Iberdrola Australia

2024 Sustainability Report

Acknowledgment of Country

Iberdrola Australia respectfully acknowledges the First Nations people of Australia and their enduring connection to their ancestral lands and waters. We pay our respects to the First Nations people who have gone before, who are living today and who are yet to be born. We honour the Aboriginal and Torres Strait Islander peoples, their living experiences, and their enduring connection with Country to which they belong.

Image

Cover: Capital Wind Farm
Left: Morning Winter Chill Breeze on Country by artist Silas Hobson, purchased by Iberdrola Australia at the Lockhart River Art Gala Silent Auction in July 2024

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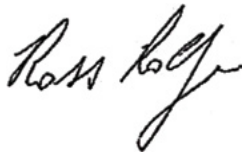
A message from the CEO

Ross Rolfe AO

> We have a once in a generation opportunity to build a vibrant, fair and diversified economy

Australia's energy transition is complex. Our customers are navigating uncertainty across global and local energy markets. Our power system remains heavily reliant on 23GW of ageing and unreliable coal generation which is rapidly approach the end of its design life. Our regions are being asked to host the replacement generation capacity and deserve to be meaningfully consulted and compensated for impacts on their communities. Meanwhile our planet recorded its hottest year in history with 2024 being the first year where global temperatures exceeded 1.5C above pre-industrial levels. Our people and our suppliers are rising to the challenge of mitigating these risks and unlocking these opportunities.

It is within this complex environment that we present our CY24 Sustainability Report. For those who follow our sustainability and social licence performance we hope you'll observe that 2024 reflects another step change in our commitment to fully and fairly unlocking the benefits of Australia's energy transition. We are forging more and deeper partnerships with regional stakeholders. We are investing more widely in the technologies that deliver customer, community and environmental benefits. We are employing more people, training more people and providing more opportunities for small and local businesses. We are sponsoring more research, funding more scholarships and collaborating more deeply with indigenous communities to unlock opportunities for their participation in the energy transition. While we are proud of our progress, we believe that our business – and our industry – has much more to do. Accordingly, we are also extending our collaborations with industry, tertiary training providers and government to ensure best in class sustainability standards are adopted across the country. The energy transition is a once in a generation opportunity to build a vibrant, fair and diversified economy. Through partnerships and collaboration we can, together, realise these opportunities.



Ross Rolfe
CEO and Chairman
Iberdrola Australia

1 | Introduction

Image: Port Augusta Renewable Energy Park (PAREP), SA

How We Report

This Sustainability Report is issued by Iberdrola Australia Limited in relation to itself and its controlled entities, also referred to as "Iberdrola Australia", "our business", "us" or "we". This report focuses on drivers of value within our business, alongside the risks and opportunities that may materially impact our stakeholders. This report aims to provide stakeholders with a balanced picture of our economic, environmental, social and governance performance. To provide comparable information on sustainability performance, we have prepared this report with reference to the Global Reporting Initiative (GRI) Standards. We are working toward full GRI disclosure in future reporting. All data disclosed in this report is for the 2024 calendar year, unless otherwise stated. The use of '$' in this report refers to Australian dollars (AUD) unless otherwise specified.

In referencing the GRI Standards, Iberdrola Australia has implemented the four Principles to Defining Report Content:

1. Stakeholder Inclusiveness

Including identifying issues from stakeholder feedback, formal complaints processes and enquiries from authorities, as well as indirect feedback such as from media sources.

2. Materiality

All GRI Standards, including the Electric Utilities Sector Disclosure, were reviewed and assessed to determine the reporting scope.

To date, Iberdrola Australia has adopted the results of the Iberdrola Group's Materiality Assessment as relevant to drive the focus of our sustainability priorities.

3. Sustainability Context

Iberdrola Australia evaluates its sustainability risks as a sub-set of the broad risks that it manages within its Risk Management Framework.

4. Completeness

Boundaries of our material issues were identified to determine whether significant impacts were covered within or outside of the organisation.

The validation process is internally reviewed, having assessed the relevance of each topic and sector disclosure to Iberdrola Australia and our stakeholders.

Iberdrola Australia Limited is a wholly owned subsidiary within the Iberdrola Group (also referred to in this report as the Group) headquartered in Spain. We also provide sustainability information to the Iberdrola Group's global Sustainability Report in accordance with the provisions of Directive (EU) 2022/2464 on Corporate

How We Report (continued)

Sustainability Reporting (although not yet law by the end of 2024), which applied the European Sustainability Reporting Standards. Iberdrola Australia is a subsidiary member of the UN Global Compact. The ultimate parent company of the Iberdrola Group, Iberdrola S.A., is a signatory to the UN Global Compact. This is the second stand alone Sustainability Report for Iberdrola Australia, with the first edition published on 4 June 2024 for the year ending 31 December 2023. We also report separately, relevantly including that under the National Greenhouse Emissions Reporting Standards (NGERS), the *Modern Slavery Act 2018* (Cth), and state environmental legislation. We are preparing to report in 2026 under the new Australian Sustainability Reporting Standards (ASRS) including Disclosure of Climate-related Financial Information for the year ending 31 December 2025.

Changes affecting our Scope 2 emissions for 2024 included the reclassification of Wallgrove Battery Energy Storage System (BESS), which was previously reported as in scope for 2023. In 2024, it was re-evaluated that Iberdrola Australia did not have operational control of the asset under the GHG protocol. Accordingly, Scope 2 emissions from Wallgrove BESS are no longer included in Iberdrola Australia's emissions.₪

Onshore wind self-consumption in Scope 2 emissions has been recalculated due to more accurate sources of data being used in 2024 (and hence 2023 comparatives have also been restated).

Selected data points in this report have been covered by a Limited Assurance engagement by KPMG. These metrics are marked with an '₪' in the Sustainability Scorecard, and where referenced on the specific pages of this report.

The metrics covered by a Limited Assurance engagement by KPMG are:

- Lost Time Injury (LTI) – absolute number
- Medical Treatment Injury (MTI) – absolute number
- Total Recordable Injuries (TRI) – absolute number
- Lost Time Injury Frequency Rate (LTIFR)
- Total Recordable Injury Frequency Rate (TRIFR)
- Gender split %
- Gender pay gap
- Staff turnover
- Level of seniority by gender
- Direct community investment (donations/ sponsorships)
- Indirect community investment (lease payments, local vendors used etc.)
- Emissions from operations Scope 1
- Emissions from operations Scope 2
- Energy consumption
- Emissions intensity
- Number of trees planted
- Number of contracted customers

The methodology used for each of the above metrics is described in Appendix B.

The KPMG Limited Assurance report is included at Appendix A.

₪ selected data points in this report have been covered by a Limited Assurance engagement by KPMG. Points included are marked with an ₪ on the specific pages of this report. The KPMG Limited Assurance report is included at Appendix A.

Our Strategy

Iberdrola Australia's business philosophy centres on creating long-term shared value by developing, constructing and operating clean energy facilities and associated infrastructure to drive the energy transition in Australia.

Our variable renewable energy sources are combined with rapid-response firming assets to deliver dependable and cost-effective clean energy to our customers, all while uplifting communities and protecting the nature-related values of the environment.

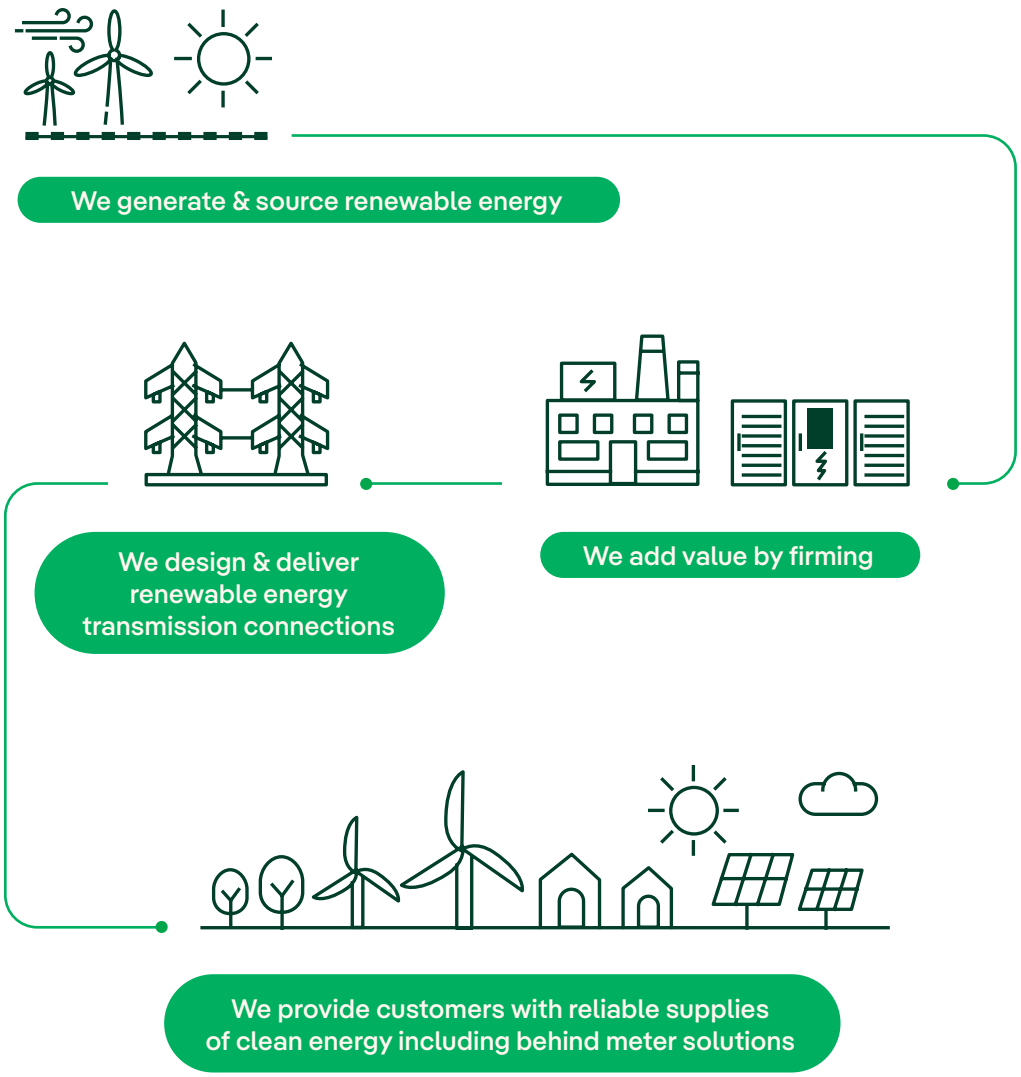
Iberdrola Australia operates one of the largest renewable energy fleets in the country, with over 2.5GW installed capacity. Our portfolio includes:

- Onshore wind farms
- Solar farms
- Grid-scale batteries
- Fast-start gas peakers for firming capacity

This mix allows us to offer firm renewable energy—a combination of intermittent renewables and fast-start firming assets—ensuring reliable, competitively priced clean energy.

We bring our global expertise in transmission and distribution to Iberdrola Australia Networks with the strategic goal of becoming Australia's next Transmission network service provider.

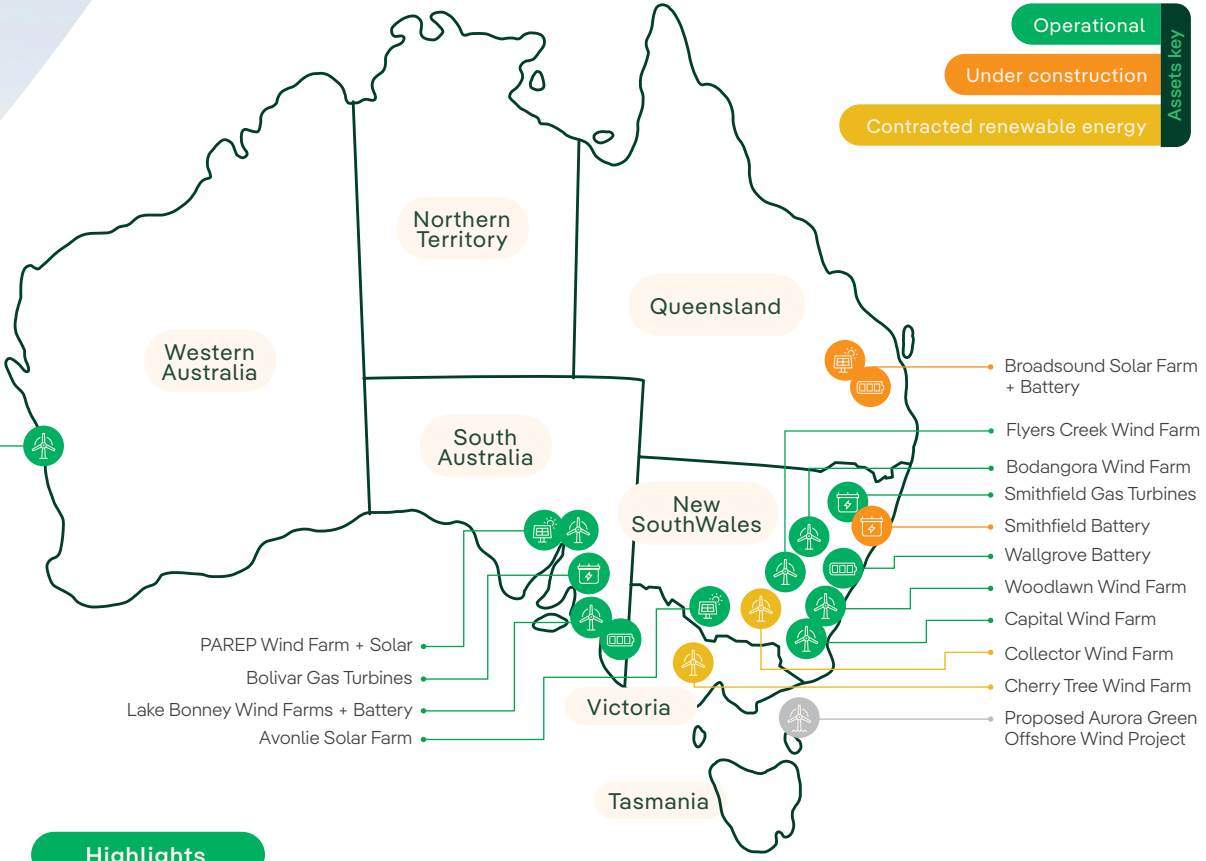
We are actively investing in emerging energy technologies including offshore wind and green hydrogen.



Our Assets

We have an extensive fleet of renewable energy assets which is among the largest in Australia by MW. Beyond our owned assets, we also contract output from other renewable operators, allowing us to serve an expanding customer base.

Our portfolio includes wind farms, solar farms, battery energy storage systems and fast-start firming assets, which help manage the intermittency of renewable generators. When constructed, we will have committed to over 2.5 GW of installed capacity, supported by a substantial and growing development pipeline.



Highlights

240
employees

14
sites operating/ under construction (inclusive of contracted assets)[₪]

6
firming assets including batteries and gas turbines including those under construction[₪]

4
Offices:
Sydney, Brisbane, Melbourne & Frenchs Forest [1][₪]

Image: Photo taken at Flyers Creek Wind Farm, NSW

Footnote: ₪ data is in scope for KPMG's Limited Assurance engagement, for more information see the KPMG Limited Assurance report.
1. Frenchs Forest office closed in October 2024.

Images

Top: Lake Bonney Wind Farm, SA

Bottom: Avonlie Solar Farm, NSW

† Deemed not to be under Iberdrola Australia's control for purposes of GHG Protocol and reporting under the *National Greenhouse Energy Reporting Act 2007* (Cth)

‡ Ten-year user agreement with TransGrid under which Iberdrola Australia has dispatch control and receives spot market and Frequency Control Ancillary Services revenue

§ Long-term lease

1. Change from prior year report reflects reduction from 54 to 53 turbines in 2022

2 Iberdrola Australia contracts 60% of the output of the 227MW Collector Wind Farm

3 Change from 2023 to reflect registered maximum capacity

	Asset*	Nameplate Capacity (MW)	State	
Owned Renewable Enery Assets				**Commercial Operation Date**
1	Lake Bonney 1 Wind Farm	81	SA	Mar 2005
2	Walkaway Wind Farm	87.5[1]	WA	Jul 2006
3	Lake Bonney 2 Wind Farm	159	SA	Sep 2008
4	Capital Wind Farm	141	NSW	Jan 2010
5	Lake Bonney 3 Wind Farm	39	SA	Jul 2010
6	Woodlawn Wind Farm	48	NSW	Oct 2011
7	Bodangora Wind Farm	113	NSW	Feb 2019
8	PAREP Wind Farm	210	SA	Sep 2022
9	PAREP Solar Farm	107	SA	Sep 2022
10	Avonlie Solar Farm	245	NSW	Dec 2023
11	Flyers Creek Wind Farm	145	NSW	Jan 2025
12	Broadsound Solar Farm	377	QLD	Under Construction
Total Owned Renewable Energy Assets		**1,752.5**		
Contracted Renewable Energy Assets				**Contract Start Date**
13	Cherry Tree Wind Farm	58	VIC	Dec 2018
14	Collector Wind Farm	136[2]	NSW	Mar 2020
Total Contracted Renewable Energy Assets		**194**		
Firming Assets				**Acquisition/Commercial Operation Date**
15	Smithfield Gas Facility	123	NSW	Acquired May 2019
16	Lake Bonney Battery	25	SA	Dec 2019
17	Wallgrove Battery †‡	50	NSW	Oct 2021
18	Bolivar Gas Facility §†	127.5[3]	SA	Feb 2023
19	Broadsound Battery	180	QLD	Under Construction
20	Smithfield Battery	65	NSW	Under Construction
Total Firming Assets		**570.5**		
Total Capacity		**2,516**		

* As at June 2025

Iberdrola Australia Networks

Over the last three years, Iberdrola Australia has built a dedicated team of networks experts with the strategic goal of becoming Australia's next Transmission Network Service Provider (TNSP), competitively differentiated as a trusted partner for government, communities and consumers. This firm commitment to networks growth in Australia has enabled us to progressively grow a diversified team with strong credentials and experience in high voltage transmission.

How We Approach Sustainability

For over 20 years we have been on a mission to lead Australia's transition to a clean energy future with sustainability at the heart. Our commitment is supported by multiple layers that help us achieve broad positive outcomes across key focus areas.

The Iberdrola Group Governance and Sustainability System provides a framework for creating sustainable outcomes. Locally, Iberdrola Australia's policies and plans guide clear principles, target outcomes, and initiatives for key sustainability areas. This Sustainability Report outlines our approach, states our targets and ambitions, tracks progress in achieving these targets and articulates our plans to achieve goals.

Our sustainability efforts are structured around our most important focus areas: our people, our planet, our communities (including First Nations communities), our customers, our supply chain, and our regulators. In the following sections, we detail specific initiatives and targets to enhance our positive impacts and current progress.

Iberdrola Australia remains committed to driving sustainability and innovation, empowering communities and businesses to achieve their renewable energy goals.

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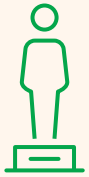
Highlights



Awarded Top Employer Certification

29% women in executive leadership positions[1]

39% women in general manager positions (increase from 33% in 2023)[1]

Gender pay gap reduced to 6%[1] from 10.7% in 2023 (median base salary)

Zero employee Lost Time Injuries (LTIs)[1]

People

Planet

Added **390MW of renewable energy** installed capacity since December 2023

Commenced construction of **245MW of firming assets**

Commenced construction of **377MW Broadsound solar farm**

Founding partner of **Nature Positive Matters**

6,000+ trees planted at Flyers Creek Wind Farm₪

Launched **Carbon2Nature Australia**

0.03 t CO2 /MWh emissions intensity₪

96% emissions free electricity production

2,714 GWh of renewable electricity produced in 2024

Generated enough renewable energy to power **410,000+ households**

Supply chain

85% of suppliers to tenders over €1M considered sustainable suppliers by Iberdrola

Integration of Iberdrola Australia's commitment to the **UN Global Compact Initiative** through prioritising sustainable procurement in our supply chain

Our communities

Entered into **Landmark Engagement Agreement with Gunaikurnai Land and Waters Aboriginal Corporation** (GLaWAC) as part of the Aurora Green Offshore Wind project (early 2025)

$0.9M+ of direct community investment₪

$21M+ of indirect community investment₪

Customers

>2 TWh of contracted retail customer load

>430 unique/ individual customers₪

16 new Local Council customers

Collaborated with **Adelaide Airport to triple the size of its solar system** (installation of 3,800 solar panels), making it the first Australian airport to reach carbon neutrality

Regulators

16 submissions to industry regulators

Collaboration with industry peak bodies including Clean Energy Council and Gippsland Offshore Wind feasibility licence holder group (OG12)

₪ selected data points in this report have been covered by a Limited Assurance engagement by KPMG. The KPMG Limited Assurance report is included at Appendix A.

Smithfield Battery Energy Storage System, Sydney NSW

Smithfield Battery Energy Storage System is located on Dharug land in Smithfield, approximately 30 km from Sydney Central Business District.

The project is a 65 MW/130 MWh battery system which will be co-located with the existing operational Smithfield Open Cycle Gas Turbine Gas Peaker plant owned by Iberdrola Australia.

The Smithfield BESS project comprises of battery and inverter units, medium voltage transformers, replacement of 33 kV electrical switchboard, SCADA control board upgrade and upgrade of existing 33 kV powerline connection to Endeavour Energy infrastructure.

Construction of the Smithfield BESS project commenced in January 2025.

Avonlie Solar Farm, near Narrandera, NSW

Avonlie Solar Farm is located approximately 20km south-east of Narrandera in NSW. Iberdrola Australia took over operational control of Avonlie Solar Farm from our engineering, procurement and construction contractor, Beon, in October 2023, with the solar farm commencing full operations in December 2023.

