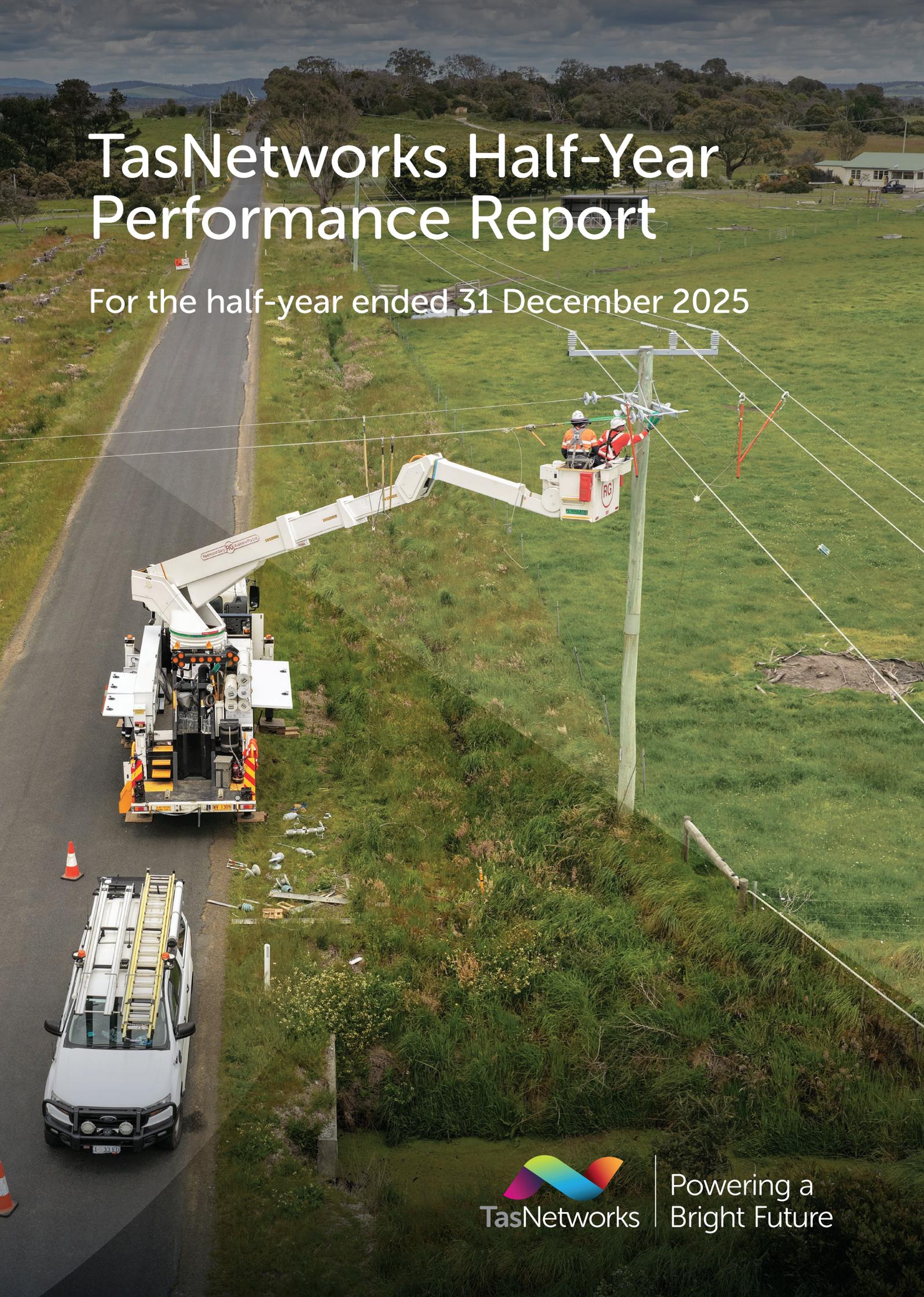
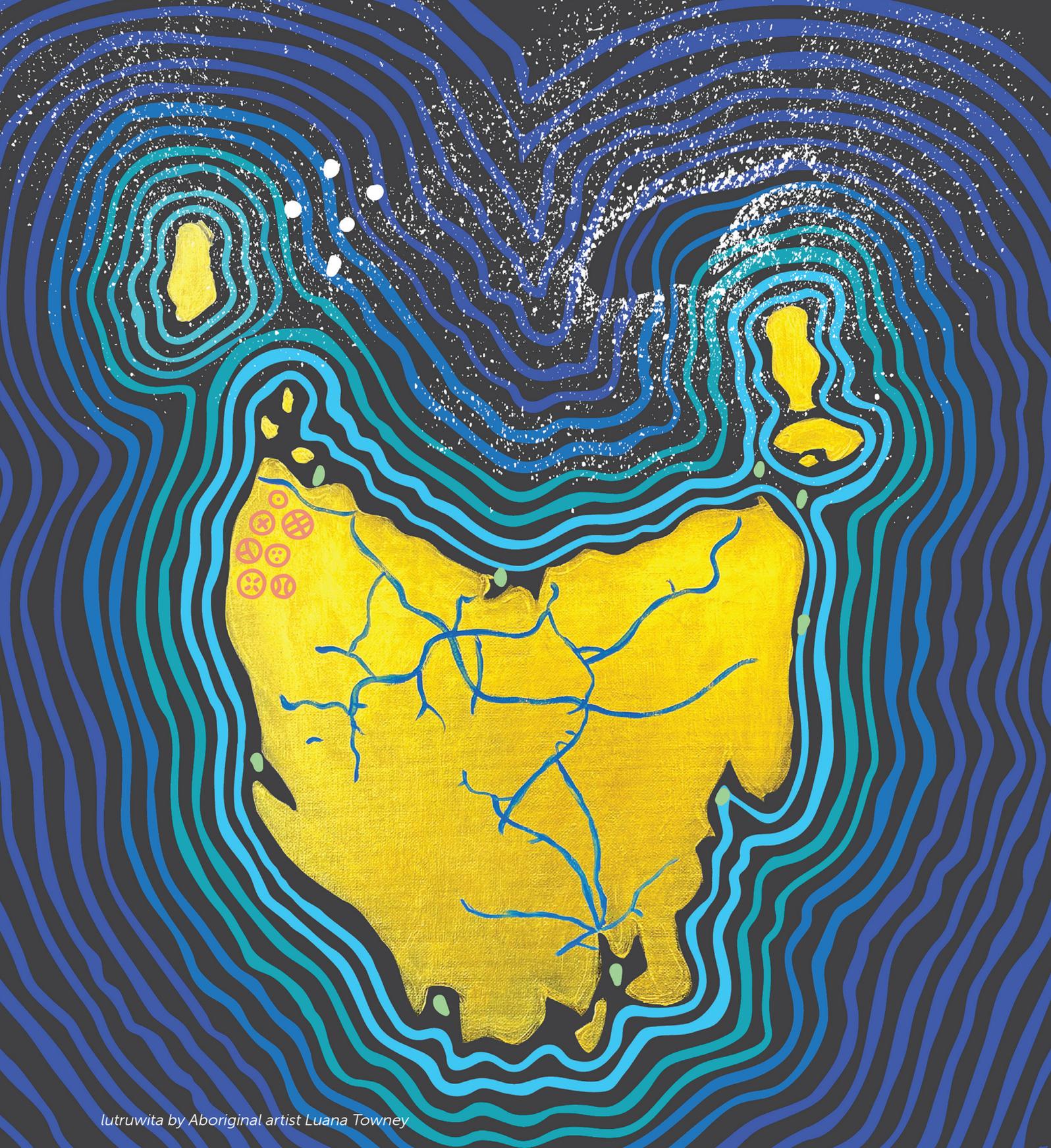


# TasNetworks Half-Year Performance Report

For the half-year ended 31 December 2025





*lutruwita by Aboriginal artist Luana Towney*

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

# Contents

<b>About us</b>	<b>2</b>
Our purpose	
Our vision	
What we do	
About this report	
<b>From the CEO</b>	<b>6</b>
<b>Our operating environment</b>	<b>7</b>
Distribution planner and operator	
Transmission planner and operator	
Customer expectations and participation	
Regulatory, environmental, and societal requirements	
Workforce and delivery	
Digital	
<b>Major outcomes for the half-year</b>	<b>10</b>
Strengthening the resilience and reliability of the network	
Delivering value for our customers and communities	
Progressing the North West Transmissions Development project	
<b>Outlook for the remainder of the year</b>	<b>13</b>
Deliver value for our customers	
Supply reliable essential services	
Provide a sustainable financial return	
Enhance the safety and wellbeing of our people	
<b>Performance against Statement of Corporate Intent</b>	<b>15</b>
Performance dashboard for the half-year ended on 31 December 2025	
Individual major project update on delivery of milestones	
<b>Appendix</b>	<b>17</b>
Performance commentary including explanation of any material variances	

# About us

## Our purpose

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

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

## Our vision

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

As Tasmania's provider of electricity transmission and distribution services, we are committed to providing our customers with electricity at the lowest possible price and helping Australia transition to cleaner energy sources.

