



Alinta Energy Sustainability Report 2022/23

Alinta Energy Pty Ltd
ABN 64 614 975 629

Renewable Energy Investment Fund Pty Ltd
ABN 85 624 371 259



alintaenergy
That's better[®]

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Acknowledgement of Country

Alinta Energy acknowledges the Traditional Custodians of the land on which we live, work and conduct our business operations. We acknowledge the continuing connections of Aboriginal and Torres Strait Islander Peoples to Country and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander people.

Introduction



Our team from our Morwell Contact Centre, pictured here with Dan McClelland, Executive Director Corporate Services and Jeff Dimery, CEO & MD

FY23 highlights

Planet

Greenhouse gas emissions

- **16% increase** in renewable energy generation and storage capacity (operational and committed) (page 22).
- **5.6% reduction** in net scope 1 emissions intensity (and a cumulative reduction since FY18 of 37%) (page 23).
- **50%** of our total Scope 2 emissions now offset using ACCUs (page 23).
- Commenced pre-sales on our new Carbon Balance plan (launched August 2023) which enables customers to offset carbon emissions associated with their electricity or gas usage (page 24).

Clean energy investment

- **66.6%** of the way towards our FY25 clean energy investment target (999MW reached against a target of 1,500MW – up from 860MW last year) (page 22).

Reporting

- Launched our first Task Force on Climate-Related Financial Disclosures Report and Decarbonisation strategy.

Capacity building

- Launched a new team to provide innovative products including behind-the-meter solar PV and battery energy storage solutions for our commercial and industrial customers; and investing directly in projects that create high-quality offset certificates (page 24).

People

Safety

- **Zero** Class 1 injuries (page 32).
- Total recordable injury frequency rate (TRIFR) of 2.71, below our target of 3 (page 32).
- Achieved all safety performance targets for FY23 (page 32).

Gender equity

- **40% increase** in ratio of female managers, from 26% to 37% (page 36).
- **46%** of promotions to women (page 36).
- Insignificant pay gap between men and women (2.6%) (page 36).

Customer satisfaction

- **89%** customer satisfaction nationally (page 39).
- **+61** Net Promoter Score nationally (page 39).
- Maintained very low levels of ombudsman complaints – 0.01 complaints per 1,000 customers on West Coast and 0.34 per 1,000 customers on East Coast (page 41).
- Two Readers Digest Quality Service Awards (page 40).
- One Canstar Blue Most Satisfied Customers Awards (page 40).

Customer support

- DPayment support provided to 22,125 hardship and non-hardship customers.

First nations reconciliation

- Commenced the development of our first Reconciliation Action Plan.
- Key staff attended a 3 day cultural immersion in remote Australia.

Prosperity

Value distributed to our stakeholders

Employees

- **\$166 million** in wages and benefits to our employees (page 47).

Government

- **\$172 million** in income tax paid to government (page 47).

Community

- **115** staff volunteered for community activities in paid time.
- **\$538,010** in community grants and donations (page 47).

Customers

- **\$4 million** in payment support to hardship and non-hardship customers (page 40).

Suppliers

- Supported over **400 small businesses** nationally.
- **\$578 million** contributed to the Australian small business community.
- **98.5%** of invoices paid within 30 days of invoice date, confirming our commitment to supporting small businesses.

Investments

- **\$109 million** spent on maintenance CAPEX to ensure the reliability of the energy system.
- **\$78 million** spent on growth CAPEX to invest for the future.

Alinta Energy at a glance (at 30 June 2023)

Planet

1,045,155 tCO_{2-e}

Scope 1 greenhouse gas emissions

3,531 tCO_{2-e}

Net Scope 2 greenhouse gas emissions

11,258,053 tCO_{2-e}

Material Scope 3 greenhouse gas emissions^a

999 MW

operational or committed renewable energy and storage capacity

2,543 ML

water used by our power stations

People

1,130

employees

48%

Women

52%

Men

<1%

Non-binary

1.17

million customers

Prosperity

3,537 MW

operational capacity across Australia and New Zealand

45,984 TJ

gas sold

8,554 GWh

electricity sold

\$3.98 billion

revenue

\$491 million

EBITDA

8

thermal power stations^b

7

wind farms^c

6

solar farms^d

1

large scale battery^e

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

b. Owned, operated and contracted

c. Six contracted, one operated

d. Five contracted, one operated

e. Owned and operated

From our MD and CEO

Defining better energy

I've spent 30 years in the energy industry, and I can't remember a busier time. Every energy company, every level of government, and almost everyone in the community is wrestling with so many critical questions, decisions, and challenges surrounding our future energy supply and system.

While we actively contribute to public debate on Australia's energy challenges and opportunities, we're also focused on our own progress and confident about achieving our goal to make energy better.

Confident, because we spent a significant amount of time this year defining what 'better energy' might look like for our customers, for the reliability of our energy system and for the environment over the coming decade. We believe our plan is balanced, pragmatic, and sustainable.

I'm pleased to share an overview of that plan and our key projects with you in this report and to delve more deeply into what 'better energy' looks like to us. In short, it's a responsible and sustainable transition to net zero, that retains a customer's perspective at all times.

Making progress in safety and sustainability

We're proud of our team's achievements this year. Safety is always our highest priority, and we couldn't be happier with the team's result this year, with zero class 1 injuries across the board and recordable injuries staying under the more challenging target we set for this year.

Sale of our Pilbara assets

In November 2023 we completed the sale of our Pilbara assets to APA Group. It was another big moment and was significant for three reasons:

1 We gained world-leading skills, experience and insights across the energy supply chain through our efforts to decarbonise the region. Only a handful of companies anywhere have developed and built large microgrids (+100 MW) that can operate on 100% renewables – and we're pleased to be one of them. Our proven ability to deliver large-scale projects that increase capacity, reliability and sustainability shows what we're capable of achieving and supports our next ambitious plans.

2 The sale validated our vision to decarbonise the region, and the progress we achieved in connecting customer loads from different mines and displacing diesel with, initially, gas, battery and solar storage and generation (with plans to include wind). We congratulate APA Group for buying in to that vision and wish them every success in their efforts to further decarbonise the Pilbara.

3 The proceeds from the sale put us in a strong position to continue investing in the transition. This includes jointly funding our renewables and storage megaprojects which are at the heart of our transition to net zero.

Next year's report will show the impact of the sale on our business.

A system and customers under strain

The energy crisis on the east coast in winter 2022 sharpened our thinking on how we define better energy through the transition. It highlighted the impact of price rises on our most vulnerable customers.

While we were proud that our generation fleet remained fully available through the crisis, we don't want to see a repeat of the sustained high prices and shortage of dispatchable generation. The impacts have been reverberating through our energy system ever since, with customers facing successive price rises and many struggling in a cost-of-living crisis.

In this report you'll see we've increased our financial support for vulnerable customers to its highest ever level – with \$7.1 million distributed through payment support programs during 2022 and 2023 year to date. But to be frank, treating a symptom of a system that is not adequately providing for its most vulnerable is not an achievement or a cause for celebration.

These were timely reminders of the need to get the balance right as we move towards net zero, which we discuss further in the report.

A change of reporting approach

You may notice this year's report is shorter and looks different (better, we hope!).

As sustainability reporting becomes broader and more sophisticated, we are exploring how to meet the needs of our different stakeholders. In the pages that follow, we concentrate on the most significant issues, key results, and major changes during the year.

More detailed data from our operations is now included in our online data centre which is part of the Alinta Energy website. Notes are included throughout this report to highlight where there's extra information available online.

We would love your feedback on our new approach and how well it meets your own needs and interests. Contact details are listed on the last page of this report.



Jeff Dimery
MD and CEO



Hear more about Jeff's thoughts on our sustainability performance and plans for the future.

Vision, purpose and values

Vision

To be the best energy company.

Purpose

We're determined to make energy better.

Values

Our values underpin everything we do.



Safety

Safety will always be our highest priority and comes first when making choices in our business.



One Alinta

We are one team that works together for the same purpose.



People Matter

Our people are our greatest asset. We are committed to a culture where how we deliver is as critical as what we deliver.



Respect & Integrity

We value diversity and treat people with respect. We are true to our word and take personal responsibility for our actions.



Customer Focus

We are a business focussed on the customer, providing great service externally and internally. Our goal is to be the customer's first choice.



Commercial Leadership

We act like business owners, committed to industry leadership and the achievement of superior results.



What we do

Alinta Energy is one of Australia's largest and fastest growing energy providers. We supply gas and electricity to over 1.15 million homes and businesses. Our customers and operations span mainland Australia and we also operate a power station in Aotearoa New Zealand.

Our headquarters are in Sydney, with offices in Perth, Melbourne, Morwell (Victoria) and Adelaide. Our other sites are illustrated on the following page.

Our main activities include:

Generation

We own, operate, develop and invest in thermal 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 networks such as electricity transmission lines and gas pipelines.

Energy retailing

We sell electricity and gas to large and small customers across the country.

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

- West coast integrated
- East coast integrated
- Contracted assets

Our generation capacity

The total capacity across all our generation facilities at 30 June 2023 was 3,537 MW. This reflected a slight increase from FY22, with an additional 25 MW in contracted generation obtained from the Kiamal solar farm above previous levels and increased generation at Newman power station.

Our total capacity is made up of:

- **Owned and operated generation**

Energy from facilities we own, part-own or operate.

This excludes other generation facilities owned by subsidiaries of our parent company, Pioneer Soil Australia that are outside the Alinta Energy group. It applies the definition of operational control under the *National Greenhouse and Energy Reporting (NGER) Act 2008*.

- **Contracted generation**

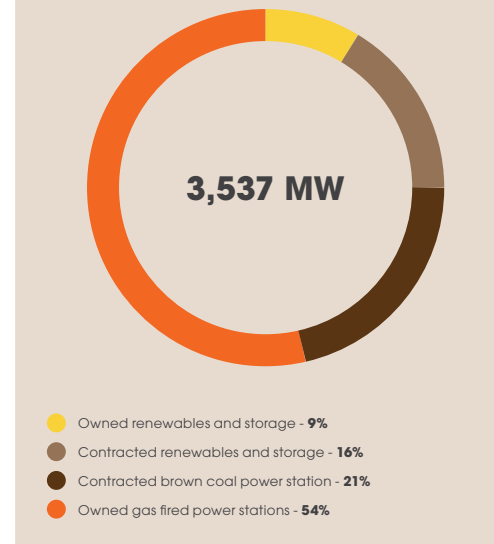
Energy we buy from entities outside the Alinta Energy group under wholesale contracts associated with plant capacity. This includes the Loy Yang B power station, as well as a range of renewable energy facilities.

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 we do not control a proportion of these facilities' capacity.

Operational renewable energy and storage is approximately a quarter of our total operating capacity (885 MW) as shown. We are committed to continuing to increase our renewable energy and storage capacity, and our approach to doing this is discussed on pages 21-28.

Emissions from our owned and operated generation facilities (scope 1 emissions) are shown on page 19. Material scope 3 emissions, shown on page 20, include those associated with our contracted generation capacity.

Operating capacity split at 30 June 2023

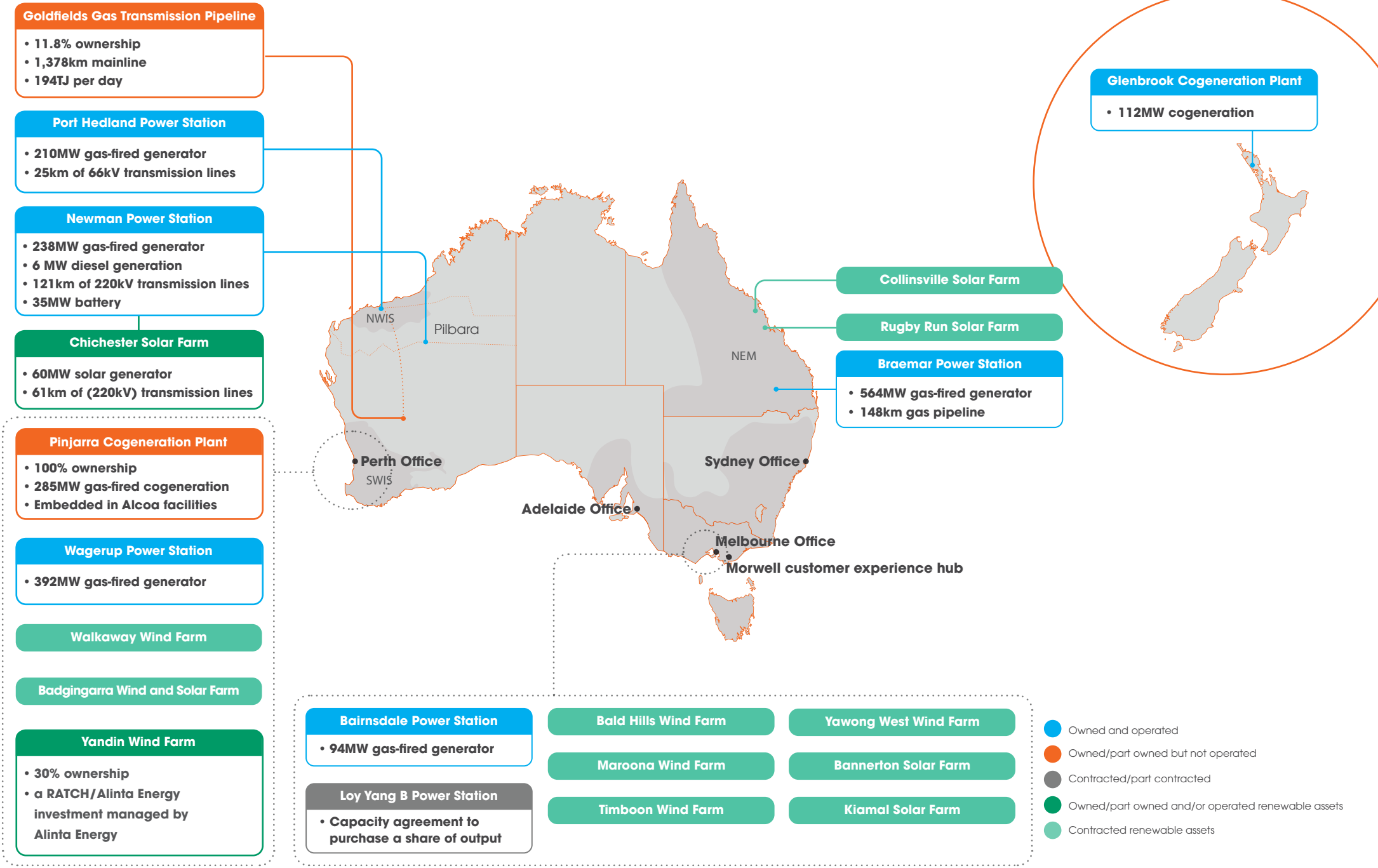


Power station performance

We measure our power stations' performance against targets for availability, start reliability and forced outages. These factors are all important for grid stability. As the proportion of renewable energy in the grid increases and fossil-fuel powered plants are used more sporadically, start reliability is of increasing importance.

Our start reliability target performance in FY23 was good, with three of our five targets met and the other two missing by less than 1%. Port Hedland fell slightly short as a result of some mechanical problems with diesel starters. Braemar missed its target slightly due to system upgrades to maximise availability into the future.

In FY23, we met six of our 11 site-specific availability targets, which are set based on planned outage and upgrade activities. This was partly due to forced outages, where we met four of our 7 targets. Site-specific availability results are shown in our [online data centre](#).



Governance and risk management

Ownership

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

CTFE is a family-owned business with operations in 27 countries globally.

Pioneer Sail Australia also owns Latrobe Valley Power Holdings Pty Ltd (Latrobe Valley Power), which operates the Loy Yang B power station in Victoria. Alinta Energy has a capacity agreement to purchase a share of its Loy Yang B's output, which is reflected in the contracted energy generation information in this report.

Alinta Energy and Latrobe Valley Power have separate boards, each chaired by independent non-executive directors. Loy Yang B prepares a separate sustainability report which is available from their [website](#).

Board and committees

Our Board is made up of nine members. We have four independent non-executive directors including the Chair, four non-executive directors, and our Managing Director and Chief Executive Officer. Profiles of our directors are available on our [website](#), and our newest board member shares his perspective on sustainability on the next page.

The Board meets monthly (except December) and has primary responsibility for governance across our business. It approves our overall strategy, monitors its implementation and oversees our operations. Day-to-day authority to run the business is delegated to our MD and CEO. We have three Board committees that oversee specific operational and risk issues. They provide governance across these areas and report to the Board on their activities.

- Environment, Sustainability and Community Committee
- Audit and Risk Committee
- People, Remuneration and Benefits Committee

Risk management and compliance

Our Board-approved enterprise-level risk and compliance management systems follow a holistic, systemic approach to identify and assess risks, design and implement controls and monitor their effectiveness. Development of these systems has been informed by international risk and compliance management standards.

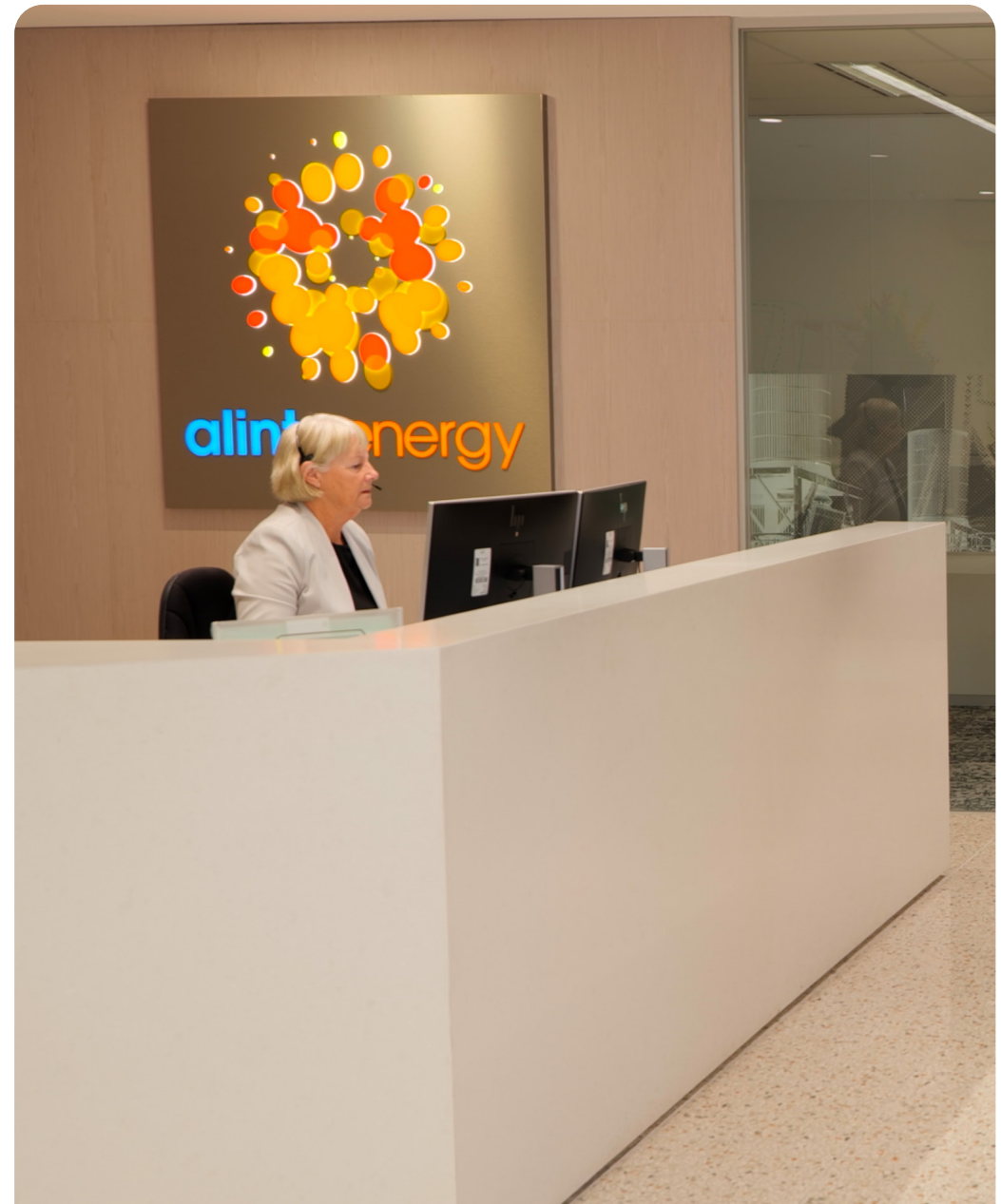
We classify risk as financial, strategic, operational or reputational. Each risk is assessed against consequence and likelihood rating criteria. Business units prepare risk reports which include current, new and emerging risks and the progress of mitigating actions. This happens twice a year and follows a bottom-up process to support accountability for risk with a review by business leaders. Divisional risks are reported to the Board and its Audit and Risk Committee.

