



Annual Review

2019 – 2020

ACKNOWLEDGEMENT

Pacific Hydro acknowledges the traditional custodians of the land on which we operate and throughout Australia. We acknowledge their continuing connection to land, sea and community and the care they have provided to this country for over 65,000 years. We pay our respect to them, their cultures and to Elders past, present and emerging.

ABOUT THIS REPORT

This report addresses Pacific Hydro's performance from 1 January 2019 to 31 December 2020. Unless otherwise stated, the information covers our Australian activities, including Tango Energy.

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Message from the CEO

Eleven years ago, Pacific Hydro first embarked on its signatory journey with the United Nations Global Compact. We recognised the importance of a strategic, formal commitment such as this, and I'm pleased to report over a decade later, we remain firmly committed to the UNGC and its objectives.

While this report covers the 2019 and 2020 calendar years, the achievements – and challenges – of the two years were worlds apart. We experienced a year of growth in 2019, with the delivery of two new projects, Crowlands Wind Farm and Haughton Solar Farm, adding 180MW to our installed capacity. The successful delivery of these two projects was particularly significant as we responded to the insolvencies of principal contractors from both projects. Tango Energy, our retail arm, launched Tango Blue, a 100% GreenPower product to our retail customers, and impressively, was recognised with Canstar Blue's 'Most Satisfied Customers (Victoria)' – a direct reflection on the values and behaviours of our Tango team.

Fast forward to 2020, and a year of triumph in adversity. We were faced with plummeting energy prices, grid transmission constraints and a global pandemic. However, we launched a Smart Energy Meter System, entered the residential gas market in Victoria, and commenced a feasibility study for a hydrogen facility. We also drafted our first Reconciliation Action Plan and Modern Slavery Statements, which will be published during 2021.

I'm proud of the way we responded to the challenges 2020 presented, and I'm especially proud of the way our people supported and encouraged each other during such a difficult year.

We can always do better, but our Employee Engagement Survey revealed that 93% of staff felt that we cared about their health, safety and wellbeing.

Looking ahead, our greatest challenges remain the network transmission constraints, which hinder our ability to progress projects, and the forecasts for continued low energy prices. Our team continues to advocate strongly in order to achieve a resolution that will enable us to continue our growth agenda.

With almost thirty years of operations behind us, Pacific Hydro continues to be a leader in its field, not only technically and commercially, but in the way we work with – and value – our people, our communities and our supply chain.



Rachel Watson
Chief Executive Officer



About Us

Founded in Australia in 1992, Pacific Hydro is a leading owner, operator and developer of renewable energy assets.

Operating a high quality, diversified portfolio of wind, hydro and solar assets with an installed capacity of 665 MW, Pacific Hydro also has a substantial development pipeline of projects totalling over 750 MW of potential capacity, as well as over 270 MW of energy storage solutions. Pacific Hydro also has a growing electricity and gas retail business, Tango Energy, with over 108,000 customers at the time of printing.

Pacific Hydro employs approximately 200 staff across Australia and the company's head office is located at the Docklands, Melbourne. Tango Energy operates an office located in Geelong, Victoria. Small site offices are also located alongside many of our assets.

In January 2016, Pacific Hydro was acquired by the State Power Investment Corporation (SPIC).

TOP: Cape Bridgewater Wind Farm, Victoria
BOTTOM: Ord Hydro Plant, Western Australia

What We Stand For

Pacific Hydro is founded on a culture of ethical behaviour, operating with integrity and honesty. As such, our culture and values inform everything that we do.

Pacific Hydro and Tango operate as a strong, cohesive and complementary unit. As a wholesale electricity generator and an electricity and gas retailer, we also operate as two distinct organisations with two separate value statements.

Pacific Hydro's Purpose:
Leading Australia to an affordable, clean energy future... Because good planets are hard to find.



Tango Energy's Purpose:
Inspire. Empower. Leave the world a better place!



TOP: Pacific Hydro's Values and Culture Statements
BOTTOM: Tango's Good To Great Attributes

Governance, Compliance and Ethics

GOVERNANCE

As a leading renewable energy company, Pacific Hydro is committed to maintaining the highest standards of accountability, transparency, and honesty in our work.

We have established mechanisms to ensure the ten Principles of the UNGC are reflected in our day to day management decisions, our strategies, policies and procedures, our operations, and our culture.

Although Pacific Hydro is not listed on the stock exchange, our Board operates in accordance with the ASX Principles of Good Corporate Governance. Comprised of six directors, our Board has three shareholder non-executive directors, two independent directors and our CEO.

