

Message from the Managing Director



2021-22 has seen a series of unprecedented events impact the Australian energy market and this year's Energy Charter Disclosure provides an important update on the progress of our business against our commitments to customers.

Recent global events and other disruptions to our energy markets along with changes associated with the clean energy transition have resulted in tighter supply conditions and rising prices for customers. Against this challenging backdrop, EnergyAustralia remains committed to supporting our customers, people, and communities. This Disclosure highlights improvements we made during 2021-22 to the way we serve and support our customers, and initiatives we are working on in 2022-23 to lead and accelerate the clean energy transition.

We are responding to the 2022 energy supply crisis

The Australian energy market faced a supply crisis during the first half of 2022. This crisis was the result of disrupted domestic coal supply and cyclically low wind and solar production largely associated with adverse weather events. In addition, we experienced untimely generator outages and the impacts of higher global energy prices resulting from the war in Ukraine. In response, EnergyAustralia's gas portfolio supported customers and the ongoing operation of the company's gas fired generation fleet. EnergyAustralia has also worked with suppliers to ensure gas reserves can meet customers' needs. Between January and May 2022, our Hallett, Tallawarra, Jeeralang and Newport power stations were delivering increased supply into the system; at times running up to seven times the output in similar periods of other years. With untimely outages at our Yallourn and other power stations, we worked hard to maintain output and provided daily updates on our operations to increase transparency for customers.

We are looking after our customers

We are committed to providing our customers a reliable energy supply, at a competitive price, while simplifying the energy transition. As a result of our efforts in this space, our customer base grew to 2.45 million retail accounts at end June 2022. As an indicator of our strong customer experience, our churn rate was 3.7 percent lower than the rest of the market.

We continue to support customers experiencing vulnerability

We currently support around 23,000 customers experiencing financial difficulties through our EnergyAssist program and anticipate that this will increase further given growing cost of living challenges. We also recognise that many of our business customers are facing challenging operating conditions and rising supply chain costs. Proactive identification of customers experiencing payment difficulties to offer targeted support as quickly as possible remains our priority.

We are leading and accelerating the transition to a clean energy future

To support our customer products and services, we have continued to invest in new forms of dispatchable capacity to complement increasing renewable generation. We partnered with Edify Energy on two new battery projects (Riverina and Darlington Point) to help safeguard reliable electricity supply for customers in NSW. Construction is also in progress at the 316 megawatt (MW) net zero, gas and hydrogen powered Tallawarra B and at the Kidston pumped hydro storage project in Queensland. In 2022-23, planning is underway for the Wooreen Battery at Jeeralang in Victoria, and technical investigations are being undertaken for a proposed pumped hydro project at Lake Lyell in NSW.

We are responding to The Energy Charter 2021 Independent Accountability Panel (IAP) Report

Following the 2021 IAP report, we were pleased to confirm that our existing policies align to two important customers measures identified by the Panel.

- All customers who are struggling to pay their electricity or gas bills should be moved to the best retail offer for their current circumstances.
- Every customer who is entitled to a concession or rebate should be placed on it

The 2021 IAP Report also confirmed its 2020 recommendation that all signatories establish a customer reference group, if they haven't already done so. As part of developing this disclosure, EnergyAustralia formed a pilot Customer Council, and sought its input on our self-assessment and priorities for 2022-23 (see Highlights table below). We are considering the best approach for ongoing engagement with customer representatives.

The Energy Charter continues to play an important role to provide a collaborative platform for businesses across the supply chain to work together for the benefit of customers. As we navigate the clean energy transformation, what matters most for customers is that the energy industry works together to provide simple and integrated solutions, particularly for vulnerable customers, and collaborates to make sure we get the basics right.

Mark

Mark Collette Managing Director, EnergyAustralia

EnergyAustralia at a glance

Our Purpose is to lead and accelerate the clean energy transformation for all



we supply electricity and gas

to around 2.45 million accounts



we assisted customers over 1.99 million

times in 2021-22 over the phone or via web chat.



2300+

Employees forming a broad and diverse workforce





We underpin around

5.5% of the large-scale wind and solar

projects in the National Electricity Market, with long-term agreements of almost \$3 billion.





