
Victoria Power Networks

Sustainability Report

2024



Acknowledgement of Country

Victoria Power Networks (VPN) acknowledges and respects the Traditional Owners as the original custodians of the lands and waters that our networks cover; lands First Peoples have occupied for tens of thousands of years. We pay our respects to Elders past and present and acknowledge their ancient and continuing connection to Country.

VPN also recognises First Peoples long-standing history of sustainable land custodianship. In partnership with First Peoples, we look to draw on these practices and knowledge systems to inform our sustainability efforts.



Contents

Sustainability highlights	4
Leadership message	6
About Victoria Power Networks	8
Our approach to sustainability	10
Safe and equitable workplaces	12
Environmental and climate resilience	20
Empowering communities	32
Responsible governance	42
Sustainability metric performance summary	48
Sustainability metrics definitions	49
Data assurance	50

About this report

We are pleased to present Victoria Power Networks' 2024 Sustainability Report. This report outlines our Environmental, Social and Governance (ESG) material topics, the actions we are taking to address them and our performance against the targets committed to in our Sustainability Framework 2022-2026. The framework outlines four ESG focus areas: safe and equitable workplaces, environmental and climate resilience, empowering communities and responsible governance.

The reporting boundary of our sustainability performance includes all operations in our control between 1 January 2024 and 31 December 2024, unless otherwise noted. All financial data is presented in Australian dollars, unless otherwise noted. Reference to 'VPN', 'the company', 'us', 'we' and 'our' are to Victoria Power Networks Pty Ltd.

We prepared this report for all stakeholders with an interest in our business, in line with global standards for disclosures on an annual basis. We welcome feedback and invite enquiries to be sent to community@powercor.com.au.

About CitiPower and Powercor's Reflect Reconciliation Action Plan artwork

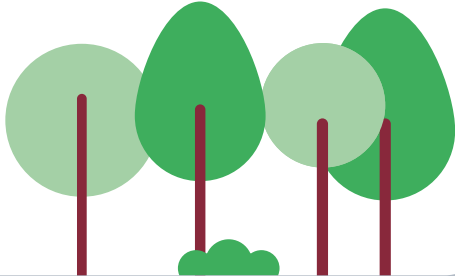
The Aboriginal artwork used on page two and throughout the document has been created by Ky-ya Nicholson Ward a proud Wurundjeri, Dja Dja Wurrung, Ngurai illum Wurrung, German and Irish woman based in Naarm (Melbourne). Ky-ya created CitiPower and Powercor's Reflect Reconciliation artwork and owns Djirringu Art.

2024 highlights from our sustainability journey



0 fatalities

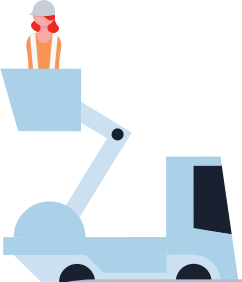
Achieved our **2030 carbon emissions target**



Set **2050 Net Zero** Scope 1 and 2 target

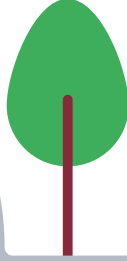


0 critical network cyber breaches



Exceeded our **females in management target**

Launched our **Reflect Reconciliation Action Plan**

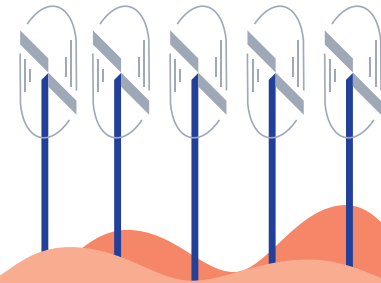




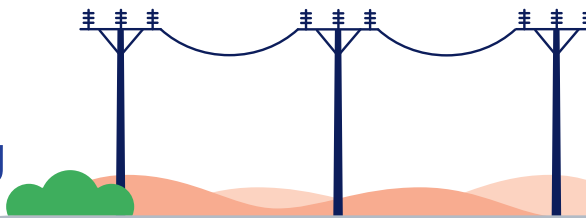
316% increase
in participation
in energy literacy
programs



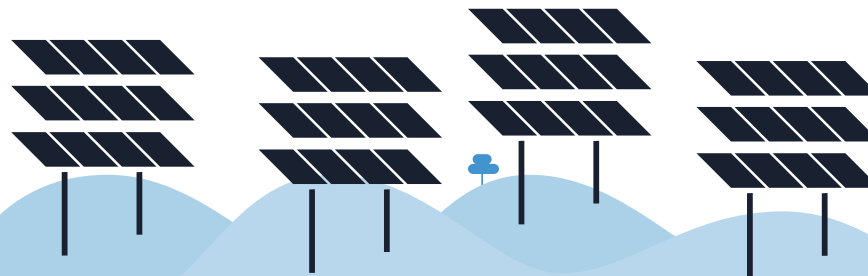
\$28.2 million
invested in
technology



83% employee
satisfaction with
health and wellbeing
programs



Outperformed
targets for time
off supply



Leadership message



Tim Rourke
Chief Executive Officer



Peter Tulloch
Chairman

We are pleased to bring you the Victoria Power Networks' 2024 Sustainability Report.

This has been a year of significant achievement. We are proud to report important progress towards our Sustainability Framework 2022-26 targets: including reducing our environmental footprint, to making our workplaces more inclusive and improving the reliability and safety of our networks.

As we deliver an essential service that our customers rely on, our team is working tirelessly to prepare for a future that is very different to today.

Our plan to balance these responsibilities was laid out in the proposal we submitted to the Australian Energy Regulator. Through a four-year engagement process which saw more than 15,000 Powercor and CitiPower customers consulted, we identified three key priorities areas:

1. Safety, reliability and resilience;
2. Affordability and equity; and
3. Energy transition.

We submitted our proposals for the 2026-31 regulatory period in January 2025, proposing investments of \$3.6 billion and \$1.2 billion in the Powercor and CitiPower networks respectively. The plans were carefully developed to allow us to deliver safe, reliable and affordable power supplies, while also reflecting the evolving expectations that our customers have shared with us.

These investments will support our ongoing transition from a poles and wires business to a distribution system operator, where we play an integral role meeting Victoria's growing demand for electricity. Reliance on our network is higher than ever as homes and businesses install rooftop solar, electrify their energy use and deploy new power-intensive facilities like data centres to meet the growth of artificial intelligence and other innovations.

Against this backdrop of growing demand, we are pleased to announce strong progress in our journey towards net zero emissions. We have met our 2030 carbon emission target six years ahead of schedule, already achieving a 33 per cent emissions reduction against our 2019 baseline.

Powercor's bushfire prevention systems were also expanded in 2024, with our annual vegetation inspection program completed ahead of schedule and additional pre-summer inspections conducted in the highest fire risk areas.

We marked an important milestone in June, launching Powercor and CitiPower's inaugural Reflect Reconciliation Action Plan at our head office on Wurundjeri Woi Wurrung Country. Led by our First Peoples Advisory Committee, the initiative is helping to build closer relationships with First Peoples communities and improving the way we work with Aboriginal Community Controlled Organisations (ACCOs).

While there is always more to do, these achievements affirm the value of the actions we have undertaken through our Sustainability Framework 2022-26. We thank you for your interest in our Sustainability Report and look forward to sharing more progress on these initiatives throughout 2025.



Tim Rourke
Chief Executive
Officer



Peter Tulloch
Chairman

About Victoria Power Networks

Victoria Power Networks is the consolidating parent of the group of companies that own and operate two regulated electricity distribution networks and offer unregulated energy solutions to customers.

CitiPower – the distribution network for Melbourne’s central business district and inner suburbs which boasts the highest customer density in Australia. In the National Electricity Market, CitiPower ranks second for total productivity and is the second lowest cost electricity network for customers (based on network charges for residential customers approved by the AER for the 2025 financial year).

Powercor – the distribution network for regional and rural communities in western and central Victoria and Melbourne’s outer western suburbs. The diversity of this region ranges from some of the fastest growing urban communities in Victoria, to sparsely populated agricultural districts and some of the state’s most prospective areas for renewable energy generation. Powercor is the leading rural distribution network in the country based on both low costs to customers and expenditure efficiency.

Energy Solutions (trading as Beon) – a leader in the development of large-scale renewable energy generation, electricity transmission infrastructure and assets. Beon works across Australia and expanded operations into New Zealand in 2024.

Our teams are located across Melbourne and Western Victoria, with 14 depots accommodating field-based teams and a corporate head office in Melbourne.



Key facts

CitiPower and Powercor

Number of employees:	2,221
Number of customers:	1.29 million*
Total area serviced:	145,808 km ² *
Length of distribution network:	82,343 km*
Number of poles in network:	676,758*
Power distributed:	16,663 GWh**

Beon

Number of employees:	142
Total renewable capacity constructed:	1.47GW

* Figures as at June 2024

** July 2023 - June 2024

Our vision and values

Our corporate strategy is anchored in a vision to deliver an affordable, reliable and safe electricity supply, while also empowering customer choices and delivering for communities and the environment.

This vision has evolved as our businesses and the role of our networks in the energy supply chain, have transformed. With customers at the centre of what we do, we balance our traditional role providing reliable electricity with our efforts to enable a clean energy future.

Five strategic drivers form the basis of our corporate planning:

- Delivering customer outcomes: continually improving our service standards and resources to enable customer choice and make it easy to work with us.
- Improving stakeholder engagement: listening and responding to the needs of all customers and stakeholders, so we can deliver solutions that support communities and economic growth.
- Optimising regulatory outcomes: designing financial plans in collaboration with operational teams to balance the expectations of regulators, shareholders, customers and stakeholders.
- Driving operational excellence: efficiently operating and maintaining our network to ensure high standards of reliability and safety, in cost-effective ways.
- Building a network for the future: evolving and adapting our infrastructure and services to enable emerging technologies, while remaining competitive in the local market.



In working to achieve business objectives, our teams are united under a commitment to five key values that define the behaviours that ensure our high-performance culture. They are:

- live safely
- be the best you can be
- succeed together
- improve our business
- be customer and community minded.

Each year we reward those whose performance is an outstanding demonstration of our values through our Living our Values Awards (LOVA) recognising individuals and teams.

The alignment of our strategic drivers and values with our Sustainability Framework is evident in many of the outstanding achievements recognised under the LOVA program.

Our approach to sustainability

Our *Sustainability Framework 2022-2026* outlines four focus areas. They are based on internal strategic priorities and the perspectives of external stakeholders, which are revealed through a range of engagement activities.



Safe and equitable workplaces

Prioritising the health, safety and wellbeing of our people and the communities in which we operate.



Environmental and climate resilience

Proactively reducing the environmental impact of our business while also building network resilience to the effects of climate change.



Empowering communities

Enabling customer choices for generating, storing, using and selling energy to support the transition to a clean energy future.



Responsible governance

Sustaining our disciplined, risk-based approach to managing sustainability as part of our corporate governance and regulatory systems.

The implementation of the framework is led by our Head of Health, Safety and Sustainability in collaboration with executives from across the business, through the VPN Environmental, Social and Governance (ESG) Steering Committee up to the Board of Directors (refer to Responsible Governance on page 44).

The alignment of actions under the framework with the business strategy is further embedding sustainability into our core business activities. Similarly, the material issues and committed metrics defined by our framework are directly relevant to identified business risks and established policies. This process enables sustainability related risks to be identified, assessed, monitored, managed and reported.

Materiality assessment

Material issues initially identified in 2021 were reassessed as part of an annual process of review. The annual reviews track changes in previously identified issues and identify any new issues that are of high interest to our stakeholders or our business.

The 2024 materiality assessment refresh was completed by:

- reviewing the significant external influences such as global risks and sustainability trends
- assessing stakeholders’ expectations and their significance to our business
- reviewing internal changes which could have an impact on our material topics
- confirming or updating sustainability topics to confirm they remain complete and current.











Some of the key inputs included:

- progress in the roll-out of International Sustainability Standards Board (ISSB) Standards, including the Australian Sustainability Reporting Standards in 2024
- findings from our Customer Advisory Panel events, First Peoples Advisory Committee and other stakeholder engagement which helped inform our 2026-31 Regulatory Reset proposal

- Victorian and Commonwealth Government consultation on topics associated with the energy transition, carbon reduction, renewables and network outages
- questions received during the year from investors and other interested parties in relation to various sustainability-related topics.

The 2024 materiality assessment review did not identify any new material issues. Our material topics remained consistent with 2023. The outcomes were approved by the ESG Committee.

