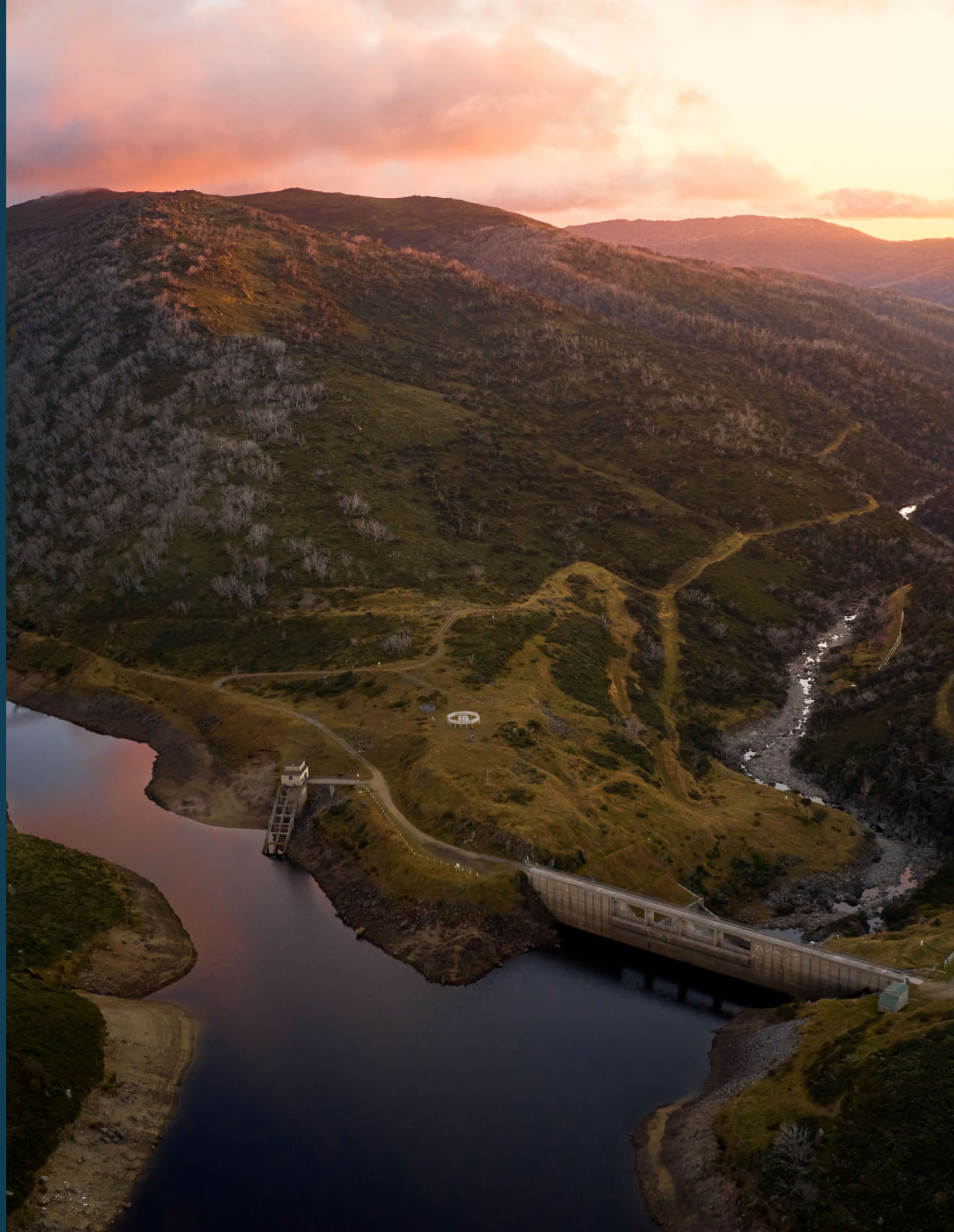




Corporate Plan

For Financial Years
2026 - 2030



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Acknowledgement of Country

Snowy Hydro celebrates and acknowledges the Traditional Custodians of the many lands and waters on which we live, work and serve. We pay our respects to Elders past, present and emerging for their custodianship of Country over centuries throughout Australia.

We recognise and honour the ongoing connection and deep spiritual relationship that Aboriginal and Torres Strait Islander peoples have to Mother Earth and acknowledge the unique role they play in caring for and protecting her for future generations.



About this Plan

Snowy Hydro Limited has prepared this Corporate Plan for its Shareholder Ministers, Senator the Hon. Katy Gallagher, Minister for Finance, and the Hon. Chris Bowen MP, Minister for Climate Change and Energy. Covering Snowy Hydro Limited and its controlled entities, the plan covers the 2025–26 Financial Year (**FY**), with a plan period from FY26 to FY30.

The plan is required by, and prepared in accordance with paragraph 95(1)(b) of the Public Governance, Performance and Accountability Act 2013 (Cth) (**PGPA Act**), the Public Governance, Performance and Accountability Rule 2014 (Cth) (**PGPA Rule**) and the Commonwealth Government Business Enterprise Governance and Oversight Guidelines (January 2018) (**GBE Guidelines**). Currently, no Government priorities under the Statement of Key Priorities,¹ Government policy orders² or written instructions or directions under Snowy Hydro's Constitution apply to Snowy Hydro.

