



Social Impact Report







For the 12 months to 30 June 2021

June 2021

HORIZON
POWER

Social Impact: Q4 FY21

The Social Impact Index is 176 in Q4 FY21

Regional Growth			Vibrant Communities								
Regional Employment	Regional Economic Activity		Lower Carbon		Affordable and Sustainable		Thriving Businesses		Community Health & Wellbeing		
											
<p>Since FY20:</p> <ul style="list-style-type: none"> Horizon Power has filled 17 regional roles, including 5 in the Kimberley, 2 in the Pilbara, 5 in the Gascoyne / Mid West, and 5 in the Goldfields-Esperance region. Of these roles, 4 employees identify as Aboriginal and Torres Strait Islander (ATSI). 	<p>For the 12 months to Q4 FY21:</p> <ul style="list-style-type: none"> Excluding purchases of electricity from IPPs, regional supplier spend has increased 2% to \$13.37 million. Goods and services were procured from 358 unique regional suppliers: 29% were in the Kimberley, 27% in the Pilbara, 17% in Gascoyne / Mid West and 27% in Goldfields / Esperance. HP spent \$5k or less on 158 suppliers; \$5k - \$25k on 124 suppliers, \$25k - \$50k on 34 suppliers, \$50k - \$250k on 29 suppliers and over \$250k on 13 suppliers. 		<p>For the 12 months to Q4 FY21:</p> <ul style="list-style-type: none"> Total Greenhouse Gas (GHG) intensity¹ increased by 3.9%, driven primarily by the Karratha Power Station utilisation in the Pilbara². Overall emissions increased only 0.2%, with the Pilbara seeing a decrease in emissions since the last quarter due to lower electricity sales. Total approved rooftop solar has increased by 4 MW (13%) to 34.1 MW. 49% of this uptake was attributable to A2 customers and 51% to a variety of business tariffs. 		<p>For the 12 months to Q4 FY21:</p> <ul style="list-style-type: none"> Horizon Power purchased 16.2 GWh of renewable energy from customers, up 55% from FY20. Monthly A2 customer energy bills decreased 2.8% (\$6.6 lower) compared to FY20. Customer bills were lower in all regions except Gascoyne / Mid West which saw an increase of 2.9% (\$4.2). 398 residential and business customers were disconnected, 80% less than FY20 due to the moratorium on disconnections. 		<p>For the 12 months to Q4 FY21:</p> <ul style="list-style-type: none"> Total number of L2 and L4 business customer accounts has increased 2.4% to 5,509, with the Pilbara and Kimberley seeing the largest growth of 4%. \$2.2m was spent on ATSI businesses, 200% higher than FY20. 6.3% of contracts were awarded to ATSI businesses, 57% higher than FY20, driven by contracts in the Pilbara and Kimberley. 		<p>For the 12 months to Q4 FY21:</p> <ul style="list-style-type: none"> Employees volunteered on average 1.25 hours, 62% more than in FY20. Goldfields/Esperance volunteered on average 5.3 hours followed by the Pilbara with 1.7 hours per colleague. The community partnership program invested \$941k, 254% more than FY20. Community partnerships in Q4 FY21 include, among others, the Polly Farmer Foundation's Follow the Dream program for students in the Kimberley, Karratha's women's refuge, and Leonora Golden Gift. 		

Outcome Performance³

Weight	Change	Score	Weight	Change	Score	Weight	Change	Score	Weight	Change	Score	Weight	Change	Score	Weight	Change	Score
14.3%	▲2.25	16.55	7.1%	▲0.15	7.26	21.4%	▲0.69	22.09	21.4%	▲32.42	53.82	21.4%	▲17.75	39.15	14.3%	▲22.56	36.86

Prior Quarter Social Impact Index Score: 185⁴

Current Quarter Social Impact Index Score: 176⁵

Source: Corporate Strategy

Note: Change is based on FY20 baseline. FY20 index base is 100. Each indicator receives an equal weight of 7.14% (i.e., 100/14). The performance for the period is applied to the weight to arrive at a score for each outcome. The sum of each outcome score is the Social Impact Index Score; (1) kg CO₂-e/kWh sentout; (2) see commentary slide on calculating regular GHG emissions intensity; (3) Percentage change in social impact index score is the current outcome score compared to the baseline outcome score; (4) Recalculated based on approved or installed rooftop solar. Previously calculated based on approved, installed or pending approved rooftop solar, which aligned how Horizon Power communicates availability of hosting capacity. However, approved and installed rooftop solar is a more accurate depiction of the volume of rooftop solar in our network; (5) Decrease in score due primarily to increase in customer disconnections following lifting of Moratorium on Disconnections



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Regional Employment and Regional Economic Activity Outcomes