Through our Innovate Reconciliation Action Plan, we recognise and embrace

Aboriginal and Torres Strait Islander peoples

and cultures in the way we work.



Owned assets

- 1 Cathedral Rocks, Nawu Country
- 2 Hallett, Ngadjuri Country
- 3 Jeeralang, Gunaikurnai Country
- 4 Wooreen In Development, Gunaikurnai Country
- 5 Mt Piper, Wiradjuri Country
- 6 Lake Lyell In Development, Wiradjuri Country
- 7 Newport, Wurundjeri and Boon Wurrung Country
- 8 Tallawarra A, Dharawal Country
- 9 Tallawarra B In Development, Dharawal Country
- 10 Yallourn, Gunaikurnai Country

Power purchase agreements

- 11 Boco Rock, Ngarigo Country
- 12 Bodangora, Wiradjuri Country
- 13 Coleambally, Wiradjuri Country
- 14 Gannawarra, Barababaraba Country
- 15 Gullen Range, Gundungurra Country
- 16 Manildra, Wiradjuri Country
- 17 Mortons Lane, Djab Wurrung Country
- 18 Ross River, Bindal and Wulgurukaba Country
- 19 Taralga, Gundungurra Country
- 20 Waterloo, Ngadjuri Country
- 21 Ballarat, Wadawurrung and Dja Dja Wurrung people Country
- 22 Kidston In Development, Gugu Badhun Country and Ewamian Country
- 23 Riverina In Development, Wiradjuri Country

▶ Head office / Contact centres

- 24 Melbourne, Wurundjeri Country
- 25 Geelong, Wadawurrung Country

MESSAGE FROM THE **ENERGYAUSTRALIA** MANAGING DIRECTOR AT A GLANCE **HIGHLIGHTS** PRINCIPLE 1 PRINCIPLE 2 PRINCIPLE 3 PRINCIPLE 4 PRINCIPLE 5

Highlights

2021

2022

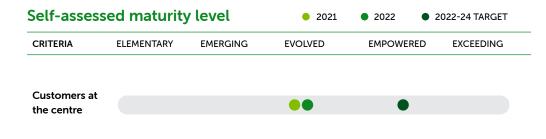


* Maximum self-assessment rating for 'Safely' is 'Evolved', per The Energy Charter guidelines.

2022-24 TARGET

MESSAGE FROM THE ENERGYAUSTRALIA
MANAGING DIRECTOR AT A GLANCE HIGHLIGHTS PRINCIPLE 1 PRINCIPLE 2 PRINCIPLE 3 PRINCIPLE 4 PRINCIPLE 5

Principle 1: We put customers at the centre of our business and the energy system



How we delivered positive outcomes for customers

Embedding customer outcomes in our governance and reporting practices

EnergyAustralia's Board regularly reviews how we are delivering customer outcomes using our enterprise balanced scorecard and monthly reports from the Managing Director. Metrics reviewed include Strategic Net Promoter Score (SNPS), RepTrak, and non-financial measures related to ongoing customer initiatives. Our Executive remuneration framework includes similar metrics linked to performance incentives. During the recent market disruption, the Board received daily updates on our response to the crisis. This helps ensure that customer perspectives inform decisionmaking at all levels in the business.

Engaging our people to improve customer outcomes

Having an engaged workforce is critical to delivering excellent customer outcomes. In 2022, employee engagement was stable at 71 percent. We gave our employees more discretion to resolve customer queries, particularly with respect to our payment assistance processes. Through ongoing learning and development of our people, we helped our customers access better energy offers and more tailored support to meet the needs of customers experiencing financial hardship.

Meeting customer needs

We continued to work on understanding and incorporating customer needs into our decision making. In addition to conducting over 81,000 customer surveys, we built customer research and testing into our product development approach for our new offering for customers moving home.

Collaborating for customer benefit

EnergyAustralia collaborated with external parties to deliver beneficial outcomes to customers. For example, in 2022, we enhanced our use of third-party data and strengthened processes under our One Stop One Story Hub program, which assists customers experiencing vulnerability (refer to Principle 5 for further detail).