Avonlie Solar Farm comprises more than 450,000 solar panels with a total capacity of 245.4MW. Avonlie produced 427GWh of electricity in 2024, enough to power approximately 86,000 homes. Iberdrola Australia spent over $1.5M in the local economy in 2024.

The solar farm adopts an agrivoltaic system where the solar farm and existing sheep grazing properties co-exist on the host site (see Avonlie Solar Farm: Agrivoltaics in Our Communities).

Flyers Creek Wind Farm, near Orange, NSW

Flyers Creek Wind Farm is located approximately 20km south of Orange in NSW.

It comprises 38 turbines with a total capacity of 145MW, enough to power over 80,000 households (and offset over 330,000 tonnes of carbon emissions annually).

Following completion of construction with a workforce of 230, the wind farm became fully operational in January 2025.

Renewable energy certificates generated by the wind farm are provided to and support the sustainability journey of 16 local councils across the Central NSW and Riverina regions.

Broadsound Solar Farm & Battery, Clarke Creek, QLD

Broadsound Solar Farm and Battery is located 150km north-west of Rockhampton in Queensland.

In September 2024, Iberdrola Australia entered the Queensland market with the start of construction of the Broadsound Solar Farm and Battery project. This is our first project on Barada Kabalbara Yetimarala People land.

The 377MW Broadsound Solar Farm and 180MW (2-hour) co-located BESS at Clarke Creek will generate enough electricity to power 140,000 homes.

The project will deliver up to 350 jobs during its approximately two-year construction schedule, with workforce accommodation already completed.

In March 2025, we took delivery of the first of the 610,000 solar panels for installation at Broadsound Solar Farm.

2024 | Sustainability Scorecard

Environmental	Metric	2022 Actuals	2023 Actuals	2024 Actuals	2025 Target	2030 Target
Net Zero in scope 1, 2 and 3 by 2040	Scope 1 (tonnes CO2e) emissions from operations	44,621	45,790	85,392₪†	Implementation of decarbonisation plan aligned with SBTi₪	Carbon Neutral**
	Scope 2 (tonnes CO2e) emissions from operations (location-based)	29,555	6,963	8,115₪	Implementation of decarbonisation plan aligned with SBTi₪	Carbon Neutral**
	Scope 2 (tonnes CO2e) emissions from operations (market-based)***	n/a	9,475	11,392₪	Implementation of decarbonisation plan aligned with SBTi₪	Carbon Neutral**
	Scope 3 (tonnes CO2e) emissions from operations	n/a	n/a	n/a	^	^
Emissions intensity	Emissions rate from power generation (tonnes CO2e/MWh)	0.028	0.026	0.03₪†	↓	↓
Installed capacity	Installed capacity (GW)	1.94	2.44	2.51^^	↑	↑
Conservation, restoration and tree planting Net positive impact in 2030	Number of trees planted	0	1,000	6,213₪	↑	↑
Net positive impact in 2030	% assets with biodiversity assessment and net positive biodiversity plan	n/a	n/a	n/a	20	100 (net positive)
Blade recycling	% of blades recycled^^	0	0	0	50	100
Solar panel recycling	% of solar units recycled^^^	0	0	0	50	100
Renewable electricity consumption in corporate buildings	% over total electricity consumption	100	100	100	100	100

₪ data is in scope for KPMG's Limited Assurance engagement, for more information see the **KPMG Limited Assurance report,** ** Carbon Neutral on Scope 1 & Scope 2 according to the Science Based Targets initiative (SBTi) methodology, *** Section 7.4 of the National Greenhouse and Energy Reporting (Measurement) Amendment Determination 2023 introduced a voluntary market-based method for scope 2 emissions in addition to mandatory location-based reporting. ^ no target set, ^^ including assets under construction, ^^^ refers to solar panels retired or decommissioned and recycled rather than placed in landfill. † For discussion, see Our Planet.

Social	Metric	2022 Actuals	2023 Actuals	2024 Actuals	2025 Target	2030 Target
Employee diversity	Female employees	57	83	87₪	^	^
	Male employees	134	156	153₪	^	^
	Women as % of workforce	30	35	36₪	^	^
	Men as % of workforce	70	65	64₪	^	^
	Women as % of CEO and Key Management Personnel^^	n/a	17	22₪	^	^
	Women as % of executive leadership	0	33	29₪	^	^
	Women as % of senior leadership (general managers)	12	23	39₪	^	^
	Women as % of other managers	17	50	41₪	^	^
	Women as % professionals	36	37	40₪	^	^
	Women as % of trades	0	0	0₪	^	^
	Employee turnover (%) - voluntary	11	11.4	13.3₪	^	^
	Employee turnover (%) - involuntary	0	0.9	5.4₪	^	^
	Gender pay gap – median base salary (%)	n/a^^	10.7	6₪	^	^
	Gender pay gap – median total remuneration (%)	n/a^^	11.1	13₪	^	^

₪ data is in scope for KPMG's Limited Assurance engagement, for more information see the **KPMG Limited Assurance report,** ^ no target set, ^^ 2024 was the first year the metric was reported. Data is for year ending 31 March 2025 in line with WGEA reporting.

Image: Sunset at Flyers Creek Wind Farm, NSW

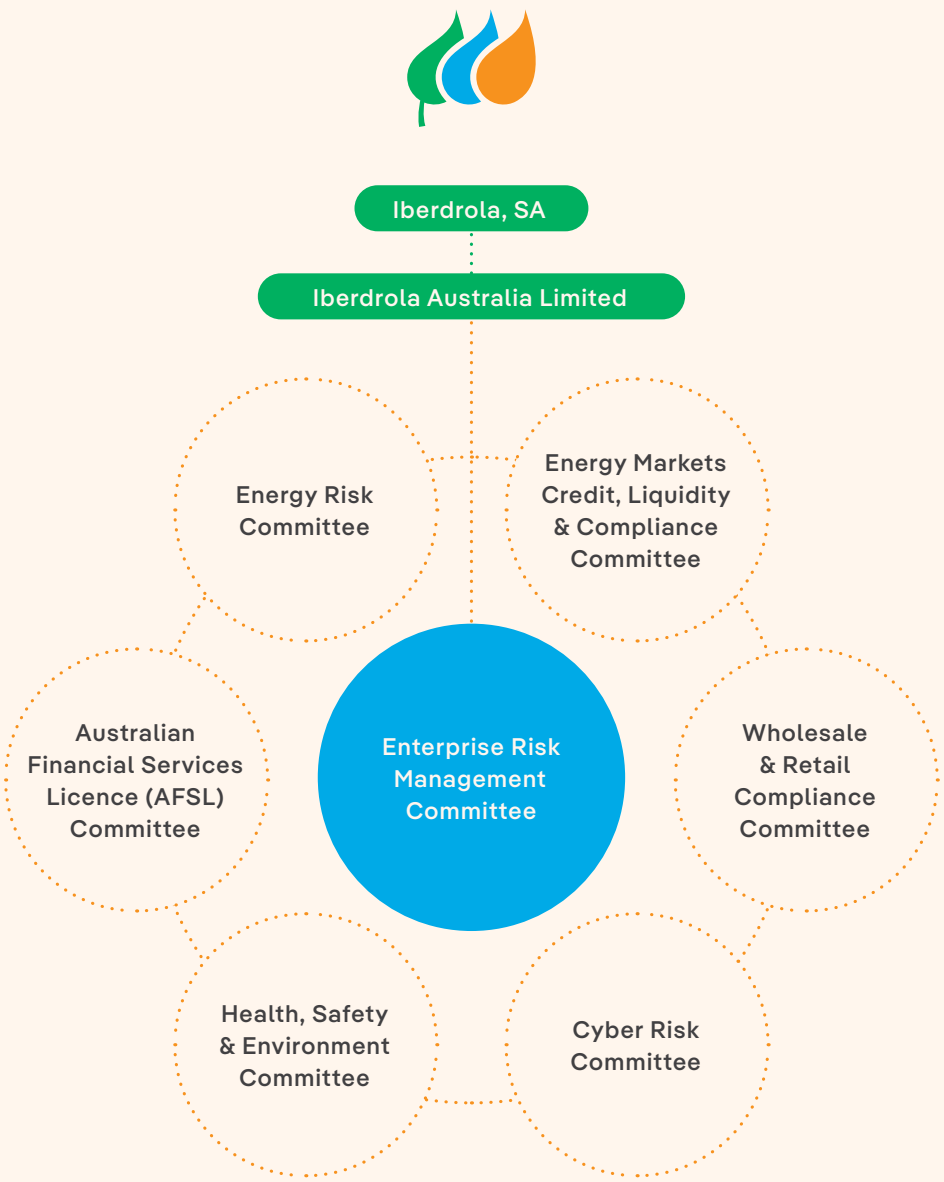
Social	Metric	2022 Actuals	2023 Actuals	2024 Actuals	2025 Target	2030 Target
Report to Workplace Gender Equality Agency on Gender Equality Indicators	Annual report to WGEA pay certification	n/a	✓	✓	✓	✓
Incidents (employees)	Lost time injuries (LTI)	0	0	0₪	0	0
	Lost time injury frequency rate (LTIFR)	0	0	0₪	0	0
	Medical treatment injuries (MTI)	0	0	0₪	0	0
	Total recordable injury frequency rate (TRIFR)#	0	0	2.92₪	0	0
	Total recordable injuries (TRI)	0	0	1₪	0	0
Community investment	Direct ($'m)	0.566	1.084₪	0.907₪	↑	↑
	Indirect ($'m)	31.004	18.383₪	21.918₪	↑	↑
Purchases from sustainable suppliers	% of total purchases	n/a	n/a	85%	≥85%	≥85%
Human Rights Due Diligence procedure	Continuous review	✓	✓	✓	✓	✓
Formal Stakeholder Engagement Process	Keep increasing the deployment of the Stakeholder Engagement Process	✓	✓	✓	✓	✓

₪ data is in scope for KPMG's Limited Assurance engagement, for more information see the **KPMG Limited Assurance report**
\# In accordance with Safe Work Australia guidance. We also report as part of the Iberdrola Group using a rate of 200,000hrs which equates to a TRIFR of 2.83 in 2024 (1.05 for 2023)

Governance	Metric	2022 Actuals	2023 Actuals	2024 Actuals	2025 Target	2030 Target
Best practice governance and sustainability system	Maintain/or third-party assessment	✓	✓	✓	✓	✓
Independent validation of compliance system	Annual compliance audit	✓	✓	✓	✓	✓

Image: Bodangora Wind Farm, NSW

For over 20 years we have been on a mission to lead Australia's transition to a clean energy future with sustainability at the heart



Images: Iberdrola employees at Flyers Creek Wind Farm, NSW

Corporate Governance

The Iberdrola Group, a global energy leader headquartered in Spain, operates in Australia through Iberdrola Australia Limited and its controlled entities. Committed to responsible corporate governance, Iberdrola Australia adheres to the Iberdrola Group's Governance and Sustainability System.

Iberdrola Australia's governance structures and processes ensure effective administration and operation of decision-making and oversight bodies. These processes facilitate accurate and timely information flow from various business areas to relevant committees, enabling senior management to identify risks and opportunities, allocate resources appropriately, and ensure compliance with applicable laws. Strategic decision-making is guided by the Iberdrola Australia Board's focus areas, budget and ongoing oversight.

Business Sustainability

Iberdrola Australia's corporate governance framework is supported by dedicated working groups and committees that address specific business risks and priorities. These forums play a vital role in maintaining a sustainable business, driving positive progress, and responding to emerging risks across various domains, including people and culture, economic, social, and environmental matters.

By fostering collaboration and proactive risk management, Iberdrola Australia ensures that our sustainability efforts are comprehensive and adaptive to the evolving landscape. This approach underscores our commitment to creating long-term value and positive impacts for our stakeholders and the broader community.

Ethics & Compliance

Iberdrola Australia strives to ensure our conduct, and that of our associates, aligns with ethical principles, sustainable development standards and applicable legislation, as outlined in the Iberdrola Group's Governance and Sustainability System.

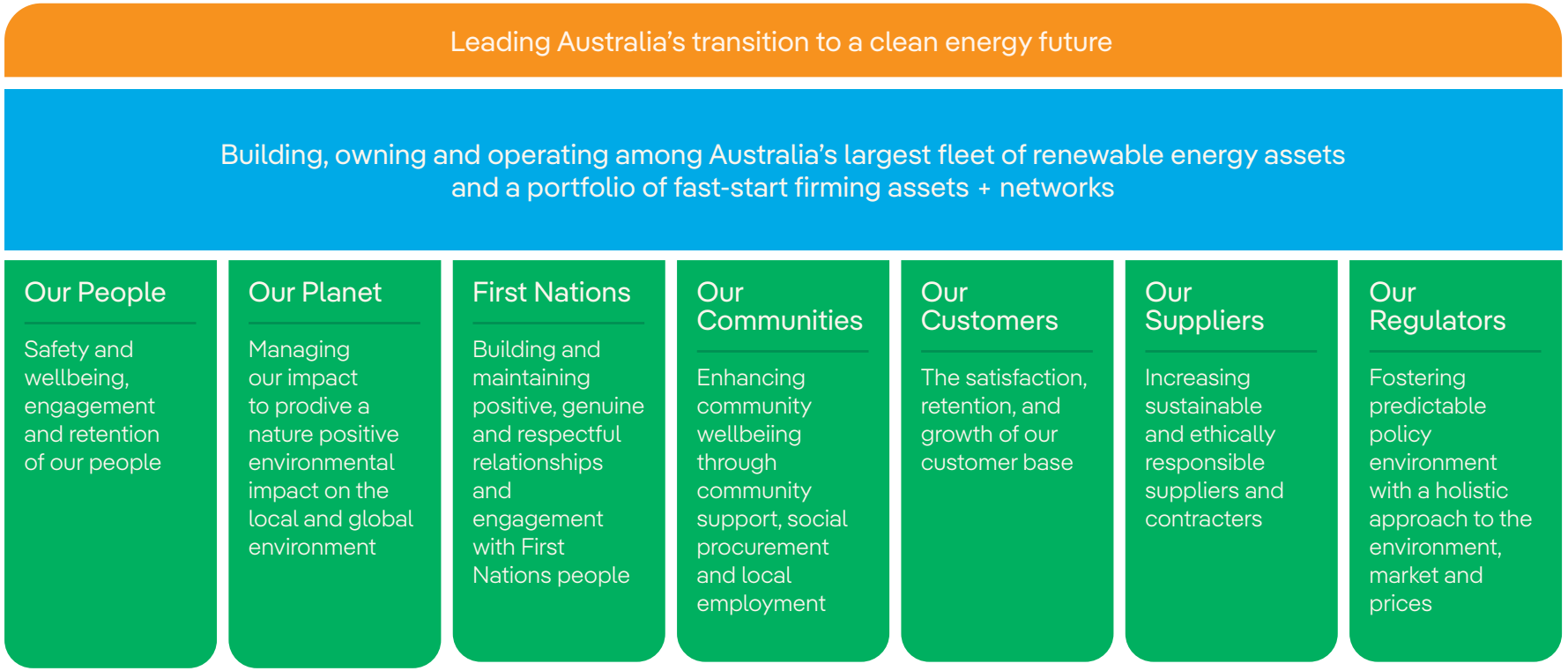
Our compliance system is built on key Group Policies, including the Code of Ethics, Anti-Corruption and Anti-Fraud Policy, and Compliance Unit Regulations. We foster a proactive culture with a "zero tolerance" stance towards illegal activities, fraud, and corruption. To uphold the highest ethical standards, we conduct compliance risk assessments.

We provide regular training and education to our employees to ensure ethical conduct and an understanding of our complex regulatory environment. This includes mandatory annual training on ethics and compliance.

We assess the effectiveness of our compliance system through internal evaluations, external audits and certifications, and manage ethics mailboxes to address any breaches promptly.

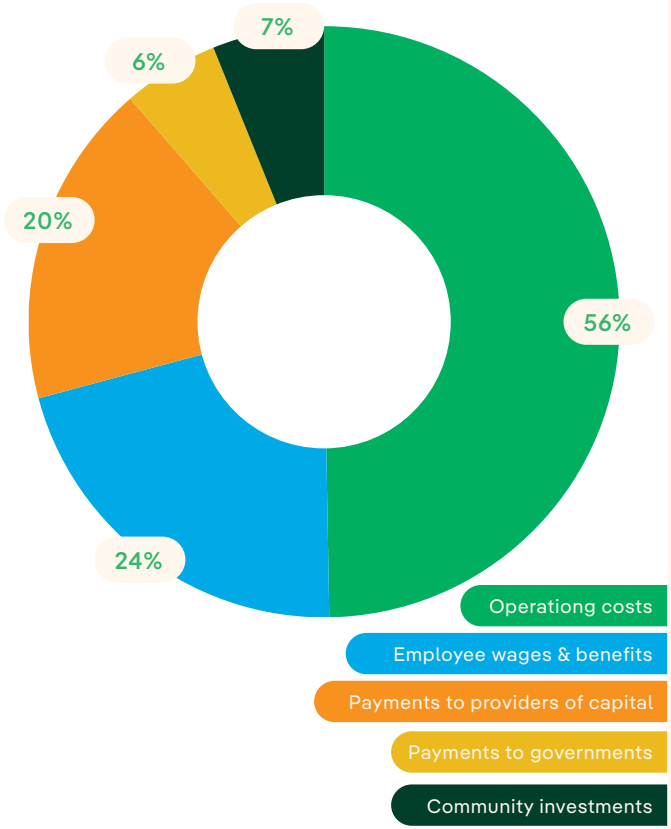
Identification and analysis of risk factors is achieved through crime prevention programs, third-party due diligence and ethical culture surveys.

We develop internal rules to mitigate risks, including our Code of Ethics, Anti-Corruption and Anti-Fraud Policy, and Whistleblower Policy.



Our Business Value Drivers

Iberdrola Australia's business philosophy centres on creating long-term shared value by developing, constructing and operating clean energy facilities and associated infrastructure to drive the energy transition. We carefully consider the impacts of our decisions on our communities, including First Nations communities, our employees and contractors, our planet, our customers, our supply chain, and our regulators.



Economic Value & Distribution

Our economic value generation is described using the GRI methodology, and in 2024, 7% of our direct economic generated revenues were invested in local communities.

Our role in the Energy Markets

Iberdrola Australia is a renewable energy generator and retailer, strategically focused on Australian commercial and industrial (C&I) customers.

Over 96% of our generation in 2024 was from renewable sources with the balance sourced from our flexible fast-start assets which manage intermittency risks associated with wind and solar generation.

Our customers include manufacturers, food and beverage processors, universities, local councils, telecommunications providers, building and construction companies, other utilities and commercial enterprises.

Our customers are located in New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory in the National Electricity Market, and Western Australia in the South West Interconnected System. Our customers purchase electricity products and carbon offset products from us in a range of contractual structures over a variety of tenors.

Image: Iberdrola employees at Flyers Creek Wind Farm, NSW

Business Risks & Mitigations

Image: Solar panels and wind turbines at Port Augusta Renewable Energy Park (PAREP), SA

Iberdrola Australia's Risk Management Framework outlines our risk oversight approach, which aims to facilitate the achievement of Iberdrola Australia's business objectives, by ensuring potential risks are identified and effectively managed.

The Board of Iberdrola Australia Limited (Board) has primary responsibility for risk oversight, including ensuring the effectiveness of the Risk Management Framework is reviewed regularly. The Chief Risk Officer (CRO) chairs the Enterprise Risk Management Committee and supports the Board in overseeing the Risk Management Framework. The CRO reports to both the Board and the Chief Executive Officer and Chairman on the status of key risks as well as Iberdrola Australia's compliance with risk management policies.

In addition to our local policies and procedures, Iberdrola Australia observes the General Risk Control and Management Foundations of the Iberdrola Group (the Foundations). The purpose of these Foundations is to:

- establish mechanisms for the management of risks
- identify the main risks faced by the companies of the Iberdrola Group
- establish the general framework of action for the configuration and monitoring of the Comprehensive Risk Control and Management System, a global operational model for

the identification, assessment, control and management of the material risks faced by the companies of the Iberdrola Group.
the identification, assessment, control and management of the material risk faced by the companies of the Iberdrola Group.

Locally, the Iberdrola Australia Risk Management Framework has been designed and developed in line with the principles and guidelines outlined in AS ISO 31000:2018 Risk management - Guidelines.

Iberdrola Australia adopts the "three lines" model of risk management. The first line is comprised of all individuals in the business who are responsible for managing the risks associated with their activities. The second line includes assurance functions and oversight committees (e.g. the Health and Safety Committee and the Energy Risk Committee). The third line includes internal and external audit which provide independent review, monitoring and testing of compliance with risk management policies and procedures.

Health & Safety

Risk of events occurring that may result in harm to our people or third parties.

Iberdrola Australia's Health and Safety Policy establishes a common framework for the control and management of health and safety risks in the conduct of our activities. This Policy is supplemented by site-specific Safety Management Systems. Regular reviews of our safety risks are overseen by the Board, the Enterprise Risk Management Committee and the Health and Safety Committee.*

* See Health & Safety

Employee Engagement & Retention

Risks in attracting and retaining high calibre professionals in a competitive labour market.

We undertake graduate recruitment from the top Australian universities and maintain a scholarship placement program with the University of New South Wales. A variety of social programs and biodiversity initiatives are conducted at our sites, such as a **staff tree planting day** to regenerate the habitat of endangered birds and ongoing sports and other events which encourage personnel participation to maintain a positive corporate culture. **Staff surveys** are undertaken to monitor employee engagement with findings assessed and actioned by the executive group.

Environment Impacts

Our assets are mainly located in rural and regional Australia. The development, construction and operation of our assets may adversely impact the environment.

