

Sustainability Framework

June 2025



Contents

- 03 From the Chief Executive Officer
- 04 Who we are
- 05 Hydro Tasmania group Sustainability Framework
- 07 Our Core
- 09 Environment
- 11 People
- 13 Prosperity
- 15 Governance
- 17 Contact

Acknowledgement of country

We acknowledge the rich and long history of the traditional owners of the lands on which we live and work and recognise their connections to land, sea and community. This Sustainability Framework reflects this acknowledgement and recognises that the mountains, lakes and rivers that capture and channel water for hydropower are rich in Aboriginal history, culture and tradition. We acknowledge the current custodians and their ongoing connection to culture, and the lands and waters of the places we share. We pay our respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Document Information

Revision 1

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Reviewed by	Sustainability Framework Working Group Sustainability Framework Steering Committee	
Approved by	Chief Executive Officer	June 2025
	<div>Rachel Waterhouse</div> <div>(name)</div>	

From the Chief Executive Officer

At Hydro Tasmania group, sustainability is at the core of our purpose to *create renewable energy for generations*. We believe that sustainability is about enabling our communities, people, and environment to thrive together. We draw on our strong foundations to improve Environmental, Social and Governance (ESG) performance through a coordinated program of new and existing actions and reporting.

Our vision is '*A sustainable energy future for all*'. It describes a future that relies on clean renewable energy while ensuring that the required large infrastructure projects minimise their impacts. It also speaks to our aspiration for the future to be equitable and affordable, to not leave anyone behind, it is 'for all'. We will work with communities, clients and customers to help them adjust and positively respond to the transition to renewable energy by sharing the economic, social and environmental benefits that a sustainable energy future can provide.

As a Government Business Enterprise (GBE), our responsibility extends beyond providing reliable renewable energy – we are stewards of some of Tasmania's most precious natural resources and heritage.

Our Sustainability Framework outlines our commitment to address the environmental, social and governance issues and opportunities that are the most significant for our business and its stakeholders ("materialities"). Guided by our values – keep each other safe, find a way, do the right thing, all about our customers and better together – we are committed to creating a thriving future where our business, our communities, and the environment thrive together. This is our commitment to sustainability and to future generations.



Rachel Watson
Chief Executive Officer
Hydro Tasmania

Who we are

We are an integrated energy business owned by the State of Tasmania.

We are Australia's largest generator of clean, renewable energy and champions for a sustainable future.

Hydro Tasmania

Hydro Tasmania is Australia's leading clean energy business, largest producer of renewable energy and largest water manager. For more than a century, Tasmanians have relied on our hydropower to grow and support the state's communities and economy.



Momentum Energy

Our electricity and gas retailer, Momentum Energy is a leading supplier of electricity and gas solutions to business customers and residential markets across Queensland, South Australia, Victoria, New South Wales and the Bass Strait Islands, providing competitive rates and quality, sustainable products and services.



Entura

Our consulting business, Entura, delivers clever solutions in power and water to clients locally, nationally and internationally sharing expertise and knowledge to enable the renewable energy transition.



Hydro Tasmania group Sustainability Framework

The Hydro Tasmania Sustainability Framework sets out our priorities and actions, guided by clear principles that inform our strategic direction. It is structured around our material topics, which are organised into five key pillars: Our Core, People, Environment, Governance, and Prosperity.

These pillars define our approach to sustainability, focussing on the material issues and opportunities for the Hydro Tasmania group that drive long-term value for communities and customers. This Framework builds on Hydro Tasmania's existing strengths and contributes to Tasmania's broader objectives such as climate action and social equity.

How the Sustainability Framework will operate

Material topics are the issues and opportunities that are most important to our business, our people, our customers and our communities. Our materiality assessment is supported by input from a broad range of key stakeholders and informed by ongoing review of evolving sustainability standards and expectations at a national and international level. This enables our Framework to align with established global frameworks including the United Nations Sustainable Development Goals, while also maintaining adaptability for our dynamic operating environment and future opportunities.

The Sustainability Framework will be supported by a program of new and existing actions and projects, underpinned by our materialities. This program will provide coordination and reporting on our sustainability activities meeting our compliance responsibilities as well as better facilitating transparency around what we are progressing.



Hydro Tasmania group Sustainability Framework



Our Core

We aim to leverage the capabilities of Hydro Tasmania, Momentum, and Entura to optimise the strategic management of our water resources and infrastructure to deliver renewable energy solutions and services to our customers and support the NEM transition.