¹ Section 34 of the PGPA Act requires Snowy Hydro's plan to align with any Government 'Statement of Key Priorities' that relate to Snowy Hydro's business.

² Sections 22 and 93 of the PGPA Act allow the Finance Minister to make a Government Policy Order specifying a policy of the Australian Government to apply to one or more Government Business Enterprises.

Legal Notice

This plan contains various long-range plans, projections, high level estimates and other forward looking information (**Estimates**). Those Estimates are based on the best considered professional assessment of present economic and operating conditions, Australian Government policy at the time of writing this plan, and assumptions regarding future events and actions which, at the date of writing this Corporate Plan, are expected to take place. The Estimates involve known and unknown risks, uncertainties and other factors beyond control that may cause Snowy Hydro's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the Estimates. While the Estimates are based on the best considered professional assessment, the management team and officers (as defined in the Corporations Act 2001 (Cth)) of Snowy Hydro Limited do not give any guarantee or assurance to any third party that the results, performance or achievements expressed or implied by the Estimates will actually occur, and the Estimates should not be relied on or considered to be a representation of what will happen by any third party.

Chair and CEO Message

As leaders in a rapidly changing energy sector, this year the time was right for the team at Snowy Hydro to work together to clarify our purpose.

‘Powering Australia’s sustainable future’ is the purpose that now unites everyone at Snowy, whether we are providing industry-leading retail customer service, ensuring the reliable operation of our power stations, or leading our participation in the wholesale electricity market. Every team member contributes to this ultimate goal.

Sustainability is deliberately core to our purpose. As a renewable energy leader crucial to Australia’s decarbonisation, sustainability has always been a part of Snowy Hydro. We’ve been a part of Kosciuszko National Park for decades and are proud of our team’s focus on care for this and the other natural environments in which we operate.

We’re custodians of the water that flows through the Snowy Mountains Hydroelectric Scheme (Snowy Scheme), mindful of our role in balancing its use as fuel for our hydro power stations to contribute to energy reliability and its importance as a resource for agriculture, biodiversity and recreation.

Sustainability at Snowy is also about people, the communities we’re a part of, the customers we serve and Snowy’s people.

Sustainability also defines how we operate as a business owned by the Commonwealth of Australia. We understand the importance of transparency, accountability and responsible business practices. To this end, we’ve begun a major transformation program to ensure we remain a leader in a fundamentally changing energy sector.

Our talented and passionate people drive our success and are leading our transformation agenda. A key outcome will be strengthening career pathways, building technical and leadership capability, not only for Snowy, but for the future renewable energy sector. By supporting and developing our team, we ensure a job at Snowy Hydro remains a source of pride, confident they will continue to achieve amazing things.

Snowy’s heritage is deeply rooted in delivering renewable hydroelectric power through the iconic Snowy Scheme, a marvel of Australian engineering that underpins our nation’s energy reliability today.

Our future is the Snowy 2.0 pumped hydro expansion, one of the most complex and challenging feats of engineering underway in the world. As a giant battery, it will store excess power from wind and solar and deliver it to homes and businesses across the grid when it’s needed most. Snowy 2.0 will deliver 350,000 megawatt hours (MWh) of energy, enough to power 3 million homes for a week. With a design life of 150 years, Snowy 2.0 will play a significant role in energy reliability for generations.

Despite challenges associated with delivering a complex mega project in a remote area, Snowy 2.0 has made good progress.

Snowy’s unmatched mix of on-demand hydroelectric and gas power stations enable more wind and solar to come online. Our gas power stations back-up variable renewables to keep electricity supply stable, powering up for a minority of the time, when we need them most.



James Cain
Chair

By combining the long duration storage of pumped hydro and the fast-start capability of traditional hydro and gas, we help underpin the resilience of the grid as coal retires and renewables grow. In fact, for every megawatt of energy Snowy Hydro generates, we enable 3 megawatts of renewable energy to come online. Our contribution supports real change that will make a difference in Australia’s fight against climate change. Our fourth gas-fired power station at Kurri Kurri is set to enter full commercial service in late 2025 and remains on track to be delivered within its target cost.

Kurri Kurri will play a crucial role by providing on-demand power to support increased variable renewable energy generation, helping to decarbonise the NEM and assisting in enabling the retirement of coal fired generation. We estimate that the potential additional wind and solar generation enabled by Kurri Kurri would be equivalent to displacing approximately 4.9 million tonnes of CO2 equivalent emissions from coal generation.

In addition to the power stations we own and operate, our partnerships with wind and solar projects play an increasingly important role in Snowy Hydro’s energy mix, with over 1,700 megawatts (MW) of wind and solar under long-term contracts, which we expect to grow over time.

Through our retail brands, Red Energy and Lumo Energy, we deliver outstanding energy solutions to more than 1.5 million customer accounts, as well as a growing portfolio of large commercial and industrial customers through our Snowy Energy brand. We’ve earned our place as trusted partners by helping our customers get the most out of the



Dennis Barnes
Managing Director
and CEO

changing energy landscape and backing that up with industry-leading customer service.

Red Energy has received countless customer service awards, including a Canstar Blue Award for Most Satisfied Customers 15 years in a row. Snowy Energy has achieved 100% customer satisfaction for the eighth year in a row. We’re proud of these proof points, but know we must continue to earn our customers’ trust. It’s something we don’t take for granted.