Table 1. Summary of material issues assessment

Focus area	Relevant Sustainable Development Goals	Scale of importance to VPN and stakeholders		
		Material	Highly material	Increasingly material
Safe and equitable work places	 	<ul style="list-style-type: none"> • Workplace diversity, equity and inclusion 	<ul style="list-style-type: none"> • Workplace safety • Health and wellbeing 	
Environmental and climate resilience	   		<ul style="list-style-type: none"> • Environmental protection and resource conservation 	<ul style="list-style-type: none"> • Network resilience • Climate change
Empowering communities	  		<ul style="list-style-type: none"> • Public safety • Enabling customer energy choices • Electrification and innovation • Energy equity • Respecting First Peoples 	
Responsible governance		<ul style="list-style-type: none"> • Sustainability management and governance • Responsible supply chain • Workplace behaviour and employee conduct 		<ul style="list-style-type: none"> • Financial, risk and corporate governance • Cyber, privacy and data security



Safe and equitable workplaces

Our approach

'Live Safely' is a core value that is reflected in everything we do. We strive to eliminate high consequence incidents and near misses that could result in serious injuries or fatalities.

VPN continues to build a workplace that is diverse, equitable and inclusive. We value our people by helping them reach their full potential in an inclusive environment, where people feel valued, trusted, authentic and have high levels of psychological safety. Our Inclusion and Diversity Strategy includes a focus on gender diversity, First Peoples engagement, flexible working conditions, cultural diversity, LGBTIQ+ inclusion and education and advocacy for people with a disability.



Material issues

Workplace safety:

The safety of our people is our highest priority.

Health and wellbeing:

The health and wellbeing of our employees, including their mental health, is important to their satisfaction and a key factor in their safety.

Workplace diversity, equity and inclusion:

We are committed to a work environment where all our people feel valued, trusted, authentic and have high levels of psychological safety.

Progress against targets

Fatalities

🎯 2026 Target:	0
✓ 2024 Performance:	0

Significant (high potential) incidents

🎯 2026 Target:	0
➔ 2024 Performance:	2

Employee satisfaction re: wellbeing and mental health (Employee Opinion Survey)

🎯 2026 Target:	75% favourable
✓ 2024 Performance:	83% favourable

% Females in employment

🎯 2026 Target:	25%
➔ 2024 Performance:	21.7%

% Females in management roles

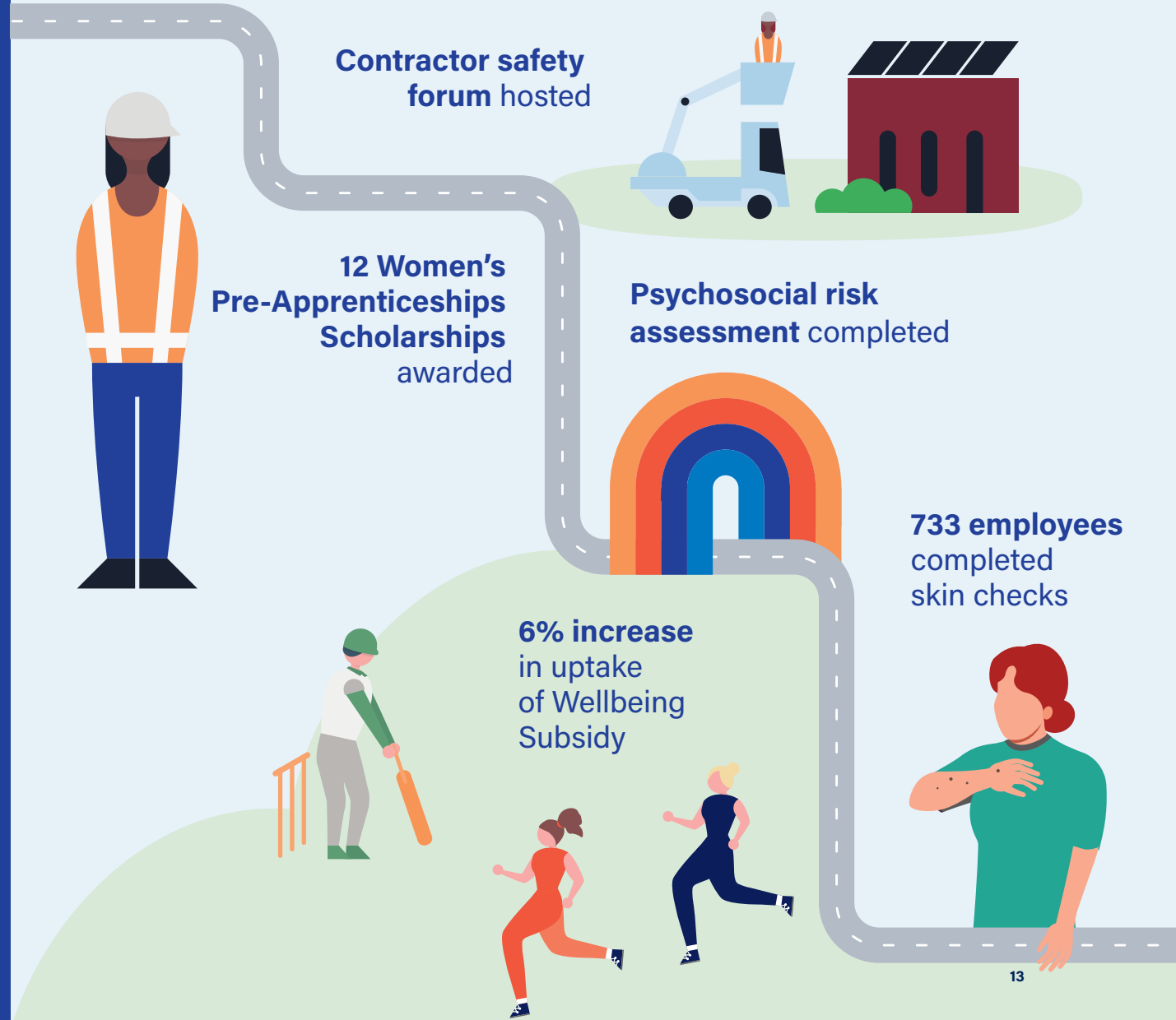
🎯 2026 Target:	22%
✓ 2024 Performance:	23.2%

Inclusion and Diversity Index Outcomes (Employee Opinion Survey)

🎯 2026 Target:	75% favourable
✓ 2024 Performance:	83% favourable

🎯 Target ✓ Delivered in 2024 ➔ In progress

Highlights



Workplace safety

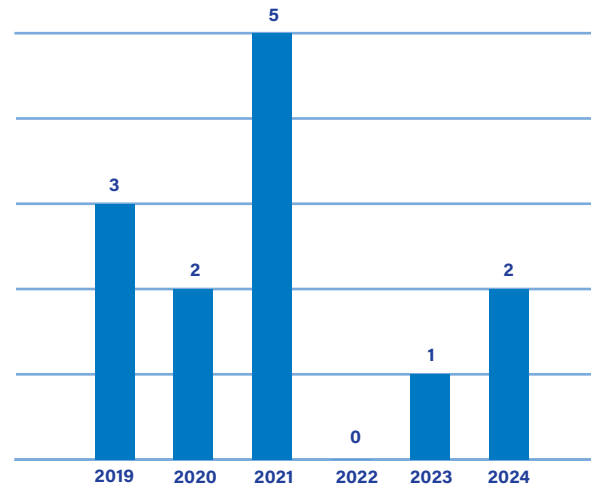
Our people work in challenging conditions. Live electricity infrastructure, inclement weather and high-pressure environments have the potential to create hazardous situations, so we take steps to prioritise safety every day.

If a safety incident occurs, we have systems in place to mitigate the chances of it happening again. We use a classification framework to rank any safety incident or near miss on its potential to cause harm – not just the actual impact. Our safety management focuses on eliminating significant incidents that have the potential to cause permanent disability or death by implementing robust controls for high-risk activities, whilst also learning from lower classified events.

To continually improve the safety of our workplaces, we have implemented processes to anticipate risks and prevent hazardous situations from arising.

A recertification audit for VPN was conducted against our ISO certified Health, Safety and Environmental Management System in 2024. This audit reviewed the legal requirements, internal procedures and policies and other applicable requirements using a sampling-based approach. VPN successfully completed this recertification audit with no areas of non-conformance. The audit covered various Market Street Head Office functions, Beon operation sites and the Brooklyn, Geelong and Burnley depots.

Graph 1. Significant (high potential) incidents 2019-2024 (Number of incidents)



VPN experienced two significant (high potential) incidents in 2024 (refer to page 49 for definition). The first occurred when a section of concrete pole snapped off and fell to the ground whilst a Powercor crew and contractor were straightening an anchor pole and installing new stays. The falling pole fractured the contractor’s wrist and lacerated their foot. As a result of the investigation findings, we have updated our works practices.

The second incident occurred when a Powercor lineworker re-energised the supply for a new meter installation without a Certificate of Electrical Safety having been issued. Although there were no injuries, the investigation found that the lineworker failed to follow well established mandatory procedures, placing third party contractors at risk of serious harm.

Throughout the year, we initiated several programs to reduce risks to our people. They included:

- reviewing and simplifying six out of nine high risk controls to clarify the steps our people can take to avoid serious injuries or fatalities in their day-to-day work
- VPN’s Health, Safety and Environment Advisors conducted 363 inspections (up from 156 in 2023) to enhance safety for high-risk contractors, including traffic management and vegetation teams
- Health and Safety Representatives took part in a defensive driver training program
- our Hazardous Manual Handling working group has helped to raise awareness of ways to reduce injuries and foster safer working environments
- hosting a Contractor HSE Forum attended by more than 50 HSE and Operational people from 16 contractor companies.

Health and wellbeing

We work hard to create an environment that supports the mental, physical and emotional health of our people.

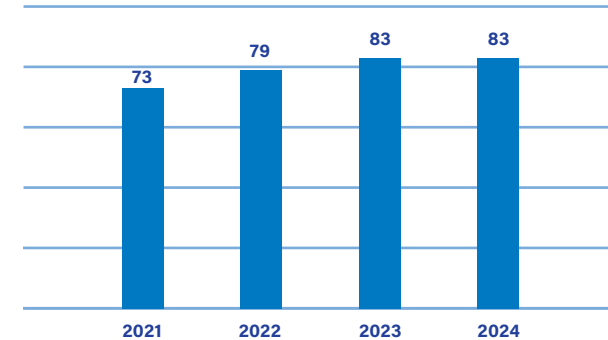


In 2024, we expanded our wellbeing program to include more activities throughout the year. Engagement was strong, with our people taking up a wide range of opportunities, including:

- free flu shots, health checks and initiatives to grow awareness of important health issues
- new programs to help proactively manage health and wellbeing, including skin checks, education to develop healthy sleep hygiene practices and mental health awareness presentations
- an expanded wellbeing subsidy that provides rebates for a wider range of activities, including UrbnSurf, dance classes and dragon boating
- a new Healthy Habits initiative that helps to promote small lifestyle changes that improve people’s overall wellbeing
- improved engagement following additional promotional efforts of our Employee Assistance Program (EAP), which saw a 12.7 per cent increase in utilisation.

The initiatives were well received through our annual Employee Opinion Survey (EOS), reporting 83 per cent positive feedback, which is inline with 2023.

Graph 2. Employee satisfaction re wellbeing and mental health (Employee Opinion Survey) 2021-2024 (%)





CASE STUDY

Healthy Habits

Exercising every day, drinking more water or limiting screen time; simple healthy habits are the foundation for a vibrant and fulfilling life.

To help our people make small changes that improve their wellbeing, we launched the Healthy Habits initiative through our employee assistance program.

The initiative provides employees with professional support to:

- access personalised advice from nutritionists or dieticians
- improve sleeping habits
- explore mindfulness techniques
- understand and address addictive behaviours
- develop strategies to better manage depression and/ or anxiety
- improve time management
- make positive lifestyle changes.

The service has been complemented by a month-long healthy habits calendar, which was developed by the Health and Wellbeing team and made available to all employees.

Psychosocial safety

We understand that creating a safe workplace demands more than just preventing physical hazards. To help our people manage mental health pressures and improve resilience, we have continued to expand the support available to help our people manage pressures in their work and personal lives.

In 2024, we:

- continued to provide on-site access to mental health professionals at our depots, extending to our Market Street headquarters in 2024
- grew our peer-to-peer network, allowing team members to discuss their mental health, personal and work concerns with a trained colleague
- hosted mental health awareness sessions to help participants recognise signs of concerns, reach out where they need assistance and access self-help support
- provided access to free, confidential counselling through our EAP
- undertook a business wide psychosocial hazard and risk assessment process to understand how our business performs against the 14 psychosocial hazards in proposed Victorian legislation.

Workplace diversity, equity and inclusion

We embrace the things that make our people unique. Encouraging them to bring their experiences, abilities and culture to their work is an asset for our business and the communities we serve.

Our commitment to provide a workplace that supports individual differences is outlined in our Inclusion and Diversity Policy, which includes the responsibilities of senior team members. The supporting Inclusion and Diversity Strategy provides guidance in four priority areas: inclusion, gender diversity, First Peoples engagement and flexible working.