Outcome	Social Impact Metric	KIMBERLEY			PILBARA			GASCOYNE / MID WEST			GOLDFIELDS / ESPERANCE			OVERALL		
		Base	Actual	%	Base	Actual	%	Base	Actual	%	Base	Actual	%	Base	Actual	%
Regional Employment	Number of Horizon Power employees based in the regions ^{1, 3}	35	37	6%	50	51	2%	22	28	27%	31	35	13%	138	151	9%
	Number of ATSI ² persons employed by Horizon Power in the regions ³	8	11	38%	2	3	50%	3	2	-33%	5	6	20%	18	22	22%
Regional Economic Activity	Contracts (\$m) awarded directly to regional suppliers ⁴	3.80	4.80	26%	5.14	3.49	-32%	1.16	1.38	19%	3.06	3.70	21%	13.16	13.37	2%

Source: Human Resources; Procurement

Note: Base refers to the baseline. Unless otherwise stated, the baseline is FY20 and actual refers to the 12 months to the end of the current social impact reporting period; (1) Excluding ATSI employees; (2) Aboriginal and Torres Strait Islander; (3) As at the end of the current quarter; (4) Based on regional address. E.g., there may be suppliers with a regional presence, however without having a regional address recorded in the dataset, they will not be included in the metric.

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Lower Carbon and Affordable and Sustainable

Outcome	Social Impact Metric	KIMBERLEY			PILBARA			GASCOYNE / MID WEST			GOLDFIELDS / ESPERANCE			OVERALL		
		Base	Actual	%	Base	Actual	%	Base	Actual	%	Base	Actual	%	Base	Actual	%
Lower Carbon	Greenhouse gas intensity (kg CO ₂ -e/kWh sent out) ¹	0.47	0.46	-2.7%	0.54	0.58	8.0%	0.63	0.63	0%	0.65	0.65	-0.3%	0.54 ⁵	0.56	3.9%
	Total greenhouse gas emissions (thousand tonnes CO ₂ -e)	127.7	124.0	-2.9%	333.2	339.1	1.8%	57.2	57.9	1.3%	54.5	52.5	-3.7%	573	574	0.2%
	Total installed rooftop solar PV (MW) ²	8.10	8.94	10%	13.04	15.50	19%	4.49	4.54	1%	4.52	5.15	14%	30.1	34.1	13%
Affordable and Sustainable	Purchased energy from customers (REBS/DEBS) (GWh)	2.26	3.01	33%	2.95	5.46	85%	2.82	4.06	44%	2.47	3.64	47%	10.48	16.16	54%
	A2 Customer Energy Bills (12 month rolling avg.) ³	257.3	253.7	-1.4%	310.3	296.5	-4.5%	147.0	151.2	2.9%	126.2	126.2	0%	241.4 ⁵	234.8	-2.8%
	Customer disconnections for lack of payment ⁴	755	155	-80%	744	181	-76%	257	40	-84%	220	22	-90%	1,976	398	-80%

Source: Sustainability (NGER reporting); REBS Approved Master Tracking Report; Qlikview: Sales Analysis Report; Velocity

Note: Base refers to baseline. Unless otherwise stated, the baseline is FY20 and actual refers to the 12 months to the end of the current social impact reporting quarter; (1) Variance in percentage change due to rounding; (2) Installed or approved; (3) Monthly average for the last 12 months; (4) Based on the total number of unique account disconnections; (5) Overall score factors in the weighting of the proportionate size of each region. It is not simply an average of all the regions.

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Thriving Businesses and Community Health and Wellbeing

Outcome	Social Impact Metric	KIMBERLEY			PILBARA			GASCOYNE / MID WEST			GOLDFIELDS / ESPERANCE			OVERALL		
		Base	Actual	%	Base	Actual	%	Base	Actual	%	Base	Actual	%	Base	Actual	%
Thriving Businesses	L2 and L4 tariff business customer accounts ¹	1,564	1,599	2.2%	1,660	1,727	4.0%	921	924	0.3%	1,234	1,259	2.0%	5,379	5,509	2.4%
	% of contracts >\$50,000 awarded to ATSI ² businesses ^{3, 7}	0%	50%	N/A	20%	45%	25%	0%	0%	0%	0%	0%	0%	4.3% ⁵	6.3%	57%
	Total spend (\$) with ATSI businesses	47k	838k	1,684%	360k	782k	117%	141k	79k	-44%	13k	34k	160%	735k ⁴	2.2m ⁴	200%
Community Health & Wellbeing	Average volunteering hours per Horizon Power employee	0.53	0.92	73%	0.73	1.69	131%	0.30	1.40	361%	4.17	5.31	27%	0.77 ⁵	1.25 ⁵	62%
	Community Partnership Program	120k	123k	2%	54k	100k	85%	60k	102k	71%	32k	153k	378%	266k ⁶	941k ⁶	254%