Contributing to our communities is also an important part of Snowy Hydro’s sustainability approach. Our community programs include long-term partnerships with the Clontarf Foundation, Stars Foundation, Taronga Conservation Society of Australia and the Breast Cancer Network of Australia, alongside direct community grants. We’re also delivering science programs to primary and high school students through the Snowy STEM Academy, connecting young people with the possibilities offered by a career in renewable energy and providing pathways through our trainee, graduate or apprenticeship programs.

We also acknowledge the important partnership we have with our shareholder departments, the Department of Climate Change, Energy, the Environment and Water, and the Department of Finance. We are committed to working closely with government, industry, regulators and all stakeholders so Snowy Hydro can continue to responsibly deliver on our mandate.

We’re excited to continue this important journey together.

Statement of Expectations

Snowy Hydro exists to achieve the goals outlined in our Shareholder Ministers' Statement of Expectations (**Statement of Expectations**). Our Statement of Expectations confirms our primary focus is to support Australia's transition to a renewable energy system, by operating our existing power stations and by expanding pumped hydro in the Snowy Scheme through **Snowy 2.0**.

The Statement of Expectations also sets out our broader objectives: to provide reliable, secure, affordable, renewable energy across Australia, including on-demand power to back-up renewables and facilitate more wind and solar generation. We do this by developing, operating, and maintaining the Snowy Scheme. We also own and operate other power generation and energy storage facilities. We also actively participate in the wholesale and retail markets for electricity and gas, as well as related contracts and services.

It also confirms that Snowy Hydro is required to operate in a commercial manner, at arm's length from government.

It outlines our shareholder's expectations, including those related to water management, community engagement, employment, transparency, integrity, accountability and governance. Snowy Hydro is committed to high standards in meeting each of these expectations as we serve our customers, communities and energy users across Australia.



Our Values

Our Values are the heart of who we are and how we deliver our purpose. They guide us in everything we do, from how we interact with each other, our customers and our communities, to how we seize opportunities, solve problems and face challenges.



Safety

Safety is always our number one priority



Teamwork

We help each other succeed through support and trust



Ownership

We take pride in our work and own our choices



Agility

We are adaptable and embrace change



Decency

We treat others the way we'd like to be treated



Courage

We speak up and act for what's important

Our Business

Snowy Hydro's purpose is to **'power Australia's sustainable future'**.

We are uniquely positioned to deliver on this purpose by:

- Contributing to Australia's decarbonisation by helping to underpin the energy transition through our on-demand electricity generation and storage that allows more renewables to come online;
- Supporting our customers through our retail brands Red Energy, Lumo Energy and Snowy Energy, equipping them with information and tools to get the most out of the energy transition; and
- Enabling competition in the wholesale electricity market to play a part in helping reduce pressure on prices.

Snowy Hydro is made up of three core business units and Corporate Support functions, in addition to the Snowy 2.0 and Kurri Kurri Power Station major projects.

Our Core Business Units

Generation: Operates, maintains and upgrades our diverse portfolio of pumped and conventional hydro, gas and diesel power stations.

Retail: Provides electricity and gas products to more than 1.5 million customer accounts through our Red Energy and Lumo Energy brands and to large-scale customers through our Snowy Energy brand.

Commercial and Trading: Sets our commercial strategy and manages our participation in the wholesale energy market.



Major Projects



Core Business Areas

Corporate Support

Our Major Projects


Snowy 2.0: Delivering Australia's largest renewable energy project, the pumped hydro expansion of the Snowy Scheme.


Kurri Kurri Power Station project: Now finalising the commissioning of the 660MW Kurri Kurri Power Station, a critical new on-demand gas-fueled generator in the New South Wales Hunter Valley.

These teams are supported by our **Corporate Support** functions, including: Finance, Legal and Regulatory, Risk, Governance and Assurance, People and Culture, and Corporate Affairs, Community and Sustainability.

Our Business

Operations and Customer Footprint

 **3rd** largest generator in Australia by capacity

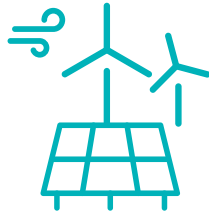
 **4th** largest retailer in the NEM by customer numbers



80km of
aqueducts



16 major
dams



OVER 1,700MW

PPA wind and solar
long-term partnerships



5,500MW
total generation capacity



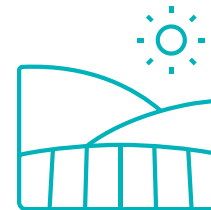
1.5 MILLION
retail customer accounts

15
power
stations

8 Hydro

4 Diesel

3 Gas



**24,000
HECTARES**
of freehold land

6,400 HECTARES

of land leased and licensed in the
Kosciuszko National Park (less than
1% of the park's total area)



5,310 gegalitres of total active
water storage capacity

2,860MW

generation capacity
under construction

600 KM of foreshore
around our reservoirs

Transformation

Snowy Hydro needs to transform to maintain its leadership in an evolving energy sector.

Snowy is delivering a large capital program to sustain our power stations, which are crucial to support Australia's energy reliability for decades.

As rooftop solar and home batteries decentralise the energy market, customer needs are shifting. This presents new opportunities for customers to gain value and contribute to the renewable energy transition, while also changing the types of products and services they expect from retailers.

By focusing on our core business and optimising the way we work, Snowy will thrive through these significant changes.

We will also enhance our financial resilience to sustain growth and strengthen our pivotal role in the energy market.



