



ASX & Media Release

2023 Annual General Meeting

21 November 2023

AGL Energy Limited is holding its 2023 Annual General Meeting (AGM) today.

Attached are copies of the addresses to be given at the AGM by AGL's:

- Chair;
- Managing Director and CEO; and
- Chair of the People & Performance Committee.

Authorised for release by AGL's Board of Directors.

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About AGL Energy

At AGL, we believe energy makes life better and are passionate about powering the way Australians live. Proudly Australian for 185 years, AGL supplies around 4.3 million^[1] energy and telecommunications customer services. AGL is committed to providing our customers simple, fair and accessible essential services as they decarbonise and electrify the way they live, move and work. 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 one of Australia's leading private investors in renewable energy to now lead the business of transition to a lower emissions, affordable and smart energy future in line with the goals of our Climate Transition Action Plan. We'll continue to innovate in energy and other essential services to enhance the way Australians live, and to help preserve the world around us for future generations.

For more information visit agl.com.au.

^[1] Services to customers number is as at 10 August 2023.

2023 ANNUAL GENERAL MEETING CHAIR'S ADDRESS

Good morning everyone. My name is Patricia McKenzie and I am your Chair.

Welcome to AGL's 2023 Annual General Meeting. It is a pleasure for the AGL Board to be present in Sydney for today's meeting. You will notice that I am chairing this meeting from the desk rather than at the lectern today – this is because I currently have an injury that prevents me from standing for long periods of time. Thank you for your understanding.

I would like to start the meeting by acknowledging the traditional owners of the land on which we meet today, the Gadigal people of the Eora Nation, and pay my respects to their elders past and present. Shareholders attending via our online platform may be doing so from other ancestral lands, and I also pay my respects to the traditional owners of those lands and their elders past and present.

May I ask you to make sure that your mobile phones are switched to silent while the meeting is in progress. Filming of the meeting is not permitted but please note that this meeting is being filmed on behalf of AGL for webcasting purposes.

I also ask that you note where your nearest exit is in the unlikely event it becomes necessary to evacuate the building. In the event of an emergency, please follow the instructions of the venue staff.

The Notice convening this meeting has been made available to all registered Shareholders and the necessary quorum is present here today.

Today's meeting is being conducted as a hybrid meeting and our Shareholders have been given the opportunity to attend the meeting in person or via the online platform. Shareholders have also been given the opportunity to lodge a proxy or direct vote and ask questions in advance of the meeting.

Shareholders and proxies attending using the online platform can submit written questions at any time. To ask a question, select the Q&A icon and type your question in the text box. Once you have finished typing, please hit the send button.

Although you can submit questions from now on, I will not address them until the relevant time in the meeting. Please also note that your questions may be moderated or, if we receive multiple questions on one topic, amalgamated together. We will give shareholders a reasonable opportunity to ask questions, but it is possible that not all questions will be answered today.

To ask a verbal question through the online platform, please follow the instructions set out on the platform. If you are attending online and are eligible to vote, once voting opens press the vote icon and all resolutions will be activated with voting options. To cast your vote simply select one of the options. There is no need to hit a submit or enter button as the vote is automatically recorded. You will receive a vote confirmation notification on your screen. You can change your vote up until the time I declare voting closed.

For those attending the meeting here in person, once we come to question time you can ask a question by raising your hand and a microphone attendant will come to you. Please show your attendance card and provide your name. To be eligible to speak in person today, you must hold a yellow or blue attendance card.

If you are eligible to vote, you can scan the QR code on your attendance card with your mobile device at any time after I open the voting. This will take you to an online voting page. To cast your vote simply select one of the options. There is no need to hit a submit or enter button as the vote is automatically recorded. You will receive a vote confirmation notification on your screen.

If you do not have a mobile device you may complete the voting items on the reverse side of the attendance card and Computershare staff will collect the cards at the conclusion of the meeting. You can change your vote up until the time I declare voting closed. I now declare voting open on all resolutions.

I will now explain the running order for today's meeting. In a moment, I will make a few remarks about AGL's strategy and our progress in delivering it over the last 12 months.

Then, Damien Nicks, AGL's Managing Director & CEO, will speak to our FY23 financial results and operational performance and will give further details on our progress in delivering our strategy. We will then attend to the formal business of the meeting.

