

**Ausgrid Group
Annual report
30 June 2026**



Ausgrid Group

Annual report 30 June 2026

Contents

	Page
Financial statements	
Consolidated statement of profit or loss and other comprehensive income	2
Consolidated statement of financial position	3
Consolidated statement of changes in equity	5
Consolidated statement of cash flows	7
Notes to the consolidated financial statements	8
Directors' declaration	64
Independent auditor's report	65
Glossary	70

	Notes	2026 \$M	2025 \$M
Revenue	3	3,221	2,928
Distribution of energy costs	4(a)	(721)	(643)
Depreciation and amortisation expense	4(c)	(741)	(670)
Finance costs	4(d)	(662)	(613)
Employee benefits expense	4(b)	(384)	(375)
Other expenses	4(b)	(326)	(312)
Other income		-	21
Gain on disposal of property, plant and equipment		44	210
Impairment expense	11	(13)	-
Profit before income tax		418	546
Income tax expense		-	-
Profit for the year		418	546
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Changes in the fair value of cash flow hedges		420	(327)
Reclassification to profit or loss	4(d)	(65)	(172)
Income tax relating to these items	5	(109)	149
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Defined benefit superannuation actuarial losses	20(c)	(2)	(1)
Income tax relating to these items	5	1	-
Other comprehensive gain/(loss) for the year		245	(351)
Total comprehensive income for the year		663	195
Profit for the year attributable to Partners:			
Ausgrid Operator Partnership (AOP)		(13)	18
Ausgrid Asset Partnership (AAP)		312	418
PLUS ES Partnership (PLUS ES)		60	63
Aurora Property Partnership (APP)		59	47
Aurora Investment Partnership (AIP)		-	-
PLUS Grid Storage Partnership (PLUS GS)		-	-
Profit for the year		418	546
Total comprehensive income for the year attributable to Partners:			
AOP		(14)	17
AAP		566	69
PLUS ES		54	62
APP		59	47
AIP		-	-
PLUS GS		(2)	-
Total comprehensive income for the year		663	195

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

	Notes	2026 \$M	2025 \$M
Current assets			
Cash and cash equivalents		720	442
Trade and other receivables	7	100	119
Contract assets	7	347	349
Prepayments	8	64	41
Inventories		35	33
Assets classified as held for sale	10	15	6
Derivative financial assets	17	-	2
Other current assets	9	9	5
Total current assets		1,290	997
Non-current assets			
Property, plant and equipment	11	18,937	18,308
Intangible assets	12	3,563	3,574
Derivative financial assets	17	718	805
Other receivables	7	2	3
Prepayments	8	15	-
Other non-current assets	9	175	158
Defined benefit plan asset	20	7	6
Total non-current assets		23,417	22,854
Total assets		24,707	23,851
Current liabilities			
Trade and other payables	13	469	422
Contract liabilities	16	12	11
Borrowings	14	858	608
Derivative financial liabilities	17	21	-
Provisions	15	338	324
Deferred government grants		2	24
Other liabilities	16	3	3
Total current liabilities		1,703	1,392
Non-current liabilities			
Contract liabilities	16	86	83
Borrowings	14	13,010	12,836
Derivative financial liabilities	17	377	294
Provisions	15	52	55
Deferred government grants		33	31
Deferred tax liabilities	6	132	24
Total non-current liabilities		13,690	13,323
Total liabilities		15,393	14,715
Net assets		9,314	9,136

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

	Notes	2026 \$M	2025 \$M
Equity attributable to Partners of AOP			
Contributed equity	18	1,581	1,619
Reserves		20	21
Retained earnings	19	(137)	51
Total equity attributable to Partners of AOP		1,464	1,691
Equity attributable to Partners of AAP			
Contributed equity	18	7,021	7,021
Reserves		285	31
Retained earnings	19	(105)	(100)
Total equity attributable to Partners of AAP		7,201	6,952
Equity attributable to Partners of PLUS ES			
Contributed equity	18	183	183
Reserves		(3)	3
Retained earnings	19	237	177
Total equity attributable to Partners of PLUS ES		417	363
Equity attributable to Partners of APP			
Contributed equity	18	124	87
Reserves		-	-
Retained earnings	19	102	43
Total equity attributable to Partners of APP		226	130
Equity attributable to Partners of AIP			
Contributed equity	18	-	-
Reserves		-	-
Retained earnings	19	-	-
Total equity attributable to Partners of AIP		-	-
Equity attributable to Partners of PLUS GS			
Contributed equity	18	8	-
Reserves		(2)	-
Retained earnings	19	-	-
Total equity attributable to Partners of PLUS GS		6	-
Total equity attributable to Partners of the Ausgrid Group		9,314	9,136

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Ausgrid Group
Consolidated statement of changes in equity
For the year ended 30 June 2026

	Contributed equity \$M	Cash flow hedge reserve \$M	Defined benefit superannuation reserve \$M	Retained earnings \$M	Total \$M
Balance at 1 July 2025	8,910	34	21	171	9,136
Profit for the year	-	-	-	418	418
Other comprehensive income					
Changes in cash flow hedges	-	246	-	-	246
Defined benefit superannuation actuarial losses - AOP	-	-	(1)	-	(1)
Total other comprehensive income	-	246	(1)	-	245
Total comprehensive income for the year	-	246	(1)	418	663
Transactions recorded directly in equity:					
Capital return to Partners	(39)	-	-	-	(39)
Equity injection from Partners	46	-	-	-	46
Distributions paid	-	-	-	(492)	(492)
Total transactions	7	-	-	(492)	(485)
Balance at 30 June 2026	8,917	280	20	97	9,314
Closing balance of equity attributable to					
AOP	1,581	-	20	(137)	1,464
AAP	7,021	285	-	(105)	7,201
PLUS ES	183	(3)	-	237	417
APP	124	-	-	102	226
AIP	-	-	-	-	-
PLUS GS	8	(2)	-	-	6
Balance at 30 June 2026	8,917	280	20	97	9,314

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

Ausgrid Group
Consolidated statement of changes in equity
For the year ended 30 June 2026
(continued)

	Contributed equity \$M	Cash flow hedge reserve \$M	Defined benefit superannuation reserve \$M	Retained earnings \$M	Total \$M
Balance at 1 July 2024	8,910	384	22	142	9,458
Profit for the year	-	-	-	546	546
Other comprehensive income					
Changes in cash flow hedges - AAP and PLUS ES	-	(350)	-	-	(350)
Defined benefit superannuation actuarial losses - AOP	-	-	(1)	-	(1)
Total other comprehensive income	-	(350)	(1)	-	(351)
Total comprehensive (losses)/ income for the year	-	(350)	(1)	546	195
Transactions recorded directly in equity:					
Distributions paid	-	-	-	(517)	(517)
Balance at 30 June 2025	8,910	34	21	171	9,136
Closing balance of equity attributable to					
AOP	1,619	-	21	51	1,691
AAP	7,021	31	-	(100)	6,952
PLUS ES	183	3	-	177	363
APP	87	-	-	43	130
Balance at 30 June 2025	8,910	34	21	171	9,136

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

Ausgrid Group
Consolidated statement of cash flows
For the year ended 30 June 2026

	2026	2025
Notes	\$M	\$M
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	3,310	2,975
Payments to suppliers and employees (inclusive of GST)	(1,657)	(1,694)
Interest received	8	31
Interest paid	(634)	(576)
Net cash inflow from operating activities	27 <u>1,027</u>	<u>736</u>
Cash flows from investing activities		
Government grants received in relation to assets	22	14
Repayment of government grants in relation to assets	(32)	-
Payments for property, plant and equipment	(1,266)	(871)
Payments for intangible assets	(71)	(84)
Proceeds from sale of property, plant and equipment	134	267
Net cash outflow from investing activities	<u>(1,213)</u>	<u>(674)</u>
Cash flows from financing activities		
Capital return to Partners	(39)	-
Equity injection from Partners	46	-
Proceeds from borrowings	3,339	4,581
Repayments of borrowings	(2,360)	(3,899)
Transaction costs paid	(26)	(13)
Distributions paid	(492)	(517)
Principal elements of lease payments	(4)	(7)
Net cash inflow from financing activities	<u>464</u>	<u>145</u>
Net increase in cash and cash equivalents	278	207
Cash and cash equivalents at the beginning of the year	<u>442</u>	<u>235</u>
Cash and cash equivalents at the end of the year	<u><u>720</u></u>	<u><u>442</u></u>

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

Contents of the notes to the consolidated financial statements

	Pages
1 Summary of material accounting policies	9
2 Use of estimates and judgements	24
3 Revenue	25
4 Expenses	26
5 Taxation	27
6 Deferred taxation	28
7 Trade and other receivables and contract assets	28
8 Prepayments	29
9 Other current and non-current assets	29
10 Assets classified as held for sale	29
11 Property, plant and equipment	30
12 Intangible assets	32
13 Trade and other payables	34
14 Borrowings	35
15 Provisions	40
16 Other liabilities and contract liabilities	42
17 Derivatives	43
18 Partner capital	44
19 Retained earnings	45
20 Superannuation - defined benefit plan	46
21 Key management personnel compensation	49
22 Remuneration of auditors	50
23 Capital expenditure commitments	50
24 Leases	51
25 Contingent liabilities and contingent assets	51
26 Group entities	51
27 Cash flow information	52
28 Financial risk management	53
29 Events occurring after the reporting period	63

1 Summary of material accounting policies

This annual report is for the consolidated financial statements of AOP (parent entity), AAP, PLUS ES, APP, Aurora Investment Partnership (**AIP**), and PLUS Grid Storage Partnership (**PLUS GS**) and their respective controlled entities (**Ausgrid Group**) for the year ended 30 June 2026.

Ausgrid Group is domiciled in Australia. Its registered office and principal place of business is 24-28 Campbell Street, Sydney NSW 2000.

Ausgrid Group is a stapled structure comprised of AOP, AAP, PLUS ES, APP, AIP and PLUS GS. The accounting standards require the nomination of one parent entity in a consolidated group, so for the purpose of preparing these consolidated financial statements only, AOP was identified as the parent. AOP and its partnership entities, AAP, PLUS ES, APP, AIP and PLUS GS, were established on 20 October 2016 (AOP and AAP), 1 November 2017 (PLUS ES), 27 April 2023 (APP) and 16 December 2025 (AIP and PLUS GS). A consortium comprising IFM Investors, AustralianSuper and APG Asset Management (**APG**) holds 50.4% partnership interest and the New South Wales (**NSW**) State Government (through entities established in accordance with the *Electricity Retained Interest Corporation Act 2015 (NSW)*) holds 49.6% partnership interest in AOP, AAP, PLUS ES, APP, AIP and PLUS GS.

Pursuant to the Partnership Deeds, all the Partners agreed to ensure equivalence in that the proportion of Partnership interest held by each Partner should be identical between AOP, AAP, PLUS ES, APP, AIP and PLUS GS.

On 1 December 2016, AAP entered into a 99 year lease to lease the Ausgrid Group's electricity distribution and transmission network assets from the NSW State Government. On the same date, these assets were leased from AAP to AOP through a 98 year 364 day sublease, and AOP was granted a license to operate the network assets by the NSW State Government.

The Ausgrid Group is the controller, operator and manager of the distribution network and parts of the transmission network covering Sydney, the Central Coast and the Hunter Region of NSW and provides electricity services to both residential and commercial customers in NSW. AOP is both a Distribution Network Service Provider (**DNSP**) and a Transmission Network Service Provider (**TNSP**) in the National Electricity Market (**NEM**) which is regulated by the Australian Energy Regulator (**AER**). Over a regulatory control period, the AER determines the annual expected revenue that the Ausgrid Group is allowed to recover from customers based on the framework set out in the National Electricity Law (**NEL**) and National Electricity Rules (**NER**). The Ausgrid Group distributes electricity on behalf of energy retailers to their customers within Ausgrid Group's network area. The retailers pay the Ausgrid Group for the provision of network services to their customers according to the regulated network tariffs approved by the AER, and for related metering and ancillary network services provided to the retailers' customers.

The Ausgrid Group also delivers street lighting services to local councils and a range of unregulated services. These include unregulated digital metering business, infrastructure services, the development and construction of network infrastructure for the Hunter Central-Coast Renewable Energy Zone (**HCC REZ**), community battery initiatives that provide shared energy storage systems to local communities, and the ownership and operation of grid-scale battery energy storage systems connected to the distribution network.

These financial statements were authorised for issue by the Directors on 28 August 2026.

(a) Basis of preparation

These general purpose financial statements have been prepared to meet the information needs of the Partners of AOP, AAP, PLUS ES, APP, AIP and PLUS GS as required under the Partnership Deeds dated 20 October 2016 (AAP and AOP), 1 November 2017 (PLUS ES), 27 April 2023 (APP), and 16 December 2025 (AIP and PLUS GS), and in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board (**AASB**). The Ausgrid Group is a for-profit entity for the purpose of preparing the financial statements.

1 Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented in these financial statements, unless otherwise stated.

(i) Compliance with IFRS

The consolidated financial statements of the Ausgrid Group also comply with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

(ii) Historical cost convention

These financial statements are prepared on a historical cost basis, except for the following:

- derivative financial instruments which are measured at their fair value;
- defined benefit plan which is measured at fair value; and
- assets classified as held for sale which are measured at the lower of their carrying value or Fair Value Less Costs of Disposal (**FVLCD**).

(iii) Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Ausgrid 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 Note 2.

(iv) Consistency

Where necessary, comparative information has been reclassified to conform with the current year's presentation. These reclassifications do not affect previously reported profit after income tax, total equity or net cash flows.