Sustainability

Sustainability has been at the heart of Snowy Hydro for generations, from when Snowy Hydro established its first operations to produce renewable energy in part of Kosciuszko National Park more than 75 years ago, to our modern day contribution to Australia's decarbonisation and responsibilities to our shareholder, communities and people.

Maintaining our leadership role in Australia's energy future means focusing our efforts and resources where we can have the most positive impact.

Our material topics are where these opportunities lie. They are the things that matter to Snowy Hydro and our stakeholders, where we can best make a meaningful difference. Snowy Hydro's sustainability approach is guided by nine material topics. These material sustainability topics have the greatest potential to impact our business and stakeholders.



Material Sustainability Topics

Energy Transition & Climate Change

Help Australia act on climate change by providing the electricity storage and on-demand power needed to back-up more renewable wind and solar coming online. We will also support our customers through the transition, while looking for ways to reduce our own emissions.

Energy hardship & vulnerability

Be proactive in identifying and supporting customers experiencing financial, personal or health-related challenges and crises that impact their ability to manage energy costs.

Employee engagement

Foster a workplace that attracts, engages and retains diverse, talented people, equipping them with the skills to thrive in the renewable energy sector and reach their full potential.

Customer experience

Build long-term partnerships with our customers and earn their trust by offering our customers a mix of energy products, including renewable electricity, underpinned by exceptional and industry-leading customer service.

Water & environment

Responsibly manage water and other natural resources that are under our care, balancing the needs of energy users with important environmental obligations and the needs of downstream water users.

Community & social impact

Build trust and long-term relationships by engaging with the communities we are part of in an honest and accountable way, as we look for opportunities to make positive social and economic contributions.

Energy affordability

Do everything we can to help reduce pressure on the cost of electricity by responsibly participating and enabling competition in wholesale and retail energy markets, including by offering fair and responsible pricing.

Health & safety

Put the physical and psychological wellbeing of our people, our customers and communities first, by demonstrating a culture of safety learning and leadership.

Responsible business practices

Operate a secure and resilient business that creates shared value for our shareholder, customers, and other stakeholders by managing risk, pursuing opportunities, and demonstrating transparency and good governance.

Safety

Nothing is more important to Snowy Hydro and our people than safety.

It is our absolute number one priority, deeply embedded in everything we do. When we talk about safety, we mean the psychological health and wellbeing of everyone, as well as their physical safety.

Our safety responsibility extends beyond Snowy's own people, to our customers and communities.

Leading safety is a continuous journey of vigilance and improvement. We always focus on creating a workplace where safety comes first, with initiatives designed to protect our teams working across our power stations, Snowy 2.0 sites through our contractor Future Generation Joint Venture, offices and customer operations.

We continually invest in safety enhancement programs, covering critical areas such as gas, electrical, dam, and major accident prevention, ensuring our assets are operated safely and reliably. We also focus on embedding a strong safety learning culture when it comes to safety, always seeking to understand and apply insights for real improvement.

For our customers, safety extends to ensuring their wellbeing and security as we serve them and they engage with our products. We believe in providing proactive care and support, particularly when unexpected challenges arise. That's why we maintain industry-leading settings to help customers who are vulnerable, facing hardship, or experiencing domestic and family violence. Our commitment is to do everything possible for our customers to feel supported and secure, no matter their circumstances.

We are continually evolving our safety indicators to ensure our learning systems are provided with the best information for real improvement. This unwavering focus on health and safety is fundamental to our responsible operations and our role in Australia's energy future.



Operating Context

Australia's energy landscape is rapidly transforming with the retirement of baseload coal-fired power stations and the rapid growth of wind and solar generation. This shift to renewables is a key contributor to Australia's decarbonisation and climate change response, presenting complex challenges and immense opportunities for the National Electricity Market (NEM) and energy users.

In Snowy Hydro's view, the most effective and affordable way for the energy sector to help Australia achieve its Net Zero goals is through a balanced energy system of renewable wind and solar, supported by short and long duration energy storage, and on-demand gas.³ Batteries provide short duration storage, while pumped hydro is the only proven, viable source of crucial long duration storage. Snowy is uniquely positioned to support this transition with our existing asset mix and experience in on-demand generation, storage and responding to network volatility.

The need for on-demand power and electricity storage is growing, and is crucial for managing intermittent wind and solar and maintaining reliable supply to homes and businesses across the NEM. Aging coal-fired power stations are diminishing in reliability and as they decommission, gas-fired generation becomes essential.⁴ Until enough long-duration pumped hydro storage is available, gas generation must remain part of the energy mix to ensure a reliable supply.⁵

Securing the supply of gas needed for this transition is a challenge, with the East Coast Gas Market facing forecast shortfalls from 2028/2029.⁶ Exploring alternative clean fuels like biomethane and hydrogen for gas power stations will accelerate decarbonisation, although this will not be a short-term solution.

Development and maintenance of the increasing amount of transmission infrastructure that's needed to support the new energy system is also challenging. This not only makes the development of renewable energy infrastructure more complex, but also creates more volatility in existing supply, with transmission outages for maintenance regularly limiting electricity supply capacity and placing upward pressure on wholesale prices.

In the retail market, competition remains strong and evolving regulatory demands and shifts towards consumer energy resources like rooftop solar and batteries are reshaping the playing field. This shift favours robust, integrated energy providers who can adapt and innovate.