Progress over time

MEASURE	2020-21 RESULT	2021-22 RESULT	CHANGE
Strategic NPS	-7.7	-6.0	+1.7pts
RepTrak	68.3	66.6	-1.7pts
Employee engagement	71%	71%	Nil

Building customer advocacy

The Strategic Net Promoter Score (SNPS) measures the likelihood that customers will advocate for EnergyAustralia. Our SNPS increased year on year, averaging -6.0 across the twelve months to end of June 2022 (up from -7.7 for the prior period). We also expanded our survey of residential customers to include our business and multisite customers, giving us greater visibility of overall customer sentiment.

Our reputation score declined slightly during 2021-22, reaching 66.6 (-1.7pts) in RepTrak's 2022 Q2 survey, consistent with the decline experienced by other Tier 1 energy companies. Notably, EnergyAustralia had the highest reputation score gains of Tier 1 energy companies during the energy supply crisis in the month of June 2022. Improvement areas included our scores for 'Adapts quickly to change', 'Ethical' and 'Open and transparent'.

Where we can improve

We are undertaking a progressive transformation program, which will further embed customer centricity in the infrastructure of the organisation. The program is focused on delivering operating model, process and digital technology changes that will allow for greater choice and flexibility for customers in how they access our products and services.

We are finding new opportunities for proactive engagement with customers, such as sending notifications where a customer's bill is tracking higher than expected, is delayed or calculated using an estimated read.

We are exploring options for ongoing customer engagement, in recognition of the IAP's 2021 recommendation that all signatories establish formal customer consultation groups. We engage regularly with customer advocacy groups across each market segment, and formed a pilot Customer Council development of this disclosure. During 2022-23, we will further develop our customer engagement approach.

Principle 2: We improve energy affordability for customers

How we delivered positive outcomes for customers

Rises in wholesale gas and electricity costs this year have resulted in substantial increases in average electricity and gas prices for residential and small business customers on variable rate contracts. In this challenging environment, we remain committed to supporting customers experiencing financial difficulties in the face of rising energy costs, cost of living pressures, as well as the ongoing impacts of the COVID-19 pandemic and natural disasters. We provide tailored support through payment plans and extensions, a stay-connected guarantee, and access to cashflow assistance for small business

Offering customers energy deals that best meet their needs

More than a third of our customers are currently protected from higher electricity and gas prices by being on fixed rate plans. Between April and June 2022, we helped more than 75,000 customers shift to a fixed rate plan. We also extended temporary billing and collection relief, and access to support programmes was provided for customers impacted by flooding across Queensland and northern New South Wales in February.

Designing products which are affordable and support a clean energy transition

Our Solar Home Bundle product is now available in most postcodes across New South Wales. Feedback from our customers shows they appreciate the simplicity and affordability of the plan. With no upfront costs to access Solar Home Bundle for a standard residential home. customers pay a fixed rate for all of their electricity usage as part of a seven-year plan, regardless of whether it comes from the grid, solar or battery. In addition, this product simplifies the customer experience by removing the complexity of system selection, management, and maintenance. This product is an example of how the energy transition can be simplified for customers. Residential customers also have access to energy audits, information on grant programs and advice on energy usage, which contribute to affordability.

Advocating for our customers

We advocate on behalf of customers through engagement in regulatory and policy development processes. EnergyAustralia provided expert advice and analysis to regulators, governments, and consumer groups throughout the recent supply crisis. Our advice has helped build an understanding of the issues facing the National Energy Market (NEM) participants and how these issues will affect energy consumers in the short and long run. We provided advice to governments and regulators on how the frameworks could be modified to ease the pricing pressure on consumers and avoid consumer disruptions from Retailer of Last Resort events.

Self-assessed maturity level • 2021 • 2022 • 2022-24 TARGET CRITERIA ELEMENTARY EMERGING EVOLVED EMPOWERED EXCEEDING Affordability

Progress over time

Annual Electricity Price Changes





Annual Gas Price Changes





Where we can improve

In a challenging year, EnergyAustralia has worked hard to continue to improve affordability and accessibility outcomes. For example by strictly managing our own costs, equipping customers with products and services that allow them to better control their own consumption and costs, and supporting customers who are facing affordability challenges.

We will continue to seek efficiencies in the way we operate our business to deliver affordable and reliable power to our customers. In 2022-23, we are undertaking work to further reduce our operational costs, to help reduce the impact of higher energy costs on our customers.

