Powerlink Queensland

Annual Report, Sustainability Report and Financial Statements

2025/26

Contents

Acknowledgement of Country

Powerlink acknowledges the Traditional Owners and their custodianship of the lands and waters of Queensland and in particular, the lands on which we operate. We pay our respect to their Ancestors, Elders and knowledge holders and recognise their deep history and ongoing connection to Country.

Reporting

This Annual Report has been prepared in accordance with the provisions of the *Government Owned Corporations Act 1993* (Qld), incorporating aspects of the *Financial Accountability Act 2009* (Qld) and the *Corporations Act 2001* (Cth), and is presented to the Legislative Assembly of Queensland. It contains Powerlink's Financial Report for 2025/26. Powerlink is the trading name of Queensland Electricity Transmission Corporation Limited ABN 82 078 849 233.

Our profile

Powerlink Queensland

Powerlink Queensland (Powerlink) is a leading Australian provider of high voltage electricity transmission network services, combining innovation with insights to deliver affordable, reliable and sustainable energy solutions.

We are a Government Owned Corporation (GOC) that owns, develops, operates and maintains Queensland's transmission network. Our network extends 1,700 kilometres (km) from Cairns to the New South Wales (NSW) border and comprises 15,697 circuit km of transmission lines and 156 substations.

Our purpose is to connect Queenslanders to a world-class energy future, providing electricity to more than five million Queenslanders and 241,000 businesses.

Through our unique central position in the power system, Powerlink is guiding the market to help influence the energy system of the future – one that balances customer needs while transforming to a future comprising a diverse array of generation and storage technologies.

As well as connecting large generators to end-use customers through the distribution networks owned by Energex and Ergon Energy Network (part of the Energy Queensland Group), and Essential Energy (in northern NSW), we also provide electricity directly to large industrial customers such as rail companies, mines and mineral processing facilities.

As Queensland's Transmission Network Service Provider (TNSP), we link to the National Electricity Market (NEM) via the Queensland to NSW Interconnector (QNI) transmission line. Powerlink's shared network is regulated by the Australian Energy Regulator (AER) under the National Electricity Law and the National Electricity Rules (NER).

Values

- Accountability
- Customer
- Teamwork
- Safety

Strategic objectives

- Drive value for Queenslanders
- Guide the market
- The right grid for tomorrow
- Unleash our potential

Figure 1: Queensland's electricity transmission network

2025/26 highlights

Celebrated **30 years** of Powerlink delivering transmission services for Queenslanders.

Delivered key aspects of the **Queensland Energy Roadmap** by progressing approvals and contract negotiations to commence construction of our Gladstone Project.

Progressed **113 connection applications** and completed **seven network connections**, delivering more than **2,100 megawatts** (MW) of new generation and storage to Queensland's power system.

Submitted our **2027-32 Revenue Proposal** to the AER, with the Revenue Proposal Reference Group stating the proposal was 'capable of acceptance' according to the agreed criteria, reflecting confidence in the engagement undertaken.

Improved regulated network projects performance with **on-cost delivery up 7% and on-time delivery up 12%** in FY25/26. These results reflect Powerlink's continuous focus on project planning, cost monitoring, and resource prioritisation.

Delivered **$375,000** in community grants to **95 initiatives** and activities across 18 Local Government Areas to support resilience, safety and wellbeing in communities.

Executed our first **Relationship Agreement** with Traditional Owners in Central Queensland, establishing a long-term relationship aligned with Powerlink's regional delivery programs.

Signed an agreement with Hitachi Energy to supply and install four **synchronous condensers** in Central Queensland to strengthen the electricity transmission network.

Ensured continuity of **CopperString** through the **transition** of the project to Queensland Investment Corporation (QIC).

Undertook a trial to use real-time weather data to **boost the capacity** of line transfers by **up to 40%**.

Held the inaugural Central Queensland Transmission Network Forum in Gladstone with more than **130 attendees**.

Achieved a **record attendance** of more than **700 people** at our Transmission Network Forum in Brisbane.

Launched the **Infrastructure Development Panel** to reliably deliver our pipeline of transmission projects.

Won the 2025 Australian HR Award for **Best Graduate Program**.

Reached more than **5,000 senior students** through our **School Roadshow** across Queensland to build our early career pipeline as well as our contribution to the industry's future pipeline.

Welcomed **21 new apprentices** in the 2025 intake which lifted the overall apprentice cohort to 86.

Financial overview

In FY25/26, Powerlink reported a financial loss of $128.9 million which was $145.4 million below the Statement of Corporate Intent (SCI) Net Profit After Tax (NPAT) target of $16.5 million.

Powerlink's FY25/26 financial result is primarily due to changes in the delivery strategy for some major projects, many outside of Powerlink's control. Some costs have been required to be written off, negatively impacting the profitability of Powerlink.

Powerlink's performance this financial year has no impact on operations or the maintenance program that delivers a safe and reliable network for Queensland.

Key SCI performance metrics are reported in the Summary of SCI 2025/26 table.

Powerlink business performance

The total revenue for the financial year was $1,202.8 million driven by favourable early project energisation and Inter- and Intra-Regional Settlement Residues which were lower than budgeted. Other revenue streams amounted to $49.2 million, including interest revenue and customer works services related to connection enquiries, applications, and oil testing and laboratory services.

The controllable operating expenses for the financial year were $397.4 million, which is 4% below budget.

Cost pressures across the transmission industry continue to influence operating expenditure (OPEX) and capital expenditure (CAPEX). Powerlink remains focused on delivering value for customers, communities and shareholders. This year, continued emphasis has been placed on mitigating inflationary impacts through further gains in workforce productivity, enhanced supply chain resilience and disciplined cost management.

Capital investment

Powerlink's CAPEX in the financial year totalled $1,005.8 million, $676.0 million below the $1,681.8 million SCI target. This spending included $190.2 million for the CopperString project.

Borrowings

During the financial year, Powerlink increased its debt financing to $6.8 billion, up from $6.4 billion in the previous year. This increase in debt was utilised to fund growth in regulated and non-regulated businesses.

Dividends

Powerlink's dividend policy is to declare dividends based on 100% of its NPAT. No dividend was declared for the year.

Summary of Statement of Corporate Intent 2025/26

Powerlink's SCI for 2025/26, as agreed with shareholding Ministers, details Powerlink's performance targets, priorities and strategies. The following table sets out the key financial and non-financial indicators in the SCI and Powerlink's performance against them. Further details on performance outcomes are provided throughout the report.

Objectives	2025/26 Performance targets	2025/26 Performance outcomes	2025/26 Performance favourability
Meet financial targets			
Achieve specified financial performance			
Earnings Before Interest and Tax (EBIT) [1 & 2]	$301.8 million	$101.7 million	○
Net Profit After Tax (NPAT) [2]	$16.5 million	-$128.9 million	○
Performance Against Regulated Allowance – CAPEX	≤ +$193.0 million	+$122.9 million	●
Performance Against Regulated Allowance – OPEX	≤ +$72.0 million	+$64.3 million	●
Deliver shareholder value			
Deliver targeted dividends and returns to shareholders			
Return on Assets [3]	3.0%	1.1%	○
Dividend (Paid and Provided) [4]	$16.5 million	Nil	○
Deliver our capital works program			
Develop the Queensland transmission grid to maintain reliability and meet customer requirements			
CAPEX	$1,681.8 million	$1,005.8 million	N/A
Meet non-financial targets			
Achieve specified safety performance			
Health and Safety Assurance and Learning – delivery against plan	≥ 85.0%	96.0%	●
Asset Management System Assurance	≥ 90.0%	100.0%	●
Ratio of overdue routine maintenance	≤ 5.0%	1.2%	●
Electrical Asset Injury Ratio	≤ 10.0%	0.0%	●
Compliant with relevant environmental legislation			
Number of major, extreme or catastrophic environmental incidents	0	0	●
Achieve network performance targets			
System reliability parameters			
Events in excess of 0.05 system minutes	≤ 3	2	●
Events in excess of 0.40 system minutes	≤ 1	0	●
Increase Queensland Capacity Network Pty Ltd (QCN Fibre) contracted capacity			
Increase in total contracted capacity	≥ 12.0%	13.6%	●

Legend: ● Favourable to target ○ Within range (e.g. 5%) of target ○ Unfavourable (e.g. outside 5% of target)

1. The SCI EBIT includes an adjustment for finance charges, interest revenue and the AASB15 upfront payment revenue.
2. EBIT and NPAT – below target, driven by one-off impairment losses.
3. Return on Assets – below target, driven by lower actual EBIT results.
4. Dividend (Paid and Provided) – below target, due to the reported financial loss.

A message from our Chair

For more than 30 years, Powerlink has been at the heart of the State's energy system.

Since our establishment in 1995, Powerlink has delivered the critical infrastructure and industry-leading practices that underpin a safe, reliable and resilient transmission network for Queenslanders. From major milestones such as the commissioning of the QNI and the connection of the State's first large-scale renewable projects, this anniversary recognises the dedication of our people and a foundation for the future as we continue to support Queensland's energy transformation.

The Queensland Government's 2025 Energy Roadmap highlighted the important role Powerlink plays in meeting Queensland's future energy needs. The Gladstone Project, which includes reinforcement work in Central Queensland, will ensure the reliability of the electricity network as the region prepares for the eventual retirement of the Gladstone Power Station. The procurement of four synchronous condensers in April was a major milestone for this project.

CopperString represents a significant economic development opportunity for the State. Our team has worked in collaboration with QIC to ensure continuity and a successful transition of the CopperString project.

It has never been more important or challenging for a network business to get the balance right between investment to ensure reliability and minimising price impacts for its customers. This financial year we submitted our 2027–32 Revenue Proposal, which outlines our plan to deliver safe, reliable and cost-effective prescribed transmission services to more than five million Queenslanders.

Extensive engagement was undertaken with representatives of our Customer Panel in the development of the Revenue Proposal, and I want to thank them for their contribution and influence on the proposal. We are continuing to engage with the AER.

Authentic engagement with our customers, communities, First Nations peoples and landholders remains a priority as we share more information on our activities and use feedback to improve decision making. Delivery of the largest community sentiment survey in Queensland, community benefit and social performance framework, and our network of on-the-ground engagement teams demonstrates Powerlink's commitment to truly listening to our communities.

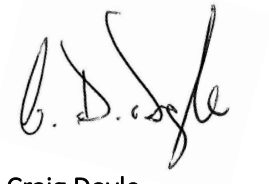
In FY25/26 Powerlink recorded a financial loss of $128.9 million. This figure reflects the appropriate accounting treatment of project costs associated with changes to the scope, timing and delivery of a number of major projects. While these one-off decisions have impacted this year's reported result, they do not reflect the company's strong underlying financial position or impact our ongoing operations. We remain committed to investing in our people and network to deliver affordable, reliable and sustainable electricity for Queenslanders.

It was with great pleasure that I joined the Powerlink Board as Chair in October. I want to recognise the significant contribution of our outgoing Chair, Kathy Hirschfeld AM, and long-serving Board Director Alan Millis, as well as our other Board Directors.

This year we farewelled our Chief Executive, Professor Paul Simshauser AM. Paul had an enormous impact on the organisation over five years, and he leaves Powerlink well placed to continue navigating the evolving energy environment.

We also welcomed Powerlink's fourth permanent Chief Executive in our 30-year history, Dr Seán Mc Goldrick. Seán's experience in leading major transmission programs across Australia and internationally will strengthen Powerlink's focus on delivering reliable and affordable power to Queenslanders. The Board and staff also acknowledge the tireless work of Interim Chief Executive, Darryl Rowell, and the dedicated Executive Team who ensured the organisation remained focused throughout this leadership transition.

I also want to thank the current Board and all Powerlink team members for their passion and commitment as we deliver Queensland's energy system of the future.



Craig Doyle
Chair

Board of Directors and Executive Team

Board of Directors

Craig Doyle
Chair (Appointed 2025)
MBA (Technology Management), Post Grad Management, Assoc Dip (Applied Science)

Wayne Collins
Director (Appointed 2020)
BE (Elect), BBus, MIEAus, GAICD

Liz Cunningham
Director (Appointed 2025)
Diploma of Theology (Dip Theol)

Richard Douglas
Director (Appointed 2025)
Master of Business and Technology (UNSW), GAICD

Diana Lollato
Director (Appointed 2025)
Grad Dip Applied Finance and Investment (FINSIA), GAICD

Craig McClintock
Director (Appointed 2025)
BE.Mech (Hons), RPEQ, M.IEAUS, M.AIRAH, M.ASHRAE, CMVP, GAICD

Peta Tilse
Director (Appointed 2025)
B Bus (Banking & Finance), Grad Dip (Applied Finance), M App Fin, SF FINSIA, GAICD

Executive Team

Dr Seán Mc Goldrick
Chief Executive (commenced 29 June 2026)
BA (Mathematics), BAI (Engineering), PhD (Molecular Physics)

Darryl Rowell
Interim Chief Executive
BCA, MBA, FCPA, GAICD

Leigh Pickering
Acting Chief Financial Officer
BEcon, GAICD

Stewart Bell
Executive General Manager Operations and Planning
BEng (Hons), PhD (electrical), MBA, CEng, FIET, RPEQ, GAICD

Jacqui Bridge
Executive General Manager Network Investment
BEng (Hons), GAICD, FIEAust, CPEng, EngExec

Sarah Huang
Executive General Manager Delivery and Technical Solutions
BEng (Electrical), MEngSci (Power System), CPEng, RPEQ, GAICD

Des Kluck
Acting Executive General Manager Corporate Services
GCAppLaw, GCWR

Ian Lowry
Executive General Manager Major Projects
BE (Elec) (Hons), GDipBus, GAICD

David Sinnamon
Acting Executive General Manager, Field and Asset Management
BEng (Electrical), MIEAust, RPEQ

Non-financial performance

Delivering the Queensland Energy Roadmap

The Queensland Energy Roadmap reinforces the important role Powerlink, and the transmission network, plays in meeting Queensland's future energy needs.

Reinforcing the Central Queensland network

The Queensland Energy Roadmap highlighted the importance of Powerlink delivering a vital reinforcement of the electricity network in Central Queensland.

A strategic priority for Powerlink, this critical program of transmission upgrades and system strength provision will ensure the safety, reliability and security of the transmission network as the region prepares for the eventual retirement of coal generation and heavy industry moves toward electrification of their operations.

Key achievements for Stage 1 (Calvale to Calliope River Transmission Line Project) in FY25/26 included:

- Community engagement for Stage 1's Ministerial Infrastructure Designation (MID) Report was undertaken in 2025. MID approval for Stage 1 of the Gladstone Project was received in July 2026.
- Strong progress was made on environmental approvals under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), with the submission and approval of a final Public Environment Report by the Department of Climate Change, Energy, the Environment and Water.
- Powerlink undertook a tender process to award contracts for initial clearing and access and main construction works. Successful contractors will be announced in early FY26/27 with works commencing shortly thereafter.

For Stage 2 (Bouldercombe to Larcom Creek), a key focus has been determining approval pathways and undertaking early studies, along with initial phases of community and landholder engagement.

Maximising local participation and employment opportunities is a key focus of the project delivery strategy.

System strength and remediation

System strength is the network's ability to maintain stable voltage during normal operations and when there is a disturbance like a sudden change in generation or load, or an unexpected electrical fault. As Queensland's designated System Strength Service Provider, Powerlink is required to plan, procure and make available system strength services as set out in the Australian Energy Market Operator's (AEMO) annual System Strength Report.

Powerlink has contracted system strength services with a range of proponents of non-network solutions to meet immediate system strength requirements. Engagement with providers of non-network solutions continues to ensure system strength services are provided by an efficient combination of network and non-network solutions.

Powerlink is investing in synchronous condensers in Central Queensland. A synchronous condenser is a large rotating machine that acts like a shock absorber to smooth out fluctuations in the electricity grid to maintain system strength.

Following detailed network planning analysis and consideration of social, environmental and economic factors, four units were identified for installation across three locations – two at Calliope River Substation, one at Nebo Substation and one at Stanwell Substation.

April 2026 marked a significant milestone for this project with Powerlink announcing an agreement with Hitachi Energy to supply and install the four synchronous condensers. The first two units are planned to be operational in early 2029 with the remaining two to follow later that year.

In August 2025, in collaboration with RATCH Australia Corporation, a clutch was commissioned on the Townsville Power Station gas turbine unit, enabling it to operate in synchronous condenser mode. This represents a significant milestone for system security in North Queensland, delivering system strength services to address a network need.

CopperString project

The CopperString project represents a significant investment in economic infrastructure in North and North West Queensland by the Queensland Government.

Non-financial performance

Following the release of the Energy Roadmap, QIC is progressing the development and delivery of CopperString. Powerlink has worked closely with QIC on the project transition, which will be completed early FY26/27.

Throughout this transition phase and to ensure project continuity, Powerlink's CopperString team focused on a limited scope of early works for the Eastern Link of the project (Townsville to Hughenden) and achieved several milestones this year:

- MID approval received for the Flinders Substation. This substation will feed new energy generation across the Flinders Shire into the project's Eastern Link, connecting to the NEM.
- Invitation to Tender released and the award of the bulk earthworks contract for the Flinders Substation.

Connections Guarantee

The Connections Guarantee is a key deliverable under the Energy Roadmap. For Powerlink, the Connections Guarantee focuses on connection applications for large-scale generation, storage and loads connecting to the transmission network.

Powerlink has worked with the Queensland Government to establish four reporting targets commencing from 1 July 2026 – response to connection enquiry, response to performance standard package, negotiation of access standards, and connection delivery. Powerlink will report annually against these performance measures.

Driving value for communities

Community engagement

Communities play a key role in the transformation of Queensland's energy system. Input from the community guided the vegetation management approach and the installation of new amenities along the 2.7km Bayview Heights to White Rock Underground Cable Project in Cairns.

The project, which is now in its maintenance phase, involved refurbishing critical underground high voltage transmission cables supplying power in Cairns and Far North Queensland. Community input was integral to minimise impacts on residents and support the progressive planting of around 24,000 shrubs and grasses.

Local supplier engagement

This year Powerlink, in partnership with the Department of State Development, Infrastructure and Planning, launched and delivered the first stage of the Supplier Capability Development Program in Central Queensland.

The first stage of a planned three-part supplier capability series of workshops was delivered in April 2026 in Biloela, Gladstone and Rockhampton. The first workshop focused on supplier capability statement development and helping local and Indigenous businesses to learn how to present their capability.

To date, 597 local suppliers have registered on the Industry Capability Network Gateway, the project's digital platform established for businesses to showcase their capability and submit their interest for packages of work.

First Nations engagement

In FY25/26, Powerlink finalised its Indigenous Relationship Framework. This framework enables co-designing agreements with Traditional Owners that are voluntary, cover the Whole-of-Country relevant to our work and are built on respect, flexibility and partnership. In Central Queensland, Powerlink executed its first Relationship Agreement with Traditional Owners, establishing a long-term partnership aligned with Powerlink's regional delivery programs. Several other agreements within the region are advancing toward execution and delivering tangible outcomes.

Regional presence

Powerlink continued to expand its footprint in Gladstone with a team of 57 people based in Central Queensland, including 16 apprentices.

In North Queensland, we currently have a team of 76 people based in the Townsville region, including 12 apprentices.

Non-financial performance

Supporting our communities

Powerlink's Community Grants Program provides grants of up to $5,000 for initiatives and activities that enhance community wellbeing, resilience and economic outcomes.

This year we awarded $375,000 to support 95 initiatives and activities across 18 Local Government Areas in Queensland.

Powerlink continued its valuable sponsorship of Capricorn Helicopter Rescue Service (CapRescue) in Rockhampton and renewed its partnership with the State Emergency Service (SES), which is now in its eleventh year.

Driving value for customers

Prioritising customers

Powerlink's Customer Panel continued to provide valuable input and feedback on key operational and strategic topics relevant to our business. The panel brings together a diverse range of customer representatives including large generators and loads, consumer advocates, industry associations and government.

Our annual Stakeholder Perception Survey involved in-depth interviews to understand trust drivers, reputation and company performance. These findings directly inform our planning, guide engagement strategies and support ongoing improvement.

The Energy Charter

Powerlink's Energy Charter Disclosure Statement shares information about the outcomes we delivered for customers and communities. Powerlink's FY25/26 Energy Charter Disclosure Statement will now be delivered as an online dashboard available on the Powerlink website in early FY26/27.

2027–32 Revenue Proposal

Powerlink's 2027–32 Revenue Proposal outlines our plans from 1 July 2027 to 30 June 2032. In developing our plan of future network investment needs, we have aligned with the Queensland Government's Energy Roadmap which charts a path to meet the State's energy needs over the next five years and beyond.

Following extensive engagement with our customers, the Revenue Proposal Reference Group, the AER and the AER's Consumer Challenge Panel, Powerlink submitted its 2027–32 Revenue Proposal in January 2026. Importantly, members of the Customer Panel stated the proposal was 'capable of acceptance' based on the criteria that applies to the Customer Panel and the Revenue Proposal Reference Group.

The AER is expected to release its draft decision in September 2026 with a final decision due in April 2027.

Operating a world-class network

Powerlink's network continued to operate safely and reliably amid a period of unprecedented operational complexity.

Significant progress was made in modernising the operational environment, with work continuing on the replacement of the outage management system along with embedding the new network incident management system into business-as-usual operations.

End-to-end outage management and access coordination processes have seen significant organisational review to enable critical maintenance, network upgrades and major customer connections to be delivered without compromising system security and safety.

Implementation of the Advanced Energy Management System

The Advanced Energy Management System (AEMS) program remains one of Powerlink's strategic priorities. The AEMS will replace the organisation's long-serving Energy Management System to ensure we maintain our ability to monitor and control the transmission network into the future. This project remains on track for commissioning in August 2027, with Powerlink successfully undertaking factory acceptance testing. Preparations have commenced for site acceptance and to ensure the core capabilities of the system are accepted well in advance.

Non-financial performance

Transmission Annual Planning Report

Powerlink's Transmission Annual Planning Report (TAPR) provides a 10-year outlook on the existing and future transmission network in Queensland, including energy and demand forecasts, committed generation, current projects, potential future transmission network investments and non-network solutions.

The 2025 TAPR highlights the acceleration of new generation and storage projects, the impact of rooftop solar photovoltaic uptake on minimum demand and the potential for increasing demands of large industrial customers.

The TAPR aligns with the Queensland Government's Energy Roadmap, and outlines Powerlink's staged development model that will accommodate future load growth and generation patterns.

Network performance

Powerlink's network demonstrated resilience as it operated safely through extreme weather conditions including statewide floods, Tropical Cyclone Koji and Narelle and the impacts of tropical lows post-cyclones.

Queensland experienced an unusually hot October, with the 30 minute maximum operational demand record broken four times before reaching a new October record of 10,113MW at 17:30 on Monday 27 October 2025 (with the five minute demand peaking at 10,168MW at 17:05).

Queensland continued to experience declining minimum operational demand, with August 2025 recording the three lowest demand events on record. The lowest observed demand was 2,790MW at 13:00 on 31 August 2025.

Emergency management

Operation Energise was deployed to assist the Bundaberg community during the March 2026 flood event. Operation Energise mobilises volunteer Powerlink electricians and apprentices to restore power and ensure electrical safety in homes and community centres.

Network maintenance

Maintenance is a critical priority for Powerlink to ensure asset safety and reliability. Routine maintenance is closely monitored, with Powerlink consistently surpassing its annual Key Performance Indicator of 98% completion.

Maintenance on transmission assets 2025/26	
98.8% of planned maintenance completed	$120.6 million invested in maintenance

Our current transformer replacement program continued in FY25/26. As at 30 June 2026, 165 current transformers have been replaced. A further 208 have been identified for replacement in FY26/27. This program focuses on the potential failure of current transformers due to a manufacturing issue.

The impacts of restricted substation site access due to this issue, in addition to adverse weather conditions, created challenges to our planned routine maintenance.

Any maintenance past its delivery date is subject to a process involving a risk-based engineering assessment on each maintenance element to determine a revised maintenance end date.

Dynamic Line Rating trial

Powerlink is conducting a 12-month Dynamic Line Rating trial on two high voltage transmission lines spanning 200km.

The trial involves installing weather stations and on-conductor sensors at critical spans, leveraging cellular and satellite coverage to monitor conditions in real-time.

This technology aims to optimise existing network capacity by adjusting line ratings based on weather conditions, potentially reducing or deferring new infrastructure development.

As at June 2026, average capacity gains of 23% above existing ratings have been reported, with a 12% increase under post-contingent conditions. Under the most favourable weather conditions, capacity enhancements can reach up to 54%, often aligning with peak network demand periods.

Live substation work

This year, Powerlink passed a comprehensive safety audit from global leaders, RTE International, for live substation work. The audit reviewed governance, training, tools and facilities, observing live line work on site and speaking directly with operators, engineers and leaders.

Non-financial performance

Powerlink was the first transmission business in Australia to undertake live substation work having received its first accreditation in 2001. Powerlink is now RTE International's Asia-Pacific Regional Hub Partner, providing engineering support to companies across the region.

Cyber security

Independent benchmarking and assurance activities supported Powerlink to continue to strengthen its cyber security posture against the Australian Energy Sector Cyber Security Framework. We also progressed response planning and investment to address priority recommendations from the Australian Signals Directorate Critical Infrastructure Uplift Program assessment.

Security of critical infrastructure

As a TNSP, Powerlink has obligations as a critical infrastructure operator under the Security of Critical Infrastructure (SOCI) framework. Consistent with these obligations, Powerlink submitted the SOCI attestation in August 2025 and finalised associated SOCI artefacts.

Strong performance in project delivery

Capital works program

Our approach to CAPEX supports a safe, reliable and affordable transmission service, delivering on our purpose of connecting Queenslanders to a world-class energy future. CAPEX in FY25/26 was $1,006 million.

CAPEX as a percentage of total capital works 2025/26	
CAPEX	**Percentage**
Regulated	38.8%
Non-regulated	33.9%
CopperString	18.9%

Regulated projects

Transmission developments and reinvestments (over $10 million) completed in 2025/26	
Region	**Project name**
North Queensland	Davies Creek to Bayview Heights 275 kilovolt (kV) Transmission Line Refit
	Woree 275kV Substation Secondary Systems Replacement
	Woree Substation SVC Secondary Systems Replacement
	Cairns 132kV Substation Secondary Systems Replacement
	Townsville South to Clare South Transmission Line Refit
	Alligator Creek – Eton 132kV Transmission Line Refit
Central Queensland	Nebo 132kV Substation Transformer Replacement
	Blackwater 132kV Substation Transformer Replacement
	Lilyvale 132kV Substation Transformer Replacement
Southern Queensland	Belmont 11kV Substation Replacement
	Tarong 275kV Secondary Systems Replacement
	Sumner 132kV Substation Secondary Systems Replacement
	Dense Wavelength Division Multiplexing (DWDM) Telecommunications Statewide Replacement

Transmission developments and reinvestments (over $10 million) under construction in 2025/26	
Region	**Project name**
North Queensland	Kamerunga 132kV Substation Rebuild
	Woree to Kamerunga 132kV Line Reinvestment
	Townsville South 132kV Substation Secondary Systems Replacement
	Townsville South 132kV Substation Primary Plant Replacement
	Innisfail 132kV Substation Secondary Systems Replacement
	Chalumbin 275kV Substation Secondary Systems Replacement
	Procurement of Spare 275kV Transformer to meet resilience requirements
	Ross 275kV Substation Transformer Replacement
	Ross 275kV and 132kV Substation Primary Plant Replacement

Central Queensland	Lilyvale 275kV and 132kV Substation Selected Primary Plant Replacement
	Gladstone South 132kV Substation Secondary Systems Replacement
	QAL West 132kV Substation Secondary Systems Replacement
Southern Queensland	Tangkam and Oakey 132kV Substation Secondary Systems Replacement
	Telecommunication Network Consolidation Radio Access Network
	Opswan And Mpls Replacement Radio Access Network
	Tarong 275kV Substation Transformer Replacement
	Replace 275kV IMB300 Circuit Transformers
	Redbank Plains 132kV Primary Plant Replacement
	Mt England 275kV Substation Secondary Systems Replacement
	Advanced Energy Management System

Regulatory Investment Test for Transmission and other network consultations

Powerlink is required to undertake the Regulatory Investment Test for Transmission (RIT-T) when potential solutions to replace network assets or increase network capacity exceed $8 million, as defined in the NER.

