Annual Sustainability Report 2026

Transgrid Group



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About this report

This is a joint Annual Sustainability Report covering NSW Electricity Networks Operations Pty Limited (ACN 609 169 959), NSW Electricity Networks Assets Pty Limited (ACN 609 169 922) and Lumea Pty Limited (ACN 626 136 865) (together referred to as the Transgrid Group, the Group or we, us or our). It covers the financial year period 1 July 2025 to 30 June 2026 (this year, FY26 or 2026).

A 2026 Annual Sustainability Report data pack is available online and should be read alongside this report. Readers may also wish to access other Transgrid Group reports and information, including:

- Major transmission and innovation projects
- 2026 Transmission Annual Planning Report
- The Energy Charter annual disclosure statement
- Gender Pay Gap Report: 2024-2025
- Modern Slavery Statement
- Stretch Reconciliation Action Plan

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Acknowledgement of Country

We acknowledge the long-standing connection to Country shared by the Traditional Custodians of the lands, skies and waterways on which we live and work.

We recognise that Country is rich in tens of thousands of years of history and culture and that every community we work in has its own unique connection with the land. We honour this in the actions we take – and pay our respects to Elders past and present.

Scan the QR code
for more information about Transgrid's cultural heritage and reconciliation

Cover:
Lilly Flick - 1st Year
Transmission Line Apprentice

Message from the Chair & CEO



Brett Redman, CEO (left)
Grant King, Chair (right)

Delivering a secure and sustainable energy network

For households, businesses and communities, the energy transition must deliver cleaner power without compromising reliability or affordability. That is why our network investment is focused on practical customer value: keeping the system secure, connecting new lower-cost generation, and delivering projects only where they are needed and supported by clear benefits for energy consumers.

$4.14bn

Total capital expenditure in FY26[1]

1 Includes $447m Lumea connection capex

Australia's energy system is in a decisive period of change. As coal-fired generation retires and renewable generation grows, the transmission network must expand and evolve so clean energy can reach the homes, businesses and communities that depend on it. For Transgrid, our role is to maintain a safe and reliable network today while delivering the infrastructure, system strength and operational capability needed to support a secure and affordable transition for NSW and the ACT.

FY26 was a year of delivery, but it was also a year of listening, adapting and strengthening relationships. Progress on EnergyConnect, HumeLink and VNI West reflected both the scale of the transition and the importance of working closely with communities, landholders, customers, regulators and investors as change unfolds. Delivery brings opportunity for renewable energy zones, regional jobs, customer value and long-term economic contribution. It also carries responsibilities: protect safety, maintain reliability, listen to communities, manage environmental impacts and be transparent about progress and challenges.

Our approach to capital investment is guided by customer value, regulatory discipline and the long-term needs of the energy system. In FY26, capital expenditure reached $4.14bn as approved and committed network projects progressed. EnergyConnect reached construction completion at Dinawan on Wiradjuri Country in March, HumeLink's first towers were completed at Gregadoo in November and Bannaby in January, and VNI West's Environmental Impact Statement went on public exhibition. These investments are assessed through regulatory and consumer engagement processes, with a focus on prudency, efficiency, reliability, system security and long-term benefits for households, businesses and communities.

How we deliver matters - every minute of every day

Behind every milestone is a workforce and delivery partner network undertaking some of the most complex infrastructure projects in Australia. Throughout the year, we maintained our unwavering focus on safety. We recorded no work-related fatalities and maintained a strong safety culture, reflected in a safety engagement score of eighty-seven per cent. Our recordable injury rate increased from 3.4 to 3.7 as activity levels and exposure hours grew significantly across the capital program, reflecting there is always more work to do.

Every person working on, or alongside, our projects deserves to return home safely each day. To achieve this we must continue to place safety, reliability and community trust at the centre of every decision.

We also continued to strengthen our approach to stakeholder engagement. By engaging early, listening carefully and acting on feedback, we continue to improve how projects are planned, communicated and delivered. Input from communities, landholders, Aboriginal and Torres Strait Islander peoples, customers, regulators and industry groups helped shape engagement activities, environmental management, community benefit initiatives and network planning. We acknowledge that while the broad range of perspectives may not always align, we remain committed to addressing every concern with respect and thoughtful consideration.

While delivering on our significant pipeline of major works, we also maintained the operational discipline expected of critical infrastructure. Network reliability remained exceptionally strong at 99.99997 per cent, while our Maintenance Performance Index was 94 per cent. These results reflect the expertise, dedication and professionalism of the people who operate, maintain and expand the network every day – we appreciate their efforts and commitment and are extremely proud of their achievements.

“We are not simply building poles and wires. We are building the platform for a cleaner, more affordable and more reliable energy system for every household and business in NSW and the ACT.”

– Grant King, Chair

What this enables is more than just energy supply

The transmission network supports far more than the movement of electricity. It helps connect renewable generation, maintain system security, support economic activity and provide customers with access to reliable power as Australia’s energy mix changes. As the System Strength Service Provider for NSW, Transgrid is responsible for helping maintain system stability as renewable generation scales. Investments in synchronous condensers and grid-forming technologies are central to replacing the system strength historically provided by coal generators. We are delivering five synchronous condensers as a Priority Network Infrastructure Project for the NSW Government, representing the largest system strength investment in the country.

The challenge is to deliver at the pace required while maintaining safety, affordability, reliability, environmental stewardship and community confidence. Success will be measured not only by the assets delivered, but also by how responsibly we manage impacts and how transparently we account for outcomes.

Engaging with you on what comes next

This includes making the most of the assets we already have, using non-network alternatives where they work best for consumers, and only investing in new infrastructure where it is genuinely required. Project delivery timelines, cost management, social licence, workforce capacity, system security and environmental stewardship will continue to demand active attention. We will keep engaging early, listening carefully and making decisions with the long-term interests of consumers, communities and investors in mind.

This report sets out the five sustainability priorities that guide where we focus, how we measure progress and what we are accountable for next. It tells you what worked, what did not, and where further effort is needed. We recognise that trust is earned through experience, not promises. That is why we focus on delivering what we say we will do and being transparent when challenges arise. That is both our commitment and the standard we hold ourselves and our delivery partners to - every minute, every day.



Grant King
Chair

Brett Redman
Chief Executive Officer

FY26 performance highlights

FY26 highlights show the scale and complexity of Transgrid Group's role in the energy transition: investing in critical infrastructure, maintaining focus on safety and reliability, deepening community and stakeholder engagement, and continuing to improve our environmental performance.

A safe, inclusive and engaged workforce

3.7
TRIFR[2] – Transgrid & delivery partners
FY25: 3.4

26.7%
Female Participation Index[3]
FY25: 25.4%

75%
Employee Engagement
FY25: 64%

Community and stakeholder value

76,304
Community engagement activities
FY25: 26,440

$626,685
Community Partnerships Program
FY25: $564,234

$28.6m
Aboriginal and Torres Strait Islander procurement (Major Projects)
FY25: $26.0m

A resilient, reliable and operable grid

99.99997%
Network Reliability
FY25: 99.992%[4]

94%
Maintenance Performance Index
FY25: 93%

Climate resilience and a protected environment

1,400 $ktCO_2e$
Scope 1+2 combined emissions
FY25: 1,386 $ktCO_2e$

140 $tCO_2e/\$m$
Scope 3 intensity per $1M PG&S + Capital Goods
FY25: 201 $tCO_2e/\$m$

0
Major environmental breaches
FY25: 0

A responsible & sustainable business

$915.6m
EBITDA
FY25: $973.2m

$4.14bn
Capital expenditure
FY25: $3.00bn

93.5
2026 GRESB Infrastructure
2025: 94

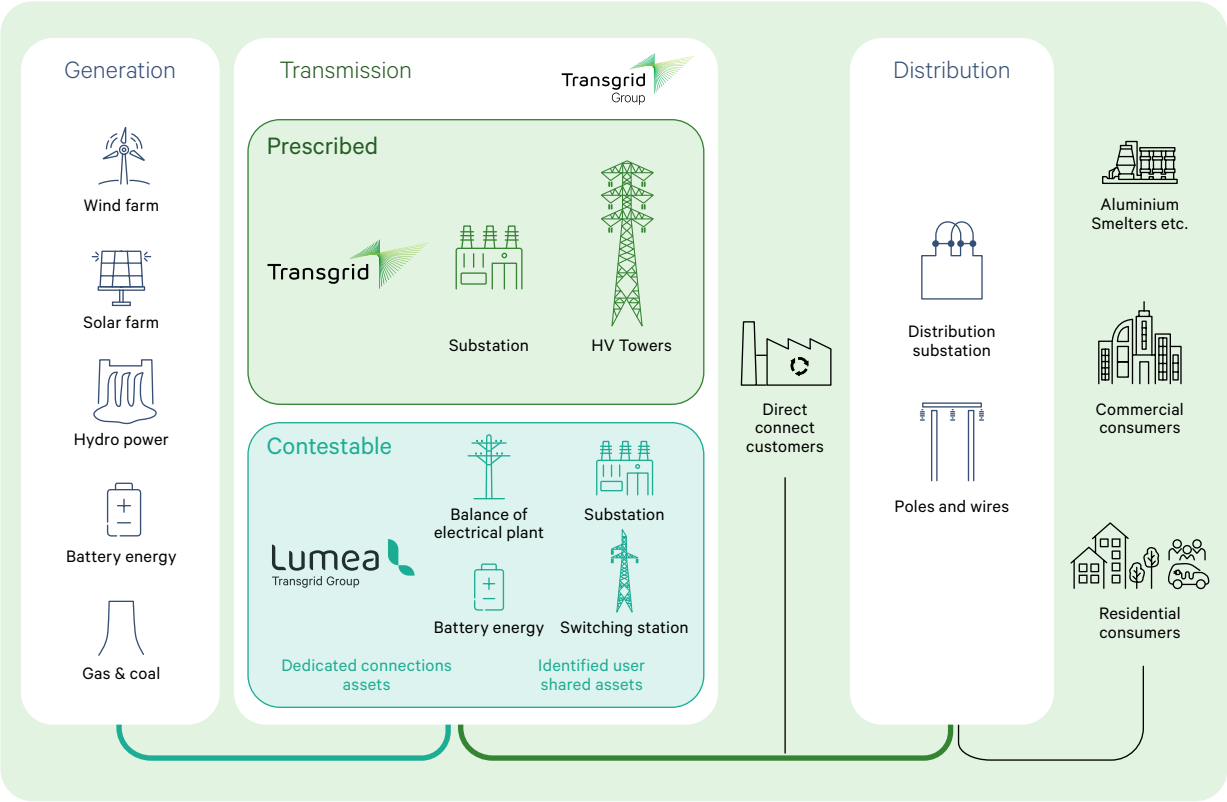
2 Total Recordable Injury Frequency Rate

3 Calculated as the average of the rolling 12-month averages for three metrics: Female in Transgrid workforce, Female in Leadership, and Female in Trades & Operations

4 Internal standard set by Transgrid. If the Broken Hill loss of supply event is excluded, the network reliability becomes 99.9997%

About the Transgrid Group

The Transgrid Group consists of two businesses: Transgrid, our regulated high-voltage transmission network business, and Lumea, our non-prescribed energy infrastructure and telecommunications business. Together, they support electricity reliability today, while enabling the new generation, storage, customer connections and digital infrastructure needed for a lower-carbon energy system.



Transgrid

Transgrid operates and manages the high-voltage electricity transmission network in NSW and the ACT. The network transports electricity from diverse generation sources - including wind, solar, hydro, gas and coal - to large industrial customers and distribution networks that deliver power to homes and businesses.

This is the largest part of our business and includes a 99-year lease to own and operate the assets acquired from the NSW State Government in 2015. The Australian Energy Regulator (AER) is responsible for regulating Transgrid's prescribed services business under the National Electricity Rules (NER), including the setting and monitoring of expenditure and revenue.

Transgrid is headquartered in Sydney, with regional offices in Western Sydney, Orange, Newcastle, Tamworth, Wagga Wagga and Yass. Our network is a critical part of the National Electricity Market, supporting energy trading across NSW, the ACT and interconnections with neighbouring states.

Lumea

Lumea is our non-prescribed business and an essential energy infrastructure provider helping to accelerate Australia's energy transition. It connects renewable energy generators, battery energy storage systems, data centres and large-load customers to the transmission grid.

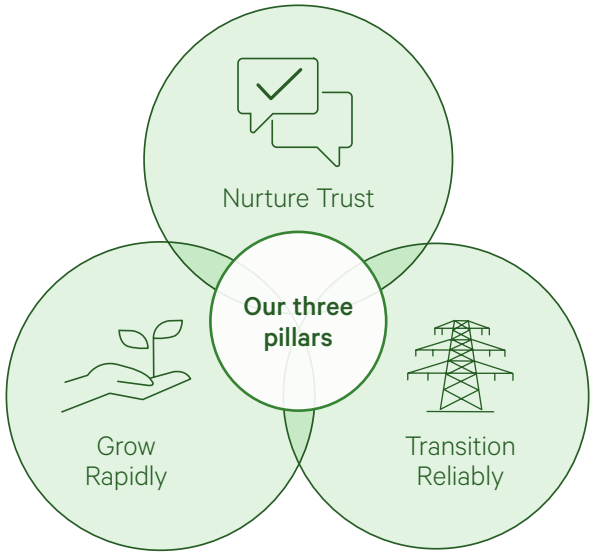
Lumea is also one of Australia's leading telecommunications providers to renewable energy projects, with a focus on regional areas, data transmission and emergency broadcast services. Its independent, above-ground fibre-optic network supports high-capacity, resilient and flexible connectivity across metropolitan and regional areas along the eastern seaboard.

Through Lumea, the Group continues to work with customers and communities in project corridors to improve connectivity using existing and new infrastructure.

Our strategy

Vision:
Lead the transition to a clean energy future

Purpose:
Make a better power system for Australians



Transgrid Group's strategy responds to one of the defining infrastructure challenges of the energy transition: delivering the transmission capacity needed for a cleaner electricity system while maintaining reliability, affordability and community trust.

Our vision is to lead the transition to a clean energy future. Our purpose is to make a better power system for Australians. To deliver this, our corporate strategy focuses on three mutually reinforcing priorities: nurturing trust, transitioning reliably and growing rapidly.

Nurturing trust means having plans and investments tested by independent experts, consumer advocates and communities, showing how their feedback is considered, and being transparent about what can and cannot change before, during and after construction.