Source: Velocity; Procurement; Ellipse

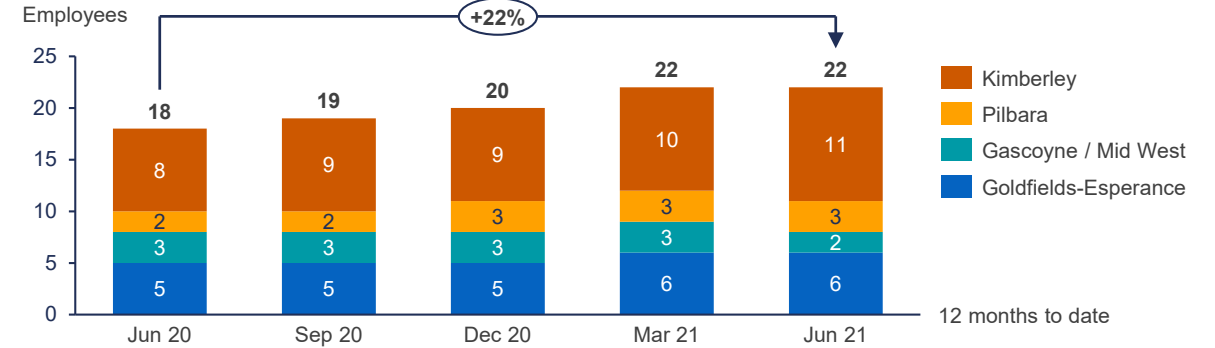
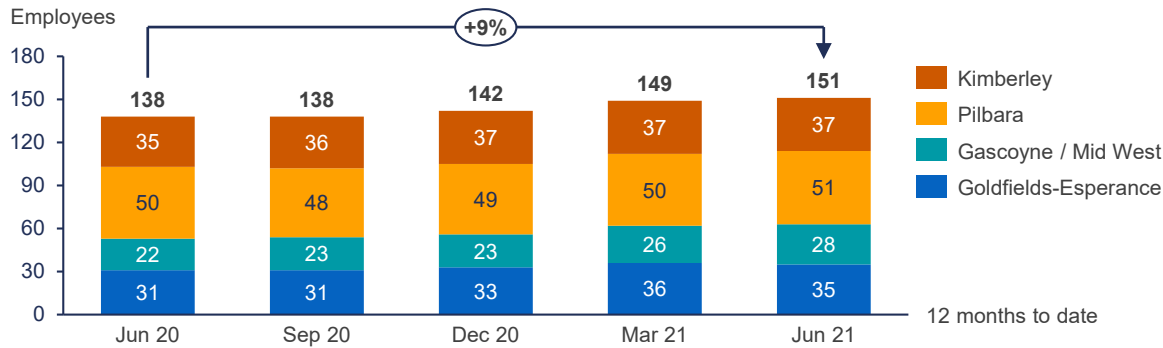
Note: Base refers to baseline. Unless otherwise stated, the baseline is FY20 and actual refers to the 12 months to the end of the current social impact reporting quarter; (1) Active business customer accounts only; (2) Aboriginal and Torres Strait Islander; (3) Includes all contracts awarded to registered and unregistered Aboriginal businesses >\$50,000 and based on supplier region location; (4) Overall includes ATSI businesses outside our regions (5) Includes volunteering completed by Bentley employees; (6) Overall includes Bentley/Corporate community partnership funding not explicitly related to any one region; (7) Subject to an independent audit which is due to be completed shortly.