The purpose of the RIT-T is to identify the credible network or non-network option to address the identified need at the greatest net benefit, or least net cost, to the NEM, taking into account changes to Australia's greenhouse gas emissions where relevant.

RIT-T assessments completed in 2025/26
Addressing system strength requirements in Queensland from December 2025
Maintaining reliability of supply and addressing condition risks at Ingham South
Addressing the risk of current transformer failures in Northern, Central and Southern Queensland
Maintaining reliability of supply at Townsville South

RIT-T consultations underway as at 30 June 2026
Maintaining reliability of supply to Kamerunga, Cairns and northern beaches area
Addressing the risk of voltage transformer premature failures
Maintaining reliability of supply to the Atherton Tablelands and Cairns areas project specification consultation report
Maintaining reliability of supply at Tennyson
Maintaining reliability of supply and addressing condition risks at Ashgrove West

Procurement

Procurement for stage one of our reinforcement work in Central Queensland has been secured. Significant quantities of 275kV materials are being sourced including optical fibre ground wire, high temperature conductors and fog disc insulators. Powerlink also procured four synchronous condensers this financial year which are due to arrive in 2028. For more information about our work in Central Queensland, see the 'Delivering the Queensland Energy Roadmap' section.

Infrastructure Development Panel

The Infrastructure Development Panel is Powerlink's contemporary scalable model for engaging contractors across major projects, substations and transmission lines.

With an increase of project delivery work forecast over the next two to five years, the panel was established to ensure we can reliably deliver our growing pipeline of infrastructure projects by building stronger, more flexible and market-responsive supplier arrangements.

Connecting new generation and storage

Powerlink connects new generation, energy storage and large load customers to the transmission network, enabling Queensland's future. Powerlink's pipeline of connection works demonstrates the scale of future projects and investments in the State's power generation and energy storage.

Non-financial performance

In FY25/26, Powerlink undertook the following non-regulated customer network connections:

- Completed[1] the construction of seven connections comprising 2,198MW.
- Committed[2] nine projects comprising 2,353MW.
- 113 opportunities under the connection application process.

Completed[1] electricity non-regulated customer network connections in 2025/26	
Project	**Capacity (MW)**
Region: Central Queensland	
Stanwell BESS	300
Broadsound Energy Park	476
Region: Southern Queensland	
Swanbank BESS	250
Brendale (South Pine) BESS	205
Wambo Wind Farm Stage 2	247
Supernode BESS Stage 1 and 2	520
Woolooga BESS	200
Stanwell BESS	300

1. Completed projects are projects where all Powerlink works are complete. Generation may not be at full capacity as facilities may still be under construction or commissioning.

Committed[2] electricity non-regulated customer network connections in 2025/26	
Project	**Capacity (MW)**
Region: North Queensland	
Yabulu BESS	200
Gawara Baya Wind Farm	400
Region: Central Queensland	
Isaac Power Station	112
Smoky Creek Solar Power Station	300
Guthrie's Gap Solar Power Station	300
Region: Southern Queensland	
Supernode BESS Stage 3	260
Tangkam BESS	100
Lower Wonga Solar Farm	281
Brigalow Gas Peaking Station	400

2. Committed projects are projects under a Connection Project Delivery Agreement (CPDA) and/or a Connection and Access Agreement (C&AA).

Powering batteries in Queensland

This financial year, six Battery Energy Storage System (BESS) projects have proceeded to testing and commissioning. Once operational, this will add almost two gigawatts (GW) of additional storage capacity to the Queensland transmission network.

Our people

Our workforce

At the heart of Powerlink's performance is a committed workforce. We continued to build a skilled, diverse and adaptable team capable of meeting Queensland's evolving energy needs.

Powerlink's Apprenticeship Program welcomed 21 apprentices in the 2025 intake which lifted the overall apprentice cohort to 86 as at 30 June 2026.

Powerlink's Graduate Development Program supports long-term workforce sustainability and succession planning across the organisation through the 44 graduates currently on the program.

Future workforce engagement

Powerlink's Student Engagement Strategy engages students from early secondary school through to tertiary education with a focus on under-represented cohorts, particularly women and First Nations students.

Powerlink's two financial scholarships with Queensland University of Technology continued with the Else Shepherd Scholarship for Women in Engineering and the Powerlink Scholarship for First Nations Engineers being awarded for the second year.

Diversity, equity and inclusion

Powerlink continued to prioritise its inclusion program. As at 30 June 2026 we had:

- 8.68% gender pay gap
- 43% women on the Powerlink Board
- 31.4% of senior leadership positions held by women.

Workforce statistics

Our workforce was 2,008.41 Full Time Equivalent Staffing as at 30 June 2026.

Non-financial performance

Workforce demographics as at 30 June 2026	
Gender profile	
Woman	**Percentage of workforce**
Powerlink-wide	31%
Apprentices	23%
Leadership	32%
Executive	33%
Board	43%
Man	**Percentage of workforce**
Powerlink-wide	67%
Apprentices	76%
Leadership	65%
Executive	67%
Board	57%
Gender diverse	**Percentage of workforce**
Powerlink-wide	0.1%
Apprentices	0%
Leadership	0.3%
Executive	0%
Board	0%
Role profile	
Role	**Percentage of workforce**
Administration	12%
Professional	48%
Engineering	14%
Technical	21%
Apprentices	4
Age profile	
Age	**Percentage of workforce**
<20	1%
20–29	11%
30–39	24%
40–49	34%
50–59	23%
60+	8%

** The gender profile percentages for Powerlink-wide, apprentices and leadership do not add up to 100, reflecting that 2% preferred not to say.*

Employee engagement and development

Powerlink's sixth annual Employee Engagement Survey was undertaken in May and received a response rate of 81%.

Reconciliation

Another major milestone was reached this year with the delivery of our second Reconciliation Action Plan (RAP). Our Innovate RAP is a step forward in strengthening relationships with Aboriginal and Torres Strait Islander peoples.

Industrial relations

Powerlink continued to apply the Working at Powerlink Agreement and Managers' Agreement. Both agreements are set for four years, expiring in early 2028.

Our commitment to safety

Committed and accountable

Powerlink continued to mature its approach to health and safety. A detailed assessment of the organisation's current practices and systems of work was undertaken to further enhance the protection of our people, contractors and communities.

Powerlink advanced its approach to contractor and community safety with the development of a Contractor Management Framework. The framework clarifies expectations, improves consistency and strengthens safety outcomes when operating as a principal contractor.

Psychological safety and psychosocial risk management

Powerlink continued to embed its structured Psychosocial Risk Management Framework which included implementing psychosocial risk assessment tools to better identify, assess and manage hazards. This reflects Powerlink's commitment to supporting employee

Non-financial performance

Electrical Safety Management System

Powerlink's Electrical Safety Management System retained certification under the *Electrical Safety Act 2002* (Qld). We are working in collaboration with Queensland's Electrical Safety Office to understand and adapt our audited Safety Management System to the new requirements of Queensland's Electrical Safety Regulator.

Community electrical safety

Powerlink continued to prioritise community electrical safety through a range of targeted initiatives that support our long-standing Safe for Life approach. During the year, we strengthened governance and capability with the development of the *Community Electrical Safety Action Plan 2025–2030*.

Powerlink expanded its community and stakeholder engagement through updated safety information resources, ongoing easement co-use arrangements with landholders and collaboration with emergency service agencies.

Engagement with local councils, rural and agricultural stakeholders, and participation in key industry and safety forums further reinforced awareness of electrical and bushfire safety risks associated with transmission infrastructure.

Environmental, social and governance

Powerlink takes a balanced approach to environmental, social, governance (ESG) and sustainability while seeking to place downward pressure on electricity prices.

Climate change and greenhouse gas emissions

In line with Australian Sustainability Reporting Standards, Powerlink developed and submitted its inaugural FY25/26 Sustainability Report. This report details Powerlink's climate-related risks, opportunities and emissions.

We also submitted our FY24/25 Annual Report on energy and greenhouse gas emissions to the Clean Energy Regulator under the National Greenhouse and Energy Reporting Scheme. An independent limited assurance audit verified the report, and we remain compliant with the *National Greenhouse and Energy Reporting Act 2007* (Cth).

Modern slavery

We submitted Powerlink's FY25/26 annual statement and met our ongoing obligations as outlined in the *Modern Slavery Act 2018* (Cth). Powerlink's statement detailed our focus on enhancing our core capabilities for identifying, assessing and responding to modern slavery risks, and our approach to working collaboratively with suppliers and industry peers. It also identified the essential pillars for implementing focused, effective and measurable key controls for ongoing modern slavery risk mitigation.

Corporate performance

Corporate governance

Powerlink is a GOC under the *Government Owned Corporations Act 1993* (Qld) and is a registered public company under the *Corporations Act 2001* (Cth). The Board of Directors has overall responsibility for corporate governance.

Directors are appointed by the Queensland Government and the Board reports to the nominated shareholding Ministers.

Powerlink's shareholding Ministers during FY25/26 were:

- Treasurer, Minister for Energy and Minister for Home Ownership
- Minister for Finance, Trade, Employment and Training.

The Queensland Government has published its Corporate Governance Guidelines for GOCs which includes a Code of Conduct and Conflicts of Interest Best Practice Guide for GOCs. The guidelines outline the expectations of shareholding Ministers and describe a set of comprehensive corporate governance principles, and proper disclosure and reporting arrangements that are appropriate to GOCs. There were no revisions made to the Guidelines that required changes to Powerlink's corporate governance arrangements in FY25/26.

Corporate governance in Powerlink is managed through a framework of policies approved by the Board and supported by standards, procedures and practices developed by management. The corporation commits to and regularly reviews these to ensure appropriate accountability and control systems are in place.

The Powerlink Board is responsible for the overall corporate governance of the corporation, setting the strategic direction articulated in Powerlink's SCI and five-year Corporate Plan.

The Board sets goals for management and establishes the policies and operational framework for the corporation. It monitors performance of the corporation, its Chief Executive and senior management through regular direct reporting and via established committees.

Details relating to Powerlink Directors, Board Committee composition and meetings in FY25/26 are set out in the Directors' Report. The table below sets out the balance and tenure of Board members at Powerlink as at 30 June 2026.

Board balance	Board tenure	
1 Non-Executive Chair	0–2 years	1
6 Non-Executive Directors	0–2 years	5
	2–4 years	0
	4–6 years	1

Corporate governance framework

Shareholding Ministers

Powerlink has two shareholders who hold the shares on behalf of the state of Queensland. Our shareholding Ministers as at 30 June 2026 were:

The Honourable David Janetzki MP, Treasurer, Minister for Energy and Minister for Home Ownership, holding 50% of the A class voting shares.

The Honourable Rosslyn Bates MP, Minister for Finance, Trade, Employment and Training, holding 50% of the A class voting shares and 100% of the B class non-voting shares.

Powerlink Board

The Powerlink Board establishes the overall corporate governance of the corporation and is responsible for:

- setting the corporation's values and standards of conduct and ensuring that these are observed
- setting the risk appetite within which the Board expects management to operate
- providing leadership of the corporation within a framework of prudent and effective controls
- setting the corporation's direction, strategies and financial objectives, and ensuring that all necessary resources are available for the business to meet its objectives
- endorsing the SCI
- monitoring financial outcomes and the integrity of reporting, in particular approving annual budgets and longer-term strategic and business plans
- monitoring management's performance and implementation of strategy and ensuring appropriate processes for risk assessment, management and internal controls are in place
- ensuring an effective system of corporate governance exists
- disclosing to shareholding Ministers' relevant information on the operations, financial performance and financial position of the corporation and its subsidiaries
- selection and appointment of the Chief Executive
- providing formal delegations of authority to the Chief Executive and other specified officers.

Membership and meetings

- All Directors, including the Chair, are independent, non-executive Directors appointed by the Queensland Government in accordance with the *Government Owned Corporations Act 1993* (Qld).
- In FY25/26, the Powerlink Board held 12 regular Board meetings and two special Board meetings, which were supplemented with Flying Minutes. The attendance record of the Directors at meetings of the Board is presented in the Directors' Report section in the Annual Report.

Powerlink subsidiaries

- Harold Street Holdings Pty Ltd – acts as a holding company for investments made by the parent company
- Powerlink Transmission Services Pty Ltd – acts as a holding company for investments made by the parent company
- Queensland Capacity Network Pty Ltd – an entity established to operate as a data and telecommunications carrier, jointly owned with Energy Queensland Limited
- CopperString 2.0 Electricity Transmission Corporation Pty Ltd (CETC) – entity set up for the purpose of progressing a proposed transmission connection from Townsville to Mount Isa.

Corporate governance framework

Board Committees

Accountable to the Board:

- Audit, Risk and Compliance Committee
- People, Safety and Environment Committee
- Mega Projects (and CopperString) Committee

Audit, Risk and Compliance Committee

Chair: Peta Tilse

Members: Wayne Collins, Richard Douglas, Craig McClintock

The Audit, Risk and Compliance Committee supports the Board in fulfilling its responsibilities in relation to the integrity of the financial reporting processes (including climate-related disclosures), effectiveness of internal controls, reporting on issues relating to audit effectiveness and legal compliance. The Committee endorses Powerlink's internal audit program and risk management profile and provides a link between our auditors (internal and external) and the Board. The Committee meets with, and receives reports from, both internal and external auditors.

People, Safety and Environment Committee

Chair: Diana Lollato

Members: Craig Doyle, Liz Cunningham, Peta Tilse

The People, Safety and Environment Committee assists the Board in fulfilling its governance responsibilities and due diligence in relation to people, health and safety (which includes both personal and process safety) and the environment (including climate strategy and emissions). This is to be achieved by reviewing and reporting to the Board on the People Policy and Health, Safety and Environment Policy and their application relating to organisational strategies, obligations, performance and culture.

Mega Projects (and CopperString) Committee

Chair: Wayne Collins

Members: Liz Cunningham, Richard Douglas, Craig McClintock

The Mega Projects (and CopperString) Committee assists the Board in fulfilling its oversight responsibilities in the delivery of significant infrastructure projects, including the CopperString project. The Committee has been established to review and report to the Board in relation to the delivery of the program of transmission infrastructure Mega Projects associated with the transition of the power system and achievement of Queensland Government energy policies. The Committee is responsible for monitoring Powerlink's capacity and capability to deliver Mega Projects, including investment planning, governance, social performance and supply chain management. It oversees investment planning, governance, and endorses capital investment recommendations, while also monitoring project progress.

Executive Committees

Accountable to Chief Executive:

- Executive Committee for People, Health, Safety and Environment
- Executive Committee for Enterprise Resilience
- Executive Committee for Network Investment
- Executive Committee for Digital Technologies

Details of these committees are provided in Principle 7 below.

Corporate governance guidelines for GOCs – Queensland Government

Powerlink's corporate governance processes are consistent with the Guidelines issued by the Queensland Government. Powerlink's corporate governance arrangements in reference to the Guidelines are:

Principle 1 – Foundations of management and oversight

The Board Charter, which is available on the Powerlink website, describes the Board's functions and responsibilities. These include:

- setting the corporation's values and standards of conduct and ensuring these are adhered to
- setting the corporation's risk appetite within which the Board expects management to operate
- providing leadership of the corporation within a framework of prudent and effective controls which enable risks to be assessed and managed effectively
- in collaboration with management, developing and approving the corporation's direction, strategies and financial objectives, and ensuring that all necessary resources are available for the business to meet its objectives
- monitoring business performance outcomes and the integrity of reporting
- monitoring management's performance and implementation of strategy
- ensuring an effective system of corporate governance exists.

The Board and management work together to establish and maintain a legal and ethical environment and framework that ensures accountability. Day-to-day management of the corporation's affairs and the implementation of the corporate strategy and business initiatives are formally delegated by the Board to the Chief Executive and senior management as set out in approved Delegation of Authority instruments. These delegations are reviewed annually and as considered necessary.

The Powerlink Board undertakes an annual evaluation of the performance of the Chief Executive against pre-agreed business and individual targets. The Chief Executive evaluates the annual performance of each executive against pre-agreed business and individual targets and submits the outcomes of the evaluation to the Board for its consideration and approval.

The Board Handbook is a key resource which identifies the major reference documents that assist the Powerlink Directors in undertaking their roles and responsibilities. The Handbook serves as both an induction and an ongoing reference guide for Directors and is updated annually by the Company Secretary.

New Directors attend induction sessions which provide an overview of Powerlink's operations and policies, and information on the Board and Committee functions. The induction process assists the Directors to understand their roles and responsibilities.

Principle 2 – Structure the Board to add value

At 30 June 2026, the Board comprised seven independent non-executive Directors. All Directors are appointed by the Queensland Government in accordance with the *Government Owned Corporations Act 1993*. During FY25/26 the following new Directors were appointed to the Powerlink Board – Craig Doyle (Chair), Liz Cunningham, Diana Lollato, Richard Douglas, Craig McClintock and Peta Tilse. The following Directors finished their appointment – Kathy Hirschfeld AM, Kate Drews, Amanda Yeates, Prins Ralston, Joanna Brand and Alan Millis.

The Board comprises Directors with a broad mix of skills, experience and expertise aligned to Powerlink's strategic priorities and operating environment. These include energy infrastructure, financial and commercial management, governance and risk oversight, safety leadership, stakeholder engagement and major project delivery.

The Board's composition is regularly reviewed to ensure it maintains an appropriate balance of skills and experience to support effective oversight of the organisation's strategy and operations, including the evolving requirements of the energy transition.

The Directors' Report includes a listing of the terms of office and appointment date for each Director.

In the event of Directors requiring independent professional advice, it may be provided at the expense of Powerlink in accordance with internal policies. All Directors, including the Chair, continue to exercise independent judgement in the conduct of their responsibilities.

Corporate governance guidelines for GOCs – Queensland Government

The Board continually assesses the ongoing independence of the Directors. All Directors are required to disclose any actual, potential or perceived conflicts of interest including at the commencement of each Board meeting. Declared interests are recorded and permanently available to Board members. Conflicts declared in meetings are recorded in the minutes of the meeting.

All Directors are independent and no Directors are considered to have material supplier or customer relationships with the corporation. A pre-determined specific materiality threshold has not been established by the Board. The Board's assessment of materiality is undertaken on a case-by-case basis taking into consideration the relevant facts and circumstances that may impact Director independence.

The Board annually reviews the individual and collective performance of the Directors and the Board, either through a self-assessment by the Directors and input from the Chief Executive and Company Secretary, or through an external expert review, to assure itself that it operates in accordance with the Board Charter in the discharge of its responsibilities. A key element in this evaluation is the consideration of the continuing education and professional development of Directors.

In addition to business operational and performance matters, the Board specifically considers at each meeting the key issues relevant to the business including health, safety and environment, stakeholder engagement, risk and corporate governance.

In addition to the FY25/26 Board meetings, the Board held a series of strategic focus sessions to enable leadership to plan and respond to the rapidly evolving business environment. The Board considers its information requirements on an annual basis to ensure it is receiving appropriate information to effectively carry out its responsibilities.

Principle 3 – Promote ethical and responsible decision making

The Powerlink Board's Code of Conduct guides Directors in carrying out their duties and responsibilities, sets out expected standards of behaviour and includes policies relating to conflict of interest issues. A summary of this document is available on the Powerlink website.

The Board provides input to a Dealing in Securities Standard. The primary purpose of this standard is to mitigate the risk of inappropriate trading of shares by Powerlink employees, managers and Directors.

Each Director has a responsibility to declare any related interests which, as outlined in the Board Conflict of Interest Policy, are appropriately recorded and assessed for materiality on a case-by-case basis. Where appropriate, the Director does not participate in the Board's consideration of matters related to the interests disclosed.

All Powerlink Directors and management are expected to act with integrity and to enhance the reputation and performance of the corporation.

Principle 4 – Safeguard integrity in financial reporting

The Powerlink Audit, Risk and Compliance Committee approves the corporation's annual internal audit plan, endorses the risk management profile and provides a link between the corporation's auditors (internal and external) and the Board. The Committee meets with, and receives reports from, both the internal and external auditors over the duration of the financial year.

The Committee is responsible for considering the annual statutory financial statements for subsequent consideration and approval by the Board. The Chief Executive and Chief Financial Officer are required to provide an annual declaration that the financial statements represent a true and fair view and are in accordance with accounting standards. The processes the Chief Executive and the Chief Financial Officer have in place to support their certifications to the Board are also considered by the Committee.

The Committee also assesses and reports on issues relating to financial integrity, corporate processes for compliance with laws and regulations, codes of conduct and business risk management.

Principle 5 – Make timely and balanced disclosures

Powerlink has established processes to ensure it meets its disclosure and reporting obligations, including those to shareholding Ministers. Powerlink's reporting arrangements include the Annual Report,

Sustainability Report, regulatory reports, Powerlink website and other public disclosures.

Principle 6 – Respect the rights of shareholders

The Powerlink Board has a communication framework to promote effective communication with its shareholding Ministers. The Board aims to ensure that shareholding Ministers are informed of all major developments affecting the corporation. This includes regular meetings with shareholding Ministers' representatives and departments, and information communicated formally through quarterly progress reports and the Annual Report.

Each year, Powerlink prepares its SCI and five-year Corporate Plan, reflecting the outcomes of a comprehensive strategic and business planning process involving the Board and the Executive. Both documents are presented to shareholding Ministers.

Quarterly progress reports on performance against the SCI are endorsed by the Board and are submitted to shareholding Ministers.

Principle 7 – Recognise and manage risk

Risk assessment processes are inherent within Powerlink's business. Powerlink has an approved Risk Management Policy and supporting Risk Appetite Statements that provide an overall framework and structure for the management of risk within Powerlink. Management regularly reports to the Board on key enterprise risks.

An Executive Committee structure also operates in parallel with the Board Committees to address key strategic and operational priorities. Each of these Executive Committees submit reports to the Board, the Audit, Risk and Compliance Committee, or the People, Safety and Environment Committee, through the Chief Executive.

The Executive Committee for People, Health, Safety and Environment develops and directs Powerlink's people, health, safety and environmental management practices. The Committee develops appropriate strategic responses to people, health, safety and environmental issues, and ensures the management of risk and compliance with Powerlink standards and with relevant health, safety and environment legislation.

The Executive Committee for Enterprise Resilience has governance over the development, approval and improvement of Powerlink's approaches to security management, business continuity and the management of significant emergencies.

The Digital Technologies Executive Committee provides overarching governance and shapes strategic direction for digital technology, including both information technology and operational technology.

The Executive Committee for Network Investment provides strategic oversight to the proposed network investment program (regulated, non-regulated and power system transformation investments) to enhance decision transparency and ensure alignment with business priorities and objectives.

The corporation's internal control framework is designed to provide reasonable assurance regarding the achievement of the corporation's objectives. Implicit within this framework is the prevention of fraud (including corruption). Powerlink has a range of strategies and approaches that provides an effective integrity, fraud and corruption control framework that is integrated with the corporation's enterprise information management systems.

Powerlink's Code of Conduct documents aim to ensure that Powerlink employees and those carrying out work for Powerlink perform their work cost-effectively, efficiently, cooperatively, honestly, ethically and with respect and consideration for others.

Principle 8 – Remunerate fairly and responsibly

Powerlink seeks to develop individuals to attain the skills and motivation necessary to excel in an environment of high achievement. High priority is given to selecting the best person for the job at all levels in the corporation, recognising the benefits of diversity, and investing in that person's potential through further training and development.

The membership and responsibilities of the Board's People, Safety and Environment Committee are presented under the Corporate Governance Framework.

Corporate governance guidelines for GOCs – Queensland Government

Powerlink's remuneration framework is designed to:

- attract and retain high quality, talented people from competitive labour markets
- recognise and reward our people for performance outcomes and behaviours.

The Working at Powerlink Agreement and the Powerlink Managers' Enterprise Agreement underpin Powerlink's remuneration framework. The Agreements allow for Powerlink and its employees to respond to targets agreed with our shareholding Ministers and continue to focus Powerlink on developing a competitive and efficient workforce.

The remuneration framework provides the opportunity for performance-based payments for all employees engaged on a Total Employment Cost (TEC) contract with the payments directly linked to the performance of the business and the performance of the individual against pre-agreed performance targets. All TEC contracts are reviewed annually.

Powerlink's Chief Executive and Senior Executives also have their performance payments governed by the requirements of the Policy for Government Owned Corporations Chief and Senior Executive Employment Arrangements. Employees engaged under the Working at Powerlink Agreement may be eligible for performance-based payments that are delivered as gainsharing. The gainsharing payment is made subject to the corporation's profitability target being exceeded and key organisational performance measures and stretch targets being achieved.

The fees paid to Directors serving on the Board and on Board Committees are determined by the Queensland Government. Directors also receive reimbursement for expenditure incurred in performing their roles as Directors.

Shareholding Ministers' notifications

The following have been advised to Powerlink during 2025/26:

- 9 August 2025: Communication protocol for unplanned significant incidents
- 10 October 2025: Queensland Energy Roadmap 2025
- 1 January 2026: Queensland Procurement Policy 2026
- 27 March 2026: Audit and risk management
- 3 May 2026: Chief and Senior Executive Employment Arrangements
- 1 June 2026: 2026/27 Strategic Performance Expectations
- 3 June 2026: Government Owned Corporations Wages Policy 2025
- 15 June 2026: Conflicts of interest management

Corporate entertainment and hospitality

The GOC Corporate Entertainment and Hospitality Guidelines establish reporting requirements for GOCs. Powerlink's corporate entertainment and hospitality expenditure for FY25/26 totalled $63,414. There were no events above the individual reporting threshold of $5,000.

Human Rights Act reporting

Following the commencement of the Human Rights Act (Qld) in July 2019, Powerlink undertook a review of the possible areas where its operations may impact on protected human rights. Powerlink identified 10 areas of its operations where protected human rights may be affected. Operational areas identified included:

- ensuring property rights are respected when seeking to acquire property compulsorily
- respecting Indigenous rights when acquiring Native Title or affecting Indigenous Cultural Heritage
- allowing peaceful assembly on Powerlink's property.

Powerlink maintains a Human Rights Procedure and decision-making framework designed to ensure that proper consideration is given to human rights in the exercise of its functions and the making of decisions that may affect protected human rights. No human rights complaints were identified during the reporting period.