We have a strong commitment to the protection of nature, and implementing the 2030 Biodiversity Plan, which applies to the entire Iberdrola Group and sets out our commitment to **Net Positive Biodiversity by 2030**. We regularly monitor the impact of existing assets and design, and implement responses to emerging risks. Our development process seeks to minimise adverse impacts. Our operating assets have robust and enforced environmental management plans. We continue to partner with the University of New South Wales (School of Biological, Earth and Environmental Sciences) to research how Australian wind and solar farms can reduce environmental impacts and enhance biodiversity impacts.

Climate Change

Our business may be affected by climate change, extreme natural weather phenomena and pandemics, both globally and locally.

Iberdrola Australia has embraced Iberdrola Group's Climate Action Policy framework which sets out

the Group's strategy and business model in the fight against climate change in line with the Paris Agreement on climate change and the Sustainable Development (2030 Agenda).

Iberdrola Australia contributed to the Iberdrola Group's 2024 Sustainability Report which was prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) by applying the European Sustainability Reporting Standards (ESRS).

The Iberdrola Group has extensive experience in the management of risks accelerated by climate change, both physical (at the operational level) and transitional (such as regulatory and market risks).

Iberdrola Australia is a diversified business (from the business, geographic and technological standpoint), with a low percentage of production from gas assets and no coal plants. The emissions from our gas plants are subject to a commitment to fully offset our emissions (scope 1 and 2) in operations by 2030, in line with our goal to be carbon neutral by 2030.

We undertake analysis of climate change risks for all new investments, and in planning and development and decision-making processes on a project by project basis.

We are preparing to report under the new Australian Sustainability Reporting Standards (ASRS) including Disclosure of Climate-related Financial Information for the year ending 31 December 2025.*

* See Our Approach to Climate Change

Social Licence

Risks associated with social and community reaction to the energy transition generally, or regarding the activities of Iberdrola Australia specifically.

Our Social Licence Policy sets out our strategic approach in creating positive social impact in the communities in which we operate and supporting these communities to realise the economic benefits of the energy transition.

We are dedicated to making a lasting impact on the social and economic wellbeing of regional Australia. Hiring locally whenever possible, investing in community events and initiatives, and maximising local economic contribution through our capital and operational expenditures, ensures our objectives are deeply integrated into our business practices and policies.

We are actively working to build energy literacy by participating in community, education, and energy forums to enhance knowledge about renewable energy. By providing information on renewable energy technologies, their costs, benefits, and impacts, we strive to grow energy literacy and confidence within the broader community.

Customer Satisfaction & Retention

Risks associated with customer satisfaction, retention and growth.

We are committed to continuous investment in both our people and market-leading systems to not only meet but exceed customer expectations.

Our approach is centred on delivering reliable, sustainable, and cost-effective energy solutions that empower our customers to achieve their sustainability goals without compromising on efficiency or affordability.

Central to our service philosophy are our personal customer relationship managers, who provide tailored energy solutions designed to align with the unique needs of each customer. This commitment extends beyond energy supply – we ensure seamless, timely, and accurate billing, underpinned by comprehensive reporting and direct customer engagement.

Our dedication to service excellence is formalised through our Customer Charter, which sets out clear commitments regarding the reliable, ethical, and customer-centric supply of energy, reinforcing our role as a trusted partner in an evolving energy landscape.

Critical Suppliers Risk

Our business relies upon a functional and ethical supply chain to operate sustainably.

We use multinational equipment suppliers for the largest supplies - which have robust and verifiable supply chain management processes.

The Iberdrola Group engages in the ongoing monitoring of human rights, modern slavery, compliance with sanctions legislation, and compliance with anti-money laundering, corruption and bribery standards.

With its significant annual procurement investments, the Iberdrola Group serves as an economic driving force in the regions where it operates, fostering its supply chain through the establishment of an ethical and transparent business model that promotes these values and commitments within the market. Iberdrola Australia has implemented a strategy of developing local suppliers for its strategic procurements, enabling the maintenance of a strong industrial fabric.

Compliance risks

Risk of non-compliance with national, state and local regulatory requirements applicable to the Iberdrola Australia business.

Iberdrola Australia operates in the energy sector and is subject to national, state and local legislation, regulations and other relevant energy-related regulatory schemes. Operating in the energy sector also requires obtaining and ensuring ongoing compliance with relevant national and state-based licencing schemes. Our wind, solar and firming assets are also subject to site specific local government regulations and planning approvals.

Our approach to ensuring compliance with national, state and local regulatory requirements broadly involves:

- identification of relevant regulatory obligations
- implementation of processes and controls to ensure satisfaction of relevant obligations, including:
    - appropriate resource availability
    - employee training; and
    - internal tools to record completion of compliance tasks
- ongoing monitoring to identify any regulatory changes, including ongoing liaison with regulators in a transparent manner
- continuous improvement mechanisms, such as lessons learned reviews where any incidents arise, including identification of any re-training needs; and
- other internal reviews such as scheduling Internal Audit reviews to cover specific compliance risks.

Operational performance

Our operating assets may fail to perform as expected.

We have a highly competent group of site managers who oversee operational performance at our assets.

Several sites have long-term Operations and Maintenance agreements in place with international original equipment manufacturers (OEMs) providing availability and performance guarantees and financial incentives for surpassing performance targets.

Our thermal and solar PV plants are maintained in-house by highly trained permanent site teams.

Iberdrola Australia reports under the *Security of Critical Infrastructure Act 2018* (Cth) and maintains a Critical Infrastructure Risk Management Program which identifies and manages material risks or hazards that could have a relevant impact on its critical infrastructure assets (including cyber, personnel, physical security, natural disasters and supply chains).

Financial Risks

Exposure to volatility in variables including energy commodity prices, exchange rates, interest rates and inflation; contractual breaches by a counterparty; liquidity and market price changes.

Our Treasury Risk Management Standard establishes minimum liquidity provisions to maintain enough funds available for upcoming financial requirements.

The Treasury Risk Management Standard also establishes foreign exchange hedging policies.

Interest rate risk is subject to market conditions that can be reasonably hedged to a certain extent.

We undertake analysis and monitoring of detailed policy limits and positions to limit the effects of volatility in the markets.

Analysis of counterparties and monitoring of compliance with limits, establishment of approval criteria, and monitoring of positions is undertaken.

Regular market engagement ensures currency of information and relationships to support the business.

Energy Markets

Risks associated with managing our energy markets business, including volatility in energy and Large-scale Generation Certificate (LGC) prices and other environmental products.

Energy market activities are governed by Board-approved energy risk management policies and procedures.

The Iberdrola Australia Energy Risk Management Standard (ERMS) involves asset-backed contracting of electricity production and environmental products, with the objective of ensuring a level of certainty of earnings within tolerable limits over varying tenor.

Daily monitoring of positions occurs to ensure compliance with these policies and defined risk parameters.

Compliance with these policies is overseen by regular meetings of dedicated oversight committees, including the Wholesale and Retail Compliance committee, Energy Markets Credit, Liquidity & Compliance Committee, Energy Risk Committee and the Board.

The Energy Markets Credit, Liquidity & Compliance Committee and the Australian Financial Services license Committee monitor compliance with energy markets liquidity status, counterpart credit, and other licensing requirements on a regular basis.

Cyber Security

Cyber security and threat actors pose risks to the confidentiality, integrity, and availability of the business' digital assets and operating environment, with consequences spanning financial impact, regulatory breach, reputation harm, and loss of custom.

Multiple policies, procedures, and frameworks, informed by recognised international standards, in combination with regulator-mandated cybersecurity compliance obligations form the basis of our information security program. These include:

- Australian Energy Sector Cyber Security Framework
- Iberdrola Australia Information Security Policy
- Iberdrola Global Security Framework
- Iberdrola Global Cyber Culture Rule
- Business Continuity and Disaster Recovery Plans

The organisation maintains collaborative relationships with Government agencies to provide timely access to confidential threat intelligence, augmented by engagement with professional peak bodies and networks, to maintain awareness of the dynamic threat environment in which we operate.

The Cyber Risk Committee, comprising the Cybersecurity Officer, Chief Information Officer, Chief Risk Officer, and other members of the senior leadership team, provides governance oversight functions.

Regulatory & Government Risks

Our business may be affected by adverse policy positions taken by government and regulators.

Our business operates in a highly regulated environment and is subject to evolving government policies and interventions. As governments introduce changes in energy transition policies and broader market reforms, we may be impacted in our long-term strategic direction. We actively engage with policymakers, regulatory authorities, and stakeholders to advocate for balanced policy frameworks that support the clean energy transition. Our regulatory team monitors legislative developments, ensuring operations remain agile and responsive to new requirements.

We proactively contribute to the public conversation on the importance of clean energy in combatting climate change.

We undertake detailed quantitative analysis and scenario modelling to assess and evaluate potential policy shifts, and integrate comprehensive risk assessments into our strategic framework. We use these data-driven insights to consider the risks and opportunities of potential regulatory shifts, and engage in knowledge sharing with industry and government to support evidence-based policy making that aligns with our commitment to decarbonisation and positive outcomes for consumers.

Image: Lake Bonney BESS, SA

2 | Our People

Who are Our People

Our employees, contractors and directors are all critical to the long-term success of our business and the delivery of our business strategy.

Our people include Iberdrola Australia employees and contractors at our construction and operating assets, regional development locations across Australia, and our staff based in our Sydney, Melbourne and Brisbane offices. Our people also include families, friends and groups that support us.

Image: Iberdrola employees at Bodangora Wind Farm, NSW

Highlights

Our people

- 240 employees
- 36% female employees (↑ 2023 by 1.3%)₪
- 39% women as a % of General Management (↑ 2023 by 15.9%) ₪†
- 40% of professional workforce are women (↑ 2023 by 3%)₪

Gender pay gap

- 6% (based on median base salary)₪ reduced by 4.7% in 2023
- 13% (based on median total remuneration)₪ increased by 1.5% in 2023

₪ data is in scope for KPMG's Limited Assurance engagement. † Executive Managers or equivalent

We adopt the ANZSCO, the Australian and New Zealand Standard Classification of Occupations, manager categories with five levels: CEO/head of business, KMP (key management personnel), other executives/general managers, senior managers, and other managers.

Top Employer Certification

In 2024, Iberdrola Australia was awarded Top Employer Certification by the Top Employers Institute. The Top Employer's seal is a certification based on objective analysis of people management practices and metrics by the Top Employers Institute. The audit process assesses the impact of these practices on the whole organisation (strategy and results), talent engagement, attraction and development assessed

against global best practices. This certification is undertaken through multiple impartial and external audits.

Iberdrola Australia is one of only 21 companies to be certified in Australia and the first global energy company to be certified in ten countries.

Iberdrola Group has achieved Top Employer Large Enterprise Verification in 2024 and 2025 for 10 countries.

Iberdrola Australia has committed to a three-year external review and audit program of our people management practices and metrics through to 2026.

Focus on

Equal Opportunity & Inclusion globally

Equal Opportunity and Inclusion in the renewable energy sector remains a significant challenge requiring ongoing attention and action. Our approach to advancing Equal Opportunity and Inclusion objectives is comprehensive and includes partnerships, collaborations and working with our major contractors to influence decision-making and achieve gains in this important area of our business:

- Women in Energy Network
- Partnerships with universities
- Partnership with UNIQ You
- Participation in the Clean Energy Council's Chloe Munro Scholarship
- Regional scholarships with merit weighting to under-represented groups
- First Nations scholarships; and
- Engagement with unions on promoting women and First Nations people into the energy workforce of the future.

The Workplace Gender Equality Agency (WGEA) is an Australian Government agency created to promote and improve gender equality in Australian workplaces, requiring entities with 100 or more employees to submit an annual report to the WGEA.

The WGEA's most recent gender pay gap results were published in March 2025 (for the period 1 April 2023 to 31 March 2024). The gender pay gap is the difference between the average or median r emuneration of men compared to women, expressed as a percentage of men's remuneration. This is the first year that WGEA included CEO data.

WGEA's target range for closing the gender pay gap is -5% to 5%. Pay gaps in this range are considered statistically neutral, meaning there is pay parity.

For the most recent reporting period, Iberdrola Australia demonstrated continued progress towards closing the gender pay gap. Significant improvement was achieved in median base salary and median total remuneration. With a median base salary pay gap of 6% we are close to a statistically neutral gender pay gap. This progress is reflective of our efforts to build diverse talent pools, promote from within and maintain supportive and progressive programs and policies.

WGEA Gender Pay Gap Report Highlights (1 April 2023 - 31 March 2024)

	Iberdrola Australia	Comparison Group*
Median total remuneration	12.6%	18.8%
Median base salary	6.0%	18.2%
Workforce composition (Female participation)	37%	25%
Paid parental leave (Average weeks offered)	20	18.5

* Iberdrola's Comparison Group is the Electricity, Gas, Water and Waste Services sector as defined by Australia & New Zealand Industrial Classifications (ANZSIC) and organisation size. There are 48 employers in this group.

Our employees, contractors and directors are all critical to the long-term success of our business and the delivery of our business strategy.

We are actively working to close the gender pay gap using extensive annual market analysis and internal remuneration reviews to ensure that gender is not a contributing factor to pay outcomes. We collaborate with schools and universities to promote opportunities for women in the energy industry and through our partnership with the Clean Energy Council, promote graduate opportunities and scholarships such as the Chloe Munro Scholarship to work towards closing the gender gap.

Images
Left: Scenic and worker photos Flyers Creek Wind Farm, NSW
Right: Indigenous art on turbine at Bodangora Wind Farm, NSW

Major Construction Contractor Targets

In 2023, we established Equal Opportunity and Inclusion targets for our major construction contractors including for First Nations and female apprenticeships and traineeships. These targets (below) continued to be included in our major construction contracts in 2024.

20%
of workforce comprises under-represented groups
(i.e. women, long-term unemployed, young people aged 15-24 and people with characteristics described in the *Anti-discrimination Act 1977* (NSW))

1.5%
of contract price to First Nations economic community participation
(which can be achieved through a combination of Indigenous business involvement, employment and/or through expenditure on education, training or capability building)

30% female apprentices

Graduate Program

In 2024 we launched our first Graduate Program, involving a two-year structured program with four six-monthly rotations across business units and teams including Development, Energy Markets, Networks, Renewables, Operations and Management, and Projects. This Program is aimed at recently graduated individuals from relevant disciplines, including:

- Engineering (Electrical and Electronics, Power Systems, Renewables, Photovoltaics, Civil and Mechanical)
- Environmental Science and/or Management
- Social Science/Science
- Project or Construction Management
- Data Science
- Risk, Accounting, Economics and Finance; and
- Law

The graduate program aims to:

- provide experience in the company and exposure to renewable energy projects
- provide growth opportunities via professional training and development to complement technical learning; and
- foster a passion for sustainability through participation in activities that promote sustainability and preservation in our communities.

The 2024 Graduate Program was trialled at our Sydney and Melbourne offices where we welcomed a cohort of 14 graduates. In 2025, the program has been expanded to include graduates in our Brisbane office.

In addition to the Graduate Program, Iberdrola Australia offers internships, regional and First Nations scholarships, and hosts global Iberdrola graduates on exchange.

Images: Graduate site visit to Capital and Woodland Wind Farm, NSW

UNIQ You is a not-for-profit organisation committed to increasing the percentage of high school-aged girls considering and pursuing pathways into industries currently under-represented by women, while building a more robust understanding of these sectors and roles within the education sector. Iberdrola Australia has partnered with UNIQ You to assist in delivering programs to stimulate aspirations of female students curious about pursuing pathways into renewable energy.

UNIQ You partners with schools across Queensland, New South Wales, Victoria, Western Australia and Northern Territory to engage with students from grades nine to twelve and their educators. It connects young women and their educators with women working in roles and industries where females are under-represented. The energy industry is identified as 'male dominated' in the most recent WGEA report. Currently, five most recent Report.[1] Currently, five Iberdrola Australia employees provide advice and mentoring to assist in students' education and career pathways. As advisors, our Iberdrola Australia employees share their experience, knowledge, and passion for renewable energy. The initial focus of the program is on Gippsland, VIC, Central West NSW, and North and Far North QLD.

Reference:
1. WGEA, Employer Gender Pay Gap Report, March 2025.

Her Wings is a global career development program launched in 2024 by the Iberdrola Group. Her Wings aims to provide internal mentors to women in the Iberdrola Group to facilitate career development from their peers. All female employees of Iberdrola Australia with three to five years' experience in the Group were invited to nominate as either a mentor or mentee, respectively.

A dedicated tool (MentorCliq) was used to match preferences between mentors and mentees. Her Wings' focus areas (or competencies) form the core of the mentoring relationship and are often a primary matching factor.

In 2024, seven mentors and six mentees from Iberdrola Australia participated in the program.

Image: Iberdrola Australia UNIQ You advisors

Spotlight

The results from a survey of over 1200 students participating in the program was overwhelmingly positive:

6 out of 10 girls reported a high increase in their interest in pursuing careers in male-dominated industries after these conversations

79% of girls felt more confident to pursue a career in one of more of these industries or roles.

90% of girls increased their knowledge about these industries and roles.

51% of girls discovered roles they had never heard of before.

Careers for Net Zero Roadshow

Iberdrola Australia is committed to generating jobs across Australia, especially in areas of high potential growth for the renewable energy sector.

In August 2024, we participated in the Clean Energy Council and Energy Efficiency Council's joint initiative 'Careers for Net Zero' information sessions. These sessions were supported by the Queensland Government and held across three separate days in Gladstone, Toowoomba and Townsville.

The information sessions aimed to showcase the latest information about clean economy careers, including renewable energy, as well as the opportunity for attendees to connect directly with local employers.

Each event included:

- Local industry presentations showcasing clean economy projects and career opportunities in each region.
- Networking opportunities with representatives from leading employers.
- Information on clean economy career pathways, training and scholarship programs.
- Addresses from government and industry leaders about regional Queensland's strong future in the new clean economy.

Iberdrola Australia is proud to collaborate with the renewable energy industry to showcase our projects and industry employment opportunities.

Watch the video

Image: Careers for Net Zero Queensland Roadshow 2024

University Careers Days & Open Days

Iberdrola Australia participated in a number of university events in 2024 to provide information to students on renewable energy careers and job opportunities.

Representatives from Iberdrola Australia attended events across Queensland, Victoria and New South Wales at both university organised events and student society events.

Images
Left: UNSW Open Day, September, 2024
Right: University of Melbourne - *Students in Renewable Energy* event

University-organised events included careers days for current university students, and university open days for high school students close to graduation. At these events we connected with many, motivated students looking for advice either relating to relevant fields of study in order to pursue a career in renewables, or graduate/internship opportunities at Iberdrola Australia.

Student society led events included industry panel talks and networking nights. These events enabled us to connect with a range of students from different disciplines and provide useful information regarding professional development. In early 2025, we provided sponsorship to select student societies to support the continuance of the society and industry events.

First Nations Scholarships

Following the establishment of our First Nations Scholarship program in 2023, we were pleased to award the first of our Iberdrola Australia First Nations Scholarships to three outstanding students in renewable energy in 2024. The scholarships provide the opportunity for Aboriginal or Torres Strait Islander students to access funds to support their studies at universities around Australia. Each scholarship is valued at $15,000 per annum.

The scholarship program is overseen by Professor Valerie Cooms and our CEO Ross Rolfe. We hosted our inaugural First Nations scholars at our Sydney headquarters in late 2024 and launched the 2025 scholarship program.

Women in Energy Network

The Women in Energy Network (WIEN) is an energy industry initiative founded by Iberdrola Australia in 2022 and proudly supported by the company to improve gender Equal Opportunity and Inclusion at an organisational and industry level. The network's mission is to advance women in the energy industry through a range of networking, knowledge sharing and leadership opportunities for participants.

WIEN connects and unites people across the Australian energy industry with the common goal of ensuring a fair and just energy transition. In 2024 WIEN hosted six events in Sydney, Melbourne and Brisbane, with over 400 people hearing from 20 speakers from across the energy industry. Since its inception in 2022, WIEN's mailing list has grown to over 200 people, and there are now over 2,300 followers on LinkedIn.

In 2024, WIEN was the winner of the Clean Energy Council Diversity, Equity and Inclusion Award, received by WIEN co-founder Tahlia Nolan from Iberdrola Australia. The award recognised WIEN's work on gender equality initiatives aimed at improving Equal Opportunity and Inclusion within the organisation and/or the industry more broadly.

Images

Top: The 2024 Clean Energy Council's Equity, Inclusion and Diversity Award winners
Bottom: A WIEN event, Melbourne, VIC.

“

We value the wellbeing of all employees and strive to find the right balance between home, work and life.

Energising Connections: Accelerating Change in Renewables

WIEN held an International Women’s Day Breakfast in Sydney in March 2025. At the breakfast, Iberdrola Australia’s Chief Risk Officer, Catherine Gunning presented on the importance of connections for women in the renewable energy sector. Her presentation underscored the importance of collaboration when navigating the uncertainties associated with the energy transition. Catherine spoke on the unique challenges women face when developing their professional network but emphasised the integral role they play in enabling women to achieve great things when they work together. Networks are an important tool in supporting women to apply their relevant knowledge and skills within the industry.

Iberdrola Australia aims to foster women’s professional relationships in the renewable energy sector to ensure women are seen, supported and valued in their roles.

Image: Women in Energy’s 2024 International Women’s Day Breakfast event themed *Energising Connections: Accelerating Change in Renewables*.

Chloe Munro Scholarship

The Chloe Munro Scholarship for Transformational Leadership is a prestigious initiative established by the Clean Energy Council in honour of the late Chloe Munro AO, a trailblazer in the clean energy industry.

Iberdrola Australia is a proud partner of the Clean Energy Council's Chloe Munro Scholarship, and a proud employer of past scholarship recipients.