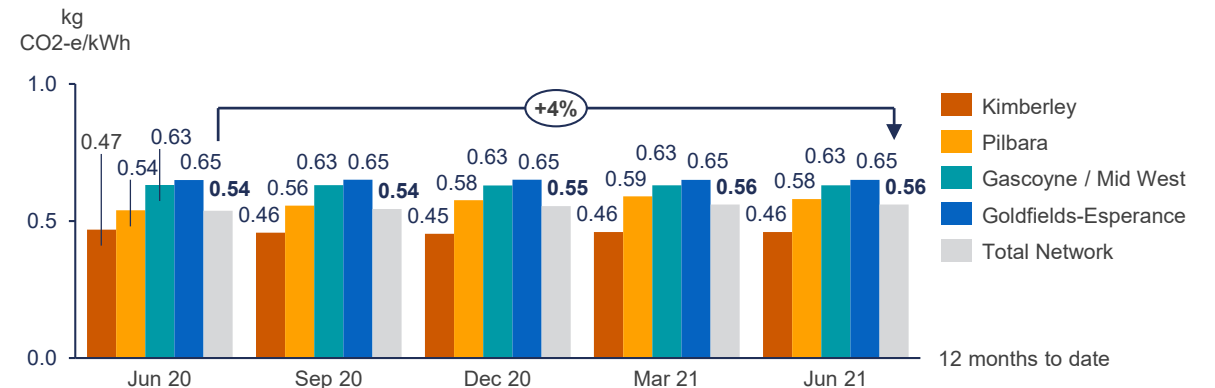
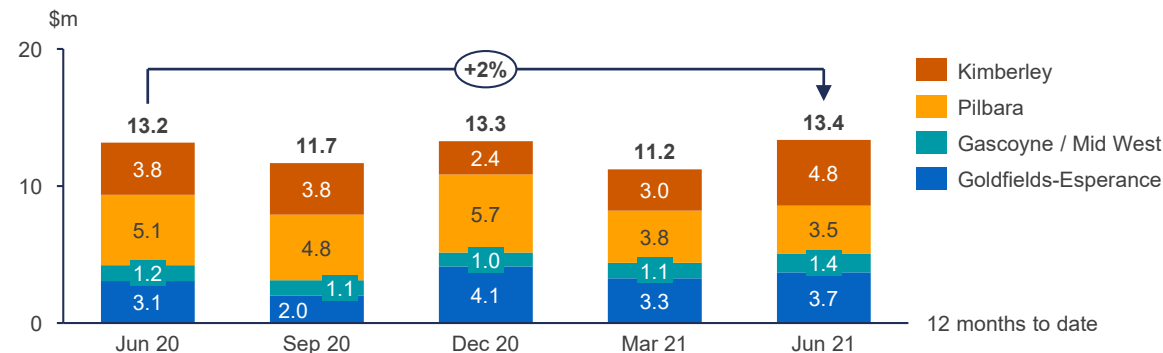
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Trends over time (1 of 4)

Regional Employment	Regional Employment
Number of Horizon Power employees based in the regions	Number of ATSI persons employed by Horizon Power in the regions



Regional Economic Activity	Lower Carbon
Contracts (\$m) awarded directly to regional suppliers	Greenhouse gas intensity (kg CO2-e/kWh sent out)



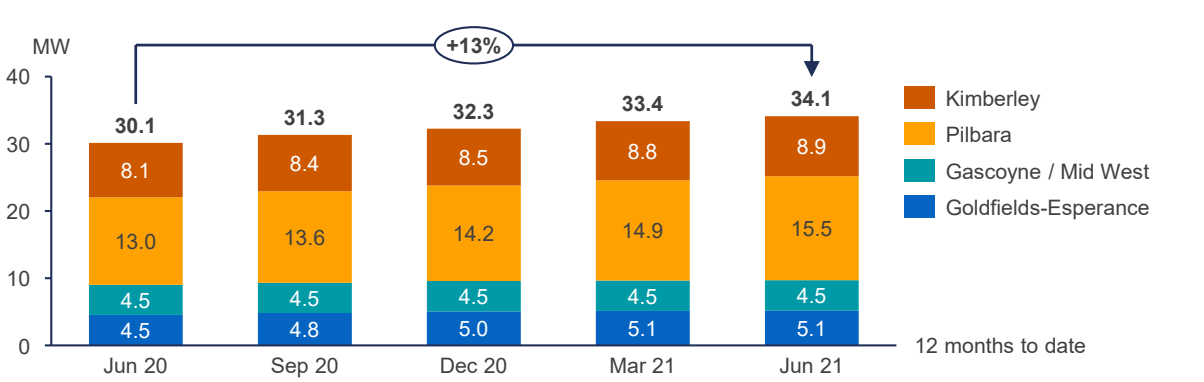
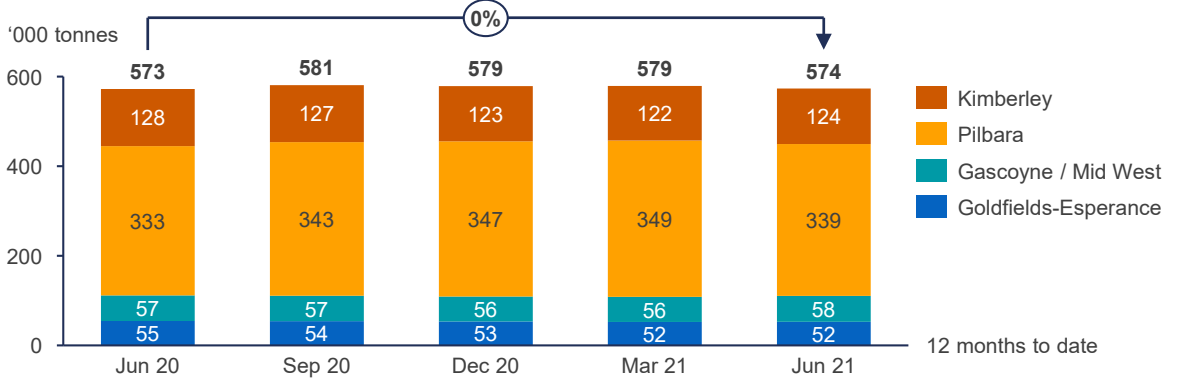
Source: Corporate Strategy