(v) Going concern

As at 30 June 2026, the Ausgrid Group had net current liabilities of \$413 million (30 June 2025: \$395 million) due to \$855 million (30 June 2025: \$605 million) of borrowings being classified as current borrowings as they mature within the next 12 months (refer to Note 14 for details).

The Directors have considered the following factors in determining whether the Ausgrid Group can pay its debts as and when they fall due for the next 12 months:

- The Ausgrid Group generated net operating cash inflows of \$1,027 million for the year ended 30 June 2026 (2025: \$736 million). The Ausgrid Group is forecasting a positive cash balance for the next 12 months.
- As at 30 June 2026, the Ausgrid Group had available cash and cash equivalents of \$720 million (30 June 2025: \$442 million) and undrawn facilities of \$1,683 million (excluding bank guarantees) (30 June 2025: \$848 million). Of the \$1,683 million in undrawn facilities, \$395 million matures on 15 December 2026.
- The Ausgrid Group's credit rating was reaffirmed by Moody's in December 2025 and Standard and Poor's (**S&P**) in July 2026 with a stable rating outlook. This supports continued access to bank lending and capital markets.
- The Ausgrid Group Treasury Policy requires that the refinancing process for borrowing facilities to be commenced no later than 12 months prior to maturity date. Consistent with this policy, key bond program documentation is updated and reviewed annually to facilitate potential bond issuance across a range of different capital markets. Management continues to engage with potential lenders in relation to refinancing borrowings maturing within the next 12 months.

Based on the factors above, the consolidated financial statements have been prepared on a going concern basis.

(vi) Hunter Central-Coast Renewable Energy Zone (HCC REZ) project

For the HCC REZ project, Energy Corporation of New South Wales (**EnergyCo**), the Infrastructure Planner appointed by the NSW Government, provided funding to Ausgrid for early development activities ahead of the AER Revenue Determination. The funding was initially recognised as a deferred government grant liability.

1 Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

(vi) Hunter Central-Coast Renewable Energy Zone (HCC REZ) project (continued)

Following the AER Revenue Determination and execution of the Project Deed, Ausgrid became contractually obligated to reimburse EnergyCo for the Infrastructure Planner Fees (**IPFs**), including repayment of funding previously provided under the Commitment Deed.

The AER Revenue Determination confirmed that the IPFs form part of the total cost required to bring the HCC REZ assets into service and will be included in the Regulatory Asset Base. Management assessed that the IPFs met the capitalisation criteria under AASB 116 Property, Plant and Equipment as costs directly attributable to preparing the HCC REZ assets for their intended use. The IPFs comprised:

- \$93 million of EnergyCo's development and oversight costs, which were capitalised as part of property, plant and equipment; and
- \$32 million of Ausgrid's early development costs previously funded by EnergyCo under the Commitment Deed, with the funding subsequently repaid to EnergyCo.

(b) Principles of consolidation

The consolidated financial statements include the assets and liabilities of the controlled entities within the Ausgrid Group as at 30 June 2026. Group transactions, balances and unrealised gains and losses on transactions between group entities are eliminated.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Ausgrid Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Australian Dollars (**A\$**), which is the functional and presentation currency of each entity in the Ausgrid Group.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss, within finance costs. All other foreign exchange gains and losses are presented in profit or loss on a net basis within other income or operating expenses.

(d) Revenue recognition

Revenue is recognised when the relevant performance obligations embedded in contracts with customers are satisfied, i.e. when the control of a good or service transfers to a customer. Performance obligations are completed at a point in time or over time. Revenue is recognised for the major business activities of the Ausgrid Group as follows:

(i) Network use of system revenue

Network Use of System (**NUOS**) revenue represents the rendering of electricity network services to customers within the Ausgrid Group's network area. Upon delivery of electricity, customers receive and consume the benefit resulting in revenue being recognised over time. The Ausgrid Group recognises revenue based on the billing amount which is determined based on the relevant tariff multiplied by the electricity consumption volume, as well as the number of network access days and a demand or capacity charge (if applicable). The Ausgrid Group bills retailers weekly and monthly. Revenue associated with unbilled services is recognised as described in unread meters below.

1 Summary of material accounting policies (continued)

(d) Revenue recognition (continued)

(i) Network use of system revenue (continued)

NUOS revenue includes four components: Distribution Use of System (**DUOS**) revenue, Transmission Use of System (**TUOS**) revenue and revenue to recover the Ausgrid Group's annual contribution to the NSW Climate Change Fund (**CCF**) and Electricity Infrastructure Fund (**EIF**). DUOS revenue relates to customer use of the Ausgrid Group's distribution network. TUOS revenue relates to customer use of the Ausgrid Group's transmission network, and also includes revenue to recover transmission costs paid to TNSPs and embedded generators.

(ii) Excess/shortfall in regulatory revenue

(a) DUOS

The Ausgrid Group's allowed DUOS revenues for a five year regulatory period are set by the AER as part of the regulatory determination process. Under this framework, where such DUOS revenues exceed or fall below the Ausgrid Group's Maximum Allowable Revenue (**MAR**), as determined by the AER, no liability or asset is recognised. Instead, adjustments will be made to future prices to reflect this excess or shortfall as it relates to the provision of future services.

(b) TUOS

TUOS revenue relates to customer use of the Ausgrid Group's transmission network allowed under the MAR, and also includes revenue to recover transmission costs paid to TNSPs and embedded generators. Where such TUOS revenue exceeds or is below actual transmission costs paid to TNSPs and embedded generators, no liability or asset is recognised. Instead, adjustments will be made to future prices to reflect this excess or shortfall as it relates to the provision of future services.

(c) CCF revenue

CCF revenue operates as a pass-through to customers based on payments made to the NSW CCF. Where such CCF revenue exceeds or is below actual contributions paid to the NSW Department of Climate Change, Energy, the Environment and Water, no liability or asset is recognised. Instead, adjustments will be made to future prices to reflect this excess or shortfall as it relates to the provision of future services.

(d) EIF revenue

EIF revenue operates as a pass-through to customers based on payments made to the NSW EIF. Where such EIF revenue exceeds or is below actual contributions paid to the Scheme Financial Vehicle Pty Ltd, no liability or asset is recognised. Instead, adjustments will be made to future prices to reflect this excess or shortfall as it relates to the provision of future services.

(iii) Unread meters

Applying the expected value method, the unread meters accrual is an estimate of the NUOS charges associated with the rendering of electricity distribution services not invoiced at the end of each reporting period. The accrual for unread meters includes both meters that have been read but not yet billed and meters that have not been read as at the reporting date. The accrual is estimated for all unread meters within the Ausgrid Group's network area and is calculated for each component of the network price including peak, shoulder and off peak electricity consumption, network access, demand and capacity charges.

(iv) Transmission revenue

Transmission revenue represents revenue from Transgrid from their use of the Ausgrid Group's transmission assets. Upon the use of Ausgrid Group's transmission assets, Transgrid receives and consumes the benefit resulting in revenue being recognised over time. The Ausgrid Group recognises revenue based on the billing amount.

(v) Capital contributions

Capital contributions represent non-cash capital contributed by customers and developers to the Ausgrid Group's distribution network.

1 Summary of material accounting policies (continued)

(d) Revenue recognition (continued)

(v) Capital contributions (continued)

Standard Control Services (**SCS**) capital contributions are contributed mainly by developers. The Ausgrid Group has no ongoing maintenance obligation in respect of these contributions. Revenue is recognised at fair value at a point in time when the connection to the network is completed and the asset is energised.

Alternative Control Services (**ACS**) capital contributions represent street lighting capital contributions where the Ausgrid Group assumes an ongoing maintenance obligation to the customer who contributed the asset. The fair value of capital contributions from these specific customers are treated as contract liabilities and recognised as revenue over the ongoing maintenance period, i.e. the useful life of the asset contributed.

(vi) Street lighting revenue

Street lighting revenue relates to the ongoing maintenance and replacement of street lighting assets. As the street lighting maintenance and replacement services are provided continuously to the customer, it is treated as one performance obligation. Revenue is recognised over time when the street lighting services are provided.

(vii) Ancillary network services revenue

Ancillary Network Services (**ANS**) revenue relates to non-routine connection and other ad hoc metering services provided to individual customers on an as needed basis. Depending on the service, it can be at the request of an electricity retailer, accredited service provider or end customer. Revenue is recognised over time when the performance obligation is satisfied, i.e. when services are delivered.

(viii) Metering revenue

Metering revenue relates to ACS regulated metering. ACS regulated metering service charges represent the ongoing provision of metering services and metering data services for meters within the Ausgrid Group's network area (type 5 and 6 meters). This is a daily charge consisting of both capital and non-capital components. Revenue is recognised over time when the performance obligation is satisfied, i.e. when services are delivered.

(ix) Unregulated revenue

Unregulated revenue is made up of unregulated metering revenue and other external revenue. Unregulated metering revenue represents the ongoing provision of metering services and metering data services for unregulated digital meters (type 1 to 4 meters). Other external revenue primarily comprises rental income, infrastructure services revenue, and Electric Vehicle Charging Infrastructure (**EVCI**) revenue. Infrastructure services revenue represents revenue for design and construction of electrical and fibre infrastructure. EVCI revenue represents income earned from customer usage of Ausgrid's electric vehicle charging infrastructure. Revenue is recognised over time when the services are delivered and/or the relevant performance obligations are satisfied.

(x) Other current and non-current assets

Other current and non-current assets represent payments to customers and will be amortised in the profit and loss against revenue on a straight-line basis when the associated services are provided.

(xi) Government grants

Government grants are recognised in the statement of financial position initially as deferred government grant liabilities when there is reasonable assurance that the associated conditions will be complied with, and the grants will be received. Government grants that compensate the Ausgrid Group for the cost of a regulated asset are deducted in arriving at the carrying amount of the associated regulated assets when the assets are ready for use. Grants related to other assets are recognised in profit or loss on a systematic basis over the useful life of the asset. Grants related to income, being grants not related to assets, are recognised in profit or loss over the period in which the corresponding expenses are incurred.

(xii) Interest income

Interest income is recognised using the effective interest method.

1 Summary of material accounting policies (continued)

(e) Income tax

Under tax law in Australia, the partnerships within the Ausgrid Group are not subject to tax, as each Partner reports its share of income from the partnerships in its own tax return.

The corporate entities within the Ausgrid Group have no taxable income. Therefore, there is no current income tax expense or income tax payable for the year.

Deferred 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 financial statements.

(f) Leases

The Ausgrid Group leases various premises including network, depot and office facilities. Lease payments under these leases vary, some of which are subject to annual, biennial or triennial reviews to reflect market rentals.

(i) Measurement and recognition of lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Ausgrid Group under residual value guarantees;
- the exercise price of a purchase option if the Ausgrid Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Ausgrid Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The Ausgrid Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the Right of Use (**ROU**) asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(ii) Measurement and recognition of ROU assets

ROU assets are measured at cost comprising the following:

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

ROU assets are generally depreciated over the shorter of the underlying asset's useful life and the lease term on a straight-line basis. If the Ausgrid Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets are assets with a value less than \$15,000 over the entire lease term.

1 Summary of material accounting policies (continued)

(f) Leases (continued)

Lease income from operating leases where the Ausgrid Group is a lessor is recognised as revenue in profit or loss on a straight-line basis over the lease term. The Ausgrid Group leases out its properties, including premises, land and network assets, under operating lease agreements at market rentals, predominantly on a fixed term basis.

(g) Impairment of assets

Goodwill is tested for impairment annually or whenever there is an indicator of impairment. Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, where the recoverable amount is the higher of an asset's FVLCOB or Value in Use (VIU). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (Cash-generating Unit (CGU)).

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes 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.

(i) Trade receivables

Trade receivables are recognised initially at fair value when the right to consideration becomes unconditional and subsequently measured at amortised cost using the effective interest method, less expected credit losses. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected within 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts for which the Ausgrid Group has no reasonable expectations of recovering are written off by reducing the carrying amount directly.

The Ausgrid Group applies the AASB 9 Financial Instruments (AASB 9) simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and the days past due. Contract assets relate to unbilled receivables and have substantially the same risk characteristics as trade receivables. The Ausgrid Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

(j) Contract assets

Contract assets represent the right to consideration for performance obligations completed to date when the right is conditional on something other than the passage of time. The contract assets balance primarily represents the unread meters accrual.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the average purchase price of each item. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(l) Property, plant and equipment

(i) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Ausgrid Group. Cost is the amount of cash or cash equivalents paid at the time of acquisition or construction, adjusted for any gains or losses on qualifying cash flow hedges in respect of the purchases of relevant assets.

1 Summary of material accounting policies (continued)

(I) Property, plant and equipment (continued)

(i) Acquisition of assets (continued)

After initial recognition as an asset, items of property, plant and equipment are measured at cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

(ii) Historical cost method

Property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

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

(iii) Impairment assessment

Each year, property, plant and equipment is assessed for impairment if an indication of impairment exists. The Ausgrid Group makes an estimate of the recoverable amount to confirm that the carrying amount of the asset does not exceed its recoverable amount.

The recoverable amount is based on the higher of the FVLCOD or the VIU for the CGU. In assessing FVLCOD or VIU, the estimated future cash flows for the business are discounted to their present value using a discount rate that reflects the risks specific to the business and relevant market assessments.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(iv) Retirements or disposals

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 on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

(v) Capitalisation of costs

Items of property, plant and equipment are initially recognised at cost. Cost includes expenditure that is directly attributable to the acquisition and/or construction of the asset, including costs of materials, services, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an allocated proportion of supporting overhead costs. Capitalised costs also include borrowing costs in accordance with Note 1(r) (where relevant).

