

ZENENERGY



ZEN'S RESEARCH PROJECT INVESTIGATING HOW WE CAN ACCELERATE AUSTRALIA'S JOURNEY TO A RENEWABLE ENERGY SUPERPOWER.

This is Transition Quarter 2:

Does climate risk lead to business reward?

Australian workers will reward companies for having a climate action plan and remaining committed to improving environmental outcomes with loyalty and an enhanced reputation that attracts the best talent.

The second quarter results of ZEN Energy's *This is Transition* research project focuses on issues impacting Australia's renewable energy transformation, finding that long term business benefits will flow over time and in addition to contributing to reductions in carbon emissions. However, near-term challenges stand in the way, such as rising business costs and tighter regulatory obligations.

The study of 1,140 Australian workers found that having a climate action plan makes a company an employer of choice and is a source of pride for staff. However, awareness about their company's emissions reduction commitment remains low among workers across business and industry sectors.

Larger companies are more likely to have a climate action plan, but their workers know less about them than staff in smaller workplaces do. Once workers are made aware, they say they wouldn't want to work for a company that isn't committed to emissions reduction efforts.

Younger workers (18-35 years) are much more willing than older workers to change jobs if a company does not demonstrate a genuine commitment to climate action.

The results are among *This is Transition's* in-depth qualitative and quantitative research of where Australians work and their views of their employer's and, more broadly, the Australian business sectors' efforts to implement climate action plans.

The research reveals that while there are significant benefits for companies making a genuine commitment to mitigate climate change, many companies are not engaging and educating their staff effectively.

High levels of public concern about the impacts of climate change over the past decade and longer have led to customers increasingly demanding that businesses have minimal, or no, impact on the environment.

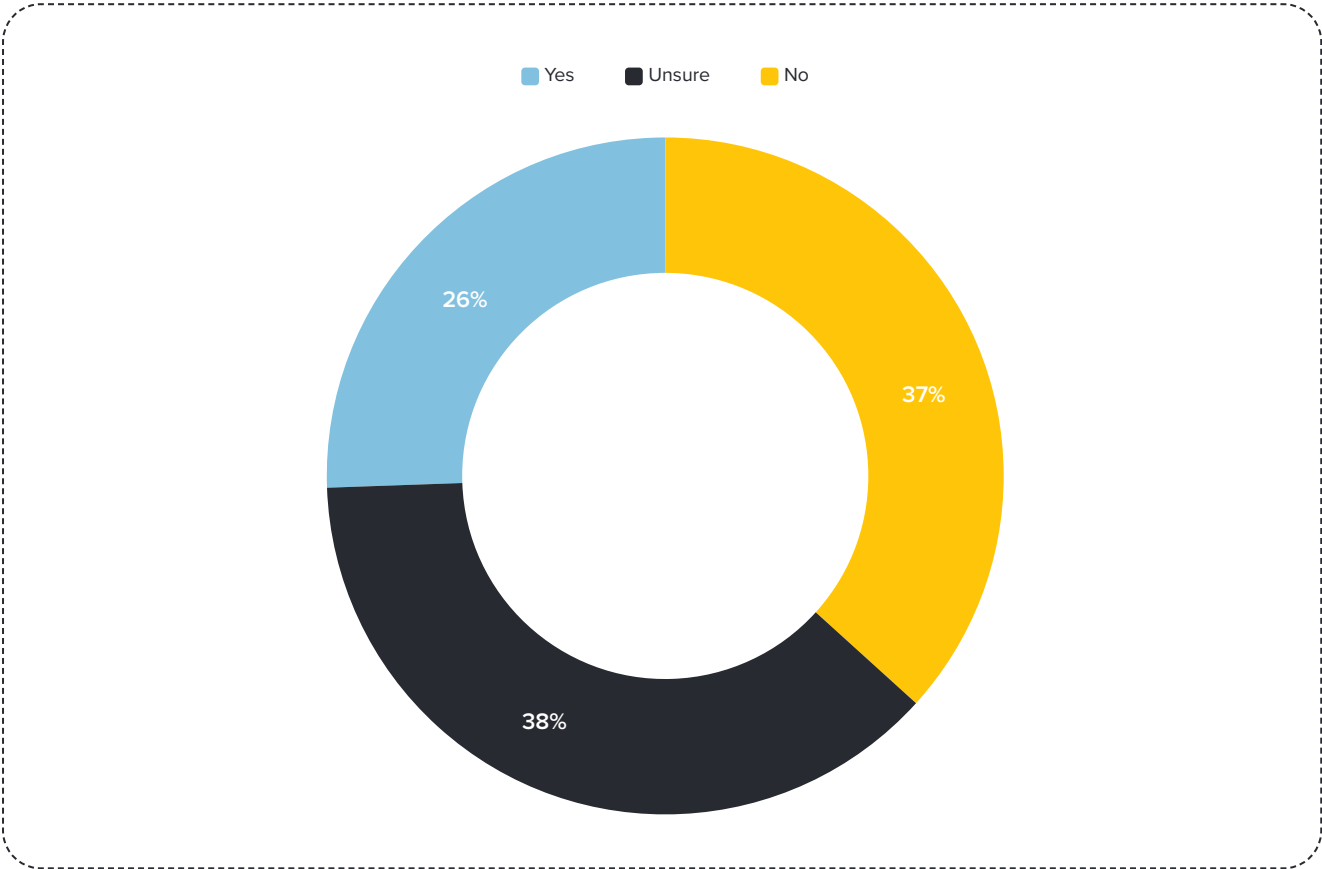
This research provides confidence for companies to demonstrate a strong commitment to sustainable practices and carbon-neutrality as the findings indicate it can lead to business rewards, such as staff retention, but also chances of attracting new, values-aligned customers and talented staff.

