



Statement of Corporate Intent 2024/25

Prepared by the Directors and management of CS Energy for
shareholding Ministers

The Honourable David Janetzki MP

Treasurer, Minister for Energy and Minister for Home Ownership

The Honourable Ros Bates MP

Minister for Finance, Trade, Employment and Training

Commercial-in-Confidence

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Performance agreement

This Statement of Corporate Intent and all attachments are presented in accordance with Chapter 3, Part 8 of the *Government Owned Corporations Act 1993* (GOC Act).

In accordance with Chapter 1, Part 3, Section 7 of the GOC Act, the Statement of Corporate Intent represents a formal performance agreement between the Board of CS Energy and our shareholding Ministers with respect to the financial and non-financial performance targets specified for the financial year.

This Statement of Corporate Intent represents agreement to the major activities, objectives, policies, investments and borrowings of CS Energy for 2024/25, and is consistent with CS Energy's 2024/25 to 2028/29 Corporate Plan, submitted to shareholding Ministers and agreed in accordance with Chapter 3, Part 7 of the GOC Act.

In signing this document, the Board of CS Energy undertakes to achieve the targets in the Statement of Corporate Intent for 2024/25.

Major changes to key assumptions that underpin the performance outcomes detailed in this Statement of Corporate Intent, and which come to the Board's attention during the year, will be brought to the attention of shareholding Ministers. Any modifications to this Statement of Corporate Intent will be dealt with in accordance with the GOC Act.

This Statement of Corporate Intent is signed by the Chair on behalf of all the directors in accordance with a unanimous decision of the Board of CS Energy.



The Hon David Janetzki MP
Treasurer, Minister for Energy and Minister for
Home Ownership

3/5/25

Date



The Hon Ros Bates MP
Minister for Finance, Trade, Employment and
Training

29/7/2025

Date



Mr Tony Bellas
Chair
CS Energy Limited

10/03/2025

Date

Strategic context and priorities

In November 2024, in a letter to the CS Energy Board, our shareholding Ministers outlined their strategic performance expectations for CS Energy, which are to:

- focus on the financial and operational performance of existing generation assets;
- maximise value from existing generation assets;
- apply clear investment parameters to renewable energy and storage projects; and
- deliver renewable energy and storage projects on time and on budget.

Shareholding Ministers have also implemented an Electricity Maintenance Guarantee – a new investment, performance, and accountability framework for asset maintenance on existing publicly-owned power plants, which provides upfront approval of all investment required by CS Energy to implement our five-year asset management plan, as amended from time to time.

The CS Energy Board is committed to delivering on the expectations of shareholding Ministers, as well as to deliver on the Queensland Government's Electricity Maintenance Guarantee, in order to fulfill the Government's objective of delivering affordable, reliable and sustainable energy to Queenslanders.

Our immediate focus for 2024/25 is on the financial and operational performance of our existing thermal generation assets and maximising their value. In the short term, we are focused on the restoration of our thermal generation portfolio back to its full capacity during the 2024/25 financial year and the ongoing reliable operation of these assets into the future. Achieving this will assist in putting downward pressure on wholesale electricity prices.

Our coal-fired power stations help to underpin system reliability and, as the energy market transitions to renewables at a slower pace than originally anticipated, we understand that there will be a requirement for the continuing, reliable operation of our existing generation assets.

CS Energy is focussing its efforts on safely and reliably operating and maintaining its existing assets to achieve the industry-leading standards that our employees, shareholders and the people of Queensland expect. With the support of the Queensland Government's Electricity Maintenance Guarantee, we will continue to invest in the maintenance of our thermal generating electricity assets to ensure that they continue to operate safely and reliably, both now and into the future. This investment will enable these assets to support the energy market transition through to the goal of net zero by 2050.

CS Energy has experienced some major challenges in recent years. With many of these matters resolved and our portfolio returning to full generation capacity in 2024/25, we are focused on being an industry-leading asset manager that maintains and operates its assets. Importantly, two of CS Energy's assets, Callide C and Kogan Creek, are the newest coal fired power stations in the National Electricity Market (NEM) and are optimally placed to support the energy transition over the longer term.

The business has learnt from the major Callide C Power Station incidents of 2021 and 2022 and is well progressed on delivering its commitment to improving safety and delivering operational excellence, as well as investing in the maintenance and capital improvement of the physical assets. CS Energy's plan also provides for investment in our people, who are our most important asset, want to be proud of what they do, and what CS Energy contributes. We are committed to restoring the pride in our workforce and the trust of the local communities in which we operate.

Callide Power Station

In 2024, we returned Callide C Power Station Units C3 and C4 to service following major incidents in previous years. Both Units C3 and C4 have new cooling towers, while Unit C4 also has a new generator, turbine and other key components, effectively making Callide C Power Station among the newest coal-fired power stations in the NEM. Not only is Callide C Power Station one of the newest, as super-critical plant, it is also one of the most efficient.

Callide B Power Station, which comprises Units B1 and B2, was being operated and maintained with a forecast closure date of 2028. In FY25, we are undertaking work to develop alternative, extended operating profiles for Callide B Power Station so that it can continue to provide reliable electricity, as a key part of the energy transition through to the goal of net zero by 2050. Any final decisions on the operating life of Callide B and our other power stations will in due course be made by our shareholding Ministers.

CS Energy is working with key suppliers in relation to the relevant supply arrangements that will be required to support alternative operating profiles for Callide B and Callide C in the future.

Kogan Creek Power Station

Kogan Creek Power Station is one of Australia's most efficient and technically advanced coal-fired power stations. Commissioned in 2007, it contains the largest single generating unit in Australia and, due to the dry cooling arrangements, has one of the lowest environmental impacts of any coal-fired power station nationwide. CS Energy also owns the Kogan Creek Coal Mine, which supplies black coal to the power station.

Other assets

The Chinchilla Battery, which began operating in 2024, provides fast-response, flexible energy to the market and has become an important part of our portfolio, supporting our coal-fired power stations. The Greenbank Battery will provide additional firming capacity to our portfolio and the NEM when it begins operating in FY26.

We trade energy generated by Gladstone Power Station, in terms of capacity that is excess to the requirements of the Boyne Island aluminium smelter. We also have a renewable energy offtake portfolio of almost 300 megawatts, which we supply to large commercial and industrial retail customers in Queensland, and a significant pipeline of new generation projects at differing stages of development including two wind farms and a hydrogen demonstration plant under construction, and a gas-fired peaking plant and a pumped hydro energy storage project in early development.

Our people

Our people, who live and work in Biloela, Chinchilla and Brisbane, are central to our success. Their skills, knowledge and expertise will be vital in ensuring the safe and reliable ongoing operation of our coal-fired power stations to support the energy transition.

CS Energy is committed to continually improving the safety and capability of our people. We are working to give our people better systems, tools, training and other support so that they can do their jobs safely and with pride.