Internally, our Senior Leadership Team, supported by a diverse and experienced executive management team, is responsible for the strategic and operational performance of the organisation.

Suppliers are asked to acknowledge that they recognise all fundamental human rights and comply with applicable labour laws, and this is codified into all of our material contracts.



ABOVE: Yaloak South Wind Farm, Victoria

ANTI-CORRUPTION

We are committed to complying with all relevant laws, regulations and standards regarding anti-corruption and bribery. We have an established Enterprise Wide Risk Management Framework (EWRM) under which we manage our risk and compliance. The compliance management system of our EWRM framework sets a guideline to manage our regulatory and policy compliance. All breaches are reported and noted on a breach register. An annual compliance declaration statement is signed off by all senior managers from which an annual compliance report is provided to the Board of Directors.

Our Delegation of Authority Policy defines the responsibilities of staff, leadership, the Board and shareholder for key critical activities and decisions which occur within the business.

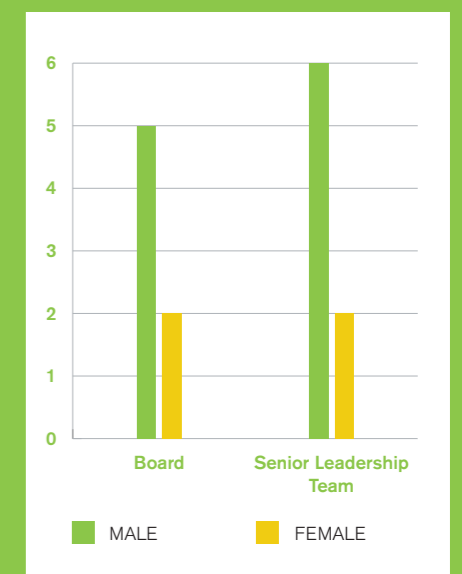
Our Whistleblower Disclosure and Investigation Procedure covers allegations of improper or corrupt conduct, as well as breaches of Company policy, the Code of Conduct and any relevant laws. In 2020, we introduced our inaugural Modern Slavery Policy and Investigation Procedure, which aim to

mitigate the risk of human rights abuses occurring in our business dealings and supply chains.

Our Anti-Money Laundering and Counter Terrorism Funding (AML/CTF) procedure ensures that trading counter-parties are identified as legal and bonafide entities. We also provide an annual survey report to the Australian regulator, Annual Transaction Reports and Analysis Centre (AUSTRAC). AUSTRAC also issues notices on prohibited persons, which we comply with.

There were no reported incidents of corruption or anti-competitive behaviour during the reporting period.

GENDER BREAKDOWN: BOARD & SENIOR LEADERSHIP TEAM



Due to a greater than average turnover of our Board directors over the reporting period, Board gender data has been reported as the weighted average over the entire reporting period. As at 31 December 2020, our Board gender breakdown was 50:50.

We recognise that our impacts on people, the environment and the economy are driven not only by our own direct activities, but also by activities in our supply chain.

PROCUREMENT EXCELLENCE

We recognise that our impacts on people, the environment and the economy are driven not only by our own direct activities, but also by activities in our supply chain.

As part of our commitment to continuous improvement, our Procurement Excellence program was established during the reporting period. Building on our existing protocols to identify key procurement risks and opportunities, including governance, safety, labour standards, local content and environmental management, the Procurement Excellence program strengthens our oversight of risks in labour, human rights, anti-corruption and environment.

The Procurement team is responsible for managing commercial risks in the business, including the supplier risks through structured procurement processes. Using a centralised approach, it supports all Australian business activities by providing procurement strategy, governance, advice, templates, and training and directly carries out strategic procurement activities.

RISK MANAGEMENT

In 2020, a Group Risk and Compliance function was realigned to report to the General Counsel and became part of the legal group. The function continues to identify, assess, and provide recommendations in relation to risk in order to achieve maximum sustainable value.

