

# **ALINTA ENERGY** **SUSTAINABILITY** **REPORT 2023/24** **SUMMARY**



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FY24 Sustainability Report



## From our MD and CEO

### Confronting challenges head-on

FY24 was a tough year for many Australian households. For the energy sector, a number of factors, including the closure of some coal-fired power stations and an extended period of low renewable generation in parts of Australia, impacted power prices and the balance between affordability, sustainability and reliability.

Households continued to struggle in the cost-of-living crisis, to which we have responded by boosting our payment support. This takes the form of payment matching, debt waivers and other support mechanisms – to an all-time high of more than \$14 million during FY24.

I spoke about this, and other challenges at the National Press Club in April 2024. We've always been open to discussing the difficult truths and challenges related to the transition in a constructive way, which is exactly what I aimed to do in that speech. Please see the **full report** for a summary to find out more, or you can watch the whole address on our **website**.

In this report, we maintain the same approach, openly addressing the challenges to reduce our emissions intensity this year. It was a period when our thermal generators operated flat-out to make up for times when intermittent renewable generation was low.

It's also why we launched a new brand campaign, **True Power™**, during the year. It makes good on our promise to be honest about the energy transition and help customers make well-informed decisions to obtain value for money.

### Operating safely and reliably

While the external environment has been exceptionally challenging, I have never been prouder of our contribution – especially our safety results and the

reliability of our generation fleet. During the transition to new forms of energy supply, it is critical for existing ageing coal generators to maintain high levels of availability and reliability prior to closure<sup>1</sup>.

Once again, we achieved excellent safety results with zero Class 1 injuries and meeting our ambitious targets for reportable injuries. We stay committed to embedding safety within our culture, and proactively monitoring the risk of complacency as part of our strong performance.

The diligent maintenance of our generation fleet delivered another year of high reliability and performance across the board. Our Yandin wind farm remains one of Australia's top performers. Assets like our Braemar power station in Queensland were able to run in times of need. And we were proud to be associated with contracted assets like Loy Yang B, which maintained its industry-leading low outages and high availability factor. This is a result of the excellent work of many people across the company, backed by the investment in the asset and its maintenance over time.

### Committed to sustainability and community

We made great progress across our project development pipeline this year. Construction got underway on our 100 MW Wagerup battery and we received development approval for another 100 MW battery at the site. We found an excellent co-developer, JERA Nex, for the 1 GW+ **Spinifex** offshore wind farm project in Victoria. JERA Nex is a company created by JERA, Japan's largest energy company, to scale renewable energy. JERA Nex acquired Parkwind, the leading Belgian offshore wind developer, in July 2023, broadening its global focus and expertise.

1. AEMO 2024 Electricity Statement of Opportunities, page 7.

We also submitted the Environmental Impact Statement for our 900 MW **Oven Mountain** pumped hydro project in NSW, among other milestones.

There were plenty of other great moments this year, including launching our first **Reconciliation Action Plan**. In doing so, we entered the 'reflect' stage of the process and are grateful to have been able to listen and learn from a variety of First Nations voices to increase our knowledge and understanding in this space. We were proud to support and collaborate with community partners, The Salvation Army, Foodbank and Conservation Volunteers Australia. They all do an amazing job giving practical support to people doing it tough and caring for our environment.

I would like to take this opportunity to thank the teams at our power generation sites, call centres and offices, and show appreciation for great work they do to make a difference.

And finally, I want to extend my deepest thanks to our customers. Their continued support reinforces our commitment to make energy better and are the reason we are determined to be the best energy company.

As always, we would love your feedback on our report and how well it meets your own needs and interests. Contact details are listed on the last page of this summary.