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Appendices: Statistical summary

Substations/switching stations and transformers added in 2025/26					
Voltage	Substations		Transformers		
	Total number	Location	Total number	Total rating (MVA)	Location
330kV	0		0	0	
275kV	2	H097 Aurumfield H170 Glencoe	-2	-5	Tarong 1TX (-90), Tarong 4TX (-90). Data corrections: South Pine 5TX (+50), Mudgeeraba 1TX (+50), Middle Ridge 2TX (+50), Middle Ridge 3TX (+50), Teebar Creek 1TX (-25)
132kV	0		-1	-50	Nebo 3TX replacement (-5+5), Cairns 4TX (-50)
110kV	0		0	0	
Total	**2**		**-3**	**-55**	

Substations/switching stations and communication sites as at 30 June 2026			
Voltage	Substations	Cable Transition	Communication
330kV	6	0	
275kV	55	1	
132kV	82	3	
110kV	13	5	
66kV*	0	0	
Total	**156**	**9**	**22†**

Power transformers as at 30 June 2026		
Voltage	Total	MVA
330kV	5	4,975
275kV	80	24,505
132kV	94	7,677
110kV	29	2,470
66kV*	0	0
Total	**208**	**39,627**

* equal to or less than 66kV

† 3 communication sites decommissioned: Gladstone Microwave Repeater, Mt England Repeater, Twin Ridge Repeater Site One correction: Table Mountain Repeater reactivated

Capacitor bank, shunt reactors and Static Var Compensators (SVCs) added in 2025/26							
Voltage	Capacitor banks		Reactors		SVCs		Location
	Total	MVAr	Total	MVAr	Total	MVAr	
330kV	0	0	0	0	0	0	
275kV	0	0	3	92	0	0	Aurumfield 1REAC (+44), Woree 1REAC (data correction +24), Woree 5REAC (data correction +24)
132kV	0	0	0	0	0	0	
110kV	0	0	0	0	0	0	
66kV*	0	0	0	0	0	0	
Total	**0**	**0**	**3**	**92**	**0**	**0**	

* equal to or less than 66kV

Appendices: Statistical summary

Circuit breakers added in 2025/26 (net)		
Voltage	Circuit breakers	Location
330kV	0	
275kV	7	South Pine (+4-2=+2), Mudgeeraba (-1), Ross (+2-1=+1), Lilyvale (+3-2=+1), Tarong (+1-3=-2), Broadsound (+1), Stanwell (+1-1=0), Teebar Creek (+1), Blackstone (+1), Blackwall (-1), Aurumfield (+2), Diamondy (+3), Greenbank (+1-2=-1)
132kV	-7	Woolooga (+1), Palmwoods (+1-1=0), Ross (+3-3=0), Yabulu South (-2), Tarong (-2), Townsville South (+3-3=0), Townsville GT Switchyard (-2), Gladstone South (-1), Columboola (-1)
110kV	-1	Redbank Plains (+2-2=0), Tangkam (+1-1=0), Blackstone (-1)
66kV*	1	Nebo (+2-1=+1)
Total	0	

* equal to or less than 66kV

Circuit breakers as at 30 June 2026	
Voltage	Total number
330kV	46
275kV	557
132kV	546
110kV	266
66kV*	23
Total	1,438

* equal to or less than 66kV

Transmission lines and underground cables as at 30 June 2026				
Voltage	Transmission line		Underground cable	
	Route km	Circuit km	Route km	Circuit km
330kV	0	0	0	0
275kV	187.9	186.8	1.22	1.22
132kV	-24.9	-50.3	0	0
110kV	0	0	0.8	0.75
66kV*	0	0	0	0
Total	163	136.5	2.02	1.97

* equal to or less than 66kV

Appendices: Statistical summary

Five-year history of transmission lines and underground cables as at 30 June 2026										
Voltage^	2022		2023		2024		2025		2026	
	Route km	Circuit km	Route km	Circuit km	Route km	Circuit km	Route km	Circuit km	Route km	Circuit km
Transmission lines										
330kV	427	838	427	838	468	919	490	948	490	948
275kV	6,655	9,664	6,656	9,665	6,661	9,674	6,723	9,796	6,911	9,983
132kV	2,776	4,411	2,776	4,412	2,777	4,413	2,756	4,372	2,731	4,321
110kV	220	416	220	416	220	416	220	416	220	416
66kV*	1	2	1	2	2	2	2	2	2	2
Total lines	**10,079**	**15,331**	**10,080**	**15,333**	**10,128**	**15,424**	**10,191**	**15,534**	**10,354**	**15,670**
Underground cables										
275kV	10	10	11	11	11	11	11	11	12	12
132kV	6	6	6	6	6	6	6	6	6	6
110kV	8	8	8	8	8	8	8	8	9	9
66kV*	0	0	0	0	0	0	0	0	0	0
Total cables	**24**	**24**	**25**	**25**	**25**	**25**	**25**	**25**	**27**	**27**
Total lines and cables	**10,103**	**15,355**	**10,105**	**15,358**	**10,153**	**15,449**	**10,216**	**15,559**	**10,381**	**15,697**

** equal to or less than 66kV*

^ as constructed voltages

Appendices: Glossary of key terms

ABBREVIATION	DEFINITION
AEMO	Australian Energy Market Operator
AEMS	Australian Energy Management System
AER	Australian Energy Regulator
BESS	Battery Energy Storage System
CAPEX	Capital Expenditure
C&AA	Connection and Access Agreement
CETC	CopperString 2.0 Electricity Transmission Corporation Pty Ltd
CPDA	Connection Project Delivery Agreement
DWDM	Dense Wavelength Division Multiplexing
EBIT	Earnings Before Interest and Tax
EPBC Act	*Environment Protection and Biodiversity Conservation Act 1999*
ESG	Environmental, social, governance
FY	Financial Year
GOC	Government Owned Corporation
GW	Gigawatt/s
KM	Kilometre/s
kV	Kilovolt/s
MID	Ministerial Infrastructure Designation
MW	Megawatt/s

ABBREVIATION	DEFINITION
MVA	Megavolt-Amperes
MVAr	Megavolt-Amperes Reactive
NEM	National Electricity Market
NER	National Electricity Rules
NPAT	Net Profit After Tax
NSW	New South Wales
OPEX	Operating Expenditure
QIC	Queensland Investment Corporation
QNI	Queensland to New South Wales Interconnector
RAP	Reconciliation Action Plan
RIT-T	Regulatory Investment Test for Transmission
SCI	Statement of Corporate Intent
SES	State Emergency Service
SOCI	Security of Critical Infrastructure
SVC	Static Var Compensators
TAPR	Transmission Annual Planning Report
TEC	Total Employment Cost
TNSP	Transmission Network Service Provider

Powerlink Queensland

Sustainability Report 2025/26

About this report

The FY25/26 Powerlink Queensland (Powerlink) Sustainability Report has been prepared in accordance with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2), issued by the Australian Accounting Standards Board (AASB), and the requirements of the *Corporations Act 2001* (Cth) as amended by the *Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024*.

The Sustainability Report presents Powerlink's climate-related disclosures for the organisation and its subsidiaries for FY25/26. References to Powerlink in this report include the organisation and its subsidiaries. This report should be read together with Powerlink's Financial Statements for the same period.

Powerlink had the following subsidiaries during the reporting financial year:

- Harold Street Holdings Pty Ltd
- Powerlink Transmission Services Pty Ltd
- Queensland Capacity Network (QCN) Pty Ltd
- CopperString 2.0 Electricity Transmission Corporation Pty Ltd (CETC).

QCN is the only active subsidiary of Powerlink. QCN does not meet the thresholds for standalone reporting under the Corporations Act. For the purposes of this disclosure, Powerlink's Board is responsible for disclosures on a consolidated basis, including QCN. QCN does not have a material impact on Powerlink's climate risk profile, as its telecommunications services leverage shared Powerlink and Energy Queensland Limited infrastructure. Refer to Powerlink's consolidated financial statements.

First-time adoption and transition reliefs

As this is Powerlink's first reporting period under AASB S2, the following transition reliefs available under AASB S2 Appendix C (Aus C1.1, C3 and C4) have been applied:

- Comparative information (AASB S2 paragraph C3): Powerlink has not disclosed comparative climate-related financial information for the preceding period in this first year of reporting.
- Use of the National Greenhouse and Energy Reporting (NGER) Scheme as the primary quantification framework: Established under the *National Greenhouse and Energy Reporting Act 2007* (NGER Act) and the *National Greenhouse and Energy Reporting (Measurement) Determination 2008* (NGER (Measurement) Determination), NGER forms the basis of Powerlink's greenhouse gas (GHG) emissions quantification methodology. Under the transitional jurisdictional relief provided by AASB S2 (2025–26), Powerlink has adopted NGER emissions factors for the calculation of its GHG emissions for FY25/26.
- Scope 3 GHG emissions (AASB S2 paragraph C4): Powerlink has not disclosed scope 3 GHG emissions in this first reporting period. Scope 3 disclosure is planned for inclusion from FY26/27.

Reporting boundary

In accordance with AASB S2 Appendix D (Aus 20.1 and Aus B38.1), Powerlink's reporting boundary for climate-related disclosures is consistent with the boundary used for Powerlink's financial reporting. This encompasses all entities in which Powerlink exercises operational control. GHG emissions are reported using the operational control approach, consistent with NGER Act methodology. This means emissions from all facilities and operations where Powerlink has the authority to introduce and implement operating policies are included. QCN's climate-related impacts are not material and are captured within this consolidated boundary.

Board governance and oversight

Powerlink's Board of Directors maintained active oversight of the organisation's approach to climate-related risks and opportunities throughout the reporting period.

Key governance arrangements underpinning this declaration include:

Board-level oversight

- The Board's Audit, Risk and Compliance Committee supported Board oversight of the integrity of Powerlink's financial reporting processes, including climate-related disclosure information, and reviewed and endorsed the Sustainability Report's climate-related disclosures.
- The Board's People, Safety and Environment Committee provided ongoing oversight of Powerlink's sustainability strategy, emissions performance, and climate resilience planning.
- The Board has been briefed on the requirements of AASB S2 and Australian Securities and Investments Commission (ASIC) Regulatory Guide 280 throughout the year.

Management accountability

- The Chief Executive and Chief Financial Officer provided the Board with sign-off on the accuracy and completeness of the information contained in the Sustainability Report.
- Powerlink's Executive Team has maintained oversight of the readiness program to ensure the organisation met its first climate-related disclosure obligations.

Key judgements, assumptions and measurement uncertainties

Powerlink's climate-related risks and opportunities are managed within a regulated operating environment. As Queensland's Transmission Network Service Provider (TNSP), Powerlink is subject to the Australian Energy Regulator's (AER) economic regulation, National Electricity Rules (NER) planning and investment requirements, and Queensland Government Owned Corporation (GOC) accountability obligations. These settings influence Powerlink's investment decisions, revenue recovery, network resilience planning and transition-related opportunities.

In preparing the Sustainability Report, Powerlink has applied significant judgement, including:

- determining which climate-related risks and opportunities are material and warrant disclosure
- selecting and applying climate scenarios and associated time horizons for assessing climate resilience
- determining the appropriate GHG emissions measurement methodology (NGER operational control approach) and emission factors (Clean Energy Regulator)
- classifying physical risks as acute or chronic and transition risks as policy, technology or market related.

Significant measurement uncertainties exist, particularly in relation to:

- climate scenario analysis with three-time horizons (2030, 2050 and 2070). Longer-term projections remain subject to uncertainty due to the evolving nature of climate change, including variations in future climate scenarios, policy responses, technological advancements and market conditions
- the evolving regulatory environment
- the assumptions embedded in the Intergovernmental Panel on Climate Change (IPCC) Shared Socio-economic Pathways (SSP) scenarios.

These uncertainties will be reduced as Powerlink's climate risk assessment capability matures.

See Basis of Preparation (Appendix A) for further detail on key judgements, assumptions and measurement uncertainties as it relates to the preparation of the Sustainability Report.

The presentation currency of the Sustainability Report is the Australian dollar (AUD), which aligns to the presentation currency used in the consolidated financial statements.

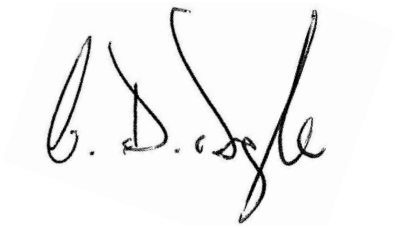
Directors’ declaration

For the financial year ended 30 June 2026

The Board of Directors declare that, in their opinion, Queensland Electricity Transmission Corporation Limited (trading as Powerlink Queensland) has taken reasonable steps to ensure that the substantive provisions of the Sustainability Report for the financial year ended 30 June 2026 (other than this Directors' declaration) is in accordance with the *Corporations Act 2001* (the Act), including:

- section 296C of the Act (compliance with applicable sustainability standards such as the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures); and
- section 296D of the Act (climate statement disclosures).

This declaration is made on 26 August 2026 in accordance with a resolution of the Board of Directors of Queensland Electricity Transmission Corporation Limited and is signed for and on behalf of the Board by:



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Craig Doyle, Chair of the Board

Queensland Electricity Transmission Corporation Limited

Date: 26 August 2026

1. Governance

1.1 Company profile

Purpose

Connecting Queenslanders to a world-class energy future.

Values

- Accountability
- Customer
- Teamwork
- Safety

Strategic objectives

- Drive value for Queenslanders
- Guide the market
- The right grid for tomorrow
- Unleash our potential

Powerlink is a leading Australian provider of high voltage electricity transmission network services, combining innovation with insights to deliver affordable, reliable and sustainable solutions.

Powerlink is a GOC that owns, develops, operates and maintains the high voltage electricity transmission network in Queensland. Our network extends 1,700 kilometres (km) from Cairns to the New South Wales (NSW) border and comprises 15,697 circuit km of transmission lines and 156 substations. Our purpose is to connect Queenslanders to a world-class energy future, providing electricity to more than five million Queenslanders and 241,000 businesses.

Powerlink's corporate governance processes are consistent with the policies and commitments of the Queensland Government and the expectations of shareholding Ministers.

1. Governance

SHAREHOLDING MINISTERS		
BOARD Responsible for overseeing climate-related risks and opportunities as well as sustainability initiatives		
COMMITTEES		
Audit, Risk and Compliance Committee Oversees statutory financial information including climate disclosures	**People, Safety and Environment Committee** Oversees and monitors current and emerging environmental and climate-related risks	**Mega Projects (and CopperString) Committee** Oversees major projects and related investment decisions
SENIOR MANAGEMENT		
Chief Executive Responsible for climate matters at the highest management level		
Executive Leadership Team Aligns workplans with strategy, manages climate-related risks and opportunities and drives the delivery of sustainability and resilience initiatives		
Climate Disclosure Steering Committee Responsible for overseeing the disclosure and related sustainability requirements	**Executive Team People and Health, Safety Environment Committee** Leadership accountability for health, safety and environmental matters including climate compliance and objectives	
MANAGEMENT AND SUPPORT FUNCTIONS		
Chief Financial Officer Responsible for overseeing financial reporting, business planning and budgeting	**Corporate Services** Responsible for developing sustainability policy, strategy and coordinating climate-related disclosures	**Network Planning** Responsible for planning the network to meet evolving market conditions including changes in generation mix and increased penetration of cleaner energy sources	**Operations – Delivery and Technical Services, Major Projects and Field and Asset Management** Responsible for managing and/or delivering new network infrastructure by addressing climate and weather-related risks, maintaining reliability and integrating new energy sources

1. Governance

1.2 Board oversight

Powerlink's Board is accountable for overseeing the management of all risks via the Enterprise Risk Register which incorporates strategic and operational risks and includes climate-related risk. Primary oversight for climate-related risk is exercised through the Board's People, Safety and Environment Committee and the Audit, Risk and Compliance Committee who oversee financial risk and disclosure integrity. The Mega Projects (and CopperString) Committee oversee broader project-related risks; however, climate risk is not explicitly within its remit.

An initial review of the Terms of Reference (TOR) for all committees was completed in FY24/25 and they were updated in FY25/26. The TOR for all committees is available via the Powerlink website. Powerlink acknowledges additional work needs to be undertaken to embed climate-related risk and opportunity into the Board's oversight and governance in line with regulatory requirements, including long-term climate-related opportunities.

People, Safety and Environment Committee

The People, Safety and Environment Committee provide governance over the key strategic areas of people, culture, remuneration, health and safety, and environment including climate change and emissions.

The committee supports Powerlink's strategic direction and provides oversight of the Health, Safety and Environmental Management system and performance. The committee is responsible for reviewing and monitoring the management system, organisational design, organisational culture, employee remuneration, performance frameworks, employee relations and climate strategy and emissions (excluding climate-related disclosures). This committee meets at least four times per year.

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee oversee financial reporting integrity, internal controls, compliance systems, and risk management. The committee meets at least four times a year and is supported by detailed reports from management.

For climate-related disclosures, the committee reviews and endorses statutory financial information. During this reporting period, climate-related matters were discussed on at least three out of the four occasions.

Committee oversight

The Audit, Risk and Compliance Committee receive the Enterprise Risk Report quarterly which includes climate-related risks. Currently, climate-related matters are optional standing items, and are discussed as required. Additionally, the Board reviews climate-related matters at least twice in the financial year.

As the organisation matures, appropriate changes will be made to all committees' governance processes to actively manage climate-related matters.

Board skills

Powerlink's Board maintains a self-assessed Board Skills Matrix to identify the skills and experience the members hold across a broad set of skill categories, including skills pertaining to governance and environmental, climate and social risks. Each Director's skillset and experience is assessed annually and monitored by the People, Safety and Environment Committee.

In FY25/26, the Board received independent expert advice to support their understanding of sustainability reporting to confidently approve climate-related disclosures. In FY26/27, the Board will consider development and climate-related competency training to support their understanding and response to climate-related risks and opportunities.

1. Governance

Remuneration

Powerlink's Board remuneration is set by the Queensland Government. Powerlink's Executive Team remuneration is guided by the government's remuneration policy and performance matrix. Currently there are no direct climate-related metrics included in remuneration policies for Powerlink's Board and Executive Team.

1.3 Management oversight

Powerlink's Climate Disclosure Steering Committee was established in FY24/25 and is responsible for overseeing the disclosure and related sustainability requirements across the organisation.

The steering committee provides management oversight and enables timely decisions to support the delivery of key business activities related to climate disclosures. Members of the committee include the Executive General Manager Corporate Services (Chair), Chief Financial Officer, and Executive General Manager Network Investment. The Climate Disclosure Steering Committee reports monthly into the Executive Team – People and Health, Safety, Environment Committee monthly to allow the full Executive Team to consider climate-related issues and opportunities. Updates are provided and matters are referred to relevant Board committees as required.

Powerlink's Risk Management Framework and Integrated Assurance Standard outlines business requirements for the identification, management and assurance of strategic and operational risks, including those related to climate change.

Powerlink's Executive Team use the Risk Management Framework to review key enterprise risks and changes to risk profiles resulting from business operations or external influences. Appropriate controls are established and are integrated into business processes, consistent with business requirements. The Enterprise Risk Report is provided to Powerlink's Executive Team quarterly.

2. Strategy

To reflect changes to the operating environment and following the release of the Queensland Government's Energy Roadmap in October 2025, Powerlink has refreshed its Corporate Strategy. The refreshed strategy reaffirms Powerlink's purpose of connecting Queenslanders to a world-class energy future and establishing a clear focus on delivering value, guiding the market, building the right grid for tomorrow, and unlocking the full potential of its people and capabilities. Powerlink is committed to supporting the government's net zero by 2050 target, as outlined in the Energy Roadmap.

Powerlink's Board oversee the Corporate Strategy and provide direction through the annual Statement of Corporate Intent and Corporate Plan, which reflects the Queensland Government's expectations and priorities. As Powerlink further develops its response to climate-related risks and opportunities, those changes will be reflected in future sustainability reports. Powerlink's Board and executives will also oversee progress in this area as opportunities continue to grow.

Powerlink is continually adapting its operations to meet market changes and uphold its commitments to corporate responsibility and environmental stewardship. Powerlink emphasises responsible environmental management and maintains transparent communication with stakeholders to achieve its corporate responsibility goals.

2.1 Business model and value chain

As the State's TNSP, Powerlink designs, builds, operates and maintains Queensland's high voltage transmission network. Powerlink manages Queensland's power system security and ensures compliance and coordination with the market operator. Powerlink's role is central to delivering the Queensland Government's Energy Roadmap and meeting the strategic expectations of our shareholding Ministers by enabling affordable, reliable and sustainable energy for Queenslanders.

As the State's designated System Strength Service Provider (SSSP), Powerlink is also responsible for planning, procuring and making system strength available to the Australian Energy Market Operator (AEMO) across Queensland.

Powerlink's business model and value chain can be summarised as:

- Regulated network operations: Powerlink owns and operates more than 15,697km of high voltage overhead transmission lines and associated substations, switchgear and transformers across Queensland. Its revenue is determined by the AER through five-year regulatory determinations (currently 2022–27). Powerlink transmits electricity from coal, gas, hydro, solar and wind generators to distribution networks for delivery to end users. Its responsibilities also include maintaining core grid infrastructure, and in its role as the jurisdictional planning body, planning and investing in the network where this efficiently meets consumer demand and supports generator and storage investment and operation.
- Non-regulated connection services: Powerlink competitively provides connection services to new generation, load and storage projects (renewable energy, batteries) on a commercial basis. These services support Queensland's changing energy needs and accounts for approximately 17–22% of capital expenditure (CAPEX).

2. Strategy

Climate-related risks and opportunities are concentrated across Powerlink's value chain as follows:

Stage (value chain)	Climate-related exposures	Financial effect
Upstream (supply chain)	• Specialised equipment and related supply chain risk • Electricity generators and related physical risk • Supply chain emissions (scope 3) • Tier one contractors • Supply chain (distributors and other contractors) and related risks	Operating Expenditure (OPEX), CAPEX, project delay risk
Midstream (transmission operations)	• Network assets and related physical risks (bushfire, flood, heatwave) • Emission impacts (scope 1 and 2) • Other assets (building, equipment) • Human resources and related impacts • Property and ecological impacts	OPEX, CAPEX, insurance, revenue risk
Downstream (electricity market)	• Speed of the energy transition and related policy impacts • Changing demand patterns (rooftop solar, Electric Vehicles (EVs), electrification) • Policy uncertainty	Revenue risk, asset stranding risk, regulatory risk

2.2 CAPEX and major transactions

Powerlink's key projects illustrate how the business is responding to future network requirements, supporting new generation connections and strengthening the resilience and operability of the transmission network.

Powerlink's key projects include:

- **Gladstone Project:** This critical program of transmission upgrades will support additional capacity and reliability to the regional network as it prepares for the eventual retirement of the Gladstone Power Station.
- **System Strength Project:** Synchronous condensers are being installed across Central Queensland to provide system strength services which are required with the forecast change in generation mix.
- **New transmission connections:** Powerlink continues to deliver new transmission infrastructure to connect customers and support their generation projects.

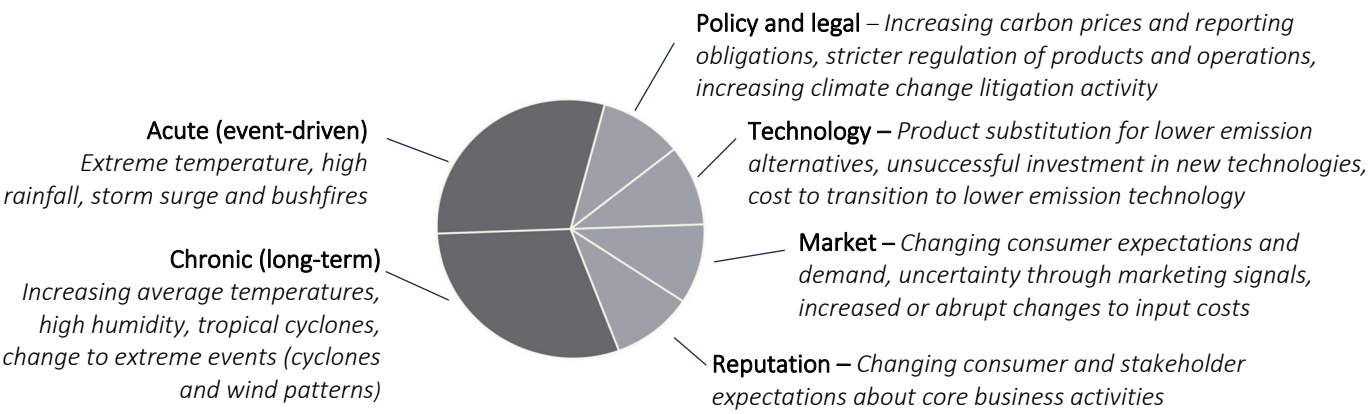
2.3 Climate narrative

Powerlink takes a structured approach to understanding and managing the potential impacts of climate change on its operations, services and infrastructure. This involves considering a range of future climate scenarios to identify and evaluate climate-related risks and opportunities that could affect the business. An initial enterprise-level review has been undertaken to highlight key areas of impact and inform future analysis, adaptation planning and resilience-building activities. Climate-related risks are categorised using the following risk matrix to support consistent assessment and prioritisation across the organisation.

2. Strategy

Physical Risks – resulting from changes in the climate around us

Transition Risks – resulting from human decisions in response to climate change



When developing Powerlink's climate narrative, the business considered a range of scenarios and time horizons, including but not limited to IPCC, Commonwealth Scientific and Industrial Research Organisation (CSIRO) and AEMO's Integrated System Plan (ISP)[1]. In line with regulatory requirements regarding design engineering standards, AEMO's guidelines and national energy objectives, Powerlink's climate narrative focused on the SSP1-2.6 and SSP2-4.5[2] against 2030-, 2050- and 2070- time horizons. As part of our disclosure obligation and in line with legislation and GOC status, Powerlink has chosen to disclose on the following two scenarios.

Long-term Powerlink climate narrative	
Scenario 1 – Sustainability - SSP1-2.6	**Scenario 2 – Middle of the road - SSP2-4.5**
• Ambitious global action to reduce emissions in line with the Paris Agreement (orderly pathway) • Relatively low physical climate change impacts	• Relatively slow global action to reduce emissions in line with historical patterns – stronger action towards the end of the century • Relatively medium physical climate change impacts
1.4°C (0.6 – 2°C) average warming for Queensland by 2070	Well exceeding 2°C (1.4 – 2.6°C) average warming for Queensland by 2070
• Lower resource use and energy intensity with accelerated decarbonisation and lower energy costs • Growth in renewables and supporting infrastructure to allow for coal retirements • Rapid change in electrification and demand patterns of consumers and large industrial customers • Challenges of coal retirements and the need for timely investment in infrastructure • High economic growth leading to global economic convergence	• Fossil fuels remain the main fuel source as coal retirement extends beyond 2040, and the share of renewables increases slowly • The transmission network continues to face some challenges related to community support, supply chain, and lengthy regulatory processes • Steady technological advancement without fundamental breakthroughs makes management of grid stability more challenging and expensive • Medium to low economic growth, leading to global economic divergence • Increased risk management processes to adapt to increasing frequency and intensity of physical climate impacts
Time horizons – 2030, 2050 and 2070 The 2030 short-term time horizon aligns with Powerlink's Corporate Strategy, regulatory submission and standard business planning cycles. The 2050 medium-term time horizon reflects the timeframes used in Powerlink's energy transition pathway and long-term network investment processes. For the 2070 long-term horizon, Powerlink has considered the long-life infrastructure exposure and average lifespan of current network assets. All three horizons are aligned with the Queensland Climate Long Paddock climate datasets to ensure consistency with state-based climate projections.	

[1] The Integrated System Plan (ISP) is a whole-of-system plan that provides an integrated roadmap for the efficient development of the National Electricity Market (NEM) over the next 20 years and beyond.
[2] Shared Socio-economic Pathways (SSPs)

2.3.1 Powerlink climate-related risks

Powerlink recognises its climate narrative analysis is currently qualitative, with quantitative financial modelling under each scenario yet to be developed in line with Australian Sustainability Reporting Standards (ASRS) requirements. The two-scenario approach aligns with Powerlink's analytical maturity and related guidance as a GOC and will be reviewed as needed.

For network planning stress testing work, Powerlink uses high and low demand scenarios, factoring in climate-related transition drivers such as renewable energy uptake, electrification, policy settings, and higher-risk climate scenarios[3].