We use an overarching Governance, Risk and Compliance (GRC) platform, which is embedded operationally across the business.

Our compliance management system is split into various strands, including 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.

During FY23, we launched a compliance obligations register under a phased implementation, to maintain visibility at executive and Board level over controls and any changes to the compliance regime. This aligns with the new international standard for compliance management systems.

Risks to our IT systems particularly relate to cybersecurity, following several major data security breaches in Australia and elevated threat levels around the world. More details on our cybersecurity response are included on page 42.



In conversation with Dean Jenkins

Independent non-executive director

The newest member of Alinta Energy's Board barely pauses when asked to name his three greatest passions: Family. Learning. Outcomes.

He and his wife Emma, both engineers, grew up in country Victoria. They now divide their time between Melbourne and a vineyard in regional Victoria. Living in the bush, where he regularly sees wombats, echidnas and kookaburras, routinely reminds Dean of how much sustainability matters. So does seeing the impacts of climate change on the land, in the form of more frequent major storms and catastrophic fire risk. Learning about the long-term impact of temperature changes on agriculture reinforced his commitment to sustainability.

"There isn't an industry that's going through more change in a more exciting way than the power industry" he observes.

It was part of his motivation to contribute to governance in the energy sector, along with the dynamic pace and the opportunities it creates.

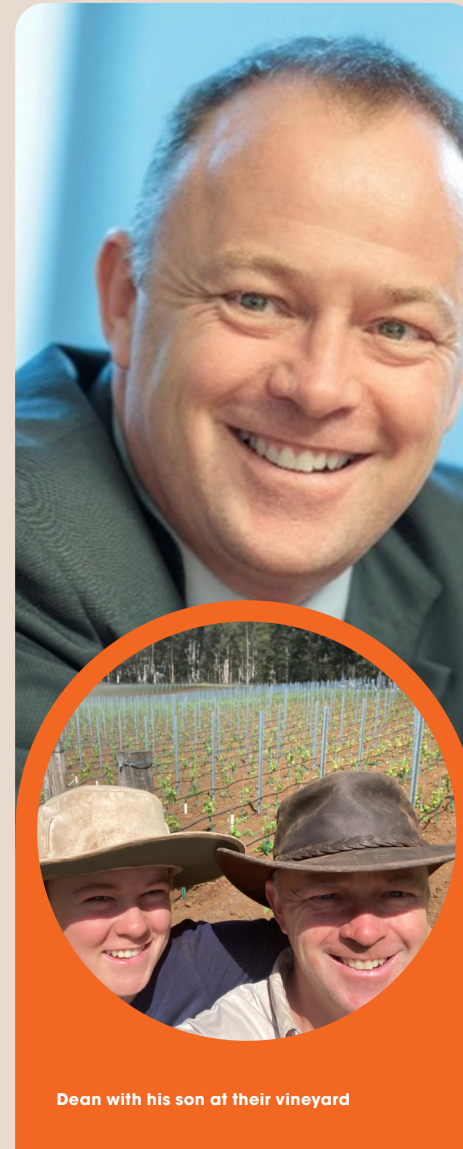
As a father of two young adults, Dean's understanding of the importance of people going home to their families each night underpins his strong interest in safety. This was cultivated early in his career when he worked at Qantas. One of their directors instilled in him the need for leaders to find and continually reinforce simple messages through effective storytelling.

Experience has also taught Dean the importance of listening to experts and the risks of complacency when performance is strong and teams haven't experienced significant incidents.

Dean observes that in high-risk industries like energy, it's easy to focus on the obvious dangers that can have catastrophic impact. However, it can also result in missing the day-to-day safety and wellbeing issues that affect a greater proportion of people, including psychosocial hazards. Dean's never forgotten when one of his team fell down some stairs while carrying books, seriously injuring her back, and he's become known for reminding people to 'always hold the handrail.' It's advice that applies more broadly to the embedded behaviours at the heart of a strong safety culture.

One of the things that Dean has been most taken with at Alinta Energy has been our positive and collaborative culture. "There are nice, genuine people who are honest with what they're trying to do and honest about the challenges," he observes of the refreshing lack of ego. He's also impressed by the strong relationship between Alinta Energy and our owners.

Dean's passion for driving outcomes was critical to his success in operational leadership roles in the infrastructure and minerals industries. As a director, taking a higher level view is necessary for strategic oversight and governance. He balances that experience to bring fresh perspectives and insights to our Board.



Dean with his son at their vineyard

“
There isn't an industry that's going through more change in a more exciting way than the power industry.
”

Business structure

Alinta Energy is made up of seven business units whose leaders form our executive team and report to our MD & CEO.

During the year, we restructured our Merchant Energy team into two separate business units: Power Generation and Development, and Trading and Portfolio Management. This restructure reflects the increased activity within the development side of the business alongside the focus on the evolving challenges within the energy markets aspect of our business.

Profiles of our executive leadership team can be found on our [website](#).

Power Generation and Development

- Power station asset management and operations
- Power development and construction
- Pathway to net zero - clean energy technologies

Trading and Portfolio Management

- National spot trading
- NEM and WEM gas and electricity trading in wholesale markets
- Energy derivatives, options and commodities
- Dispatch of power stations
- Fuel procurement and transport
- Energy pricing
- Systems and analytics
- Environmental products trading
- Commercial and industrial sales and marketing
- Regulatory Affairs and Compliance – supporting TPM and PG&D

Retail markets

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

Finance

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

Information Technology

- Cybersecurity and IT risk management
- Solutions delivery
- Enterprise architecture
- IT service delivery
- Platforms and operations
- Data and analytics
- Strategic projects (transformation)
- Pathway to net zero - interim emissions reduction targets

Corporate Services

- Safety and sustainability
- Legal and company secretariat
- Governance and audit
- Regulatory and government affairs
- Community development
- Communications
- Insurance
- Pathway to net zero – interim emissions reduction targets

People and Culture

- 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

Our approach to sustainability

We use the triple bottom line interpretation of sustainability which encompasses the environment (planet), society (people) and the economy (prosperity). Sustainability occurs where all three overlap and are in balance.

Alinta Energy's Board oversees our sustainability strategy, progress and performance, as well as risk and compliance more broadly. The Board's Environment, Sustainability and Community Committee assists it in this role.

Our strategic approach to sustainability is led and supported by the national safety, sustainability and insurance team. They work closely with other teams across the business who share overlapping responsibilities including power generation, asset strategy, government and regulatory affairs, legal, governance and audit, risk, procurement, and strategy and planning.

Sustainability compliance and continuous improvement are embedded across the business with input from the national team. Many project-specific sustainability initiatives are driven by diverse staff in teams across the business. In particular, large project teams have their own dedicated environmental planning and compliance staff.

As the number of people across the business with sustainability, environmental, community and safety responsibility grows, we are introducing new ways to collaborate and share our insights.

Management committees provide further oversight, advice and consultation on particular areas relating to sustainability. They include:

- Safety and Wellbeing Council
- Wellbeing Committee
- Climate and Decarbonisation Working Group
- Capital Steering Committee
- Energy Risk Management Committee
- Foreign Investment Review Board (FIRB) Steering Committee
- Modern Slavery Working Group
- Reconciliation Action Plan Working Group
- Office Safety Committees
- Community Development Committee
- Security, Architecture, Data and Infrastructure Review (SADIR) Committee
- Privacy and Information Management Committee (PIMCo)
- Cybersecurity Committee

Sustainability strategy

Alinta Energy has a 5-year plan that articulates how we intend to achieve our purpose to make energy better. It includes our key strategic goals and the investments and enablers that support their delivery.

Our 5-year Environmental, Social and Governance (ESG) strategy for 2021-2025 complements our wider business strategy and integrates sustainability as a central element. It comprises 13 specific commitments. Many of these are mirrored in our Decarbonisation strategy, which is shared on pages 21-24.



Our approach and progress to meet these commitments are discussed throughout this report and in prior sustainability reports. These are available on our [website](#).



Environmental

- Commit to no new coal assets
- Invest in clean energy technologies
- Help customers transition to renewables and storage
- Establish and meet our emission reduction targets in line with our pathway to net zero



Social

- Ensure a safe and healthy workplace
- Contribute and engage with our local communities
- Support diversity and inclusion across the organisation



Governance

- Contribute to new ESG policy development
- Comply with existing ESG obligations whether legislative or contractual
- Establish a Board Environment, Sustainability and Community Committee
- Establish key management committees to oversee ESG
- Publish annual sustainability reporting
- Maintain an enterprise compliance framework

In conversation with Mike Searles

General Manager, Safety, Sustainability and Insurance

Mike joined Alinta Energy as our first sustainability manager 11 years ago. He now leads a team of people and has seen his portfolio expand to include responsibility for safety and insurance. As an environmental scientist with more than 30 years of experience, Mike's played an instrumental role in the development of our sustainability practices.

Even as a kid, Mike knew he wanted to work in an environmental role, well before sustainability specialists were commonplace in organisations. Like many who studied fields such as environmental science, he was inspired by a dream to be a park ranger. It stemmed from his love of the bush and a desire to avoid being stuck at a computer.

He never did become a park ranger, which turned out to be Alinta Energy's gain. After stints in mining, environmental consulting and then food manufacturing, he was drawn to the energy industry because of the opportunity to be at the cutting edge of the transition to a low carbon society.

Ironically after his early goal to avoid sitting at a computer all day, Mike has recently developed a fascination with artificial intelligence. Exploring its potential to increase our efficiency in data analysis is a particular focus. He's also interested in how we can better leverage new technologies to increase customer and staff engagement on sustainability. Some of his early attempts to produce AI-generated illustrations for our documents have been a source of great amusement for the team.

Having pushed for organisational change for most of his career, the rapid acceleration in sustainability issues demands a different perspective, Mike says. It also places new demands on his team.

Beyond the growth of climate-related initiatives and increasing reporting requirements, Alinta Energy's growing renewable energy project teams are also looking for specialist sustainability support. Further, Mike's team is branching into new areas, such as developing a First Nations engagement strategy for the first time, which poses a steep but rewarding learning curve.

"It's a lot of change and a lot of growth, which is all very exciting and I love it, but that's also a challenge, to be across such a large portfolio of activity."

That points to another challenge facing sustainability more broadly: the need to urgently build up the skill base and capacity for the rapidly growing renewable energy industry, at a time when the competition around the world for the same small pool of people with the relevant expertise is at a peak.

With his overall responsibility for corporate safety, Mike knows work-life balance is essential for wellbeing. It makes a difference to his team, which has one of the highest levels of engagement across the organisation. He recharges at home with his wife and three teenage children, the oldest of whom is considering following his Dad into a career in sustainability.

A keen surfer, Mike loves to catch some waves close to home in Sydney or on his family's regular trips to Queensland's Sunshine Coast. In between, he devours diverse podcasts and audiobooks, often while doing housework, which bring some innovative perspectives to his work.

“







It's a lot of change and a lot of growth, which is all very exciting and I love it, but that's also a challenge, to be across such a large portfolio of activity.

”



A keen surfer, Mike loves to catch some waves. Pictured here at the Sunshine Coast.

Planet

7 AFFORDABLE AND CLEAN ENERGY 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES 
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	15 LIFE ON LAND 



Aerial view of Yandin Wind Farm in Western Australia

Our operating context: humanity's greatest challenge

Australia's shift to renewable energy sources is vital to minimise the impact of climate change. The cost is high – estimated at more than \$300 billion as part of a broader global transition for Australia alone.

Australia's former Chief Scientist, Alan Finkel, hit the nail on the head when he described the clean energy transition as "humanity's biggest ever economic challenge".

Timing is critical. Too slow, and not enough can be done to limit the catastrophic effects of climate change. Too fast, and there's a very real risk that energy security comes under threat with poor reliability and skyrocketing prices. Either way, getting it wrong affects everyone. However, communities that are already vulnerable are the hardest hit, worsening existing inequality.

"... climate change and energy prices are two of the most discussed topics in the world – both at board tables and at the dinner table."

*Chris Bowen,
Minister for Climate Change and Energy (2022)*

The modern world is completely dependent on energy. We rely on it to support critical infrastructure including our communications and finance systems, hospitals, transportation and security.

Energy is essential in our everyday lives for basics like cooking and hygiene to comforts we take for granted such as our entertainment systems and air conditioning. At work and at home, energy keeps people connected and businesses running.

Alinta Energy is committed to the clean energy transition and proud of the progress we've made so far. We also take our responsibility to provide our customers with reliable, affordable energy very seriously.

A complex transition

There are many challenges in the transition to renewable energy which take time to overcome and affect the pace of change.

- **Additional capacity is needed**

Most renewable generation has a lower capacity factor than fossil-fuel generators. That's because of the intermittent nature of its generation profile. Solar and wind power, for example, depend on variable weather conditions that change from day to day and around the clock.

It means replacing fossil fuel capacity isn't a like-for-like exercise. The capacity from renewable generators needs to be multiple times greater than the facilities they are replacing. The difference is also filled with what is referred to as 'firming capacity' – flexible energy supply that can be quickly activated in response to demand. This can include storage like batteries or larger scale pumped hydro facilities as well as gas-fired power stations.

- **Supporting infrastructure is needed**

New renewable facilities can't exist in isolation; they need to be integrated to the grid. Transmission facilities (high voltage power lines or cables) are required to take power from renewable energy sources to where it is needed.

- **Engagement with diverse stakeholders**

Inadequate stakeholder engagement can be a significant barrier to renewable energy projects. Given the complexity of energy markets, the network of stakeholders is enormous and includes regulators, manufacturers, landholders and local communities surrounding existing or proposed infrastructure and customers (both households and businesses).

- **Supply chain constraints**

International supply chains can cause significant delays due to growing demand for raw materials and manufactured equipment needed for renewable energy projects. Skilled people in specialist roles are highly sought after in a tight labour market and may not be available when needed.

- **Supporting responsible business practices**

Certain raw materials, components and products are considered high risk for modern slavery. The energy industry has a duty to ensure human rights aren't violated in the push to move faster. A just transition is needed so that that important improvements in one area don't result in unacceptable setbacks in another.

Environmental impacts and opportunities

Climate change

The most significant environmental issue for our stakeholders and our business is climate change. Decarbonisation initiatives represent an opportunity to achieve positive change, and is where we primarily allocate our time, capital, and effort towards.

Regulation and community expectations continue to demand further emission reductions. Increasing investor and financier expectations are also driving additional reporting requirements, such as the voluntary [Task Force on Climate-related Financial Disclosures](#) (TCFD). This year we produced our first TCFD report. This reporting and the associated assessment of climate-related risks and opportunities is expected to become mandatory in Australia for companies like ours in FY25.

Energy is an essential service, presenting a 'trilemma' for our industry to balance meeting expectations across sustainability, affordability and reliability. Our challenge is to transition as quickly as possible, while still meeting customers' needs and managing risk. We review our transition timeline at regular intervals to consider environmental, social and operational factors.

Getting the balance right between moving quickly while maintaining grid stability and reliability is not easy, and we are determined to balance these elements in a transparent way.

Delivering under pressure

Reliability becomes even more important in a crisis. In December 2022 and January 2023, gas producers in Western Australia experienced a series of issues which culminated to create a significant shortfall in domestic gas supply in early 2023. Our investment in our gas supply portfolio, including storage capacity and diversity and flexibility of supply sources over the preceding years, meant we were able to help Western Australia avert a supply crisis.

The action taken by us resulted in an increase in our share of domestic supply from its usual level of around one tenth of the market to over a quarter of the market. This additional gas supply mitigated the impact of the disruption to gas customers and the Western Australian economy.

Maintaining momentum: progress, potential and proof

When we began decarbonising our operations, there were several ways to deliver an impact relatively quickly. Contracting complementary long-term supply from solar and wind farms and completing some of the energy efficiency projects at our existing facilities were things we could achieve with clear commercial outcomes and minimal impact to supply. These got us started and gave us confidence to think bigger.

Following on from the initial opportunities, we also explored complex opportunities that involved more preparation, wider collaboration, and took longer from start to finish. They pushed us further to find new solutions and develop deep knowledge. Delivering projects like the Chichester Solar Farm, Yandin Wind Farm and Newman battery solved problems for our customers and our business and proved our capability.

As our pathway to decarbonisation continues, we've invested in developing the people, processes and systems required to support further change. This is helping us strive for larger opportunities with more difficult trade-offs,

Large-scale transformational projects will require more time and significant investment, but they represent the types of investment required to replace the huge thermal retirements that are coming. They involve upfront investment and substantial work to determine whether they can deliver on their potential. Not all of them will, which is why we have a wide pipeline of options and a robust process to evaluate their viability.

For projects with a total cost that runs into hundreds of millions, or even billions of dollars, it can take years of planning, analysis and consultation before a project reaches final investment decision.

While our progress against measurable objectives doesn't always follow a linear path, the benefits of the insights and experience build on each other in turn. Our results and the capabilities demonstrated over time have us in position to drive progress.



