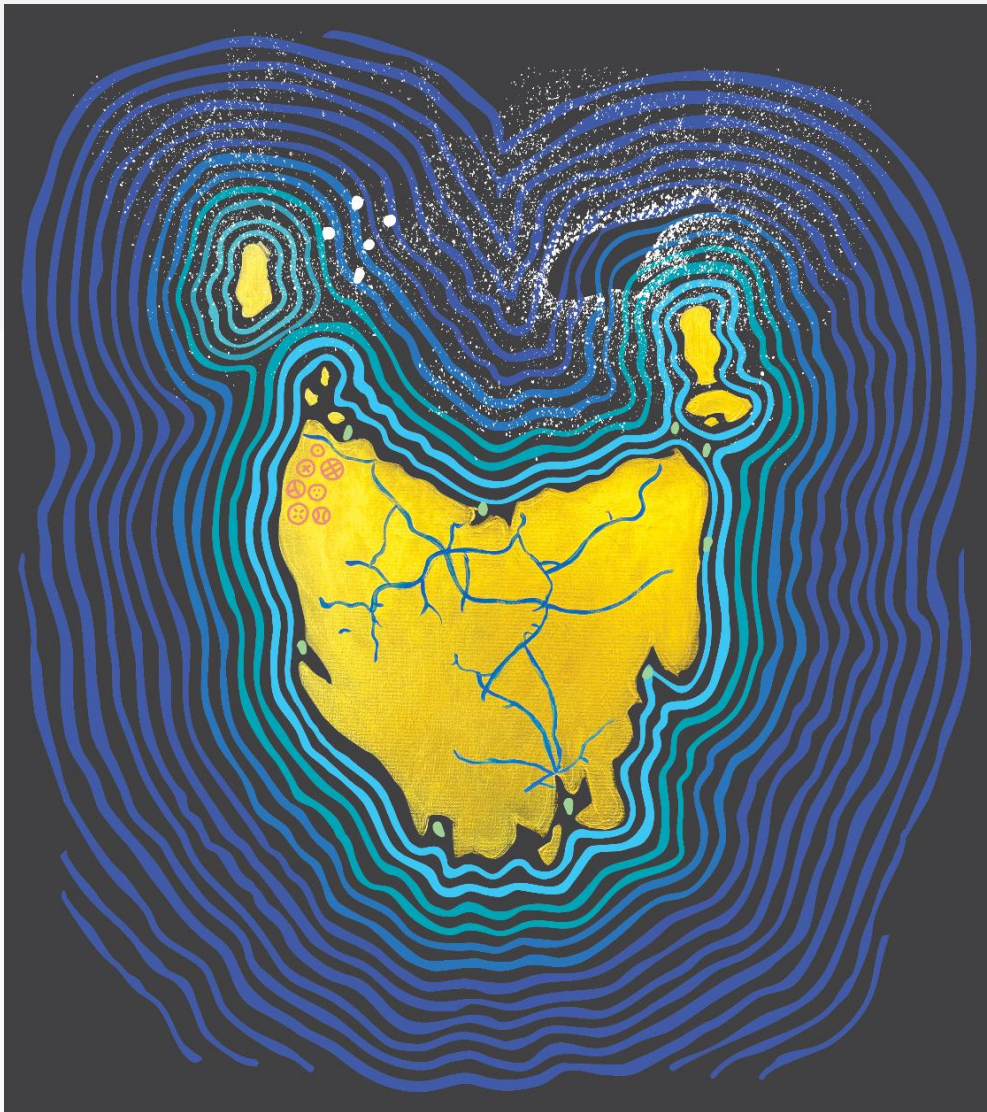


Statement of Corporate Intent

2024-25

31 July 2024

Sensitive: Confidential/Commercial



lutruwita by Aboriginal artist Luana Towney

TasNetworks acknowledges the palawa (Tasmanian Aboriginal community) as the original owners and custodians of lutruwita (Tasmania). TasNetworks acknowledges the palawa have maintained their spiritual and cultural connection to the land and water. We pay respect to Elders past and present and all Aboriginal and Torres Strait Islander peoples.

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Executive summary

Our purpose is powering a bright future to deliver safe and sustainable essential services while maximising value for all of Tasmania

TasNetworks delivers safe, affordable, and reliable essential services to 300,000 Tasmanian customers through our electricity and supporting telecommunication networks.

In doing so, we are focused on achieving four key business objectives: **enhance the safety and wellbeing of our people; deliver value for our customers; supply reliable essential services; and provide a sustainable financial return.** These objectives are reflected in our performance targets for this period and the forecast.

