



# Statement of Corporate Intent

2023/24

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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* (Qld) (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 Stanwell Corporation Limited (Stanwell) and its shareholding Ministers with respect to the financial and non-financial performance targets specified for the financial year. The Statement of Corporate Intent represents agreement to the major activities, objectives, policies, investments and borrowings of Stanwell for 2023/24.

This Statement of Corporate Intent is consistent with Stanwell’s Corporate Plan 2023/24 to 2027/28, submitted to shareholding Ministers and agreed in accordance with Chapter 3, Part 7 of the GOC Act.

In signing this document, Stanwell’s Board undertakes to achieve the targets proposed in the Statement of Corporate Intent for 2023/24.

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 of the Stanwell Board on behalf of all the directors in accordance with a unanimous decision.

Commercial-in-Confidence

This document contains confidential information relating to the business affairs of Stanwell Corporation Limited. Release of its content is subject to the provisions of the *Right to Information Act 2009*. Any unauthorised disclosure of material contained in this document may diminish the commercial value of that information and may have an adverse impact on the business, commercial and financial affairs of Stanwell Corporation Limited.

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The Hon. Cameron Dick MP  
Deputy Premier, Treasurer and  
Minister for Trade and  
Investment




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The Hon. Mick de Brenni MP  
Minister for Energy and Clean  
Economy Jobs

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Mr Paul Binsted  
Independent Non-executive  
Chair and Director  
Stanwell Board

## KEY PERFORMANCE INDICATORS

### Shareholder return measures

Indicator	2021/22 actual	2022/23 forecast	2023/24			
			Sept YTD target	Dec YTD target	Mar YTD target	Full year target
Return on Gross Fixed Assets <sup>1</sup> (%)						
Free Cash Flow Yield <sup>2</sup> Forecast (%)*						
Return on equity (%)	12.0	4.3	40.6	38.0	35.6	33.9
Cost of Energy <sup>3</sup> (\$/MWh Sold)						

### Other financial performance measures

Corporate measures	2021/22 actual	2022/23 forecast	2023/24			
			Sept YTD target	Dec YTD target	Mar YTD target	Full year target
Operating profit (\$M)	430.6	188.9	53.1	54.2	173.7	223.5
EBIT (\$M)	215.3	127.7	239.7	442.7	764.8	1,005.8
EBITDAIF (\$M)	593.3	360.8	125.9	209.0	411.2	523.6
Net profit after tax (\$M)	148.4	62.3	163.2	300.9	521.7	686.4
Operating cash flow Sustaining (\$M)	385.3	408.8	379.1	293.7	606.3	1,384.7
Capital expenditure <sup>4</sup> (\$M)	144.2	428.8	128.8	424.8	640.8	855.5

<sup>1</sup> ROGFA = EBITDAIF / (Gross Fixed Assets + Net Working Capital).

<sup>2</sup> FCFY % = (operating and investing cashflows) / (Gross Fixed Assets + Net Working Capital).

<sup>3</sup> Excludes PPA generation

<sup>4</sup> Capital Expenditure includes both sustaining and investment capital.

### Other non-financial performance measures

Non-corporate measures	2021/22 actual	2022/23 forecast	2023/24			
			Sept YTD target	Dec YTD target	Mar YTD target	Full year target
Total recordable injury frequency rate (TRIFR) <sup>5</sup>	7.09	7.44	<3.49	<3.49	<3.49	<3.49
Lost time injury frequency rate (LTIFR) <sup>6</sup>	1.06	1.94	<0.29	<0.29	<0.29	<0.29
Environmental enforcement actions	0.0	0.0	0.0	0.0	0.0	0.0

<sup>5</sup> TRIFR 2023/24 forecast as at end of January 2024 (Stanwell CEO Report).

<sup>6</sup> LTIFR 2023/24 forecast as at end of January 2024 (Stanwell CEO Report).

## RESPONSE TO SHAREHOLDER MANDATE

Stanwell's 2020-23 Shareholder Mandate articulates shareholding Ministers' expectations for Stanwell, specifically:

- Stanwell's debt repayment strategy, capital structure and surplus cash balances;
- shareholder return measures; and
- savings target.

As outlined in the Mandate, Stanwell's business focus is to:

- optimise the value of existing assets from a whole-of-portfolio perspective by implementing asset management and improvement strategies;
- identify opportunities for portfolio diversification to manage risk, protect revenue streams and maintain commercial viability; and
- develop a Portfolio Renewal Strategy considering asset management and debt repayment strategies, diversification options and long-term value to shareholders.

### Achievements to date

In September 2022, we welcomed the announcement of the Queensland Energy and Jobs Plan (QEJP) which outlines the State's pathway to a clean, reliable and affordable energy system.

The QEJP sets out the role Stanwell will play in the orderly transformation of the State's energy sector. Stanwell will continue to develop renewable generation and energy storage capacity to support the ongoing transformation of the State's electricity portfolio as well as the implementation of the QEJP.

Stanwell has made significant progress on delivering against the objectives outlined in the 2020-2023 Shareholder Mandate, as well as progressing our commitments under the QEJP, as outlined below.

#### Optimise the value of existing assets

With some of the youngest and most reliable plant in the market, Stanwell has a unique and important role to play in keeping the lights on and putting downward pressure on prices, while also continuing to support the market as it moves towards lower carbon generation.

Amidst the challenges in the energy market during the past 12 months, we continued to run our Stanwell and Tarong power stations at high levels of capacity, ensuring we were generating when the market needed us. We also proactively

procured coal outside our normal supply arrangements to ensure the availability of our plant to generate and meet market requirements.

Under the QEJP, Stanwell will gradually repurpose its coal-fired power stations to clean energy hubs as replacement generation and energy storage are built and transmission infrastructure is upgraded. In this way energy reliability will be assured as the transition takes place.

Since the release of the QEJP, Stanwell has undertaken a detailed review of existing asset strategies. Several areas of targeted improvement have been identified to enable us to deliver on our commitments. As part of this, we are also undertaking preliminary work to understand how our coal-fired units can be converted to synchronous condensers to bolster system strength as renewable generation increases.

We have an extensive clean energy pipeline in the regions surrounding our Tarong and Stanwell power stations under development (discussed below). We will continue to grow and deliver that pipeline of projects and within the coming 10 to 12 years we will have 9 to 10 GW of renewable energy and between 3 and 3.5 GW of energy storage in place.

#### Portfolio diversification

Stanwell has made significant progress in diversifying our portfolio, positioning Queensland and our business for the future.

We are continuing to grow our portfolio of renewable and storage projects, driving our new energy solutions and offerings for our customers, and contributing to Queensland's commitment to 80 per cent renewable energy by 2035.