Hydro Tasmania is Australia's largest producer of renewable energy, with a diverse portfolio that includes hydro, wind, solar and gas-fired electricity generation, energy retailing, and specialist consulting services. At the core of our operations is the management of critical water resources and infrastructure, which underpins both our energy production and our long-term sustainability. We manage an extensive network of dams, hydropower stations, and water systems to meet the state's energy needs and seek to *accelerate the renewable energy transition*.

Our Core

We aim to leverage the capabilities of Hydro Tasmania, Momentum and Entura to optimise our water resources and infrastructure to deliver renewable energy solutions and services to our customers and support the NEM transition.



Water management



Energy generation



Customers



Infrastructure

Our Core Materialities:



Water Management

Water is at the heart of what we do. As Australia's largest water manager, we are entrusted with the stewardship of vast and precious water resources, balancing the needs of energy generation, environmental sustainability, community, and economic use. Our approach to water management meets today's needs and safeguards this critical resource for the future.



Energy Generation

Hydro Tasmania produces about 9,000 gigawatt hours (GWh) annually of clean renewable electricity from hydropower in an average inflow year. That's enough to power about 900,000 Australian homes and small businesses. We also own the gas-fired Tamar Valley Power Station in northern Tasmania and part-own two Tasmanian wind farms, with a combined annual output of around 1,000 GWh. Hydro Tasmania's strategy for the future is rooted in growing and adapting Tasmania's energy generation capacity to meet future Tasmanian market needs. We are supporting new on-island VRE developments, advancing major infrastructure projects and accelerating investment in our existing hydropower assets.



Customers

We aim to make informed decisions that reflect our customers' evolving needs. We take time to listen, learn and adapt so we can deliver affordable, innovative products and impactful solutions, striving to build a brighter future for the people we serve.



Infrastructure

Infrastructure underpins our ability to deliver reliable, efficient, and sustainable energy to Tasmania. The strength and resilience of our extensive network of dams, hydropower stations, and supporting assets are critical to our ongoing operations. Maintaining this infrastructure is essential for meeting Tasmania's electricity needs and supporting the renewable energy transition.

Environment

As champions of renewable energy, we seek a clean, healthy and sustainable future for all. Our water licence gives us stewardship of six Tasmanian water catchments, making us the largest freshwater manager in Australia. Environmental management is an integral part of our business.

Our environmental management is underpinned by a certified ISO 14001 Environmental Management System (EMS).

Resources Efficiency & Waste Management



Landscape, Amenity & Recreation



Biodiversity & Habitat



Climate Change



ENVIRONMENT



Our Environment Materialities:



Resource Efficiency & Waste Management

We are committed to resource efficiency and responsible waste management as integral parts of our sustainability efforts. We aim to reduce our environmental footprint in order to contribute to a more sustainable future.



Landscape, Amenity & Recreation

Our commitment to landscape, amenity and recreation reflects a deep respect for Tasmania's unique natural beauty and Tasmania's cultural and historical values. We recognise the importance of looking after these areas for the well-being of Tasmanian communities both now and into the future.



Biodiversity & Habitat

The protection of biodiversity and habitats is a critical component of our environmental responsibility. We are committed to minimising the impact from our activities and operations and recognise the vital role that Tasmania's diverse ecosystems play in supporting both the environment and local communities.



Climate Change

We recognise that climate change presents significant risks and transformative opportunities. The physical impacts of climate change—such as increased frequency of extreme weather events, changing precipitation patterns, and shifts in water availability—pose direct challenges to our operations. By incorporating these risks into our planning, we are better equipped to safeguard our operations and maintain reliable energy production in the face of climate variability, while also embracing opportunities to drive ongoing decarbonisation across the NEM by supporting the renewable energy transition.

As a leading clean energy business and in line with our commitment to transparency and accountability, we intend to report our operational and supply chain greenhouse gas (GHG) emissions.

People

As a company, supported by our values, we are committed to *developing our workforce for the future* and growing a safe, inclusive and adaptive culture. Our people pillar demonstrates our focus on the evolving needs of our employees and contractors while fostering a supportive and inclusive work environment. This commitment guides us in building strong relationships and maintaining a culture in which everyone can thrive. This makes us a better business, we are able to deliver better outcomes, and allows us to attract, develop and retain the skills we need to deliver on our strategy and sustainability goals.

