towards stepped emissions reductions, as discussed in Loy Yang B's sustainability report<sup>9</sup>.

### Establish interim emissions reduction targets

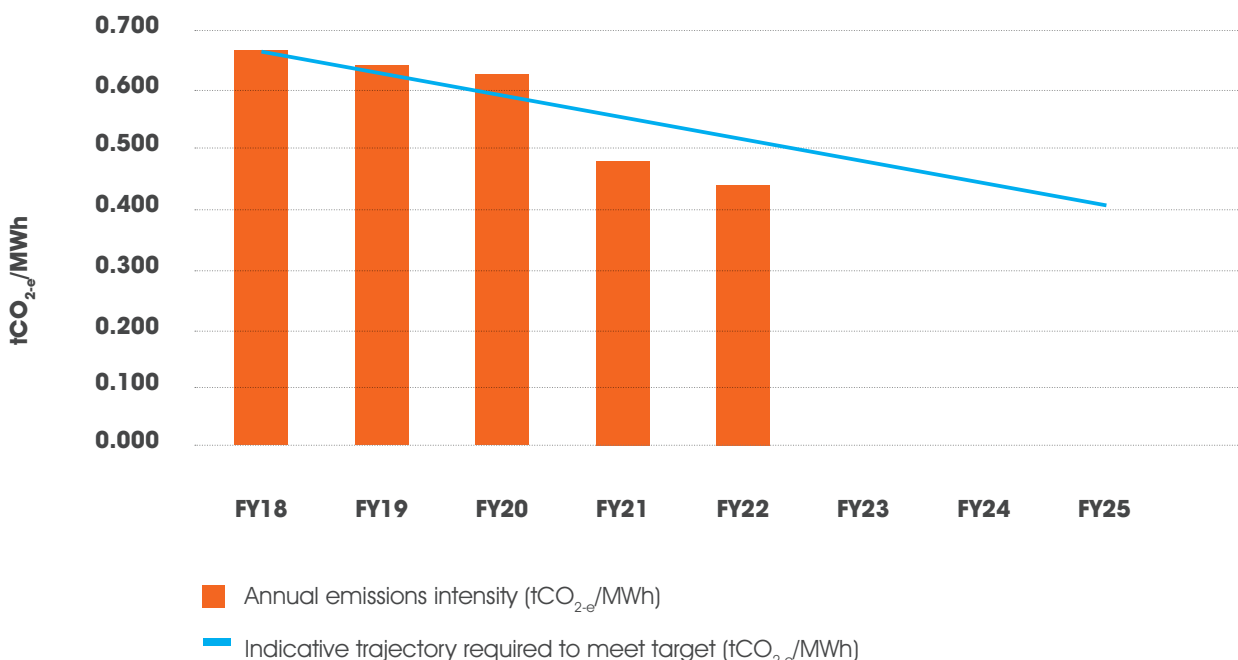
We will contribute to the ongoing decarbonisation of Australia's electricity grid by meeting our Scope 1 and Scope 2 reduction targets<sup>10</sup>. Before December 2024, we will set our next interim emissions targets, for the period from FY26 to FY30. These will be published in our future sustainability reporting.

### Scope 1 target

Our target was to reduce our Scope 1 emissions intensity by 40% from 0.667 tCO<sub>2-e</sub>/MWh in the FY18 base year, to 0.400 tCO<sub>2-e</sub>/MWh by FY25.

We remain on track and continue to progress against our Scope 1 emissions intensity target, having reduced our actual Scope 1 emissions intensity for the year to 0.444 tCO<sub>2-e</sub>/MWh (FY21: 0.484 tCO<sub>2-e</sub>/MWh). This represents a cumulative reduction of 34% since the FY18 base year. The year on year improvement has largely been driven by the Chichester solar gas hybrid project and the increased generation by the Yandin Wind Farm.

### Progress towards achieving net Scope 1 emissions intensity target



<sup>9</sup> <https://www.loyyangb.com.au/environment-and-sustainability/>

<sup>10</sup> For a detailed definition of how progress against this target is calculated, refer to pages 106-109.

## Scope 2 target

Our target is to offset 100% of our Scope 2 emissions by voluntarily surrendering credible carbon offsets and/or renewable energy certificates by FY25.

In FY22, we offset 25% of our Scope 2 emissions using ACCUs generated from the Saltwater Creek Landfill project, which generates electricity from the capture and combustion of landfill gas. This reduced our Scope 2 emissions from 8,857 to 6,643 tCO<sub>2-e</sub>.

## Invest in clean energy technologies

Our target is to support the development of 1,500MW of renewable generation and energy storage capacity by FY25. Our cumulative progress towards this target is 860MW.

The Pathway to Net Zero incorporates our existing renewable and energy storage target, plus further commitments. Refer to pages 47-48 for further information on our progress towards this target.

## Power generation

Our investment in clean energy technology is well advanced, with the Yandin Wind Farm and Chichester solar farm now completed and operational. With the commissioning of the Chichester solar farm, all of our in-progress renewable energy construction projects have been finalised and we are now increasing the focus on progressing new opportunities in our pipeline. This includes wind and solar facilities in the Pilbara region of Western Australia, as well as the 1,000MW Spinifex offshore wind farm which is discussed further on page 53.

## Ancillary services

Australia's clean energy transition requires more than new renewable generation. A reliable, stable power grid also depends on ancillary services such as inertia, frequency control and dispatchability. Existing ancillary services are largely provided by fossil-fuel fired generators and must be gradually replaced with technology supported by clean alternatives such as energy storage and grid forming inverters.

The 35MW battery at our Newman power station in the Pilbara is the largest battery in Western Australia developed for a specific industrial application. Combined with solar gas hybrid generation, our Newman facility supplies energy to customers more sustainably, efficiently and reliably. Installing further large-scale batteries is part of our renewable energy strategy for the wider Pilbara region.

On a much larger scale, the up to 900MW Oven Mountain pumped hydro energy storage facility in New South Wales is currently in the planning stage, as discussed on pages 50-51.

## Help customers meet their climate ambitions

We offer customers renewable energy products and are exploring new solutions to meet their own climate ambitions. For example:

- **Options for renewable energy supply** – Our business customers can source renewable energy from a combination of GreenPower products, renewable energy supply agreements and corporate power purchase agreements. Our capacity to supply renewable energy is supported by our contracted renewable generation portfolio.
- **Carbon neutral energy** – For our large commercial and industrial customers in Western Australia, we are shaping a carbon neutral electricity and gas product certified under the Australian Government's Climate Active program as a means by which they could offset their energy-related carbon emissions. Over the coming year we will explore expanding this offering, including a product for our mass market customers.



# Renewable energy projects

As part of Alinta Energy's commitment to support the energy transition, we are always looking for new opportunities to:

- Invest in large-scale clean energy generation projects
- Acquire existing renewable generation assets
- Invest in storage technologies for increased penetration of renewables
- Assess emerging energy technologies that may form part of the climate solution
- Accelerate the transition from coal to renewables
- Enter new long-term offtake agreements with renewable energy projects
- Engage in climate policy development
- Make our existing generation assets and operations more energy efficient.

## Renewable energy and storage target

As part of our strategy to reach net zero by FY50, our target is to support the development of 1,500MW of renewable generation and storage capacity by FY25.

Since setting this target in FY19, we have made total progress of 860MW.

Capacity (MW)	FY25 target	FY22 actual	FY21	FY20
Renewable energy generation and/or storage capacity	1,500	860	860	860

Our conservative approach to when we recognise projects against our target means the figures above only reflect the projects that have been given final investment approval. This only occurs after significant preliminary investigations and other work has been conducted. Projects such as the Oven Mountain pumped hydro energy storage and Spinifex offshore wind farm are in their early stages and have not yet reached final investment approval, meaning they aren't reflected in our progress towards our renewables target. Once projects do reach this level, they will represent a significant step change in our progress to achieving our ambitious targets.

Over the last three years, we have completed several renewable projects and we are now focusing on progressing new projects through our pipeline. While we have a large pipeline, we recognise many of the projects currently being explored will require significant time and funding to progress to the construction phase. While not all projects in the pipeline are expected to progress beyond the final investment approval, we expect that those which do, will represent a significant step change in our progress to achieving our targets.

Our capital investment decisions are based on a long-term perspective and consider a range of likely future scenarios. We regularly review our project pipeline for ongoing relevance and to help us make investment decisions that are responsible not only for our owners, but also to our employees, customers, communities and the market as whole.

## Our project pipeline

<b>FY25 target</b>	1,500MW renewable energy generation and/or storage capacity		
<b>At 30 June 2022</b>	<b>Operational<sup>a</sup></b> Capital assets: 309MW Contracted PPAs: 551MW	<b>Future start date<sup>b</sup></b> All projects previously in this phase are now operational	<b>Pipeline<sup>c</sup></b> Development: 2,515MW
<b>At 30 June 2021</b>	<b>Operational<sup>a</sup></b> Capital assets: 249MW Contracted PPAs: 551MW	<b>Future start date<sup>b</sup></b> Capital projects: 60MW	<b>Pipeline<sup>c</sup></b> Development: 1,070MW Contracting: 100MW
<b>At 30 June 2020</b>	<b>Operational<sup>a</sup></b> Capital assets: 35MW Contracted PPAs: 501MW	<b>Future start date<sup>b</sup></b> Capital projects: 274MW Contracted PPAs: 50MW	<b>Pipeline<sup>c</sup></b> Development: 1,050MW Contracting: 775MW

a. Operational facilities have had commissioning completed, with a full handover to a registered market operator. Associated capacities are counted against our target.

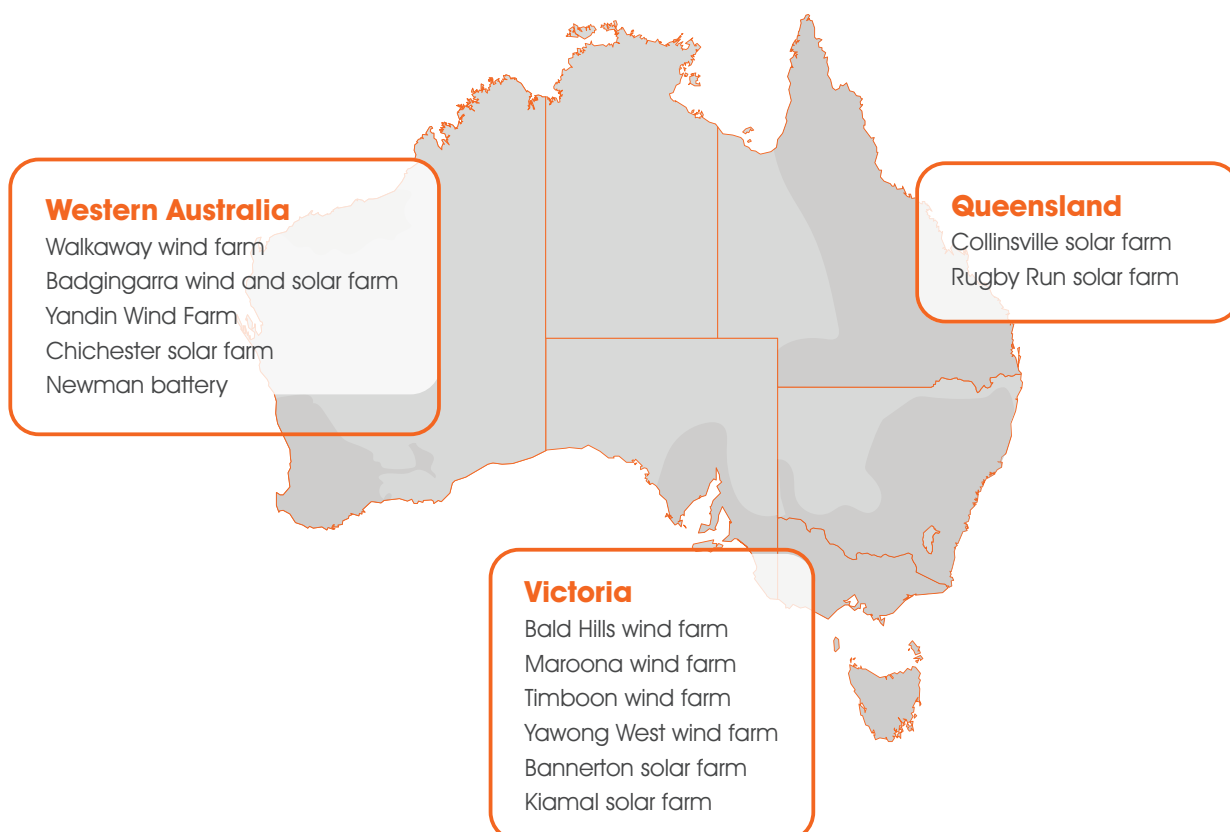
b. Projects with a future start date are not yet operational but have obtained final investment approval, have EPC contracts and offtake agreements in place. Contracts may include conditions precedent that have not been satisfied. Associated capacities are counted against our target.

c. Pipeline projects are in the development or negotiation stage. Associated capacities are not counted against our target.

From one year to the next, projects may move from the pipeline phase into the future start date phase and eventually the operational phase. Please refer to page 108 for detailed definitions of the above categories.

## Large-scale renewable and energy storage projects

The following projects have contributed towards our progress of 860MW of renewable generation and storage capacity. All of these projects were operational at 30 June 2022.



# Getting to know

## Dianne Nicotra

### Power Development Project Manager Asset Strategy

Dianne joined Alinta Energy in 2011 as an energy spot trader in the wholesale trading team. In 2015, she moved to the asset strategy team which identifies, optimises and develops strategic projects to deliver our long-term growth aspirations. Her current role as Power Development Project Manager sees her managing a variety of workstreams in developing new power generation projects. They include technical feasibility assessments, securing network connections and procurement activities. Dianne has contributed to key projects including Yandin Wind Farm, Bald Hills wind farm, Newman battery energy storage system and Port Hedland's repower project.

Dianne has a Bachelor of Engineering (Electrical), a Master of Engineering Science (Energy Systems) and is a member of the Institute of Engineers Australia.

With an impressive career like this, read on to find out a bit more about Dianne.

#### **What is the best part of your role?**

Working on innovative power generation opportunities which are at the forefront of technology.

Getting to work with many talented people across the energy industry to deliver commercially and technically optimal development projects.

#### **What is the best thing about working for Alinta Energy?**

Working with an enthusiastic, committed and talented team to identify, develop and improve state-of-the-art power generation assets.

#### **What changes are you seeing in the energy industry that excite you the most?**

The transition to renewable and efficient power generation and the development of clever solutions to optimise the implementation of alternative energy resources.

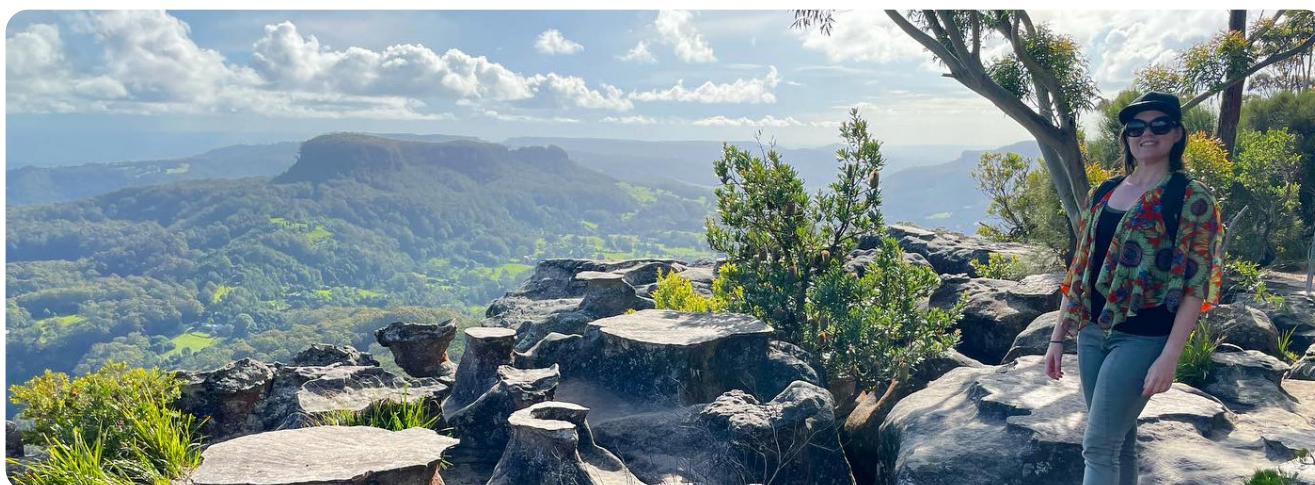
#### **Who inspires you in your personal and professional life?**

My engineer friends who are passionately committed to bettering our lives and our environment.

#### **Outside the office, what do you like to do for fun?**

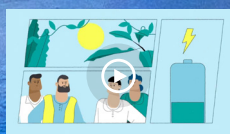
Being outdoors in nature and exploring the world around us – whether it be camping, cycling, bushwalking or any other active outdoor activity.

I also enjoy doing anything music related whether it be playing the piano, watching live music or even practising DJing – one of my newfound COVID-lockdown hobbies.



# Oven Mountain pumped hydro energy storage, New South Wales

Alinta Energy and OMPS Pty Ltd are co-developing the Oven Mountain pumped hydro energy storage project, with up to 900MW of dispatchable capacity over an 8-to-12-hour period.



See more on the benefit of the project here –  
[www.linkedin.com/posts/omps-hydro\\_the-oven-mountain-project-activity-6940494028459118592-R6q8/](https://www.linkedin.com/posts/omps-hydro_the-oven-mountain-project-activity-6940494028459118592-R6q8/)

### How it works

Pumped hydro energy storage can be thought of as a giant battery, with two water reservoirs – one above the other. The Oven Mountain project will connect these reservoirs via an underground tunnel through which water will run up and down through reversible hydroelectric turbines. When electricity prices are high, water is released downhill to the lower reservoir, and the turbines will generate electricity which is fed into the grid to help lower prices, maintain reliability and help balance out price increases from the energy transition. When electricity prices are low, water is pumped uphill and stored in the upper reservoir until it is needed. There is also the option for the turbine to rotate freely without generating electricity, to improve grid stability.

### Current focus

During the current planning phase, the Oven Mountain project team is completing site and field investigations, design work and community consultation. This will be incorporated in the Environmental Impact Statement (EIS), which is an important part of the NSW Government’s environmental and planning approval process. This will ensure the project delivers the best outcome for the community and region.

We anticipate submission of the EIS by the end of 2022 / early 2023, with construction commencing in 2024 once formal planning approval has been received. Construction is expected to take four years, and it is anticipated that the project will begin operating in 2028/29.

### Benefits

The project supports the integration of other renewable energy sources, and stabilising the grid by making it more resilient to disturbances.

It will create more than 600 direct jobs during the construction period, and a further 30-50 ongoing operational jobs.

### Consultation

As part of the EIS process, the Oven Mountain project team has been working with the Thunggutti Traditional Owners and other First Nations stakeholders to inform the cultural heritage assessment of the site.

As well as consulting directly with a range of other stakeholders, including nearby communities, there is a staffed project information hub on Clyde Street in Kempsey where members of the public can find out more about the project.

### Environment

The Oven Mountain pumped hydro energy storage project is ‘off-river’, which means it will not disrupt the flow of the Macleay River. The initial fill of the reservoir is expected to take 6-9 months and will only occur when the river is high. This is a one-off event that uses less than 1% of the average annual streamflow at the project location, with additional measures to minimise the impact on aquatic fauna. The reservoirs will also be designed to reduce top-up water requirements and evaporation.

### Energy system

The NSW Government formally declared the New England Renewable Energy Zone (REZ) in December 2021. A REZ can combine renewable energy generation, storage and transmission infrastructure to deliver energy to users that need it. The Oven Mountain pumped hydro energy storage project is designated Critical State Significant Infrastructure in the New England REZ, providing up to 900MW of dispatchable energy over an 8-to-12-hour period.

### Funding

In September 2022, the NSW Government announced the Oven Mountain pumped hydro energy storage project was one of just five projects to be awarded funding under the state’s \$50M Pumped Hydro Recoverable Grants Program. This is in addition to existing funding awarded under the NSW Emerging Energy Program.

The project has also received funding from the Australian Renewable Energy Agency (ARENA) as part of its Advancing Renewables Program. This supports investigating the behaviour of the project and the benefits it can bring to the New England REZ.