## How we define 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.

**PLANET**  
Environment

**PEOPLE**  
Society

**PROSPERITY**  
Economy

## 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.



**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.



**One Alinta:** We are one team that works together for the same purpose.



**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.

## Alinta Energy at a glance

(at 30 June 2024)

**1,209** employees

**50%** women

**50%** men

**<1%** non-binary

**1.07** million customers

**2,988 MW** operational capacity across Australia and New Zealand

**922 MW** operational or committed renewable energy and storage capacity

**6** thermal power stations (owned, operated or contracted)

**7** wind farms (owned, operated or contracted)

**5** solar farms (contracted)

**1** large scale battery (under construction)

**\$4.64 BILLION** revenue

**\$656 MILLION** EBITDA

## FY24 highlights

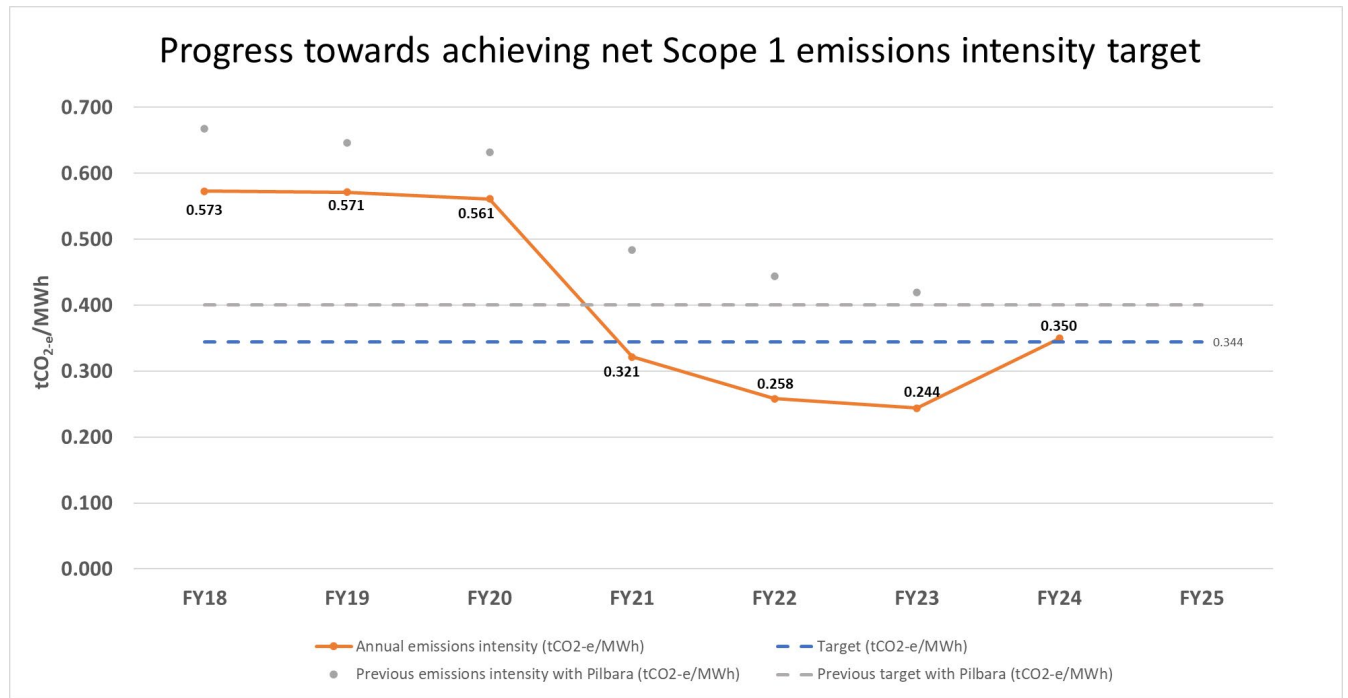
### Greenhouse gas emissions

- 690,927 tCO<sub>2-e</sub> Scope 1 greenhouse gas emissions
- 1,416 tCO<sub>2-e</sub> net Scope 2 greenhouse gas emissions
- 16,320,290 tCO<sub>2-e</sub> Scope 3 material greenhouse gas emissions
- Our net Scope 1 emissions intensity was slightly above (0.06 tCO<sub>2-e</sub>/MWh) our FY25 target\*.
- 75% of our total Scope 2 emissions were offset using ACCUs.

### Clean energy investment

- 27% increase in our renewable energy pipeline (from 5,865 MW to 7,442 MW).
- 77 MW (8%) decrease in renewable energy generation and storage capacity\* (operational and committed).

\* This was mainly due to the sale of our Pilbara assets in November 2023, which have not been included for the entire year.



While we sold our Pilbara assets in November 2023, from an emissions reporting perspective, the impact of the sale goes back much further. Under the GHG Protocol, we must remove the emissions contribution of these sites from every year going back to (and including) our baseline year of FY18. This means we have a consistent asset base when we evaluate the changes in our emissions intensity over the period of our interim targets. The requirement is outlined further in our **FY24 Sustainability Report**.

