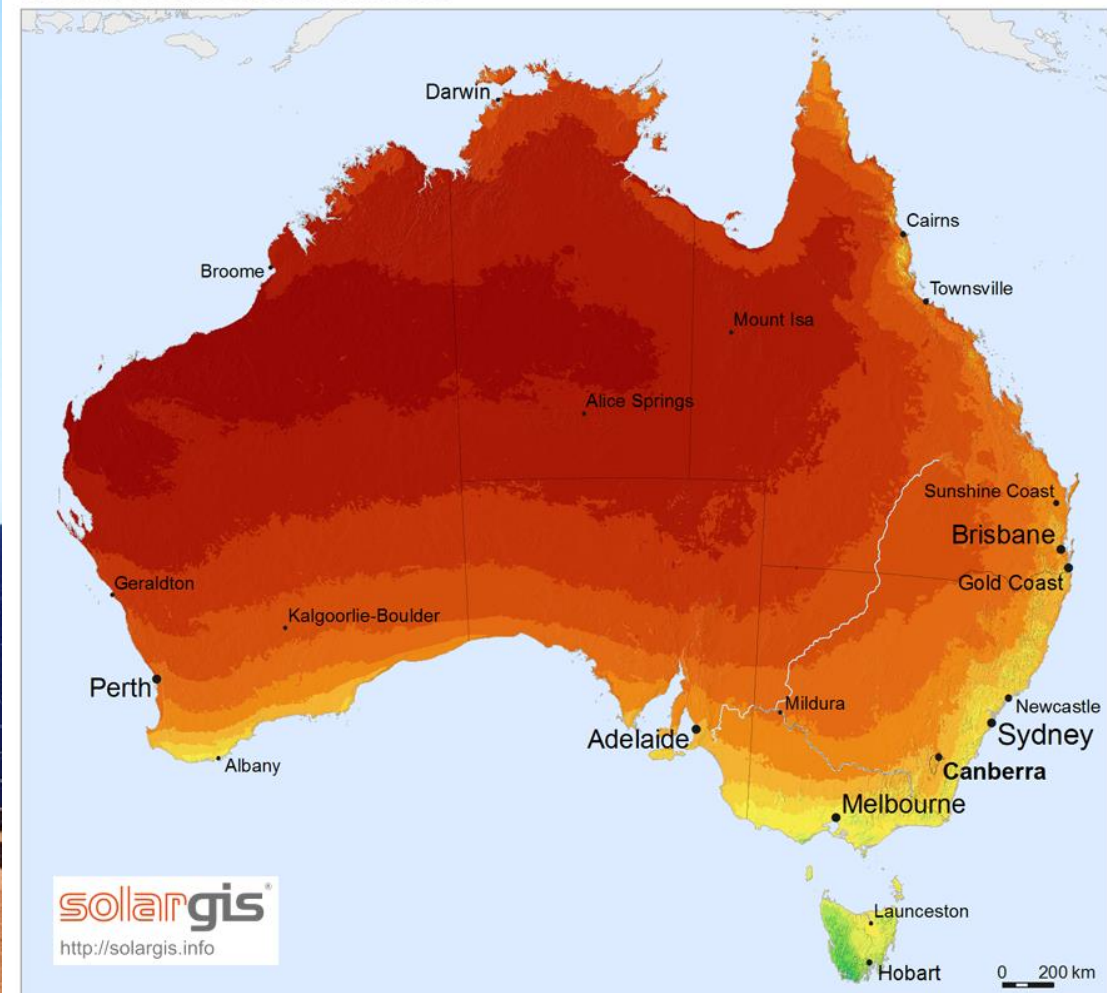


AUSTRALIA



Global Horizontal Irradiation

Australia



Average annual sum, period 2007-2012

< 1100 1300 1500 1700 1900 2100 2300 > kWh/m²

SolarGIS © 2013 GeoModel Solar

Federal level

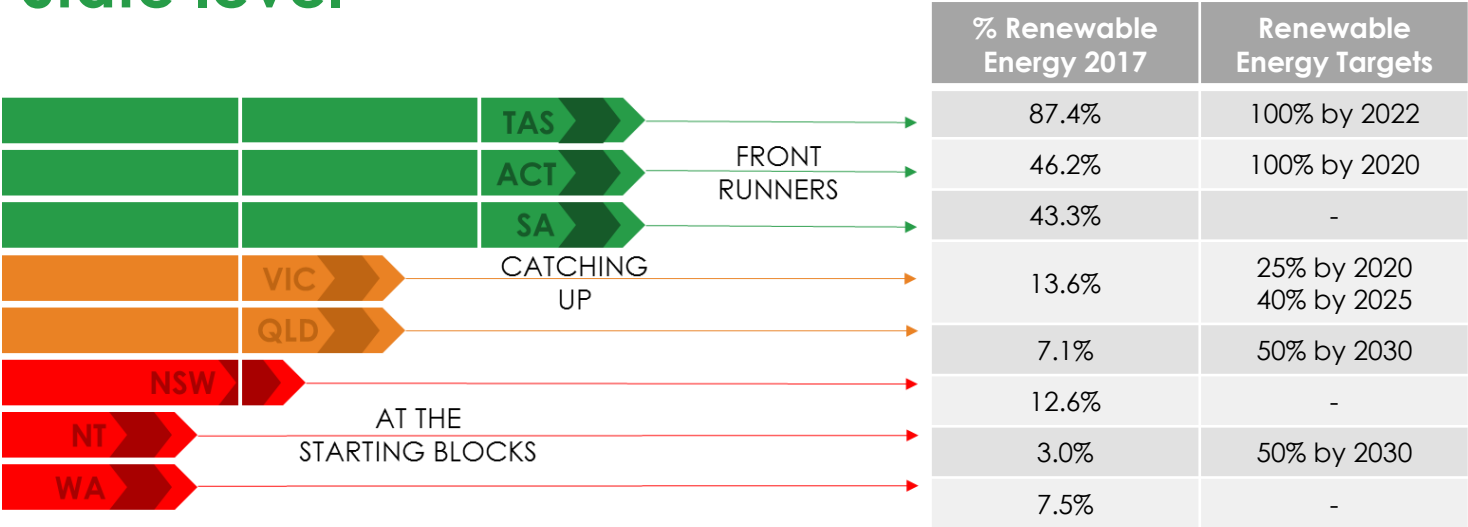
- Australia is currently led by the Australian Liberal party under the leadership of Scott Morrison
- Liberals sympathetic to massive coal lobby
- Federal election is due no later than 18 May 2019

State level

- Swing towards opposition Australian Labor party and its state subsidiaries
- November 2018 in Victoria – Labor party re-elected to power in an election described as “stunning”, “a landslide” and “a bloodbath” in part on strong clean energy and environmental policy promises
- Included last minute promise that if re-elected the Victorian Labor Party would increase the state’s Renewable Energy Target to 50% by 2030

A labour win in May 2019 would further accelerate the current drive to clean energy