The research findings are being published at a challenging time for Australian businesses: the trickle-down effects of geopolitics and conflicts, stubbornly high inflation and tightening household budgets, as well new, tougher emissions reporting requirements by the federal government.

Key results from this quarter's research

- 1. A quarter (26%) of all Australian workers know about their company's climate action plan, while the rest either work for a company that is not acting or they know little about what their employer is doing.

Q: Does your employer have a policy or plan to reduce greenhouse gas emissions, become carbon neutral or reach net zero emissions?

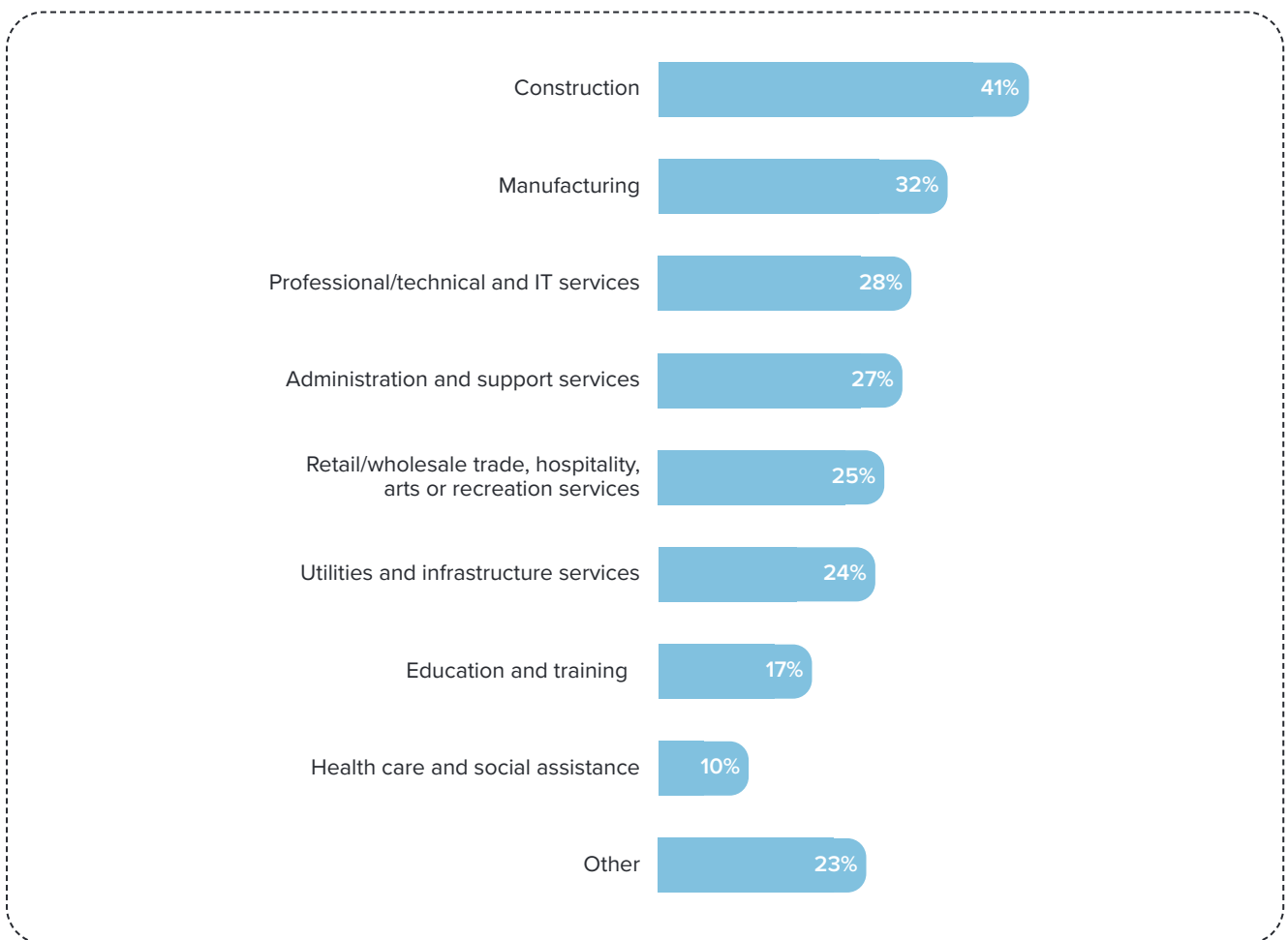


- 2. There are more than double the number of climate action plans in the construction and manufacturing sectors than in education or health sectors.

High numbers of workers in the construction (41%) and manufacturing (32%) sectors are aware their employer has a climate action plan, while awareness among workers in businesses servicing them (24% to 28%), and among education (17%) and health (10%) sectors remains low.

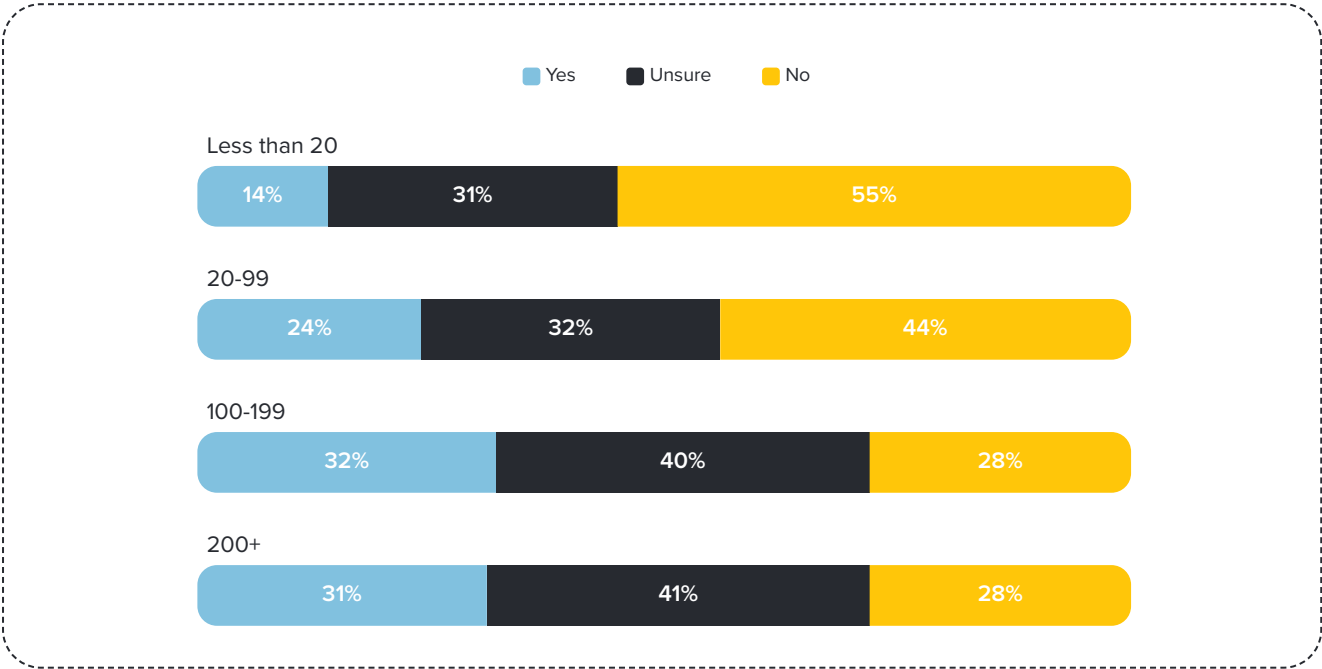
Manufacturing (38%) and construction (30%) companies are much more likely to buy renewable energy than health (19%) or education (13%) organisations.