The following is a summary of the key activities budgeted for within the five year budget window which are supporting the State's ongoing transformation:

- we have executed a number of power purchase agreements (886 MW) with Queensland renewable energy projects to provide cost-effective renewable energy solutions to our customers in the short term (Clark Creek Wind Farm, Bluegrass Solar Farm, McIntyre Wind Farm and 50 per cent of Wambo Wind Farm);
- we finalised the Wambo Wind Farm 50:50 joint venture agreement with Cubico in December 2022 (126 MW in equity). Subject to Board and shareholding Minister approval, the Tarong West Wind Farm with RES (500 MW equity), the Aldoga Solar Farm with Acciona (355 MW PPA) and the Mt Hopeful Wind Farm stage two with Neoen (100 MW equity) will be executed in 2023;
- we are placing greater emphasis on taking equity in, and being an owner / operator of, renewable energy and energy storage assets from 2023 onwards;

- we are developing a large-scale renewable energy hydrogen opportunity in Central Queensland, with the FEED study commencing in April 2023;
- stand-alone 150 MW / 300 MWh (2 hour) battery projects are being progressed for installation near our existing sites, with anticipated operations to commence in 2025;
- actions in 2023 include investigating longer term partnerships with both developers and OEMs for the sustainable development of Stanwell's renewable portfolio; and

### **Stanwell renewable maintenance services**

The establishment of Stanwell's renewable maintenance services business (SAMCo) is progressing, as we work to ensure future opportunities for our workforce, in line with the QEJP.

Over the next two years, SAMCo will move from business start-up to service delivery to support Stanwell's renewable project pipeline.

SAMCo is also seeking to build its capability by offering its services to other large-scale renewable energy asset owners throughout Queensland.

### **Future Energy Innovation and Training Hub (FEITH)**

Stanwell is developing the concept of a Future Energy Innovation and Training Hub (FEITH) adjacent to Stanwell Power Station.

We will use our Future Energy Innovation Training Hub to pilot a range of new energy technologies including flow batteries and electrolyzers and then we will train our people in their use.

### **Portfolio Renewal Strategy**

Stanwell delivered its draft Portfolio Renewal Strategy (in the form of our Corporate Strategy) to shareholders during May 2021 as required under the 2020-23 Shareholder Mandate.

We have since refreshed our strategy in response to our evolving economic, technological, political, customer, community, policy, regulatory and social environments.

Our four strategic goals help us focus our efforts on the things that matter most, including how we will deliver on our commitments under the QEJP.

Our strategic goals are:

- Build a renewable portfolio.
- Operate our current portfolio reliably and repurpose it for the future.
- Drive the development of Queensland's hydrogen industry and other new technologies.
- Create future pathways for our people.

### **Sustainability Strategy**

As we work to implement the QEJP, we are also taking the opportunity to put a formal sustainability strategy in place and begin publishing an annual sustainability report, through which we will hold ourselves publicly accountable for delivering on our sustainability commitments.

In the past year, we began development of our sustainability strategy and framework. This will provide a platform to evolve our sustainability priorities and ensure we continue to be transparent about where we are excelling, and where we need to improve. We expect to finalise our sustainability strategy in mid-2023 and look forward to sharing this with our people, shareholding departments, suppliers, business partners, communities and customers.

In the coming years, we will continue evolving our sustainability strategy, ensuring it is consistent with the objectives of the Queensland Government and reflects the expectations of our stakeholders.

Information about our sustainability strategy will be included in future sustainability reports (integrated within our annual report). Our sustainability report will align with the Task Force on Climate-Related Financial Disclosure (TCFD) and the 2022 Queensland Sustainability Report.

Stanwell’s sustainability strategy will include the commitments and metrics we use to measure our performance in relation to each of our material issues. Our proposed commitments are in the table below.

Draft sustainability commitments		
1	Reduce the emissions intensity of our portfolio	We will establish our portfolio of renewable generation, firming capacity and dispatchable clean energy in the regions that surround our power stations and throughout the State. We will also investigate technology and techniques to reduce the emissions intensity of our coal-fired power stations and mine.
2	Safeguard the flora and fauna, land and waterways around our sites	We will safeguard and – wherever possible – improve the quality of flora and fauna, land and waterways in the regions that surround our sites. We will join forces with our suppliers and business partners to achieve this commitment wherever there is opportunity to do so.
3	Work with suppliers who help achieve our sustainability commitments	We will place a high priority on working with suppliers whose sustainability frameworks and commitments support ours. Encourage our suppliers to reduce and disclose their emissions.
4	Create transformative economic and social opportunity for our host communities as well as First Nations peoples	<p>We will create transformative economic and social opportunity for our host communities and advance the unique needs of landholders and neighbours as we develop clean energy hubs and assets. We will pioneer initiatives which advance the long-term, post-coal economies of the communities that host our power stations and mine as well as the regions that surround them.</p> <p>We will strengthen our relationships with First Nations peoples and Traditional Owners through listening, learning and responding to their diverse perspectives and priorities; and empowering communities through skills development, supplier opportunities and social investment.</p>
5	Ensure our people realise opportunities from the energy transition. Ensure our workplace is safe, inclusive and diverse	<p>We will maintain a thriving work environment for our people by upholding and promoting the highest standards of health, safety and wellbeing in everything we do.</p> <p>We will create an inclusive and diverse workplace where people from all races and cultures and of all ages and genders contribute, thrive and grow.</p> <p>We will ensure our people realise opportunities from the energy transition, including delivering on our commitments under the Queensland Energy Workers’ Charter and equipping our people with skills for the future through long-term investments in training and development.</p>

### Technology and cyber security

Stanwell is continuing to build on its existing technology to ensure our systems, data and our people, are better connected and secure.

Failure to successfully design, implement and embed new technology will impact Stanwell’s ability to deliver on its strategic goals and planned efficiency improvements.

Stanwell manages cyber security as a strategic risk and continues to build and strengthen its capability to defend against evolving threats. We manage our cyber security using a framework based on the National Institute of Standards and Technology Cyber Security Framework (NIST CSF).

We measure our cyber security maturity against the Australian Energy Sector Cyber Security Framework (AESCSF). Our maturity has been reported periodically to the Energy Security Board via the Australian Energy Market Operator (AEMO) since 2018.

In early 2023, Queensland Treasury completed a cyber security review of Government Owned Corporations and commercial Statutory Authorities. Stanwell was found to exhibit all seven key indicators of security performance and noted as the most mature of the electricity industry participants Queensland Treasury surveyed.

Stanwell will continue to execute its cyber security strategy over the next five years. The strategy seeks to ensure compliance with legislation, reduce risk, secure our data and enable new ways of working in the rapidly changing energy industry.

These goals will be achieved by executing a series of initiatives. Key activities include uplifting asset management, network security, data security, privilege access management, threat and risk management, security monitoring, and security architecture practices.

Cyber security	Response
Cyber security frameworks that Stanwell reports against	<ul style="list-style-type: none"> <li>• Stanwell reports cyber security maturity against the AESCSF to AEMO annually; and</li> <li>• Under the <i>Security of Critical Infrastructure Act 2018</i> obligations, Stanwell is required to report against the AESCSF to the Australian Government.</li> </ul>
Key activities planned for Stanwell’s cyber security systems	<ul style="list-style-type: none"> <li>• uplifting asset management practices;</li> <li>• implementing further network security controls;</li> <li>• improving data security;</li> <li>• strengthening privileged access management;</li> <li>• revising threat and risk management frameworks;</li> <li>• improving security monitoring; and</li> <li>• updating security architecture.</li> </ul>

### Debt Management Strategy

#### Working capital overdraft

Stanwell maintains a working capital overdraft facility with Queensland Treasury Corporation (QTC) for short-term funding requirements up to a \$█ billion drawdown limit.