Management judgement is required in the assessment of the types of costs that are directly attributable to the construction of property, plant and equipment. Satisfying the directly attributable criteria requires an assessment of those unavoidable costs that, if not incurred, would result in the property, plant and equipment not being constructed or being capable of operating in the manner intended by management. Directly attributable overheads are allocated to the cost of construction of an asset using direct labour dollars or direct costs.

1 Summary of material accounting policies (continued)

(l) Property, plant and equipment (continued)

(vi) Depreciation

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components of property, plant and equipment.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of their useful lives or the lease term. The estimated useful lives or, in the case of leased assets, the shorter lease term, are as follows:

Categories	Depreciation period (years)
Buildings	40-60
Network assets:	
Information Technology (IT)	4-10
Legacy meters (type 5 and 6 meters)	25
Transmission and distribution equipment	35-50
Mains	45-60
Tunnels	70
Street lighting	20
Leased land	48-99
Network batteries	10-20
HCC REZ Infrastructure Planner Fee	25
Plant and equipment:	
Unregulated digital meters (type 1 to 4 meters)	15
Plant	7-25
Fleet	10-15
Furniture	10
Office equipment	7
IT hardware	4-10
Grid scale batteries	20
Leased assets	lease term

Asset lives are reviewed annually and, where required, adjustments are made to the remaining useful lives of separately identifiable parts of assets having regard to factors such as asset usage and the rate of technical and commercial obsolescence. Adjustments are treated as changes in accounting estimates to be applied prospectively.

(m) Intangible assets

(i) Network assets

Network assets include easements and the Ausgrid Group's network distribution licence. Easements represent an interest in land which allows access to network assets. The Ausgrid Group's network distribution licence and easements are amortised on a straight-line basis over the 99 year lease period.

1 Summary of material accounting policies (continued)

(m) Intangible assets (continued)

(ii) Computer software

Computer software is amortised over a period of four years using the straight-line amortisation method. The useful life of software is reviewed annually, and adjustments where applicable, are treated as changes in accounting estimates to be applied prospectively.

Costs incurred in configuring or customising Software-as-a-Service (**SaaS**) arrangements are recognised as intangible assets only if the implementation activities create an intangible asset that the Ausgrid Group controls and the intangible asset meets the recognition criteria. Costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the SaaS arrangement to significantly customise the cloud-based software for the Ausgrid Group, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

(iii) Goodwill

Goodwill arises from business combinations. The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

(n) Assets classified as held for sale

Non-current assets and disposal groups are classified as held for sale and measured at the lower of their carrying amount and FVLCD, if their carrying amount will be recovered principally through a sale transaction as opposed to continued use. Once classified as held for sale, depreciation and amortisation ceases. For an asset or disposal group to be classified as held for sale, it must be available for immediate sale in its present condition and its sale must be highly probable.

As at 30 June 2026, the proposed divestment of the unregulated digital metering business remains subject to ongoing sale and negotiation processes. Management has assessed whether all or part of the PLUS ES Group (including the unregulated digital metering business) should be classified as held for sale under AASB 5 Non-current Assets Held for Sale and Discontinued Operations. At the reporting date, management has assessed the facts and circumstances and have exercised judgment to determine that the held for sale criteria were not met. Therefore, no assets or liabilities were reclassified or remeasured as held for sale, and balances continued to be measured under existing accounting policies as at 30 June 2026. Management continues to monitor developments in respect of the proposed divestment and the potential accounting impacts.

(o) Derivatives and hedging activities

The Ausgrid Group uses derivative financial instruments to hedge its exposure to interest rate and foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The fair value of Interest Rate Swaps (**IRS**), Cross Currency Interest Rate Swaps (**CCIRS**) and forward contracts is the estimated amount that the Ausgrid Group would receive or pay to terminate the derivative at the reporting date, taking into account current interest and foreign exchange rates and the current creditworthiness of the Ausgrid Group and its derivative counterparties.

Derivative financial instruments are classified into current and non-current portions when the Ausgrid Group expects to hold a derivative as an economic hedge for a period beyond 12 months after the reporting date. For derivative financial instruments designated into hedging relationships, the classification will be consistent with the hedge relationship.

1 Summary of material accounting policies (continued)

(o) Derivatives and hedging activities (continued)

At the inception of a hedge relationship, the Ausgrid Group formally designates and documents the hedge relationship to which the Ausgrid Group wishes to apply hedge accounting, and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Ausgrid Group will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The Ausgrid Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Ausgrid Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Ausgrid Group continues to recognise the financial asset and the associated liability.

The Ausgrid Group derecognises a financial liability when, and only when, the Ausgrid Group's obligation specified in the contract is discharged, cancelled or expired.

Hedges that meet the criteria for hedge accounting are accounted for as described below:

(a) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in finance costs in profit or loss.

(b) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in finance costs in profit or loss.

(p) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. They are presented as current liabilities unless payment is not due within 12 months from the reporting date. The amounts are unsecured.

(q) Contract liabilities

Contract liabilities relate to consideration received in advance of performance under the contract. These liabilities are recognised as revenue as (or when) the Ausgrid Group delivers the performance obligation under the contract.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Transaction costs are amortised using the effective interest method over the life of the loan. 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. In this case, the fee is deferred until the drawdown occurs.

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

Borrowing costs incurred for the construction of qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

1 Summary of material accounting policies (continued)

(s) Provisions

Provisions are recognised when the Ausgrid 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.

Where there are a number of similar obligations, the likelihood that an outflow will be required 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.

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 finance cost.

(t) Employee benefits

All liabilities for employee benefits that are expected to be paid for services provided by employees up to the reporting date represent present obligations and are fully provided for in the financial statements.

Liabilities for employee benefits for wages, salaries, annual leave, preserved sick leave and long service leave that are expected to be wholly settled within 12 months of the reporting date, represent present obligations resulting from employees' services provided, are calculated at undiscounted amounts based on wage and salary rates that the Ausgrid Group expects to pay as at the reporting date and include related on-costs, such as workers compensation and payroll tax.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date based on an actuarial assessment. The discount rate is the market yield on corporate bonds as at 30 June 2026 that have maturity dates aligned with the terms of the Ausgrid Group's obligations. The accrued portion of future benefits is determined using the projected unit credit method. Consideration is given to expected future wage and salary levels, and a range of demographic assumptions including retirement, withdrawal, death and disability rates. The calculation is performed by a qualified actuary.

The amounts provided have been apportioned between current and non-current provisions. Current provisions represent amounts expected to be settled within 12 months after the reporting period or where the Ausgrid Group does not have the right to defer settlement of the obligation for at least 12 months from the reporting date.

(u) Superannuation

(i) Defined contribution plan

A defined contribution plan is a post-employment benefit under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The net obligation in respect of the defined benefit plan is calculated separately for each policy by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The discount rate is the market yield on corporate bonds as at 30 June 2026 that have maturity dates aligned with the terms of the Ausgrid Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

All remeasurements arising from the defined benefit plan are recognised in other comprehensive income in the year in which they occur and accumulated in the defined benefit pensions reserve.

1 Summary of material accounting policies (continued)

(u) Superannuation (continued)

(ii) Defined benefit plan (continued)

Where the calculation results in a benefit to the Ausgrid Group, the recognised asset is limited to the future economic benefits that will be available to the Ausgrid Group through a reduction in future contributions or a cash refund.

Past service cost is the increase in the present value of the defined benefit obligation for employee services in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service costs may either be positive (where benefits are introduced or improved) or negative (where existing benefits are reduced). Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs and net interest expense or income are recognised in profit or loss.

(v) Other liabilities

(i) Deferred revenue

Deferred revenue represents the advanced rental income received from external tenants.

(ii) Deposits

Deposits represent liabilities for contractors' deposits which can be refunded at any time after the end of the financial year and unclaimed monies which are held for up to six years before being transferred to Revenue NSW. The amount which can be refunded in the succeeding financial year and at any time is shown as current.

(w) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (**GST**).

The net amount of GST recoverable from, or payable to, the Australian Taxation Office (**ATO**) is included as a current asset or current liability in the statement of financial position.

The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(x) Distributions

The Ausgrid Group recognises a liability for distributions to Partners of the Ausgrid Group when the distribution is authorised by the Partnerships (AOP, AAP, PLUS ES, APP, AIP and PLUS GS) in accordance with their respective Partnership Deeds.

(y) Segment reporting

The Chief Operating Decision Makers (**CODM**) of the Ausgrid Group, as defined by AASB 8 Operating Segments (**AASB 8**), is the Executive Leadership Team, which is made up of the Chief Executive Officer and his direct reports. The CODM review the performance of the Ausgrid Group as a whole and make decisions regarding the allocation of resources on this basis. For the purposes of AASB 8, the Ausgrid Group has one reportable segment.

The Ausgrid Group is required to report its different regulatory lines of business as part of its reporting to the AER. Information in relation to the regulatory lines of business has been disclosed in the consolidated financial statements. The form of regulatory control that applies to the Ausgrid Group's services depends on whether the services are categorised as SCS, ACS, HCC REZ or unregulated services:

- SCS comprise core distribution and transmission network services that the AER determines are for the benefit of all end customers, the costs of which are recovered from all end customers. SCS is subject to a revenue cap mechanism which limits the amount of revenue that can be recovered from providing the applicable services in a given regulatory control period;

1 Summary of material accounting policies (continued)

(y) Segment reporting (continued)

- ACS are services that the AER determines are either dedicated to, or requested by, a small number of end customers, the costs of which are directly recovered from those end customers. ACS is subject to a price cap mechanism which limits the price that can be charged for the applicable service. ACS include certain types of metering services, street lighting services and ancillary network services, such as facilitating network connections;
- HCC REZ services comprise activities undertaken by Ausgrid in its capacity as the AER appointed network operator responsible for the development, delivery and operation of network infrastructure associated with the HCC REZ. HCC REZ services are subject to a revenue cap mechanism which limits the amount of revenue that can be recovered from providing the applicable services in a given regulatory control period. These services support the connection of renewable energy generation and related infrastructure to the electricity network and are subject to the applicable regulatory framework established by the AER; and
- Unregulated services comprise services that the AER believes are provided on a sufficiently competitive or contestable basis such that economic regulation is not necessary. These services include unregulated digital metering business, infrastructure services, battery energy storage system services, electric charging infrastructure services, facility access and lease of property.

Refer to Note 1(d) for detailed revenue recognition accounting policies in relation to these services.

(z) Rounding of amounts

The Ausgrid Group has applied Australian Securities and Investments Commission (**ASIC**) Legislative Instrument 2026/183 (Rounding in Financial/Directors' Reports). The amounts shown in this report have been rounded to the nearest \$1,000,000, unless otherwise indicated.

(aa) New accounting standards and interpretations adopted

A number of amended Australian Accounting Standards and Interpretations became applicable for the current reporting period. The Ausgrid Group did not need to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards and interpretations.

(ab) New accounting standards and interpretations not yet adopted

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Ausgrid Group for the year ended 30 June 2026. The amendments are as follows:

- *AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments*
- *AASB 2024-3 Amendments to Australian Accounting Standards - Annual Improvements Volume 11*

The Ausgrid Group does not expect these amendments to have a material impact on its operations or financial statements.

- *AASB 18 Presentation and Disclosure in Financial Statements*

The Ausgrid Group will apply the new standard from its mandatory effective date of 1 July 2027. Retrospective application is required, and so the comparative information for the financial year ending 30 June 2027 will be restated in accordance with AASB 18.

AASB 18 will replace AASB 101 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though AASB 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

1 Summary of material accounting policies (continued)

(ab) New accounting standards and interpretations not yet adopted (continued)

Although the adoption of AASB 18 will have no impact on the Ausgrid Group's net profit, the Ausgrid Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported.

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

The Ausgrid Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles.

Management is currently assessing the implications of applying the new standard on the Ausgrid Group's consolidated financial statements.

(ac) Sustainability reporting

The requirements of AASB S2 Climate-related Disclosures (**AASB S2**) are separate from, and do not apply to, these consolidated financial statements. The Ausgrid Group operates through a partnership structure and is not required to prepare a sustainability report under the sustainability reporting provisions of Chapter 2M of the Corporations Act 2001.

The two corporate entities within the Ausgrid Group, Ausgrid Finance Pty Limited (**AFPL**) and Ausgrid Management Pty Limited (**AMPL**), have each prepared separate statutory financial statements and a separate sustainability report for the year ended 30 June 2026. The climate-related disclosures contained in those sustainability reports have been prepared in accordance with AASB S2.

These climate-related disclosures are presented in standalone sustainability reports, which are separate from the financial statements of AFPL and AMPL. The requirements of AASB S2 apply to the preparation of climate-related disclosures within a sustainability report and do not apply to the preparation of the Ausgrid Group, AFPL or AMPL financial statements. The 2026 reporting period represents the first year of sustainability reporting by AFPL and AMPL under AASB S2. Specified information within each of the sustainability reports was subject to limited assurance by the external auditor, in accordance with the Australian Standard on Sustainability Assurance ASSA 5010 Timeline of Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001.

Further information regarding climate-related disclosures is available in the standalone sustainability reports of AFPL and AMPL.