We are looking at how we can improve the functionality and availability of products and services that help customers manage their own energy costs. Many tools (e.g. alerts on increased consumption) are already available today on our website. Additional products and services may include: energy efficiency audits, product bundles incorporating distributed energy resources (DER), in-home technology and broadband services.

To build an efficient future electricity system that meets consumers' expectations also means bringing the best of small and large-scale energy technologies together to ensure a reliable, and increasingly cleaner supply of energy, at the lowest price.



Principle 3: We provide energy safely, sustainably, and reliably



^{*} Maximum self-assessment rating for 'Safely' is 'Evolved', per The Energy Charter guidelines.

How we delivered positive outcomes for customers

Maintaining safety and wellbeing

In 2021-22, we saw an increase in our Total Injury Frequency Rate (TIFR), from 2.17 to 3.87. The increase was largely driven by two months of below average performance at our Mount Piper power station. In response, we strengthened safety measures – both onsite and remotely. Our safety performance has since improved, with early 2022-23 performance being in line with 2020-21.

We have also invested in wellbeing support for our people by providing training to assist them in dealing with difficult customer interactions. Our leaders have continued to support our people through having positive conversations about mental health and wellbeing more generally, reinforcing training provided during the last reporting period.

Fulfilling our essential service commitments as Retailer of Last Resort

EnergyAustralia is the designated Retailer of Last Resort (RoLR) for electricity and

gas customers in parts of New South Wales and Victoria. Through May and June 2022, EnergyAustralia became the financially responsible market participant for customers of five former energy retailers – Weston Energy, Pooled Energy, Enova Energy, Power Club Limited and Mojo Power East – ensuring they remained connected. At the time of writing further retailers were suspended from the NEM, with EnergyAustralia also taking on their customers as Retailer of Last Resort.

Building a reliable, flexible energy system

Through our generation portfolio, we are committed to improving energy security, increasing supply to keep prices down, and shifting to net zero emissions by 2050. During 2021-22, we began construction of Tallawarra B in New South Wales to deliver fast and flexible generation capacity. The 316MW power station will be completed in time for the Australian summer of 2023/24. The plant will be Australia's first carbon offset gas and hydrogen capable power station for its operating life. Our existing assets are continuing to operate to provide reliability

Progress over time

MEASURE	2020-21 RESULT	2021-22 RESULT	CHANGE
Total Injury Frequency Rate (TIFR)	2.17	3.87	+78%
Significant Injury or Fatality Rate (SIFR)5	1.57	1.48	-5.7%
Demand Response Capacity	157MW	226MW	+44%

for our customers and the power system, helping ensure a managed transition to a cleaner energy system.

Innovating to benefit our customers

Our electricity carbon offsetting program, Go Neutral, grew by a further 32 percent to 491,611 opted-in customer accounts by June 2022. For 2021, we offset a further 1.4 million tonnes of carbon emissions on behalf of our residential and business customers. Since February, all energy used by the Melbourne Cricket Ground (MCG) has come from renewable sources, making it the first major Australian stadium to run entirely on clean power. EnergyAustralia continues to have the largest Climate Active certified offset offering among Australian energy retailers, and the second largest in the country.

Supporting sustainable energy solutions

In times of high demand or emergencies, power supply reserves in the NEM can reach critically low levels. Our residential demand response program, PowerResponse, encourages residential customers to reduce the amount of electricity they use

during times of need and rewards them for these changes. As at June 2022, the PowerResponse program had 348,761 customers (stable since June 2021). We also have a demand response program for commercial and industrial customers. In total, our demand response programs made 226MW of electricity available to the market for the year ending June 2022 (up from 157MW in 2021).

PRINCIPLE 5

Where we can improve

As part of our strategy, we continued to invest in energy projects to bring more capacity into the market and support the volume of renewables entering the system such as our 350MW Wooreen Battery storage project in Victoria. We are also examining a pumped hydro project at Lake Lyell near Lithgow in NSW. This project proposes to use Lake Lyell as a lower reservoir with a new upper reservoir built on the southern flank of the adjacent Mt Walker.