Securing our future

CS Energy has a significant pipeline of new generation projects at differing stages of approval and early development aimed at diversifying the generation mix to provide a reliable, affordable and sustainable electricity supply.

As a policy position CS Energy will seek to proceed with such new generation projects in conjunction with equity partners to ensure a tight control of the construction risk inherent in such projects and a minimisation of the impact of those projects on the already strained balance sheet of CS Energy.

Timelines will be set by the Board for projects already approved to find the necessary equity partners required to proceed beyond their current stage of development depending on a quantification of the existing level of construction risk and ongoing balance sheet impacts.

Strategic targets

The CS Energy Board has set key performance indicators for maintenance investment, personal safety, process safety and plant performance, designed to drive the right behaviours in order to achieve the objectives of the Electricity Maintenance Guarantee.

We will continue to review these key performance indicators to ensure they provide shareholding Ministers with the assurance that we are meeting their expectations and delivering affordable, reliable, and sustainable energy to Queenslanders.

The CS Energy Board will also implement a 'no performance payments' policy for the Chief and Senior Executives if these KPIs are not achieved.

CS Energy key performance indicators 2024/25

Measure	Full year target FY25	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Maintenance Investment					
Capital works delivery (%)	100	100	100	100	100
Statutory compliance (%)	100	100	100	100	100
Personal Safety					
Critical Control Verifications (%)	100	25	50	75	100
Significant Injury or Fatality	0	0	0	0	0
Process Safety					
Bowties (%)	100	25	50	75	100
Safety Critical Equipment (%)	100	25	50	75	100
Significant Process Safety Event	0	0	0	0	0
Plant Performance					
Equivalent forced outage factor (EFOF) (%)	10.0	10.0	10.0	10.0	10.0
Summer availability (%)	N/A	N/A	N/A	90	N/A

Maintenance investment

Capital Works Delivery: Completion of key work programs, as identified in CS Energy's Strategic Asset Management Plan (SAMP). Progress is reported quarterly, with target completion required by the end of the financial year.

Statutory Work Compliance: Compliance with Statutory work obligations, by either completing (technical completion) statutory work by the required deadline, undertaking a risk assessment and confirming a unit can safely continue to operate while the statutory work is completed (where the date has been set by CS Energy Management rather than legislation), or removing the unit or equipment from service. Compliance with the target is required each quarter.

Personal safety

Critical Control Verifications: Completion of on-the-job verifications to confirm that key personal safety critical controls are in place to ensure activities can be performed safely. CCVs are completed when any identified actions from the CCV have been addressed and closed out. Progress is reported quarterly, with target completion of 1500 CCVs required by the end of the financial year.

Significant Injury or Fatality: An incident classed as an actual Category 4 Health and Safety incident under CS Energy's Incident Category Matrix, which is defined as a fatality or multiple fatalities or a serious injury or illness, defined by Workplace Health and Safety Queensland (WHSQ), where the reasonable maximum consequence is a fatality. Performance reported each quarter, with target compliance required each quarter.

Process safety

Bowties: This metric measures the number of process safety bowties developed. Bowties are a risk assessment method that visually displays hazards and barriers in a single diagram, helping to identify proactive and reactive risk management and better understand risks and controls. Progress is reported quarterly, with completion of 32 bowties required by the end of the financial year.

Safety Critical Equipment: This metrics measures the development and implementation of a Safety Critical Equipment (SCE) management framework to ensure SCE is clearly designated and managed. This includes the development of SCE performance standards to ensure any change or work on SCE is properly risk assessed and documented. Progress is reported quarterly, with completion required by the end of the financial year.

Significant Process Safety Event: A process safety event resulting in a fatality or multiple fatalities; irreversible environmental harm; or an unplanned station outage of greater than eight weeks.

Plant performance

Summer availability: The combined Availability Factor across all five of CS Energy's thermal units, for the period 1 January to 31 March (Q3). Availability Factor is expressed as a percentage, and is measured by the number of days that a unit is online and generating electricity in Q3, compared to total days in the quarter.

Equivalent forced outage factor: The percentage of a given period in which a generating unit is not available either fully or partially due to a forced outage, where a forced outage is an outage that could not have been reasonably delayed by 48 hours from identification of the problem. Performance is reported each quarter, with compliance required by the end of the financial year. It includes partial derates.

Return measures 2024/25

The CS Energy Board is responsible and accountable for the financial performance of CS Energy. The following financial measures document the business' targeted performance for FY2024/25.

The CS Energy Board will continue to review these financial measures.

	Full year target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Underlying EBITDA (\$ million)	417.4	14.8	51.4	107.7	243.5
Return on Gross Fixed Assets (%)*	10.7	0.4	1.4	2.8	6.0
Free Cash Flow Yield (%)**	5.1	(3.4)	0.8	1.8	5.9
Return on Equity (%)***	6.2	(2.1)	(2.4)	(0.2)	6.2
Cost of Energy (\$/MWh)****	89.96	124.32	76.83	74.29	88.31

* The current ROGFA returns are reflective of the Board Approved FY20 Asset revaluation returns plus actual capex additions FY21, FY22 and FY23 and forecast for FY24 and FY25 as per methodology changes agreed with the Queensland Treasury Corporation following the SCI 23 budget cycle.

** Free Cash Flow Yield is based on operating cash flow excluding interest repayments/income, tax payments/refund and Capital cash flow excluding Renewables projects.

*** Return on Equity is measured on a YTD basis.

**** Cost of Energy is a volume weighted average based on GWh at node.

Key assumptions and risks

The key assumptions underpinning CS Energy's strategic planning and key performance indicators for 2024/25 are:

Economic indices	2024/25
CPI (%)	3.75
Wage growth (%)	EA
Long-term interest rate (%)	5.00
Dividend payout ratio ¹	-
Electricity revenue	
Average earned price (\$/MWh at Node) ²	100.82
Net on-grid contract revenue (\$M)	12.3
Total operating revenue (\$M)	1,019.8
Time-weighted average pool price (\$/MWh)	86.0
NEM energy	
Energy sent out (MW) ³	11,344
Energy at Node (MW) ³	10,654
NEM operational	
Fuel costs (\$/MWh sold)	(20.93)

1. As per the Dividend Policy in accordance with the GOC Act, dividends represent 80 per cent of adjusted net profit after tax (NPAT). CS Energy has forecast no dividend for 2024/25 to support the repayment of debt. This is subject to approval by Shareholding Ministers.
2. Excludes solar PPA generation.
3. Includes renewables.

Sustainability and the ESG Framework

CS Energy acknowledges the importance of sustainability and Environmental, Social, Governance (ESG) considerations, including changing stakeholder expectations. To increase our maturity, deliver on stakeholder expectations and continue to evaluate risks and opportunities as the energy transformation continues, CS Energy commenced a sustainability and ESG framework development program in FY23.