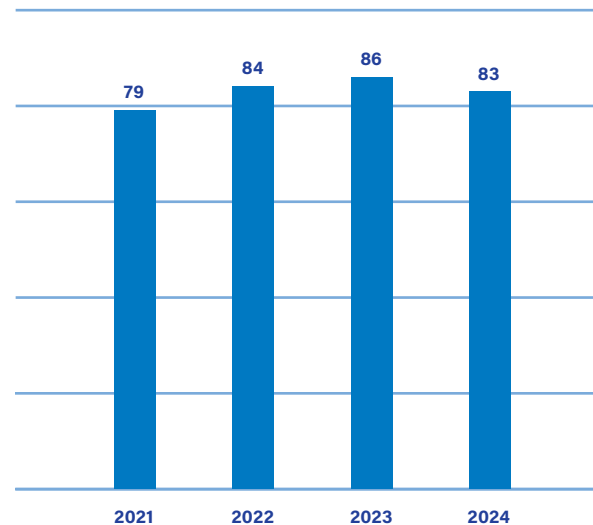
Please note: our report on First Peoples engagement is included in the 'Empowering communities' section of this document.

This year, engagement with VPN's Employee Opinion Survey remained high with an 89 per cent participation rate. Respondents reported 83 per cent satisfaction for the Inclusion and Diversity index, which represented a fall of three percentage points against VPN's 2023 results. This remains well above our target of 75 per cent.

2024 Employee Opinion Survey key findings

- 83% of people believe the business encourages and promotes diversity of backgrounds, talents and perspectives
- 81% of people feel supported to achieve their career ambitions
- 88% of people feel their workgroup treats each other with fairness, respect and consideration

Graph 3. Employee Opinion Survey Inclusion and Diversity Index 2021-2024 (%)



Throughout the year, we celebrated the diversity of our people with a busy calendar of cultural events. This included welcoming the Year of the Dragon with Lunar New Year festivities and celebrating Eid Mubarak, Diwali, Harmony Week and Christmas.

Gender equality

This year, we were proud to be recognised for our efforts to improve the representation of women in our business. We were pleased to be ranked sixth out of Work180's endorsed employers for our policies and support (and second in the mining, resources and energy category) in their Diversity, Equity and Inclusion (DEI) assessment at the end of 2024.

This year, female applications for our Powercor apprenticeship program grew by more than 100 per cent. The number of women employed in trade roles has grown from zero in 2016 to 21 in 2024.

We awarded twelve Women's Pre-Apprenticeship Scholarships for students to study a Certificate II in Electrotechnology at Holmesglen TAFE, South West TAFE, SuniTAFE and Federation TAFE. Two recipients successfully progressed through the apprenticeship recruitment process and will join the CitiPower and Powercor team in 2025.

To inspire young women to consider a career in the electricity industry, our school engagement team presented at 32 high schools.

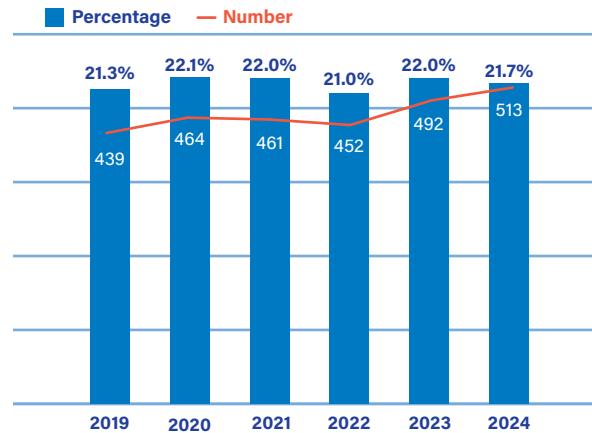
These initiatives are supporting an increase in the

number of women employed across the business. Although we have increased the employment of women from 439 in 2019 to 513 in 2024, these gains have been offset by the increase in the size of the (majority male) field workforce.

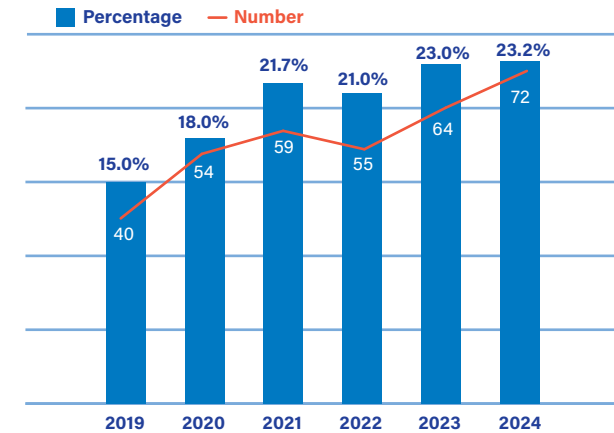
To support our people to understand and manage common risks, we delivered a three-part women's health series in October. The sessions covered breast cancer awareness, menopause and ways to screen for issues and develop healthy habits.

We also took part in two family domestic violence '16 Days of Activism' campaigns to raise funds for the Safe Steps Family Violence Response Centre and celebrated International Women's Day with Geelong Cats AFL Women's player Kate Anderson.

Graph 4. Females in employment 2019-2024 (% , No.)



Graph 5. Females in management roles 2019-2024 (% , No.)



CASE STUDY

Timboon try a trade day

Together with **Empowered Women in Trades**, Powercor supported a 'try a trade' day at Timboon P-12 School in south-west Victoria.

More than 70 female students completing years seven and nine participated in a day of activities designed to inspire an interest in our industry.

Initially, students were given an opportunity to use simple hand tools to build a planter box. They then stepped into the boots of a Powercor apprentice, taking on the role of a line fitter or cable jointer with

a virtual hands-on experience using a virtual reality headset. Students undertook a range of tasks kitted out in Powercor safety equipment and equipped with the tools of the trade to get a feel for the work our people undertake day to day.

For many, the most meaningful part of the day was asking women completing an apprenticeship about their experiences. There was lots of interest in pathways into the trade, the most important skills to learn whilst at school and the types of challenges they have faced.



LGBTIQA+ inclusion

VPN celebrates the diversity of our people by providing an inclusive workplace. Our pride network, Sparkle, leads a program of education and networking activities throughout the year.

In 2024, this included the establishment of Energised with Pride; a collaboration between Victoria's five distribution networks. As part of the new network, we demonstrated our commitment to providing a diverse and inclusive workplace by participating in the Midsumma Pride March.

To recognise the International Day Against Homophobia, Biphobia and Transphobia (IDAHOBIT), VPN hosted a session with Carlton AFLW player Darcy Vescio. As a non-binary athlete, Darcy draws on personal experience to advocate for multiculturalism, gender equality and LGBTIQA+ inclusivity.

First Peoples' engagement

In June, CitiPower and Powercor proudly launched our first Reconciliation Action Plan (RAP) with a ceremony at our Market Street headquarters. The plan sets out to build relationships with First Peoples and improve the way we work with Traditional Owners, First Peoples Organisations, Trusts and businesses.

Throughout the year, we provided opportunities for our team to become more familiar with important cultural protocols. This included an Acknowledgement of Country masterclass, which explained the purpose of these protocols and provided recommendations for ways our people can make their acknowledgements more meaningful.

Our Executive Management Team and CitiPower and Powercor RAP Working Group also completed a cultural awareness masterclass, which will be delivered to more team members in the future.

CASE STUDY

Beon partners with disability support service Vivid

Beon knows its projects can create valuable opportunities for the communities it operates within. When it set out to develop the Girgarre Solar Farm near Shepparton in central Victoria, the team realised they needed help.

According to Beon's site manager Steve Marsden, hardware to install the project's 170,000 solar panels had arrived in boxes "tangled up like Christmas lights".

They put word out through the bush telegraph and soon heard that local disability support service Vivid may be able to assist.

Vivid's team works with local businesses so adults with an intellectual disability can contribute to their community. Vivid says the initiative allows participants to learn new skills and challenge themselves in a supportive work setting.

By March, 30 members of Vivid's team were engaged to sort the hardware that is now bracing electrical cables to the site's solar panels.

The support allowed skilled tradespeople to focus on other tasks, which helped to accelerate construction.

Commissioning of the Girgarre Solar Farm began in mid-2024. Once online, it will generate enough energy to power 43,000 homes.



Environmental and climate resilience

Our approach

Our businesses manage extensive infrastructure, both above and below ground, which is exposed to the effects of climate change. Forecasts for increasingly extreme weather conditions are influencing our approach to asset management, maintenance and construction.

At the same time, we recognise our responsibility to protect the environment for future generations and reduce carbon emissions in line with state and national targets. We achieve this in three ways – by supporting the increase of renewable energy generated and distributed; by reducing the direct and indirect carbon emissions from our business operations; and by executing an internationally certified environmental management system that governs our activities.



Material issues

Network resilience:

We design, maintain and manage our networks to maximise their resilience to the effects of climate change and to sustain high levels of supply reliability for our customers.

Climate change:

We are committed to reducing carbon emissions to actively contribute to achieving net zero emissions targets.

Environmental protection and resource conservation:

We are conscious of our environmental footprint and therefore manage and where possible, reduce our impact on the natural environment.

Progress against targets

Carbon emissions

Reduce direct and indirect carbon emissions, including distribution line losses (based on 2019 baseline).

- 🎯 2030 Target: 30% reduction on 2019 baseline of 1.2mt CO₂-e
- ✓ 2024 Performance: 33% reduction to 0.800mt CO₂-e*

Climate resilience and reliability

Outperform targets for average minutes off supply per customer for unplanned outages – System Average Interruption Duration Index (SAIDI)

- 🎯 Powercor 2026 Target: 124.0 minutes
- ✓ Powercor 2024 Performance: 91.4 minutes*
- 🎯 CitiPower 2026 Target: 24.7 minutes
- ✓ CitiPower 2024 Performance: 20.9 minutes*

Environmental protection and resource conservation

ISO14001 Environmental Management System

- 🎯 2026 Target: Certified
- ✓ 2024 Performance: Certified

* July 2023 to June 2024

🎯 Target ✓ Delivered in 2024 → In progress

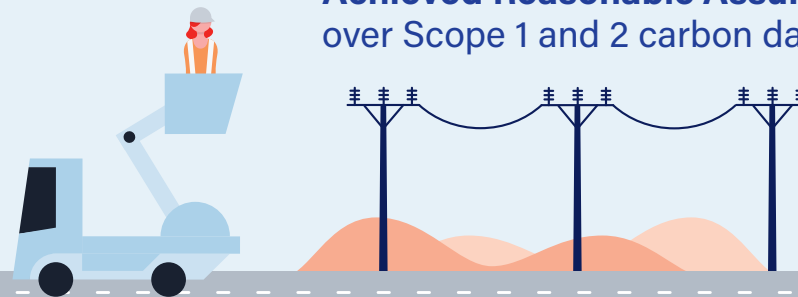
Highlights

Limited Assurance completed first Scope 3 carbon inventory

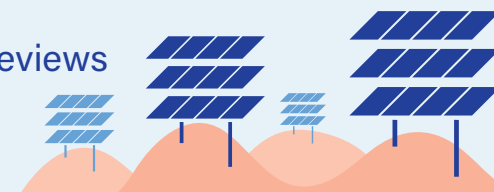


Outperformed network reliability targets

Achieved Reasonable Assurance over Scope 1 and 2 carbon data



>950 environmental and planning reviews completed



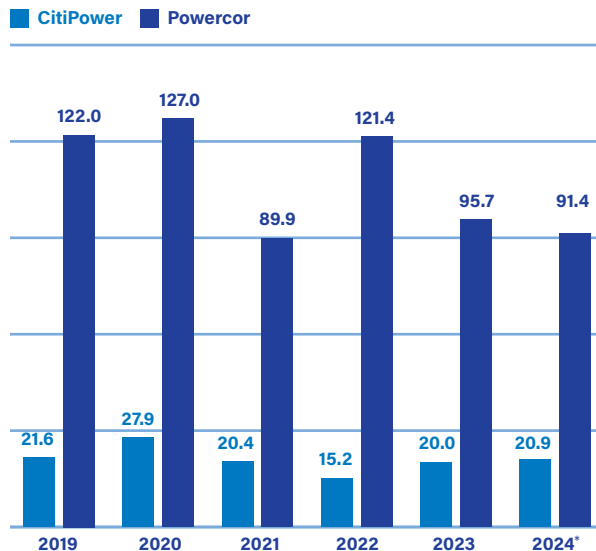
Delivered 2024 Network Resilience Plan

Network resilience

We are pleased to report improvement in our measures of reliability during 2023-24. These gains demonstrate the value of the investments we have made to improve the performance of our networks.