Social Impact: Q4 FY21

Trends over time (2 of 4)

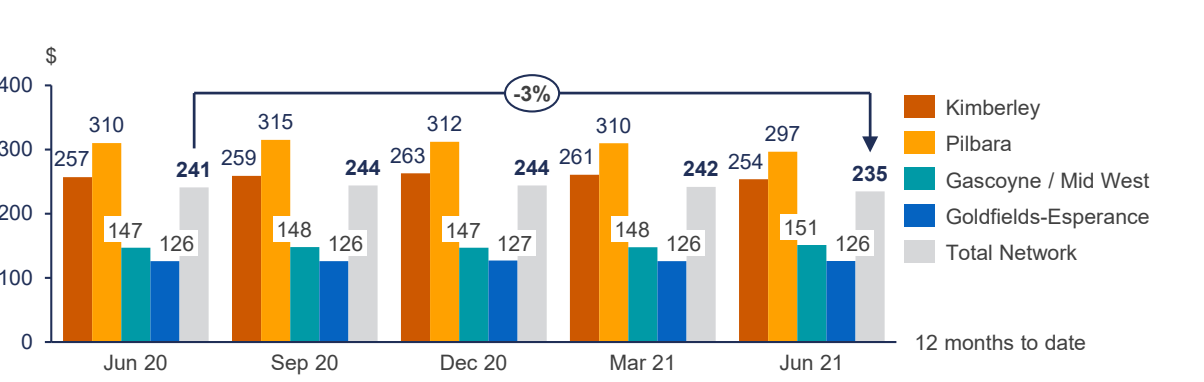
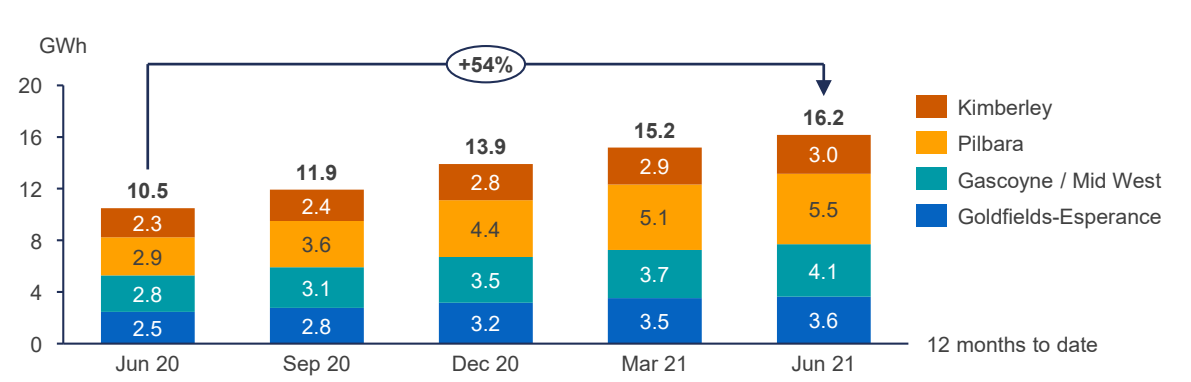
Lower Carbon

Total greenhouse gas emissions (thousand tonnes CO₂-e) Total installed rooftop solar PV (MW)



Affordable and Sustainable

Purchased energy from customers (REBS/DEBS) (GWh) A2 Customer Energy Bills (12 month rolling average)



Source: Corporate Strategy

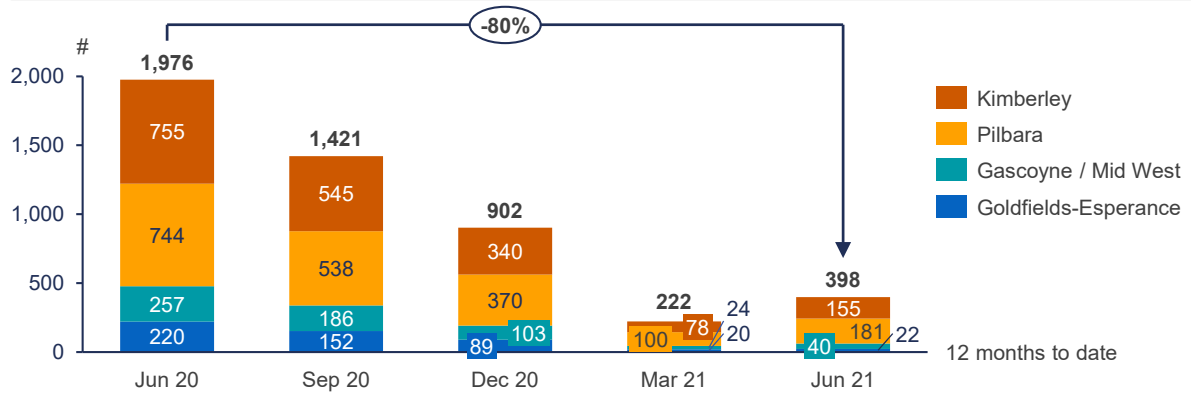


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Trends over time (3 of 4)