## What we do

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

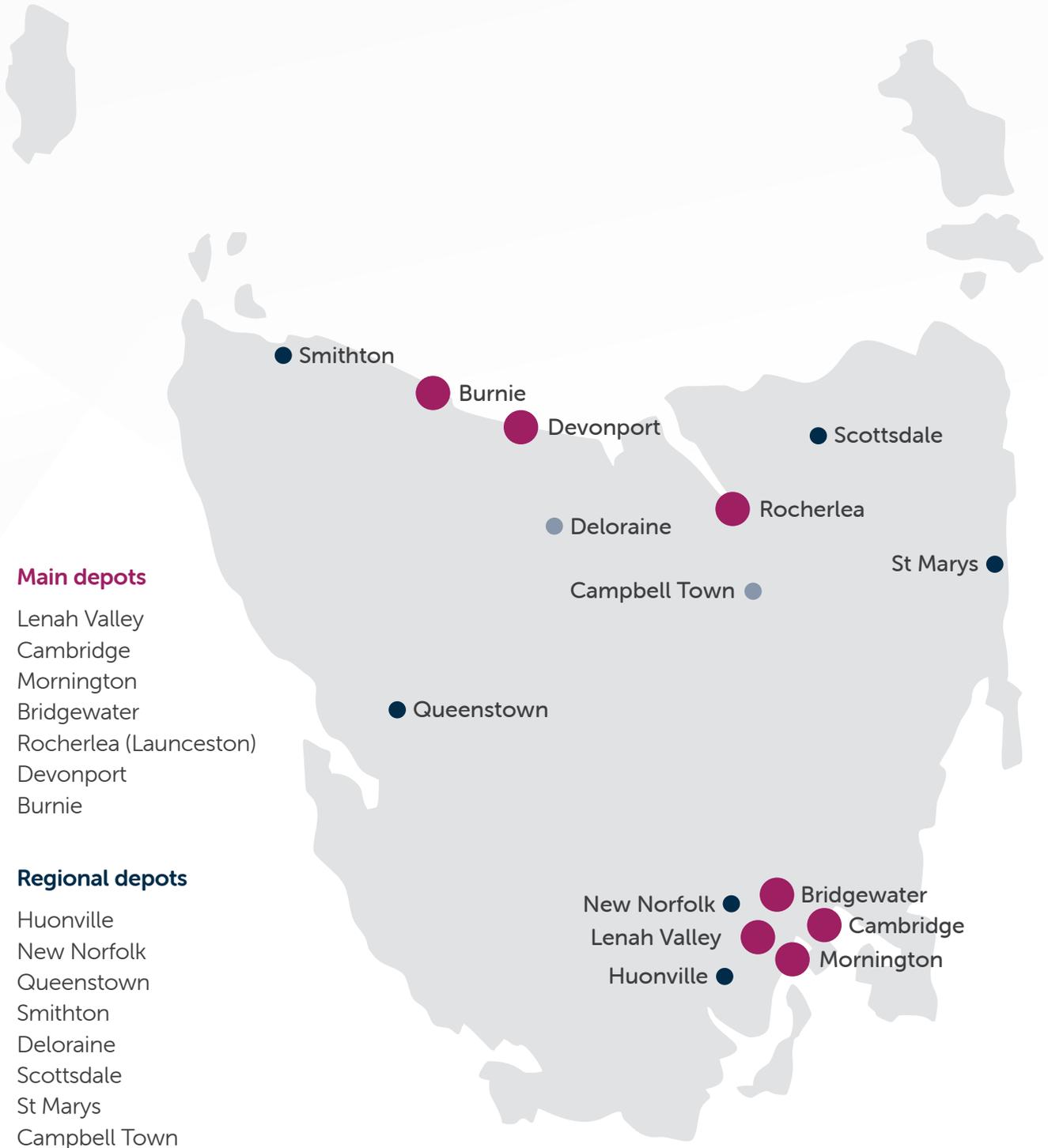
- Keeping our people and our customers safe while operating the network on a day-to-day basis, including all power outage restoration
- Maintaining and replacing network infrastructure to ensure a safe, reliable service for our customers
- Serving as Tasmanian jurisdictional planner in the National Electricity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

## About this report

This report delivers a half-yearly performance snapshot of the operations of Tasmanian Networks Pty Ltd and its subsidiaries, TasNetworks Holdings Pty Ltd (non-trading subsidiary), and Fortytwo24 Pty Ltd for the 2025-26 financial year. It reflects the six months to 31 December 2025.

## Our locations

Our field-based crew are based in the major resource centres of Cambridge, Rocherlea, Devonport, Burnie, and Lenah Valley, and regional depots across the state. Our training centre is in Mornington, and we have administrative offices in Lenah Valley and Rocherlea.