I would now like to introduce my fellow Directors, they are: Mark Twidell, Christine Holman, Mark Bloom, Vanessa Sullivan, John Pollaers, Kerry Schott, Miles George, Graham Cockcroft, and our Managing Director and CEO, Damien Nicks.

Also attending this meeting today is our Company Secretary, Melinda Hunter, and Chief Financial Officer, Gary Brown as well as other members of the Executive Team. AGL's external auditors, Deloitte, are also attending this meeting. The senior audit partner, Harriet Fortescue, is available to answer any relevant

questions in relation to the audit that you may wish to ask later in the meeting and I thank her for attending today.

Turning now to the year in review, it has been a significant 12 months for AGL and I am excited by the opportunities ahead of us as we undertake one of the most important decarbonisation initiatives in Australia and work towards delivering our strategy to connect our customers to a sustainable future and transition our energy portfolio.

Last year we announced our revised strategic direction and issued our inaugural Climate Transition Action Plan, which included accelerated closure dates for our thermal assets – Loy Yang A by 30 June 2035 and Bayswater between 2030-2033. We also outlined our ambition to supply 12GW of new renewable and firming capacity before 2036, with an interim target of 5GW by 2030. Shareholders endorsed the Climate Transition Action Plan at last year's AGM giving us a clear mandate to pursue these objectives.

At our Investor Day in June this year, we provided further details on our business strategies and our future vision. In summary, our strategy is to connect our customers to a sustainable future and transition our energy portfolio. This strategy is supported by a strong foundation across our business, whereby we embrace ESG and continue to empower our people as a driving force of a safe, future-focused and purpose driven business. We are also leveraging technology, digital innovation and AI to enhance customer experience and strengthen our trading operations and risk management capabilities. Our strategy is also focussed on driving long term value for shareholders by strong financial stewardship and effective capital management.

We have achieved some important milestones this year, including progressing our targets set out in the Climate Transition Action Plan and facilitating our customers to electrify and decarbonise the way they live, move and work.

One of the most significant milestones this year was the safe and respectful closure of the Liddell Power Station after almost 52 years of operation, which is expected to result in a reduction of eight million tonnes of greenhouse gas emissions annually from FY24, compared to when the power station was operating – to give this context, this is equivalent to approximately 5 percent of emissions from Australia’s electricity sector in 2021.

We have also advanced our near term target of 5 GW of new renewables and firming capacity by 2030 and we’ve increased our pipeline by 60 percent from 3.2 GW to 5.3 GW since February this year. Our pipeline includes renewables such as solar and wind, as well as firming assets including batteries and pumped hydro and we are pursuing a number of options, including investing in innovation and technology, to allow AGL to execute on the opportunities that offer the best long term value in the future. This is in addition to our external project options including via our 20% investment in Tilt Renewables.

A key example of our progression is the recent commissioning of the 250MW Torrens Island Battery, which is the second largest battery in Australia. To give some perspective, the battery is roughly the same size as the Adelaide Oval and includes 218 battery cabinets housing more than 6,000 battery modules.

Our ambition to supply 12 GW of new generation and firming capacity by the end of 2035 is supported by strong optionality.

For example, we will continue to expand our partnerships, look at selective acquisitions, and underwrite power purchase agreements, as we already do with Tilt Renewables, on the back of our large retail portfolio. We will look for the most efficient way of sourcing the required energy and firming capacity, having regard to quality, speed to market, customer demand and effective risk management. The Board will also periodically review market dynamics, customer demand and our development pipeline with a view to accelerating our decarbonisation pathway where possible.

We are equally committed to our strategy to connect our customers to a sustainable future through products and services that make it easy for them to decarbonise the way they live, move and work. This strategy focuses on three areas:

- strengthening our core business while supporting our customers – as a reminder, we currently provide 4.3 million customer services across energy and telco, which translates to more than 30% of households in the national electricity market.
- capturing growth in new value pools particularly those arising from decarbonisation and electrification – it is our ambition to be the partner of choice for customers as they electrify and decarbonise by providing a suite of innovative products and services that unlock new revenue streams and create a differentiated relationship with customers.
- leveraging technology and digital innovation to unlock efficiency and growth through retail transformation – this is aimed at significantly reducing our current costs while continuing to increase our customer centricity.