Energy consumption, generation and purchases

Fossil fuel consumption

The most significant sources of energy we consume are the fuels we use to generate electricity. Our owned, operated and contracted facilities use a mix of renewable energy sources and fossil fuels. The main fossil fuels used are natural gas, coal seam methane, brown coal and diesel. We buy fuels from third-party suppliers and we do not produce or extract gas or operate mining facilities.

The energy efficiency (heat rate) of our electricity generation assets improved by 5% during FY23 compared to the previous year.

Fossil fuel consumption by electricity generation assets (GJ)

	FY23	FY22	FY21
Operated	20,449,381	22,705,834	20,451,275
Contracted	78,376,382	80,685,420	78,179,937
Total	98,825,763	103,391,254	98,631,212

The consumption data above excludes our Pinjarra (WA) and Glenbrook (NZ) power stations.

The Pinjarra power station, which is part of Alcoa's refinery, is excluded because it is not operated by Alinta Energy.

The Glenbrook power station, which is part of the NZ Steel facility, is excluded because the waste heat and offtake gas that fuel it are sourced from NZ Steel as surplus energy from production.

The fuels consumed by contracted facilities, which include brown coal used by Loy Yang B power station, only relate to the electricity generation that Alinta Energy is contracted to buy, and not to the facilities' total generation.

The main reason we consumed less fuel was because our Braemar power station in Queensland was dispatched less in FY23 than FY22. It was dispatched more than usual in FY22 due to supply shortages and elevated market pricing meaning we were called upon more frequently to operate.

The decreased fuel consumption at Braemar was partly offset by increases at some of our west coast sites. Our Wagerup power station needed more fuel for increased generation to compensate for gaps in the market. This came from Synergy's Muja coal-fired power station closing in October 2022, plus coal supply issues which affected other generators between July and December 2022. Fuel consumption at our Newman power station was similar in FY23 and FY22. However, this reflected significantly higher demand than in FY21 because of Fortescue Metals Group becoming a new customer to Newman power station.

Electricity generation and purchases

We generated a slightly lower percentage of renewable and cogeneration electricity in FY23 than the year before. This was mostly because of decreased production from wind energy, and decreased cogeneration at Glenbrook.

Electricity generation exported or purchased by generation assets (MWh)

	Fossil fuel ^a	Cogeneration	Wind	Solar	FY23	FY22	FY21
New Zealand	-	512,202	-	-	512,202	636,693	672,272
Australia	7,676,562 ^b	-	1,890,450	573,571	10,140,583	10,621,846	9,856,334
Total	7,676,562	512,202	1,890,450	573,571	10,652,785	11,258,539	10,528,606

The electricity generation data above excludes our Pinjarra power station, which we do not operate. The electricity generated at contracted sites relates only to Alinta Energy's contracted purchases.



Greenhouse gas emissions

Scope 1 emissions

Scope 1 emissions relate solely to the facilities that we own and operate.

There was a 9.6% reduction in our scope 1 emissions in FY23 compared to FY22. This was because of decreased generation at our Braemar power station in Queensland plus improved efficiency at our Newman power station in Western Australia. New Zealand data is not included because waste heat and offtake gas that fuel it are sourced from NZ Steel and emissions fall within their boundary.

Scope 1 emissions from assets operated by Alinta Energy in Australia (tonnes CO_{2e})

	Natural gas	Coal seam methane	Diesel	Other ^a	FY23	FY22	FY21
Operated facilities	862,965	179,495	590	2,105	1,045,155	1,155,596	1,046,806

a. Not related to electricity generation (includes vehicles, fugitive emissions etc).

Scope 2 emissions

Scope 2 emissions relate to electricity we buy from the grid and use at our offices and the power stations we operate. They exclude any behind the meter usage by our power stations, consistent with our NGER reporting. This year there was a significant decrease of 20.3% which was largely attributable to grid decarbonisation.

Scope 2 emissions associated with purchased electricity consumed by Alinta Energy (tonnes Co_{2e})

State	FY23	FY22	FY21
Western Australia	4,344	5,967	5,332
Queensland	1,820	1,798	1,676
Victoria	807	995	851
New South Wales	86	86	107
South Australia	5	11	12
Total emissions	7,062	8,857	8,032
Less offsets ^a	(3,531)	(2,214)	- ^a
Net emissions	3,531	6,643	8,032

a. Offsets have been purchased since FY22 and increase by 25% of our scope 2 emissions each year until 100% are fully offset by FY25

Emissions reporting

Alinta Energy reports emissions data under the National Greenhouse and Energy Reporting (NGER) scheme. We report our progress towards achieving our climate targets through voluntary participation in the Corporate Emissions Reduction Transparency (CERT) initiative. Our [NGER](#) and [CERT](#) reporting is through our parent company, Pioneer Sail Holdings.



Behind the meter refers to energy which is both generated and consumed at a site.

Material scope 3 emissions

Scope 3 emissions are indirect emissions from outside Alinta Energy. They are associated with our wider supply chain both upstream (suppliers) and downstream (customers).

Our scope 3 emissions include the combustion of fuel used by power stations that we have an investment in but do not operate or power stations that we purchase energy from to resell but do not operate, and the extraction and combustion of natural gas we sell to our customers. These are the most significant contributors to our total scope 3 emissions.

Scope 3 emissions (tonnes CO_{2-e}/MWh) associated with contracted facilities and facilities owned but not operated by Alinta Energy

Electricity generation fuel type	Emissions (tCO _{2-e})			Emissions intensity (tCO _{2-e} /MWh) ^d		
	FY23	FY22	FY21	FY23	FY22	FY21
Natural gas for electricity generation ^a	689,065	524,252	668,073	0.43	0.43	0.43
Natural gas used for steam generation ^{a, b}	610,612	397,665	418,726	N/A	N/A	N/A
Brown coal ^c	7,355,411	7,541,163	7,269,445	1.21	1.19	1.18
Wind ^d	-	-	-	-	-	-
Solar ^d	-	-	-	-	-	-
Total	8,655,088	8,463,080	8,356,244	0.94	0.92	0.90

a. Relates to our Pinjarra power station, which is owned by Alinta Energy 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

c. Relates to fuel used by Loy Yang B power station to generate electricity that Alinta Energy is contracted to buy, and not to total electricity generation.

d. Wind and solar generation do not produce emissions; instead they reduce our overall emissions intensity and are included here to show this impact.

Scope 3 emissions (tonnes CO_{2-e}/GJ) associated with gas sales^a

Natural Gas Sales	Gas sold (GJ)	Emissions (tCO _{2-e})		
	FY23	FY23	FY22	FY21
End-use customers	45,984,115	2,602,965	2,344,480*	2,258,538*

a The data above includes restated emissions for FY22 and FY21. These were previously reported as 210,636 and 200,452 tCO₂-3 respectively, consistent and accurate emissions factors have been applied across each of the years in this table.

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.



Decarbonisation strategy

Pathway to achieving net zero by FY50

Strategies

Invest in clean energy technologies

1

Targets

Support the development of 1,500MW of renewable generation and energy storage capacity by FY25

Establish and track against interim emission reduction targets

2

2020-2025 interim targets:

- Reduce our Scope 1 emission intensity by 40% from 0.667 tCO_{2,e}/MWh in the FY18 base year, to 0.400 tCO_{2,e}/MWh by FY25.
- Offset any residual scope 1 emissions by 2050 by voluntarily surrendering credible carbon offsets.
- Reduce any residual scope 2 emissions to zero by voluntarily surrendering credible carbon offsets and/or renewable energy certificates by 2025.

Set 2030 interim targets by FY25.

Help customers meet their climate ambitions

3

Offer Climate Active Carbon Offset products for mass market and commercial and industrial customers.

Leverage our experience in the development of renewable energy projects to support other large customers on their decarbonisation journey.

Establish a New Markets team to commercialise microgrid and other offset products.

Commit to no new coal assets

4

No consideration to develop new coal assets.

Invest in clean energy technologies

1

During FY23, we increased the capacity we're sourcing from Kiamal solar farm in Victoria and contracted for new supply from the solar farm being built at Wellington North in NSW. We also progressed plans for a new solar farm and battery at Port Hedland power station

Only projects that have received final investment approval are included in our progress against our renewable energy target.

The incremental increase this year doesn't fully capture the extent of activity to pursue our decarbonisation goals. Projects still in the planning stage like (Oven Mountain pumped hydro storage and Spinifex offshore wind farm) are not included in these figures because they haven't yet reached final investment decision. However, they have involved many hours of work by our team, partners and external specialists throughout FY23 as we move through the investment phases.

As our work on major projects in our pipeline continues, we remain focused on achieving our FY25 target. The Oven Mountain project will have a significant bearing on that outcome and is currently forecast to reach final investment decision in mid 2025.

Our pipeline includes a total of 5,865 MW of potential new renewable energy and storage projects that are being evaluated or undergoing planning before seeking final investment approval. Some of these are expected to contribute to achieving our future renewable energy targets.

Our current clean energy investment target is to support the development of 1,500 MW of renewable generation and energy storage capacity by FY25.

999 MW

FY23 cumulative progress towards this target, up from 860 MW in FY22

16%

FY23 increase in renewable energy generation and storage capacity (operational and committed)

	Operational ^a	Future start date ^b	Pipeline ^c
30 June 2023	Capital assets: 309 MW Contracted PPAs: 576 MW	Capital assets: 82 MW Contracted PPAs: 32 MW	Development: 5,865 MW

a. Operational facilities have been commissioned and had a full handover to a registered market operator. Capacity from these facilities contributes to progress towards our renewable energy target.

b. Projects with a future start date are not yet operating but have received final investment approval and have development contracts and long term contracted supply agreements in place. They are also counted towards our target.

c. Pipeline projects are in the preliminary, development or negotiation stage. Their planned capacity is not counted towards our target. From one year to the next, projects may move from the pipeline to having a future start date, and eventually become operational.

Please refer to page 59 for detailed definitions of the above categories.

Where we invest in renewable energy

We develop and invest in increasing renewable energy capacity, and the supporting technology required to integrate this capacity into the power grid.

Renewable energy generation

Before coal-fired power stations can close, replacement renewable generation facilities need to be built and connected to the grid.

We support renewable generation through both direct development and underwriting new projects through power purchase agreements.

Firming capacity and ancillary services

As the proportion of renewable energy increases and coal-fired generators close, alternative sources of firming capacity and ancillary services, such as inertia, frequency control and dispatchability, will be required to maintain a reliable, stable power grid.

We develop new storage projects like large-scale batteries and pumped hydro that have the capacity to stabilise the grid and deliver reliable energy.

How our existing facilities provide practical support

We are also working to maintain the energy efficiency of our existing power stations and improve where possible. These facilities each contribute to a sustainable and reliable energy system as part of the energy transition in their own right. Gas-fired power stations provide firming capacity, activating quickly to fill the gap between energy demand and renewable generation. Adding renewable infrastructure to our existing power stations, as we've done at Newman and are planning at Port Hedland, is contributing significantly to decarbonisation with these assets supporting supply.

Establish and track against interim emission reduction targets



We're close to achieving our FY25 target to reduce the intensity of net scope 1 emissions intensity.

In FY23, our emissions intensity reduced by 0.025 tCO_{2-e}/MWh of total generation compared to FY22. This was largely driven by the installation of new highly efficient reciprocating engines at our Newman power station in WA.

This year's progress represented a 37% decrease compared to the FY18 baseline of 0.667 tCO_{2-e}/MWh of total generation (refer to graph right).

Our scope 1 emissions data on this page relates to Australian facilities which are operated by Alinta Energy.

We don't include emissions from 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.

Net scope 2 emissions reduction

We have committed to reducing our scope 2 emissions to zero by FY25 by voluntarily surrendering credible carbon offsets and/or renewable energy certificates.

This year, we offset half our scope 2 emissions using ACCUs generated from the Jandra/Nulty Regeneration Project in NSW. This reduced our net scope 2 emissions from 7,062 tCO_{2-e} to 3,531 tCO_{2-e}. It continues our staged progress towards our target of zero net scope 2 emissions by FY25.

The quantities of our scope 1 and 2 emissions are provided on page 19 of this report, followed by material scope 3 emissions associated with our operations.

50%

FY23 net reduction in scope 2 emissions (using offsets)

100%

Increase in the proportion of scope 2 emissions offset, from 25% in FY22

Our interim emission reduction targets keep us moving towards our long-term target of net zero scope 1 and scope 2 emissions by 2050.

Net scope 1 emissions reduction

40%

FY25 target reduction in net scope 1 emissions intensity from FY18 base year

Reduces net scope 1 emissions to 0.400 tCO_{2-e}/MWh of total generation

37%

FY23 cumulative reduction in net scope 1 emissions intensity compared to FY18

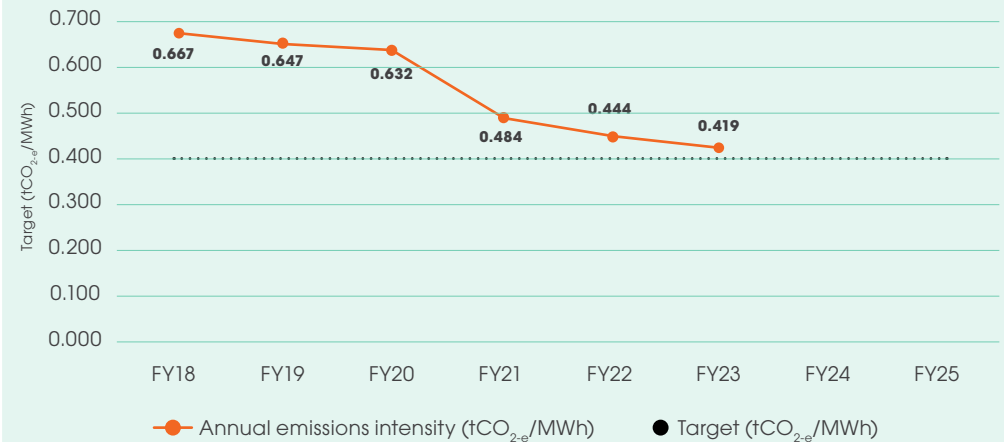
Our emissions intensity in FY23 was 0.419 tCO_{2-e}/MWh of total generation

5.6%

FY23 reduction in net scope 1 emissions intensity

Compared to our emissions intensity in FY22 of 0.444 tCO_{2-e}/MWh of total generation

Progress towards achieving net Scope 1 emissions intensity target



Help customers meet their climate ambitions

3

Introducing Carbon Balance

Our new [Carbon Balance](#) product enables our customers to offset the carbon emissions associated with their electricity or gas usage. It's available to our residential and business customers for both electricity and gas.

Under the plan, carbon offsets 'balance out' the amount of greenhouse gas emissions from the energy customers' purchase from us. The offsets we buy to support this product are Australian Carbon Credit Units (ACCUs). They all come from projects in Australia that reduce or remove greenhouse gases from the atmosphere.

Alinta Energy's Carbon Balance product is certified under the Climate Active Carbon Neutral Product Standard. Find out more about it on our website.

Launched in August 2023, Carbon Balance achieves our goal to introduce a certified carbon neutral product for mass market and commercial and industrial customers.

Introducing our New Markets team

Supporting our strategy to help customers achieve their climate goals, in early 2023 we established a New Markets team in our Trading and Portfolio Management business unit. The team's staff focus on microgrids and nature-based solutions. These two areas can join to provide integrated solutions for our customers.



Meet Marc Barrington, General Manager, New Markets



We use our proven experience in developing renewable energy projects to support our customers' progress towards decarbonisation through a combination of three approaches:

Direct connected renewable energy and storage

We are introducing behind-the-meter solar PV and battery energy storage solutions for our commercial and industrial customers. This will help extend their renewables capacity and decarbonise operations while maintaining reliability.

It will be provided on a build, own and operate basis, optimised against customer demand side response capabilities as well as their energy contract. We're negotiating with several major clients to deliver this solution.

Carbon offset and renewable energy retail products

Our household and business customers can purchase retail energy products that are available with carbon offset certificates. Our commercial and industrial customers can also purchase energy products linked to renewable energy (GreenPower).

Quality carbon offset certificates

The quality of carbon offset schemes is under heightened scrutiny. Poorly designed or administered offsets can fall far short of their claims to reduce emissions and deliver few real environmental benefits. In addition to our new Carbon Balance product for residential and business customers (see right), we are investigating the feasibility of investing directly in projects that create high-quality offset certificates.

Commit to no new coal assets

4

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

Alinta Energy has indirect exposure to coal generation through our owners Chow Tai Fook Enterprises also owning the brown coal-fired Loy Yang B power station in regional Victoria. Loy Yang B is managed and operated separately from Alinta Energy, as outlined on page 10.

Under our capacity agreement with Loy Yang B, we purchase a significant portion of its output. This means its emissions are classified as scope 3 emissions for Alinta Energy.

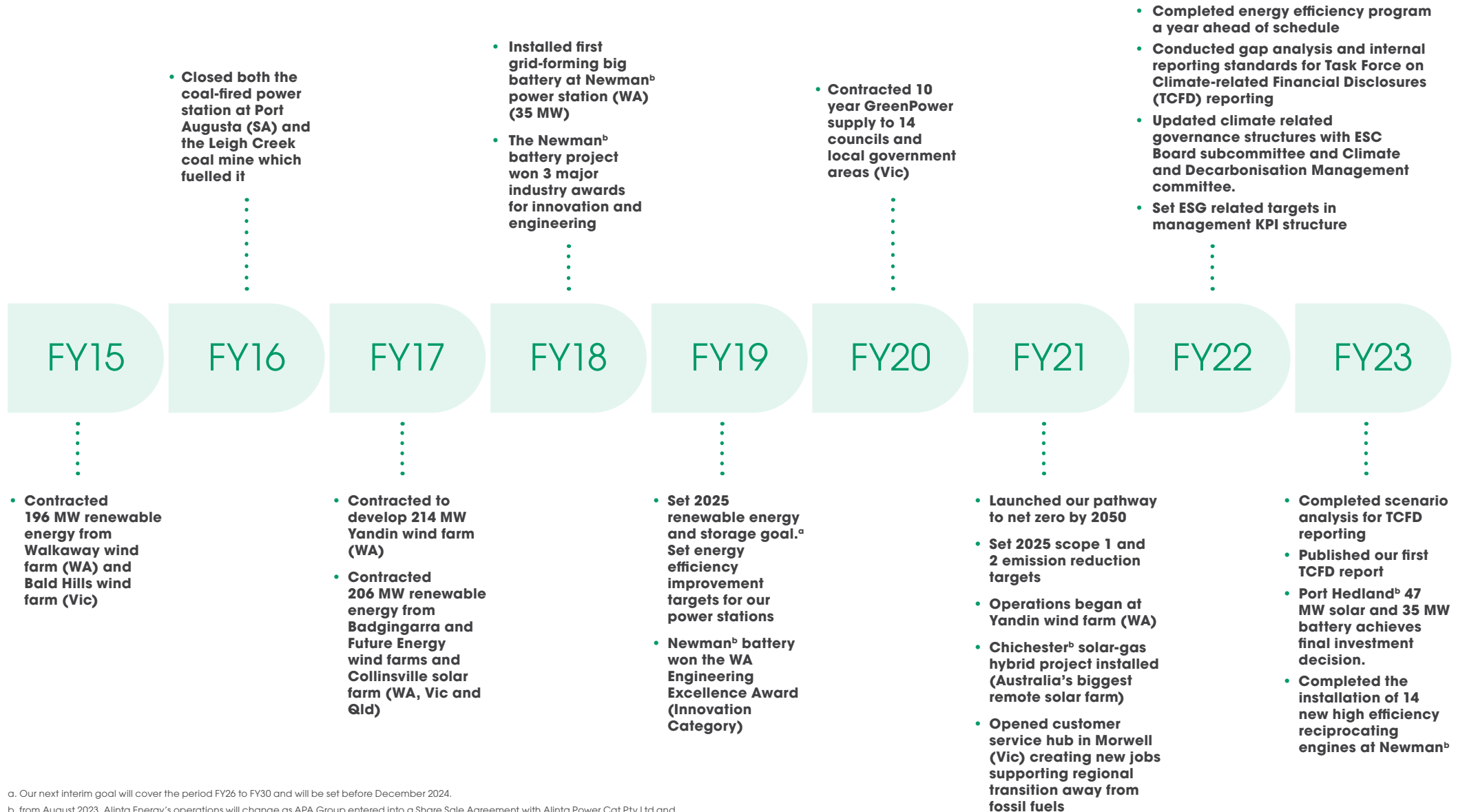
Loy Yang B is developing a decarbonisation roadmap which sets out a range of scenarios to reach zero greenhouse gas emissions over its remaining life. For more information, please refer to their separate [sustainability report](#).