# What it takes to deliver your power



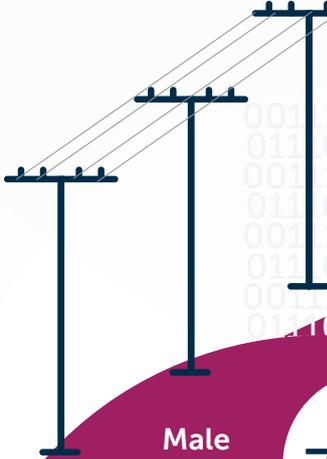
## Transmission

**3,318**  
Circuit kilometres of transmission lines

**7,040**  
Transmission line support towers

**11,200**  
Hectares of easement

**49**  
Substations



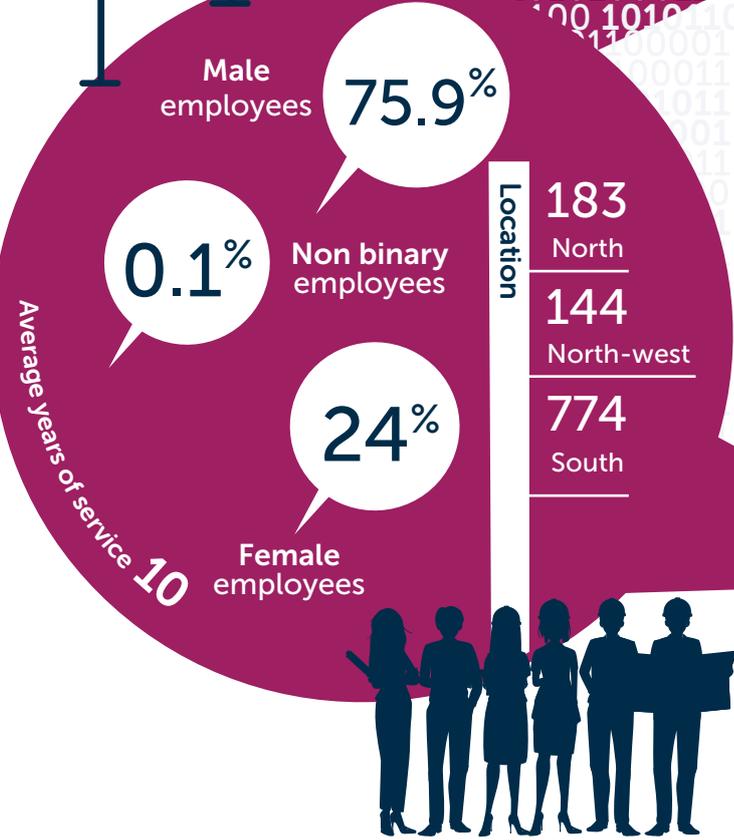
## Distribution

**15,005**  
Kilometres of high voltage powerlines

**4,441**  
Kilometres of low voltage powerlines

**2,881**  
Kilometres of high and low voltage underground cables

**233,471**  
Poles



## Telecommunications

more than **2,000**  
Kilometres of fibre optic cable

**2**  
Data centres

## People

**1,101**  
Employees

*\*Data excludes TasNetworks' subsidiaries*

# From the CEO

**The first half of 2025–26 has been demanding, fast-moving, and deeply important for TasNetworks.**

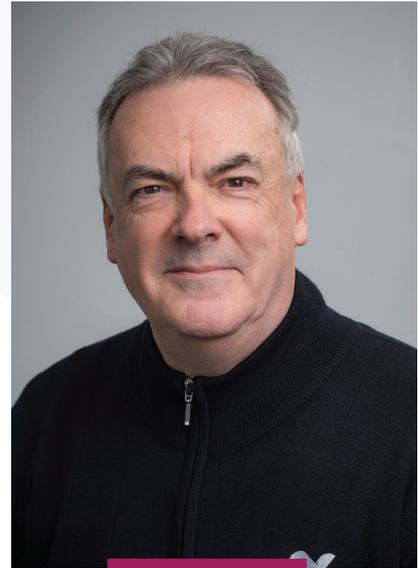
Extreme weather has again tested the Tasmanian energy system. Spring 2025 was significantly wetter than average, with multiple severe weather warnings issued and October alone saw more than 1,100 unplanned outages, including intense storms that hit most the State, followed by bushfire impacts in the East.

Through these events, our crews, contractors, and support teams worked tirelessly and safely in difficult conditions, often alongside emergency services, to safely restore power, and support affected communities. Their professionalism, care, and resilience continue to make me immensely proud.

It wasn't just unplanned outages that our crews worked on over this first half of 2025-26, they also worked on upgrading our existing infrastructure to make our customer's electricity more reliable. Over 50 crew members worked on a two-day outage in the North East, making it one of our biggest upgrades in recent memory. Our crews also worked tirelessly to upgrade the network in Queenstown. I'm excited to see these upgrades continue into the future.

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As our smart meter rollout reaches maturity, with adoption now over 93 per cent, our focus is shifting from installation to using better data to improve visibility of the network and deliver more practical benefits for customers. Insights derived from this data not only helps us to make better decisions, but can also help customers in the more efficient use of electricity.



We were also pleased to see that commitment recognised nationally and locally, with TasNetworks named Large Employer of the Year and our apprentice, Holly Frankcombe, recognised among the best in the country. These awards reflect the strength of our people and our investment in skills for the future. I look forward to welcoming the new graduates in 2026.

As the sector transitions, we remain focused on disciplined prudent investment, workforce capability, and preparing for emerging climate, and regulatory challenges - always with reliability, sustainability, and affordability for Tasmanians front of mind.

We look forward to building on these strong foundations, in the second half of 2025-2026.

**Seán Mc Goldrick**  
**TasNetworks Chief Executive Officer**

# Our operating environment

**Our operating environment overview outlines the six major areas of change shaping the broader industry locally, nationally, and globally – and as a result – TasNetworks. It is not a comprehensive overview, but rather, it summarises significant developments across each area over the past six months. It highlights where momentum has accelerated or slowed, and notes emerging projects, policy movements, and external trends relevant to our half-year position.**

## Distribution planner and operator

### Smart meter focus changing to data quality, network visibility, and load as roll-out nears completion

Tasmania's smart meter rollout is nearing completion, with our data showing adoption of 93 per cent, and 10,298 meters installed since 1 July 2025.<sup>1</sup> As rollout approaches 100 per cent, focus is shifting to the practical use of metering data. Distribution planning and operations are increasingly focused on improving data quality, network visibility, and load understanding, supporting more informed operational decisions and more targeted planning as the way that our customers use and generate energy continues to change.

### Extreme weather driving rising climate risk to distribution assets

Climate change is increasing the physical risk to our distribution assets through both frequency and severity of weather events, including extreme rain days, and acute bushfire and wind conditions.<sup>2</sup> Spring 2025 in Tasmania was cooler and 39 per cent wetter than average (the wettest since 1988) with multiple severe weather warnings issued in September and October, largely due to damaging winds.<sup>3</sup> October saw 1,190 unplanned outages, with 427 during the 10–12 October storms, reflecting climate-related increases in infrastructure failures, especially in rural and exposed areas.

## Transmission planner and operator

### Hydropower and renewables remain key to delivering the Integrated System Plan (ISP), strengthening commitment to Tasmanian transmission infrastructure

Electricity demand nationally is predicted to nearly double by 2050, driven by electrification of transport, industrial gas-to-electricity shifts and data centre growth.<sup>4</sup> The Australian Energy Market Operator's (AEMO) Draft 2026 ISP was released in December, clarifying the scale of infrastructure needed for a least-cost transition with a total of 120 GW of grid-scale wind and solar, 40 GW of storage and hydro, and 14 GW of flexible gas. The plan is underpinned by 6,000km of new transmission networks to deliver renewable energy to cities, industry, and between states.<sup>5</sup> With hydro generators playing a pivotal role in firming renewables during low-generation periods and network outages, the draft plan positioned Project Marinus and North-West Transmission Developments (NWTD) as key enablers.<sup>5</sup>

- 1 TasNetworks, *Advanced Meter Report December 2025*
- 2 Deloitte, *Tasmania's Risk Assessment for Climate Change 2024: Technical Report*
- 3 Early Warning Network, *Early Warning Network Alerts for September 2025 and Early Warning Network Alerts for October 2025*
- 4 Energy Magazine, *How the industry reacted to AEMO's Draft 2026 ISP*
- 5 AEMO, *Draft 2026 Integrated System Plan*

## Customer expectations and participation

### Consumer Energy Resources (CER) uptake continues to rise with government policy reforms and incentives

The Australian Government's Cheaper Home Batteries Program commenced on 1 July 2025, contributing to a sharp increase in battery installations.<sup>6</sup> In Tasmania, data from July to December 2025 recorded a 400 per cent increase in residential battery installations rate, growing from an average of 60 installations a month to 240.<sup>7</sup> In December 2025, the Federal grant program was expanded from \$2.3 billion to an estimated \$7.2 billion over four years, aimed at encouraging the installation of 2 million batteries by 2030 nationally, and delivering an additional 40GWh of storage capacity. Continued consumer uptake is strengthened by recent implementation of Australian Energy Regulator (AER) reforms and Australian Energy Market Commission (AEMC) rule changes that encourage consumer participation in the market through unlocking CER flexible trading benefits.<sup>8</sup>

## Regulatory, environmental and societal requirements

### Continued need for disciplined network investment to support the energy transition

Over the past six months, the AER has maintained tight scrutiny of network business costs as electrification accelerates. In September 2025, draft determinations for Victorian distributors cut proposed revenues by 5–13 per cent, reinforcing expectations for clearly justified, efficient expenditure, and robust demand forecasts. The AER emphasised that networks must look beyond expenditure to manage the transition and consider how cost reflective tariffs can encourage more efficient utilisation of the existing network, reducing the need for further investment. While outside Tasmania, these decisions signal national regulatory direction, for TasNetworks, this underscores the need to balance returns, sustainability, and reliability through disciplined, evidence-based

investment aligned with long-term energy system change.

### Regulatory policy changes on the horizon

The National CER Roadmap sets out an overarching vision and plan to unlock CER across Australia. The Roadmap outlines priority reforms across four aligned workstreams: consumers, technology, market, and power systems. Consultations on the technology and markets workstreams were open from July to September 2025, covering prioritisation of CER issues, technical standards, and regulation, redefinition of the market and power system operations, and data sharing. The outcomes of these reforms have potential investment impacts for TasNetworks to support the implementation of the National CER Roadmap.

The AEMC has initiated several reviews that could affect the regulatory framework and TasNetworks. In December 2025, it released a draft report on future electricity products, services, and consumers pricing, with public consultation closing in February 2026 and the final report due in Q2 2026. The AEMC also announced reviews into future electricity network regulation in the National Electricity Market (NEM) and all aspects of the regulatory framework underpinning the ISP, with ISP consultation open until February 2026.