A key part of this strategy is to capture the projected increase in electricity demand through electrification, as well as future population growth in major capital cities, as we shift the focus of our business model from being a commodity supplier to scaling “Energy as a Service,” which involves providing integrated solutions to customers across the energy supply chain.

To contribute to Australia’s net-zero ambitions, AGL has an incredible opportunity to support our customers as they decarbonise and transition to an electrified future. With residential electricity consumption forecast to double by 2050, and a growing share of the electricity needs of residential customers being met behind the meter by customer solar and storage systems, AGL has the opportunity to capture value and transform the customer energy relationship.

For households, this increased consumption is expected to come from the replacement and upgrade of five key assets in the home - electric vehicle charging, solar, batteries, heating and cooling.

It is clear that electrification of transport is a key requirement of Australia’s path to net zero, and as policy continues to evolve to enable this, the uptake of electric vehicles is likely to accelerate quickly. Electric vehicle charging alone is expected to consume 2,000 kWh per annum per vehicle with 80% of charging projected to happen in the home.

An example of our commitment to providing products and services to help drive the uptake of electric vehicles and the electrification of transport is our recent launch of an electric vehicle subscription service, which offers consumers and small businesses the opportunity to try an electric car before purchasing a new vehicle outright.

AGL has also recently revised its electric vehicle plan for customers by providing cheaper charging overnight, reflecting research over the past three years that shows that most home vehicle charging occurs overnight.

We have also over the past 12 months helped a number of Australian businesses in their transition journey through our renewable-linked products to large customers. Damien will provide examples of our work in this area shortly.

Turning now to our financial and operating performance over the year, we delivered a solid result despite challenging market conditions and heightened volatility.

Although we recorded a Statutory Loss after tax of 1.264 billion dollars, predominantly a result of the decision to accelerate the targeted closure dates of AGL's thermal generation assets, as announced in September 2022, Underlying EBITDA was 1.361 billion dollars, up 12% on FY22 and Underlying Net Profit after tax was 281 million dollars, up 25% on FY22. AGL regards Underlying Profit as the more useful measure of company performance because it excludes significant items and the 'mark to market' impact of fair value movements.

In particular, we had a strong second half after a challenging start to the year due to volatile energy market conditions and forced plant outages, including the prolonged outage of Loy Yang Unit 2. In the second half we saw a strong improvement in the availability of our generation assets, which lifted overall performance and earnings. Investment undertaken to improve flexibility at Bayswater Power Station and AGL Loy Yang also led to improvements in the efficiency of the operation of these assets.

In June this year at our Investor Day, and as part of our FY23 results announcement in August, we provided guidance for our FY24 underlying earnings, which I am pleased to confirm today has remained unchanged as being between 1.875 billion dollars and 2.175 billion dollars for Underlying EBITDA and between 580 million dollars and 780 million dollars for Underlying Profit After Tax.

We also announced at the Investor Day a revised dividend policy effective from the FY24 interim dividend. Under the revised policy, AGL will target a payout ratio of 50 to 75 percent of Underlying Profit after tax. This new range reflects our aim to provide the right balance of sustainable returns to shareholders, whilst supporting our investment in the transformation of our generation portfolio.

The Board also remains focused on the safety and wellbeing of our people, acknowledging that AGL's ongoing success is dependent on the significant contribution that our people make each day. Despite there being no serious injuries to our employees or contractors in FY23, our Total Injury Frequency Rate increased to 2.8, up 0.7 from 2.1 in FY22, which was driven by an increase in low-impact injuries. The Board is overseeing a number of initiatives to ensure the safety and wellbeing of our people continues to be prioritised.

While we are progressing our strategy, we continue to operate within a complex operating environment. The global and Australian economies continue to be impacted by inflationary pressures which are increasing the costs of doing business and creating affordability challenges for our customers. AGL continues to support and look for ways to improve the experience of our customers, particularly in the current affordability and cost of living environment, and has recently committed to a minimum of 70 million dollars towards national customer support programs over the next two years.

I would also like to emphasise that while we have a clear pathway to deliver on our decarbonisation ambitions, there continues to be uncertainties and external risks in relation to Australia's overall decarbonisation plans. It will require the delivery of significant amounts of supporting infrastructure to support a low-emissions electricity system.