A preliminary assessment of material topics is outlined below. CS Energy has historically disclosed our performance across many of these material topics in external reports (for example our Annual Report and Energy Charter disclosure statements).

In September 2024, the Australian Government passed legislation introducing a climate-related financial disclosure regime and associated standards. CS Energy will be required to commence enhanced emissions reporting in FY26.

Area	Material Topic
Human capital	Health and Safety
	Human capital development
	Employee engagement, diversity and inclusion
Climate	Opportunities in renewable energy
	Emissions intensity (including reductions in thermal generation)
Natural capital	Toxic emissions and waste
	Water stress
Social welfare	Community relations (including regional development opportunities, and land and site rehabilitation)
Business ethics and governance	Financial risk management
	Governance
	Privacy and data security (balanced against operational transparency)

CS Energy has a range of existing initiatives and actions in place to capture the opportunity or address the risk that may arise from these material topics. In addition, some of these topics have existing Board and/or management committees to monitor CS Energy's exposure.

Capital expenditure

	Quarter 1 \$M	Quarter 2 \$M	Quarter 3 \$M	Quarter 4 \$M	Total \$M	Total Estimated Cost \$M
Total estimated capital expenditure	667.6	164.9	126.7	145.4	1,104.6	
Cost	667.5	164.3	126.7	145.4	1,103.9	
Capitalised Interest	0.1	0.6	-	-	0.7	
New Asset Investments	583.3	141.2	102.9	102.9	930.3	2,660.5
Cost	583.2	140.6	102.9	102.9	929.6	2,630.1
Capitalised Interest	0.1	0.6	-	-	0.7	30.4
Lotus Creek Wind Farm [^]	500.0	-	-	-	500.0	1,305.4
Cost	500.0	-	-	-	500.0	1,283.0
Capitalised Interest	-	-	-	-	-	22.4
Brigalow Gas Peaking Power Plant ^{1 ^}	-	58.2	58.2	58.2	174.6	643.6
Cost	-	58.2	58.2	58.2	174.6	639.6
Capitalised Interest	-	-	-	-	-	4.0
Boulder Creek Wind Farm [^]	43.5	43.6	43.6	43.6	174.3	403.0
Cost	43.5	43.6	43.6	43.6	174.3	399.7
Capitalised Interest	-	-	-	-	-	3.3
Greenbank Battery [^]	37.8	38.3	-	-	76.1	303.2
Cost	37.7	37.7	-	-	75.4	302.5
Capitalised Interest	0.1	0.6	-	-	0.7	0.7
Callide Future Hub	2.0	1.1	1.1	1.1	5.3	5.3
Sustaining and Overhaul Capital	84.3	23.7	23.8	42.5	174.3	
Callide B Power Station	62.1	7.1	7.1	7.1	83.4	
Callide C Power Station	10.4	4.9	4.9	20.5	40.7	
Kogan Creek Power Station	8.5	8.5	8.5	11.5	37.0	
Aberdare Coal Mine	1.6	1.7	1.6	1.7	6.6	
Corporate Information Systems	1.7	1.5	1.7	1.7	6.6	

¹ Brigalow Gas Peaking Power Plant is subject to final investment approval by the CS Energy Board and shareholding Ministers.

[^] Includes estimated capitalised interest.

* Total for projects listed with FY25 expenditure.

CS Energy will adhere to the following capital expenditure approval thresholds:

Investment thresholds	
Shareholding Minister notification	\$5m
Shareholding Minister approval	\$15m

Borrowings

Borrowings			
Facility	2023/24 \$M	2024/25 \$M	Change \$M
1 Portfolio linked loan	777.4	777.4	-
2 Working capital	51.2	-	(51.2)
3 Variation margin loan	5.4	0.0	(5.4)
4 Variable rate loan	369.7	471.7	102.0
5 Renewables projects loan	-	5.9	5.9
Total	1,203.7	1,255.0	51.3

Borrowing limits for 2024/25 are subject to approval through the 2024/25 State Borrowing Program.

CS Energy notes borrowing requirements may change during 2024/25 and interim State Borrowing Program variations may be required periodically to support financing requirements.

Statement of compliance

As part of its performance agreement with shareholding Ministers, the CS Energy Board provides the following additional undertakings.

Prudential financial information

The Board will ensure CS Energy takes full responsibility to ensure that prudent financial practices are applied both within the corporation and within our subsidiaries (whether fully controlled or otherwise). Without limiting the obligations imposed on the Board and the Chief Executive by the GOC Act, and where applicable the *Corporations Act 2001*, this includes a commitment to:

- abide by the *Code of Practice for Government Owned Corporations' Financial Arrangements* (Code of Practice), as issued by the Queensland Government; and
- establish, maintain and implement appropriate financial risk management practices and policies as specified in the Code of Practice.

Capital structure

The Board will prudently manage the financing of the CS Energy group. As an integral part of the financing of the company, overall debt will be managed with Queensland Treasury Corporation (QTC) to ensure that CS Energy maintains the appropriate credit rating or other rating, as determined by shareholding Ministers.

Weighted average cost of capital

The Board will ensure that CS Energy reviews its weighted average cost of capital (WACC) on an annual basis.

Dividend policy and payment

While the dividend process is governed by the GOC Act and the *Corporations Act 2001*, the Board will also ensure that CS Energy's Dividend Policy considers the return its shareholders expect on their investments.

CS Energy's policy is to recommend and pay a dividend of 80 per cent (or the percentage otherwise agreed with shareholding Ministers) of CS Energy's adjusted consolidated profit, subject to the requirements of section 254T of the *Corporations Act 2001*.

Corporate Governance Guidelines for Government Owned Corporations

CS Energy has adopted all the recommendations in the *Corporate Governance Guidelines for Government Owned Corporations* (Corporate Governance Guidelines).

Risk management

The CS Energy Board has ultimate responsibility for ensuring the impacts of all potential internal and external risks of the company are managed. The company's risk appetite and risk tolerance are approved by the Board and the identification and risk management process is monitored by the Finance, Risk and Audit Committee (which is a subcommittee of the Board).

CS Energy is implementing a Process Safety Improvement Program, which is a key part of our response plan released with the Brady Heywood report in July 2024.

A Board committee restructure implemented in early FY2025 has provided a strengthened focus on safety at the committee level to support the Board in delivering process safety improvements, the cultural shift to

a High Reliability Organisation, and to support the Board in discharging its due diligence obligations in workplace health and safety.

Compliance with government policies

The Board will ensure that the CS Energy group complies with the relevant government policies and guidelines, in particular the approval, notification, reporting and other requirements of those policies and guidelines.

Sponsorship, advertising, corporate entertainment, and donations

Consistent with the shareholders expectations, the *Corporate Entertainment and Hospitality Guidelines 2008* and CS Energy's Corporate Entertainment and Hospitality Policy, sponsorships, advertising, entertainment and donations are detailed in Appendix A.