The strategy has been refreshed and has three key pillars, which are to: **understand and respond to our customers and communities; deliver operational excellence; and innovate in a targeted way.** We are focused on delivering value for Tasmanians and addressing the large-scale transition of the energy sector through this strategy.

Importantly, it builds on the outcomes of our Transformation Program. As we move into its final year, we remain focused on achieving the Program's \$200m in benefits in a sustainable and enduring way.

Our large capital investments, such as North West Transmission Developments, also reflect our strategic intent in providing Tasmanians with the electricity network they need for the future to maintain safe, reliable, and affordable power, and to achieve Tasmania's objective of 200 per cent renewables by 2040.

About us

Our purpose

We are **powering a bright future** to deliver safe and sustainable essential services while maximising value for all of Tasmania.

As Tasmania's provider of electricity transmission and distribution services, we are committed to providing our customers with affordable and reliable electricity, while helping Australia transition to cleaner energy sources.

Our vision

We want to be **trusted by our customers to deliver today and create a better tomorrow.**

We have 300,000 residential, business, commercial, and industrial customers, and are committed to working with our community to make a meaningful difference to the lives of Tasmanians – through and beyond the delivery of electricity and telecommunication services.

Our role

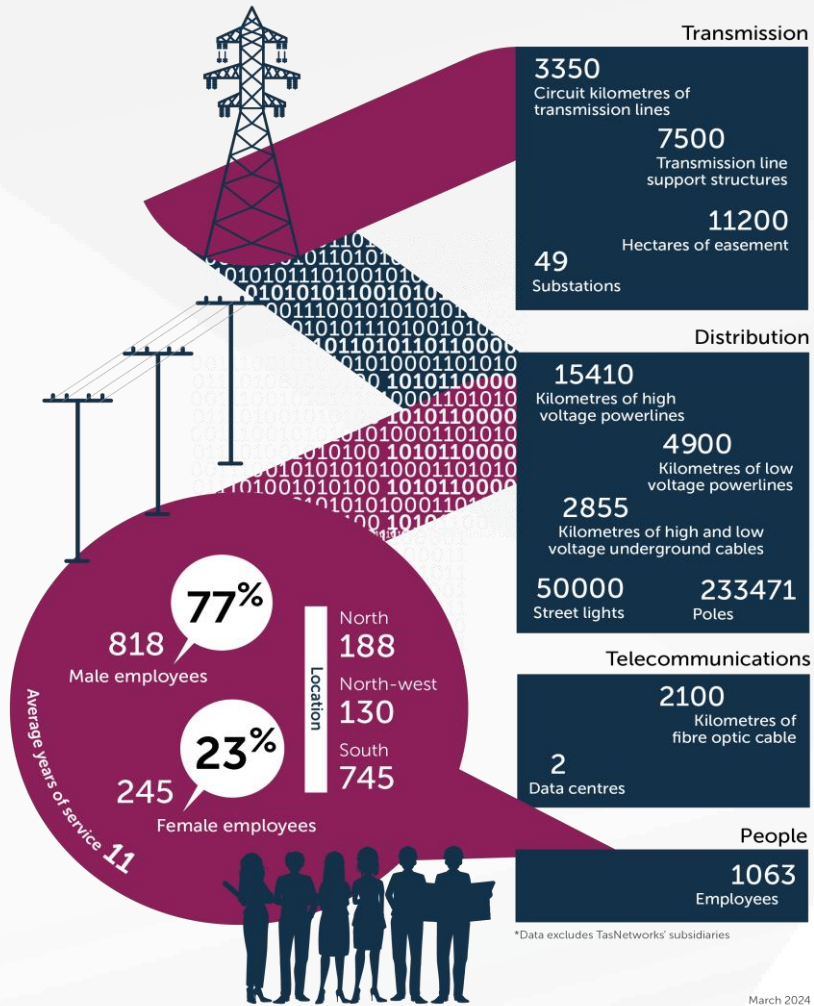
We own, operate, and maintain the electricity transmission and distribution networks in Tasmania. This involves, but is not limited to:

- Keeping our people and our customers safe while operating the network on a day-to-day basis, including all power outage restoration
- Maintaining and replacing network infrastructure to ensure a safe and reliable service for our customers
- Serving as Tasmanian jurisdictional planner in the National Electricity Market (NEM)
- Connecting new customers to the network, including small and large-scale generators
- Investing in the network to support capacity growth
- Via 42-24, providing telecommunications, data centre, and information technology services to customers, including those in the Tasmanian electricity supply industry.

Our locations

Our field-based team members are located at four major resource centres in Cambridge, Rocherlea, Devonport, and Burnie, and at sub-stations and regional depots across the state. Our training centre is in Mornington, and we have administrative offices in Lenah Valley and Rocherlea.