Q: Does your employer have a policy or plan to reduce greenhouse gas emissions, become carbon neutral or reach net zero emissions?

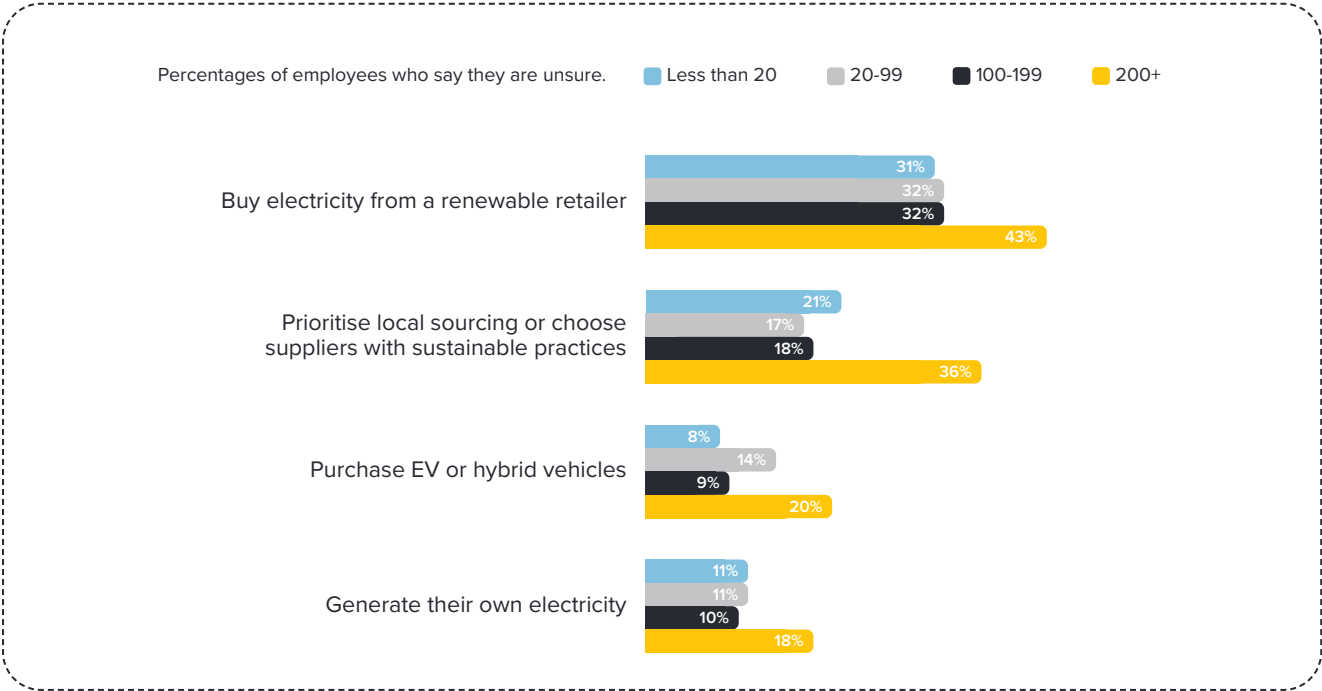


3. Big companies are more likely to have a climate action plan, but their staff know less about what action their employer is taking than those at smaller businesses do.