CitiPower and Powercor customers were without power due to unplanned outages for 20.9 minutes and 91.4 minutes respectively for the period 1 July 2023 to 30 June 2024. This was well below the regulated target of 24.7 and 124.0 minutes. This continues a four-year run of outperformance, which we have achieved through an active focus on reliability, proactive identification of risks and the deployment of industry-leading technology.

Graph 6. CitiPower and Powercor reliability index (SAIDI) 2019–2024 (minutes)



* July 2023 to June 2024

During 1 July 2023 - 30 June 2024, our processes were tested across four major escalations. Power poles, lines and other network infrastructure were damaged by storms in September and December 2023 and January 2024 and bushfires and high winds in February 2024. Throughout each event, our hard-working teams and strong processes kept communities safe and helped restore power supplies as quickly as possible.

With Powercor servicing large areas of regional and rural Victoria, we are always looking to improve the way we manage bushfire risks. After completing a six-year rollout of rapid earth fault current limiting (REFCL) devices across more than 17,000kms of powerlines across the Powercor network, we have turned our attention to improving reliability on REFCL protected networks by upgrading to advanced REFCL-compatible automatic circuit reclosers (ACRs).

The deployment of automated remote switching capability has helped to restore supplies more quickly in the event of supply interruptions.

We also successfully completed the 3G shutdown with no degradation of communications performance, thanks to the careful planning and execution by our team.

Climate resilience planning

Our network infrastructure is particularly exposed to storms, heatwaves, bushfires and other extreme weather events that Australia will continue to experience more frequently. In these events, a loss of power supplies can interrupt critical services, including mobile phone towers, internet, water supplies and banking.

By considering climate change when making planning and investment decisions, we proactively build-in resilience before disasters strike. This is important as much of our infrastructure has long operational lifespans, so designs must be able to meet the needs of the network in future climate conditions.

In 2023, we completed a quantitative assessment of physical climate risks for the reliability of our assets and operations. In our scenario analysis we considered two Representative Concentration Pathways (RCP) - RCP 8.5 for high concentrations of greenhouse gases and RCP 4.5 for moderate emissions. The climatic hazards considered were rainfall (and associated flooding), bushfires, heat, temperatures, wind, lightning, drought, rising sea levels, humidity, atmospheric carbon dioxide (CO₂) and solar radiation and were projected for 2030 (short-term), 2050 (medium-term) and 2070 (long-term).

In the coming decades, the greatest risks come from:

- bushfires: the number of high-risk bushfire days in 2070 is projected to increase by 10-20 fire days per year (over the current baseline)
- storms: there is a projected seven to eight per cent increase in the frequency of conditions for severe winds across southern and eastern Australia
- flooding: increases in heavy rainfall days are projected to be greatest within the Barwon Southwest region, whilst more of our assets are forecast to be exposed between Shepparton and Mulwala, Swan Hill and Bendigo, the Grampians and portions of Geelong and Colac.

Our 2024 Network Resilience Plan identifies growing risks to electricity assets (including distribution lines, underground cables, substations, poles and communications equipment) from future climate conditions. We conducted analysis and hazard mapping for moderate and high emissions scenarios, focusing primarily on exposure in 2070 to evaluate the impacts on long-life assets.

We are preparing for these risks and ensuring our assets continue to perform reliably in the long term. Our Network Resilience Plan guides action in three priority areas:

- 1. Preparation** initiatives that focus on hardening the assets at greatest risk from storms, floodwaters and bushfires. This includes upgrading poles, zone substations and other assets.
- 2. Adaptation** initiatives that ensure the design, rating and location of new assets are informed by future climate risks; predominantly wind strength and extreme temperatures.
- 3. Customer resilience** programs that improve the way we support customers to prepare for extreme events, respond when they occur and recover afterwards.

Our Electricity Distribution Pricing Review 2026-31 proposal includes a package to strengthen the network and help communities manage extreme weather events.



CASE STUDY

Automated switching innovation benefits Daylesford residents

Daylesford's natural beauty is a drawcard for residents and visitors but creates challenges for Powercor as a network operator.

Electricity is delivered to the town by two power lines that pass through some of our state's most heavily vegetated areas. This makes power supplies vulnerable, particularly during extreme weather events. If one line is damaged, customers are switched over to receive power from the other. Until recently this process has typically taken more than half an hour.

This year, our engineers implemented a new, automated system that makes the switch in seconds. Their innovation identifies the location of the fault, isolates the affected area and automatically reroutes electricity through the alternate line.

These upgrades are supporting the implementation of Rapid Earth Fault Current Limiters (REFCL), which reduce the risk of powerlines causing bushfires. REFCLs are helping to keep communities safe, but have made the network more sensitive to possible faults.

We were proud to share news of the upgrades with residents at the Daylesford Emergency Expo.

Climate change

Further to our earlier commitment to reduce Scope 1 and Scope 2 emissions by 30 per cent by 2030, against a 2019 baseline, in 2024 VPN set an additional target: achieving Net Zero Scope 1 and Scope 2 emissions by 2050. This commitment is based on federal and state government emissions reduction targets and associated timelines for moving from traditional to cleaner sources of generation. Our target highlights the critical role of the electricity industry in addressing the challenges of climate change, both by planning for its impacts and driving efforts to mitigate it.

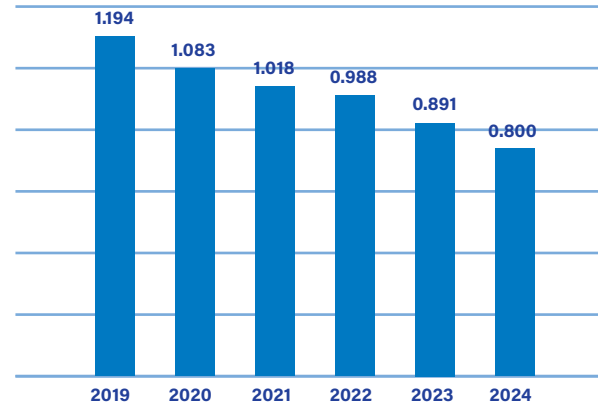
Scope 1 & 2 carbon emissions

In compliance with the *National Greenhouse and Energy Reporting (NGER) Act (2007)*, VPN submits an annual Energy and Emissions Report to the Clean Energy Regulator. The NGER framework requires organisations to report Scope 1 and Scope 2 greenhouse gas (GHG) emissions for their Australian operations.

For the 2023/2024 NGER submission, VPN engaged RSM Australia to conduct a Reasonable Assurance audit. This marked an improvement from the previous Limited Assurance audit and the report was finalised with no significant findings.

In 2024, we achieved a 33 per cent reduction in Scope 1 and 2 carbon emissions compared to 2019 baseline levels exceeding our 2030 target of a 30 per cent reduction and placing us firmly on track towards our Net Zero target.

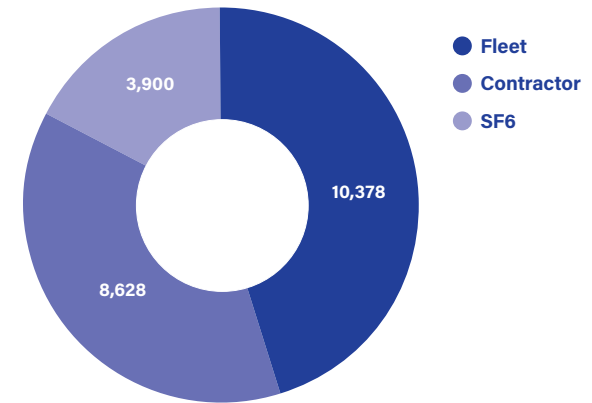
Graph 7. Scope 1 and Scope 2 carbon emissions 2019–2024 (mt CO₂-e)



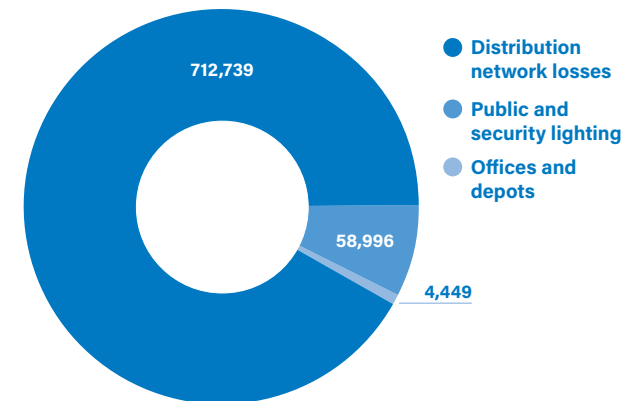
Scope 1 emissions account for 3 per cent of NGER emissions and primarily include fuel use for fleet vehicles, mobile plant generators and Sulphur Hexafluoride (SF6), which serves as an insulator in electrical infrastructure.

Scope 2 emissions make up the remaining 97 per cent, largely due to energy losses across the distribution network. These losses occur as electricity travels through the network and are influenced by the electricity generation mix, distribution voltage, the quantity of electricity distributed, the distance between generation sources and customers and climatic conditions like air temperature.

Graph 8. Scope 1 carbon emissions by source 2024 (t CO₂-e)



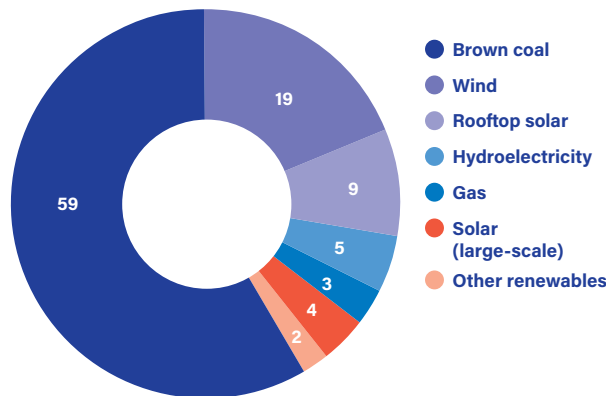
Graph 9. Scope 2 carbon emissions by source 2024 (t CO₂-e)



VPN's ongoing reduction in carbon emissions is attributed to lower distribution network losses as well as a decline in Scope 2 emissions from public and security lighting. Contributing factors include the continued decarbonisation of Victoria's electricity grid and the gradual upgrade to efficient public and security lighting infrastructure

As the energy mix in Victoria shifts toward lower-carbon electricity generation, carbon emissions from network losses have decreased. VPN supports this transition by facilitating increased adoption of residential rooftop solar and connecting large-scale renewable projects to our distribution network. In Victoria, rooftop solar systems generate more than double the energy produced by large-scale solar generators.

Graph 10. Victorian electricity generation by source, 2023/24 (%)



Source: Victoria's Renewable Energy Targets - Progress Report 2023/24, The State of Victoria Department of Energy, Environment and Climate Action October 2024

Other activities to further reduce our carbon footprint include:

- purchasing an additional nine hybrid vehicles, bringing the fleet size across CitiPower and Powercor to 30 (in addition to the existing five fully electric vehicles in the fleet)
- installation of two 50kW DC EV fast charger systems and two hybrid chargers at the Brooklyn depot
- working with our Heavy Fleet provider, Isuzu, on the development and design of electric trucks of greater than 11-tonne capacity, as well as a hydrogen-fueled prototype.

Our Beon business also plays a significant role in reducing carbon emissions, with a strong track record of constructing and connecting renewable energy projects across Australia. In 2024, Beon expanded its activities into New Zealand, with Scope 1 and 2 carbon emissions from activities outside of Australia excluded from our NGER reporting boundary.



CASE STUDY:

Recycled solar batteries powering Beon's solar farm construction site

Beon was recognised for developing a hybrid power station to supply energy through the construction phase of its solar projects. Typically located in remote areas, these projects have been powered by diesel generators that are polluting and expensive to run.

Beon's hybrid system pairs solar PV with battery storage to power offices, lighting, refrigeration, cooking, bathroom facilities and more. The technology is delivering significant benefits, reducing diesel consumption by 84 per cent cutting energy costs from \$260,000 to \$20,000 per annum and annually avoiding 157 tonnes of CO₂ emissions.

Scope 3 carbon emissions

VPN is pleased to be able to share its Scope 3 carbon emission inventory for the first time, delivering on our commitment to provide a full carbon emissions inventory. Understanding and addressing Scope 3 emissions is a critical step in consideration of future science-based carbon emissions targets.

Scope 3 emissions represent indirect GHG emissions that occur throughout our value chain. These emissions result from activities such as producing goods and services we purchase, transporting materials and commuting by employees, as well as downstream activities such as waste management. To calculate these emissions, we followed the internationally recognised Greenhouse Gas (GHG) Protocol methodology.