In 2024 the fourth round of scholarships received over 130 applications. The aim of the scholarship is to empower emerging and mid-level female leaders in the fields of renewable energy, energy management and carbon abatement. There were 10 recipients of the 2024 Chloe Munro Scholarship for Transformational Leadership from the Australian energy industry. They will join the network of 36 women who have been awarded this scholarship since its first round in 2021.

Each of the recipients receives a fully funded scholarship to undertake one of two courses offered by education provider Women & Leadership Australia in 2025. Three recipients will undertake the Executive Ready course, a seven-month development program for middle to senior leaders, and seven recipients will undertake the Leading Edge course, a four-month development program for early career leaders and managers.

Importantly, participation in the development programs provide a sought-after network for women in the energy industry which continues to be a highlight for scholarship recipients. Through these programs, recipients not only enhance their leadership capabilities but also foster collaboration to drive positive change in the Australian energy sector.

The scholarship is a testament to Chloe Munro's legacy and commitment to advancing women's leadership in clean energy.

Health & Safety

Metric (employees)†₪	2022	2023	2024	
Lost Time Injury (LTI)	0	0	0	–
Lost Time Injury Frequency Rate (LTIFR)	0	0	0	–
Medical Treatment Injury (MTI)	0	0	0	–
Total Recordable Injuries (TRI)	–	0	1	–
Total Recordable Injury Frequency Rate (TRIFR#)	0	0	2.92	–
Work-related Employee Fatalities	0	0	0	–

In accordance with Safe Work Australia guidance. We also report as part of the Iberdrola Group using a rate of 200,000hrs which equates to a TRIFR of 2.83 in 2024 (1.05 for 2023). ₪ data is in scope for KPMG's Limited Assurance engagement. † Data reported excludes contractor injuries

The health and safety of our people and the communities we serve is central to how we do business. We are dedicated to fostering a culture where both our employees and communities can thrive without harm from our activities.

Iberdrola Australia actively promotes safety among employees and contractors through various methods, including workshops, regular meetings and safety audits. We collaborate closely with construction and long-term operations and maintenance contractors to ensure best practices are followed and lessons learned are implemented.

We are proud members of several industry organisations, such as the Australian Energy Council Occupational Health and Safety Working Group and the Clean Energy Council, which work together to minimise operational safety risks.

The Iberdrola Group's principles on occupational health and safety translate into the following commitments:

- Prioritising the health, safety and wellbeing of our people.
- Meeting or exceeding legal and other health and safety requirements.
- Eliminating hazards and reducing health and safety risks through a hierarchy of controls.
- Integrating health and safety standards into all decisions, business processes and work methods.
- Ensuring management, employees, contractors and visitors take full responsibility for their safety at work.
- Continuously improving our health and safety systems.
- Encouraging consultation and participation of all workers in safety and health decisions.

Iberdrola Australia measures its safety performance on a rolling 12-month basis, adhering to Safe Work Australia standards. Compliance with Iberdrola Australia's Health and Safety Policy and our commitment to the Group principles on occupational health and safety working towards achieving our goal of zero harm to people and the environment.

R U OK?™

Lake Bonney Wind Farm, SA

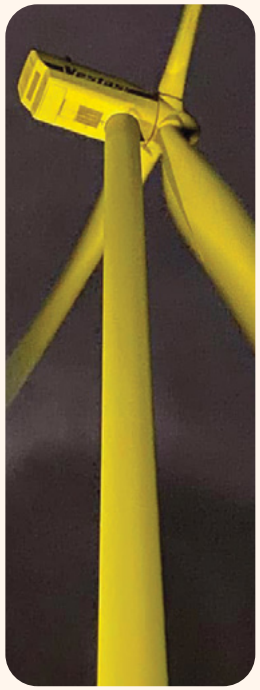
Spotlight on Mental Health

In 2024, Iberdrola Australia continued its commitment to community engagement and mental health awareness illuminating our iconic Lake Bonney Turbine. On the evening of 15 September 2024, a single turbine was transformed into a vibrant yellow beacon, symbolising hope and support for those struggling with mental health issues.

In partnership with Vestas and the Wattle Range Suicide Prevention Group, the turbine once again played a pivotal role in promoting mental health awareness as part of the "RUOK?" conversation, an Australian movement dedicated to encouraging open discussions about mental health.

This transformation was part of a collaborative effort between Iberdrola Australia, Vestas, and the local community, marking the fourth consecutive year of this impactful initiative.

Through collective action like this, Iberdrola Australia continues to demonstrate its support for community health and well-being.



Images: Lake Bonney R U OK Day in South Australia.

We believe that preserving, protecting and remediating the natural environment is crucial for the wellbeing of current and future generations.

3 | Our Planet

Image

Top: Australian Glossy Black Cockatoo
Bottom: Squirrel Glider joeys pictured in nest boxes installed by Iberdrola Australia at Flyers Creek Wind Farm, NSW

Our Approach to the Environment

We recognise the importance of both local and global environmental stewardship. Our local actions contribute to global efforts in combating climate change and biodiversity loss, fostering a sustainable future for Australians and the planet.

Our operating assets operate predominantly in rural and regional Australia with local personnel and site offices, and corporate offices in Sydney, Melbourne, Brisbane and formerly Frenchs Forest.[1] We focus on minimising impacts, improving resource efficiency, protecting biodiversity and conserving and enhancing natural ecosystems in these areas.

We support the Paris Agreement on climate change's goal of limiting global temperature rise to well below 2°C and continue efforts to limit this temperature increase to 1. 5°C above pre-industrial levels. We actively measure and monitor our carbon emissions. We believe that preserving, protecting and remediating the natural environment is crucial for the wellbeing of current and future generations.

Protecting the environmental values, which include biodiversity conservation, ecological health, managing invasive species and the protection of natural and cultural places impacted by the energy transition is crucial at every project phase — from origination and development to construction and operation. We collaborate closely with experts and researchers to implement best practices to achieve these goals.

Renewable energy generation is at the heart of our business strategy, driving Australia's transition to a clean energy future. In 2024, we generated 2,714GWh of renewable energy from our assets across Australia — enough to power over 410, 000 households.[2]

"Dunkelflaute"

Australia experienced unusually low wind power generation levels or a 'drought' in wind power generation across the wind farms in the National Electricity Market in the 2024 June quarter compared to the same period in 2021. This period, referred to as "Dunkelflaute," (in German) saw wind capacity factors drop to historically low levels affecting the major wind-generating regions of the National Electricity Market (NEM) such as New South Wales, Victoria, and South Australia.[3]

Nationally, this led to increased reliance on other energy sources such as solar and fossil fuels to meet electricity demand, and higher energy prices as the market adjusted to the lower availability of renewable energy, raising concerns about grid stability and the need for more investment in energy storage technologies to mitigate the impact of such events in the future.

One of the implications of this for Iberdrola Australia was an increased reliance on our fast-start firming assets to meet customer loads, resulting in higher Scope 1 CO2e emissions.

In 2024, our energy consumption resulting in Scope 1 and Scope 2 emissions was 1,691,933GJ₪ representing a 68% increase from 2023.

Our 2024 Scope 1 emissions from operations were 85,392 tCO2e (representing an increase of over 86% from 2023).₪

A change in the National Greenhouse and Energy Reporting (Measurement) Amendment Determination 2023 Scheme provided the option of reporting using a market-based estimation method in 2023-24, in addition to mandatory reporting of location-based emissions. Iberdrola Australia elected to report on market-based emissions for 2024.

Footnotes:

1. Frenchs Forest office closed in October 2024
2. Based on average household consuming approximately 6,570kWh/annum
3. Peter Brook, Australian Energy Council, Dunkelflaute writ large - ,15 August 202.

₪ data is in scope for KPMG's Limited Assurance engagement, for more information see the **KPMG Limited Assurance report**

Our Scope 2 market-based emissions from operations were 11,392 tonnes CO2e₪ and our Scope 2 location-based emissions from operations were 8,115 tonnes CO2e.₪

Snapshot

Generated
2,700 GWh+
of renewable electricity

Enough renewable energy to power
410,000+
households

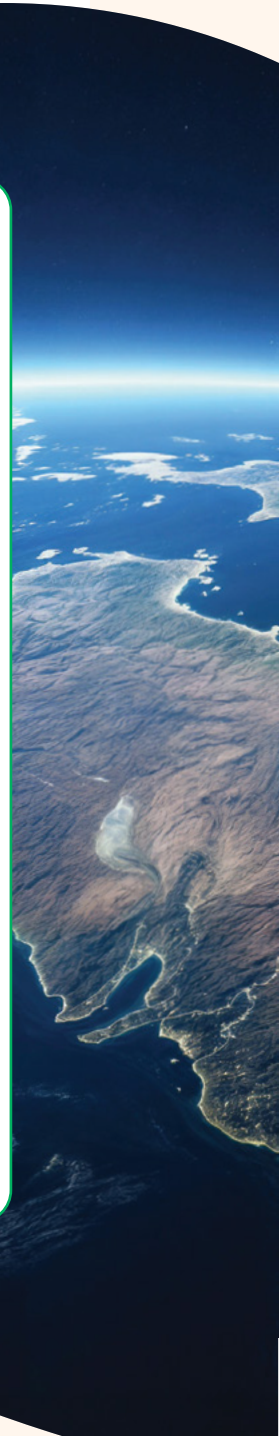
0.03 t CO2/MWh
emissions intensity₪

96% emission free energy production

85,392t CO2e
Scope 1 emissions₪

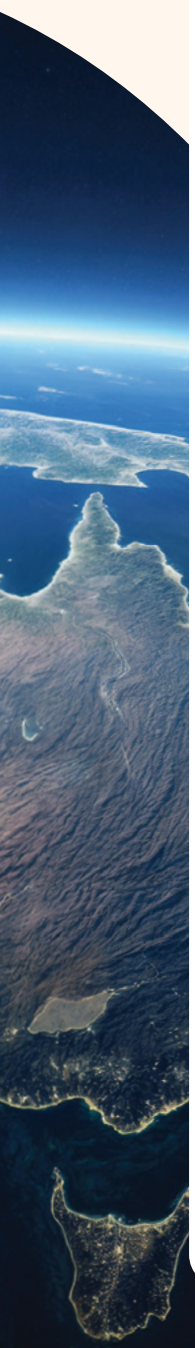
8,115t CO2e
Scope 2 emissions (location-based)₪

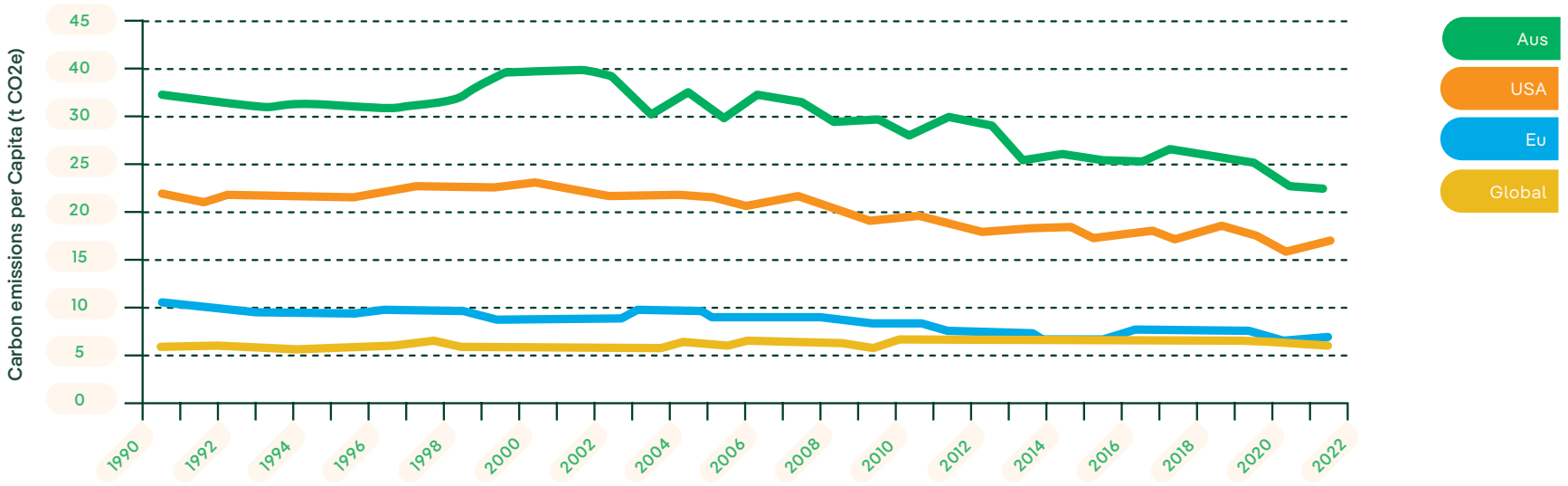
11,392 CO2e
Scope 2 emissions (market-based)₪



₪ data is in scope for KPMG's Limited Assurance engagement

Image: The continent of Australia as seen from space





Our Approach to Climate Change

Australia's Energy Consumption

According to the most recent published data, renewable energy generation in the NEM grew to 84 TWh in 2024, up from 81 TWh in 2023 according to the Australian Energy Market Operator but remained flat as a share of total load due to a combination of underlying load growth and lower wind conditions across the year. Renewable energy supplied 9.4% of Australia's energy consumption in FY23, and Australia's economy is significantly carbon-exposed due to its high Scope 1 and Scope 3 emissions, both in total and per capita, and 39% of Australia's total commodity exports are fossil fuels.[4]

We support the Paris Agreement on climate change. This is reflected in our business plan and regulatory submissions. Despite the ratification of the Paris Agreement by the Australian Government, alongside 185 other nation states, neither the world in general, nor Australia in particular, is on an emissions trajectory that will deliver the Paris Agreement target.[5]

All states and territories in Australia have committed to net-zero emissions by 2050. This places a limited lifespan for Australia's coal and, ultimately, its gas sectors. Exports will need to be similarly constrained. Urgent action is therefore needed to develop and implement alternative technologies and put us on an achievable trajectory towards the Paris Agreement target.

Footnotes:

4. Department of Climate Change, Energy, the Environment and Water (2024), Australian Energy Update, August 2024
5. openelectricity.org.au

Graph source: Climate Watch

Energy transition opportunities

The adoption of renewable energy has been a key strategy in meeting Australia's existing emission reduction commitments with electrification playing a pivotal role in reducing Australia's emissions. The Commonwealth government recently legislated the Capacity Investment Scheme, with the goal of delivering renewable and storge capacity sufficient to meet its goal of 82% renewable energy by 2030.

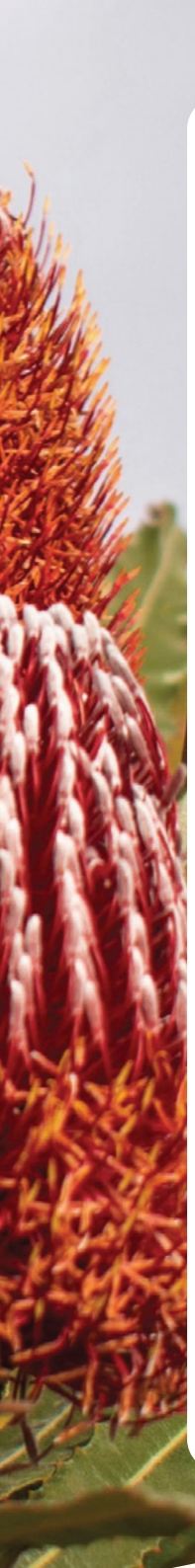
The energy transition provides opportunities for renewable energy, low carbon technologies and energy efficiency. The energy transition with electrification as its backbone also represents an opportunity as a driver of energy security, economic activity, competitiveness and employment. Iberdrola Australia's electricity generation in 2024 was split between renewables (96%) and gas (~4%), with a business strategy based on using fast-start firming assets (gas turbines and batteries) to accelerate the growth of renewables. The resilience of our business model will be determined by our ability to navigate the transition of Australia's energy system.

Iberdrola Australia reported under the new Reporting European Sustainability Reporting Standards for Climate Change (ESRS E1) as part of Iberdrola Group's reporting. The Group's 2024 Sustainability Report released in February 2025 discloses a comprehensive understanding of Iberdrola's efforts to address climate change, both in terms of environmental impact and strategic adaptation which Iberdrola Australia will draw from in its reporting for the year ending in 31 December 2025 under the Australia Sustainability Reporting Standards AASB S1 and S2.

Key areas of disclosure in the Iberdrola Group's 2024 Sustainability Report

1. **Transition Plans** for climate change mitigation, detailing strategies to reduce greenhouse gas (GHG) emissions and align with international climate agreements like the Paris Agreement
2. **Policies & Actions** related to climate change mitigation and adaptation, along with the actions and resources allocated to implement these policies
3. **Metrics & Target Reporting** related to climate change, including energy consumption, energy mix, and GHG emissions across Scopes 1, 2, and 3
4. **Potential Financial Effects** of material physical and transition risks, as well as climate-related opportunities are disclosed; and
5. Processes used to identify and assess material **climate-related impacts, risks, and opportunities**, and how these interact with its strategy and business model

Image: Red banksia flower against sky



Our approach to decarbonisation

Iberdrola Australia is committed to contributing to the Iberdrola Group's targets and Climate Action Plan to achieve net zero carbon emissions by 2040. Our decarbonisation plan is aligned with the Paris Agreement on climate change and the 2030 Agenda. The strategies operate across the business reflecting our commitment to a sustainable and efficient business model that leads the way to a decarbonised, resilient economy.

Highlights

0.03 t CO2e/MWh emissions intensity[₪]

96% renewable generation in 2024

₪ data is in scope for KPMG's Limited Assurance engagement

Carbon Neutrality	Achieving carbon neutrality in generation and electricity distribution by 2030 (Scopes 1 and 2).
Net Zero Emissions	Reaching net zero emissions across all activities, including Scope 3, by 2040.
100% Renewables	Transitioning to 100% zero-emission energy sources.
Intelligent Networks	Developing robust, fully digitalised networks.
Green Procurement	Ensuring 100% green energy procurement and collaborating with suppliers on emission reduction projects by 2040.
Green Solutions for Customers	Offering green products and solutions, including electrification.
Collaborating and Forming Alliances	Forming partnerships for green and decarbonised technologies.
Nature Positive Impact	Aiming for a net positive impact on biodiversity by 2030 by implementing nature positive initiatives across our portfolio of assets and incorporating a circular economy model in the development of new assets, while investigating innovative solutions such as carbon credit generation through Carbon2Nature Australia; and re-powering of established infrastructure.
Positive Social Impact	Putting people at the centre of the energy transition through positive, genuine and respectful relationships and engagement with First Nations people and regional communities. Creating positive social impact in, and for, the communities in which we operate to support their realisation of economic benefits from the energy transition.
Climate Governance	Implementing a climate governance strategy to identify and manage risks, maximise opportunities, and foster innovation.

Highlights

Founding partner of Nature Positive Matters initiative

Bring Back the Glossy Black and Gang Gang Cockatoo project

Collaborating with UNSW to identify interventions to improve biodiversity outcomes in renewables infrastructure

Launch of Carbon2Nature Australia

6,000+ trees planted at Flyers Creek Wind Farm[₪]

Spotted-tail Quoll Habitat Enhancement Project, Bodangora

Nature Positive Initiatives at Broadsound Solar Farm and Battery

Images: Australian Native Flower Banksia Spinulosa Hairpin & Australian Spotted-tail Quoll

Nature Positive Approach

Iberdrola Australia is working towards achieving nature positive outcomes and our Global goal of being net positive. When we refer to 'nature positive' we reflect the language used in 2020 at the Kunming-Montreal Global Biodiversity Framework negotiations and the definitions and concepts encompassed in the Nature Positive (Environment Protection Australia) Bill 2024 introduced into the Australian Parliament in May 2024 but not passed into law.

We take nature positive as meaning 'halting and reversing nature loss by 2030, measured from a baseline of 2020', and embrace the three measurable temporal objectives: zero net loss of nature from 2020, net positive by 2030 and full recovery from 2050.[5] The broad premise of nature positive is reflected in the Leaders Pledge for Nature, which explicitly recognises the interdependence of the biodiversity and climate crises, and commits leaders to reversing biodiversity loss by 2030 and achieving the Convention on Biological Diversity's (CBD) vision of living in harmony with nature by 2050. While the term 'nature positive' is not used in the Global Biodiversity Framework, the goals and targets reflect the ambitions of being nature positive.

The adoption of a nature positive approach is a means by which Iberdrola Australia can apply the mitigation hierarchy that obliges developers to avoid and mitigate the impacts of an action and rely only on the use of offsets as a last resort.

In 2024, Iberdrola Australia made progress in initiating and continuing a range of projects in which we seek to demonstrate our nature positive approach, and which provide the foundations on which we will continue to build on to meet the challenge of having a net positive impact by 2030.

Iberdrola Australia's goals, namely, to be biodiversity positive by 2030 will be achieved through a range of approaches including the range of nature positive initiatives outlined here.

Footnote:

5. Harvey Locke et al, A Nature-Positive World: The Global Goal for Nature, 2–3.

₪ data is in scope for KPMG's Limited Assurance engagement, for more information see the KPMG Limited Assurance report

Nature Positive Matters Partner

Sydney hosted the Global Nature Positive Summit in October 2024 which was attended by representatives of Iberdrola Australia. The event was significant in bringing together global players with the aim of accelerating collective global action to drive investment in nature and establish nature positive economies to halt and reverse biodiversity loss, aligning with the Kunming-Montreal Global Biodiversity Framework.

The Nature Positive Initiative brings together these elements in a widely referenced definition:

Halt and reverse nature loss by 2030 on a 2020 baseline and achieve full recovery by 2050.

According to the Nature Positive Initiative, 'delivering the Nature Positive goal requires measurable net-positive biodiversity outcomes through improvement in the abundance, diversity, integrity and resilience of species, ecosystems and nature processes' over different scales.