AUSTRALIA
State level



Ref: Climate Council

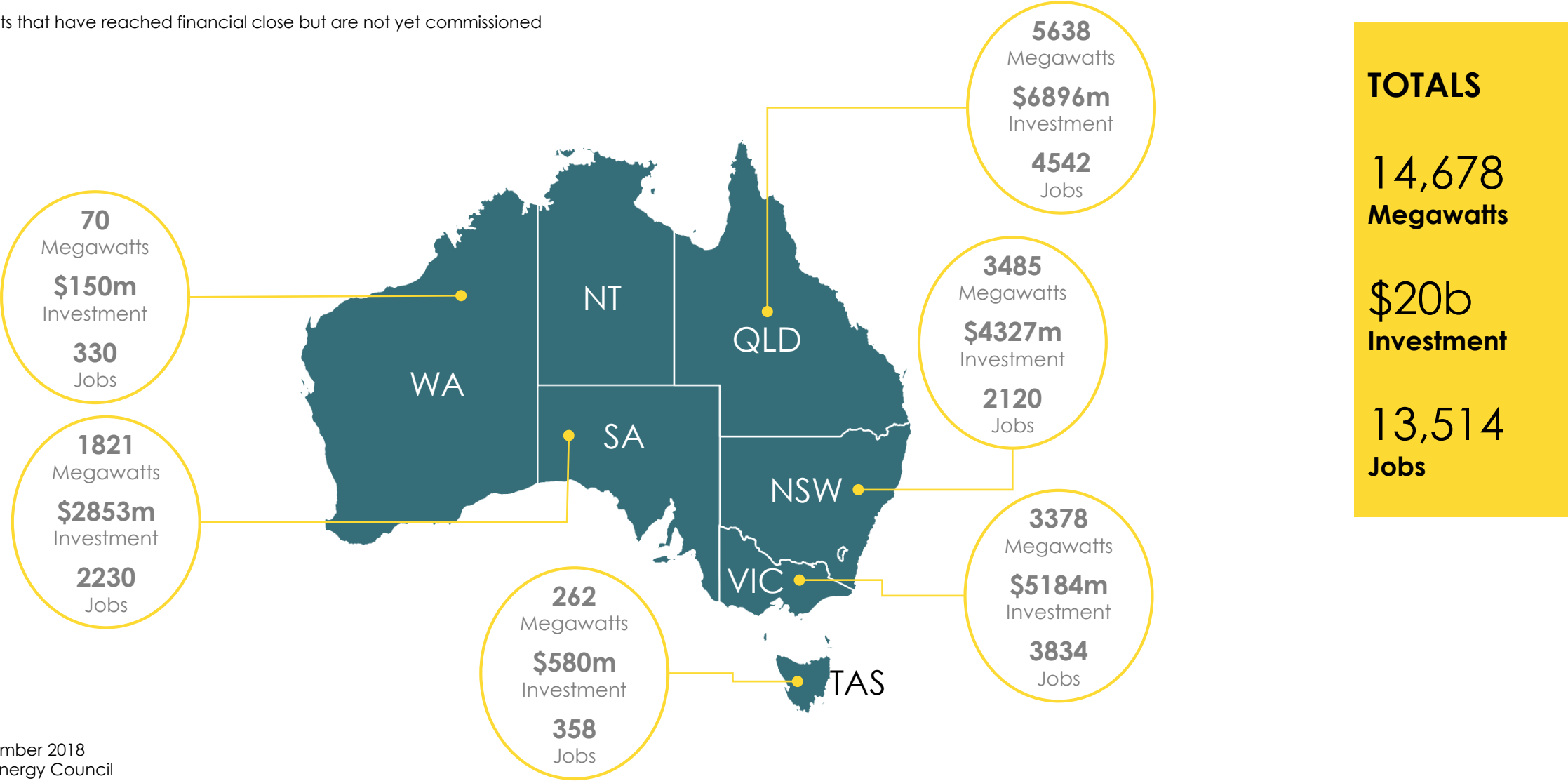
Australia: renewable energy generation 2017¹

Technology	Generation (GWh)	Percentage of renewable generation	Percentage of total generation	Equivalent number of households powered over the course of the year
Hydro	12,920	33.9%	5.74%	2,811,140
Wind	12,873	33.8%	5.72%	2,800,914
Small-scale solar PV	7,723	20.3%	3.43%	1,680,412
Bioenergy	3,713	9.7%	1.65%	807,783
Medium-scale solar PV	197	0.5%	0.09%	42,959
Large-scale solar PV	695	1.8%	0.31%	151,243
Solar thermal	16	0.0%	0.01%	3383
Geothermal	1	0.0%	0.00%	152
TOTAL	38,138	100%	16.94%	8,297,986

¹ NEM Watch, Australian Energy Statistics 2017, ARENA, Clean Energy Council Renewable Energy Database, SunWiz. Note: Some figures have been rounded. Figures do not include auxiliary load or transmission losses. Electricity generation equivalent in households is calculated using a weighted national average consumption level of 4,596 MWh (from AEMC, 2017 Residential Electricity Price Trends, 18 December 2017).