Decarbonisation milestones of recent years



Before December 2024, we will release our next interim emissions reduction targets for FY26 to FY30



a. Our next interim goal will cover the period FY26 to FY30 and will be set before December 2024.

b. from August 2023, Alinta Energy's operations will change as APA Group entered into a Share Sale Agreement with Alinta Power Cat Pty Ltd and Alinta Energy Development Pty Ltd to acquire 100% of Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd (Alinta Energy Pilbara) which includes Newman, Chichester and Port Hedland.

Solar energy

Around 5% of our total electricity generation came from solar energy from owned or contracted facilities in FY23.

Our Chichester solar farm in Western Australia's Pilbara region is the country's largest off-grid solar farm. Opened in FY21, it has helped Fortescue Metals Group decarbonise power for two large iron ore mines.

Developing such a major facility in a remote area gave us valuable experience and demonstrated our capability to deliver large-scale renewable energy. We've put this to good use in planning to develop a new 47 MW solar farm with 35 MW battery storage alongside our Port Hedland power station. These plans are now almost complete, and we expect to begin construction in FY24. The project will help decarbonise BHP's iron ore port facilities at Port Hedland, continuing our progress to support renewable energy in the Pilbara.

This year, we further boosted our solar energy capacity with both new and existing facilities. We contracted with the Wellington North solar farm which is currently being built in central west NSW. Under the agreement, we will start obtaining 32 MW of power from the site in FY25. Our contracted power supply from the Kiamal solar farm in western Victoria was also increased by 50%, bringing total capacity to 75 MW.



Wind energy

Around 18% of our total electricity generation came from wind energy from owned or contracted facilities in FY23.

We have ambitious plans to expand Alinta Energy's wind energy capacity. This builds on our proven experience in onshore wind facilities while also positioning us at the forefront of introducing offshore wind farms to Australian waters.

Offshore wind farms are set to become a major part of our country's renewable energy transition. Australia has some of the best wind resources in the world, able to support almost 5,000 GW of power, according to the [Global Wind Energy Council](#).

Australia's energy policy has recently opened the door to offshore wind farms. Since the offshore electricity infrastructure framework took effect in June 2022, the government has declared two areas as suitable for offshore wind energy, with four more areas likely to follow.

Our planning for the proposed Spinifex offshore wind project in Victoria continued during the year, as discussed on the next page. We're also investigating the feasibility to develop offshore wind farms in Queensland and Western Australia.

Also in Western Australia, the Yandin wind farm, which we part own with RATCH-Australia, achieved a new milestone during the year. It was Australia's top performing wind farm in January 2023^a, according to [Rystad Energy](#), logging a huge 54.1% capacity factor for the month. It was also among the top 5 wind assets in Australia for 2022^b.

Located 175 km north of Perth in Dandaragan, the 214 MW Yandin wind farm is one of the largest in Western Australia. With 51 Vestas wind turbines, it can produce enough energy to power 200,000 homes.

We're always looking for opportunities to develop new onshore wind farms as we expand our renewables portfolio.

- <https://reneweconomy.com.au/west-is-best-for-wind-farm-performance-as-renewables-blow-away-gas-market-share/>
- <https://reneweconomy.com.au/small-victorian-project-tops-performance-rankings-of-australian-wind-farms-in-2022/#:~:text=Kata%20wind%20farm,more%20than%20some%20coal%20assets.>

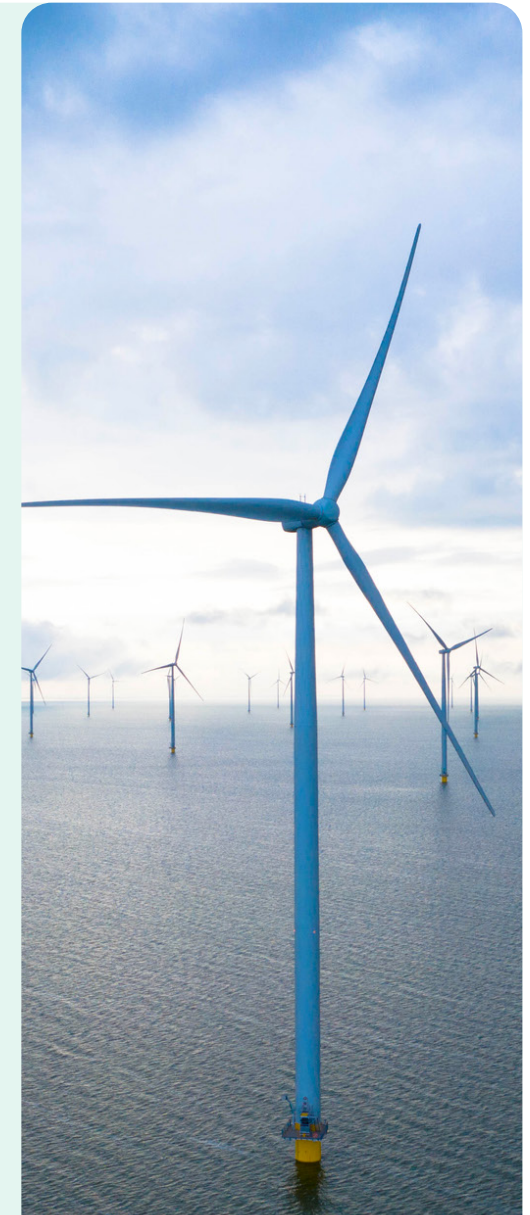
Spinifex wind farm

We are in the pre-planning stage of a proposed project to develop an offshore wind farm near Portland in Victoria. The Spinifex wind farm would be transformational for the state's transition to renewable resources, delivering up to 1,000 MW of power – enough to supply about 10% of Victoria's electricity needs. With an estimated cost of approximately \$5 billion, the project would build Australian expertise and capacity in this emerging sector and provide clean energy jobs well into the future.

The area near Portland is an appealing location for offshore wind development for geographic, practical and commercial reasons. It's near Alcoa's Portland aluminium smelter, the state's largest energy consumer, and could support the smelter's decarbonisation. There is easy access to the electricity grid because transmission lines are already in place to supply the smelter. High, consistent wind speeds in the area can generate more energy, more efficiently. The relatively shallow depths off the coastline plus Portland's all-weather deep-water port could support the wind farm's development, construction and operations.

With the Australian government having announced the proposed Southern Ocean declared area, we are in the process of assessing potential locations to develop. Over the coming months, we plan to meet with key stakeholder groups to determine where is best suited to investigate as the new proposed location for the Spinifex wind farm. This engagement process will build on the great relationships we have with the Portland community, local businesses and industry.

Once consultation on the Southern Ocean declared area has concluded and a decision made by the Australian Government, we will be able to apply for a feasibility licence to develop inside this area.



Darcy Wall, our Community & Engagement Specialist for Spinifex, talks about why he's so excited to be part of this project.



Pumped hydro storage

Oven Mountain pumped hydro storage

The proposed Oven Mountain pumped hydro energy storage project will provide up to 900 MW of dispatchable capacity over 8 to 12 hours. Located in NSW's New England Renewable Energy Zone, the project is a co-development between Alinta Energy and OMPS Pty Ltd.

As planning continued in FY23, the project team was expanded from 1.5 full-time staff to a team of 7. This generated momentum in the lead-up to completing the Environmental Impact Statement (EIS). The EIS was submitted to the NSW Department of Planning and Environment in August 2023, marking a major milestone for the project. It is an important part of the environmental and planning approval process and demonstrates the work performed to ensure the project delivers the best outcomes for the environment and community.

The EIS represents years of site and field investigations, community engagement, and skills, training and education discussions. As part of this, we have commenced consultation with the Traditional Owners and other First Nations community members to inform the cultural heritage assessment of the project. We also support a physical hub in Kempsey for people to visit and learn more about the project.

Having demonstrated the technical feasibility of the project, in the year ahead we will develop firmer cost estimates and explore commercialisation. We anticipate reaching a final investment decision by the end of FY25.

Obtaining final investment approval for this project is critical to meet our interim renewable energy target of 1,500 MW. It will be pivotal to stabilise the grid during the transition to renewables in NSW.

During the construction period, the project will create more than 600 direct jobs, benefitting the NSW economy. There will also be a further 30-50 new jobs as part of ongoing operations.

The project's forecast timing has all approvals in place so we can commence construction in late 2025. Construction is expected to take around 5 years with the facility expected to become operational in 2030.

In conversation with Phil Hollinshead Project Director – Pumped Hydro

When Phil Hollinshead talks about our Oven Mountain pumped hydro storage project, his enthusiasm is palpable. After joining Alinta Energy six years ago, he quickly developed a reputation for having the ability to see the big picture, with strong commercial acumen and excellent people skills. When the opportunity to lead one of the most significant Australian renewable energy projects in recent years presented itself, we decided that Phil was the best person for the job.

Putting the right team together was a priority. The scope of the project helped attract talented people despite high demand across the sector and a tight labour market. In particular, Oven Mountain's high fall for water with relatively short tunnel lengths mean it's close to an 'engineer's dream'. While the Snowy 2.0 project has to pump water through 24 km of tunnel, at Oven Mountain less than 2 km of pumping is required. Phil's proud to lead what he believes is the best pumped hydro development team in Australia.

A lot has changed since the Oven Mountain project was first conceived in 2018, Phil observes. Discussion of the energy transition was far less widespread and energy costs were lower. The growing challenges and sense of urgency faced across the energy industry have highlighted just how much the project can make a real difference. While the project's huge size involves significant upfront capital investment, its potential benefits for the energy transition are just as substantial.

"There's a lot of value in this project and the market can't transition to renewables without long duration storage. Deep storage like pumped hydro will be essential. These projects are typically what governments would build. It's a lot of risk for private companies like us to take. But we feel that with government support, there is real potential for this to work" Phil says.

It is hard to overstate the size and scale of this project once complete. OMPS will hold the equivalent of 3,250 Olympic-sized swimming pools - 6,500 million litres of water! The underground machine hall will be 50 metres high (12 storeys) - similar in proportions to Grand Central Station in New York, while the tunnel connecting the upper and lower reservoirs will be wider than the Sydney Harbour tunnel.



Phil gets a sense of the scale of a turbine runner during a recent market sounding of European pumped hydro projects, contractors and equipment manufacturers.



Our Oven Mountain Planning & Environment Manager, Amanda Weston, talks about her enthusiasm for providing key infrastructure in an environmentally sensitive way.



“There’s a lot of value in this project and the market can’t transition to renewables without long duration storage. Deep storage like pumped hydro will be essential.”



Batteries

Our pioneering effort to build the 35 MW battery at our Newman power station in the Pilbara region of Western Australia did more than boost capacity, reliability and sustainability. It also gave us numerous insights into how to effectively integrate large-scale batteries into a system.

Five years on from the Newman project's completion, it's informing our latest battery project at our Wagerup power station in the south-west of the state. At 100 MW, the Wagerup battery is almost three times the size, and can run at its maximum capacity for around two hours. It will store power to help support the south-west electricity grid in times of need.

Project manager Josh Woszniuk is excited to lead the installation and its impact on the power station. "By helping to smooth out generation, it should reduce the amount of maintenance required by the Wagerup power station from constant stops and starts, making operations more efficient and reliable" he says.

The approximately \$200 million project is expected to be commissioned during FY24.

Ken Woolley, Alinta Energy's Chief Development Officer, highlights the role of projects like the Wagerup battery to support the pathway to decarbonisation, noting:

"The next five to seven years in the lead up to 2030 are going to be critical years in the transition to net zero, with the state-owned coal-fired generators scheduled to retire by the end of this decade. We have to plan for when those generators are out of the system. There's a lot of base load energy that needs to be replaced. Partnering with Western Power, AEMO and our key suppliers means we can rapidly mobilise to ensure the electricity system in south west WA has the smoothest transition to renewable energy possible."



The battery will supplement our Wagerup gas-fired peaker plant in helping stabilise the grid and supports additional renewables capacity for Western Australia.

Additional environmental impacts

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.

Our Environment and Community Policy outlines what we do to protect the environment, respond to climate change and reduce the impact of our operations on places and people.

Site managers are accountable for environmental compliance at our facilities. They monitor the effectiveness of processes and report all environmental incidents, hazards, near misses and corrective/preventative actions on, or related to, their sites in Alinta Energy's event reporting system. When required, they also notify external authorities.

We did not have any material environmental incidents during the year. There were also no material fines, non-monetary sanctions or cases brought through dispute resolution mechanisms for environmental non-compliance^a.



Water consumption

We used 2,543ML of water in FY23, down 16% from last year. This included surface water, groundwater and water from third parties such as municipal suppliers. In total, 94% of our water use is for cooling purposes, with almost 90% lost as steam or evaporation.

Our largest consumer of water remains the Glenbrook power station, which powers and is embedded within the NZ Steel facility, and mostly uses water for cooling purposes.

Water pollution

Several of our power stations, including Glenbrook, Braemar (Qld) and Bairnsdale (Vic), discharge small amounts of water to the environment. We monitor our Australian sites to ensure they stay under EPA licence limits. Our Glenbrook site follows processes to comply with limits under an environmental management agreement with NZ Steel.

Additional data about our waste and water is available from our online [data centre](#).



Solid waste generation

We generated 11,085 tonnes of solid waste in FY23. This has been steady for the past three years. The vast majority (97%) is fly ash from our Glenbrook power station in NZ. This is sent for reprocessing, such as becoming raw material in cement manufacturing.

An estimated 260 tonnes (2%) of our waste was sent to landfill.

While our offices produce negligible quantities of waste by comparison, sound waste management practices reinforce the importance of sustainability to our office employees. Our offices recycle paper and commingled materials. We also recycle food waste where this is supported by building management, including at our Sydney head office. This year, we commenced recycling of a new waste stream, collecting used coffee pods for recycling by our coffee manufacturer in our Sydney office with a view to rolling this program out across all state offices.



Air pollution other than greenhouse gases

Each of our power stations has air quality limits set by the relevant state environmental regulator under our licences. We engage specialist contractors to monitor our stack emissions against these limits. If the limits are exceeded, this is reported internally and we take corrective action. We notify the regulator of any emissions that go above our limits wherever required.



Biodiversity

Our Braemar and Newman power stations are in two of the Australian Government's 15 national biodiversity hotspots. We carefully consider biodiversity as part of each facility's regulatory approvals process and comply with any licencing requirements.

Environmental management plans are developed by our contractors for all major construction projects. These plans outline how they will maintain compliance and minimise construction impacts on local vegetation, waterways and ecosystems. Our projects in FY23 did not significantly impact biodiversity directly or indirectly.^b

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.

a. Material environmental incidents and material fines are defined on page 57.

b. Significant impacts on biodiversity are defined on page 57.

People

1 NO POVERTY 	3 GOOD HEALTH AND WELL-BEING 	5 GENDER EQUALITY 	
8 DECENT WORK AND ECONOMIC GROWTH 	10 REDUCED INEQUALITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 



Our team volunteering to clean up Altona Beach in Victoria, with Conservation Victoria

Health, safety and wellbeing

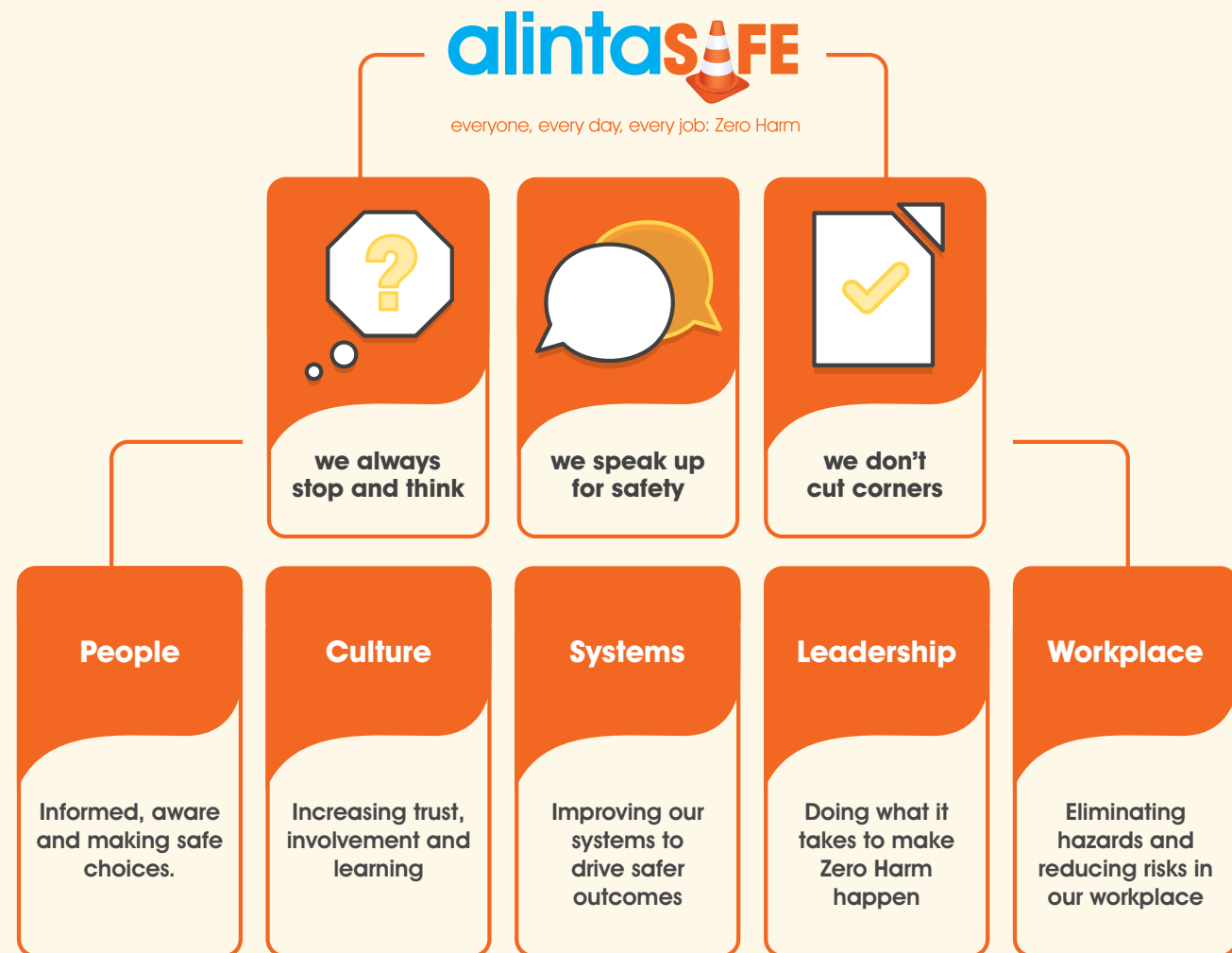
Alinta Energy is committed to providing safe and healthy workplaces for our people, customers, visitors, business partners and others. Our industry is high risk, and every employee, whether at a power station or in an office, is required to contribute to a safe workplace. Safety will always be our highest priority.