2 Use of estimates and judgements

The preparation of the consolidated financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Judgements made by management in the application of Accounting Standards that have a significant effect on the financial statements, and estimates with a significant risk of material adjustment in the next year, are discussed below and in the various respective notes:

Note 1(d)(iii) and 7 - Unread meters
Note 1(l) and 11 - Property, plant and equipment
Note 1(m) and 12 - Intangible assets
Note 1(s) and 15 - Provisions
Note 20 - Superannuation - defined benefit plan
Note 28(f) - Recognised fair value measurements

3 Revenue

	2026	2025
	\$M	\$M
Revenue components		
DUOS	1,677	1,595
TUOS		
Pass-through	301	296
Non pass-through	199	155
CCF pass-through	146	136
EIF pass-through	214	151
NUOS	2,537	2,333
Transmission	74	51
SCS capital contributions	136	115
Other	5	4
Total SCS revenue	2,752	2,503
Metering	54	53
Street lighting	33	36
ANS	99	85
ACS capital contributions	4	4
Total ACS revenue	190	178
Unregulated revenue	271	237
Total unregulated revenue	271	237
Interest income	8	10
Total other revenue	8	10
Total revenue¹	3,221	2,928

- (1) Revenue billings of \$1,790 million (2025: \$1,655 million) is derived from four retailers that individually make up more than 10% of the Ausgrid Group's total NUOS revenue billings. For NUOS revenue, the retailer carries the bad debt risk of customers' inability to pay. The Ausgrid Group's regulated revenue is protected from retailer insolvency by a regulatory mechanism which allows recovery of revenue lost due to retailer failure in the following financial year.

4 Expenses

(a) Distribution of energy costs

	2026 \$M	2025 \$M
SCS regulated pass-through costs		
TNSP	364	351
CCF	143	140
EIF	213	151
Total regulated pass-through costs	720	642
Other energy costs	1	1
Total distribution of energy costs	721	643

(b) Operating expenses

	2026 \$M	2025 \$M
(i) Operating expenses by nature		
Employee benefits expense	297	304
Superannuation expense (defined benefit plan)	1	1
Superannuation expense (defined contribution plan)	76	66
Reform costs	10	4
Employee benefits expenses	384	375
Contracted services	137	139
IT expenses	101	91
Land and other taxes	34	33
Materials	33	25
Other	21	24
Other expenses	326	312
Total operating expenses	710	687

(ii) Operating expenses by line of business

SCS	510	502
ACS	121	111
Unregulated	79	74
Total operating expenses	710	687

4 Expenses (continued)

(c) Depreciation and amortisation expense

	2026 \$M	2025 \$M
Depreciation of property, plant and equipment	660	607
Amortisation of intangible assets	81	63
Total depreciation and amortisation expense	741	670

(d) Finance costs

	2026 \$M	2025 \$M
Interest expense	705	769
Interest expense on IRS designated as cash flow hedges - reclassified from other comprehensive income	(65)	(172)
Amortisation of loan transaction costs	14	12
Unwinding of discount	2	3
Lease interest	8	8
Capitalised interest	(7)	(10)
Hedge ineffectiveness	3	(6)
Other	2	9
Total finance costs	662	613

5 Taxation

	2026 \$M	2025 \$M
Income tax recognised in other comprehensive income		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Defined benefit superannuation actuarial losses	1	-
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Changes in the fair value of cash flow hedges	(109)	149
Total income tax recognised in other comprehensive income	(108)	149

6 Deferred taxation

	Cash flow hedge reserve \$M	Defined benefit superannuation plan \$M	Total \$M
Balance at 1 July 2024	(163)	(10)	(173)
Recognised in other comprehensive income	149	-	149
Balance at 30 June 2025	<u>(14)</u>	<u>(10)</u>	<u>(24)</u>
 Recognised in other comprehensive income	 (109)	 1	 (108)
Balance at 30 June 2026	<u>(123)</u>	<u>(9)</u>	<u>(132)</u>

7 Trade and other receivables and contract assets

	2026 \$M	2025 \$M
Current		
Trade receivables	57	61
Less: provision for impairment of trade receivables	(2)	(4)
Interest receivables from derivatives	44	50
Other receivables	1	12
Total current trade and other receivables	<u>100</u>	<u>119</u>
 Contract assets		
Unread meters	303	310
Other	44	39
Total current contract assets	<u>347</u>	<u>349</u>
 Non-current		
Other receivables	2	3
Total non-current other receivables	<u>2</u>	<u>3</u>

8 Prepayments

	2026 \$M	2025 \$M
Current prepayments		
Prepayment for assets	35	10
IT Services	22	25
Other	7	6
Total current prepayments	64	41
Non-current prepayments		
Prepayment for assets	2	-
IT Services	10	-
Other	3	-
Total non-current prepayments	15	-

9 Other current and non-current assets

	2026 \$M	2025 \$M
Current		
Other current assets	9	5
Total other current assets	9	5
Non-current		
Other non-current assets	175	158
Total other non-current assets	175	158

Other current and non-current assets represent payments to customers and will be amortised in the profit and loss against revenue on a straight-line basis when the associated services are provided.

10 Assets classified as held for sale

	2026 \$M	2025 \$M
Land and buildings	15	6
Total assets classified as held for sale	15	6

11 Property, plant and equipment

	Land and buildings \$M	Network assets \$M	Plant and equipment \$M	Total ¹ \$M
At 30 June 2026				
At cost	951	21,497	1,670	24,118
Accumulated depreciation	(168)	(4,422)	(579)	(5,169)
Accumulated impairment	(12)	-	-	(12)
Net carrying amount	771	17,075	1,091	18,937

Year ended 30 June 2026				
Net carrying amount at 1 July 2025	834	16,549	925	18,308
Additions	36	1,076	285	1,397
Disposals	(49)	(23)	(8)	(80)
Assets classified as held for sale	(15)	-	-	(15)
Impairment loss	(13)	-	-	(13)
Depreciation expense	(22)	(527)	(111)	(660)
Net carrying amount	771	17,075	1,091	18,937

At 30 June 2025				
At cost	1,001	20,459	1,406	22,866
Accumulated depreciation	(161)	(3,910)	(481)	(4,552)
Accumulated impairment	(6)	-	-	(6)
Net carrying amount	834	16,549	925	18,308

Year ended 30 June 2025				
Net carrying amount at 1 July 2024	807	16,354	782	17,943
Additions	81	716	237	1,034
Disposals	(26)	(23)	(8)	(57)
Assets classified as held for sale	(5)	-	-	(5)
Depreciation expense	(23)	(498)	(86)	(607)
Net carrying amount	834	16,549	925	18,308

(1) ROU assets in property, plant and equipment

On 1 December 2016, the Ausgrid Group entered into a 99 year lease with the NSW State Government. The underlying leased assets arising from the 99 year lease are land and buildings, network assets and plant and equipment.

The leased assets, with a ROU carrying value of \$17,767 million as at 30 June 2026 (2025: \$17,296 million), comprises land and buildings of \$675 million (2025: \$748 million), network assets of \$17,075 million (2025: \$16,531 million) and plant and equipment of \$17 million (2025: \$17 million). The depreciation expense on ROU assets recognised during the year was \$551 million (2025: \$519 million), comprising land and buildings of \$21 million (2025: \$19 million), network assets of \$527 million (2025: \$498 million) and plant and equipment of \$3 million (2025: \$2 million).

11 Property, plant and equipment (continued)

Assets under construction

At 30 June 2026, property, plant and equipment included the following assets under construction:

Land and buildings	\$61 million (2025: \$78 million)
Network assets	\$508 million (2025: \$523 million)
Plant and equipment	\$138 million (2025: \$67 million)

Capital expenditure

	2026 \$M	2025 \$M
SCS capital expenditure		
Replacement	491	431
Augmentation	134	50
Connection	14	14
Reliability	24	10
Non-network and other	136	188
Total SCS capital expenditure	799	693
ACS capital expenditure		
Street lighting and other ACS activities	34	48
Total ACS capital expenditure	34	48
HCC REZ capital expenditure	190	16
Unregulated capital expenditure		
PLUS ES	175	180
Grid scale batteries	40	14
Network Service Provider (NSP)	80	38
Total unregulated capital expenditure	295	232
Total capital expenditure	1,318	989

Replacement capital expenditure relates to the replacement of assets that have reached the end of their serviceable or technical life, or have condition issues that necessitate the replacement of the asset.

Augmentation capital expenditure relates to new capital investment that expands the network's capacity to deliver electricity that is not connection or reliability capital expenditure.

Connection capital expenditure relates to new capital investment required to connect new customers, with the majority of connection related works funded by customers under a contestable framework.

Reliability capital expenditure relates to capital expenditure that improves network reliability in specific areas.

Non-network and other capital expenditure relates to the spend required to support the businesses operation and includes information technology, property and fleet.

ACS capital expenditure relates to the installation of new street lighting assets, replacement of street lighting assets and a proportion of non-network and other capital expenditure that supports the ACS line of business.

11 Property, plant and equipment (continued)

Capital expenditure (continued)

HCC REZ capital expenditure relates to capital investment required to develop and construct network infrastructure for the renewable energy zone, increasing the network's capacity to facilitate the connection of renewable energy generation.

Unregulated capital expenditure relates to investments within the Ausgrid Group's unregulated business including unregulated digital meters and electrical and telecommunication infrastructure, community batteries, grid scale batteries, electric vehicle charging infrastructure and a proportion of non-network and other capital expenditure that supports the unregulated line of business.

12 Intangible assets

	Network assets \$M	Computer software \$M	Goodwill \$M	Total \$M
At 30 June 2026				
At cost	1,685	831	2,135	4,651
Accumulated amortisation	(161)	(579)	-	(740)
Accumulated impairment	-	-	(348)	(348)
Net carrying amount	1,524	252	1,787	3,563
Year ended 30 June 2026				
Net carrying amount at 1 July 2025	1,541	246	1,787	3,574
Additions	-	70	-	70
Amortisation expense	(17)	(64)	-	(81)
Net carrying amount	1,524	252	1,787	3,563
At 30 June 2025				
At cost	1,685	761	2,135	4,581
Accumulated amortisation	(144)	(515)	-	(659)
Accumulated impairment	-	-	(348)	(348)
Net carrying amount	1,541	246	1,787	3,574
Year ended 30 June 2025				
Net carrying amount 1 July 2024	1,558	208	1,787	3,553
Additions	-	84	-	84
Amortisation expense	(17)	(46)	-	(63)
Net carrying amount	1,541	246	1,787	3,574

Assets under construction

At 30 June 2026, assets under construction included in intangible assets related to computer software of \$94 million (2025: \$84 million).

12 Intangible assets (continued)

(a) Impairment test of goodwill

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The Ausgrid Group has two CGUs, the NSP (comprising AAP, AOP, APP, AIP and PLUS GS) and PLUS ES. The recoverable amount of each CGU has been determined based on the FVLCD approach.

In applying the FVLCD approach, the recoverable amount of each CGU is assessed using a discounted cash flow methodology. The cash flow forecasts are based on the latest business plans up to 30 June 2031 and the long-term corporate model for future years. These cash flows are then discounted using a relevant long-term post-tax discount rate. The discount rate is determined based on post-tax weighted average cost of capital using market based inputs.

The valuation is considered to be level 3 in the fair value hierarchy, as some of the inputs are based on unobservable market inputs.

Goodwill is allocated to CGUs as follows:

	2026	2025
	\$M	\$M
NSP	1,722	1,722
PLUS ES	65	65
Total	<u>1,787</u>	<u>1,787</u>

(i) NSP CGU

The NSP CGU carrying value was supported by its recoverable amount and no impairment exists at 30 June 2026 (2025: \$nil impairment). The key assumptions used in the discounted cash flow analysis were:

- Post-tax discount rate of 7.00% (2025: 6.50%);
- Terminal value Regulated Asset Base (RAB) multiple of 1.35x for SCS (2025: 1.35x) and a multiple of 22.78x (2025: 25.63x) applied to ACS and unregulated business terminal year cash flows;
- Terminal growth rate of 2.50% (2025: 2.50%); and
- Cash flow horizon of 30 years (2025: 30 years). Cash flow forecast includes assumptions related to growth in revenue, operating expenditure and capital expenditure, with the growth assumption primarily driven by the assumptions in the regulatory building block model, with growth being a function of the RAB and the allowable return from the AER in the current regulatory period (1 July 2024 to 30 June 2029) and expected future returns in years after 30 June 2029.

12 Intangible assets (continued)

(a) Impairment test of goodwill (continued)

(ii) PLUS ES CGU

The PLUS ES CGU carrying value was supported by its recoverable amount and no impairment exists at 30 June 2026 (2025: \$nil impairment). The key assumptions used in the discounted cash flow analysis were:

- Post-tax discount rate of 8.75% (2025: 8.75%);
- Terminal growth rate of 3.00% (2025: 3.00%); and
- Cash flow horizon of 20 years (2025: 20 years). Cash flow forecast includes assumptions related to growth in revenue, operating expenditure and capital expenditure.

(b) Sensitivity to changes in assumptions

(i) NSP CGU

There is no foreseeable change to the NSP CGU key assumptions that would cause the carrying value of the CGU to exceed its recoverable amount.

(ii) PLUS ES CGU

There is no foreseeable change to the PLUS ES CGU key assumptions that would cause the carrying value of the CGU to exceed its recoverable amount.

