



ASX & Media Release

AGL Board appoints Andrew Vesey as new CEO

18 November 2014

AGL Energy Limited (AGL) Chairman, Jeremy Maycock, today announced that Andrew Vesey will take over as Managing Director and CEO when Michael Fraser steps down next year. Mr Vesey's appointment follows an extensive six month global search and selection process.

Mr Vesey has more than 30 years' experience in the energy sector, including strategic and commercial leadership of large energy organisations. He has deep experience in working in complex regulatory and political environments.

He will join AGL after leaving his role as Executive Vice President and Chief Operating Officer of The AES Corporation (NYSE: AES), a global power generation utility company with businesses in 20 countries.

His skills and experience extend across the energy supply chain, including power development, generation, distribution and retail businesses. He is very well credentialled to successfully manage AGL's diverse portfolio of assets and vertically integrated business, said Mr Maycock. His role at AES included chairing wholly owned subsidiary Daytona Power and Light, which operates competitive electricity retail businesses in Ohio and Illinois.

"Mr Vesey brings a strong understanding of generation technologies and operational excellence programs in a wide variety of generation types, including coal, gas, hydro, solar and wind. He also has experience in research, development and commercialisation of new technologies that are likely to shape the future of electricity markets. His experience in creating value in energy companies with evolving business models will be an advantage to AGL," said Mr Maycock.

Mr Vesey will join AGL on 12 January 2015. Michael Fraser will step down on 11 February 2015 following the FY15 half year results announcement, after which time Mr Vesey will officially take over leadership of the Company.

Attached are details of Mr Vesey's remuneration and other key aspects of his service agreement together with a brief career biography.

Further inquiries:

Investors

John Hobson, Head of Capital Markets
Direct: +61 2 9921 2789
Mobile: +61 (0) 488 002 460
email: john.hobson@agl.com.au

Media

Karen Winsbury, Head of Corporate Communications
Direct: +61 3 8633 6388
Mobile: +61 (0) 408 465 479
e-mail: kwinsbury@agl.com.au



About AGL

AGL is one of Australia's leading integrated energy companies and largest ASX listed owner, operator and developer of renewable energy generation in the country. Drawing on over 175 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 taking action toward creating a sustainable energy future for our investors, communities and customers.



18 November 2014

AGL ENERGY LIMITED (AGL)

APPOINTMENT OF CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Name	Andrew Vesey	
Position	Chief Executive Officer and Managing Director	
Commencement Date as CEO and MD	12 February 2015 (commences as CEO and MD designate from 12 January 2015)	
Fixed Remuneration	AUD\$1,900,000 per annum inclusive of superannuation contributions Subject to annual review	
Expenses	Reasonable relocation and repatriation expenses associated with move from United States to Australia	
Benefit in partial recognition of incentives foregone	Allocation of 73,000 AGL shares to be retained whilst employed by AGL plus an amount of AUD\$1m to cover any US or Australian tax costs arising as a result of the award of AGL shares	
Variable Remuneration	<p>Short term incentive: Up to 120% of Fixed Remuneration payable: 50% in cash each year 50% deferred for 12 months, paid in AGL shares</p>	<p>Long term incentive: Target of 120% of Fixed Remuneration, payable in share performance rights Performance testing and vesting in accordance with AGL LTI Plan</p>
Notice period	<p>12 months by AGL. 6 months by Executive, or 3 months in the event of "fundamental change" ie material diminution in duties, status or responsibilities or change in position or in reporting line to Chair Nil in the case of serious misconduct or material breach.</p>	
Post-employment restraint	12 months	



Andrew M Vesey

Biography

Andrew Vesey, 59, most recently served as Chief Operating Officer and Executive Vice President at The AES Corporation where he led the company's Global Operations portfolio in 20 countries since November 2012.

Mr Vesey has over 30 years of experience in the electric and gas utility industry. His broad experience covers generation, transmission, distribution, customer service, retail sales, corporate support functions, international project development, business start-up, product development assignments, change management and process re-engineering. Mr Vesey also led initiatives within AES to enable best-in-class performance at all assets, supporting development activities including the integration of new acquisitions, the validation of new network-based technologies and the global regulatory function. He also has significant experience with labour relations and collective bargaining.

Mr Vesey has held several executive leadership positions at AES including, Chief Operating Officer, Global Utilities leading AES businesses in 10 countries; Executive Vice President and President for Latin America and Africa; Chief Operating Officer for Latin America; Vice President and Group Manager for AES Latin America; and Vice President of the AES Global Business Transformation.

He joined AES in 2004 from FTI Consulting Inc., where he was a Managing Director of the Utility Finance and Regulatory Advisory Practice. Prior to that, Mr Vesey was a Partner in the Energy, Chemicals and Utilities Practice of Ernst & Young LLP, CEO and Managing Director of Citipower Pty Ltd (Melbourne), and served in several senior leadership roles at Entergy and Niagara Mohawk Power Corporation.

Mr Vesey is the co-author of *Unlocking the Benefits of Restructuring: A Blueprint for Transmission*, published by PUR Inc. and a contributing author to *The Virtual Utility: Accounting, Technology & Competitive Aspects of the Emerging Industry*, published by Kluwer Academic Publishers. He has spoken widely about electric utility restructuring, transmission and the role of new technology.

Mr Vesey received his BA in Economics and BS in Mechanical Engineering from Union College in Schenectady, New York, and his MS from New York University.