We have a certified ISO 45001 Work Health and Safety Management System which outlines the standards and processes we use to promote a safe and healthy workplace, to prevent injury and illness and to provide a cycle of continuous improvement.



Employee and Workforce Development

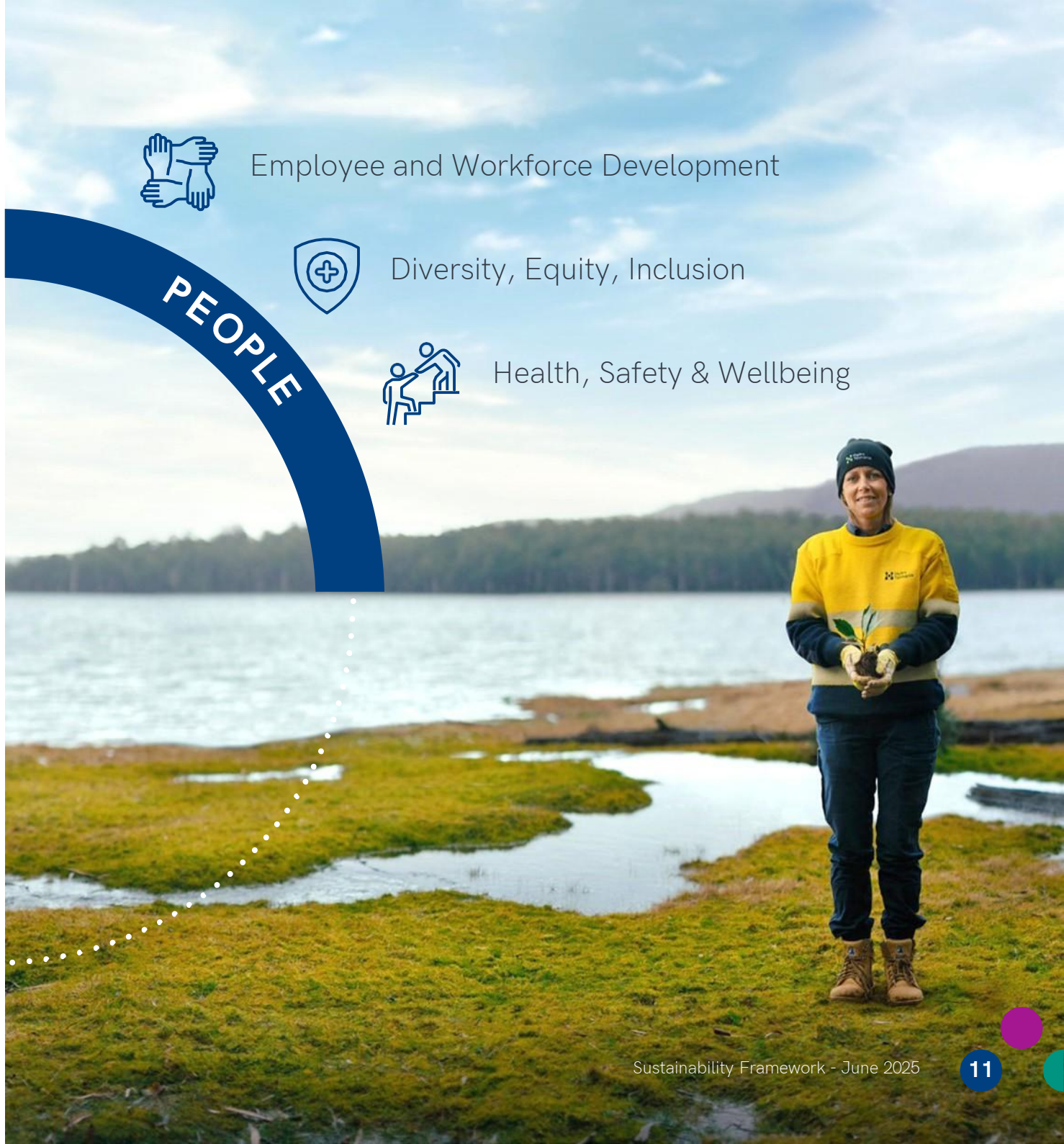


Diversity, Equity, Inclusion



Health, Safety & Wellbeing

PEOPLE



Our People Materialities:



Employment Engagement & Workforce Development

At Hydro Tasmania group, we recognise that the success of our business is deeply influenced by the organisational culture we foster, and the engagement and development of our employees and the local workforce. We are committed to fostering an organisational culture in which every team member feels connected, valued, and motivated to contribute to our shared goals.

