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## ASX statement

**20 October 2011**

AGL Energy Limited (AGL) is holding its 2011 Annual General Meeting (AGM) in Melbourne on 27 October 2011.

Item 5 of the business of the AGM includes consideration of a motion to approve the payment of certain benefits to AGL's Managing Director, Michael Fraser, in connection with a cessation of his employment with AGL.

Some institutional investors and proxy advisers have raised concerns about Mr Fraser's entitlement to be paid a pro rata amount of up to one-half of his maximum short term incentive opportunity if his appointment were to be terminated for unsatisfactory performance. This arrangement was put in place at the time of his appointment as Managing Director in October 2007.

In light of the concerns that have been raised, Mr Fraser has informed AGL that he will not assert his entitlement to any payment of short term incentive if his appointment is terminated for unsatisfactory performance.



**Paul McWilliams**

Company Secretary

### **About AGL**

AGL is one of Australia's leading integrated renewable energy company and is taking action toward creating a sustainable energy future for our investors, communities and customers. Drawing on over 170 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has one of Australia's largest retail energy and dual fuel customer bases. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. AGL is Australia's largest private owner and operator of renewable energy assets and is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.