Employment and Industrial Relations Plan

An Employment and Industrial Relations Plan meeting the requirements of section 149 of the GOC Act is included as Appendix B.

Community Service Obligations (CSOs)

CS Energy has no Community Service Obligations as defined by section 112 of the GOC Act.

Local participation and procurement

CS Energy's procurement approach is aligned with Queensland Government procurement priorities and principles and ensures full, fair and reasonable opportunity for Queensland suppliers, including local suppliers and small and medium enterprises.

Our approach to procurement:

- prioritises Queensland businesses;
- supports local jobs in regional Queensland; and
- achieves more positive, value-for-money outcomes for Queenslanders.

CS Energy's procurement expenditure is predominantly in Australia. Apart from the fundamental local supplies of coal and water to sustain operations, CS Energy is proud to support local, state and Australian businesses.

In FY2024, more than 80 per cent of CS Energy's procurement expenditure was with Queensland companies.

Cyber security

As a provider of essential energy services to Queensland, CS Energy recognises the importance of government confidence in the ICT systems that control the operation of our power stations.

In 2022, Queensland Treasury engaged PricewaterhouseCoopers (PwC) to conduct a cyber security review of all Government Owned Corporations and Statutory Authorities. A key focus was to assess whether cyber security prevention and response measures were commensurate with the critical infrastructure CS Energy owns and manages. PwC's report confirmed CS Energy exhibits all key indicators of cyber security performance.

In December 2024, the Queensland Audit Office (QAO) released its Energy 2024 Report, which summarises the audit results of Queensland's energy entities, including CS Energy. CS Energy is committed to addressing the QAO's recommendations, and continually improving and strengthening our cyber security systems and practices.

We continue to work through our comprehensive Cyber Security work program to maintain momentum in protecting CS Energy's information and technology assets and to sustain best practice approaches to cyber security preparedness and response, as benchmarked against our industry framework, the Australian Energy Sector Cyber Security Framework (AESCSF).

Cyber security	
What cyber security framework does your GOC report against?	The Australian Energy Sector Cyber Security Framework (AESCSF).
What are the key activities planned for your cyber security systems?	CS Energy's cyber security capability improvement activities will continue to be informed by our threat and risk profile, benchmarked against an evolving AESCSF framework. Key focus areas include governance, training and awareness, threat and vulnerability monitoring and management, third party risk management, and ongoing refinement and testing of our cyber security response processes.

Asset management and security of supply

As outlined in the letter of expectations from shareholding Ministers, CS Energy will notify shareholding Ministers of its asset management plan, including outcomes of an independent assurance process in respect of the plan, on an annual basis, commencing in Q1 2025.

The asset management plan will:

- identify the maintenance investment requirement in compliance with all statutory obligations and consistent with good industry practice;
- demonstrate the effectiveness of the plan to deliver safe and reliable asset performance; and
- set out key performance indicators in respect of maintenance investment, personal safety, process safety and plant performance.

Following the Callide Unit C4 incident in May 2021 and the partial collapse of the Callide Unit C3 in October 2022 CS Energy published a response plan to build a safer, better CS Energy. The plan focuses on making improvements in how we manage safety critical systems, management of change, and operational decision making, backed by investment in our knowledge, systems, governance and assurance, and people and culture. The plan sets out how we will improve our capability to assess, mitigate and control the process safety risks inherent in owning and operating power generation assets.

In addition to regularly reviewing our response plan, we will report annually on our progress in our annual report and on our website.

Financial statements

Statement of Income Group (Consolidated)

Quarter 2024/25					2022/23	2023/24	2023/24	2024/25
Sep	Dec	Mar	Jun		Actual	Budget	Forecast	Budget
\$M	\$M	\$M	\$M		\$M	\$M	\$M	\$M
239.7	249.5	298.2	232.4	Sales of electricity	583.5	693.8	652.3	991.6
176.6	189.6	241.3	180.6	Gross Margin	308.3	508.9	452.3	788.2
14.8	51.4	107.7	243.5	Underlying EBITDA	(34.9)	346.1	(9.6)	417.4
9.5	9.5	9.5	9.5	Onerous unwind	40.0	42.2	40.4	38.1
-	-	-	(93.6)	Accounting adjustment	(79.8)	(1.1)	(86.3)	(93.6)
-	-	-	-	Gain or Loss on Disposals	11.6	-	0.2	-
(16.5)	(16.2)	(3.2)	(14.7)	Mark to Market (including Unrealised FX) ¹	220.4	165.7	246.7	(50.7)
7.9	44.7	114.0	144.7	EBITDA	157.3	552.9	191.4	311.3
(44.8)	(50.8)	(57.1)	(21.5)	Depreciation and amortisation	(120.7)	(139.8)	(112.8)	(174.1)
(10.9)	(12.8)	(14.2)	(14.7)	Interest Expense (net)	(41.9)	(38.5)	(52.2)	(52.6)
(5.0)	(5.0)	(5.0)	0.2	Finance Cost - Non-Cash ²	(22.9)	(21.5)	(22.4)	(15.0)
15.8	7.2	(11.3)	(32.6)	Income tax (expense)/benefit	13.7	(83.0)	9.9	(20.9)
(37.0)	(16.8)	26.4	76.1	Profit/(Loss) After Tax	(14.6)	270.1	13.9	48.7

¹ Mark to Market relates to option and load-following contracts that are not hedge accounted.

² Finance Cost Non-Cash includes Gladstone onerous contract unwind and Rehabilitation provision cost unwind Finance cost.

Statement of Financial Position Group (Consolidated)