The forecast currently indicates that this facility is wholly undrawn across the forecast period but remains available to meet temporary timing differences in planned construction payments and/or other unforeseen funding needs.

As part of the State Borrowing Program bid process in April/May 2023, Stanwell will request a \$█ billion increase to this limit from 2023/24 to \$█ billion to manage possible variability in the timing of construction payments.

Where the facility is undrawn, no additional costs are incurred as a result of this limit increase.

**Short-term variable rate loan**

Due to extreme electricity forward curve volatility experienced since early 2022, Stanwell has been required to post significant amounts of collateral against its positions on the Australian Securities Exchange (ASX) Futures Exchange. Stanwell currently maintains a short-term variable rate loan facility specifically for this purpose.

The facility is currently subject to a \$ billion drawdown limit (\$ billion expiring on 30 June 2025 and a temporary \$ billion expiring on 2 July 2023). This limit is scheduled to step down over the period to 30 June 2025 and in line with Stanwell’s forecast collateral position/requirements.

The forecast indicates sufficient cash funds on hand to clear amounts currently drawn down from this facility at each loan expiry. To ensure an appropriate buffer of undrawn funds is maintained should market volatilities re-emerge, a partial extension (\$ billion) of the temporary limit will be requested until October 2024, as part of the State Borrowing Program bid process in April/May 2023.

**Long-term debt**

Stanwell continues to implement its long-term debt repayment strategy which was developed during 2020/21 in consultation with QTC.

The repayment of the existing long-term debt facilities associated with the Tarong and Stanwell power stations commenced on 1 July 2021. End dates for these repayment plans align with the previously scheduled retirement date for each site.

However, in line with the QEJP, additional capital repayment amounts have been incorporated in the five-year budget period to accelerate payment in line with timeframes for the transformation of coal fired power stations to clean energy hubs. This will be subject to further negotiation with QTC.

New long-term debt facilities are expected to be drawn down to meet known funding requirements for new build renewable energy projects in line with their underlying project schedules. Repayment plans associated with these facilities will substantially align with the individual asset lives and occur on a principal and interest basis from the commercial operation date.

**Savings target**

The 2019/20 State Budget announced a savings target of \$840 million over the forward estimates for government-owned corporations, Queensland Rail and Seqwater.

A key requirement of Stanwell’s current Shareholder Mandate is to meet or exceed a \$ million efficiency savings target, over five years commencing in 2020/21.

A range of management initiatives ensured Stanwell delivered on this efficiency target:

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

Stanwell achieved cost savings of \$ million in 2021/22 and has forecast further cost savings of \$ million over the next two years.

## KEY ASSUMPTIONS AND RISKS

The key assumptions underpinning Stanwell's estimated financial results for 2023/24 to 2027/28 are in accordance with the GOC Act. The financial forecasts are based on the following economic and operational assumptions.

### Market impacts

Stanwell's 2023/24 to 2027/28 budget adopts an operating profile based on our nine thermal unit portfolio, and the incorporation of new build renewable generation into the portfolio as it comes online across the five-year reporting period.

Stanwell's budget modelling for 2023/24 to 2027/28, adopts the [REDACTED] [REDACTED] This is with the exception of the timeframes for the transformation of coal-fired power stations to clean energy hubs, which incorporates the schedule derived from the QEJP.

### Queensland Energy and Jobs Plan

The QEJP outlines the State Government's approach to delivering an affordable and reliable system characterised by firm clean energy and an associated reduction in emissions. Long-term job security for energy industry workers and the creation of new jobs and industries, particularly in regional Queensland, are also key priorities of the QEJP.

### Queensland Energy Workers' Charter

The longer-term development and implementation of the Future Pathways Framework will require an allocated budget.

Clarity as to funding implications will be incorporated into future forecasts and budgets from that point in time.

### Stanwell Power Station transition plan

Subject to market requirements (and in consultation with the Queensland Energy System Advisory Board) and in line with phase one and two of the QEJP, Stanwell will build capability to install synchronous condensers with potential installation at [REDACTED] in [REDACTED]

### Other constraints

With continued market and pricing volatility, management will continue to monitor market and trading trends over the next few months.

Revenue modelling assumes that Stanwell's plant will be fully available during key periods of the year as per our asset and production plans. It also assumes that fuel will be available for generation and sales in line with contractual entitlements and current mine plans.

Failure to achieve planned plant or fuel availability (or major plant or fuel supply failure during critical supply periods, particularly the summer months) may impact Stanwell's ability to achieve its revenue forecasts.

Stanwell retains a strong focus on plant availability throughout the year. Stanwell works closely with external fuel suppliers and our mine operations group to ensure production expectations are aligned and sufficient fuel is stockpiled to be available at key times.

## Statement of Corporate Intent 2023/24

Assumptions and outputs	2023/24
<b>Economic indices</b>	
Escalation (%) <sup>7</sup>	4.3
Wages growth (%) <sup>8</sup>	3
Long term interest rates (%) <sup>9</sup>	4.2
Dividend payout ratio (%) <sup>10</sup>	Variable
Weighted average cost of capital - post-tax <sup>11</sup> nominal	■
Weighted average cost of capital - post-tax nominal (CoCP <sup>12</sup> )	■
<b>Electricity revenue</b>	
Average realised price (\$/MWh) <sup>13</sup>	■
Time-weighted annual pool price (\$/MWh) <sup>14</sup>	■
Revenue:	
Net pool sales (\$M)	■
Contract revenue/(expense) (\$M)	■
Volume of contracts (QLD Only):	
Swap contracts (GWh)	■

7 Source: Deloitte Access Economics and BIS Shrapnel.

8 Stanwell will comply with the Government Owned Corporations Wages Policy as existing EAs expire and require renegotiation.

9 Long term interest rates are sourced from Queensland Treasury Corporation

10 The dividend forecast represents 100 per cent of audited net profit after tax. The dividend paid is the adjusted to exclude any unrealised gains from the revaluation of Stanwell's financial instruments, any year end asset impairment adjustments that may arise during the testing of asset carrying values, any adjustments relating to rehabilitation and any other relevant adjustments resulting in unrealised gains that may arise. Subject to government approval, the dividend paid is also adjusted to ensure that the dividend amount declared does not result in Stanwell exceeding current QTC lending terms and conditions and does not result in Stanwell requiring debt (including short term overdraft facilities) to meet long term debt repayment obligations or the funding of approved capital expenditures over the 18 month forward looking period (based on Stanwell's internal funding forecasts). The residual dividend methodology will be approved by shareholders on an annual basis.

11 The WACC calculation was updated in July 2022.

12 Applying 'Cost of Capital Principles – Government Owned Corporations' approach.

13 Average realised price per MWh is: 'Total Operating Revenue' (Electricity Pool Sales and Contract Settlement)/Energy Generation sold (node) – (Includes thermal and renewable assets owned by Stanwell but excludes power purchase agreements where Stanwell is not the project owner).