The Summit was attended by representatives of Iberdrola Australia and featured the launch of Nature Positive Matters, aimed at supporting businesses to embed nature in their economic decisions, and commitments to report on nature risks and impacts.

Iberdrola Australia is proud to be a founding partner of the Nature Positive Matters initiative was signed by our CEO, Ross Rolfe and other industry CEOs. The initiative demonstrates our commitment to advancing the nature positive agenda.

These commitments aim to promote a transformational shift towards a nature-positive economy, benefiting both businesses and the environment.

As a Nature Positive Matters partner, Iberdrola Australia was invited to submit case studies on nature-positive activity we have undertaken, to encourage exploration, reflection and action from other Partners, network members and users of the Nature Positive Matters Resource Hub. To that end, we have submitted our Bring Back the Glossy Black and Gang-Gang Cockatoos nature repair project which we commenced in 2023 and have set out our program to continue nature repair through a habitat connectivity project, outlined below.

As a partner in this initiative, Iberdrola Australia has committed to:

1. **Collaboration:** Partners work together to strengthen nature-related actions, including reporting and investment, and embed nature into decision-making processes.
2. **Action & repair:** Partners are committed to advancing actions that halt and reverse biodiversity loss, aligning with national and global goals for nature.
3. **Innovation & framework development:** Partners help shape frameworks and activities that support businesses in accelerating nature-positive actions and driving further impact across sectors.
4. **Building resilience:** Partners focus on building resilience to nature-related risks and understanding opportunities for integrated responses to climate and nature risks.
5. **Consumer and investor demand:** Partners respond to growing consumer and investor demand for sustainable, inclusive and nature-positive business models.

Image taken at Nature Positive Summit, October 2024

Nature repair

Bring back the Glossy Black & Gang Gang Cockatoo

Our Bring Back the Glossy Black and Gang-Gang Cockatoos project demonstrates our actions to progress a nature positive agenda by undertaking a nature repair project.

Images: Australian Gang-Gang & Glossy Black Cockatoo

The Glossy Black Cockatoo (*Calyptorhynchus lathami*) is listed as Vulnerable to Extinction under both the NSW *Biodiversity Conservation Act 2016* (BC Act) and the Commonwealth's *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The Gang-Gang Cockatoo (*Callocephalon fimbriatum*) is listed as Vulnerable to Extinction under the BC Act and Endangered under the EPBC Act. The Black Summer fires of 2019/2020 had a devastating impact on many species and their habitat, including the Glossy Black Cockatoo and Gang-Gang Cockatoo. An estimated 40 percent of the Glossy Black's range perished. The Glossy Blacks typically nest in hollows at least a metre deep in a suitable tree of around 100 years old. Hence, the specific habitat requirement presents significant challenges for restoration efforts.

Ecologists, Habitat Innovation and Management, identified the opportunity for habitat regeneration north-east of Canberra, in the vicinity of our Capital

and Woodlawn Wind Farms in NSW where Glossy Black and Gang-Gang Cockatoos are known to be present.

The project's aim is to improve habitat availability and promote cockatoo breeding by increasing the size of the overall habitat area, providing shelter and supplying a food source for the birds.

In July 2023 around 80 Iberdrola Australia staff volunteers, led by ecologists and arborists, planted over 1000 Allocasuarina littoralis trees (She-Oak), a preferred food source for the Glossy Black Cockatoo, which feeds almost exclusively on the seeds in the cones of the trees. They installed state-of-the-art nesting boxes (image) for both Glossy Black and Gang-Gang Cockatoos designed by ecologists Habitat Innovation and Management, and installed fencing around tree saplings to protect against grazing animals such as feral deer.

Monitoring of nesting boxes carried out in 2024 has shown positive signs. Yellow-tailed Black Cockatoos (Zanda funereal) have shown an interest in the nesting boxes. Ecologists advise that due to the interest of the Yellow-tailed Black Cockatoos there is a medium probability (40%) that the Glossy Blacks will use the nesting box the following year. The Glossy Blacks' low reproductive cycle (one egg every two 2 years) mean the more habitat restoration, the greater the chances of addressing the decline in the Glossy Black and Gang-Gang Cockatoo populations. Acoustic monitoring is proposed to detect the presence of fauna in the habitat and the installation of cameras to detect Spotted Quolls which are also found in this habitat.

The next step in this nature repair project is a habitat connectivity project to connect critically endangered remnant Box-gum (White Box, Blakely's Red Gum and Yellow Box) woodland vegetation, restore eroded gullies and provide habitat corridors for remnant fauna. These woodlands adjacent to the Capital Wind Farm provide important habitat to support threatened species including the Spotted-tail Quoll, Squirrel Glider, Regent Honeyeater and Superb Parrot. Box-gum woodland was once widespread from Southern Queensland to Victoria but only 4% of it remains due to clearing for agriculture and development.[6] The Capital Connectivity Project is a long-term project which will include revegetation, installation of glider poles, glider boxes on poles, quoll dens, fencing and erosion control, and will involve Iberdrola Australia staff volunteering from across the business in three days of site works near Capital Wind Farm.

Reference:

6. DCCEEW, Environmental Stewardship: Box Gum Grassy Woodland

Images

Rectangular photos: The Bring Back Glossy Black and Gang Gang Cockatoo Nest Box Installation and Tree Planting event at Capital Wind Farm, NSW. The photos show saplings being planted and a nest box being installed.
Circular photos: Are species the project aims to attract. From left to right: Spotted-tail Quoll, Superb Parrot, Regent Honeyeater and Squirrel Glider.

Image: UNSW campus

Researching nature positive solutions

University Collaboration with UNSW

Iberdrola Australia has continued its research partnership with UNSW (School of Biological, Earth and Environmental Sciences), to study how Australian wind and solar farms can improve their biodiversity impacts. The study commissioned in 2024 seeks to understand potential interventions by reviewing current practices with the aim of identifying interventions in the categories of harm reduction and enhancement.

Globally, there have been many studies that have looked at impacts of wind and solar farms, but many of these have an international focus and are limited by available data. This study will focus specifically on Australia by working with industry. It can access datasets typically unavailable to the public and can better understand the constraints of existing commercial practices and existing policy settings.

The overarching research question of this project is how to improve biodiversity outcomes for wind and solar farms across Australia. To this end, the study is pursuing specific research questions to identify:

- the impacts of solar and wind farms on biodiversity during construction and operational phases
- potential interventions that wind and solar farm developers in Australia can make to reduce harm and enhance biodiversity
- the aspects of global literature on biodiversity in renewables applicable to Australia; and
- best practice recommendations for Australian solar and wind farm developers to maximise positive impacts for biodiversity.

Part one of the study, due for completion in Q1 2025, provides a global literature review of impact analysis and potential interventions drawn from research and industry. The second part of the study, due in 2026, will focus on best practice recommendations and interventions in the field, likely to include interventions at our NSW wind farms such as Flyers Creek, Capital or Bodangora Wind Farm.

Iberdrola Australia looks forward to sharing the results of this research to inform future decisions about the development and operation of wind and solar farms to ensure industry-wide benefits from this work.

Generating carbon credits

Carbon2Nature Australia

In 2024 we launched Carbon2Nature in Australia. Carbon2Nature Australia is an incorporated joint venture between Iberdrola Australia and Carbon2Nature (the latter of which is wholly owned within the wider Iberdrola Group) to reduce the global carbon footprint through nature-based solutions. It will do this by leveraging the opportunities in the Carbon Credit Scheme and the Australian Government's recently announced voluntary biodiversity market, the Nature Repair Market scheme.

Carbon2Nature Australia has been established to help deliver Iberdrola Australia's commitment to a sustainable base model by achieving two priority objectives: net zero emissions in all scopes by 2040 and a net positive impact on biodiversity by 2030.

Carbon2Nature Australia has a global vision with a local, Australian focus. The company is aiming to develop long-term conservation, restoration and sustainable nature management projects with a high climatic, environmental and social impact.

These projects would be expected to generate high quality carbon credits that Carbon2Nature Australia will make available to its customers to support them on their path to net zero emissions, within its ambitious decarbonisation strategies. Projects are to be governed by the 'triple I' approach: Integrity, Impact and Innovation.

Carbon2Nature Australia has entered Memoranda of Understanding with several third-party companies to investigate sites and explore potential projects in New South Wales, Queensland, Victoria and South Australia. Carbon2Nature Australia aims to acquire and co-develop a carbon credit asset in Australia in 2025, prioritising tree planting projects to contribute to Iberdrola's global sustainability goals.

Image: Saplings for planting

Carbon2Nature
Iberdrola Group

Flyers Creek Wind Farm Squirrel Glider Habitat Improvement Project, NSW

Images

Above: Australian Squirrel Glider
Rectangular photos: Taken at the Squirrel Glider Habitat Improvement event at Flyers Creek, NSW
The photos show the smoking ceremony, tree planting and box installation
Circular photos: Are tree and animal spieces the project aims to rejuvenate and attract. From left to right: Eucalypt Gums and Squirrel Gliders

Unverified sightings of Squirrel Gliders (*Pataurus nofolcensis*) around the Flyers Creek Wind Farm near Orange in NSW were made during the construction phase of the wind farm project. This threatened species was not recorded during surveys conducted for environmental studies during the planning stage.

Squirrel Gliders are listed as vulnerable under the BC Act and inhabit mature or old growth Box-Gum Grassy Woodland, preferring mixed species stands with a shrub or Acacia understorey. Habitat loss and degradation, including habitat fragmentation, poses a significant threat to the species. Squirrel Gliders' diets consist of wattle gum, eucalypt sap, nectar, and insects. They require abundant tree hollows for refuge and nesting, and glide from tree to tree using their patagial membrane.

In April/May 2023, ecologists installed a series of remote sensing cameras on bait stations in areas

previously identified as Squirrel Glider habitat. During monitoring over a continuous period of 12 days the presence of Squirrel Gliders at the site was detected.

On the basis of the evidence of Squirrel Glider presence at the site, we undertook the Flyers Creek Wind Farm Squirrel Glider Habitat Improvement Project in November 2024, Iberdrola Squirrel Glider Project flier for Flyers Creek.pdf in partnership with ecologists from Habitat Innovation and Management. The project involved the installation of 25 custom-designed modular nest boxes, tree planting and remote sensor camera installation. Iberdrola Australia staff volunteers planted 1,200 native tubestock species consistent with the local Box-Gum Woodland habitat favoured by the gliders. The Box-Gum Woodland habitat is listed as a Critically Endangered Ecological Community under the BC Act and the EPBC Act.

In addition to the planting works and installation of nest boxes, two glider poles were installed to allow the Squirrel Gliders to safely cross an access track at the wind farm site. These poles were designed specifically for the site by the ecologists at Habitat Innovation and Management and incorporate a rope crossing and modular nest boxes. The installed poles allow gliders to safely travel from remnant vegetation on either side of the track without needing to come to the ground where they would be susceptible to predation by feral cats, foxes and other predators. The nest boxes at the top of the poles allow gliders to avoid predation by owls while moving at night.

Footage collected in May 2025 from the remote sensing cameras and reviewed by Habitat Innovation has confirmed the presence of, and active use of the new nest boxes and glider poles by Squirrel Gliders.

Watch the video and see LinkedIn post

Highlights

Critically endangered ecological community increased

6,213 trees planted₪

Squirrel Glider habitat expansion

Flyers Creek Project

₪ data is in scope for KPMG's Limited Assurance engagement

Spotted-tail Quoll Habitat Enhancement Project, Bodangora near Wellington, NSW

Image: Australian Spotted-tail Quoll

In June 2024, we undertook a Spotted-tail Quoll Enhancement Project at Bodangora Wind Farm, near Wellington, NSW.

Spotted-tail Quolls (*Dasyurus maculatus*) are mainland Australia's largest carnivorous marsupial and have been recorded twice at Bodangora Wind Farm. They are likely to be thinly distributed throughout the wind farm site and the wider region. The Spotted-tail Quoll is listed as Endangered under the EPBC Act and Vulnerable under the BC Act.

Iberdrola Australia staff volunteers assembled 15 quoll dens with flame retardant additive. The boxes were then distributed across the site in areas of remnant woodland and rocky outcrops. Five possum boxes and five glider boxes were also installed to encourage possums, Squirrel Gliders and Krefft's Gliders into the area to provide food sources for the Spotted-tail Quolls.

Monitoring of the dens and quoll usage was conducted over a six-month period using 25 remote sensing cameras installed at the site. To date, no quolls have been recorded in the dens and consideration is being given to placing the cameras in the dens during the next breeding season to improve detection of quoll usage.

All images were taken at the Spotted-tail Quoll Den Building Event at Bodangora, NSW. Images show Iberdrola Australia staff volunteers and Habitat Innovations and Management ecologists building and installing Spotted-tail Quoll nesting boxes.

Broadsound Nature Positive Initiatives

Images

Above: Iberdrola staff at Broadsound Solar and Battery project, QLD
Middle: Detail of She-oak tree

Broadsound Solar Farm and Battery project, at Clarke Creek in Central Queensland includes a suite of nature positive projects targeting the repair of the natural habitat which, as a result of prior cattle grazing activities, was degraded. Nature positive initiatives have been identified by ecologists and intended to be included in a comprehensive Biodiversity Management Plan for the project. This plan will ensure that biodiversity is managed in a holistic and practical manner, promoting sustainable and effective conservation practices. It will include metrics to measure progress which go towards Iberdrola Australia's goal of having a net positive impact on biodiversity by 2030.

In 2024, consultant ecologists, Niche Environment and Heritage recommended a suite of initiatives which we have committed to commencing in the construction phase of the Broadsound Solar Farm and Battery project, which include:

Regeneration of Local Creeks

Within the project area and broader region, this initiative aims to enhance important fauna movement corridors, particularly along local creeks ensuring the preservation and improvement of local wildlife habitats.

Ground Cover and Soil Health Improvement

This initiative focuses on enhancing the condition of pasture grasslands, promoting healthier ecosystems and more resilient landscapes through weed removal, removal of feral pigs and monitoring of soil health.

Cycad Research Project

The *Cycas terryana* is a new species of Cycas plant found in the Broadsound and Connors Ranges in Central Queensland and only recently (botanically) described, illustrated and diagnosed as C. terryana P.I.Forst by botantist, Paul I Forster in 1998. Our research project will expand the existing body of knowledge about this unique plant. The project will investigate the species' response to various management interventions, contributing valuable insights to conservation efforts. It includes seed collection (subject to a harvest licence) and managing weed and pest threats to protect this species.

Monitoring Native Vegetation and Soil Health

Following the installation of solar PV panels at the site, we will monitor the improvement of native vegetation ground cover and soil health with the aim of monitoring and enhancing the positive environmental impacts of renewable energy installations.

Koala Food Tree Plantings

A planting program of koala (*Phascolarctos cinereus*) food trees is intended to provide additional forage resources, thereby supporting the local koala population by increasing available food sources.

Looking ahead

Prospective forestry projects

Images left to right: Community Information Session at Molong, NSW and Iberdrola Australia employees at NSW Forestry industry consultation day.

In response to the Forestry Corporation of NSW (FCNSW) invitation for proposals from industry, Iberdrola Australia was awarded two investigation permits in May 2024 to explore wind farm proposals in State Forests in the region of Orange.

The opportunities being investigated by FCNSW (which comprise five different proposals across FCNSW state forest softwood pine plantations) would use less than 0.7% of Forestry Corporation's softwood plantation land. FCNSW estimate that energy from these proposed wind farms has the potential to power all the homes in regional NSW twice over.

Iberdrola Australia is investigating the potential of a wind farm on Mullions Range state forest softwood pine plantation (Mullion Creek Wind Farm) and on Canobolas state forest softwood pine plantation (Four Mile Creek Wind Farm).

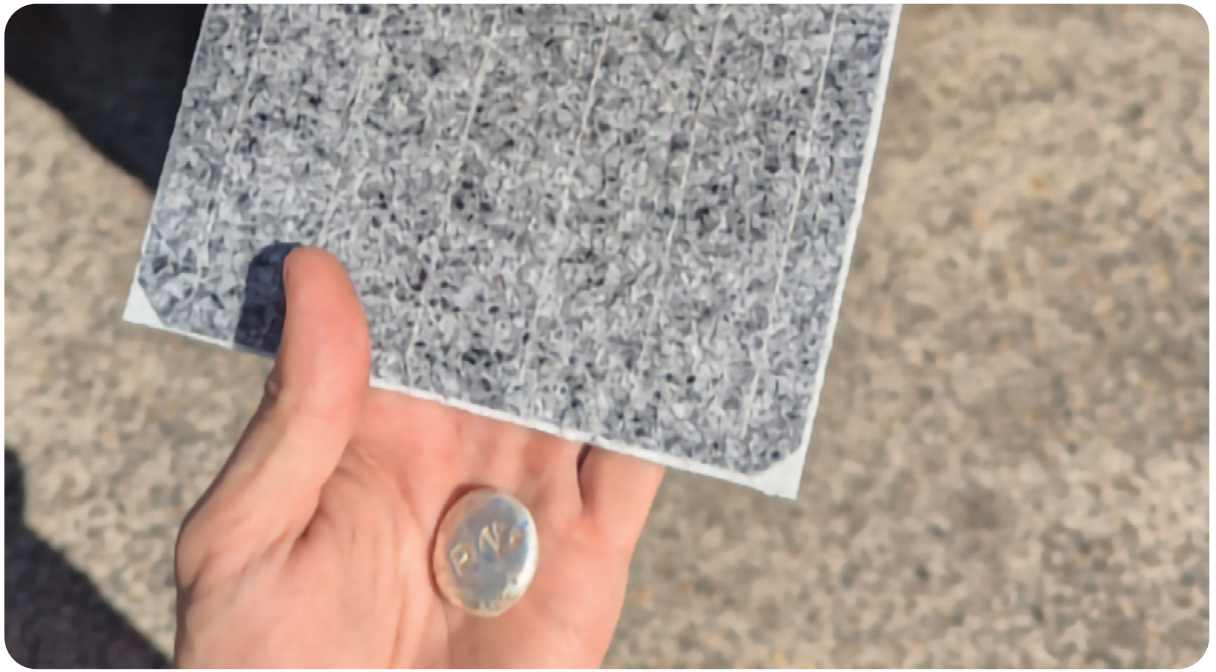
Both prospects would be located within approximately 15km north and south of Orange, on Wiradjuri Country. The prospects are being developed in close collaboration with FCNSW and the local community.

Renewable energy opportunities could help strengthen regional prosperity with infrastructure and employment benefits during development, construction and operation. Co-locating renewable energy projects within FCNSW's softwood pine plantations have a range of benefits:

- Existing roads and access to transmission infrastructure
- Located in windy areas
- Offer large contiguous tracts of land for strings of turbines
- Located away from residential areas, minimising any impacts to communities.

As part of the broader Iberdrola Group, we are also drawing on ScottishPower's significant experience in developing wind farms with Forestry and Land Scotland to inform our approach to these prospects.

The current investigation phase is likely to take four to six years, if the prospect is considered feasible. During this period, Iberdrola Australia will be conducting extensive community and stakeholder consultation, and environmental and technical studies.



Solar panel recycling

Frenchs Forest office

Images

Top and right: Obsolete panel & alloy product from Frenchs Forest (NSW) solar panel recycling process

With the closure of our Frenchs Forest, NSW office in late 2024 to incorporate the Smart Energy Solutions team in our Sydney CBD office, there was a requirement to make good the vacated office. This meant that all solar panels from the roof, along with warehouse stock needed to be removed and recycled. As Iberdrola Australia's solar farm panels have not yet reached the stage where recycling has been necessary, the situation gave us the opportunity to investigate the available options for recycling. We utilised PV Industries, a local recycling company specialising in recycling panels and inverters to recycle 91 solar panels.

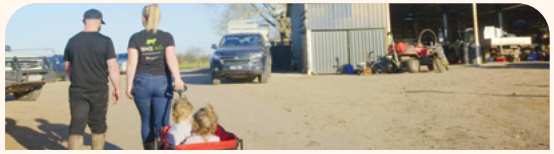
Ninety-five percent of the materials from the solar panels were recycled locally in Sydney (Aluminium frame, copper, glass) and the resulting plastic sheet, silicon and silver are shown above. Until a process to extract the silver is developed, the alloy is stockpiled. The inverters were shipped to Melbourne for e-waste recycling in a partnering factory.

These images are from the Iberdrola Australia Brisbane office fit-out undertaken in early 2025 by CE Architects, Interior Engineering, Steve Watson & Partners and Shape. The new office space was fitted-out with a range of certified sustainable materials including (but not limited to) low volatile organic compound paints, joinery made from wood waste, a real moss wall, and carbon neutral flooring, sourced in Australia where possible.

4 | Our Communites

Iberdrola Australia's business depends on the support of the communities that host our assets. Over the life of each project, we become part of the community through local employment, regional investment, benefit sharing, and community engagement. We recognise our significant role in, and obligations to, each of these communities.

Highlights



$0.9M+

directly invested in the local communities in which we operate or plan to operate[₪]

$21M+

indirect investment in local communities[₪]

₪ data is in scope for KPMG's Limited Assurance engagement, for more information see the KPMG Limited Assurance report

Image: Nicole Saunders, 2024 Young Agribusiness Leader of the Year, Gippsland Food and Fibre Awards, and her family in Gippsland, VIC

Our focus is on our operations generating social and economic legacy opportunities whilst not negatively affecting the safety of the community, the natural environment or heritage. Our engagements and consultation are extensive through all phases, ensuring open and transparent communication with timely responses to our communities.

Reflecting long-term relationships, our host communities seek our support to create fair, flexible and reasonable social and economic contributions.