Quarter 2024/25				2022/23	2023/24	2023/24	2024/25
Sep	Dec	Mar	Jun	Actual	Budget	Forecast	Budget
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
44.6	44.6	44.7	166.1	Current assets			
-	-	-	-	Cash	62.7	53.5	41.0
255.8	348.0	246.3	144.8	Other assets	-	2.5	-
233.3	221.8	208.7	209.4	Cash Advances to QT	-	162.1	822.2
-	-	-	-	Receivables	634.1	167.2	198.7
176.9	188.7	156.5	168.2	Asset Held for Sale	-	-	2.1
65.1	-	-	-	Inventories	163.6	102.2	165.1
				Derivative financial instruments – CA	677.9	-	150.3
775.7	803.2	656.1	688.6	Total current assets	1,538.4	487.5	1,379.5
164.9	164.9	150.1	122.3	Non-current assets			
5.9	6.8	7.8	8.8	Derivative financial instruments	304.8	404.6	164.9
2,192.7	2,305.9	2,374.4	2,414.0	Intangible Assets	1.1	7.9	4.9
19.1	19.1	19.1	0.0	Property, plant & equipment	1,100.1	1,662.4	1,568.6
183.6	190.4	179.2	144.0	Trade and other receivables	3.3	10.0	19.1
27.4	27.4	27.4	27.4	Deferred tax assets	214.1	69.4	167.3
				Other Receivables	27.4	29.3	27.4
2,593.5	2,714.5	2,758.1	2,716.4	Total non-current assets	1,650.8	2,183.7	1,952.2
3,369.2	3,517.7	3,414.1	3,405.0	Total Assets	3,189.2	2,671.2	3,331.7
205.8	234.4	159.1	180.6	Current liabilities			
1.8	1.8	1.8	1.9	Payables – CL	218.4	179.5	225.6
-	-	-	-	Leases – CL	1.7	1.8	1.8
163.8	140.2	88.8	67.0	Current tax liability	-	16.5	-
49.9	-	-	-	Borrowings	491.9	84.2	62.0
64.2	61.2	56.8	102.7	Derivative financial instruments	1,005.8	-	117.1
				Provisions	78.0	69.5	72.7
485.6	437.7	306.5	352.2	Total current liabilities	1,795.8	351.6	479.3
12.6	12.8	12.9	12.1	Non-current liabilities			
13.3	13.0	12.8	12.4	Payables – NCL	13.4	13.4	12.5
86.3	86.3	75.0	53.2	Leases – NCL	14.5	13.7	13.5
1,203.8	1,240.1	1,251.3	1,188.0	Derivative financial instruments – NCL	295.7	294.1	86.3
372.4	374.0	375.6	324.9	Borrowings – NCL	649.6	666.4	1,141.7
				Provisions – NCL	378.7	348.6	370.8
1,688.3	1,726.2	1,727.6	1,590.6	Total non-current liabilities	1,352.0	1,336.1	1,624.7
2,174.0	2,163.9	2,034.2	1,942.8	Total Liabilities	3,147.8	1,687.7	2,104.0
1,195.3	1,353.8	1,380.0	1,462.2	NET ASSETS	41.4	983.6	1,227.7
2,217.0	2,391.6	2,391.6	2,391.6	Shareholders' equity			
(9.4)	(8.7)	(8.9)	(2.8)	Contributed equity	1,166.1	1,566.7	2,211.4
				Reserves	(135.3)	59.2	(8.3)
(1,012.3)	(1,029.1)	(1,002.7)	(926.6)	Accumulated Losses	(989.3)	(642.3)	(975.4)
1,195.3	1,353.8	1,380.0	1,462.2	TOTAL SHAREHOLDERS' EQUITY	41.4	983.6	1,227.7

Statement of Cash Flows Group (Consolidated)

Quarter 2024/25					2022/23	2023/24	2023/24	2024/25
Sep	Dec	Mar	Jun		Actual	Budget	Forecast	Budget
\$M	\$M	\$M	\$M		\$M	\$M	\$M	\$M
393.4	390.3	406.3	594.0	Cash flows from operating activities	1,777.0	1,461.2	1,560.7	1,784.0
(407.5)	(333.4)	(314.5)	(328.9)	Cash receipts in the course of operations	(1,601.8)	(1,023.0)	(1,387.8)	(1,384.4)
(0.9)	6.9	(0.4)	(0.2)	Cash payments in the course of operations	(119.7)	192.3	252.4	5.4
(12.3)	(11.0)	(13.4)	(14.2)	Investment in futures market	(38.0)	(42.6)	(52.5)	(50.9)
-	-	-	-	Net financing costs paid	5.1	(43.4)	0.6	-
				Income tax paid				
(27.3)	52.7	77.9	250.7	Net cash provided by operating activities	22.5	544.5	373.3	354.0
-	-	-	-	Cash flows from investing activities				
(704.8)	(147.5)	(139.2)	(145.3)	Proceeds from / (payment for) the disposal of assets	32.7	-	-	-
-	-	-	-	Payments for Property, Plant & Equipment	(277.3)	(527.2)	(637.4)	(1,136.8)
566.4	(92.2)	101.8	101.5	Payments for investment	-	(12.5)	-	-
				Net Cash Advances to Queensland Treasury	(84.3)	(78.1)	(779.7)	677.5
(138.4)	(239.7)	(37.4)	(43.8)	Net cash provided by/(used in) investing activities	(329.0)	(617.8)	(1,417.0)	(459.4)
58.1	37.7	12.6	5.9	Cash flows from financing activities				
105.0	(18.6)	(52.8)	(91.1)	Proceeds from borrowings	500.3	18.5	785.1	114.2
0.9	0.6	0.4	0.2	Repayment of borrowings	(250.6)	(110.5)	(544.1)	(57.6)
-	(6.9)	(0.4)	(0.2)	Trading Facility drawdowns	-	3.6	-	2.1
(0.3)	(0.3)	(0.3)	(0.3)	Trading Facility repayments	-	(192.3)	(263.8)	(7.4)
5.6	174.6	-	-	Lease payments	(1.4)	(1.8)	(0.5)	(1.0)
-	-	-	-	Equity contributions	102.0	359.4	1,045.3	180.2
				Dividends paid	-	-	-	-
169.3	187.1	(40.5)	(85.5)	Net cash provided by/(used in) financing activities	350.3	77.1	1,022.0	230.5
3.6	0.0	0.0	121.4	Net increase/(decrease) in cash held	43.9	3.8	(21.7)	125.1
41.0	44.6	44.6	44.7	Cash at the beginning of the period	18.8	49.7	62.7	41.0
44.6	44.6	44.7	166.1	Cash at the end of the period	62.7	53.5	41.0	166.1

Appendix A: Sponsorship, advertising, donations, corporate entertainment

Activity	Description	2023/24 budget (\$)	2023/24 est. actuals (\$)	2024/25 budget (\$)
SPONSORSHIPS				
Community Sponsorships Program (Callide and Kogan)	Sponsorship of initiatives and events that benefit the communities that host our existing coal-fired assets, and our Kogan and Callide Energy Hubs.	250,000	250,000	300,000
Indigenous Engagement	This is a new benefit fund dedicated to advancing First Nations' outcomes. In prior years, initiatives have been funded from the Community Sponsorships Program.	0	0	150,000
Greenbank Community Benefit Fund	Sponsorship of initiatives and events that benefit the community surrounding our Greenbank Battery.	0	0	20,000
Boulder Creek Community Benefit Fund	Sponsorship of initiatives and events that benefit the communities hosting the Boulder Creek Wind Farm. This is separate to landholder payments.	0	0	50,000
Lotus Creek Community Benefit Fund	Sponsorship of initiatives and events that benefit the communities hosting the Lotus Creek Wind Farm. This is separate to landholder payments.	0	0	100,000
Regional Transformation	This fund delivers a strategic long-term benefit to a local community by supporting legacy projects in partnership with local organisations.	0	0	300,000
Industry Engagement	This fund has been established to invest in initiatives and events aligned with CS Energy's core business.	0	0	50,000
Total Sponsorships		250,000	250,000	970,000
ADVERTISING ¹				
Total Advertising	Site-based, non-campaign advertising for sponsorship and grants programs	3,000	0	3,000
CORPORATE ENTERTAINMENT				
Total Corporate Entertainment		0	5,160	5,000
DONATIONS				
Total Donations	Discretionary donations to community events and activities at Brisbane, Callide and Kogan Creek.	24,000	24,000	24,000
TOTAL ²				1,002,000

1. Does not include recruitment advertising.

2. All expenditure is GST exclusive.

Appendix B: Employment and Industrial Relations Plan

CS Energy's Employment and Industrial Relations Plan (EIR Plan) has been developed to support the company in driving business improvement safely, efficiently and responsibly to deliver on our purpose of *delivering energy today, powering your tomorrow*.