For many Australians, energy prices are central to cost of living challenges. The responsibility of retailers and wholesale market participants to do everything possible to reduce pressure on prices has never been stronger. Maintaining vigilance in identifying and supporting customers in financial hardship is also important.

Snowy's existing assets, the development of Snowy 2.0 and our strategic partnerships, including those with renewable wind and solar developers, position us as a leader in delivering solutions. We continually evolve our business model and operations, ensuring essential energy security, driving market competition, and enabling Australia's journey to a cleaner energy future.

3 Department of Climate Change, Energy, the Environment and Water, 'Net Zero', Australian Government, <https://www.dcceew.gov.au/climate-change/emissions-reduction/net-zero> (references gas as key enabling technology to firm renewables)

4 Mcleod, Ben, et al. Lights Out: Ageing Coal and Summer Blackouts. Climate Council, 22 January 2025, <https://www.climatecouncil.org.au/resources/lights-out-ageing-coal-and-summer-blackouts/>

5 Australian Energy Market Operator, AEMO CEO speech Australian Clean Energy Summit, 29 July 2025 <https://www.aemo.com.au/newsroom/speeches-and-presentations/aemo-ceo-speech-at-2025-australian-clean-energy-summit>

6 Australian Energy Market Operator, Gas Statement of Opportunities for Australia's East Coast Gas Market, March 2025, https://www.aemo.com.au/-/media/files/gas/national_planning_and_forecasting/gsoo/2025/2025-gas-statement-of-opportunities.pdf

Our Strategy

Our strategy is built on five core elements that respond to our Statement of Expectations and optimise our approach to delivering value for our shareholder, customers, other stakeholders and ultimately, for Australia.



Enable the renewable energy transition

Our electricity generating assets and storage support more wind and solar to come online, supporting Australia's decarbonisation

- Operating and maintaining our pumped hydro and conventional hydro power stations
- Developing Snowy 2.0 and Kurri Kurri Power Station
- Partnering with wind and solar projects for renewable energy
- Operating and maintaining gas and diesel power stations
- Storing and supplying gas
- Implementing other strategic programs



Deliver reliability and energy security

Our operations are a significant contributor to the NEM's reliability and Australia's energy security

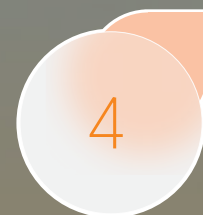
- Using water for long-duration storage
- Securing partnerships for batteries to provide short-duration electricity storage
- Storing and supplying gas
- Ensuring our power stations are reliable and can provide on-demand electricity



Promote market competition

Participating in the retail and wholesale energy markets enables customer service standards and help reduce pressure on prices

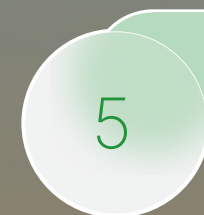
- Serving mass market retail customers through our Red Energy and Lumo Energy brands
- Serving large-scale commercial and industrial retail customers through our Snowy Energy brand
- Trading in wholesale energy markets
- Delivering industry-leading customer service



Deliver responsible environment and community outcomes

Meeting our responsibilities as a minimum and looking for the right opportunities to go further

- Custodianship of water, parts of Kosciuszko National Park and other natural resources
- Meeting important environmental regulations
- Leading how we support customers who are vulnerable, or experiencing financial hardship or family and domestic violence
- Engaging communities and delivering programs to uplift social and economic outcomes
- Contributing to Australia's reconciliation journey



Develop and engage our people

Our people are the key to Snowy's success and the future of renewable energy

- Empowering our people to always put safety first
- Developing our people to support our capability and contribute to Australia's future renewable energy workforce
- Making Snowy a great place to work
- Improving diversity outcomes to maximise workforce participation

Enable the renewable energy transition

Snowy Hydro is at the heart of Australia's journey towards a cleaner energy future. As the nation increases its variable wind and solar generation, our critical on-demand power and energy storage play a vital role in keeping the grid reliable, helping Australia to meet its renewable energy targets and decarbonisation goals.

Our unique portfolio of on-demand power stations is central to this contribution. By flexibly managing our pumped and conventional hydro, gas and diesel power stations, including the iconic Snowy Scheme, we can respond quickly to market conditions to help keep the grid efficient and reliable as more wind and solar come online.

With 660 MW of crucial on-demand capacity, Kurri Kurri Power Station (KKPS) will significantly boost this capability. As our fourth on-demand gas power station, KKPS is set to enter full commercial service in late 2025, following commissioning starting in December 2024. The power

station first generated electricity for the grid in July 2025.

Beyond the power stations we own and operate, we partner and cooperate with wind and solar developers to support the growth of clean energy and create economic benefits in regional Australia, while adding other types of renewable energy to our portfolio.

These partnerships currently amount to over 1,700 MW of renewable capacity and allow one of our retail brands, Snowy Energy to offer innovative energy products to our customers. We continue to explore the right opportunities to expand our renewable energy partnerships.

To further enhance grid flexibility and stability, we are also considering partnerships in short-duration storage like batteries to complement the long-duration storage our pumped hydro assets provide.

Snowy 2.0

Snowy 2.0 is Australia's largest renewable energy project and with a 150-year design life, will help underpin our clean energy future for generations. A major pumped-hydro expansion of the existing Snowy Scheme, Snowy 2.0 will act as a giant battery, storing excess power from increasing amounts of wind and solar and delivering it when homes and businesses need it most.