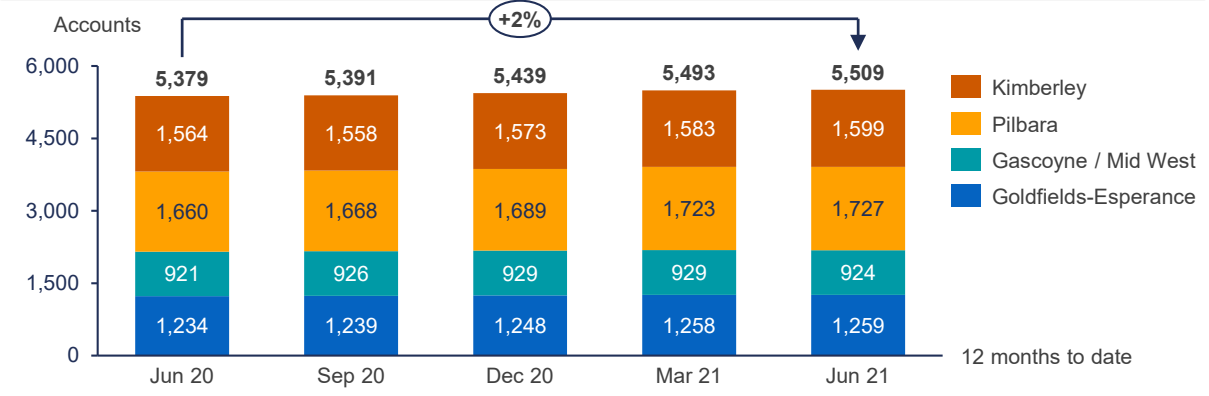
Affordable and Sustainable

Customer disconnections for lack of payment



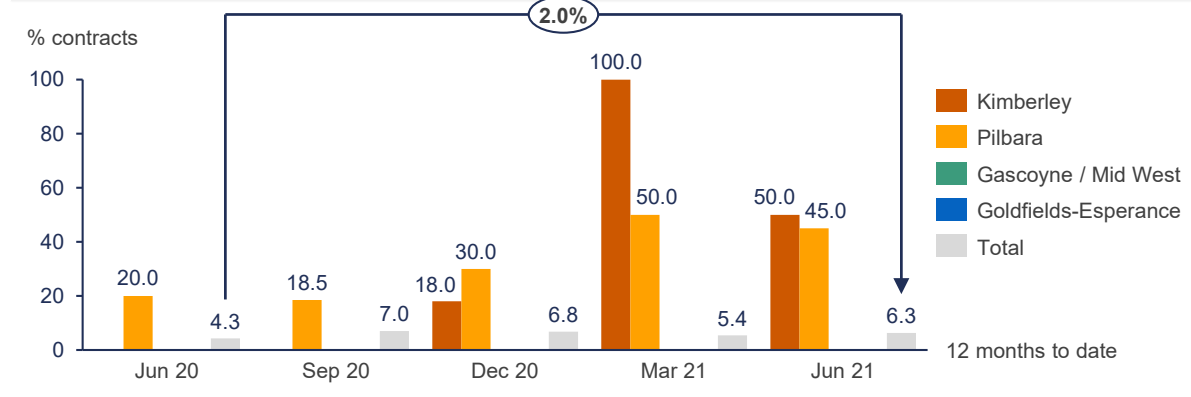
Thriving Businesses

L2 and L4 business customer accounts



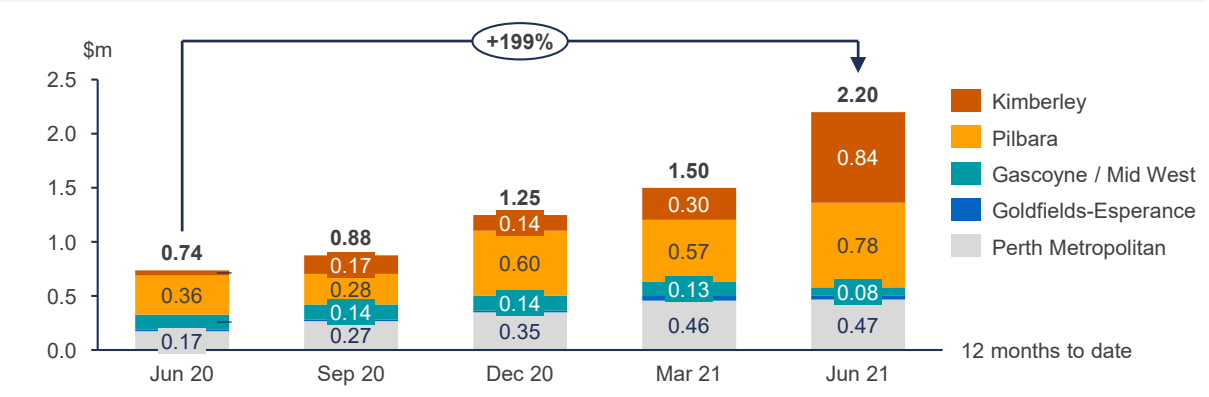
Thriving Businesses

% of contracts >\$50,000 awarded to ATSI businesses



Thriving Businesses

Total spend (\$) with ATSI businesses