Our approach to safety

Our safety vision of everyone, every day, every job: zero harm is part of everything we do. It's brought to life through three practical safety principles and supported by five organisation-wide safety pillars.

Safety is everyone's responsibility at Alinta Energy.

- The Board monitors our safety performance and provides guidance.
- Our executive leadership team establishes a positive safety culture across the organisation.
- People leaders drive initiatives designed to reduce safety risks.
- Everyone in every team has a role to play putting safety initiatives in action, following safe working practices, identifying improvements and looking out for each other.
- Our Safety and Wellbeing Council receives regular updates of key safety matters and makes business-wide safety decisions.
- Location-based safety committees deal with operational matters and ensure a consultative approach to safety.



Safety performance

Lead indicators

Lead indicators focus on the critical behaviours that drive effective risk management. Monitoring them helps identify issues that can erode safety and take action to prevent a safety incident.

Our safety lead indicator dashboard provides real time data and is available to all our people on the intranet. This high level of visibility reinforces our shared responsibility for safety across the business and at every level. Managers have continuous feedback on their teams' performance against our targets to support their safety leadership and ongoing compliance.

100% This year, we achieved 6 out of our 6 safety targets that were applicable (there were no extreme risk incidents in FY23)

Lead performance indicators	FY23 actual	FY23 target
Safety Value Adds (SVA) identified	97%	90%
Hazard reports closed out within 60 days	95%	90%
High/extreme events investigated within 30 days	100%	100%
Extreme risk: incident actions completed within 3 months	N/A	100%
High risk: incident actions completed within 3 months	100%	100%
Medium risk: incident actions completed within 9 months	100%	90%
Incidents and hazard events closed	92%	80%

Lag indicators

Lag indicators measure the occurrence of work-related injuries and incidents. They are one point of reflection around how well our safety controls and processes are working.

Last year, we set a more challenging target to keep our total recordable injury frequency rate (TRIFR) at 3 or below in FY23, compared to our previous target of 5 or below. This reflects our commitment to moving closer to our safety vision of zero harm.

0 There were zero Class 1 injuries in FY23

Class 1 injuries are deaths, total or partial permanent disabilities, or impairments which last longer than 6 months.

2.71 Total recordable injury frequency rate (TRIFR) was below our target of less than 3

This related to five recordable injuries.

1.63 Lost time injury frequency rate (LTIFR) was lower than the TRIFR

Two of the recordable injuries did not involve time off work for recovery, meaning the LTIFR was below the TRIFR.

Find out more

More details on our safety performance trends and historical performance and the split of injury rates between employees and contractors injury rates is available in our [online data centre](#).

Safety programs and initiatives

Planned safety activities

Update on FY23 planned activities	FY24 planned activities
Conducted a safety culture survey across the business and discussed the results at a series of workshops with key stakeholders.	Implement the One Alinta Safety Culture Action Plan across the business.
Refreshed our Safety Value Add program to help control risks that lead to safety incidents.	
Introduced a team Safety Value Add option to increase collaboration. We also emphasised the need for tangible outcomes which solve a problem.	Roll out Resilience Shield training across the business to give people tools to better manage stress and improve their personal resilience.
Refreshed the safety leadership training program in response to the safety culture survey findings.	Introduce the updated safety leadership training incorporating psychosocial hazard management across the business.

The Resilience Shield

The Resilience Shield is a model to assess and improve personal resilience developed by three Australian Special Air Service (SAS) Regiment veterans: Dr Dan Pronk, Ben Pronk and Tim Curtis.

After leaving the SAS, they found civilian life posed a range of very different, but still significant, stressors. They built on their practical experience with extensive investigation into how to best apply these techniques, based on the latest academic and medical research.

The team presented to our senior management at a strategy day during FY23. We were so impressed with the model that we plan to introduce it across the whole business in FY24 as an education program.

Safety Value Add (SVA) program

Engagement and a strong sense of ownership are essential for a safe workplace. Our people are best equipped to identify hazards and improvement opportunities in areas relating to their work. Active engagement also helps prevent complacency, especially when safety processes are mature and well established.

The SVA program is a key safety initiative at Alinta Energy. Everyone is encouraged to think about how they could make work safer and include an initiative as part of their annual achievement review plan.

We have a target to have 90% of all employees with a verified SVA for the year and to have this actioned (closed). In FY23, we exceeded this target with 97% of employees having a verified SVA, and all verified SVAs completed and closed. This resulted in a total number of 1,673 SVAs being implemented across Alinta Energy during the year. SVAs are verified by a member of the safety team.

Perth customer service centre

A team from our Perth customer service centre created a fun gameshow-inspired video that was a creative way to keep our values front of mind. In Family Feud style, Team Orange competed with Team Blue to see who could answer more questions about Alinta Energy's values. The whole call centre was asked questions, and the two teams had to guess the most popular response.

Braemar power station

The gates on the gas turbine's roof had been in place since the station was built in 2006. Due to corrosion and general wear and tear, many had become hard to open and would seize partway. Roof access is necessary for maintenance and operational activities, meaning the gates presented a falling risk. The Braemar team identified a suitable replacement and updated self-closing gates were installed.



Our Braemar power station

Safety culture survey

Alinta Energy has a mature and well supported safety culture, however, there is always room to improve. Listening to what our people say about safety and acting on their feedback is vital to build empowerment and trust.

The safety culture survey held this year showed that most of our employees believe that both their supervisor and the business cares for their safety. The two most significant improvement opportunity areas identified related to the availability of human resources and work stress.

Where we excel

99%

The business cares about physical safety (67% strongly agree)

99%

My manager cares about physical safety (69% strongly agree)

Opportunities to improve

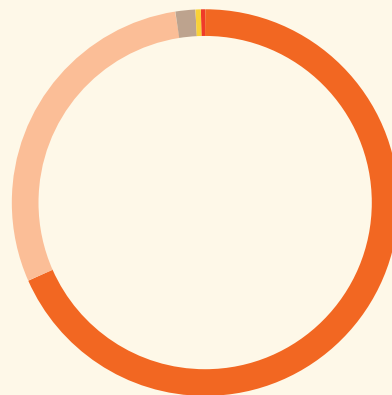
1 in 10

Are unsure we always have enough people to get the job done safely

1 in 10

Feel we can minimise the unnecessary stress at work

My leader/Supervisor cares about my physical safety



- Strongly agree
- Disagree
- Agree
- Strongly disagree
- Slightly disagree

Following the safety culture survey, eight workshops were held with key staff around the country, representing every part of our business. In total, 112 people participated in these workshops. Participants discussed the findings of the survey, brainstormed initiatives which could further enhance safety culture, categorised them into themes and prioritised them considering impact and effort.



I'm really proud of our safety culture at Alinta Energy. We are committed to providing a safe and healthy workplace and we speak up for safety - that means that we don't walk past something that is unsafe or has the potential to do harm.

- Jeff Dimery
MD and CEO

In conversation with Camilla Windfeld-Khanna Group Manager, Health, Safety and Environment

Most health and safety managers end up in their profession because of a desire to help others. For Camilla, the reason was intensely personal.

At just 15 years old, she woke up to find her father dying and phoned their neighbour, a nurse, who luckily was there. Reflecting on the situation, Camilla says it made her grow up very quickly. It also taught her how important it is to be able to respond in an emergency.

“That was a significant episode in my life which has really pinpointed why I am passionate about keeping people safe or enabling people to keep themselves safe.”

Born in Denmark, Camilla’s values were instilled by her parents who both worked in the public sector and cared passionately about their community. After studying occupational therapy and human movement, Camilla went on to work in diverse roles across safety, risk and compliance in Europe and Australia.

Camilla isn’t someone who sets easy goals for herself. Before joining Alinta Energy, she held the gruelling responsibility for managing risk at NSW Ambulance during the early stages of a global pandemic. She’s demonstrated to her young sons that you are never too old to learn, completing a law degree while holding senior management positions at the same time.

Since joining our team in December 2021, the personal challenges Camilla has set for herself are no less ambitious. She is determined to prevent us becoming complacent about safety as we extend our strong safety record. Camilla notes this is always a risk for high performing organisations and there’s no simple solution. Instead, she suggests, “it’s important we continue connecting why safety matters to our people, and that we continually share those stories about how it went well, how it went wrong, so that we can get really good at that continuous reflection cycle”.

She’s inspired by Professor Patrick Hudson’s approach to safety culture. This fully integrates safety into everything an organisation does, with safety values so embedded that they become almost invisible. This is her goal for Alinta Energy. Camilla’s pleased by the progress so far, particularly the high participation rates for safety surveys and Safety Value Adds, which reflect its prominence in our culture.

Camilla is turning her attention to how we better manage psychosocial hazards. This involves taking a proactive approach to identify and protect against problems, rather than waiting for signs of ill health or poor wellbeing before taking action. Improving work-life balance and remote working ergonomics are opportunities she plans to focus on.

She’s also keen to use storytelling and humour to keep people engaged in safety. This is being incorporated in a series of safety videos for internal training and conversation starters. At a governance level, Camilla intends to optimise the multiple safety committees across our sites, with better support and recognition for their members.

One thing is clear: Camilla is not yet done with her quest to make the world a safer place.



You can [hear more](#) about Camilla’s approach to health and safety at Alinta Energy here.

“
It’s important that we continue connecting why safety matters to our people, and that we continually share those stories about how it went well, how it went wrong, so that we can get really good at that continuous reflection cycle.
”

A better place to work

One of our key values is People Matter. Creating a supportive workplace with a values-led culture benefits everyone from our employees, contractors and customers to the wider community.

Our people are essential to achieving our vision to be the best energy company. Alinta Energy thrives because of our amazing team of 1,130 people who continually drive us to provide energy in better ways. Investing in our talent, capability and culture helps our team thrive, too. To assist this, 100% of our staff receive regular performance and career development reviews.

It's not a level playing field if some people have to start 100 or 200 metres behind others. Everyone has different needs, and we need to do better at removing the barriers that hold some people back. That's equity, and it's a great opportunity to do better."

Jeff Dimery
CEO and Managing Director

Diversity, equity and inclusion

The customers we serve and the communities where we operate are diverse. We can better anticipate their needs when our workplace represents their diversity. We are proud that we have had no reported incidents of discrimination this year.

While we have already come a long way in improving diversity, equity and inclusion in our business, there is much more to do.

Alinta Energy is a member of the Diversity Council of Australia and we participate in their Inclusive Employer Index. During the year, we were proud to be recognised as an Inclusive Employer for the first time.

We were also thrilled to be recognised as a WORK180 Endorsed Employer for All Women.

WORK180 promotes organisational standards that raise the bar for women in the workplace around the world. It endorses and supports workplaces that are committed to gender equity, diversity and inclusion, and makes it easier for women to find fulfilling roles with them. It's all about enabling workplaces to do better and empowering women to expect better.

Detailed data on diversity and our workforce composition is available in our [online data centre](#). We also report gender equality data to the Workplace Gender Equality Agency (WGEA) each year and have achieved certification of our compliance with the *Workplace Gender Equality Act*.

Moving towards gender equity

Sustained effort has brought us very close to achieving gender parity in an industry that is historically heavily male dominated. Almost half (48%) of our workforce are women and a further 0.3% identify as non-binary.

Our Gender Pay Gap as measured by the WGEA is 39.4% for total remuneration and 40.5% for base salary^a. The gender pay gap measures the gap between the average pay for all women and the average pay for all men, regardless of role. The gender pay gap is not the same as Equal pay. Equal pay is a legal requirement in Australia, which we uphold. Whilst the gender pay gap doesn't consider differences in role or seniority, an equal pay gap analysis shows whether people are paid the same for work of equal value. We benchmark each job individually and run equal pay audits, amongst other activities, annually. When comparing pay across the same roles, we have a negligible equal pay gap of 2.6% which demonstrates that we pay colleagues fairly when compared to one another, regardless of gender.

We are proud that the proportion of our managers that are women reached 37%, up from 26% in FY22, which reflects an increase of more than 40%. We are also proud that a consistently high proportion of promotions are awarded to women with 46% in FY23.

Across all recruitment activity, more than a third (38%) of applicants were women and almost half (48%) of offers were made to women.

^a Workplace Gender Equality Agency 2022-2023 Gender Equality Reporting

Supporting families

Improving gender equality relies on changes that impact both men and women. We encourage men to take parental leave, as it normalises shared caring responsibilities and enables women to return to work earlier, sharing the impact of career breaks and supporting continued progression. Men took 30% of primary carer's leave in 2023 (up from 18% in 2021).

Celebrating International Women's Day

On International Women's Day we celebrate women's achievements, raise awareness and promote action to accelerate gender parity. This year, the theme was #EmbraceEquity and all staff were encouraged to get involved. One of our events was a workshop focusing on equalising super for women. This addressed the unique challenges women often face growing their superannuation savings and shared strategies to maximise super and prepare for a comfortable retirement. It was part of a wider financial wellbeing program aiming to help our people manage their personal finances effectively and reduce pressure from financial challenges.

Champions of Change

The Champions of Change Coalition includes more than 250 CEOs working across 16 national and industry-based groups to accelerate change on gender equality. During the year, the Coalition's new energy sector group met for the first time. Our MD and CEO joined 18 peers from across the industry to discuss advancing gender equity and greater representation of women in leadership roles in the energy sector.

As Australia's energy system undergoes major transformation it is more important than ever that women's expertise, innovation and insights are equally represented. The energy sector group identified a range of priorities for future work as they continue to advocate for progress.

Key statistics*

48%

of staff identify as female
(up from 43% in 2021)

37%

of managers are women
(up from 26% in 2022)

* For the period 1 April 2022 - 31 March 2023



Bala Takkallapati (above) is Manager, Software Engineering in our IT team and values the workplace flexibility that helps him balance his family responsibilities.

You can hear more about his thoughts on working for Alinta Energy at our youtube channel.

First Nations people diversity and inclusion

We currently employ 10 people who advised that they identified as Aboriginal or Torres Strait Islander.

We are committed to supporting First Nations inclusion and actively seek opportunities for increased engagement, participation and cultural learning. During the year, this included:

- A 3-day cultural immersion in remote Western Australia for people in key roles in our business, building deeper understanding and connecting to Country. Please see page 44 for more details.
- Cultural awareness, inclusion and cultural safety training options to learn about Aboriginal and Torres Strait Islander culture, history and the impact of injustices and exclusion.
- An interactive workshop on Acknowledgement of Country, led by WA-based Indigenous organisation *Acknowledge This!* held as part of our annual corporate services strategy day.

A major focus this year was developing our first Reconciliation Action Plan. You can read about this and our broader approach to respectful and inclusive engagement with Indigenous communities on pages 44.

NAIDOC celebrations

NAIDOC Week honours more than 60,000 years of Aboriginal and Torres Strait Islander history and cultures. The 2022 theme GET UP! STAND UP! SHOW UP! was an ongoing call for action to bring about systemic change in Australian society.

For NAIDOC week 2022 we were thrilled to welcome Wongutha man and expert storyteller Tony Shaw to our Perth office and across the organisation online. Tony openly shared his reflections on being a child of the Stolen Generations and dedicating his life to improving the health and wellbeing of Indigenous Australians. His talk helped our people learn more about his culture, life experiences and how resilience has helped him overcome challenges.

“Inequality and inequity can be difficult to recognise, it can still occur even if we don’t mean it to. Being open to listen and learn will help us to identify it when we see it and act to right the balance.”

*Daniel McClelland
Executive Director, Corporate Services*



Learning and development

A culture of ongoing learning and curiosity is key to our goal of making energy better. We support our people to develop skills through a combination of experience, exposure and education.

Our compliance learning pathways establish awareness and understanding of our policies and compliance requirements and build specific skill sets. These are included in a broad suite of induction training that new employees complete in their first 3 months with us. Mandatory refresher training on these topics is provided every 1-2 years to maintain familiarity and stay up to date on any changes.

Alinta Energy employees have unlimited access to the LinkedIn Learning platform. This empowers them to broaden their skills, explore new areas, and engage in ways that are more relevant and convenient for them.

Towards better leadership

Our new leadership development program was implemented this year for the first time. A total of 233 senior staff across over 11 cohorts, ranging from team leaders to executives, participated in a range of offsite learning sessions.

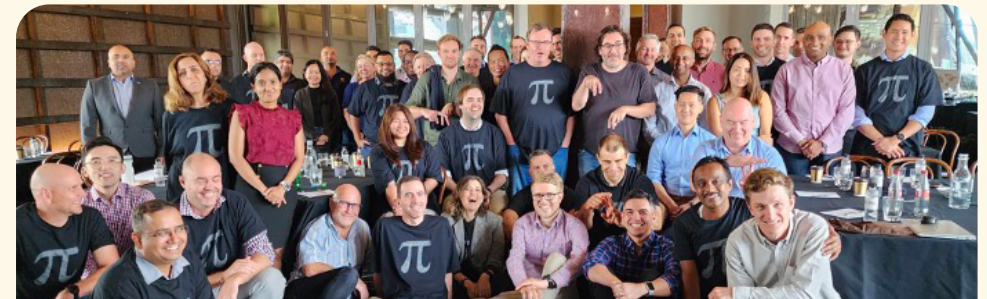
The program incorporated a customised approach to meet the different learning needs of our wide range of leaders. It enhanced their skills in strategic planning, enterprise leadership, relationship building and team management.