13 Trade and other payables

	2026 \$M	2025 \$M
Current		
Trade payables	99	94
Interest payable	198	192
Accruals	132	95
Other payables	40	41
Total current trade and other payables	469	422

14 Borrowings

		2026		2025	
		Fixed \$M	Floating \$M	Fixed \$M	Floating \$M
Current					
Australian Medium Term Note (AMTN)		750	-	-	220
Term loans		-	105	-	-
Revolving loans		-	-	-	386
Transaction costs		-	-	-	(1)
Total current loans and notes	14(a)	750	105	-	605
Lease liabilities		3	-	3	-
Total current lease liabilities		3	-	3	-
Total current borrowings		753	105	3	605
Non-current					
AMTN		1,537	-	1,565	-
Euro Medium Term Note (EMTN)		2,207	-	2,349	-
US144A notes		709	-	748	-
US Private Placement (USPP) notes		3,823	150	4,053	150
Term loans		-	2,805	-	2,850
Revolving loans		-	1,766	-	1,095
Transaction costs		(24)	(34)	(25)	(18)
Total non-current loans and notes	14(a)	8,252	4,687	8,690	4,077
Lease liabilities		71	-	69	-
Total non-current lease liabilities		71	-	69	-
Total non-current borrowings		8,323	4,687	8,759	4,077

Revolving and term loans

During the year, the Ausgrid Group entered into new term and revolving facilities for general corporate purposes and to manage ongoing liquidity requirements. The transactions completed were:

- upsized the capex and working capital facilities by \$150 million to \$1,121 million and extended their maturities by 3.30 years; and
- established new revolving facilities totalling \$920 million and term loans totalling \$1,380 million with tenors ranging from five to ten years. A portion of the term loan proceeds was used to repay \$1,245 million of Asian Syndicated Facilities in April 2026.

14 Borrowings (continued)

AMTN and EMTN

On 3 December 2025, the Ausgrid Group raised a dual tranche five year \$250 million and ten year \$500 million senior secured medium term notes under the AMTN programme which settled on 10 December 2025.

On 14 August 2025, the Ausgrid Group raised a ten year JPY10 billion (approximately A\$104 million) senior secured medium note under the EMTN programme which settled on 27 August 2025.

The proceeds from the above AMTN and EMTN have been used to collectively manage liquidity.

(a) Loans and notes

	Maturity	Facility limit \$M	2026 Drawn ¹ \$M	2025 Drawn ¹ \$M
6.5 year A\$750M AMTN fixed rate	5 Feb 27	750	750	750
5 year A\$220M AMTN floating rate	24 Feb 26	-	-	220
7 year A\$825M AMTN fixed rate	28 Mar 31	825	825	825
5 year A\$250M fixed rate	10 Dec 30	250	250	-
10 year A\$500M fixed rate	10 Dec 35	500	500	-
Total AMTN		2,325	2,325	1,795
10.25 year US\$500M 144A fixed rate	1 Aug 28	728	728	763
Total US144A notes¹		728	728	763
10 year EUR525M EMTN fixed rate	7 Oct 31	870	870	940
6.5 year USD66M EMTN fixed rate	2 Aug 30	96	96	101
6.5 year JPY13B EMTN fixed rate	9 Aug 30	117	117	138
15 year JPY14B EMTN fixed rate	26 Feb 39	126	126	149
4.6 year HKD689M EMTN fixed rate	15 Jun 29	128	128	134
8 year EUR500M EMTN fixed rate	14 Feb 33	829	829	895
5 year HKD400M EMTN fixed rate	3 Mar 30	74	74	78
3 year HKD215M EMTN fixed rate	1 Apr 28	40	40	41
10 year JPY10B EMTN fixed rate	27 Aug 35	90	90	-
Total EMTN¹		2,370	2,370	2,476

14 Borrowings (continued)

(a) Loans and notes (continued)

	Maturity	Facility limit \$M	2026 Drawn ¹ \$M	2025 Drawn ¹ \$M
10 year US\$770M USPP fixed rate	1 Oct 27	1,121	1,121	1,176
12 year US\$430M USPP fixed rate	1 Oct 29	626	626	656
15 year US\$430M USPP fixed rate	1 Oct 32	626	626	656
10 year A\$29M USPP fixed rate	1 Oct 27	29	29	29
12 year A\$103M USPP fixed rate	1 Oct 29	103	103	103
15 year A\$88M USPP fixed rate	1 Oct 32	88	88	88
15 year A\$100M USPP floating rate	1 Oct 32	100	100	100
7 year US\$95M USPP fixed rate	26 Jul 30	138	138	145
10 year US\$261M USPP fixed rate	26 Jul 33	380	380	398
12 year US\$150M USPP fixed rate	26 Jul 35	218	218	229
15 year US\$56M USPP fixed rate	26 Jul 38	82	82	85
12 year GBP39M USPP fixed rate	26 Jul 35	75	75	82
15 year GBP77M USPP fixed rate	26 Jul 38	148	148	161
10 year CAD270M USPP fixed rate	26 Jul 33	276	276	302
15 year CAD60M USPP fixed rate	26 Jul 38	61	61	67
10 year A\$50M USPP floating rate	26 Jul 33	50	50	50
Total USPP notes¹		4,121	4,121	4,327
4 year Syndicated Facility B6T	15 Dec 26	105	105	105
7.25 year Syndicated Facility B7T	15 Mar 30	195	195	195
5.25 year Syndicated Facility B8T	15 Mar 28	435	435	435
5 year Bilateral Facility B9T	31 May 29	250	250	250
7 year Asian Syndicated Facility (ASF) A1	2 Jul 26	-	-	995
10 year ASF Term Facility A2	2 Jul 29	-	-	250
10 year Syndicated Facility B10T	23 Sep 34	320	320	320
12 year Bilateral Facility B10T	31 Jul 36	125	125	125
12 year Bilateral Facility B10T	23 Sep 36	25	25	25
5 year Syndicated Facility E1T	8 May 30	150	150	150
10 year Syndicated Facility E4T	31 Mar 36	605	605	-
5 year Syndicated Facility E4T	30 Jun 31	275	275	-
7 year Syndicated Facility E4T	30 Jun 33	50	50	-
8 year Syndicated Facility E4T	30 Jun 34	350	350	-
7.25 year Bilateral Facility E4T	14 Sep 33	100	25	-
Total term loans		2,985	2,910	2,850

14 Borrowings (continued)

(a) Loans and notes (continued)

	Maturity	Facility limit \$M	2026 Drawn ¹ \$M	2025 Drawn ¹ \$M
Capex Facility C	21 Mar 29	871	684	234
Working Capital Facility D ²	21 Mar 29	250	152	152
4 year Syndicated Facility B6R	15 Dec 26	395	-	395
7.25 year Syndicated Facility B7R	15 Mar 30	230	-	230
5.25 year Syndicated Facility B8R	15 Mar 28	115	-	115
5.25 year Bilateral Facility B8R	15 Mar 28	50	-	50
5 year Bilateral Facility B10R	31 Jul 29	200	200	200
5 year Bilateral Facility B10R	23 Sep 29	50	-	50
7 year Bilateral Facility B10R	23 Sep 31	55	-	55
5 year Bilateral Facility E2R	17 Jun 30	200	200	-
5 year Bilateral Facility E2R	17 Jun 30	100	-	-
5 year Bilateral Facility E3R	1 Sep 30	200	200	-
5 year Syndicated Facility E4R	30 Jun 31	400	330	-
7 year Syndicated Facility E4R	30 Jun 33	175	-	-
8 year Syndicated Facility E4R	30 Jun 34	145	-	-
Total revolving loans		3,436	1,766	1,481
Total facility limit and drawn³		15,965	14,220	13,692
Fair value adjustments ⁴			(368)	(276)
Transaction costs			(58)	(44)
Total loans and notes		15,965	13,794	13,372

- (1) Notes denominated in foreign currency are converted to AUD at the year end spot rate.
- (2) In addition to the \$152 million drawn under the Working Capital Facility D, \$62 million of bank guarantees have been issued under the facility (refer to Note 25), leaving \$36 million undrawn at 30 June 2026. As a result, total undrawn bank facilities excluding bank guarantees were \$1,683 million.
- (3) The weighted average interest rate for total drawn debt for the year ended 30 June 2026, including net payments under interest rate derivatives and excluding transaction costs, was 4.83% (2025: 4.71%).
- (4) The fair value adjustment of \$368 million (2025: \$276 million) is made up of hedge accounting adjustments due to interest rate movements.

14 Borrowings (continued)

(b) Interest rate for public debt instruments

	Rate in currency of issue ¹
AMTN	
6.5 year A\$750M AMTN fixed rate	1.814%
7 year A\$825M AMTN fixed rate	5.408%
5 year A\$250M fixed rate	5.277%
10 year A\$500M fixed rate	5.946%
US144A notes	
10.25 year US\$500M 144A fixed rate	4.350%
EMTN	
10 year EUR525M EMTN fixed rate	0.875%
6.5 year USD66M EMTN fixed rate	5.233%
6.5 year JPY13B EMTN fixed rate	1.255%
15 year JPY14B EMTN fixed rate	1.980%
4.6 year HKD689M EMTN fixed rate	4.080%
8 year EUR500M EMTN fixed rate	3.510%
5 year HKD400M EMTN fixed rate	4.510%
3 year HKD215M EMTN fixed rate	4.140%
10 year JPY10B EMTN fixed rate	2.150%

(1) The Bank Bill Swap Rate (**BBSW**) is a floating short-term benchmark interest rate.

(c) Reconciliation of liabilities arising from financing activities

	2026 \$M	2025 \$M
Loans and notes		
Opening balance	13,372	12,158
Net cash flows	953	669
Fair value adjustments	(92)	287
Foreign exchange movements	(453)	246
Amortisation of transaction costs	14	12
Ending balance	13,794	13,372

15 Provisions

	Employee benefits \$M	Workers compensation and legal \$M	Other \$M	Total \$M
Balance at 1 July 2025	308	29	42	379
Additional provision	204	5	10	219
Unwinding of discount	-	-	2	2
Amounts used	(186)	(9)	(13)	(208)
Amounts reversed	-	-	(2)	(2)
At 30 June 2026	326	25	39	390
Current	321	6	11	338
Non-current	5	19	28	52
At 30 June 2026	326	25	39	390
Balance at 1 July 2024	288	30	46	364
Additional provision	191	6	2	199
Unwinding of discount	-	1	2	3
Amounts used	(171)	(8)	(8)	(187)
At 30 June 2025	308	29	42	379
Current	303	9	12	324
Non-current	5	20	30	55
At 30 June 2025	308	29	42	379

(a) Employee benefits

The provision for employee benefits relates to amounts accruing to employees up to the reporting date in respect of annual leave, bonus, preserved sick leave, superannuation, supplementary superannuation and long service leave. Amounts provided for in relation to long service leave, preserved sick leave and supplementary superannuation are based on actuarial assessments.

Employee benefit amounts expected to be settled within 12 months have been measured at the amounts expected to be paid when the liabilities are settled.

(b) Workers compensation and legal

The Ausgrid Group is a self-insurer for workers compensation and meets all liabilities under the workers compensation legislation in NSW and other states. The provision covers claims incurred but not yet reported and the anticipated fund management fees in respect of the management of those claims.

A bank guarantee is held for security and can be drawn down in the event of a default. Refer to Note 25 for details.

A provision for legal claims is recognised when the Ausgrid Group has a present legal or constructive obligation as a result of past events. The provision reflects management's best estimate of the expenditure required to settle the legal claims at the reporting date.

15 Provisions (continued)

(c) Other

Other provisions mainly consist of provisions for future Polychlorinated Biphenyls (**PCB**) disposal costs and costs relating to decommissioning assets.

(i) *Provision for PCB disposal costs*

This provision reflects future PCB disposal costs at the end of life of network equipment where there is a legislative obligation.

The provision as at 30 June 2026 was \$16 million (2025: \$16 million) and reflects an estimate of the present value of the expenditure required to settle the obligation at the reporting date, based on current legal requirements and technology. Future disposal costs are reviewed annually and any changes are reflected in the present value of the provision at the end of the reporting period.

The amount of the provision for future disposal costs is capitalised and is depreciated in accordance with the policy set out in Note 1(l). The unwinding of the effect of discounting the provision is recognised as a finance cost.

(ii) *Provision for costs relating to decommissioning and restoration obligations*

The provision reflects the expected future costs of decommissioning of certain network assets at the end of their useful lives or due to operational reasons and includes activities such as the disconnection and dismantling of network equipment and, where required, demolition of buildings. The provision as at 30 June 2026 was \$20 million (2025: \$24 million) and is based on management's best estimate of the future costs required to settle the obligation, taking into account the expected scope and cost of the decommissioning activities. Future costs are reviewed annually and any changes are reflected in the present value of the provision at the end of the reporting period. Reasonably possible changes in the expected timing of settlement or the discount rate applied are not considered to be significant sources of estimation uncertainty in measuring the provision. The amount of the provision for future asset decommissioning costs is capitalised and is depreciated in accordance with the policy set out in Note 1(l). The unwinding of the discount on the provision is recognised as a finance cost.

Under the 99-year lease with the NSW State Government, AAP is required to return the electricity network at the end of the lease term in a condition consistent with good operating practice and applicable laws and licences. Ausgrid maintains the network on an ongoing basis to meet its safety, reliability and regulatory obligations. As these obligations are met through ongoing maintenance over the lease term, no separate provision has been recognised for network restoration obligations.

16 Other liabilities and contract liabilities

	2026 \$M	2025 \$M
Current		
Deposits	2	1
Deferred revenue	1	2
Total current other liabilities	3	3
 Current contract liabilities		
Street lighting capital contribution	5	4
Deferred street lighting revenue	4	4
Development rights agreement	1	1
Other	2	2
Total current contract liabilities	12	11
 Non-current contract liabilities		
Street lighting capital contribution	72	64
Deferred street lighting revenue	14	17
Development rights agreement	-	2
Total non-current contract liabilities	86	83

During the year, \$8 million revenue relating to street lighting (both street lighting capital contributions and deferred street lighting revenue) was recognised (2025: \$7 million) that was included in the contract liabilities balance on 1 July 2025.