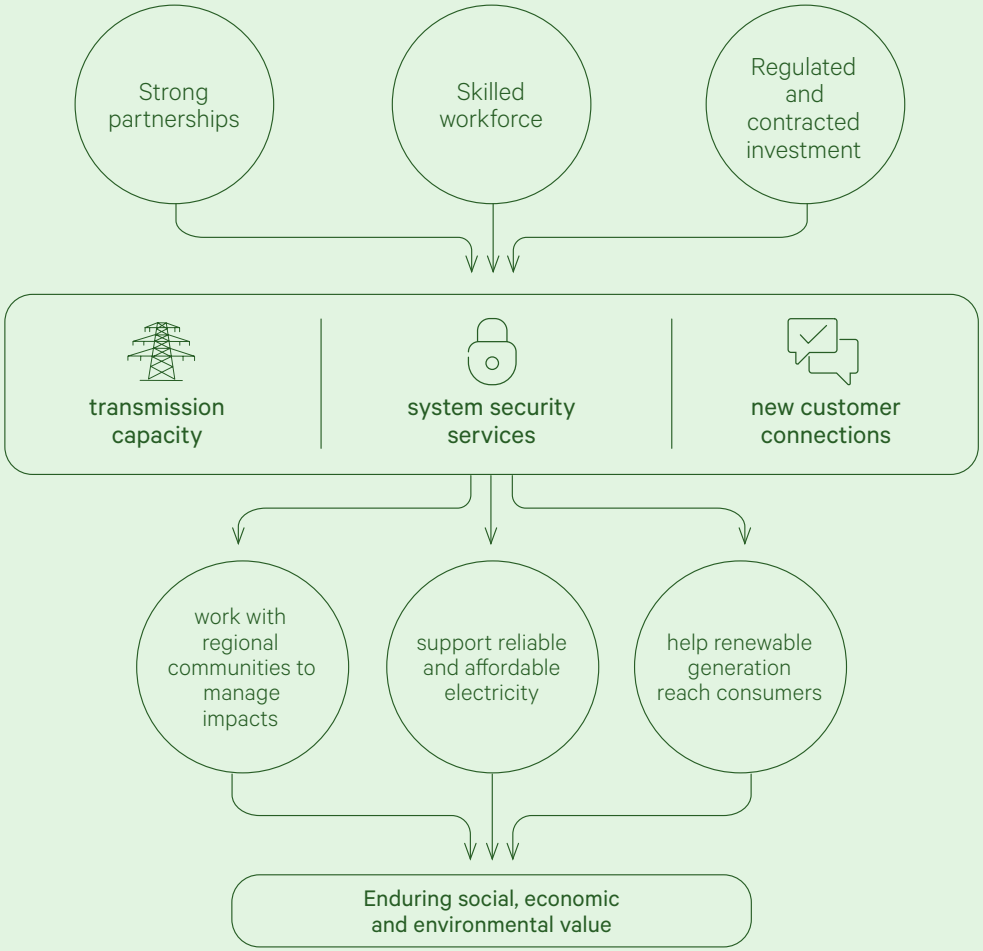
Transitioning reliably means connecting more renewable energy to the grid while keeping electricity reliable, safe and affordable for households, businesses and communities.

Growing rapidly means building the capability, partnerships and delivery capacity required to keep pace with Australia's energy transition.

The transition requires us to deliver at pace while managing complex trade-offs across reliability, affordability, land use, community expectations, customer needs and environmental outcomes. We work with State and Federal Governments, national energy regulators, directly connected customers, landowners, communities, industry groups, consumer advocates and other network service providers to plan and deliver transmission infrastructure that supports decarbonisation and long-term system resilience.

How we create value for the community and Australia as a whole

We convert regulated and contracted investment, a skilled workforce and strong partnerships into transmission capacity, system security services and new customer connections. In doing so, we help renewable generation reach consumers, support reliable and affordable electricity, and work with regional communities to manage impacts and create enduring social, economic and environmental value.



Our sustainability priorities

In FY26, we refreshed our sustainability priorities to reflect changes in our business, operating environment and stakeholder expectations. Insights from employees, customers, communities, investors and regulators, alongside emerging regulatory and investor expectations, helped reshape our five priorities around the sustainability issues most relevant to our strategy and future direction.

2025 framework

Safety

- Safety: community, employees, contractors

Community and stakeholder relations

- Community engagement
- Community investment and development
- First Nations' investment and development

Delivering a reliable and affordable transition to a clean energy

- Deliver transmission infrastructure
- System security and operability
- Consumer affordability
- Responsible supply chain management

Environment

- Driving grid decarbonisation
- Climate change risk and transition
- Biodiversity
- Environmental management

Building a sustainable business

- Diversity and inclusion
- Employee engagement
- Efficient and innovative workforce
- Business security and resilience
- Risk management and compliance

2026 framework

A safe, inclusive and engaged workforce

- Safety: employees & contractors
- Diversity & inclusion
- Employee experience and engagement
- Efficient & innovative workforce

Community and stakeholder value

- Community and Stakeholder Engagement
- Strengthening and Benefiting Communities
- Aboriginal and Torres Strait Islander Participation, Investment and Development

A resilient, reliable and operable grid

- Delivering Transmission Infrastructure
- Network Security, Resilience, Reliability and Operability

Climate resilience and a protected environment

- Net zero
- Enterprise climate resilience
- Environmental Planning and Management

A responsible & sustainable business

- Economic contribution
- Responsible supply chain management
- Cyber security, privacy and responsible data use

How we determined what to report on — our FY26 materiality process

Our five sustainability priorities and material topics were the outcome of a structured materiality process, reflecting emerging issues, stakeholder expectations and changes in our operating context.

Our four-step process

1. Understanding our context

We assessed Transgrid's activities, business relationships, regulatory environment and the sustainability context in which we operate, including the National Electricity Market, the NSW Electricity Infrastructure Roadmap and the broader Australian energy transition.

2. Identifying actual and potential impacts

A long-list of sustainability impacts was developed through desk-based analysis of peer disclosures, regulator publications, investor frameworks and Transgrid's own risk register.

3. Assessing significance

Impacts were assessed for significance through structured engagement with employees and desktop reviews for customers, consumers and investors.

4. Prioritising for reporting

Impacts were plotted on a two-axis materiality matrix considering severity of impact on people and the environment alongside relevance to business strategy and financial performance.

Priority 1

A safe, inclusive and engaged workforce

Safety · Diversity and inclusion · Employee experience · Workforce capability

About this chapter

Our ability to deliver the energy transition depends on people who are safe, capable, and connected to purpose. Safety, inclusion, employee experience and workforce capability are deeply interconnected, shaping the culture, performance and resilience of our organisation and our ability to deliver the energy transition safely, reliably and responsibly. This chapter explains how Transgrid is strengthening these foundations through a focus on safety leadership, workforce diversity, employee experience and capability development, creating a workplace where people go home safe, feel supported and can contribute at their best. For customers, communities, delivery partners and investors, this translates into safer work, stronger accountability and a workforce equipped to build and operate the network Australia will rely on for generations to come.

For additional detail:

- Gender Pay Gap Report: 2024-2025



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1.1 A ‘Safety First’ workforce

0

Zero Fatalities
Zero in FY25

3.7

Total Recordable Injury Frequency Rate (TRIFR)
3.4 in FY25

93%

Percentage of High Potential incidents reported within 12 hours of occurrence (Hi-Po on time reporting)
94% in FY25

Safety is personal and non-negotiable

Every person who works for Transgrid has the right to return home safely every day. That is more than an aspiration. It is the standard that underpins our Health and Safety Policy and guides decision-making across every part of our business, from the office to the field and throughout our delivery partners’ workforce.

Our policy makes clear that health, safety and wellbeing are fundamental to how we plan, build, operate, maintain and decommission critical infrastructure. It also reinforces a shared responsibility across the organisation to think safe, work safe and ensure everyone returns home safely at the end of every shift.

In FY26, this commitment was demonstrated in visible and practical ways. Leaders consistently reinforced that safety is the foundation of disciplined delivery, supported by careful planning, clear expectations and effective risk controls. Teams took time to pause, assess risks and reset before undertaking critical tasks. Workers were empowered to stop work when conditions were unsafe, and project teams regularly came together to reflect on incidents, share learnings and strengthen safe work practices.

While we are proud to have recorded zero fatalities during FY26, safety is not measured by a single outcome. Near misses, high-risk travel, remote work and evolving site conditions are constant reminders that maintaining a safe workplace demands vigilance, strong systems and a culture where people feel confident speaking up, challenging assumptions and looking out for one another. Safety is not a destination; it is a commitment to renew every day.

The FY26 result should be read in two parts. Relatively stable injury frequency is positive, particularly in a year of increased work hours.

At the same time, high-potential incident performance shows that serious risk exposures continue to occur. That is why our focus is not only on reducing recordable injuries, but on preventing low-frequency, high-consequence events through stronger critical controls, faster escalation and better learning across Transgrid and delivery partner operations.



Teinaga Nouata - Pre-apprentice program

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Recognition, learning and accountability

A strong safety culture depends on learning and recognition as much as rules and procedures. In FY26, Transgrid recognised teams and individuals who put safety into action — from field leaders stepping in when something was not safe, to Asset Management being recognised at the 2026 Asset Management Excellence Awards for using robotics, data and analytics to reduce outages and strengthen safety outcomes. These examples show how safety is embedded from strategy through to the field, and how innovation can reduce exposure to risk while improving outcomes for customers.

Measuring our safety performance

We measure safety performance through a balanced combination of lag and lead indicators, providing insight into both outcomes and prevention. Lag indicators, including the Total Recordable Injury Frequency Rate (TRIFR), Lost Time Injury Frequency Rate (LTIFR) and fatalities, help us understand where harm has occurred. Lead indicators, such as hazard reporting, safety leadership interactions and critical risk control verification, provide insight into how effectively hazards and risks are being identified, escalated and managed before they result in serious injury or harm. Together, these measures help us move beyond tracking incidents to strengthening the work practices, systems and controls that prevent them, enabling a more proactive and resilient approach to safety.

Understanding our injury performance

FY26 injury performance remained stable, with a TRIFR of 3.7 despite a 35% increase in work hours. This result indicates that injury frequency remained relatively consistent as workforce numbers and project delivery activity expanded significantly.

The FY26 injury profile was primarily comprised of musculoskeletal strains, hand injuries and lower limb injuries associated with manual handling, slips and trips, and interaction with tools, equipment and materials.

Beyond measuring injury outcomes, performance data helps us identify areas where work practices, controls and workplace conditions can be strengthened. All incidents are investigated to understand underlying causes, with corrective actions tracked to completion and lessons shared across projects and operational teams. This approach supports continuous improvement and a stronger safety culture across the business.

High-potential incidents: learning before harm occurs

A total of 45 High Potential (HiPo) and Critical Risk Incidents were recorded during FY26, with an on-time reporting rate of 93%. While reporting performance remains strong, continued focus is required to ensure critical risk events are escalated and investigated as quickly as possible.

Injury frequency performance was favourable, but HiPo performance remains an area requiring sustained focus. The FY26 HiPo Frequency Rate was 3.5, indicating that critical risk exposures continue to occur at a higher rate than desired even where injury outcomes are being controlled.

Of the 45 HiPos reported, Delivery Partners accounted for 39 incidents (87%), while Transgrid employees accounted for six (13%). Similarly, approximately four in every five recordable injuries occurred within Delivery Partner operations. These results reinforce that contractor and project delivery environments continue to represent Transgrid's primary source of safety risk exposure.

During FY26, recurring critical risk exposures were identified across activities involving mobile plant and vehicles, stored energy, work at height, dropped objects and electrical assets. These insights continue to inform targeted interventions, including critical control verification, contractor assurance activities and workforce engagement initiatives.

From lag to lead indicators to prevention

Safety performance cannot be understood solely through injuries that have already occurred. While TRIFR and LTIFR remain important measures of harm, they are inherently backward-looking. Consequently, Transgrid places increasing emphasis on the controls, behaviours and leadership activities that reduce the likelihood of serious incidents occurring. This includes:

- Verification of critical risk controls across operations and projects
- Visible leadership through safety walks and field engagement
- Stop-work authority for employees and Delivery Partners
- Rapid reporting and investigation of HiPo events
- Human and organisational performance initiatives such as Switch onto Safety
- Continuous learning from incidents, near misses and operational experience.

Together, these activities strengthen Transgrid's ability to identify and manage risk before harm occurs. As construction activity continues to grow, our focus remains on improving critical risk controls, strengthening contractor assurance and increasing workforce engagement to reduce both injury frequency and the potential for low-frequency, high-consequence events.



Brodie Grant and Amy Longmuir - 4th Year Substation Technician Apprentices

1.2 Diversity and inclusion



Women in workforce[5] (2,404 employees in FY26)
30% in FY25



Women in Leadership
26% in FY25



Aboriginal and Torres Strait Islander workforce
3.5% in FY25



Female Participation Index
25.4% in FY25

The energy transition will be delivered by people, and the range of experience they bring shapes how well it goes. Teams drawing on different backgrounds tend to find better answers to complex problems and hold steadier relationships with the communities we work in. Our Diversity and Inclusion Strategy sets out how we build that workforce: widening the talent pipeline, making inclusion something people feel day to day, and addressing the barriers that hold particular groups back.

Building diversity and accessible pathways

At the end of FY26 the Transgrid Group employed 2,404 people. Women held 32% of roles overall and 28% of leadership positions, and made up 57.5% of the 2026 graduate intake, well above their share of the workforce as a whole. Aboriginal and Torres Strait Islander employees represented 2.3% of the workforce. Much of this year's effort went into the harder ground of technical, trade and operational roles, where representation has been slowest to move, through Pathways to Projects and regional Career Readiness Programs. Nine women were recruited into project-based roles, and Aboriginal and Torres Strait Islander pathways were backed by employment opportunities, training and culturally informed support.

Inclusion, belonging and equity

Getting people through the door is only part of the task; belonging is built after they arrive, and our employee networks do much of that work. In FY26 the Diversity Council delivered cultural celebrations, Rise retained its Australian Workplace Equity Index Silver Employer status and widened its awareness activities, and Energise supported women in field and operational roles through networking, practical support and an enterprise-wide International Women's Day event. Alongside the networks, we ran domestic and family violence awareness workshops for people leaders and introduced pregnancy loss leave. Sixty-seven per cent of primary carer leave was taken by men, which suggests inclusive work design is starting to shift long-standing norms.

Pay is where progress is easiest to measure and hardest to shift. Our median total remuneration gender pay gap narrowed from 15.0% in 2023–24 to 14.0% in 2024–25, ahead of the industry benchmark in both years. What remains is largely structural: women are under-represented in technical, trade and operational roles, and representation is uneven across organisational levels. Neither changes quickly, so our response holds steady: inclusive recruitment, leadership capability, flexible work design and stronger talent pipelines, reported transparently, including where progress is slower than we would like.