The construction boom for large-scale renewable energy projects

Note: Projects that have reached financial close but are not yet commissioned

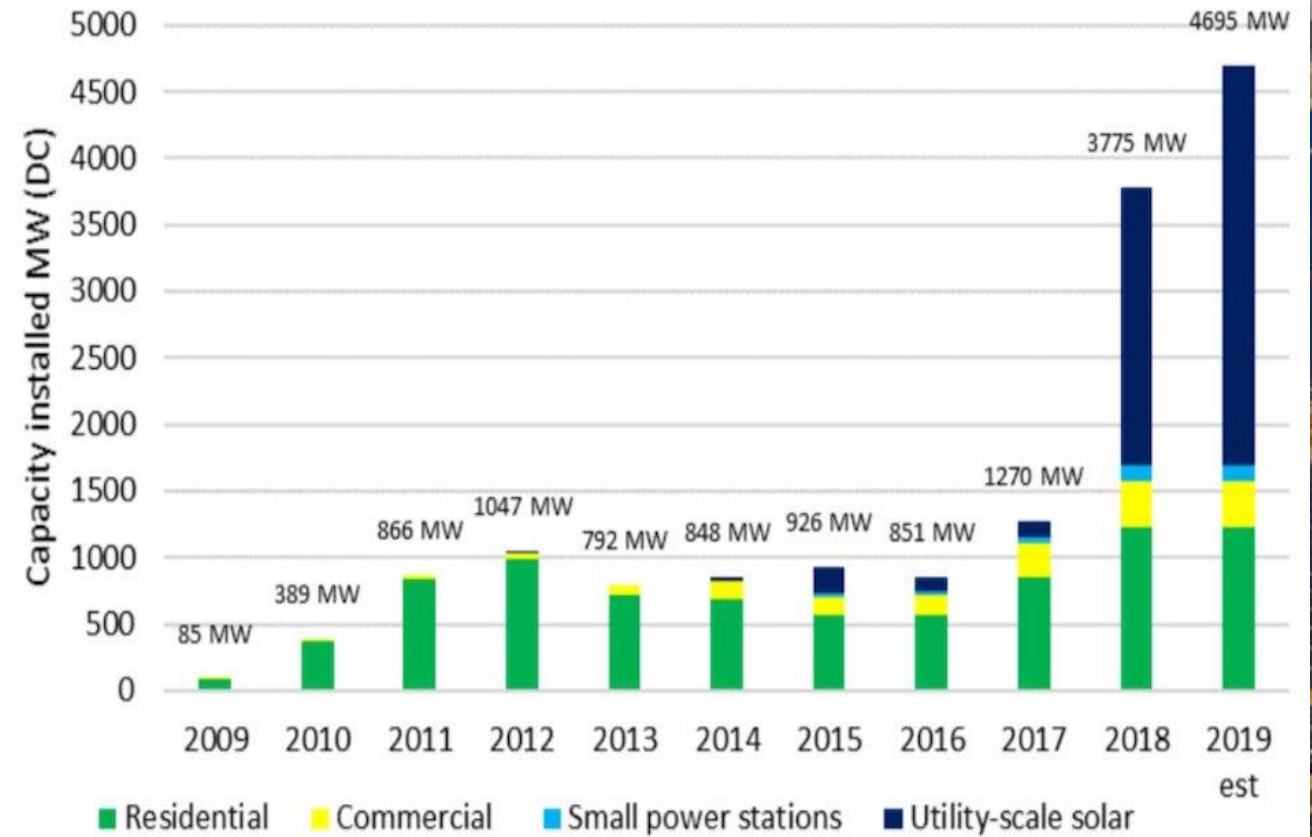