17 Derivatives

	2026 \$M	2025 \$M
Current assets		
IRS	-	-
Forward foreign exchange contracts	-	2
Total current derivative financial assets	<u>-</u>	<u>2</u>
Non-current assets		
CCIRS	252	509
IRS	466	295
Forward foreign exchange contracts	-	1
Total non-current derivative financial assets	<u>718</u>	<u>805</u>
Total derivative financial assets	<u>718</u>	<u>807</u>
Current liabilities		
IRS	(18)	-
Forward foreign exchange contracts	(3)	-
Total current derivative financial liabilities	<u>(21)</u>	<u>-</u>
Non-current liabilities		
CCIRS	(327)	(42)
IRS	(48)	(252)
Forward foreign exchange contracts	(2)	-
Total non-current derivative financial liabilities	<u>(377)</u>	<u>(294)</u>
Total derivative financial liabilities	<u>(398)</u>	<u>(294)</u>
Net derivative financial assets	<u>320</u>	<u>513</u>

18 Partner capital

	AOP \$M	AAP PLUS ES \$M	APP \$M	AIP PLUS GS \$M	
30 June 2026					
Ordinary capital interest	797	3,538	92	62	- 4
A class capital interest	784	3,483	91	62	- 4
Total contributed equity	1,581	7,021	183	124	- 8

	AOP Number	AAP PLUS ES Number	APP Number ¹	AIP PLUS GS Number	
30 June 2026					
Ordinary capital interest	504	504	4,612	3,397	252 4
A class capital interest	496	496	4,538	3,343	248 4
Number of capital interest issued	1,000	1,000	9,150	6,740	500 8

	AOP \$M	AAP PLUS ES \$M	APP \$M	AIP PLUS GS \$M	
30 June 2025					
Ordinary capital interest	816	3,538	92	44	- -
A class capital interest	803	3,483	91	43	- -
Total contributed equity	1,619	7,021	183	87	- -

	AOP Number	AAP PLUS ES Number	APP Number ¹	AIP PLUS GS Number	
30 June 2025					
Ordinary capital interest	504	504	4,612	2,447	- -
A class capital interest	496	496	4,538	2,408	- -
Number of capital interest issued	1,000	1,000	9,150	4,855	- -

(1) The number of interests indicated for PLUS ES, APP and PLUS GS is in millions.

(a) Partner capital

Ordinary capital interest

Ordinary capital interests of AOP, AAP, PLUS ES, APP, AIP and PLUS GS were issued to Blue Op Partner Pty Limited as trustee for Blue Op Partner Trust (**Blue AOP**) and to Blue Asset Partner Pty Limited as trustee for Blue Asset Partner Trust (**Blue AAP**) on 20 October 2016, to Blue PLUS ES Partner Pty Limited as trustee for Blue PLUS ES Partner Trust (**Blue PLUS ES**) on 1 November 2017, to Blue Aurora Partner Pty Limited as trustee for Blue Aurora Partner Trust (**Blue APP**) on 24 May 2023, and to Blue AIP Partner Pty Ltd as trustee for Blue AIP Partner Trust (**Blue AIP**) and Blue PGS Partner Pty Ltd as trustee for Blue PGS Partner Trust (**Blue PLUS GS**) on 16 December 2025. Blue AOP, Blue AAP, Blue PLUS ES, Blue APP, Blue AIP and Blue PLUS GS are controlled by a consortium led by IFM Investors, AustralianSuper and APG. The interests are classified as equity and are fully paid.

18 Partner capital (continued)

(a) Partner capital (continued)

A class capital interest

A class capital interest of AOP, AAP, PLUS ES, APP, AIP and PLUS GS were issued to four separate Electricity Retained Interest Corporation entities (**ERIC Partners**) controlled by the NSW State Government on 20 October 2016 for AOP and AAP, 1 November 2017 for PLUS ES, 24 May 2023 for APP, and 16 December 2025 for AIP and PLUS GS. An A class interest will be automatically converted to an ordinary interest when it is held by an entity other than ERIC Partners. The rights and obligations attaching to A class capital interests and ordinary capital interests are identical except for the attached voting rights. The interests are classified as equity and are fully paid.

(b) Partnership liability

Each Partner is responsible for discharging the liabilities of AOP, AAP, PLUS ES, APP, AIP and PLUS GS in proportion with their respective Partnership interest and each Partner indemnifies the other Partners from the default of the liabilities.

(c) Distribution

Each Partner is entitled to distributions in proportion with their respective Partnership interests. All distributions are subject to approval by the Partnership Board. In accordance with the Partnership Deed, a quarterly distribution of a minimum of 85% of surplus cash will be distributed to Partners, unless Directors make a unanimous determination to distribute a lesser amount in respect of a particular quarter.

Surplus cash is calculated as the operating cash flows of the Partnership for the quarter; less growth and maintenance capital expenditure for the quarter; less interest and debt repayments for the quarter (including any voluntary prepayments); plus the proceeds from debt drawdowns or refinancing undertaken in the quarter; plus proceeds from the sale of any assets in the quarter.

19 Retained earnings

	AOP \$M	AAP \$M	PLUS ES \$M	APP \$M	AIP \$M	PLUS GS \$M	Total \$M
Balance at 1 July 2025	51	(100)	177	43	-	-	171
Profit for the year	(13)	312	60	59	-	-	418
Distributions paid	(175)	(317)	-	-	-	-	(492)
Balance at 30 June 2026	(137)	(105)	237	102	-	-	97
Balance at 1 July 2024	80	(48)	114	(4)	-	-	142
Profit for the year	18	418	63	47	-	-	546
Distributions paid	(47)	(470)	-	-	-	-	(517)
Balance at 30 June 2025	51	(100)	177	43	-	-	171

20 Superannuation - defined benefit plan

The Ausgrid Group is a participant in the Pool B Subdivision of the Defined Benefits Section of the Construction and Building Unions Superannuation Fund (**Cbus**). The Pool B Subdivision of the Defined Benefits Section of Cbus is referred to as '**the Fund**' hereafter. The Ausgrid Group accounts for its proportionate share of the defined benefit obligation, Fund assets, and cost associated with the Fund in the same way as for any other defined benefit plan.

(a) Nature of the benefits provided by the Fund

The Fund provides defined benefits, in which a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive lump sum or pension benefits on retirement, death, disablement and withdrawal.

Disclosures below are prepared in relation to the Fund only.

(b) Risk exposure

There are a number of risks to which the Fund exposes the Ausgrid Group. The more significant risks relating to the defined benefits are:

- Investment risk - The risk that investment returns will be lower than assumed and the Ausgrid Group will need to increase contributions to offset any shortfall.
- Longevity risk - The risk that pensioners live longer than assumed, resulting in pensions being paid for a longer period and thereby requiring additional employer contributions.
- Pension indexation risk - The risk that pensions will increase at a rate greater than assumed, increasing future pensions and thereby requiring additional employer contributions.
- Salary growth risk - The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.
- Legislative risk - The risk that legislative changes could be made which increase the cost of providing the defined benefits.

The Fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk.

20 Superannuation - defined benefit plan (continued)

(c) Reconciliation of the net defined benefit assets

The following table summarises the components of net benefit expense recognised in profit or loss, actuarial gains and losses recognised in other comprehensive income and funded status and amounts recognised in the statement of financial position.

	Present value of obligations \$M	Fair value of fund assets \$M	Net defined benefit asset surplus \$M	Effect of asset ceiling ¹ \$M	Total \$M
At 1 July 2025	(262)	268	6	-	6
Current service cost	(1)	-	(1)	-	(1)
Interest (expense)/income	(13)	13	-	-	-
Defined benefit superannuation (expense)/income recognised in profit or loss	(14)	13	(1)	-	(1)
Contributions by the Fund participants:					
Employers	-	3	3	-	3
Fund participants	(2)	3	1	-	1
	(2)	6	4	-	4
Remeasurements:					
Return on Fund assets, excluding amounts included in interest income	-	4	4	-	4
Gain from change in financial assumptions	6	-	6	-	6
Loss from change in liability experience	(2)	-	(2)	-	(2)
Adjustment for effect of asset ceiling ¹	-	-	-	(10)	(10)
Defined benefit superannuation actuarial gain/(loss) recognised in other comprehensive income	4	4	8	(10)	(2)
Benefits paid	14	(14)	-	-	-
Tax and expenses paid	1	(1)	-	-	-
	15	(15)	-	-	-
At 30 June 2026	(259)	276	17	(10)	7

- (1) The effect of the asset ceiling reflects the portion of the defined benefit surplus that cannot be recognised as an asset in accordance with AASB 119 Employee Benefits. The adjustment for the effect of the asset ceiling is determined based on the maximum economic benefit available to the Ausgrid Group in the form of reductions in future employer contributions.

20 Superannuation - defined benefit plan (continued)

(d) Fair value of Fund assets

The fair value of Fund assets, as provided by United Super Pty Ltd (the Trustee of Cbus), reflects the total assets of the Pool B Subdivision of the Defined Benefits Section of Cbus, which comprises the defined benefit assets for all participating employers in the Pool B Subdivision. The Fund's assets are not separately invested for each employer; however, the Fund's administrator maintains a notional defined benefit asset account in respect of each employer to facilitate tracking of each employer's funding status and contribution requirements. The disclosures below relate to total assets of Pool B Subdivision. Refer to Note 28(f) for details on fair value hierarchy.

Asset category	Total \$M	Quoted price in active markets for identical assets	Significant observable input	Unobservable input
		Level 1 \$M	Level 2 \$M	Level 3 \$M
At 30 June 2026				
Pool B Subdivision of Cbus Defined Benefits	1,822	-	1,822	-
At 30 June 2025				
Pool B Subdivision of Cbus Defined Benefits	1,832	-	1,832	-

(e) Significant actuarial assumptions at the reporting date

Expected salary increase rate (excluding promotional increase)	3.80% for 2026/27; 3.25% for 2027/28; 3.16% for 2028/29; and 3.00% pa thereafter (2025: 3.00% for 2025/26; and 3.00% pa thereafter)
Rate of Consumer Price Index (CPI) increase	4.75% for 2026/27; 2.88% for 2027/28; 2.50% for 2028/29; 2.37% for 2029/30 and 2.50% pa thereafter (2025: 2.51% for 2025/26; 2.52% for 2026/27; 2.50% for 2027/28; 2.37% for 2028/29 and 2.50% pa thereafter)
Discount rate	5.75% pa (2025: 5.16% pa)
Pensioner mortality	Mercer standard pensioner mortality tables have been used. These rates are based on the mortality experience of Australian Public Sector pensioners over the year 2017 to 2022, including improvement rates based on an average of the 25-year and the 125-year improvement factors from the Australian Life Tables 2015-17 (2025: the same rates were used).

21 Key management personnel compensation

The Ausgrid Group defines key management personnel as those having authority and responsibility for planning, directing and controlling the activities of the Ausgrid Group as well as the Directors of the Ausgrid Group. Key management personnel comprise the Ausgrid Group's Executive Leadership Team and the Non-Executive Directors of AOP, AAP, PLUS ES, APP, AIP and PLUS GS. It is important to note that the Ausgrid Group's Non-Executive Directors are specifically required to be included as key management personnel in accordance with AASB 124 Related Party Disclosures. However, the Non-Executive Directors do not have management responsibility.

Non-Executive Directors

Dr Helen Nugent AC

Gillian Brown

Daniel Walters (appointed on 16 December 2025)

David Dubrovsky (resigned on 16 December 2025)

Hans-Martin Aerts (resigned on 19 August 2026)

Joo Hyung (Jay) Ryu

Joshua Crane

Michael Byrne

Michael Hanna

Steven MacDonald

Sylvia Wiggins

Key management personnel remuneration

The following table shows details of the remuneration recognised for the Ausgrid Group's Executive Leadership Team and the independent Chair for the current and previous year, measured in accordance with Australian Accounting Standards.

	2026	2025
	\$	\$
Short-term employee benefits	15,768,638	12,208,016
Long-term benefits	3,135,250	2,627,423
Post-employment benefits	330,852	296,953
Termination benefits	200,000	-
	19,434,740	15,132,392

22 Remuneration of auditors

During the year, the following fees were paid, or payable, for services provided by PricewaterhouseCoopers Australia, the auditor of the Ausgrid Group:

(i) *Audit and other assurance services*

	2026 \$	2025 \$
Audit and review of financial statements	1,396,066	1,256,447
Other assurance services		
Regulatory audit services	362,000	302,283
Government grant audit services	-	47,500
Sustainability limited assurance	84,000	110,000
Ringfencing compliance audit services	79,000	75,000
Total remuneration for audit and other assurance services	1,921,066	1,791,230

(ii) *Other non-assurance services*

Debt offering and comfort letter services	137,000	207,060
Tax compliance services	115,000	133,986
Storm pass through services	-	22,000
Non-assurance regulatory services	35,000	-
Other services	30,000	-
Total remuneration for other non-assurance services	317,000	363,046

Total remuneration	2,238,066	2,154,276
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23 Capital expenditure commitments

Commitments for the acquisition of property, plant and equipment and intangible assets not recognised in the consolidated financial statements at the reporting date is as follows:

	2026 \$M	2025 \$M
Within one year	599	305
Later than one year but no later than five years	66	76
	665	381

24 Leases

Lease receivables - leases as lessor

The Ausgrid Group leases out its properties, including premises, land and network assets, under operating lease agreements at market rentals, predominantly on a fixed term basis. The future minimum lease receivables under non-cancellable leases are as follows:

	2026 \$M	2025 \$M
Within one year	7	11
Later than one year but no later than five years	7	12
Later than five years	2	4
	16	27

25 Contingent liabilities and contingent assets

	2026 \$M	2025 \$M
Contingent liabilities		
Guarantees provided to regulatory and statutory authorities	37	37
Guarantees provided to external parties	25	-
	62	37

Contingent assets

Potential recoveries from workers compensation claims	2	5
	2	5

The guarantees provided to regulatory and statutory authorities relate to bank guarantees in place in relation to the Ausgrid Group's self-insured workers compensation. Bank guarantees provided to external parties represent guarantees issued in support of the Ausgrid Group's contractual obligations under commercial arrangements. It is not expected that these guarantees will be called upon.