5 Calculated using a rolling 12 month average

1.3 Employee experience and engagement

75%
Your Say engagement score

86%
Survey response rate
First year disclosed

6,600+
Comments received
Across all respondents

170+
Thrive nominations
Peer recognition

What our people told us — Your Say 2026

The FY26 Your Say engagement survey was run by Culture Amp between April and May 2026. We achieved an 86 per cent response rate and received more than 6,600 comments. Our engagement score rose to 75 per cent, an 11-point improvement on FY25.

Our people told us they feel proud to work for Transgrid Group and would recommend it as a great place to work. Safety continued to feature as a core value. People also feel clear about where we're heading and how their work contributes, and many spoke positively about the support they receive from their direct leaders.

What we heard — and what comes next

People were equally clear about where things can improve. Three areas stood out:

- **Leadership** - continue equipping leaders at all levels to lead with our principles of clarity, courage, care and connection.
- **Change management** - how we communicate and manage change, and how well we involve people when things are evolving.
- **Enablement** - ensuring people have the systems, tools, information and processes they need to work effectively.

Our continued focus into FY27 is on three enterprise-wide priorities: leadership, change management and enablement. These provide a common framework for action across Transgrid, supported by business unit and team action plans tailored to local results. Our focus is on strengthening leadership capability, supporting our people through change and removing barriers to performance through better systems, tools, information and processes.

Here are three examples of change driven directly by Transgrid employees' feedback:

150 **vehicles equipped with Starlink**

Keeping remote teams connected and safe, with Grab-and-Go kits extending that connectivity further.

Upgraded meeting room technology

With boosted network connectivity in offices and in the field.

LinkedIn Learning launched

Giving all employees access to self-paced development resources.

1.4 A skilled, capable, efficient and innovative workforce

28
New apprentices
Up from 17 in FY25 · Jan 2026 intake

40
Graduate program cohort
2026 program – 57.5 per cent women

17
GL workers trained via RTO
Cert III ESI · first cross-industry cohort

120+
Years RTO trainer experience
Combined transmission expertise shared

The transmission workforce Australia needs is larger and more specialised than the one that exists today, and it cannot be hired in quickly. We are building it from several directions at once: holding onto experienced people as major projects wind down, bringing apprentices and graduates through, sharing our training capability with delivery partners, and opening pathways for Aboriginal and Torres Strait Islander employees. None of this works on a short cycle, which is why it runs as a long-term program rather than a recruitment push.

Retaining expertise and developing future talent

The most immediate pressure comes from the project cycle itself. As EnergyConnect approaches practical completion, our internal mobility program is moving employees into roles on HumeLink, the Hunter Transmission Project, VNI West and elsewhere, with more than 160 people supported so far. Starting these conversations early and coordinating workforce transitions helps retain critical major-project expertise within the business rather than losing it to the market.

Further back in the talent pipeline, we continue to invest in apprenticeships, graduate development and structured career pathways to build the workforce needed for the energy transition. In FY26, we expanded our apprentice and graduate intakes, providing opportunities across technical, project delivery and corporate disciplines. These programs combine formal learning, mentoring, practical experience and strong safety foundations to develop the skills and capability required for the future.

Growing industry capability

These constraints are not ours alone, which is why we have begun sharing training capacity beyond our own workforce.

In June 2026, Transgrid and UGL launched a joint program for 17 UGL-employed workers completing a Certificate III in Electricity Supply Industry – Transmission Overhead through Transgrid's Registered Training Organisation (RTO). It is the first cross-industry cohort of its kind in the Australian transmission sector, taught by trainers with more than 120 years of combined experience.

Together, our workforce mobility initiatives, early-career programs and industry partnerships help retain critical knowledge, strengthen capability and expand pathways into technical careers across the sector.

28 new apprentices - building the next generation

In FY26, we welcomed 28 new apprentices, up from 17 in FY25, across Electrician Substation Technician and Transmission Lines Technician programmes. Women represented 46 per cent of the 2026 cohort. The result reflects deliberate pipeline investment through the Pre-Apprenticeship Program for Women and targeted outreach.

Their induction included safety essentials, substation and control room tours, bushfire awareness, and an Apprentice Challenge — safety-scenario problem-solving designed to build confidence and teamwork from day one.

Graduate program - early careers with purpose

Our two-year graduate program offers early-career professionals the opportunity to build meaningful careers while contributing to projects that will shape Australia's energy future. The 2026 cohort includes 40 graduates, with 57.5 per cent women, across engineering, project management, finance, IT, HR and sustainability. Each graduate is supported by a buddy and an experienced mentor.

The program is designed to give graduates real responsibility, structured support and exposure to the systems, projects and decisions shaping the energy transition.

> Our apprenticeships require determination, but they're incredibly rewarding. As an apprentice, you gain real-world experience, new skills and knowledge.
>
> **Glen Davis,**
> Apprentice Mentor and Education Advisor

> A Transgrid apprenticeship is designed to develop highly skilled technicians. It's a great time to join Transgrid. With comprehensive training and strong mentorship, we're preparing our apprentices not just for trade qualifications, but for long, fulfilling careers with Transgrid.
>
> **Natalie McLean,**
> Apprentice Program Lead and Regional Leader for Orange



Jess Evans - 3rd Year Substation Technician Apprentice

> Transgrid Graduate Program has given me invaluable exposure to different teams, technical disciplines, and real-world project delivery. What has stood out most is the supportive culture, from managers and mentors to the graduate cohort itself. Everyone is willing to share knowledge, answer questions and help one another succeed. Seeing the project lifecycle firsthand through site visits and working on major project estimates helped me understand how my work contributes to decisions that shape the future of the energy network. It's been incredibly rewarding to know that, even as a graduate, I can make a meaningful impact.
>
> **Simone Fan**
> **2026 cohort, Delivery**

> The Graduate Program has shown me the breadth of opportunities available across Transgrid. A quick pivot from Major Projects to Lumea Connection Services demonstrates this perfectly. One week I'm on site assessing the staging for a line cutover, and the next I'm working on ways to improve how connection projects are managed across their lifecycle. Through these diverse experiences, I'm learning to leverage a set of constant skills, particularly collaboration, communication and technical understanding, while building relationships with colleagues across the business who are helping deliver Australia's clean energy future.
>
> **Noah Jensz**
> **2026 cohort, Lumea**

Priority 2

Community and stakeholder value

Engagement · Community benefit · Aboriginal and Torres Strait Islander participation

About this chapter

The energy transition will only succeed if it is planned and delivered with the people, communities, customers and partners it affects. In FY26, Transgrid focused on listening earlier, responding faster and making the benefits of major infrastructure more visible in the regions that host it.

This chapter brings together engagement, community benefit and Aboriginal and Torres Strait Islander participation. It shows how community input, landholder relationships, regional investment and local partnerships are shaping the way Transgrid plans, builds and operates the network.

For additional detail:

- The Energy Charter annual disclosure statement
- Stretch Reconciliation Action Plan



FY26 performance

2.1 Community and stakeholder engagement

Engagement at scale, focused on positive outcomes for communities and consumers

Transgrid engages with more than 18,000 landowners with existing easements across NSW and the ACT, as well as communities, councils, government agencies, industry partners and customers connected to active major project corridors. In FY26, we recorded 76,304 engagement activities across Major Projects, operations and network solutions projects.

This increase reflects the scale and complexity of engagement required as EnergyConnect moved through construction completion, HumeLink construction accelerated and VNI West progressed through planning approvals. It also reinforces the need for engagement to be timely, accessible and responsive.

Our FY26 activity included digital communications, emails, phone calls, SMS interactions, community and stakeholder meetings, letters, forms, submissions, online engagements and community information sessions. During the year, Transgrid closed out or responded to 1,060 enquiries, acknowledged 100 per cent of complaints within two business days and completed or responded to 99 per cent of complaints within 10 business days, an improvement of four percentage points from FY25.

Engagement activity and responsiveness in FY26

76,304
Total engagement activities

39,916
Digital communications

7,230
Phone calls, including 1800 number

1,310
Community and stakeholder meetings

99%
Enquiries and complaints closed out on time



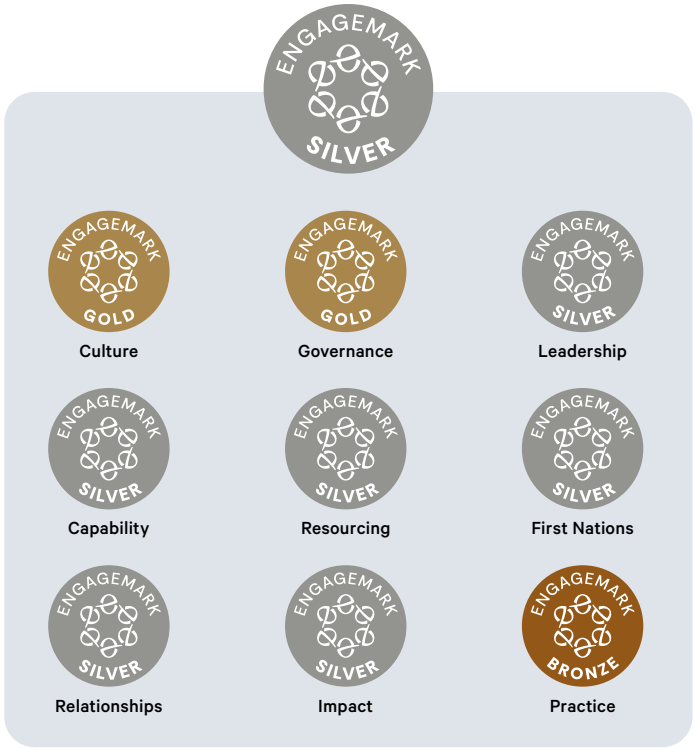
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> The report identified a range of achievements and initiatives that Transgrid Group practices throughout our operations including our Energy Charter membership, our Corporate Advocacy Strategy, land access standards, recognition programs, and active communication to set clear engagement expectations from our CEO updates through to local community meetings.
>
> **Michael Johnson,**
> General Manager Community and Social Licence, Transgrid

EngageMark Silver accreditation

In February 2026, Transgrid received Silver accreditation under the EngageMark framework, which assesses engagement practice in the building and infrastructure sectors of Australia and New Zealand. The assessment evaluated nine engagement dimensions against evidence-based standards for managing complex, large-scale engagement programs.



The assessment recognised strengths in Culture and Governance, while identifying Practice as an area for continued development. This gives Transgrid a clearer benchmark for improving engagement as major construction activity increases.

Strategic benefit payments scheme

From 1 July 2025, the NSW Government's Strategic Benefit Payments Scheme took effect for nation-critical transmission projects including EnergyConnect, HumeLink and VNI West. Eligible landholders receive annual payments of $10,000 per kilometre of transmission line on their property for 20 years, adjusted to the consumer price index (CPI).

Transgrid administers the scheme and has commenced engagement with eligible landholders on the energised sections of EnergyConnect Lines 1, Buronga to the South Australian border, and 4, Buronga to Red Cliffs. Payments will extend to further landholders progressively as additional project lines are energised.

> "Landholders make a direct contribution to Australia's clean energy transition by hosting critical transmission infrastructure. Recognising that contribution fairly is central to how we work, and Transgrid has advocated for arrangements that provide long-term, ongoing recognition, including through the Strategic Benefit Payments Scheme, which we are pleased to be implementing.
>
> **Brett Redman,**
> CEO, Transgrid

Major projects community engagement



Equipment donated to NSW Rural Fire Service volunteers at Batlow and Tarcutta


Transgrid employees at a project drop-in session


Lighting of Wagga's Wollundry Bridge to celebrate completion of EnergyConnect construction

HumeLink: landowner engagement and emergency preparedness

As at June 2026, Transgrid had reached negotiated agreements with 260 of the 263 landowners along the HumeLink alignment, representing a 98.9 per cent negotiated outcome. Three matters proceeded to compulsory acquisition, reflecting specific financial and legal circumstances. We recognise that land access and acquisition processes can have significant impacts for landowners, and we continue to focus on clear communication, respectful engagement and timely resolution.

The project also secured leases and permits for four worker accommodation camps and project laydown areas across the eastern and western alignments, supporting construction commencement in September 2025. HumeLink West is collaborating with NSW Rural Fire Service volunteers in the Batlow and Tarcutta regions, including briefings at the Kunama and Tarcutta accommodation facilities and the donation of 34 pairs of work boots and UHF radios to support volunteer firefighters' year-round preparedness.

VNI West: listening before building

Since the Environmental Impact Statement for the NSW section of VNI West was placed on public exhibition in August 2025, the project team has continued engagement with local communities and landholders. This included nine community drop-in sessions and targeted engagements across the project footprint in March 2026 to discuss proposed changes made since the Environmental Impact Statement (EIS) exhibition.

Feedback from community members, councils, government agencies, Registered Aboriginal Parties through Aboriginal Focus Groups, and the Community Consultative Group is directly informing project amendments. With the project moving into a staged delivery approach, the first stage of VNI West will support connections from the South-West Renewable Energy Zone, where four approved projects are expected to provide up to 3.56 GigaWatts of renewable generation, or electricity for up to 800,000 households. The second stage would provide a 500 kilovolts (kV) interconnection between NSW and Victoria.

EnergyConnect: construction completed

On 31 March 2026, Transgrid marked the completion of construction on EnergyConnect at a ceremony on Wiradjuri Country at the Dinawan Substation. The project delivered 700 kilometres of new transmission lines, more than 1,500 towers and monopoles, a new substation at Bundure, and expanded infrastructure at Buronga and Wagga Wagga.

With construction completed, the 540 kilometre eastern section was energised in June 2026, with further testing and commissioning to occur ahead of inter-network testing by AEMO in early FY27. Once integrated into the National Electricity Market, EnergyConnect is expected to support a more connected, resilient grid by enabling new renewable generation and strengthening interconnection between regions.

2.2 Strengthening and benefiting communities

Building lasting benefit alongside infrastructure

Community investment programs help communities see lasting benefits from major projects through direct grants, local procurement, skills development and infrastructure that remains after construction. In FY26, this included the continuation of baseline programs and new investment enabled by HumeLink construction.

Community Partnerships Program (CPP)

The Community Partnerships Program awards grants to not-for-profit organisations and community groups in or near Transgrid's network and project areas. Since 2023, more than 470 organisations have received more than $1.9 million in Transgrid grants, supporting community infrastructure, educational workshops and projects that promote inclusivity and accessibility.