Source: Corporate Strategy

Social Impact: Q4 FY21

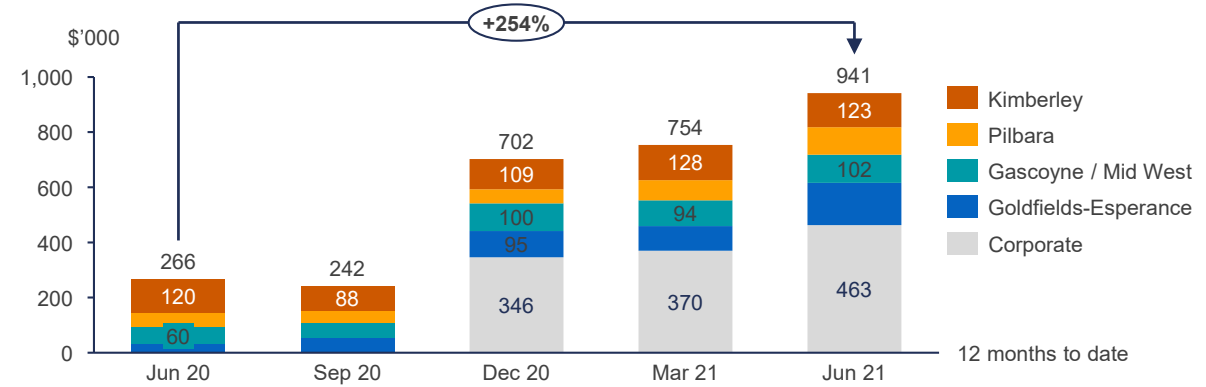
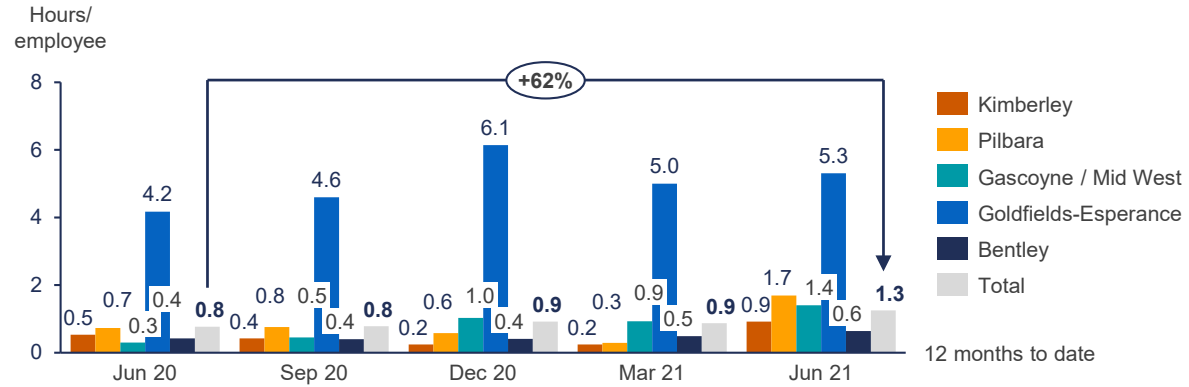
Trends over time (4 of 4)

Community Health & Wellbeing

Average volunteering hours per Horizon Power employee

Community Health & Wellbeing

Community Partnership Program



Source: Corporate Strategy

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Market Indicator Performance