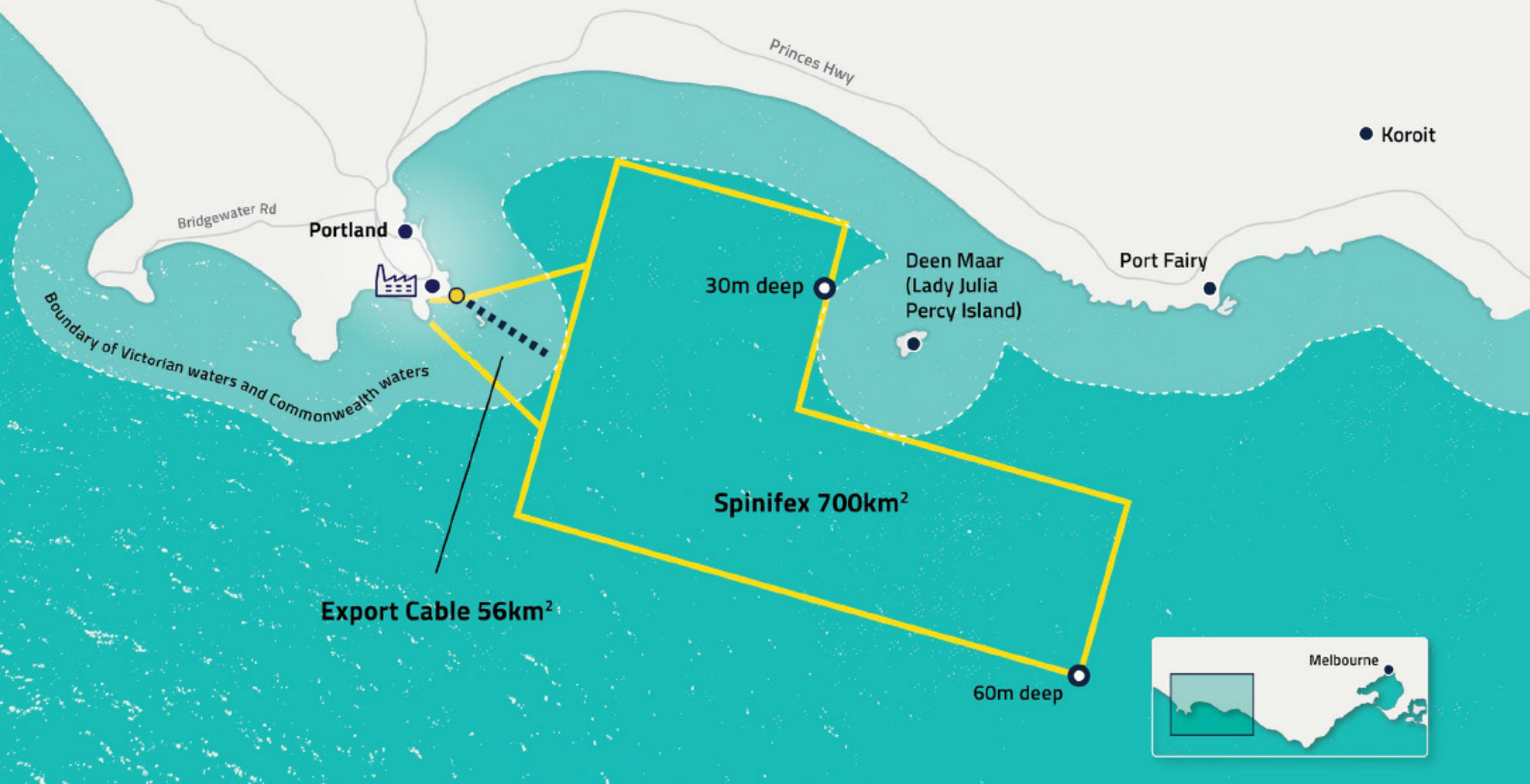


**Pictured** – Natalie Barris (Senior Legal Manager), Philip Hollinshead (Project Development Manager), Anthony Melov (OMPS Director), Ken Woolley (Executive Director, Merchant Energy) and Gary Bryant (General Manager Asset Strategy) Merchant Energy.

# Spinifex offshore wind farm, Victoria

## Legend

- Investigation area
- Proposed subsea cable
- Victorian waters
- Commonwealth waters
- Portland Aluminium Smelter and existing substation
- Grid connection point
- Commonwealth waters



# Chichester solar farm, Western Australia



## Alinta Energy is investigating developing an up to \$4 billion, 1,000MW offshore wind farm near Portland in Victoria.

Offshore wind farms are located in the open ocean just off the coast of Australia and generate energy that feeds into an Australian energy grid.

### Project status

The project is currently in the pre-planning phase. This involves investigating the wind resource, ocean conditions and environmental and social constraints.

Our understanding of the potential environmental and social issues are informed through engagement and conversations with key stakeholders and rights holders, including Traditional Custodians. Our approach to engaging with the Gunditjmarra People and the Eastern Maar who are the Traditional Custodians is discussed on pages 88-89.

Environmental and social investigations and approvals are expected to continue until 2025, followed by a two-year construction and commissioning period. Operations are currently planned to commence in 2027.

### Benefits

The wind farm's potential benefits include:

- Helping to decarbonise Victoria's electricity grid, producing around 10% of the state's electricity needs.
- Supplying the nearby Portland aluminium smelter with up to 100% renewable energy and improving its long-term viability.
- Creating more than 1,000 jobs during construction and 100 more in ongoing operations.

### Location

Portland was by far the most attractive site out of a range of alternatives around Australia because:

- It's very windy, which is perfect for converting wind energy to electricity. A wind farm could run at maximum power about 55% of the time in this location.
- The Portland aluminium smelter is a potential customer for the electricity produced by the project. It is the largest employer in the region with about 470 direct employees and 160 contractors.
- The smelter has an existing high voltage substation, which avoids building long transmission lines to access the electricity grid.
- The ocean remains shallow far away from the coastline, making construction easier.
- There is an existing all-weather deep-water port that could support development, construction and operational activities.

The current project area being investigated is approximately 700km<sup>2</sup> and about 10-30km from the shoreline. The final area will be confirmed after further work is undertaken to determine the proposed layout.

## The Chichester solar farm in the Pilbara region of Western Australia reached practical completion in November 2021. It now provides solar power to the Cloudbreak and Christmas Creek iron ore mines owned by Fortescue Metals Group.

The 60MW solar farm supports up to 100% of the mines' daytime operations, backed up by battery storage and our Newman power station. It has displaced approximately 100 million litres of diesel generation annually from Fortescue's operations delivering a cleaner, more affordable and more connected energy supply.

The project was a joint effort between Fortescue, Alinta Energy and Downer, with financing contributions from the Northern Australia Infrastructure Facility (NAIF), Australian Renewable Energy Agency (ARENA), and state and federal governments.



Check out the completed Chichester solar farm here –  
<https://youtu.be/iAt4Z-il1H4>

# Climate change

Climate change is becoming an increasingly significant issue in Australia and around the world as evidence continues to mount for its growing severity, and the pressure to take timely action increases. The community expects government and the energy industry to reduce the impact of climate change, while also keeping energy affordable and reliable. This presents a 'trilemma' for the energy industry to meet expectations across sustainability, affordability and reliability.

While power generation contributes significantly to Australia's greenhouse gas emissions, we are part of an industry that is rapidly decarbonising and is likely to decarbonise faster than other industries like transport, aviation, and agriculture.

Understanding how businesses are responding to the risks and opportunities that come with climate change is especially important to the financial markets, including shareholders, lenders and insurers. The Taskforce on Climate-related Financial Disclosures (TCFD) recommendations provide a framework for businesses to report on their governance, strategy, risk management, and metrics and targets as they relate to climate change. Alinta Energy plans to publish our first TCFD report for FY23.

## The pace of change

The scientific evidence is clear that Australia, and indeed the world, needs to speed up the pace of decarbonisation to avoid catastrophic climate change.

Australia's transition to a clean energy future is entering a critical phase. The Australian Energy Market Operator (AEMO) predicts that renewable supply will increase threefold by 2035. This represents 10 times the historical build rates. Although the transition will face unprecedented technical challenges over the next decade, recent advances in existing technology give us confidence that the commercial scale solutions will be available.

## Grid stability

The Australian Energy Regulator's 2021 State of the Energy Market report<sup>11</sup> states that "Coal and gas powered generators also provide the market with inertia and system strength which help stabilise the grid. The reduction in output from these plants as renewables expand has meant the transmission network is more susceptible to erratic frequency shifts and voltage instability."

People across the industry are working hard to solve these issues, and recent progress with technologies such as grid forming inverters and repurposing existing baseload generators to run on renewable fuel sources are showing a lot of promise.

## Orderly exit of coal

We need to coordinate an orderly exit of coal from the energy market. It's critical to build the new generation, storage and interconnectivity assets into the grid before closing down fossil fuel generators.

Australia's coal-fired power stations are all quite large, so closing these facilities before like-for-like replacements are ready could cause major energy supply disruptions and price shocks. However, burning coal for longer than is necessary has an unacceptable impact on the global climate. This means the challenge is to get the timing right.

## Energy market solutions

We believe harnessing the power of the markets is the best approach to successfully implementing the next phase of the energy transition. Incentivising industry solutions usually results in better and more efficient outcomes than centralised decision making and investment. The government has an essential role to establish an energy market structure that values the services that are needed to decarbonise the energy grid.

The 'energy-only' structure of the National Electricity Market that has served very well since privatisation in the late 1990s is no longer fit for purpose. It is critical that the market develops new mechanisms to support security of supply when the system is under stress. If investors have the certainty they need and receive clear price signals, the markets will respond without the need for major government intervention.

<sup>11</sup> <https://www.aer.gov.au/publications/state-of-the-energy-market-reports/state-of-the-energy-market-2021>



We support the position in the Australia Energy Security Board’s consultation paper<sup>12</sup> on the high-level design of an Australia capacity mechanism that “a capacity mechanism, in which providers of capacity are paid to have their capacity available during certain periods, will help reduce the risk of a disorderly transition ... In arriving at this conclusion, the Energy Security Board (ESB) notes that the vast majority of electricity markets around the world already explicitly value capacity and pay for it directly. Australia is one of very few ‘energy only’ markets remaining.”

Introducing a capacity mechanism in Australia has its critics, particularly around potentially including fossil fuel generation assets. We believe it is possible for a capacity mechanism to encourage investment in new clean technologies, while also ensuring fossil fuel generation assets do not stay open for a minute longer than needed to keep the lights on. For example, it could preferentially contract with clean technologies over fossil fuel technologies by rewarding them with longer term contracts. Once the new infrastructure has been built, short-term capacity support for fossil fuel generators can cease. There are a variety of options for a regulatory regime to support a smooth transition to renewable energy. We will continue to work with stakeholders to identify and implement practical and effective solutions.

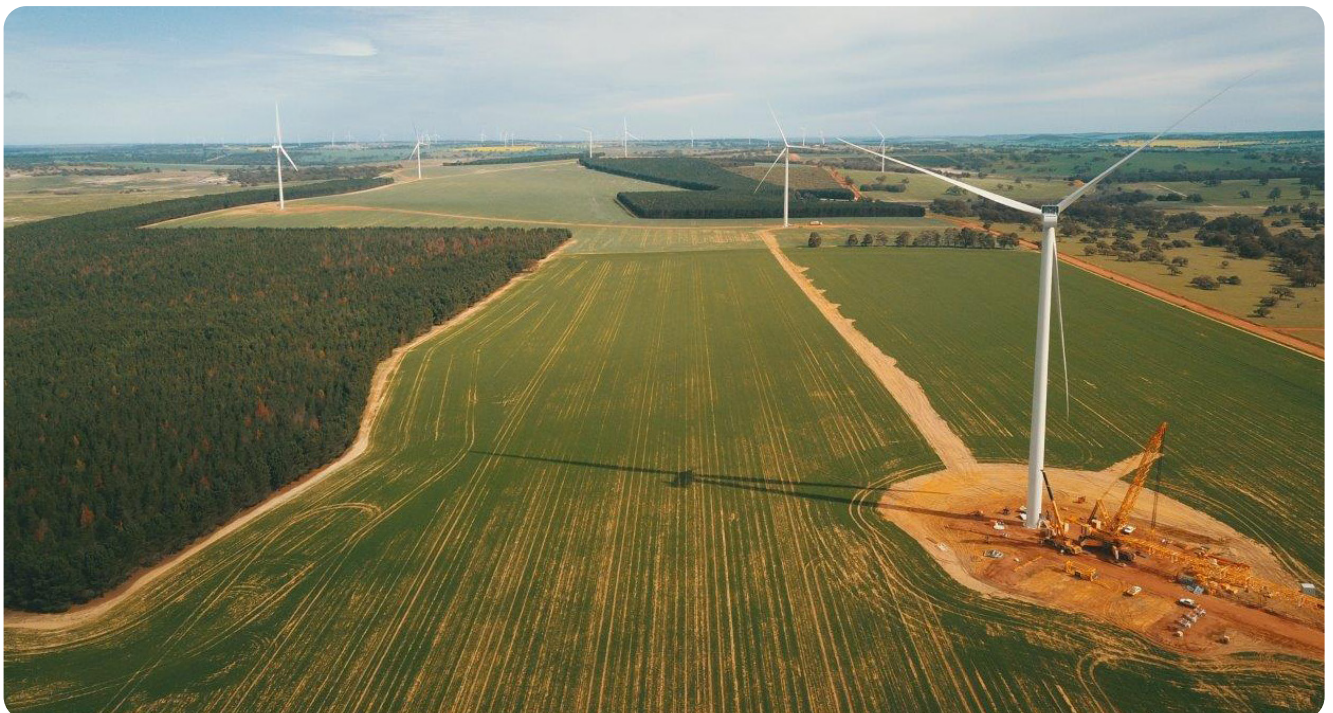
### Climate change reporting and programs

There are currently numerous programs, policies and targets at state and national level which aim to reduce emissions, promote renewable energy, improve energy efficiency and support grid stability including:

- National Greenhouse and Energy Reporting
- Emissions Reduction Fund
- Safeguard mechanism
- Renewable Energy Target
- Corporate Emissions Reduction Transparency (CERT).

During FY22:

- We continued to make good on 2018 and 2019 large-scale generation certificate (LGC) shortfalls under the Renewable Energy Target. We plan to make good on the final balance in the second half of FY23, within the allowable refund period.
- We opted into the Clean Energy Regulator’s CERT report for FY23, its first year after an initial pilot. This is a voluntary initiative for eligible companies to show their climate-related commitments, progress and net emissions position using a standardised framework.
- We continued to comply with all applicable programs during the year.



<sup>12</sup> <https://www.energy.gov.au/government-priorities/energy-ministers/priorities/national-electricity-market-reforms/post-2025-market-design/capacity-mechanism/post-2025-market-design-capacity-mechanism-high-level-design-consultation-paper-june-2022>

# Energy consumption, generation and emissions

## Fossil fuel consumption

The most significant materials we consume are the fuels our facilities use to generate electricity. At our owned, operated and contracted facilities, the main fossil fuels are brown coal, natural gas and coal seam methane sourced from third-party suppliers for use in our gas turbine generation facilities across Australia.

Due to increased renewable generation in the South West Interconnected System in Western Australia, our Wagerup power station reduced its electricity generation in FY22, while higher electricity prices in Queensland incentivised increased generation from our Braemar gas-fired power station. At the Newman power station and Chichester solar farm, growing customer demand together with a new customer resulted in increased generation at the site in FY22. After major upgrades to the contracted Loy Yang B power station in FY21, the facility returned to full availability in FY22 resulting in higher generation and fossil fuel consumption.

### Fossil fuel consumption for operated or contacted electricity generation assets in Australia (GJ)

	FY22	FY21	FY20
Operated	22,705,834	20,451,275	24,920,232
Contracted	80,685,420	78,179,937	83,948,637
<b>Total</b>	<b>103,391,254</b>	<b>98,631,212</b>	<b>108,868,869</b>

The types of fossil fuels related to the above figures are natural gas, coal seam methane, brown coal and diesel. Brown coal consumption relates solely to the contracted generation from Loy Yang B power station. Coal seam methane is sourced from third party suppliers; we do not produce or extract gas. The table above does not include energy consumption from:

- Our Pinjarra power station in Western Australia, which is embedded in Alcoa's facility and not operated by Alinta Energy.
- Our Glenbrook power station in New Zealand, which is embedded in NZ Steel's facility, because the waste heat and offtake gas used to fuel the power station is reported by NZ Steel.

## Electricity generation and purchases

The percentage of renewable and cogeneration electricity which we generated through our contracted and operated facilities increased in FY22 to 26% (FY21: 23%). Yandin Wind Farm has had a full year of operation, which contributed to this increase. Higher Queensland electricity prices and growth in customers on our off-grid networks in Western Australia have driven increased fossil fuel generation.

### Electricity generation exported or purchased by operated or contracted generation assets in Australia and New Zealand (MWh)

	Fossil fuel and cogeneration <sup>a</sup>	Wind <sup>b</sup>	Solar <sup>b</sup>	FY22 total	FY21	FY20
<b>New Zealand</b>	636,693	-	-	636,693	672,272	576,424
<b>Australia</b>	8,013,444 <sup>c</sup>	2,099,969	508,433	10,621,846	9,856,334	10,111,428
<b>Total</b>	<b>8,650,136</b>	<b>2,099,969</b>	<b>508,433</b>	<b>11,258,539</b>	<b>10,528,606</b>	<b>10,687,852</b>

The table above does not include electricity generation from our Pinjarra power station in Western Australia, which is embedded in Alcoa's facility and not operated by Alinta Energy.

- The types of fossil fuels related to the above figures are natural gas, coal seam methane, brown coal and diesel. Brown coal consumption relates solely to the contracted generation from Loy Yang B power station. Coal seam methane is sourced from third party suppliers; we do not produce or extract gas.
- May include minor amounts while in commissioning phase where the asset is not yet in operation.
- In relation to the electricity generation by Loy Yang B power station, the above figures relate only to Alinta Energy's contracted share and do not represent Loy Yang B's full electricity generation volume.

## Scope 1 greenhouse gas emissions

Scope 1 emissions relate solely to the facilities we operate, in line with our NGER reporting. As noted above, there has been an increase in generation by our Braemar power station in Queensland as well as increased demand from our off-grid customers in Western Australia. While this has resulted in an increase in our Scope 1 emissions over the year, we are pleased that our Chichester solar gas hybrid project is displacing higher emissions generation for our customers in the region.

### Scope 1 emissions associated with assets operated by Alinta Energy in Australia (tonnes CO<sub>2-e</sub>)

	Natural gas	Coal seam methane	Diesel	Other <sup>a</sup>	FY22 total	FY21	FY20
<b>Operated facilities</b>	845,610	307,351	427	2,208	1,155,596	1,046,806	1,267,479

a. Not related to electricity generation.

## Scope 2 greenhouse gas emissions

Scope 2 greenhouse gas emissions relate to electricity purchased from the grid and used by our offices and power stations. They relate solely to the Alinta Energy facilities under our operational control, and exclude any behind the meter usage by our power stations, consistent with our NGER reporting.

### Scope 2 emissions associated with purchased electricity that is consumed by Alinta Energy (tonnes CO<sub>2-e</sub>)

State	FY22	FY21	FY20
Western Australia	5,967	5,332	4,092
Queensland	1,798	1,676	1,943
Victoria	995	851	329
New South Wales	86	107	131
South Australia	11	12	16
<b>Total emissions</b>	<b>8,857</b>	<b>8,032</b>	<b>6,511</b>
Less offsets	(2,214)	-	-
<b>Net emissions</b>	<b>6,643</b>	<b>8,032</b>	<b>6,511</b>

## Material Scope 3 greenhouse gas emissions

Scope 3 emissions come from our wider supply chain. We have reported below on the material Scope 3 emissions, which contribute the most to our total Scope 3 emissions.

### Scope 3 emissions (tonnes CO<sub>2-e</sub>) and intensities (tonnes CO<sub>2-e</sub>/MWh) associated with contracted electricity in Australia<sup>a</sup>

Electricity generation fuel type	Emissions (tCO <sub>2-e</sub> )			Emissions intensity (tCO <sub>2-e</sub> /MWh) <sup>c</sup>		
	FY22	FY21	FY20	FY22	FY21	FY20
Brown coal <sup>b</sup>	7,541,163	7,269,445	7,830,579	1.19	1.18	1.20
Wind	-	-	-	-	-	-
Solar	-	-	-	-	-	-
<b>Total</b>	<b>7,541,163</b>	<b>7,269,445</b>	<b>7,830,579</b>	<b>0.94</b>	<b>0.94</b>	<b>0.97</b>

a. Emissions associated with contracted purchases of electricity from specific generation assets that are not operated by Alinta Energy.

b. Relates to Alinta Energy's capacity agreement with Loy Yang B power station.

c. While wind and solar generation do not have any material emissions associated with their electricity generation, they reduce our overall emissions intensity.

### Scope 3 emissions (tCO<sub>2-e</sub>) associated with gas sold to end-use customers in Australia

Electricity generation fuel type	Gas sold (GJ)	Emissions (tCO <sub>2-e</sub> )		
	FY22	FY22	FY21	FY20
End-use customers	41,465,244	210,636	200,452 <sup>a</sup>	185,300 <sup>a</sup>

Combustion and upstream extraction emissions are calculated based on factors included in the National Greenhouse Account Factors published by the Department of Industry, Science, Energy and Resources.

a. Figures from previous years have been restated to include additional gas amounts to customers who, contrary to previous understanding, were found to be end-use customers. Figures were restated from 149,184 in FY21 and 140,610 in FY20.

### Scope 3 emissions (tCO<sub>2-e</sub>) associated with owned but not operated facilities in Australia<sup>a</sup>

Electricity generation fuel type	Emissions (tCO <sub>2-e</sub> )			Emissions intensity (tCO <sub>2-e</sub> /MWh) <sup>c</sup>		
	FY22	FY21	FY20	FY22	FY21	FY20
Natural gas <sup>a</sup>	524,252	668,073	816,548		0.43	0.44
Other <sup>b</sup>	397,665	418,726	523,954	N/A	N/A	N/A
<b>Total</b>	<b>921,917</b>	<b>1,086,799</b>	<b>1,340,502</b>	<b>N/A</b>	<b>0.43</b>	<b>0.44</b>

a. This relates to our Pinjarra power station which is embedded in Alcoa's facility and operated by Alcoa.

b. This relates to other emissions of the Pinjarra power station that are not for the purpose of generating electricity, and therefore have no associated emissions intensity.

# Energy efficiency, capacity enhancement and emissions reduction projects

## Our energy efficiency target



This year, we completed our program of planned maintenance and upgrade projects to improve energy efficiency and reduce emissions intensity ahead of schedule.

Back in FY19, we set a target to improve the energy efficiency, and therefore reduce the emissions intensity, of the fossil fuel power stations in our owned and traded generation portfolio by 5% within five years, compared to their previous individual baselines<sup>13</sup>.

We planned a series of operational improvement projects to achieve this target. During the year, we completed the last of these projects.

The FY22 heat rates for the Braemar, Bairnsdale, Newman, Port Hedland and Wagerup power stations were 4% lower than their heat rate in FY18, on a weighted average basis. Although this is slightly below the targeted 5% improvement, it is still considered to be a substantial achievement. The weighted average heat rates of these facilities are impacted by factors such as changes in the dispatch regime of these assets over time and new equipment installed at these facilities such as solar farms and batteries.

The key generation energy efficiency project implemented this year was at our Braemar power station:

Braemar power station	
What's involved	The last of Braemar's three generating units was upgraded in June 2022.
Result	As a result of the MXL2 and upflow compressor upgrade on GT11, the unit's maximum output increased from 168MW to 188MW. This was accompanied by a 2.07% increase in efficiency and a reduction in stack emissions.
Other	The upgrade involved over 87 contractors (23 from outside Australia), requiring careful planning to manage COVID-19 risks. It was successfully completed without any recordable safety incidents.