We support workforce development more broadly in Tasmania through local employment and inspiring the next generation to pursue careers in the clean energy industry including STEM roles.



Diversity, Equity, Inclusion

We are committed to creating a work environment where diversity, equity and inclusion are at the core of our culture. By doing so, we aim to attract top talent, unlock new opportunities and better manage risks, to enable long-term success.



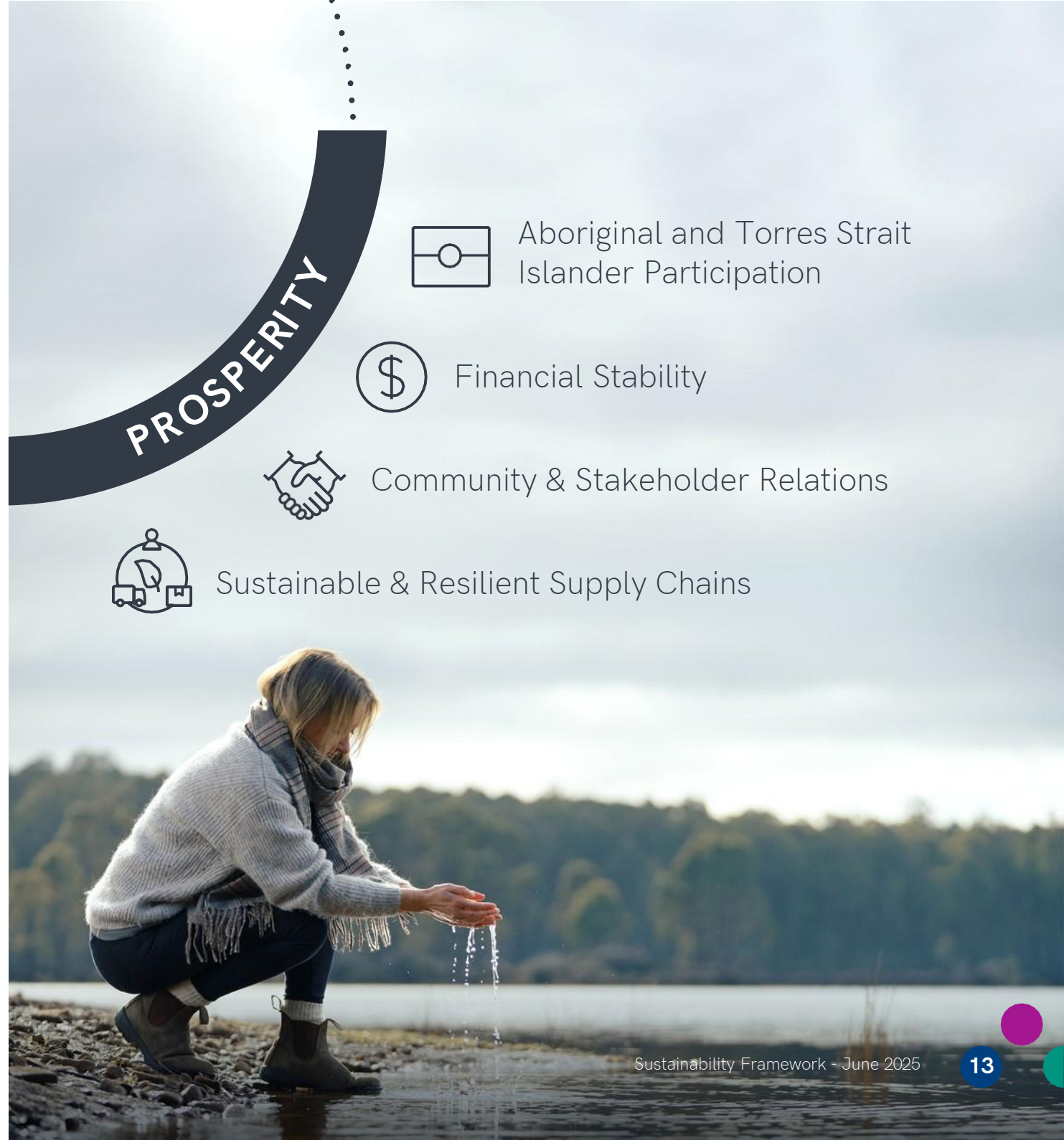
Health, Safety & Wellbeing

At Hydro Tasmania group, the health, safety, and wellbeing of our employees and the public are paramount. We believe that a thriving and safe workforce is fundamental to our success, and we are committed to creating a work environment that supports both the physical and mental health of our people. Our approach integrates physical safety with holistic wellbeing, enabling everyone in feeling supported, valued, and protected.