26 Group entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policies described in Note 1 for which AOP is the parent entity. All entities are incorporated in Australia.

Name of entity

AAP
Active Stream Pty Limited
APP
Ausgrid Finance Pty Limited
Ausgrid Management Pty Limited
PLUS ES
PLUS ES Management 1 Pty Limited
PLUS ES Management 2 Pty Limited
AIP
PLUS GS

27 Cash flow information

Reconciliation of profit after income tax to net cash inflow from operating activities:

	2026	2025
	\$M	\$M
Profit for the year	418	546
Add/(less) non-cash items:		
Depreciation and amortisation	741	670
Non-cash capital contributions	(139)	(118)
Unwinding of government grants	(1)	(1)
Amortisation of loan transaction costs	14	12
Hedge ineffectiveness	3	(6)
Capitalised interest	(7)	(10)
Interest accrual	12	29
Metering upfront payment amortisation	5	-
Net gain on disposal of property, plant and equipment	(44)	(210)
Unwinding of discount	2	3
Impairment expense	13	-
Impairment of trade receivables and contract assets	-	5
Changes in assets and liabilities:		
Trade and other receivables	2	(9)
Contract assets	2	(50)
Prepayments	(7)	(21)
Inventories	(2)	2
Other current and non-current assets	(26)	(86)
Trade and other payables	39	(14)
Contract liabilities	(5)	(3)
Provisions	7	(4)
Other liabilities	-	1
Net cash inflow from operating activities	1,027	736

28 Financial risk management

(a) Financial risk management objectives and policies

The Ausgrid Group is involved in activities that expose it to a variety of financial risks including credit risk, currency risk, interest rate risk and liquidity risk. In accordance with Board approved financial risk management policies, financial instruments may be used to hedge the exposure to fluctuations in exchange rates and interest rates. The Board reviews and approves policies for managing each of the key financial risks.

Management of financial risk is carried out by a centralised treasury function which operates under Board approved policies. In addition to the centralised treasury function, external support is acquired from experts in various fields. The Board approved Ausgrid Group Treasury Policy provides clear guidelines in respect of the management of the financial risks of the Ausgrid Group and is designed to reflect the strategic risk management objectives of the Board.

The objective of the Ausgrid Group's financial risk management strategy is to protect the Ausgrid Group's cash flows, profitability and reputation and use reasonable endeavours to maintain a bbb/baa2 baseline credit assessment and not less than bbb-/baa3 (S&P Global Ratings and/or Moody's Investor Services). This includes the need to ensure that sufficient liquidity is available to fund its strategic business plans. Identification and analysis of relevant financial risks and their impact on the achievement of the Ausgrid Group's objectives forms the basis for determining how such risks should be managed. The forecast financial position for the Ausgrid Group is regularly monitored and financial instruments may be used within approved guidelines to hedge exposure to fluctuations in exchange rates and interest rates.

(b) Credit risk

Credit risk is the risk of sustaining a financial loss as a result of the default by a counterparty to make full and timely payments on transactions which have been executed, after allowing for set-offs which are legally enforceable.

The credit risk on financial assets of the Ausgrid Group which have been recognised on the consolidated statement of financial position is the carrying amount, net of any expected credit losses.

Credit risk arises from investments in cash and cash equivalents with banks, derivative financial instruments and credit exposure to customers and/or suppliers. Credit risk also arises from bank facilities which offer committed lines of credit, overdraft facilities, transaction banking services and financial guarantees, which may not be honoured when relied upon. The Ausgrid Group's credit exposure is predominantly with investment grade rated corporations or government owned entities in the energy industry. Where a counterparty is a non-government owned corporation, its credit worthiness is monitored in accordance with the Ausgrid Group Treasury Policy.

The Ausgrid Group Treasury Policy outlines how credit risk exposure will be measured. All credit and recovery risks associated with trade receivables have been provided for in the financial statements.

The credit risk on trade and other receivables and accrued income from unread meters of the Ausgrid Group that have been recognised in the consolidated statement of financial position, is generally the carrying amount net of any impairment provision.

There is no significant credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

28 Financial risk management (continued)

(b) Credit risk (continued)

The loss allowance provision as at 30 June 2026 is determined as follows. The expected credit losses below also incorporate forward looking information:

	Current	Less than 3 months past due	3 to 6 months past due	Later than 6 months past due	Total
2026					
Expected loss rate	0.08%	4.55%	84.46%	35.71%	
Gross carrying amount (\$M)	444	6	1	-	451
Loss allowance provision (\$M)	(1)	-	(1)	-	(2)
Net receivables and contract assets	443	6	-	-	449
2025					
Expected loss rate	0.78%	2.72%	20.00%	27.91%	
Gross carrying amount (\$M)	467	8	-	-	475
Loss allowance provision (\$M)	(4)	-	-	-	(4)
Net receivables and contract assets	463	8	-	-	471

(c) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Ausgrid Group may also be exposed to foreign currency risk in respect of purchases of capital equipment that are denominated in a currency other than AUD.

The Ausgrid Group uses forward exchange contracts and CCIRS to hedge its foreign currency risk for all foreign exchange exposures that exceed \$2 million in value.

The Ausgrid Group may issue debt in a foreign currency and uses CCIRS contracts to hedge foreign currency risk arising from the foreign currency debt.

Sensitivity

The Ausgrid Group is primarily exposed to changes in US\$/A\$. The sensitivity of profit or loss and other components of equity to changes in the spot exchange rates arises from US\$ foreign exchange contracts. While the Ausgrid Group has borrowings denominated in US\$, EUR, GBP, CAD, JPY and HKD, they are hedged using CCIRS with a hedge ratio of 1:1 and changes in these spot exchange rates do not have a material impact on post-tax profit and equity.

	Impact on post-tax profit		Impact on other components of equity	
	2026	2025	2026	2025
	\$M	\$M	\$M	\$M
US\$/A\$ exchange rate - increase 10% ¹	-	-	(14)	(11)
US\$/A\$ exchange rate - decrease 10% ¹	-	-	18	11

(1) Holding all other variables constant

28 Financial risk management (continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Sensitivity (continued)

The Ausgrid Group has US\$, EUR, GBP, CAD, JPY and HKD denominated foreign currency borrowings. The effects of the foreign currency related hedging instruments on the Ausgrid Group's financial position and performance are as follows:

Derivative financial instruments - CCIRS (USPP, US144A and EMTN)

	2026	2025
Carrying amount (\$M)	363	580
Notional amount in US\$ (\$M)	2,758	2,758
	Oct 2027 - Jul	Oct 2027 - Jul
Maturity	2038	2038
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness (\$M)	323	549
Change in value of derivative used to determine hedge effectiveness (\$M)	322	560
Weighted average hedged exchange rate for the year	0.76	0.76
Balances remaining in the cash flow hedge reserve for hedge relationships terminated due to novation	2	

Derivative financial instruments - CCIRS (EMTN)

Carrying amount (\$M)	15	159
Notional amount in EUR (\$M)	1,025	1,025
	Oct 2031 - Feb	Oct 2031 - Feb
Maturity	2033	2033
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness (\$M)	11	156
Change in value of derivative used to determine hedge effectiveness (\$M)	11	155
Weighted average hedged exchange rate for the year	0.61	0.61

Derivative financial instruments - CCIRS (USPP)

Carrying amount (\$M)	(2)	22
Notional amount in GBP (\$M)	116	116
	Jul 2035 - Jul	Jul 2035 - Jul
Maturity	2038	2038
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness (\$M)	(2)	22
Change in value of derivative used to determine hedge effectiveness (\$M)	(2)	22
Weighted average hedged exchange rate for the year	0.52	0.52

28 Financial risk management (continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Sensitivity (continued)

Derivative financial instruments - CCIRS (USPP)

	2026	2025
Carrying amount (\$M)	(37)	(11)
Notional amount in CAD (\$M)	330	330
	Jul 2033 - Jul	Jul 2033 - Jul
Maturity	2038	2038
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness (\$M)	(17)	(10)
Change in value of derivative used to determine hedge effectiveness (\$M)	(16)	(10)
Weighted average hedged exchange rate for the year	0.88	0.88

Derivative financial instruments - CCIRS (EMTN)

Carrying amount (\$M)	(63)	1
Notional amount JPY (\$M)	37,000	27,000
	Aug 2030 - Feb	Feb 2030 - Feb
Maturity	2039	2039
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness (\$M)	(69)	(1)
Change in value of derivative used to determine hedge effectiveness (\$M)	(66)	(2)
Weighted average hedged exchange rate for the year	96.92	97.19

Derivative financial instruments - CCIRS (EMTN)

Carrying amount (\$M)	(18)	(7)
Notional amount HKD (\$M)	1,304	1,304
	Apr 2028 - Mar	Apr 2028 - Mar
Maturity	2030	2030
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness (\$M)	(18)	(6)
Change in value of derivative used to determine hedge effectiveness (\$M)	(18)	(6)
Weighted average hedged exchange rate for the year	5.03	5.03

(ii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Ausgrid Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Ausgrid Group to cash flow interest rate risk.

In accordance with Board approved policies, the Ausgrid Group ensures that its debt portfolio is managed within a risk framework including weighted average debt maturity and debt maturity in any 12 month period. As at the end of the reporting period, the Ausgrid Group has derivative financial instruments in place (IRS and CCIRS) which have been valued using valuation techniques with market observable inputs.

28 Financial risk management (continued)

(c) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

Instruments used by the Ausgrid Group

IRS are used to hedge interest cost and manage the variable rate exposure of total debt. Interest rates are fixed by putting in place IRS contracts which exchange floating rate obligations into fixed rate obligations. The interest cost on 89.2% (2025: 91.6%) of total debt outstanding is fixed.

As at the end of the reporting period, the Ausgrid Group had the following variable rate borrowings and IRS contracts outstanding:

	Weighted average interest rate %	Balance \$M	% of total loans
2026			
Bank overdrafts, bank loans and note issuances ¹	5.78	13,931	100.0%
IRS (notional principal amount) ²	3.26	12,421	89.2%
Net exposure to cash flow interest rate risk	5.02 - 6.78	1,510	10.8%

(1) Includes fixed rate note issuances in AUD, USD, EUR, GBP, CAD, HKD and JPY swapped into floating rate AUD obligations

(2) Excludes forward starting swaps commencing post 30 June 2026

2025

Bank overdrafts, bank loans and note issuances	5.63	12,952	100.0%
IRS (notional principal amount)	3.09	11,866	91.6%
Net exposure to cash flow interest rate risk	4.70 - 6.59	1,086	8.4%

The Ausgrid Group accounts for all its fixed rate financial assets and liabilities at amortised cost. The Ausgrid Group has variable rate financial liabilities at the reporting date. The Ausgrid Group's borrowings are 89.2% hedged (2025: 91.6%). A change in interest rates by one percentage point at the reporting date would have an impact on the Ausgrid Group's profit or loss or equity as discussed below.

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates. Other components of equity are sensitive to an increase/(decrease) in the fair value of the cash flow hedges of borrowings.

	Impact on post-tax profit		Impact on other components of equity	
	2026	2025	2026	2025
	\$M	\$M	\$M	\$M
Interest rates - increase by 1% ¹	-	(1)	506	538
Interest rates - decrease by 1% ¹	(1)	(1)	(536)	(570)

(1) Holding all other variables constant

28 Financial risk management (continued)

(c) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

The effects of the interest rate related hedging instruments on the Ausgrid Group financial position and performance are as follows:

Derivative financial instruments - IRS¹

	2026	2025
Carrying amount (\$M)	407	48
Notional amount (\$M)	15,699	14,371
	Jul 2026 - Jul 2036	Jul 2024 - Jul 2034
Maturity	2036	2034
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness (\$M)	413	57
Change in value of derivative used to determine hedge effectiveness (\$M)	413	57
Weighted average hedged rate for the year (%)	3.42	3.15
Balances remaining in the cash flow hedge reserve for hedge relationships terminated due to novation	2	(9)

(1) Designated as fair value hedges and cash flow hedges

Derivative financial instrument - CCIRS

Carrying amount (\$M)	(331)	(278)
Notional amount (\$M)	6,848	7,198
	Oct 2027 - Feb 2039	Oct 2027 - Feb 2039
Maturity	2039	2039
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness (\$M)	(334)	(275)
Change in value of derivative used to determine hedge effectiveness (\$M)	(331)	(278)
Weighted average hedged rate for the year (%)	3.74	3.75

(d) Capital risk management

The Ausgrid Group's objectives are to maintain an appropriate capital structure to enable an appropriate return on equity and efficient investment decisions to be made on a commercial basis.

The Ausgrid Group maintains an appropriate capital structure in consideration of the following criteria:

- Maintain a bbb/baa2 baseline credit assessment and not less than bbb-/baa3 in accordance with the Ausgrid Group Treasury Policy.
- Provision of an appropriate return to shareholders without compromising the principles or objectives of the Ausgrid Group Treasury Policy.
- Ability to meet key debt service criteria, based on industry benchmarks.
- Capacity to finance the approved capital expenditure program through internally generated cash flows and debt, with consideration of the current phase of the investment cycle.
- Provision of sufficient flexibility for relevant contingencies.