This will require an unprecedented level of coordination between all levels of government, regulators, networks, private businesses, and the broader community, as well as a favourable external operating environment for energy businesses and global advances in the cost of low-emissions technologies.

Already we are seeing some challenges including delays in approvals, cost pressures and some local opposition to new generation and transmission projects. From our perspective, we will continue to work with customers, communities, industry and government to advocate for the coordinated decarbonisation of Australia's electricity sector in a way that balances energy reliability and affordability.

During the last 12 months, we had significant Board and management renewal. In January this year, the Board appointed Damien Nicks as the Managing Director and CEO and Gary Brown as Chief Financial Officer. Following last year's AGM, we also welcomed Christine Holman, John Pollaers, Kerry Schott and Mark Twidell as Non-Executive Directors.

The addition of different backgrounds, skills and experiences to the Board has been positive and the Board and Management team have worked well together to pursue our revised strategy.

This revised strategy has reset market confidence and the outlook for AGL. This is apparent from AGL's share price, which has increased by approximately 40% since last year's AGM. We clearly have more to do, but we are confident that we are on the right track.

I would also like to make some comments on the second item on today's agenda, the Remuneration Report. The Chair of the Board's People & Performance Committee, Graham Cockroft, will speak to the Remuneration Report in more detail shortly.

Last year, the Company received a "first strike" in relation to the 2022 Remuneration Report. I am pleased to say that the resolution to be put to the meeting today in relation to the 2023 Remuneration Report has received sufficient support to avoid the company receiving a second strike. Therefore, the Conditional Spill Resolution, Item 7, will not be put to the meeting today.

Finally, I'd like to say that I am excited to be on this transformation journey with AGL's people, our customers and shareholders, and now that we have reset market and stakeholder confidence, I look forward to the next 12 months and more positive momentum as we deliver our strategy.

It is now my pleasure to invite Damien Nicks, your Managing Director and CEO, to address you. Following Damien's address, we will move to the formal business of the meeting.

**AGL 2023 ANNUAL GENERAL MEETING
MANAGING DIRECTOR AND CEO'S ADDRESS**

Good morning, I'm Damien Nicks, AGL's Managing Director & Chief Executive Officer.

I would like to welcome those joining us online today and for shareholders in Sydney, it's great to be here together on the traditional lands of the Gadigal people of the Eora Nation for our Annual General Meeting.

It's an honour to be addressing you today, my first time as AGL's Managing Director & CEO, and I am excited to update you on a successful year for AGL in which we reset market and stakeholder confidence and advanced our strategy to connect our customers to a sustainable future and transition our energy portfolio.

I'll talk more about our strategy shortly, but firstly, I'd like to take some time to reflect on the year from a safety, people, financial and operational perspective.

Starting first with safety. As always, the safety and wellbeing of our people and the safe and reliable operation of our assets is our number one priority. This year, there were no serious injuries to employees or contractors, however our Total Injury Frequency Rate increased to 2.8, up 0.7 from 2.1 in FY22. This was driven by an increase in low-impact injuries.

In response, we're increasing the focus on preventing common injuries before they occur and continuing to encourage employees and contractors to report all events that have the potential to cause an injury or fatality. This includes at our operational sites and at our corporate sites across the country.

Safety is an area where there is always more to do and we are reinforcing our commitment to a strong health and safety culture.

In July 2023 we launched our second Reconciliation Action Plan, which outlines our commitment to Aboriginal and Torres Strait Islander engagement and reconciliation, as well as our aim to have trusted relationships with the Traditional Owners of the lands on which we operate, and to collaborate on opportunities for employment and economic participation.

From a people perspective, I am pleased that, after a period of uncertainty, we had a 10 percentage point improvement in our employee engagement score from 57% in FY22 to 67% in FY23. An engaged workforce is critical to the company's success and the delivery of our strategy, and we will continue to focus on driving employee engagement.

Before I provide an update on our financial performance, let me acknowledge the continuing cost of living pressures impacting our customers and the community more broadly.

In June, we committed to increasing our customer support funding to at least 70 million dollars over the next two years to assist our customers to manage cost of living pressures. We also continue to work closely with our customers to help them manage their energy bills. For example, we are using advanced analytics to identify and proactively engage with our customers who may be facing financial hardship, offering them guidance and support at an early stage, as well as providing referrals to relevant government and consumer assistance programs.