Fundamental to the EIR Plan is CS Energy's commitment to build a high-performance and flexible workplace culture.

This EIR Plan provides for an aligned approach to CS Energy's employee relations, which balances shareholder objectives, employee participation and engagement, and the organisation's commitment to:

- safety, driven by genuine care and concern for people and the environment;
- accepting accountability and acting with integrity; and
- creating and sustaining value for our owners through operational excellence, being productive, and exercising sound commercial judgement.

CS Energy employees and enterprise agreements

Consistent with the *Government Owned Corporations – Wages and Industrial Relations Policy 2015*, (GOC Wages Policy), the vast majority of CS Energy employees are covered by collective enterprise agreements (excluding the Chief Executive Officer and senior executives and several site and corporate leadership roles). The *Fair Work Act 2009 (Cth)* (FW Act) applies to CS Energy employees and the enterprise agreement-making process takes place in accordance with this legislation, including its good faith bargaining requirements.

CS Energy is party to three enterprise agreements, each negotiated at the site level with the relevant union representatives (officials as well as site delegates) and voted on by eligible employees. A total of 694 employees (as at 20 January 2025, FTE) are covered by these enterprise agreements. The unions party to these agreements are the Mining and Energy Union (MEU); Electrical Trades Union Branch (ETU) of the Communications, Electrical and Plumbing Union (CEPU); The Services Union (TSU); Australian Manufacturing Workers Union (AMWU); and Professionals Australia¹. Further details of the current agreements are set out in the following table:

	Scope	Nominal Expiry
CS Energy Ltd Professional Market and Support Services Enterprise Agreement 2024 Covers 299 employees	Employees of CS Energy Ltd at Corporate Office	31 May 2026
Callide Power Station Enterprise Agreement 2024 Covers 268 employees	Employees of CS Energy Ltd at Callide Power Station	29 February 2028
Kogan Creek Energy Facility Enterprise Agreement 2023 Covers 127 employees	Employees of Kogan Creek Power Pty Ltd at Kogan Power Station	31 July 2026

Each enterprise agreement is tailored to the characteristics of the specific site and workforce.

¹ The exception is the CS Energy Ltd Corporate Enterprise Agreement with only three union parties being the ETU, TSU and Professionals Australia.

Remuneration arrangements

Chief Executive Officer and senior executives

Remuneration details for the Chief Executive Officer and senior executives are provided in the following table. These arrangements are reviewed annually in accordance with company procedure and Government policy.

At the end of 2024, the CS Energy Board and CEO confirmed changes to the organisational structure of the business, resulting in six divisions and, therefore, six Executive General Managers. A recruitment process commenced at the end of 2024 and is expected to be completed in early 2025.

The table below shows the salaries of those employed under Senior Executive Contracts as at 31 January 2025 and does not reflect the new organisational structure.

CEO / senior executives	Base salary ¹	Employer superannuation contributions ²	Motor vehicle ³	Car park ⁴	Total fixed remuneration ⁵	Other non-personal benefits	Performance payment made FY24 ⁶
Chief Executive Officer Darren Busine	\$800,000	\$30,000	Nil	Nil	\$830,000	Nil	\$67,750
Executive General Manager Asset Management Barry Millar	\$415,200	\$52,938	Nil	Nil	\$468,138	Nil	\$36,608
Chief Financial Officer Cameron Collins	\$430,000	\$30,000	Nil	Nil	\$460,000	Nil	\$38,965
Executive General Manager Future Energy Emma Roberts	\$456,500	\$30,000	Nil	Nil	\$486,500	Nil	\$53,029
Executive General Manager Plant Operations Leigh Amos	\$419,889	\$27,500	Nil	Nil	\$447,399	Nil	\$48,561

¹ Base salary is Total Fixed Remuneration less employer superannuation contribution.

² Employer contributions to superannuation (other than by salary sacrifice).

³ Any motor vehicle is provided in accordance with the Queensland Government's Senior Executive Service Policy.

⁴ A car park is provided, and a nominal allowance is paid and then deducted as a salary sacrifice amount.

⁵ Total Fixed Remuneration is the sum of base salary and employer superannuation contributions.

⁶ Performance payments made in FY24 relate to performance in FY23. Performance payments include superannuation. No performance payments were made in FY25 in respect of FY24 performance.

Chief Executive Officer and senior executive performance incentive payments are capped at 15 per cent of Total Fixed Remuneration comprising enterprise and individual performance incentives (IPIs).

Strategic targets are outlined in the Statement of Corporate Intent for shareholding Ministers. IPIs are set annually in Individual Achievement Plans and are formally reviewed mid-yearly and at year-end. The IPIs describe expectations that require the individual to demonstrate a level of performance above and beyond business as usual, resulting in the achievement of CS Energy objectives.

Consistent with shareholding Ministers expectations relating to the Electricity Maintenance Guarantee, the CS Energy Board will implement a policy that performance payments will not be paid to Chief and

Senior Executives in instances where the Electricity Maintenance Guarantee performance indicators are not achieved.

Employment conditions

General conditions of employment are provided in the various enterprise agreements made under the *Fair Work Act 2009 (Cth)* (FW Act) and CS Energy Human Resources policies and procedures. Rates of pay, including productivity payments, are included in enterprise agreements and all-purpose allowances, where applicable (for example, powerhouse allowance, disability allowances, etc) are incorporated in all-up rates within those industrial instruments. The *Electrical Power Industry Award 2010* is the modern award applying to the power generation industry and enterprise arrangements leave CS Energy employees better-off-overall when compared to this Modern Award. Employment conditions are also governed by the GOC Act and Regulations, the *Electricity Act 1994 (Qld)*, the FW Act and *Fair Work Regulation 2009 (Cth)*.

As required by the FW Act, each enterprise agreement contains a flexibility provision, allowing CS Energy and employees to put in place individual arrangements provided that the employee is not disadvantaged compared to the collective enterprise agreement. These flexibility arrangements include Alternative Individual Agreements (AIAs) and are offered where roles require special skills or employment flexibility, to ensure that CS Energy can attract and retain quality employees to compete effectively in the energy market. An employee is free to move from AIA arrangements back to enterprise agreement conditions simply by giving notice of the change to CS Energy in accordance with the timeframe contained within the relevant enterprise agreement.