Q: Does your employer have a policy or plan to reduce greenhouse gas emissions, become carbon neutral or reach net zero emissions?

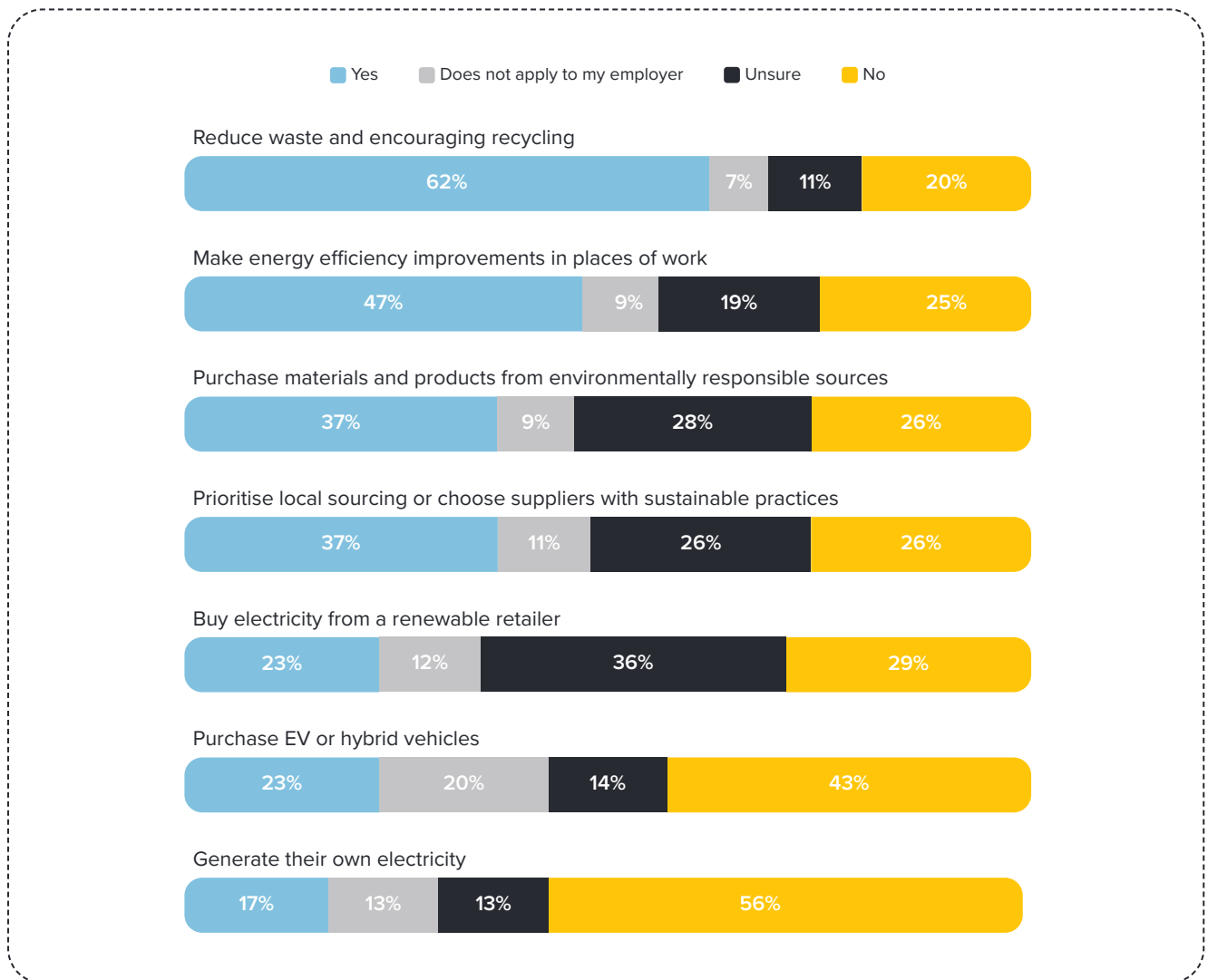


Q: Does your employer undertake any of the following emissions reduction activities?