MESSAGE FROM THE ENERGYAUSTRALIA
MANAGING DIRECTOR AT A GLANCE HIGHLIGHTS PRINCIPLE 1 PRINCIPLE 2 PRINCIPLE 3 PRINCIPLE 4 PRINCIPLE 5

Principle 4: We improve the customer experience



How we delivered positive outcomes for customers

We are committed to delivering an excellent customer experience and demonstrating value to our customers. For many customers, this means simplifying their experience, providing more convenient options for interacting with us, making required information more accessible, and effectively dealing with service queries and complaints. While we know we need to continue to improve, insights from the latest RepTrak report show that perceptions of EnergyAustralia are higher for customers who have had a recent service interaction with us, suggesting that we are making progress in delivering a more positive customer experience.

Fair outcomes

EnergyAustralia is committed to providing simplicity and transparency to its customers. We will provide secure, opt-in access for residential and small business electricity customers to share data with third party providers under the Federal Government's Consumer Data Right initiative. This will allow customers to compare offers and get tailored products or services from providers with very little effort.

Enabling customer choice

We continued to introduce new ways for our customers to interact with us digitally, including through our app. In 2021-22, 50 percent of service transactions were completed through digital channels, up from 48 percent in 2020-21. Our Contact Centre continued to perform strongly, with first call resolution stable at 70 percent (71 percent in 2021).

Progress over time

MEASURE	2020-21 RESULT	2021-22 RESULT	CHANGE
Service transactions completed digitally	48%	50%	+2%
Transactional NPS	+27.7	+27.3	-0.4
Direct Complaints per 10k customers	50.53	41.71	-15%

Using feedback to improve the customer experience

We use transactional net promoter score (TNPS) to measure and manage our performance during customer interactions. TNPS reached +27.3 in 2022, reflecting our efforts to streamline processes and improve the customer journey. We have internal forums and processes that regularly review core customer journeys to identify pain points and develop plans of action to address the sources of these issues.

Effectively handling complaints

Our number of complaints per 10,000 customers declined by 15 percent, while direct customer complaints dropped 10 percent in 2021-22. Ombudsman complaints declined a further 2 percent, after a 26 percent drop from 2020 to 2021. Complaints about billing dropped 17 percent, reflecting, in part, pre-emptive SMS alerts to advise customers with smart meters of an increase in usage mid-billing cycle. Our complaint resolution processes also sustained the improvements seen in 2020-21, with 85 percent of complaints resolved within 30 days during 2021-22.

Giving customers more confidence in their meter read

Due to various factors including the NSW floods and on-going COVID impacts, estimated meter reads have increased in the last year. In response, we actively promoted own reads to ensure customers only pay for their actual usage during a billing period. For example, in the past 12 months, we have sent 476,333 messages to customers who have an estimated read and 15% of recipients chose to provide us with their own read.

Multi-lingual service options

We continued to work on multi-lingual service options for customers whose preferred language is not English. We recently launched a pilot that gives customers the option of speaking in their preferred language, facilitating easy communication, improving the customer experience.

Improving service performance for our small business customers

We identified the need to improve customer service performance for our small business customers. During 2021-22, we designed and implemented changes to our approach and processes for supporting these customers. As a result, TNPS for small business customer transactions reached +43.3 in July 2022.

Enabling energy management for large customers

We have enhanced the functionality of our InsightsPro tool, which provides data and analytics for large customers. Customers can access interval meter data, solar and battery inverter data and Building Management System data in near to real time. This tool provides analytics, alerting, account and product information, aggregation and comparison across sites, and a forecast of charges before the bill is generated. It is currently in the early stages of adoption, with significant plans to further develop the capability in 2023.

Where we can improve

In 2022-23, we are expanding options for customers to interact with us through digital channels. Moving more customer interactions to digital channels simplifies their service experience and enhances our ability to monitor our own performance at a granular level.

We know, for example, that customers want more insights about their energy usage and continuing to invest in our digital channels will enable us to provide them with more information and greater transparency. Likewise, customers value our continuing investment in proactive communications about how they are using their energy and the associated costs including which plan is the best for them.

We will continue to offer a range of channels for our customers to interact with us. We have invested in, and are delivering a new customer experience platform, CXOne, which will provide a lift in capability for both customers and our agents - making the experience more efficient, and more tailored for customers.