Snowy 2.0's 2,200 MW capacity is enough to power three millions homes for a week, which is the equivalent to around 23 million home batteries. This capacity means it will enable 6,600 MW of wind and solar to come online.

Snowy 2.0's incredible 350 GWh of energy storage will provide more than half of the 647 GWh of dispatchable energy storage that the Australian Energy Market Operator (AEMO) says the NEM will need to achieve Net Zero by 2050.⁷

Snowy 2.0 also significantly benefits the Australian economy, with 80% of its investment flowing into national and local economies, while building a skills legacy for future clean energy projects.

Despite challenges associated with delivering a complex mega project in a remote area, Snowy 2.0 has made good progress.

Deliver reliability and energy security

Snowy Hydro's unique mix of power stations within the NEM means we provide reliability, rather than baseload power. This strategic focus ensures that as more of the network's generation comes from intermittent sources like wind and solar, electricity supply remains stable and reliable. We provide electricity storage and on-demand generation and manage these resources to quickly respond to changes in supply and demand, acting as a backbone for the system.

Our strategy involves maintenance of and focused upgrades to our existing power stations. Some of our power stations, including many in the Snowy Scheme, are reaching the end of their originally intended operating lives, but will be required to continue serving the NEM for decades into the future. Snowy is undertaking a significant capital program to ensure these crucial assets continue to operate as needed.

In addition to the Snowy Scheme, our 300 MW gas power station Valley Power in

the Latrobe Valley in Victoria will undergo a significant refurbishment to extend its operational life so it can continue to support more wind and solar entering the grid. Our 320 MW gas power station at Laverton, Victoria, and our 667 MW gas power station at Colongra, New South Wales, will undergo major overhauls, which are required because of their heavy use to ensure energy supply to Victoria and New South Wales during the 2022 energy crisis.

These investments are vital to address the increased operational demands placed

on our power stations by a more volatile energy market. Essentially, increasing amounts of wind and solar mean our stations are required to power on and off more often than they were designed to do. So, we must mitigate fatigue-related issues in our aging assets. We are enhancing our ability to predict where increased maintenance will be needed and optimising our approach to executing it.

Our gas power stations also back-up intermittent renewables to keep electricity supply stable. That means they only power up for a minority of the time, when we need them most. Gas won't be around forever, but for now it's an essential part of how we keep the lights on in homes and businesses across Australia as we shift to clean energy.

Given this, a secure supply of enough gas is essential for supplying electricity to the grid during periods of high demand, particularly when variable renewable generation is low and short-duration and long-duration storage options like batteries and pumped hydro are depleted. We are actively engaged in understanding and considering potential roles to support the forecast need

for new sources of gas supply and storage solutions across Australia's east coast.

By prudently managing our assets and ensuring access to essential fuel sources, Snowy Hydro will maintain its ability to provide a vital 'insurance policy' for the NEM, consistently delivering energy security for all Australians.

Promote market competition

Our participation in the retail market allows Snowy Hydro to deliver on a number of requirements of our Statement of Expectations. As an energy retailer to our mass market and large-scale commercial and industrial (C&I) customers, we support their journey through the transition to renewable energy.

Crucially, our retail operations and wholesale market participation work together to promote competition. This drives innovation, improves service, and reduces pressure on wholesale and retail prices, ultimately benefiting both our customers and all energy users.

With over 1.5 million customer accounts, Snowy's mass market retailers hold a unique and important position. Red Energy operates in south east Queensland, New South Wales, Victoria, South Australia, and the Australian Capital Territory. Lumo Energy operates in Victoria and South Australia. As the fourth largest retailer with significant market share, we place competitive pressure on the 'big three',

which have over 50% of market share,⁸ ensuring positive outcomes for all energy users, regardless of their chosen supplier.

We achieve this by leveraging the industry-leading customer service that our mass market and C&I brands are known for. Red Energy has won a coveted Canstar Blue award for most satisfied customers for 15 consecutive years. Snowy Energy has received 100% satisfaction from its large-scale C&I customers for 8 years in a row.

Red Energy's product innovation sees it offer simple products with broad appeal, including unique products partnering with Qantas Frequent Flyer, Taronga Conservation Society of Australia and the Breast Cancer Network of Australia.

We aim for sustainable growth across mass market, commercial & industrial (C&I) and wholesale customers that will enable us to maintain our unique position, while continuing to evolve our business model as the transition to renewable energy fundamentally changes how people engage with the energy market.

We are investing in a new core retail platform to enhance our capability in partnering with the emerging 'prosumer' trend, which sees customers seek to manage their own energy resources, such as rooftop solar, home batteries and electric vehicles, or increasingly outsource their management.

This strategic shift transforms us into a more comprehensive energy services provider, helping these customers get the most value from their investments. As we build our capability to respond to this strategic shift and help customers with consumer energy resources get the most value from their investments, we will remain a trusted, full-service retailer, maintaining our focus on our high standards

of traditional customer service through our Australian-based call centres, and upholding industry-leading settings to support vulnerable customers.

Beyond our retail footprint, Snowy Hydro also fosters competition across the wholesale energy market through its unique trading activities.

Our physical assets, renowned for their reliability and fast-start capabilities, allow us to in essence act as an insurance policy for other retailers against wholesale price spikes. By doing this we reduce volatility and risk for other energy retailers, playing an important role in reducing pressure on prices for end users.