- 4. 1-in-4 (23%) workers know their employer is buying renewable energy or are using electric and hybrid vehicles. Reducing waste (62%) and operating more sustainably through its purchasing policy are the main ways businesses and organisations are taking climate action.

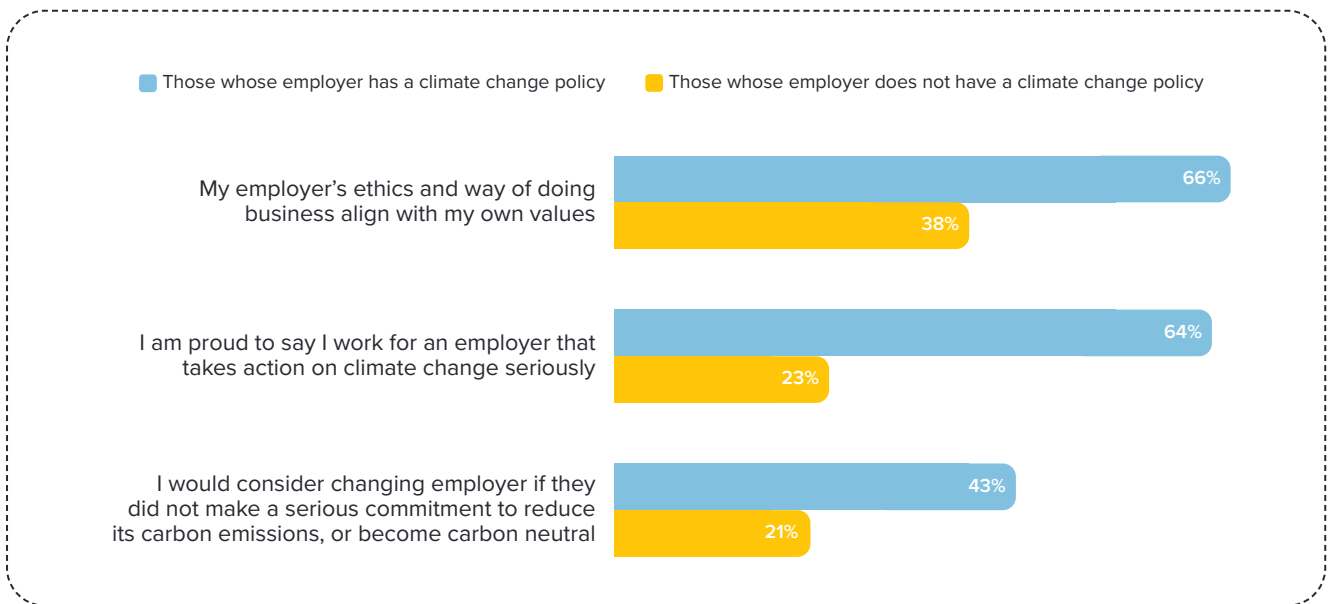
Q: Does your employer undertake any of the following emissions reduction activities?



5. Having a climate policy builds a positive connection between employer and employees.

- 66% of people working at a company that has a climate action plan say their employer’s ethics matches their own.
- 64% agree that they are proud to work for an employer who takes climate change seriously.
- 43% would consider changing employer if they did not make a serious commitment to climate action.
- 77% of people working at companies with a climate action plan credit their employer as being genuine about reducing emissions.

