



ASX & Media Release

Appendix 4G and 2022 Corporate Governance Statement

19 August 2022

Attached is the Appendix 4G and 2022 Corporate Governance Statement for AGL Energy Limited.

Authorised for release by AGL's Board of Directors.

Investor enquiries

James Thompson
Head of Investor Relations
M: +61 403 183 163
E: jthompson5@agl.com.au

Media enquiries

Brett Cox
Head of Media Relations
M: +61 498 074 613
E: media@agl.com.au

About AGL Energy

Proudly Australian for 185 years, AGL supplies around 4.2 million¹ energy and telecommunications customer services. We're committed to becoming a leading multi-product retailer, making energy and other essential services simple, fair and transparent. AGL operates Australia's largest private electricity generation portfolio within the National Electricity Market, comprising coal and gas-fired generation, renewable energy sources such as wind, hydro and solar, batteries and other firming technology, and gas production and storage assets. We are building on our history as Australia's leading private investor in renewable energy to now lead the business of transition to a low emissions, affordable and smart energy future in line with the goals of our Climate Statement. We have a passionate belief in progress and a relentless determination to make things better for our communities, customers, the Australian economy and our planet.

For more information visit agl.com.au

¹ Services to customers number is as at 30 June 2022 and excludes approximately 300,000 services to customers of ActewAGL.

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

AGL Energy Limited

ABN/ARBN

74 115 061 375

Financial year ended:

30 June 2022

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website: [Corporate Governance | AGL](#)

The Corporate Governance Statement is accurate and up to date as at 19 August 2022 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 19 August 2022

Name of authorised officer authorising lodgement: Melinda Hunter, Company Secretary

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ and we have disclosed a copy of our board charter on AGL's website .	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “insert location” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate governance/charters/”).

⁵ If you have followed all of the Council’s recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☒ and we have disclosed a copy of our diversity policy at: AGL's website. and we have disclosed the information referred to in paragraph (c) in our Corporate Governance Statement, at pages 12-14. and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement, on pages 8 and 10.	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement, at page 11 and in our Remuneration Report, at pages 59-81 in AGL's 2022 Annual Report.	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ and we have disclosed a copy of the charter of the committee on AGL's website. and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement, pages 8-9 "Board Committees" and in AGL's 2022 Annual Report on page 57, which is available on AGL's website.	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ and we have disclosed our board skills matrix in our Corporate Governance Statement, on pages 5-6.	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ and we have disclosed the names of the directors considered by the board to be independent directors in our Corporate Governance Statement and AGL's 2022 Annual Report on page 56, which is available on AGL's website. and we have disclosed the length of service of each director in AGL's 2022 Annual Report on pages 54-55, which is available on AGL's website.	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
2.4	A majority of the board of a listed entity should be independent directors.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ and we have disclosed our values in our Corporate Governance Statement at page 2 and also on AGL's website .	☐ set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ and we have disclosed our code of conduct on AGL's website .	☐ set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ and we have disclosed our whistleblower policy on AGL's website	☐ set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ and we have disclosed our anti-bribery and corruption policy on AGL's website .	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ and we have disclosed a copy of the charter of the committee on AGL's website. and the information referred to in paragraphs (4) and (5) in AGL's 2022 Annual Report on pages 54-55 and 57, which is available on AGL's website.	☐ set out in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒	☐ set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ and we have disclosed our continuous disclosure compliance policy (entitled AGL Market Disclosure Policy) on AGL's website .	☐ set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒	☐ set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	☒	☐ set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ and we have disclosed information about us and our governance on our website .	☐ set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒	☐ set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders in our Corporate Governance Statement ('Shareholder Engagement') on page 19.	☐ set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒	☐ set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ and we have disclosed a copy of the charter of the committee on AGL's website. and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement, on page 8 "Board Committees" and in AGL's 2022 Annual Report on page 56, which is available on AGL's website.	☐ set out in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in our Corporate Governance Statement, on page 15.	☐ set out in our Corporate Governance Statement
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ and we have disclosed how our internal audit function is structured and what role it performs in our Corporate Governance Statement, on page 16.	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks in AGL's 2022 Annual Report on pages 12-15, and how we manage or intend to manage those risks on pages 8-50 AGL's 2022 Annual Report is available on AGL's website .	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ and we have disclosed a copy of the charter of the committee at: AGL's website. and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement, on page 9 "Board Committees" and in AGL's 2022 Annual Report on page 56, which is available on AGL's website.	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in AGL's 2022 Annual Report (Remuneration Report), which is available on AGL's website, on pages 59-81	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ and we have disclosed our policy on this issue or a summary of it: - in our Corporate Governance Statement, page 18 "Dealings in AGL Shares"; and - AGL's Securities Dealing Policy, which is available on AGL's website.	☐ set out in our Corporate Governance Statement OR ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	Not applicable	☐ set out in our Corporate Governance Statement OR ☐ we do not have a director in this position and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	Not applicable	☐ set out in our Corporate Governance Statement OR ☐ we are established in Australia and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Not applicable	☐ set out in our Corporate Governance Statement OR ☐ we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	Not applicable	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	Not applicable	☐ set out in our Corporate Governance Statement

Corporate Governance Statement 2022



Progress for life

Contents

Corporate Governance Statement	1
Corporate Governance Framework	1
AGL's Purpose and Values	2
AGL's Board	3
Board Committees	8
AGL's Executive Team	11
Diversity and Inclusion	12
Risk Management Framework and Financial Reporting	15
AGL's Key Corporate Governance Policies	18
Shareholder Engagement	19

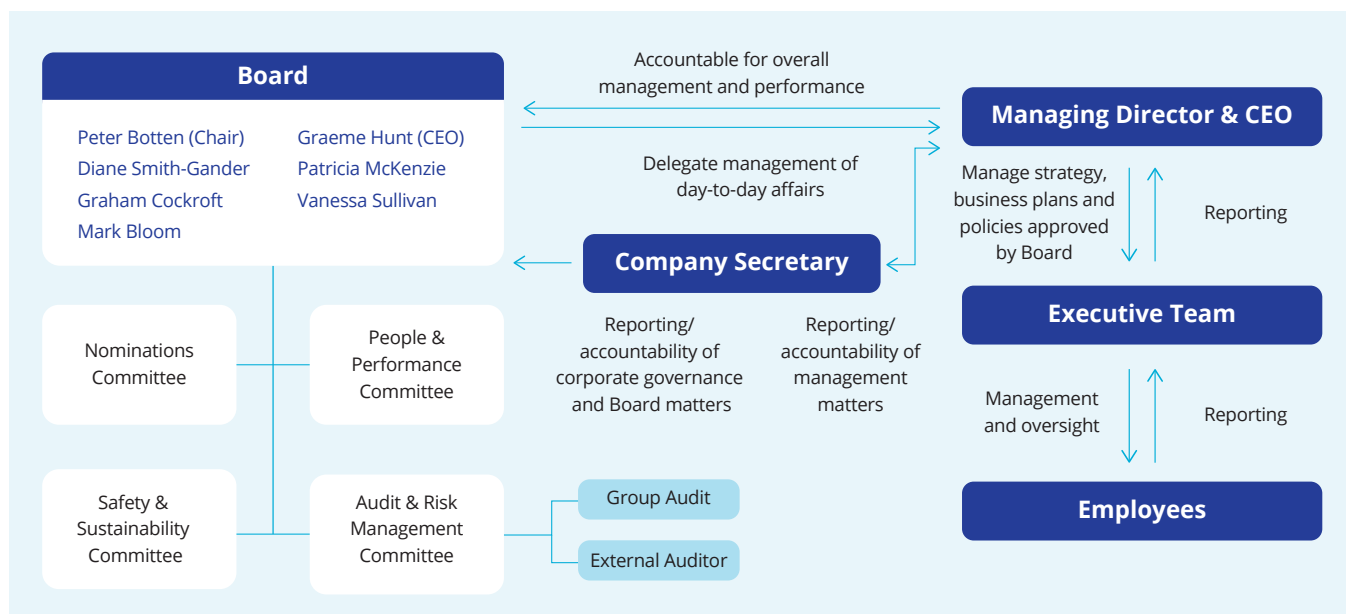
Corporate Governance Framework

This corporate governance statement describes AGL's corporate governance framework, policies and practices. This statement has been approved by the Board and is current as at 19 August 2022.