Powerlink also relies on AEMO's ISP assessment and related climate mitigation scenarios. These assessments support infrastructure stress testing and regulatory obligations. Powerlink's qualitative assessment identified 17 climate-related risks across the business. Of these, three physical risks have a more material impact than others. In addition, two transition risks were selected for the disclosure based on the initial quantitative risk assessment, level of impact, and alignment with Powerlink's enterprise risk priorities.

Powerlink has sought to disclose only climate-related risks that are strategically and operationally relevant and provide a critical foundation for ongoing climate risk management and resilience planning. These risks are expected to arise across key time horizons, with varying impacts on Powerlink's network, operations, planning, and strategic decision-making.

Risk number and risk category	Risk summary and climate stressor – scenario identifier	Current and potential impacts	Controls/risk management
R1 **Physical – Acute** **BUSHFIRE**	Uncontrolled vegetation fire posing direct and indirect risk to transmission assets, conductors, polymer insulators, network operations, and employee safety **Up to +15 high fire weather days per year across Queensland annual season by 2070**	• Asset damage and replacement costs • De-energisation may have financial cost • Cost for increased vegetation management • Increase in insurance claims and premium costs • Emergency response costs • Health and safety impacts to employees **Financial Effect: OPEX, CAPEX, Insurance**	• Bushfire risk management and mitigation activities • Asset lifecycle management and maintenance practices • Vegetation management and land access programs • Emergency preparedness, response and recovery arrangements • Health, safety and wellbeing management processes

[3] In addition to the two scenarios used for enterprise-wide AASB S2 disclosure (SSP1-2.6 and SSP2-4.5), Powerlink may separately consider high-risk scenarios in asset or network planning stress testing for selected or regulated assets, consistent with AER requirements and applicable engineering design standards. This asset-based analysis serves a distinct purpose from the enterprise-wide scenario analysis presented above and should not be conflated with, or read as extending, the AASB S2 scenario set used for entity-level climate risk disclosure.

2. Strategy

Risk number and risk category	Risk summary and climate stressor – scenario identifier	Current and potential impacts	Controls/risk management
R2 Physical – Acute FLOODING	Inundation of substations, access routes and easements from rainfall, riverine overflow, storm surge or dam release. Short intense storms producing faster-onset, more unpredictable flooding Risk to employee safety **Shorter, more intense storms; faster onset flooding; less predictable flooding in Far North Queensland by 2070**	• Substation de-energisation and equipment damage • De-energisation may have financial cost (damage or penalties) • Access, easement erosion and recovery costs • Impacts on insurance claims and premium • Health and safety impacts to employees **Financial Effect: CAPEX, OPEX, Insurance**	• Site-specific Flood Contingency Procedures or appropriate design standards for new developments (currently only six sites have flood exposure) • Managing risk with overhead transmission lines • Site mitigation works at high-risk substations • Work, health and safety plans
R3 Physical – Chronic HEATWAVES AND HUMIDITY	Prolonged heat and humidity increase peak electricity demand, reduce asset cooling efficiency, accelerate corrosion and insulation degradation, and increase risk of condensation, flashovers and equipment failure Risk to employee safety **Prolonged heat events ≥ 3 consecutive days within regional context; increased atmospheric humidity across coastal Queensland regions by 2070**	• Load shedding risk from peak demand surges • Reduced network capacity from conductor derating • Accelerated asset degradation and reduced capacity • Increased design and engineering costs • Lack of overnight cooling compounding risk • Reduced productivity associated with restricted worker duties or delayed activities • Health and safety impacts to employees **Financial Effect: CAPEX, OPEX, Network capacity**	• Demand management operational controls via network operations • Line rating management procedures • Thermal design allowances in asset standards • Work, health and safety plans

2. Strategy

Risk number and risk category	Risk summary and climate stressor – scenario identifier	Current and potential impacts	Controls/risk management
R4 Transition – Market and Policy CHANGING NETWORK ROLE AND RESPONSE TO ENERGY POLICY CHANGES	Inability to respond effectively to changes in pace and impacts of the energy transition and shifts in the electricity value chain The transmission network may not facilitate the optimal generation and storage investment or lead to inefficient congestion or may delay new electricity load connections **Under scenario 1 sustainability (orderly pathway) risk is moderate whereas under scenario 2 (middle of the road) risk is higher and needs to be embedded in capital planning**	• Cost uncertainty over next regulatory period (2027–32) • Uncertainty around the speed of transition and location and quantity of new supply or demand resources and withdrawal of existing supply may result in network investment being inefficient or stranded if undertaken too early or too late. This may also lead to inefficient development or operation of generation or storage, delays in supporting new loads, higher costs to maintain power system security and reliability, increased network congestion, inefficient curtailment of generation and adverse wholesale market price impacts **Financial Effect: Cost of Capital, Revenue**	• Align with the Energy Roadmap and monitor for regulatory change • Contingent project approach in revenue determination (2027–32) allows investments to be identified in advance but only commit when triggers are met. This supports optionality and better timing decisions and reduce the risk of over- or-under investment • Active engagement with government, AEMO and AER on investment needs and striking a balance with earlier or later investment • Initiatives to maximise utilisation of existing assets
R5 Transition – Technology and Reputation NETWORK DISRUPTION FROM NEW TECHNOLOGY IMPLEMENTATION	Stakeholder expectations or industry standards for reliability of electricity supply and network resilience not met Failure to reliably and cost effectively develop and deliver the new technology (e.g. Next Generation Network Operations) to support the current and future network **Under scenario 1 sustainability risk is advanced whereas under the scenario 2 risk is moderate to low**	• Managing risks related to unplanned regulated network interruptions that compromise our obligations • Unplanned CAPEX for network augmentation • Developing regulated and non-regulated growth • Asset stranding due to risk related to technology or unforeseen events (e.g. supply chain issues, pandemic) **Financial Effect: Cost of Capital, Revenue**	• Seasonal preparedness activities are in place to mitigate potential risk impacts including ongoing network monitoring • Network operations continue to review all events and capturing lessons learnt. This includes learnings from the complex real-time engineering analysis when responding to events • Next Generation Network Operations Program will deliver a significant digital transformation • Implementation of Advanced Energy Management System underway

Physical risks (R1–R3) span all three horizons because they are present, escalating and are currently managed by existing controls. Cumulative physical change means the financial exposure compounds to high to significant by 2050 and 2070, particularly under our SSP2-4.5 or high under climate resilience testing.

Transition risks (R4–R5) are concentrated in the short to medium term. The evolving role of the network and responding to energy policy changes (R4) is significant in the short-term time horizon (2030) and resolves through the maturity of the energy transition and related policy. Disruption to the network and implementation of new technology (R5) remains moderate to significant over the short to medium term (2030 to 2050), as regulated

network interruptions may arise due to substantial changes in the transmission network and the cost and complexity of new technology. By 2070, the transition will largely have settled into a new steady state under either scenario.

The scenario differentiation matters here: under SSP1-2.6 (sustainability), transition risks emerge earlier and are front-loaded; under SSP2-4.5 (middle of the road), they are slower, but the physical risks are more severe and extend further. This is reflected in the time horizon notes for R4 and R5.

2.3.2 Powerlink climate-related opportunities

Powerlink has identified material climate-related opportunities which impact across the organisation. These opportunities are expected to arise across all time horizons, with varying impacts on Powerlink's network, operations, planning, and strategic decision-making. While not currently assessed as financially material, they are strategically and operationally relevant and provide a critical foundation for future resilience planning work.

In FY26/27, a more detailed opportunity assessment and the expansion of the management of these opportunities is planned and subject to ongoing consultation with the Queensland Government. Powerlink intends to manage and track opportunities through the strategic and operational dashboards, ensuring opportunities are prioritised and delivered in alignment with the Queensland Government's Energy Roadmap and the strategic objectives of our shareholding Ministers.

Opportunity type	Opportunity description	Strategy integration/current actions
Demand growth – new generation and storage connections	Increased electrification of industrial processes, transport (EVs) and residential/commercial loads drives higher demand for electricity transmission, increasing network utilisation and supporting revenue growth. Depending on the location, new generation and storage connections may improve the utilisation of some parts of the network and/or require upgrades to efficiently integrate	• Factored into demand forecasting and Transmission Annual Planning Report with ongoing monitoring of the connection enquiry pipeline to inform scenario-based investment planning • As Queensland's TNSP, Powerlink has a regulatory obligation and commercial opportunity to connect new electricity generation and storage to the grid, supporting the state's energy transition and growing Powerlink's regulated and non-regulated revenue • Network augmentation needs have been factored into Powerlink's revenue proposal for 2027–32, including through the contingent project framework that provides optionality to respond to market triggers • Powerlink conducts joint planning with AEMO and distributor to identify efficient network augmentations across a range of future scenarios, including for the Integrated System Plan and coordinated transmission-distribution planning processes
Technology-enabled asset and network optimisation	Embedding AI-powered smart systems, live asset condition monitoring, innovative asset life-extension methods and advanced weather and bushfire forecasting into network operations reduces unplanned outages, extends asset life and improves capital allocation efficiency	• Real-time supervisory control and data acquisition monitoring in place • Weather modelling under the asset management strategy • Thermal design allowances embedded in asset standards

2. Strategy

2.4 Strategic decision making

Powerlink recognises that climate change, related policy and industry responses to climate change present strategic, operational and regulatory implications for business, assets, customers and the broader community. Powerlink is committed to integrating identified climate-related risks and opportunities into corporate strategic planning.

Powerlink currently manages weather-related physical risks as part of its business-as-usual activities through relevant hazard management processes. The potential impacts on the network and associated assets are monitored on an ongoing basis.

For the short-term (2030) time horizon (in both scenarios) climate-related risk is managed as a business-as-usual program. Physical risks apply across the entire network, as flood or bushfire events can occur throughout the network area. We have investigated transition risk through our planning work and have included projects (including contingent projects) to address it.

Powerlink will continue to develop its medium to long-term (2050–2070) approach to addressing climate-related risks, opportunities and transition considerations within its strategic planning and decision-making processes. This includes improving operating procedures for network control and emergency management. As this approach evolves, consultation with the Queensland Government and shareholding Ministers will occur where applicable on strategic matters with financial or policy implications, in line with government expectations, relevant policies and the Queensland Government's Program for Emissions Reduction Plans.

Climate-related risks and opportunities are being considered on an integrated basis in Powerlink's strategic planning and decision-making processes, for network resilience, future investment needs, energy system transition and long-term business planning. Powerlink's strategic objectives and business plans reflect its role in supporting a safe, reliable and resilient transmission network through a changing energy environment, while contributing to the delivery of the 2025 Queensland Energy Roadmap.

2.5 Business model impacts

As Queensland's TNSP, Powerlink can access multiple revenue mechanisms to absorb and respond to climate-related risks and opportunities. Powerlink's primary source of revenue and capital allowances are set by the AER under the NER, with the current 2022–27 regulatory determination providing revenue to manage climate risks, invest in network resilience, and deliver the Queensland Government's 2025 Energy Roadmap.

As Queensland's power system continues to evolve, Powerlink must upgrade the network and operational processes and systems to support new generation, storage, and electrification. However, uncertainty about the nature and speed of the transition may cause under-utilised assets or reduced returns in the interim.

Powerlink accesses funding pathways for its two main business streams – regulated projects and non-regulated projects.

Regulated network impacts

Powerlink's regulated revenue model provides substantial protection against short-term climate-related financial volatility as revenue and capital allowances are determined through established regulatory processes. This framework can support recovery of approved expenditure for network resilience, maintenance and augmentation. However, over the medium to long term, climate-related transition risks may affect the timing, scale and efficiency of network investment. Uncertainty in energy policy, demand patterns, generation location and storage development could increase the risk of under- or over-investment, asset under-utilisation, stranded assets or regulatory under-recovery.

2. Strategy

Non-regulated connection impacts

Powerlink's non-regulated connection activities are more directly exposed to market conditions, customer investment decisions and the pace of the energy transition. Growth in renewable generation, storage and large load connections may create revenue opportunities and increase network utilisation. However, policy uncertainty, supply chain constraints, changing demand patterns and shifts in project timing may affect connection revenue, project delivery costs and commercial returns.

These impacts will be monitored through Powerlink's capital planning, connection pipeline assessment, policy and regulatory monitoring, and application of the climate narrative to investment decision-making.

3. Risk management

Powerlink has a Risk Management Framework, with an overarching Board approved Risk Policy. The framework and its associated elements apply to all Powerlink risk management activities and demonstrates management's commitment to effective risk management that supports decision making, contributes to organisational success and effective execution of Powerlink's strategy.

The Risk Management Framework is supported by Board approved Risk Appetite Statements (RAS) that specify Powerlink's risk appetite across multiple themes including three dimensions of climate change: physical, emissions and opportunities. Risk Appetite is the amount and type of risk that Powerlink is prepared to accept in pursuit of its strategic and business objectives. It is reflected through a variety of mechanisms at Powerlink, including Board decisions, policies, strategy, delegated authority, and practices and procedures.

Powerlink's process for identifying, assessing and monitoring climate-related risks and opportunities includes:

- Identification: Powerlink identified climate-related risks and opportunities across the business, covering physical and transition factors. Workshops and expert interviews informed how climate change could affect services and operations.
- Assessment: Each risk was assessed for significance under Powerlink's Risk Management Framework. The climate narrative informed the assessment of impact and likelihood across climate scenarios, including asset prioritisation under the Security of Critical Infrastructure framework.
- Prioritisation: Powerlink applied weather-related likelihood and consequence matrices to prioritise climate-related risks and opportunities across the business. Approximately 200 key assets were considered as part of this assessment. Physical risks were evaluated based on their potential impact on Powerlink's transmission assets, network operations, revenue and employee safety. This process supported the identification of the most material risks and opportunities for management action and disclosure, with the three highest-impact physical risks elevated for detailed disclosure.
- Monitoring and review: Climate-related risks are monitored through Powerlink's enterprise risk management processes. Each risk is assigned an owner responsible for managing controls, supported by key risk indicators and regular reporting through established governance processes.

How Powerlink currently monitors climate risk via enterprise-level risks:

- R1, R2, and R3 are linked to the enterprise risk 'climate change physical risk' with associated risks including extreme weather events, asset damage, increased maintenance requirements, workforce health and safety impacts, network disruptions, insurance availability and broader infrastructure resilience challenges. These risks are managed through Powerlink's enterprise risk management, asset management and resilience planning processes, which support the identification, assessment and mitigation of climate-related impacts across the business. Risk management is also supported by emergency and crisis management practices, business continuity planning, and the Register of Critical Infrastructure Assets.
- R4 is linked to the energy policy uncertainty and changing role of the transmission network. The risk also includes speed of transition and electrification of various sectors; compliance with legislation, regulations and the NER and policy impact due to both tiers of government. Currently these risks are managed by undertaking wider stakeholder engagement, continuing to influence proposed changes related to transmission planning, investment and other priorities and additionally utilising our network planning expertise.
- R5 is linked to enterprise risk network disruptions and implementation of Next Generation Network Operations. This also includes industry standards for reliability and network resilience. Currently, this risk is mitigated by ongoing 24x7 network monitoring and long-term asset resilience works. Network operations continue to review all events and capturing lessons learnt.

3. Risk management

3.1 Operational and capital project risk management

Powerlink recognises and understands the potential impacts of extreme weather events such as cyclones, floods, heatwaves and bushfires, alongside longer-term climate risks that affect Powerlink's assets and operations.

Powerlink will continue to formally integrate climate and weather-related risks into ongoing processes to strengthen resilience and ensure robust response strategies. In recent years, Powerlink has strengthened its capability for preventative and recovery operations across the transmission network, particularly within the North Queensland corridor.

3.1.1 Operational risk management programs

Physical risks are primarily operational and project related. Powerlink has significant experience mitigating these risks.

- Network maintenance: Powerlink has processes and policies for network planning, asset inspection and maintenance, vegetation management, bushfire preparations, and fault and emergency response.
- Committed to safety and environment: Safety and environmental management are central to how we work, and we share a commitment to improving health, safety and environment performance.
- Community safety: Powerlink's commitment to delivering a safe high voltage electricity transmission network for Queenslanders extends to raising community awareness of electrical safety, including during storms and floods.
- Transition risks are addressed in the Powerlink Corporate Strategy, which sets a clear direction for core business, customers and stakeholders.
- Workforce and supply chain resilience: Skills and material shortages affect delivery timelines for Powerlink's capital projects.
- System strength remediation: Queensland's generation portfolio has historically been composed of large coal-fired, gas-fired and hydroelectric power stations, which provided system strength as a by-product of their energy generation, enabling the power system to operate in a stable manner.
- Supply chain: Relationships with suppliers are fundamental to Powerlink's procurement strategy, particularly considering the current global supply chain constraints driven by significant increases in demand for specialised power system equipment.

3.1.2 Demand and climate impact management

New connections

Powerlink manages a highly complex and evolving energy demand landscape through a multi-layered planning and forecasting approach. Powerlink forecasts demand through a structured, evidence-based planning process that combines historical load data, customer intelligence and scenario analysis. Forecasts are developed by analysing underlying electricity consumption trends, economic and population growth, electrification impacts, and known or prospective large customer connections.

New load, generation and storage projects submit enquiries and applications to connect. Powerlink works through the connections process and technical standards specified in the NER and the commercial connection and access agreement.

Demand forecasts and scenarios of future load, generation and storage projects form part of the Transmission Annual Planning Report and Regulatory Investment Test for Transmission (RIT-T) assessments to ensure future network augmentations are staged and justified. This approach allows Powerlink to sequence investments based on scenario analysis of different uptake rates for generation, storage and electrification.

3. Risk management

Network infrastructure management

Powerlink's network infrastructure management operates across four integrated disciplines.

- **Asset inspection and maintenance:** Assets are maintained under approved plans, with inspection methods and frequency based on asset type, condition and risk, using routine patrols, scheduled inspections and condition-based assessments.
- **Vegetation management:** The network is managed across tropical and rural zones, with treatment every two years in tropical areas and every four years in rural areas. Intensive areas are inspected annually. Clearances are maintained through selective clearing and herbicide application, supported by land and aerial inspections.
- **Bushfire preparedness:** Powerlink uses early warning systems to detect fires near high voltage assets and applies site fire protocols, including daily hazard checks, firefighting equipment and hot works permits, in line with the Queensland Electrical Supply Industry Code of Practice. A risk-based vegetation program prioritises high-risk spans using Light Detection and Ranging (LiDAR) technology, aerial and ground inspections, with clearances maintained above minimum requirements.
- **Fault and emergency response**: Powerlink maintains specialist capability for major plant failure investigations, asset condition monitoring and emergency restoration of overhead lines up to 330 kilovolts (kV), supported by participation in state and national emergency training and coordination forums.

3.1.3 Network strength and resilience

Powerlink’s asset management approach supports the strength and resilience of its transmission network in the face of weather events. Powerlink maintains a low tolerance for environmental harm from events like bushfires, floods, and extreme heat, and applies stringent environmental controls such as extensive vegetation management programs and regular asset inspections to protect its infrastructure.

Currently, Powerlink integrates weather-related risks into the design safety standards which are guided by Workplace Health and Safety legislation, Australian engineering design standards and frameworks ensuring extreme weather conditions are factored into safe operations. Powerlink uses qualitative reliability standards, supported by real-time Supervisory Control and Data Acquisition (SCADA) monitoring, asset inspections and historical outage data to manage service disruptions from severe weather events and maintain reliable network performance. This approach reflects Powerlink’s risk management maturity and its commitment to transparency and accountability.

3.2 Financial impact and risk management

For this reporting period, Powerlink’s assessment of the financial impacts of climate-related risks and opportunities is primarily qualitative. A more detailed quantitative assessment of the current and anticipated financial impacts is being developed.

During FY25/26, Powerlink did not identify a material direct impact of climate-related risks on reported financial performance or cash flows. However, climate-related matters are relevant to current operating and investment decisions, including vegetation management, flood and bushfire mitigation activities, insurance-related considerations, supply chain, inflationary cost pressures, expenditure associated with supporting new generator and battery connections and network resilience.

Nearly 70% of Powerlink's revenue is derived from regulated network activities and determined under the AER revenue determinations. The initial qualitative assessment suggests most of our non-regulated activities (estimated at 30%) are directly linked to connecting new generation to the transmission network, reflecting the private sector’s desire to decarbonise and reduce emissions.

3. Risk management

Powerlink's short-term financial planning considers climate-related expenditure will be covered through existing financial operating practices, including contingency planning budgets or pass-through cost recovery mechanisms, which are regulatory revenue sources.

Over the medium to long term, climate-related risks and opportunities may affect Powerlink's financial performance and cash flows through changes in asset investment requirements, resilience expenditure, generation and storage connection activity, network utilisation, maintenance requirements and operating cost pressures. At this stage, these effects have not been quantified in detail, and Powerlink has not disclosed a significant risk of material adjustment for FY26/27 arising specifically from climate-related matters. This position will continue to be reviewed as quantitative assessment capability matures.

The table below provides an indicative breakdown of Powerlink's capital allocation in FY25/26, highlighting expenditure associated with supporting new generation and storage connections, maintaining the regulated asset base and enhancing network resilience in response to climate-related risks and operational requirements.

Capital deployed	For FY25/26[4]
The percentage of total CAPEX incurred to support new connections and market opportunities through non-regulated network expenditure	32%
The percentage of total CAPEX incurred to maintain the regulated asset base through regulated network expenditure	28%
The expenditure incurred in FY25/26 related to vegetation management – sub-classified under network maintenance. This work is critical for bushfire prevention and enhancing the resilience of the network against climate-related risks	$20.2 million

Financial vulnerability of assets and business activities linked to climate-related risks and opportunities	
Business activities vulnerable to climate-related transition risks: We consider Powerlink to be most vulnerable to climate-related transition risks through changes in electricity generation and electrification of transport and industrial load which directly impact transmission network demand, utilisation and future investment requirements	Transmission operations
Percentage of assets vulnerable to one or more weather or climate hazards: Due to the nature of our transmission network, most of our assets are exposed to weather elements. (Powerlink reviewed 200 assets prioritised by criticality, identifying 30 assets with varying levels of weather-related vulnerability, representing approximately 15%)	15%

This allocation reflects Powerlink's current approach to managing climate-related risks and opportunities through a combination of regulated network investment, resilience-focused expenditure and support for energy transition-related connection activity. This is a current-state, qualitative exposure indicator, not a forecast of cost timing. Near-term (to 2030) climate-related costs continue to be managed through existing regulatory mechanisms with no material financial impact identified in FY25/26.

[4] Note: These figures may differ (no material change expected), as they were developed before closure of final accounts.

3. Risk management

While these investments are not solely attributable to climate-related factors, they demonstrate how climate considerations are being incorporated into financial planning and capital prioritisation. Powerlink will continue to improve the linkage between climate-related risk assessment and financial planning, including the development of more detailed and quantitative analysis of climate-related financial impacts over time in future disclosures. Consultation will be undertaken with the Queensland Government to ensure alignment with the strategic objectives of our shareholding Ministers.

4. Metrics and targets

As a GOC, Powerlink publishes its Statement of Corporate Intent which outlines the organisation's strategic priorities and related performance indicators. Powerlink's Strategy Management Framework defines the structure for the metrics, targets and Key Performance Indicators (KPIs) used to monitor the strategic environment and track progress against these strategic priorities.

For climate-related indicators, Powerlink monitors transmission losses and new network connections through corporate strategic metrics. Powerlink supports the Queensland Government's net zero by 2050 target and acknowledges the need to establish corporate targets in line with government policy.

Additionally, Powerlink has developed emission reduction initiatives to monitor and manage its own emissions. A governance process is being developed to manage and monitor these initiatives at an executive and Board level.

Internal carbon price and cross industry metrics: Internal carbon pricing is not applied to Powerlink's non-regulated activities. Expenditure on the regulated network is justified by RIT-T. The AER has recently introduced an Emissions Reduction Value methodology involving GHG emissions calculations to be considered in RIT-Ts. Powerlink will undertake additional work in upcoming years to assess and develop its Cross Industry Metrics.

4.1 Greenhouse gas emissions

Powerlink reports scope 1 and scope 2 GHG emissions annually to the Clean Energy Regulator to comply with the NGER Act. The organisation also voluntarily discloses emissions through the Clean Energy Regulator's Corporate Emissions Reduction Transparency (CERT) report. For this reporting period, Powerlink has applied available transition reliefs and calculated scope 1 and scope 2 emissions using NGER methodologies and the applicable emissions factors for the current financial year. Powerlink intends to progressively transition to GHG protocol reporting as reporting requirements evolve.

As electricity moves through the network, some electricity is lost due to electrical resistance, heating of powerlines and electrical equipment and/or self-consumption for equipment. With more than 15,697km of overhead transmission lines, transmission losses are underpinned by the significant distances over which electricity is transmitted across the regional, rural and remote network area. For Powerlink, transmission losses are the dominant source of emissions, accounting for nearly 95% of total reported emissions. These losses fall under scope 2, with all losses due to electricity transmission across Queensland captured.

Another source of emissions is sulphur hexafluoride (SF_6) gas. SF_6 gas is commonly used in electricity network equipment, such as circuit breakers and switchgear, due to its effectiveness for electrical insulation and arc quenching. Over time, SF_6 gas can leak from equipment and has a Global Warming Potential (GWP) 23,500 times greater than carbon dioxide (CO_2). Limited options are available for alternatives in high voltage electricity network equipment. Powerlink continues to undertake market scans for new technology or alternatives as a replacement.

In FY25/26, Powerlink recorded a reduction in transmission losses, contributing to an overall decrease in scope 1 and scope 2 emissions. This was driven by increased rooftop photovoltaic generation and new battery connections within the grid, supported by a reduction in the annual Queensland emissions factor.

The following table provides a breakdown of Powerlink's emissions by type and illustrates that transmission losses make up a significant portion (approximately 95%) of total GHG emissions.

4. Metrics and targets

Powerlink's greenhouse gas emissions	
Year ended on 30 June	FY25/26[5] (t CO2-e)
Network-related emissions	
Fugitive gas emissions (SF_6) – subcategory of scope 1	24,512
Transmission losses – subcategory of scope 2	715,085
Aggregated emissions	
Total scope 1	28,712
Total scope 2	723,477
Total scope 1 and 2	752,188

Scope 1 emissions are expected to increase over time as the transmission network expands to connect new generation and storage across Queensland. In general, transmission losses are also expected to rise as the network grows. However, overall, scope 2 emissions growth is expected to be moderate as more renewable generation and storage connect to the grid and displace fossil fuel generation, supporting Queensland's emissions reduction targets.

Data assurance: Powerlink's NGER submission is independently audited by a third party for limited assurance and confirmed to be compliant with the NGER Act. Powerlink has developed a robust data collection process and annually submits its GHG report to the Clean Energy Regulator and Queensland Government. Powerlink is working on establishing a robust process to accommodate ASRS reporting requirements.

4.2 Emission reduction initiatives

Powerlink is continuing to enhance its approach to managing and disclosing climate-related risks, opportunities and transition considerations as part of its sustainability reporting. Part of this approach focuses on reducing GHG emissions or leveraging energy efficiencies for implementation across Powerlink. These initiatives come with trade-offs and are carefully considered for prioritisation.