### Preparing for climate risk reporting through regulation, disclosure and collaboration

In 2024, amendments to the Corporations Act mandated Climate-Related Financial Disclosures, driving more rigorous assessment and reporting of climate risks, emissions, and governance. From 1 July 2025, mandatory climate reporting commenced, with the Australian Accounting Standards Board (AASB) amending climate disclosure standards (AASB S2) in December to ease transition and align with global frameworks.<sup>9</sup>

### Cost of living continues to rise, but renewables may offer relief

Across Australia, cost-of-living increased between 0.6 per cent and 1.5 per cent in the September 2025 quarter across all household types, with age pensioners impacted the highest.<sup>10</sup> Increased electricity costs, along with property rates and charges, were among the key contributors toward the rise. While cost-of-living continues to rise, renewables are a key driver of reduced electricity prices, with average wholesale power prices across the NEM falling 27 per cent from Q3 2024 and 38 per cent from Q2 2025.<sup>11</sup> The Australian Energy Market Commission suggests households that electrify in the 2025-26 financial year can save up to 90 per cent in ongoing energy costs per year.<sup>12</sup> Within Tasmania, socio-economic disadvantage, high upfront costs, and low digital inclusion may present barriers to accessing these benefits.

6 Department of Climate Change, Energy, the Environment and Water, [Six months of the Cheaper Home Batteries Program](#)

7 TasNetworks, 2025. [The Podium: Distributed Energy Resources Database](#)

8 Department of Climate Change, Energy, the Environment and Water, [National Consumer Energy Resources \(CER\) Roadmap Implementation Plan Update August 2025](#)

9 Australian Accounting Standards Board, [Amendments to Greenhouse Gas Emissions Disclosures](#)

10 Australian Bureau of Statistics, [Selected Living Cost Indexes, Australia \(September 2025\)](#)

11 AEMO, [Quarterly Energy Dynamics Q3 2025: October 2025](#) pg. 11

12 AEMC, [AEMC Residential Electricity Price Trends 2025](#), pg. 26



Nationally recognised Dual Trade Lineworker Holly Frankcombe

## Workforce and delivery

### Workforce and delivery pressures continued to intensify as infrastructure pipeline builds commence

Throughout the NEM seven new transmission projects are underway to deliver 2,800km of new transmission line between 2027 and 2031, a further 3,200km of actionable projects are under development with the majority of capacity to be delivered by 2035.<sup>13</sup> These transmission projects are being delivered alongside a strong pipeline of renewable energy projects, increasing demand for skilled labour across sectors including engineering, construction, and technical roles. With Tasmanian unemployment at 4.0 per cent,<sup>14</sup> competition for experienced capability remains high. Within TasNetworks, this reinforces the need to carefully prioritise work, manage contractor capacity and strengthen internal capability. Positively, apprenticeship demand remains strong, with high application levels supporting medium-term workforce sustainability.

## Digital

### Data centre investment and attraction is increasing

Globally, data centre planning and construction increased, including in Tasmania, where Launceston Council approved Firmus' planning application for a major \$2.1 billion Artificial Intelligence (AI) data centre, placing it as a future hub for digital innovation.<sup>15</sup> Australia's National AI Plan was launched in December, with intentions to attract global investment, construct smart infrastructure and develop domestic AI capability.<sup>16</sup> The rise in data centre critical infrastructure alongside the Australian Government targets for 82 per cent renewables by 2030 is prompting public debate around renewables' capability to meet increased network reliability demands.<sup>17</sup>

### Increased reliance on 5G networks heightens telecommunications Security of Critical Infrastructure (SoCI) requirements

As Internet of Things (IoT) becomes embedded in business operations through technologies such as Advanced Metering Infrastructure (AMI), reliance on fast, reliable data transmission is increased. Supporting earlier and broader SoCI reforms, a Telecommunications Security and Risk Management Program reform was introduced in November 2025. This reform requires responsible entities to protect critical telecommunications assets from all hazards, and maintain effective control, competent supervision, and a written risk management program, including vendor and supply-chain risk assessments for technologies such as 5G.<sup>18</sup>

13 AEMO, *ISP, Draft 2026*

14 Department of Treasury and Finance, *Labour Force*

15 Firmus, *Tasmanian world-first AI Factory Zone clears path for Firmus's Project Southgate - Firmus*

16 Department of Industry, Science and Resources, *National AI Plan*

17 The Sydney Morning Herald, *Renewables alone can't shoulder the load of data centres expansion*

18 Department of Home Affairs, *5G Telecommunications Security Guidance*

# Major outcomes for the half-year

## Strengthening the resilience and reliability of the network

### Critical upgrades to improve reliability

During the first half of the year, TasNetworks continued targeted upgrade works to improve reliability in parts of the network with a history of faults. On Waterhouse Road in the State's North East, around 50 crew members were brought in from across the State to complete critical maintenance and defect rectification over two coordinated days. By pooling resources and concentrating the work, the team significantly reduced the number and duration of outages customers would otherwise have experienced, while strengthening this section of network for the long term.

Similar reliability-focused upgrades were also progressed in Queenstown, alongside forward planning for future works across some of the most underperforming areas of the network. By proactively identifying and addressing known weak points, TasNetworks is reducing the likelihood of future faults and helping ensure customers have a more dependable electricity supply when they need it most.

### Responding to unplanned outages when it mattered most

Severe weather and bushfire impacts during the first half of 2025-26 put Tasmania's electricity network and response teams to the test. Crews worked in challenging and often hazardous conditions, partnering closely with emergency services to safely access damaged areas and begin restoring supply. Over one major weather event, more than 21,000 customers had power restored, with 98.5 per cent reconnected within 48 hours and a customer satisfaction of 7.8 out of 10.

In December 2025 in the fire-affected community of Dolphin Sands, teams replaced damaged poles and infrastructure while supporting customers with safety information and restoration updates. The response highlighted the strength of coordination across field crews, contractors, and support teams, as well as the importance of clear communication with customers during prolonged outages. Together, these efforts helped reduce restoration times and supported communities through difficult and uncertain periods. This benefitted from improvements put in place as a result of our review of the 2024 storm event.



Reconnecting power during the October 2025 storms

### Building the workforce to power Tasmania's future

Strengthening network reliability for the long term depends on building a skilled and capable workforce. During the first half of 2025-26, TasNetworks' training and development programs received national and State recognition, including being named Australian Large Employer of the Year and Tasmanian Large Employer of the Year. Dual Trade Lineworker Holly Frankcombe was also recognised at both State and national level for her outstanding achievement as an apprentice.

At the same time, apprentices across the State completed critical final assessments covering the maintenance and inspection of overhead distribution and transmission networks. Their training, delivered in real-world conditions, prepares them to safely maintain and restore essential infrastructure in all environments. A record level of apprentice applications for upcoming intakes further strengthens the pipeline of skilled workers who will help keep Tasmania's network safe, reliable and resilient into the future.



Local school children's art displayed in Sorell

## Delivering value for our customers and communities

### Practical support for customers

TasNetworks introduced new tools and funding to help customers navigate a changing energy landscape. A smart meter data trial sent SMS alerts to solar customers when their systems stopped exporting, giving households timely, practical information to identify faults and avoid lost savings.

At the same time, \$84,000 in Community Grants supported 12 Tasmanian not-for-profits delivering local solutions in areas such as food security, homelessness support, education and safety. Together, these initiatives provided clear, practical support while strengthening community resilience across the State.

### Working with communities to create local impact

In the first half of the year, TasNetworks partnered with communities to deliver practical, people-focused outcomes. In Sorell, 16 electrical cabinets were transformed into public artworks by local young people, turning essential infrastructure into colourful expressions of community pride while reducing vandalism.

Community voices also helped shape the future of the energy system and planning for our revenue reset for 2029 to 2034, with both Customer and Stakeholder Advisory Group members meeting on a regular basis to explore major projects, pricing and resilience. We also welcomed Dr Jill Caine MBE as Chair for our Stakeholder Advisory Group.

Cultural celebrations and education events across the State further strengthened inclusion and connection, reinforcing TasNetworks' role as a trusted community partner.