14 Queensland Node Prices (nominal \$).

Assumptions and outputs	2023/24
Face value of swap contracts (wholesale and retail) (\$)	■
<b>Coal rebate revenue</b>	
Exchange rate US\$	0.69
Average reference price (AUD\$/tonne)	■
Volume (million tonnes)	7.25
Total coal rebate revenue (\$M)	■
<b>NEM energy</b>	
Energy generated (GWh)	■
Energy sent out (GWh)	■
<b>NEM operational</b>	
Fuel costs (\$/MWh sold)	■
Greenhouse gas emissions (KtCO <sub>2</sub> e)	18,300
Greenhouse gas intensity - portfolio under management (CO <sub>2</sub> kg/MWh sent out) <sup>15</sup>	908
Greenhouse gas intensity - Stanwell Assets (CO <sub>2</sub> kg/MWh sent out) <sup>16</sup>	947

<sup>15</sup> Energy Under Management: this measure includes emissions and energy generated by Stanwell assets (above) plus generation associated with renewable power purchase agreements (PPAs). Because this measure includes zero emission generation from PPAs it shows a more rapid reduction in emissions intensity. While this is an important internal measure to help Stanwell track progress in building our new energy portfolio, it is not consistent with international reporting standards.

<sup>16</sup> Stanwell Assets: this emissions intensity measure includes all emissions and energy generated from Stanwell's generation assets (that is, our coal fired power stations plus the new renewable energy assets where we propose to invest equity). As the pipeline of renewable assets in which we have equity is energised, the proportion of zero emission generation increases, resulting in a corresponding reduction in emissions intensity. This measure is consistent with international reporting standards.

## CAPITAL EXPENDITURE

Budgeted capital expenditure for 2023/24 (for projects greater than \$15 million):

Project	2023/24 (\$M)	Total project budget (\$M) <sup>17</sup>	Board approved	Shareholder approved
Stanwell Power Station Unit 1 Major Overhaul 2023	26.2	29.7	Y	Y
Tarong Power Station Unit 4 Major Overhaul 2023	31.3	31.5	Y	Y
Southern Renewable Energy Zone Battery <sup>1</sup>	183.2	268.9	Y	Y
Central Renewable Energy Zone Battery	68.6	252.1	Y	Y
Wambo Wind Farm	221.2	466.8	Y	Y
Tarong West Wind Farm	200.0	1,759.6	N	N

\* Part of Mine Development Program.

<sup>1</sup>On 9 December 2022 shareholding Ministers approved the Southern Renewable Energy Zone Battery Project, subject to modelling demonstrating this project will support renewables and final investment decision by the Stanwell Board.

Investment thresholds	\$M
Shareholding Minister notification	10.0
Shareholding Minister approval	15.0

<sup>17</sup> Total project budget represents project inception to date costs plus future year forecast.

## Total capital expenditure

Project	2021/22 actuals	2022/23 forecast	2023/24 September YTD target (\$M)	2023/24 December YTD target (\$M)	2023/24 March YTD target (\$M)	2023/24 full year target (\$M)
<b>Overhauls</b>						
Stanwell Power Station overhauls	30.9	25.7	27.6	27.6	27.6	30.3
Tarong Power Station overhauls	0.4	46.7	8.5	32.7	32.7	33.2
Stanwell Power Station Turbine Overhaul Program	11.2	5.3	2.0	3.9	3.9	3.9
<b>Total overhauls</b>	<b>42.5</b>	<b>77.8</b>	<b>38.1</b>	<b>64.2</b>	<b>64.2</b>	<b>67.5</b>
<b>Major projects</b>						
Stanwell Power Station – Ash Storage Plan	3.4	7.7	-	-	-	-
Stanwell Power Station – Coal Bunker Refurbishment	-	0.3	-	-	-	-
Stanwell Power Station – Generator Rotor Replacement	-	0.9	2.2	2.2	3.5	3.5
Tarong Power Station – Ash Off Take	2.1	-	-	-	-	-
Tarong Power Station – Chimney and Flue Refurbishment	-	1.7	-	-	-	-
Tarong Power Station – Cooling Tower Refurbishment	-	2.1	3.9	4.7	4.7	4.7
Tarong Power Station – Turbine Rotor and Blade Replacement	-	0.6	-	-	-	-
Mine – Development program	18.1	7.4	1.1	8.6	9.2	10.0
Mine - Dozer Replacement Program	0.1	8.0	-	-	-	-
Mine – Truck and Shovel Replacement Program	5.6	0.5	0.0	-	-	-
Mine – Dragline	-	0.1	-	-	0.4	0.6
<b>Total major projects</b>	<b>29.3</b>	<b>29.3</b>	<b>7.2</b>	<b>15.6</b>	<b>17.8</b>	<b>18.9</b>
<b>Other projects &lt; \$10M</b>						
Corporate – ICT hardware and software upgrades	11.4	5.9	0.3	0.7	1.1	1.5
Corporate – Other	0.6	0.2	0.6	0.8	0.8	0.9
Generation	44.2	54.7	26.4	43.1	48.6	62.8
Mining	13.5	18.6	2.4	8.2	13.9	18.9
<b>Total other projects</b>	<b>69.7</b>	<b>79.4</b>	<b>29.7</b>	<b>52.8</b>	<b>64.4</b>	<b>84.1</b>
<b>Total - Sustaining Capital</b>	<b>141.5</b>	<b>186.5</b>	<b>74.8</b>	<b>132.6</b>	<b>146.5</b>	<b>170.5</b>

## Statement of Corporate Intent 2023/24

Project	2021/22 actuals	2022/23 forecast	2023/24 September YTD target (\$M)	2023/24 December YTD target (\$M)	2023/24 March YTD target (\$M)	2023/24 full year target (\$M)
<b>Growth and Future Energy</b>						
Wambo Wind Farm	-	124.5	31.8	94.9	158.1	221.2
Tarong West Wind Farm*	-	40.0	-	134.8	168.5	200.0
Southern Rez Battery	2.4	41.1	9.8	38.6	116.0	183.2
Central Rez Battery	0.3	35.3	10.0	19.4	42.9	68.6
Mt Hopeful <sup>18</sup>	-	0.0	0.1	0.3	0.6	0.8
FEITH Projects*	-	1.0	1.7	3.6	6.8	9.4
SAMCO Projects*	-	0.0	0.6	0.6	1.4	1.8
CCP Weighbridge	-	0.4	-	-	-	-
<b>Total Growth and Future Energy</b>	<b>2.7</b>	<b>242.3</b>	<b>54.0</b>	<b>292.2</b>	<b>494.3</b>	<b>685.0</b>
<b>Total capital expenditure</b>	<b>144.2</b>	<b>428.8</b>	<b>128.8</b>	<b>424.8</b>	<b>640.8</b>	<b>855.5</b>

<sup>18</sup> Mt Hopeful Wind Farm stage two expenditure subject to Board and shareholding Minister approval.

\* Projects subject to Board and shareholding Minister approval.

## CAPITAL STRUCTURE

Stanwell recognises that its borrowing requirements may change and interim State Borrowing Program variations may be required periodically to support financing requirements.

Long Term Borrowings			
Facility	2022/23* Forecast (\$M)	2023/24* Target (\$M)	Change (\$M)
QTC Borrowings**	1,562.8	901.5	(661.3)
Leases	6.6	5.3	(1.3)
Total Borrowing	1,569.4	906.8	(662.6)

\* Estimated book value

\*\* Borrowings decrease in 2023/24 due to repayment of variable loan.