Focus area	Objective	Level of priority
Fleet vehicles and fleet fuel	Transition to lower emission fleet vehicles and optimising the number of fleet vehicles	High
Energy use – offices and non-network assets	Increase energy efficiency across our buildings for emission reductions and long-term cost efficiency	Moderate
Transmission network equipment	Explore opportunities for lower emission alternatives, including SF_6, for net zero by 2050 target	Moderate
Construction methods and innovation	Continue use of innovative construction and delivery practices such as drone stringing, mobile spacers and steel pile foundations	Moderate
Sustainable procurement and supply chain	Embed sustainability principles into our procurement standards and processes	High

[5] FY25/26 data to be audited by an independent third party, consistent with Powerlink's standard practice for the NGER reporting obligations. This data is based on actuals and forward-looking estimates in line with ASRS reporting process. See Basis of Preparation for further detail on reporting boundaries, methodology and assurance scope.

4. Metrics and targets

4.3 Network-related events

4.3.1 Weather-related outage events

Network operations monitors, plans and supports our operational response to planned and unplanned network outages, some of which occur due to weather-related events. The table below summarises the total number of unplanned network outages, with approximately 17% of these unplanned outages linked to weather conditions that affected our network.

Year ended	Total unplanned outage events	Unplanned outage events linked to weather conditions
FY25/26	155	26

During FY25/26, Powerlink did not identify a specific connection between individual unplanned outages and named weather events. However, 26 unplanned outage events were linked to general weather conditions, representing approximately 17% of total unplanned outage events for the period. Lightning was the primary contributing factor, with a small number of outages associated with high winds. These events were largely caused by severe storm activity affecting transmission assets, including electrical flashovers and damage to network components.

On 12 February 2026, during the evening peak demand period, Powerlink's network recorded a peak demand load of 9,462 megawatts (MW). This was lower than the previous financial year's peak demand, primarily due to reduced consumption in the greater South East Queensland region.

Conversely, on 31 May, during the early morning period, Powerlink's network recorded a minimum demand load of 2,302MW. Minimum demand continues to decline annually as rooftop solar, and grid connected battery installations increase. Powerlink expects this trend may continue.

4.3.2 New connections

As a TNSP, under NEM requirements, Powerlink has an obligation to connect energy generators to the grid, irrespective of the type of generation. The details below provide the pipeline of work completed in FY25/26. These metrics indicate the scale of ongoing connection activity and provide additional context for current and future investment requirements.

- Connection enquiries: 85 — 41.221 gigawatts (GW)
- Connection applications: 110 — 43.753GW
- Connection and access agreements: 9 Committed — 2.353GW

5. Climate-related risks and opportunities and next steps

In developing its first Sustainability Report, Powerlink is taking a significant step in enhancing transparency on climate-related risks and opportunities. Powerlink is committed to ongoing progress in its disclosures, aligning with evolving disclosure requirements and future developments.

Powerlink has completed the following key actions:

	Completed FY25/26	Underway and planned FY26/27
Governance	• Powerlink's Board Committee established to oversee the Sustainability Report • Climate Disclosure Steering Committee established for executive governance	• In FY25/26 2.35GW of new energy generation and storage projects were committed • Work is underway to further develop Powerlink's transition planning activities, including the delivery of emissions reduction initiatives. The approach will continue to evolve through consultation, where applicable with the Queensland Government and shareholding Ministers, to support alignment with the Program for Emissions Reduction Plans • Review of Powerlink's internal process and documentation to ensure the information and data necessary to meet the requirements for the ASRS disclosure is available
Risk management	• Powerlink climate narrative and initial risk assessment completed • Embedded climate-related risks into Powerlink's enterprise risk framework	
Strategy	Refreshed Powerlink's Corporate Strategy to reflect changes to the operating environment and release of the Queensland Energy Roadmap in October 2025	
Metrics and targets	Developed Powerlink's emission reduction initiatives	

Appendix

Appendix

Basis of preparation for greenhouse gas emissions

Methodology used to calculate emissions

For FY25/26, Powerlink has applied the NGER Scheme as its primary emissions quantification framework, consistent with the NGER Act and the NGER (Measurement) Determination. Under the AASB S2 transitional reliefs and Australian-specific amendments, Powerlink has used NGER methodologies and National Greenhouse Accounts (NGA) factors for specified scope 1 and scope 2 emissions, avoiding duplicative emissions calculation processes. Powerlink has registered facilities under the NGER Act and has applied NGER methodologies (such as the NGER Measurement Determination) to measure and disclose those specific scope 1 and 2 emissions.

Powerlink data is reported on a financial year basis (1 July 2025 to 30 June 2026) across progressive phases. For this report, Powerlink used nine months of actual data and three months of estimated interim data (excluding transmission losses) to compile a full-year dataset. For the reporting period FY25/26, actual transmission loss data has been reported. Transmission losses are the most material emissions for Powerlink. Powerlink will submit 12 months of actual data to the Clean Energy Regulator by 31 October.

Organisational boundary and rationale

Powerlink applies the operational control approach under section 11 of the NGER Act. Under this approach, Powerlink reports emissions from all facilities over which it holds authority to introduce and implement operating, health, safety, and environmental policies. The boundary includes transmission substations, Powerlink-owned and leased offices and depots, fleet vehicles and plant, and contractors operating under Powerlink's Operational Control on contracts exceeding $1 million. Properties leased to third parties and contractors who hold greater policy authority than Powerlink are excluded.

The rationale for selecting Operational Control over an equity-share approach rests on four grounds:

1. it is the approach prescribed by the NGER Act and most accurately reflects Powerlink's capacity to influence emission-generating activities;
2. it satisfies AASB S2's requirement for a clearly defined and auditable consolidation boundary;
3. it better reflects management accountability given Powerlink operates but does not hold financial ownership of all assets; and
4. it ensures consistency across Powerlink's NGER, ASRS and Queensland Treasury whole-of-government submissions.

The boundary is confirmed annually through an Operational Control review conducted by management before each reporting period commences.

Materiality disclosures

Powerlink has applied the materiality requirements of AASB S2 in preparing these disclosures. Material information is information that could reasonably be expected to influence decisions of primary users of general-purpose financial reports. The disclosures include climate-related risks and opportunities that could reasonably be expected to affect Powerlink’s prospects, including cash flows, access to finance and cost of capital over the short, medium and long-term. Powerlink’s materiality assessments are based on management judgement and consider qualitative and quantitative factors to inform risks disclosed in Section 2.3.1 (Powerlink climate-related risks), per Powerlink’s process for identifying, assessing and prioritising climate-related risks and opportunities detailed in Section 4 (Risk Assessment). Powerlink’s estimation of the financial effects of climate-related risks and opportunities remain primarily qualitative at this stage of reporting maturity.

Appendix

Emission factors applied

Scope 1 emission factors are sourced from the NGER measurement framework for all combustion sources, including diesel, petrol, Liquefied Petroleum Gas (LPG), acetylene and petroleum-based products. Method 1 default factors are used unless measured fuel quality data is available, in which case Method 2 factors are applied where relevant. For SF_6, Powerlink applies the IPCC GWP value of 23,500 tCO2-e per kilogram, as adopted in the NGER framework. Powerlink uses Method 1 to calculate SF_6 emissions based on fixed leakage rates for electrical equipment, with no allowance made for stored or laboratory-managed SF_6 mass.

Scope 2 calculations use the Clean Energy Regulator's NGA factors – specifically the Queensland state grid emission factor applied to both purchased electricity and metered transmission network losses. These are updated annually.

GWP values applied across all scopes follow the IPCC Fifth Assessment Report (AR5) 100-year values as adopted in the NGER (Measurement) Determination: CO2e = 1 tonne, CH4 = 28 tonne, N2O = 265 tonne, SF_6 = 23,500 tonne.

Key assumptions and estimation techniques

Where actual metered or invoiced data is unavailable, estimation is applied in accordance with the NGER (Measurement) Determination for scope 1 and 2.

The principle estimation techniques by source are:

- Electricity consumption is pro-rated from available metered data or prior-period actuals adjusted for known site changes.
- Stationary fuel combustion uses prior-period volumes as a proxy where invoices are outstanding.
- Transport fuels draw on fleet management system odometer data and average fuel economy rates where fuel card data has gaps.
- SF_6 emissions are estimated using opening inventories carried forward where a physical stocktake has not been completed.
- Contractor emissions default to prior-period data where the contractor has not submitted within the 30-day deadline.

Appendix

Glossary of key terms

The following abbreviations are used throughout this report:

Abbreviation	Definition
AASB	Australian Sustainability Reporting Standard
AASB S2	Australian Sustainability Reporting Standard S2 — Climate-related Disclosures
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
ASIC	Australian Securities and Investments Commission
ASRS	Australian Sustainability Reporting Standards
AUD	Australian dollar
CAPEX	Capital Expenditure
CERT	Corporate Emissions Reduction Transparency Report (Clean Energy Regulator)
CETC	CopperString 2.0 Electricity Transmission Corporation Pty Ltd
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CO_2	Carbon dioxide
EVs	Electric vehicles
FY	Financial year
GOC	Government Owned Corporation
GHG	Greenhouse Gas
GW	Gigawatt
GWP	Global Warming Potential
IPCC	Intergovernmental Panel on Climate Change
ISP	Integrated System Plan
KM	Kilometres
KPIs	Key Performance Indicators

Appendix

Abbreviation	Definition
kV	Kilovolt
LiDAR	Light Detection and Ranging
LPG	Liquefied Petroleum Gas
MW	Megawatt
NEM	National Electricity Market
NGA	National Greenhouse Accounts
NER	National Electricity Rules
NGER Act	*National Greenhouse and Energy Reporting Act 2007* (Cth)
NGER	National Greenhouse and Energy Reporting
NSW	New South Wales
OPEX	Operating Expenditure
QCN	Queensland Capacity Network Pty Ltd
RAS	Risk Appetite Statements
RIT-T	Regulatory Investment Test for Transmission
SCADA	Supervisory Control and Data Acquisition
SF_6	Sulphur hexafluoride
SSP	Shared Socio-economic Pathway
SSSP	System Strength Service Provider
tCO2-e	Tonnes of carbon dioxide equivalent
TNSP	Transmission Network Service Provider
TOR	Terms of Reference

Queensland Audit Office
Better public services

INDEPENDENT AUDITOR'S REVIEW REPORT ON SPECIFIED SUSTAINABILITY DISCLOSURES

To the Members of Queensland Electricity Transmission Corporation Limited (trading as Powerlink Queensland)

Review Conclusion

I have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Powerlink (the Company) and its controlled entities (the group) for the year ended 30 June 2026 as required by Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Sustainability Disclosures	**Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)**	**Location in Sustainability Report**
Governance	Paragraph 6	Sections 1 to 1.3 on pages 34 to 37
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Sections 2.3.1 to 2.3.2 on pages 41 to 44
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Sections 4 to 4.1 on pages 52 to 53

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001.*

I have not become aware of any matter in the course of my review that makes me believe that the specified Sustainability Disclosures in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

I conducted my review in accordance with the *Auditor-General Auditing Standards,* which incorporate the Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. My review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, I note that subsection 296C (1) of *the Corporations Act 2001* includes a requirement to comply with AASB S2.

My conclusion is based on the procedures I have performed and the evidence I have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of my report below.

My responsibilities under ASSA 5000 are further described in the *Auditor's responsibilities* section of my report.

I am independent of the group in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) together with the ethical requirements in the *Corporations Act 2001*, that are relevant to my review of the specified Sustainability Disclosures.

I have also fulfilled my other ethical responsibilities in accordance with these requirements, the Code and the *Auditor-General Auditing Standards*.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the group, would be in the same terms if given to the directors as at the time of this independent auditor's review report.

The *Auditor-General Auditing Standards* incorporates a system of quality management, guided by the Australian Auditing Standards on quality management. This includes implementing and operating policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Other Information

The directors of the Company are responsible for the other information.

The other information comprises the information included in the group's annual report for the year ended 30 June 2026 but does not include the specified Sustainability Disclosures and my auditor's report thereon.

The other information comprises the director's report and general-purpose financial statements which we obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to me after that date.

My conclusion on the specified Sustainability Disclosures does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However as required by the *Auditor-General Act 2009* and the *Corporations Act 2001*, I have formed a separate opinion on the general-purpose financial statements.

In connection with my review of the specified Sustainability Disclosures, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or my knowledge obtained when conducting the review, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Preparation of the Sustainability Report

Responsibilities of the directors for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- the preparation of the specified Sustainability Disclosures in accordance with the *Corporations Act 2001*; and
- designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the *Corporations Act 2001* that are free from material misstatement, whether due to fraud or error.

The directors' inherent limitations in preparing the Sustainability Report

The following matters describe inherent limitations associated with certain sustainability disclosures included in the Sustainability Report. These limitations arise from the nature of the reporting framework and the methods, assumptions, estimates and judgements used by the directors in preparing that information.

The Sustainability Report contains forward looking information relating to future events and conditions. These are inherently uncertain and may not occur as anticipated, or at all. We do not provide assurance on the extent to which this prospective information will be achieved.

The Sustainability Report outlines that greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of the estimation and complexity to calculate, including application of activity data and emissions factors. The comparability of sustainability information between entities and over time may be affected by inconsistencies to estimate the measurement of those emissions, due to different, but acceptable, methods applied.

Auditor's responsibilities

My objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes my conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of the review in accordance with ASSA 5000, I exercise professional judgement and maintain professional scepticism throughout the engagement. I also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of my responsibilities under the *Auditor-General Act 2009* and *Auditor-General Auditing Standards* is located at the Queensland Audit Office website at: www.qao.qld.gov.au/audit-program/audit-standards.

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These descriptions form part of my auditor's report.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

The procedures I performed included, but were not limited to, the following:

- Enquired with relevant management personnel to understand management's materiality assessment process, the internal controls, governance structure, methodologies, assumptions, judgements, and reporting process for the presentation of the specified Sustainability Disclosures.
- Obtained an understanding of the processes and information flows related to the specified Sustainability Disclosures.
- Reviewed internal documentation including, charters, minutes of board and committee meetings, risk management frameworks, relevant technical papers, and records supporting the specified Sustainability Disclosures.
- Assessed the appropriateness of the reporting boundaries applied by obtaining an understanding of the group's activities and organisational structure.
- Assessed the appropriateness of management's process for identifying and assessing climate-related risks and opportunities, including through inquiries of relevant personnel and inspection of supporting documentation.
- Performed analytical procedures to evaluate the reasonableness of Scope 1 and 2 emissions.
- Considered the presentation and disclosure of selected information in the specified Sustainability Disclosures against the requirements of AASB S2 *Climate-related Disclosures*.

mluwinga

27 August 2026

Martin Luwinga
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Powerlink Queensland

Financial Statements

2025/26

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2026

The Directors present their report together with the financial report of Queensland Electricity Transmission Corporation Limited trading as Powerlink Queensland (the Company) and of the Consolidated Entity being the Company and its subsidiaries for the financial year ended 30 June 2026, together with the auditor's report thereon. Throughout the report, the Consolidated Entity is referred to as the Group.

Directors

The names of Directors in office at any time during the financial year are:

(a) Current Directors

Directors of Powerlink Queensland	Date first appointed	Date ceased
Craig Doyle (Chair)	1 October 2025	n/a
Wayne Collins	1 October 2020	n/a
Elizabeth Cunningham	2 October 2025	n/a
Richard Douglas	1 October 2025	n/a
Diana Lollato	7 August 2025	n/a
Craig McClintock	1 October 2025	n/a
Peta Tilse	7 August 2025	n/a

(b) Former Directors

Directors of Powerlink Queensland	Date first appointed	Date ceased
Kathy Hirschfeld AM (Chair)	1 October 2018	30 September 2025
Joanna Brand	13 October 2022	30 September 2025
Kate Drews	1 October 2023	7 August 2025
Alan Millis	1 October 2015	30 September 2025
Prins Ralston	7 December 2023	7 August 2025
Amanda Yeates	1 October 2023	7 August 2025

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2026

Company Secretary

Ms Brooke Saunders was appointed as Company Secretary effective 1 February 2024. Ms Saunders has extensive senior leadership experience across government and public companies, is a graduate from the Australian Institute of Company Directors (AICD) and holds qualifications in corporate governance, environmental management and health science.

Ms Teresa Howard (Head of Legal) was appointed as alternate Company Secretary from 14 December 2023 until her departure on 28 May 2026.

Principal Activities

During the year the principal continuing activities of the Group consisted of:

(a) Delivery of a transmission service to electricity market participants via open, non-discriminatory access to the Queensland transmission grid which connects generating sites with customer/distribution connection points, and
(b) Provision of metering services to measure electricity generation and use at connection points to the transmission network.

There were no significant changes in the nature of the activities of the Group during the financial year.

Dividends - Powerlink Queensland

No dividend was declared for the 2025/26 financial year (2025: $103.0M). The Group did not pay any special or interim dividends during the year (2025: Nil).

Review of Operations

A review of the Group's operations during the financial year, and the results of those operations, is contained in this annual report.

Significant Changes in the State of Affairs

Transition of the CopperString Project

During the 2025/26 financial year, the Queensland Government announced revised arrangements for the CopperString project following a review undertaken by Queensland Investment Corporation (QIC). Under these arrangements, CopperString will be transferred to QIC-managed entities.

As at 30 June 2026, CopperString-related assets and associated costs continue to be recognised within the Group's statement of financial position. Transfer of CopperString is expected to occur in the 2026-27 financial year.

Project-related accounting adjustments

During the year, the Group recognised a number of project-related write-offs, impairments, provisions and non-recoveries associated with projects and inventory holdings, including CopperString and the Borumba Pumped Hydro Energy Storage (PHES) Connection project, due to changes in project delivery strategies, scope and timing assumptions.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2026

Likely Developments and Expected Results of Operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this annual report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental Regulation

The Group is subject to environmental regulation under State and Federal Government legislation with regard to its acquisition and development of transmission line easements, its maintenance and construction activities, and the operation of facilities at its Virginia and other sites.

The Group has an Executive Committee for People and Health, Safety and Environment, a Board Committee for People, Safety and Environment, and a Board Committee for Audit, Risk and Compliance that monitors its compliance with environmental regulations.

During the period covered by this report there were no breaches that led to prosecution, and the Directors are not aware of any material breaches of environmental regulations.

Emissions Reduction Fund

The Group has not triggered the current thresholds for the Emissions Reduction Fund "safeguarding emissions reduction" scheme which commenced on 1 July 2016.

Greenhouse Gas and Energy Data Reporting Requirements

*The National Greenhouse and Energy Reporting Act 2007 (*NGER*)* requires the Group to report its annual greenhouse gas emissions, including emissions associated with energy use. The Group has systems and processes for the collection and calculation of the data required and submits its report to the Clean Energy Regulator each year before the 31 October deadline. Powerlink's NGER reporting methods and submissions for 2025/26 will be independently reviewed.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2026

Meetings of Directors

The number of meetings held by the Company's Board of Directors, each Board Committee and each subsidiary Board during the year ended 30 June 2026, including the number of meetings attended by each Director, were:

(a) Current Directors

	Meetings of Committees									
	Powerlink Board Meetings		Audit, Risk & Compliance		People, Safety & Environment		Mega Projects		CopperString 2032 Project	
	A	B	A	B	A	B	A	B	A	B
Craig Doyle	11	11	**	**	3	3	**	**	**	**
Wayne Collins	13	14	5	5	**	**	9	9	2	2
Elizabeth Cunningham	11	11	**	**	3	3	8	8	**	**
Richard Douglas	10	11	3	3	**	**	8	8	**	**
Diana Lollato	12	13	**	**	3	3	**	**	**	**
Craig McClintock	11	11	3	3	**	**	8	8	**	**
Peta Tilse	12	13	2	3	3	3	**	**	**	**

(b) Former Directors

	Meetings of Committees									
	Powerlink Board Meetings		Audit, Risk & Compliance		People, Safety & Environment		Mega Projects		CopperString 2032 Project	
	A	B	A	B	A	B	A	B	A	B
Kathy Hirschfeld AM	3	3	1	1	**	**	1	1	2	2
Alan Millis	3	3	**	**	2	2	1	1	2	2
Joanna Brand	1	1	**	**	0	1	**	**	1	1
Kate Drews	3	3	1	1	2	2	1	1	2	2
Amanda Yeates	0	1	**	**	**	**	**	**	0	1
Prins Ralston	1	1	**	**	**	**	**	**	1	1

A= Number of meetings attended

B= Number of meetings held during the time the Director held office or was a member of the committee during the year

** Not a member of the relevant Committee/Board

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2026

Remuneration Report of Key Management Personnel

Details of the remuneration of the key management personnel of the Group including the Directors and Shareholding Ministers who have authority and responsibility for planning, directing and controlling the activities of the entity as defined in *AASB 124 Related Party Disclosures* are provided in Note 30.

Loans to Directors and Executives

The Group has not advanced loans to any Director or key management personnel during or since the end of the last financial year.

Indemnification and Insurance of Directors and Officers

The Company indemnifies the Directors and Officers of the Company and its subsidiaries.

The indemnity relates to any liability:

- to a third party (other than the Company or a related body corporate) unless the liability arises out of conduct involving a lack of good faith; and
- for legal costs incurred in successfully defending civil or criminal proceedings or in connection with proceedings in which relief is granted under the *Corporations Act 2001*.

The Company holds appropriate Directors' and Officers' liability insurance policies.

The liabilities insured include legal costs that may be incurred in defending civil or criminal proceedings brought against the officers in their capacity as officers of entities in the Group. Additionally, it covers any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

The Directors have not included details of premiums paid in respect of the Directors' and Officers' liability and legal insurance contract as such disclosure is prohibited under the terms of the contract.

The Group has not, during the financial year or since, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Group or of any related body corporate against a liability incurred.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included on page 7 for the year ended 30 June 2026.

Rounding of Amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, and in accordance with that instrument, amounts in the Directors' Report and the consolidated Financial Report have been rounded off to the nearest one thousand dollars, unless otherwise indicated.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2026

This Directors' Report is made in accordance with a resolution of Directors.

Craig Doyle
Chair
Brisbane
26 August 2026

AUDITOR'S INDEPENDENCE DECLARATION

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Queensland Electricity Transmission Corporation Limited (trading as Powerlink Queensland)

This auditor's independence declaration has been provided pursuant to s. 307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Powerlink Queensland's financial report for the year ended 30 June 2026, and lead auditor of Powerlink Queensland's Sustainability Report for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report or the review of the Sustainability Report.

(b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report or of the review of the Sustainability Report.

This declaration is in respect of Powerlink Queensland and the entities it controlled during the period.

26 August 2026

Martin Luwinga
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026 $'000	2025 $'000
REVENUE			
Revenue	2	**1,202,830**	1,275,198
OTHER GAINS/(LOSSES)			
Other gains/(losses)		**(997)**	(5,752)
EXPENSES			
Expenses from continuing operations	3	**(966,901)**	(883,045)
Impairment losses	4	**(133,191)**	-
PROFIT FROM CONTINUING OPERATIONS		**101,741**	386,401
Finance income		**25,999**	39,830
Finance costs		**(311,741)**	(279,012)
NET FINANCE COSTS	5	**(285,742)**	(239,182)
PROFIT/(LOSS) BEFORE INCOME TAX EQUIVALENT		**(184,001)**	147,219
Income tax equivalent benefit/(expense)	6(a)	**55,123**	(44,233)
PROFIT/(LOSS) FOR THE YEAR		**(128,878)**	102,986
OTHER COMPREHENSIVE INCOME			
Item that may be reclassified to profit or loss			
Cash flow hedges, net of tax	23	**(2,094)**	2,453
Items that will not be reclassified to profit or loss			
Gain on revaluation of property, plant and equipment, net of tax	23	**272,824**	140,637
Actuarial (losses)/gains on defined benefit superannuation fund, net of tax	24	**1,245**	(7,354)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**271,975**	135,736
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**143,097**	238,722
Profit/(loss) is attributable to:			
Owners of Powerlink Queensland		**(128,930)**	103,020
Non-controlling interests		**52**	(34)
		(128,878)	102,986

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026 $'000	2025 $'000
Total comprehensive income/(loss) for the year is attributable to:			
Owners of Powerlink Queensland		**143,045**	238,756
Non-controlling interests		**52**	(34)
		143,097	238,722

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2026

	Notes	2026 $'000	2025 $'000
CURRENT ASSETS			
Cash and cash equivalents	7	**11,739**	19,793
Advances	8	**325,855**	668,745
Trade and other receivables	9	**118,238**	145,671
Inventories	10	**258,389**	172,126
Derivative financial instruments	25	**2**	1,434
Current tax equivalent assets		**42,556**	-
Other current assets	11	**33,834**	24,791
Total current assets		**790,613**	1,032,560
NON-CURRENT ASSETS			
Property, plant and equipment	12	**11,284,708**	10,517,517
Intangible assets	13	**175,760**	171,445
Defined benefit fund asset	19	**29**	1,028
Right-of-use assets	20	**47,195**	56,803
Derivative financial instruments	25	**32,302**	28,437
Other non-current assets	11	**1,047**	1,672
Total non-current assets		**11,541,041**	10,776,902
Total assets		**12,331,654**	11,809,462
CURRENT LIABILITIES			
Trade and other payables	14	**109,723**	128,710
Interest bearing loans	15	**159,411**	59,614
Derivative financial instruments	25	**5,425**	-
Current tax equivalent liabilities		**-**	7,483
Provisions	17	**132,382**	209,827
Lease liabilities	20	**10,334**	11,990
Other current liabilities	18	**62,077**	66,222
Total current liabilities		**479,352**	483,846
NON-CURRENT LIABILITIES			
Interest bearing loans	15	**6,672,154**	6,343,857
Deferred tax equivalent liabilities	16	**1,138,678**	1,077,125
Provisions	17	**15,132**	10,915
Lease liabilities	20	**40,824**	47,066
Other non-current liabilities	18	**275,693**	279,930
Total non-current liabilities		**8,142,481**	7,758,893
Total liabilities		**8,621,833**	8,242,739

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2026

	Notes	2026 $'000	2025 $'000
Net assets		**3,709,821**	3,566,723
EQUITY			
Share capital	21	**401,000**	401,000
Contributed equity	22	**946,495**	946,350
Reserves	23	**2,055,806**	1,872,036
Retained earnings	24	**304,234**	344,958
Capital and reserves attributable to the owners of Powerlink Queensland		**3,707,535**	3,564,344
Non-controlling interests	35(b)	**2,286**	2,379
Total equity		**3,709,821**	3,566,723

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Attributable to owners of Powerlink Queensland						
		Share capital $'000	Contri-buted equity $'000	Reserves $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
CHANGES IN EQUITY FOR 2025								
BALANCE AT 1 JULY 2024		**401,000**	**672,397**	**1,809,425**	**272,464**	**3,155,286**	**1,365**	**3,156,651**
Profit/(loss) for the year		-	-	-	103,020	103,020	(34)	102,986
Other comprehensive income		-	-	143,090	(7,354)	135,736	-	135,736
Transfers between reserves and retained earnings		-	-	(79,850)	79,850	-	-	-
Total comprehensive income for the year		**-**	**-**	**63,240**	**175,516**	**238,756**	**(34)**	**238,722**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:								
Contributions of equity, net of transaction costs and tax		-	273,953	-	-	273,953	1,047	275,000
Dividends provided for or paid	28	-	-	-	(103,020)	(103,020)	-	(103,020)
Deferred tax liability true-up through equity		-	-	(629)	-	(629)	-	(629)
Currency adjustment		-	-	-	(2)	(2)	1	(1)
Total transactions with owners for the year		**-**	**273,953**	**(629)**	**(103,022)**	**170,302**	**1,048**	**171,350**
BALANCE AT 30 JUNE 2025		**401,000**	**946,350**	**1,872,036**	**344,958**	**3,564,344**	**2,379**	**3,566,723**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Attributable to owners of Powerlink Queensland						
		Share capital $'000	Contri-buted equity $'000	Reserves $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
CHANGES IN EQUITY FOR 2026								
BALANCE AT 1 JULY 2025		**401,000**	**946,350**	**1,872,036**	**344,958**	**3,564,344**	**2,379**	**3,566,723**
Profit/(loss) for the year		-	-	-	(128,930)	(128,930)	52	(128,878)
Other comprehensive income		-	-	270,730	1,245	271,975	-	271,975
Transfers between reserves and retained earnings		-	-	(86,960)	86,960	-	-	-
Total comprehensive income for the year		**-**	**-**	**183,770**	**(40,725)**	**143,045**	**52**	**143,097**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:								
Contributions of equity, net of transaction costs		-	145	-	-	145	(145)	-
Dividends provided for or paid	28	-	-	-	-	-	-	-
Deferred tax liability true-up through equity		-	-	-	-	-	-	-
Currency adjustment		-	-	-	1	1	-	1
Total transactions with owners for the year		**-**	**145**	**-**	**1**	**146**	**(145)**	**1**
BALANCE AT 30 JUNE 2026		**401,000**	**946,495**	**2,055,806**	**304,234**	**3,707,535**	**2,286**	**3,709,821**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026 $'000	2025 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**1,204,118**	1,225,079
Payments to suppliers and employees		**(612,603)**	(619,140)
Finance costs paid		**(290,923)**	(263,159)
Income tax equivalent paid		**(50,468)**	(28,367)
Interest received		**26,556**	40,100
Net goods and services tax received/(paid)		**(2,254)**	216
NET CASH INFLOW FROM OPERATING ACTIVITIES	7	**274,426**	354,729
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and intangible assets	12, 13	**(957,596)**	(1,136,117)
Advances from / (to) Queensland Treasury Corporation (QTC)		**342,890**	(116,319)
Proceeds from sale of property, plant and equipment and intangible assets		**23,156**	4,285
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		**(591,550)**	(1,248,151)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of equity to owners of Powerlink Queensland		**-**	275,000
Proceeds from borrowings		**446,678**	849,846
Dividends paid to the Company's shareholders	28	**(103,020)**	(50,238)
Repayment of borrowings		**(34,588)**	(175,221)
NET CASH INFLOW FROM FINANCING ACTIVITIES		**309,070**	899,387
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(8,054)**	5,965
Cash and cash equivalents at the beginning of the year		19,793	13,782
Effects of exchange rate changes on cash and cash equivalents		**-**	46
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	**11,739**	19,793

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: BASIS OF PREPARATION

The material principal accounting policies adopted in the preparation of the financial report are set out within this report. Policies have been consistently applied across the Group for all years presented, unless noted otherwise.