During FY26, the standard CPP rounds awarded $626,685 across 153 grants. Grant categories reflected community priorities: wellbeing with 56 grants, safety with 35, education with 27, clean energy with 8 and environment with 27. FY26 funding also included an inaugural Environmental Sustainability round of $50,289, focused on protecting natural landscapes, facilitating a clean energy future, encouraging responsible consumption and preserving cultural heritage.

56
Wellbeing grants

35
Safety grants

27
Education grants

8
Clean energy grants

27
Environment grants

Community Partnerships Program funding

Funding point	Amount
FY24 funding awarded	$512,724
FY25 funding awarded	$564,234
FY26 funding awarded	$626,685

Transgrid Discovery Hub, Wagga Wagga

The Transgrid Discovery Hub in Wagga Wagga is a community-led space at the heart of our major projects. Shaped by local consultation, it supports public participation in the energy transition with accessible information, shared meeting spaces, interactive tools and education programs. Designed to be culturally relevant and to encourage two-way communication, the Hub offers events, workshops and self-guided discovery tools.

Transgrid Discovery Hub, Wagga Wagga by the numbers

4,169
Visitors

3,737
Community members shared space use across 496 hours

345
Industry and career engagement participants

610
Students from 13 schools attended student workshops

181
One-to-one project enquiries

20
Industry engagement breakfast attendees

36
Hub Partners

37
Young people attended Boys to the Bush over 7 visits

173
Walk-in enquiries plus 124 booked events



Repatriation of Aboriginal and Torres Strait Islander artifacts at Project Energy Connect.

EnergyConnect: social and economic legacy

EnergyConnect was delivered alongside landholders, community members, local businesses, workers, Traditional Custodians, delivery partner Elecnor Australia and project contractors across the Riverina–Murray. As major construction moved into close-out during FY26, the project's legacy was reflected in regional procurement, community investment, skills pathways and ongoing relationships with the communities that hosted the infrastructure.

$307.3m
Local spend in the Riverina–Murray–Sunraysia region

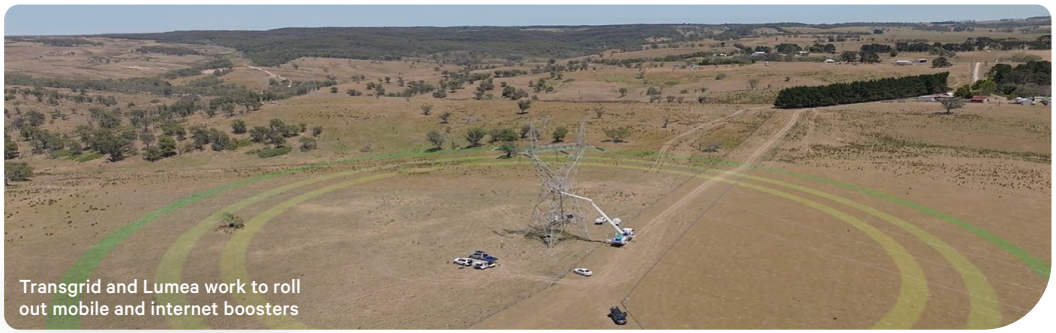
382
Local businesses engaged in the Riverina–Murray–Sunraysia region

$582.3m
Statewide spend in NSW across 303 businesses

> $2bn
Cumulative Australian project spend across 1,063 Australian businesses

$509,008
Community Partnerships Program grants supporting 107 organisations and 127 initiatives

$2m
Transgrid Engineering Scholarship Fund for Skills and pathways



Transgrid and Lumea work to roll out mobile and internet boosters

HumeLink: regional investment in progress

With construction commencing in September 2025, HumeLink is now the focus of Transgrid's regional investment across the Riverina, Snowy Valleys and Southern Tablelands. Investment is being delivered through local and Aboriginal and Torres Strait Islander procurement, community-led projects and long-term skills and connectivity infrastructure designed to leave lasting benefit beyond construction.

During FY26, regional investment highlights include:

The Country Universities Centre (CUC) Snowy Valleys, Tumut

A purpose-built regional study hub opened with high-speed connectivity and academic support for students at any Australian university or TAFE, without leaving their community. Our funding allowed the CUC to open on schedule in a region where fewer than one in four young people hold a university degree.

Grand Pacific Health mental health outreach

Counselling, early intervention and community resilience training for communities along the project corridor.

Mulloon Institute landscape rehydration

Restoration of hydrologically degraded land at three sites in the project footprint, bringing together landholders, Traditional Custodians and local partners through Communities of Practice. The first confirmed site is Tooles Creek, approximately 20 km south-east of Wagga Wagga.

Solar-powered telecommunications boosters

An Australian first: solar-powered mobile coverage boosters integrated onto HumeLink towers, extending Telstra signals to surrounding communities. Early testing has delivered download speeds of approximately 30 Mbps in areas that previously had no reception. Installations are complete at Myrtleville and Chatsbury in the Upper Lachlan Shire and Wyangle in the Snowy Valleys, with further rollout planned across Wagga Wagga and Snowy Valleys local government areas.

2.3 Aboriginal and Torres Strait Islander participation, investment and development

A material commitment embedded across the whole program

Transgrid's major project corridors cross significant Country. Aboriginal and Torres Strait Islander commitments are not separate from the energy transition program; they are embedded in how projects are planned, procured, delivered and governed. This section outlines progress in economic participation, workforce development, Reconciliation Action Plan commitments and cultural engagement.

Stretch Reconciliation Action Plan: completion and next steps

Transgrid's 2023–2025 Stretch Reconciliation Action Plan (RAP) concluded at the end of 2025. Structured around six pillars: Engagement, Industry Leadership, Understanding, Care for Artefacts, Supply Chain and Direct Employment, and anchored in Reconciliation Australia's framework of Relationships, Respect, Opportunities and Governance, the plan delivered measurable outcomes across each pillar.

Key achievements included:

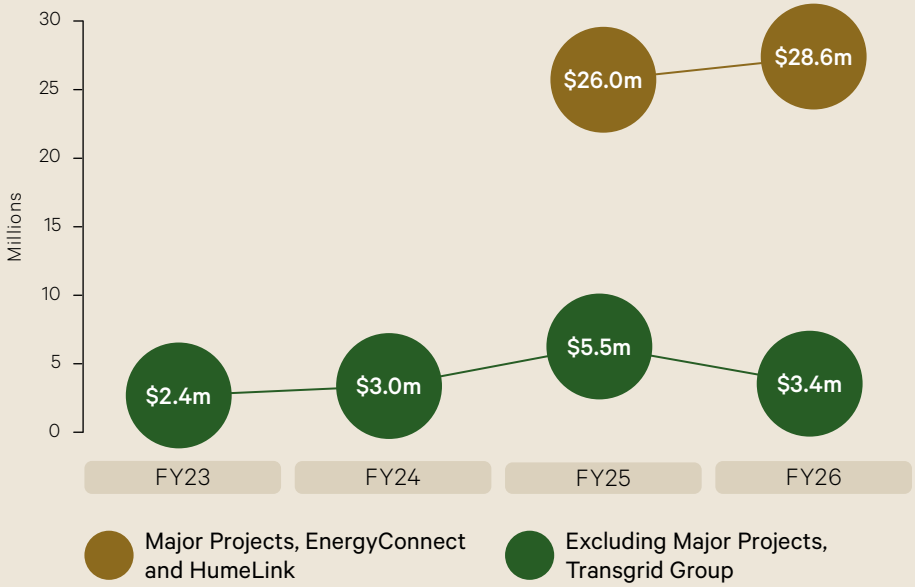
- Aboriginal and Torres Strait Islander employment reaching 3.5 per cent of Transgrid's workforce (based on 1,100 FTE);
- Major Projects Aboriginal and Torres Strait Islander procurement exceeding $63.53 million from commencement of project to date;
- Ninety-nine per cent completion of mandatory Cultural Awareness Training;
- One hundred and fifty-eight Aboriginal and Torres Strait Islander engagement activities across project sites;
- Collaborative resolution of cultural heritage matters with Mutthi Mutthi Traditional Owners on EnergyConnect and VNI West; and
- Recognition as a finalist in the Clean Energy Council's 2025 Aboriginal Engagement and Participation Awards.

Preparation for Transgrid's next Stretch RAP commenced during FY26. Through depot visits, employee surveys and consultation sessions, feedback is helping shape priorities for the next three-year cycle, including employment pathways, cultural safety and procurement.



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Aboriginal and Torres Strait Islander procurement



Aboriginal and Torres Strait Islander procurement

Aboriginal and Torres Strait Islander procurement excluding Major Projects was $3.4 million in FY26, compared with $5.5 million in FY25, which reflects contract lifecycle. Across Transgrid Group and Major Projects combined, FY26 Aboriginal and Torres Strait Islander procurement was approximately $28.6 million, with cumulative project-to-date spend across EnergyConnect and HumeLink exceeding $63.53 million.

Aboriginal and Torres Strait Islander workforce

Aboriginal and Torres Strait Islander workforce participation across the Transgrid Group and Major Project Delivery Partners reached 4.8 per cent as at September 2025, comprising 3.2 per cent on EnergyConnect, 7.9 per cent on HumeLink and 3.5 per cent across Transgrid.

At the close of FY26, Major Project Delivery Partners employed 104 Aboriginal and Torres Strait Islander workers across EnergyConnect and HumeLink. Changes in project-specific participation reflect EnergyConnect approaching completion while HumeLink continues to scale up.

As project activity shifts across the portfolio, Transgrid remains focused on expanding employment opportunities, strengthening cultural partnerships and supporting long-term economic participation for Aboriginal and Torres Strait Islander peoples.

Corporate partnerships

Transgrid maintains foundational partnerships with Supply Nation, the NSW Indigenous Chamber of Commerce (NSWICC) and Yarpa to support culturally respectful engagement with Aboriginal and Torres Strait Islander businesses and strengthen supplier capability.

During FY26, Transgrid exhibited at the NSWICC Summit on Wonnarua Country, where discussions focused on the potential of Aboriginal and Torres Strait Islander businesses across NSW and opportunities to strengthen capability across both sides of the supply chain.

Priority 3

A resilient, reliable and operable grid

Delivering transmission infrastructure · Network security, resilience, reliability and operability

About this chapter

Australia's clean energy transition is only as fast as the grid that carries it. Transgrid must keep that grid secure and reliable every hour of every day while rebuilding it for a renewables dominated future. This chapter reports on how we delivered on both obligations in FY26.

For additional detail:

- 2026 Transmission Annual Planning Report
- Major Transmission and Innovation Projects



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3.1 Delivering transmission infrastructure

We are in the middle of the largest capital program in Transgrid's history. Every dollar invested, every tower raised, every substation energised is an act of confidence in Australia's clean energy future — and a commitment to the communities and consumers who depend on a grid every minute of every day.

In FY26, Transgrid managed a multi-billion-dollar capital program spanning thousands of kilometres of regional NSW, designed to deliver two things at once: a network that is reliable and secure today, and one ready for up to 100% instantaneous renewable generation tomorrow.

This program is not simply a construction task. It is a consumer-value task: delivering critical infrastructure when it is needed, avoiding unnecessary future costs, and keeping the network safe, resilient and efficient as the energy system changes. Transgrid is doing this through coordinated, whole-of-system planning with the Australian Energy Market Operator (AEMO), EnergyCo, distribution network service providers, governments, generators, storage proponents and major load customers, so that generation, storage, transmission and demand develop together rather than as disconnected parts of the transition.

The 2026 Integrated System Plan (ISP), published by AEMO on 25 June 2026, confirmed the scale of the task: total investment in the National Electricity Market (NEM) to 2050 would be $106 billion (in present value terms). This figure includes generation, storage, firming, transmission and distribution. Of this, the Optimal Development Path (ODP)'s actionable and future ISP transmission projects (where Transgrid projects are included) account for $6 billion. Together with system security investments estimated to be worth $3 billion, transmission projects across the NEM support $97 billion of generation, storage, firming and distribution nationwide.

Delivery confidence is being managed with the same discipline as investment decisions. Transgrid's planning incorporates practical constraints from delivery and engineering teams, including supply chain capacity, workforce availability, long-lead equipment, outage windows and project sequencing. This matters for consumers because a project delivered at the wrong time, or without realistic delivery planning, can increase costs, prolong constraints and delay access to lower-cost renewable generation.

AEMO 2026 ISP:

NEM investment to 2050 (in present value terms)

$106bn — **Total NEM investment**

$6bn — **For transmission projects**

$3bn — **For system security**

$97bn — **For generation, storage, firming and distribution**



Rod Pomfrett - Site Manager

Building the Southern Backbone and Sydney Ring

Six major transmission projects, complemented by renewable energy zone connections, interstate interconnectors and system-security investments, are transforming the New South Wales transmission network.

Together, these projects are developing two interconnected system platforms.

Southern Backbone

EnergyConnect, HumeLink and Victoria to New South Wales Interconnector West will support renewable generation, storage and interstate energy flows from South Australia, Victoria and southern New South Wales into the Sydney 500 kilovolt ring. The Snowy 2.0 Connection will integrate with this backbone to enable access to pumped-hydro generation.

Sydney Ring

The Hunter Transmission Project and Sydney Ring South will strengthen the high-capacity pathways supplying the Sydney, Newcastle and Wollongong region, where approximately three-quarters of New South Wales electricity demand is concentrated.

Major projects proceed through established regulatory and investment-assessment processes. This includes the Regulatory Investment Test for Transmission (RIT-T) and the Australian Energy Regulator's revenue-determination process. Where non-network alternatives, such as demand-side management or grid-scale storage, offer a better outcome for consumers, they are considered through these processes.