## COMMUNITY SERVICE OBLIGATIONS

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

## STATEMENT OF COMPLIANCE

Stanwell, including its subsidiaries, will comply with all relevant policies and guidelines as issued by shareholders and Government, and formal directions as received from time to time.

## COMPLIANCE WITH GOVERNMENT POLICIES AND DIRECTIONS

Stanwell, including its subsidiaries, will comply with all relevant policies as issued by shareholders and Government and formal directions as received from time to time.

Stanwell confirms its commitment to comply with the Queensland Procurement Policy (QPP) and conduct its procurement arrangements accordingly.

With respect to Best Practice Principles (BPPs), as Stanwell transforms and balances its asset portfolio with the development of new renewable energy assets and firming technology such as batteries, it will have projects which may be over the value of \$100 million, or projects declared as being subject to BPPs, for which the BPPs will be required to be implemented.

Stanwell's existing procurement requirements already encompass many aspects of the BPPs and will continue to do so.

Stanwell is committed to prioritising Queensland businesses, supporting local jobs in regional Queensland, and investing where possible in local Queensland economies. Where applicable, Stanwell will include terms and conditions in its contracts with project proponents that require those proponents to comply with the QPP and BPP, including any applicable Best Practice Industry Conditions (BPICs).

Stanwell will apply local benefits tests for significant tenders and actively seek opportunities through its tendering process to benefit Queensland businesses, particularly in the regions in which we operate.

When evaluating tenders and new business ventures and partners, Stanwell's standard evaluation criteria takes into consideration QPP and BPP philosophies, ensuring that those businesses that we deal with are ethical, acting in a safe manner and working to grow a Queensland workforce.

The engagement of consultants is conducted under Stanwell's Procurement Policy to:

- achieve value for money;
- ensure probity and accountability outcomes; and
- align to the QPP Principles.

## FINANCIAL STATEMENTS

## Income statement

Escalated (\$M)	2021/22 actuals	2022/23 forecast	2023/24			
			September YTD target	December YTD target	March YTD target	Full Year target
<b>Gross Profit</b>	<b>815.1</b>	<b>645.8</b>	<b>203.7</b>	<b>361.6</b>	<b>645.4</b>	<b>842.4</b>
Electricity Pool Sales						
Contract Settlements						
Fuel Costs						
Water Costs						
Renewable Energy Certificates						
Other						
<b>Operating Expenses</b>	<b>(389.9)</b>	<b>(462.1)</b>	<b>(153.3)</b>	<b>(313.0)</b>	<b>(480.7)</b>	<b>(631.2)</b>
<b>Other Operating Revenue</b>						
<b>Non-operating revenue/(expense)</b>						
<b>Coal Rebates</b>						
<b>Fair value movements - Derivatives</b>	<b>(337.4)</b>	<b>(384.2)</b>	<b>88.5</b>	<b>204.9</b>	<b>320.8</b>	<b>454.7</b>
<b>Net Interest Expense</b>	<b>(7.2)</b>	<b>(38.6)</b>	<b>(6.5)</b>	<b>(12.9)</b>	<b>(19.6)</b>	<b>(25.1)</b>
<b>Income Tax</b>	<b>(59.7)</b>	<b>(26.7)</b>	<b>(70.0)</b>	<b>(128.9)</b>	<b>(223.6)</b>	<b>(294.2)</b>
<b>Net Profit / (Loss) After Tax</b>	<b>148.4</b>	<b>62.5</b>	<b>163.2</b>	<b>300.9</b>	<b>521.7</b>	<b>686.4</b>

Balance sheet

Escalated (\$M)	2021/22 actuals	2022/23 forecast	2023/24			
			September YTD target	December YTD target	March YTD target	Full year target
<b>ASSETS</b>						
Cash and cash equivalents	60.2	21.4	115.0	29.6	33.7	25.9
Receivables - Cash Management	0.8	130.2	86.4	50.2	39.2	39.2
Trade and other receivables	584.9	266.3	204.9	212.2	267.6	236.8
Inventories	121.8	176.7	216.1	247.8	198.2	228.1
Current Financial assets	1,285.6	1,254.9	1,139.2	1,249.6	1,143.4	801.7
Other current assets	18.5	10.7	24.9	20.2	15.4	10.7
Derivative financial assets	6,258.7	1,573.2	1,280.5	1,150.5	795.0	483.7
<b>Total current assets</b>	<b>8,330.5</b>	<b>3,433.4</b>	<b>3,067.0</b>	<b>2,960.1</b>	<b>2,492.5</b>	<b>1,826.1</b>
Derivative financial instruments	2,378.9	804.2	521.5	238.7	210.1	197.9
Property, plant and equipment	1,549.2	1,874.2	1,977.0	2,234.0	2,410.7	2,588.1
Exploration and evaluation	6.4	6.4	6.4	6.4	6.4	6.4
Other assets <sup>19</sup>	349.7	445.8	459.8	473.3	486.7	499.8
Deferred tax assets	4,472.4	555.0	503.7	468.5	437.4	427.2
Intangible assets	32.5	24.5	22.8	21.2	19.1	20.3
<b>Total non-current assets</b>	<b>8,789.1</b>	<b>3,710.1</b>	<b>3,491.2</b>	<b>3,442.1</b>	<b>3,570.4</b>	<b>3,739.7</b>
<b>TOTAL ASSETS</b>	<b>17,119.6</b>	<b>7,143.5</b>	<b>6,558.2</b>	<b>6,402.2</b>	<b>6,062.9</b>	<b>5,565.8</b>

<sup>19</sup> Stanwell's interest in the Curragh New Coal Supply Agreement is secured, it ranks behind Coronado's financiers.

**Statement of Corporate Intent 2023/24**

Escalated (\$M)	2021/22 actuals	2022/23 forecast	2023/24			
			September YTD target	December YTD target	March YTD target	Full year target
<b>LIABILITIES</b>						
Trade and other payables	(581.3)	(322.2)	(279.8)	(302.3)	(231.1)	(240.0)
Provisions	(62.8)	(36.0)	(34.3)	(32.6)	(30.9)	(29.2)
Derivative financial instruments	(8,519.1)	(2,155.4)	(1,973.1)	(1,949.9)	(1,431.7)	(939.8)
Other liabilities	(6.3)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)
Current borrowings	(762.1)	(50.3)	(50.0)	(49.6)	(49.4)	(208.4)
Current tax payable	(5.0)	(7.0)	(2.0)	6.2	(2.6)	(1.6)
<b>Total current liabilities</b>	<b>(9,936.6)</b>	<b>(2,572.0)</b>	<b>(2,340.2)</b>	<b>(2,329.4)</b>	<b>(1,746.8)</b>	<b>(1,420.1)</b>
Borrowings <sup>20</sup>	(767.6)	(1,374.1)	(1,290.4)	(1,305.8)	(1,275.7)	(855.9)
Provisions	(384.9)	(398.7)	(401.5)	(404.5)	(407.4)	(410.4)
Deferred Tax Liabilities	(3,491.4)	(337.5)	(333.9)	(347.2)	(360.3)	(391.3)
Derivative financial instruments	(3,443.2)	(1,005.1)	(523.8)	(42.4)	(23.0)	(20.6)
<b>Total non-current liabilities</b>	<b>(8,087.1)</b>	<b>(3,115.4)</b>	<b>(2,549.6)</b>	<b>(2,099.9)</b>	<b>(2,066.4)</b>	<b>(1,678.2)</b>
<b>TOTAL LIABILITIES</b>	<b>(18,023.7)</b>	<b>(5,687.4)</b>	<b>(4,889.8)</b>	<b>(4,429.3)</b>	<b>(3,813.2)</b>	<b>(3,098.3)</b>
<b>NET ASSETS</b>	<b>(904.1)</b>	<b>1,456.1</b>	<b>1,668.4</b>	<b>1,973.0</b>	<b>2,249.7</b>	<b>2,467.5</b>
<b>Equity</b>						
Contributed equity	964.5	1,212.0	1,212.2	1,347.2	1,381.1	1,412.8
Deferred (gains) /losses on derivatives	(2,202.4)	(152.0)	(103.1)	(71.1)	(49.2)	(27.8)
Retained earnings	333.8	396.1	559.3	696.9	917.8	1,082.5
<b>TOTAL EQUITY</b>	<b>(904.1)</b>	<b>1,456.1</b>	<b>1,668.4</b>	<b>1,973.0</b>	<b>2,249.7</b>	<b>2,467.5</b>
Net derivative assets (liabilities)	(3,324.7)	(783.1)	(694.9)	(603.1)	(449.6)	(278.8)