(a) General Information

The consolidated financial statements consist of Queensland Electricity Transmission Corporation Limited and its subsidiaries (the Group).

Queensland Electricity Transmission Corporation Limited is a company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

33 Harold Street
Virginia Qld 4014

During the year the principal continuing activities of the Group consisted of:

- Delivery of a transmission service to electricity market participants via open, non-discriminatory access to the Queensland transmission grid which connects generating sites with customer/distribution connection points, and
- Provision of metering services to measure electricity generation and use at connection points to the transmission network.

The consolidated financial statements were authorised for issue by the Directors on 26 August 2026. The Directors have the power to amend and reissue the consolidated financial statements.

Queensland Electricity Transmission Corporation Limited is a for profit entity for the purpose of preparing the financial statements.

(b) New or Revised Standards or Interpretations

The Group has reviewed new and revised accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are applicable for the current reporting period, as well as those issued but not effective.

The Group has considered *AASB 18 Presentation and Disclosure in Financial Statements*, which replaces AASB 101 and introduces new requirements for the presentation of the consolidated statement of profit or loss, including the classification of income and expenses into defined categories, the introduction of new subtotals, and enhanced disclosure requirements. AASB 18 is not effective for the current reporting period and has not been early adopted.

The Group has also considered relevant amending standards issued during the period, including AASB 2025-series amendments, which primarily relate to targeted updates to disclosure requirements and financial instrument classification and measurement.

Based on the Group's assessment, the adoption of these standards is not expected to have a material impact on the recognition and measurement of amounts in the consolidated financial statements. The impact of AASB 18 is expected to be limited to presentation and disclosure changes upon adoption.

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(c) Basis of Preparation

These general purpose consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), the *Corporations Act 2001*, and the Queensland *Government Owned Corporations Act 1993* (GOC Act).

(i) Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. Furthermore, there are no material uncertainties related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

(ii) Functional and Presentation Currency

The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

The Group is of a kind referred to in Rounding Instrument 2026/183 issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the consolidated financial statements. Amounts in the consolidated financial statements have been rounded off in accordance with that instrument to the nearest thousand dollars unless stated otherwise.

Where necessary, comparative amounts have been reclassified to be consistent with current year disclosures. These changes are not considered material.

(iii) Historical Cost Convention

These consolidated financial statements have been prepared on the basis of historical costs, except for:

- revaluation at fair value of derivative instruments; and
- revaluation of certain classes of property, plant and equipment, including capital work-in-progress.

(iv) Basis of Consolidation

The consolidated financial statements have been prepared using consistent material accounting policies. Where material differences were identified between subsidiaries, adjustments have been made on consolidation.

(v) Critical Accounting Estimates

The preparation of consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in the notes to which they relate.

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(d) Change in Accounting Policy

During the current year, the Group changed its accounting policy for the measurement of capital work-in-progress (WIP) assets from historical cost to fair value.

The change was made to better reflect the current replacement cost of assets under construction. Management considers the revised policy provides more reliable and relevant information regarding the current value of assets under construction.

Under the revised policy, capital WIP is measured at fair value using a current replacement cost approach. Fair value is determined by indexing accumulated construction costs using the Consumer Price Index (CPI) as a proxy for movements in current replacement cost. Due to the use of significant unobservable inputs, the resulting fair value measurement is classified as a Level 3 fair value measurement.

The adoption of the revised policy resulted in a revaluation increment of $62.4M (before tax) being recognised in respect of capital WIP during the year, with a corresponding increase recognised in the property, plant and equipment revaluation reserve through other comprehensive income. The change had no impact on profit after income tax equivalent expense for the year ended 30 June 2026.
Comparative information has not been restated. In accordance with AASB 116 Property, Plant and Equipment, the change has been accounted for as a prospective revaluation from 1 July 2025. No adjustment has been recognised in respect of periods prior to those presented.

Further information regarding the valuation methodology and fair value measurement of capital WIP is disclosed in Note 12.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

NOTE 2: REVENUE

	2026 $'000	2025 $'000
REVENUE FROM CONTRACTS WITH CUSTOMERS		
Grid sales revenue	**1,153,648**	1,180,860
Total Revenue from Contracts with Customers	**1,153,648**	1,180,860
OTHER REVENUE		
Customer works	**31,175**	68,035
Other activities	**18,007**	26,303
Total Other Revenue	**49,182**	94,338
TOTAL REVENUE	**1,202,830**	1,275,198

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Revenue is recognised for the major business activities using the methods outlined below.

Grid Sales Revenue

Grid sales revenue comprises revenue earned from the provision of regulated and non-regulated grid transmission services. Sales revenue is recognised when the services are provided.

Regulated grid sales revenue is subject to the application of an annual regulated revenue allowance determined for the Company. Transmission Use of System prices are initially set to recover the annual regulated revenue allowance.

Regulated grid revenue is recognised on an as-billed basis in relation to services provided within the period, and may vary from the annual regulated revenue allowance with over or under recoveries being refunded or recovered in subsequent years.

Under the National Electricity Rules, the Australian Energy Market Operator processes all electricity market settlement transactions for Queensland and transfers the residual (Inter and Intra Regional Settlements Residue) to Powerlink Queensland as the appropriate Transmission Network Service Provider.

Customer works

Customer works revenue is derived from connection enquiries, line relocations, applications and early works. Revenue from customer works is recognised when the services are provided.

Other activities

Other activities revenue is derived from the provision of property searches, wholesale telecommunications services, supplier discounts and various miscellaneous works and services. Revenue from other activities is recognised when the services are provided.

NOTE 3: EXPENSES

Expenses from Continuing Operations

	2026 $'000	2025 $'000
Network operations	**52,640**	48,668
Network maintenance	**212,218**	186,139
Corporate/business support	**185,427**	134,561
Customer works and other activities	**61,234**	85,244
Depreciation and amortisation	**455,382**	428,433
TOTAL EXPENSES FROM CONTINUING OPERATIONS	**966,901**	883,045

Corporate and business support costs include contract cancellation costs in connection with major development projects. These costs form part of the broader project-related accounting adjustments recognised in the current year. Please refer to Note 4 and 12 for further details.

Employee benefits included in total expenses from continuing operations		
Employee benefit expense through the consolidated statement of profit or loss	**264,426**	229,037

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Employee Benefits

Refer to Note 29 for material accounting policies related to employee benefits.

NOTE 4: IMPAIRMENT LOSSES

	2026 $'000	2025 $'000
IMPAIRMENT LOSSES		
Impairment losses	**133,191**	**-**
TOTAL IMPAIRMENT LOSSES	**133,191**	**-**

Impairment losses of $133.2M recognised during the 2025-26 year related to certain capital work-in-progress (WIP) balances associated with major development projects due to changes in delivery strategies, scope and timeframes. Further details are provided in Note 12.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Impairment of Capital WIP

Refer to Note 12 for material accounting policies related to impairment of capital WIP.

NOTE 5: NET FINANCE COSTS

	2026 $'000	2025 $'000
FINANCE INCOME		
Interest received	**25,999**	39,830
FINANCE INCOME	**25,999**	39,830
FINANCE COSTS		
Interest expense	**(285,688)**	(254,345)
Other	**(26,053)**	(24,667)
FINANCE COST	**(311,741)**	(279,012)
NET FINANCE COSTS	**(285,742)**	(239,182)

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Finance Income

Finance Income includes interest received in connection with Cash & Cash Equivalents and Advances to Queensland Treasury Corporation (QTC). All interest income is recognised using the effective interest method as accrued.

Finance Costs

Finance Costs include interest and costs incurred in connection with the arrangement of borrowings. All borrowing costs are expensed as incurred.

NOTE 6: INCOME TAX EQUIVALENT (BENEFIT)/EXPENSE

(a) Income Tax Equivalent (Benefit)/Expense

	Notes	2026 $'000	2025 $'000
INCOME TAX EQUIVALENT (BENEFIT)/EXPENSE			
Current tax		**(115)**	47,240
Deferred tax		**(55,008)**	(3,007)
TOTAL INCOME TAX EQUIVALENT (BENEFIT)/EXPENSE		**(55,123)**	44,233
DEFERRED INCOME TAX (BENEFIT)/EXPENSE			
(Increase)/decrease in deferred tax equivalent assets	16(a)	**(71,571)**	(16,379)
(Decrease)/increase in deferred tax equivalent liabilities	16(b)	**16,563**	13,372
TOTAL DEFERRED TAX (BENEFIT)/EXPENSE		**(55,008)**	(3,007)

NOTE 6: INCOME TAX EXPENSE (CONTINUED)

(b) Numerical Reconciliation of Income Tax Equivalent Expense to Prima Facie Tax Payable

	2026 $'000	2025 $'000
Profit from continuing operations before income tax equivalent expense	**(184,001)**	147,219
Tax equivalent at the Australian tax rate of 30.0% (2025: 30.0%)	**(55,201)**	44,166
INCREASE/(DECREASE) IN INCOME TAX EQUIVALENT EXPENSE DUE TO:		
Other differences	**274**	10
Prior year adjustments	**(196)**	57
TOTAL INCOME TAX EQUIVALENT (BENEFIT)/EXPENSE	**(55,123)**	44,233

(c) Amounts Recognised Directly in Equity

	2026 $'000	2025 $'000
DEFERRED TAX EQUIVALENT RECOGNISED DIRECTLY IN EQUITY		
Net deferred tax equivalent - debited / (credited) directly to equity	**116,559**	58,907

(d) Tax Expense/(Benefit) Relating to Items of Other Comprehensive Income

	Notes	2026 $'000	2025 $'000
Gains on revaluation of property, plant and equipment	23	**116,924**	60,273
Cash flow hedges	23	**(898)**	1,052
Remeasurement of defined benefit fund asset		**533**	(3,047)
True-up to prior year balances		**-**	629
TOTAL TAX EXPENSE/(BENEFIT) RELATING TO ITEMS OF OTHER COMPREHENSIVE INCOME		**116,559**	58,907

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Tax Equivalents

The Group is liable to make tax equivalent payments on its taxable income to the Queensland Government. These taxation payments are made pursuant to Section 129(4) of the GOC Act.

The National Tax Equivalents Regime (NTER) broadly utilises the provisions of the *Income Tax Assessment Act 1936*, the *Income Tax Assessment Act 1997* and associated legislation, the NTER Manual as well as Rulings and other pronouncements by the Australian Taxation Office (ATO) to determine the tax payable by the Group.

NOTE 6: INCOME TAX EXPENSE (CONTINUED)

Current Tax Equivalent Payable/Receivable

The current income tax equivalent charge is determined based on the tax laws enacted or substantively enacted at the end of the reporting period in Australia, where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns concerning situations where applicable tax regulations are open to interpretation. Provisions are established where appropriate, based on the amounts expected to be paid to the tax authorities.

Income Tax Equivalent Expense

The income tax equivalent expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate in Australia adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the consolidated profit and loss, except when it relates to items recognised in other comprehensive income or directly in equity. In such cases, the tax is recognised in other comprehensive income or directly in equity, respectively.

Tax Consolidation Legislation

Powerlink Queensland and its wholly-owned Australian controlled entities have adopted the tax consolidation legislation. Consequently, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the Directors, limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Queensland Electricity Transmission Corporation Limited.

The entities have also entered into a tax funding agreement under which the wholly owned entities fully compensate Powerlink Queensland for any current tax payable assumed and are compensated by Powerlink Queensland for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Powerlink Queensland under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. The funding amounts are recognised as current intercompany receivables or payables.

Investment Allowances and Similar Tax Incentives

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (e.g. the Research and Development Tax Incentive regime in Australia or other investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, for expenses and assets, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

NOTE 6: INCOME TAX EXPENSE (CONTINUED)

Receivables and payables are stated inclusive of the amount of GST payable or receivable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Refer to Note 16 for material accounting policies related to Deferred Tax Equivalent balances.

NOTE 7: CASH AND CASH EQUIVALENTS

	2026 $'000	2025 $'000
Cash at bank	**11,739**	15,679
Cash on deposit with Queensland Treasury Corporation	**-**	4,114
TOTAL CASH AND CASH EQUIVALENTS	**11,739**	19,793

(a) Fair Value

The carrying amount for cash and cash equivalents equals the fair value.

(b) Restricted cash

The Group holds cash as customer securities. The associated liability is disclosed in Note 14 within Deposits. The corresponding funds are deposited with QTC and classified as Advances in Note 8.

(c) Risk Exposure

The Group's exposure to interest rate risk is discussed in Note 25(b). The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above other than Cash at Bank.

NOTE 7: CASH AND CASH EQUIVALENTS (CONTINUED)

(d) Reconciliation of Profit After Income Tax Equivalent to Net Cash Inflow from Operating Activities

	2026 $'000	2025 $'000
Profit/(loss) for the year	**(128,878)**	102,986
ADJUSTMENT FOR:		
Depreciation and amortisation	**455,382**	428,434
Non-cash impairment losses	**107,465**	-
Net (gain)/loss on sale of non-current assets	**875**	5,869
Net exchange (gain)/loss	**-**	(46)
CHANGE IN OPERATING ASSETS AND LIABILITIES:		
(Increase)/decrease in trade receivables	**18,819**	(20,910)
(Increase)/decrease in inventories	**(86,263)**	(56,205)
(Increase)/decrease in deferred tax equivalent assets	**(67,152)**	(16,469)
(Decrease)/increase in trade and other payables	**(20,727)**	(128,623)
(Decrease)/increase in provision for income tax equivalent payable	**(50,514)**	19,831
(Decrease)/increase in deferred tax equivalent liabilities	**15,003**	15,278
(Decrease)/increase in other provisions	**29,791**	5,788
(Increase)/decrease in other assets	**625**	(1,204)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**274,426**	354,729

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in Current Liabilities in the consolidated balance sheet.

NOTE 8: ADVANCES

	2026 $'000	2025 $'000
Advances to Queensland Treasury Corporation	**325,855**	668,745
TOTAL ADVANCES	**325,855**	668,745

Under the Queensland Government's cash management regime, Government Owned Corporations (GOCs) advance surplus cash to QTC for use by Queensland Treasury. QTC pays interest on these advances at its Cash Fund rate.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

GOCs' access to the advances is generally subject to notification periods of 24 to 48 hours. Because of the short-term nature of the advances, the carrying amount is assumed to represent fair value.

NOTE 9: TRADE AND OTHER RECEIVABLES

	2026 $'000	2025 $'000
Trade receivables	**110,108**	139,220
Provision for impairment of trade receivables	**(483)**	(466)
Other	**8,613**	6,917
TOTAL TRADE AND OTHER RECEIVABLES	**118,238**	145,671

IMPAIRED TRADE RECEIVABLES

	2026		2025	
	Gross $'000	Impairment $'000	Gross $'000	Impairment $'000
Current receivables	108,038	-	137,758	-
Less than 1 month	140	-	348	-
1 to 2 months	1,191	-	242	121
2 to 3 months	504	153	227	114
Greater than 3 months	235	330	645	231
TOTAL	**110,108**	**483**	**139,220**	**466**

MOVEMENT IN PROVISION FOR IMPAIRMENT OF TRADE RECEIVABLES

	2026 $'000	2025 $'000
Opening balance	466	-
Additional provisions recognised	203	466
Amount utilised	(186)	-
CLOSING BALANCE	**483**	**466**

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Trade receivables are recognised initially at the amount of consideration that is unconditional. Due to the short-term nature of the current receivables, their carrying amount is considered to be a reasonable approximation of their fair value.

If collection of the amounts are expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

The recoverability of trade and other receivables is reviewed on an ongoing basis. The impairment provision is based on expected credit losses resulting from all possible default events over the expected life of the financial instrument with consideration of the credit risk of the financial asset.

CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

A provision for impaired receivables is recognised when there is objective evidence indicating that the Group will be unable to collect all amounts due according to the original terms of the receivables. The Group follows the requirements of *AASB 9 Financial Instruments* in determining expected credit losses on its receivables.

NOTE 10: INVENTORIES

	2026 $'000	2025 $'000
Maintenance and construction stock	**272,814**	172,601
Provision for stock obsolescence	**(14,425)**	(475)
TOTAL INVENTORIES	**258,389**	172,126

Inventories of $9.7 million (2025: $8.8 million) were recognised as an expense during the year and included within network maintenance.

MOVEMENT IN PROVISION FOR INVENTORY OBSOLESCENCE

	2026 $'000	2025 $'000
Opening balance	475	-
Additional provisions recognised	14,425	475
Amount utilised	(475)	-
CLOSING BALANCE	**14,425**	**475**

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Inventories comprise maintenance and construction stock and are measured at the lower of weighted average cost and net realisable value. Net realisable value represents the estimated selling price or replacement value in the ordinary course of business, less any costs necessary to make the inventory available for use. Inventory balances are assessed at each reporting date for indicators of obsolescence or impairment, and a write-down is recognised where carrying value exceeds net realisable value.

CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

Determining the net realisable value of inventory requires management judgement, particularly for specialised network assets with limited alternative uses. Factors considered include expected future utilisation, technological change, stock age, condition and service potential. During the current year, these assessments resulted in the recognition of an inventory obsolescence provision of $14.4 million (2025: $0.5 million). The creation and release of this provision is reported under Corporate/Business support costs.

NOTE 11: OTHER ASSETS

	2026 $'000	2025 $'000
CURRENT		
Work in progress - Customer Works	**16,543**	16,018
Prepayments	**15,917**	8,068
Other	**1,374**	705
TOTAL OTHER CURRENT ASSETS	**33,834**	24,791
NON-CURRENT		
Other non-current assets	**1,047**	1,672
TOTAL OTHER NON-CURRENT ASSETS	**1,047**	1,672

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Work-In-Progress - Customer Works

Costs incurred in delivering customer-specific projects are recognised as work in progress when they are directly attributable to a contract and are expected to be recoverable. These costs are released once the associated works are completed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

	Work in Progress $'000	Freehold Land and Easements $'000	Freehold Buildings $'000	Supply System Assets $'000	Other Property, Plant and Equipment $'000	Total $'000
AT 1 JULY 2024						
Cost or fair value	1,404,330	881,694	136,287	12,844,738	149,358	15,416,407
Accumulated depreciation	-	-	(57,734)	(5,611,992)	(92,876)	(5,762,602)
NET BOOK VALUE	**1,404,330**	**881,694**	**78,553**	**7,232,746**	**56,482**	**9,653,805**
YEAR ENDED 30 JUNE 2025						
Opening net book value	1,404,330	881,694	78,553	7,232,746	56,482	9,653,805
Revaluation surplus	-	21,251	1,900	177,760	-	200,911
Additions	1,076,575	-	-	-	-	1,076,575
Disposals	-	(3,857)	-	(6,201)	(97)	(10,155)
Depreciation	-	-	(3,742)	(385,128)	(14,749)	(403,619)
Transfers	(628,744)	100,807	7,676	490,019	30,242	-
CLOSING NET BOOK VALUE	**1,852,161**	**999,895**	**84,387**	**7,509,196**	**71,878**	**10,517,517**
AT 1 JULY 2025						
Cost or fair value	1,852,161	999,895	147,260	13,597,716	172,123	16,769,155
Accumulated depreciation	-	-	(62,873)	(6,088,520)	(100,245)	(6,251,638)
NET BOOK VALUE	**1,852,161**	**999,895**	**84,387**	**7,509,196**	**71,878**	**10,517,517**
YEAR ENDED 30 JUNE 2026						
Opening net book value	1,852,161	999,895	84,387	7,509,196	71,878	10,517,517
Revaluation surplus	62,354	36,650	3,173	287,569	-	389,746
Additions	947,660	-	-	-	-	947,660
Disposals	-	(23,708)	-	-	(325)	(24,033)
Depreciation	-	-	(4,564)	(384,595)	(23,832)	(412,991)
Impairment	(133,191)	-	-	-	-	(133,191)
Transfers	(524,939)	11,539	33,520	381,825	98,055	-
CLOSING NET BOOK VALUE	**2,204,045**	**1,024,376**	**116,516**	**7,793,995**	**145,776**	**11,284,708**

NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

AT 30 JUNE 2026						
Cost or fair value	2,204,045	1,024,376	186,318	14,441,175	260,561	18,116,475
Accumulated depreciation	-	-	(69,802)	(6,647,180)	(114,785)	(6,831,767)
NET BOOK VALUE	**2,204,045**	**1,024,376**	**116,516**	**7,793,995**	**145,776**	**11,284,708**

Historical cost of property, plant and equipment

If property, plant and equipment were stated on a depreciated historical cost basis, the carrying value would have been:

	2026 $'000	2025 $'000
Capital work-in-progress	**2,141,691**	1,852,161
Freehold land and easements	**599,866**	611,392
Buildings	**89,707**	59,564
Supply system assets	**5,318,483**	5,201,296

VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Group's capital work-in-progress (WIP), supply system assets, freehold land and easements, and building assets are carried at fair value. The Group applies an annual income-based valuation method and replacement costs method, complemented by evaluations from external independent valuers at least once every five years. The most recent review was completed in 2024. This process includes a thorough review of the valuation approach and its assumptions.

During the current year, the Group changed its accounting policy for the measurement of capital WIP assets from historical cost to fair value. The change has been accounted for as a prospective revaluation in accordance with AASB 116 Property, Plant and Equipment. Comparative information has not been restated.

As at 30 June 2026, the fair value measurement of these assets has been categorised as a Level 3 fair value in the fair value hierarchy. This classification reflects the use of significant unobservable inputs in the valuation process. The income-based approach estimates the net present value of future cash flows expected from the assets, incorporating assumptions that are not based on observable market data.

The key assumptions and approach as at 30 June 2026 are as follows:

NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Regulated Assets

- are subject to regulation in the form of a regulated revenue allowance and it is assumed that they will continue to be subject to regulation in the future;
- cash flows have been projected based on post-tax forecasts consistent with existing regulatory determinations and methodologies and assuming an average growth rate using the Consumer Price Index (CPI) which is assessed to be the best estimate of future inflation for years beyond the current determination period;
- inclusion of a terminal value calculated using the Gordon growth model and assuming an annual growth rate using the CPI which is assessed to be the best estimate of future inflation; and
- application of a nominal vanilla discount rate.

Non-regulated Assets

- cash flows have been estimated over the life of non-regulated contracts;
- cash flow projections are based on tax-adjusted contract terms and conditions including both operating and capital expenditures to maintain the assets at required service levels; and
- application of a post-tax nominal discount rate.

Capital WIP

- replacement capital expenditures (capex) for regulated assets are included in the existing valuation model and therefore do not require a separate fair value measurement;
- augmentation capex in the non-regulated business are measured at historical cost escalated by CPI annually, on the basis that these WIP are typically capitalised within a short-to-medium term, following which are captured under the existing valuation method for non-regulated assets;
- capital WIP balance associated with the CopperString project continues to be recognised having regard to the expected transfer arrangements and associated recoverability assessments; and
- other capital WIP balance is also measured at historical cost escalated by CPI annually, as they will form part of either regulated or non-regulated assets on completion of the projects, and measured under the existing income-based valuation method.

An increase/(decrease) in the discount rate can result in a significantly lower/(higher) valuation.

Asset carrying values are within the valuation range developed using these assumptions and approach.

Impairment of Capital WIP Assets

Impairment losses of $133.2M were recognised during the year, which are comprised of:

- $84.7M for CopperString Project related to expenditures incurred under earlier design, procurement and delivery assumptions;
- $27.2M for Borumba PHES Connection Project related to expenditures incurred under earlier project development assumptions; and
- $21.3M for other project-related capital WIP balances.

NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

CopperString Transfer

The Queensland Government announced revised delivery, governance and ownership arrangements for the CopperString project, under which QIC-managed entities have been established to develop, deliver, own, operate and maintain the CopperString project.

The Group continued to recognise capital WIP balances associated with the CopperString project as its assets during the current year. Transfer of CopperString project is expected to occur in the 2026-27 financial year.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Supply system assets (including WIP assets), freehold land and easements, and buildings are measured at fair value. All other property, plant and equipment is valued at historical cost less depreciation.

Acquisition of Assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liability undertaken at the date of the acquisition plus incidental costs attributable to the acquisition.

The carrying amount of property, plant and equipment constructed by the Group includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use. Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent Costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to consolidated profit or loss during the reporting period in which they are incurred.

Revaluation

Supply system assets, buildings, freehold land and easements, and WIP are revalued in line with the Australian Bureau of Statistics CPI (Weighted Average of Eight Capital Cities Index) at the end of each financial year.

Revaluation increments, net of tax, are recognised in other comprehensive income and accumulated in reserves in equity, except for amounts reversing a decrement previously recognised as an expense. Revaluation decrements are only offset against revaluation increments applying to the particular asset, and any excess is recognised as an expense.

The CPI revaluation amount is compared to an income-based approach valuation based on expected future cash flows to ensure the revalued asset amounts do not differ materially from fair value. The application of this policy to existing assets is reviewed by the Directors at each reporting date.

NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation

Land is not depreciated. Easements are only depreciated where the indefinite useful life of an easement no longer applies, and a known useful life is identified. Depreciation is calculated using the straight-line method to allocate cost or revalued amounts, net of their residual values, over estimated useful lives of assets, as follows:

- Supply System Assets	10 - 70 years
- Buildings	10 - 57 years
- Other Property, Plant and Equipment	3 -15 years

Depreciation commences from the time units of property, plant and equipment are ready for use and is calculated on all assets with the exception of land and easements, other than as specified above.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Derecognition and Disposal of Assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated profit or loss in the year in which the asset is derecognised.

CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

Fair Value of Property, Plant and Equipment

In the absence of an active market, the Group determines the fair value of supply system assets, freehold land and easements, and buildings using an income-based approach. This method involves significant unobservable inputs, including assumptions about future cash flows and discount rates, and is therefore classified as a Level 3 fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In assessing fair value, a number of key estimates and assumptions are adopted for expected future cash flows and discount rates. These assumptions are also relevant in assessing whether assets are impaired, as changes in expected future economic benefits or discount rates may result in the carrying amount exceeding recoverable amount.

Capital WIP is measured at fair value using a current replacement cost approach. Fair value is determined by indexing accumulated construction costs using CPI as a proxy for movements in current replacement cost. Significant judgement is applied in determining that indexed cost appropriately reflects current replacement cost and therefore fair value in the absence of observable market data for assets under construction. Accordingly, the valuation is classified as a Level 3 fair value measurement. During the year, the Group recognised a revaluation increment of $62.4 million relating to capital WIP following the adoption of this approach. This increment was recognised through other comprehensive income and accumulated within the property, plant and equipment revaluation reserve.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

NOTE 13: INTANGIBLE ASSETS

	Software $'000	Work in Progress $'000	Total $'000
AT 1 JULY 2024			
Cost	170,596	82,370	252,966
Accumulated amortisation and impairment	(124,429)	-	(124,429)
NET BOOK VALUE	**46,167**	**82,370**	**128,537**
YEAR ENDED 30 JUNE 2025			
Opening net book value	46,167	82,370	128,537
Additions	162	59,542	59,704
Amortisation	(16,796)	-	(16,796)
Transfers	38,115	(38,115)	-
CLOSING NET BOOK VALUE	**67,648**	**103,797**	**171,445**
AT 1 JULY 2025			
Cost	207,859	103,797	311,656
Accumulated amortisation and impairment	(140,211)	-	(140,211)
NET BOOK VALUE	**67,648**	**103,797**	**171,445**
YEAR ENDED 30 JUNE 2026			
Opening net book value	67,648	103,797	171,445
Additions	-	35,661	35,661
Amortisation	(31,346)	-	(31,346)
Transfers	69,218	(69,218)	-
CLOSING NET BOOK AMOUNT	**105,520**	**70,240**	**175,760**
AT 30 JUNE 2026			
Cost	273,852	70,240	344,092
Accumulated amortisation and impairment	(168,332)	-	(168,332)
NET BOOK VALUE	**105,520**	**70,240**	**175,760**

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Recognition and measurement

Intangible assets with a value equal to or greater than $5,000 are capitalised and measured at historical cost less accumulated amortisation and accumulated impairment losses. Subsequent costs, such as development activities, are capitalised only when they can be reliably measured and increase the future economic benefits of the intangible asset. Subsequent costs are not amortised until the intangible asset is completed and ready for use.

NOTE 13: INTANGIBLE ASSETS (CONTINUED)

Amortisation

Amortisation is calculated using the straight-line method to allocate cost or revalued amounts, net of their residual values, over estimated useful lives of assets (3 - 10 years).

Amortisation begins when intangible assets are put into use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Software as a Service (SaaS) Arrangements

SaaS arrangements are classified as service contracts that allow access to the cloud provider's application software throughout the duration of the contract. As a result, there is no recognition of a software intangible asset at the inception of the contract. Expenses related to the configuration and customisation of the software, as well as recurring access fees, are treated as operating expenses when incurred. When software development costs are incurred to enhance or add new functionalities to existing on-premise systems and meet the criteria for recognition as an intangible asset, they are capitalised accordingly. Additionally, any licensed software and associated customisation and configuration costs that are deployed in a private cloud environment controlled by the entity are recognised as intangible assets. The costs for ongoing support services are expensed as they are received.

NOTE 14: TRADE AND OTHER PAYABLES

	2026 $'000	2025 $'000
Trade payables	**63,083**	93,564
Deposits	**22,488**	17,350
Other payables	**24,152**	17,796
TOTAL TRADE AND OTHER PAYABLES	**109,723**	128,710

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Trade payables represent unsecured liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. Trade and other payables are classified as current liabilities unless the payment is not due within 12 months from the reporting date. Due to the short-term nature, their carrying amount is a reasonable approximation of fair value.

Deposits reflect customer cash securities provided to the Group.

NOTE 15: INTEREST BEARING LOANS

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
UNSECURED BORROWINGS						
Queensland Treasury Corporation	**159,411**	**6,531,247**	**6,690,658**	59,614	6,209,575	6,269,189
Clean Energy Finance Corporation	**-**	**140,907**	**140,907**	-	134,282	134,282
TOTAL UNSECURED BORROWINGS	**159,411**	**6,672,154**	**6,831,565**	59,614	6,343,857	6,403,471

Further information relating to loans from related parties is set out in Note 34.

(a) Compliance with Loan Covenants

Powerlink Queensland has complied with the financial covenants of its borrowing facilities during the 2026 and 2025 financial years.

(b) Fair Value

With the exception of Queensland Treasury Corporation borrowings, the carrying amount of financial liabilities measured at amortised cost approximates their fair value at reporting date.

	2026		2025	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Queensland Treasury Corporation	**6,690,658**	**6,365,366**	6,269,189	6,046,745
TOTAL	**6,690,658**	**6,365,366**	6,269,189	6,046,745

(c) On-balance Sheet

The borrowings from QTC are carried on the consolidated balance sheet at an amount different to the aggregate net fair value. The Directors have not caused those liabilities to be adjusted to the aggregate net fair value as it is intended to retain those securities until maturity. QTC loans are classified as level 2 in the fair value hierarchy.

NOTE 15: INTEREST BEARING LOANS (CONTINUED)

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The Group has both principal-and-interest loans, and interest-only loans. In accordance with the Company's borrowing plan, principal repayments on the interest-only loans have been deferred. Interest expenses are accrued over the period in which they are incurred. All borrowing costs are expensed as incurred.

NOTE 16: DEFERRED TAX EQUIVALENT BALANCES

(a) Deferred Tax Equivalent Assets

	Notes	2026 $'000	2025 $'000
THE BALANCE COMPRISES TEMPORARY DIFFERENCES ATTRIBUTABLE TO:			
Provisions		**52,004**	36,852
Blackhole expenses		**35,523**	107
Tax losses		**17,260**	194
Contract liabilities		**16,001**	14,972
Lease liabilities		**15,348**	17,717
Receivables		**4,761**	-
Cash flow hedges		**1,628**	-
Accruals		**1,205**	588
Other		**418**	519
TOTAL DEFERRED TAX EQUIVALENT ASSETS		**144,148**	70,949
Set-off of deferred tax liabilities pursuant to set-off provisions	16(a)	**(144,148)**	(70,949)
NET DEFERRED TAX EQUIVALENT ASSETS		**-**	-

NOTE 16: DEFERRED TAX EQUIVALENT BALANCES (CONTINUED)

MOVEMENTS:		
Opening balance	**70,949**	54,570
Credited/(charged) to profit or loss	**71,571**	16,379
Credited/(charged) to equity	**1,628**	-
CLOSING BALANCE	**144,148**	70,949

Deferred tax assets expected to be recovered within 12 months	**58,197**	38,070
Deferred tax assets expected to be recovered after more than 12 months	**85,951**	32,879
CLOSING BALANCE	**144,148**	70,949

(b) Deferred Tax Equivalent Liabilities

	Notes	2026 $'000	2025 $'000
THE BALANCE COMPRISES TEMPORARY DIFFERENCES ATTRIBUTABLE TO:			
Property, plant and equipment		**1,230,567**	1,104,349
Right-of-use assets		**14,158**	17,041
Inventories		**28,310**	14,639
Cash flow hedges		**9,691**	8,961
Receivables		**-**	2,566
Defined benefit fund surplus		**94**	394
Cash and term deposit		**6**	124
TOTAL DEFERRED TAX EQUIVALENT LIABILITIES		**1,282,826**	1,148,074
Set-off of deferred tax liabilities pursuant to set-off provisions	16(a)	**(144,148)**	(70,949)
NET DEFERRED TAX EQUIVALENT LIABILITIES		**1,138,678**	1,077,125

	Notes	2026 $'000	2025 $'000
MOVEMENTS:			
Opening balance		**1,148,074**	1,075,797
True-up to opening balance through equity		**-**	629
Charged/(credited) to profit or loss		**16,563**	13,372
Charged/(credited) to equity		**118,189**	58,276
CLOSING BALANCE		**1,282,826**	1,148,074

Deferred tax liabilities expected to be settled within 12 months	**28,316**	17,760
Deferred tax liabilities expected to be settled after more than 12 months	**1,254,510**	1,130,314
CLOSING BALANCE	**1,282,826**	1,148,074

NOTE 16: DEFERRED TAX EQUIVALENT BALANCES (CONTINUED)

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Refer to Note 6 Income Tax Equivalent Expense for material accounting policies related to general income taxation.

Deferred Tax Equivalent Assets and Liabilities

Deferred tax equivalent assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax equivalent assets and liabilities are offset when there is a legally enforceable right to do so, and when these balances relate to the same taxation authority. Similarly, current tax equivalent assets and liabilities are offset where the entity has a legally enforceable right and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

Recovery of Deferred Tax Equivalent Assets

Deferred tax equivalent assets are recognised for deductible temporary differences as management considers it is probable that future taxable profits will be available to utilise those temporary differences.

NOTE 17: PROVISIONS

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Dividends	**-**	**-**	**-**	103,020	-	103,020
Employee benefits	**111,894**	**14,990**	**126,884**	104,587	10,915	115,502
Unresolved Easement Compensation	**2,329**	**-**	**2,329**	2,220	-	2,220
Other	**18,159**	**142**	**18,301**	-	-	-
TOTAL PROVISIONS	**132,382**	**15,132**	**147,514**	209,827	10,915	220,742

NOTE 17: PROVISIONS (CONTINUED)

(a) Information About Individual Provisions and Significant Estimates

Employee Benefits

The current provision for employee entitlements includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The amount is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

Annual leave, vested long service leave and on-cost entitlements accrued but not expected to be taken within 12 months have been included as part of current liabilities as the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Refer to Note 29 for accounting policies related to employee benefits.

Prior history indicates that on average, personal leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused personal leave entitlement is recognised. As personal leave is non-vesting, an expense is recognised for this leave as it is taken.

Unresolved Easement Compensation

The Group has a number of easement compensation liability obligations currently unresolved with the relevant landowners. Easements have been placed over the land in question however negotiations with landowners as to the amount of compensation and the timing of the compensation payments are still unresolved.

(b) Movements in Provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Dividends $'000	Unresolved Easement Compensation $'000	Other $'000	Total $'000
Opening balance	103,020	2,220	-	105,240
Additional provision recognised	-	109	18,301	18,410
Amount used	(103,020)	-	-	(103,020)
CLOSING BALANCE	**-**	**2,329**	**18,301**	**20,630**

SUMMARY OF MATERIAL ACCOUNTING POLICIES

All provisions, exclusive of employee entitlements, are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

NOTE 17: PROVISIONS (CONTINUED)

These provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an interest expense.

NOTE 18: OTHER LIABILITIES

	2026			2025		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Unearned Revenue	**52,910**	**-**	**52,910**	57,737	-	57,737
Contract Liability	**9,167**	**274,839**	**284,006**	8,485	279,308	287,793
Other	**-**	**854**	**854**	-	622	622
TOTAL OTHER LIABILITIES	**62,077**	**275,693**	**337,770**	66,222	279,930	346,152

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Unearned Revenue

Unearned revenue represents moneys received by the Group for which the Group has yet to provide the corresponding goods and services.

Contract Liability

Contract liability represents unearned income associated with contracts that contain a significant financing component, as defined by AASB 15 *Revenue from Contracts with Customers*.

NOTE 19: SUPERANNUATION COMMITMENTS

(a) Superannuation Plan

The Group contributes to an industry multiple employer superannuation fund, Brighter Super. Members of the fund, after serving a qualifying period, are entitled to benefits on retirement, resignation, retrenchment, disability or death. The Group has one plan, with a defined benefit section and a defined contribution section. The defined benefit section is only open to existing employees who have always been in the section, and is not open to new employees.

The defined contribution section receives fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions. Alternatively, subject to eligibility, employees may elect to have these payments made to a defined contribution plan of the employees' choice.

The defined benefit account of the industry plan provides defined lump sum benefits based on years of service and final average salary. Employee contributions to the scheme are based on percentages of their salaries and wages. The Group also contributes to the plan.

The following sets out details in respect of the defined benefit section of the industry plan only.

NOTE 19: SUPERANNUATION COMMITMENTS (CONTINUED)

(b) Defined Benefit Plan

The amounts recognised in the balance sheet arising from the Group's obligation in respect of its defined benefit plan are as follows:

	2026 $'000	2025 $'000
Fair value of defined benefit plan assets	**78,197**	78,018
Present value of the defined benefit obligation	**(78,168)**	(76,990)
NET SURPLUS IN THE CONSOLIDATED BALANCE SHEET	**29**	1,028

(c) Employer Contributions

Employer contributions to the defined benefit section of the plan are based on recommendations by the plan's actuary. Actuarial assessments are made at no more than three yearly intervals, and the last such assessment was made as at 1 July 2024.

During the most recent actuarial review, it was noted that the defined benefit section of the plan remained adequately funded to meet its accrued liabilities. Based on actuarial advice, employer contributions to the defined benefit section ceased from 1 July 2015. Given the reduction in the funding surplus, it is anticipated that employer contributions will likely be required in future periods, subject to the outcome of ongoing actuarial reviews.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

A liability or asset in respect of the defined benefit superannuation plan is recognised in the consolidated balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund’s assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the end of the reporting period on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Actuarial gains and losses arising from the experience during the financial year which differed from previous estimates and changes in actuarial assumptions are recognised in the period in which they occur, outside of profit or loss directly in other comprehensive income.

Contributions to the defined contribution section of the Group’s superannuation plan and other independent defined contribution superannuation funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Past service costs are recognised immediately in the consolidated statement of profit or loss.

NOTE 20: LEASES

The Group has entered into a number of leases for offices and warehouses under non-cancellable operating lease agreements expiring within one to seven years. The leases have varying terms, escalation clauses and renewal options. The escalation applicable to each lease is a fixed annual rate and on renewal, the terms of the leases are re-negotiated.

Leases as Lessee

(i) Amounts recognised in the consolidated balance sheet

	2026 $'000	2025 $'000
RIGHT-OF-USE ASSETS		
Opening balance at start of financial year	**56,803**	14,773
Additions to right-of-use assets	**1,437**	50,048
Depreciation charge for the year	**(11,045)**	(8,018)
TOTAL RIGHT-OF-USE ASSETS	**47,195**	56,803

	2026 $'000	2025 $'000
LEASE LIABILITIES		
Current lease liabilities	**10,334**	11,990
Non-current lease liabilities	**40,824**	47,066
TOTAL LEASE LIABILITIES	**51,158**	59,056

(ii) Amounts recognised in the consolidated statement of profit or loss

	2026 $'000	2025 $'000
Interest on lease liabilities	**2,979**	2,178
Expense relating to short-term leases	**3,462**	4,429

(iii) Total cash outflow for leases

	2026 $'000	2025 $'000
Not later than one year	**12,867**	11,990
Later than one year and no later than five years	**40,399**	52,532
Later than five years	**4,643**	4,643
Less: effect of discounting	**(6,751)**	(10,109)
Lease liabilities at 30 June 2026	**51,158**	59,056

NOTE 20: LEASES (CONTINUED)

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Right-of-use Asset

Right-of-use assets are initially recognised at cost comprising the following:

- the amount of the initial measurement of the lease liability,
- lease payments made at or before the commencement date, less any lease incentives received
- initial direct costs incurred, and
- the initial estimate of restoration costs.

Right-of-use assets are subsequently depreciated over the lease term.

The carrying amount of right-of-use assets are adjusted for any remeasurement of the lease liability in the financial year following a change in discount rate, a reduction in lease payments payable, changes in variable lease payments that depend upon variable indexes/rates or a change in lease term.

The Group has elected not to record right-of-use assets and liabilities for short-term leases and leases of low-value assets. These lease payments are expensed evenly throughout the lease term.

Lease Liabilities

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that the Group is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date, and
- payments for termination penalties, if the lease term reflects the early termination.

When measuring the lease liability, the Group uses its incremental borrowing rate as the discount rate, which is provided by QTC and corresponds to the commencement date and term of the lease.

Subsequent to initial recognition, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

When the Group has the option to extend a lease, management exercises its judgement to determine whether it is reasonably certain that the option will be exercised. Management evaluates all relevant facts and circumstances including past practices and any cost associated with altering the lease if the extension option is not utilised, to determine the lease term.

NOTE 21: SHARE CAPITAL

	Notes	2026 Shares	2025 Shares	2026 $'000	2025 $'000
ORDINARY SHARES					
Fully paid	21(a)	**401,000,000**	401,000,000	**401,000**	401,000
TOTAL SHARE CAPITAL		**401,000,000**	401,000,000	**401,000**	401,000

(a) Issued and Paid Up Capital - Ordinary Shares

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Issued capital consists of 2 "A" Class voting shares of $1.00 each and 400,999,998 "B" Class non-voting shares of $1.00 each. Holders of "A" Class ordinary shares are entitled to one vote per share at shareholders' meetings.

There was no movement in the issued and paid up capital during the financial year ended 30 June 2026.

(b) Terms and Conditions of Share Capital - Ordinary Shares

Ordinary shares entitle the holder to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, shares held.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTE 22: CONTRIBUTED EQUITY

	2026 $'000	2025 $'000
Contributed equity	**946,495**	946,350
TOTAL CONTRIBUTED EQUITY	**946,495**	946,350

Contributed equity reflects contributions received from the owner (Queensland Government). During the year, the Company received $Nil (2025: $275.0M) equity contribution from the owner.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Where assets and liabilities are transferred between entities of the wholly-owned Group or State of Queensland controlled entities under the direction of the owner (Queensland Government), the equity contribution is adjusted to reflect the amount attributable to any non-controlling interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

NOTE 23: RESERVES

	2026 $'000	2025 $'000
Revaluation surplus - property, plant and equipment	**2,036,991**	1,851,127
Cash flow hedges	**18,815**	20,909
TOTAL RESERVES	**2,055,806**	1,872,036

(a) Nature and Purpose of Reserves

Revaluation Surplus - Property, Plant and Equipment

The property, plant and equipment revaluation surplus reserve is used to record increments and decrements on the revaluation of non-current assets measured at fair value in accordance with the applicable Australian Accounting Standards. The balance standing to the credit of the surplus may be used to satisfy the distribution of bonus shares to shareholders and is only available for the payment of cash dividends in limited circumstances as permitted by law.

Cash Flow Hedges

The cash flow hedges reserve is used to record gains or losses in cash flow hedging instruments, that are recognised in other comprehensive income. Amounts are reclassified to consolidated statement of profit or loss when associated hedged transactions affect consolidated statement of profit or loss.

	2026 $'000	2025 $'000
MOVEMENTS:		
Revaluation surplus - property, plant and equipment		
Opening balance	**1,851,127**	1,790,970
Revaluation - gross	**389,748**	200,910
Deferred tax	**(116,924)**	(60,273)
Transfer to retained earnings	**(86,960)**	(79,851)
Tax adjustment through other comprehensive income	**-**	(629)
Closing balance	**2,036,991**	1,851,127
Cash flow hedges		
Opening balance	**20,909**	18,455
Revaluation - gross	**(2,992)**	3,506
Deferred tax	**898**	(1,052)
Closing balance	**18,815**	20,909
TOTAL RESERVES	**2,055,806**	1,872,036

During the year the Group transferred from the revaluation reserve to retained earnings a revaluation surplus of $87.0M (2025: $79.9M). This surplus reflects the difference between depreciation based on the revalued carrying amount of assets and depreciation based on the assets' original costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

NOTE 24: RETAINED EARNINGS

Movements in retained earnings were as follows:

	Notes	2026 $'000	2025 $'000
Opening balance		**344,958**	272,464
Net profit/(loss) for the year		**(128,930)**	103,020
Dividends	28	**-**	(103,020)
Actuarial gains/(losses) and tax on remeasurement of defined benefit plan assets		**1,069**	(9,511)
Defined benefit fund contributions tax		**176**	2,157
Transfer from revaluation surplus		**86,960**	79,850
Currency adjustment		**1**	(2)
CLOSING BALANCE		**304,234**	344,958

NOTE 25: FINANCIAL RISK MANAGEMENT

The Group manages financial risk under a Board-approved Risk Policy, supported by various frameworks, programs, and policies. This approach ensures that all significant enterprise risks are consistently identified, assessed, prioritised, and managed in line with the Board-approved Risk Appetite Statements. The policies cover specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and the investment of excess liquidity.

(a) Derivatives

	2026 $'000	2025 $'000
CURRENT ASSETS		
Commodity swaps - cash flow hedges	**2**	-
Foreign exchange forwards - cash flow hedges	**-**	1,434
NON-CURRENT ASSETS		
Interest rate swaps - cash flow hedges	**32,302**	28,437
CURRENT LIABILITIES		
Foreign exchange forwards - cash flow hedges	**5,425**	-
TOTAL DERIVATIVES	**26,879**	29,871

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

NOTE 25: FINANCIAL RISK MANAGEMENT (CONTINUED)

All derivatives are measured as level 2 in the fair value measurement hierarchy (refer Note 26).

For hedged forecast transactions that result in the recognition of a non-financial asset, the Group has elected to include related hedging gains and losses in the initial measurement of the cost of the asset.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The Group designates certain derivatives as hedges of a particular risk associated with the cash flows of highly probable forecast transactions (cash flow hedges). The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and presented in the cash flow hedge reserves within equity. The gain or loss relating to ineffective hedges is recognised immediately in the consolidated statement of profit or loss.

Hedge Effectiveness
Hedge effectiveness is evaluated at the inception of a hedging relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and the hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match with the critical terms of the hedge instrument, the hedge relationship is no longer effective and the related fair value changes are transferred to the consolidated statement of profit or loss.

Hedge ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of Australia or the derivative counterparty.

(b) Market Risk

(i) Foreign Exchange Risk

The Group is exposed to currency and commodity risks when purchasing materials in foreign currencies for the construction and maintenance of supply system assets.

Exchange rate and commodity exposures are managed within approved policy parameters using forward foreign exchange and commodity contracts.

The Group's market risk management standard is to hedge anticipated transactions (material purchases) in the foreign currency where a commitment or contracted exposure exists and the amount exceeds a Board-approved threshold.

The carrying amounts of the Group's financial assets and liabilities are all denominated in Australian dollars.

Exposure
The Group's exposures to foreign currency risk at the end of the reporting period, expressed in the foreign currency, were as follows:

NOTE 25: FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Market Risk (continued)

	2026			2025	
	USD $'000	CHF Fr '000	EURO €'000	USD $'000	EURO €'000
Foreign currency forwards					
- buy foreign currency (cash flow hedges)	**77,811**	**1,853**	**50,986**	36,415	1,740

All forward foreign exchange contracts are hedging against forecast purchases.

(ii) Interest Rate Risk

The Group's main interest rate risk would normally arise from long term borrowings. However, under the lending arrangements provided by QTC, the Company's borrowings are largely funded by fixed rate debt instruments with various terms to maturity which produce a relatively stable average interest rate.

The Group primarily holds its borrowings with QTC, an entity controlled by the Queensland Government, except for a variable loan with the Clean Energy Finance Corporation (CEFC). All borrowings are denominated in Australian dollars. To hedge against the variability in future cash flows due to interest rate fluctuations, the Group has entered into pay fixed/receive variable interest rate derivatives with QTC and CEFC, respectively.

(iii) Price Risk

The Group has no exposure to equity securities price risk and limited exposure to commodity price risk, which is not considered material.

(c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

The Group is primarily exposed to credit risk through its electricity transmission services to a few large reputable customers including electricity generators, distributors and direct connect load customers. The risk associated with these customers is considered low. Additionally, appropriate financial security is obtained when necessary, either through regulatory regime arrangements, or other forms such as parent guarantees and unconditional bank guarantees.

Outside of the small number of major electricity network customers, trade receivables consists of a limited number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The credit risk on liquid funds and derivative financial instruments is limited as the counterparties are either banks, QTC or Government entities, all of whom have high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the consolidated financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking into account the value of any collateral obtained.

NOTE 25: FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Credit Risk (continued)

Trade Receivables Ageing and Impairment

The ageing analysis of trade receivables along with the amount of any loss due to impairment of trade receivables during the current or prior year is contained within Note 9.

(d) Liquidity Risk

The Board of Directors holds ultimate responsibility for liquidity risk management. They have implemented a suitable framework to manage the Group's short, medium, and long-term funding and liquidity needs. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilities, while continuously monitoring forecast and actual cash flows. Surplus funds are invested with QTC and can be accessed on call.

Financing Arrangements

Under the funding arrangements entered into between the Company and the Company's Shareholding Ministers, any undrawn approved funding lapses at the end of each financial year. The Company seeks approval from the Shareholding Ministers for funding requirements for the forthcoming year on an annual basis, and these approved borrowings form part of the State of Queensland's borrowing program. Should additional borrowings beyond the approved amounts be necessary to maintain liquidity and/or meet operational requirements, approval must be sought from the Queensland Treasurer.

Maturities of Financial Liabilities

The tables below indicate the Group’s financial liabilities, in relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the 30 June 2026 table reflect the position at that date.

Contractual maturities of financial liabilities At 30 June 2026	0 - 12 months $'000	Between 1 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount (assets)/ liabilities $'000
NON-DERIVATIVES					
Trade and other payables	109,723	-	-	109,723	109,723
Interest bearing loans	285,391	1,152,517	6,114,544	7,552,452	6,831,565
TOTAL NON-DERIVATIVES	**395,114**	**1,152,517**	**6,114,544**	**7,662,175**	**6,941,288**

Contractual maturities of financial liabilities At 30 June 2025	0 - 12 months $'000	Between 1 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount (assets)/ liabilities $'000
NON-DERIVATIVES					
Trade and other payables	128,710	-	-	128,710	128,710
Interest bearing loans	268,104	1,093,917	6,222,960	7,584,981	6,403,471
TOTAL NON-DERIVATIVES	**396,814**	**1,093,917**	**6,222,960**	**7,713,691**	**6,532,181**

NOTE 26: FAIR VALUE MEASUREMENTS

SUMMARY OF MATERIAL ACCOUNTING POLICIES

To provide an indication of the reliability of the inputs used in determining fair value, the Group classifies its assets and liabilities measured at fair value into the three levels prescribed under the accounting standards.

The Group's policy is to recognise transfers between fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

NOTE 27: CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders, and to maintain an optimal capital structure in line with Shareholding Ministers' expectations.

The Group's overall strategy to maintain at least an "investment grade" business credit rating remains unchanged.

The capital structure of the Group consists of debt, which includes interest bearing loans disclosed in Note 15, cash and cash equivalents in Note 7, and equity attributable to equity holders of the Company, comprising share capital, contributed equity, reserves and retained earnings as disclosed in Notes 21, 22, 23 and 24 respectively.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Operating cash flows are used to maintain and expand the Group's property, plant and equipment, as well as to make routine outflows of tax, dividends and servicing of debt.

The Group's policy is to principally borrow centrally using facilities provided by QTC to meet anticipated funding requirements.

There have not been any material changes in strategy or policy subsequent to the year ended 30 June 2026.