We also investigate opportunities to underwrite third-party investments in new generation and capacity assets, providing a crucial boost to competition and enabling new market players.

Deliver responsible environmental and community outcomes

Snowy Hydro's commitment to Australia's sustainable future goes hand in hand with environmental and community outcomes. We understand our operations have impacts and we embrace the responsibility that comes with this. This includes our diligent environmental stewardship, particularly our unique role as custodians of the water that flows through the Snowy Scheme.

We are subject to appropriately strict regulations about how we operate, from an environmental perspective, but also in terms of how we manage water. We ensure we comply as a minimum and look for opportunities to go further. We cooperate constructively and are committed to open and transparent engagement with our regulators.

Snowy is also committed to maintaining strong and productive relationships with the communities we are a part of. Our social impact and community approach focuses on understanding local needs and playing a role contributing to positive social and economic outcomes. Through targeted programs, partnerships and investments, we aim to create shared value, ensuring our operations leave the regions we

operate in better off by supporting broader goals such as regional capacity building, stronger communities and enhanced environmental sustainability.

Through the Snowy STEM Academy, we engage primary and high school students to deliver science, technology, engineering and mathematics (STEM) programs, with the goal of improving education outcomes in our communities.

We acknowledge and respect the Traditional Owners of the lands on which we operate and are strengthening our relationships with First Nations peoples, including implementing our first Reconciliation Action Plan and partnering with organisations like Clontarf and the Stars Foundation to support young First Nations people's education and career development.

Develop and engage our people

Our people have always been behind Snowy Hydro's success. We know that attracting and retaining skilled people is crucial in a rapidly changing energy sector, with strong competition for talent between employers.

One of the first initiatives under our transformation program was uplifting the capability of our People and Culture team to ensure Snowy could build a workforce ready for the challenges ahead. We're building a strategic workforce plan, so we can understand and invest in the skills we'll need to continue to deliver our strategy into the future. We want strong teams and leaders for every function.

We'll actively invest in developing our people's skills, growing our leaders and fostering a culture of safety, wellbeing, inclusion and continuous learning. Our initiatives to support diversity in our workforce are essential to unlocking the

full potential of the future workforce, by maximising participation from all parts of our population.

In developing our people's technical and leadership skills, we're also considering the big picture and the role we can play in ensuring Australia has the skills our renewable energy sector will need in decades to come. We want Snowy team members of today to be the energy leaders of tomorrow, whether that's working for us or another part of the energy sector.

An important part of this is our focus on end-to-end career pathways, starting with our traineeship, graduate and

apprenticeship programs. These programs provide hands-on experience as part of the Snowy team across all corners of the energy sector, from operating cutting-edge power stations and managing grid stability, to developing energy solutions for our customers and the future markets.

Our workplace systems are constantly improving too, making things easier and better for our team. Above all, we foster a vibrant, inclusive culture where safety and wellbeing always come first. We want every team member to have a great experience, and feel inspired and supported to deliver their best, understanding how their work contributes to Australia's renewable energy future.

Material Risks

Snowy Hydro adopts an integrated approach to risk management, reflecting our culture that “risk is everyone’s responsibility”, where all our people are responsible for identifying and managing risk.

Our Board is responsible for monitoring the effectiveness of Snowy’s risk management framework, which has delegated responsibility to Board committees to manage risks pertaining to their areas of responsibility as set out in their respective charters. Board committees may also refer to any matter that has come to their attention that is relevant to another committee or the Board. The Board recognises that a strong risk culture is essential to support the effective operation of the risk management framework.

Our management team is responsible for implementing our risk management framework and for developing risk frameworks, policies and processes to identify and manage risk in all of Snowy Hydro’s activities.

We will continue to develop and improve our risk management to ensure it is fit for purpose in light of emerging risks

arising from our changing business environment, better practice approaches, and shareholder, regulatory and community expectations to support delivery of our strategy.

Given the link between risk management and strategy, the mitigations for these risks set out below are captured throughout this plan. In addition, in accordance with the requirements of the PGPA Act and the GBE Guidelines, Snowy also shares a corporate document with its responsible Shareholder Ministers which includes further detail on risk ratings and mitigation strategies. Snowy reviews and updates these risks each year to consider changes in the external environment and our internal operations. They have been prepared on the assumption that our Statement of Expectations remains unchanged and the target BBB+ credit rating is maintained.

Material Risk

Identified material risks that could impact achievement of Snowy’s objectives set out in our Statement of Expectations, revenue, or future financial performance are as follows.

Strategic - Pace of electrification and uptake of consumer energy resources , cost of living pressures for retail customers , Commercial & Industrial customers re-evaluating green targets in response to pricing pressures

Environment, Sustainability, Governance - NEM decarbonisation / climate change / adverse weather impacts

Asset Lifecycle - Maintaining the integrity and reliability of assets, change execution, supply chain constraints

Portfolio Management - Competitively priced gas supply for gas-powered generation and mass market, sensitivity to dry hydrology conditions

Financial - Higher debt levels and fluctuating earnings, increase in project costs, lower operational demand, decarbonisation progresses slowly

Operational - Tight labour market, limited external expertise, and global supply chain constraints

Technology, Cyber & AI - Targeting of critical infrastructure, sophisticated cyber crime, larger volumes of sensitive customer data, supply chain disruptions, new technologies

People - Failure to attract, develop and retain, competitive talent market and remote locations

Compliance and conduct - Increased compliance costs, impact to customers, impacts of Default Market Offer and Victorian Default Offer

Project - Delivery of major projects including Snowy 2.0 and Kurri Kurri Power Station

Performance

FY25 Performance

The FY25 performance of Snowy Hydro has been challenged by tougher market conditions for our generation assets, including transmission constraints and a second consecutive very dry year. Our retail business continued to grow, surpassing a significant milestone of 1.5 million customer accounts, delivering a strong financial return and maintaining its market leading customer service rating.