The project at our Newman power station to install high-efficiency gas-powered reciprocating engine generating sets is expected to be completed by the end of the 2022 calendar year. This will reduce the use of the older, less efficient gas turbines at the facility. This project started in FY21 and further details are included in last year's sustainability report.

<sup>13</sup> As power generation facilities have different emissions intensities, and the proportion of total power provided by each facility varies each year, a 5% reduction at individual facility levels does not necessarily translate to an overall emissions intensity improvement of 5% at a group level.

# Environmental compliance

We take our environmental responsibilities seriously and have robust processes to comply with national, state and local laws and regulations. Each of the jurisdictions where we operate across Australia and New Zealand has specific requirements, including permits, licences and consents.

## Environmental management

Our Environment and Community Policy<sup>14</sup> sets out our commitment to protect the environment as a priority and continuously improve our environmental performance and sustainability.

This is supported by our safety and environmental management system which aligns with international standard ISO 14001:2015. The system:

- Provides a systematic, consistent approach for oversight and management.
- Documents our process and responsibilities across our business, facilities, projects and regions.
- Is implemented through ongoing training, monitoring and reporting.

## Alinta Energy's environmental impacts

Site managers are responsible for reporting any environmental incidents, hazards and near misses on (or related to) their sites. This includes in our online event management system and to external authorities when required.

We did not have any material environmental incidents or any material fines, non-monetary sanctions or cases brought through dispute resolution mechanisms for non-compliance with environmental laws and regulations during the year<sup>15</sup>.

	Target	FY22 actual	FY21	FY20
Material environmental incidents	0	0	0	0

## Biodiversity

Our Braemar and Newman power stations are in two of 15 national biodiversity hotspots identified by the Australian Government's Threatened Species Scientific Committee<sup>16</sup>.

To minimise our environmental impact and protect the ecosystems around where we operate, our contractors must develop an environmental management plan for all major construction projects. This includes how they will maintain compliance and minimise construction impacts on local vegetation, waterways and ecosystems.

Our projects in FY22 did not have a significant<sup>17</sup> direct or indirect impact on biodiversity.

## Where we obtain gas fuels

Alinta Energy does not undertake gas exploration, extraction, production or processing activities. We also do not produce unconventional gas through hydraulic fracture stimulation (fracking).

The gas we supply to retail customers and which fuels our power stations is sourced from independent third-party suppliers who are subject to safety and environmental laws.

## Supplier environmental impacts

We use a risk-based approach to assess prospective suppliers and contractors against our requirements. This may include considering their health, safety and environmental management systems and recent performance, and requires senior management approval before we enter a contract.

Larger suppliers and contractors, and those engaged in higher-risk activities, must undergo more detailed risk assessment and potentially additional ongoing management. This can include monitoring their compliance with contractual obligations such as health, safety and environment performance and conducting periodic reviews or audits.

Our Supplier Code of Conduct<sup>18</sup> addresses broader sustainability and social impacts, including preventing modern slavery.

14 <https://www.alintaenergy.com.au/nsw/-/jssmedia/alinta-website/documents/about/environment-and-community-policy.pdf>

15 Material environmental incidents and material fines are defined on page 105.

16 [www.environment.gov.au/biodiversity/conservation/hotspots/national-biodiversity-hotspots](http://www.environment.gov.au/biodiversity/conservation/hotspots/national-biodiversity-hotspots)

17 Significant impacts on biodiversity are defined on page 105.

18 <https://www.alintaenergy.com.au/nsw/-/jssmedia/alinta-website/documents/20-102-ae-supplier-code-of-conduct.pdf>

# Waste and water

## Water

Our overall water usage in FY22 decreased by 6%. This was largely driven by decreased power generation at our Glenbrook power station in New Zealand which requires water for cooling purposes.

Glenbrook is Alinta Energy's largest consumer of water, which it draws from the NZ Steel facility it's embedded into. NZ Steel maintains environmental licences and ensures adherence to standards in relation to water withdrawal and discharges to the environment. Our environmental management agreement with NZ Steel details the relevant limits that Alinta Energy must comply with.

Our Braemar and Bairnsdale power stations also discharge small amounts of water to the environment. These discharges are monitored to ensure they are below EPA licence limits.

### Water withdrawal (ML)

Water withdrawal by source	Volume (ML)
<b>Surface water (total)</b>	<b>2,994</b>
Freshwater ( $\leq 1,000$ mg/L total dissolved solids)	-
Other water ( $> 1,000$ mg/L total dissolved solids)	2,994
<b>Groundwater (total)</b>	<b>8</b>
Freshwater ( $\leq 1,000$ mg/L total dissolved solids)	3
Other water ( $> 1,000$ mg/L total dissolved solids)	5
<b>Third-party water (total)</b>	<b>13</b>
Freshwater ( $\leq 1,000$ mg/L total dissolved solids)	13
Other water ( $> 1,000$ mg/L total dissolved solids)	-
<b>Total water withdrawal</b>	<b>3,015</b>

### Water discharge (ML)

Water discharge	Volume (ML)
<b>Water discharge by destination</b>	
Surface water	-
Seawater	357
Third-party water <sup>a</sup>	7
Other <sup>b</sup>	2,651
<b>Water discharge by freshwater and other water</b>	
Freshwater ( $\leq 1,000$ mg/L Total Dissolved Solids)	2,694
Other water ( $> 1,000$ mg/L Total Dissolved Solids)	321
<b>Total water discharge</b>	<b>3,015</b>

a. Third parties include established sewerage infrastructure, and septic and sewage waste removal companies.

b. Other water is largely linked to losses to the atmosphere as steam and evaporation.

## Water consumption (ML)

Water consumption by usage	Volume (ML)
Cooling	2,828
Industrial	181
Domestic / other	6
<b>Total water consumption</b>	<b>3,015</b>

## Total water usage per year (ML)

FY22	FY21	FY20
3,015	3,203	2,820

The tables above do not include water figures from:

- Our Yandin Wind Farm which uses rainwater (which is filtered to potable quality and subsequently recycled as greywater) and bottled water. Water volumes are only measured at the wastewater pump-out stage, which did not happen during FY22 due to the low volume of wastewater not exceeding the on-site storage.
- Our Chichester solar farm which has a service agreement with Fortescue to handle water deliveries and wastewater collection.

## Solid waste

We apply the waste management hierarchy priorities in how we consume resources. This ranks waste reduction as the top priority, whereas waste disposal should only occur once all other options have been exhausted. Through this approach, we aim to minimise the waste we send to landfill.

- 1. Avoid** – Reduce resource consumption
- 2. Reuse** – Find alternative uses which don't require further processing
- 3. Recycle** – Reprocess to create new or different resources
- 4. Recover** – Extract energy from resources before disposal
- 5. Treatment** – Stabilise resources to minimise environmental impact
- 6. Disposal** – Zero conservation of resources.

**Maximum resource conservation**



**Zero resource conservation**

We estimate our power generation facilities recycled 32 tonnes of waste through general recycling facilities in FY22. In addition, an estimated 10,710 tonnes of fly ash from our Glenbrook facility in NZ was sent for reprocessing under a commercial arrangement. Other waste products including steel, wood pallets and waste oil were sold, reused on-site or sent off-site for recycling.

Our major operating facilities disposed of an estimated 194 tonnes of solid waste to landfill during the year.

## Waste generated, recycled and reprocessed by operational sites (tonnes)

	FY22	FY21	FY20
Solid waste sent to landfill	194	297	364
Waste recycled	32	30	28
Fly ash sent for reprocessing	10,710	10,760	10,422
<b>Total</b>	<b>10,936</b>	<b>11,087</b>	<b>10,814</b>

The table above does not include waste generated by Chichester solar farm which has a service agreement with Fortescue to handle waste collection.





# Our people

---

One of our key values at Alinta Energy is People Matter. We strive to create a values-led culture and a supportive workplace for the benefit of our people internally and externally, from employees and customers to the wider community.

The People and Culture team's vision is to help Alinta Energy be the best energy company by achieving sustained business performance through our talent, culture and capability. Excellence across these areas is the foundation for sustainable leadership and strong engagement. We partner across the business to unlock our people's potential and maximise their development.

The actions and initiatives described in this section of the report align with the United Nations' Sustainable Development Goals (SDGs) shown below. For a summary of our contribution to each of these goals, refer to the SDG Actions and Initiatives section on page 110.

<p><b>5</b> GENDER EQUALITY</p> 	<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p><b>10</b> REDUCED INEQUALITIES</p> 
---	---	---



# Supporting our people

It has been a year of ongoing change and achievement for Alinta Energy's people, while also continuing to navigate COVID-19. We provided support with practical tools and wellbeing initiatives to offer guidance and relieve pressure on our people and their families.

Our Wellbeing Committee met regularly throughout the year. Some of the initiatives we implemented are discussed in the safety section of this report on pages 39-41.

## Flexible Work @ Alinta Energy

Our people are the foundation of our success, and we are committed to supporting an effective balance between work and personal life.

Aligned with our values of People Matter and One Alinta, embedding flexible work practices for all our employees is important for us to continue building a safe, inclusive and high performing culture. This helps us attract and retain the best people and achieve our goals. It also benefits employee engagement and personal wellbeing, fostering a greater connection to our business.

Flexible work includes a range of arrangements that people seek for different reasons. Our flexible work options include working from home or working remotely, part time, flexible hours including start and finish times, job sharing, transition to retirement, and various leave options including parental leave and purchased leave.

We introduced blended work arrangements in early 2021 to help our people safely transition back to the workplace after widespread COVID-19 restrictions. This began with an initial trial of working a minimum of two days in the office or on site. After adjusting, this was increased to a minimum of three days to support continuity of our culture and provide a welcome opportunity to interact in person.

We then implemented Flexible Work @ Alinta Energy to recognise that flexible work options may differ between employees, roles and business areas – it's not one size fits all.

In most parts of the business, people can have a blended model of working from home or working remotely and at the workplace. This is achieved through open discussions between employees and their managers about what flexibility means to an individual, their team, and our business. It considers broader requirements including how we deliver to our external and internal customers and stakeholders.

For operational roles, where business continuity means we can't offer the same level of flexibility as in a corporate setting, we consider work-life balance when we set and review rosters and have introduced changes to respond to employee requests for increased flexibility.

Building relationships with colleagues, stakeholders and customers in person is still an important part of how we work. It provides essential opportunities for collaboration, innovation and social connection. For that reason, coming to the workplace is part of all our roles and we don't offer a permanent option to work from home or remotely.

## Our flexible working principles

### Trust

We trust and empower employees and leaders to design the work week to best support their customers and the team.

We trust employees and leaders to measure outcomes and behaviours wherever they work.

### Culture

We recognise collaboration, connections and learning are core to our culture.

We spend meaningful time together, with our customers and external stakeholders.

We come together in our workplaces for problem solving, innovation, learning, career development and social activity.

### Accountability

We are accountable for quality results wherever we work.

We are accountable for building a strong and sustainable culture through connections and collaboration.

### Diversity, equity and inclusion

We understand our approach to flexible work is a key driver to attract and retain talent.

We support and normalise flexibility to promote balance, wellbeing and inclusion.

## Working from home safely checklist

1. Check your workstation ergonomics
2. Keep your environment tidy and safe
3. Stick to work practices that allow you to take breaks
4. Don't neglect your physical well being. MOVE!

Wherever we work, safety is our first priority. We support remote working by reimbursing our people up to \$500 for equipment to provide an ergonomically safe home office.

## Learning and development

### Building our learning culture

Our learning and development framework helps people achieve their goals and succeed in their current roles and future careers through a combination of experience, exposure and education. We believe the best way to develop is through action, including real on-the-job experience. This accelerates learning and prepares people for the next step in their career.

Following disruptions to in-person learning during COVID-19, we are looking forward to introducing a new leadership development program next year. This will provide targeted leadership development across a range of levels, operations and functions with the flexibility to meet individual needs.



#### Frontline leaders – foundational leadership

Building essential leadership competencies



#### Middle managers – consolidating leadership

Developing competency in strategic planning, enterprise leadership, relationship building and management.



#### Senior leaders – bridging the gap

Elevating competency in strategic planning, enterprise leadership, relationship building and management

### Development plans and achievement review

All employees complete an achievement review and development plan each year to supplement ongoing discussions and coaching with their manager. Development plans align individual goals with Alinta Energy's objectives and identify opportunities for personal growth. Progress is evaluated through annual and interim achievement reviews, which are also a formal mechanism for constructive feedback and reward.

### Alinta Energy Learning and Development Framework

	Learning and development framework		
<b>Support Manager</b>	Development discussion and plan		
<b>Development focus</b>	Technical	Behavioural	Leadership (if relevant)
<b>Experience - 70%</b>	Expanding your current role, stretch/challenging assignments, special projects, rotational assignments, volunteering/community involvement		
<b>Exposure - 20%</b>	Career discussions, networking, mentoring, coaching, professional or trade associations		
<b>Education - 10%</b>	Instructor led courses, self-study/online courses, books/journals, advanced degree/professional certification, conferences		
<b>Organisational Support</b>	<ul style="list-style-type: none"> <li>• Manager</li> <li>• Learning and Development Specialist within the business</li> <li>• 70/20/10 Examples tool</li> </ul>	<ul style="list-style-type: none"> <li>• Manager</li> <li>• Behavioral development tool</li> <li>• People and Culture</li> <li>• 70/20/10 Examples tool</li> </ul>	<ul style="list-style-type: none"> <li>• Manager</li> <li>• Behavioral development tool</li> <li>• Leadership program</li> <li>• Leadership competencies</li> <li>• People and Culture</li> <li>• 70/20/10 Examples tool</li> </ul>

### Paid leave to support our people

Ten days of paid leave is available to employees who are experiencing family or domestic violence, providing time for medical appointments, legal action and other needs. Going above Australian legislated requirements reaffirms our commitment to our people and supports victim survivors. Other types of leave available to support our employees include paid pandemic leave, paid parental leave, and paid leave in the event of a miscarriage or stillbirth.

### Employee assistance program

Alinta Energy provides a confidential, free employee assistance program for our people and their families. It is delivered by experienced psychologists and available at any time. The program can assist with personal or work-related situations. Approximately 16% of our people used this service during the year, compared to an average industry rate of 13%. For readers in our wider community, please reach out for help if you need it:

**Lifeline 13 11 14 or [lifeline.org.au](https://lifeline.org.au)**

**Beyond Blue 1300 224 636 or [beyondblue.org.au](https://beyondblue.org.au).**

# Diversity, equity and inclusion

A diverse workforce is important to reflect the communities where we operate and the customers we serve. It brings together a range of characteristics including background, experience, career path, communication style, and perspectives. Together, this shapes what we do and how we do it.

## Developing greater maturity

As part of our commitment to do better, we strive to improve our approach to diversity, equity and inclusion. This reflects our maturing processes as we learn and grow. During the year, this has included:

- **Diversity, equity and inclusion strategy** – We explored our approach to diversity, equity and inclusion to identify how we can continue to develop our practices, including seeking input from an external specialist. Based on this process, we developed a diversity, equity and inclusion strategy that was approved by our Board.
- **Public commitment and benchmarking** – We became a member of the Diversity Council of Australia and, in August 2022, participated in its Inclusive Employer Index. This benchmarks our performance and informs our future strategy and approach.
- **Inclusive policies and language** – We updated our policies for a broader demographic and to reflect the Respect at Work Act. For example, we expanded our parental leave policy to better reflect different families, including surrogacy, fostering, and pregnancy loss.
- **Flexible working** – We developed our flexible working policy in line with feedback from our employees and leaders and after trialling different approaches, as discussed on page 66. This involves a hybrid model, like many organisations post-COVID, where employees are encouraged to work with their manager to find the right balance for them and their team with a combination of working remotely and at the workplace.

## Action and investigation

Two incidents of alleged discrimination were reported by employees during the year. These were investigated following our internal policies and processes. In both instances we were unable to substantiate a finding of discrimination, however in one case we identified behaviours that were not in line with our Code of Conduct and took further action.

## Gender equality

### Overall gender representation

Alinta Energy reports gender equality data to the Workplace Gender Equality Agency (WGEA) each year. Our report for April 2021 to March 2022 highlighted our progress to improve gender diversity.

There was gender balance and increased representation by women across a range of metrics:

- Women made up 48% of our workforce (up from 43% in 2021).
- The proportion of women offered roles was 24% higher than the proportion of women applicants, up from a 15% differential last year. Across all recruitment activity, 46% of applicants were female and 57% of offers were made to female candidates. 46% of promotions were awarded to women.
- In terms of retention, 16% of managers resigning were women (down from 23% last year), and only 14% of resignations across all staff were women (down from 42%).
- Our gender pay equity analysis indicated a negligible pay gap in line with the 1% gap reported in 2021.

### Supporting our families

Improving gender equality involves men changing their behaviour. When men take parental leave, it normalises shared caring responsibilities and helps to reduce bias. It also enables women to return to work earlier, sharing the impact of career breaks and supporting continued progression.

We are pleased to see a continuing shift in FY22:

- 27% of primary carer's leave was taken by men (up from 18% in FY21)
- 38% of managers taking primary carer's leave were men (up from 33% in FY21).

To further support families, we reduced the eligibility requirements for paid parental leave from 12 to 6 months as part of revising our policy, and included an expanded range of situations, as outlined above. We also developed an early pregnancy loss guide to help care for people who experience bereavement.

### International Women's Day

On International Women's Day we celebrate women's achievements, raise awareness and promote action to accelerate gender parity. The 2022 theme was Break The Bias, which calls for us to imagine a gender equal world free from stereotypes and discrimination, where difference is valued and celebrated.

We shared insights from a wide range of women from across our business. Their varied backgrounds, experience, skills and roles demonstrate the many paths for career progression at Alinta Energy. Gender equity and inclusion matter every day, not only on 8 March, and we are committed to supporting progress for our people, our community and around the world.

### Indigenous diversity and inclusion

Our Aboriginal and Torres Strait Islander Inclusion and Cultural Safety training educates employees about Indigenous inclusion at work. It looks at the history and diversity of Indigenous peoples and the severe, lasting outcomes of injustice and exclusion. The program provides practical steps to promote Indigenous inclusion in the workplace and explains why this is important.

We are continuing to build our approach to Indigenous diversity and inclusion and developing a wider approach to reconciliation and the practical steps we can take.

This includes identifying opportunities for increased engagement, participation and cultural learning.

Nothing happens without respect, which is why we will ensure that our offices, power stations and other facilities are inclusive workplaces where Indigenous peoples are:

- Accepted for their identity, as part of the diverse Aboriginal and Torres Strait Islander cultures in Australia, and as part of our community.
- Not questioned based on how they look, where they live, or their knowledge of Indigenous culture.
- Not expected to educate people on Indigenous peoples' culture, heritage or inequality or assumed to be an expert on these things.
- Recruited and promoted through a process that values diversity and minimises bias.
- Encouraged to engage in all areas and levels of our business structure.

We have zero tolerance for offensive behaviour, assumptions or language about Indigenous Australian people.

During FY22:

- 193 job applicants self-identified as Indigenous Australians.
- We implemented an Aboriginal and Torres Strait Islander Inclusion and Cultural Safety training course.
- 89 Alinta Energy employees completed Aboriginal and Torres Strait Islander Inclusion and Cultural Safety training.
- We appointed an Indigenous Engagement Manager to support our expanded focus on diversity and inclusion.
- We continued to develop partnerships with traditional custodians of the land and secondments in Indigenous communities.

### NAIDOC Week

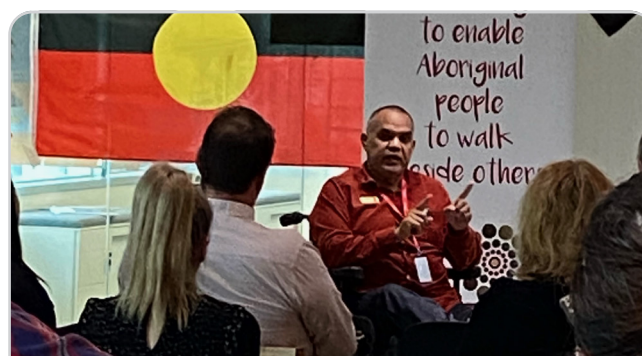
The theme for NAIDOC Week 2022 was GET UP! STAND UP! SHOW UP! The theme is an ongoing call for action to bring about systemic change in Australian society. In recognition, we invited Tony Shaw from Indigenous Services Australia to talk about NAIDOC Week and issues facing Indigenous Australians.

Tony is a Wongutha man who was born on a reserve in the Goldfields region of Western Australia, near the town of Laverton. A child of the stolen generation, Tony was raised in 15 institutions before reaching the age of 14.

After a promising start to his football career at age 14, which included playing for Boulder and Subiaco, and an invitation to participate in Collingwood's pre-draft, Tony soon succumbed to feelings of intense homesickness. Missing family and the familiar sounds of the Goldfields, he returned to Kalgoorlie.

Overcoming alcoholism, depression and despair, Tony turned his life around, learning to believe in himself and stand up for his people and culture. Tony now dedicates his life to improving the health and wellbeing of Indigenous people.

For further information on Indigenous Services Australia, visit [www.indigenousservices.com.au](http://www.indigenousservices.com.au).



**Pictured** – Employees from all over the country dialled in to hear guest speaker, Tony Shaw of Indigenous Services Australia during NAIDOC Week 2022.

# Engagement, recognition and reward

## Employee Value Proposition

The current highly competitive labour market means our connections to each other and to our vision and sense of purpose are critical to attract and retain talent.

At every stage of their career at Alinta Energy, we strive to show our people they are valued and give them the support and resources to succeed. During the year, we have worked to align our approach to engaging with prospective employees with our updated brand promise. This aims to leverage our messaging and collateral to attract and retain the best talent and encourage our people to be Alinta Energy brand advocates.

## Employee engagement survey

Surveying our people is important for us to find out what matters to them at work and identify where we can continue to improve. This helps build a strong culture and high levels of employee engagement.