Table 2. Scope 3 carbon emissions by GHG Protocol category 2024 (t CO₂-e)

GHG Protocol category	Carbon emissions (t CO ₂ -e)
1. Purchased goods and services	69,058
2. Capital goods	68,803
3. Fuel and energy related activities	40,234
4. Upstream transportation and distribution	1,344
5. Waste generated in operations	3,218
6. Business travel	4,313
7. Employee commuting	1,538

Our journey to Scope 3 carbon emissions reporting:

1. Undertook materiality assessment against GHG Protocol categories concluding categories 1-7 were material.
2. Completed a preliminary inventory of 2023 Scope 3 emissions providing a foundation for further refinement.
3. Conducted a third-party preparedness review over the 2023 Scope 3 emissions report to identify gaps in methodology or assumptions.
4. Finalised our 2024 Scope 3 carbon emissions inventory using primarily spend-based data and resolving findings from the preparedness review.
5. Received Limited Assurance over 2024 Scope 3 data, providing confidence in dataset for categories 1-7.

Our 2024 Scope 3 carbon emissions were 188kt CO₂-e, excluding the electricity consumed by our customers. VPN has received Limited Assurance from RSM Australia over this data.

Carbon emissions from our purchased materials (categories 1 & 2) represent almost 75 per cent of our Scope 3 emissions and as such we will be working with our supplier base to better understand this data.

Sharing our Scope 3 emissions is just the beginning. We will continue to refine our data collection processes, collaborate with stakeholders and report on our progress providing transparency and accountability as we work towards our sustainability goals.

Climate-related risks and opportunities

We've continued to develop and understand our climate-related risks and opportunities during 2024. This includes embedding them into the Enterprise Risk Management Register so that they are visible to senior management and included in the annual review process.

Table 3. Climate-related risks

Category		Risk
Physical	Acute	Inability to meet customers' electricity supply needs for a protracted period caused by adverse weather or a natural disaster (eg: bushfires, flood, storm, lightning, earthquakes)
		Increased occupational health and safety risk related to persistent warming and volatile climate conditions
		Inadequate planning and preparedness for impacts of climate change to network assets
Transitional	Market	Inadequate planning and preparedness for energy transition
		Inability to obtain adequate insurance coverage
		Inability to meet stakeholders' sustainability-related (including climate-related) expectations
	Policy and Legal	Adverse policy changes and the effect of increased regulation, including ability for regulatory pass-through for climate or electrification related risks and events
		Non-optimum revenue determination, including revenue to enable effective business response to climate change or electrification related legislation/policy changes (including carbon pricing)
	Reputation	Poor oversight or non-compliance with climate-related regulatory obligations

Table 4. Climate-related opportunities

Category	Opportunity
Products and Services	Increased distribution infrastructure investment for energy transition and electrification-driven revenue growth
	Increasing client demand for renewable energy solutions
Policy and Legal	Strengthening of corporate brand and reputation

Climate-related financial disclosures

Throughout 2024, there was significant progress in the formalisation of mandatory climate-related financial disclosures in Australia, aligning with the International Financial Reporting Standards *IFRS S2 Climate-related Disclosures*, including:

- the passing of the *Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024* by Federal parliament in September 2024
- the release of the Australian Sustainability Reporting Standard (ASRS), Australian Accounting Standards Board's *AASB S2 Climate-related Disclosure* in September 2024
- the drafting and consultation of the proposed Australian Sustainability Assurance Standard *ASSA 5010 Timeline for Audits or Reviews of Information in Sustainability Reports under the Corporations Act 2001*, which is scheduled to be approved in early 2025.

These now set the framework for VPN (which is a Group 1 reporting entity under these requirements) for the reporting of climate-related data and financial issues within its financial statements from 2025. VPN is well on the way to meeting these obligations with key activities and disclosures either completed or progressed in this area.

Table 5. Climate-related financial disclosure preparation

Governance	<p>A dedicated Board ESG Committee and an EMT management ESG Steering Committee:</p> <ul style="list-style-type: none"> • with defined responsibilities for climate-related risks and opportunities • with oversight of the setting of targets and monitoring of progress against these.
Strategy	<ul style="list-style-type: none"> • Scope 1 and 2 carbon emissions model to 2050 aligning with targets set by the Victorian Government and scenarios developed for the Australian Energy Market Operator's Integrated System Plan. • A physical risk scenario analysis to determine possible impacts of climate change on network assets, at various temperature horizons. • The models developed have helped to inform our Electricity Distribution Price Review submission to manage the impacts of climate change on our network and prepare for the energy transition.
Risk Management	<ul style="list-style-type: none"> • Business climate-related risks and opportunities identified and integrated into the Enterprise Risk Register with an annual review process. • Our Network Resilience Plan documents our approach to the physical risks of climate change, network vulnerability exposure and how we plan to treat future climate risks.
Metrics and Targets	<ul style="list-style-type: none"> • Reasonable Assurance over 2024's Scope 1 and 2 NGERs submission. • Limited Assurance over 2024's Scope 3 carbon emissions data. • Board endorsed for Net-Zero 2050 target inclusive of Scope 1 and 2.



Environmental protection and resource conservation

We are committed to minimising our environmental impact and conserving resources through our management system and targeted initiatives. Our operations are guided by an ISO 14001-accredited Environmental Management System, driving continuous improvement.

Oil-filled assets

CitiPower and Powercor manage over 90,000 oil-filled transformers, which face risks of oil leaks due to vehicle collisions, extreme weather, vandalism, or asset failures. To address these risks and minimise environmental harm, in 2024 we:

- standardised fault and oil leak reporting processes, improving consistency and accountability
- developed and implemented a new clean-up process, significantly reducing the time between identifying oil leaks and completing clean-up with improved tracking through our HSE system
- trained more than 800 field employees in enhanced reporting procedures to embed the process
- delivered oil containment improvement projects at four sites, reducing the likelihood of oil leaks impacting the environment.

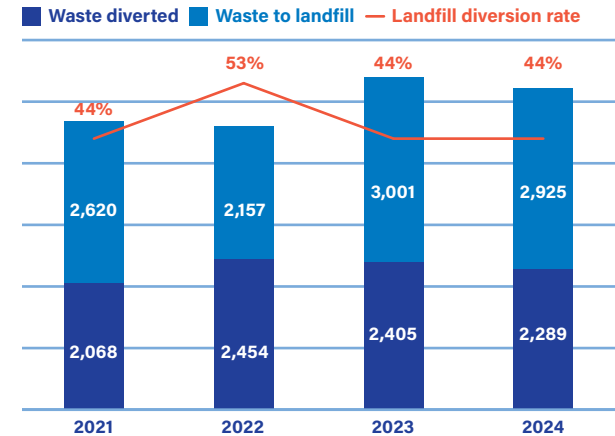
Waste management

During 2024, we continued our efforts to enhance understanding and management of waste practices by:

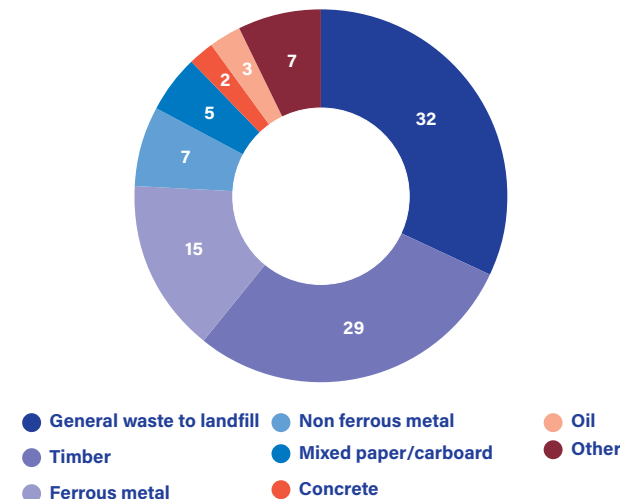
- securing Limited Assurance over our waste data
- bringing waste data analysis in-house to increase visibility into waste management, disposal and recycling processes
- developing and launching a contractor waste reporting platform, enabling contractors to submit standardised waste data reports directly into our portal
- updating the quantity and placement of bins at our Brooklyn depot to promote waste segregation
- raising awareness of waste management through depot visits, creating a waste management intranet page and sharing targeted communications.

With a slight reduction in total waste generated by four per cent, our landfill diversion rate remained consistent in 2024. General waste to landfill and timber contributes to over 50 per cent of our waste generation.

Graph 11. Waste generation data 2021-2024 (tonnes, %)



Graph 12. Waste composition 2024 (%)



Biodiversity

CitiPower and Powercor's electricity infrastructure intersects many areas of environmental significance and we are committed to minimising impacts. During 2024, we:

- appointed an internal ecologist to provide timely advice to projects and field teams
- completed more than 950 environmental and planning reviews on projects to determine the need for site-specific advice and environmental permits
- updated standard controls for line clearance contractors working in environmentally sensitive areas
- rolled out a new procedure for managing nesting birds on electrical assets.

Cultural heritage

With the launch of our Reconciliation Action Plan in early 2024, CitiPower and Powercor committed to improving how we protect and preserve cultural heritage. Key 2024 initiatives included:

- increasing engagement with Registered Aboriginal Parties, First Peoples – State Relations and cultural heritage experts to foster partnerships and learn how best to protect cultural heritage across our network, with 17 cultural heritage meetings being held in 2024
- delivering 27 cultural heritage induction sessions for our key CitiPower and Powercor personnel and contractors
- presenting eight cultural heritage awareness sessions for various internal teams
- delivering new training in collaboration with Wadawurrung Traditional Owners on the significance of sacred and scar trees, which was attend by our vegetational team and managers from our contractors
- developing and rolling out an Unexpected Finds Procedure, providing clear guidance on identifying and responding to Aboriginal and historic heritage discovered during works.



CASE STUDY:

CitiPower and Powercor superheroes protect Victoria's fruit bats

From inner-Melbourne to the Murray River, Victoria's night skies are filled with native grey headed flying foxes.

The protected species is a precious part of Victoria's ecosystem, pollinating plants, dispersing seeds and helping to keep forests healthy. They can create challenges for electricity network operators though, with a particularly large seasonal migration in early 2024 resulting in an unprecedented number of power outages and bat fatalities after collisions with network assets.

Our team responded swiftly to a community outcry, installing hundreds of devices to deter bats from overhead lines in Parkville, Shepparton, Numurkah and Tatura. Repurposed swan spirals, possum guards, stinger tubing over the conductors and laser strobe lights delivered immediate benefits by reducing supply interruptions and bat injuries.

The community response to the initiatives was overwhelming, with our Operational Faults team receiving more than 80 compliments for their work.



Empowering communities

Our approach

Customers and community are at the core of what we do. To best understand their needs, we continually improve our stakeholder engagement and embed the findings in our operations.

This work is supported by our people being active in the communities where we live and work; from the city to regional and remote towns.

We capture stakeholder engagement within a broad range of operational planning. This includes major projects, asset maintenance, new energy solutions, regular customer experience interaction surveys, as well as our extensive regulatory processes.

This engagement seeks to listen to the needs, interests and preferences of stakeholders to support better decision making by our businesses. This relates to project planning, product and service development and customer communication.

Importantly, the potential for bushfires to arise from our assets is ranked as our highest risk in our Enterprise Risk Management Register, due to the catastrophic impacts these events can have on people and communities. Therefore, it is a major focus of our attention, resources and investment.



Material issues

Public safety:

We protect the safety of the public from risk associated with the performance of our assets or when exposed to our operations within built environments.

Enabling customer energy choices:

We enable choices in new technologies to help customers to manage their energy, whilst also providing information so they can make the most of their investments.

Electrification and innovation:

We invest in innovation to enable greater electrification of our communities and integration of distributed energy resources.

Energy equity:

We understand that different forms of vulnerability can affect our customers' abilities to participate in the energy transition, receive equal reliability and quality of supplies, or address energy cost pressures.

Respect for First Peoples:

We acknowledge, honour and respect the rich histories, cultures and rights of Australia's First Peoples. We are committed to creating and maintaining respectful, meaningful and mutually beneficial relationships with First Peoples across our networks.

Progress against targets

Renewable generation capacity

Total installed capacity of renewable energy generation on our networks.

🎯 2026 Target:	4.0GW
➔ 2024 Performance:	2.83GW

Energy literacy

Customer participation in energy literacy programs.

🎯 2026 Target:	2,000 per annum
✓ 2024 Performance:	60,596

Innovation funding

Value of network and technology investments in innovation: \$25.7 million over 5 years.