Engaging our engineers

Since 2017, our annual Engineers’ Big Day Out has become an Alinta Energy tradition. Engineers from across the business come together to showcase their projects, collaborate and get to know each other better. It covers wide ranging topics, from the nitty gritty of project asset management and spot trading to broader ideas such as wind monitoring and the future of biomass.

To keep people on their toes, an infamous ‘nerd quiz’ is run throughout the day. (The speed of light is 299,792,458 m/s in case you’d forgotten).

An unconventional guest speaker is chosen each year who challenges participants’ thinking. This year, marketing guru and consumer psychologist Adam Ferrier, who has appeared on ABC’s TV show *Gruen*, taught our engineers how to apply the power of branding to sell their ideas to a wider audience.



In conversation with Simone Carroll

Executive Director, People and Culture

Hairdressing seems an unlikely occupation to influence a successful executive career in human resources, marketing and digital transformation in some of Australia's leading corporations, but watching her father work in this sector as a child taught Simone Carroll some early lessons about business which to this day guide how she works.

She soon came to understand that her father was not just cutting hair, but was "making women feel beautiful", and as she explains "...to make a living, you have to understand what you're selling, and you've got to understand people". This insight informs her approach to leading a cultural transformation for Alinta Energy in her newly created role, which she took up in March 2023.

"We're not selling energy, we're keeping people warm, we're keeping the lights on, and we're helping people feel safe and secure," she reflects.

In fact, it was her recognition that energy security is one of the greatest challenges our world needs to solve which inspired her to move into this sector.

"My purpose is very much linked to helping humans go through major transitions and transformations" she says. "I can't imagine anywhere more purpose-orientated than working for an energy company right now."

Her father's career influence also extended to her decision to start her career in human resources. When he moved the family to the country to teach hairdressing for TAFE NSW, she saw first-hand the beneficial impacts not just on his wellbeing, but that of the whole family, from this positive work environment. Aged just 12, she says "...I got to learn the power of a great employer". She decided that her career would focus on supporting corporations to change cultures where their employees often seemed unengaged and unhappy, and to help people find purpose from their roles.

Transformation requires courage, and Simone says it was the presence of courageous leaders at Alinta Energy which further encouraged her decision to join us. Building courage throughout the organisation - to take sensible risks, to have uncomfortable conversations, to innovate without fear of failure - is yet another goal tied closely to her personal sense of purpose.

Simone's initial priority is on building capability for the future, reflecting not only the growing demands internationally for skill sets needed for the energy transition, but also reflecting the growth and evolution of our organisation. Key to this will be the appointment of a new role, in FY24, of a General Manager, Learning and Development, and we will report more on these initiatives in next year's report.

She's also clear that to continue to attract top talent, the world is moving beyond the "bean bags and free snacks" approach to making workplaces attractive which have typified the approach to enticing employees for the last decade or so. Instead, she notes we need to be very clear on our purpose as an organisation and help people connect to that. To do this will involve a bit of 'slow down to speed up' and taking the time to listen to our customers, the communities we operate in, and investors who are excited about the renewable future.

Then we can best consider who will be the best future partners in this space, aligned to our values and complementing our existing capabilities.



Simone Carroll today, and inset with her father cutting her hair as a young child

“
We're not selling energy, we're keeping people warm, we're keeping the lights on, and we're helping people feel safe and secure.
”

Providing better service

More than great energy

Customer focus is at the heart of Alinta Energy's culture. Our goal to be the first choice energy provider continually drives us to give our customers a better experience. That includes affordable pricing, exceptional service, responsible operations and making a difference to local communities.

1,179,357

Total electricity and gas customers across our business at 30 June 2023.

Find out more

Our customers are located in New South Wales, Victoria, South Australia, south east Queensland, Western Australia, and the north island of Aotearoa New Zealand. For details of their geographic distribution and historical customer numbers, please visit our [online data centre](#).

Value for money

We offer a range of great value energy plans that are easy to understand, with flexible payment options, no lock in contract or exit fees, and exclusive bonuses through our rewards program. Our latest deals are available on our [website](#) or by calling **13 37 02** (east coast) or **13 13 58** (west coast).

Local service plus online convenience

Making energy better for our customers means making it quick, easy and convenient for them to manage their accounts and get help when they need it. Offering great service is a big part of what we do.

We operate our own frontline customer service centres, located in Australia and staffed by people who are directly employed by Alinta Energy. In total, more than 300 staff work at our two centres in Perth and Morwell, in the Gippsland region of Victoria. They provide service over the phone and online, aiming to resolve queries at the first point of contact. Customers can also access online self-service online at any time with MyAccount.

How our customers rate our service is crucial to our success. We sustained strong performance across both our key performance metrics compared to last year. Both our national average Net Promoter Score (NPS) and customer satisfaction survey results surpassed our FY23 targets. This is a testament to the quality of our customer service team and their great efforts.

Net Promoter Score

+61 (national)
+77 (west coast)
+56 (east coast)

Customer satisfaction

89% (national)
93% (west coast)
88% (east coast)



Zach Callow is part of our Customer Contact team based in Morwell, South East Victoria, he's on the frontline of our business helping to make energy better.

You can hear more about what he thinks about working for Alinta Energy [here](#).

Multi-award winners. Thanks to our customers.



**Readers Digest
Quality Service
Awards 2023**
Gold - Electricity
Providers (National)



**Readers Digest
Quality Service
Awards 2023**
Silver - Gas
Suppliers (National)



**Canstar Blue Most Satisfied
Customers 2022**
Queensland - Electricity
We're very proud to have now
won this award six years in a row!

Helping with hardship

It's been a difficult time for many Australians. The past 12 months have seen essentials become more expensive, with rising prices for groceries, utilities, petrol and housing. The cost of living crisis is putting pressure on more and more households. People on low incomes are the hardest hit, becoming more vulnerable.

Nobody should have to choose between going hungry and going without electricity.

Through the year, we contributed just over \$4 million to 22,125 hardship and non-hardship customers through our various payment support programs.

If customers are having trouble paying their bills, we offer a variety of tools and payment options. Our dedicated team who work with these customers to identify how we can help.

We've also started working with other organisations that can support our customers in financial difficulty.

HelpPay

HelpPay is an Australian-owned social impact company. Their free secure app enables kind-hearted friends, family or strangers to contribute to people's bills. Everything they pay goes straight off the debt, with no transaction fees.

There's been significant uptake since we began offering HelpPay in March 2022, accompanied with a big increase in bills being paid in full. Details for how to access HelpPay are provided on customer invoices or visit our [website](#) for more information.

Uniting

Community services organisation Uniting's Energy Support Program offers free tailored, one-on-one advice to customers under financial pressure. Their advisors help people understand their energy plans and bills, what support is available, and how they use energy at home.

The program makes it easier for people to get better value, access hardship assistance, and make small changes that improve their energy efficiency to reduce their costs. It also looks at the bigger picture, considering people's individual circumstances, other financial challenges, and referrals to additional sources of support.

Uniting's program will be available as a pilot to our Queensland customers in FY24.

Thriving Communities Partnership

Thriving Communities Partnership is a not-for-profit organisation that brings together business, government, academia, charities and people with lived experience of vulnerability. They foster collaboration that breaks down barriers, giving everyone fair access to the essential services they need to thrive.

Working with the organisation and their diverse partners will help us improve our hardship program. This includes identifying new solutions that will make a practical difference to real people as the cost of living crisis continues. It will also build stronger awareness and engagement in our team, giving customers a better experience.

Developing a better hardship program means we can do more to help our most vulnerable customers for the long term.

"Everything has become more expensive recently, with the cost-of-living crisis firmly upon us. We have a part to play in reducing the burden on our most vulnerable customers and helping make energy more affordable. With full support from our leadership and owners, we've already delivered additional payment support, and more is coming."

Todd McDonald
Manager, Vulnerable Customers
Retail Markets

Market regulation and compliance

Customer communications

We communicate with our customers to clearly and accurately explain our products, services and benefits. This occurs in person, by phone, email, social media, our website, and through letters, bills and other correspondence. Our customer communications also include advertising, sponsorship and promotional materials.

Customers can choose how they prefer to interact with us. That includes selecting paperless communications and opting out of marketing materials.

Ombudsman complaints

This year, our rate of ombudsman complaints remained extremely low on the west coast of Australia at 0.01 complaints per 1,000 customers. It increased slightly on the east coast compared to last year, from 0.30 to 0.34 complaints per 1,000 customers. This related to rising energy prices and the roll-out of our new billing system. Complaints about both issues have since decreased to previous levels.

We try to resolve customers' issues promptly, meeting their needs and minimising complaints. Our customer service metrics challenge the performance at major companies elsewhere in our industry amid cost of living pressures.

Competition and consumer law

Mandatory online compliance training and assessment is completed by our people in designated roles each year. This provides a thorough understanding of our legal obligations.

No legal action was taken against us under the *Competition and Consumer Act 2010* in FY23.

Branding and marketing activity

We monitor our marketing and outsourced service providers to promptly identify and resolve any compliance concerns and make any required regulatory reports.

During the year, we did not identify any regulatory breaches concerning marketing communications, including advertising, promotion or sponsorship.

New billing system migration

Developing our new customer experience and billing system has been a major investment. It positions Alinta Energy as a leading alternative to other energy providers. Since migrating to the new system last year, we've been encouraged that it's provided many of the expected early benefits for customers and operators. We've continued working on the system's stability and maturity in FY23 to help realise its full potential.

We completed the discovery work to migrate the West Coast business but have paused that while we assess the best support model for the billing system longer term.

Compliance

Some compliance matters from the migration to our new customer experience and billing system were reported to the Essential Services Commission and the Australian Energy Regulator during the year. This mainly related to failing to issue welcome packs in the prescribed timeframes.

The Essential Services Commission also fined Alinta Energy \$380,000 in December 2022. This related to the process followed to provide payment assistance to 13 customers in Victoria between December 2021 and March 2022. Four of the customers were referred to financial counsellors as a condition of payment assistance. Payment plans were established for the other nine customers, but not all of the other forms of practical assistance were provided to them.

We waived the debts for the affected customers in full, and have closely monitored our ongoing compliance with Victoria's payment difficulty framework and equivalent requirements in other states. As a result, we self-reported four further breaches to the Essential Services Commission in August 2023.

These breaches were disappointing, and we're determined to do better by our customers. We're putting improvements in place, including providing easy access to new external sources of support and enhancing the support offered through our hardship program based on specialist expertise, collaboration with energy retailers and other retail organisations and lived experience.



Protecting our customers' information

Privacy

Our customers trust us with sensitive personal and commercial information. We take our responsibility to protect this very seriously. Our business has stringent measures in place to comply with the *Privacy Act 1988* and the [Australian Privacy Principles](#).

Our information and compliance framework is the foundation of our approach to privacy. This is supported by our privacy policy, credit policy and cybersecurity policy. We have an information classification and handling standard and a privacy impact assessment process that set out how we manage information and privacy risks and protect confidential data.

An internal management committee specifically oversees how we manage privacy and the effectiveness of controls. All employees receive mandatory privacy training as part of their induction, and annual refresher training.

Alinta Energy did not have any substantiated eligible data breaches as defined under the *Privacy Act* during FY23. Our network monitoring did not identify any leaks, theft or loss of customer data.

Building strong cybersecurity

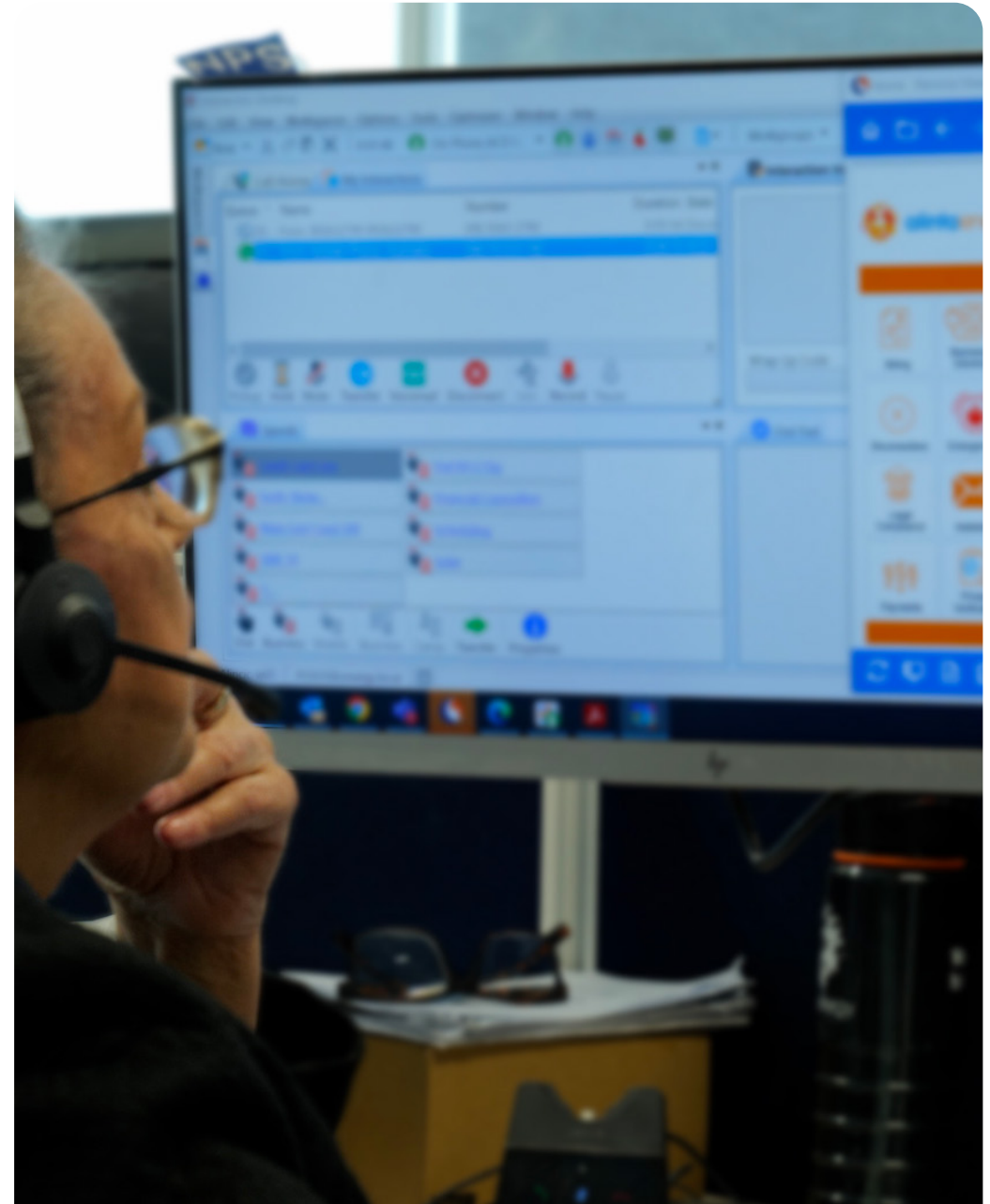
Major corporations and public institutions have been hit by significant cyber attacks, putting data security in the spotlight. These attacks are becoming more advanced and widespread, exposing sensitive information, eroding trust and disrupting organisations.

Alinta Energy operates in a competitive, heavily regulated environment that is a frequent target for cyber attacks. We are responding to the elevated risk by strengthening our preparedness and fortifying our cyber defences and systems.

During the year, we enhanced our security with a well-defined, robust program which surpasses the regulatory requirements under the *Security of Critical Infrastructure Act (SOCi)* and is based on the *Australian Energy Sector Cyber Security Framework (AESCSF)*. We have collaborated with top-tier Australian cybersecurity firms to independently verify our progress against program targets.

A strong culture of awareness is a powerful defence against behaviour that could expose us to cyber attacks or data breaches. Across our business, we are increasing focus on understanding and consistently applying best-practice cybersecurity.

Through a continuous journey of improvement and assurance, we are enhancing our operational capabilities, bolstering defences, building resilience and improving our recovery capabilities. Our security team continues to expand our expertise in cybersecurity and data protection.



Community engagement

Major projects

Maintaining our social licence to operate is a critical factor in what we do. Our major projects must be sensitive to their impacts, both positive and negative, on surrounding communities.

We employ people who specialise in community engagement to support our project development teams. They help us build local relationships and conduct meaningful consultation throughout the project's duration.

Employee volunteering program

Our volunteering program encourages our people to contribute to the community. We give employees an extra day of paid leave each year to give back to a cause they support.

Employees can volunteer with one of our Community Development Program partners or get involved at another not-for-profit organisation that matters to them. It's often a great opportunity for teams to come together and share a rewarding experience that makes a difference.

During the year, 115 of our employees took the opportunity to volunteer. They helped out at the Salvation Army, Conservation Volunteers Australia, Rottne Island Foundation and Ronald McDonald House. This represents a significant increase in volunteer hours since the previous year, largely reflecting the greater ease of social events as the impact of COVID-19 has waned.

Community Contribution Excellence Award

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

Nick Koutroumanis from our Retail Markets team was this year's winner of the Community Contribution Award. This recognised his leadership in the local sporting community and the impact he's made improving diversity in kids' soccer across gender, ability and First Nations representation.

After coaching junior teams for a couple of years as a volunteer, last year Nick joined the board of a community-based soccer club late last year. He became the spokesman for inner west Melbourne clubs to Football Australia on how to bring equity and equality into teams. Nick also set up a team for kids with autism or disabilities, implemented cultural heritage training, and created an all First Nations soccer program which starts next year.

During Nick's short time on the board, female participation at the club has increased from 8% to over 30%. After the Matildas' stellar performance at the FIFA Women's World Cup and the buzz surrounding women's soccer, breaking down barriers at a local level helps create lasting change. That's also translated to financial support, with the club securing funding of \$1.2 million to set up separate change rooms for girls.

We congratulate Nick on his dedication to volunteering and boosting participation and equity in sport. Our team is proud to have people who contribute so much to their local communities.



First Nations reconciliation and engagement

Towards a Reconciliation Action Plan

Alinta Energy recognises Aboriginal and Torres Strait Island peoples as the First Peoples of Australia and acknowledge their culture, history and ongoing connection to Country.

In an important milestone on our journey to better engage with First Nations people, this year we began preparing our first Reconciliation Action Plan (RAP).

Our Reflect RAP lays the foundations to support reconciliation in meaningful and authentic ways. Its four pillars are Respect, Relationships, Opportunities and Governance.

Some of the activities we undertook which have informed our RAP included:

- Participating in discovery interviews to understand the lived experience and aspirations for reconciliation of key internal and external stakeholders.
- Developing our strategy to support reconciliation, which focuses on listening, learning and acting.
- Appointing two senior leaders as our Reconciliation Champions, who will support and enable achievement of our strategy and RAP through internally championing our RAP. They are Executive Director People and Culture, Simone Carroll and General Manager, Sustainability, Safety and Insurance, Mike Searles.
- Celebrating NAIDOC week and inviting a [guest speaker](#) to share their stories.
- Participating in a cultural immersion program for face-to-face learning on Country (see right).
- Conducting cultural awareness, inclusion and cultural safety [training](#).
- Buying artworks by Aboriginal artists to display at our offices and learning about their meaning.