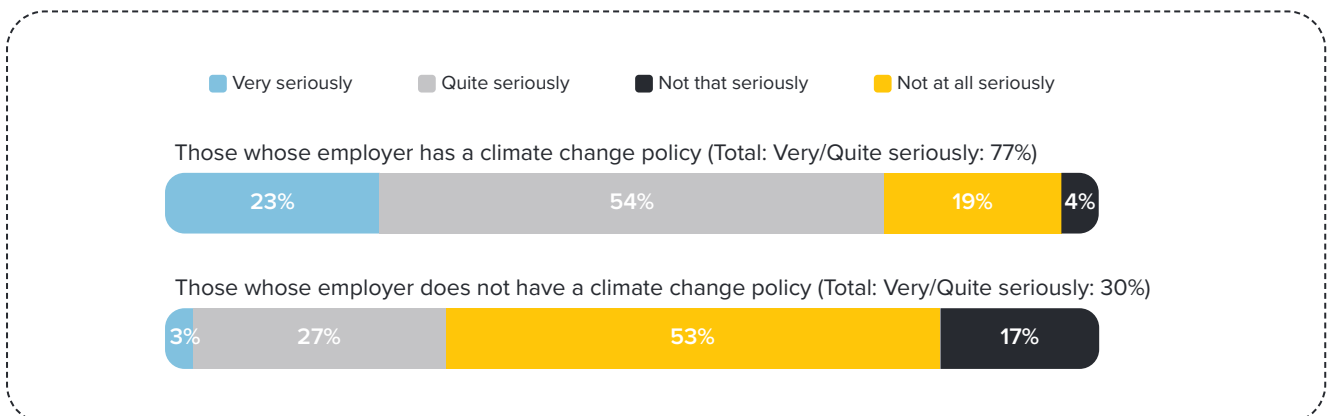
Q: To what extent do you agree or disagree with the following statements about your employer?



6. Among companies who say their employer does NOT take climate change seriously:

- Only 38% say their employer’s ethics align with their own.
- 21% would consider changing employer if they did not make a serious commitment to climate action.
- Only 23% say they are proud of their employer’s position on climate action.
- 70% of people working at companies with no climate action plan say their employers are not taking climate change seriously.

Q: How seriously do you think your employer takes its commitments outlined in their carbon neutrality or net-zero emissions policy/plan?



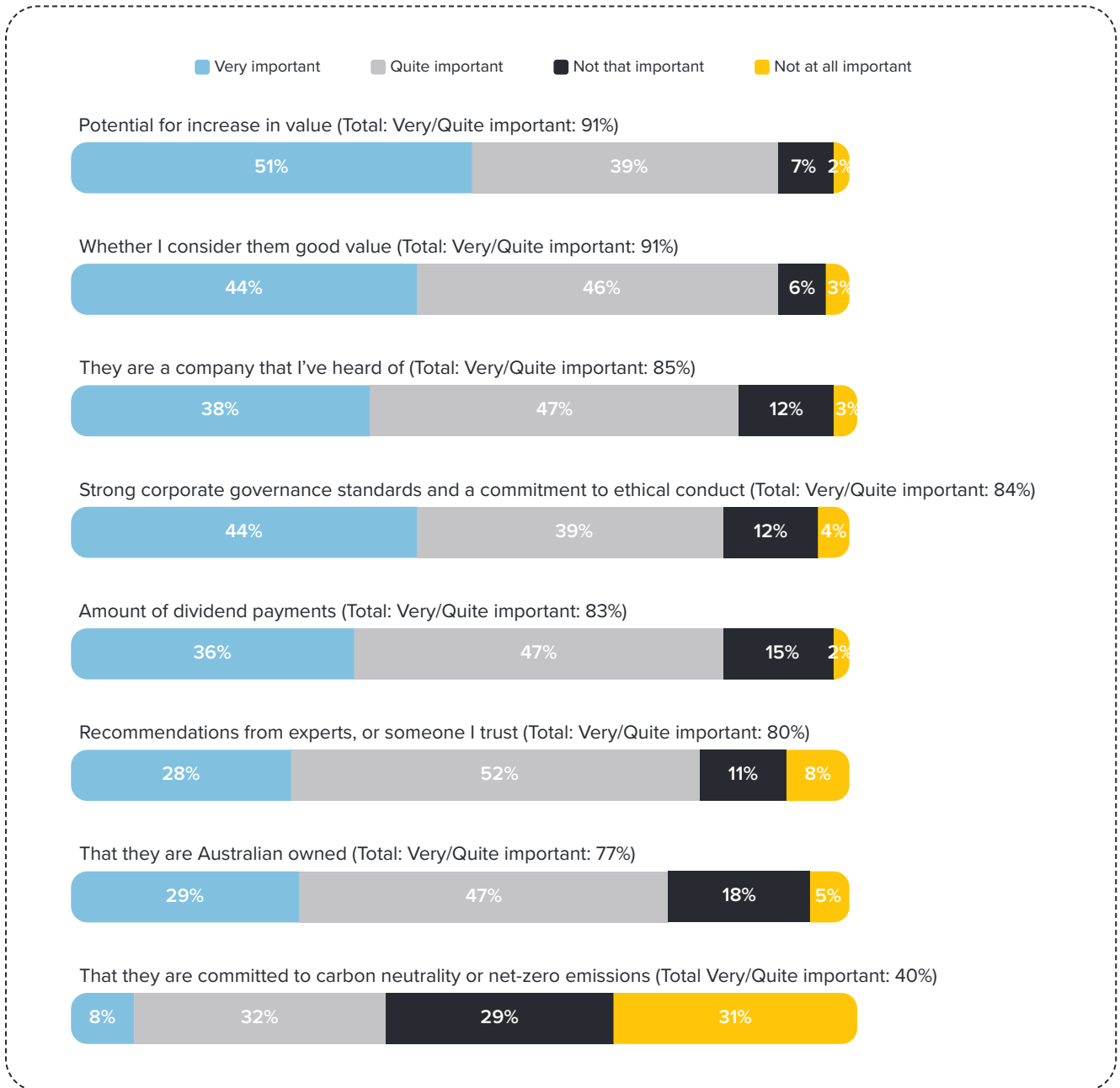
7. Working for a company with a climate action plan is a source of pride for a third (36%) of all workers, and companies committed to emissions reduction are building staff loyalty and retention by aligning with their staff's values (44% align with their employer's ethics).