As at 5 December 2018
Ref: Clean Energy Council

Australia: large scale solar growth

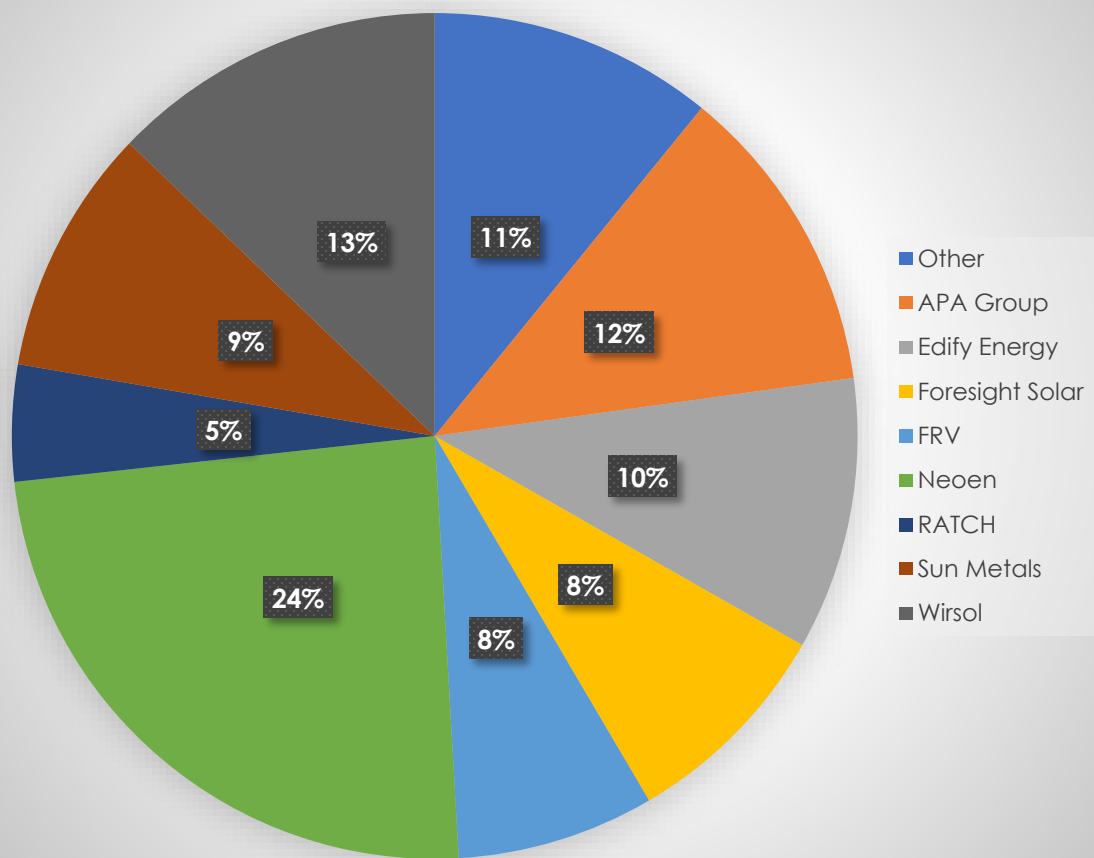


Solar PV capacity installed in Australia (MW DC)