During the development stage we engage local and regional communities by identifying relevant impacted parties and stakeholder groups. During construction and operations, we establish community consultative committees, or similar forums, to seek local knowledge sharing, hear community expectations, listen to feedback, and address questions in relation to construction and operating sites. Community engagement is maintained throughout development, construction, and operations with openness, honesty, and fairness.

Local & regional development - benefit sharing

Our investment in regional Australian communities who host our assets occurs in multiple ways, including social procurement through local employment and sourcing local goods and services; utilisation of local transport and accommodation services; investing in community projects through sponsorships; local grant programs; local and regional event sponsorships; payments to landholders; and local and regional scholarships.

We establish annual funding targets in each community where we operate, source local services and materials, and seek to reduce our impact on the environment from transportation in conjunction with our contractors wherever possible.

Investment opportunities to enhance infrastructure and services in local communities are subject to receiving development approvals from local authorities but are assessed during the planning phase of a project. Our community engagement includes building an understanding from each community as to their unique aspirations, challenges, and types of community investment that would benefit them.

In 2024 Iberdrola Australia contributed over $21M[₪] in local communities through events, advocacy, engagements and local vendors. Over $0.9M[₪] was directly invested in the local communities in which we operate or plan to operate through donations, sponsorships and benefits funds.

Our approach is to ensure a fair and just investment in the local communities hosting our assets, and to consider a best practice integrated planning approach to their broader region. Iberdrola Australia seeks to provide opportunities for communities to create prosperous futures arising from the energy transition.

Building Energy Literacy

"If we don't put people at the heart of the energy system and ensure all voices are heard, we risk replicating the flaws of the old system and deepening inequalities, rather than fulfilling the transition's promise of a better future for all."

The human side of the energy transition, KPMG, 2025.

We recognise the increasing importance of public awareness, understanding and support for the clean energy sector. It is crucial to ensure community knowledge and understanding as well as enhance trust, confidence, and ultimately, community backing. To achieve our objectives, we acknowledge our broader role in providing information about the technologies, impacts, benefits, and costs of the clean energy transition, not only for the communities and environments in which we operate or seek to operate, but the broader society.

As part of our responsibility as a clean energy leader we collaborate with the sector, communities, and all levels of government to build and enhance energy literacy. From our communications and engagements through to our personnel participation in regional forums, working groups and government forums, we proactively contribute to building energy literacy as part of an inclusive, clean energy economy.

Community Information Hub, Orange, NSW

As an integral part of our investigation of the Mullion Creek Wind Farm prospect and the Four Mile Creek Wind Farm prospect in the Forestry Corporation of New South Wales's Canobolas State Forest, we have established a Community Information Hub in Orange City Centre. The Hub is open to the public and provides an accessible central location for neighbours and community members to obtain information about the prospects, ask questions and provide feedback to members of our Project Team.

Image: Community Information Hub in Orange, NSW

Scholarships to build local capacity

Iberdrola Australia formalised its partnership with Federation University in its development of the Asia Pacific Renewable Energy Training Centre (APRETC) Gippsland, which will become a central regional hub for renewable energy training and research and further supported by APRETC Ballarat. Iberdrola Australia is one of several founding financial contributors to APRETC Gippsland.

We are providing $50,000 in scholarships per year over the next 10 years, supporting 6-8 students annually, with the first scholarships to be awarded at a ceremony in May 2025. The scholarship fund is aimed at supporting students in the Gippsland region, where our Aurora Green offshore wind project is being developed, with a preference for students from the region, female students, and Aboriginal and Torres Strait Islander students.

Our Bodangora Wind Farm in New South Wales recently awarded its first annual scholarship to a local student who has now embarked on their medical degree study at university. A new Bodangora Wind Farm scholarship will be awarded each year, and we are seeking to expand this scholarship program to each of our operating wind farms during 2025 and 2026.

Building Energy Literacy:
with industry, government and the Gippsland community

Highlights

820 attendees over two days

178 respected speakers

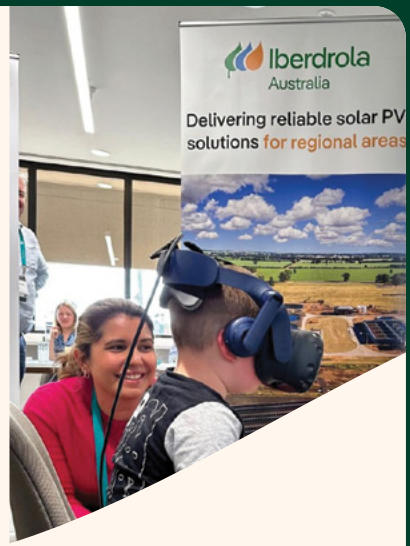
68 sessions

$665k local business turnover (estimated)

Gippsland New Energy Conference[1]

Source: 1. Darren McCubbin, Gippsland New Energy Conference Report, 2024.

All images taken at the Gippsland New Energy Conference, VIC



Gippsland New Energy Conference

As an ongoing annual sponsor, we were proud to be a collaborator of the hugely successful and rapidly growing Gippsland New Energy Conference (GNEC). Jointly hosted by Wellington Shire Council (2023 host) and Latrobe City Council who hosted the 2024 event in Traralgon, Victoria.

Iberdrola Australia was proud to be a Platinum Partner in 2024, and to donate green energy certificates to the conference venue ensuring green energy sustainability of GNEC2024.

This annually sold-out event brings together government, industry, community, and academia, collaborating on knowledge sharing and networking for the energy transition. GNEC2024 attracted over 800 attendees across two days and has grown into the largest regional event of its kind.

Over the life of each project, we become part of the community through local employment, regional investment, benefit sharing and community engagement. We recognise our significant role in, and obligations to, each of these communities.

Gippsland Tech School International Clean Energy Challenge

In June 2024, we were pleased to participate again in the Gippsland Tech School's International Clean Energy Challenge. The three-day challenge is a design thinking project focusing on challenges faced by the renewable energy sector and the energy transition. It involves students from multiple schools and countries working in teams to identify a challenge and address it through the development of a prototype. Iberdrola Australia employees provide presentations about different aspects of the energy industry and then work with students to help identify a problem. On day three, students present their solutions which are judged by both students and Iberdrola Australia staff. The event challenges students to apply STEM (science, technology, engineering and mathematics) design thinking and technology skills to develop solutions to real life scenarios.

Aurora Green Offshore Wind Farm

In December 2022, the Gippsland offshore wind zone was declared by the Australian Government, reflecting world class metocean conditions in Bass Strait off the Gippsland coast. Following extensive stakeholder and community consultation, and assessment of an overwhelming 37 bid submissions, 12 feasibility licences were awarded in 2024. If all 12 projects are fully realised, it will result in 25GW of generation which equates to powering over 2 million households.

In July 2024, Iberdrola Australia was awarded one of these licences for its proposed 3GW Aurora Green Offshore Wind Farm. At full capacity Aurora Green can generate 1800 jobs during construction and over 600 ongoing jobs in operations. Aurora Green will be located 25kms+ off the Gippsland coast, purposely selected at this distance to reduce visual amenity. With a projected boost to the Victorian economy of up to $8 billion, 3GW is enough to power around 2.25 million households. A number of community and social engagement initiatives have been carried out in 2024 in the Gippsland region to support our presence in the community where we are investigating the development of this major new asset.

Promoting Science in the Regions: Biloela

In August 2024, Iberdrola Australia sponsored a day of science presentations, hosted by Biloela State Primary School, in Central Queensland, contributing to a national objective in enhancing society's energy literacy and knowledge.

Dr. Joel Gilmore, an award-winning science communicator and TV personality (and our General Manager, Policy & Regional Energy), led the educational science session on The Science of Air designed to inspire students' curiosity about science and its role in sustainable energy.

Dr. Gilmore's presentation explored the science of air, demonstrating the physics of air pressure, wind, and its applications in clean energy. The presentation included interactive experiments that made invisible air phenomena visible.

He also conducted a workshop with a variety of science toys designed to teach students about energy and momentum through hands-on exploration. The activities included:

- Investigating the 'tippie-top' and its gravity-defying flip
- Exploring the 'rattleback' and its unique spinning behaviour
- Understanding conservation of energy through high bouncing 'poppers'
- Learning about tornado formation
- Experimenting with sound waves and vibrations

The sessions were designed to enhance young school-aged children's knowledge by encouraging questioning and critical thinking about scientific principles and inspire them to explore careers in science and technology.

Images of Dr Joel Gilmore's 'Science of Air' sessions hosted at Biloela State Primary School, QLD

Industry Collaboration in Gippsland

Iberdrola Australia forms part of the Offshore Gippsland 12 (OG12) Gippsland Licence Advisory Committee, a group made up of all offshore wind developers awarded feasibility licences in 2024 for the Gippsland Declared Area in Victoria. Underneath this group sits the regional engagement group (OG12 REX), fishing sub-group and planning and approvals groups in which we also participate. The OG12 REX group is leading best practice through this unique industry collaboration mechanism in the renewables sector. This initiative was developed to support collaboration between developers (within competition protocols) in promoting offshore wind in Gippsland as a vital component of the energy transition in Victoria, providing a unified and trusted voice, and to coordinate local activities for the betterment of Gippsland communities.

As part of this collaborative effort, the OG12 has held a series of community 'Meet the Developer' sessions in the Gippsland communities which will play a role in the emerging offshore wind industry. With most developers in the same place at the same time, the Gippsland Offshore Wind Days reduce consultation fatigue for communities and allow people to find out information about the project they are most interested in. Agencies such as VicGrid, Offshore Wind Victoria (OWEV), and Department of Climate Change, Energy, the Environment and Water (DCCEEW) have joined many of these sessions to engage and answer community questions.

The sessions have allowed Aurora Green's locally employed engagement team to establish important connections with nearby communities and to understand their concerns and expectations around the project and the wind industry more broadly. Several hundred people have attended the 2024 Gippsland Offshore Wind Days held so far, with further sessions planned in July and November 2025.

The OG12's fishing sub-group has also allowed a more consistent approach to early engagement with commercial and recreational fishers, while respecting each individual project's own approach.

As Gippsland commercial fishers are a key stakeholder for our Aurora Green project, Iberdrola Australia has begun to work with them to understand more about their operations and explore co-existence opportunities. We have commissioned a Commercial Fisheries Study for our licence area, developed a Fishing Engagement Strategy, and are working with the Lakes Entrance Fisherman's Co-Op, South East Trawl Fishing Industry Association and Seafood Industry Victoria to engage with fishers in this region.

Our Gippsland-based engagement team have been conducting targeted local engagement and events, including meeting with stakeholder groups within the coastal communities and wider Gippsland region.

Image: Iberdrola employees at a Gippsland community session

First Nations People

As Australia undergoes a fundamental energy transition, there is a transformational opportunity for a more socially and economically equitable future, progressed in partnership with First Nations people.

Images

Above: Wind Turbine painted with indigenous artwork at Bodangora Wind Farm, NSW
Background: Bamboo's at Watchee artwork by artist Rosella Namok, purchased by Iberdrola Australia at the Lockhart River Art Gala Silent Auction in July 2024

At Iberdrola Australia, we are dedicated to building meaningful relationships with First Nations communities through active listening, openness, and transparent communication. Our focus is on co-creating lasting social and economic opportunities, led by First Nations people to reflect capacities and aspirations of individual Traditional Owner groups.

We work to empower our staff and contractors to ensure respectful engagement with First Nations communities and with constant learning to increase cultural literacy. This involves appreciating Australian Indigenous history, understanding First Nations cultural heritage, and respecting their identity with Country. Professor Valerie Cooms, a Quandamooka woman from Minjerribah (North Stradbroke Island) in Queensland, and Director of the Centre of Aboriginal Economic Policy Research at The Australian National University, has been a long-standing adviser to Iberdrola Australia. She provides education and awareness sessions for our staff, oversees our engagement with First Nations communities, and leads our annual First Nations Scholarship Program.

The values supporting our First Nations engagement include:

- Recognition and respect for First Nations rights and interests.
- Respect for First Nations organisational structures and representative bodies.
- Education opportunities for First Nations Australians.
- Economic participation opportunities for First Nations Australians.
- Building relationships based on honesty, respect, and trust.
- Enhancing our cultural literacy of First Nations Australians, our shared history, and Indigenous cultural systems, practices, and values.

Our Indigenous Engagement Plan, developed with Professor Cooms, helps ensure that as a business, we create productive, meaningful and respectful partnerships with First Nations peoples and communities with whom we engage. In addition, it sets out practical actions to generate opportunities for First Nations Australians to participate in the social and economic opportunities that the energy transition presents as well as to respect their deep knowledge of the environment and its cultural landscape.

As set out in ***Our People***, in 2024 we awarded the first of our multi-year Iberdrola Australia First Nations Scholarships to three outstanding students. A further three students will onboard to the program in early 2025, joining the 2024 scholarship recipients who continue through their degree study.

Partnering with First Nations

In July 2024 Iberdrola Australia was successfully awarded a feasibility licence for our proposed 3GW Aurora Green Offshore Wind Farm. Aurora Green is within Gunaikurnai Country. Following 18 months of collaborative partnering discussions, in March 2025 Iberdrola Australia and GLaWAC finalised a landmark Engagement Agreement. We are proud to have been the first Gippsland offshore wind developer to achieve this historic outcome. GLaWAC, on behalf of the Gunaikurnai community, will continue to be actively engaged in Aurora Green's progress including developing research initiatives, economic participation opportunities, and contributing Traditional Owner knowledge and voice for Country and Sea.

Working in genuine partnership with GLaWAC is key to ensuring Aurora Green delivers positive outcomes for Traditional Owners during development, construction, and for decades to come in operations.

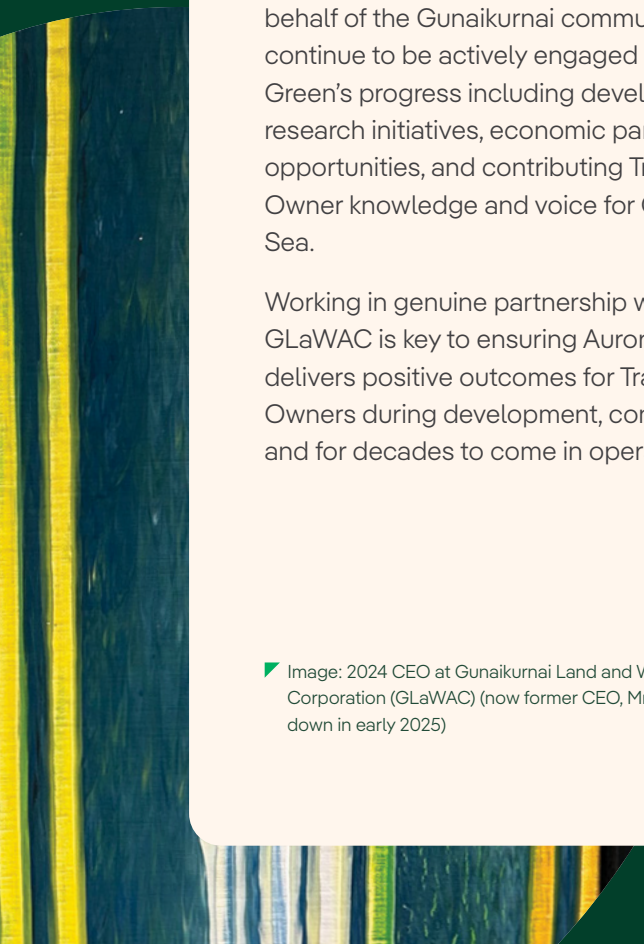


Image: 2024 CEO at Gunaikurnai Land and Waters Aboriginal Corporation (GLaWAC) (now former CEO, Mr Miller stepped down in early 2025)

Ensuring we have a voice at the table is the first step.

In announcing the agreement GLaWAC's then CEO, Daniel Miller said:

This agreement sets a strong precedent for how offshore wind proponents should engage with Traditional Owners, demonstrating the value of meaningful partnerships based on respect and shared outcomes.

Gunaikurnai Land and Waters Aboriginal Corporation

Spotlight on North Queensland

Mount James Transmission Line & Mount James Wind Farm

The Mount James Transmission Line is a proposed development of a 330kV – 500kV transmission line designed to connect the Mount James Wind Farm to the grid. This transmission line will span approximately 70 kms, linking the Flinders Substation near Hughenden to the Mount James Wind Farm near Porcupine, Queensland. This region is strategically positioned within the potential Flinders Renewable Energy Zone, making it a key contributor to both state and national clean energy transitions. Iberdrola Australia Networks plans to construct, own, and operate this private transmission line, which will integrate into a future substation near Hughenden in the Flinders Shire Council region.

During 2024, Iberdrola Australia and Iberdrola Australia Networks sponsored and supported a variety of community events and projects in Hughenden. These initiatives allow us to give back to the community and regions that support our business, fostering strong and lasting relationships with the local community.

Iberdrola Australia was the major sponsor of the **Festival of the Outback Skies** 3-day event held in May 2024. The festival celebrates the essence of the Outback with a diverse range of activities and entertainment including the Hughenden Agricultural Show and the Hughenden Campdraft, all set against the stunning backdrop of Hughenden's expansive skies.

Image: Iberdrola Senior Development Manager, Adam Green at Festival of the Outback Skies in Hughenden, QLD

Hughenden Country University Centre – Study Hub

In February 2025, we announced our partnership, joining with the local energy and education industry, local community supporters and organisations and the Flinders Shire Council to establish the Hughenden Country Universities Centre (CUC).

Iberdrola Australia is committing staff time to the Country University Centre Advisory Committee and annual funding over four years to assist with the purchase of IT equipment and soundproof pods. The study hub will provide students with access to modern study spaces, computer facilities, and high-speed internet. This initiative ensures that students can pursue higher education without leaving home, maintaining local connections and contributing to the long-term growth of Hughenden and the wider region.

For further information, see Flinders Shire Council.

Sheep Grazing & Solar Farms: Agrivoltaics

Avonlie Solar Farm is located near Narrandera in the heart of merino wool country in NSW on two merino wool properties. A key operational concern was the approach to the management of fire risk coupled with the desire to minimise disruption to existing grazing operations.

Image: Sheep grazing on Avonlie Solar Farm, NSW

Once construction of the solar farm was complete, our host landowners recommenced grazing on the site with around 2,500 merino sheep.

The adoption of agrivoltaics at Avonlie not only provides for the continuation of existing sheep grazing operations on the site but was found to provide additional benefits as the most effective means to manage bushfire risks on site by reducing the fuel load while reducing both tractor/mower emissions and associated work force hazards.

Over a four-month period, the vegetation load on the site has been reduced to a minimum through sheep grazing.

An initial fire mitigation measure trialled at Avonlie involved the planting of native grasses on the site. However, it was discontinued. Anecdotal advice from the host landowners indicated the native grasses were low in nutritional value and unsuited to sheep grazing. Another factor in the decision not to plant native grasses was the large size of the property. The logistics and cost involved in planting the entire 580 hectare site with native grasses was deemed unfeasible.

Along with the reduction in emissions, bushfire prevention and labour safety aspect of relying on the sheep to graze the land, cost savings of over $300,000/year have been realised with the elimination of site mowing.

The co-existence of sheep grazing provides for a sustainable and mutually beneficial relationship with our host landowners.

5 | Our Customers

Image: Sunset at Bodangora Wind Farm, NSW

Our approach to customers

Our customers are at the core of the energy transition. They expect us to:

Understand their energy needs with diligence.

Offer supply contracts that are clear, solution-oriented, and cost-effective.

Provide a service culture that is personal, attentive, responsive, honest, and friendly.

Ensure their bills are transparent, accurate, timely, and predictable.

Our customers often seek flexible products, behind-the-meter solutions, and bespoke energy market analytics. They appreciate our commitment to delivering market insights and collaborating with them to meet their specific energy needs.

At Iberdrola Australia, our success as an energy supplier is intrinsically linked to the success of our customers. Our Customer Charter outlines our commitments to providing energy to business customers.

By delivering cost-effective energy solutions to our customers, we create shared value for all stakeholders: our owners, customers, employees, and society generally.

Creating shared value requires partnership. We are dedicated to helping our customers grow and thrive, and we stand by them during challenging times.

Highlights

2.441 TWh
of contracted load
(compared to 2.429 in 2023)

>430 individual customers, representing 27% growth from 2023₪

₪ data is in scope for KPMG's Limited Assurance engagement, for more information see the KPMG Limited Assurance report

Our Customers

Below are some of our customers who started their energy supply agreements with us in 2024 by voluntarily purchasing green energy

Lochard Energy

IVE Group

Healius

LaTrobe University

Vinidex

Adelaide Airport

Port of Melbourne

Regional Council Collaboration

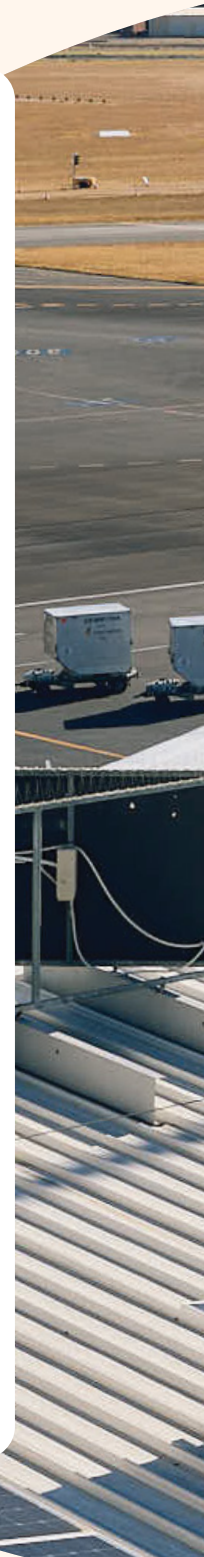
In 2024, we placed a strong emphasis on developing long-standing partnerships with regional Councils, a number of which host our renewable generation and storage assets. With a long history of investing in regional communities, we understand the importance of partnerships and mutually beneficial outcomes, such as educational programs, infrastructure improvements, job creation and environmental initiatives. To create another connection to the communities in which we operate, we developed products that can now link the renewable energy produced from our wind and solar farms directly through to the Council regions in which they reside, providing Councils with a direct framework to achieve their sustainability targets by assisting them in offsetting their Scope 2 emissions on a voluntary surrender basis.