What it takes to deliver your power



March 2024

Our strategy

Our strategy reflects the areas of critical change needed over the next five to 10 years to deliver our purpose and achieve our vision

Our strategy is centred on our core business – to deliver safe, reliable, and affordable electricity services to Tasmania – while ensuring we have a business that is adaptable and ready for changes that our customers ask of and need from us.

We have developed three strategic pillars to clearly define the priorities we need to focus on to navigate the shifts in our external operating environment, stay focused on what is important to our customers and the Tasmanian community, and achieve our key business objectives.



Understand and respond to our **customers and communities**

By better understanding what is important to our customers and the Tasmanian community, we will deepen our strong relationships with them, be better positioned to tailor our services, and build their trust in us.



Deliver **operational excellence**

Through our continued commitment to improving the way we do things, we remain focused on getting the foundations right to keep our people and the environment safe, and managing our operations efficiently to keep our cost to serve as low as possible.



Innovate in a targeted way

We are targeting areas of our network and ways of working to improve our performance and keep prices affordable for customers. We will respond to shifts in the energy industry and adapt to changing customer needs through innovation.

Strategy on a page



Key performance measures

We have aligned our performance measures to our four key business objectives. They articulate the key areas we seek to deliver against on a long-term basis to achieve our purpose.

Our key business objectives are as follows:

1. **Enhance the safety and wellbeing of our people:** We do not compromise the safety and wellbeing of our employees, our customers, our communities, or our environment
2. **Deliver value for our customers:** We deliver value for our customers and strive to meet their expectations in every action we take
3. **Supply reliable essential services:** We deliver and enable reliable and sustainable essential services and we recognise our role to serve and create value for the benefit of Tasmanians
4. **Provide a sustainable financial return:** We seek to be an affordable service, while providing sustainable profits back to our shareholders, the Tasmanian Government.

We also track and report internally to Executive and Board on a range of supporting metrics and leading indicators, so that we can effectively cascade our group goals across the organisation at a level that drives appropriate accountability and visibility.

Metric	2024-25	2025-26	2026-27	2027-28
Enhance the safety and wellbeing of our people				
Tier 1 incidents	≤ 8	≤ 8	≤ 7	≤ 6
Employee engagement (%)	≥ 65	≥ 70	≥ 75	≥ 75
Deliver value for our customers				
Customer satisfaction	≥ 7.6	≥ 7.7	≥ 7.8	≥ 8.0
Supply reliable essential services				
Transmission reliability	≤ 4	≤ 4	≤ 4	≤ 4
Distribution reliability	≤ 162	≤ 160	≤ 158	≤ 155
Provide a sustainable financial return				
Profit (\$m)	≥ 32.9	≥ 50.5	≥ 61.7	≥ 65.9

Measures are a target for 2024-25 and forecast for remaining years, and are defined as:

- Tier 1 Incidents: Number of serious injuries or fatalities (actual and potential)¹
- Employee engagement: % score at group-level from CultureAmp survey
- Customer satisfaction score out of 10
- Transmission reliability: Loss of system supply >0.1 system minutes
- Distribution reliability: System average interruption duration index (SAIDI)
- Net profit after tax (\$m)²

¹ Tier 1 - Classification as per the Safety Classification Model (High-energy serious injury/fatality - HSIF, Potential serious injury/fatality, PSIF, and Low-energy serious injury/fatality - LSIF)

² Targets are subject to the outcome of the Enterprise Agreement negotiations

DIRECTORS STATEMENT OF CORPORATE INTENT
AND
AGREEMENT OF SHAREHOLDING MINISTERS

The Board of Tasmanian Networks Pty Ltd agrees to provide the Shareholding Ministers with financial and other information as set out in this Statement of Corporate Intent.

In signing this Statement of Corporate Intent, the Board of Tasmanian Networks Pty Ltd commits to the targets proposed for the 2024-25 financial year, to the extent those targets are within Tasmanian Networks Pty Ltd control.

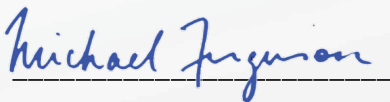
This Statement of Corporate Intent has been agreed between:



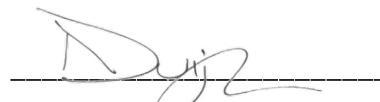
Roger Gill
Chair
Tasmanian Networks Pty Ltd
On behalf of the Board
Signed on: 29 July 2024

AND

Shareholding Ministers



Hon Michael Ferguson MP
Deputy Premier
Treasurer
Signed on: 20/09/2024



Hon Nick Duigan MLC
Minister for Energy and Renewables
Signed on: 9/10/2024



www.tasnetworks.com.au

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