Employees are engaged under the following categories (20 January 2025, FTE):

Category	FTE
(a) All employees	729.4825
(b) CEO and direct reports	5
(c) Employees covered by an award/EA/agreement made under the <i>Fair Work Act 2009 (Cth)</i>	694.5825
(d) Employees under other arrangements (including common law contracts)	29.9
Total: (a) = (b) + (c) + (d)	729.4825

Workforce planning

CS Energy is focussed on ensuring its workforce is capable, adaptable and diverse as it responds to the rapidly evolving energy market. At the same time, CS Energy remains focused on complying with its various enterprise agreements.

To assist to position its workforce in this manner, current and future capabilities are considered in the development of existing workers and the recruitment of new employees with skills that complement and build on future business activity.

CS Energy's 2024/25 Labour Budget provides for the following workforce numbers but will be continuously reassessed in the coming 12 months as CS Energy works with all relevant stakeholders to implement its strategy and workforce requirements at all CS Energy sites. *Note the below may change post the annual budgeting process as per normal practice.*

Budget workforce plan – 2024/25²

	Headcount ¹
Permanent	791
Temporary	28
CEO and Senior Executive Contract	6
Apprentices (In House)	24
Trainees (In House)	15
Casual	2
Total Directly Employed Workforce	866
Contractor and Labour Hire (trade/technical)	26
Contractor and Labour Hire (professional/administrative/technical)	93
Total Indirectly Employed Workforce	119
Total Workforce	985

¹ The Budget is based on the numbers in the table above and does not include a vacancy rate assumption.

CS Energy uses contractors and labour hire for a variety of reasons, including the need to address short-term, ad hoc labour requirements or to deliver a short-term, high-intensity project. This will continue as CS Energy seeks to respond to the rapidly changing energy market.

CS Energy is required to report on the use of contractors carrying out production work for both the Kogan and Callide sites, which occurs monthly via the relevant site consultative forum.

Callide Station Resource Plan

CS Energy is required, pursuant to the Callide Enterprise Agreement, to present a Station Resource Plan (Plan) to the relevant union consultative forum on an annual basis. The Plan is to be based on various supporting information and runs from July to June. Importantly, the level of detail required is as follows; the Plan must include the skills and numbers to fulfil the “known work” requirements for that 12-month period.

CS Energy has embarked on a recruitment campaign to ensure Callide Power Station has the appropriate resources based on work planning for the 12-month period and beyond.

Further considerations are as follows:

- the orderly and responsible engagement of contractors (Clause 8.2 of the Callide EA);
- broader CS Energy transformation activities and future opportunities that include Callide; and
- known work requirements in the context of operational change.

Workplace health and safety

CS Energy complies with all relevant health and safety legislation, including the *Work Health and Safety Act 2011 (Qld)* and related standards, the *Electrical Safety Act 2002 (Qld)*, codes of practice, Australian standards and industry guidelines. This includes the recent codification of psychosocial hazards within the relevant 2022 Code of Practice.

Inclusion and Diversity (I&D)

CS Energy’s Inclusion and Diversity Policy (I&D Policy) outlines our commitment to create a workplace culture that builds respect, fosters inclusiveness, promotes diversity and embraces the unique skills and qualities of all our employees.

² Preliminary numbers, yet to be approved by CS Energy Board.

In mid-2022, CS Energy's Board reset and broadened the company's five-year (FY23 – FY27) I&D targets to include three new diversity groups: people with a disability, people from a Culturally and Linguistically Diverse (CALD) background and the LGBTQIA+ community. This is in addition to the existing targets aimed at increasing female and Aboriginal and Torres Strait Islander workforce participation, as well as creating opportunities for future career pathways to employment via our graduate, apprentice and intern intakes. This year, CS Energy has again partnered with Career Seekers to offer employment opportunities to Refugees and Asylum Seekers.

In July 2022, CS Energy took our first steps towards developing our inaugural Reconciliation Action Plan (RAP) by registering our interest with Reconciliation Australia. Since then, the Executive Leadership Team and employees have contributed to the company's vision for reconciliation, and set priorities and actions, which formed the basis of CS Energy's first Reflect RAP, which was launched in November 2023.

To support the target of two per cent Indigenous Engagement by July 2024, CS Energy has partnered with Mandana, an Indigenous recruitment and mentoring business, to engage two business administration trainees in the Brisbane office.

In late 2024 a Board approved refresh of CS Energy's I&D Policy and strategy has been undertaken to ensure contemporary practices are incorporated where appropriate.

Equal Employment Opportunity and recruitment and selection

CS Energy aims to provide a workplace that is free from unlawful discrimination, sexual harassment, bullying, victimisation and vilification. All employees have access to the CS Energy *Procedure for Equal Employment Opportunity and Appropriate Workplace Behaviour*.

The *Recruitment and Selection Procedure* provides direction for all CS Energy recruitment and selection activities to be based on using fair, open, unbiased and transparent processes to select the best person for the job within an efficient and effective process. The procedure is available to all employees on CS Energy's intranet. Our recruitment practices are aligned with the I&D policy.

In accordance with Chapter 2 of the *Public Service Act 2022 (Qld)*, CS Energy reports EEO statistical data to the Public Service Commission on an annual basis. CS Energy submitted its last report in July 2024.

CS Energy is also participating in an inaugural audit with the Office of the Special Commissioner – Equity and Diversity. This audit aims to review the salary data for a range of employee demographics and generate actions to support pay parity across the business.

Existing Joint Venture projects

Existing Joint Venture Projects³

CS Energy (through its wholly owned subsidiary, Callide Energy Pty Ltd) remains in a joint venture with IG Power (Callide) Ltd (in Voluntary Administration) at Callide C Power Station. Operations and maintenance services for Callide C Power Station are provided by CS Energy under a contract with the joint venture manager entity. CS Energy employees, and some contractors, are undertaking work under that contract, and otherwise, for the joint venture. Relevant CS Energy employees are primarily covered by the Callide EA.

CS Energy has a 50/50 retail joint venture with Alinta Energy to provide electricity to residential and small commercial customers in South-East Queensland. Under the JV, CS Energy generates and supplies wholesale electricity and Alinta Energy manages the retail business.

CS Energy co-owns the Boulder Creek Wind Farm which is currently under construction in a 50/50 joint venture with Aula Energy, and will hold the rights to 100 per cent of its generation output through a 20-year Power Purchase Agreement.

³ Current as at January 2025

Growth Joint Venture Projects

CS Energy (through its special purpose subsidiaries) may enter into joint ventures with third parties to construct, own and operate new renewable energy and energy transition assets. Operations and maintenance services for these assets may be provided by CS Energy, its subsidiary entities or third parties. CS Energy employees are primarily covered by the relevant site EA.