Q: To what extent do you agree or disagree with the following statements about your employer?



8. Among the three-quarters of workers who are actively investing in Australian businesses, 40% believe a commitment to emissions reduction influences their decision to invest, while a company’s demonstrated commitment to ESG (Environment, Social and Governance) is important to 85% of investors.

Q: As an investor, how important to you are the following factors when you decide which companies in which to invest?



This is Transition:

A ZEN research project to support a successful energy transition for all.

ZEN has commissioned quarterly, national qualitative and quantitative public opinion research in 2024/2025, conducted by highly regarded research firm, Essential Research.

As Australia's first 1.5°C energy retailer, we continue to stay across key issues impacting Australia's energy transition, by asking Australians and sharing our findings with them.

Each quarter's research focuses on a topical theme for the energy transition to enable a deeper exploration of people's opinions and motivations behind the issues and concerns raised only at the surface level in other opinion research.

We use the results to continually refine and enhance how we engage with our key stakeholders as we accelerate Australia's journey to becoming a renewable energy superpower.

ZEN is a disruptive energy retailer with a business model built around the idea that Australia can be a renewable energy superpower.

We champion a sustainability-driven ecosystem of customers, investors, and partners to propel the country towards net zero by or before 2050.

A successful transition to powering the nation with clean, renewable energy depends on all Australians understanding and supporting what's required and how to get there.

Transition means a lot of change. Change to how the whole industry is structured. Change to the participants in the energy industry. Change to how we build partnerships. Change to how we transact and trade. Change to the people we need. Change to the skills we need. Change to the leaders of the industry. Organisations exiting, new ones disrupting. Change to where we build. Change to who we build with. And change requires insight and engagement.

Methodology

ZEN and Essential Research review current news, industry, and political discourse on the energy transition to agree on a theme for each quarter and then add questions to Essential's weekly national opinion poll of 1,141+ Australians.

Raw results are then post-weighted to reflect current ABS (Australian Bureau of Statistics) demographic data and provide a reliable view of public opinion to within + or - 3% (ISO standard deviation). Issues of interest emerging from polling are then further explored in online focus groups to understand the reasons behind opinion, including the values systems influencing decision-making and the positions people take about the energy transition.

We acknowledge the Traditional Custodians of the land, waters and knowledge for the places where we gather to collaborate and strengthen communities. In our work, we recognise the importance of Country – not just as a place, but how it also maintains community, family, kin, lore and language. We pay our respects to Elders past, present and emerging.



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