Throughout FY22, AGL's corporate governance arrangements were consistent with the fourth edition of the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council (ASX Principles). Our Appendix 4G, which is a checklist cross referencing the ASX Principles to the relevant disclosures in this Corporate Governance Statement, the 2022 Annual Report and the AGL website, has been lodged with the ASX.

AGL is committed to ensuring that its corporate governance framework, policies and practices reflect a high standard of corporate governance. Delivering on this commitment requires AGL to have a sound understanding of current governance requirements and practices, as well as being attuned to emerging governance trends and shifting stakeholder expectations. The AGL Board believes that best practice corporate governance standards support sustainable performance by AGL over time.

AGL's governance framework is summarised below.



AGL has adopted a number of corporate governance policies and documents. The corporate governance policies and documents referred to in this Corporate Governance Statement are published on the AGL [website](#).

AGL's Purpose and Values

AGL's Purpose

AGL's Purpose - Progress for life (as depicted below) - recognises our proud history of delivering innovative outcomes for customers, as well as how we are continuing to evolve how Australian's produce, share and consume energy.

To us, progress means helping customers achieve better ways of living day-to-day by enabling them to take greater control over their energy and other essential services. It also means investing in new ideas, partnerships and infrastructure - renewing and expanding our portfolio of energy sources and other products to make them more sustainable, reliable, affordable and useful.

At an enterprise level, AGL's Purpose provides AGL and its Directors, employees and contractors with the foundations for actions and, together with AGL's Values, guides AGL's thinking and decision-making. Further information about AGL's Purpose can be found on AGL's [website](#).

AGL's Values

AGL's five core Values are: Care in every action, Integrity always, Better together, Deliver your best and Shape tomorrow. They are disclosed on AGL's [website](#) and depicted below.

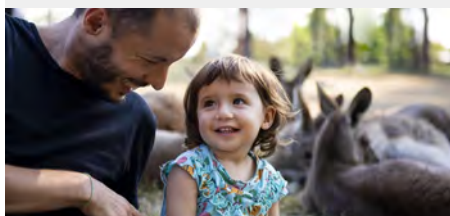
These Values underpin AGL's operations and the Board and senior management are guided by these core Values when making decisions for AGL, including in relation to its corporate governance policies and practices.

The Executive Team is responsible for instilling AGL's Values across AGL and continually references and reinforces those Values with staff, including through Values campaigns.

Senior management oversees the provision of training to employees about AGL's Values. The Board engages with senior management regularly to ensure that AGL's core Values align with the "lived experience" of the business. The Board recognises the need for continuous improvement in this area and looks for new ways to build its understanding of how AGL's Values are lived in practice (including culture diagnostics and more detailed reporting on employee, customer and stakeholder feedback).

Our Purpose is centered on **Progress for life**

At AGL we have a passionate belief in progress – technological and human – and a relentless determination to make things better for you, our communities, the Australian economy, and our planet.



Care in every action

Physical and psychological safety first
Responsible and sustainable in all our actions
Always considering our environment
Putting yourself in other people's shoes



Integrity always

Doing the right thing
Being open and accountable
Having courageous conversations
Keeping our promise



Better together

Breaking down silos
Being respectful and inclusive of all
Seeking out diverse perspectives
Building collaborative partnerships



Deliver your best

Going the extra mile for our customers
Constantly looking to improve
Staying resilient when setbacks happen
Making excellence part of every day



Shape tomorrow

Having courage to explore new possibilities
Embracing opportunities to grow
Approaching challenges with a can-do attitude
Keeping the future in focus

AGL's Board

As at 19 August 2022, AGL's Board comprised six non-executive Directors and AGL's Managing Director and Chief Executive Officer (CEO), Graeme Hunt. An overview of the qualifications, appointment date, experience and special responsibilities of each Director is set out on pages 54 to 57 of the 2022 Annual Report.

Roles and Responsibilities of the Board

The Board is responsible for the governance of AGL. The role of the Board is to safeguard AGL's interests and to protect and foster sustainable value creation while taking into account the reasonable interests of shareholders, employees, customers, the communities in which AGL operates and other relevant stakeholders.

The Board reviews and approves AGL's strategic direction and provides oversight of management. Additionally, the Board is responsible for guiding AGL's company culture by establishing the "tone from the top" and by monitoring the implementation of, and broader adherence to, AGL's core Values, policies and related processes. This includes monitoring AGL's approach to the management of both financial and non-financial risks, such as its exposure to environmental risks, safety risks, potential damage to AGL's reputation and the interests of broader stakeholders.

Responsibilities specifically reserved to the Board are set out in a formal Board **Charter**, which the Board reviews at least every two years. The Board Charter was last reviewed in 2022. Key aspects of the Board's roles and responsibilities, and how they were relevant during FY22, are set out in the table below.

Area of responsibility	Board's role	Relevance during FY22
Strategy	Reviewing and approving AGL's strategic direction, its business plan and budget, and significant strategic initiatives and plans.	During FY22, the key focus for the Board in relation to strategy was oversight of AGL's proposed demerger, which involved a significant planning process. Ultimately the Board made the decision to withdraw the demerger proposal on 30 May 2022 and a review of AGL's strategic direction was announced, with a focus on four key areas - reviewing existing strategies, decarbonisation objectives, optimal energy mix and capital structure. Other matters related to AGL's strategic direction that were overseen by the Board in FY22 include: - consideration and rejection of two unsolicited non-binding indicative proposals from a consortium led by Brookfield Asset Management Inc and Grok Ventures to acquire 100% of the shares in AGL Energy. These proposals were rejected because the Board considered they materially undervalued AGL on a change in control basis and were not in the best interests of AGL's shareholders; and - oversight of AGL's strategy to transition AGL's existing thermal generation sites to low-carbon industrial energy hubs, including approval of AGL's entry into an agreement with Global Infrastructure Partners to jointly fund \$2bn to establish the Energy Transition Investment Partnership.
Governance, oversight of management and Board membership	Approving changes to the composition, structure and size of the Board and approving succession plans for other key management roles.	Board renewal and succession planning for management was a key focus of the Board during FY22. In particular, the Board: - appointed Graham Cockcroft, who has a strong financial background and extensive experience in the energy sector, as a non-executive director to the Board on 1 January 2022; - appointed Vanessa Sullivan, who has significant experience in climate change risk, ESG governance and low emissions industry transition, as a non-executive director to the Board on 1 March 2022; - approved the appointment of new Executive Team members - Jo Egan (Chief Customer Officer), Amanda Lee (Chief People Officer) and Melinda Hunter (General Counsel & Company Secretary); and - undertook Board renewal planning (see page 7 for more details).
Customers	Approving and monitoring the implementation of policies governing AGL's relationship with customers.	The Board had significant oversight of AGL's relationship with customers during FY22, including: - monitoring AGL's customer strategy, including the continued implementation of the Customer First Program which has delivered a series of improvements for customers (such as a case management model for customer complaints, high bill comparison data for more value-add conversations with customers and complaint management system enhancements); and - approving opportunities to grow AGL's business, including the acquisition of Energy 360 and entry into a partnership with Honey Insurance to provide AGL's customers with home and contents insurance.