Whilst our Enterprise Wide Risk Management Framework provides an overarching structure for the oversight and management of organisational risks, we also have a number of other mechanisms and policies in place which support our broader risk management objectives, including:

- Global reporting obligations required by SPIC (shareholder)
- Delegation of Authority policy
- Staff inductions
- Procurement Excellence program
- Supplier code of conduct

- Supplier pre-qualification program requiring a bribery and corruption questionnaire to be completed
- Regulatory reporting all state-based governments
- Tango compliance with ESC (Essential Services Commission) and AER (Australian Energy Regulator) requirements including reporting

OUR POLICIES AND COMMITMENTS

- Signatory to Clean Energy Council Best Practice Charter for Renewable Energy Developments
- Whistleblower Disclosure and Investigation Procedure
- Enterprise Wide Risk Management Framework
- Modern Slavery Policy
- Tango Customer Charter
- Tango Privacy Policy
- Pacific Hydro Privacy Policy

Case Study: Modern Slavery

We are committed to conducting our business affairs ethically, transparently, responsibly and sustainably, which includes ensuring that our business is conducted in compliance with modern slavery laws. We are an active member of the UN Global Compact Modern Slavery Community of Practice, and our Modern Slavery Working Group has been working hard to establish effective risk management strategies that will identify and address modern slavery risks in our operations and supply chains.

During the 2019 – 2020 reporting period, we undertook numerous actions to identify and mitigate modern slavery risks in our business dealings and supply chains. This included:

- Publishing the Pacific Hydro Modern Slavery Policy;
- Publishing the Pacific Hydro Modern Slavery Investigation Procedure which will govern our response to and management of modern slavery incidents;

- Incorporating clauses into key contracts requiring compliance with modern slavery laws and the implementation of processes and procedures to identify, prevent and rectify modern slavery risks;
- providing a modern slavery information sheet in supplier welcome packs to help educate suppliers and build an understanding of the risks of modern slavery worldwide; and
- working closely with key suppliers to gain information about the risks of modern slavery occurring in our supply chain through a Self-Assessment Questionnaire system, which has been a key tool to gain awareness of the maturity, readiness and risk areas in our supplier base.

Given that this was Pacific Hydro's first reporting period under the Modern Slavery Act 2018 (Cth), our key area of focus has been to increase awareness of modern slavery risks, both internally and externally. We are pleased with the progress we have made in bringing these issues to light, particularly with our smaller contractors who have a lower level of awareness concerning global procurement risks.

We will continue to develop and build on these actions during this reporting period throughout 2021 and 2022 and look forward to publishing our Modern Slavery Statement in 2021.



ABOVE: At our Houghton Solar Farm in Queensland, our procurement tender processes were updated to include modern slavery assessment criterion.

Our People

RESPECTING RIGHTS AT WORK

Pacific Hydro complies with all applicable laws, regulations and other legal requirements with respect to the rights of our employees. We have not identified any risks at any of our operations relating to employees right to collective bargaining or freedom of association. Further, we have not identified any risks at any of our own operations relating to forced or compulsory labour, nor child labour.

We have robust hiring practices in place to ensure we provide equity of access, and are assessing each application for employment on a merit basis of skills, experience and qualifications.

Employee grievances are addressed through our Grievance Procedure, our Whistleblower Disclosure and

Investigation Procedures, Equal Opportunity Policy and Code of Conduct. These policies and procedures encourage employees to seek and use appropriate mechanisms to address any grievances. Any issue not adequately addressed through these provisions can be taken to our Employee Assistance Program.

Our Domestic Violence Leave Policy and Information Pack also provides additional support and assurance to those employees who may be experiencing family or domestic violence.

We respect the rights of workers to organise, and we seek to maintain conditions that are attractive to quality talent.

All staff are required to undertake annual Equal Opportunity training.



ABOVE: Employees at our Collins Street offices

DIVERSITY AND INCLUSION

Promoting diversity and inclusion within our workforce allows us to embrace and leverage from our differences, enhancing our competitive advantage. We are proud of our inclusive and diverse culture and have taken steps to further strengthen this through a new Diversity and Inclusion Strategy, the planning of which commenced in late 2020. Equal employment opportunity and all forms of anti-discrimination are specifically addressed in our Code of Conduct and Equal Opportunity Policy.

Our workplace is family friendly, and we encourage employees to balance personal commitments with work responsibilities through a host of initiatives such as part time employment, job sharing arrangements, working from home and staggered start and finish times, where appropriate. Our Parental Leave Policy extends beyond statutory requirements relating to parental leave rights.

Employees are provided the opportunity to purchase additional leave, which reduces their overall taxable income and provides additional flexibility for employees to maintain a work/life balance.

We encourage cultural diversity, and make accommodations for all religious observances and practices.

TRAINING AND DEVELOPMENT

We offer a broad range of internal and external training and development opportunities, which are available to all staff. Relevant health and safety training is also provided to site and office-based employees and contractors to ensure our staff are equipped with the knowledge required to perform their job safely.