Alinta Energy's overall engagement scores have remained consistent over the last few years, with a score of 7.7 out of 10 in July 2022. This was assessed by our survey provider as a 'good' result, placing us in the middle range of their survey participants worldwide.

Our people's health and safety responses were very positive and ranked in the top quartile globally, reflecting our strong safety culture. Other areas that received positive employee feedback included the management support shown by leaders to their team members, goal setting, equality and how we respond to any misconduct concerns. The priorities identified for improvement related to autonomy (flexible and remote work) and fair rewards.

Our actions to strengthen engagement centred on the findings from targeted pulse surveys throughout the year, including:

- **Managing workloads** – Continued the dialogue to understand the different issues across the business and address prioritisation, resourcing, systems and processes.
- **Sharing our vision** – Communicated Alinta Energy's vision to be the best energy company and how this connects to our projects and objectives, including at quarterly internal updates with our CEO and MD and regular business unit meetings.
- **Reward and recognition** – Provided ongoing support for leaders to have well-informed conversations with their team members about competitive pay, bonuses and recognition.

## Reward and recognition

### Excellence Awards

Our annual Excellence Awards recognise exceptional performance and celebrate achievements by individuals, teams and key business partners that embody with our shared values. They include a community contribution award that recognises people who make a significant difference outside the workplace.

### Shining a light on everyday achievements

Spotlight is our platform for peers to recognise colleagues living our shared values in their day-to-day work. It makes it easy for everyone to share success stories, which are profiled on our intranet and in our internal e-newsletter. More than 800 activities were recognised through Spotlight this year.



### Career milestones

Our service recognition program acknowledges the valuable contribution our people make.

To meet the needs of our growing business, which has a higher proportion of newer team members, the program includes:

- A networking and social opportunity for people reaching their one and two-year milestones to build their connections and profile.
- Awards to acknowledge employees reaching significant employment milestones.

During the year, 70 employees reached a special service recognition milestone. A total of 8% of our workforce has been with us for 10 years or more, compared to our average employee tenure of 3.5 years.



# Employee recognition

## A rising star in our legal team

### Lex Lanyon

We are proud to congratulate Lex Lanyon, Legal Advisor, Project Energy for being named as a 2022 Rising Star by Australasian Lawyer. Lex was one of only nine in-house counsel to make the list, which was dominated by lawyers in private practice.

Her nomination arose from her work in the wholesale space servicing large wholesale customers, and commercial and industrial customers. Lex's work resulted in Alinta Energy's first long term renewable electricity supply agreement with Coca Cola which was recently announced as well as advising on a large volume master gas supply agreement and gas transportation agreement with a major customer to support our Queensland gas portfolio.

"It's more important than ever to be a good listener, treat stakeholders with empathy, and practice with humanity."



## Celebrating two decades of employment

### Rick Marshall

A lot happens in 20 years and progressing your career at a single workplace is an increasingly rare accomplishment. Our IT team in Adelaide has had the privilege to work alongside Rick Marshall who has been a loyal employee since 2002.

As Manager – Corporate Systems, Rick leads a team to manage and develop business management systems like our ERP, Ellipse, and a broad range of applications used across the business, as well as supporting Alinta Energy's database environments. Rick has also worked closely with the trading team to help manage and support our wholesale trading applications and interfaces into AEMO.

His work has been key in bringing the data held within our systems to life. "There is a lot of useful data being collected within our enterprise systems that had been challenging for teams to access." Rick and his team have made great progress in unlocking this information through reporting initiatives, helping our people gain better business insights and make more informed decisions. He has also been a fantastic promoter of Alinta Energy's culture in the Adelaide office, and consistently drives great employee engagement outcomes for the teams he leads.

There have been quite a few career highlights over 20 years, says Rick. "One that stands out was being part of the Loy Yang B acquisition team. I learnt so much being part of a great team of people from right across our business and I was challenged all the way. It was also a highlight working with the great team at the LYB site on the subsequent transition of their IT systems into the Alinta Energy world."

Outside work, Rick has a holiday house at a small coastal town a couple of hours from Adelaide. "I love to spend time there with my wife and our three kids, family and friends, enjoying the lifestyle, fishing, sailing and cooking in my pizza oven."

Congratulations to Rick on an outstanding contribution over his 20 years of service.



# Employment at Alinta Energy

## Employee data

Our employee numbers increased from 871 to 955 (10%) during FY22 and have more than doubled over the last five years.

The establishment of our onshore contact centre at our Customer Experience Hub in Morwell in regional Victoria has contributed to the increase in employee number and turnover.

The tables below summarise our employee composition at 30 June 2022:

	Employee Numbers		Full Time/Part Time		Employment Type		
	Total	FTE <sup>b</sup>	Full Time	Part Time	Salaried <sup>c</sup>	Casual	CEA <sup>d</sup>
<b>All employees<sup>a</sup></b>	955	936	94%	6%	97%	1%	2%
<b>Non-executive directors<sup>e</sup></b>	8	N/A	-	100%	100%	-	-
<b>Executives<sup>f</sup></b>	7	7	100%	-	100%	-	-
<b>Senior leaders</b>	50	50	100%	-	100%	-	-
<b>New employees</b>	468	458	94%	6%	100%	-	-
<b>Departing employees</b>	383	373	93%	7%	99%	0% <sup>g</sup>	0% <sup>g</sup>
<b>Average tenure of departing employees (in years)</b>	1.79		1.69	3.13	1.79	0.91	4.59

	Gender			Location		Age		
	Women	Men	Non-binary	Regional <sup>h</sup>	City	Under 30	30 to 50	Over 50
<b>All employees<sup>a</sup></b>	47%	53%	0% <sup>g</sup>	28%	72%	21%	62%	17%
<b>Non-executive directors<sup>e</sup></b>	25%	75%	-	-	100%	-	13%	88%
<b>Executives<sup>f</sup></b>	29%	71%	-	-	100%	-	29%	71%
<b>Senior leaders</b>	12%	88%	-	-	100%	-	66%	34%
<b>New employees</b>	56%	43%	1%	54%	46%	37%	50%	13%
<b>Departing employees</b>	51%	48%	1%	42%	58%	30%	53%	17%
<b>Average tenure of departing employees (in years)</b>	1.58	2.03	0.65	0.75	2.53	0.84	2.08	2.56

a. All employees includes all people paid through the Alinta Energy payroll. This includes our MD and CEO as well as other permanent, maximum term and casual employees. It excludes non-executive directors and contractors.

b. FTE refers to full time equivalents.

c. Salaried employees are permanent or maximum term employees on a fixed salary that is reviewed annually.

d. CEA refers to a Collective Employee Agreement which applies to some of our New Zealand employees.

e. Non-executive directors are the members of Alinta Energy's Board, except for the MD and CEO who is an executive director and is included in the Executives category. They are not assigned an FTE and are paid a fixed fee.

f. Executives includes the MD and CEO and the executive leadership team.

g. These categories include employees but because the data is rounded to the nearest percentage, it appears as 0%.

h. Regional locations are those more than 80km from the nearest capital city.

## Joining and leaving Alinta Energy

### Recruitment

Our talent acquisition team plays a pivotal role in sourcing talent for key roles. With continued market challenges, increased turnover and candidate shortages across the country, we have explored different channels to attract people, such as proactive searches, passive candidates, careers fairs, and new advertising channels.

We hired over 300 new starters into our contact centre in Morwell. The team completed over 1,500 phone screens and conducted 82 group career assessment days to bring new talent into the organisation.

We have continued our membership with the Circle Back Initiative, responding to every job applicant. This has been accompanied by ongoing improvements to our recruitment process to provide a consistent, positive experience to all candidates.

### New employees

Induction and training for our new employees during the year included in-person and remote processes as COVID-19 restrictions continued and varied between locations. We adapted our approach to fit the circumstances and give our new starters a warm welcome, making sure they received all the equipment and information they need to succeed in their new roles.

Employees are surveyed after their first three months with us. This year, 113 of our new starters completed the survey – here's some of what they told us:

**“It was welcoming and everyone was really helpful.”**

**“Senior management – really great leaders. Alinta Values are very good and I believe in this approach and it is clear about how to live it each day.”**

**“Excellent training”**

**“Attitude of people that I have come across has been excellent”**

**“Everyone is friendly and supportive”**

**“My manager and team were very supportive and welcoming. Seems like a great place to be”**

**“Great support from all of the managers and new team leaders”**

**“The welcoming and supportive environment at all levels of the business”**

### Offboarding

Departing employees are invited to complete an exit survey, which helps us understand their experience with us and why they are leaving. We also review survey data to identify trends and potential improvements. In a challenging employment market, these insights are particularly useful to consider how we remain competitive.

Among the 169 people who completed an exit survey during the year, their reasons for leaving Alinta Energy included:

- **37%** are continuing their career in a new industry
- **12%** left the business for personal reasons
- **7%** are pursuing a new opportunity
- **4%** were not able to satisfy their goals.

Some of the comments in their exit surveys included:

**“I am very thankful for the opportunities provided to me to grow and enhance my skills, knowledge and experience basis. I’m also grateful for the strong leaders I’ve been able to learn from and the leadership training I’ve received.”**

**“I was very fortunate to be given opportunities to lead and develop. I feel I have left a positive mark and influence on the business and take pride in the work I have done.”**

## Employment arrangements

### Labour management relations

Our employee relations reflect our values of People Matter and Respect & Integrity. This includes acting fairly and supporting equal opportunity, diversity and inclusion. We base appointment and promotion decisions on merit and have processes to challenge and reduce unconscious bias.

Alinta Energy’s employment practices are governed by legislation, regulations and industrial instruments. We comply with minimum notice periods regarding operational changes in accordance with Australian and New Zealand legislation.

### Freedom of association and enterprise bargaining

Our employees and contractors have the right to associate freely and join industrial associations such as trade unions. Employees also have the right to engage in enterprise bargaining, where they and their representative (such as a union) negotiate with us for an enterprise agreement.



# Our communities

Alinta Energy's Community Development Program has committed \$2.5 million over the five years to 2025 to support our communities. We also have a paid volunteering leave program for our employees to help community organisations that matter to them. Our sites contribute to their local communities by donating to local charities and not-for-profit organisations.

The actions and initiatives described in this section of the report align with the United Nations' Sustainable Development Goals (SDGs) shown below. For a summary of our contribution to each of these goals, refer to the SDG Actions and Initiatives section on page 110.





**FIGHTING HUNGER  
IN AUSTRALIA**

# Community development program

Alinta Energy's Community Development Program has committed \$500,000 a year from 2020 to 2025, with a total contribution of \$2.5 million. We support organisations that:

- Alleviate social disadvantage, aligning with our sense of purpose to make energy more affordable.
- Promote sustainability, aligning with our goals to reduce our environmental impacts.



## Community Development Program



**Partnerships** – Ongoing collaboration with large charities to achieve longer term outcomes

**Grants** – One-off amounts to support small and medium-sized groups

**Site donations** – Financial support for organisations in the local communities of our major operations.

Since we established the program, Australian charities have faced mounting demand as a result of natural disasters, COVID-19 and the rising cost of living.



We donated an extra \$250,000 to Foodbank to help them support people affected by the floods in New South Wales and Queensland in early 2022, funding half a million meals.

### Community partnerships

Our three major community partners are the Salvation Army, Foodbank and Conservation Volunteers Australia. Some of the work done through these partnerships during the year included:



#### The Salvation Army

The Salvation Army's work addresses the key areas of homelessness, family and domestic violence, youth services, alcohol and other drugs, strategic emergency and disaster management, financial inclusion and reducing poverty.

This year was filled with challenges and opportunities for the Salvos. The ongoing demands of COVID-19 demonstrated their ability to adapt to a dramatically changing environment quickly, creatively and collaboratively. Frontline staff continued to help those who were most vulnerable, serving with compassion and respect.



#### Foodbank

Foodbank is the pantry to Australia's charity sector, providing essential food and groceries to more than 1 million people every month. They work across the entire local supply chain, including farmers, wholesalers, manufacturers, and retailers who donate and redirect surplus product to Foodbank, who make it available to charities that provide emergency food relief.

Alinta Energy's support has assisted Foodbank in three critical areas:

#### 1. Research: The Foodbank Hunger Map

Foodbank has developed the Foodbank Hunger Map, a world leading advance to better understand the issue of food insecurity. It synthesises a range of data sources to model food insecurity and food relief nationally and present it in a clear and useful way.

#### 2. Emergency Disaster Relief: Supporting Flood Impacted Communities

Due to the devastating floods across Northern New South Wales and South Eastern Queensland in early 2022, Foodbank experienced a 95% surge in demand for food relief. The impacts of this natural disaster are long lasting, with affected communities needing ongoing food relief over the next 12 to 18 months. We have donated an additional \$250,000 to Foodbank above our ongoing partnership to help them meet this crucial need.

#### 3. Ongoing needs: The Key Staples Program

Our ongoing partnership has enabled Foodbank to provide 66,000 meals through their Key Staples Program, helping relieve hunger in Australia.





### Conservation Volunteers Australia

The vision of Conservation Volunteers Australia is a world where nature and people thrive together, benefitting individuals, communities and the world we all rely on.

Our ongoing partnership supports the #SeaToSource project which is tackling ocean litter. Over the previous 12 months, Alinta Energy’s financial contributions have also gone to support the Wild Futures campaign.

Alinta Energy will encourage employees to spend time volunteering to tackle some of the defining environmental challenges of our time. Our people will also be offered the chance to enter teams in Conservation Volunteers Australia’s Corporate Challenge Series. This is a national event that enables businesses around Australia to get together and take practical action to celebrate major environmental dates. We will also participate in Revive events tailored to our staff.

### Community grants

Each year, our community grants program allocates a total of up to \$200,000 to small to medium not-for-profit organisations. Applications can be made all year round and are awarded twice a year, with individual grants of up to \$20,000.

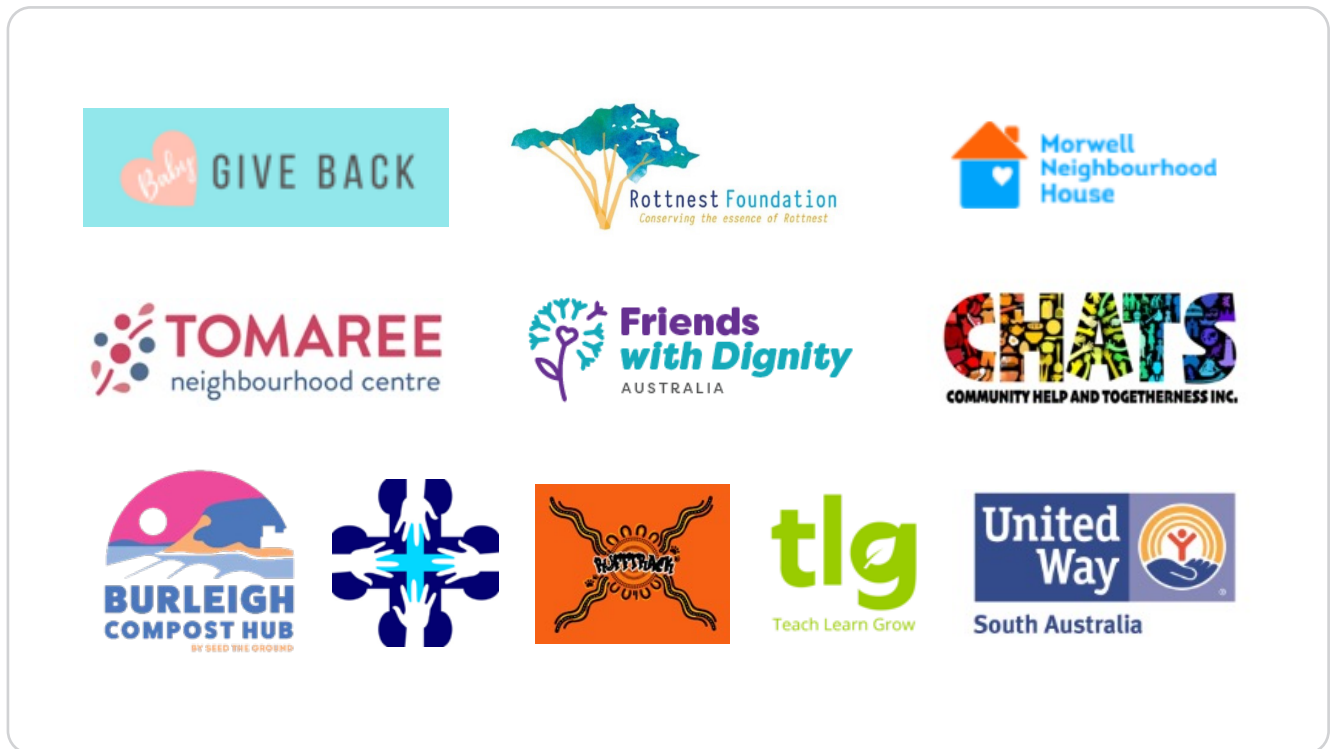
Our Community Development Committee votes on all new applications to award grants, based on a rigorous framework which includes eligibility and voting criteria.



Some of the Committee members shared with us why giving back is important to them. See what they had to say here – [www.youtube.com/watch?v=ozfzgiW6unY](https://www.youtube.com/watch?v=ozfzgiW6unY)

We are inspired by the work of our community grants recipients and their innovative, grass roots activities around Australia that make real and practical changes.

Congratulations to the 11 amazing organisations awarded grants this year.



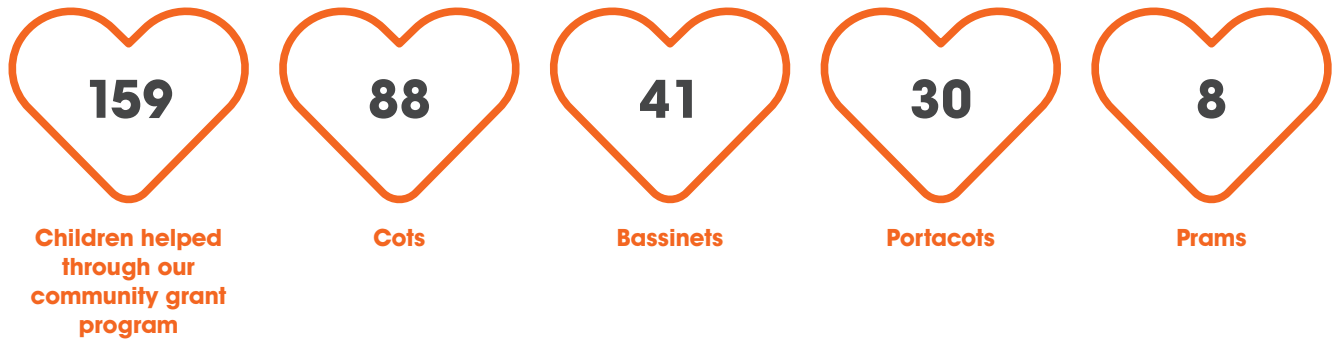
## Baby Give Back, QLD

### How they make an impact

Baby Give Back helps give babies and vulnerable children a safer start to life by providing essential items to disadvantaged families in crisis. Their priority is ensuring items are always safe and in great condition.

### How our grant helped

Our grant supported Baby Give Back's We've Got You project, enabling them to buy brand new large essential items like cots, bassinets and prams. This cut back waiting periods at a time of immense demand, helping families in greatest need more quickly, while donated items undergo safety checks, cleaning and processing.



## Rottnest Foundation, WA

### How they make an impact

The Rottnest Foundation brings people together to conserve Rottnest Island (also known as Wadjemup in the Noongar language) and help maintain it to be enjoyed for generations to come. The Foundation's activities span environmental, cultural and heritage projects. Some of these have included revegetation, improved accessibility, quokka research and monitoring, and respectfully restoring the Wadjemup Aboriginal Burial Ground.

### How our grant helped

We are supporting a new revegetation project at Fays Bay. This will rehabilitate over 1400m<sup>2</sup> of coastal dune systems, helping to manage visitor traffic, mitigate future erosion and improve native fauna habitat. It includes propagating and planting 7,000 endemic dune species and installing fencing and jute matting to protect and stabilise the site.

It builds on our support for the Foundation's Longreach Bay rehabilitation project in FY21, which covered similar works over a stretch of 800m<sup>2</sup>. As part of that project, 52 Alinta Energy volunteers travelled to the island to participate in a four-day revegetation program. Our enthusiastic team planted a total of 5,500 seedlings across nine native species. We're looking forward to going above and beyond this through our volunteering at Fays Bay.



As we look forward to another round of volunteering at Rottnest Island, see what some of our employees had to say about their experience in August 2021 – <https://youtu.be/OkLDbTm7Ric>

## St Mary's Outreach Service, WA

### How they make an impact

St Mary's Outreach Service provides a safe and welcoming place for less fortunate families to shelter, receive a hearty meal, laundry, health care and friendship. They treat everyone who walks through their doors as a dignified and valued member of their Perth community. Volunteers spend time with each patron or family to discover their specific needs, aid with necessities and offer referrals and connections for further assistance.

### How our grant helped

Our grant funded food, health needs and school supplies for people in need. It also enabled St Mary's to continue caring for their community, supporting the cost of volunteer training, mental health support, facilities hire and uniforms.

## RuffTRACK, NSW

### How they make an impact

RuffTRACK runs youth programs for teenagers in the Hawkesbury region who are disengaged with school and the community. They gain skills, education, a sense of self-worth and helps them reconnect with their community. A central part of the program involves each teen bonding with a working dog to build trust and responsibility as the foundation for healthy interpersonal relationships. Working closely with NSW police, PCYC and BackTrack Youth Works, RuffTRACK makes a real change in young people's lives.



### How our grant helped

We supported the MacDonalld Valley bushfire and flood recovery project, where RuffTRACK and the teens in their program helped rehabilitate the land and the community. This involved work experience and traineeships, education in land rehabilitation and sustainability, and physical and mental support for farmers and community members.

RuffTRACK's Fablads social enterprise program teaches metal fabrication so teens learn in-demand skills by completing projects like civic art installations for local community groups. It helps participants gain employability and reduces violence, graffiti, poor school attendance, and negative attitudes. Our grant covered the costs to set up the program, providing a metal cutter, laptop, welder, electrical works, workspace and storage setup, training and raw metal sheets.