## Progressing the North West Transmissions Development project

The North-West Transmission Developments (NWTD) progressed several major regulatory, environmental, and delivery milestones during the first half the year, critical to moving the project toward construction in 2026.

The appointment of Richie Sheather as NWTD Project Director strengthens leadership capability as the project moves toward delivery, while strong local industry interest, evidenced by 213 expressions of interest via the Industry Capability Network (ICN) portal, supports commitments to maximise Tasmanian workforce participation.

### Planning, surveys, and detailed design progress

The Tasmanian Planning Commission (TPC) publicly exhibited TasNetworks' permit application in September - October 2025, providing transparency on how environmental and planning requirements will be met. 28 submissions were received during the exhibition period. A determination by the TPC on the permit application is expected in March 2026.

Planning and land access activities also advanced, with access secured for over 80 per cent of the route and over 80 per cent of eligible landholders opting into the Strategic Benefits Payment scheme as of 31 December 2025. This is a significant achievement that provides strong certainty for project advancement and reduces risk of delays to construction timeframes.

This period also saw progression of detailed design, with Genus submitting its 70 per cent design schedule and estimate in October 2025, marking a critical milestone for both substation and transmission line scopes. The cost estimate continues to be recalibrated, with updated design quantities, revised productivity benchmarks, and supplier feedback integrated to strengthen accuracy across all work packages.

As part of construction planning, surveys commenced to assess undergrounding opportunities for 22 kV distribution lines.

These investigations were focused on locations where existing distribution lines cross proposed transmission lines - around 80 sites in total, stretching from Palmerston (near Cressy) to Burnie.

At transmission crossing points, undergrounding distribution lines removes minimum clearance conflicts, reduces the risk of electricity jumping between power lines or to nearby objects (which can cause outages or safety issues), and improves compliance with safety standards.

Survey teams worked closely with landholders to access sites and gather data. TasNetworks land agents, engineers, GenusPlus Group field staff, and designers from Partum Engineering have all been involved, ensuring the surveys are thorough and respectful of each property.

### Contingent Project Application for construction costs submission

Significant progress was also made across the project's commercial and regulatory workstreams. TasNetworks submitted its contingent project application (CPA2) to the Australian Energy Regulator in October 2025, seeking approval for \$970.9 million (real, 2024) in Stage 1 construction costs, with a determination expected in March 2026. NWTD also benefited from momentum achieved through Project Marinus' Final Investment Decision in August 2025 and a new \$346 million Commonwealth funding contribution.



# Outlook for the remainder of the year

## Performance commentary

We are performing within range for six of our eight key performance indicators as established in our Statement of Corporate Intent, with each of these six following a positive trajectory. For the remainder of the year, we will continue to focus on performance across our business objectives: delivering value for our customers, supplying reliable essential services, providing a sustainable financial return, and enhancing the safety and wellbeing of our people.

The following sections outline our outlook for the remainder of the year, the influencing key drivers and planned actions, and our anticipated performance by the end of the 2025-26 financial year.

## Deliver value for our customers

### Key performance indicator:

Customer satisfaction (CSAT) | Year-to-date result: 7.8  
2025-26 target  $\geq 7.7$  | Outlook: On track

Key performance indicator: NWTDT milestones  
Year-to-date result: Achieve milestone of Final Investment Decision August 2025

Outlook: On track to achieve Financial Close NWTDT Stage 1 (March 2026)

The experience of our customers continues to be a focus. Events such as planned and unplanned outages can be a key driver for customer experience. This has been reinforced by recent improvements in this area, and we have noticed a marked reduction in complaint volumes in the 2025-26 year. As we move forward in the year, our focus will remain on maintaining our CSAT target of 7.7 through consistent service delivery across all interaction types, alongside ongoing customer-led improvements to streamline the customer experience and deliver more proactive, targeted communications, particularly during outage events.

Over the longer term, we will continue to meet evolving customer expectations in this area through progressing two larger projects focused on the digitalisation of our workflows and systems. Although not expected to materially impact customer experience until 2027, these projects will markedly improve our coordination of SMS communications during unplanned outages and our delivery of negotiated connections, resulting in customer services that are delivered with greater speed, reliability, and efficiency.

Specific performance targets have been established by the Board for NWTDT, given the significance of the project to Tasmania. These metrics are appropriate for the current planning phase of the project, and will be used to measure performance in 2025-26. New metrics will be established for 2026-27, which are appropriate for monitoring performance during NWTDT construction. Further detail on this delivery is available in the 'Progressing the North West Transmissions Development project' section of this report.

## Supply reliable essential services

### Key performance indicators:

Distribution reliability | Year-to-date result: 103.5  
2025-26 target  $\leq 160.0$  | Outlook: At risk

Transmission reliability | Year-to-date result: 1  
2025-26 target  $\leq 4$  | Outlook: On track

We understand that our supply reliability is a core aspect of our customer experience and we will continue to focus on uplifting our performance in this area. External events, such as changing weather patterns, have been impacting distribution and transmission reliability through increasing the risk of bushfires, extreme weather events, and lightning strikes. These factors contribute to more frequent outages, primarily driven by vegetation interactions and the network's lowest-performing reliability assets.

Across the remainder of the year, we will continue to uplift distribution and transmission reliability through the targeted remediation of the network's vegetation and lowest-reliability assets. This includes a range of planned upgrades to low-performing feeders, supported by ongoing analysis to identify fault trends and underperforming sections of the network. Concurrently, we will continue to drive forward the implementation of a new vegetation management system that will provide us with the ability to proactively manage vegetation-related outages. These key improvements will better equip TasNetworks to manage reliability risks through stronger oversight and improved proactive maintenance.

While we continue to uplift these critical areas influencing reliability performance, outcomes remain sensitive to environmental conditions. Overall distribution performance is not anticipated to fully recover within the current financial year. Transmission reliability is currently tracking within target; however, this performance remains sensitive and can be materially affected by these same drivers.

## Provide a sustainable financial return

### Key performance indicator:

Profit (\$m) | Year-to-date result: \$30.3m  
2025-26 target  $\geq$ \$32.0m | Outlook: On track

Providing a sustainable financial return remains a critical way in which we continue to deliver value for Tasmanians. Rolling forecasts at the end of the second quarter indicate a consolidated profit after tax that reaches our budgeted amount. Efforts will remain ongoing to achieve this target such as close management of operating expenditures within business units, and the key capital and operating programs of work. This will be strengthened by an uplift of capitalised overheads to achieve this forecast result.

## Enhance the safety and wellbeing of our people

### Key performance indicators:

Tier 1 incidents | Year-to-date result: 1  
2025-26 target  $\leq$ 8 | Outlook: On track

Employee engagement (%) | Year-to-date result: 67%  
2025-26 target  $\geq$ 62% | Outlook: On track

Reportable environmental and heritage incidents  
Year-to-date result: 23 | 2025-26 target  $\leq$ 35  
Outlook: At risk

For the remainder of the year, we will continue to focus on what matters most to our people, recognising that the high-risk nature of our work and our organisational culture have a direct impact on safety and wellbeing. A key priority will remain the prevention of high-energy risk incidents that can result in severe injury. Our approach is focused on strengthening employee understanding of the energy involved in our work and its potential consequences, while ensuring effective high-energy risk controls are in place before work begins.

Alongside this, we will continue to enhance the safety of our switching practices as a focus area.

Following the recent Psychosocial Risk Assessment, we will update our Action Plan to incorporate new recommendations and further embed psychosocial risk management into business-as-usual activities.



While safety outcomes can vary based on historical trends, a sustained focus on higher-risk work, combined with a strong first-half result, positions us well to achieve the full-year target. For employee engagement, we expect positive momentum to continue and to meet our target of  $\geq$ 62% favourable in the April 2026 survey.

Reportable environmental incidents measure is tracking to land above the target ceiling. We continue to focus on implementing protections on key areas of line for threatened bird species, and remedying oil spills in a timely manner. A large contribution to these has been third party damage (such as vehicle collision) and bushfires within the year, making prevention of incidents a challenge. Given the unpredictable nature of weather events and the potential to trigger additional incidents, providing firm assurance remains challenging. Nevertheless, based on our understanding of increased bird activity toward the end of the financial year, our projections indicate a likely negative outcome for this metric.