EMPLOYEE ENGAGEMENT

We run an annual Employee Engagement Survey, which provides our management with valuable insights to employee sentiments across a range of areas.

Following receipt of these results, team and organisation-wide responses are developed to address specific areas of concern. During the reporting period, these responses have included increasing access to our leadership team, providing more information about our strategy and business plan, and reviewing our Diversity and Inclusion strategy.



ABOVE: A celebratory morning tea for International Women's Day 2019 #EachForEqual

Health, Safety and Wellbeing

HEALTH AND SAFETY

We aim for continual improvements in our health and safety performance, with the ultimate goal of achieving zero incidents, injuries and illnesses. Significant resources are dedicated to ensuring a workplace free from injury or harm, although responsibility for health and safety is also squarely placed with each employee.

Our Health, Safety and Environment Policy outlines our commitments to ensuring a healthy and safe environment for our employees, contractors and visitors. Aggressive targets are set annually to identify, eliminate or minimise exposure to hazards in the workplace, with the aim of decreasing injury rates, improving management systems and increasing employee ownership for improving our health and safety performance.

Each member of our senior leadership team is required to take regular safety walks around our locations, either in one of our city or regional offices, at an operational asset, or one of our development or construction sites. These walks have many benefits – they allow our leaders to become more familiar with our sites, and our people, and they also provide opportunities for our employees to engage with the senior decision-makers on safety. Critically, their 'fresh eyes' provide a different perspective and often stimulate lively discussions about what, why, when and how, we undertake and manage risks associated with particular tasks. During 2020, these walks were unable to take place in person, but we seamlessly transitioned to virtual safety walks, which often provided them access to parts of the plant such as the top of the wind turbines, which had previously been challenging to access.

We foster a strong culture of transparency and all incidents are reported and recorded in alignment with best practices.

Performance against lead and lag safety objectives is directly linked to employees' performance appraisals and bonus payments.

In both 2019 and 2020, our lead safety indicator required all staff across the business to record at least 12 safety-related conversations for the year. These safety conversations allow employees to track and record the details of safety-related conversations and activities they undertake, both inside and outside the workplace. Almost 2,500 conversations were recorded by our staff in 2019, and over 3,200 in 2020.

We also increased our focus on HSE risk evaluation and mitigation during the reporting period, with the development and approval of our Critical Risk Protocols in 2019. In recognition that driving is the number one risk to our people, we launched the Motor Vehicle Use Requirements in 2019.

Systems are in place to identify and access all applicable Health, Safety and Environment laws, regulations, approvals, licences, permits and other requirements and document them in a compliance register that is reviewed and kept up to date.

HEALTH AND WELLBEING

We believe that the health and safety of our employees extends beyond the physical, and we recognise that looking after the wellbeing of our employees improves productivity and engagement. Our Wellbeing program addresses the mental, physical, financial and general wellbeing of our people. As well as providing access to world-class programs and tools, we encourage our staff to access an extensive network of resources.

In 2020, 116 employees participated in the Virgin Pulse Challenge, and we will continue this in future years based on its success.

Our Mental Health First Aiders are a group of employees who have undertaken formal training to provide immediate support to employees who do not wish to speak to their immediate manager or HR. The Mental Health First Aid officers are provided with extensive training and ongoing support to ensure that they are supported in their roles.

Our Employee Assistance Program is also available to all staff and their immediate family members, and we heavily promote the program to ensure its uptake.

Employees are usually offered free flu shots from a doctor who attends our offices, but in 2020, due to most of Victoria being in a state of lockdown, all employees were reimbursed for their flu shots instead.

Our Policies and Commitments

- Code of conduct for employees and suppliers
- Health, Safety, Environment and Quality Policy
- Equal Opportunity Policy
- Certified to ISO 45001

Case Study: Our response to Covid-19

When the global pandemic first arrived on Australia's shores in early 2020, Pacific Hydro's leadership team leapt into action. A Pandemic Planning Management Team was established, formed of the Senior Leadership Team, as well as representatives from Safety, IT and Communications. Our Pandemic Response Plan was put into action, and a collaborative effort from Office Management, IT, Safety and Communications teams meant our transition to working from home was smooth sailing.

Clear protocols for notification of suspected COVID infections of staff and response plans were established. Regular reports were provided to the SLT, Board and Shareholder as we closely monitored the Government Health directives and ensured our plans and protocols were updated to reflect any changes.