## Morwell Neighbourhood House & Learning Centre, VIC

### How they make an impact

The Social Sisters program was established to help the increasing number of disadvantaged and socially isolated women coming into the Morwell Neighbourhood House in the Latrobe Valley. The House has a reputation for being a safe place and has become the launchpad for many women to start their journey towards receiving the direct support that they need. Social Sisters aims to reach out to these women and bring them together, reducing loneliness and providing access to services to improve their physical and mental health and wellbeing. This empowers participants, builds social networks, enables further skill development and provides a platform for creative expression.



It was formed in February 2021 with just three participants and quickly grew to a group of 16. The program now has a waitlist due to its popularity and success.

### How our grant helped

Our support propelled the Social Sisters into a regular House program and set an example for the formation of other inclusive social connection groups. It's enabled the Social Sisters to participate in a broad variety of activities that wouldn't otherwise have been possible. There has been a subtle move from purely craft, coffee and chat to educational sessions with health literacy educators. These sessions have connected various Social Sisters directly to services and activities.

The Social Sisters experiences have inspired a sense of belonging and community within a supportive space for people from diverse cultures and disadvantaged backgrounds who are able to learn, connect and reduce social isolation. Many of the Social Sisters now also volunteer in the Morwell Neighbourhood House People's Kitchen, which provides House-cooked meals for their Foodbank freezer.

Tomaree Neighbourhood Centre, NSW

**How they make an impact**

The Tomaree Neighbourhood Centre identifies local community needs and provides information, referral, and other services to empower and improve the quality of life for people and groups in the Port Stephens area.

**How our grant helped**

We supported a new after-school program for Indigenous young people to connect with country through art and story, led by a Worimi artist from Koori Colours Art Gallery. The program provides a safe place for disadvantaged children to engage in and learn about their culture in an area where there are very few youth activities available.

Our grant also supported another Indigenous art program for local Indigenous youth, allowing them to come together in a safe space with trusted adults, supporting social wellbeing and reducing isolation. In this space they can forge new friendships, connect with their culture by learning to 'tell stories through art' as well as learn and appreciate the stories of their ancestors.



Teach Learn Grow, WA

**How they make an impact**

Teach Learn Grow provides one-on-one tutoring programs for maths and STEAM subjects to help bridge the education gap in primary school students from rural or remote areas. Their vision is for all children to have equal education opportunities, regardless of their location, background, or circumstance.

**How our grant helped**

Our grant went towards Teach Learn Grow's Rural Tutoring Program. This supported the program at three primary schools in and around Dandaragan, near our Yandin Wind Farm. It involved around 15 volunteers tutoring three or four students a day for the whole school week during the Summer 2021 Rural Program, aiming to help them enjoy learning and boost their educational outcomes.



### Friends with Dignity, Australia-wide

#### How they make an impact

Friends with Dignity helps survivors of domestic violence rebuild their lives with hope and purpose. They provide financial support and practical resources that help adults and children make a new start in a safe environment. Privacy is paramount and Friends with Dignity works closely with referral agencies to protect clients without meeting them or knowing their names. They are an unseen friend who helps out with anything from driving lessons to help a parent gain independence through to nappies, schoolbooks or even a formal dress to make life easier for their children.



#### How our grant helped

We have supported the Sanctuaries program, which transforms shelter housing for domestic violence survivors into welcoming homes. While government agencies provide housing, the accommodation is completely empty. People fleeing from a dangerous situation are often only able to pack a few possessions for a quick escape.

Friends with Dignity furnishes the home with the furniture, appliances and homewares they need, such as a fridge, washing machine, beds, linen, TV, table and chairs, kitchen equipment and toiletries. Where budget allows, they even provide toys for the children (and a candle for mum's bathroom). It is theirs to keep. Supporters donate many of these goods, but additional items need to be bought as well.

With our support, Friends with Dignity furnished a total of 67 homes, directly assisting 203 people, young and old.

### Seed the Ground, QLD

#### How they make an impact

Seed the Ground offers an alternative to putting food scraps in the bin. Instead, they collect and compost them. They work with local cafes to reduce waste and use the compost from their neighbourhood hubs to nurture green spaces and grow food to donate to local families.

Over the past two years, Seed the Ground has collected and composted 8 tonnes of spent coffee grounds and food scraps. This started out at their first compost hub in Miami, which we supported with a community grant in FY21.



#### How our grant helped

This year, we've helped Seed the Ground set up its second site: the Burleigh Compost Hub and Goodwill Gardens. Since February 2022, they have collected and composted over 1.5 tonnes of food organics. Diverting this food from landfill has saved emissions equivalent to 254 days of electricity for an average household. The compost from the hub is used to help grow food in Seed the Ground's Goodwill Gardens.

"As we are amid the cooler, dormant months of winter, Goodwill Gardens is busily preparing for an abundant spring, just around the corner. As well as the visual changes taking place, we are observing the impact on the immediate community who are curious, delighted, and engaged in the project. We are on track to harvest our first food boxes that will be provided to disadvantaged families through the Burleigh Anglican Church in spring." – Jess Maxted, Director - Seed the Ground.

## United Way South Australia, SA

### How they make an impact

United Way South Australia supports improved literacy among young South Australian children, so every child has the chance to start school strong. Their primary program is the Dolly Parton Imagination Library, which has been running for over 25 years across the globe.

The Imagination Library is an early literacy program for children from birth to five years of age. It provides the gift of a book pack which is sent directly to their home, addressed to the child, every month. Each pack contains a new, quality, age-appropriate book with reading aids/tools for parents/carers to help engage their child with reading. The books are carefully selected each year by a panel of experienced early childhood educators to ensure maximum benefit.

### How our grant helped

Through our support, 100 disadvantaged children in Adelaide's outer northern area of Playford received a home-delivered book pack every month for six months. Here's what one parent whose family participated had to say:

"We love this program. My son gets so excited to go to the mailbox each month. We read together every day now and the books are amazing. It's something we can't afford to buy."

## CHATS – Community Help and Togetherness, SA

### How they make an impact

CHATS is a 100% volunteer-run organisation that helps homeless, financially disadvantaged and socially isolated people in Adelaide's western suburbs. They provide a cooked breakfast in Port Adelaide every Friday that brings people together over a hearty meal. Food hampers, clothing, toiletries, bedding and a nurse for health and wellness checks are also provided. CHATS also delivers to schools and before-school programs, contributing to their breakfast programs for students to set them up for the day.



### How our grant helped

Our support enabled CHATS to give Coles vouchers and Christmas food packs to the people who attended their weekly breakfast before Christmas in 2021. This helped provide a sense of dignity at Christmas time.

## Site donations

In addition to our partnerships and grants, Alinta Energy's Community Development Program provides up to \$5,000 each year to each of our Australian sites to support charities and organisations of their choice, helping local communities where we operate.

### Port Hedland power station

Our Port Hedland team got behind Hedland's Got Talent 2021, a youth talent event put on by the not-for-profit Youth Involvement Council. The evening was action-packed, showcasing the next generation of local stars.

The team organised and spent the evening doing a huge BBQ of around 400 sausage sizzles for local patrons. They also shared a range of other donated goodies with the community including drinks and snacks.



### Newman power station

Newman Women's Shelter is a safe place that is open 24/7 for women and children experiencing domestic violence.

### Glenbrook power station

The Graeme Dingle Foundation's Kiwi Can program is aimed at children from five to 12 years old. Kiwi Can focuses on developing respect as part of their anti-bullying program.

It is the first step of a journey that takes young people through the Foundation's programs at different stages in their schooling. This develops values and life skills students take with them through school and into later life. Each student visits a Kiwi Can class once a week to enjoy a positive, uplifting environment that encourages self-belief and confidence.

### Braemar power station

The Helping Hands outreach project for Dalby INC. provides support and relief to struggling families in the local area.



### Yandin Wind Farm Community Fund

Yandin Wind Farm (a RATCH/Alinta Energy investment managed by Alinta Energy) has a separately funded and governed community development fund. This contributes \$50,000 per year in individual grants of up to \$5,000 throughout the wind farm's construction and operation, equating to a total of more than \$1 million.

To find out more about the Yandin Wind Farm, please see

<https://www.alintaenergy.com.au/nsw/about-alinta-energy/sustainability/yandin-wind-farm/>.

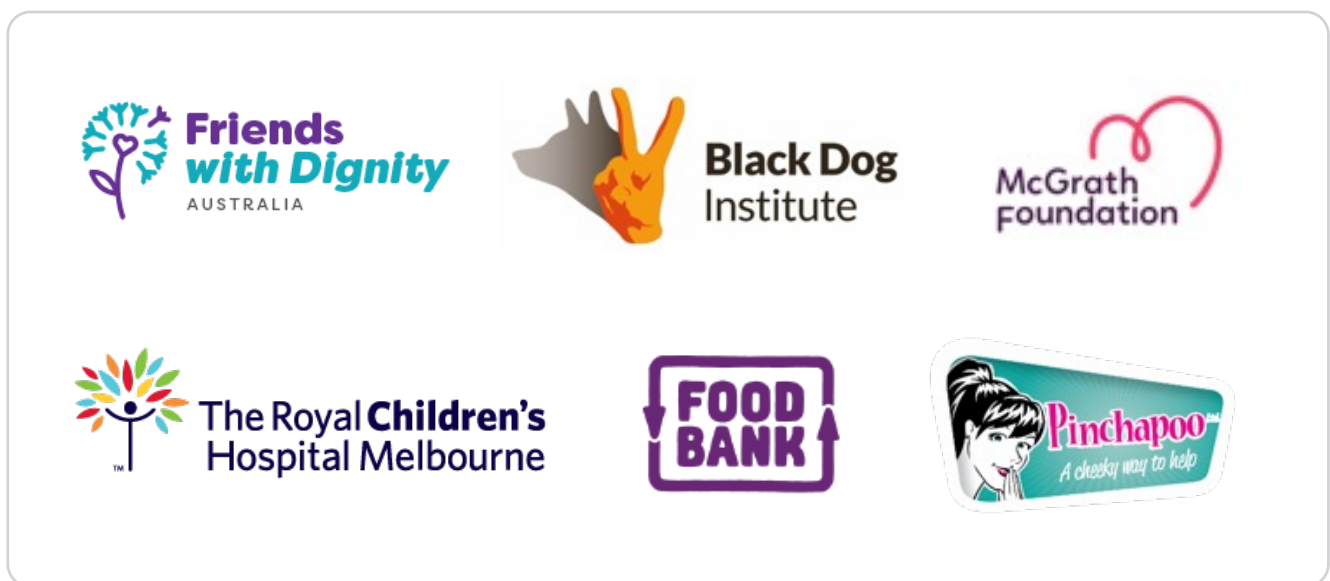


**Pictured** – Site visit to the Yandin Wind Farm by the Board of Palyku-Jartayi Aboriginal Corporation (PJAC).

## Additional community donations and fundraising

Separate to the Community Development Program, we support additional organisations and charities throughout the year with one-off donations, often matching employee contributions. Some of this year's highlights included:

- Matching our employee contribution of \$4,865 for a total of \$9,730 donated to Friends with Dignity through a photography fundraiser (see more in the profile following this section).
- Matching our employees' contribution of \$15,881 donated during Mental Health Month to the Black Dog Institute's One Foot Forward event for a total of \$31,762 raised.
- Supporting the McGrath Foundation with a \$30,000 donation during the Cricket season as an extension of our Cricket Australia partnership.
- Helping smaller charities in Victoria's Latrobe Valley raise over \$20,000 with our donations of signed Cricket Australia merchandise and hospitality.
- Supporting the Royal Children's Hospital in Melbourne through fundraising in the Morwell area with a donation of \$25,000 to help the region raise over \$100,000.
- Supporting Foodbank with an additional \$250,000 donation for flood support on top of the ongoing support we provide them through our community development program.
- Supporting Pinchapoo with a \$10,000 donation to fund emergency sanitation packs.



### Photography fundraiser

Over Easter and Anzac Day our CFO, Vince Nicoletti, shared his passion for photography with all Alinta Energy employees with a collection of photos for charity. To raise funds for Friends with Dignity, people could contribute directly, or make a \$10 donation and select one of almost 50 digital photos.

With a tremendous effort from our people, we raised a total of \$4,865. This included 151 photo donations, along with 22 additional direct donations from both staff and CTFE. Alinta Energy matched all staff donations, bringing the total to \$9,730.

Friends with Dignity, who we have also been supporting through our Community Development Program for almost two years, were thrilled with the result. The funds raised go towards assisting victims of domestic violence to rebuild their lives with purpose, dignity and hope.



**Pictured** – One of the photos donated by CFO Vince Nicoletti to the Friends with Dignity fundraiser.



# Employee volunteering and community support

## Employee volunteering

Our volunteering program gives employees an extra day of paid leave each year to support a not-for-profit organisation which can be through one of our Community Development Program partners and grant recipients, or another organisation close to their heart. We encourage employees to volunteer in teams, allowing colleagues to come together and share in a meaningful and rewarding experience while contributing to their communities.

Volunteering initiatives that our employees took part in this year included:

- Tackling ocean litter through Conservation Volunteers Australia's #SeaToSource project
- Planting trees challenge at Landing Lights Wetland near Sydney Airport as part of Conservation Volunteers Australia's annual World Environment Day challenge
- Planting endemic dune plants through the Rottnest Foundation
- Raising money for Melbourne's Royal Children's Hospital Good Friday Appeal at a local shopping centre and a Bunnings sausage sizzle.

This year, our employees contributed over 500 hours of volunteer service to help our communities.

### Royal Children's Hospital Melbourne – Good Friday Appeal

Our Morwell team took part in volunteering for the Good Friday Appeal for Royal Children's Hospital Melbourne. This was a great team effort across our Morwell customer experience hub to get behind a good cause! Our support took the form of fundraising, volunteering and corporate donations of funds and merchandise. We had 24 Morwell employees volunteer at a local shopping centre and a Bunnings sausage sizzle raising money. In addition, Alinta Energy donated 3 signed Cricket Australia bats as fundraiser prizes, and contributed \$25,000 to the fundraising effort, helping the region exceed \$100,000 raised this year.



## Community Contribution Excellence Award

Our annual Alinta Energy Excellence Awards include a Community Contribution Award, which recognises an individual or team from our organisation or our business partners who has gone above and beyond to make a difference in their local area.

The winners of the 2021 Community Contribution Award were Andrew Livingston, Lachlan Burslem and Nicole Boskma from Loy Yang B power station, owned by our parent company, for their contribution to the Gippsland Toy Run. They have raised more than \$62,000 for the Gippsland Toy Run since records have been kept, with the largest year seeing around \$8,000 worth of gifts donated.

Upon winning the award, Nicole Boskma said, "The Toy Run is a cause that's close to our hearts, so we were really excited to win the award."

Every year since the event began 21 years ago, Andrew, Lachlan and Nicole have encouraged their colleagues to buy toys or donate money for further purchases.

Over the years, the employee contribution has kindly been matched dollar for dollar by Loy Yang B power station. This contribution, combined with the discounts that are organised at local stores, means the money goes further and supports local businesses. Some of the items that have been bought include bikes, scooters, Lego, sports equipment and musical instruments.

The funds raised are used to do a big shop for toys and presents. Shopping is targeted to where it is most needed so for the past few years, the focus has been on the teenage group as they can be hard to buy for, with fewer options for gifts. Gifts are delivered to the toy run organisers and distributed to kids who would otherwise go without through St Vincent de Paul and the Salvation Army. Alinta Energy would like to thank Alf and Stella Vella for all their hard work organising this much-loved community event.



**Pictured** – Loy Yang B Technician/Operator Andrew Livingstone and Communications Coordinator Nicole Boskma with Alinta Energy CEO and Managing Director Jeff Dimery.

# Community engagement

## Indigenous reconciliation and engagement

We recognise Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia and acknowledge their ongoing connection to country, water and history.

### Organisation-wide

Alinta Energy will work to develop a strategy for Indigenous engagement during FY23, which will be used to inform our first Reconciliation Action Plan. Following Reconciliation Australia's framework and with their guidance, this will reflect on the steps we can take to actively support and recognise Indigenous Australians, increasing equality and empowerment. Our long-term operations in the Pilbara region of Western Australia mean we maintain positive and growing relationships with the Traditional Custodians of the land, the Nyiyaparli and Kariyarra people.

We come together each year to plan and reflect. This sets a foundation for further discussions, sharing knowledge and feedback as part of building ongoing relationships. These discussions include opportunities for work experience, training, employment, contracting, and providing cross-cultural awareness training to our personnel.

At a project level, we follow all state and federal legislation and agreed heritage survey and management protocols, engage with Indigenous Australians on the location of infrastructure, ensure Traditional Custodians of the land are included in the environmental, cultural and heritage surveys, and require the tenders we assess to have Indigenous involvement as a selection criteria.

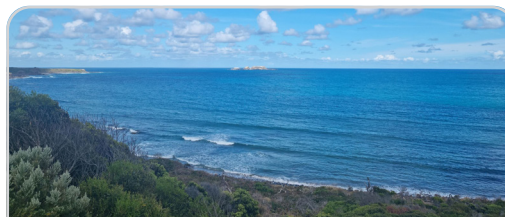
### Chichester solar gas hybrid project, WA

Following completion of the project in November 2021, we have also committed to further Indigenous engagement over the next 20 years and beyond. This includes annual minimum expenditure with Indigenous businesses and contracting opportunities for operational aspects of the new project infrastructure. To support this, we have established a relationship committee with representatives from the Nyiyaparli People and Alinta Energy.

### Spinifex offshore wind farm, VIC

Alinta Energy is currently investigating building an offshore wind farm near Portland in Victoria, as discussed on page 53.

We are committed to working collaboratively to ensure the project team understands and respects intangible and tangible cultural heritage values, both on land and at sea. As part of our preliminary work, we have met with the Eastern Maar Aboriginal Corporation (EMAC) and the Gunditj Mirring Traditional Owner Aboriginal Corporation (GMTOAC).



**Pictured** – View from Grant Bay, the proposed site of the Spinifex offshore wind farm.

In our meetings with these Registered Aboriginal Parties, we began a process of ongoing conversations, at which we:

- Shared an overview of the project and our commitment to developing long-term collaborative relationships.
- Explored the appropriate approach to engaging with the Gunditjmarra People and the Eastern Maar, including how GMTOAC and EMAC function. This includes potentially implementing an Indigenous Land Use Agreement with Gunditjmarra native title holders and an offering of resources to allow GMTOAC to conduct a Cultural Values Assessment of the Portland Bay land and sea areas. We hope these will be further discussed at a Native Title meeting later in the year.

The project team also recently attended the Kooyang Yana tour on Gunditjmarra Country and the Budj Bim Cultural Landscape. It was a great opportunity for the team to begin to develop an appreciation of the Gunditjmarra’s historical, cultural and spiritual connection to the land and waters.

We will continue to meet with GMTOAC and EMAC to discuss future engagement on cultural heritage as project investigations progress, while respecting their decision-making processes and the right to free prior and informed consent.

### Oven Mountain pumped hydro energy storage project, NSW

The Oven Mountain project team has been working collaboratively with Thungutti Traditional Owners and other First Nations stakeholders to undertake the cultural heritage investigations of the project. This is a critical piece of work involved in preparing the project’s Environmental Impact Statement.

“The involvement of the local Aboriginal community and key knowledge holders is critical to the success of any project. We are on their Country and therefore all our activities need their input, knowledge, and approval.”

– Dr Alan Williams, National Technical Leader, Aboriginal Heritage at EMM Consulting, who is leading the cultural heritage investigations for the Oven Mountain project.



**Pictured** – One of many test excavation areas on the project site, with findings to be incorporated into the Aboriginal Cultural Heritage Assessment Report.

## Community impacts from operations

Our operations have the potential to impact residents located near our energy generation facilities. Site managers report all community complaints relating to their facility using our event management system. They ensure all reports are investigated and all necessary corrective actions are implemented. Where the complainant gives their name and contact details, Alinta Energy management communicates with them. This usually includes any outcomes of the investigation and those responsible for undertaking any follow-up actions.

No people were physically or economically displaced by new, expanding, or existing projects during the year.

## Our customers

---

Alinta Energy is determined to give our customers much more than access to competitive energy deals – from investing in local customer service, a more sustainable future, giving back to the community and finding new ways to reward our customers. We are determined to provide value for our customers, our environment and Australia.

The actions and initiatives described in this section of the report align with the United Nations' Sustainable Development Goals (SDGs) shown below. For a summary of our contribution to each of these goals, refer to the SDG Actions and Initiatives section on page 110.

**7** AFFORDABLE AND  
CLEAN ENERGY



alinta e



# Customer service

A strong customer focus is essential in the ever-changing energy market. We regularly review our customer service and invest in ways to improve it.

The launch of our new billing platform has improved customers' access to their account information and consumption data and delivered quicker response times for enquiries. We continue to offer a wide range of products and promotions to give customers more choice and better value.



We reached a new milestone this year with our 700,000th East Coast customer choosing us as their energy retailer.

## Multi-award winners

We are proud to have received a range of awards this year that recognise our customer satisfaction and product offerings.

- **Five years of 5-star ratings in Queensland** – Canstar Blue awarded us for Most Satisfied Electricity Customers in Queensland for our fifth year in a row. This award reflects 5-star ratings for value for money, customer service, online tools and advice, and overall satisfaction.
- **Great gas in New South Wales** – For the second consecutive year, we received a Canstar Blue award for Most Satisfied Gas Customers in New South Wales, as well as a Mozo Experts Choice award for our New South Wales gas plans.
- **Energy you can trust** – Mozo's 2022 People's Choice awards voted us a Highly Trusted energy provider.
- **Small business plans acclaimed by experts** – We received six Mozo Expert Choice awards for our small business plans: electricity in Victoria, solar-friendly electricity in Victoria and South Australia, and gas in Victoria, South Australia and Queensland.

Thank you to all our customers for your support. We constantly strive to make things better for you.



## Customer experience

Our local customer service centres in Perth and regional Victoria help customers with everything from general enquiries to relocations. We have more than 200 service centre staff who are dedicated to addressing customers' needs and resolving them promptly and smoothly.