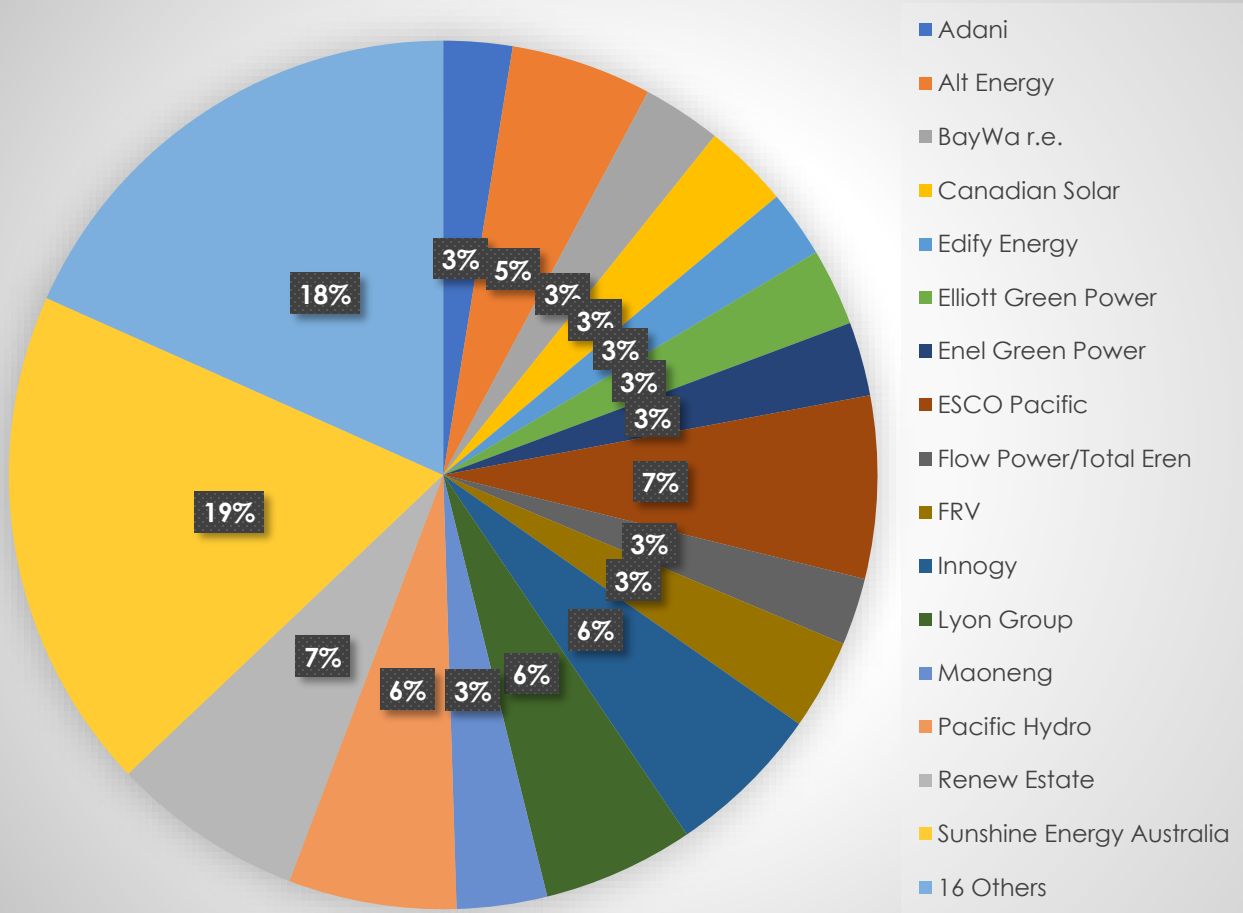


Ref: Renew Economy

Projects commissioned in 2018 – c.1.3GW

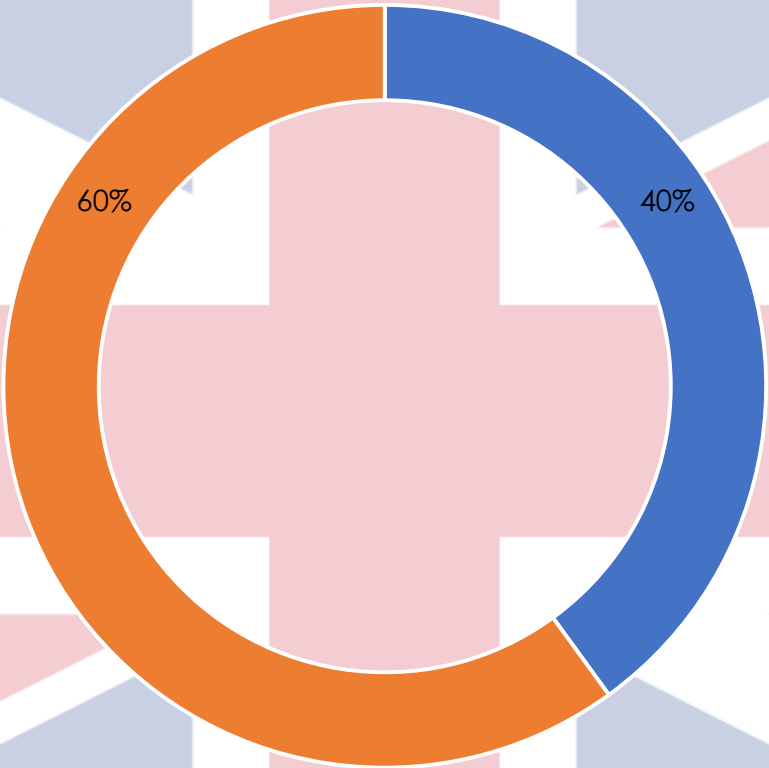


Projects in progress 2019 – c.7.9GW



Ref: Clean Energy Council

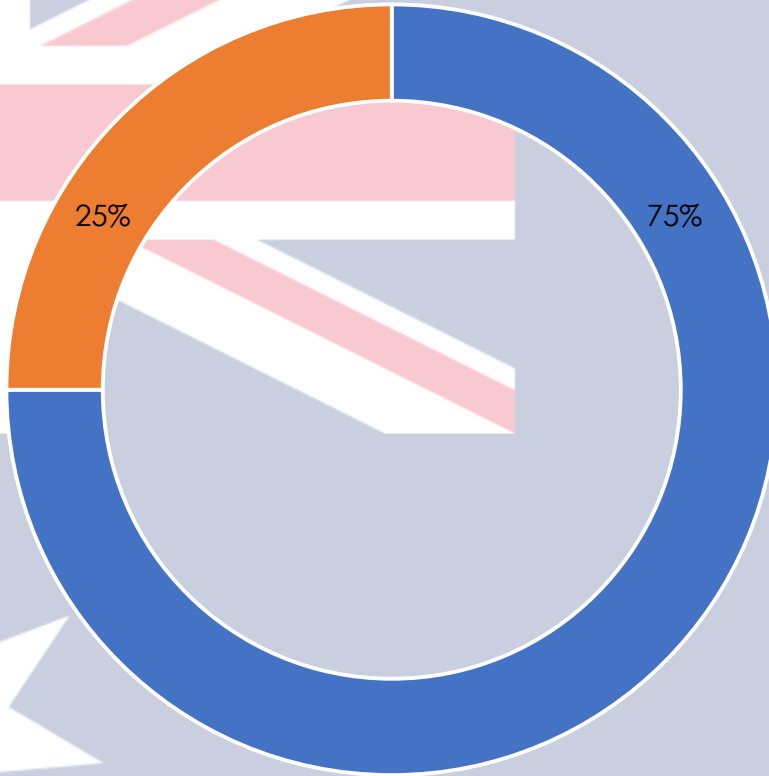
UK



■ Electricity Sales ■ ROCs