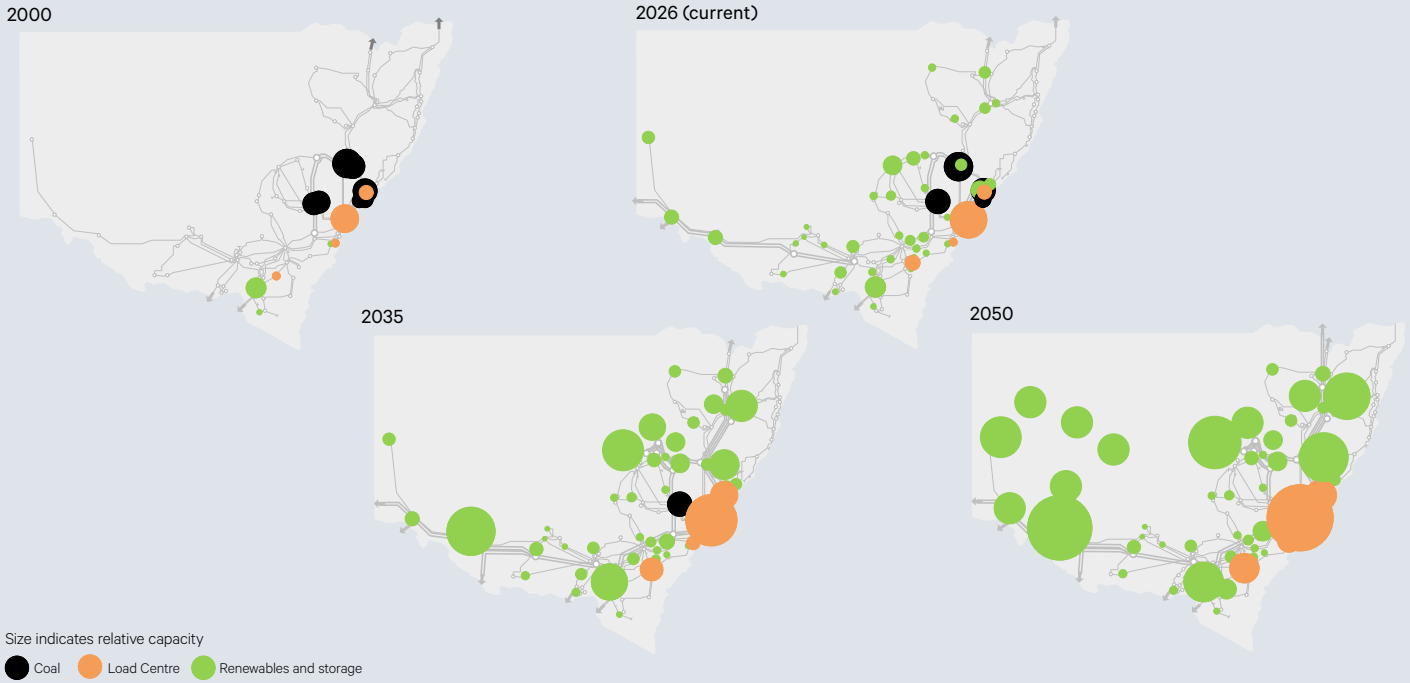
Estimated completion	Project	FY26 Milestone
2026	EnergyConnect **Status:** Energised — completion works underway	Energised June 2026 and more than 99% complete; 1,508 towers/monopoles and 10,385 km of conductor; approximately $300m of local procurement; over 1,500 jobs supported; >10M worker hours.
2027	HumeLink **Status:** Construction underway	824 towers across 365 km (365 West / 459 East); over 150 towers erected at 30 June 2026; first towers Nov 2025 (West) & Jan 2026 (East); 124-tonne transformer delivered to Maragle and 134-tonne shunt reactor to Bannaby.
early 2030s	VNI West **Status:** Planning	Environmental Impact Statement (EIS) on public exhibition; 9 community sessions Mar 2026; Stage 1 (South West Renewable Energy Zone) and Stage 2 (240 km to Vic border) progressing.
2026	Snowy 2.0 Connection **Status:** Construction underway	80% complete; Maragle Switching Station energised Oct 2025 — 4 months ahead of schedule.
2029	Hunter Transmission Project **Status:** Planning	Preferred network operator confirmed; approximately 100 km 500 kV line; Australian Energy Regulator (AER) submission expected October 2026 with determination expected April 2027; estimated completion Nov 2029.
2033	Sydney Ring South **Status:** RIT-T underway	Project Assessment Draft Report (PADR) published May 2026; preferred option: 500 kV Bannaby to SW Sydney; $3.2bn net market benefits.

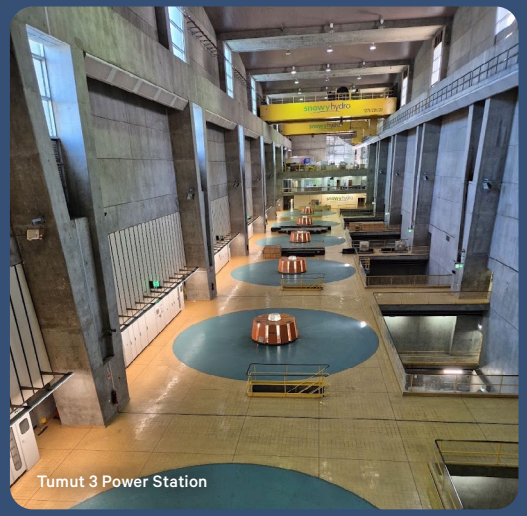
3.2 Network security, resilience, reliability and operability

The changing landscape of system security in NSW

Without adequate security services, generators may be unable to remain connected during disturbances, voltage control becomes more difficult, and protection systems may not operate correctly. Security has historically relied on several coal-generating units always being online, yet more than 80 per cent of NSW coal capacity is projected to retire within the next decade. At the same time, the Australian Energy Market Operator's (AEMO) Integrated System Plan Step Change scenario projects approximately 26 GW of new utility-scale wind and solar generation will connect in NSW. Together, these changes will create significant system security gaps that Transgrid must help address.

Evolution of NSW generation, load centres and transmission network
(2000-2050)




Tumut 3 Power Station

First system strength contract: Snowy Hydro Tumut 3

Transgrid's first-ever system strength network support contract — with Snowy Hydro to operate its Tumut 3 hydro units in synchronous condenser mode — took effect on 2 December 2025. This contract is a bridge solution, providing non-network system strength services while Transgrid's own synchronous condensers are being procured and delivered. Additional contracts may be required, particularly before new synchronous condensers are commissioned.

Modern tools and skills for a complex power system

As the power system becomes more complex, Transgrid is investing in advanced operational technologies, forecasting capabilities and decision-support tools to help operators manage emerging risks and maintain a secure and reliable network. These capabilities will support faster decision-making, stronger system visibility and more proactive management of an increasingly dynamic electricity system.

The growing complexity of the electricity system is driving capability gaps

Complex operations

- Complex generator interactions
- Complex network models
- Increased connections
- Increased planned outages
- Variable generation
- Variable load

Needed faster

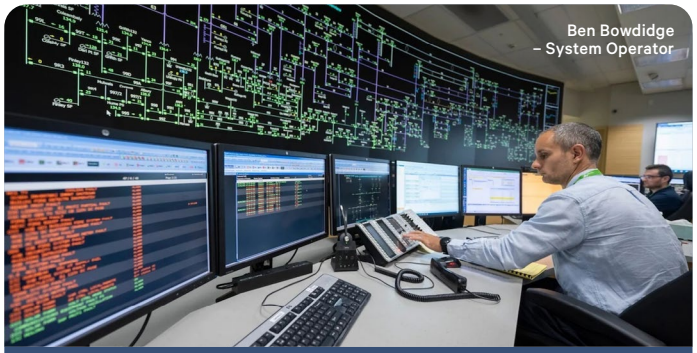
Real-time decision support

Increased need for analysis of system conditions in real time and for look-ahead analysis to support operations

Taking longer

Modelling and analysis

Increased need for uplift in analysis capabilities to support long-medium and short-term planning, forecasting, outage planning and asset management



Operability uplift: three-phase approach

- Phase 1 (completed 2024–2025): Addressed immediate risks through rationalised and improved alarm handling for the control room, laying the foundation for future phases.
- Phase 2 (2026–2031): Addresses operational needs to manage the power system requirements outlined in AEMO's ISP Step Change scenario. A Contingent Project Application was submitted to the AER on 1 May 2026, seeking regulatory approval for investment in enhanced Supervisory Control and Data Acquisition (SCADA) and Advanced Energy Management Systems (AEMS) environments, integrated data models, and improved real-time network operations, asset monitoring and outage management capabilities.
- Phase 3 (beyond 2031): Capability uplift based on long-term energy transition projections. Will build on Phase 2 investments to deliver predictive, system-optimising control room functions — including system and market integration, automation-enabled decision-making and cross-industry interoperability. Scope to be confirmed in alignment with AEMO and through Transgrid's next regulatory submission following the 2028–33 regulatory period.

Network reliability

Transgrid's transmission network maintained exceptionally high reliability in FY26, achieving network reliability of 99.99997 per cent. As shown in the table below, performance has remained consistently strong despite increasing network complexity, reflecting the effectiveness of Transgrid's asset maintenance, outage planning and operational capabilities. FY25 reliability of 99.992 per cent was affected by the Broken Hill loss of supply event.

Year	MPI Score	Reliability
FY24	84%	99.9996%
FY25	93%	99.992%
FY26	94%	99.99997%

Maintenance and operations: keeping the network safe and reliable

The Maintenance Performance Index (MPI) reached 94 per cent in FY26, reflecting the continued delivery of Transgrid's preventive maintenance program despite increasing demands from the capital works program, rapid growth in network connections and emergency response activities, including the January 2026 Balranald storm.

During FY26, Transgrid delivered $109 million of maintenance works across substations, transmission lines, easements and vegetation management, supporting more than 15,000 assets that underpin the reliability and security of NSW's electricity network.

Outage management

Balancing safety, reliability and access

As the network evolves, planning outages and managing network access is becoming increasingly complex. Transgrid must balance the need to provide safe access for maintenance and construction activities while maintaining network security, supporting new customer connections and minimising impacts on electricity generation and consumers.





Innovation in network maintenance

Maintaining critical assets without switching the grid off

In FY26, Transgrid advanced the development of its live line maintenance capabilities through a de-energised trial on TL8C (330 kV, Dumaresq to Armidale), exploring barehand and hotstick techniques to complete essential maintenance in the future without planned outages. Delivered in partnership with Zinfra and Ventia, the trial represents an important evolution in Transgrid's maintenance approach. The findings will inform the finalisation of future safety process requirements and support more flexible work practices that will minimise network disruption while maintaining safe and reliable operations once introduced in FY27.

Priority 4

Climate resilience and a protected environment

Net zero · Enterprise climate resilience · Environmental planning and management

About this chapter

A clean energy future must be reliable, resilient and environmentally responsible. For communities, customers, investors and partners, that means understanding not only what we are building, but how we are managing emissions, climate risk and environmental impacts as the network grows. This chapter explains how we are reducing our own footprint, preparing the network and business for a changing climate, and protecting the landscapes, waterways and habitats connected to our work.



Telco towers installation

FY26 performance

1,400
$ktCO_2e$
Scope 1+2 combined emissions

0
Major Environmental Breaches

140
$tCO_2e/\$m$
Scope 3 intensity per $1M PG&S + Capital Goods

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4.1 Net Zero

Our approach to net zero

One of Transgrid's most significant contributions to Australia's decarbonisation is the transmission network we plan, build and operate. Every kilometre of new transmission that connects renewable generation, storage and firming to consumers helps displace coal-fired electricity in the National Electricity Market (NEM). This is a material lever we hold on system-wide emissions, and it shapes how we think about our own footprint.

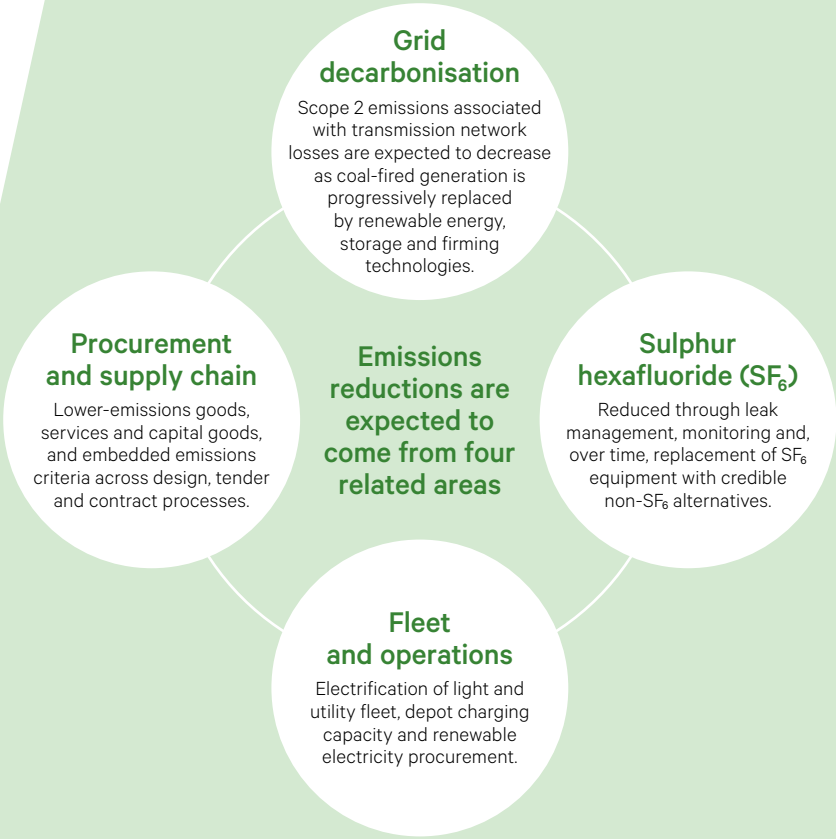
We know leadership on climate has to start at home. Our Net Zero Strategy, approved by the Board in November 2022, sets science-informed targets that translate our vision into measurable outcomes across Scope 1, Scope 2 and Scope 3. It is delivered through initiatives across Networks, Delivery, Major Projects, Procurement, Lumea, Finance, Strategy & Transformation, with a performance 'Corporate Scorecard' reported monthly to our Executives. The Board Safety and Sustainability Committee maintains oversight, receiving regular net zero progress reports.

Our approach is deliberately balanced. Rapid network expansion is essential to the transition, so we measure Scope 3 progress on an intensity basis, rewarding decarbonisation of the supply chain without creating a disincentive to invest in the infrastructure Australia needs.

Our targets and trajectory

Our targets are aligned to the level of decarbonisation required to keep global temperature increase to 1.5°C, or well below 2°C, above pre-industrial levels, and follow the principles of the Science Based Targets initiative (SBTi). The Board reviews these targets at least every five years and monitors progress transparently.

Emissions boundary	Near-term target	Long-term target
Scope 1 & 2	Reduce combined Scope 1 and 2 emissions by 60% by 2030 (base year FY21).	Net zero Scope 1 and 2 emissions by 2040.
Scope 3 (Categories 1&2)	Reduce Scope 3 emissions intensity by 48% per $1m of relevant spend by 2030 (base year FY21).	Net zero Scope 3 emissions by 2050.



FY2026 Performance at a glance

10/10
Net Zero scorecard initiatives delivered
Scope 1, 2 & 3 workstreams

1,385 $ktCO_2e$
Scope 2 GHG emissions
FY2025: 1,365 $ktCO_2e$

100%
GreenPower matched to electricity demand from offices and depots
FY2025: 100%

498 $ktCO_2e$
Scope 3 combined emissions
FY2025: 511 $ktCO_2e$

140 $tCO_2e/\$m$
Scope 3 intensity per $1M PG&S + Capital Goods
FY2025: 201 $tCO_2e/\$m$

Our emissions profile

Transgrid's emissions footprint reflects the nature of an electricity transmission business: comparatively small direct emissions from operations, and a much larger emissions footprint associated with transmission system losses, followed by emissions from the materials, equipment and services required to build and maintain the network.