We immediately embarked on a strong communications and engagement campaign, including virtual weekly half-hourly CEO Updates. These meetings were initially intended as a means of bringing the organisation together while geographically separated and providing a forum where staff could hear from our CEO and Senior Leadership Team about the ways in which we were responding to the global pandemic. A year later, and the weekly CEO Updates still continue, with no material change in attendance rate since they first commenced. Employees are invited to - and frequently do - ask anonymous questions of the SLT on a broad range of topics, from changes in energy policy to requesting updates on key performance metrics.

Recognising the pressures the prolonged working from home requirement and lockdown put on team collaboration and staff mental health, the following actions were also taken:

- Virtual team events including trivia quizzes, bingo, baking competitions, and a Lego challenge were held to generate social interaction across the Company;
- An online COVID information hub was established for staff to easily access up to date information. In addition, the Health and Safety manager provided email updates as and when circumstances changed to help inform staff with accurate information;
- Acknowledging meeting fatigue, meeting-free Friday afternoons were also introduced, and regular team catch-ups and virtual events meant we all remained as closely connected as possible; and
- Check-in surveys were periodically taken to seek feedback from staff in relation to the support and activities being provided by the Company and if they felt informed, connected and engaged through this period with a view to adjusting our plans if necessary. Survey feedback was overwhelmingly positive, some new ideas generated and response rates were high.

As businesses within Victoria have been able to commence a return to office, a sub-group was established to ensure the office layout, traffic flow, shared facilities, cleaning protocols, QR coding and other actions were in place aligned with Government directives. Prior to commencing a gradual return in early January 2021, all staff were required to complete an online COVID re-induction program, which included the COVID Return To office Policy.

- A Wellbeing Program was launched providing online tools to support staff with their physical and mental health during this period. This program received strong feedback from staff and is continuing;



We immediately embarked on a strong communications and engagement campaign, including virtual weekly half-hourly CEO Updates.

ABOVE: One of many creative entries for our Easter hot cross bun baking competition

Our Communities

Guided by our Community Charter as well as our Purpose, Values and Culture Statements, Pacific Hydro is committed to engaging and collaborating with the communities where it operates and has a strong track record of delivering lasting, sustainable benefits to these communities.

We recognise that community support is as critical to project success as technical and financial factors and work hard to build and maintain respectful and collaborative relationships and give back to host communities across all phases of the project lifecycle.

Pacific Hydro's Community Investment Program delivers a portion of revenue back into host communities each year. Since its launch, the Program has provided more than \$4.3 million to over 900 community-led projects.

The Sustainable Communities Fund (SCF) is the key pillar of Pacific Hydro's Community Investment Program. Eligible community groups are invited to apply for up to \$10,000 funding for projects that address a community need. The Fund aims to build stronger and more resilient communities by empowering communities to identify their priorities and decide on the initiatives that Pacific Hydro should support through participation in Fund Allocation Panels. In 2020, we held these panels virtually so community members could still be involved safely.

In 2019, with the opening of Crowlands Wind Farm and Haughton Solar Farm, we launched community funds for these communities. The 2019 program provided funding to 80 community projects totalling more than \$540,000.

In 2020, the Sustainable Communities Fund provided funding to 97 community projects across eight assets (including some ongoing multi-year sponsorships).

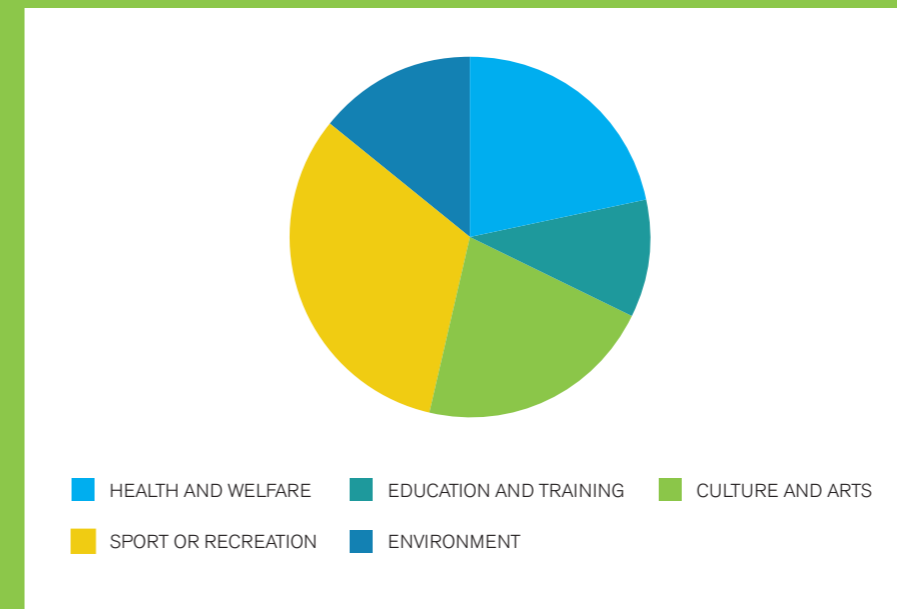
ASSET	FUND AMOUNT	NO. OF PROJECTS
TARALGA	\$126,079	12
YALOK SOUTH	\$33,198	6
CLEMENTS GAP	\$56,074	11
CROWLANDS	\$89,000	12
HAUGHTON	\$86,781	13
CODRINGTON/ YAMBUK	\$45,306	9
PORTLAND	\$149,415	25
ARARAT	\$34,240	9
TOTAL FOR 2020	\$620,093	97