Future Energy

CS Energy's Chinchilla Battery, located adjacent to the Kogan Creek Power Station, began operating in 2024. It provides fast-response, flexible energy to the market and has become an important part of our portfolio, supporting the Queensland NEM during times of peak demand. The Greenbank Battery, located in South-East Queensland is nearing completion and will provide additional firming capacity to our portfolio when it begins operating in 2025.

The CS Energy Board is currently reviewing our pipeline of renewable energy and storage projects in response to the letter of expectations from shareholding Ministers.

CS Energy will continue to develop its workforce aligned to Government direction and business needs.

Relationship between CS Energy and unions

CS Energy, as a matter of course, consults with its employees and their union representatives regarding matters affecting employees. Enterprise agreements set out the parties' consultative obligations, particularly in respect of major workplace change. More formal consultative forums include site consultative committees and the Peak Consultative Committee, comprising CS Energy senior management and senior union officials, which meets quarterly.

CS Energy recognises that the various unions we work with are key stakeholders in our business. As with all key stakeholders, CS Energy works to ensure that our interactions with unions are mutually beneficial – that is, will improve the working environment for CS Energy employees as well as support the company's long-term sustainability. CS Energy is working to improve and better harness the opportunities for unions (as well as employees generally) to provide feedback and will look to do this through the forums already in place as well as additional forums as appropriate.

Redundancy provisions

Consistent with the GOC Wages Policy's approach to employment security, CS Energy's collective agreements do not provide for any forced redundancies. They do however provide for voluntary redundancies as a last resort, and prioritise redeployment, retraining and relocation in preference to retrenchment⁴. Severance payments include three weeks' pay for every year of service, to a maximum of 75 weeks, plus an early separation payment of 13 weeks, pro-rata long service leave and a re-training and outplacement support costing \$1,000 to \$2,000 per employee, depending on the site.

Employment security

All CS Energy enterprise agreements do not contemplate involuntary (forced) redundancies. In addition, the Kogan Creek Enterprise Agreement only recognises the offering of voluntary redundancies as an option if the unions party to the agreement agree. CS Energy's other two enterprise agreements allow for CS Energy to offer voluntary redundancies in accordance with the provisions of the respective EA.

CS Energy also offers transition to retirement planning while complying with the GOC Wages Policy.

⁴ With the exception of the Kogan Creek Energy Facility Enterprise Agreement which requires the union parties to agree to the need for voluntary redundancies in addition to the process to be utilised in such an event.

Contracting out

CS Energy complies with its enterprise agreements, the GOC Wages Policy and any applicable legislation on the responsible and appropriate use of contractors.

Superannuation

In accordance with *Superannuation Guarantee (Administration) Act 1992 (Cth)*, CS Energy offers membership of and contributes to a number of approved superannuation funds, as requested by employees. Under CS Energy policy, Brighter Super is the default fund for new defined contribution fund members.

The Energy Super Defined Benefit Fund, which closed to new employees in 2002, currently has an employer contribution rate of nil. This rate is reviewed every two years by the fund actuary. Presently, 6.76 per cent of the CS Energy workforce remains in this plan. The remainder of the workforce are members of defined contribution funds, being 40.24 per cent of employees in the default Brighter Super fund and 53 per cent of employees in a choice of super fund account.

In November 2022, CS Energy implemented the Queensland Government approved Superannuation Guarantee Contribution increase to 12.75 per cent per annum for all eligible Government Owned Corporation employees⁵ backdated to 1 July 2022.

Union encouragement

CS Energy provides all new employees with the details of union representatives prior to their commencement with the company and makes payroll deductions of union dues available to employees. In addition, CS Energy regularly provides new starter details to unions.

The company's enterprise agreements include provision for workplace union representatives to be released from normal duties on pay, so that they can provide support to union members during grievance and dispute settling procedures, including attendance at Fair Work Commission proceedings.

Employee representatives are also provided with paid time (as reasonable) off to participate in education activities relevant to their representative roles and may also be granted paid leave to participate in union conferences or management committee meetings where such attendance is a requirement of their office.

Consultation

Unions and representatives of Queensland Treasury, and the Office of Industrial Relations have been consulted in the preparation of this plan. CS Energy regularly engages with our employees with respect to aspects of this plan via various consultative forums and regular communications.

⁵ Excluding those employees who are in the Defined Benefit fund.

Appendix C: Glossary of terms and definitions

AIA	Alternative Individual Agreement
All in Unit Cost	Fuel costs + cash costs (excluding Alinta JV, TOM, Non-Routine) + capital costs over generation sent out.
Availability Factor	Availability Factor is expressed as a percentage, and is measured by the number of days that a unit is online and generating electricity, compared to total days in the quarter
Bowties	A Bowtie is a diagrammatic representation of risk processes. The diagram is shaped like a bowtie, creating differentiation between proactive and reactive risk management
CPI	Consumer Price Index
EA	Enterprise Agreement
EBITDA	Earnings before interest expense, tax, depreciation and amortisation.
EBITDAIF	Earnings before interest expense, tax, depreciation, amortisation, impairment losses/loss reversals and net fair value gains/losses on financial instruments, excluding abnormal items.
EEO	Equal Employment Opportunity
EFOF	The percentage of a given period in which a generating unit is not available either fully or partially due to a forced outage, where a forced outage is an outage that could not have been reasonably delayed by 48 hours from identification of the problem. Performance is reported each quarter, with compliance required by the end of the financial year. It includes partial derates.
EIR	Employment and Industrial Relations
EMS	Environmental Management System
Free Cash Flow Yield (FCF Yield)	FCF Yield is calculated by: Operating Cash Flow (excluding variation margin, tax payments/receipts, interest repayments/income) and Investing Cash Flow excluding Renewables / Gross Fixed Assets + Net Working Capital.
FTE	Full Time Equivalent
GOC Act	<i>Government Owned Corporations Act 1993 (Qld)</i>
CO2kg/MWh sent out	Amount of carbon emitted measure in kilograms for each megawatt hour sent out.
I&D	Inclusion and Diversity
IR	Industrial Relations
MW	Megawatt (one MW = one million watts)
NPAT	Net Profit After Tax

ROGFA	Return on Gross Fixed Assets. ROGFA is calculated by: <u>Underlying EBITDAIF</u> Gross Fixed Assets + Net Working Capital
SCI	Statement of Corporate Intent
Significant Injury or Fatality (SIF)	An incident classed as an actual Category 4 Health and Safety incident under CS Energy's Incident Category Matrix, which is defined as a fatality or multiple fatalities or a serious injury or illness, defined by Workplace Health and Safety Queensland (WHSQ), where the reasonable maximum consequence is a fatality. Performance reported each quarter, with target compliance required each quarter.
Underlying EBITDA	Underlying earnings before interest, tax, depreciation and amortisation.
Underlying EBIT	Earnings before interest, tax, and significant items.
WACC	Weighted average cost of capital



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