Prosperity

We foster economic prosperity for Tasmanians by delivering reliable renewable energy while supporting local employment and businesses. Through our renewable resources and proposed developments, we contribute to a prosperous future for Tasmania by enabling the attraction of new industry and economic activity. Through educating the next generation, promoting the energy transition, and partnering with organisations to support those in need we are focused on supporting the best outcomes possible for Tasmania. Our annual dividend to the Tasmanian Government supports the prosperity of all Tasmanians.

We engage in sustainable and responsible sourcing in addition to our commitment to 'buy local'. This contributes to Tasmania's economic resilience by supporting the local economy, the prosperity of Tasmanians and the efficiency of our supply chains.



Our Prosperity Materialities:



Aboriginal and Torres Strait Islander Participation

Hydro Tasmania is working to maintain and develop strong relationships with Tasmanian Aboriginal people focussing on protection and care for country and heritage, providing secure opportunities for social and economic participation and fostering cultural safety and respect within the Hydro Tasmania group.



Financial Stability

Financial stability is essential for supporting long-term value creation and benefiting the broader Tasmanian community. By maintaining financial health, we enable our operations to contribute positively to Tasmania's economy and adhere to the Strategic and Commercial Expectations identified in our [Ministerial Charter](#).



Community & Stakeholder Relations

We are owned by the people of Tasmania and we recognise the key role of Tasmanian communities in our past, present and future. We undertake stakeholder and community engagement on a broad range of topics from upcoming large scale developments and future job opportunities to STEM education and assisting vulnerable people. By engaging at a government and strategic stakeholder level, we advocate for outcomes for major developments that can provide jobs and support Tasmania's future prosperity.



Sustainable & Resilient Supply Chains

At Hydro Tasmania group, we are committed to building sustainable and resilient supply chains that support reliable electricity generation. Our aim is to integrate sustainability into every aspect of our operations, from the procurement of materials to the provision of secure energy services, enabling our supply chains to contribute to broader social, environmental, and economic goals.

Governance

We are a Tasmanian Government Business Enterprise that is committed to achieving best-practice corporate governance supported by our independent Board of Directors and four dedicated committees that assist the Board in discharging its governance responsibilities:

- Audit Committee
- Risk Management Committee
- People, Culture and Safety Committee
- Major Projects Committee

Our internal corporate governance principles and practices have regard to the *Corporations Act 2001*, the *Hydro -Electric Corporation Act*, the *Government Business Enterprises Act 1995*, Treasurer's Guidelines and Instructions, and our Ministerial Charter. Our risk management practices align to ISO31000. We identify, assess and quantify enterprise risks using our Integrated Business Risk Management procedure. Each Executive is responsible for risk management within their areas of accountability.

Hydro Tasmania Group's corporate governance framework is supported by key corporate policies and documents that are available on our website: <https://www.hydro.com.au/about-us/our-governance>

Reporting & Transparency



Compliance & Professional Integrity



Cyber Resilience & Grid Protection



GOVERNANCE

Our Governance Materialities:



Reporting & Transparency

We are committed to providing clear and reliable information in our public communications. We report our financial performance publicly in our annual report. Our leadership are held accountable through the shareholder minister and parliamentary hearings.

Our website features a range of sustainability initiatives, and we remain focused on increasing transparency as our sustainability journey evolves.



Compliance & professional integrity

At Hydro Tasmania group, maintaining robust compliance management processes and upholding professional integrity are central to maintaining strong governance across the organisation. We are committed to applying these processes to our sustainability practices, enabling accountability and ethical performance to be embedded at all levels of the organisation.



Cyber security & data protection

Securing cyber resilience and protecting our customers, people and infrastructure are critical to maintaining the reliability and security of Hydro's operations. As a key provider of energy in Australia, we are committed to keeping our digital and physical assets resilient in the face of evolving risks.



Contact

For more information on the Sustainability Framework please contact:



contactus@hydro.com.au



1300 360 441