This is in addition to the broader range of mechanisms we already have in place to support our customers who may be experiencing financial hardship or other vulnerability. We continuously look for ways that we can help our customers and improve customer experience, and this is reflected in our customer performance for FY23, in which we saw continued organic growth in customer services across

both energy and telecommunications during a period of heightened market competition. We finished the year with an increase of 56,000 customer services from FY22, with a total of 4.3 million customer services. We've also maintained strong customer advocacy throughout the year with a positive strategic Net Promoter Score of +5.

I will now move to AGL's financial and operational performance.

Underlying profit after tax in FY23 was 281 million dollars, 25 percent higher than the prior year.

The stronger financial result reflected improved operational performance in the second half and higher wholesale electricity and gas pricing realised in earnings. This was partly offset by increased operating costs and lower generation volumes due to the prolonged outage of Loy Yang A Unit 2 and the closure of the Liddell Power Station in April 2023.

Our statutory loss of 1.264 billion dollars was impacted by 680 million dollars of impairment charges due to the targeted earlier closure dates of our thermal assets in line with AGL's accelerated decarbonisation plan, as announced in September 2022, and a negative movement in the fair value financial instruments of 890 million dollars.

A final ordinary dividend of 23 cents per share was paid in September, bringing the total dividend for the 2023 financial year to 31 cents per share, an increase of 19 percent on the prior year.

In June this year at our Investor Day, and as part of our FY23 results announcement, we provided guidance for our FY24 underlying earnings, which I am pleased to confirm today has remained unchanged and is as follows:

- Underlying EBITDA of between 1.875 billion dollars and 2.175 billion dollars; and
- Underlying Profit after Tax of between 580 million dollars and 780 million dollars.

I'd now like to outline our progress in delivering our strategy.

To recap, our strategy is to connect our customers to a sustainable future - helping them to decarbonise the way they live, move and work, as well as to transition to a lower-carbon energy portfolio – underpinned by our ambition to add 12 gigawatts of new generation and firming by the end of 2035, with an interim target of five gigawatts by 2030.

At last year's AGM, shareholders endorsed our inaugural Climate Transition Action Plan, which we refer to as the CTAP, key elements of which include the planned closure of the Bayswater Power Station between 2030-33 and the closure of the Loy Yang A Power Station by the end of FY35.

Since my appointment as the permanent Managing Director & CEO in January this year, it has been my focus to deliver on this strategy and I'd like to now discuss a few key milestones to show our progress over the last 12 months.

Firstly, I will highlight the steps we have taken to responsibly transition our portfolio.

At the end of April, we safely and respectfully closed the Liddell Power Station after almost 52 years of operation. This is expected to deliver an average annual emissions reduction of 8 million tonnes of greenhouse gas emissions from FY24. We are now focused on rehabilitating this site as well as pursuing development activities related to our Hunter Energy hub, including the development of a 500MW battery.

In September this year, we also closed our Camden Gas Plant, which we are now in the process of rehabilitating. It is anticipated that the land will be handed back in its former state in March 2025.

AGL divested its interests in the Moranbah Gas Project in August 2023 and we continue to progress the sale process for the Surat Gas Project.

Since the release of the CTAP, we have also announced that our Torrens Island “B” Power Station will close on 30 June 2026. We are already re-purposing the site with the opening of our 250MW battery at Torrens Island in August, which is the second largest battery in Australia.

In August this year, we announced a Structured Transition Agreement with the Victorian Government in relation to the Loy Yang A Power Station and mine. Under this Agreement, we will work collaboratively with the Victorian Government on the closure of the Loy Yang A power station by 30 June 2035. This is consistent with the closure date outlined in the CTAP.

The Agreement also includes a risk sharing mechanism to avoid an unplanned closure of the power station before the scheduled date due to adverse market conditions and highlights our focus on ensuring a responsible transition.

But transition is more than closure dates. We are passionate about our ambition to add 12 GW of new generation and firming by the end of 2035. I am very proud of the work the teams have achieved in progressing this ambition in just 12 months. Some key highlights include:

- During August, we opened our 250MW battery at Torrens Island, as I mentioned earlier.
- We are also close to commencing operations for our 50MW battery at Broken Hill.