AGL's Board (continued)

Area of responsibility	Board's role	Relevance during FY22
Finance, operations and capital management	Oversight of financial and operating results on an ongoing basis and approving decisions affecting AGL's capital structure.	During FY22, the Board: - considered and approved the operation of an underwritten dividend reinvestment plan in respect of the FY21 full year dividend and FY22 half year dividend; - provided significant oversight of AGL's financing arrangements; - monitored AGL's operating performance, including unplanned outages, such as the Loy Yang Unit 2 Generator Fault, and the steps taken to mitigate the impacts of outages; and - monitored AGL's financial results on an ongoing basis, including close oversight of financial performance against FY22 guidance, particularly during a time of unprecedented energy market volatility.
Social, ethical and environmental impact of AGL's activities and risk management and compliance	Considering the social, ethical and environmental impact of AGL's activities, overseeing the system for managing compliance with AGL's sustainability policies and practices, approving and monitoring AGL's risk management framework and Risk Appetite Statement and monitoring the effectiveness of AGL's systems of internal compliance, risk management and control, and systems of legal compliance that govern AGL's operations.	During FY22, the Board: - received regular updates on the progress of AGL's Social Licence Program; - developed and approved new Climate Commitments, which were announced in February 2022; - launched and progressed AGL's first Reconciliation Action Plan; - approved the risk management framework, revised Risk Appetite Statement and updated Tier 1 Risks; and - reviewed the effectiveness of a number of AGL group policies and approved various amendments to those policies.
Ethical and responsible decision-making	Promoting ethical and responsible decision-making.	During FY22 the Board: - continued to oversee and monitor AGL's response to the COVID-19 pandemic. This included receiving regular updates from management on areas that covered impacts on AGL's people, customers, operations, finance and other key stakeholders; - approved AGL's second Modern Slavery Statement; and - monitored the effectiveness of AGL's ethics and whistleblower programs.

Responsibilities of the Chair

Under AGL's **Constitution**, the Board elects a Chair from amongst the non-executive Directors. This means that the roles of the Chair and the CEO are not exercised by the same individual. It is also a requirement of AGL's Board **Charter** that the Chair be independent.

The Chair presides over AGL's Board meetings and shareholder meetings. Some of the key responsibilities of the Chair include:

- leading the Board in reviewing and discussing Board matters;
- facilitating effective contributions by all Directors and monitoring Board performance;
- reviewing corporate governance matters with the Company Secretary and reporting on those matters to the Board; and
- maintaining a regular dialogue with the CEO, and being the principal communication channel between the Board and management.

Our Chair is Peter Botten. The Board is satisfied that Peter Botten is, and has been throughout the financial year, an independent Director.

Board Meetings

The Board met 29 times during the financial year. Directors' attendances are set out on page 57 of the 2022 Annual Report. The Board held 11 regular scheduled meetings throughout FY22, and 18 additional meetings (primarily in connection with the demerger process and the subsequent review of strategic direction).

In addition to the Board considering strategic matters at each Board meeting, during FY22 the Board held a separate session to discuss AGL's strategy.

It is usual for the non-executive Directors to confer, without management being present, at the start of each scheduled Board meeting. Otherwise, the Executive Team is invited to participate in Board meetings as required.

Independence

The Board regularly assesses the independence of each Director and has determined that each non-executive Director is, and was throughout the entirety of the financial year, independent. As the CEO is an executive, he is not considered to be independent. Graeme Hunt is the CEO of AGL. In accordance with the ASX Principles, the Board has determined that Graeme Hunt's executive role at AGL means that he is not considered to be an independent director.

AGL's Board (continued)

AGL considers a Director to be independent if the Director is independent of management and is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of AGL as a whole rather than in the interests of an individual shareholder or other party.

When assessing the independence of a Director, the Board considers the matters potentially affecting the independence status of a Director as described in Box 2.3 of the ASX Principles. Materiality is assessed on a case by case basis by reference to each Director's individual circumstances rather than by applying general materiality thresholds. As at the date of this statement and throughout the year, there were no relationships or associations of the kind referred to in Box 2.3 of the ASX Principles in relation to AGL's non-executive Directors.

Board Composition

Skills and capabilities

AGL seeks to maintain a Board with a broad range of skills, knowledge and experience necessary to provide effective oversight over management and guide the strategic direction of the company. The Board uses a skills matrix to identify the key skills and experience the AGL Board is seeking to achieve in its membership. The skills matrix is updated regularly by each Director rating their skills, expertise and experience from 1 to 3 for each identified skill. The self-assessment ratings are subsequently considered and approved by the Board. The skills matrix as at 19 August 2022 is set out in the table below.

In conducting the assessment, Board members were assessed using the following skills rating levels:

Significant Experience – regarded to have expert or highly qualified proficiency, knowledge and experience in the subject matter or domain and has been seen to contribute these skills in board and committee conversations and critical thinking.

Developed Understanding – developed a sound working knowledge and understanding of the subject matter through either past executive or management roles, extensive on-the-job application of skills in board and committee activities and/or through training and professional development activities.

General Familiarity – possesses an awareness and base literacy around the subject/topic and its relevance to the organisation and the Board.

Individual Board member assessments were aggregated to inform an assessment of the overall level of capability represented across the Board in each of the identified priority areas.

In the ten identified areas, the Board as a whole was rated either as having Significant Experience or Developed Understanding.

AGL's Board (continued)

Skills, experience & knowledge	Key Competencies	Competency Level
Operations	- Project governance and management - Industrial and large asset operations management - Operational efficiency and optimisation - Safety - Wholesale customer strategies	 General Developed Significant
Customer Markets	- Experience with large customer base - Retail customer experience - Product innovation and multi-product packaging - Customer-led transformation initiatives - Responsive to new market entrants and disruption - B2B marketing	 General Developed Significant
Stakeholder Management and Communications	- Effective Government relationships - Championing NEM transition - Advocate to stakeholders of role in transition, particularly ESG focused stakeholders - Investor Relations	 General Developed Significant
Entrepreneurship, Commercial Leadership and Growth	- Commercial development and planning of sites - Responsive to changing market conditions - Entrepreneurship to develop new opportunities - Capitalise on growth opportunities, including M&A	 General Developed Significant
Industrial Relations	- Large workforce management - Transitioning workforce - Highly unionised workforce	 General Developed Significant
Energy Markets	- Renewables and development - Fuel sourcing - Trading - Effective management of "long" energy position - Effective gas strategy in a supply constrained market - Decentralised energy and orchestration	 General Developed Significant
Technology	- Technology and digital enablement - New and emerging technologies - Development of customer solutions - Capitalise on existing technology investments and pursuit of further optimal investments	 General Developed Significant
Financial/ Capital Markets	- Funding and credit sourcing in ESG constrained environment - Financial governance (audit and controls) - Accounting, financial reporting and capital management	 General Developed Significant
Environmental	- Rehabilitation and transition experience - Effective environment management - Climate change risk management - ESG experience	 General Developed Significant
Governance	- Effective risk management - Compliance management - ASX listed experience	 General Developed Significant

The skills matrix will be used to guide the identification of potential director candidates as part of the Board renewal process.

AGL's Board (continued)

Board renewal

For most of FY22, the Board's focus was on planning for the proposed demerger of AGL Australia from Accel Energy, and the creation of two strong boards to lead those entities. However, given the decision to withdraw the demerger proposal, the focus of Board renewal has shifted to creating a fit for purpose Board for AGL for the next phase of its strategy.