To be eligible for funding, projects must demonstrate lasting benefits and address community needs in one or more of five key areas (below). The amount allocated across each key area is dependent on the applications received and the decisions made by the fund allocation panels.

AREA	DEFINITION	2020 FUNDING
SPORT OR RECREATIONAL	Projects that enhance, support, and promote healthy and active sport and recreational activities in the local community.	\$198,644
HEALTH AND WELFARE	Projects that enhance, support, and promote the health and welfare of community members; including relief of poverty, sickness, or distress.	\$135,591
CULTURAL AND ARTS	Events, festivals, programs, and initiatives that foster, support, and promote a vibrant cultural, artistic, and community life.	\$132,398
ENVIRONMENT	Projects and initiatives that support the conservation and rehabilitation of the environment in the local area; and/or help to reduce emissions, waste, and promote environmentally sustainable practices.	\$87,716
EDUCATION AND TRAINING	Projects that broaden access to and enhance the quality of education and training in the local region.	\$65,744

2020 GRANTEES



OPPOSITE: Grantees of the 2019 Ararat and Crowlands Sustainable Communities Funds

In 2021, as part of Pacific Hydro's Reconciliation Action Plan (RAP), we will add a sixth key area to encourage projects that support the health and wellbeing of Aboriginal and Torres Straight Islander people.

Other activities undertaken which benefit our communities include:

- Sharing economic benefits with local communities through the life of the project (including through the SCF)
- Community Engagement strategies to involve the community in decisions that affect them
- Our Community Investment Program supports a number of the SDGs: good health & wellbeing, affordable and clean energy etc
- Launched Crowlands and Haughton SCFs
- Sponsored Sweet Days Hot Nights Festival, Yaloak Polo, Portland Winter Solstice Fun Run
- Review of complaints management process undertaken against best practice; commenced procurement of new complaints management system
- Interactions with regulators and all levels of government and contribution to public debates for sensible policies
- Retail team offering simple uncomplicated electricity deals - helping lower socioeconomic brackets and delivering value/savings
- Tango reporting to ESC and AER annual markets survey – good outcomes for customer service
- Tango Hardship policy
- Modern Slavery policy and compliance procedure to prevent slavery occurring within the business operations and our supply chains
- RAP committee progressing reconciliation efforts

OUR POLICIES, COMMITMENTS AND GOALS

- Community Charter, Engagement Framework and Community Investment Program Guidelines

Case Study: Yambuk Hall – Solar Project

Yambuk is a small town located along Victoria's beautiful south western coastline between Port Fairy and Portland. The Yambuk community has a strong focus on sustainability being host to Victoria's first commercial wind farm - Pacific Hydro's Codrington Wind Farm, constructed in 2001, followed by Yambuk Wind Farm in 2005.

In 2019, Pacific Hydro was delighted to be able to provide funding for the installation of solar panels on the roof of the Yambuk Public Hall. The project fits the aims of the Sustainable Communities Fund perfectly – not only will the panels provide free renewable energy to keep the hall running, they would also generate an income from the extra power it produces to pay for the ongoing maintenance of the hall - securing the future of this vital community resource.

Anthony Leddin, secretary of the hall committee says "The hall is an important hub for the local community, being the only venue in town where locals can all come together for meetings, events and fundraising. Pacific Hydro has helped a long way in making the Yambuk Hall and community a more sustainable place".

The 10kw system was installed in April 2020 by local solar provider, Solargain. In July 2020, it gained the interest of the Australian Conservation Foundation who commissioned a short video about the hall as part of their series on the benefits renewable energy projects can provide to regional communities. The video can be viewed [here](#).