🎯 2026 Target:	\$25.7m (over 5 years)
✓ 2024 Performance:	\$28.2m

🎯 Target ✓ Delivered in 2024 ➔ In progress

Highlights



Residential solar makes up 39% of installed renewable energy

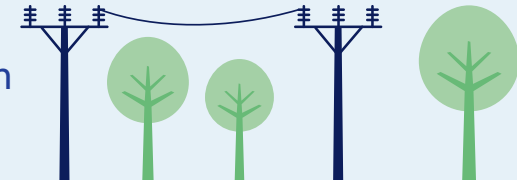


Identified our customers speak **104** different languages

Launched CitiPower and Powercor's first **Reflect Reconciliation Action Plan**



27% increase in vegetation electrical line clearance



Public safety

As a network operator, CitiPower and Powercor are responsible for delivering a safe, reliable supply of electricity to communities across the state. We apply technology and robust processes to maintain our network assets, manage vegetation and mitigate the risk of bushfires.

Much of our work takes place in populated areas, so we work closely with stakeholders to protect the community and minimise disruption. In 2024, we supported the delivery of more than 100 field projects with stakeholder engagement activities.

We prioritise community safety when extreme weather events occur. Timely and accurate information is critical to allowing people to make decisions to meet their individual circumstances during emergencies. To support our customers, we focus on delivering the right message, at the right time, through the right channel. One example is our SMS notifications, which are sent (on average) within six minutes of a power outage.

With a hot summer forecast for 2024-25, we launched a new campaign to help customers prepare for the risk of extreme weather which could lead to power outages. The campaign ran prominently on radio, social media and regional television, urging people to “Be safe, be smart, be ready”.

We also raised awareness of powerline safety through the 2024 Invisible Hazards Made Visible campaign. The campaign focused on safety above and underground with the promotion of the *Look Up* and *Live and Before You Dig* apps. Over the 12-week campaign period, we reached nearly 2.5 million customers.



CASE STUDY

Drone army adds extra layer of protection

Our commitment to keeping Powercor’s network safe scaled new heights in 2024 with the establishment of a specialised drone program.

The in-house team of CASA-qualified pilots fly camera-equipped drones to inspect the top of poles in high bushfire risk areas.

The new program adds an extra layer of protection on top of an already-comprehensive asset inspection and maintenance program. These existing systems inspect and maintain more than 77,700 kilometres of power lines, 618,978 power poles and other network infrastructure on a rolling 2.5 year cycle.

Our new team fly small quadcopter drones to capture images of assets, including pole tops, cross-arms and insulators. The images allow issues to be picked up between inspection cycles.

This has included proactively identifying and responding to potential issues like birds creating nests on high voltage insulators, which can lead to supply interruptions for our customers.

Bushfire prevention

Powercor provides electricity to communities in some of the highest bushfire risk areas in Victoria. Approximately half our infrastructure is within Hazardous Bushfire Risk areas, as identified by the Country Fire Authority (CFA) Fire Hazard Mapping Project.

We develop bushfire prevention systems to manage these risks, which are reported within our Bushfire Mitigation Plan that is approved by Energy Safe Victoria.

Managing vegetation growing near powerlines is an important part of the plan. This year, our expanded helicopter fleet completed the full-year inspection program ahead of schedule, including additional pre-summer inspections in the highest fire risk areas.

As part of this work, trees were cut away from more than 55,000 powerline spans across the CitiPower and Powercor networks, which represented a 27 per cent increase on 2023.

Enabling customer energy choices

The energy transition is changing the way energy is generated and consumed. This is making our job more dynamic, as Victorians install rooftop solar and battery storage at record rates. More of our customers' energy than ever before is coming from distributed sources.

This transformation is changing the role of CitiPower and Powercor from an energy distributor to a Distribution System Operator (DSO). Under this expanded role, we have responsibility for balancing the different sources of generation and consumption to provide a reliable, balanced network.

As a DSO, we are supporting customers to take control of their energy generation and consumption. Many Victorian households started this journey by installing rooftop solar, but growing numbers are now fully electrifying both their homes and vehicles to reduce energy costs and emissions.

Meeting our customers' expectations has been a focus as we developed our proposal for the 2026-31 Electricity Distribution Price Review. Extensive customer consultation guided the development of our plan to strengthen the CitiPower and Powercor networks. Our proposals will allow more customers to install rooftop solar, further electrify their homes, access standard wall electric vehicle charging and allow regional and rural customers to participate in the energy transition.

The total capacity of renewable energy installed on our networks continues to grow. The ability to meet our 2026 targets is reliant on continued investment in large scale renewable generation connections within Victoria which is subject to market conditions. VPN continues to enable the installation of rooftop solar installations.

Graph 13. Total installed capacity of renewable energy generation on our networks 2019-2024 (GW)*

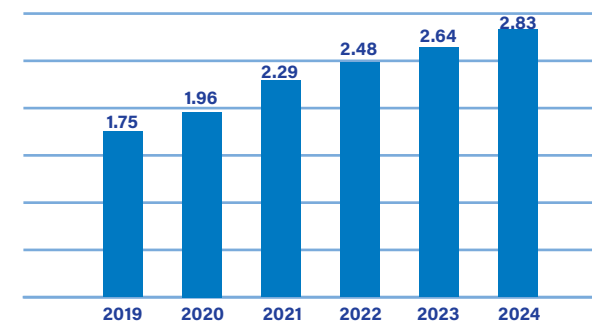


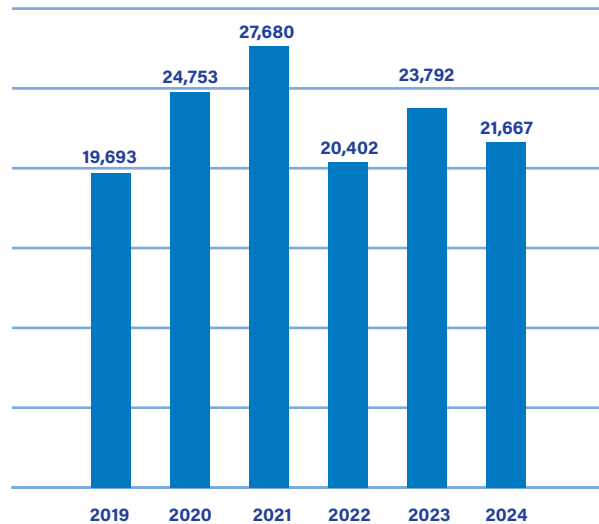
Table 6. Total installed capacity of renewables on our networks 2024 (MW)*

	CitiPower	Powercor	Combined
Generation type	MW	MW	MW
Residential Solar	96	1,015	1,111
Non-Residential Solar	36	375	411
Large-scale Solar	6	712	718
Large-scale Wind	0	593	593
Total	138	2,695	2,833

* Process improvements and data validation techniques have identified that the level of renewable capacity installed in our networks may be under-stated as some installations may not have been captured. Accordingly our assurers (RSM Australia) have qualified this data point in our 2024 report. We are actively working to validate this data and expect to include updated and assured data in our 2025 Sustainability Report.

Our customers have continued to install rooftop solar at record rates, with 21,667 new connections in 2024.

Graph 14. New residential solar connections 2019-2024 (Number of connections)

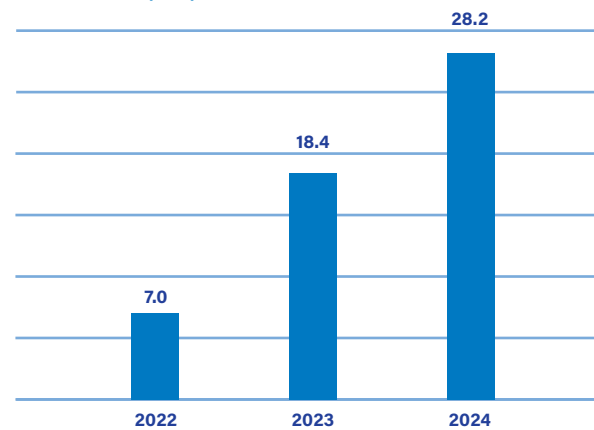


In September 2024, the Essential Services Commission approved Powercor’s application for a transmission licence. The licence allows Powercor to build, own and operate new terminal station infrastructure within its current distribution footprint. Our focus for this licence is for customer-related projects, to enable them to easily connect to the transmission network and to enable us to build new connections for our distribution network where customer growth drives the need.

Electrification and innovation

We are making significant investments in technology and innovation to meet our expanding role as a network operator. This includes the development of new systems that allow us to meet our customers’ changing needs and prepare for an electrified future.

Graph 15. Investment in technology (per baseline*) 2022-2024 (\$m)



*the \$4.0m baseline was set using 2019 data

A major focus has been the development of our Low Voltage Distributed Energy Resource Management System (LV-DERMS), which was deployed across our low voltage networks this year. This system has enabled CitiPower and Powercor to comply with the Victorian Government’s emergency backstop mechanism, which requires us to remotely manage generation and exports from larger rooftop solar systems connected after 1 October 2024.

The technology also underpins Powercor’s flexible exports trial, which has removed low fixed solar export limits from 100 participating households. Following the completion of the trial in 2025, we aim to make flexible exports available to more export constrained solar customers across our networks.

In 2024, CitiPower commenced a major upgrade to Melbourne’s underground power network. The project will help to accommodate increasing demand for electricity as Melbourne’s population grows, more homes and businesses switch to electricity and electric vehicles grow in popularity.

New measures were trialled to support CitiPower customers in the event of an unplanned power outage. Developed and built in-house, the system provides the customer with additional information, including their repair crew’s estimated arrival time, the fault location and the repair status. The new capability complements CitiPower’s existing email/SMS notification service and website outage map. Results will be evaluated at the end of the trial before a decision is made to deploy the functions more widely.

Beon was engaged to deliver engineering, procurement and construction services for the Girgarre Solar Farm in Central Victoria. Commissioning began in mid-2024, with the 93MW project due to commence full operation in early-2025. The facility contains 170,000 solar panels and has the capacity to supply 200GWh of energy.



CASE STUDY

“essential as.” brand campaign

Energy users don’t get to choose their electricity distributor, but it’s important that they know who we are and what we do.

These relationships are taking on growing value as we evolve into a Distribution System Operator and build closer working relationships with our customers.

To support our changing role, CitiPower/Powercor launched a new brand advertising campaign in July. Our new creative platform **essential as.** enables us to showcase the evolution of our brand as an essential service that delivers reliable power across the network.

Our refreshed campaign continues to feature the dedicated field workers that are the face of our business and work tirelessly to maintain and repair our infrastructure; even in the most challenging conditions.

The first advertising executions also used our new tagline **essential as.** to showcase essential everyday moments that are enabled by reliable electricity.

From the first coffee of the morning to the floodlights at the footy, we’re an **essential** part of the lives of our customers.

Energy equity

We understand the importance of providing a reliable, stable and safe supply of power to customers in regional and rural areas.

Over the past three years, we have engaged with customers across central and western Victoria to better understand their needs as we develop our proposal for the 2026-31 Electricity Distribution Price Review. We heard that customers living in regional and rural communities can face distinct challenges, including supply interruptions, low power quality and limited access to electrification and behind-the-meter technologies.

As we prepare for the next regulatory period, we are focused on improving energy supplies to energy users that live and do business in regional and rural areas. One initiative proposed Ballan, Trentham and Lancefield as potential locations for a microgrid, a standalone power network backed by a large-scale battery, capable of keeping the lights on and 'islanding' the community in the event of a major power outage.

We are also proposing to expand the upgrade of single wire lines to three phase, as part of our work to improve supplies to customers in rural areas. This was a priority for participants attending our 2024 Regional and Rural Summit, which we hosted in partnership with Farmers for Climate Action in Bendigo.



Artist's impression of one of the proposed concept designs.

CASE STUDY

Ballarat East zone substation

The \$30 million facility is needed to meet demand for electricity as the population of the key regional centre and its surrounds rapidly grow.

After extensive investigation, an existing site in Ballarat East was selected for the development. The site owned by Powercor (and was previously owned the State Electricity Commission) has been earmarked for a substation since the 1970s.

Powercor undertook extensive community engagement when announcing that the development would proceed. This included direct outreach, community drop-in sessions, surveys, doorknocks, letterbox drops and more.

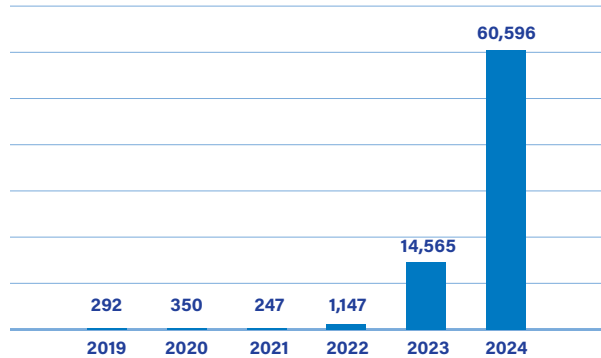
The local community has been invited to have their say on the new substation's architect-designed exterior. Powercor also launched a \$2 million community benefit package to compensate surrounding residents for any disruption associated with the project. The fund will upgrade parks, recreation facilities and security in the area. Neighbouring households will also be provided with rooftop solar systems and have been invited to help shape community improvement projects.