As previously announced on 30 May 2022, the following steps will be taken as part of an orderly Board renewal process:

- Chair Peter Botten will resign from the Board upon the appointment of a replacement independent Chair.
- Graeme Hunt will step down as CEO once a new CEO is appointed.
- Diane Smith-Gander will resign as a non-executive director at the conclusion of the 2022 Annual General Meeting (**AGM**). It was originally intended that Diane Smith-Gander would resign from the Board following the release of AGL's FY22 full-year results on 19 August 2022, however, given Diane's role as Chair of the People & Performance Committee, the Board considered it was important that Diane continue to act in this capacity until the AGM, including to oversee the delivery of the Remuneration Report.

The above changes are in addition to Jacqueline Hey stepping down as a non-executive director on 30 May 2022.

Given the retirements referred to above and the review of AGL's strategic direction, the Board has identified the following skills and experiences that will be prioritised as part of the Board renewal process:

- Chair and ASX listed experience;
- People and remuneration expertise;
- Operations, project management and transition skills;
- CEO and senior management experience;
- Energy, including transition, renewables and new energy skills and experience; and
- Customer and emerging technologies expertise.

Nominations and Appointment

The Nominations Committee oversees matters related to the composition of the Board, including arrangements for the selection and appointment of new Directors. When considering the appointment of a new Director, the Nominations Committee typically engages the services of an executive recruitment firm to assist in identifying suitable candidates to be shortlisted for consideration for appointment to the Board and to carry out appropriate reference checks (including due-diligence of a person's character, experience, education, criminal record and bankruptcy history) before the Board makes an offer to a preferred candidate.

Newly appointed Directors must stand for election at the next AGM. The Notice of Meeting for the AGM provides shareholders with material information about each Director standing for election or re-election, including details of their relevant skills, independence, experience, other directorships and whether the Board supports the election or re-election of the Director. Directors seeking election and re-election are also given the opportunity to address the AGM and to answer questions from shareholders at the AGM.

New Directors receive a formal letter of appointment that sets out his or her duties, responsibilities, rights and remuneration entitlements, together with an induction pack.

The above recruitment processes were followed in relation to the appointment of Graham Cockroft and Vanessa Sullivan, who were appointed as non-executive directors to the Board on 1 January 2022 and 1 March 2022 respectively.

Board Effectiveness

Building director capability

The formal letter of appointment and induction pack provided to a newly appointed Director contains detailed information to allow the new Director to gain an understanding of:

- AGL, its operations and governance systems;
- the rights, duties and responsibilities of Directors;
- the role of each Board Committee;
- the roles and responsibilities of the Executive Team; and
- AGL's financial, strategic, and operational risk management position.

New Directors also undertake an induction program that includes a program of meetings with members of AGL's Executive Team and visits to AGL's main operational sites.

AGL periodically reviews whether there is a need for existing Directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

Board Committees

Directors also undertake a program of ongoing Director education, including presentations on a range of topics generally relevant to AGL's business activities, including compliance training and presentations by external industry and subject matter specialists. This year, Directors were given the opportunity to have discussions with a range of external presenters, including experts on Indigenous Engagement, energy markets and environmental, social and governance (ESG) matters.

Performance and Evaluation

The Board regularly reviews its own performance, the performance of Board Committees and the performance of individual Directors. A formal review of the performance of the Board is also conducted each year. An externally facilitated Board Review was not conducted during FY22 given the proposed demerger and the FY22 Board review was undertaken internally. The Board intends to undertake an externally facilitated Board Review in FY23 following the completion of the Board renewal process.

During FY22, the Board assessed its effectiveness having regard to:

- the responsibilities of the Board set out in the Board Charter; and
- a number of other matters including Board and Committee processes, relationships with management and oversight of strategy.

Overall, the FY22 review concluded that the Board is continuing to function effectively in the discharge of its responsibilities. A number of opportunities were discussed to improve oversight of key areas of the business, including:

- changing the Safety, Customer & Corporate Responsibility Committee to the Safety & Sustainability Committee to allow the full Board to focus on customer issues and for the Committee to have a greater focus on safety, environmental and social issues impacting the business;
- scheduling "fireside chats" with management at each Board meeting to facilitate deep dives on key and emerging issues affecting the business; and
- organising additional Director Education sessions, including site visits and interactions with key stakeholders, so that Directors are well informed on matters impacting the energy industry.

Board Committees

The Board has established four standing Committees as follows:

- Audit & Risk Management Committee (**ARMC**);
- Nominations Committee;
- People & Performance Committee (**P&PC**); and
- Safety & Sustainability Committee (**SSC**) (formerly the Safety, Customer & Corporate Responsibility Committee).

Each standing Committee's roles and responsibilities and membership requirements are set out in its [Charter](#). Details of the number of Committee meetings held and each member's attendance at those meetings are set out on page 57 of the 2022 Annual Report. An overview of the purpose and responsibilities, composition and membership of each standing Committee as at 19 August 2022 is set out in the table below. Each Committee reports to the Board and makes recommendations to the full Board for its consideration as appropriate.

Composition	Membership	Purpose and Responsibilities
Audit & Risk Management Committee (ARMC)		
Comprises at least 3 members, all of whom must be independent non-executive Directors.	Current members	The ARMC assists the Board to fulfil its responsibilities through the effective identification, assessment, monitoring and management of risks and compliance with legal and regulatory requirements. Specifically, the ARMC's primary responsibilities include overseeing: • the integrity of financial reporting; • external audit engagement; • independence and performance of AGL's internal audit function; • risk management controls, policies and procedures; and • policies and procedures for ensuring AGL's compliance with laws and regulations.
Chair must be a member of the Committee who is not Chair of the Board.	Mark Bloom (Chair)	
Committee members must have working familiarity with basic accounting and finance practices with at least one member having financial expertise. Members between them must have sufficient understanding of the industry in which AGL operates.	Patricia McKenzie	
	Graham Cockroft (appointed as a director on 1 January 2022)	
	Former members (during FY22)	
	John Stanhope (Chair) (retired as a director on 22 September 2021)	
	Jacqueline Hey (ceased to be a director on 30 May 2022)	
Nominations Committee		
Comprises all independent non-executive Directors of AGL (unless the Board determines otherwise).	Current members	The Committee's purpose is to review and recommend to the Board matters relating to: • optimal Board composition; • performance evaluation of the Board, its Committees and individual Directors; and
Chair is the Chair of the Board.	Peter Botten (Chair)	
	Diane Smith-Gander	
	Patricia McKenzie	
	Mark Bloom	

Board Committees (continued)

Composition	Membership	Purpose and Responsibilities
	Graham Cockroft (appointed as a director on 1 January 2022) Vanessa Sullivan (appointed as a director on 1 March 2022) Former members (during FY22) John Stanhope (retired as a director on 22 September 2021) Jacqueline Hey (ceased to be a director on 30 May 2022)	• succession planning for the Board.
People & Performance Committee (P&PC)		
Comprises at least 3 members, all of whom must be independent non-executive Directors. Chair must be a member of the Committee who is not Chair of the Board.	Current members Diane Smith-Gander (Chair) Patricia McKenzie Vanessa Sullivan (appointed as a director on 1 March 2022) Graham Cockroft (appointed as a director on 1 January 2022) Former members (during FY22) John Stanhope (retired as a director on 22 September 2021)	The Committee: • makes recommendations to the Board in respect of AGL's remuneration practices and framework to ensure alignment with AGL's core Values, risk appetite and desired company culture; • reviews the performance and remuneration of senior management; • approves AGL's remuneration framework and employment policies, procedures and programs; and • makes recommendations to the Board in relation to Director remuneration, employment-related policies applicable to AGL's senior management, talent management and succession planning for key management roles and measurable diversity objectives.
Safety & Sustainability Committee (SSC)		
Comprises of at least 3 members, all of whom must be independent non-executive Directors. Chair must be a member of the Committee who is not Chair of the Board. There must be at least 1 member from each of P&PC and ARMC to allow for effective coordination and communication between the Committees.	Current members Vanessa Sullivan (Chair) (appointed as a director on 1 March 2022) Diane Smith-Gander Mark Bloom Former members (during FY22) Jacqueline Hey (Chair) (ceased as a director on 30 May 2022)	Review and oversight of the development and implementation of policies and procedures that enable AGL to operate its business safely and sustainably. Assist the Board in monitoring AGL's actions to achieve its objective of being a safe and sustainable organisation.