Customer experience is a key priority across our organisation. Executive leadership team members participate in a program where they regularly listen to real customer service calls. Directly hearing what our customers are saying provides unmatched practical understanding about the issues that matter, informing our customer focus at a strategic level.

## enCORE

In April 2022 we launched our retail and customer experience platform, enCORE to east coast residential, and small and medium enterprise (SME) customers.

enCORE was developed and built internally, meaning it's tailored to our customers and our business, giving us agency and flexibility as we continue our digital transformation. It delivers enhanced customer experience, streamlines customer support, and provides a comprehensive retail ecosystem for our internal sales teams.

It incorporates our powerful billing system, CORE. Previously introduced for our east coast commercial and industrial customers, in FY22 we expanded it across our full east coast operations, including residential and SME customers. We are exploring migrating our west coast operations in FY23. enCORE also incorporates:

- New digital channels, including updated online self-service account management for greater convenience and security. It will be expanded to add features across payments, moving home and bill insights for better functionality and accessibility for our customers.
- Enhanced integration with our external sales channels as part of a highly functional sales tool for our customer service staff.
- A modern and secure data hub.

The changes this year help us continue strengthening our risk management and compliance through:

- Greater functionality
- Increased process automation and system controls, improving consistency and reducing the risk of human error
- More efficient monitoring of compliance outcomes against system controls
- Timely implementation of system updates.



### Bringing customer experience on shore

In January 2021, we announced we would be moving our customer service call centre from the Philippines to the Latrobe Valley in Victoria, investing in Australian jobs and regional employment. Just four months later, our new customer experience hub in Morwell officially opened, serving our customers across the east coast.

Over the past year, we have been in the unique position of building a local team from the ground up who embody the Alinta Energy values. Employees at the Morwell CX Hub have high engagement levels which are reflected in our customer's experiences with Alinta Energy.

### Measuring our customer service performance

We conduct customer satisfaction surveys and also monitor our Net Promoter Score (NPS), which measures customers' willingness to recommend our services to others.

The quality of our service is evident from strong NPS and customer satisfaction results that nationally average +62 (NPS) and 88% (customer satisfaction).

### NPS and customer satisfaction results

	FY22 Target	FY22 Actual	FY21 Actual	FY20 Actual
<b>Net promoter score</b>				
West coast	+60	+79	+79	+74
East coast	+60	+57	+50	+56
<b>Customer satisfaction</b>				
West coast	85%	93%	93%	93%
East coast	85%	87%	82%	86%

A contributing factor to the increase in our east coast NPS and customer satisfaction results were due to the improved stabilisation of the Morwell CX Hub as our Customer Service Agents gained in experience and knowledge.

### Our complaints process

We want to be customers' first choice to meet their energy needs. That means if they're not happy with our services, we want to hear about it and take action to make it better.

Throughout the year, we have invested in improving our retail compliance systems and processes, including the uplift of our complaints management system and through the onshoring of our Customer Service centre in the Latrobe Valley.

Our customer complaints process was developed in accordance with the Australian Standard on complaints handling and the relevant electricity and gas legislation in each state and territory. It addresses how we deal with complaints, how we distinguish general queries from complaints, and how and when we respond to customers when they make a complaint.

If a customer believes we haven't adequately addressed an issue, they can escalate it to the relevant state ombudsman. Monitoring complaints to the ombudsman is one way for us to assess the effectiveness of our customer processes and identify improvements.

### Average monthly complaints per 1,000 customers

Market	FY22	FY21	FY20
West coast	0.01	0.01	0.02
East coast	0.30	0.24	0.33

The rate of ombudsman complaints is calculated based on mass market and small business customer numbers. It includes meters Alinta Energy is responsible for, but where the premises may be unoccupied.

The average level of ombudsman complaints per 1,000 customers per month during FY22 for the east coast was 0.30 (FY21: 0.24) and for the west coast was 0.01 (FY21: 0.01). A combination of factors contributed to the slight increase in the rate of complaints including the New South Wales and Queensland flood recovery and customer impact; and distribution network tariff reassignment initiatives that resulted in customers engaging with ombudsman schemes.



# Market regulation and compliance

## Privacy

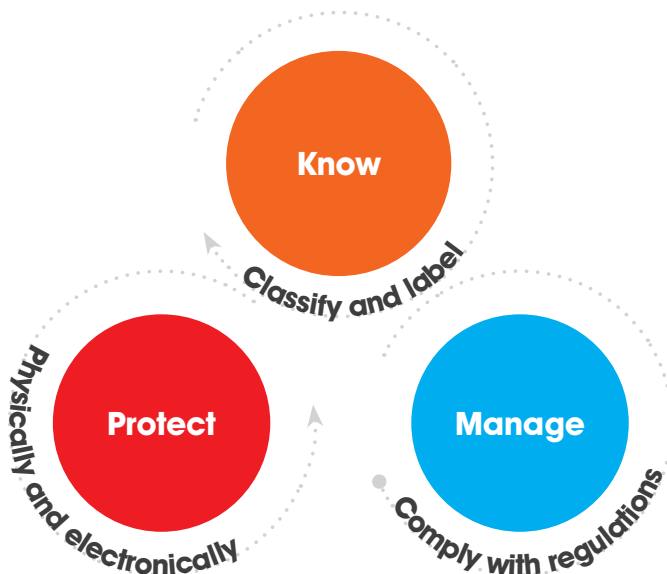
At Alinta Energy we understand and take our privacy obligations seriously. Protecting our customers, business partners and internal information from loss, unauthorised access, manipulation or unauthorised deletion is paramount, especially as the digital landscape continues to evolve.

Protecting privacy means we strive to always be transparent about how we handle customers' personal information and give them confidence that we manage their personal information securely. We expect all our employees to be good corporate data citizens so our customers can trust us to handle their personal information appropriately.

The key components of Alinta Energy's privacy governance include:

- **Information Management and Compliance Framework** – sets out our requirements to know, manage and protect our information through the entire lifecycle.
- **Privacy Policy<sup>19</sup> and Credit Policy** – sets out how we collect, manage and handle personal information and credit related information.
- **Cybersecurity Policy and Information Classification and Handling Standard** – sets out how we protect information.
- **Privacy Information Management Committee** – oversees the activities of Alinta Energy as they relate to privacy and information management.

These documents, along with our internal systems and processes, are reviewed regularly to ensure they reflect best practice and enable Alinta Energy to continue to comply with our obligations under the Privacy Act 1988 (the Privacy Act) and in particular the Australian Privacy Principles.



This year, we have:

- Reviewed and updated our Privacy Impact Assessment process
- Updated our mandatory annual privacy training module
- Begun reviewing and updating the policies, procedures and plans in our Information Management & Compliance Framework.

Alinta Energy did not have any substantiated eligible data breaches as defined under the Privacy Act, and our network monitoring has not identified any leaks, thefts, or losses of customer data, during FY22.

## Competition and consumer law

We are committed to complying with competition and consumer law and have a robust program in place to meet our obligations. This includes a mandatory annual online compliance training and assessment program for relevant staff to ensure they clearly understand their legal responsibilities.

<sup>19</sup> <https://www.alintaenergy.com.au/nsw/help-and-support/terms-and-conditions/privacy-policy>

Communicating with our customers is essential to clearly and accurately explain our products, services and benefits. We interact with customers face to face, by phone, email, social media, our website, and through correspondence such as letters and bills. Our customer communications also include advertising, sponsorship and promotional materials.

We regularly monitor the work done by our business partners, particularly marketing and outsourced service providers, to promptly identify and resolve any compliance concerns.

During the year, we:

- Expanded our billing system (CORE) and introduced our new customer experience platform (enCORE), embedding improved IT controls for stronger risk management and compliance.
- Reviewed and updated our process flows, work instructions, training material and customer collateral against key customer and compliance outcomes.
- Did not have any legal action taken against us for breaches of the Competition and Consumer Act.
- Did not identify any regulatory breaches concerning marketing communications, including advertising, promotion and sponsorship. If compliance breaches are identified, we report these to the relevant regulator.
- Passed third-party audits of the delivery of our obligations under the Life Support Enforceable Undertaking (entered into in 2020), and compliance with Hardship obligations in NECF states. Both of these matters were disclosed in our FY21 Sustainability Report.

We were issued a statutory notice at the end of FY22 by Victoria's Essential Services Commission about customers who may have incorrectly been asked to speak with a financial counsellor before they received assistance under the Payment Difficulty Framework. We are currently investigating this and will report on the outcome in next year's sustainability report. Initial findings suggest it does not represent a systemic issue and it is not related to infringements issued in 2020 under the Payment Difficulty Framework.

#### Better Bills Guideline

The Australian Energy Regulator has finalised a Better Bills Guideline which imposes new obligations on energy retailers in National Energy Consumer Framework jurisdictions (South East Queensland, New South Wales and South Australia). The guideline specifies the page where particular information must appear on bills for small customers. It also establishes a 'Best Offer on Bills' requirement, based on the existing obligation in Victoria. Retailers must inform customers if they are on the retailer's best offer and, if not, how much they could save by switching to the best offer.

# Products and customer benefits

We make energy simple, with great value plans that are easy to understand, transparent pricing, and local support and call centre staff to help customers when they need it.

## Products

Our HomeDeal and Sports Pack deals have competitive, simple rates, no lock-in contracts or exit fees, no credit card fees including for AMEX, and give access to a range of rewards. HomeDeal is our most competitively priced energy deal in the market, while Sports Pack offers a great energy deal plus the ability to enjoy sports live and on demand with Kayo Basic for up to 12 months.

For our large commercial and industrial customers in Western Australia, we are shaping a carbon neutral electricity and gas product certified under the Australian Government's Climate Active program. Over the coming year we will explore expanding this offering, including a product for our mass market customers.

## Benefits

As well as great value energy and award-winning service, we offer our customers a range of benefits including exclusive competitions, VIP experiences and an online rewards shop.

## Competitions

Over the year customers had multiple opportunities to win extra rewards or loyalty bonuses:

- **West Coast gas promotion** – Our popular promotion to win free gas over winter received over 22,000 entries from June to September 2021. A daily winner was drawn, with a total of 100 customers receiving a \$100 credit towards their next gas bill.
- **West Coast bonus competitions** – A range of competitions offered reward including movie tickets, Rottnest Island passes and food delivery vouchers, with more than 20,000 customer entries during the year.
- **East Coast relocation promotion** – We rewarded customers who moved house with us by giving them a 3-month BINGE subscription to enjoy in their new home.

We ran more competitions as part of our Cricket Australia partnership, as outlined on pages 98-99.

## Online Rewards Shop

Customers can take advantage of deals on entertainment, attractions and lifestyle products at our online rewards shop. This year, our customers saved a total of \$65,000 off recommended retail prices, or an average of 32% per order, on purchases ranging from movie tickets to gift cards and electronics.

## Alinta Energy moving truck in Western Australia

From moving house to removing stress, our partnership with Adlam Transport makes it easier for our customers by providing moving services. To receive this benefit, you just need to be an Alinta Energy customer at your new place.

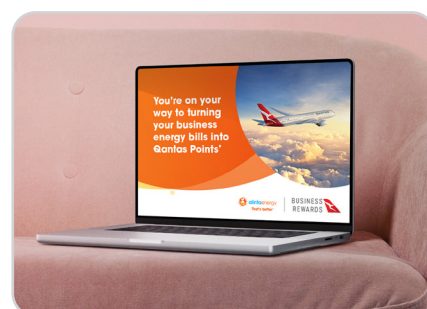
Customers can request our Alinta Energy moving truck with two crew members and get the first five hours of their move for free. This is worth over \$650 and gives our customers even greater value. If our moving truck is not available on the day a customer wants, or they are moving on the weekend, the customer will be offered an exclusive discounted rate on another moving truck with Adlam Transport.

The Alinta Energy moving truck has made moving easier for hundreds of WA families over the last three years.

## Qantas Business Rewards

Starting in November 2021, we partnered with Qantas Business Rewards to offer our small-medium enterprise customers the opportunity to earn Qantas Points on every dollar they spend paying their electricity or gas bills.

This presented the perfect opportunity to do better for our business customers. Eligible Qantas Business Rewards members can earn up to 20,000 Qantas points for signing up to our BusinessDeal electricity plan, plus 3 points for every \$1 spent on their electricity bill and 1 point for every \$1 spent on their gas bill.



# Branding and marketing activity

Alinta Energy is a growing brand in the Australian energy market committed to reliable and competitive energy that also considers the future.

In Western Australia, we're the number one provider of residential gas and have built trust over 25 years of excellent customer service and community contribution. In the last decade, we have expanded our business on the east coast, bringing increased competition to the market and making energy more affordable.

At the heart of our brand, we are determined to create better energy for our customers and deliver more value.

This year, we launched a new brand tagline: That's better™. This reflects our promise to always try to do better and to keep getting better day after day. Better for our customers. Better for Australia. And better for our environment. Alinta Energy. That's better™.

"That's better is an attitude that our whole organisation can embrace to benefit our customers."

**– Amanda Hagan, Executive Director Retail Markets**

Alinta Energy has and always will be determined to do better for our customers, the environment and the country we share. We've built one of Australia's biggest wind farms to provide more sustainable energy, our local customer service teams are here to help our customers with whatever they need, and we're continuing to deliver award-winning service and find ways to keep our energy competitive.

## Cricket Australia partnership

Our partnership with Cricket Australia aims to power the experiences and homes of Australian cricket fans. It's been taking our affordable energy message across the nation since 2018, increasing consumer awareness and creating a platform for us to reach new customers.

We are the principal partner of the Australian men's cricket team and partner of the national digital grassroots platform MyCricket.

The 2021/22 Season culminated in the Ashes – where Australia took on England in one of the biggest sporting rivalries in the world. Capacity crowds were back after COVID-19 restrictions the previous year and strong TV audiences gave the Alinta Energy brand good exposure. The five Test matches in the Ashes Series were followed by some short format games with T20s and one day internationals against Sri Lanka and New Zealand.

## Cricket TV advertisements

We launched our new brand message, That's better™, during the summer cricket season, through two main TV commercials. These focused on two key messages: local service and great energy deals, featuring members of the Australian cricket team and a unique sense of humour. They aired nationally across the season on the official broadcasters, Channel 7 and Foxtel. We also incorporated branding and promotional content segments in the cricket coverage on Channel 7 and through our digital cricket hub, [cricket.alintaenergy.com.au](http://cricket.alintaenergy.com.au).



Watch some of the players star in one of our ads here – [www.youtube.com/watch?v=PqBDgv3sASY](https://www.youtube.com/watch?v=PqBDgv3sASY)

### Exclusive customer competitions

#### Virtual cricket experience with Aussie players

To celebrate our new sales channel partnership with ACN we held a competition to join a special online live event with members of the Australian team.

Over 100 ACN agents were entertained by Matt Hayden, Glenn Maxwell, Marcus Stoinis and Kane Richardson who discussed leadership, teamwork, overcoming adversity and being better.



Watch the highlights here –

[www.youtube.com/watch?v=QNpoyUNUSGE](https://www.youtube.com/watch?v=QNpoyUNUSGE)

#### Tickets to matches across Australia

Rewarding our loyal customers is a key objective of the Cricket Australia partnership. Throughout the season, we gave customers the chance to win tickets to matches. Winning customers enjoyed the Test cricket action in Adelaide, Melbourne, Sydney and Brisbane.

### Hitting a six for charity

#### The McGrath Foundation Pink Test

During the Sydney Test, we supported the McGrath Foundation with a pink Alinta Energy logo across signage and the players' uniforms. For the second year in a row, we gave \$30,000 to help launch the Virtual Seat Donation campaign which ran throughout the Pink Test. The campaign raised more than \$5 million for the McGrath Foundation, an even bigger result than last year.



Check out our joint promotion of the Pink Test here, featuring Alison Keller, Alinta Energy's National Partnership Manager –

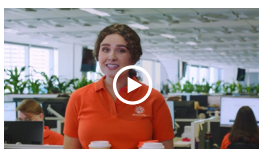
[www.youtube.com/watch?v=E68HfBvHDZY](https://www.youtube.com/watch?v=E68HfBvHDZY)

### Retail campaign – a big deal on gas, WA

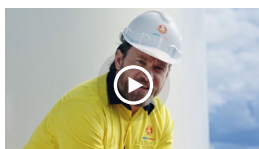
As the market leader in Western Australia, we understand that savings are important and we pride ourselves on being very competitive, but a big deal needs to be more than just a discount on gas. Our winter retail campaign showed what a big deal really means with Alinta Energy.

This campaign demonstrated our broader value proposition for our customers, community and sustainability. It built on our leadership position, standing out from other brands and reflecting our local presence and commitment.

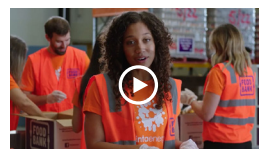
Check out some of our new TV ads here, highlighting our belief that a big deal is about more than a low price –



[www.youtube.com/watch?v=OpRM05HqLng](https://www.youtube.com/watch?v=OpRM05HqLng)



[www.youtube.com/watch?v=DgGLP1Kwpc](https://www.youtube.com/watch?v=DgGLP1Kwpc)



[www.youtube.com/watch?v=UfF8NHMMJ2U](https://www.youtube.com/watch?v=UfF8NHMMJ2U)

## Other partnerships

### Alinta Energy Christmas Pageant

As naming rights partner of the Alinta Energy Christmas Pageant for the third year in a row, we were proud to bring the most magical night of the year to Western Australia families and the Perth community.

On 4 December 2021, Perth's much-loved Alinta Energy Christmas Pageant returned to St Georges Terrace to celebrate its 50th year, bringing Christmas celebrations back to the heart of the city. Thousands of families lined the streets to watch floats, performers and dancers showcase their diverse talent along with some well-known Perth celebrities.

Some lucky Alinta Energy customers watched in style from an exclusive VIP area as winners of our Christmas Pageant VIP customer competition.



### Moonee Valley Racing Club partnership

Alinta Energy has been the exclusive partner for Moonee Valley Racing Club's Lunar New Year race meeting since 2019. This is a highlight of the Club's Friday night calendar and brings the local community together to celebrate the Lunar New Year.

Through our partnership, we can reward our Victorian customers with member packages that enhance their experience at the event.

### Gippsland Football League

Alinta Energy has signed a three-way major partnership arrangement with Loy Yang B and the Gippsland League to support local AFL and netball communities.

Alinta Energy has become the major partner of Gippsland's largest football league. This enables the league to support clubs, members and the local community by providing value and affordable energy options.

Loy Yang B's support funds the delivery of education and awareness sessions within the clubs each year. These focus on social issues such as mental health, substance abuse and gambling, promoting wellbeing and inclusion.

### Traralgon Golf Club Pro Am Classic

As part of our support for the community around our new customer experience hub in Morwell we sponsored Traralgon Golf Club's annual Pro Am Classic event in January 2022.



**Pictured** – Loy Yang B General Manager Tony Hicks, Gippsland League General Manager Daniel Heathcote and Alinta Energy General Manager Customer Operations David McNeil launch the Gippsland League partnership.



# Our report

---

Alinta Energy's sustainability report is prepared in accordance with the GRI Standards: Core option.

Selected performance metrics in this report are subject to external assurance by KPMG, as shown in the Independent Limited Assurance Report on pages 123-126.





# Reporting principles

To provide greater transparency over our sustainability performance, this report is aligned to the GRI reporting principles for defining report content and quality.

## Report content principles

### Stakeholder Inclusiveness

Our stakeholders include:

- Customers
- Employees
- Suppliers
- Regulators and government
- Community groups
- Owners
- Business partners
- Contractors
- Media
- Lenders and grant providers
- Insurers
- Auditors
- Rating agencies
- Industry associations
- Non-government organisations
- The general public.

To identify material sustainability issues, we assess our key stakeholder groups' views and opinions, which are obtained from a variety of sources including:

- Feedback provided to our customer service centres
- Customer ombudsman concerns
- Customer surveys and meetings
- Employee engagement surveys
- Owners' meetings
- Community relations and engagement
- Supplier meetings
- Market research
- Participation in industry forums, memberships and associations.

Our participation in industry forums includes the Australian Energy Council (AEC), Living Future Institute of Australia, and the Committee for Economic Development of Australia (CEDA).

We welcome comments from our stakeholders on our sustainability practices and provide contact details on the back cover of this report.

### Sustainability context

This report discusses our targets and performance in the context of the limits and demands on environmental and social resources locally, regionally and globally. Where applicable, the precautionary principle is applied to assessing our impacts.

As far as practicable, this report covers our operations in Australia and New Zealand, including joint ventures and parts of the value chain over which we have significant influence.

For example, data on energy consumption, greenhouse gas emissions and emissions intensities relate to all power stations that are owned, operated and/or contracted by Alinta Energy, except for the Glenbrook cogeneration plant in New Zealand. The Glenbrook plant is embedded in NZ Steel's Glenbrook facility and generates electricity using waste heat and offtake gases from the steel making process, making it impractical to quantify its energy consumption and emissions.

### Materiality

#### Material topics

Based on stakeholder engagement and ongoing analysis, we consider the following GRI topics are most material to our business:

- Energy prices and affordability
- Energy availability and reliability
- Creating and sharing economic value
- Legislation and compliance
- Internal policy and ethical business
- Resource efficiency
- Safety
- Climate change and decarbonisation
- Clean air, water and soil, and pollution management
- Employee engagement, training and diversity
- Community support
- Indigenous engagement
- Customer support.

This list of material topics and their boundaries has not materially changed since last year's report.

#### Other material areas

Other material areas we report on include indirect economic impacts, procurement practices, system efficiency, materials, biodiversity, supplier environmental assessment, grievance mechanisms, labour/management relations, equal remuneration for women and men, non-discrimination, freedom of association and collective bargaining, anti-corruption, preventing anti-competitive behaviour, disaster/emergency planning and response, marketing communications, customer privacy, access and provision of information.

#### Materiality assessment

Our sustainability materiality assessment is detailed on page 118. This report addresses the key sustainability issues from this assessment across sections on Our Business, Safety, Environment, Our People, Our Communities, and Market and Customers.