While technology continues to provide opportunities to improve our performance for customers, we are also investing our continued cultural transformation to help ensure we put our customers' experience at the heart of our decisions



Principle 5: We support customers facing vulnerable circumstances



How we delivered positive outcomes for customers

In 2021-22 we continued to work with customers to proactively identify the potential for vulnerability, and help the customer self-assess their circumstances and establish a clear plan to manage their bills. This proactive approach saw our Transactional Net Promoter Score (TNPS) for EnergyAssist transactions increase to +68 2 in 2021-22 (from +62 6 in 2020-21)

Addressing 2021 IAP key findings on vulnerability

We recognise the importance of the following measures identified among Key Findings of the 2021 Independent Accountability Panel report:

- 1. All customers who are struggling to pay their electricity or gas bills should be moved to the best retail offer for their current circumstances.
- 2. Every customer who is entitled to a concession or rebate should be placed on it.

EnergyAustralia confirms our existing policies align to each of these measures, where such a customer has been identified and their explicit. informed consent has been obtained (in accordance with our regulatory obligations).

Working with our residential and business customers

Our conversations are focused on listening to and supporting customers, including those who are experiencing vulnerability. Our progress is demonstrated by 81 percent of EnergyAssist customers meeting their agreed payment plans (85 percent in 2020-21). Residential customers also have access to tailored payment plans, energy audits, information on grant programs and advice on energy usage.

Over the past year, we assisted over 27,000 people to access government concessions and grants. While the average monthly grant amount decreased by 7 percent to \$414 per customer, the application approval rate increased from 76 percent to 81 percent. We also continued to offer debt relief to customers in appropriate circumstances.

Progress over time

MEASURE	2020-21 RESULT	2021-22 RESULT	CHANGE
EnergyAssist participation	20,566	23,514	+14%
Average customer debt in EnergyAssist program	\$2,078	\$1,869	-10%
EnergyAssist Transactional Net Promoter Score (NPS)	+62.6	+68.2	+5.6pts

We provided additional support to our business customers via our Rapid BusinessAssist program, featuring payment extensions, payment plans and free disconnections and reconnections. As at 30 June 2022, 983 businesses were enrolled compared to 838 as at 30 June 2021.

Collaborating on handling of vulnerability

We are partnering with other industry participants, government and community service organisations to implement innovative customer solutions. We are the only energy retailer currently participating in the One Stop One Story Hub, a worldfirst cross-sector digital platform through the Thriving Communities Partnership, connecting people in our community to support programs, through a single-entry point in a safe and secure way.

Since July 2021, we have been involved in the #BetterTogether initiative Knock to Stay Connected. We work with networks and community organisations to hand deliver information to customers about where they can get support to keep their energy on.

Our experience has shown that around 69 percent of disconnections can be avoided through this human-centred approach. We also made 17,020 Wellbeing visits as part of the disconnection process to provide information and determine if there are any obvious signs of hardship.

Supporting customers impacted by natural disasters

During a particularly difficult year for the Australian community, we have embedded our natural disaster response into our business processes. During natural disasters, we assemble a dedicated working group, which identifies areas and communities affected by natural disasters, and places billing and collection holds on impacted customers.

Training our staff to support customers experiencing vulnerability

Our EnergyAssist team continued to receive a high volume of customer calls (up 7.5 percent from 2020-21, and approximately 70 percent higher than pre-COVID volume).

We expect this trend will continue as electricity and gas prices increase across Australia. It is critical that our staff are wellinformed and trained to meet our customers' needs. All customer-facing employees must complete compliance training, as well as training around call control, and specialised family and domestic violence training.

Proactive identification of customers who may be facing financial difficulty

We have implemented behavioural segmentation based on customer attributes for proactive identification of customers at risk of entering financial difficulty to enable early engagement and support. We also implemented pre-disconnection welfare visits to connect with disengaged customers to provide all necessary support for customers and to ensure continued supply of energy.

Where we can improve

With our customers experiencing a series of natural disasters and additional cost of living pressures in 2021-22, EnergyAustralia focused on constantly improving our conversations to provide the appropriate support. Our aim is to have a kept rate of 80 percent for a longerterm payment arrangement and a 60 percent kept rate for short-term arrangements, such as payment extensions.

We will be releasing a new self-serve web portal later in 2022, where vulnerable customers that prefer not to engage directly with a staff member will be able to self-serve digitally.