## Pathway to achieving net zero by FY50

1. Invest in clean energy technologies

2. Establish and track against interim emission reduction targets

3. Help customers meet their climate ambitions

4. Commit to no new coal assets



# Growing our renewable energy capacity, expertise, products and services

## Oven Mountain pumped hydro storage project

Our 900 MW pumped hydro storage project has successfully progressed, with an Environmental Impact Statement for the development with the NSW Government.

We became the project's sole owner after buying the remaining shares in September 2023.

Our project team is now focusing on engaging with the local communities, including First Nations people.

This year, two of our community grants were awarded to groups in the local community, the Rotary Club of Kempsey West Inc, for a science and engineering challenge in local high schools, and the Dunghutti Elders Council, for a local ranger program.



## Wagerup big battery project

We commenced construction of a 100 MW battery near our Wagerup power station, about 120 km south of Perth. It will be able to run at maximum capacity for approximately two hours and will connect to existing high voltage infrastructure at the power station. The battery will provide backup capacity and essential system services for the South West Interconnected System (SWIS) when needed after it's completed in mid 2025. It will benefit our power station as well as the grid, making operations more efficient and reliable by smoothing out stops and starts.

Construction is progressing, with earth works and civil works underway.

We've also started planning for a second big battery at a nearby site.



## Spinifex off shore wind project

This project, near Portland in Victoria, has also made great progress. This has included our new partnership with JERA Nex, announced in April 2024. They will apply their global expertise in offshore wind to the management of offshore activities.

Other highlights during the year included:

- The Southern Ocean region was declared suitable for offshore renewables in March 2024.
- We submitted our feasibility licence application for the project site in early July 2024 – a huge project milestone.
- We entered a memorandum of understanding with the University of Melbourne to collaborate on opportunities for industry research and education involved with the project.
- We continued to build strong relationships with the local community, including participating in the region's Upwelling Festival in November 2023.



## Sale of our Pilbara assets

Our Pilbara assets provided many opportunities for us to demonstrate sustainability innovation and build our expertise with renewables. We built Australia's first grid-forming battery at Newman power station, and what was at the time Australia's largest remote solar farm at Chichester.

The sale of these assets to APA Group in November 2023 was thus the end of an important chapter in our story. However, it has liberated funds which will contribute to developing new renewable assets and accompanying firming options.

The sale also had the sustainability benefit of reducing our total greenhouse gas emissions and emissions intensity.



## FY24 highlights

### Safety

- Total recordable injury frequency rate (TRIFR) 2.64. Target TRIFR set at 3.
- Zero Class 1 injuries (deaths, total or partial permanent disabilities, or impairments which last longer than six months).
- All safety performance targets for FY24 reached.
- 886 safety value adds implemented.

### Gender equity

- Proportion of women in management steady at 37%.
- 52% of promotions to women.
- -0.4% gender pay equity gap for comparable roles, achieving our new target for this to be below 1%.

### Customer satisfaction

- 86% customer satisfaction nationally (consisting of 90% west coast and 85% east coast).
- +51 Net Promoter Score nationally (consisting of +66 west coast and +48 east coast).
- Maintained very low levels of ombudsman complaints – 0.013 complaints per 1,000 customers on west coast and 0.306 per 1,000 customers on east coast.
- First Good Design Awards green tick award, and our second Canstar Blue Most Satisfied Customers Award for small business electricity.

### Customer support

- >\$14 million provided through our payment support scheme for hardship and non-hardship customers, applied across 11,000 accounts.

### First Nations reconciliation

- Launched our first Reconciliation Action Plan.
- Training needs analysis and learning strategy developed for cultural awareness for our people.

## Helping with hardship

We offer a range of tools and payment options to support customers having trouble paying their bills during this cost-of-living crisis.

Our national payment support program, where we work with our most vulnerable customers to reduce their debt to a manageable level, has contributed more than \$14 million in payment support in FY24. Credits were applied to 11,000 accounts and we matched 132,000 payments. We've streamlined our processes to assist customers.

Finding practical ways to reduce our customers' energy consumption is also important to reducing bills. This year, we expanded our Alinta Assist Program to introduce referrals to energy assessments and appliance swaps in a new pilot initiative.