<sup>20</sup> Borrowings - Stanwell has developed a debt repayment strategy for existing debt and also proposes to acquire new debt for the Growth and Future Energy projects across the five-year budget.

## Cashflow statement

Escalated (\$M)	2021/22 actuals	2022/23 forecast	2023/24			
			September YTD target	December YTD target	March YTD target	Full year target
<b>Cash flows from operating activities</b>						
Cash receipts in the course of operations	5,225.7	3,474.6	928.5	1,717.4	2,571.5	3,425.2
Cash payments in the course of operations	(5,858.7)	(2,916.9)	(715.3)	(1,320.2)	(2,007.0)	(2,709.8)
Payments of collateral	-	30.7	115.8	5.4	111.9	453.6
Net financing costs paid	(37.5)	(70.4)	(17.3)	(33.8)	(50.3)	(66.8)
Income tax paid	(108.5)	(139.9)	(48.4)	(80.5)	(131.7)	(171.1)
<b>Net cash provided by operating activities</b>	<b>(779.0)</b>	<b>378.1</b>	<b>263.3</b>	<b>288.3</b>	<b>494.4</b>	<b>931.1</b>
<b>Cash flows from investing activities</b>						
Proceeds from/(payment for) the disposal of assets	1.4	-	-	-	-	-
Advances paid <sup>21</sup>	310.1	(129.3)	43.4	79.6	90.5	90.4
Payments for property, plant and equipment	(176.1)	(429.6)	(129.3)	(425.9)	(642.4)	(857.6)
<b>Net cash used in investing activities</b>	<b>135.4</b>	<b>(558.9)</b>	<b>(85.9)</b>	<b>(346.3)</b>	<b>(551.9)</b>	<b>(767.2)</b>
<b>Cash flows from financing activities</b>						
Drawdown/(Repayment) of borrowings <sup>22</sup>	(33.4)	(105.3)	(84.1)	(69.0)	(99.4)	(360.3)
Equity Contribution	730.5	247.5	0.1	135.0	169.0	200.7
Cash available for Distribution/Investment	(107.8)	-	-	-	-	-
<b>Net cash provided by/(used in) financing activities</b>	<b>589.3</b>	<b>142.2</b>	<b>(84.0)</b>	<b>66.0</b>	<b>69.6</b>	<b>(159.6)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(54.2)</b>	<b>(38.6)</b>	<b>93.4</b>	<b>8.0</b>	<b>12.1</b>	<b>4.3</b>
Cash at the beginning of the period	114.4	60.2	21.6	21.6	21.6	21.6
<b>Cash at the end of the period</b>	<b>60.2</b>	<b>21.6</b>	<b>115.0</b>	<b>29.6</b>	<b>33.7</b>	<b>25.9</b>

<sup>21</sup> Under the Queensland Government's cash management regime, Government Owned Corporations (GOCs) are required to advance surplus cash to Queensland Treasury Corporation.

<sup>22</sup> Includes proposed new debt for Renewable Projects.

## APPENDIX A: STANWELL EMPLOYMENT AND INDUSTRIAL RELATIONS PLAN 2023/24

This Employment and Industrial Relations Plan applies to Stanwell and its subsidiary companies.

### 1. Employment and industrial relations philosophy and direction

#### Industrial relations strategy

Stanwell works to create a positive employee relations climate that supports a safe, harmonious and productive workplace, in line with the corporate strategy.

#### Enterprise agreements

Enterprise agreements remain the principal source of terms and conditions for employees.

There are three enterprise agreements currently operating at Stanwell. All enterprise agreements include productivity initiatives, incentive payments and effective training systems to ensure a focus on Stanwell's strategic outcomes. All enterprise agreements have been approved by the Fair Work Commission. Future enterprise agreements will be negotiated in compliance with the Government Owned Corporations Wages and Industrial Relations Policy 2015 (GOCWP) and the Temporary Policy Change – Addendum effective 9 November 2022.

The Tarong Power Station enterprise agreement expired 1 August 2021. Negotiations commenced early 2021. Stanwell and unions representing employees reached in-principle agreement on the terms of the replacement enterprise agreement on 6 July 2022. The enterprise agreement is currently in the process of being finalised.

The Stanwell Power Station enterprise agreement expired on 1 March 2023. Discussions with management, union, and employee representatives to replace the agreement, commenced late 2022 and is ongoing.

#### Queensland Energy and Jobs Plan and Queensland Energy Workers Charter

The energy sector is undergoing a transformation that will bring about change for the industry, its workforce and the communities and regions in which it operates. Stanwell has recognised this industry transformation in the development of our Strategy and the introduction of a Future Pathways framework, both of which are aligned with the Queensland Energy and Jobs Plan that was released by Queensland Government on 28 September 2022.

As part of this plan – subject to sufficient renewable energy sources and associated long-duration storage – all publicly owned coal-fired power stations will be operating as clean energy hubs by 2035, supported by a legislated Job Security Guarantee.

A tripartite Queensland Energy Workers' Charter has been agreed by the Queensland Government, energy sector unions and employers (including Stanwell). As part of the Queensland Energy Workers' Charter, Stanwell is a key contributor to the recently commissioned Energy Industry Council and sub committees including work on a Future Energy Workforce Roadmap which is being developed. This will ensure that skills development and training will be aligned through close collaboration between industry, government, unions and key training providers.

Stanwell will continue to develop our Future Pathways Framework to better understand the opportunities for our people and communities as part of our long-term planning. As part of this effort Stanwell will undertake high level workforce planning through to 2035, to help understand what our business will look like beyond 2030. This will provide a strategic and longer-term view of what resources we need from a whole of business perspective.