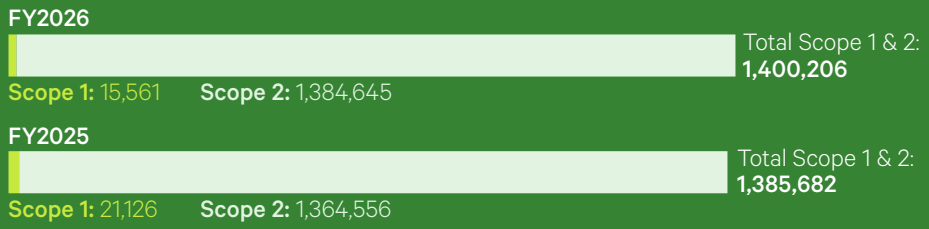
Scope 1 emissions arise mainly from sulphurhexafluoride (SF6), an insulating gas used in high-voltage switchgear, along with fleet fuel and small volumes of stationary fuel use. Scope 2 emissions are dominated by transmission system losses; as the grid decarbonises, and the emissions intensity of those losses falls, emissions from losses are expected to decline over time. Scope 3 emissions are concentrated in construction and network-equipment supply chains, with roughly 80% of our FY26 Scope 3 footprint associated with construction activity, largely driven by our Major Projects portfolio.

56%
of Scope 1 emissions from SF_6
Largest single Scope 1 source

>99%
of Scope 2 emissions from transmission losses
To fall as grid decarbonises

~80%
of Scope 3 from construction-related activities
Driven by Major Projects

Scope 1 and 2 emissions (tCO_2-e)



Net Zero delivery in FY26

All ten FY26 Corporate Scorecard initiatives were completed.

No.	Accountable area	Initiative	Status
1	Networks	Determine an economic value for SF6 emissions losses and evaluate the RP4 circuit-breaker replacement portfolio for non-SF6 alternatives.	Completed
2	Networks	Confirm the feasibility of integrating existing transducers with SCADA to support online SF6 condition monitoring.	Completed
3	Delivery	Increase regional depot charging capacity by 50% and expand the field electric-vehicle fleet, with 17 additional EVs delivered during FY26.	Completed
4	Delivery	Complete EV UTE and Metro Substation plug-in hybrid trials to inform fit-for-purpose fleet procurement.	Completed
5	Corporate	Communicate the Net Zero Strategy and Procurement Roadmap to key suppliers, complete supplier workshops and procurement training, establish supplier emissions data capture, and identify priority decarbonisation pathways.	Completed
6	Corporate	Implement emissions reduction requirements and evaluation criteria for tenders over $30 million in high-risk categories.	Completed
7	Major Projects	Engage Major Projects delivery partners, document baseline emissions practices and targets, and manage contractual emissions reporting requirements.	Completed
8	Major Projects	Include project-specific emissions reduction, measurement and reporting requirements and evaluation criteria in relevant Major Projects tenders and contracts issued in FY26.	Completed
9	Delivery	Embed emissions considerations in the Design Management Procedure and approve extra high-strength steel for use in tower design.	Completed
10	Finance, Strategy, Regulation & Technology	Embed net zero and climate considerations into the Ten-Year Business Plan and strategic business planning process, including emissions impact in evaluation and decision making.	Completed

Managing SF_6 emissions

Sulphur hexafluoride (SF_6) has been essential to safe, reliable high-voltage electricity infrastructure for decades. It is also a highly potent greenhouse gas, with a global warming potential of approximately 23,500 times that of CO_2. Our asset base includes more than 3,000 SF_6-containing assets holding over 150 tonnes of gas. Our SF_6 Management Strategy sets out a balanced Monitor – Manage – Replace approach that reduces emissions in the short term while preparing for widespread transition to non-SF_6 technologies as they become technically and commercially proven at transmission voltages.



Monitor

Improved visibility and accuracy of SF_6 leak data across the asset base, including online condition monitoring and enhanced leak detection capabilities, enabling earlier intervention and more targeted action on the highest-impact assets.



Manage

Prevent and repair leaks through improved sealing, faster response times, updated handling procedures, and an internal economic value for SF_6 losses that supports better repair-versus-replace decisions.



Replace

Trial and progressively adopt non-SF_6 alternatives at end-of-life or where credible options exist, currently focused on lower transmission voltages where the technology is most mature.

Our progress in FY26

First non-SF_6 circuit breakers energised at Gunnedah

Two 132 kV dry-air and vacuum circuit breakers were installed at Gunnedah Substation as part of a $4m program to trial modern SF_6-free technology, our first modern non-SF_6 circuit breaker installation and a key step toward phasing out SF_6.

Non-SF_6 66 kV circuit breakers procured

Building on the 132 kV trial, additional 66 kV non-SF_6 circuit breakers have been procured following a rigorous global tender, extending our practical experience to a second voltage class.

Portfolio for RP4 determined

A portfolio of non-SF_6 circuit breaker replacements has been defined for our next regulatory period (RP4), with an internal economic value for SF_6 loss used in Repex business cases, embedding emissions into asset investment decisions.

Online condition monitoring feasibility

We completed our investigation into integrating existing transducers with SCADA to enable continuous SF_6 pressure monitoring and are considering how to implement these learnings.

Leak-rate performance.

Our SF_6 leak rate remains well below the 0.5% industry benchmark, with the long-term trend continuing to improve despite significant growth in SF_6 holdings as the network expands.

Fleet electrification and operations

Alongside SF_6, fleet fuel and stationary energy are important sources of operational emissions. Our FY26 focus has been on expanding the enabling infrastructure for electric vehicles across regional depots, extending trials to new use cases, and preparing to shift more of our field workforce to lower-emission vehicles.

Our progress in FY26

Regional depot charging

Charging capacity increased by 50% from the FY25 baseline across our Orange, Tamworth, Yass and Wagga depots, enabling more regional field teams to transition to electric vehicles.

Field workforce EVs

A further 10 field staff transitioned into full electric vehicles during FY26, following completion of an EV utility-vehicle trial and the metro-substation low-emissions plug-in hybrid trial.

100% GreenPower

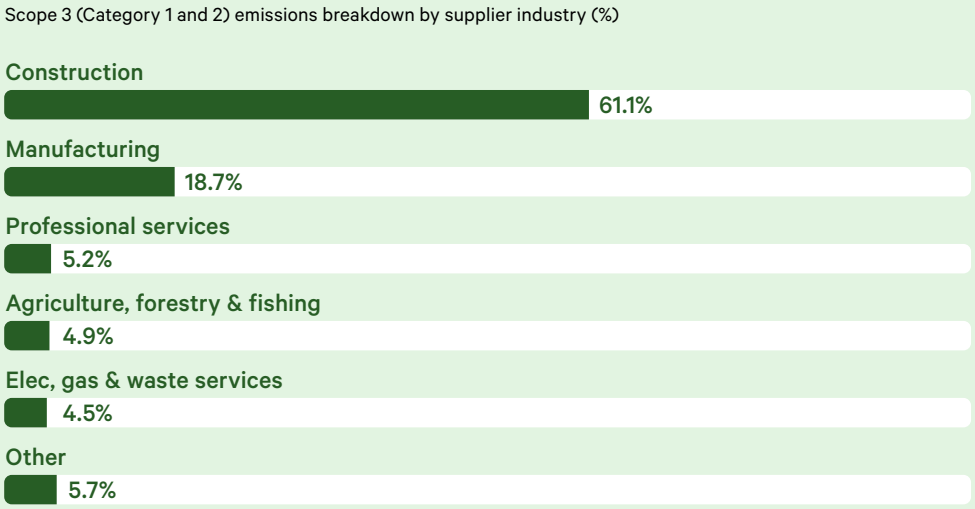
The electricity demand from our offices and depots was matched again in FY26 with power coming from renewable sources.

Reducing emissions in our supply chain

Transmission line losses are the largest single component of our emissions footprint and we expect them to fall as the generation mix decarbonises — an outcome our network investment directly enables. Scope 3 is a smaller share of the total, but it is where our greatest controllable abatement lever sits.

Supplier emissions in FY26 were heavily concentrated in the construction sector, which accounted for 61.1% of total Category 1 and 2 supplier emissions. The manufacturing industry was the second-largest contributor at 18.7%, reflecting the emissions associated with producing materials and equipment used across Transgrid's operations and projects. Overall, the five largest supplier industries contributed 94.3% of Category 1 and 2 supplier emissions, highlighting that emissions are concentrated within a relatively small number of sectors and providing a clear focus for supplier engagement (see section 5.2).

Our Scope 3 emissions intensity was reduced by 30.4% year-on-year supported by increased spend and the update of the emission factors used to calculate our Scope 3 Category 1&2 emissions.



Our progress in FY26

Net Zero Roadmap communicated

Our Net Zero Strategy and Procurement Roadmap were communicated to our top 15 suppliers, covering approximately 50% of addressable spend.

Requirements embedded in Major Project tenders

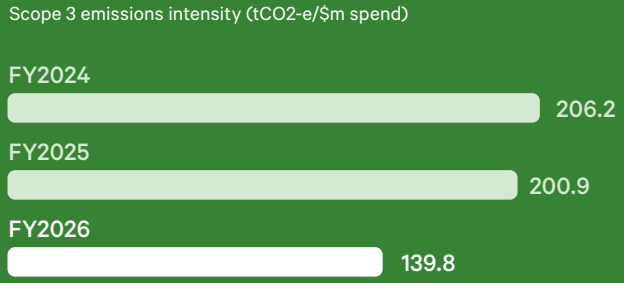
All relevant Major Project tenders issued in FY26 were assessed on their Net Zero maturity through the inclusion of a dedicated evaluation criterion within the tender scoring process.

Sourcing, systems and digital baselining

Emissions-reduction information requirements and a scoring component were introduced for all tenders above $30m, and a new content management capability now supports the capture, analysis and reporting of supplier emissions data, strengthening our Scope 3 disclosures.

Lower-emissions design and materials

Design is where many long-lived embodied-carbon decisions are made. During FY26 we revised our design review process to explicitly consider emissions impact. This forms the foundation for our FY27 focus on circular-economy design outcomes, revised concrete standard-design parameters and portfolio-level embodied-emissions reporting.



Additional details about our FY26 emissions performance can be found in our FY26 data pack.

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Case study

Embodied carbon on EnergyConnect

EnergyConnect achieved measurable reductions in embodied carbon through innovative tower design and construction approaches.

The project deployed 733 guyed towers in place of conventional self-supporting structures, reducing structural steel use by 21% and concrete use by 15% for those tower types. Guyed towers consist of a central steel column supported by four high-tensile steel cables and are particularly well suited to relatively flat terrain. The project also used low-carbon concrete across all tower foundations and deployed 338 Danubio 500 kV towers between Dinawan and Wagga Wagga, marking the first use of this tower design in Australia. Together, these initiatives reduced material requirements while maintaining the performance and reliability needed to support the energy transition.



Caleb Arthur-Wornham - 2nd Year Transmission Line Apprentice

Looking ahead — our FY27 focus

In FY27 we will focus on the following actions:

- **SF_6 leak response.** Auditing compliance with our SF_6 leak-response procedures to verify leaks are responded to within defined timeframes.
- **Fleet outcomes.** Increasing electric fleet kilometres travelled by 150% against the FY26 baseline and assessing biodiesel feasibility.
- **Supplier decarbonisation.** Working with key suppliers through four working groups to improve emissions data and identify reduction opportunities across purchased goods and services and capital goods.
- **Portfolio embodied carbon.** Standing up portfolio-level embodied-emissions performance reporting to management.
- **Design for circularity.** Expanding design review to deliver circular-economy outcomes and revising concrete standard-design parameters.
- **Consumer and community voice.** Understanding consumer and community expectations on emissions reduction initiatives, including affordability, reliability and value for money.

Basis of preparation and assurance

Scope 1 and 2 emissions are reported under Australia's National Greenhouse and Energy Reporting (NGER) scheme. Emissions reduction targets are science-informed and aligned with the principles of the Science Based Targets initiative (SBTi). Scope 3 categories reported cover GHG Protocol Categories 1 to 7. GHG emissions disclosures are not externally assured.



4.2 Enterprise climate resilience

Climate change is already influencing the conditions in which Transgrid plans, builds, operates and maintains the transmission network. As the operator of critical infrastructure across NSW and the ACT, we are exposed to both physical climate hazards and transition-related changes in policy, technology, markets and stakeholder expectations. This section explains how we identify, govern and manage those risks and opportunities so the network can remain reliable, resilient and capable of supporting the energy transition.

Climate governance

Overall oversight of climate-related risks and opportunities — including the Sustainability Framework and Net Zero Strategy, rests with the Transgrid Board. Climate responsibilities are included in the charters of the Board Safety and Sustainability Committee (BSSC) and Board Audit and Risk Committee (BARC), and in the Enterprise Risk Management Framework (ERMF) and Risk Management Policy, both revised during FY26.

During FY26, BSSC received reports on the Net Zero Strategy, climate resilience strategies and reporting frameworks. Day-to-day management is delegated to the CEO and Executive Leadership Team. The Climate and Emissions Steering Committee, established in FY25 and chaired by the Deputy Chief Financial Officer, meets bi-monthly and escalates to BARC and BSSC as needed. It is supported by the Climate Resilience and Disclosure Working Group.

Climate strategy

Transgrid identified six prioritised climate-related risks and opportunities (CRROs) through Group-wide workshops with General Managers, Finance Business Partners and subject-matter experts. Each CRRO is aligned to the enterprise risk framework and assessed across short-term, medium-term and long-term horizons.