### Materiality definitions

In this report:

- Material fines are defined as greater than \$500,000.
- Material environmental incidents are defined as having a combined value of associated clean-up costs or fines greater than \$500,000.
- Significant impacts on biodiversity are defined as construction projects which have not obtained or followed environmental management plans.

### Completeness

This report contains information on material topics and reflects the significant economic, environmental, and social impacts of our operations for the year from 1 July 2021 to 30 June 2022 (FY22). It also includes significant events which occurred after the end of the financial year.

## Report quality principles

### Accuracy

Selected performance metrics presented in this report were subject to limited external assurance. KPMG's Independent Limited Assurance Report is provided on pages 123-126.

### Balance

This report includes both the positive and negative impacts of our operations.

### Clarity

This report presents information in the most straightforward way possible to help stakeholders understand how we manage sustainability.

### Comparability

The format of this report is reasonably consistent from year to year and includes historical performance data where available so our performance over time can be assessed.

The current report is for the year from 1 July 2021 to 30 June 2022 (FY22), while the previous report was for the year from 1 July 2020 to 30 June 2021 (FY21). Any restatements of previous years' data are identified in notes to charts or tables. The effects of any such restatements are not considered to.

### Reliability

Alinta Energy has implemented appropriate procedures and controls in relation to the data reported in this report and maintains necessary records to support the data reported.

Selected performance metrics in this report are subject to external assurance by KPMG, as shown in the Independent Limited Assurance Report on pages 123-126.

### Timeliness

Alinta Energy's sustainability reports are prepared annually based on our financial year, which ends on 30 June. They are published within a reasonable time after the relevant financial year end.

## Other important information

In 2018, our parent entity CTFE acquired the Loy Yang B power station, which is owned and operated by Latrobe Valley Power (Holdings) Pty Limited (Latrobe Valley Power). Loy Yang B and Latrobe Valley Power are not part of the Alinta Energy group.

Alinta Energy and Latrobe Valley Power are separate legal entities with their own boards, each chaired by independent non-executive directors. For more information about Loy Yang B, please refer to its FY22 Sustainability Report<sup>20</sup>.

Alinta Energy's current and past sustainability reports are prepared to provide general information to a wide audience of internal and external stakeholders. The information they contain has been prepared with due care and diligence to the best of our ability and knowledge. The reports may not contain all information related to the topics covered and may not meet the information needs of specific readers.

Where relevant, this report may contain forward-looking statements including statements of intended future business activities, opinions on the likelihood and impact of future events, and future financial prospects. Forward-looking statements are not statements of fact, are based on assumptions, and are subject to uncertainty, risk and other factors that could cause the actual outcomes to materially differ from the events or results expressed or implied by such statements.

Statements about past performance do not necessarily indicate future performance. We disclaim any assumption of responsibility for any reliance on our current and past sustainability reports by any person or organisation.

<sup>20</sup> <https://www.loyyangb.com.au/environment-and-sustainability/>

# Glossary

ACCU	Australian carbon credit unit
AEC	Australian Energy Council
Alcoa	Alcoa of Australia Ltd
ARENA	Australian Renewable Energy Agency
CEA	Collective employee agreement
CIC	Critical Infrastructure Centre
CER	Clean Energy Regulator
CERT	Corporate emissions reduction transparency
CTFE	Chow Tai Fook Enterprises Limited
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECMF	Enterprise compliance management framework
EEP	Emerging energy program
EPC	Engineering, procurement and construction
ERF	Emissions Reduction Fund
ERMF	Enterprise risk management framework
ESG	Environmental, social and governance
FIRB	Foreign Investment Review Board
FTE	Full time equivalent
FY	Financial year
GHG	Greenhouse gas
GRI	Global Reporting Initiative
GSD	General standard disclosures
LGC	Large-scale generation certificate
LTIFR	Lost time injury frequency rate
LRET	Large-scale renewable energy target
MD	Managing Director
NAIF	Northern Australia Infrastructure Facility
NECF	National Energy Customer Framework
NEM	National Electricity Market
NGER	National Greenhouse and Energy Reporting
NPS	Net promoter score
NWIS	North West Interconnected System (Western Australia)
PPA	Power purchase agreement
RET	Renewable Energy Target
REZ	Renewable Energy Zone
SDG	Sustainable Development Goals
SRES	Small-scale renewable energy scheme
SSD	Specific Standard Disclosures
STC	Small-scale technology certificate
SVA	Safety Value Add
SWIS	South West Interconnected System (Western Australia)
TCFD	Task Force on Climate-Related Financial Disclosures
TRIFR	Total recordable injury frequency rate
WGEA	Workplace Gender Equality Agency

# Definitions

## Pathway to Net Zero – Basis of Preparation

This section outlines the greenhouse gas accounting practices to establish and monitor progress against our long-term and interim greenhouse gas emissions reduction targets (emissions targets). These practices are based on the Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard (GHG Protocol).

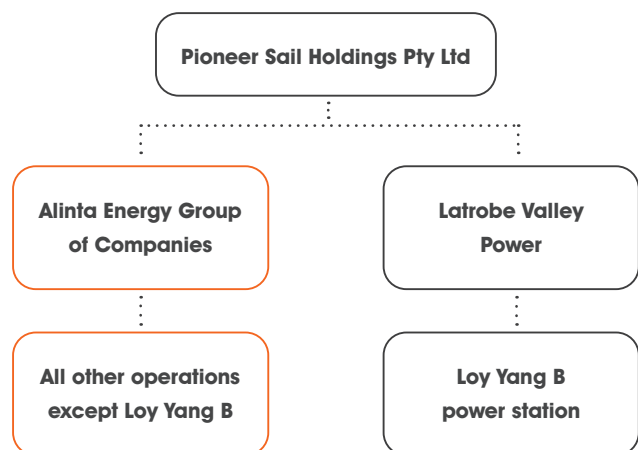
### Organisational boundaries

For the purposes of emissions targets, Alinta Energy’s gross<sup>21</sup> Scope 1 emissions are calculated using the ‘operational control’ approach defined in the GHG Protocol. Scope 2 emissions are calculated using the market-based method. These approaches align with the Australian Government’s National Greenhouse and Energy Reporting (NGER) and Corporate Emissions Reduction Transparency (CERT) programs.

Alinta Energy is owned by Chow Tai Fook Enterprises (CTFE) and operated by Pioneer Sail Holdings Pty Limited (Pioneer Sail Holdings), which is a subsidiary of CTFE. The Loy Yang B power station is also owned by CTFE and is operated by Latrobe Valley Power (Holdings) Pty Limited (Latrobe Valley Power), a subsidiary of Pioneer Sail Holdings.

Alinta Energy’s emissions targets were established and will be monitored from the perspective of the Alinta Energy group of companies, and therefore do not include the Loy Yang B power station as shown below.

### Organisational structure under NGER Program



Alinta Energy’s greenhouse gas accounting and targets do not include the Glenbrook power station in New Zealand. This is because the Glenbrook cogeneration plant is integrated with NZ Steel’s Glenbrook facility and generates electricity using waste heat and offtake gases from the steel production process, making it impractical to quantify its emissions.

<sup>21</sup> Gross is defined as emissions prior to the application of carbon offset and/or renewable energy certificates.

### Operational boundaries and calculating emissions

Scope 1 and 2 emissions are defined in the GHG Protocol and are designed to ensure that multiple organisations will not account for emissions in the same scope. Alinta Energy's Scope 1 and 2 emissions are calculated in accordance with the Australian Government's National Greenhouse and Energy Reporting (NGER) and Corporate Emissions Reduction Transparency (CERT) programs.

Alinta Energy's Scope 1 and 2 emissions include:

- Alinta Energy's gas fired generation assets (except Pinjarra which is operated by Alcoa of Australia)
- Yandin Wind Farm (which is operated by Alinta Energy)
- Renewable generation assets and energy storage facilities in the Pilbara, which are operated by Alinta Energy.

Scope 1 and 2 emissions do not include power purchase agreements for renewable assets, as they relate to energy generated at facilities that are operated by third parties.

The GHG Protocol describes Scope 3 emissions as an optional reporting category that allows for the treatment of indirect emissions. Alinta Energy has reported Scope 3 emissions metrics that are:

- Material to our indirect greenhouse emissions footprint, and
- Able to be accurately estimated using reliable data sources.

These Scope 3 emissions metrics that are included in this sustainability report are associated with:

- Contracted electricity purchases from third parties
- Gas sold to end-use customers
- Facilities that are owned but not operated by Alinta Energy.

### Base year emissions recalculation policy

We have selected FY18 as the base year to establish and monitor progress against our emissions targets.

Our policy is to retroactively recalculate base year emissions to reflect changes in our business that would otherwise affect the consistency and relevance of the reported emissions information. The types of events that could trigger a recalculation of our base year emissions include:

- Mergers, acquisitions, divestments or insourcing of operations that existed prior to the base year
- Discovery of significant errors
- Changes in calculation methodology.

The significance threshold that would trigger base year emissions recalculation is an impact of more than 5% on base year Scope 1 emissions, determined on a cumulative basis from when the base year is established.

Base year emissions will not be recalculated because of the acquisition or insourcing of operations that did not exist in the base year, organic growth or decline.

### Verification

Data used to track progress against climate targets is audited by KPMG under our sustainability report assurance program.

### Carbon offset and renewable energy certificates double counting policy

The GHG Protocol states that "given that there is currently no consensus on how such double counting issues should be addressed, companies should develop their own Target Double Counting Policy. This should specify how reductions and trades related to other targets and programs will be reconciled with their corporate target, and accordingly which types of double counting situations are regarded as relevant."

The GHG Protocol also provides examples which "illustrate that double counting is inherent when the GHG sources where the reductions occur are included in more than one target of the same or different organisations. Without limiting the scope of targets, it may be difficult to avoid this type of double counting and it probably does not matter if the double counting is restricted to the organisations sharing the same sources in their targets (i.e. when the two targets overlap)".

Carbon offset certificates used to supply carbon neutral gas products to customers are not applied to our Scope 1 emissions target calculations. Doing so would represent double counting because the customer could also apply these offsets to their Scope 1 emissions.

## Renewable energy and storage target

Alinta Energy classifies renewable energy and storage projects into the following categories to track progress towards our target to support 1,500MW of development by FY25:

Category	Definition	Contributes to our renewable energy target?
<b>Operational</b>		
Capital assets	<ul style="list-style-type: none"> <li>Facility is operational (commissioning complete with a full handover to a registered market operator)</li> <li>Owned or part owned, and/or operated by Alinta Energy.</li> </ul>	✓
Contracted PPA	<ul style="list-style-type: none"> <li>Facility is operational (as above)</li> <li>Alinta Energy is contracted to purchase energy from the facility.</li> </ul>	✓
<b>Future start date</b>		
Capital investment projects	<ul style="list-style-type: none"> <li>Not yet operational</li> <li>Alinta Energy is the project developer</li> <li>Final investment approval given by our Board and all other required approvals obtained</li> <li>Engineering, procurement and construction contract is in place</li> <li>Commercial agreement for offtake is in place</li> <li>Contracts may include conditions precedent that are not yet satisfied.</li> </ul>	✓
Contracted PPA	<ul style="list-style-type: none"> <li>Not yet operational</li> <li>Alinta Energy is not the project developer but has an offtake agreement to purchase energy from the facility</li> <li>Developer has obtained final investment approvals and all other approvals required to progress</li> <li>Engineering, procurement and construction contract is in place</li> <li>Contracts may include conditions precedent that are yet to be satisfied.</li> </ul>	✓
<b>Pipeline</b>		
Development options	<ul style="list-style-type: none"> <li>Project is at development stage</li> <li>Alinta Energy is the primary project developer.</li> </ul>	✗
Contracting opportunities	<ul style="list-style-type: none"> <li>Alinta Energy is in negotiations for the offtake of energy from a renewable energy development.</li> </ul>	✗
Potential expansion projects	<ul style="list-style-type: none"> <li>Alinta Energy has identified potential to add renewable energy capacity to one of our existing generation sites.</li> </ul>	✗

## Definitions

Where possible, data for our climate targets is sourced from the Pioneer Sail Holdings' National Greenhouse and Energy Reporting (NGER) submissions. As NGER data relates solely to Australian facilities, for consistency, all our climate targets relate to Australian facilities and projects.

We have defined the following terms which are relevant for one or more of our climate targets:

**Renewable generation** – Relates to all renewable energy technologies (including wind and solar) as well as renewable storage technologies with generation capability (such as pumped hydro projects), but not those that simply store and subsequently export power (such as batteries).

**Storage** – Relates to technologies that store and subsequently export power (such as batteries and pumped hydro projects).

**Total generation** – Relates to all technologies with generation capability (including renewables, fossil fuel and cogeneration), but not those that simply store and subsequently export power (such as batteries).

**Generation** – Relates to 'energy produced for use offsite' (sent out electricity), which excludes on-site auxiliary electricity use.

**Net Scope 1 emissions** – Take into account the carbon abatement attributable to credible carbon offsets that have been voluntarily surrendered by Alinta Energy, excluding those associated with Climate Active carbon neutral gas products.

**Net Scope 2 emissions** – Take into account the carbon abatement attributable to credible carbon offsets and/or renewable energy certificates that have been voluntarily surrendered by Alinta Energy, excluding those associated with Climate Active carbon neutral gas and/or electricity products.

**Voluntary surrender of certificates** – Excludes certificates surrendered for regulatory compliance purposes. It includes all other certificate surrendered outside of regulatory compliance program, such as those associated with the GreenPower and Climate Active programs.

**Credible carbon offset certificates** – These are certificates which are eligible under the Australian Government's Climate Active program.

**Credible renewable energy certificates** – These are certificates which are created under the Australian Government's Renewable Energy Target.

**Operational control** – Has the meaning set by the Clean Energy Regulator for the purpose of NGER reporting.

# SDG actions and initiatives

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries (developed and developing) in a global partnership. They recognise that ending poverty and other deprivations must go hand in hand with strategies to improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

During the year, Alinta Energy performed an exercise to map the various activities and initiatives of our business against the SDGs. We were particularly pleased to see that all parts of our business were contributing in some way towards achieving the SDGs.

The table below shows how our activities and initiatives align with the relevant SDGs. Each SDG has further sub-goals associated with it and, where relevant, we have also identified the specific sub-goals we address.

SDG	Actions and initiatives
<b>Our business</b>	
<p><b>Goal 7:</b> Affordable and Clean Energy</p> <p><b>Goal 9:</b> Industry innovation and infrastructure</p>  	<p><b>SDG goal 7.1:</b> By 2030, ensure universal access to affordable, reliable and modern energy services.</p> <p><b>SDG goal 9.1:</b> Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.</p> <p><b>Contribution:</b> Alinta Energy’s strategy includes developing new energy generation and storage assets and improving our existing assets to support Australia’s transition to a low carbon economy while achieving our purpose to make energy more affordable. We monitor the availability of our power stations against targets and investigate the causes of unplanned outages.</p>
<p><b>Goal 8:</b> Decent Work and Economic Growth</p> <p><b>Goal 16:</b> Peace, Justice, and Strong Institutions</p>  	<p><b>SDG goal 8.7:</b> Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.</p> <p><b>SDG goal 16.2:</b> End abuse, exploitation, trafficking and all forms of violence against and torture of children.</p> <p><b>Contribution:</b> We are committed to conducting business fairly and ethically, including protecting human rights. Alinta Energy prepares an annual modern slavery statement which is available from the Australian Government’s online register of modern slavery statements . This sets out the processes we have in place to identify and eliminate modern slavery across our supply chain. Our Supplier Code of Conduct documents our expectations of suppliers, including to operate ethically.</p>
<p><b>Goal 12:</b> Responsible Consumption and Production</p> 	<p><b>SDG goal 12.6:</b> Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p> <p><b>Contribution:</b> We prepare an annual sustainability report. A monthly safety and sustainability update is provided to the Board and the Climate and Decarbonisation Working Group (previously the Safety and Sustainability Council) meets every two months to review our performance and share insights between divisions.</p> <p><b>SDG goal 12.7:</b> Promote public procurement practices that are sustainable, in accordance with national policies and priorities.</p> <p><b>Contribution:</b> Our supplier pre-qualification process uses a risk-based approach to assess prospective suppliers and contractors against our requirements. It reviews their health, safety and environmental management systems and recent performance, and requires senior management approval before we enter a contract.</p>



## Safety

**Goal 3:** Ensure healthy lives and promote well-being for all at all ages



**Contribution:** Alinta Energy supports many initiatives and programs across our business aimed at improving the health and wellbeing of our people. These include:

- Access to Headspace which offers a range of guided meditation sessions
- Access to our employee assistance program – a free, confidential service for our employees and their families which is available at any time
- Oversight of current and potential future initiatives by our Wellbeing Committee.

**SDG goal 3.6:** By 2020, halve the number of global deaths and injuries from road traffic accidents.

**Contribution:** Our Power Generation business has established a vehicle safety procedure which includes sections on emergency procedures and fatigue.

**Goal 8:** Decent Work and Economic Growth



**SDG goal 8.8:** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

**Contribution:** Alinta Energy is committed to providing a safe and healthy workplace for its employees and contractors. Safety will always be our highest priority and comes first whenever making choices in our business. Safety performance and culture are monitored by the Board and the executive leadership team, promoted by managers and people leaders across the business and reflected in our Health and Safety Policy.

## Environment

**Goal 7:** Affordable and Clean Energy

**Goal 9:** Industry innovation and infrastructure

**Goal 12:** Responsible Consumption and Production



**SDG goal 7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix.

**Contribution:** We have set a target to support the development of over 1,500MW of renewable generation and storage capacity by FY25. Once operational, these projects will increase our portfolio's share of renewables from 25% to 37%.

**SDG goal 7.3:** By 2030, double the global rate of improvement in energy efficiency.

**SDG goal 9.4:** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

**SDG goal 12.2:** By 2030, achieve the sustainable management and efficient use of natural resources.

**Contribution:** Commencing in FY19, we have completed a range of operational improvement projects across our fossil fuel power stations to improve our energy efficiency and reduce emissions intensity.

**Goal 11:** Sustainable Cities and Communities



**SDG goal 11.4:** Strengthen efforts to protect and safeguard the world's cultural and natural heritage

**Contribution:** We conduct cultural awareness training and maintain ongoing relationships with the traditional custodians of the land where our developments occur. On projects, such as the Chichester solar gas hybrid project, we follow agreed heritage survey and management protocols, consult on the preferred location of infrastructure, ensure Indigenous participation in environmental surveys, and require the tenders we assess to have Indigenous involvement as a selection criteria.

**Goal 13:** Climate Action



**Contribution:** Our Pathway to Net Zero includes a plan to reduce Scope 1 and Scope 2 emissions as close to zero as practical and achieve net zero emissions by FY50.

**SDG goal 13.2:** Integrate climate change measures into national policies, strategies and planning.

**Contribution:** Alinta Energy regularly participates in and responds to government consultation papers and requests for comment on climate policies and related programs and schemes at both national and state level.

### Goal 5: Gender Equality Goal 10: Reducing Inequality

5 GENDER EQUALITY



10 REDUCED INEQUALITIES



**Contribution:** To help drive gender equality, Alinta Energy has implemented a number of policies and initiatives, including:

- Providing 10 days of paid leave to employees experiencing family/domestic violence (this is above Australian legislated requirements)
- Access to parental and adoption leave for all genders
- Offering a free employee assistance program for our employees and their families which is available at any time.

Our People and Culture team develops plans, processes and training to help embed diversity across our business including recruitment, promotion and remuneration processes. Alinta Energy's commitment to eliminate all forms of discrimination, celebrate differences, and ensure financial and other benefits are not limited by a person's characteristics is reflected in our diversity policy.

**SDG goal 5.5:** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

**Contribution:** Alinta Energy has actively increased the proportion of women in leadership in our organisation, including on our Board and executive leadership team. The proportion of women reflected in our employee turnover declined in FY22 compared to the previous year, and the proportion of employment offers made to women candidates exceeded the proportion of applications from women. Gender equality data is reported to the Workplace Gender Equality Agency.

### Goal 8: Decent Work and Economic Growth

8 DECENT WORK AND ECONOMIC GROWTH



**Contribution:** Alinta Energy employs more than 950 people. Our construction projects are often located in regional areas and create jobs in the surrounding communities. Our operations indirectly benefit local and regional communities by providing employment and supporting local businesses. This includes our Customer Experience Hub, located in Morwell in the Latrobe Valley, which has led to job creation in regional Victoria.

**SDG goal 8.8:** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

**Contribution:** Our employees and contractors have the right to associate freely and join industrial associations such as trade unions. Employees also have the right to engage in enterprise bargaining, where they and their representative (such as a union) negotiate with us for an enterprise agreement.

## Our communities

- Goal 1:** No poverty
- Goal 2:** Zero hunger
- Goal 3:** Good health and well-being
- Goal 4:** Quality education
- Goal 5:** Gender equality
- Goal 6:** Clean water and sanitation
- Goal 11:** Sustainable cities and communities
- Goal 12:** Responsible consumption and production
- Goal 14:** Life below water
- Goal 15:** Life On land
- Goal 16:** Peace, justice, and strong institutions

**Contribution:** Partnerships and grants through our Community Development Program have supported numerous organisations that focus on social disadvantage and environmental sustainability to reduce poverty and hunger, improve education, gender equality, health, hygiene and wellbeing, and support sustainable and environmental initiatives.

- SDG goal 2.1:** By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.
- SDG goal 3.5:** Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol.
- SDG goal 5.B:** Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.
- SDG goal 6.2:** By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.
- SDG goal 11.5:** By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations.
- SDG goal 12.3:** By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.

**Contribution:** The work of organisations through our Community Development Program has supported the above specific SDGs.



**Goal 11:** Sustainable Cities and Communities



**SDG goal 11.4:** Strengthen efforts to protect and safeguard the world's cultural and natural heritage.

**Contribution:** We have formed strong relationships with the Niyaparli and Kariyarra People who are the Traditional Custodians of the land in the Pilbara region of Western Australia where our Newman and Port Hedland power stations operate. At a project level, we follow agreed heritage survey and management protocols, consult on the preferred location of infrastructure, ensure Indigenous Australians' participation in environmental surveys, and require the tenders we assess to have Indigenous involvement as a selection criteria.