# Performance against Statement of Corporate Intent

Performance dashboard for the half-year ended on 31 December 2025

Metric		YTD actual	Full year target
<b>Deliver value for our customers</b>			
Customer satisfaction	Customer satisfaction score out of 10	7.8	≥ 7.7
NWTD milestones	Achieve milestones of Final Investment Decision: August 2025	Achieved	Achieved
	Financial Close NWTD Stage 1: March 2026	N/A	Achieved
<b>Supply reliable essential services</b>			
Transmission reliability	Loss of system supply events >0.1 system minutes	1	≤ 4
Distribution reliability	System average interruption duration index (SAIDI) in minutes	103.5	≤ 160.0
<b>Provide a sustainable financial return</b>			
Profit (\$m)	Net profit after tax (\$m)	30.3	≥ 32.0
<b>Enhance the safety and wellbeing of our people</b>			
Tier 1 incidents	Number of serious injuries or fatalities (actual or potential)	1	≤ 8
Employee engagement (%)	% score at group-level from Culture Amp survey	67	≥ 62
Reportable environmental and heritage incidents	An environmental or heritage incident reported to a State or Federal regulatory authority	23	≤ 35

Note 1: Further details on performance are available in the appendix.

Note 2: The targets are subject to approval by the Shareholding Ministers as per the guideline.

<b>Status:</b>	Off-track – attention required	Significantly below target and/or with significant critical risk(s)	At risk / issues under management	Within 20 per cent of target, or achieving target but with important risk(s) for attention/mitigation	On-track	At or better than target
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## Individual major project update on delivery of milestones

### North West Transmission Developments (NWTN) Project

During the half-year, the NWTN project continued to progress across construction planning, approvals, and land access activities.

Construction planning activities advanced following the project's 70 per cent Gate review, with the contractor continuing to refine sequencing and delivery planning as scope changes identified through the review process are worked through. This work is supporting confidence in the construction approach and readiness for subsequent delivery phases.

Planning and environmental approvals progressed through coordinated State and Commonwealth assessment processes. Updates to assessment timeframes have provided greater clarity around the approval pathway and the sequencing of permits. These changes are expected to streamline the remaining assessment stages and reduce the need for additional consultation activities, while maintaining appropriate regulatory oversight.

From a financial and commercial perspective, project expenditure continues to align with approved budgets, with timing of spend reflecting the staged nature of project activities and procurement of long lead items. Preparatory resourcing activities have commenced to support upcoming delivery phases.

Regulatory processes remain on track, with assessment activities progressing in accordance with expected timeframes. No material issues have been identified that would impede consideration of the project within the current regulatory approval window.

Land access and stakeholder engagement activities continued to progress well during the period. Engagement with eligible landholders regarding Strategic Benefit Payment also continued, supporting ongoing cooperation and access outcomes.

TasNetworks appointed Alexander McKenzie as the Chair of the Community Benefits Sharing Program. Alex was selected following a competitive recruitment process, in which he stood out for his leadership experience and connection to the North West Coast. Alex brings valuable insight into the aspirations and challenges of local communities, including residents with diverse needs across the region. As Chair, Alex will lead the program's Independent Community Assessment Panel, which will play a central role in ensuring funding is allocated transparently and in line with community priorities.

Overall, the NWTN project remains focused on progressing approvals, refining delivery planning, and maintaining readiness for subsequent phases.

We are progressing this complex project while listening carefully and working closely with landholders and community.



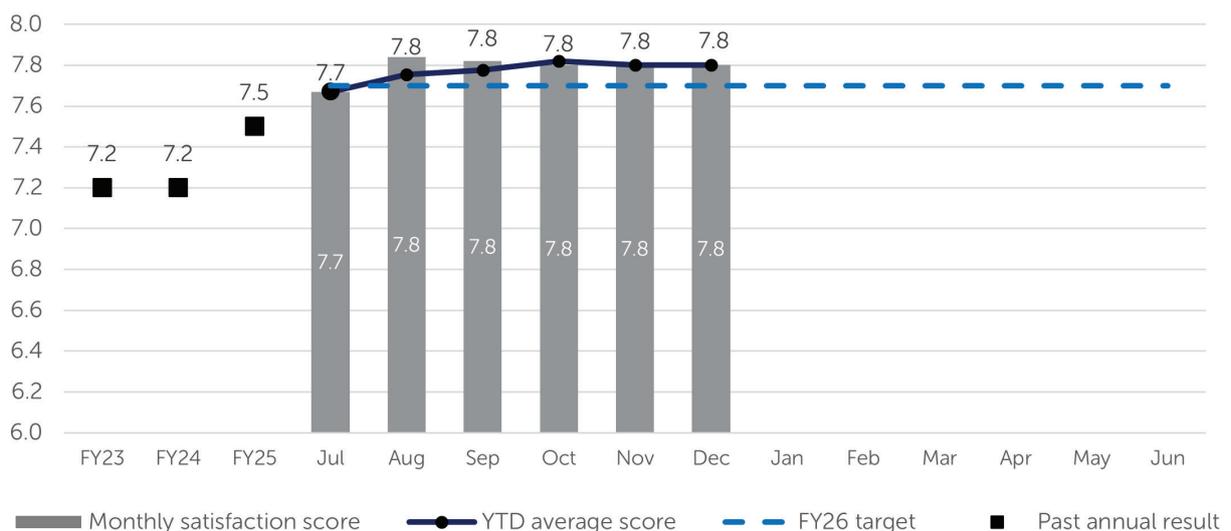
# Appendix

## Performance commentary including explanation of any material variances

### Deliver value for our customers

We deliver value for our customers and strive to meet their expectations in every action we take

Metric	Half-yearly status	Half-yearly commentary
<b>Customer satisfaction</b> <i>Customer satisfaction score out of 10</i>	7.8	<p><b>Result overview:</b> Customer satisfaction remained at or above target throughout the half year, and has been at or above target for 14 consecutive months.</p> <p><b>Result trend:</b> Maintaining</p> <p><b>Drivers of result:</b> Performance was driven by consistent scores across all interaction types. Customer satisfaction to our response during storm periods was strong at 7.84 in October 2025, compared to 5.68 during the September 2024 storm. It was also higher than our BAU October 2025 CSAT of 7.7. Timely outage communications, restoration timeframes, and consistent service delivery across regions supported overall results.</p> <p><b>Action taken:</b> A broader focus across all interaction types has reduced the risk of depending on just one or two areas to support the overall score. We continue to focus on providing timely and accurate information to customers during outages.</p>

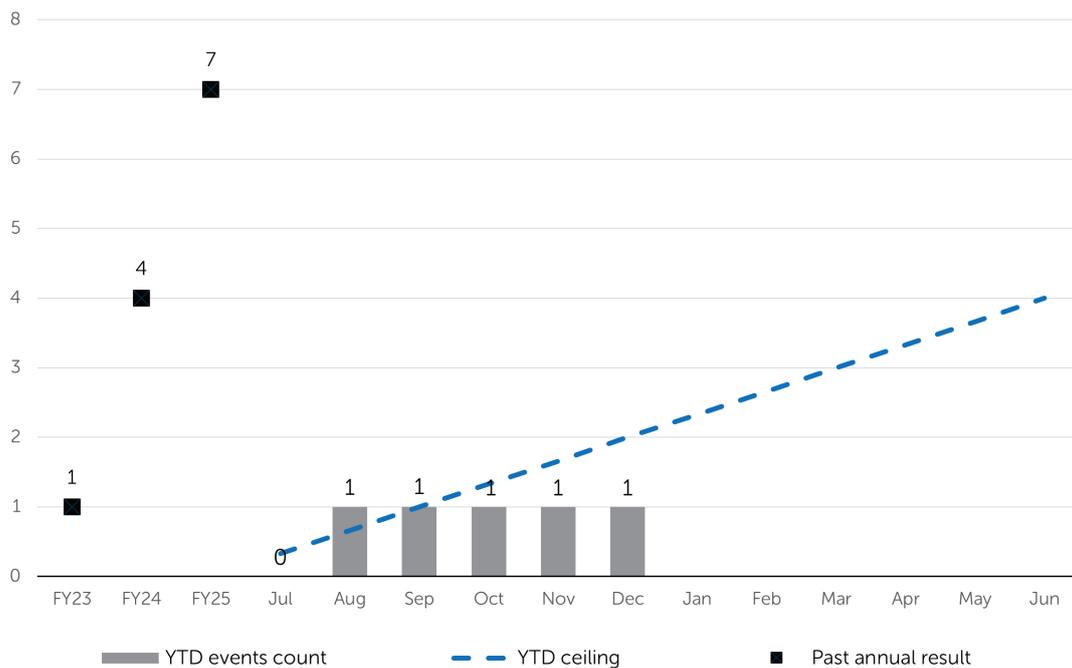


Metric	Half-yearly status	Half-yearly commentary
<b>North West Transmission Developments</b>		Commentary available in 'Progressing the North West Transmissions Development project' section of this document.
<i>Achieve Final Investment Decision</i>	<b>Achieved in Q1</b>	A positive Final Investment Decision was taken in August 2025
<i>Financial Close NWTD Stage 1: March 2026</i>	<b>On track</b>	<b>Result overview:</b> NWTD is on track to achieve Financial Close in March 2026