Construction of the Ballarat East zone substation is on track to be completed ahead of the 2025-26 summer.

Energy literacy

We know customer’s needs are changing, along with how they want to access information. To meet these needs in 2023 VPN broadened the definition of “participation in energy literacy programs”. The new definition includes any relevant energy literacy content offered in person, through dedicated programs or digital channels that results in click-throughs to our dedicated website information. This has increased engagements from 14,565 in 2023 to 60,596 in 2024.

Graph 16. Customer participation in energy literacy programs 2019-2024 (Number of engagements)



The increase in customer participation is also attributable to better quality of reporting, better quality of content published and more energy literacy programs being delivered.

We have supported customers to reduce their energy bills by making electricity usage data more easily available. A feature in our customer energy portal, myEnergy, allows customers to analyse their energy usage through the Victorian Government’s Victorian Energy Compare online tool. The platform helps households and businesses to understand their consumption and find an energy deal that best suits their needs. Throughout 2024, more than 1,000 customers per day have accessed their energy consumption data through myEnergy.

Against the backdrop of extreme weather and cost of living pressures, we have delivered new initiatives to give customers the information they need to stay safe and manage energy costs. This included engaging multicultural communications agency Ethnolink, to support the delivery of important information in more languages and across more platforms.

As part of the project, we undertook research that found that our customers speak 104 languages other than English at home. This led us to translate our safety and information campaigns into the most spoken languages across our networks – Vietnamese, Simplified Chinese, Traditional Chinese and Arabic for Powercor and Simplified

Chinese, Traditional Chinese and Thai for CitiPower. Advertisements were also published on a range of popular social media platforms, including Weibo, Little Red Book, MPN and Yeeyi.

In October, we launched our inaugural First Peoples energy literacy program at the Victorian Aboriginal Community Services Association Ltd (VACSAL) Senior Football and Netball Carnival on Wadawurrung Country in Portarlington. Our team distributed newly produced leaflets promoting ways to reduce energy bills, manage power outages and improve energy efficiency, while engaging with more than 120 attendees to learn about First Peoples energy-related priorities.

Together, these initiatives helped to achieve a significant increase in the number of customers participating in energy literacy programs.

Respect for First Peoples

CitiPower and Powercor proudly launched its inaugural Reconciliation Action Plan (RAP) in June. After two years of development, the launch of the Reflect RAP marks the beginning of our formal reconciliation journey.

Through the RAP, we have committed to improve the way we work with local Registered Aboriginal Parties to support the protection and preservation of cultural heritage. We will identify supply chain, training and employment opportunities to support First Peoples communities and organisations. For example, we have engaged First Nations Traffic Management as a supplier.

Our First Peoples Engagement team, First Peoples Advisory Committee members and RAP working group members made significant contributions to deliver the RAP. We are grateful for the guidance and advice provided by Registered Aboriginal Parties, Traditional Owner groups and ACCOs and communities through the RAP development processes.

For the first time, Powercor offered a First Peoples Pre-Apprenticeship scholarship to break down barriers to study and create opportunities for First Peoples in the energy industry. The \$2,000 scholarship helps with costs incurred while undertaking study, including tools, clothing, rent, childcare or can supplement an income. The recipients also spent a week at Powercor's Shepparton depot.





In August 2024, Beon received the Clean Energy Council's (CEC) First Nations Engagement and Participation Award for its Girgarre Solar Farm project. The award recognised the First Nations employment program Beon delivered in partnership with Yorta Yorta organisation, Rumbalara. Through this partnership, 31 Yorta Yorta men and women were employed on the project. Beon has been named a finalist at the CEC ceremony three times prior but the 2024 award was their first win.

To celebrate NAIDOC week, members of VPN's executive and RAP working group attended the flag raising ceremony on Wurundjeri Country at Federation Square. Our team also helped to put on a BBQ on Yorta Yorta Country for Dharnya Day, which included talks from local community members, live music and dances.



Responsible governance

Our approach

A tiered governance system has been developed to oversee and manage our approach to Environmental, Social, Governance (ESG) issues and actions. This involves our Board, executive, senior management and operational personnel and utilises existing risk management, finance and procurement governance systems to ensure a high standard of compliance.



Material issues

Sustainability management and governance:

We provide effective governance of the sustainability strategy and delivery at the highest levels within the organisation.

Financial, risk and corporate governance:

We maintain high standards of governance to monitor compliance with financial, legal and other obligations which enable us to meet the expectations of our stakeholders in line with our policies and values.

Workplace behaviour and employee conduct:

Employees act with integrity, treat each other with dignity and respect and uphold our values.

Cyber, privacy and data security:

We proactively work to protect our network operational systems, company and consumer data and digital systems from cyber threats.

Responsible supply chain:

Effectively managing environmental and social risks within our supply chain by enforcing appropriate procurement policies.

Progress against targets

Board and ESG Committee oversight of risk and compliance framework

- 🎯 2026 Target: 5 Board meetings
4 Board ESG Committee meetings held annually
- ✓ 2024 Performance: 5 Board meetings
4 Board ESG Committee meetings held

Holding our employees accountable for our values and Code of Conduct

- 🎯 2026 Target: Annual performance management process
- ✓ 2024 Performance: Complete

Number of critical cyber security breaches on our networks' operational technologies

- 🎯 2026 Target: 0 Cyber breaches
- ✓ 2024 Performance: 0 Cyber breaches

🎯 Target ✓ Delivered in 2024 → In progress

Highlights



Launched inaugural **First Peoples Procurement Strategy**

4 Board ESG Committee meetings held

0 Bribery and corruption claims



First annual report submitted under the Federal 'Critical Infrastructure' legislation



Sustainability management and governance

The **Board of Directors** is responsible for corporate governance and strategic direction for VPN, including our sustainability performance. The Board works with executives and senior management to manage risk, optimise business performance and maintain high standards of ethical behaviour and legal compliance. It holds responsibility for incorporating relevant sustainability and ESG matters into the company's purpose, governance, strategy, decision-making processes, risk management and accountability reporting. The board met five times during 2024.

The **Board Environmental, Social and Governance Committee** plays a pivotal role in supporting the Board in fulfilling its duties and responsibilities. This involves overseeing the company's sustainability and climate strategy and maintaining the effectiveness of policies, procedures and objectives which underpin this strategy. Additionally, the Committee endorses ESG and sustainability targets and holds responsibility for receiving and assessing audit reports pertaining to ESG and sustainability processes and programs. It reports to the Board on both progress and any recommended updates to our approach. The Committee met four times during 2024.

The **Environmental, Social and Governance Steering Committee**, chaired by the General Manager of People, Culture and Legal, incorporates key members of the Executive Management Team tasked with managing the sustainability program. They are responsible for assuming primary ownership and accountability for the sustainability program, approving the sustainability strategy, materiality assessments, objectives and targets and the publication of public reports. Additionally, they oversee the sustainability program's progress against set targets and allocate the necessary resources for its effective implementation. The Committee is informed periodically by an internal dashboard which tracks and reports progress against our sustainability commitments and targets. The Committee met four times during 2024.

The **Environmental, Social and Governance Working Group**, chaired by the Head of Health, Safety and Sustainability includes representatives from different functional areas including customer, human resources, finance and corporate services and collaborates to provide input on materiality assessments, prioritising areas and proposing objectives and targets. Additionally, the group integrates feedback from external stakeholders on sustainability issues, defines and implements sustainability initiatives and provides the necessary data to fulfil both internal and external reporting obligations. The Working Group met four times in 2024.



Financial, risk and corporate governance

All business risks, including sustainability-related risks, are assessed, managed and reported in accordance with our Enterprise Risk Management Register and overseen by the Board Risk Management and Compliance Committee. Our Framework is based on ISO31000:2018 Risk Management – Guidelines and outlines the objectives and process for consistent identification and management of risks across the entire organisation. This enables centralised visibility and management of the company's strategic priorities, finances and operations.

Our climate risks and opportunities register is aligned to our Enterprise Risk Management Register and reported through to our VPN ESG Steering Committee and ESG Committee. The Risk and Resilience team in partnership with our business risk champions seek to ensure that ESG risks are identified and reviewed as part of our risk profiling process. The business is supported so that projects, initiatives and key business activities include adequate consideration of ESG-related objectives, risks and opportunities.

Additionally, our business has been deemed 'Critical Infrastructure' under Commonwealth legislation (*Security of Critical Infrastructure Act 2018*), which aims to strengthen the security and resilience of Australia's critical infrastructure by improving risk management practices and information exchange between industry and government. During 2024, in accordance with legislative requirements, CitiPower and Powercor finalised the documentation to support their Critical Infrastructure Risk Management Program and submitted their first annual reports to the Department of Home Affairs.

The Victorian Department of Energy, Environment & Climate Action (DEECA) has also declared our electricity distribution network as 'Vital Critical Infrastructure' under Part 7A of the *Emergency Management Act 2013*. This places obligations upon us to ensure appropriate risk management practices are in place to maintain the resilience of our electricity distribution network. Statements of Assurance for each distribution network are submitted annually to DEECA to attest our compliance with our obligations under Part 7A of the *Emergency Management Act 2013*. Information is also provided to reflect the status of the management of emergency risks, planned actions and activities for the coming year and the assurance program.

Workplace behaviour and employee conduct

We recognise the importance of acting in a fair and responsible manner, with integrity and honesty.

We have no risk appetite for fraud and other deliberate breaches of financial controls. Our Fraud and Corruption Policy commits VPN to maintaining an anti-fraud culture in the organisation and outlines the business' approach to preventing, detecting and investigating any suspected instances of fraud. This includes structural elements relating to fraud management and the associated control framework, as well as operational elements concerning responsibilities and required procedures. (Note: The use of the term 'fraud' includes bribery and corruption.)

Our Employee Code of Conduct describes the behaviours expected by our employees in alignment with our values.

The conduct of all employees is assessed against our five values as part of their annual performance review process.

We are committed to the protection of individuals who disclose information about illegal or improper conduct occurring within our business.

Our Whistleblower Policy encourages reporting of wrongdoing that is of a legitimate concern by providing a convenient and safe reporting mechanism and protection for people who make a disclosure. Details of how to report incidents are included in the Policy and published on our website, including processes to report incidents through our independently run Speak-up Anonymous hotline.

Responsible supply chain

In 2024, CitiPower and Powercor launched our inaugural First Peoples Procurement Strategy. The new strategy sets out a proactive approach to include more First Peoples-owned businesses within our supply chains, which is helping to achieve the objectives of our Reconciliation Action Plan.

We also developed a new framework to promote social and sustainable procurement and purchasing activities for all goods, materials and services. The framework integrates ethical, environmental and social considerations into our procurement processes, in line with our Procurement and Purchasing Policy.

As part of our commitment to ethical, sustainable and socially responsible procurement, our Supplier Code of Conduct was reviewed and updated. It outlines ethical standards of behaviour that suppliers must meet when conducting business with VPN.

Our procurement team also completed a comprehensive Modern Slavery Audit on six of our strategic suppliers. The results of the audit will be published in our 2024 Modern Slavery report.

No modern slavery risks were raised for remediation across our supply chain during 2024.

Cyber, privacy and data security

Our cyber security capability is continually improving to enhance the reliability and resilience of the network, protect consumer data and respond to changes in our threat landscape.

During 2024, our cyber security strategy and assurance program of works focused on addressing risks most relevant to our organisation, improving the effectiveness and coverage of key security platforms and controls and achieving compliance with mandatory government regulations for critical infrastructure cyber security. Our privacy strategy has focused on proactive identification of existing and emerging privacy risks, enhanced visibility and governance (including de-identification or purging) of existing personal information stores, ongoing awareness training and engagement and continued monitoring and assessment of compliance with privacy policies and procedures. An internal data privacy audit was successfully completed in 2024, with no major findings identified.

The key initiatives delivered improvements in processes and technologies for identity management and communication networks. Our assurance program provided compliance with targets established under the *Security of Critical Infrastructure (SOCI) Act 2018* and incorporates independent review and assurance of the effectiveness of our security controls and response procedures. Other key activities included our annual participation in the Australian Energy Sector Cyber Security Framework (AESCSF) self-assessment, planning of our cyber security strategy and program refresh for the coming 2026-31 regulatory period and participation in AEMO's cyber exercises evaluating organisations response to cyber threats.

We continue to respond to new and emerging obligations under cyber security regulation, including:

- Commonwealth Department of Home Affairs Enhanced Cyber Security Obligations under the *Security of Critical Infrastructure Act 2018*
- Victorian Government changes to the State Emergency Management Plan Cyber Security Sub-Plan.

We remain on track to meet compliance requirements within the timeframes set out under these new regulations.

There were no critical cyber security breaches of our networks' operational technologies during 2024.