CRRO	Horizon	What it means	How we are managing it
1. Physical risk — acute and chronic weather	Current and all future horizons	Bushfire, storms, lightning, flooding, heatwaves and sea-level rise can affect assets, operations, projects and employees, resulting in asset damage, reliability impacts, delivery delays and higher inspection, repair and maintenance requirements.	Asset Resilience and Climate Strategy (ARCS), asset siting and hardening, redundancy, incident response, bushfire planning, business continuity and extreme-weather design standards. A 2024 assessment covered 137 substations; residual risks were low or medium.
2. Transition — policy and regulation	Short to medium term	Regulatory funding may not be sufficient or timely for resilience, transition and emissions-reduction investment.	Regulatory funding proposals, informed by scenario analysis, remain the principal pathway.
3. Transition — technology	Short to long term	SF6 alternatives must mature at transmission scale while system complexity increases.	Leak detection and repair, density monitoring and SF6-free new-build solutions by exception.
4. Transition — markets	Short to medium term	Competition for transmission work, equipment and specialist capability is increasing.	Procurement strategy, portfolio delivery, scenario-informed planning and embodied-carbon work.
5. Transition — reputation, social licence and financial	Current to medium term	Stakeholder, investor, lender and insurer expectations may affect trust and cost.	Engagement across major-project corridors, emissions management and appropriate climate disclosures.
6. Opportunity — growth, system services and renewable enablement	Medium to long term	Network investment, grid-support services and renewable connections create transition opportunity.	Regulated Asset Base (RAB) growth, resilience investment, system services and renewable connections through Lumea.

Scenario analysis tests how Transgrid's strategy and business model perform under different transition and physical climate futures. It combines AEMO transition pathways with Intergovernmental Panel on Climate Change (IPCC) physical pathways, using high-emissions Shared Socioeconomic Pathway 3-7.0 (SSP3-7.0) and Representative Concentration Pathway 8.5 (RCP8.5) for physical risk testing. Internal Future Scenarios translate these pathways into NSW focused operating conditions and inform planning for RP4.

Scenario	Warming	Implications for Transgrid
Energy Harmony	~1.8°C	Coordinated transition; supports delivery, regulated growth, ISP delivery and community trust.
Base Case	~2.0–2.5°C	Active but uneven transition; broadly aligned with current planning and draft RP4 settings.
Energy Divide	~2.7°C	Fragmented policy; increases schedule, cost, social licence and physical-risk pressures.
Power Hungry	~2.7°C	Effective governance but weaker economic conditions; may constrain capital deployment and increase financing costs.
Power Struggle	>3°C	Delayed transition and weak governance; highest exposure to hazards, policy instability and credit-pressure risk.

Managing climate risk

Climate-related risks are managed through the same enterprise risk process as other material business risks. Physical risks use IPCC consistent projection data, including NARCliM2 and ESCI datasets, with SSP3-7.0 as the primary high-emissions reference. Transition risks and opportunities are assessed against AEMO ISP scenarios and internal Future Scenarios, with asset-level bushfire consequence informed by University of Melbourne modelling.

Strategic and financial effects

Transgrid's capital planning is closely aligned with the transmission investments required to support the NSW energy transition. AEMO's 2026 Integrated System Plan (ISP) identifies Sydney Ring South, the Hunter Transmission Project, VNI West and Wondalga Switching Station as actionable projects, adds the Central-West Orana REZ Expansion, and identifies the New England REZ as an anticipated project. Together, these investments build on the delivery of EnergyConnect and HumeLink to expand network capacity, connect new renewable energy resources and support long-term system reliability.

Prioritised CRROs affect financial position, performance and cash flows mainly through climate-enabling capital expenditure, weather-linked operating and maintenance costs, insurance costs, and regulated asset base growth from actionable ISP projects, system-strength services and REZ-enabling works. Resilience is embedded through the ARCS and ISO 55001 Asset Management System, supported by redundancy, alternative switching and rapid recovery processes.

Climate metrics and targets

Climate-related targets are aligned with the Net Zero Strategy as described in Section 4.1. Progress is supported by four decarbonisation levers: grid decarbonisation, sulphur hexafluoride (SF6) management, fleet and operations, and procurement and supply-chain decarbonisation. Transgrid does not operate a group-wide internal carbon price, but applies an internal economic value to SF6 losses when assessing repair and replacement decisions.

Metric	FY21 base	FY25	FY26
Total Scope 1 and 2 GHG emissions (tCO2-e)	1,222,288	1,385,682	1,400,206
Total Scope 3 GHG emissions (tCO2-e)	170,137	510,946	497,852
Scope 3 intensity (tCO2-e / $m spend)	273	201	140



4.3 Environmental planning and management



Rehabilitated transmission corridor — natural regeneration using salvaged topsoil and existing seed banks.

Protecting the ecologically, culturally and socially valuable landscapes we operate in

Transgrid delivers infrastructure across ecologically, culturally and socially diverse and valuable landscapes. As we build and maintain the network needed for a cleaner energy future, we have a responsibility to manage environmental impacts carefully, use resources efficiently and work with others to protect the places where we operate. In FY26 our work focused on four connected priorities: protecting biodiversity and habitat, using water responsibly, reducing waste and strengthening our environmental management systems.

Protecting biodiversity and habitat

Transmission infrastructure is essential to the clean energy transition, but building and maintaining it can affect native vegetation, threatened-species habitat and local ecosystems. For Transgrid, biodiversity protection is both a regulatory obligation and a practical responsibility embedded in project planning, design and delivery. Our approach follows a clear hierarchy: avoid impacts where possible, minimise disturbance through design and construction controls, and use offsets for residual impacts that cannot be avoided or minimised.

Avoiding and minimising impacts through design

Early biodiversity planning reduces approval risk, avoids unnecessary disturbance and builds trust with the communities and environments affected by our work. On Snowy 2.0 Transmission, detailed design refinements and targeted avoidance of hollow-bearing trees delivered an estimated 15% reduction in the approved clearing footprint, showing how environmental considerations embedded early in design can deliver measurable ecological gains before construction begins.

We also look for opportunities to improve design where existing assets interact with fauna. In FY26, Transgrid undertook a study into the potential relationship between anti-climbing devices on existing structures and Grey-headed Flying-foxes entanglement. The study focused on high-risk easement locations and alternative design solutions, with ecologists and design teams working together to identify practical mitigation options.

Offsetting residual impacts

Where biodiversity impacts cannot be avoided or minimised, Transgrid uses offsets in accordance with regulatory requirements. Our Critical State Significant Infrastructure (CSSI) projects are subject to the NSW Biodiversity Offset Scheme (BOS), established under the *Biodiversity Conservation Act 2016* and governed by the Department of Climate Change, Energy, the Environment and Water (DCCEEW). Biodiversity Stewardship Agreements (BSAs) are a key mechanism under the NSW BOS. A BSA is a legally binding agreement registered on land title that establishes a biodiversity stewardship site, generates biodiversity credits and provides long-term funding through the Total Fund Deposit. Seven active, fully funded BSAs covering more than 22,500 hectares were established for Project EnergyConnect. In FY26, we progressed a further five BSA sites for HumeLink, covering approximately 4,159 hectares across the Snowy Monaro and Cootamundra-Gundagai regions, with establishment expected from late 2026 to early 2027.

FY26 Performance at a glance

0
Major reportable environmental incidents
FY25: 0

75%
Waste diverted from landfill
FY25: 37%

386 ML
Water withdrawn across operations
FY25: 213 ML

5
New BSA sites progressed for HumeLink
≈4,159 ha



Using water responsibly

Water is a shared and valuable resource, particularly in the regional communities where much of our construction work takes place. During FY26, Transgrid withdrew 386 megalitres (ML) across projects, facilities and operations, an 81% increase on FY25 primarily driven by construction activity across the Major Projects program.

Our focus is on reducing reliance on potable water through practical, site-level decisions, including smart metering, recycled greywater, rainwater capture and reuse, and the substitution of non-potable sources where site conditions, approvals and performance requirements allow.

On Project EnergyConnect, non-water-based dust-suppression alternatives were trialled and implemented, with polymer-based suppressants able to save approximately 80–90% of water compared with water-based suppression depending on the application. Across HumeLink West, the project team is also trialling non-potable water filling stations, reducing gravel use in selected materials to lower compaction and dust-suppression water demand, testing non-potable town water in concrete related activities, and treating worker accommodation wastewater to a high standard for potential reuse in dust suppression.

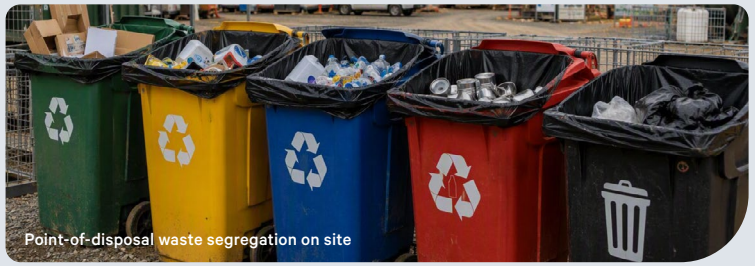
Reducing waste and supporting circular outcomes

During FY26, Transgrid generated 28,930 tonnes of waste, up 5.5% from 27,430 tonnes in FY25, driven by the upturn in construction activity across the major projects program. While total waste increased, the share diverted from landfill rose to 75%. Key streams included Virgin Excavated Natural Material, solid concrete and solid scrap. The improvement was also supported by project-level avoidance initiatives, such as Central-West Orana REZ and the Eraring battery energy storage system (BESS) project, where excess concrete was repurposed into products.

Our path forward focuses on:

- Uplifting data collection and reporting compliance
- Increasing recycling and recovery initiatives across projects and operations
- Strengthening contractor performance management
- Consistent monitoring of waste streams, ensuring categorisation is accurate

Case study



Point-of-disposal waste segregation on site

Improving waste management at HumeLink West

HumeLink West improved waste separation and resource recovery through clearer bin signage and pre-start briefings; reusable containers and cups to cut single-use plastics; food waste sent to a local compost facility; and food dehydrators at the Yass and Adjungbilly camps, with dehydrated material donated to community groups.

Case study



Creating circularity with concrete moulds at Central-West Orana REZ

Creating circularity with concrete moulds — Central-West Orana REZ and Eraring BESS

Concrete moulds were purchased to repurpose excess concrete from pours on two projects. Central-West Orana REZ used the resulting blocks to secure stringing equipment during tower stringing; on Eraring BESS, blocks were used as traffic bollards — minimising concrete waste and promoting reuse.

Strengthening environmental management

Strong environmental management helps us identify risks early, meet regulatory obligations and make better decisions on the ground. Transgrid's Environmental Management System (EMS), certified to ISO 14001, provides the foundation for environmental risk management, compliance and continual improvement across a workforce spread over thousands of kilometres of network. A key FY26 achievement was enhancing the EMS to support the transition of Project EnergyConnect (Western Section) — Transgrid's first major project moving from construction into operations — embedding project-specific obligations, operational controls, monitoring requirements and supporting documentation into the corporate EMS framework.

The EMS has matured from a traditional compliance-focused system into a broader enterprise framework that supports environmental stewardship, project delivery and continual improvement, positioning Transgrid well for future growth, regulatory change and ISO 14001 recertification.

Environmental planning and assessment

The most effective environmental decisions are made early, when routes, footprints and construction methods can be refined to avoid and minimise impacts — an approach reflected in Transgrid's Route Selection Guideline. We undertake environmental impact assessments in accordance with the Guidelines for Division 5.1 Assessments and the State Significant Infrastructure Guidelines, using due-diligence assessments and geographic information system (GIS) mapping to identify constraints, inform design and implement mitigation.

On HumeLink, day-to-day decisions by our workforce — from segregating waste at the point of disposal to optimising access-track routes — show how environmental responsibility becomes embedded in delivery culture. Site-level innovations such as hybrid office caravans powered by solar and lithium-battery storage saved more than $135,000 in fuel costs and around 200 tonnes of CO_2 over the project. During FY26 we updated environmental procedures, templates and guidelines in response to legislative and policy changes, and independent audits of EnergyConnect and HumeLink confirmed effective management of environmental and planning risks.

Case study



Completed interconnector and substation infrastructure transitioning into operations.

Project EnergyConnect transition to operations

EnergyConnect's 2026 roadmap to operations identifies environmental management plan updates, Department of Planning, Housing and Infrastructure (DPHI) submissions, operational conditions, *Environment Protection and Biodiversity Conservation Act 1999* (EPBC) consistency assessment, audits, monitoring and EMS document integration — including Environmental Guidance Notes, assessment-framework checklists and threatened-species factsheets integrated into the corporate EMS.

Case study



First Transgrid Environmental Roundtable session in FY26

Our first environmental roundtable

In June 2026, Transgrid hosted its first environmental roundtable at the Royal Botanic Gardens Sydney, bringing together more than 50 environmental professionals to share knowledge and strengthen collaboration — covering cross-team collaboration, consistency in environmental applications, supporting delivery while achieving strong outcomes, and external trends toward nature-positive infrastructure.

Priority 5

A responsible and sustainable business

Economic contribution · Responsible supply chain management · Cyber security, privacy and responsible data use

About this chapter

Delivering the energy transition responsibly means more than building transmission infrastructure. It also means using our purchasing power carefully, investing in the network in ways that create long-term value, and protecting the systems, information and data that customers, communities, suppliers and employees trust us to manage.

This chapter reports on how Transgrid delivers the business fundamentals that support delivery at scale: disciplined financial management, responsible procurement, cyber resilience, privacy and responsible data use.

For additional detail:

- Modern Slavery Statement



58
Supplier modern slavery assessments completed

4
Supplier working groups established after the ESG Forum

$4.14bn
Capital investment

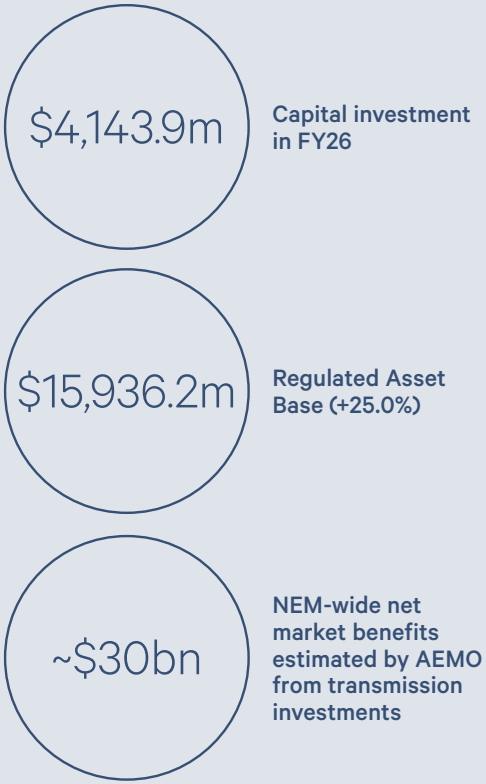
$15,936m
Regulated Asset Base at 30 June 2026

FY26 performance

Drew Angel
- Substations Technician Grade 1

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5.1 Economic contribution



Supporting a reliable transition and long-term economic value

How transmission investment helps keep people, communities and industry connected through the energy transition.