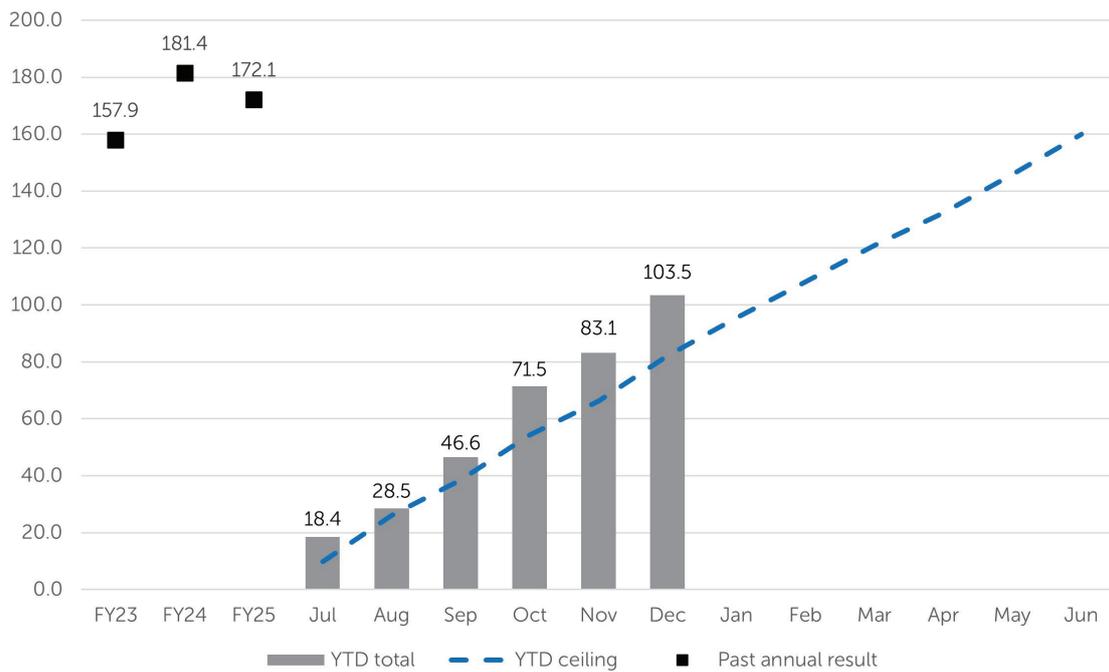
## Supply reliable essential services

We deliver and enable reliable essential services, and we recognise our role to serve and create value for the benefit of Tasmanians

Metric	Half-yearly status	Half-yearly commentary
<b>Transmission reliability</b> <i>Loss of system (LoS) supply &gt;0.1 system minutes</i>	1	<p><b>Result overview:</b> Transmission reliability performance is within the target for the half year. One loss of supply event occurred in August, with no further applicable events recorded from September to December.</p> <p><b>Result trend:</b> Improving</p> <p><b>Drivers of result:</b> The loss of supply event in August was caused by a protection setting error at Risdon substation. No applicable LoS events were recorded in the remaining months, although a small number of transmission line faults and forced outages occurred due to factors such as windborne vegetation, lightning, and SF6-related issues.</p> <p><b>Action taken:</b> The result is on-track. A protection relay setting was found to be incorrect post the incident in August, which has since been updated. Other sites have been checked with no errors found. Commissioning practices have been updated with end-to-end dedicated supervision added to reduce the likelihood of similar configuration errors.</p>



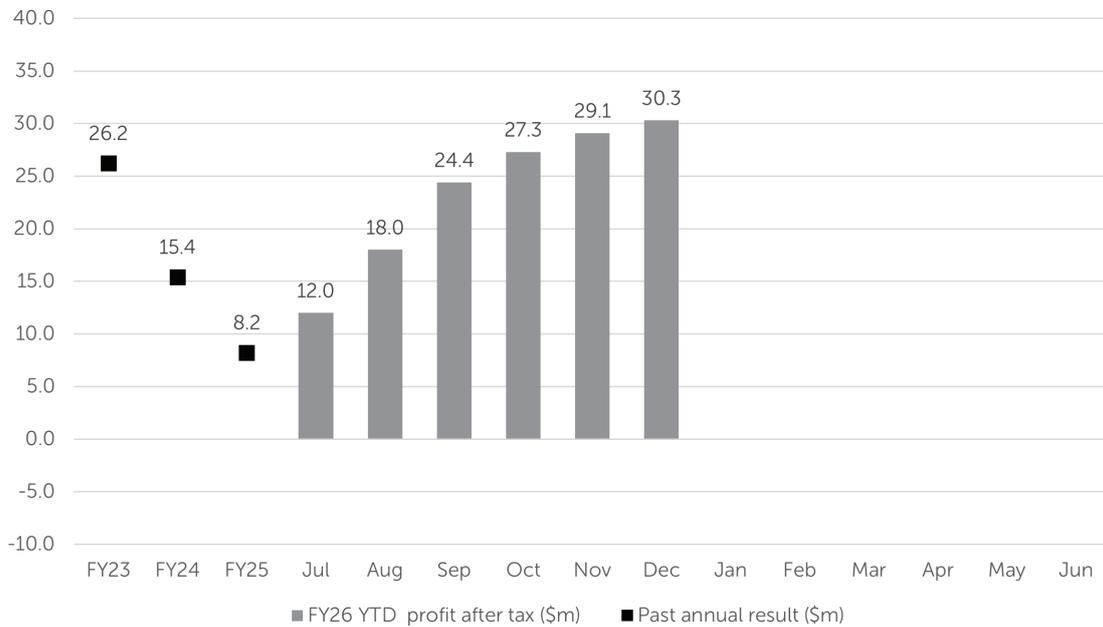
Metric	Half-yearly status	Half-yearly commentary
<b>Distribution reliability</b> <i>System average interruption duration index (SAIDI)</i>	<b>103.5</b>	<p><b>Result overview:</b> Overall half-yearly results have missed the seasonalised targets. Worse than expected performance was most notably in the October and December months.</p> <p><b>Result trend:</b> Declining</p> <p><b>Drivers of result:</b> Performance was primarily impacted by severe weather and a number of significant events across the period. July and September were affected by lightning, wind, and vegetation-related incidents. October recorded multiple severe weather events. December performance was influenced by bushfire impacts. Meteorological reports suggest a prevalence of westerly winds at an average 18 km/hr higher wind speed than average for the last half of 2025.</p> <p><b>Action taken:</b> Significant effort continues on our reliability despite challenges of weather and vegetation. Reliability works have been completed at Waterhouse Road near Bridport. Reliability improvement opportunities have been identified for Railton feeders and field work is being scheduled for April. Further studies and prioritisation are looking at other potential opportunities.</p>



## Provide a sustainable financial return

We seek to provide services at the lowest cost possible for Tasmanians while providing sustainable profits back to our shareholders, the Tasmanian Government