A summary of the key focus areas for the standing Board Committees during FY22 is set out below:

Board Committees (continued)

Audit & Risk Management Committee	Safety & Sustainability Committee (formerly Safety, Customer & Corporate Responsibility Committee)
• Overseeing the issues, incidents and risks identified by management in Group Audit, compliance and risk reports and ensuring there is clear accountability for, and effective closure of relevant issues. • Overseeing AGL's financial reporting processes, including consideration of AGL's half-year and full-year reports and Task-force on Climate-related Financial Disclosures. • Overseeing AGL's funding and debt strategy. • Reviewing AGL's insurance renewal options and strategy. • Reviewing the effectiveness of AGL's governance and risk management systems and identifying ways to further strengthen governance, accountability and culture within AGL. • AGL's preparedness for peak period operations and reviewing performance of assets during peak periods, including risk controls and lessons learned. • Post-implementation reviews of major projects, including processes to improve the delivery of major projects generally. • Reviewing reports from management on emerging sources of risk and mitigation measures in place to deal with those risks, including in relation to cyber security and climate change.	• Overseeing planning activities for the safe closure of the Liddell power station, proposed future use of that site and the impact of the closure on the community and employees. • Meeting with groups of employees to discuss safety (physical and mental health and wellbeing) issues affecting AGL personnel. • AGL's safety, culture, systems, capability and risk, including overseeing initiatives to improve health, safety and environmental performance and participation in site critical control checks. • Development and implementation of AGL's Reconciliation Action Plan and oversight of AGL's engagement with First Nations peoples. • Overseeing the HSE Audit program.
Nominations Committee	People & Performance Committee
• Board renewal and succession planning, including the appointment of Graham Cockcroft and Vanessa Sullivan as non-executive directors to the Board during FY22 and the Board Renewal process announced on 30 May 2022. • CEO succession planning, including the process for appointing a new CEO as part of the current Board renewal process.	• Overseeing the preparation of AGL's FY22 Remuneration Report. • Executive succession planning, including the appointment and departure of Executive Team members. • Overseeing the remuneration and personnel aspects of the proposed demerger of AGL and the process for reintegration. • Consideration of AGL's Diversity Targets.

In late FY22, the Board also established a Committee, co-chaired by Vanessa Sullivan and Graham Cockcroft, with fellow non-executive director Mark Bloom also forming part of the Committee, to oversee the review of AGL's strategic direction.

Evaluation of Board Committees

The Charters for each of the standing Board Committees require that each Committee annually review its own performance. During FY22, each Board Committee discussed its performance over the past 12 months. Each Committee considered, together with relevant members of management, whether it had achieved its objectives for the financial year and reviewed the effectiveness of the Committee and how its members had worked together, including with management. Following this review, each Committee was satisfied that it had been effective in performing its responsibilities under its Charter.

AGL's Executive Team

The Board has delegated to the CEO, Graeme Hunt, the authority to manage AGL's day-to-day affairs and the authority to manage AGL's affairs in relation to all matters, other than those responsibilities reserved by the Board to itself, including in the Board Charter.

The CEO's role includes:

- leading AGL's Executive Team;
- accounting to the Board for AGL's overall management and performance; and
- management of AGL in accordance with the strategy, business plans and policies approved by the Board.

The CEO has authority to sub-delegate to the Executive Team. The Executive Team comprises the CEO and senior managers who report directly to the CEO.

Specific limits on the authority delegated to the CEO and the Executive Team are set out in a Delegations of Authority Policy approved by the Board.

Each member of AGL's Executive Team (including the CEO) is employed under a Service Agreement that sets out the terms on which the Executive is employed including details of the Executive's duties, responsibilities, rights and remuneration entitlements. The Service Agreement also sets out the circumstances in which the employment of the Executive may be terminated by either AGL or the Executive, including details of notice periods and the amounts payable to the Executive as a consequence of the termination by AGL of the Executive's employment.

When considering the appointment of a new Executive, AGL carries out appropriate reference checks (including due-diligence in respect of the candidate's character, experience, education, criminal record and bankruptcy status) before AGL makes an offer of employment to the candidate.

While Executive Team members have individual accountability for their respective business functions, the Executive Team has collective accountability for management of risk across AGL. This is supported by, among other things, regular results and priorities meetings where emerging risks and key decisions affecting the business are discussed and agreed by Executive Team members.

The CEO and other members of the Executive Team regularly attend Board and Committee meetings to report on and discuss key issues and the existing and emerging risks of the business. The Directors have the opportunity, where required, to question the Executive Team and hold Executives to account in relation to particular issues that may arise.

Remuneration

The Remuneration Report on pages 59 to 81 of the 2022 Annual Report sets out AGL's policies and practices for remunerating non-executive Directors and Executives. The arrangements that apply to the CEO and Executive Team are different to those of non-executive Directors.

Performance Evaluation

The Board reviews the CEO's and Executive Team's performance annually against agreed performance objectives and other relevant factors.

Executive Team performance evaluations were conducted for FY22 in accordance with this process. Details of the evaluation process and the linkages between the result of performance evaluations and remuneration are disclosed in the Remuneration Report on pages 59 to 81 of the 2022 Annual Report.

Company Secretary

The Board is responsible for the appointment of AGL's Company Secretary. During FY22 AGL had two Company Secretaries - John Fitzgerald (General Counsel & Company Secretary) and Melinda Hunter. John Fitzgerald left AGL on 30 June 2022 and Melinda Hunter was appointed General Counsel & Company Secretary on 1 July 2022.

Melinda Hunter acts as secretary of the Board and each Board Committee, attending all meetings of the Board and Board Committees as required. Melinda Hunter also fulfils other management responsibilities in addition to company secretarial duties in her role as General Counsel. The formal reporting line of Melinda Hunter is to the CEO.

The Company Secretary is accountable to the Board through the Chair on all corporate governance matters and all matters to do with the proper functioning of the Board.

Diversity and Inclusion

AGL's purpose, 'Progress for life' centres on how the organisation can improve the lives of its people, customers, communities and planet, and is underpinned by AGL's Values: Care in every action, Integrity always, Better together, Deliver your best and Shape tomorrow. Living these values requires an inclusive workplace culture where diversity is embraced and where AGL's people feel comfortable to 'speak up'.

AGL's **Diversity and Inclusion Policy** describes AGL's approach to diversity and inclusion and how these attributes are to be embedded in AGL workplaces. It provides a framework to effectively embed and support a diverse and inclusive workplace for all employees and describes behaviours, including discrimination, harassment and bullying, that are unlawful and unacceptable at AGL. AGL recognises that there is a positive correlation between increased representation of women on company boards and in senior management positions and the achievement of better financial performance, higher employee retention rates and enhanced corporate image and reputation. AGL's Diversity and Inclusion Policy includes specific provisions regarding gender diversity.

AGL's Diversity & Inclusion Council (**Council**) supports the achievement of a diverse workforce and an inclusive workplace culture. The Council brings together leaders from across AGL's major businesses and geographies, representing different diversity focus areas within AGL's Inclusion Strategy.

AGL has a commitment to review gender pay equity separately to our yearly remuneration review. In 2019 we set a goal to bring down the pay gap percentage between male and female employees in like-for-like roles. Based on AGL's July 2021 analysis, in September 2021 AGL closed the average pay gap in like for like roles to 0%.