Financial

1. Generation Gross Revenue for FY25 exceeded plan.
2. Retail Revenue, EBITDA and customer growth for FY25 exceeded plan.
3. Group EBITDA for FY25 was below plan.
4. Paid dividends of approximately **\$334 million** to our shareholder in accordance with the FY25 plan.

Customers

1. More than 1.5 million retail electricity and gas accounts.
2. Retail customer growth of **over 126,000**
 - a. Customer growth exceeded plan.
 - b. Red Energy was the #1 brand amongst competitors for Net Promoter Score for the 10th year running.
 - c. Red Energy wins Roy Morgan Electricity Provider of the Year for the third consecutive year and Gas Provider of the Year.
 - d. Red Energy became the first and only business to win a **Canstar Blue Most Satisfied Customers Award 15 years in a row.**
3. C&I net revenue and load for FY25 was slightly below plan.
4. Continued strong support of wholesale risk management products for NEM counterparties of all sizes.
5. Eighth consecutive year of 100% customer satisfaction amongst our large commercial and industrial customers, measured by Utility Market Intelligence.

Safety

1. Generation
 - a. Two lost time injuries were reported in FY25 (down from five in FY24).
 - b. Simplified safety processes, encouraging early hazard reporting and streamlining major accident prevention checks.
 - c. Participation in the ALPS (All Learn by Promoting Safety) program, which focuses on sharing safety lessons and open safety conversations, grew by **17%**.
2. Retail
 - a. Decrease in total reportable injury frequency rate from **1.77 in FY24 to 0.88 in FY25**, reflecting two medical treatment injuries during the year.
 - b. A range of activities were held throughout FY25 to support psychological health and wellbeing, including 'Managing Mental Health' delivery to all Retail leaders and implementation of a new Employee Assistance Program provide.
3. Snowy 2.0 and Kurri Kurri Power Station
 - a. Snowy Hydro continues to monitor all aspects of the Snowy 2.0 and Kurri Kurri Power Station projects and continues to make safety our number one priority.

The table below sets out Snowy Hydro's non-financial performance measures and targets.

Purpose	Measure	FY25 Targets	FY25 Result	FY26 Targets	>FY26 Targets
People and Safety	Fatalities – Snowy Hydro employees and supervised contractors	0	0	0	0
	Fatalities – Snowy 2.0 Project (contractors) and Kurri Kurri Power Station (contractors)	0	0	0	0
	Total reportable injury frequency rate (number per million hours worked; employees and supervised contractors)	2.4	3.55 ¹	2.4	2.4
	Employee engagement (percentage of staff very/extremely satisfied as determined by survey)	Top quartile of the Global Benchmark Index	Second quartile of the Global Benchmark Index ²	Top quartile of the Global Benchmark Index	Top quartile of the Global Benchmark Index
Retail Customer Experience	Net Promoter Score (percentage of promoters minus the percentage of detractors)	Industry leading	Industry leading	Industry leading	Industry leading
	Customer satisfaction (percentage of customers very or quite satisfied)	>80% Industry leading	83% Industry leading	>80% Industry leading	>80% Industry leading

1. Total reportable injury frequency rate result is slightly adverse to Target with fifteen injuries occurring over FY25.

2. Employee engagement score of 76% is in the Second Quartile of the Global Benchmark Index. Snowy Hydro will review detailed feedback to identify and address areas of focus.

Purpose	Measure	FY25 Targets	FY25 Result	FY26 Targets	>FY26 Targets
Regulatory Compliance	Ombudsman complaints (number of complaints per 10,000 mass-market customers)	Below industry average	Below industry average	Below industry average	Below industry average
	Retail Regulatory financial penalties	0	1 ³	0	0
	Compliance with Snowy Water Licence requirements (percentage of requirements met)	NA	NA	100%	100%
	Publicly reportable environmental licence breaches (number of)	0	0	NA	NA
	Unauthorised exceedance of our approved environmental emissions/discharge limits or an enforcement action by a regulator	NA	NA	0	0
Generation Reliability	Hydro generator start reliability (%)	> 99.5	99.81	> 99.5 (under review)	> 99.5 (under review)
	Hydro generator forced outage factor (%)	< 1.0	0.96 ⁴	< 1.0 (under review)	< 1.0 (under review)
	Gas Generator start reliability (%)	> 99.5	97.7 ⁴	> 99.5 (under review)	> 99.5 (under review)
	Gas Generator forced outage factor (%)	< 1.0	0.52	< 1.0 (under review)	< 1.0 (under review)

3. Red Energy paid penalties totalling \$474,600 to the Australian Energy Regulator's (AER) in relation to the AER's investigation into alleged breaches by Red Energy of hardship obligations within the National Energy Retail Law and the National Energy Retail Rules.

4. Gas generator start reliability is below Target due mostly to vibration outages at Colongra and various age of plant related issues at Valley Power.

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