- Subscribing to the fortnightly [Koori Mail](#) newspaper for our people to read at work and connect to Indigenous stories and culture.
- Supporting First Nations [organisations and programs](#) through our community development grants.
- Engaging businesses owned and run by First Nations Australians to provide services such as training or catering.

Our draft RAP has been submitted to Reconciliation Australia this year for their feedback and we anticipate that it will be finalised and endorsed in FY24. We look forward to sharing our RAP as a formal commitment to the journey towards reconciliation.

Engaging with First Nations communities

We respect Aboriginal and Torres Strait Island peoples' relationship with land, sky and water that has endured for thousands of years. Our business is committed to learning from their knowledge and expertise as we work to operate more sustainably.

Across our business, we:

- follow national and state legislation and agreed heritage survey and management protocols.
- engage with First Nations people on the proposed locations of planned new facilities.
- include Traditional Custodians in our environmental, cultural and heritage surveys.
- support economic participation for First Nations businesses.

Community grants supporting First Nations people

Five of this year's community grants were to organisations that support First Nations students or communities. They included the Shoreline Foundation which connects schools with businesses to help Indigenous students across Australia gain vocational qualifications and jobs.

Shoreline used our grant to expand their program in Western Australia, funding traineeships with Perth Zoo for two students from Clontarf Aboriginal College. Noongar and Yamatji girl Zoe and Yamatji boy Markus are both completing a Certificate II qualification in Conservation and Ecosystems Management through the two-year program.

Since 2018, 86% of graduates from Shoreline's programs have secured ongoing employment.

Learning on Country

People from across our business travelled to Wongutha, 230 km north of Kalgoorlie in Western Australia for a 3-day cultural immersion. Our 11 participants experienced a different perspective, hearing stories and traditions from their guides and hosts, and sleeping under the stars. The program was led by Indigenous Services Australia, a First Nations owned and operated business.

They experienced a Welcome to Country, a smoking ceremony and visited a sacred ceremonial dance site. A highlight was enjoying bush tucker and learning to dig for delicious honey ants with their guides, particularly refreshing in 35-degree heat!

Away from home and work, without power, running water, phone reception or internet, our team learned to connect with Country. They came away with greater understanding of injustices against many First Nations people, appreciation for Aboriginal culture and a lasting reminder of the importance of listening deeply.



Suppliers

More than 1,400 suppliers provide the goods and services that help keep us running. They include everything from equipment manufacturers to consultants to travel agents.

Our business depends on strong relationships with our suppliers. That involves more than performance and value – it also means doing the right thing. It's important to us to work with businesses that act responsibly. All our suppliers must comply with our [Supplier Code of Conduct](#), which aligns with the Code of Conduct for our own people.

We assess prospective suppliers and contractors based on their risk. More detailed risk assessment is required for larger businesses and when higher-risk activities are involved. This can include monitoring their health, safety and environmental performance and conducting reviews or audits.

Encouraging the businesses we work with to become more sustainable can make a difference beyond our own operations. Our ethical sourcing working group, an expansion of our original modern slavery working group, includes people from across our business. It considers how issues including environmental management, human rights, and international sanctions are integrated into our supplier due diligence.

Managing modern slavery risks

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom. It includes human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and the worst forms of child labour.

Around 50 million people worldwide are victims of modern slavery. It might come as a surprise that this includes approximately 41,000 people in Australia, according to the [2023 Global Slavery Index](#). However, the problem is far more widespread beyond our shores, and is often entrenched in imported products and resources.

Addressing modern slavery in supply chains is a growing focus for regulators. The renewable energy sector has attracted media attention for practices relating to manufacturing solar panels and their raw materials, and minerals used to produce batteries.

We believe our greatest impact comes from working with the wider industry to leverage our shared influence. This year, we joined the Clean Energy Council, the peak body representing the renewable energy industry, and are participating in their working group on modern slavery. The working group oversaw the development of a modern slavery pledge signed by Council members including our MD and CEO. It's also collaborating with the NSW Anti-Slavery Commissioner on joint initiatives. They include developing a code of practice on modern slavery for the sector in FY24.

Alinta Energy reports publicly on our practices through our parent company Pioneer Sail Holdings' annual [modern slavery statement](#). It describes the main risks of modern slavery affecting our operations and how we manage them.



Prosperity



Nicholle Langer and Alex Jones looking over plans for our Wagerup battery project

Financial performance



Prosperity (n) – prosperous, flourishing, or thriving condition; good fortune; success.

– Macquarie Dictionary

While all businesses operate to make a return on investment, sustainable organisations define success from a wider perspective. It's associated with both stronger financial performance and more responsible operations.

For us, success is about building trust by being accountable to our owner plus our other diverse stakeholders such as customers, employees, lenders, regulators and the wider community. This promotes our social licence to operate and avoids short-term profits coming at the cost of our long-term future and our goal to become Australia's best energy provider.

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

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 benefit the community and our environment through donations, fundraising and volunteering, while our sponsorships support social and cultural initiatives. You can learn more about these initiatives on pages 49-53.

Data 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.

Economic value (\$ million)	Stakeholders	FY23	FY22	FY21
Economic value distributed				
Operating costs ^a	Suppliers and contractors	3,215	2,915	2,652
Salaries, wages and benefits	Employees	166	158	113
Finance expenses	Lenders	53	59	51
Income tax	Government/public	172	91	37
Total economic value distributed		3,606	3,223	2,853
Economic value generated				
Energy retail revenue	Customers	2,019	1,812	1,895
Other retail revenue	Customers	9	12	16
Contract and trading revenue	Customers	1,953	1,695	1,123
Other	Customers	-	-	1
Total economic value generated		3,981	3,520	3,035
Total economic value retained		375	297	182
Effective tax rate		31%	23%	17%

a. Also includes around \$538,010 in donations and grants through our community development program and sponsorships.



Nicholle Langer is our Manager, Portfolio Strategy & Analytics and says that the focus on the renewable energy projects at Alinta Energy is one of the reasons she loves her job.

Hear more about Nicholle's experience working for Alinta Energy [here](#).



Underlying EBITDA

EBITDA refers to earnings before deducting interest, tax, depreciation and amortisation.

Underlying EBITDA also excludes items that are outside our operations. This can relate to 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 this year increased by 6% compared to FY22. At a high level this reflects the excellent operating performance of our assets, higher sales for trading and retail customers (in terms of rates and volumes) and higher gas spot sales. However, the gains were partially offset by higher energy costs due to volatility in market rates during FY23.

Sales volumes

Our total gas sales were 45,984 TJ in FY23, up from 41,415 TJ in FY22. We sold 8,554 GWh of electricity in FY23, up from 8,085 GWh the previous year. Details of our sales by location are available from our [online data centre](#).

Debt and equity

Alinta Energy's total invested capital and debt at 30 June 2023 was \$2.96 billion. This was made up of 65% equity and 35% debt.

Financial reporting

Our consolidated financial report is independently audited by KPMG to verify it gives a true and fair representation of our financial position and performance and complies with Australian accounting standards. Alinta Energy's FY23 financial report received an unqualified audit opinion.

Our consolidated financial report includes 68 subsidiaries which are listed in the Alinta Energy Pty Limited 2023 Annual Financial Report.

Segment underlying EBITDA (\$ million)

Business area	FY23	FY22	FY21
West coast integrated	234	220	221
East coast integrated	195	185	188
Contracted assets	164	138	130
Underlying EBITDA before corporate and other costs	593	543	539
Corporate and other ^a	(102)	(81)	(61)
Group underlying EBITDA	491	462	478
Group EBITDA growth	6%	-3%	-5%

a. Relates to costs of operating the Sydney head office.

Community Development Program

Alinta Energy's Community Development Program contributes \$500,000 each year from 2020 to 2025, a total of \$2.5 million.

We support organisations that:

- Alleviate social disadvantage, aligning with our People Matter value.
- Promote environmental sustainability, aligning with our goals to reduce our environmental footprint.

Our Community Development Program has three elements:

1. Community partnerships

Ongoing collaboration with large charities to achieve longer term outcomes.

Find out more about our relationships with our three community partners the [Salvation Army](#), [Foodbank](#) and [Conservation Volunteers Australia](#).

2. Grants

One-off contributions of up to \$20,000 to small and medium-sized not-for-profit organisations.

Discover our [grant recipients](#) for FY23.

3. Site donations

Financial support for organisations in the local communities around our major facilities.

Check out who our sites have chosen to help out (see page 53).



Community partnerships

The Salvation Army

Alinta Energy has a long-standing relationship with the Salvation Army. Across the country, the Salvos bring hope to people who experience injustice or hardship.

Our support helps the Salvos provide a diverse range of services across the community. Their great work includes areas such as homelessness, family and domestic violence, youth services, aged care, alcohol and addiction, strategic emergency and disaster management, financial inclusion and reducing poverty. After several particularly challenging years with bushfires, floods and COVID-19, helping growing numbers of people sinking into poverty from cost of living pressures is now a major challenge.

Here are some of the ways we've supported the Salvos during the year:

- Donated to the Light the Way campaign, a collaboration across the energy sector that brightens Christmas for struggling families.
- Gave an additional \$34,000 to this year's Red Shield Appeal, which focused on helping Aussies experiencing hardship.
- Provided refurbished iPads for use in crisis accommodation by women and children escaping domestic violence and modern slavery.
- Volunteering at a variety of activities including the Cooking with Kindness community lunch in Perth, selling candle bags at Sydney Carols in the Domain, and collecting food items at our Sydney office.
- Learning from their expertise to help us do better, including effective strategies to combat modern slavery and ways to help people in hardship.

"The Salvation Army is grateful to our energy partners AGL, Alinta Energy and Origin who joined forces through the Light The Way campaign, pledging to financially support The Salvation Army and Light the Way for thousands of struggling Australians impacted by cost-of-living pressures over Christmas. The positive impact of this collaboration saved families from homelessness, provided support for women escaping violence and gave people the strength they needed to make a fresh start in life."

Salvation Army 2023 Impact Report

Foodbank

Australia's largest food relief organisation, Foodbank fights hunger by helping frontline charities across the country. More than 500,000 Australians struggle to put food on the table on any given day. This number is increasing, making Foodbank's work more important than ever.

Did you know that 1 in 3 people experiencing food insecurity is facing that challenge for the first time? Last year, Foodbank sourced 82 million meals for their charity partners. Their food and groceries reach more than a million people every month.

Working across the entire local supply chain, including farmers, manufacturers, wholesalers and retailers, Foodbank rescues and redirects surplus product. This reduces food waste and maximises supplies for 2,625 charities nationwide.

Foodbank's School Breakfast 4 Health program provides nutritious breakfasts to students at almost 3,000 schools around the country to help hungry kids to concentrate in class.

We're proud to have supported Foodbank since our Community Development Program began in 2020. Here's how this year's contribution has helped:

Foodbank Hunger Map

Our support has helped Foodbank expand the Hunger Map to include disaster forecasting capability. This prepares governments and other organisations on the ground before natural disasters hit.

This builds on our previous donations supporting the Hunger Map's initial development. It's a world-leading initiative to better understand and tackle food insecurity. Using extensive data and sophisticated modelling, it pinpoints the distribution of food insecurity and helps quantify what's needed.

Key Staples program

This provides a consistent and sustainable supply of a variety of essential foods that are nutritious, convenient, and don't come in sufficient quantities through traditional food rescue channels. Some of these items include cereal, milk, canned vegetables, pasta, meal bases, rice and meat.

In FY23, Alinta Energy's donations resulted in:

160,000

meals for people experiencing hunger

159,600kg

CO₂ saved

Conservation Volunteers Australia

A world where nature and people flourish together is Conservation Volunteers Australia's vision. They achieve real, lasting change by coordinating their network of volunteers to protect and restore the environment.

Alinta Energy's support contributes to measurable and meaningful ecological, environmental and wellbeing impacts. This occurs through Conservation Volunteers Australia's programs like their City Nature Challenge, World Environment Day and Revive #SeaToSource. For example, \$34,000 of our donation went towards ending plastic waste, aiding their work with CSIRO to collect valuable marine debris data.

Our partnership contributes time as well as financial support. Last year, our employees volunteered with Conservation Volunteers Australia for a total of 63 days, up from 37 in FY22.

We participated in projects around the country ranging from restoring wetlands to bandicoot habitats. Getting out in nature to remove weeds or collect litter from beaches was great for our wellbeing as well as the environment.

"It's terrific to have Alinta Energy with us on our quest to build a community of one million nature stewards. Every person, every day, every action - it all adds up to make the difference we're all looking for. Partnerships like this are the secret sauce that gets us there!"

Phil Harrison, CEO

Conservation Volunteers Australia



Grants

We award up to \$250,000 a year in grants as part of our Community Development Program. Small to medium not-for-profit organisations can receive up to \$20,000 towards their cause. To find out more, visit [our website](#).

Our grant recipients

Aspire Cairns Community Limited, Empower Me program (Qld)

Aspire to be Deadly creates a safe, inclusive, diverse and fun environment for that empowers First Nations girls and women through sport, education and mentoring. The Empower Me program identifies young First Nations women with strong leadership qualities and offers them training and employment as mentors to vulnerable students. The program currently has three paid part-time mentors. Our grant helped hire more mentors to extend their positive impact and create new opportunities.

Bundjalung Tribal Society, Youngman Creek corridor rehabilitation (NSW)

In the heart of Bundjalung Country, northern NSW, the Bundjalung Tribal Society has been working to provide low-income social and affordable housing and cultural services to members and the community. Our grant will help regenerate and rehabilitate the Youngman Creek corridor on their 32-hectare property. This will include new wayfinding tools featuring the Bundjalung language and showcasing the ecological rehabilitation. It also assists in maintaining utilities and infrastructure.

The Bower Reuse and Repair Centre, House to Home program (NSW)

The Bower furnishes the homes of vulnerable people while also diverting items from landfill. Re-homing household goods, furniture and appliances turns houses into homes for domestic violence survivors, asylum seekers and refugees.

Chelsea Community Support Services, Taking Control financial capability program (VIC)

Chelsea Community Support Services provides emergency relief and social support for the Chelsea area of Melbourne. Our grant funds a series of workshops to boost people's financial and overall wellbeing through better understanding of their personal finances and money management skills. It includes one-on-one advice from a qualified support worker and post-program support as needed.

Eat Up Australia, Fresh fruit program (WA)

Eat Up feeds hungry kids so they can grow, learn and succeed. Since starting at a kitchen table in 2013, they've grown to support more than 700 schools across Australia and provided over 2.8 million lunches to kids in need. Our grant provided 4,500 kilos of fresh fruit to 70 schools in Western Australia, giving healthy snacks to 9,590 disadvantaged children who come to school hungry.

Empowered Women in Trades, Tool skills day programs (VIC)

Empowered Women in Trades aims to increase diversity and empower women in skilled trades. Our grant funded three tool skills days that aim to spark women's interest in a career in trades and give them guidance to get started. Each day included a range of practical sessions plus a positive psychology class and Q&A panel, for an audience of 40 women.

Helping First Nations women aspire to a brighter future through sport

Julie McNeil knows first-hand how sports can inspire positive change in young people. A former hockey player, her career was cut short by a vehicle accident. She now runs the Aspire to be Deadly sport and development program for young First Nations women and girls around her hometown of Cairns.

"Supporting disadvantaged young women and girls was always a passion for me so that's how I came up with Aspire to Be Deadly, a safe space for these girls to receive mentoring and education through athletics and sports and help them be their best selves."

Providing mature female mentors and a support structure through team sport and at school helps participants build new skills and develop their self-worth and confidence. They discover tools to live well, learn well and lead well.

And it's proven popular – in the past 6 months, around 2,200 students and 300 mentors have taken part in Aspire's programs. More than 80% of students stay involved after they graduate, paying it forward to help the next generation.

Alinta Energy's grant has been used to train a new round of mentors for the program. These mentors — all young First Nations school leavers, including several Aspire graduates — are invaluable to the program's success.

The program has attracted attention from Hockey Australia, which recognised Julie as an honorary life member. A number of Hockeyroos have signed up as mentors, sharing their experience as elite players on our national team.



Gunawirra, Art therapy to heal children (NSW)

Community-led organisation Gunawirra works to improve health and educational outcomes for Aboriginal and Torres Strait Islander people. Our grant funded art therapy sessions for around 60 pre-school children, many of them First Nations, who were affected by flooding in Lismore. Expressing themselves through art helps children regulate their emotions after experiencing trauma through natural disaster.

Prepare Produce Provide, Djinda Ngardak 4 WITS (WA)

Prepare Produce Provide develops career pathways for vulnerable youth in Western Australia in food, hospitality and education. Their Djinda Ngardak program gives young First Nations people real life hospitality experience preparing for dinners and events that celebrate Indigenous ingredients and culture. Our grant enabled hospitality students living in regional areas to participate in the 2023 World Indigenous Tourism Summit (WITS) in Perth.

Port School, Emergency relief funds (WA)

Port School is an independent school in Perth's Hamilton Hill that engages at-risk students in Years 8-12. It offers practical vocational style learning, flexible learning groups, individualised pastoral care, and social support through a variety of networks and external service providers. The school is unique in accommodating teenage parents. It also provides an outreach for students with behavioural or mental health challenges. Our grant funded emergency relief supplies for students, including phone credit, personal hygiene items, clothing, baby essentials and grocery cards.

Rottnest Foundation, Woodland restoration and expansion project (WA)

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. Our grant will support the revegetation of woodlands, building on our support for the Foundation since FY21. Employees at our Perth office will also be able to volunteer and participate in the tree planting.

The Shoreline Foundation Ltd, Perth program expansion (WA)

Shoreline offers vocational learning and career pathways for First Nations students through school-based traineeships. Our grant supported the program's expansion in Western Australia, funding traineeships for two students from Clontarf Aboriginal College.

WA Youth Jazz Orchestra, Eastern Corridor training band (WA)

WAYJO is Australia's leading youth jazz orchestra, engaging and developing emerging jazz musicians and inspiring them to reach their greatest potential in music and wider society. Our grant supports the training band, which engages disadvantaged students. Using an ensemble-based approach, students develop practical and written skills as they learn through playing their instruments.



Shoreline, which works with businesses, mentors and educators to facilitate job placements for Indigenous trainees across Australia, became one of five groups we chose to support in March 2023 as part of round six of our grant program.

"It does feel like a real partnership, with tangible outcomes. A partnership that's working together and sees where the opportunities are. We thank Alinta Energy for the support. Their grant helps us to unlock further opportunities for our trainees."

Jason Ryan, Shoreline Managing Director

Site donations

Each year, our Community Development Program gives our operating sites up to \$5,000 to support their chosen local charities and community organisations of their choice.