NSW and the ACT are moving through a significant shift in how electricity is generated, transported and used. As ageing coal-fired generation retires, the transmission network needs to connect more renewable energy and storage, support reliable supply, and help keep the transition affordable for households, businesses and industry. Transgrid's economic contribution is therefore broader than our financial performance. It is reflected in the long-term value our network enables — from system reliability and regional investment to jobs, procurement and stronger connections across the energy market.

Major transmission investments are tested through established regulatory processes, including the Regulatory Investment Test for Transmission where required. These processes assess whether proposed investments are expected to deliver net benefits for consumers and the energy system. Since 2023, the National Electricity Objective has also included Australia's emissions-reduction targets, reinforcing the role of transmission in delivering reliable, secure and lower-emissions electricity at least cost over time.

Investing in the network for long-term value

FY26 was a significant year of investment as Transgrid continued to expand and strengthen the transmission network needed to support the energy transition. Capital investment reached $4.14 billion across the Group, reflecting progress on major transmission projects and network investment. This investment is expanding Transgrid's regulated asset base and the capacity of the network to connect new generation and storage, maintain reliability and support the changing needs of NSW and the ACT. Financial performance and long-term capital support our ability to deliver this investment while maintaining disciplined financial management. The detailed revenue, EBITDA, net profit, capital investment and regulated asset base measures are available in the financial metrics table overleaf.

This investment is supported by long-term capital. Since 2021, Transgrid's security holders have committed around $5.4 billion in equity to support network growth and maintain a prudent credit profile through a period of major infrastructure delivery.

Transgrid Group Key financial metrics

Metric	FY26 $m	FY25 $m	Change
Financial performance			
Regulated revenue	1,102.4	1,135.1	-2.9%
Total revenue, including non-prescribed and other	1,339.9	1,341.3	-0.1%
EBITDA	915.6	973.2	-5.9%
Net profit	101.9	293.5	-65.3%
Investment and asset growth			
Network capex	688.2	348.6	+97.4%
Major Projects capex	2,920.7	2,222.5	+31.4%
Non-prescribed capex	534.9	428.5	+24.8%
Total capex	4,143.9	2,999.6	+38.1%
Regulated Asset Base	15,936.2	12,779.7	+24.7%



Hannah Girvan
- Pre-apprentice program

The value our projects unlock

FY26 was a year of delivery across our major project portfolio. EnergyConnect was energised, construction advanced on HumeLink, VNI West progressed through early works, Sydney Ring South progressed through the regulatory test process, and the Hunter Transmission Project reached planning approval. Together, these investments are designed to strengthen the NSW transmission backbone, connect new generation and storage, and support a more reliable and flexible power system.

Value will be delivered through the following Major Projects:

- EnergyConnect: Headline financial benefit is estimated at $964 million in net market benefits, with $4.2 billion in gross market benefits.
- HumeLink: Headline financial benefit includes net market benefits of more than $1 billion.
- VNI West will connect more generation from the South West Renewable Energy Zone into the broader transmission system.
- Sydney Ring South: Headline financial benefit is forecast at approximately $3.2 billion in net market benefits.
- The Hunter Transmission Project will provide up to 5GW of additional electricity transfer capacity between Bayswater and Eraring.

Value that stays in the regions

Building transmission infrastructure brings sustained activity to the regions that host it. Our projects create local jobs, draw on regional suppliers and services, and support apprenticeships and training that build skills lasting well beyond construction. Accommodation, logistics, civil works and engineering services all form part of the value that stays in these communities.

- EnergyConnect supported around 1,500 construction jobs and is expected to deliver around $4 billion in economic benefit to NSW.
- HumeLink continues to provide around 1,600 construction jobs and an expected $6.3 billion in direct and indirect regional investments.
- VNI West is expected to annually support 625 direct jobs and 126 indirect jobs, together with up to $222 million in direct output and $117 million in indirect output each year, and $84 million in direct and $26 million in indirect value added.

5.2 Responsible supply chain management



Using our purchasing power to support people, decarbonisation and Aboriginal and Torres Strait Islander participation

Every tower, cable and substation reaches us through supply chains that stretch across Australia and overseas. What we buy, and who we buy it from, carries influence well beyond our own operations — and responsibility with it. Three areas take most of our attention: the risk of modern slavery in supplier operations, the emissions embedded in the goods and services we procure, and the participation of Aboriginal and Torres Strait Islander businesses in our spend.

Modern slavery risk management

Our due diligence is risk-based, guided by the *Modern Slavery Act 2018 (Cth)*, the United Nations Guiding Principles on Business and Human Rights, our Business Ethics Guide and our Code of Ethics and Conduct. In FY26 we completed 58 supplier assessments and developed seven supplier improvement action plans, with one corrective action plan closed out. Two changes may matter more than those numbers: modern slavery is now a standing item in strategic supplier meetings, and project delivery is represented on the Modern Slavery Working Group, which gives us a clearer view of risks and controls on major projects.

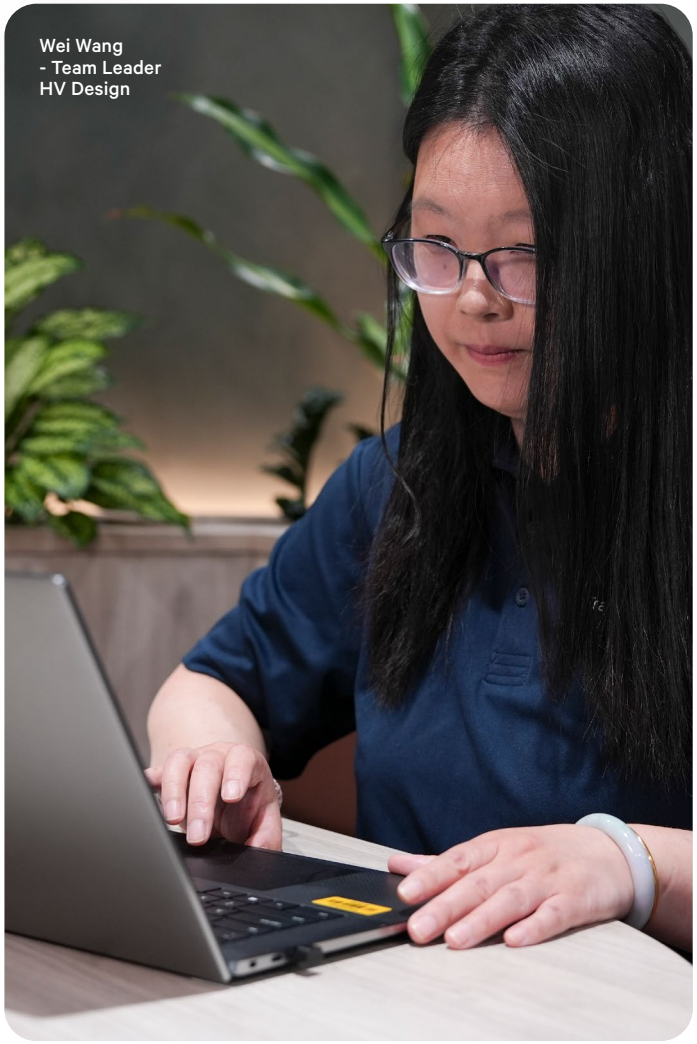
Decarbonising the supply chain

Procurement is one of the few levers with real reach into Scope 3 emissions, which sit largely outside our direct control. Our inaugural Supplier Environmental, Social and Governance (ESG) Forum in May 2026 drew almost 100 participants from construction, network equipment and design supply chains, along with industry experts and peak bodies. Four working groups came out of it, each taking on a piece of the problem: a workable way to measure greenhouse gas emissions, lower-emissions materials and design solutions, commercial mechanisms that reward innovation, and the capability suppliers need to adopt lower-emission goods and services.

Increasing Aboriginal and Torres Strait Islander participation

In November 2025 we published First Nations Procurement Engagement Guidelines, ensuring Aboriginal and Torres Strait Islander businesses are considered for every engagement and that participation targets are included in our tender requirements. The emphasis is on removing barriers, sourcing inclusively and creating openings through our partners. We continue to work with Supply Nation, the NSW Indigenous Chamber of Commerce and Yarpa Hub to build supplier connections and support market engagement. The next step is the harder and more useful one: measuring how far these pathways actually translate into work won across the pipeline, contracts and supplier partnerships.

5.3 Cyber security, privacy and responsible data use



Cyber security

Protecting critical electricity infrastructure

Cyber security is essential to Transgrid's role as the operator of critical electricity transmission infrastructure across New South Wales and the ACT. It helps protect the systems, information and operational technology that support reliable network operations.

We manage cyber security alongside physical security as part of our critical infrastructure obligations. Our obligations include the Security of *Critical Infrastructure Act 2018* and the *Security Legislation Amendment (Critical Infrastructure Protection) Act 2022*, which set minimum requirements for the cyber and physical security of critical infrastructure and for the associated risk management programs.

Under this legislation we are subject to enhanced cyber security obligations and a requirement to increase our standing level of cyber maturity. This shapes how we plan, invest in and govern security across the network.

Governance and accountability

Cyber security is managed through our Enterprise Risk Management Framework. During FY26, the Board Audit and Risk Committee reviewed emerging risks and mitigation measures, including enterprise security and cyber security.

Within Technology and Transformation, the cyber security team works closely with the operational technology (OT) teams to develop security strategies for the assets we own and operate, advises on digital infrastructure security, and sets the strategic direction for cyber security protections. Architecture and design decisions for operational technology environments are reviewed through a dedicated governance committee.

Critical infrastructure obligations are also tracked through our compliance framework. Monthly compliance reporting includes Home Affairs reporting and critical infrastructure cyber security exercise obligations, and we report annually on compliance with critical infrastructure license conditions, including under the *Security of Critical Infrastructure (SOCI) Act 2018*.

Securing operational technology

Operational technology systems monitor, operate and control our network assets, and they are governed by their own control framework. Our Operational Technology Security Control Standard sets the security controls that apply across our operational technology environments. It is supported by vendor security control standards covering vendor solutions and third-party connections, and by security acceptance testing requirements for new and changed systems.

These controls are built on internationally recognised cyber security frameworks and mapped to Australian energy sector and government cyber security guidance.

We continue to identify and progress security upgrades for operational technology environments. Our transmission planning material identifies a dedicated cyber security upgrade program for operational technology environments, alongside physical security upgrades, surveillance and access control, and physical security network enhancements.

Privacy and responsible data use

Respecting privacy and maintaining trust

Our approach to building trust extends to privacy, responsible data use and the ethical adoption of emerging technologies. As part of our work with communities, customers, landholders, employees, suppliers and digital platform users, Transgrid handles personal information and is committed to complying with the requirements of the Privacy Act. Our Privacy Policy and Web Analytics Privacy Collection Notice are available on our website, and our privacy framework is reviewed periodically to ensure it remains current and reflects any material legislative changes.

In addition to meeting privacy obligations, Transgrid's approach is underpinned by enterprise governance practices that promote data quality, clear accountability, trusted information assets, physical and psychological safety, and the responsible use of data and AI, ensuring these capabilities are adopted in a manner that is safe, ethical and trusted by our people.

Managing personal information responsibly

The Privacy Policy explains how Transgrid collects, uses, discloses and protects personal information across the Transgrid Group. This includes information provided through community engagement, recruitment, customer enquiries, supplier relationships, project delivery, website interactions and social media channels.

Transgrid generally collects information directly from individuals, and may also collect information from publicly available sources or third parties where appropriate and lawful.

Using digital data transparently

Transgrid uses digital analytics tools to understand how people use its websites and to improve online services and communications. The Privacy Policy explains the use of cookies, pixels and tags on Transgrid Group websites. Analytics information is generally used in aggregate to identify trends and improve website performance, rather than to identify individual users.

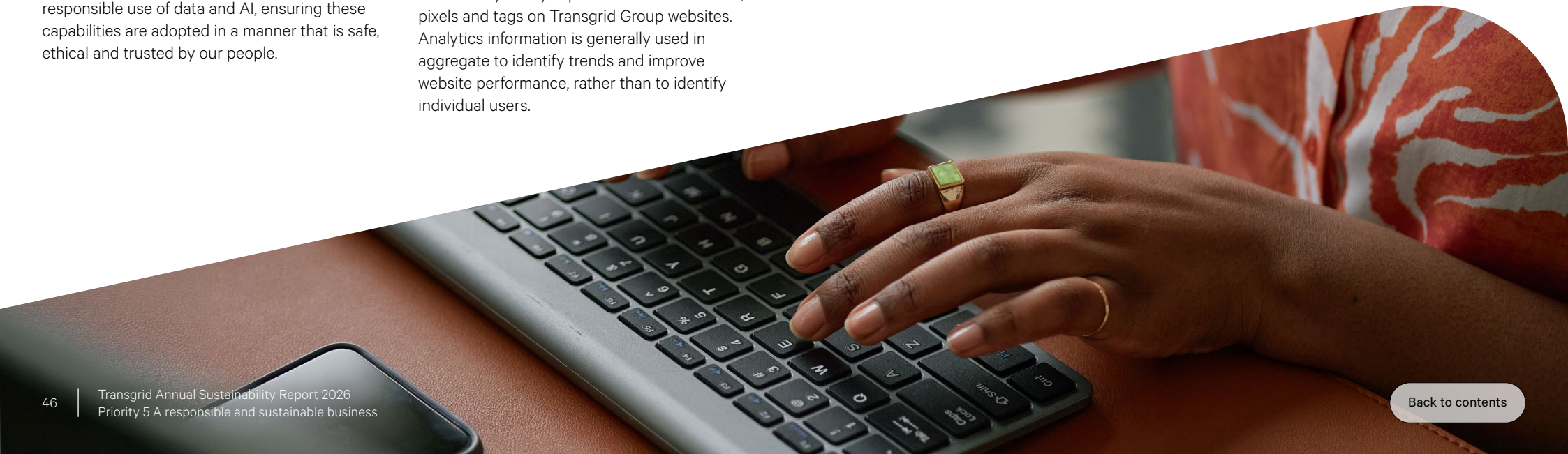
Protecting information and supporting individual rights

Transgrid uses physical, cyber and business controls to help protect personal information from unauthorised access, misuse, disclosure or loss. Access to privacy-related information and analytics data is limited to authorised personnel and service providers supporting approved business activities.

The Privacy Policy also explains how individuals can request access to, or correction of, personal information we hold, how privacy enquiries and complaints are handled, and how unresolved concerns can be escalated to the Office of the Australian Information Commissioner.

It also sets out when personal information may be disclosed to government agencies, regulators, contractors, suppliers and service providers, including service providers located overseas.

Across cyber security, privacy and responsible data use, our focus is to strengthen resilience, protect information and maintain trust while keeping disclosure safe and proportionate.



Contact details

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