PPA's – shorter term, 3-5 years

Australia



■ Electricity Sales ■ LGC's (Large Scale Generation Certificates)

PPA's – longer term, 20 years

Investment confidence

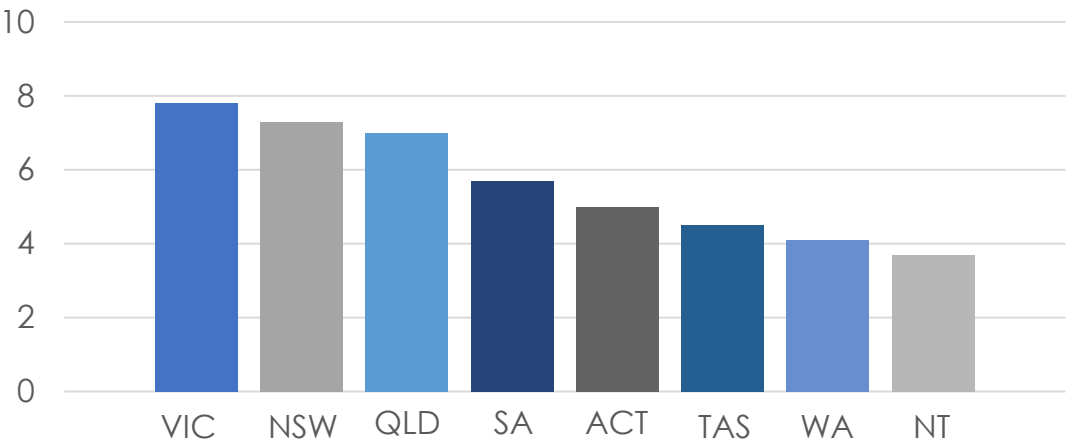
What is your level of confidence to make investments in clean energy in Australia in the next 3 years?