TOP: Anthony Leddin and his family walking to the Yambuk Public Hall
BOTTOM: The Yambuk Public Hall proudly displaying the new solar system provided by Pacific Hydro

Environment

Our dedication to addressing climate change reflects our commitment to achieving our purpose of leading Australia to an affordable clean energy future.

Our response to climate change is centred around three key activities:

1. Developing more renewable energy projects to help reduce the global reliance on fossil fuels;
2. Helping our customers address their climate change mitigation obligations and reach their voluntary targets by providing sustainable products; and
3. Advocating for government action to reduce carbon emissions.

During the reporting period, we completed construction and commissioning of the Houghton Solar Farm (100MW) and Crowlands Wind Farm (80MW), bringing our total installed capacity to 665MW.

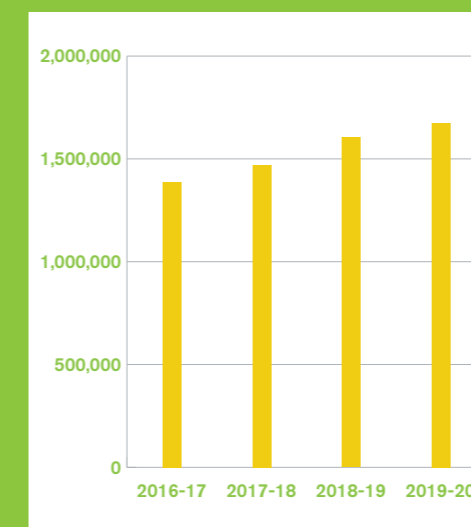
As required by legislation, we pro-actively and diligently undertake detailed environmental studies for projects in development. During the reporting period, we commissioned various studies as part of the Environmental Impact Assessments (EIA) process for our Daroobalgie Solar Farm development project. The studies will help us identify the likely environmental impacts of the development, such as inter-related socio-economic, cultural and human-health impacts, both beneficial and adverse.

In order to comply with our obligations under the National Greenhouse and Energy Reporting Act, 2007 we provide information to the Clean

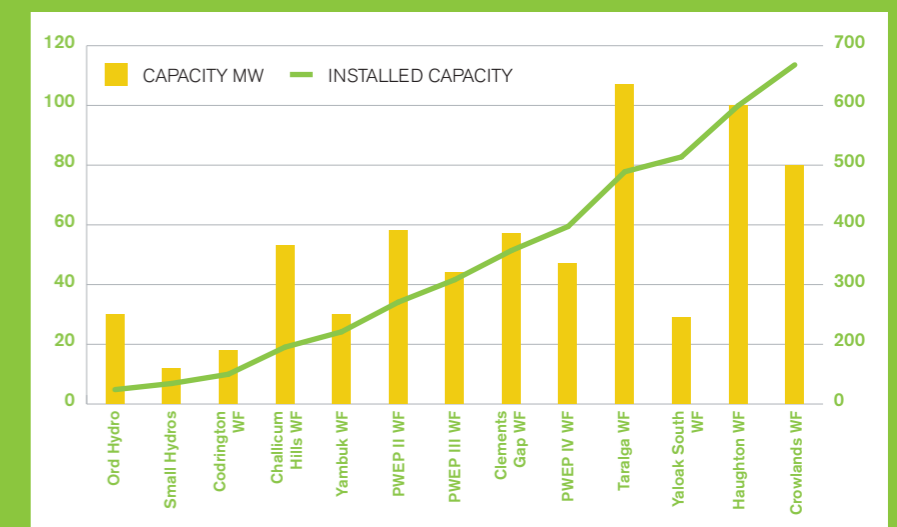
Energy Regulator regarding energy production, energy consumption and emissions of greenhouse gases caused by our activities.

We are able to track where and how our emissions are generated so we can actively target these areas when needed. We are also keenly interested in how many tonnes of CO2 equivalent we have helped our customers avoid. As shown, we have continued to increase our capability in this space as new renewable energy developments come to fruition.

EQUIVALENT PACIFIC HYDRO KWH PRODUCED TO T CO₂-e AVOIDED BY YEAR



PACIFIC HYDRO INSTALLED CAPACITY (MW)



* Based on the National Greenhouse Accounts Factors, October 2020, indirect (Scope 2) emission factors for consumption of purchased electricity from the grid (kg CO₂-e/kWh).