Here are some of the organisations our power stations support through site donations:

Port Hedland power station, WA Lisa's Kangaroo Retreat

Lisa's Kangaroo retreat rescues hurt or orphaned joeys, kangaroos and wallabies, rehabilitating them for release back into the wild. Our donations bought first aid supplies, hay for injured kangaroos and milk for orphaned joeys.

Newman power station, WA Newman Women's Shelter

Newman Women's Shelter is a safe space open 24/7 for women and children experiencing domestic violence. Alinta Energy has been supporting the shelter for several years now.

Braemar power station, QLD Kup of Kindness

Kup of Kindness provides food and meals for homeless and disadvantaged people in and around the Chinchilla district. They run a mobile food trailer and soup kitchen and provide breakfasts to hungry kids at local schools.

Glenbrook power station, NZ Graeme Dingle Foundation

The Foundation's Kiwi Can program helps primary school kids develop life skills, confidence and resilience. The 12 month program reduces bullying and truancy and currently runs at 100 schools across Aotearoa New Zealand.

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. Each year, the fund awards around \$50,000 per year in individual grants, indexed to inflation. This will add up to more than \$1 million over the wind farm's operation.

During the year, grants were awarded to 9 organisations. These included local sports and community clubs, community centres, the primary school and St John Ambulance. The funds also supported the Dandaragan Christmas party. Full details can be viewed on the [Yandin Wind Farm Community Fund](#) website.



Our team at Braemar (pictured here with Jeff Dimery) choose to support Kup of Kindness

Alinta Energy Christmas Pageant

Alinta Energy was proud to be naming rights partner of the Alinta Energy Christmas Pageant for the fourth year in a row, bringing this beloved ritual to WA families for another year on Saturday 3 December 2022.



In conversation with Melissa Galland Manager, First Nations and Community

When the opportunity arose to manage our Community Development Plan and develop our first Reconciliation Action Plan, Melissa Galland jumped at it. The newly created role was the perfect way to combine her change management experience with her passion to help people.

After recently completing post-graduate study in social impact, Melissa was keen to manage programs that change society for the better. Her work across a range of financial and legal change projects had already made a difference at Alinta Energy. However, Melissa knew it was time for a change of her own rather than continuing to drive initiatives relating to process efficiency, compliance or rolling out new software. A year into her current role, she's deriving a new sense of purpose from her work.

Melissa's earlier experience working for a large insurer that already had a relatively mature reconciliation action planning process had sparked her interest in what could be achieved. She's still found there is much to learn. Joining the recent cultural immersion in Western Australia reinforced the need to deeply listen and allowed her to quietly reflect on what connecting with Country really means.

It's also helped her think differently about time when working with First Nations communities. Instead of rushing towards corporate deadlines and deliverables, she has found it's vital to make time to 'have a yarn' before getting down to business.

"There are times where we just need to stop, listen, learn and reflect before we start doing. The big realisation has been that Indigenous engagement does take time. While we're ambitious about making a difference, we need to let it evolve and happen in an authentic way."

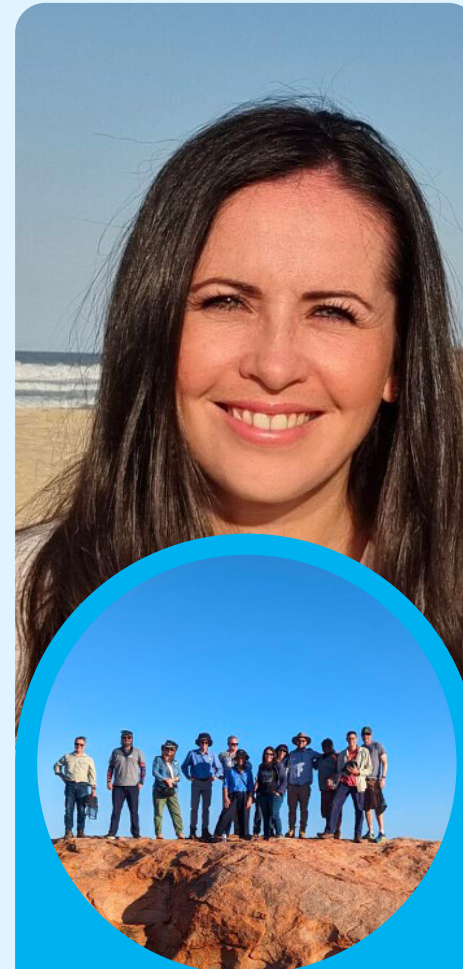
The other side of Melissa's role involves a faster pace. Charities and community services are responding to growing numbers of people who are struggling amid the cost of living crisis. Our Community Development Program helps maintain momentum for their essential work.

Melissa finds her work with two of our community partners, the Salvation Army and Foodbank, particularly rewarding. They provide life-changing support to the most vulnerable members of our society. It inspires others to get more involved, including through our employee volunteering program.

"One of the things I love about Alinta Energy is that we roll our sleeves up and we do stuff" says Melissa.

The volunteering program, which she also manages, has become increasingly popular with our people, who broaden their own perspectives while also helping the community.

Between leading our reconciliation journey and administering a program which provides up to \$500,000 per year to not-for-profits, there's a lot Melissa finds rewarding in her role. The highlights come down to seeing the practical impact on people. That includes our team joining in the start of the reconciliation process, and hearing from our community grant recipients about how funding will affect the communities they serve.



Melissa spent 3-days on country with her Alinta Energy colleagues, as part of the cultural immersion experience, earlier this year.



Hear from Melissa directly about what she loves about her job and the importance of our community grant program.

“
One of the things
I love about
Alinta Energy is that
we roll our sleeves
up and we do stuff.”



Our reporting



How we report on sustainability

About our report

This report covers the operations of Alinta Energy Pty Ltd and Renewable Energy Investment Fund Pty Ltd, together known as the Alinta Energy Group or Alinta Energy. It does not include the operations of Latrobe Valley Power (Holdings) Pty Ltd, which operates the Loy Yang B power station. Latrobe Valley Power is a separate legal entity with its own board, chaired by an independent non-executive director. Loy Yang B prepares a separate sustainability report which is available from its [website](#).

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 relates 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 impracticable to quantify its energy consumption and emissions.

Reporting standards

Our sustainability report is prepared in accordance with the Global Reporting Initiative (GRI) Standards, with selected performance metrics subject to external assurance (refer to page 62 for more details about these findings). The GRI reporting principles provide greater transparency over our sustainability performance and are also elaborated in Appendix 1.

A new sector standard, *GRI 11 Oil and Gas Sector 2021*, has now come into effect and is applicable to our operations. It applies to reporting from 1 January 2023. We will outline how our reporting complies with this standard in our next Sustainability Report, which will cover a full year of data.

We include a GRI Content Index, showing where each of the GRI disclosures is published, on pages 60-61.

To assist with readability of the report and to reduce its length, supporting data and information related to many GRI metrics is now presented in a new [online data centre](#), whose format is in alignment with the GRI structure. We also review our initiatives against the UN Sustainable Development Goals and the relevant tiles are shown on the heading pages for each of the three main sections: Planet, People and Prosperity.

To provide greater transparency over our sustainability performance, this report is aligned to the GRI reporting principles for defining report content and quality, discussed below.

Report content principles

- **Stakeholder Inclusiveness** - our stakeholders are diverse and listed on the following page. To identify material sustainability issues, we assess our key stakeholder groups' views and opinions, which are obtained from a variety of sources including customer feedback through our call centres or from surveys, customer ombudsman concerns, employee engagement surveys, supplier meetings and market research.
- **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** - our approach to materiality is described further on the following page.
- **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 2022 to 30 June 2023 (FY23). 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 page 62.
- **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 recent historical performance data where available so our performance over time can be assessed. Any restatements of previous years' data are identified in notes to charts or tables.
- **Reliability** - we have implemented appropriate procedures and controls in relation to the data reported in this report and maintain 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 page 62.
- **Timeliness** - Our 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 FY23 Sustainability Report. 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.

How we report on sustainability

Stakeholders

A key principle of the GRI is that all stakeholders are considered for the purposes of reporting. Our stakeholders are diverse and 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

Our participation in industry forums includes the Australian Energy Council (AEC), and the Committee for Economic Development of Australia (CEDA).

A highlight of the year was becoming a corporate member of the Clean Energy Council, the peak body for clean energy in Australia with more than 1,000 members. This offers valuable information, networking opportunities and the ability for our people to get involved in working groups focusing on issues that affect our industry.

Materiality

Our sustainability reporting focuses on topics we have assessed as material. GRI 3 Material topics 2021 defines these as topics that 'represent an organisation's most significant impacts on the economy, environment, and people, including impacts on their human rights'.

Determining materiality influences our strategy development and target setting to focus our effort and resources on the topics most likely to result in positive impacts (or to minimise negative impacts).

We engage with stakeholders as a key part of determining which topics are material.

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.

Materiality assessment

There are four steps in our materiality assessment process:

1. Engage with stakeholders – including through periodic stakeholder materiality surveys; customer surveys; ombudsman complaints; employee engagement surveys; emails to our sustainability inbox; supplier discussions; community engagement; industry working groups and meetings with regulators and lenders.

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 processes including Board oversight and monitoring; gap analysis against the SDGs, GRI standards and utility sector peers; and 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; and investigate and implement new products or projects.

Material topics

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

The 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 in this report or our [online data centre](#) 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.

Glossary and Definitions

Glossary

ACCU	Australian carbon credit unit
AEC	Australian Energy Council
Alcoa	Alcoa of Australia Ltd
CEO	Chief Executive Officer
CERT	Corporate emissions reduction transparency
CTFE	Chow Tai Fook Enterprises Limited
EBITDA	Earnings before interest, tax, depreciation and amortisation
ESG	Environmental, social and governance
FIRB	Foreign Investment Review Board
FY	Financial year
GRI	Global Reporting Initiative
LTI _{FR}	Lost time injury frequency rate
MD	Managing Director
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
REIF	Renewable Energy Investment Fund
SDG	Sustainable Development Goals
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

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 certificates 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.

Pathway to Net Zero - Basis of Preparation

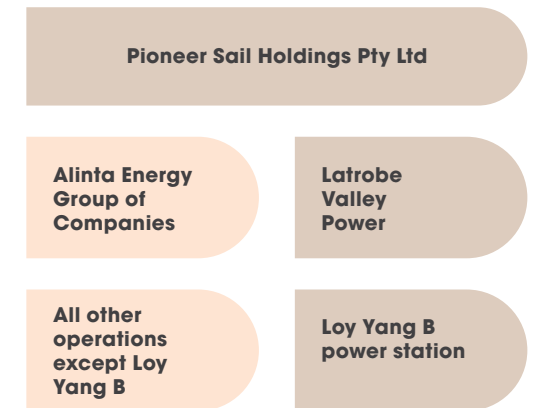
This section outlines the greenhouse gas accounting practices to establish and monitor progress against our long-term and interim greenhouse gas emissions reduction targets (emissions targets). These practices are based on the *Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard (GHG Protocol)*.

Organisational boundaries

For the purposes of emissions targets, Alinta Energy's gross 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.

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 1,500 MW of development by FY25.

Category	Definition	Contributes to our renewable energy target?
Operational		
Capital assets	<ul style="list-style-type: none"> • Facility is operational (commissioning complete with a full handover to a registered market operator) • Owned or part owned, and/or operated by Alinta Energy. 	✓
Future start date		
Capital investment projects	<ul style="list-style-type: none"> • Not yet operational • Alinta Energy is the project developer • Final investment approval given by our Board and all other required approvals obtained • Engineering, procurement and construction contract is in place • Commercial agreement for offtake is in place • Contracts may include conditions precedent that are not yet satisfied. 	✓
Contracted PPA	<ul style="list-style-type: none"> • Not yet operational • Alinta Energy is not the project developer but has an offtake agreement to purchase energy from the facility • Developer has obtained final investment approvals and all other approvals required to progress • Engineering, procurement and construction contract is in place • Contracts may include conditions precedent that are yet to be satisfied. 	✓
Pipeline		
Development options	<ul style="list-style-type: none"> • Project is at development stage • Alinta Energy is the primary project developer. 	✗
Contracting opportunities	<ul style="list-style-type: none"> • Alinta Energy is in negotiations for the offtake of energy from a renewable energy development. 	✗
Potential expansion projects	<ul style="list-style-type: none"> • Alinta Energy has identified potential to add renewable energy capacity to one of our existing generation sites. 	✗

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 and GRI400: Social. 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
GRI102: General Disclosures 2017		
Name of the organization	102-1	Front cover (1)
Activities, brands, products, and services	102-2	8
Location of headquarters	102-3	8
Location of operations	102-4	9
Ownership and legal form	102-5	10
Markets served	102-6	8
Scale of the organisation	102-7	5, 8, 9
Information on employees and other workers	102-8	36, online data centre
Supply chain	102-9	45
Significant changes to the organization and its supply chain	102-10	6
Precautionary Principle or approach	102-11	56
External initiatives	102-12	56
Membership of associations	102-13	57
Statement from senior decision-maker	102-14	6
Values, principles, standards, and norms of behaviour	102-16	7
Governance structure	102-18	10
List of stakeholder groups	102-40	57
Collective bargaining agreements	102-41	website
Identifying and selecting stakeholders	102-42	57
Approach to stakeholder engagement	102-43	56
Key topics and concerns raised	102-44	56-57
Entities included in the consolidated financial statements	102-45	48
Defining report content and topic Boundaries	102-46	56-57
List of material topics	102-47	57
Restatements of information	102-48	56
Changes in reporting	102-49	56
Reporting period	102-50	56
Date of most recent report	102-51	56
Reporting cycle	102-52	56
Contact point for questions regarding the report	102-53	64

Claims of reporting in accordance with the GRI Standards	102-54	56
GRI context index	102-55	60-61
External assurance	102-56	62-63

GRI103: Management Approach 2017

Explanation of the material topic and its Boundary	103-1	57
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Material specific standard disclosures (SSD)

Aspect	GRI Standards	Page
GRI200: Economic		
Economic Performance – Direct economic value generated and distributed, and Financial implications and other risk and opportunities due to climate change	201-1	47
	201-2	17
Market Presence – Proportion of senior management hired from the local community	202-2	Online data centre
Indirect Economic Impacts – Significant indirect economic impacts	203-2	47
Anti-corruption – Confirmed incidents of corruption and actions taken	205-3	website
Anti-competitive Behaviour – Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	206-1	41
GRI300: Environmental		
Energy – Energy consumption within the organisation	302-1	18, online data centre
	303-3	Online data centre
Water and effluents – Water withdrawal, and Water discharge, and Water consumption	303-4	Online data centre
	303-5	29, online data centre
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	29
	304-2	29
	305-1	19
Emissions – Direct (Scope 1) GHG emissions, and GHG emissions intensity	305-4	23
Effluents and Waste – Waste by type and disposal method	306-2	29, online data centre
Environmental Compliance – Non-compliance with environmental laws and regulations	307-1	29

Material specific standard disclosures (SSD)

Aspect	GRI Standards	Page
GRI400: Social		
Employment – New employee hires and employee turnover	401-1	Online data centre
Labour/Management Relations – Minimum notice periods regarding operational changes	402-1	website
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	32, online data centre
Training and Education – Programs for upgrading employee skills and transition assistance programs, and Percentage of employees receiving regular performance and career development reviews	404-2	67
	404-3	36
Diversity and Equal Opportunity – Diversity of governance bodies and employees, and Ratio of basic salary and remuneration of women to men	405-1	36, online data centre
	405-2	36
Non-discrimination – Incidents of discrimination and corrective actions taken	406-1	36
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	website
Local Communities – Operations with significant actual and potential negative impacts on local communities	413-2	29
Marketing and Labelling – Incidents of non-compliance concerning marketing communications	417-3	41
Customer Privacy – Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1	42

KPMG 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 Sustainability Metrics Definitions and related internal policies and procedures, and the GRI Standards for the period 1 July 2022 to 30 June 2023.

Information Subject to Assurance

The Selected Sustainability Information subject to assurance as presented in the Alinta Energy 2022/23 Sustainability Report and Online ESG Data Centre comprises of the following:

Selected Sustainability Information	Value Assured FY23	Sustainability Report Page Reference
Availability of operational power stations		
Yandin wind farm	93.8%	Contained in data centre only
Chichester solar farm	96.9%	
Newman power station	94.0%	
Newman power station 2	94.6%	
Port Hedland power station	89.4%	
Pinjarra power station	94.6%	
Wagerup power station	96.7%	
Bairnsdale power station	94.1%	
Braemar power station	85.0%	
Glenbrook power station	91.2%	
Direct economic value contributed (\$m)	3,606	47
Value of community contribution via corporate sponsorships, community development programs and charitable donations (\$)	538,010	47
Group underlying EBITDA (\$m)	491	48
Total recordable injury frequency rate (TRIFR)	2.71	32
Lost time injury frequency rate (LTIFR)	1.63	32

Selected Sustainability Information	Value Assured FY23	Sustainability Report Page Reference
Emissions intensity of Australian power generation (tCO ₂ -e/MWh)	0.419	23
Verification of FY18 baseline year emissions intensity (tCO ₂ -e/MWh)	0.667	23
Progress against Scope 1 emissions intensity target (tCO ₂ -e)/MWh)	37%	23
Progress towards renewable energy target (MW)	999	22
Fuel energy used for Australian power generation (GJ)	98,875,763	18
Scope 1 greenhouse gas emissions (tCO ₂ -e)	1,045,155	19
Scope 2 greenhouse gas emissions (tCO ₂ -e)	7,062	19
Number of material fines or non-monetary sanctions for non-compliance with environmental laws and regulations	0	29
Number of environmental incidents causing material environmental harm	0	29
Water by source, usage and discharge category (ML)	2,543	29
Quantity of fly ash sold, quantity of solid waste to landfill, and quantity of waste recycled (t)	11,085	29
Number of confirmed breaches or incidents of discrimination	0	36
Employee and governance bodies' information and composition statistics	Various	Contained in data centre only
West Coast Net Promoter Score	+77	39
East Coast Net Promoter Score	+56	
West Coast Customer Satisfaction Score	93%	
East Coast Customer Satisfaction Score	88%	
West Coast average monthly complaints per 1,000 customers	0.01	41
East Coast average monthly complaints per 1,000 customers	0.34	41
Number of eligible data breaches as defined under the Privacy Act or inquiries or investigations by privacy regulatory bodies	0	42
Number of legal actions for breaches of the Competition and Consumer Act, and outcomes of associated legal actions	0	41
Number of non-compliance with regulations concerning marketing communications, including	0	41

Selected Sustainability Information	Value Assured FY23	Sustainability Report Page Reference
advertising, promotion and sponsorship		

Criteria Used as the Basis of Reporting

The Information Subject to Assurance was prepared in accordance with Alinta Energy's 2023 Sustainability Metrics Definitions and related internal policies and procedures and the GRI Standards as described in the Alinta Energy Group 2022/23 Sustainability Report ("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 2022/23 Sustainability Report 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.



KPMG

Sydney
15 December 2023

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 2023, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Management

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 Management 1 to design, implement and operate a system of quality management.

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

Web alintaenergy.com.au