During FY22, AGL was again awarded Gold Employer Status by the Australian Workplace Equality Index. This is the fourth time AGL has been awarded gold status and demonstrates AGL's continual commitment to providing a safe and inclusive workplace for employees who identify as LGBTQ+.

The People & Performance Committee recommends measurable objectives for achieving gender diversity to the Board for adoption each year and receives regular reports on the progress in achieving those objectives.

The gender diversity objectives that applied during FY22 are set out below. These objectives were determined to apply until FY23 to reflect AGL's longer term diversity aspirations, with modifications as the Board sees fit:

- at least 3 female directors and 3 male directors will be represented on the Board;
- 35% representation of females at AGL;
- 50% representation of females at AGL in non-Operations roles;
- 50% representation of females in the non-Operations Senior Leadership Pipeline (**SLP**);
- 13% representation of females in the Operations SLP;
- increased participation of Aboriginal and Torres Strait Islanders employed at AGL; and
- increase AGL's Access and Inclusion Index score from 13% to 30%.

The Board has agreed that these objectives should continue to apply during FY23, with the last two objectives being replaced with the following:

- we deliver on our Reconciliation Action Plan; and
- we deliver on our Disability Action Plan.

The Board has also agreed to establish a cultural and linguistic diversity action plan as an additional objective for FY23.

AGL has a clear aspiration for the overall SLP to reach 50% representation of females. However, a significant proportion of the workforce at AGL is weighted to traditionally male-dominated vocations, more specifically the very stable workforce at our operational sites. AGL acknowledges that a 50/50 gender split for our overall SLP will take longer than 3 years to achieve.

Set out below is a summary of AGL's gender diversity objectives for FY22 and progress made in achieving those targets.

FY22 Diversity Objective		Progress made
1	At least three female directors and three male directors will continue to be represented on the Board.	For most of FY22, the AGL Board comprised four female directors and four male directors. The AGL Board currently comprises three female directors and four male directors.
2	35% representation of females at AGL.	As at 30 June 2022, 34% of AGL's workforce was female.
3	50% representation of females at AGL in non-Operations roles.	As at 30 June 2022, 49% of AGL's workforce in non-Operations roles was female.
4	50% representation of females in the non-Operations SLP.	As at 30 June 2022, 42% of AGL's non-Operations SLP was female.
5	13% representation of females in the Operations SLP.	As at 30 June 2022, 7% of the Operations SLP was female.
6	Increased participation of Aboriginal and Torres Strait Islanders employed at AGL.	Increased from 1.1% to 1.3%.
7	Increase AGL's Access and Inclusion Index score from 13% to 30%.	In FY22, AGL's Access and Inclusion Index score increased to 54%.

As at 30 June 2022, the proportion of women employed by the AGL Group (as compared to 30 June 2021) was as follows:

Diversity and Inclusion (continued)

	FY21	FY22
Female directors on the Board	43%	43%
Female employees in Executive Positions ¹	33%	44%
Female employees in Enterprise Leadership Team ²	50%	44%
Female employees in Senior Leadership Pipeline	36%	35%
Female employees in the AGL Group	33%	34%

1. An AGL Executive is defined as the CEO and each direct report to the CEO. As at 30 June 2022, there were 8 Executives.

2. The Enterprise Leadership Team includes the Executive Team and generally, each direct report to an Executive Team member.

AGL has supported a number of priority activities during FY22 to increase the proportion of women in SLP roles and across the AGL Group. Details of key activities and broader Diversity & Inclusion initiatives are summarised below.

1. Increase transparency, planning and monitoring of the representation of women in leadership

AGL is committed to creating a balanced, diverse and inclusive workforce. To achieve this, the representation of women in the SLP is closely monitored. Business units, where the representation of women in the SLP is low, have developed, and monitor their progress against, business unit-specific Gender Diversity Action Plans (GDAP).

AGL continues to support initiatives that empower women in leadership roles.

2. Focus on Women in Science, Technology, Engineering and Mathematics

AGL is committed to help building the representation of women in Science, Technology, Engineering and Mathematics (STEM) related professions and 'non-traditional' roles. To achieve this, AGL is partnering with educational institutions to encourage female students from primary schools to tertiary institutions to pursue career pathways in STEM.

In May 2021, AGL launched a GDAP and Committee to promote inclusion and belonging for everyone working in technology. In FY22, 14 AGL employees, including four leaders, took part in Microsoft's 'Women Rising' program, which is designed to build women's confidence and capability.

3. Fostering a supportive workplace for our people who have caring responsibilities

To support AGL's Flexible Work strategy and inclusive culture, AGL has 'Families at AGL' which provides education and practical advice for our people in the important areas of families, career and wellbeing. Offered as webinars, podcasts, toolkits and workshops, the program supports the large proportion of our workforce who have caring responsibilities, including a focus on men who are primary carers. AGL also has a Parents Network consisting of over 100 members across various AGL sites. The AGL Parents Network facilitates fortnightly virtual conversations on different carer related topics to support its people. In line with AGL's commitment to supporting those with caring responsibilities, AGL offers one of the highest industry provisions of paid parental leave to its workforce.

4. Increase support and advocacy for women in the recruitment process for senior roles

AGL continues to maintain initiatives to enhance advocacy for women participating in job selection processes. For example, selection processes for senior roles require a mix of women and men in the shortlist, and a commitment to maintain any agreed flexible working arrangements for key talent who may transition into new roles. Where practicable, AGL seeks to ensure interviews are conducted by a combination of women and men.

5. Employee-led initiatives to connect, grow and advocate

During FY22, AGL continued working with AGL Equality, an employee network advocating for gender equality and who strive to empower women to achieve their career goals by providing opportunities to connect and grow. Each year, AGL Equality hosts a series of events across our sites celebrating International Women's Day. In FY22 this included working with Equality Alliance, a working group of representatives of AGL, Medibank, NAB, Australia Post and Telstra who are committed to driving gender equality, to host a panel discussion on this year's theme #BreakingTheBias to discuss the importance of achieving an equal future and how together we can forge women's equality.

6. Increase support and advocacy for people in the LGBTQ+ community

AGL Shine is a diversity network, which drives a diverse and inclusive workplace culture in which our lesbian, gay, bisexual, transgender and queer or questioning, other sexual and gender identities (LGBTQ+) people feel valued, safe and included at work.

AGL Shine co-founded a professional LGBTQ+ women's network, Rainbow Women, in 2018. The network aims to connect professional LGBTQ+ women through informal networking events and empower them to be their authentic selves in all aspects of their lives. Within 2.5 years of its inception, the network has grown to over 100 members, across 25 industries and 52 organisations. In FY22 Rainbow Women hosted, and was involved in, various events to help shine the spotlight on queer women, including a #BiWeek discussion with network members and an 'Out for Pride' panel discussion through Out for Australia.

AGL provides up to six weeks (30 days) of paid Gender Affirmation leave for transgender employees who require time away from work to affirm their gender.

During FY22, AGL submitted a Platinum Project Plan to Pride in Diversity - the national employer support program that publishes the Australian Workplace Equality Index (AWEI), Australia's national benchmarking instrument for LGBTQ+ workplace inclusion - and was awarded Platinum Qualifier status. This achievement is only given to organisations which have a history of achieving Gold employer status at the Australian LGBTQ Inclusion Awards, of which AGL has achieved four out of the past five years.

Diversity and Inclusion (continued)

7. Recognising and celebrating cultural diversity

In FY21 the AGL Indigenous Engagement Working Group was established (now known as the Reconciliation Engagement Network (**REN**)). The REN prepared AGL's first Reconciliation Action Plan (**RAP**), which is available on AGL's website. AGL's RAP consists of over 50 commitments in the areas of Respect, Relationships and Opportunities.