Key financial covenants include a debt to RAB ratio of less than 90% and a cash flow coverage ratio of greater than 1.2 times interest expense. These have been complied with during the year.

28 Financial risk management (continued)

(e) Liquidity risk

Liquidity risk is the risk of difficulty in ensuring the availability of sufficient funds to meet obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Ausgrid Group Treasury Policy provides an appropriate framework for the management of the Ausgrid Group's short, medium and long-term funding and liquidity management requirements.

The Ausgrid Group's liquidity risks are managed with the availability of readily accessible standby facilities and other funding arrangements placing surplus funds on deposit.

(i) Maturities of financial liabilities

The table below categorises the Ausgrid Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities; and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For the derivatives, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

28 Financial risk management (continued)

(e) Liquidity risk (continued)

(i) Maturities of financial liabilities (continued)

Contractual maturities of financial liabilities	Less than 6 months \$M	6 - 12 months \$M	Between 1 and 2 years \$M	Between 2 and 5 years \$M	Over 5 years \$M	Total contractual cash flows \$M	Carrying amount \$M
2026							
Non-derivatives							
Trade and other payables	456	-	-	-	-	456	456
Loans and notes	2,156	1,036	2,139	5,167	7,352	17,850	13,794
Lease liabilities	5	5	9	26	235	280	74
Total non-derivatives	2,617	1,041	2,148	5,193	7,587	18,586	14,324
Derivatives							
CCIRS	65	35	103	296	(288)	211	327
IRS	19	13	9	25	12	78	66
Forward foreign exchange contracts	1	2	1	1	-	5	5
Total Derivatives	85	50	113	322	(276)	294	398
	2,702	1,091	2,261	5,515	7,311	18,880	14,722
2025							
Non-derivatives							
Trade and other payables	412	-	-	-	-	412	412
Loans and notes	1,497	476	2,283	5,268	7,010	16,534	13,372
Lease liabilities	5	5	9	25	230	274	72
Total non-derivatives	1,914	481	2,292	5,293	7,240	17,220	13,856
Derivatives							
CCIRS	20	22	35	131	(90)	118	42
IRS	24	43	86	118	2	273	252
Total derivatives	44	65	121	249	(88)	391	294
	1,958	546	2,413	5,542	7,152	17,611	14,150

28 Financial risk management (continued)

(f) Recognised fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents the Ausgrid Group's assets and liabilities measured and recognised at fair value at the reporting date.

	Notes	Level 1 \$M	Level 2 \$M	Level 3 \$M	Total \$M
2026					
Recurring fair value measurements					
Derivatives	17	-	320	-	320
Total		-	320	-	320
Non-recurring fair value measurements					
Assets classified as held for sale	10	-	-	15	15
Total		-	-	15	15
2025					
Recurring fair value measurements					
Derivatives	17	-	513	-	513
Total		-	513	-	513
Non-recurring fair value measurements					
Assets classified as held for sale	10	-	-	6	6
Total		-	-	6	6

The carrying amounts of financial instruments which are not measured at fair value in the statement of financial position approximate their fair values.

(g) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available 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.

The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using maximum observable market input data, which include prices from observable current market transactions and dealer quotes for similar instruments.

28 Financial risk management (continued)

(g) Recurring fair value measurements (continued)

Valuation techniques used to determine fair value of financial instruments include:

- For IRS and CCIRS - present value of expected future cash flows, including interest, based on observable yield curves and forward exchange rates at reporting date.
- For forward foreign exchange contracts - present value of future cash flows based on observable forward exchange rates at reporting date.

(h) Non-recurring fair value measurements

Non-current assets classified as held for sale during the reporting period are measured at the lower of their carrying amount and FVLCO and are included in Level 3. Assets held for sale comprises land and buildings transferred from property, plant and equipment.

(i) Fair value versus carrying amount

The carrying amounts and fair values of financial assets and liabilities at the reporting date are:

		2026		2025	
	Notes	Carrying amount \$M	Fair value \$M	Carrying amount \$M	Fair value \$M
Financial assets carried at amortised cost					
Cash and cash equivalents		720	720	442	442
Trade and other receivables	7	102	102	122	122
Contract assets	7	347	347	349	349
Total financial assets		1,169	1,169	913	913
Financial liabilities carried at amortised cost					
Loans and notes	14(a)	13,794	13,923	13,372	13,359
Lease liabilities	14	74	74	72	72
Trade and other payables	28(e)(i)	456	456	412	412
Deposits	16	2	2	1	1
Total financial liabilities		14,326	14,455	13,857	13,844

29 Events occurring after the reporting period

Subsequent to 30 June 2026, the Ausgrid Group continued to progress the proposed divestment of its unregulated digital metering business. As disclosed in Note 1(n), management concluded that the criteria for classification as held for sale under AASB 5 were not met as at 30 June 2026 and, accordingly, no assets or liabilities were classified as held for sale in relation to the proposed divestment.

Following the reporting date, an agreement has been entered into to sell the unregulated digital metering business, subject to various conditions precedent including regulatory approvals and financial arrangements relating to the funding position being addressed at or post completion. Management has assessed this development as a non-adjusting event under AASB 110, as it relates to conditions that arose after 30 June 2026. Accordingly, no adjustment has been made to the carrying amounts of the Ausgrid Group's assets and liabilities recognised as at 30 June 2026.

Following completion, the primary financial statement impact for the Ausgrid Group is expected to be the deconsolidation of the relevant assets and liabilities at book value.

Other than the above mentioned matter, no other matter or circumstance has occurred subsequent to the end of the reporting period that has significantly affected, or may significantly affect, the operations of the Ausgrid Group, the results of those operations or the state of affairs of the Ausgrid Group in subsequent financial years.

In the Directors' opinion:

- (a) the consolidated financial statements and notes, as set out on pages 2 to 63 are in accordance with the Partnership Deeds, and:
 - (i) comply with Accounting Standards as described in Note 1 to the consolidated financial statements and other mandatory professional reporting requirements;
 - (ii) give a true and fair view of the Ausgrid Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date, and in accordance with the accounting policies described in Note 1 to the consolidated financial statements; and
- (b) there are reasonable grounds to believe that the Ausgrid Group will be able to pay its debts as and when they become due and payable.

Note 1(a)(i) confirms that the consolidated financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

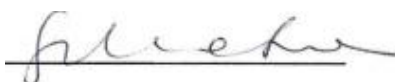
The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer consistent with the listed entity requirement under section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of Directors.



28 Aug, 2026 8:49:00 AM GMT+10
Dr Helen Nugent AC
Director

28 August 2026



Gillian Brown
Director

28 August 2026



Independent auditor's report

To the partners of the Ausgrid Group

Our opinion

In our opinion the accompanying financial report gives a true and fair view of the financial position of the Ausgrid Group and its controlled entities (together the Group) as at 30 June 2026 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1.

The Ausgrid Group (the Group) comprises Ausgrid Operator Partnership (AOP), Ausgrid Asset Partnership (AAP), Aurora Property Partnership (APP), PLUS ES Partnership (PLUS ES), Aurora Investment Partnership (AIP), and PLUS Grid Storage Partnership (PLUS GS) and the respective entities that they controlled at year end or from time to time during the financial year.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information; and
- the declaration of the directors.

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

- The Group has operations across Sydney, the Central Coast and Hunter regions within New South Wales, with the accounting functions led from the Group's corporate head office in Sydney.
- The Ausgrid Group is a stapled structure comprised of AOP, AAP, PLUS ES, APP, AIP and PLUS GS. For the purpose of preparing these consolidated financial statements, AOP is identified as the deemed parent.

- We conducted an audit of the financial information of the Group which consists of AOP, AAP, PLUS ES, APP, AIP and PLUS GS.

Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matter to the Audit Committee.

Key audit matter	How our audit addressed the key audit matter
Borrowings and associated derivatives (Refer to note 14 'Borrowings' and Note 17 'Derivatives') The Group had \$13,794m of borrowings (excluding leases) at 30 June 2026. The accounting for the Group's borrowings was considered a key audit matter due to: • The borrowings being the largest liability in the consolidated statement of financial position; • The financial significance of the multiple refinancing transactions (described in Note 14) in the current year to borrowings and borrowing cost balances; and • The derivatives established upon refinancing were considered to be significant due to the large notional values, composition of cross currency and interest rate swaps and the long time to maturity.	We performed the following procedures, amongst others, over borrowings and associated derivatives: • Obtained confirmations directly from the Group's banks and private lenders to confirm the outstanding balance and key terms of borrowings and derivatives at the balance sheet date; • Recalculated the foreign currency denominated borrowings conversion to AUD at the balance sheet date; • Read the most up-to-date agreements between Ausgrid Finance Pty Limited and its financiers to develop an understanding of any relevant changes to key terms of borrowings; • Assessed the accounting treatment of borrowing costs arising from new arrangements and borrowing costs related to renewed facilities; • Developed an understanding of the relevant covenants, performed a recalculation of the covenants, and considered the covenant headroom available; • Assessed whether the Group's classification of borrowings as current or non-current was consistent with the requirements of Australian Accounting Standards; • Inspected relevant bank statements to agree the fund flows with the drawdown and repayment movements of the borrowings during the year; • For a sample of swap contracts, we agreed the details recorded in the Group's Treasury Management system to key terms in the contracts, such as payment terms, interest rates, and start and end dates; • Together with PwC financial instrument experts, for a sample of derivatives, we assessed the Group's valuation and compared the inputs to external evidence including credit spreads and interest

Key audit matter	How our audit addressed the key audit matter
	rate curves; • Assessed a sample of the hedge accounting calculations and the hedge accounting journals for the interest rate swaps, cross currency interest rate swaps, and foreign exchange forwards with respect to the requirements of Australian Accounting Standards; and • Evaluated whether the related disclosures were consistent with the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

We draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared by the directors to meet the information needs of the partners of AOP, AAP, PLUS ES, APP, AIP and PLUS GS as required under the Partnership Deeds dated 20 October 2016 (AOP and AAP), 1 November 2017 (PLUS ES), 27 April 2023 (APP) and 16 December 2025 (AIP and PLUS GS). As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the partners of the Ausgrid Group.



Responsibilities of the directors for the financial report

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the accounting policies described in Note 1, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material 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 have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our 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 our 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

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A handwritten signature in black ink, appearing to read 'Craig Thomason', written over a horizontal line.

Craig Thomason
Partner

Sydney
28 August 2026

Glossary

AAP	Ausgrid Asset Partnership
AASB	Australian Accounting Standards Board
AASB 2	AASB 2 Climate-related Disclosures
AASB 8	AASB 8 Operating Segments
AASB 9	AASB 9 Financial Instruments
AASB 13	AASB 13 Fair Value Measurement
ACS	Alternative Control Services
AER	Australian Energy Regulator
AFPL	Ausgrid Finance Pty Limited
AIP	Aurora Investment Partnership
AMPL	Ausgrid Management Pty Limited
AMTN	Australian Medium Term Note
ANS	Ancillary Network Services
AOP	Ausgrid Operator Partnership
APG	APG Asset Management
APP	Aurora Property Partnership
ASF	Asian Syndicated Facility
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
A\$	Australian Dollars
Ausgrid Group	AOP (parent entity), AAP, PLUS ES, APP, AIP and PLUS GS and their respective controlled entities
BBSW	Bank Bill Swap Rate
BESS	Battery Energy Storage Systems
Blue AAP	Blue Asset Partner Trust
Blue AIP	Blue AIP Partner Trust
Blue AOP	Blue Op Partner Trust
Blue APP	Blue Aurora Partner Trust
Blue PLUS ES	Blue PLUS ES Partner Trust
Blue PLUS GS	Blue PGS Partner Trust
CAD	Canadian Dollar
Cbus	Construction and Building Unions Superannuation Fund
CCF	Climate Change Fund
CCIRS	Cross Currency Interest Rate Swaps
CGU	Cash-generating Unit
CODM	Chief Operating Decision Makers as defined by AASB 8 Operating Segments
CPI	Consumer Price Index
CTD	Common Terms Deed
DNSP	Distribution Network Service Provider
DUOS	Distribution Use of System
EIF	Electricity Infrastructure Fund
EMTN	Euro Medium Term Note
EnergyCo	Energy Corporation of New South Wales

Glossary (continued)

ERIC Partners	Electricity Retained Interest Corporation vehicles
EUR	Euro
EVCi	Electric Vehicle Charging Infrastructure
FVLCOD	Fair Value Less Costs of Disposal
GBP	Great Britain Pound
GST	Goods and Services Tax
HCC REZ	Hunter-Central Coast Renewable Energy Zone
HCC RNIP	Hunter-Central Coast REZ Network Infrastructure Project
HKD	Hong Kong Dollar
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
IRS	Interest Rate Swaps
IPFs	Infrastructure Planner Fees
IT	Information Technology
JPY	Japanese Yen
MAR	Maximum Allowable Revenue
NEL	National Electricity Law
NEM	National Electricity Market
NER	National Electricity Rules
NSP	Network Service Provider
NSW	New South Wales
NUOS	Network Use of System
PCB	Polychlorinated Biphenyls
PLUS ES	PLUS ES Partnership
PLUS GS	PLUS Grid Storage Partnership
RAB	Regulated Asset Base
ROU	Right of Use
SaaS	Software-as-a-Service
S&P	Standard and Poor's
SCS	Standard Control Services
SFA	Syndicated Facility Agreement
the Fund	Pool B Subdivision of the Defined Benefits Section of Cbus. It provides defined benefits and is referred to as 'the Fund'
TNSP	Transmission Network Service Provider
TUOS	Transmission Use of System
US\$	United States Dollar
USPP	US Private Placement
VIU	Value in Use