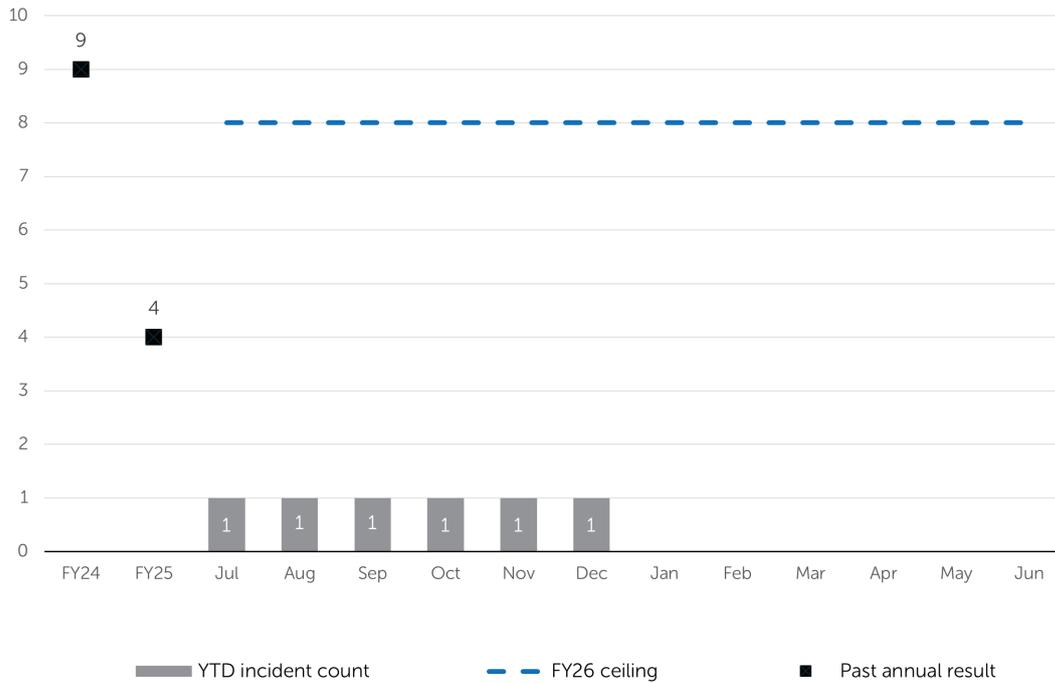
Metric	Half-yearly status	Half-yearly commentary
<b>Profit (\$m)</b> <i>Net profit after tax (\$m)</i>	30.3	<p><b>Result overview:</b> At the end of the half-year, consolidated profit after tax is \$30.3m.</p> <p><b>Result trend:</b> Improving</p> <p><b>Drivers of result:</b> This result is largely attributable to the revenue trend with higher consumption and market settlements. The revenue gains are partially being offset by higher operating expenditure and lower capital expenditure. The accelerated vegetation works are contributing to the operating program of work spend to date.</p> <p><b>Action taken:</b> At the half-year point, key areas of focus are program of work operating and capital expenditure and the capitalisation of associated overheads. Expenditure is being closely monitored with forecasts indicating a favourable variance within operating and a marginal overspend within capital by year end. To address the key operating expenditure variance within capitalised overheads, a review is being undertaken in addition to further detailed modelling.</p>



## Enhance the safety and wellbeing of our people

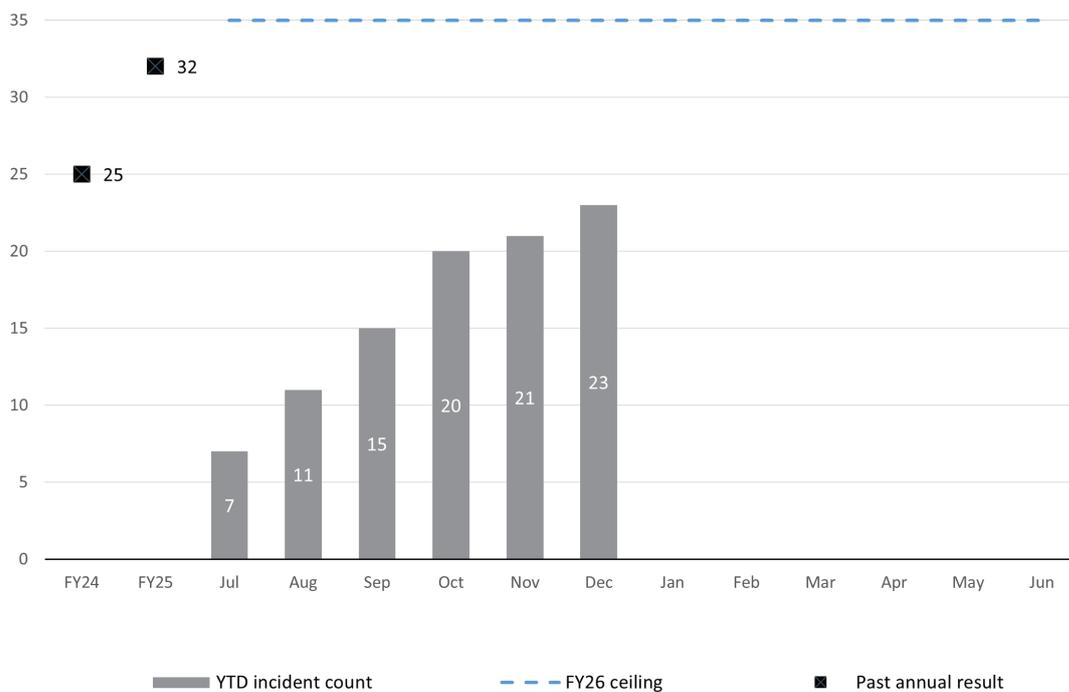
We do not compromise the safety and wellbeing of our employees, our customers, our communities, or our environment

Metric	Half-yearly status	Half-yearly commentary
<b>Tier 1 incidents</b> <i>Number of serious injuries or fatalities (actual and potential)</i>	1	<p><b>Result overview:</b> One Tier 1 incident was recorded during the half year, occurring in the month of July. No Tier 1 incidents were recorded from August to December.</p> <p><b>Result trend:</b> Improving</p> <p><b>Drivers of result:</b> The July incident occurred during the operation of an air break switch and injury was prevented by the use of appropriate PPE. Subsequent months recorded no Tier 1 incidents, supported by in-field safety leadership and improved risk management processes.</p> <p><b>Action taken:</b> Ongoing focus remains on maintaining and improving safety systems to sustain current performance levels.</p>



Metric	Half-yearly status	Half-yearly commentary
<p><b>Employee engagement (%)</b>  <i>% score at group-level from Culture Amp survey</i></p>	<p style="text-align: center;"><b>67%</b></p>	<p><b>Result overview:</b> The October 2025 Pulse Survey achieved an 85 per cent participation rate, demonstrating strong engagement with the survey process. The overall employee engagement score increased to 67% favourable, representing a significant seven-point improvement from the March 2025 full survey result of 60%.</p> <p><b>Result trend:</b> Improving</p> <p><b>Drivers of result:</b> Our senior leaders have committed to undertake a broad range of activities to lift leadership capability and enhance employee engagement to activate the cultural drivers of People First, Customer Centricity, and Achievement.</p> <p><b>Action taken:</b> Despite the positive result and improving trend, we are committed to listening to our people. As with previous surveys, leaders have met with their teams to discuss the results and to identify areas for improvement. Action plans have been developed for every team, and we are continuing to monitor progress.</p>

Metric	Half-yearly status	Half-yearly commentary
<p><b>Reportable environmental and heritage incidents</b></p> <p><i>An environmental or heritage incident reported to a State or Federal regulatory authority</i></p>	23	<p><b>Result overview:</b> A total of 23 incidents were recorded during the half year. Incidents primarily involved threatened bird electrocutions and transformer oil spills. These incidents occurred across both distribution and transmission networks.</p> <p><b>Result trend:</b> Maintaining</p> <p><b>Drivers of result:</b> Threatened bird incidents were significantly higher than average during the initial winter period with large variations year-to-year not unusual. Oil spill incidents were largely associated with external events, including vehicle collisions, storm damage, falling trees, and bushfire impacts.</p> <p><b>Action taken:</b> Network mitigation actions continue to be implemented in line with strategy, including installation of bird diverters, removal of arcing horns, pole-top changes, and remediation of oil spill sites.</p>





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