Case Study: Bird and Bat surveys

For several years at our Yaloak South Wind Farm we have been conducting studies into *Aquila audax* Wedge-tailed eagle flight and breeding activity with the primary objective of comparing activity prior to construction and post construction of a wind farm.

Using the same methods as pre-construction surveys, monthly flight activity surveys were conducted over a two-year wind farm operating period. Noting that no defined directional or seasonal patterns were observed, statistical comparisons found no significant difference in mean Wedge-tailed eagle flight activity between the pre- and post-construction period at the wind farm. Wedge-tailed eagles were typically observed soaring near escarpments within the wind farm and above the Brisbane Ranges National Park, where they are likely to rely on solar thermals for uplift in the surrounding flat terrain.

Breeding activity surveys were also undertaken by locating nests in areas within and surrounding the larger areas of the Yaloak Estate and the wind farm to determine if successful breeding had occurred.

The endorsed 2019 Bat and Avifauna Management Plan sets the reasonable measure of breeding success as approximately one fledgling per nest in which eggs are laid. During the 2019 breeding season, nest activity met the standard for breeding success.

We also completed a two-year curtailment trial at our Cape Nelson North Wind Farm in Portland in May 2019. The trial placed a number of restrictions on the wind farms' operational parameters from dusk to dawn, and PH will continue this curtailment indefinitely as a mitigation strategy to minimise impacts to the Southern Bent-wing bat.

Environmental criteria are very well documented in tenders and contracts. Internally, Pacific Hydro is independently assessed and is currently certified against the requirements of ISO 14001 Environmental Management System. Pacific Hydro maintains an Environmental Management System which ensures measures and procedures are implemented in line with health, safety, environment and quality requirements.

Pacific Hydro has developed a risk management framework which provides the foundations and organisational arrangements to integrate risk management throughout all levels of Pacific Hydro; where appropriate, health, safety, environment and quality risks are addressed through our Environmental Management System.

Pacific Hydro has examined its activities, products and services and is able to identify how it impacts the environment and how this is managed.

Pacific Hydro operates a procurement process and supplier pre-qualification system which supports Pacific Hydro's legal obligations under the various State-based Work Health and Safety legislation and environmental obligations. This process and system assists Pacific Hydro with its legal, financial, reputational and environmental risks in the event of an incident and enables Pacific Hydro to select suppliers with desirable environmental certifications, accreditations and/or memberships wherever possible.



ABOVE: Yaloak South Wind Farm, Victoria

Developing our renewable portfolio

During the reporting period, we completed construction and commissioning of the Houghton Solar Farm (100MW) and Crowlands Wind Farm (80MW), bringing our total installed capacity to 665MW.

Crowlands Wind Farm was also successful in the second iteration of Melbourne Renewable Energy Project 2 (MREP2), providing clean, renewable energy to a consortium of large energy consumers within the City of Melbourne.

We also progressed with our Bunkers Hill Pumped Hydro project, an exciting battery addition to Clements Gap Wind Farm, as well as a number of solar projects spread across Australia.



ABOVE: Houghton Solar Farm, Queensland

Hydrogen

Australia's National Hydrogen Strategy was announced in November 2019 as an exciting roadmap to establishing a flourishing hydrogen industry in Australia.

As a long-time pioneer in the Australian renewable energy industry, Pacific Hydro had already been focussing our attention on hydrogen, and in early 2020 we were successful in receiving a grant from the Western Australian Government's Renewable Hydrogen Fund. Our proposal was to undertake a feasibility study to assess the potential of locating a green hydrogen facility in the East Kimberley, powered by Ord Hydro Plant.



ABOVE: Ord Hydro Plant, Western Australia

Tango Energy

Tango Energy is Pacific Hydro's electricity retail business, which also expanded into gas retail in Victoria in late 2020.

In late 2019, Tango Energy launched Tango Blue, a 100% renewable energy product accredited under the GreenPower scheme. In essence, Tango Energy began purchasing renewable energy from Pacific Hydro which was equivalent to 100% of the energy consumed by Tango Blue customers. Tango Blue was conceived following the bushfires earlier in 2019, which highlighted the very real, immediate and devastating impacts of climate change.

Our Policies and Commitments

- Health, Safety, Environment and Quality policy
- Environmental Management System certified to ISO 14001



ABOVE: Crowlands Wind Farm in Victoria, from which Tango Energy sources the electricity to supply the Melbourne Renewable Energy Project II.



Level 13, 700 Collins Street Docklands Victoria 3008 Australia

pacifichydro.com.au