Sustainability metric performance summary

Focus areas	Metric	Unit	2019 – Baseline	2020	2021	2022	2023	2024	2026 Target
Safe and equitable workplaces	Fatalities	No.	0	0	0	0	0	0	0
	Significant (high potential) incidents	No.	3	2	5	0	1	2	0
	Employee satisfaction re wellbeing and mental health (Employee Opinion Survey)	%	N/A ²	N/A ²	73	79	83	83	75
	Females in employment	% (No.)	21.3 (439)	22.1 (464)	22.0 (461)	21.0 (452)	22.0 (492)	21.7 (513)	25.0
	Females in management roles	% (No.)	15.0 (40)	18.0 (54)	21.7 (59)	21.0 (55)	23.0 (64)	23.2 (72)	22.0
	Inclusion & Diversity index outcomes (Employee Opinion Survey)	%	N/A ²	N/A ²	79	84	86	83	75
Environmental and climate resilience	Outperform targets for average minutes off supply per customer for unplanned outages System Average Interruption Duration Index – Powercor	minutes	122.0	127.0	89.9	121.4	95.7	91.4 ⁷	124.0
	Outperform targets for average minutes off supply per customer for unplanned outages System Average Interruption Duration Index – CitiPower	minutes	21.6	27.9	20.4	15.2	20.0	20.9 ⁷	24.7
	ISO14001 Environmental Management System certified	-	Certified	Certified	Certified	Certified	Certified	Certified	Certified
	Reduce both direct and indirect ¹ carbon emissions including distribution line losses based on 2019 baseline	mt CO ₂ -e (% reduction)	1194	1,083 (-9%)	1,018 (-14%)	0,988 (-17%)	0,891 (-25%)	0,800 (-33%)	0,836 ³ (-30%)
Empowering communities	Total installed capacity of renewable energy generation on our networks ⁸	GW	1.75	1.96	2.29	2.48	2.64	2.83	4.00
	Customer participation in energy literacy programs	No.	292	350	247	1,147	14,565	60,596	2,000 (1,000 per network)
	Value of network and technology investments in innovation – over 5 yrs	\$m	4 ⁴	N/A ⁵	N/A ⁵	7.0 ⁴	18.4 ⁴	28.2 ⁴	25.7
Responsible governance	Board meetings per annum	No.	5	5	5	4	5	5	5
	ESG Committee meetings per annum	No.	N/A ⁶	N/A ⁶	N/A ⁶	3	4	4	4
	Holding our employees accountable to our values and Code of Conduct	-	Annual performance management process	Complete	Complete	Complete	Complete	Complete	Annual performance management process
	Number of critical cyber security breaches on our networks' operational technologies	No.	0	0	0	0	0	0	0

¹ Indirect and direct carbon emissions based on *National Greenhouse Energy Reporting Regulations 2008* definition of Scope 1 and 2

² Not applicable as these questions were not part of the Employee Opinion Survey during that year

³ 30 per cent reduction in carbon emissions by 2030 from a 2019 baseline

⁴ Aggregated spend on innovation and technology

⁵ Not applicable as the target period for innovation investment is 2022-2026

⁶ Not applicable as the ESG committee was formed in 2022

⁷ From 2024 this metric is reported on a Jul-Jun period, aligning with the Regulatory Information Notices (RIN) submission to the Australian Energy Regulator

⁸ Process improvements and data validation techniques have identified that the level of renewable capacity installed in our networks may be under-stated as some installations may not have been captured. Accordingly our assurers (RSM Australia) have qualified this data point in our 2024 report. We are actively working to validate this data and expect to include updated and assured data in our 2025 Sustainability Report.

Sustainability metrics definitions

Focus areas	Metric	Unit	Definition
Safe and equitable workplaces	Fatalities	No.	Number of workplace fatalities of VPN's employees or contractors working on behalf of VPN.
	Significant (high potential) incidents	No.	Number of incidents with a Maximum Credible Potential rating (i.e. the highest consequence rating or outcome that could have occurred for the same incident/event at the same location under different conditions, yet still credible circumstances) of '4' (i.e. Single fatality or permanent disability) or '5' (i.e. Multiple fatalities or permanent disabilities), where VPN has operational control.
	Employee satisfaction re wellbeing and mental health (Employee Opinion Survey)	%	Annual Employee Opinion Survey favourable score result on the question "The programs and benefits the business provides helps me maintain my well-being and mental health".
	Females in employment	%	Percentage of females based on total head count of the organisation as of the year end.
	Females in management roles	%	Percentage of females in management based on the total head count of management within the organisation as of the year end.
	Inclusion & Diversity index outcomes (Employee Opinion Survey)	%	Annual Employee Opinion Survey favourable score result for the Inclusion and Diversity Index category.
Environmental and climate resilience	Outperform targets for average minutes off supply per customer for unplanned outages System Average Interruption Duration Index - Powercor	minutes	Unplanned SAIDI (System Average Interruption Duration Index) is the sum of the duration of each unplanned sustained customer interruption (in minutes), divided by the Customer Base. Unplanned SAIDI excludes momentary interruptions (three minutes or less) for Powercor.
	Outperform targets for average minutes off supply per customer for unplanned outages System Average Interruption Duration Index - CitiPower	minutes	Unplanned SAIDI (System Average Interruption Duration Index) is the sum of the duration of each unplanned sustained customer interruption (in minutes), divided by the Customer Base. Unplanned SAIDI excludes momentary interruptions (three minutes or less) for CitiPower.
	ISO14001 Environmental Management System certified	-	VPN business is certified for ISO14001 Environmental Management System (excludes Beon Aerial Services).
	Reduce for both direct and indirect carbon emissions including distribution line losses based on 2019 baseline	mt CO ₂ -e	Reduction in Scope 1 and 2 carbon emissions based of National Greenhouse Energy Reporting Regulations 2008 of 30 per cent by 2030 against a 2019 baseline (excludes operations outside of Australia).
Empowering communities	Total installed capacity of renewable energy generation on our networks	GW	All renewables on our networks including residential and large-scale connections.
	Customer participation in energy literacy programs	No./annum	Number of customers engaged in digital and face-to-face initiatives related to energy literacy.
	Value of network and technology investments in innovation - over 5 yrs	\$m	Total aggregated investments in programs that support the business in exploring innovative demand management strategies, encompassing digital innovation and technology improvements, network automation, network analytics and demand management projects, aimed at reducing costs for electricity consumers in the future.
Responsible governance	Board Meetings per annum	No.	A formal meeting of the VPN Board of Directors.
	ESG Committee meetings per annum	No.	A formal meeting of the VPN ESG Committee members.
	Holding our employees accountable to our values and Code of Conduct	-	Annual performance review completed, including assessment against the business values, for all eligible VPN employees.
	Number of critical cyber security breaches on our networks' operational technologies	No.	A cyber security incident that results in significant impact and/or sustained disruptions to operational technology systems or an equivalent consequence.

Data assurance



Independent Limited Assurance Statement to the Management and Board of Directors of Victoria Power Networks Pty Ltd

Introduction

RSM have conducted a limited assurance engagement for Victoria Power Networks Pty Ltd (“VPN”) on the Business Committed Sustainability Metrics (“Subject Matter”), pertaining to the period 1 January 2024 to 31 December 2024 as disclosed in the VPN Annual Sustainability Report.

Information Subject to Assurance

The Subject Matter, as presented in VPN’s 2024 Annual Sustainability Report, subject to assurance, comprises of the following:

Table 1: Business Committed Sustainability Metrics

Subject Matter	
Safe and equitable workplaces	
Number of fatalities	0
Significant (high potential) incidents	2
Employee satisfaction; Mental Health and Wellbeing (Employee Opinion Survey) (%)	83
Females in employment (%)	21.7
Females in management roles (%)	23.2
Inclusion and Diversity index outcomes (Employee Opinion Survey) (%)	83
Environmental and climate resilience	
System Average Interruption Duration Index (SAIDI) – Powercor (minutes)	91.4
System Average Interruption Duration Index (SAIDI) – Citipower (minutes)	20.9
Environmental Management System (EMS) 14001	Certified
Carbon Emission Reduction (MTCO ² -e)	0.800
Empowering communities	
Total installed capacity of renewables on our networks (GW)	2.83
Customer participation in energy literacy programs (number per annum)	60,596
Innovation funding (including DMIA & Digital) – over 5 years (\$m)	28.2

Information Subject to Assurance (Cont.)

Table 1: Business Committed Sustainability Metrics (Cont.)

Subject Matter (Cont.)	
Responsible governance	
Board Meetings per annum	5
ESG Committee Meetings per annum	4
Holding our employees accountable to our values and Code of Conduct	Complete
Number of critical cyber security breaches	0

Criteria Used as the Basis of Reporting

The Subject Matter has been reviewed against VPN’s 2024 internally established definitions and criteria (“Criteria”).

Responsibilities of the Board of Directors and Executive Management

The Board of Directors and Executive Management are responsible for determining the criteria that is appropriate to meet their needs and for preparation and presentation of the Subject Matter in accordance with the criteria, in all material respects. This responsibility includes design, implementation, and maintenance of internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error.

In respect to this limited assurance engagement, VPN’s responsibility was to provide access to relevant staff, documents and any other resources that assisted RSM in completing the scope and coverage of the engagement.

Our Independence and Quality Control

We have complied with the relevant ethical requirements for assurance engagements, which include independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour.

Furthermore, RSM maintains, in accordance with Australian Standard on Quality Management 1 (“ASQM 1”) *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* and Australian Standard on Quality Management 2 (“ASQM 2”) *Engagement Quality Reviews*, a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Limited Assurance Statement to the Management and Board of Directors of Victoria Power Networks Pty Ltd



Our Responsibility

Our responsibility is to express a limited assurance conclusion on whether anything has come to attention to indicate the Subject Matter has not, in all material respects, been prepared and presented in accordance with the Criteria, for the period 1 January 2024 to 31 December 2024.

Our review has been conducted in accordance with ASAE 3000 "Assurance Engagements Other than Audits and Reviews of Financial Information" and ASAE 3410 "Assurance Engagements on Greenhouse Gas Statements" to provide limited assurance. Our procedures described below in this report have been undertaken to form our qualified conclusion.

Inherent Limitations

There are inherent limitations in performing assurance - for example, assurance engagements are based on selective testing of the information being examined - and because of this, it is possible that fraud, error, or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all misstatements, as an assurance engagement is not performed continuously throughout the period that is the subject of the engagement, and the procedures performed on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and sampling or estimating such data.

Use of this Report

This limited assurance report has been prepared for VPN. We disclaim any assumption of responsibility for any reliance on this report to any other persons or users, or for any purpose other than that for which it was prepared.

We disclaim all liability to any party other than VPN in respect of, or in consequence of, anything done, or omitted to be done, by any party in reliance, whether whole or partial, upon any information contained in this report. Any party, other than VPN, who chooses to rely in any way on the contents of this report, does so at their own risk.

Summary of Procedures Undertaken

The procedures performed to reach our limited assurance conclusion included, but were not limited to:

- Conducting interviews with management to understand data sources, systems, processes and responsible personnel to capture the data relevant to the Subject Matter;
- Reviewing relevant documentation including VPN's Basis of Preparation, and relevant NGER legislation;
- Performing analytical and other review procedures over the Subject Matter including reviewing evidence on a sample basis;

Victoria Power Networks Pty Ltd – Limited Assurance Engagement Report

Summary of Procedures Undertaken (Cont.)

- Conducting walkthroughs of the Subject Matter to source documentation;
- Testing the arithmetic accuracy of a sample of calculations of the Subject Matter;
- Reviewing the Subject Matter against the reporting criteria; and
- Reviewing user access and other key system and process controls as they related to the compilation of data or any calculations used.

Basis for Qualified Conclusion

During the course of our limited assurance engagement, it was identified that the 'total installed capacity of renewables on our networks (GW)' metric reported may not be in accordance with the underlying records.

However, due to a lack of sufficient and appropriate evidence, we were unable to determine whether any adjustments to this amount were necessary.

Qualified Conclusion

Based on the limited assurance procedures we have performed and the evidence obtained, except for the effects of the matter described in the *Basis for Qualified Conclusion* section of this report, nothing has come to our attention that causes us to believe that the Subject Matter (described in Table 1) for the period 1 January 2024 to 31 December 2024, has not been prepared and presented in accordance with the Criteria, in all material respects.

Signed:

J ELKHISHIN
Director
RSM Australia Pty Ltd

Brisbane

11 February 2025

For further information visit:

www.citipower.com.au



www.powercor.com.au

www.beon-es.com.au



CitiPower and Powercor Australia



CitiPower and Powercor
Beon Energy Solutions



[citipowerpowercor](https://www.youtube.com/c/citipowerpowercor)

Printed on Ecostar 100% post-consumer recycled paper.