“Would be ‘10’ if the Federal Government was proactive in supporting the development of renewable energy infrastructure”

6.9 in July 2018 ranked out of 10

Confidence by state



Top business challenges

What factors are creating the greatest challenges for your business to develop clean energy projects in Australia?

- 1

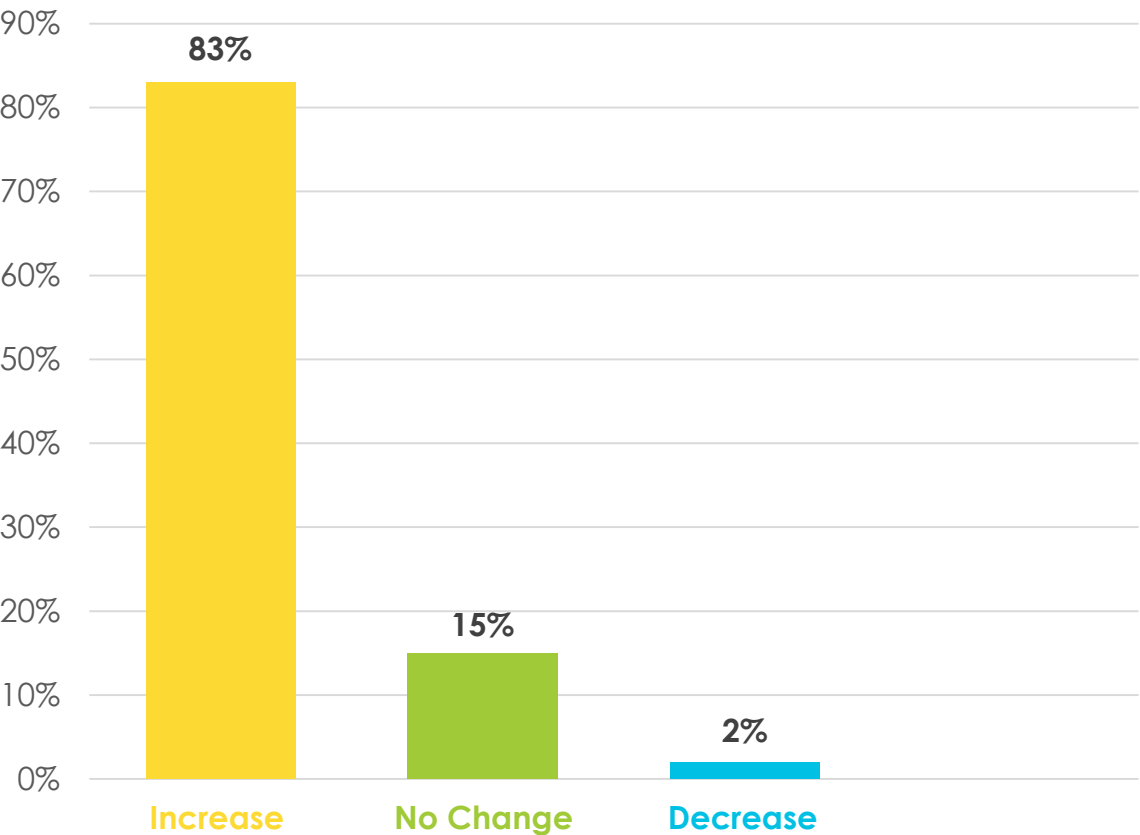
Grid connection and network access
- 2

Lack of federal energy and climate policy
- 3

Attracting the right workforce

Employment

How do you expect the number of people your company employs in clean energy in Australia to change in the next 12 months?



Change from July to December

	July 2018	December 2018
Increase	73%	83%
No Change	23%	15%
Decrease	4%	2%

As at December 2018
Ref: Clean Energy Council

- Significant momentum
- Large number of players
- Is it sustainable?

Graham Harding
MD and CFO, BSR Group