- We continue to progress the development of the 500MW Liddell battery and are working towards making a final decision this calendar year.
- In June we entered into a 15-year Power Purchase Agreement with TILT for almost 180 MW from the Rye Park Wind Farm.
- Together with Australian energy technology group, RayGen, we launched RayGen's solar-plus-storage plant in Carwarp, Victoria. This is a next-generation long duration energy storage plant and involves investment in innovative technology to potentially provide a solution for long duration energy storage into the future.

We are also implementing measures to facilitate the transition of the broader energy market. For example, we have invested to improve the flexibility of our asset fleet. Bayswater and Loy Yang A power stations can now be flexed down approximately 70 percent and 45 percent respectively of their nameplate capacities, and we have plans to lower the minimum generation levels of the Loy Yang A units by a further 50 MW each in FY24.

In addition to gross margin benefits, this results in reduced carbon emissions and allows us to operate the assets more efficiently as a response to the transition and as renewables enter the market. This will enable the generation of wind and solar when available whilst being flexible to ensure demand is met at other times.

We currently have 1.1 gigawatts of reported decentralised assets under orchestration, including our contracts with the Portland and Tomago Aluminium smelters, which have demand response mechanisms that provide flexibility to manage market demand. Through further investment in this area, we aim to increase our Decentralised assets under orchestration to 1.6 gigawatts by the end of FY27.

We will also periodically review market dynamics, customer demand and our development pipeline with a view to accelerating our decarbonisation pathway where possible.

Equally, we have made significant progress in our strategy to connect our customers to a sustainable future. As a leading energy retailer with a large and diversified customer base, AGL is well-positioned to leverage expected increases in energy demand through electrification, access new value pools, while driving further efficiency in its core operations.

Our key achievements over the last 12 months include:

- Entering into a number of long-term agreements that have helped our large customers navigate the energy transition but are also critical to AGL in allowing us to invest in new and existing assets. For example:
 - o In August we signed a nine year agreement to continue to supply Alcoa's Portland smelter.
 - o In September we signed a 15 year renewable energy certificate agreement with Microsoft, under which AGL will provide Microsoft with renewable energy certificates from the Rye Park wind farm.
 - o In October, we entered into a seven year renewable-linked power purchase agreement with CSL and a six year power purchase agreement with nbn.
- These agreements show the variety of transactions and structures we offer our customers, from renewables, to firmed asset-linked renewable PPAs, to renewable certificate sales.
- We have also continued to deploy new services to support the way customers live, move and work. For example:

- o At our Investor Day in June, we announced our new partnership with *bp pulse*, which allows our customers to charge their electric vehicles at an affordable rate when they are at home or on the road. This is in addition to our electric vehicle subscription program, which has proved to be very successful with revenue growing by 38% since FY22.
- o We piloted a new platform, Electrify Now, to allow customers to access the information and tools they need to make informed decisions about electrifying their homes and meet their decarbonisation goals. The platform, underpinned by advanced analytics, uses customers' own smart meter data to tailor recommendations based on their individual household energy needs and usage patterns.
- o We continue to progress initiatives in relation to demand response and orchestration such as our Peak Energy Rewards program, which is one of the largest flexible demand response programs in Australia and has been expanded to over 120,000 customers.
- o During FY23 we also commenced hot water orchestration trials that are generating interest from our customers and have the potential to provide significant flexible capacity.
- We are also focused on scaling our Energy as a Service solutions, providing integrated offerings across energy solutions, asset management, orchestration and asset financing. The Kerarbury Almond Farm in New South Wales is a great example where AGL designed a low carbon microgrid, and once constructed, will help lower the customer's energy costs, provide price certainty and help improve their reliability and sustainability outcomes.
- We also continue to be the largest solar provider in the country, delivering three times more commercial solar capacity than the nearest competitor over FY23.

In summary, we are well placed to deliver on our ambition to be the partner of choice for our customers as they electrify and decarbonise the way they live, move and work and provide integrated end-to-end solutions.