Stanwell's Future Pathways Framework will continue to feed into our broader Strategy and support the commitments outlined in the Queensland Energy Workers' Charter:

- a Jobs Security Guarantee, under which affected energy GOC workers are guaranteed a job within the government owned energy sector as it transforms;
- every affected energy GOC worker will be offered agreed financial support and options to support the transition to their new career;
- workers whose existing job no longer exists – and who do not wish to accept the offer of an alternative job – have access to other options; and every worker is encouraged to pursue options and pathways that best suit their circumstances; and
- the formation of an Energy Industry Council that will include membership from workers, unions, industry and Government to identify opportunities to support a smooth transformation for workers and their communities.

## 2. Remuneration arrangements

### Chief Executive Officer and senior executives' remuneration as at 1 January 2023

Senior executive remuneration complies with Stanwell senior executive remuneration guidelines and the Queensland Government Chief and Senior Executive Employment Arrangements.

Chief Executive Officer / Senior Executives	Base salary <sup>1</sup>	Employer superannuation contributions <sup>2</sup>	Other allowances <sup>3</sup>
Michael O'Rourke Chief Executive Officer	\$715,050	\$75,080	\$0
Sophie Naughton Executive General Manager Energy Markets	\$391,497	\$41,107	\$0
Catherine Cook Chief Financial Officer	\$354,955	\$37,270	\$0
James Oliver Chief Operating Officer (Acting Chief Executive Officer from 28/12/2022 - 18/01/2023)	\$396,642	\$41,647	\$11,181
Glenn Smith Executive General Manager Business Services	\$354,955	\$37,270	\$0
Steve Quilter Executive General Manager Growth and Future Energy	\$396,217	\$41,602	\$0

1. Includes cash salary plus salary sacrifice items.

2. Employer superannuation contribution is 10.5 per cent of base salary. Employer superannuation contribution will increase to 12.75 per cent from 19 February 2023, and back

paid to 1 July 2022.

3. Other allowances paid includes higher duties allowance for acting position including superannuation, pro-rated for period of secondment or higher duties.

Chief Executive Officer / Senior Executives	Total fixed remuneration <sup>4</sup>	Other benefits <sup>5</sup>	2021/22 Performance payment <sup>6</sup>
Michael O'Rourke - Chief Executive Officer	\$790,130	\$7,733	\$87,576
Sophie Naughton - Executive General Manager Energy Markets	\$432,604	\$5,686	\$57,668
Catherine Cook Chief Financial Officer	\$392,225	\$9,076	\$0
James Oliver - Chief Operating Officer (Acting Chief Executive Officer from 28/12/2022 - 18/01/2023)	\$449,470	\$8,252	\$60,148
Glenn Smith - Executive General Manager Business Services	\$392,225	\$796	\$46,775
Steve Quilter Executive General Manager Growth and Future Energy	\$437,820	\$5,227	\$59,713

4. Total Fixed Remuneration (TFR) is the sum of base salary, employer superannuation contributions and other allowances.

5. Other benefits paid including, but not limited to, private health insurance reimbursement broadband, mobile phone and disability insurance (if applicable superannuation is included). All senior executives have access to a pool car park, associated costs for this are not included in this table.

6. Performance payment made in September 2022, relating to performance in the preceding financial year. Employer superannuation (10.5 per cent) is paid in addition to these incentives.

### 3. Employment conditions and workforce planning

#### Sources of employment conditions

Employment conditions for employees are derived from a number of sources.

These include:

- Legislation, for example: the *Fair Work Act 2009* (Cth) and the *Electricity Act 1994* (Qld);
- Enterprise Agreements;
- Alternative Employment Arrangements which are provided for under Enterprise Agreements;
- The *Electrical Power Industry Award 2010*;
- Common law contracts; and
- Stanwell policies and procedures.

#### Workforce numbers

The workforce numbers below are as of 1 January 2023.

Employment category (FTE):	Female	Male	Total
Permanent	157	460	617
Temporary	13	33	46
CEO and Senior Executive	2	4	6
Apprentices (in house)	8	26	34
Trainees (in house)	6	1	7
Casual	0	0	0
Other	0	0	0
<b>Total directly employed workforce:</b>	<b>186</b>	<b>524</b>	<b>710</b>
Contractor and Labour Hire (trade/technical)	1	5	6
Contractor and Labour Hire (professional/administrative)	27	55	82
<b>Total (full time equivalent):</b>	<b>214</b>	<b>584</b>	<b>798</b>

#### Changes to workforce numbers during 2023 – 2024

Workforce numbers are likely to increase during 2023/24 as Stanwell implements initiatives consistent with its strategy and the Queensland Energy and Jobs Plan and the Queensland Energy Workers' Charter.

#### Enterprise agreements

The table below provides the number and percentage of employees on enterprise agreements versus other arrangements.

Category	Full Time Equivalent	
	Number	Percentage
(a) All employees	710	100
(b) CEO and direct reports	6	0.84
(c) Employees covered by an award/EA/agreement made under the <i>Fair Work Act 2009 (Cth)</i>	686	96.62
(d) Employees under other arrangements (including common law contracts)	18	2.54

The table below sets out the awards or enterprise agreements applying to Stanwell and the number of employees covered by each enterprise agreement:

Award / agreement	Scope (as at 1 January 2023)	Nominal Expiry date	Jurisdiction	Current status
Electrical Power Industry Award	Employees not covered by an enterprise agreement	Not applicable	Federal	Stanwell enterprise agreements are assessed for 'better off overall' purposes against this award during the Fair Work Commission approval process.
Tarong Power Stations Enterprise Agreement 2018	Tarong Power Station, Tarong North Power Station & Meandu Mine (253 employees)	1 August 2021	Federal	Stanwell received in-principle agreement in July 2022 and is currently in the process of finalising the enterprise agreement.
Stanwell Corporation Limited Corporate Offices Enterprise Agreement 2021	Corporate Office employees (251 employees)	1 March 2025	Federal	This agreement is within its nominal expiry date. Negotiations to replace the agreement will commence in late 2024.
Stanwell Power Station Enterprise Agreement 2019	Stanwell Power Station employees (181 employees)	1 March 2023	Federal	This agreement is within its nominal expiry date. Discussions with management, Union, and employee representatives to replace the agreement, commenced late 2022.

\* The Mica Creek Power Station Enterprise Agreement is still in effect, although there are no employees and the power station was decommissioned in 2021.

Future enterprise agreements will be negotiated in compliance with the Government Owned Corporations Wages and Industrial Relations (GOCWP) Policy Temporary Policy Change – Addendum, effective 9 November 2022.

### Productivity initiatives

Each of the three enterprise agreements contains productivity initiatives. Stanwell reports to the relevant shareholding Ministers on a quarterly basis with respect to the outcome of each enterprise agreement's productivity initiatives.