Outcome	Social Impact Metric	Q1 Result	Q2 Result	Q3 Result	Q4 Result	Market Metric	FY20	FY21	Variance
Regional Employment	Number of Horizon Power employees based in the regions	0%	▲3%	▲8%	▲9%	Unemployment Rate	8.44%		
	Number of ATSI ¹ persons employed by Horizon Power in the regions	▲6%	▲11%	▲22%	▲22%				
Regional Economic Activity	Contracts (\$m) awarded directly to regional suppliers	▼11%	▲1%	▼15%	▲2%	Gross Regional Product (GRP)	\$54.2bn		
Lower Carbon	Greenhouse gas intensity (kg CO ₂ -e/kWh)	▲1.2%	▲3.1%	▲4.2%	▲3.9%	WA total GHG emissions intensity for DGF ² (kg CO ₂ -e / kWh)	0.63		
	Total greenhouse gas emissions (t CO ₂ -e)	▲1.2%	▲1.1%	▲1.0%	▲0.2%	WA total GHG emissions intensity for DGF (t / CO ₂ -e)	15,407,271		
	Total installed rooftop solar PV (MW)	▲4%	▲7%	▲11%	▲13%	Total small scale generating unit (kW) in Western Australia	1,459,201		
Affordable and Sustainable	Purchased energy from customers (REBS/DEBS) (GWh)	▲14%	▲33%	▲45%	▲54%	Weekly expenditure across Network Areas on Electricity (incl. SWIS)	\$25.56		
	A2 Customer Energy Bills (12 month rolling avg.)	▲1.1%	▲0.9%	▲0.15%	▼2.8%				
	Customer disconnections for lack of payment	▼-39%	▼-54%	▼-89%	▼-80%				
Thriving Businesses	Net L2 and L4 tariff business customer connections	▲0.2%	▲1.1%	▲2.1%	▲2.4%	Number of registered businesses in each region	14,404		
	% of contracts >\$50,000 awarded to ATSI ¹ businesses	▲2.7%	▲2.5%	▲1.1%	▲2.0%	Number of Aboriginal and Torres Strait Islander people as business owner managers (Australia)	11,587 ⁶		
	Total spend with ATSI businesses	▲19%	▲73%	▲105%	▲200%				
Community Health & Wellbeing	Average volunteering hours per Horizon Power employee	▲0.8%	▲20%	▲13%	▲62%	Average national volunteering hours per person	27.5		
	Community Partnership Program	▼9%	▲164%	▲183%	▲254%	N/A	N/A		

Source: Corporate Strategy

Note: Unless otherwise stated, the baseline is for the quarter ending June 2020; Quarterly result percentage increases are against baseline; (1) Aboriginal and Torres Strait Islander (ATSI); (2) Designated Generation Facilities (DGF)

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Commentary

Outcome	Social Impact Metric	Commentary
Regional Employment	Number of Horizon Power employees based in the regions	Base: Q4 FY20; Actual: Q4 FY21; excludes regional based ATSI ¹ employees as they are captured in the below metric
	Number of ATSI ¹ persons employed by Horizon Power in the regions	Base: Q4 FY20; Actual: Q4 FY21
Regional Economic Activity	Contracts (\$) awarded directly to regional suppliers	Base: FY20; Actual: 12 month rolling average to Q4 FY21; based on regional address;
Lower Carbon	Greenhouse gas intensity (kg CO ₂ -e/kWh)	Base: FY20; Actual: 12 month rolling average to Q4 FY21; IPP emissions factors are updated annual on a 3-year rolling average during NGERs data compilation. HP does not have access to monthly fuel records from IPPs to calculate monthly emissions intensities for these sites.
	Total greenhouse gas emissions (t CO ₂ -e)	Base: FY20; Actual: 12 month rolling average to Q4 FY21
	Total installed rooftop solar PV (MW)	Base: Q4 FY20 total cumulative installations; Actual: Q4 total cumulative installations
Affordable and Sustainable	Purchased energy from customers (REBS/DEBS) (GWh)	Base: FY20; Actual: 12 month rolling average to Q4 FY21
	A2 Customer Energy Bills (12 month rolling average)	Base: FY20; Actual: 12 month rolling average to Q4 FY21
	Customer disconnections for lack of payment	Base: FY20; Actual: 12 month rolling average to Q4 FY21; based on unique customer account disconnections
Thriving Businesses	Net L2 and L4 tariff business customer connections	Base: FY20; Actual: 12 month rolling average to Q4 FY21; based on unique L2 and L4 customer accounts
	% of contracts >\$50,000 awarded to ATSI businesses	Base: FY20; Actual: 12 month rolling average to Q4 FY21; includes all contracts awarded to registered and unregistered Aboriginal businesses which is slightly different to that reported to the Department of Finance which requires HP to report only on contracts awarded to registered Aboriginal businesses (Supply Nation or ABDWA registered)
	Total spend with ATSI businesses	Base: FY20; Actual: 12 month rolling average to Q4 FY21; actual spend is based on the amount invoiced against each contract
Community Health and Wellbeing	Average volunteering hours per Horizon Power employee	Base: FY20; Actual: 12 month rolling average to Q4 FY21
	Community Partnership Program	Based: FY20 spend; Actual: 12 month rolling average to Q4 FY21

Source: Corporate Strategy

Note: Base refers to baseline; (1) Aboriginal and Torres Strait Islander (ATSI)