Building on this approach, we undertook a number of activities working with and developing products for, aggregated buying groups of Councils who had banded together with goals of enhancing energy security and stability for its members, whilst also securing both affordable and sustainable supply. Add-on benefits for members participating in buying groups such as these include collaboration and knowledge sharing among Councils, where members can exchange best practices, insights, and strategies related to energy management and sustainability. This collective learning can lead to more efficient energy use and innovative solutions to common challenges. Furthermore, the sense of community and shared goals can strengthen relationships between councils , potentially leading to further collaborative opportunities beyond energy purchasing. This network of support can be invaluable in navigating the complexities of the energy market and achieving long-term sustainability goals.

An example of our approach to collaborating with Councils in regional communities is our proud partnership with the Hunter Joint Organisation (HJO), a group of participating councils who engaged Iberdrola Australia under the initiative 'Powering Tomorrow: Regional Councils NSW PPA'. HJO and Iberdrola Australia worked with 13 councils across regional NSW to secure a renewable electricity supply agreement through to the end of 2030 by facilitating a Retail Power Purchase Agreement (RPPA). The agreement over its contracted term secures the supply of over 390 gigawatt hours of electricity to 163 large council sites and streetlighting across regional NSW, ensuring consistent and reliable energy for essential infrastructure.

The participating councils in the 'Powering Tomorrow: Regional Councils NSW PPA' initiative partnering with Iberdrola Australia are:

- Bellingen Shire Council
- Berrigan Shire Council
- Edward River Council
- Griffith City Council
- Leeton Shire Council
- Maitland City Council
- Mid-Coast Council
- Murray River Council
- Murrumbidgee Council
- Muswellbrook Shire Council
- Narrandera Shire Council
- Port Macquarie Hastings Council
- Upper Hunter Shire Council



Benefits of collaboration

Participation in this RPPA results in a range of benefits for the Councils:

Emissions Reduction

By opting for renewable energy to power large sites and street lighting, the Councils will avoid an estimated 185,000 tonnes of carbon dioxide emissions (t/CO2e). Securing renewable energy though this deal helps the group to decarbonise their operations and aligns the Councils with local, state and national net zero targets.

Cost savings & budget certainty

By purchasing as a group of 13 Councils across the state, Iberdrola Australia has been able to lock in renewable electricity at a competitive price through to the end of 2030. By purchasing as a group of 13 Councils across the state of NSW, they were able to lock in renewable energy at a competitive price through to 2030. Councils estimate they will save $5.3m through to the end of 2030 compared to their previous electricity costs, and state that the price certainty secured through this RPPA will protect the group against volatility in energy prices.

Supporting regional economies

Renewable energy purchased under this initiative will come from several of Iberdrola Australia's NSW-based renewable energy projects: Capital Wind Farm, Avonlie Solar Farm and Bodangora Wind Farm thereby supporting the economy of regional NSW by creating jobs and fostering the growth of new energy sectors. This commitment contributes to the development of a sustainable energy future throughout NSW.

Adelaide Airport

Adelaide Airport (AAL), currently the fifth-largest domestic and international airport in Australia and the aviation gateway to South Australia, processes more than 8 million passengers annually. As a global airports sector leader in sustainability, AAL strives for sustainability excellence, embedding this in their processes and investing time to partner with the right people.

Our approach with our customers is to help identify energy solutions that provide reliability of supply, reduce costs, and increase renewable footprint and sustainability outcomes. We complement our ability to supply clean energy from our utility-scale generation and storage assets, with a product suite that provides smaller versions of the same technology 'behind-the-meter' at a customer's site.

Iberdrola Australia and AAL have commenced a long-term partnership that includes energy supply to all AAL's operations, supported by Iberdrola Australia's fleet of South Australian wind, solar and fast-start generation assets and with direct linkage to the renewable energy certificates generated from our Lake Bonney Wind Farms located near Millicent (SA). Extending on the provision of renewable energy from off-site sources, AAL demonstrated a market leading approach to 'top up' their renewables by working with Iberdrola Australia to maximise their on-site space and infrastructure. A new 2.3MWp Photovoltaic (PV) solar system was installed that now generates approximately 3,282 MWh of energy annually, bringing AAL's total solar capacity at the airport to 3.5MWp, enough to power up to 1,000 homes.

Image: Adelaide Airport Extension, SA

Iberdrola Australia Smart Energy Solutions

Delivering Sustainability Outcomes for Australian Businesses

In 2021, Iberdrola Australia acquired Autonomous Energy, now our Smart Energy Solutions (SES) business. SES offers C&I businesses a broad range of green energy solutions to address their renewable energy needs both now and into the future. Iberdrola Australia SES designs, engineers, develops and maintains tailored green energy solutions, including rooftop solar, battery storage and microgrids, along with off-site options such as larger-scale solar and storage.

Consistent with Iberdrola's customer-centric approach, Iberdrola Australia SES prioritises customer needs to support their contribution to Australia's energy transition.

Expertise and Innovation

Our experienced Australian-based engineering team ensures turn-key renewable energy installations, helping customers reduce electricity bills and carbon footprints.

Our approach offers tailored systems designed, engineered, delivered, and maintained to ensure superior performance and sustainability over the long term. From the tender phase to project completion, and throughout operation and maintenance, Iberdrola Australia SES ensures sustainability is forefront. During the tender process, we prioritise Quality, Health, Safety, and Environment (QHSE) requirements from the outset. In the construction phase, we meticulously review documentation, implement standards and monitor compliance to drive continuous improvement. Our audits and site inspections verify the effectiveness of controls and identify opportunities for enhancement. We also provide training to reinforce best practices and maintain a robust QHSE culture across our operations.

We collaborate with a variety of customers, taking on the role as either subcontractor or principal contractor, relevant to each project. In remote locations, we work closely with small contractors due to limited options, fostering strong partnerships to achieve project goals.

Iberdrola Australia SES is proudly certified in ISO 9001, ISO 14001 and ISO 45001 and registered on CM3, a prequalification platform for contractor safety compliance, and are approved contractors under Local Government Procurement.

Mid-Western Regional Council

Image: MWRC solar farm constructed in partnership with Iberdrola Australia SES in Mudgee, NSW

In 2024, Iberdrola Australia SES proudly partnered with the Mid-Western Regional Council to bring a cutting-edge 5MW Solar Farm to Mudgee, NSW. This innovative project will produce 9.6 GWh of clean energy annually, powering 1,341 homes and driving sustainability in the region. Equipped with a 3,750 kVA central inverter and an east/west single-axis tracking system, the solar farm optimises energy production by following the sun throughout the day.

Our commitment to local engagement ensures continuous onsite presence with experienced contractors and a dedicated site manager. Strategically located in the Central-West Orana Renewable Energy Zone, this project is a cornerstone of the Council's Smart Community Strategy (2024-2027), aimed at reducing energy costs, minimising reliance on third-party power, and reducing its carbon footprint.

Spotlight

Westmead Children's Hospital car park, Western Sydney

All images of Westmead Children's Hospital Car Park, NSW

Iberdrola Australia SES partnered with the Westmead Children's Hospital in Western Sydney in the construction of its eight-story car park. The hospital integrated a 1,400-panel solar PV system which provides both shade and weather protection on the top level of the car park.

To optimise solar capture, Iberdrola Australia SES also installed gold, vertically mounted-building integrated solar panels, a standout design and innovative feature that enhances the car park's solar uptake while retaining an aesthetic appeal.

This system not only generates renewable energy but also supports 75 electric vehicle charging stations, encouraging cleaner transport options.

The Westmead Children's Hospital demonstrates how intentional design, and the latest solar technology can transform a functional space into a power station.

Watch the video

6 | Our Supply Chain

Image: Lake Bonney BESS, SA

Who are our suppliers and our approach to our supply chain?

Iberdrola Australia values its suppliers as strategic partners, prioritising fair, transparent and ethical relationships. We hold our suppliers to high standards, expecting them to adhere to our relevant procurement and sustainable development-related policies, which balance environmental, social and governance needs as described later in this section.

Iberdrola Australia's supplier network comprises of more than 350 companies. In turn, the broader Iberdrola Group global supply chain comprises over 20,000 suppliers. Our supply network delivers essential goods and services, which are vital to our business strategy and operational performance. Our Procurement function conducts a highly adaptive procurement process at both the local and individual project levels while leveraging a well-established and centralised 'head office' backbone. Local Australian procurement coordination consolidates market knowledge, while global specialisation by technology and service can further provides Iberdrola Australia with access to the wider Iberdrola Group's international network of suppliers, insights and expertise. This model also enhances Iberdrola Australia's efficiency in its processes and assists it in its aim of maintaining a sustainable supplier framework.

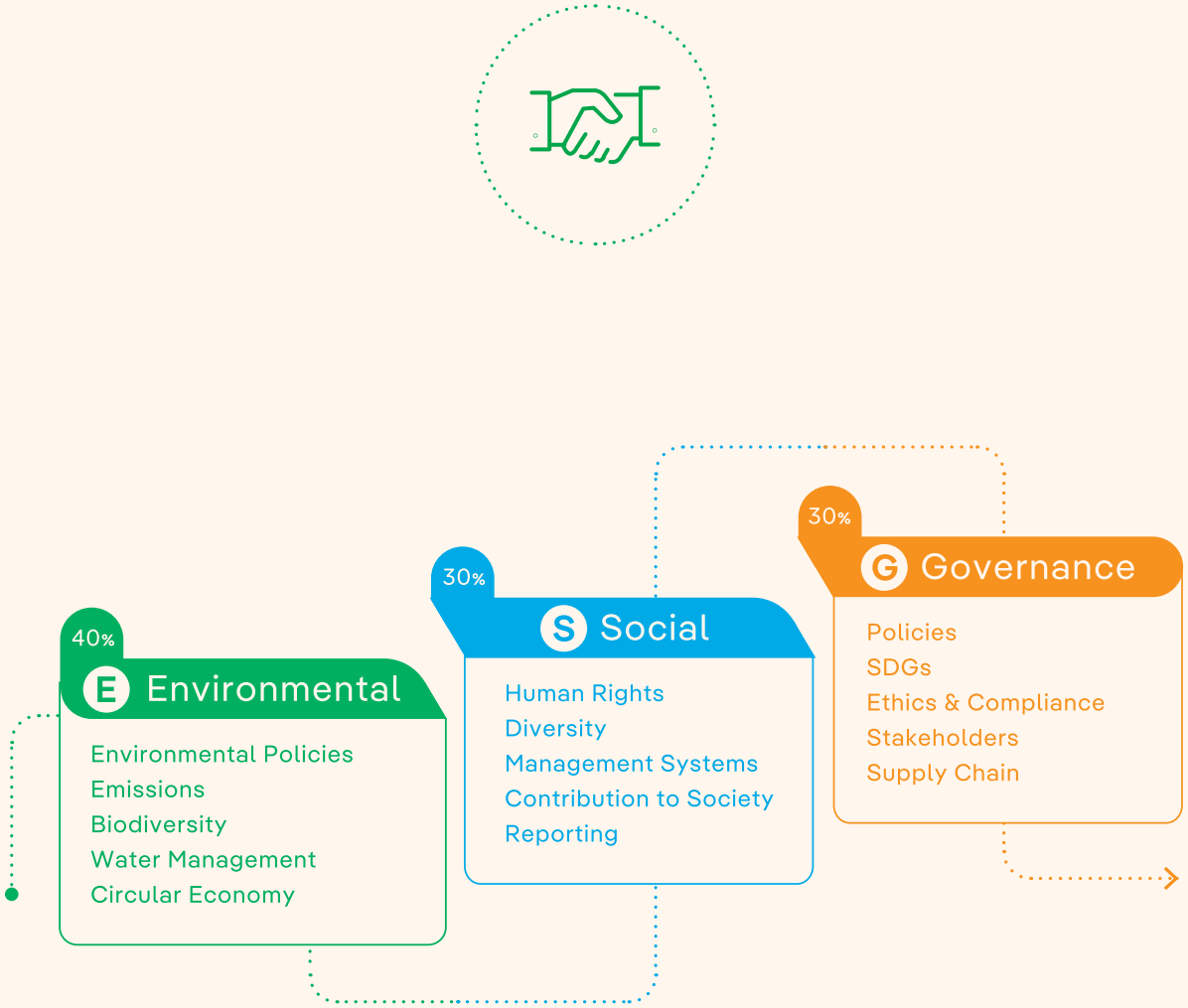
Responsible Procurement

Supplier Sustainability Assessment Model

As part of a global initiative, Iberdrola Australia has integrated sustainability performance into our procurement process for contracts over €1M. We apply our own supplier sustainability assessment model supported by a global supplier management platform that enables us to assess supplier sustainability as part of the procurement decision-making processes.

The values of Iberdrola Australia demand our suppliers to also incorporate strong sustainability practices. We seek technically proficient and economically competitive suppliers and provide them opportunity to commit to sustainability targets. We work with suppliers using customised improvement plans to ensure appropriate compliance to the values, goals and targets of Iberdrola Australia.

Iberdrola Australia's supplier sustainability assessment model aligns with our commitment to the UN Global Compact initiative through prioritising sustainable procurement in our supply chains. The model measures 43 variables with the weighting shown between the three sustainability factors.



GoSupply

(now Achilles Enterprise-Go Supply)

As part of the Supplier Sustainability Assessment Model, Iberdrola Australia uses Achilles GoSupply, a supply chain tracking platform, to gather supply-chain data of suppliers for our assessment of their sustainability.

GoSupply allows the classification of current and potential suppliers, and the assessment and monitoring of risks and their sustainability which is integrated with the IBuy platform.

IBuy

Following assessment, relevant sustainability information is included for each supplier as part of the IBuy process. IBuy is a collaborative global tool supporting management of the procurement processes which integrates real-time analysis and risk assessment of each supplier.

For contracts over €1M, the IBuy process aids sustainable procurement decision-making and influences which suppliers the Iberdrola Group engages.

IBuy also enables us to identify potential suppliers that may benefit from resources relating to improving sustainability in their business.

Image: Lake Bonney BESS, SA

Highlight

85% of our suppliers for tenders over €1 million (since July 2024) were assessed as sustainable

Examples of Assessed Sustainability Factors

Iberdrola Group's commitment to sustainability standards and their expansion to cover its main suppliers is embodied in the ambitious goal of ensuring at least 85% of the Group's main suppliers[1] are assessed as meeting its sustainability factors by the end of 2025.[2]

Iberdrola Australia has adopted the Iberdrola Group target of 85% sustainable suppliers and in 2024, 85% of Iberdrola Australia's suppliers for tenders over €1M (since July 2024) were assessed as sustainable, with 99% of the total 2024 value of contracts over €1M awarded to sustainable suppliers.

Reference:

1. Any supplier that has been awarded a contract of over €1M during the year.
2. In accordance with Iberdrola Group's Governance and Sustainability System, Code of Conduct for Suppliers, and Sustainable Development Policy.

Environmental Score

- An environmental policy
- A document and/or certified environmental management system (ISO 14001 or equivalent)
- A documented andor certified glasshouse gas calculation (ISO 14064)
- Greenhouse gas reduction measures or objectives
- Good water management measures

Social score

- A documented and/or certified quality system (ISO 9001) or equivalent)
- A document and/or certified environmental management system (ISO 14001 or equivalent)
- A documented and/or certified sustainability management system (ISO 26000, IQNet SR10, SGE21, NP 4469 or equivalent)
- A guarantee that the organisation does not participate in or benefit from any kind of child or forced labour
- A guarantee that recruitment is fair and provides all workers with a living wage
- A policy to promote equality and diversity
- Participation in social activities to support the local community where the organisation is based

Governance score

- An environmental policy
- A document and/or certified environmental management system (ISO 14001 or equivalent)
- A documented andor certified glasshouse gas calculation (ISO 14064)
- Greenhouse gas reduction measures or objectives

Platform

We have selected the GoSupply cloud solution as our system for the classification and measurement of suppliers' risk and sustainability. Each supplier's sustainability score is calculated based on information supplied by the suppliers themselves and third parties.

Measurement

The Iberdrola group has assumed the ambitious commitment that 85% of its main suppliers must be subject to sustainable development policies and standards by 2025.

Requirement:

(E) (S) (G) ≥51 points

(E) ≥30% (S) ≥30% (G) ≥30%

Update

We use GoSupply to assess and drive our supply chain to achieve higher sustainability standards.

Integration & procurement decision-making

Our suppliers' sustainability score is of the IBUY process, the Iberdrola Procurement platform.

Our buyers analyse the score along with the other risks at key points in the process (invitation to take part in a tender process, closing negotiations and awards).

In the mid-term, companies that do not reach the required standards run the risk of being dropped as Iberdrola suppliers.

Local procurement & employment

Images

Above: Iberdrola Australia's Executive Manager for Engagement & Social License, Nicola Pero, speaking at an ICN mixer event for Gippsland Offshore Wind in Melbourne, VIC.
Right: Local Procurement Avonlie OM office, NSW

Wagga Wagga, NSW

We recognise the increasing importance to communities to purchase goods and services locally. In developing our Avonlie Solar Farm near Narrandera in NSW, the requirement for a new Operations and Maintenance (O&M) office provided an opportunity for procurement of a locally supplied building in 2024.

Local Wagga Wagga supplier, Prefabulous, supplied a quality fit for purpose building (pictured) which provided investment in the local economy through the procurement, planning and project management of local tradespeople.

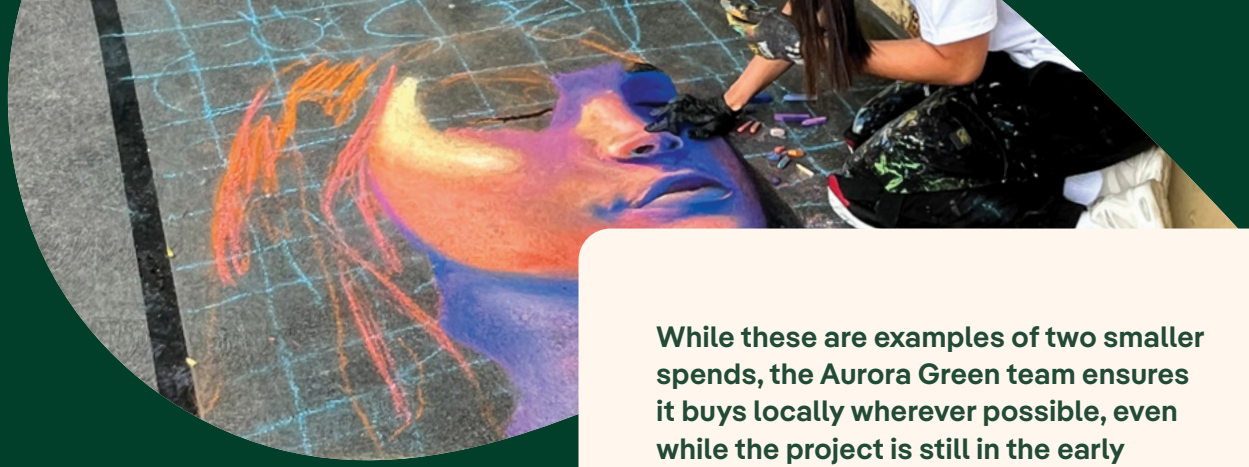
Broadsound, QLD

For Broadsound Solar Farm and Battery in Queensland, we promoted procurement opportunities within Australian businesses during the delivery stage through a dedicated project website established for the Broadsound Solar Farm on the ICN Gateway portal which serves as a hub for connecting local suppliers with project needs.

Additionally, a social procurement database has been created, collating information and building knowledge about potential local suppliers. This database has been developed based on recommendations from various stakeholders, including Barada Kabalbara Yetimarala (BKY) Indigenous Group and Isaac Regional Council.

To further support local employment, information sessions were conducted in the Queensland towns of Mackay, Rockhampton, Townsville, Yeppoon and Woorabinda. These sessions aimed to engage and inform the local workforce about available opportunities and benefits of participating in the project.

Images: First row of solar panels installed at Broadsound Solar Farm, QLD in early 2025



Gippsland, Victoria

Highlights

Local investment in Gippsland to date:

$500,000+

Images

Left: Yarram Chalk Art Festival, VIC
Right: Yarram Agricultural Festival, VIC

While these are examples of two smaller spends, the Aurora Green team ensures it buys locally wherever possible, even while the project is still in the early feasibility stage.

At the first of our community engagement sessions for the Aurora Green Offshore Wind Project, it became clear that locals wanted to put names to the faces of the project team members they were talking to. Our Aurora Green team approached Latrobe Valley Enterprises, a not-for-profit Gippsland company which provides meaningful employment opportunities for people with a disability, to create nametags for team members, starting what is intended to be an ongoing supplier relationship opportunity

At the Yarram Agricultural Show in November 2024, Iberdrola Australia partnered with a local coffee van to offer coffee vouchers to provide to members of the public who completed a survey about the Aurora Green project.

In 2024, we invested over $93,000 (and so far in 2025, we have invested over $500,000) to ensure that everything from factsheet design and printing, branded clothing, media advertising and storage is sourced within the Gippsland region, as well as sponsorships and other contributions. Some of the local initiatives we have sponsored and contributed resources to in 2024 include, Baw Baw Latrobe Local Learning and Employment Network's (BBLLEN) Inspiring Young People Industry Dinner series and the New Energy Technology Program, the Yarram Chalk Art Festival and the Gippsland New Energy Conference.