### Goal 7: Affordable and Clean Energy

7 AFFORDABLE AND CLEAN ENERGY



**SDG goal 7.1:** By 2030, ensure universal access to affordable, reliable and modern energy services.

**Contribution:** We are proud to be at the forefront of Australia's transition to a low carbon economy while achieving our purpose to make energy more affordable. We understand that energy is an essential service and disconnections have significant implications for people. Alinta Energy's continuous energy program recognises that customers experiencing financial hardship must be treated with respect and dignity. Our specialist team of professionals is trained to support these customers, which may involve giving them extra time to pay, instalment payment plans, or referral to government programs to help them manage their bills.

# GRI content index

This report is prepared in accordance with the GRI Standards: Core option and under GRI 101: Foundation 2017, GRI102: General Disclosures 2017, GRI103: Management Approach 2017, GRI200: Economic, GRI300: Environmental, GRI400: Social and G4 Sector Disclosures Electric Utilities 2013.

The specific GRI standards and where they are addressed in this report are shown in the following tables.

These tables are consistent with our reporting in accordance with the GRI standards at a Core level and so contain only the topics that are material to our business and the indicators that we address (or partially address) consistent with reporting in accordance with the GRI standards at a Core level.

Material general standard disclosures (GSD)		
Aspect	GRI Standards	Page
<b>GRI102: General Disclosures 2017</b>		
Name of the organization	102-1	Front cover
Activities, brands, products, and services	102-2	10-11
Location of headquarters	102-3	10
Location of operations	102-4	10-13
Ownership and legal form	102-5	15
Markets served	102-6	10-11
Scale of the organization	102-7	10-11, 29-30, 72
Information on employees and other workers	102-8	72
Supply chain	102-9	25, 60
Significant changes to the organization and its supply chain	102-10	26-27, 47-53
Precautionary Principle or approach	102-11	104
External initiatives	102-12	104
Membership of associations	102-13	104
Statement from senior decision-maker	102-14	2-3
Values, principles, standards, and norms of behaviour	102-16	14
Governance structure	102-18	14-21
List of stakeholder groups	102-40	104
Collective bargaining agreements	102-41	74
Identifying and selecting stakeholders	102-42	104
Approach to stakeholder engagement	102-43	118
Key topics and concerns raised	102-44	118-122
Entities included in the consolidated financial statements	102-45	30
Defining report content and topic Boundaries	102-46	102-105
List of material topics	102-47	104
Restatements of information	102-48	105
Changes in reporting	102-49	104
Reporting period	102-50	105
Date of most recent report	102-51	105
Reporting cycle	102-52	105
Contact point for questions regarding the report	102-53	Back cover
Claims of reporting in accordance with the GRI Standards	102-54	102, 115
GRI context index	102-55	115-117
External assurance	102-56	123-126
<b>GRI103: Management Approach 2017</b>		
Explanation of the material topic and its Boundary	103-1	104, 118-122
The management approach and its components	103-2	118 - 122

## Material specific standard disclosures (SSD)

Aspect	GRI Standards	Page
<b>GRI200: Economic</b>		
Economic Performance – Direct economic value generated and distributed, and	201-1	29-31
Financial implications and other risk and opportunities due to climate change	201-2	54-55, 118, 120
Market Presence – Proportion of senior management hired from the local community	202-2	72
Indirect Economic Impacts – Significant indirect economic impacts	203-2	29
Anti-corruption – Confirmed incidents of corruption and actions taken	205-3	24
Anti-competitive Behaviour – Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	206-1	96
<b>GRI300: Environmental</b>		
Energy – Energy consumption within the organization	302-1	56
Water and effluents – Water withdrawal, and Water discharge, and Water consumption	303-3	61
	303-4	61
	303-5	62
Biodiversity – Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, and Significant impacts of activities, products, and services on biodiversity	304-1	60
	304-2	60
Emissions – Direct (Scope 1) GHG emissions, and GHG emissions intensity	305-1	57
	305-4	44-45
Effluents and Waste – Waste by type and disposal method	306-2	62
Environmental Compliance – Non-compliance with environmental laws and regulations	307-1	60

## Material specific standard disclosures (SSD)

Aspect	GRI Standards	Page
<b>GRI400: Social</b>		
Employment – New employee hires and employee turnover	401-1	72
Labour/Management Relations – Minimum notice periods regarding operational changes	402-1	74
Occupational Health and Safety – Types of injury and rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities	403-2	34-35, 38
Training and Education – Programs for upgrading employee skills and transition assistance programs, and	404-2	67
Percentage of employees receiving regular performance and career development reviews	404-3	67
Diversity and Equal Opportunity – Diversity of governance bodies and employees, and	405-1	72
Ratio of basic salary and remuneration of women to men	405-2	68
Non-discrimination – Incidents of discrimination and corrective actions taken	406-1	68
Freedom of Association and Collective Bargaining – Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	407-1	25
Local Communities – Operations with significant actual and potential negative impacts on local communities	413-2	89
Marketing and Labelling – Incidents of non-compliance concerning marketing communications	417-3	96
Customer Privacy – Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1	95
<b>G4 Sector Disclosures Electric Utilities 2013</b>		
Percentage of contractors and subcontractor employees that have undergone relevant health and safety training	EU18	38
Number of people physically or economically displaced and compensation, broken down by type of project	EU22	89
Average plant availability factor by energy source and by regulatory regime	EU30	28

# Sustainability materiality assessment

Our sustainability materiality assessment involves four steps:

- 1. Engage with stakeholders** – We engage with key stakeholders<sup>22</sup> through:
  - Stakeholder materiality survey
  - Customer surveys, meetings and ombudsman investigations
  - Employee engagement surveys
  - Sustainability email ([sustainability@alintaenergy.com.au](mailto:sustainability@alintaenergy.com.au))
  - Meetings with customers, suppliers, owners and lenders
  - Community funding and volunteering activities
  - Industry working groups
  - Meetings with government and regulatory representatives
  - Liaising with media organisations and responding to queries.
  
- 2. Identify and prioritise** – We identify key sustainability issues and prioritise them based on their importance to multiple stakeholder groups and their impact on our business. These issues are discussed in the relevant sections of this report.
  
- 3. Review materiality** – We review the materiality of stakeholders’ interests each year through:
  - Board oversight and monitoring
  - Gap analysis against the SDGs, GRI standards and utility sector peers
  - Feedback received from stakeholders during the engagement activities listed in step 1.
  
- 4. Determine outcomes** – We determine the outcomes of this review which are reflected in our actions to:
  - Understand the risk to the business and establish our response to manage these risks
  - Set or update our sustainability targets
  - Report our progress against targets
  - Update, add to and review information presented in our sustainability report
  - Investigate and implement new products or projects.

Topic	Page Number
<b>Our business</b>	<b>8-31</b>
<b>Energy prices and affordability</b>	
<b>Impact:</b> Energy is an essential service and its price can affect everybody’s day-to-day lives and financial wellbeing.	
<b>Challenge:</b> High energy prices affect people and businesses of all kinds but have the most severe impact on people experiencing financial hardship. Energy affordability is a prominent economic and social issue. This is at the heart of our business.	
<b>Governance:</b> Our prices are managed by our retail business unit and are influenced by retail price regulations, network charges, environmental policies, wholesale prices and other costs.	
<b>Energy availability and reliability</b>	
<b>Impact:</b> People, businesses and communities depend on a continuously available energy supply to meet many of their daily needs.	
<b>Challenge:</b> Interruption to energy supply has a significant effect on our customers.	
<b>Governance:</b> We report internally on the performance of all power stations each week, including their availability, reliability start factor and forced outage factor, and compare it to our annual targets. This is distributed to internal decision makers and our executive leadership team. We have rigorous preventative maintenance programs to maximise our power stations’ availability and reliability.	

<sup>22</sup> A list of key stakeholders is provided in the Stakeholder Inclusiveness section on page 104.



### Creating and sharing economic value

**Impact:** We focus on creating direct and indirect economic value for our key stakeholders.

**Challenge:** The economic sustainability of our business relies on operating profitably. This depends on an efficient cost base, great service, competitive pricing, and a strong reputation with our customers and communities. We are also conscious of the need to reduce greenhouse gas emissions by continuing to invest in renewable energy generation and storage and improving the efficiency of our existing generation assets.

**Governance:** The Board and its Audit and Risk Committee review and approve annual business plans and budgets and monitor our financial performance throughout the year against targets such as EBITDA. These plans and budgets are developed through a rigorous cross-functional process to embed accountability. Specific financial measures are reflected in relevant employees' performance goals where appropriate.

### Legislation and compliance

**Impact:** A high level of regulation applies to our business across areas such as safety, energy trading markets, pricing, competition, and environmental management.

**Challenge:** Expanding into new activities can involve additional legislation and policy compliance requirements while changes in the policy environment may result in new legislation.

**Governance:** Changes in key legislative requirements are monitored and managed by teams across our business, including our regulatory and government relations, legal and sustainability teams and individual operating facilities.

### Internal policy and ethical business practices

**Impact:** Implementing policies that go beyond minimum legislated requirements demonstrates our values and commitment to do right by our stakeholders.

**Challenge:** With many internal and external stakeholders, it can be challenging to balance competing views on the policies and business practices that we should adopt, while still meeting the expectations placed on the business.

**Governance:** We have implemented a wide range of policies across the business to support responsible and sustainable behaviour. We strive for best practice rather than being satisfied with minimum requirements, and pride ourselves on conducting business efficiently, and ethically and openly.

### Resource efficiency

**Impact:** We are subject to external and internal expectations to meet our customers' energy needs while managing our usage of limited resources. We aim to operate our facilities as efficiently as possible.

**Challenge:** There is a growing need to transition away from fossil fuels, accompanied by increased pressure and expectations. The energy industry must also meet its responsibility to keep energy prices affordable and cooperate in an orderly transition so that supply remains reliable, including the necessary infrastructure being in place.

**Governance:** Alinta Energy's governance programs include annual asset management strategic planning meetings, regular reviews of the annual work and plant condition plans, and regular operational excellence meetings. We report against agreed performance targets to provide visibility and accountability and ensure operations are in line with good engineering and operating practices.

**Safety****32-41****Safety**

**Impact:** Workplace health and safety is our highest priority. A safety incident at work can change lives and have serious ramifications for our people, their families and friends, and the wider community.

**Challenge:** Our power generation business involves operations with higher risks to health and safety than, for instance, working in an office environment. Everybody has the right and the responsibility to be safe at work and to go home safely at the end of every day, whatever their job and wherever they work. Managing health and safety is essential to every aspect of our business.

Maintaining employee engagement in safety can be challenging, especially over long periods of time. People can become complacent and distracted or sacrifice safety best practice during times of high pressure and conflicting priorities.

**Governance:** Our Board actively monitors our safety performance, supported by executive leadership team accountability and line management responsibilities that are clearly communicated across the business. Each month, the Board receives a report tracking key safety metrics against targets. The Safety and Wellbeing Council (formerly the safety and sustainability council) meets every two months to review safety performance and share insights between divisions.

We focus on maintaining a strong safety culture and delivering our safety vision of every ne, every day, every job: zero harm. This is brought to life by our three safety principles: we always stop and think, we don't cut corners and we speak up for safety. Our policies, systems and training are designed and implemented to effectively identify and manage safety risks.

Our safety value add program involves each employee personally committing to completing actions that contribute to strengthening safety.

**Environment****42-63****Climate change and decarbonisation**

**Impact:** We recognise the importance of transitioning towards renewable energy and reducing our impacts on the climate.

**Challenge:** Electricity production is the single largest industrial contributor to Australia's greenhouse gas emissions, because most electricity comes from fossil fuels such as coal.

There is increasing public interest in the climate change impacts associated with electricity generation and an expectation that government and business leaders will lower greenhouse gas emissions over time, while ensuring energy remains affordable and reliable.

**Governance:** We have made a commitment this year to achieve zero net greenhouse gas emissions by FY50. This is supported by our Pathway to Net Zero, which sets out the strategies to achieve this outcome, including interim emissions reduction targets.

The Board receives a monthly sustainability paper includes material issues relating to climate change. The Climate and Decarbonisation Working Group (formerly the Safety and Sustainability Council) meets every two months and discusses significant sustainability-related matters such as policy developments.

**Clean air, water and soil and pollution management**

**Impact:** Legislation applies at both national and state levels to protect our environment and communities, with significant fines and penalties for non-compliance.

**Challenge:** Laws change and evolve over time and differ between jurisdictions.

**Governance:** Our approach to environmental management is outlined in our Environment and Community Policy and implemented through reporting and monitoring programs.

We use an event management system to track environmental incidents and community complaints and manage incident investigations, corrective actions and community responses. Where appropriate, lessons learned from incidents are shared and communicated across the business. Any significant environmental incidents are also included in our monthly reporting to the Board.

**Our people****64-75****Employee engagement, training and diversity**

**Impact:** A diversified, educated and engaged workforce is resilient, helping deliver superior results for the business, customers and the community. We aim to be accessible to a wide range of people, reflective of the communities where we work and operate and are committed to helping our employees gain and maintain the capabilities to achieve success in their careers.

**Challenge:** Ensuring our people have the capabilities required to serve our customers, meet changing compliance requirements, and also continue to feel valued, engaged and equipped to grow in their roles.

Understanding communication barriers and group biases, is a critical step in creating a more diverse workforce.

**Governance:** Our people and culture team develops plans, processes and training to help embed diversity and inclusion across our business including recruitment, promotion and remuneration processes. We report our gender diversity through the annual Workplace Gender Equality Agency survey. Mechanisms are in place to confidentially investigate and address any reports of inappropriate behaviour, including an independent whistleblower hotline and an employee assistance program.

Our learning and development framework provides the structure to help our people develop through a combination of experiences, exposure and education related to their careers with us. The impact of our talent, capability and culture initiatives are monitored by annual employee surveys. The results are discussed across all levels of staff and leadership and used to develop and monitor the progress of improvements.

**Our communities****76-89****Community support**

**Impact:** Our energy facilities and our new customer experience hub provide employment and business opportunities in regional communities. It is important to us to be good corporate citizens, particularly among the communities that depend on us and for people in vulnerable circumstances.

**Challenge:** There has been increased need for community support recently due to major external challenges such as COVID-19. This has heightened the need to contribute to our communities. Identifying how best to provide support and which causes and organisations to assist involves difficult decisions. There are also growing expectations placed on organisations to maintain their social licence to operate.

**Governance:** Community governance is outlined in our Environment and Community Policy and monitored by the Board and the Environment, Sustainability and Community Committee.

The Community Development Committee oversees our Community Development Program, including reviewing applications, awarding grants, and selecting long term community partners. The Committee has a diverse mix of representatives from across our business and externally.

Our paid volunteer leave program provides choice and flexibility for teams and individuals across the business to support initiatives that are meaningful to them and helps cultivate a culture of contributing to the communities where we live and work.

**Our communities****76-89****Indigenous engagement**

**Impact:** The impact of Indigenous engagement to our business can be measured in the following areas: Aboriginal employment and training, Indigenous community participation, Indigenous business participation (including suppliers and subcontractors), Indigenous customers and in relation to our project sites through Aboriginal cultural heritage management planning.

**Challenge:** Finding appropriate ways to increase Indigenous participation in our business through employment and training opportunities, the provision of business opportunities for Indigenous subcontractors and suppliers, continued participation in community development through engagement with Indigenous communities, growing our awareness of the specific needs and concerns of our Indigenous customers, and the protecting and preserving Aboriginal cultural heritage both during and after the completion of our projects.

**Governance:** Adherence to all State and Federal legislation, including that pertaining to Aboriginal cultural heritage. Our Indigenous engagement will be governed by the establishment of an Indigenous Engagement Committee, consisting of senior and executive staff members, as well as our planned Indigenous Engagement Strategy and Reconciliation Action Plan.

**Our customers****90-101****Customer support**

**Impact:** Ensuring customers have a positive experience and offering affordable energy products underpins Alinta Energy's vision to be the best energy company.

**Challenge:** Trust is vital to customer-centric organisations. An ever-changing regulatory landscape and increased media scrutiny contribute to the challenge of maintaining trust for our business, as it does for other companies and institutions. Significant unexpected events such as natural disasters and COVID-19 create new challenges to support our customers.

**Governance:** Our customer service team speaks with households every day to understand their circumstances, help them access more affordable energy, and maintain supply if they are in financial difficulty. Ongoing training and monitoring are provided to help our service representatives meet our customers' needs. We also review monthly NPS and customer satisfaction scores against our targets and review ombudsman complaints to assess the effectiveness of our customer service and support.

We keep track of major state and national events that may impact our customers, including reviewing and updating our policies and customer service approach where needed to provide necessary support.

Our Privacy Policy sets out how we collect, manage and use our customers' personal information, including the procedure to report any privacy breaches. We also have a Cybersecurity Policy and an Information Classification and Handling Standard that govern how we protect information.



# Independent Limited Assurance Report to the Directors of Alinta Energy Pty Limited

## Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Information Subject to Assurance, which has been prepared by Alinta Energy Pty Limited (Alinta Energy) in accordance with Alinta Energy's 2022 Sustainability Metrics Definitions and related internal policies and procedures, and the GRI Standards for the period 1 July 2021 to 30 June 2022.

## Information Subject to Assurance

Selected Sustainability Information subject to assurance as presented in the Alinta Energy Group Sustainability Report 2021/22 consists of the following:

Selected Sustainability Information	Value Assured FY22	Sustainability Report Page Reference
Availability results of owned and/or operated power stations and generation facilities		
Yandin wind farm	96.3%	13, 28
Chichester solar farm	92.0%	
Newman power station	93.3%	
Port Hedland power station	85.3%	
Pinjarra power station	89.2%	
Wagerup power station	89.5%	
Bairnsdale power station	94.4%	
Braemar power station	79.9%	
Glenbrook power station	92.1%	
Total economic value distributed (\$m)	3,223	29
Corporate sponsorships, community programs and charitable donations (\$)	740,000	29
Group underlying EBITDA (\$m)	462	30
Total recordable injury frequency rate (TRIFR)	2.78	35
Lost time injury frequency rate (LTIFR)	0.56	35

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

<b>Selected Sustainability Information</b>	<b>Value Assured FY22</b>	<b>Sustainability Report Page Reference</b>
Emissions intensity of Australian power generation (tCO <sub>2</sub> -e/MWh)	0.444	45
Progress against Scope 1 emissions intensity target (tCO <sub>2</sub> -e)/MWh) of 40% reduction against FY18	-34%	45
Progress towards renewable energy target (MW)	860	47
Total fossil fuel consumption for electricity generation assets in Australia (GJ)	103,391,254	56
Scope 1 greenhouse gas emissions associated with assets operated by Alinta Energy in (tCO <sub>2</sub> -e)	1,155,596	57
Number of material fines or non-monetary sanctions for non-compliance with environmental laws and regulations	0	60
Number of material environmental incidents	0	60
Water by withdrawal source, consumption and discharge category (ML)	3,015	61-62
Waste generated, recycled and reprocessed by operational sites (t)	10,936	62
Number of confirmed incidents of discrimination	0	68
Employee and governance bodies' information and composition statistics	Various	72
West Coast Net Promoter Score	+79	94
East Coast Net Promoter Score	+57	94
West Coast Customer Satisfaction Score	93%	94
East Coast Customer Satisfaction Score	87%	94
West Coast average monthly complaints per 1,000 customers	0.01	94
East Coast average monthly complaints per 1,000 customers	0.30	94
Number of substantiated eligible data breaches as defined under the Privacy Act	0	95
Number of legal actions for breaches of the Competition and Consumer Act, and outcomes of associated legal actions	0	96
Number of non-compliance with regulations concerning marketing communications, including advertising, promotion and sponsorship	0	96



## Criteria Used as the Basis of Reporting

The Information Subject to Assurance was prepared in accordance with Alinta Energy's 2022 Sustainability Metrics Definitions and related internal policies and procedures, the GRI Standards and as described in the Alinta Energy Group Sustainability Report 2021/22 ("criteria").

## Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Information Subject to Assurance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

## Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant personnel to understand the internal controls, governance structure and reporting process of the Information Subject to Assurance;
- reviews of relevant documentation;
- analytical procedures over the Information Subject to Assurance;
- walkthroughs of the Information Subject to Assurance to source documentation on a sample basis;
- evaluating the appropriateness of the criteria with respect to the Information Subject to Assurance; and
- reviewed the Alinta Energy Group Sustainability Report 2021/22 in its entirety to ensure it is consistent with our overall knowledge of assurance engagement.

## How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Alinta Energy Pty Limited.



## Use of this Assurance Report

This report has been prepared for the Directors of Alinta Energy Pty Limited for the purpose of providing an assurance conclusion on the Information Subject to Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Alinta Energy Pty Limited, or for any other purpose than that for which it was prepared.

## Management's responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs and;
- preparing and presenting the Information Subject to Assurance in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Information Subject to Assurance that is free from material misstatement, whether due to fraud or error.

## Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Information Subject to Assurance for the year ended 30 June 2022, and to issue an assurance report that includes our conclusion.

## Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

KPMG

30 November 2022  
Sydney, NSW





# Report feedback

We welcome feedback and suggestions regarding our sustainability reporting program and performance, which can be submitted via the following contact details:

Sustainability Manager  
Alinta Energy  
Level 13, Grosvenor Place, 225 George Street  
Sydney NSW 2000

Phone +61 2 9372 2600  
Email [sustainability@alintaenergy.com.au](mailto:sustainability@alintaenergy.com.au)  
Web [alintaenergy.com.au](http://alintaenergy.com.au)

This sustainability report has been printed on ecoStar recycled paper. ecoStar is an environmentally responsible paper made carbon neutral. The greenhouse gas emissions of the manufacturing process including transportation of the finished product have been measured and the fibre source has been independently certified by the Forest Stewardship Council (FSC). ecoStar is manufactured from 100% post-consumer recycled paper in a process chlorine free environment under the ISO 14001 environmental management system.



FSC®  
C102086



PROCESS  
CHLORINE FREE



100%  
POST CONSUMER



ENVIRONMENTAL  
MANAGEMENT SYSTEM



100%  
RECYCLED



CARBON  
NEUTRAL