**Other employment conditions**

The following work practices are also available to employees of Stanwell and may provide employees with the flexibility to manage the balance between work, family and lifestyle:

<b>Part-time arrangements</b>	Employees have the ability to apply for reduced working hours under their applicable enterprise agreement and the National Employment Standards.
<b>Flexible work hours</b>	Compressed hours are available so that employees are able to work a nine-day fortnight or a four-day week, depending on the enterprise agreement applicable to the employee. Further flexible work arrangements are provided through Stanwell procedures. Employees may also manage their own start and finish times following agreement with their manager.
<b>Reduced working year</b>	Purchased leave arrangements are provided in Stanwell purchased leave procedures with the ability to purchase leave (between two and four weeks per year).
<b>Paid primary carer's/special primary carer's/surrogacy/adoption /adoption leave and secondary carer's leave</b>	Employees are able to apply for periods of paid and unpaid leave under their applicable enterprise agreement (14 weeks paid primary carer's/special primary carer's/surrogacy/adoption leave and 1 weeks paid secondary carer's leave (separate to the Federal Government paid 18 weeks for primary carer and 1 week for secondary carer)).
<b>Telecommuting (work from home)</b>	Stanwell provides the ability to work from home with the agreement of management.
<b>Domestic and Family Violence (DFV)</b>	Stanwell provides Domestic and Family Violence leave with pay (with a minimum of ten days) to employees who are experiencing DFV. Further leave with or without pay may be granted if required.

Other policies and practices include:

- job-sharing;
- time off in lieu of payment for overtime;
- paid study leave;
- leave without pay at the discretion of the company;
- a range of special leave arrangements based on individual circumstances at the discretion of the company; and
- phased-in retirement.

#### 4. Workplace health and safety

Stanwell complies with all relevant health and safety legislation, including the *Work Health and Safety Act 2011* (Qld) and related standards, codes of practice, Australian standards and industry guidelines.

#### 5. Equity, diversity, respect and inclusion and anti-discrimination

Stanwell complies with the equity, diversity, respect and inclusion and anti-discrimination provisions in accordance with *Public Sector Act 2022* (Qld) through its Respect Framework. Stanwell's Respect Framework details its approach to the prevention and management of discrimination, harassment and bullying. The Respect Framework consists of three pillars, which include:

- Policies and procedures, setting out formal processes to prevent and manage discrimination, harassment and bullying at Stanwell, such as procedures detailing the recruitment, selection and promotion of staff and formal and informal processes for resolving issues of discrimination and harassment. This includes Stanwell's Code of Conduct, Fair Treatment Policy, Managing performance and conduct and Domestic and Family Violence procedures.
- Cultural initiatives, encouraging social behaviours that prevent and manage discrimination, harassment and bullying.
- Learning and development options for employees, leaders, People and Culture, early career programs, contractors/ consultants, and teams.

#### 6. Redundancy provisions

All of Stanwell's enterprise agreements contain redundancy provisions.

Stanwell currently has a redundancy agreement that focuses on redeployment and retraining but provides for the following in case of retrenchment:

- a minimum of between one and four weeks' notice of retrenchment depending on continuous service (plus an additional one week's notice depending on age and continuous service);
- three weeks' pay per year of completed service severance payment limited to 75 weeks;
- 13 weeks' early separation payment;
- pro rata long service leave for each year of service;
- payment of accrued annual leave; and

- outplacement and retraining support.

The Tarong Power Stations Enterprise Agreement 2018 provides for a further four weeks' salary in addition to the above.

All Stanwell enterprise agreements provide for 'no forced retrenchments'.

#### 7. Superannuation

Stanwell contributes a minimum of 10.5 per cent of Ordinary Time Earnings in accordance with current *Superannuation Guarantee (Administration) Act 1992* (Cth). The contribution is set to continue until 1 July 2023, when it is due to rise to 11.00 per cent. Stanwell will continue to meet its Superannuation Guarantee obligations as the minimum rate is increased.

In December 2022, Stanwell was advised by the Queensland Government that it had approved superannuation contributions of 12.75 per cent per annum to be paid by Government Owned Corporations to employees from 1 July 2022. This employer contribution is to be calculated on ordinary time earnings (at a minimum), as defined by the *Superannuation Guarantee Administration Act 1992* (Cth). This will be applied to Stanwell employees via the Stanwell Superannuation policy.

The defined benefit fund, which is now closed to new members, provides lump sum benefits to its members based on years of service and average salary. Stanwell manages its contributions to this fund in accordance with the long term projected financial position of the fund. Stanwell may vary its contribution rates and it is also prepared to provide lump sum contributions to the fund in periods of low investment returns. Any surplus from defined benefit funds that may arise from time to time remains within the fund. The company will continue to follow advice as received from actuarial reviews. The fund is regulated by the Australian Prudential Regulation Authority under the *Superannuation Industry (Supervision) Act 1993* (Cth).

#### 8. Consultation

Stanwell has undertaken consultation on this plan with employees, relevant unions, Queensland Treasury, the Department of Energy and Public Works and the Office of Industrial Relations.

The Employment and Industrial Relations Plan is supported by the relevant Government agencies.

## APPENDIX B: SPONSORSHIP, ADVERTISING AND CORPORATE ENTERTAINMENT

Activity	Description/benefit	2022/23 forecast	2023/24			
			September YTD target	December YTD target	March YTD target	Full year target
<b>SPONSORSHIPS</b>						
Community partnership funds/sponsorships	Support for community projects and activities that contribute to a vibrant, prosperous, inclusive community that make a genuine quality of life contribution to the communities that host Stanwell assets, as well as funds for new projects including hydrogen	484,000	143,500	287,000	430,500	574,000
Business Benefit Fund – People and Culture	Funding to support Stanwell’s diversity and inclusion initiatives	5,000	1,250	2,500	3,750	5,000
Business Benefit Fund – Growth and Future Energy	Funding to support Stanwell’s positioning of our new energy projects and to profile Stanwell in its future asset communities	150,000	37,500	75,000	112,500	150,000
<b>TOTAL SPONSORSHIPS<sup>23</sup></b>		<b>639,000</b>	<b>182,250</b>	<b>364,500</b>	<b>546,750</b>	<b>729,000</b>
<b>MARKETING AND ADVERTISING</b>						
Stanwell Energy	Customer account management events	137,000	36,896	73,792	110,689	147,585
Growth and Future Energy	To support customer engagement activities for our coal combustion products and other initiatives	40,000	10,250	20,500	30,750	41,000
<b>TOTAL ADVERTISING</b>		<b>177,000</b>	<b>47,146</b>	<b>94,292</b>	<b>141,439</b>	<b>188,585</b>
<b>CORPORATE ENTERTAINMENT</b>						
<b>Events over \$5,000</b>						
Community events	Community information sessions and near neighbour functions including CQ-H2	11,000	5,000	10,000	15,000	20,000
Secretariat	Stakeholder functions, Board lunches, Site BBQs	17,010	8,750	17,500	26,250	35,000
Growth and Future Energy	Brand Establishment and related costs	51,045	8,750	17,500	26,250	35,000
<b>Total over \$5,000</b>		<b>79,055</b>	<b>22,500</b>	<b>45,000</b>	<b>67,500</b>	<b>90,000</b>
Other (total) below \$5,000	Customer and Broker account management	15,561	1,652	3,304	4,956	6,608
<b>TOTAL CORPORATE ENTERTAINMENT</b>		<b>94,616</b>	<b>24,152</b>	<b>48,304</b>	<b>72,456</b>	<b>96,608</b>
<b>TOTAL</b>		<b>910,616</b>	<b>253,548</b>	<b>507,096</b>	<b>760,645</b>	<b>1,014,193</b>

<sup>23</sup> Stanwell does not provide donations.