Human Rights

Iberdrola Australia has the utmost respect for human rights and is committed to seeking out and confronting any modern slavery risk areas we have influence over. We recognise that we can affect human rights not just in our own business operations but in our wider supply chain.

We are committed to complying with all applicable modern slavery laws and principles, including the UN's Universal Declaration of Human Rights and the *Modern Slavery Act 2018* (Cth), and assisting our suppliers to do the same. We prepare and publish our annual Modern Slavery Statement required under the *Modern Slavery Act* (2018).

Iberdrola Australia adopted an *Anti-Modern Slavery Policy* in 2020. The policy requires that anyone with concerns relating to possible improper, unethical or illegal practices by Iberdrola Australia raises these as soon as possible. The external whistleblower email and phoneline allow anyone to confidentially report a concern about such practices.

We communicate our Anti-Modern Slavery Policy to new and existing suppliers and make it publicly available on our website. We have also identified higher risk suppliers and assessed the modern slavery risks associated with them.

We seek assurances from prospective suppliers to assess the risk of modern slavery associated with the supply of goods and require compliance with modern slavery legislation as a standard condition of our contracts.

Iberdrola Australia works with the Clean Energy Council, participating in its Risks to Modern Slavery Working Group with our industry partners to improve business practices and procedures to reduce any modern slavery associated with the renewable energy sector.

> Iberdrola Australia values its suppliers as strategic partners, prioritising fair, transparent and ethical relationships.

7 | Our Regulators

Images

Above: Iberdrola Australia employees at Avonlie Solar Farm, NSW
Right: Lake Bonney Wind Farm, SA

At Iberdrola Australia, we recognise the critical role our regulators play in monitoring and enforcing the rules and regulations that govern our business. Our regulatory landscape includes federal, state, and local governments, statutory authorities and other regulatory bodies.

Energy Sector Regulation

Market operations, regulation and policy-making specific to the energy sector are managed by several key entities:

- Australian Energy Market Operator (AEMO)
- Australian Energy Regulator (AER)
- Australian Energy Market Commission (AEMC)
- The Clean Energy Regulator (CER)
- The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), including the Offshore Infrastructure Regulator (OIR)
- Commonwealth Department of Climate Change, Energy, the Environment and Water (DCCEEW)

Additional Regulatory Bodies

Other relevent regulatory bodies includes:

- Australian Competition and Consumer Commission (ACCC)
- Australian Securities and Investments Commission (ASIC)
- Cyber and Infrastructure Security Centre (CISC), Commonwealth Department of Home Affairs
- Safe Work Australia

Commitment to Regulatory Collaboration

We commit to collaborating with all relevant regulators. Our regulators expect more than mere compliance. They seek clear, precise, transparent and prompt communication from us. They value our expertise in prospective energy market rule changes and our insights into evolving market conditions. Respecting their objectives is paramount.

Ultimately, our regulators desire us to act in good faith, adopting a long-term approach to providing stable and reliable electricity in Australia in an ethical business manner, which aligns seamlessly with Iberdrola Australia's business purpose.

In 2024, Iberdrola Australia made 16 submissions to regulators in response to regulatory reviews and rule change proposals. We also represented large renewable generators on the AEMC Reliability Panel which determines key market settings.

Regulatory Challenges

As we look ahead, Iberdrola Australia anticipates several regulatory challenges and is proactively addressing these, including:

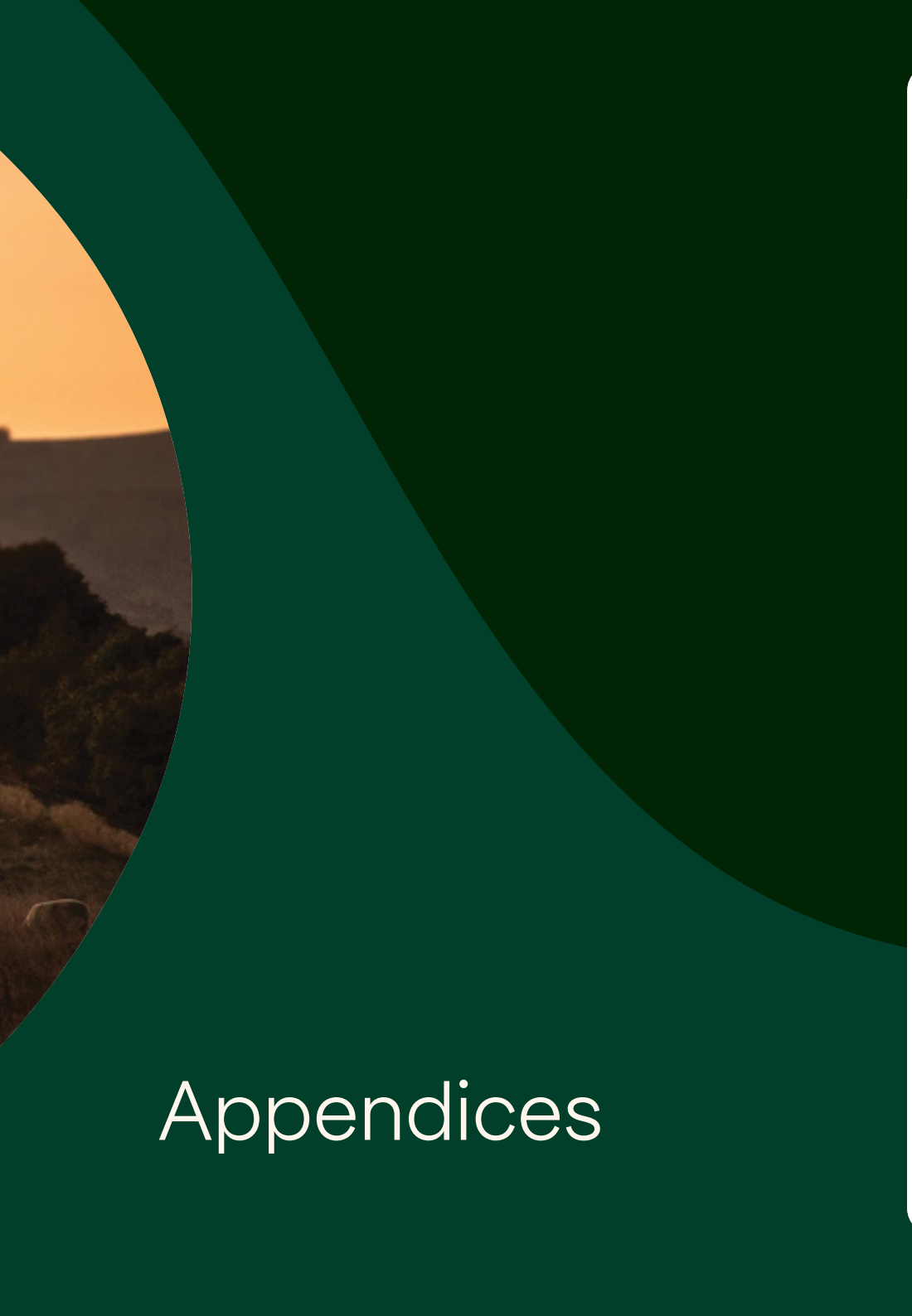
Mandatory Sustainability Reporting: Reporting under the Australian Sustainability Reporting Standard (AASB S2) will be mandatory for our 2025 reporting period. AASB S2 requires entities to report on climate-related risks and opportunities that could affect their financial performance or position. Preparations include seeking expert advice, as well as harnessing the learnings from Iberdrola Group's reporting under the European Sustainability Reporting Standard (ESRS E1 Climate Change).

Regulatory planning framework including social impact assessment: We recognise the increasing importance of social impact assessment and the growing role of local governments in ensuring community interests are represented in the assessment of renewable energy projects. Our development proposals for new assets recognise and respond to community interests to ensure the local communities of each of our facilities share in the benefits of our development, and the renewable energy transition.

Environmental Compliance: By embracing nature positive approaches as integral part of our developments and recognising the increasing importance of earning social licence in the development, construction and operations of our assets, we take a proactive approach to address emerging environmental and social licence regulation and standards as they relate to offshore and onshore renewable projects, batteries and transmission infrastructure.

By proactively addressing these challenges, Iberdrola Australia aims to continue leading the way in sustainable energy solutions.

Image: Capital Wind Farm, NSW



Appendices

KPMG | Appendix A

Independent Limited Assurance Report to the Directors of Iberdrola Australia Limited

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Information Subject to Limited Assurance included in the 2024 Iberdrola Australia Sustainability Report, which has been prepared by Iberdrola Australia Limited in accordance with the Criteria for the financial year ended 31 December 2024.

Information Subject to Limited Assurance

The Information Subject to Limited Assurance comprises the Selected Sustainability Information presented in the 2024 Iberdrola Australia Limited ("*Iberdrola*") Sustainability Report for the financial year ended 31 December 2024 as shown in the table below.

Information Subject to Limited Assurance	Unit of measurement	Value Assured 2024
Metrics reported for the period of 1 January 2024 to 31 December 2024		
Health & Safety		
Employee Lost Time Injury (LTI)	Number	0
Employee Lost Time Injury Frequency Rate (LTIFR)	Number	0
Employee Medical Treatment Injury (MTI)	Number	0
Employee Total Recordable Injuries (TRI)	Number	1
Employee Total Recordable Injury Frequency Rate (TRIFR)	Ratio	2.92
Employment		
Male employees	Number	153
Female employees	Number	87
Men as % of workforce	%	64
Women as % of workforce	%	36

Information Subject to Limited Assurance	Unit of measurement	Value Assured 2024
Women as a % of CEO+KPM+Executive management	%	22
Women as % of executive leadership (executive managers)	%	29
Women as % of senior leadership (general managers)	%	39
Women as a % of other managers	%	41
Women as professionals	%	40
Women as trades	%	0
Employee turnover - involuntary	%	5.4
Employee turnover - voluntary	%	13.3
Employee turnover - total	%	18.75
Community Investment		
Direct Community Investment	$AUD	907,090
Indirect Community Investment	$AUD	21,918,254
Customers		
Number of Contracted Customers	Number	435
Energy and Emissions		
Scope 1 GHG Emissions	tCO2e	85,392
Scope 2 GHG Emissions (Location-based)	tCO2e	8,115
Scope 2 GHG Emissions (Market-based)	tCO2e	11,392
Energy Consumption	GJ	1,691,933
Emissions Intensity	tCO2/MWh produced	0.03
Environment		
Number of Trees Planted	Number	6,213

Information Subject to Limited Assurance	Unit of measurement	Value Assured 2024
Metrics reported for the period of 1 April 2023 to 31 March 2024		
Gender Pay Gap		
Gender pay gap - Median base salary	%	6
Gender pay gap - Median Total Remuneration	%	13

Criteria Used as the Basis of Reporting

The information subject to limited assurance has been prepared in accordance with the criteria described in Iberdrola Australia Limited's 2024 Basis of Preparation and related internal policies and procedures, as outlined in the 2024 Iberdrola Australia Sustainability Report. These criteria have been applied for the purpose of assisting the Directors in meeting their reporting obligations. This information will be presented in the 2024 Sustainability Report, which will be published on Iberdrola Australia's website.

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements* ("*Standard*").

In accordance with the Standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Information Subject to Limited Assurance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant personnel to understand the internal controls, governance structure, and reporting processes of the Information Subject to Limited Assurance.
- reviewed Iberdrola's Basis of Preparation and Criteria to understand the framework and methodologies used for reporting the Information Subject to Assurance.
- conducted analytical procedures over the Information Subject to Limited Assurance
- conducted site visits to Flyers Creek Wind Farm and Smithfield Power Station
- performed walkthroughs over the Information Subject to Limited Assurance back to the source documentation on a sample basis.
- evaluated the appropriateness of the Criteria with respect to the Information Subject to Limited Assurance to ensure they are suitable for the intended reporting purpose.

- reviewed the 2024 Iberdrola Australia Sustainability Report in its entirety to ensure consistency with our overall knowledge of the assurance engagement and that it aligns with the data sources and underlying assumptions.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Iberdrola Australia Limited.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the Information Subject to Limited Assurance with the Criteria, as it is limited primarily to making enquiries of Manager and applying analytical procedures.

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 estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time. In addition, Greenhouse Gas (GHG) quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

In particular, it is acknowledged by stakeholders globally, including regulators, that there are significant limitations in the availability and quality of emissions data from third parties, resulting in the extensive use of proxy data. The limited assurance conclusion expressed in this report has been formed on the above basis.

Use of this Assurance Report

This report has been prepared solely for the Directors of Iberdrola Australia Limited for the purpose of providing a limited assurance conclusion on the Information Subject to Limited Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Iberdrola Australia Limited, or for any other purpose than that for which it was prepared.

Management's Responsibility

Management is responsible for:

- Determining that the Criteria is appropriate to meet their needs, and the needs of the Directors of Iberdrola Australia Limited;
- Preparing and presenting the information subject to assurance in accordance with the Criteria;
- Determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the information subject to assurance;

- Ensuring that those criteria are relevant and appropriate to Iberdrola Australia Limited and the intended users; and
- Establishing and maintaining systems, processes and internal controls that enable the preparation and presentation of the information subject to assurance that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Information Subject to Limited Assurance for the financial year ended 31 December 2024, and to issue an assurance report that includes our conclusion based on the procedures we have performed and evidence we have obtained.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board, and complied with the applicable requirements of Auditing Standard on Quality Management 1 to design, implement and operate a system of quality management.

KPMG

Sydney, NSW, 2000

17 July 2025

Appendix B

Basis of Preparation

1. Overview

Purpose

This Basis of Preparation sets out the methodology and assumptions used in the key metrics which are reported in Iberdrola Australia's 2024 Sustainability Report.

These metrics are in the scope of KPMG's limited assurance engagement for Iberdrola Australia's 2024 Sustainability Report. KPMG assurance over these metrics is for the period of 1 January 2024 – 31 December 2024, except for the gender pay gap which follows the WGEA reporting period of 1 April 2023 to 31 March 2024.

Reporting Scope and Boundaries

The reporting scope of this report includes assets which are under Iberdrola Australia's operational control, in line with the GHG Protocol. Emissions inventory reporting is carried out under the Control Approach from the GHG Protocol, for the period 1 January to 31 December annually, covering 12 months of the Australian calendar year.

Specifically, for our two leased firming assets:

- Bolivar Power Station is deemed under Iberdrola Australia's operational control as a right-of-use asset.
- Wallgrove BESS, where we have dispatch control of the asset only, is deemed not to be under operational control of Iberdrola Australia, per the definitions of the GHG Protocol such as management of the operating site.

Operational control does not include electricity offtake agreements (where we purchase electricity from third party assets through our energy markets business), nor energy purchased through the wholesale market (which is sold to our customers), as Iberdrola Australia has no operational control over the operations of these assets or generation produced there.

Classification of GHG emissions

Iberdrola Australia uses the definitions provided in the GHG Protocol for Scope 1 and Scope 2 emissions. As per the GHG Protocol:

- Scope 1 emissions are direct GHG emissions occurring from sources that are owned or controlled by the company. Iberdrola Australia's scope 1 emissions come from the use of diesel and natural gas in producing electricity as part of our operations, use of diesel in our site vehicles, and emissions from the leakage of SF6 from certain asset components.
- Scope 2 emissions accounts for GHG emissions from the generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organisational boundary of the company. Iberdrola Australia's scope 2 emissions come from the consumption of purchased electricity over which we have control, such as our office buildings and at our sites.

2. Process Methodology and Calculations

a. Emissions

Scope 1 and 2 emissions (reported in tCO2e) for the reporting period were estimated by multiplying energy usage by relevant emissions factors from the DCCEEW guidance. Emissions factors vary by state and on a financial year basis and are calculated on a process-based method. Energy consumed (GJ) is calculated using Scope 1 and 2 electricity consumption converted using rates outlined in the DCCEEW guidance.

Scope 1 Emissions:

i. direct emissions from Iberdrola Australia's use of diesel and natural gas in producing electricity as part of our operations at our gas firming sites.

ii. use of diesel in our site vehicles

iii. Emissions associated with the leakage of SF6 from certain components of our assets

Scope 2 Emissions: indirect greenhouse gas emissions from the consumption of purchased electricity over which we have control (as defined by the GHG protocol), at our operating sites and corporate offices

i. **Location-based** method emissions are calculated using emissions factors by state

ii. **Market-based** method emissions are calculated by reviewing Scope 2 location-based emissions for their source and potential exemption status from market-based emissions. Those which are not exempt, after mandatory and voluntary surrendering of green certificates are the Scope 2 emissions related to our gas firming assets.

iii. **Energy Consumed:** GJ of consumption of energy from Scope 1 and Scope 2 emissions; and

iv. **Emissions Intensity:** tCO2e / MWh, being the total of Scope 1 and Scope 2 emissions per MWh of net production.

b. Health, Safety & Environment

Incidents are defined per the criteria which aligns to SafeWorkAustralia:

i. **Lost Time Injury (LTI)** = injury that resulted in time lost from work of one day/shift or more. This includes injuries resulting in fatality or permanent disability (absolute number)

ii. **Medical Treatment Injury (MTI)** = injury that required medical treatment beyond first aid (absolute number)

iii. **Total Recordable Injuries (TRI)** = LTIs, MTIs, fatalities (absolute number), Restricted Work Injuries (RWIs).

iv. **Lost Time Injury Frequency Rate (LTIFR)** = (LTIs/hours worked hours worked exclusive of paid or unpaid leave)*1,000,000

v. **Total Recordable Injury Frequency Rate (TRIFR)** = (TRIs/hours worked exclusive of paid or unpaid leave)*1,000,000

Note: in prior years, the LTIFR and TRIFR reported used hours worked inclusive of paid or unpaid leave. From 2024, this methodology has been amended to exclude paid and unpaid leave, in line with Group procedure and SafeWorkAustralia.

c. Personnel

Personnel metrics are taken from our internal reporting, with the exception of the Gender pay gap. Gender pay gap (average and median) is taken directly from the WGEA external report (which has its own external review process) and is the only metric with a reporting date of 12 months to 31 March annually, of the year in which the sustainability report is relating to. Therefore, in the 2024 sustainability report, the WGEA gender pay gap data relates to the 12 months to 31 March 2024.

i. **Gender split (%)**

ii. **Level of seniority by gender (%)**

iii. **Gender pay gap (%)**

iv. **Staff turnover (%)**

d. Customers

i. **Number of contracted customers** (#) reported is as at and including the 31 December of the current reporting year e.g. as at and including the 31 December 2024 for the 2024 reporting year.

ii. **Volume sold to customers** measures the total load (GWh) for the 12 months to 31 December of that year.

e. Community

'Local community' is defined by the Global Reporting Initiative (GRI) as 'individuals or groups of individuals living or working in areas that are affected or that could be affected by the organisation's activities'. We have classified these as Direct and Indirect investments into the communities in which we operate.

i. **Direct community investment ($AUD)** where the company spends money on items which are directly based in the communities in which we operate including: Community funds and donations, diversity and education, Community and industry advocacy, and Community events and stakeholder engagement.

ii. **Indirect community investment ($AUD)** – uses guidance from GRI 203-2 (Significant indirect economic impacts), in reporting the key significant identified indirect economic impacts of the organisation, being: land leases, local employment, and capital expenditure with a certain distance from our asset.

3. Reporting Governance, Control and Approval

Greenhouse gas emissions calculations and methodologies are applied in accordance with the GHG Protocol. Emission factors and conversion rates are provided by the DCCEEW from the Australian Government.

Data submitted to head office forms part of the Iberdrola Group sustainability report which is also audited by KPMG in Spain.

As part of the group procedures, we are also subject to group internal controls over our methodology as well as internal audit procedures over our submissions for the group sustainability report.

Iberdrola Australia's local sustainability report is subject to approval by the executive management committee, as well as the Board of Directors.

Appendix C

ACCC	Australian Competition and Consumer Commission
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
AFSL	Australian Financial Services Licence
ARC	Australian Research Council
ASIC	Australian Securities and Investments Commission
AUD	Australian Dollar
BC Act	*Biodiversity Conservation Act 2016* (NSW)
C&I	Commercial and Industrial
CER	Clean Energy Regulator
CRO	Chief Risk Officer
D&I Working Group	Diversity & Inclusion Working Group
DCCEEW	Department of Climate Change, Energy, the Environment and Water
DRC	Dubbo Regional Council
EPBC Act	Environment Protection and Biodiversity Conservation Act 1999 (Cth)
ERMC	Enterprise Risk Management Committee
ERMS	Energy Risk Management Standard
GLaWAC	Gunaikurnai Land and Waters Corporation
GlobH2E	*Environment Protection and Biodiversity Conservation Act 1999* (Cth)
GNEC	Gippsland New Energy Conference
GRI	Global Reporting Initiative
GWEC	Global Wind Energy Council
Iberdrola Australia	Iberdrola Australia Limited
LTI	Lost Time Injury
LTIFR	Lost Time Injury Frequency Rate
Modern Slavery Act	Modern Slavery Act 2018 (Cth).
MOU	Memorandum of Understanding
MTI	Medical Treatment Injury
NGERS	National Greenhouse Emissions Reporting Standards
NOPSEMA	National Offshore Petroleum Safety and Environmental Management Authority
OEMs	Original equipment manufacturers
OIR	Offshore Infrastructure Regulator
OWEV	Offshore Wind Energy Victoria
PAREP	Port Augusta Renewable Energy Park
SES	Smart Energy Solutions
TCFD	Task Force on Climate-Related Financial Disclosures
TRI	Total Recordable Injury
TRIFR	Total Recordable Injury Frequency Rate
TNFD	Taskforce on Nature-related Financial Disclosures
UN	United Nations
WIEN	Women in Energy Network
WGEA	Workplace Gender Equality Agency

Image: Lake Bonney Wind Farm, SA

A brighter future.

Iberdrola Australia

www.iberdrola.com.au
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IberdrolaAus

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