Our partnership with HelpPay has continued and we've continued our participation in the Victorian-based Thriving Communities Partnership which brings together diverse stakeholders who can work together to support vulnerable customers.

## Equity, diversity and inclusion

This year, we expanded the capability of our People and Culture team to further strengthen our diversity and embed a culture of inclusion across our workplace.

Some major milestones to strengthen diversity and embed a culture of inclusion were achieved during the year, including establishing a diversity, equity and inclusion centre of excellence, a five-year roadmap, and an annual action plan commencing in FY25.

More robust preventive measures were also put in place to prevent and address discrimination and sexual harassment, aligning with our obligations to promote a safe and inclusive workplace. These included comprehensive respect@work training for our board and executive leadership team; updating our board charter to integrate directors' respect@work responsibilities; thoroughly reviewing and updating our code of conduct and our policies on personal relationships at work, fair treatment in employment, and employee grievances and actively enhancing our reporting mechanisms for greater transparency.

We continue to build on key partnerships through our membership with the Diversity Council of Australia and WORK180 to embed best practices across our business. We have retained our status as a WORK180 Endorsed Employer for All Women and received our annual certificate of compliance with WGEA. We also celebrated our one-year milestone as a founding member of the Champions of Change Energy Group.

## FY24 highlights

### Value distributed to our stakeholders

- **\$204 million** in wages and benefits to our employees .
- **\$387 million** payments to government (income tax, payroll tax and fringe benefits tax).
- **227 staff volunteered** for community activities in paid time.
- **\$501,502 in community grants** and donations plus **\$61,142** for Yandin wind farm community fund
- Supported over **400 small businesses** nationally.
- **\$208 million** contributed to the Australian small business community.
- **Over \$1 million** spent on First Nations businesses.
- **95.1% of invoices paid** within 30 days of invoice date, confirming our commitment to supporting small businesses.
- **\$108 million** spent on maintenance CAPEX to ensure the reliability of the energy system.
- **\$137 million** spent on growth CAPEX to invest for the future.

### Community development fund

Our fund contributes \$500,000 each year to support organisations that alleviate social disadvantage and/or promote environmental sustainability.

The fund has three elements:

1. Community partnerships
2. Community grants
3. Site donations

### Community partnerships

During FY24 we maintained our ongoing collaboration with our three community partners to achieve longer term outcomes. Our partners are The Salvation Army, Foodbank, and Conservation Volunteers Australia. In addition to our financial support, we also engage with these organisations through employee volunteering programs and other opportunities to contribute.

### Site donations

This year's recipients included

- Bairnsdale power station, Vic – **U3A (University of the Third Age)**
- Braemar power station, QLD – **Waminda Services**
- Glenbrook power station, NZ – **Graeme Dingle Foundation, Kiwi Can program**
- Morwell customer contact centre, VIC – **Lifeline Gippsland, The WES**
- Wagerup power station, WA – **Bridge Builders, Nanna's Kitchen**
- Yandin Wind Farm **community fund**

### Community grants

During FY24, we provided grants of up to \$20,000 to the following small and medium-sized not for profit organisations:

**Christian City Church Indooroopilly**, dinners for people impacted by family and domestic violence

**Eat Up Australia**, fruit for hungry school kids in Perth

**ECHO Empowering Services**, extension to emergency relief room

**Echuca Neighbourhood House**, food for the soul

**Emmaus Community**, Going Green at Emmaus

**Empowered Women in Trades**, Experience Trades program

**Hornsby Ku-ring-gai Women's Shelter**, battery for existing solar system

**Hunter Regions Women's Working Group**, Aboriginal women's circle

**Leading Youth Forward**, big day out one and two

**Lefevre Uniting Church Taperoo**, building community with the disadvantaged

**Rotary Club of Kempsey West Inc**, Kempsey science and engineering challenge

**The Dunghutti Elders Council**, Gurrgiyn Gurrgiyn rangers program

**The Shoreline Foundation Ltd**, Perth program expansion

**Welfare Rights Centre**, First Nations Community Legal Support & Workshops



## Report feedback

We welcome feedback and suggestions regarding our sustainability reporting program and performance, which can be submitted to us using the following contact details:

### **Sustainability Manager**

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