AGL's employee Culturally and Linguistically Diverse Network (**CALD Network**) was established in FY21. The CALD Network aims to advocate for cultural and linguistic diversity in our communities and the AGL workplace. In FY22, AGL Cultures worked with MindTribes to deliver an intensive 10-month development program, 'Owning Your Diversity', a masterclass in Self Leadership for people who identify as CALD.

8. Improving accessibility

AGL Ability continues to create and foster a safe and supportive workplace for employees with disability. AGL's Disability Action Plan is being implemented. The Disability Action Plan has four primary areas of focus: building awareness of the barriers in the workplace that impact on people with disability being able to participate in the workplace; enhancing the skills of AGL leaders to help support and develop employees with disability and create inclusive environments; facilitating an improved capacity to employ, develop and retain people with disability; and develop and maintain a workplace that is inclusive and engaging.

Two key programs delivered by AGL Ability in FY22 were the Positive Action towards Career Engagement (PACE) mentoring program (whereby a group of AGL employees mentored job seekers with disability) and the Stepping into internship program (where AGL Macquarie hosted three paid interns with disability), both through the Australian Network on Disability (**AND**).

In FY22 AGL once again benchmarked its progress in accessibility and disability inclusion using AND's Access and Inclusion Index. In FY22 we increased our score from 13% in FY21 to 54%. This is 24% above our FY22 target of 30%.

9. Respectful and safe workplaces

In FY22, AGL launched its 'We Stand for Respect' campaign across the whole organisation, to encourage respectful conversations and behaviours in AGL workplaces. This reaffirms AGL's commitment to taking a stand against gendered harassment and violence in all its forms.



Risk Management Framework and Financial Reporting

Risk management framework

AGL faces a wide variety of risks due to the nature of its operations. Details of AGL's strategic risks, including AGL's economic, environmental and social risks and how these risks are managed, are set out in the Operating and Financial Review section of the Annual Report on pages 8 to 50.

AGL is committed to ensuring that risk management practices are embedded into all business processes and operations in order to drive consistent, effective and accountable action, decision-making and management practice.

The Board has adopted a **Risk Management Policy** that sets out AGL's objectives for risk management and clearly articulates the responsibilities of all AGL personnel in relation to the management of financial and non-financial risks. AGL has also adopted a Statement of Risk Appetite, which is approved by the Board and overseen by the ARMC. AGL's Risk Appetite Statement was updated and approved by the Board in FY22.

AGL seeks to embed risk management principles and practices into strategy development and day-to-day business processes to achieve robust and responsible commercial outcomes. AGL's Risk Management model is based on the 'three lines of defence' and is illustrated in the table below.

Oversight	Board of Directors		
	Board Audit & Risk Management Committee		
	Governance Committees		
Accountability & responsibility	1st Line of defence	2nd Line of defence	3rd Line of defence
	Business Units/ Operational Management	Group Risk & Compliance	Group Internal Audit & External Audit Activities
	Responsible for effectively identifying, assessing & managing risk to achieve AGL's objectives in accordance with AGL's risk and compliance management standards	Responsible for enterprise wide risk and compliance standard systems. Oversight and support.	Responsible for independent assurance on governance, risk management and internal control processes.

AGL is committed to reporting in line with the Task Force on Climate-Related Financial Disclosures (TCFD) framework. AGL has not produced a stand-alone TCFD report this year. A TCFD Index is included in the [ESG Data Centre](#) on our website, which describes where individual elements of the TCFD framework are addressed in our Annual Report and other disclosures. AGL expects to release updated scenario analysis of different decarbonisation pathways for the National Electricity Market later in 2022 in conjunction with the initial outcomes of the review of AGL's strategic direction.

In recognition of the important role that AGL will play in the energy transition, AGL has proactively supported the "Say on Climate" movement by committing to provide shareholders with an opportunity to vote on AGL's climate reporting at the 2022 Annual General Meeting.

AGL systematically examines all operational and financial activities to identify material risk exposures using an enterprise-wide risk program aligned with ISO 31000, the international standard for risk management. This program is supported by:

- AGL's Risk Management Policy; and
- AGL's Risk Management & Assessment Standard, the objectives of which are to provide guidance to AGL employees on how to conduct risk assessments, ensure consistency and simplicity in approach to risk identification, evaluation and management, and establish a common 'risk' language across the business.

AGL has implemented a number of other policies that directly or indirectly serve to mitigate and manage risk (including the [Securities Dealing Policy](#) and the [Market Disclosure Policy](#)). AGL also has in place a number of business unit and/or site-based policies and procedures to allow for the safe and reliable operation of power generation plants and other operating assets.

Risk Management Framework and Financial Reporting (continued)

Roles of the Board and ARMC

The Board is responsible for approving and monitoring the implementation of policies governing AGL's systems of internal compliance, risk management and control.

The ARMC, among other things, reviews and recommends AGL's risk management policies and material strategic risks (Tier 1 Risks) to the Board for approval and reviews and monitors the implementation of policies and procedures for identifying, assessing, monitoring and managing risk. During FY22, the ARMC and the Board considered and approved AGL's Tier 1 Risks and Risk Appetite Statement.

The ARMC receives presentations from management on AGL's material strategic risks (both financial and non-financial) and the controls in place to mitigate or manage those risks at ARMC meetings. The ARMC and the Board annually review AGL's strategic risks and the risk management framework to ensure that it continues to be sound and operate effectively and within the risk appetite set by the Board. During FY22, the Board reviewed and approved AGL's risk management framework and found that the framework was sound and effectively operating within the risk appetite set by the Board.

In addition, the ARMC has assumed responsibility for overseeing the issues, incidents and risks identified by management in regular compliance and risk reports, and ensuring there is clear accountability for, and effective closure of, relevant issues.

The ARMC receives presentations from management throughout the year on specific risk topics, for example IT security, plant readiness for peak period operations, treasury and wholesale markets operations, competition and consumer law compliance and insurance. The ARMC also has responsibility for approving the internal audit plan submitted annually by Group Audit. The internal audit plan is primarily based on an assessment of AGL's material strategic risk exposures and covers financial, operational, reputational and HSE risk areas.

Internal audit

Group Audit is AGL's internal audit function which provides assurance over the governance, risk management and internal control frameworks of AGL. Group Audit provides the Board and senior management with an independent and objective evaluation of the adequacy and effectiveness of management's control over risk. Group Audit's responsibilities include providing regular reports to the ARMC and raising any significant issues with the ARMC, including how each issue is to be addressed and the timeframes within which management has committed to remediate the issues identified. Any overdue actions identified by Group Audit are also reported to the ARMC.

The General Manager, Group Audit has a direct reporting line to the Chair of the ARMC and an administrative reporting line to the General Counsel & Company Secretary. Group Audit is governed by a Charter which is approved by the ARMC that sets out the purpose, role, scope and high-level standards for the function.

Group Audit delivers its objectives through accessing the professional skills and capabilities of:

- trained audit professionals who are part of the Group Audit function; and
- services provided by external consultants in respect of specialist technical or operational areas.

Group Audit's approach to developing the annual Audit Plan involves the consideration of existing and emerging areas of risk, as well as areas of significant change, both within AGL and across the energy industry. This is then assessed in the context of previous audit coverage and outcomes, other sources of assurance, and stakeholder input.

Financial reporting

The Board receives reports from management about AGL's financial condition and operational results at each scheduled Board meeting.

The ARMC reviews and discusses the half-yearly and annual financial reports with management and the external auditors, including the disclosures made in those reports and recommends to the Board whether the financial reports should be approved.

Before the Board approves the financial statements for a financial period (including the full-year and half-year), the CEO and CFO provide declarations to the Board that, in their opinion, the financial records of AGL have been properly maintained and that the financial statements comply with the Accounting Standards and give a true and fair view of the financial position and performance of AGL. They also provide confirmation that these opinions have been formed on the basis of a sound system of risk management and internal control, which is operating effectively.