NOTE 27: CAPITAL RISK MANAGEMENT (CONTINUED)

The Group's management monitors its capital on the basis of Adjusted Net Debt to Fixed Assets ratio on an annual basis through its reporting to the Board, Shareholding Ministers and QTC.

	2026 $'000	2025 $'000
Total debt	**6,831,565**	6,403,471
Property, plant and equipment	**11,284,708**	10,517,517
Gearing ratio	**60.5%**	60.9%

NOTE 28: DIVIDENDS

	2026 $'000	2025 $'000
ORDINARY SHARES		
Unfranked final dividend proposed	**-**	103,020
TOTAL DIVIDENDS	**-**	103,020

Consistent with the shareholder-approved dividend policy, dividends are based on 100% of operating profit after income tax equivalent expense. No dividend has been declared or proposed for the year ended 30 June 2026 (2025: $103.0 million).

Pursuant to the National Tax Equivalent Regime, the Group is not required to maintain a franking account.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Provisions are made for any dividends declared, which have been duly authorised and are no longer at the discretion of the entity, by or before the end of the reporting period but remain undistributed at that time.

The dividend recommendation is made after consulting with the Shareholding Ministers in accordance with the GOC Act.

NOTE 29: EMPLOYEE BENEFITS

Information in respect of each category of performance-related payment is as follows:

(a) At-Risk Performance Remuneration

Certain employees of the Group are eligible for performance payments based on individual efforts against a range of key performance behaviours and performance objectives contained in individual performance agreements and taking into consideration the overall performance of the Group. In addition, award employees are eligible for a gain-sharing payment based on corporate results.

At-risk performance payments are paid in the current financial year for the preceding financial year.

	2026	2025
Aggregate at-risk performance remuneration paid	$1.9M	$0.2M
Number of employees receiving performance payments	1,321	8
Total salaries and wages paid	$501.9M	$473.4M

NOTE 29: EMPLOYEE BENEFITS (CONTINUED)

(b) Number of Employees

Number of employees (full time equivalents excluding labour hire) at year end: 2,012 (2025: 1,947).

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Employee Benefits

Wages and Salaries, Annual Leave, Long Service Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulated sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities expected to be settled more than 12 months after the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

For long service leave, future wages, employee departures, and service periods are considered. Future payments are discounted using market yields that closely match the estimated cash outflows.

Liabilities for sick leave are recognised when the leave is taken and measured at the rates paid or payable. Annual leave, vested long service leave and on-cost entitlements accrued but not expected to be taken within 12 months have been included as part of current liabilities as the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Personal leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees. No liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Termination Benefits

Liabilities for termination benefits are recognised for the obligation to provide termination payments to employees where there is a valid expectation that the Group will progress with a restructuring and associated terminations.

CRITICAL JUDGEMENTS IN APPLYING THE MATERIAL ACCOUNTING POLICIES

Employee Entitlements

Management judgement is applied in determining the following key assumptions used in the calculation of long service leave at balance date:

- future increases in salaries and wages;
- future oncost rates; and
- experience of employee departures and periods of service.

NOTE 30: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

The key management personnel of Powerlink Queensland during the financial year were:

(a) Shareholding Ministers

Powerlink Queensland is a Queensland GOC established under the GOC Act. The GOC's Shareholding Ministers are identified as part of the GOC's key management personnel (KMP). Two Queensland Government Ministers (Shareholding Ministers) hold shares in Powerlink Queensland on behalf of the people of Queensland. During the financial year they were:

- The Honourable David Janetzki MP, Treasurer, Minister for Energy and Minister for Home Ownership.
- The Honourable Rosslyn Bates MP, Minister for Finance, Trade, Employment and Training.

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members Remuneration Handbook. Powerlink Queensland does not directly bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses of all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

(b) Directors

Directors of Powerlink Queensland are appointed by the Shareholding Ministers for fixed terms with specified expiry dates. The following persons were directors of the Company during the financial year:

Current Directors

Directors of Powerlink Queensland		First appointed	Appointment expiry / cessation date
Craig Doyle	Chair	1 October 2025	31 May 2029
Wayne Collins	Non-Executive Director	1 October 2020	30 September 2027
Elizabeth Cunningham	Non-Executive Director	2 October 2025	31 May 2029
Richard Douglas	Non-Executive Director	1 October 2025	31 May 2029
Diana Lollato	Non-Executive Director	7 August 2025	31 May 2028
Craig McClintock	Non-Executive Director	1 October 2025	31 May 2029
Peta Tilse	Non-Executive Director	7 August 2025	31 May 2028

NOTE 30:KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

(b) Directors (continued)

Former Directors

Directors of Powerlink Queensland		First appointed	Appointment expiry / cessation date
Kathy Hirschfeld AM	Chair	1 October 2018	30 September 2025
Joanna Brand	Non-Executive Director	13 October 2022	30 September 2025
Kate Drews	Non-Executive Director	1 October 2023	7 August 2025
Alan Millis	Non-Executive Director	1 October 2015	30 September 2025
Prins Ralston	Non-Executive Director	7 December 2023	7 August 2025
Amanda Yeates	Non-Executive Director	1 October 2023	7 August 2025

(c) Other KMP

Remuneration of Other KMP

The People, Safety and Environment Committee of the Board of Directors is responsible for establishing remuneration policy, and for determining and reviewing the remuneration arrangements for other key management personnel.

The People, Safety and Environment Committee assesses the appropriateness of the nature and amount of compensation of other key management personnel on a periodic basis by reference to relevant employment market conditions to assist the Company to attract, retain and motivate high calibre individuals. Shareholder guidelines and policy in relation to remuneration of other key management personnel are followed.

The remuneration arrangements include a total fixed remuneration component which provides some flexibility for packaging of superannuation, motor vehicles and other costs, as well as a performance pay component which rewards out-performance of pre-agreed business and individual targets.

Other key management personnel are employed under employment agreements. Their current employment agreements either have a fixed term or do not have an expiry date. The agreements provide a notice period from five weeks to six months depending on the particular contract and provision for a severance payment should the Company elect to terminate the agreement. The severance payment is in accordance with the employment agreement.

(d) Details of Remuneration

Each Director receives an annual fee for being a Director of the Company. An additional fee is also paid for each Board Committee and subsidiary Board on which the Director sits. The current base remuneration was last reviewed with effect from 1 October 2023.

Directors are not entitled to receive any performance-related remuneration. Directors do not receive share options and are not entitled to acquire shares in the Company. All shares in the Company are held by the Shareholding Ministers on behalf of the State of Queensland.

NOTE 30:KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

(d) Details of Remuneration (continued)

(i) Directors of the Company

	Short Term Benefits		Post Employment Benefits		Total	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
CURRENT DIRECTORS						
Craig Doyle	**34**	-	**4**	-	**38**	-
Wayne Collins	**67**	70	**7**	8	**74**	78
Elizabeth Cunningham	**47**	-	**6**	-	**53**	-
Richard Douglas	**47**	-	**6**	-	**53**	-
Diana Lollato	**55**	-	**5**	-	**60**	-
Craig McClintock	**47**	-	**6**	-	**53**	-
Peta Tilse	**58**	-	**7**	-	**65**	-
TOTAL - CURRENT DIRECTORS	**355**	70	**41**	8	**396**	78
FORMER DIRECTORS						
Kathy Hirschfeld AM	**30**	122	**4**	14	**34**	136
Joanna Brand	**17**	70	**2**	8	**19**	78
Kate Drews	**7**	67	**1**	8	**8**	75
Kevin Hegarty OAM	**-**	23	**-**	3	**-**	26
Jennifer Hill AM	**-**	29	**-**	3	**-**	32
Alan Millis	**16**	72	**2**	8	**18**	80
Prins Ralston	**7**	67	**1**	8	**8**	75
Amanda Yeates	**7**	70	**1**	8	**8**	78
TOTAL - FORMER DIRECTORS	**84**	520	**11**	60	**95**	580
TOTAL - DIRECTORS	**439**	590	**52**	68	**491**	658

Directors' remuneration excludes insurance premiums paid by Powerlink Queensland in respect of the Directors' and Officers' liability insurance contracts, and premiums in respect of Directors' and Officers' supplementary legal expenses, as the contracts do not specify premiums paid in respect of individual Directors and Officers. Information relating to insurance contracts is set out in the Directors' Report.

NOTE 30:KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

(d) Details of Remuneration (continued)

(ii) Other KMP

Details of the nature and amount of each major element of the remuneration to each of the other KMP of the Company, inclusive of performance payments are:

	Short Term					
2026	Short Term Benefits[1]	Performance Payments[2]	Post-Employment Benefits[3]	Other Long Term Benefits[4]	Termination Benefits[5]	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Darryl Rowell - Interim Chief Executive[6]	768	-	35	5	-	808
Paul Simshauser - Former Chief Executive[7]	372	-	13	-	-	385
Leigh Pickering - Acting Chief Financial Officer[8]	458	-	56	13	-	527
Jacqui Bridge - Executive General Manager (EGM) Network Investment[9]	439	-	55	12	-	506
David Sinnamon - Acting EGM Field and Asset Management[10]	214	-	42	6	-	262
Desmond Kluck - Acting EGM People and Corporate Services[11]	298	-	36	10	-	344
Stewart Bell - EGM Operations and Planning[12]	431	-	91	9	-	531
Ian Lowry - EGM Major Projects	561	-	65	15	-	641
Sarah Huang - EGM Delivery and Technical Solutions	383	-	48	11	-	442
Emma Rogers - EGM Field and Asset Management[13]	190	-	23	5	-	218
Gary Edwards - Chief Operating Officer[14]	17	-	2		104	123
TOTAL	**4,131**	**-**	**466**	**86**	**104**	**4,787**

[1] Short term benefits includes payments made to the executive as part of their fixed remuneration including accrued annual leave (excluding superannuation).

[2] Performance payments are paid in the current financial year for the preceding financial year.

[3] Post employment benefits represent superannuation contributions made by the employer to the superannuation fund.

[4] Other long term benefits represent long service leave accrued.

[5] Termination benefits represent payments made to the executive on termination of employment excluding any entitlements relating to annual leave or long service leave.

[6] Darryl Rowell served as Chief Financial Officer until assuming the duties of Chief Executive in an acting capacity on 6 October 2025 and was subsequently appointed Interim Chief Executive on 16 November 2025. He continued in that role until the commencement of Seán Mc Goldrick as Chief Executive on 29 June 2026, with transition and handover activities continuing through to year end. Darryl resumed his role as the Chief Financial Officer on 6 July 2026. The remuneration disclosed represents total compensation received during the year for both roles.

[7] Paul Simshauser served as Chief Executive until 15 November 2025 and ceased employment during the financial year ended 30 June 2026.

NOTE 30:KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

(d) Details of Remuneration (continued)

[8]Leigh Pickering transitioned from EGM People and Corporate Services to Acting Chief Financial Officer on 6 October 2025 following the appointment of Darryl Rowell as Acting Chief Executive. She resumed her role as EGM Corporate Services on 6 July 2026. The remuneration disclosed represents total compensation received during the year for both roles.
[9]Jacqui Bridge transitioned from EGM Energy Futures to EGM Network Investment on 1 July 2025 following an organisational restructure.
[10]David Sinnamon was appointed Acting EGM Field and Asset Management on 15 December 2025.
[11]Desmond Kluck was appointed Acting EGM Corporate Services on 6 October 2025, following the appointment of Leigh Pickering as Acting Chief Financial Officer and the transition of the People and Corporate Services division to Corporate Services. He returned to his substantive role on 6 July 2026 when Leigh resumed her position as EGM Corporate Services.
[12]Stewart Bell transitioned from EGM Network and Business Development to EGM Operations and Planning on 1 July 2025 following an organisational restructure.
[13]Emma Rogers was appointed Acting EGM Field and Asset Management on 1 July 2025 and ceased acting in the role on 14 December 2025.
[14]Gary Edwards ceased as Chief Operating Officer on 19 July 2025 following the redundancy of the position.

2025	Short Term		Post-Employment	Other Long Term	Termination	
	Short Term Benefits[1] $'000	Performance Payments[2] $'000	Benefits[3] $'000	Benefits[4] $'000	Benefits[5] $'000	Total $'000
Paul Simshauser - Chief Executive	937	37	31	24	-	1,029
Darryl Rowell - Chief Financial Officer	479	19	35	13	-	546
Gary Edwards - Chief Operating Officer	410	17	53	12	-	492
Stewart Bell - Executive General Manager Network and Business Development	467	21	90	13	-	591
Jacqui Bridge - Executive General Manager Energy Futures	389	15	50	11	-	465
Leigh Flemming - EGM People and Corporate Services	393	19	50	11	-	473
Ian Lowry - EGM Major Projects	555	19	69	15	-	658
Sarah Huang - EGM Delivery and Technical Solutions	385	11	50	10	-	456
TOTAL	**4,015**	**158**	**428**	**109**	**-**	**4,710**

Other key management personnel remuneration excludes insurance premiums paid by the parent entity in respect of Directors' and Officers' liability insurance contracts and premiums in respect of Directors' and Officers' supplementary legal expenses, as the contracts do not specify premiums paid in respect of individual Directors and Officers. Information relating to the insurance contracts is set out in the Directors' Report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

NOTE 31: REMUNERATION OF AUDITORS

	2026 $'000	2025 $'000
Audit of financial statements	**485**	475
Audit and review of regulatory reports and other services	**482**	215
TOTAL REMUNERATION FOR AUDIT AND OTHER SERVICES	**967**	690

NOTE 32: CONTINGENCIES

(a) Contingent Assets

The Group has $Nil contingent assets at 30 June 2026 (2025: $Nil).

(b) Contingent Liabilities

The Group has $Nil contingent liabilities at 30 June 2026 (2025: $Nil).

NOTE 33: COMMITMENTS

Capital Expenditure Commitments

Significant capital expenditure for the Group which is attributable to the parent entity, contracted for at the end of the reporting period but not recognised as liabilities, is as follows:

	2026 $'000	2025 $'000
Property, plant and equipment	**755,505**	659,285
TOTAL CAPITAL EXPENDITURE COMMITMENTS	**755,505**	659,285

NOTE 34: RELATED PARTY TRANSACTIONS

(a) Parent Entities

The Group has a related party relationship with its Parent Entity (includes other agencies and departments of the State of Queensland).

(b) Directors

Directors' Shareholdings
No shares in Powerlink Queensland were held by Directors of the Company, the Group or their Director-related entities.

Loans to Directors
No loans have been made or are outstanding to Directors of the Company, the Group or their Director-related entities.

NOTE 34: RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Directors (continued)

Other Transactions
During the current year, Powerlink Queensland engaged Create Advisory Pty Ltd, an entity associated with Non-Executive Director, Diana Lollato, to provide advisory services.

The services were procured and provided on normal commercial terms and conditions. Diana Lollato did not participate in any decisions relating to the engagement, approval, management or oversight of the services.

Fees paid to Create Advisory Pty Ltd during the financial year totalled $7,027 (excluding GST). Amount outstanding at 30 June 2026 was $Nil (2025: $Nil).

(c) Subsidiaries and Associates

Interests in subsidiaries are set out in Note 35.

(d) Transactions with Related Parties

Disclosures relating to other key management personnel are set out in Note 30.

The following transactions occurred with related parties, with terms equivalent to those that prevail in arm's length transactions:

	2026 $'000	2025 $'000
SALES OF GOODS AND SERVICES (INCLUDES GST)		
Entities controlled by the State of Queensland	**762,231**	792,957
PURCHASES OF GOODS AND SERVICES (INCLUDES GST)		
Entities controlled by the State of Queensland	**146,511**	129,548
INTEREST REVENUE		
Entities controlled by the State of Queensland	**25,412**	38,881
OTHER TRANSACTIONS		
Dividends to the Shareholders	**-**	103,020
Borrowing costs - entities controlled by the State of Queensland	**285,860**	255,202
Other related party transactions	**-**	275,000
TOTAL OTHER TRANSACTIONS	**285,860**	633,222

Refer to Note 6 for details of income tax transactions with the ultimate parent entity in accordance with the National Tax Equivalent Regime.

(e) Outstanding Balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

NOTE 34: RELATED PARTY TRANSACTIONS (CONTINUED)

	2026 $'000	2025 $'000
ENTITIES CONTROLLED BY THE STATE OF QUEENSLAND		
Trade and other receivables (sales of goods and services)	**55,322**	56,018
Trade and other payables (purchases of goods and services)	**(11,396)**	(3,279)
Cash and cash equivalents	**-**	4,114
Net finance costs payable	**(5,917)**	(7,382)
TOTAL RELATED PARTY OUTSTANDING BALANCE	**38,009**	49,471

Refer to Notes 16 and 17 for details of outstanding balances with the ultimate parent entity relating to current tax equivalent liabilities, deferred tax equivalent assets, deferred tax equivalent liabilities and provision for dividends.

(f) Cash Advances to Related Parties

	2026 $'000	2025 $'000
CASH ADVANCES TO THE ULTIMATE PARENT ENTITY		
Advances	**325,855**	668,745

(g) Loans from Related Parties

	2026 $'000	2025 $'000
LOANS FROM ULTIMATE PARENT ENTITY		
Opening balance	**6,269,189**	5,638,353
Finance costs charged	**285,860**	255,202
Finance costs expensed	**(279,737)**	(253,424)
Loan repayment made	**(35,088)**	(56,504)
Loan advances	**450,434**	685,562
CLOSING BALANCE	**6,690,658**	6,269,189

(h) Terms and Conditions

All transactions were made on normal commercial terms and conditions, with outstanding balances being unsecured.

NOTE 35: INTERESTS IN OTHER ENTITIES

(a) Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in this note. The country of incorporation is also their principal place of business.

NOTE 35: INTERESTS IN OTHER ENTITIES (CONTINUED)

(a) Significant investments in subsidiaries (continued)

Name of entity	Country of incorporation	Class of shares	Equity holding ** 2026 %	Equity holding ** 2025 %
Harold Street Holdings Pty Ltd *	Australia	Ordinary	**100**	100
Powerlink Transmission Services Pty Ltd *	Australia	Ordinary	**100**	100
Queensland Capacity Network Pty Ltd*	Australia	Ordinary	**51**	51
Queensland Capacity Network Pty Ltd*	Australia	Non-Voting	**90**	90
Copperstring 2.0 Electricity Transmission Corporation Pty Ltd*	Australia	Ordinary	**100**	100

* These subsidiaries are small proprietary companies and are therefore relieved from the requirement for the preparation, audit and lodgement of annual financial statements.

** The proportion of ownership interest is equal to the proportion of voting power held, other than for QCN.

Principal activities of both Harold Street Holdings Pty Ltd and Powerlink Transmission Services Pty Ltd are to act as holding companies for investments made by the parent company, Powerlink Queensland.

Queensland Capacity Network Pty Ltd (QCN) is a telecommunications company set up for the purpose of enabling faster and more reliable internet services in regional Queensland. QCN is jointly owned by Powerlink and Energy Queensland.

Powerlink Queensland owns a controlling 51% of ordinary shares in QCN, along with 90% of non-voting shares. The non-voting shares confer the right to receive any dividend or distribution from the entity and therefore represent the basis of consolidation.

On 30 September 2024, Powerlink Queensland received instructions from its Shareholding Ministers at the time to allocate up to $11M in additional equity to QCN. A total equity contribution of $10.5M was subsequently provided during the year ended 30 June 2025. In December 2025, $1.5M of unutilised funds from this contribution were returned to Powerlink Queensland. As Powerlink Queensland acted as an intermediary for the ultimate shareholder in this arrangement, it does not result in a change to its entitlement to dividends or distributions from QCN.

(b) Non-controlling Interests (NCI)

Supporting financials	Queensland Capacity Network 2026 $'000	Queensland Capacity Network 2025 $'000
Current assets	**13,394**	15,260
Non-current assets	**16,218**	11,824
TOTAL ASSETS	**29,612**	27,084
Current liabilities	**(6,752)**	(3,296)
TOTAL LIABILITIES	**(6,752)**	(3,296)
NET ASSETS	**22,860**	23,788

NOTE 35: INTERESTS IN OTHER ENTITIES (CONTINUED)

Supporting financials	Queensland Capacity Network 2026 $'000	Queensland Capacity Network 2025 $'000
ATTRIBUTABLE TO:		
Owners of Powerlink Queensland	**20,574**	21,409
Non-controlling interest	**2,286**	2,379

Summarised statement of comprehensive income	Queensland Capacity Network 2026 $'000	Queensland Capacity Network 2025 $'000
Profit/(loss) for the year	**518**	(336)
Total comprehensive income	**518**	(336)
Profit/(loss) allocated to NCI	**52**	(34)

Summarised cash flows	Queensland Capacity Network 2026 $'000	Queensland Capacity Network 2025 $'000
Cash flows from operating activities	**5,765**	(381)
Cash flows from investing activities	**(4,177)**	(10,064)
Cash flows from financing activities	**(1,452)**	10,476
Net increases/(decrease) in cash and cash equivalents	**136**	31

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The consolidated financial statements comprise Powerlink Queensland ('the Company' or 'parent entity') and its subsidiaries and include the assets, liabilities and results of those entities as at and for the year ended 30 June 2026. In the parent entity financial statements, investments in subsidiaries are recognised at cost.

NOTE 36: EVENTS OCCURRING AFTER THE REPORTING PERIOD

No other matters or circumstances have occurred subsequent to the financial year end that have significantly affected, or may significantly affect, the operations of the Group, the results of the operations or the state of affairs of the Group in subsequent financial years (2025: $Nil).

NOTE 37: PARENT ENTITY (POWERLINK QUEENSLAND) FINANCIAL INFORMATION

(a) Summary Financial Information

The individual consolidated financial statements for the parent entity, Powerlink Queensland, show the following aggregate amounts:

Summarised balance sheet	Powerlink Queensland 2026 $'000	Powerlink Queensland 2025 $'000
Balance Sheet		
Current assets	**782,013**	1,018,610
Non-current assets	**11,544,439**	10,786,478
TOTAL ASSETS	**12,326,452**	11,805,088
Current liabilities	**(478,021)**	(482,868)
Non-current liabilities	**(8,142,849)**	(7,759,613)
TOTAL LIABILITIES	**(8,620,870)**	(8,242,481)
NET ASSETS	**3,705,582**	3,562,607
SHAREHOLDERS' EQUITY		
Issued capital	**401,000**	401,000
Contributed equity	**948,390**	948,390
Revaluation surplus - property, plant and equipment	**2,036,991**	1,851,127
Cash flow hedges	**18,815**	20,909
Retained earnings	**300,386**	341,181
TOTAL EQUITY	**3,705,582**	3,562,607
Profit/(loss) for the year	**(128,998)**	102,797
Total comprehensive income	**142,977**	238,533

(b) Determining the Parent Entity Financial Information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2026

Entity name	Entity type	Place of incorporation	% share capital held	Tax residency	Foreign jurisdiction
Queensland Electricity Transmission Corporation Limited	[1]	Australia	100%	Australia	N/a
Harold Street Holdings Pty Ltd	[2]	Australia	100%	Australia	N/a
Powerlink Transmission Services Pty Ltd	[2]	Australia	100%	Australia	N/a
Queensland Capacity Network Pty Ltd	[2]	Australia	90%	Australia	N/a
Copperstring 2.0 Electricity Transmission Corporation Pty Ltd	[2]	Australia	100%	Australia	N/a

BASIS OF PREPARATION

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001*. The entities listed in the statement are Queensland Electricity Transmission Corporation Limited and all the entities it controls in accordance with *AASB 10 Consolidated Financial Statements*.

The percentage of share capital disclosed for each entity included in the statement represents the economic interest controlled by Queensland Electricity Transmission Corporation Limited directly.

DIRECTORS' DECLARATION

In the opinion of the Directors of Queensland Electricity Transmission Corporation Limited (the Company):

(a) the consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:

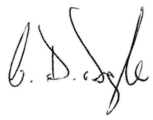
  (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

(c) the Consolidated Entity disclosure statement as at 30 June 2026 is true and correct.

Signed in accordance with a resolution of the Directors.



Craig Doyle
Director
Brisbane
26 August 2026

Queensland Audit Office
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INDEPENDENT AUDITOR'S REPORT

To the Members of Queensland Electricity Transmission Corporation Limited (trading as Powerlink Queensland).

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Powerlink Queensland (the company) and its controlled entities (the group).

The financial report comprises the consolidated balance sheet as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In my opinion, the accompanying financial report of the group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the group's financial position as at 30 June 2026, and its financial performance for the year then ended; and

b) complying with the Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of property, plant and equipment - $8.9 billion (excluding work in progress)

Refer to note 12 in the financial report.

Key audit matter	How my audit addressed the key audit matter
Powerlink Queensland used a complex discounted cash flow model to ensure that the carrying value of property, plant and equipment (excluding work in progress) did not differ materially from its fair value. The model involved significant judgements for: • estimating future cash flows and terminal values • setting discount rates.	My procedures included, but were not limited to: • obtaining an understanding of the discounted cash flow model, and assessing its design, integrity and appropriateness with reference to common industry practices. • engaging an auditor's expert to assist me in assessing the reasonableness of the discount rates and implied regulated asset base multiple with reference to market data and industry research. • performing a sensitivity analysis for discount rates to develop a reasonable range for fair value. • performing a retrospective analysis of previous year's cash flow forecasts against subsequent actual results to identify potential forecasting risk. • assessing the reasonableness of cash flow forecasts relative to regulator-approved determination, board approved budgets, non-regulated revenue contracts, historical growth trends, and other relevant internal and external evidence. • verifying the mathematical accuracy of net present value calculations.

Useful lives of property, plant and equipment estimated for depreciation expense ($413.0 million)

Refer to note 3 and note 12 in the financial report.

Key audit matter	How my audit addressed the key audit matter
The straight-line depreciation method used by Powerlink Queensland requires significant judgements for: • identifying the significant parts of property, plant and equipment that have different useful lives • estimating the remaining useful lives of those significant assets.	My procedures included, but were not limited to: • evaluating management's approach for componentising property, plant and equipment into parts with different useful lives, and changes to useful life assessments for components within the assets for reasonableness, having regard to recent replacement projects and long-term asset management plans. • evaluating remaining useful life estimates for reasonableness with reference to historical disposal rates, condition assessments for older assets, and long-term asset management plans and budgets.

Impairment of capital work in progress ($133.2 million)

Refer to note 4 and note 12 in the financial report.

Key audit matter	How my audit addressed the key audit matter
During the year Powerlink recognised an impairment loss of $133.2 million relating to components of capital work in progress which are considered to be non-recoverable. Changes in the scope and delivery of CopperString project, Borumba Pumped Hydro Energy Storage Connection project and other projects have resulted in the impairment. The impairment assessment under AASB 136 *Impairment of assets* required significant complexity and management judgement in determining which capitalised costs are no longer expected to generate future economic benefits and in quantifying the amount of impairment recognised.	My procedures in this area included, among others: • evaluating management's process for identifying indicators of impairment • assessing the completeness of the contracts and projects subject to impairment assessment • challenging management's judgements in determining the impairment amount • verifying the mathematical accuracy of the calculation • reviewing the appropriateness of related financial statement disclosures.

Other information

The directors of the Company are responsible for the other information.

The other information comprises the information included in the group's annual report for the year ended 30 June 2026 but does not include the financial report and my auditor's report thereon.

The other information comprises the director's report and Sustainability Report which I obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to me after that date.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the *Auditor-General Act 2009* and *Corporations Act 2001*, I have formed a separate review conclusion on specified Sustainability Disclosures.

In connection with my audit of the financial report, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

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Responsibilities of the Directors for the financial report

The directors of the company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal controls as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar5.pdf

This description forms part of my auditor's report.

mluwinga

27 August 2026

Martin Luwinga
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Contact us

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