AGL is committed to providing clear, concise and effective disclosure to shareholders and other stakeholders in its corporate reports. In circumstances where AGL's auditor has not been required to review a periodic corporate report, AGL conducts an internal verification exercise (with assistance from third party professional services firms where appropriate) to ensure that such reports are materially accurate, balanced and provide investors with appropriate information to make informed investment decisions. Material statements in these documents are verified by relevant business management prior to approval for release to the market.

Risk Management Framework and Financial Reporting (continued)

External auditor

The role of the external auditor is to provide an independent opinion that AGL's financial reports are true and fair and comply with applicable regulations.

AGL's external auditor is Deloitte. Deloitte attends the AGM each year and shareholders have the opportunity to ask the auditor written questions in advance of the AGM or to ask questions at the AGM relevant to the audit.

AGL's **Auditor Independence Policy** contains details of the procedures for the selection, appointment, independence and performance of the external auditor.

Under the Auditor Independence Policy, the external auditor is precluded from providing any services that might threaten their independence, or conflict with their assurance and compliance role.

Reports on the provision of auditing and related services are provided to the ARMC on a regular basis. The ARMC and the Board concluded that non-audit services provided during FY22 did not compromise the external auditor's independence requirements under the Corporations Act.

The performance of the external auditor is discussed by the ARMC following completion of the full year financial statements. The Chair of the ARMC subsequently meets with the external auditor to discuss recommendations for improvements to the conduct of the audit.

AGL's Key Corporate Governance Policies

Details of AGL's key corporate governance policies are summarised below – copies are available on AGL's [website](#).

Code of Conduct

AGL has a **Code of Conduct** that applies to AGL and its Directors, employees and contractors and sets out the standards of responsibility and ethical conduct required of 'our People'. AGL's commitments under the Code of Conduct are as follows:

- We act with **integrity always**.
- We observe the law, our obligations, voluntary commitments and internal standards.
- We value and maintain professionalism in all of our dealings and **deliver our best**.
- We respect privacy and confidentiality.
- We manage conflicts of interest.
- We look after our People and **take care in every action**.
- We recognise our responsibilities to our stakeholders with a view to **shaping tomorrow**.
- We uphold our values and behaviours outlined in the Code of Conduct and strive to work **better together**.

Training on the Code of Conduct is part of the induction process for new AGL people. In addition, all AGL people complete online refresher training modules on the Code of Conduct annually.

The Code of Conduct provides a mechanism to enable AGL people to report actual or suspected breaches, including an independent service to allow for anonymous reporting. An Ethics Panel oversees the application of the Code of Conduct in AGL, including overseeing the investigation of alleged breaches of the Code of Conduct where appropriate, monitoring compliance and recommending amendments to the Board.

Any material breaches of the Code of Conduct are reported to the Board and monitored until the relevant breach is considered closed.

Whistleblowing

AGL's Whistleblower Protection Policy encourages reporting of suspected unethical, illegal or undesirable behaviour and promotes a culture of honest and ethical conduct. This policy is reviewed every two years (or earlier if required) and was last updated in FY21.

A third party whistleblower service provider facilitates AGL's employees and other stakeholders speaking up regarding any concerns that AGL or its people are failing to meet ethical or legal standards.

Any material incidents are reported to the Board.

Anti-bribery and Corruption

AGL's Anti-Bribery, Corruption and Fraud Policy prohibits any AGL activities that cause, support, or conceal corruption or bribery in any form. This policy is reviewed every two years (or earlier if required) and was last updated in FY21.

Any material breaches are reported to the Board.

Continuous Disclosure

AGL's Market Disclosure Policy describes AGL's continuous disclosure obligations and how they are managed by AGL. This policy is reviewed every two years (or earlier if required) and was last updated in FY21.

AGL's Market Disclosure Committee comprises of the CEO, the Company Secretary, the CFO and the Head of Investor Relations. The Committee is responsible for monitoring compliance with the Policy including determining whether market sensitive information should be disclosed to the ASX. In addition, all members of the Executive Team provide a quarterly confirmation in relation to continuous disclosure compliance.

Directors receive copies of all announcements immediately after notification to the ASX. All ASX announcements are available from AGL's [Media Centre](#).

Dealings in AGL Shares

AGL's Securities Dealing Policy outlines when AGL employees may deal in AGL securities, or the securities of other companies. This policy is reviewed every two years (or earlier if required) and was last updated in FY21.

The policy specifically prohibits AGL's Directors, Executives and employees from using derivatives in relation to any unvested AGL securities that have been granted under any of AGL's equity-based remuneration schemes.

Derivatives may be used in relation to AGL securities that have vested, provided any dealing in those derivatives complies with the other requirements of AGL's Securities Dealing Policy.

Compliance Management Policy

AGL is committed to maintaining a culture of compliance and ethical behaviour that is underpinned by its Purpose, Values and the AGL Code of Conduct.

AGL's **Compliance Management Policy** sets out AGL's compliance management objectives, AGL's compliance management approach and clearly articulates responsibilities of all AGL personnel in relation to compliance. Building and maintaining a strong compliance culture is critical to achieving AGL's strategic, operational and commercial objectives.

Shareholder Engagement

AGL operates an investor relations program to facilitate effective two-way communications with investors. This program seeks to keep shareholders informed about AGL's activities and to listen to issues or concerns raised by shareholders.

AGL holds regular investor briefings, webcasts these events (where practicable) and provides all materials, archived recordings and transcripts via the AGL website.

As well as attending broker-sponsored conferences, AGL participates at several industry conferences throughout the year.

Copies of new and substantive investor or analyst presentations are lodged with the ASX ahead of the presentation and, where practicable, shareholders are provided with the opportunity to participate in such presentations.

AGL also regularly engages with corporate governance advisory firms, shareholder representative bodies, institutional investors, proxy advisers and retail investor groups to understand market expectations on topics including governance, ESG and remuneration. The Chair of the Board and the Chair of the People & Performance Committee both participate in meetings with such organisations so the Board can be in a better position to receive direct feedback about the effectiveness of AGL's corporate governance arrangements.

Fundamental to AGL's investor relations program is the management of our continuous disclosure obligations, which facilitates all shareholders having access to important company information. In addition to lodging this information with the ASX, AGL uses its [website](#) to make information about the company and its activities available to shareholders. The [Investor Centre](#) on AGL's website contains a wide range of information relevant to shareholders including copies of past Annual Reports and ASX announcements and an Investor Calendar.

Shareholders may elect to receive all shareholder communications, including dividend statements and announcements by email and may also communicate with AGL and the Share Registry (Computershare) electronically.

In relation to AGMs, shareholders are invited to submit questions before the meeting. This helps the company understand shareholder issues and concerns and address key areas of shareholder feedback. The Chair also encourages shareholders to ask questions and make comments about AGL's operations and the performance of the Board and senior management at the AGM. The Chair may respond directly to questions or, at his discretion, may refer a question to another Director, the CEO or a member of the Executive Team. All resolutions at the AGM are decided by a poll.

Shareholder meetings are webcast and analyst/media briefings in relation to half-year and full-year financial results and other significant events can be heard by teleconference.

The AGL Share Register is managed and maintained by Computershare Limited. Shareholders can access their shareholding details or make enquiries about their current shareholding electronically by quoting their Shareholder Reference Number (SRN) or Personal Identification Number (PIN), via www-au.computershare.com/Investor or by emailing aglenenergy@computershare.com.au.

AGL'S 2022 ANNUAL GENERAL MEETING

This year AGL's AGM will be held at the Melbourne Recital Centre on 15 November 2022. Further details about the AGM will be included in the Notice of Meeting, which is scheduled to be released in October 2022.