Pleasingly, during the 2023 calendar year we have reset market confidence and the outlook for AGL, as shown by our recent strong share price performance. In addition to the achievements discussed earlier, factors that have led to the reset include:

- our improved profit outlook driven by operational performance and strengthening in wholesale prices;
- the successful partial refinancing of our existing debt facilities and new long-term debt in the US private placement market. This included a 500-million-dollar green capex loan, which will be used to fund existing and future low carbon projects;
- the launch of our new brand platform 'Join the Change' in April – you will have seen some of the campaign material ahead of the meeting;
- our Investor Day held in June, whereby we provided further detail on our strategy, growth plans and performance; and
- the continued delivery of our existing business strategy as shown by our competitive gas agreements entered into with Cooper Energy, Senex and Exxon Mobil.

I am pleased with what we have achieved this year but I am even more excited about the significant opportunities ahead of us to deliver on our long-term ambitions for AGL, our employees, customers and our shareholders.

We have set strategic targets for FY27 to align with our longer term plans, which will allow shareholders to track our performance against our strategy going forward.

Finally, I would like to thank our people for their enormous contribution over the past year, including delivering our strategy and supporting our business and our customers.

Thank you.

**AGL 2023 ANNUAL GENERAL MEETING
CHAIR OF PEOPLE & PERFORMANCE COMMITTEE**

Good morning everyone.

My name is Graham Cockroft and I am the Chair of AGL's People & Performance Committee.

As the Chair previously mentioned, at last year's AGM, 30.7% of the votes cast on the 2022 Remuneration Report were against the adoption of the Report and AGL received a "first strike".

This year, all major proxy advisors recommended that shareholders vote in favour of the 2023 Remuneration Report and no material concerns were raised.

Based on the proxies lodged ahead of the meeting, AGL will not receive a second strike in respect of the 2023 Remuneration Report.

Following the 2022 AGM, the People & Performance Committee oversaw a review of AGL's executive remuneration framework to ensure that it aligns with, and will drive, AGL's revised strategy and the commitments made last September in our Climate Transition Action Plan.

After listening to our stakeholders' feedback on the executive remuneration framework and our disclosures in the 2022 Remuneration Report, we made some refinements, which I will shortly explain. Those refinements are focused on progressing our longer-term decarbonisation objectives whilst maintaining strong cashflows to support future growth and shareholder returns. The refinements to the executive remuneration framework were not extensive given that proxy holders were broadly supportive of the 2022 Remuneration Report.

The refinements that the Board made, which apply in FY24, include:

- First - Increasing the weighting of the strategic objectives in the STI scorecard for the Managing Director & CEO from 15% to 20%, to align with the other executive key management personnel, and to deliver progress towards AGL's longer term decarbonisation objectives and future growth.
- Second - Introducing operating free cash flow as a second financial metric, alongside Underlying Profit after tax, to drive strong cashflows from the existing business which will support future investment in growth.
- Third - Increasing the weighting of the carbon transition metrics in the LTI plan from 25% to 30% to enhance the focus on the commitments to decarbonisation made through the CTAP.

- Fourth - Refining the carbon transition metrics in the LTI plan to align with the CTAP commitments.

The Board engaged with investors and proxy advisors on these refinements during FY23, which were generally supported.

The FY23 remuneration outcomes are outlined in the Remuneration Report, which commences on page 66 of the 2023 Annual Report. The Board believes that the remuneration outcomes for executives are aligned with the experience of shareholders during FY23.

In January this year, Damien Nicks was appointed the permanent MD & CEO and Gary Brown was appointed the permanent Chief Financial Officer.

The fixed remuneration for both Damien and Gary was established with reference to market benchmarks but also reflective of their relative experience. This aligns with AGL's approach of establishing an executive's fixed remuneration initially at a level reflecting their experience, which allows progressive increases to apply as the executive performs and becomes more experienced in their role.

No other executives had changes to their fixed remuneration levels during FY23.

The short-term incentive, or STI, outcomes for executives continue to be measured against scorecards containing group and individual strategic objectives, which are established at the commencement of the financial year and comprise financial and non-financial measures.

STI awards for the financial year were in the range of 72.1% to 73.8% of the maximum opportunity. The Board considered that these awards reflected the company's performance over the year and rewarded executives appropriately for delivering above performance outcomes.

I will now move to AGL's Long-Term Incentive, or LTI, plan, which is designed to align executive reward with long-term AGL performance and shareholder experience.

The performance conditions for the FY20 LTI grant were tested in FY23. The relative total shareholder return and return on equity hurdles were not met and accordingly, there was no vesting.

This aligned with the shareholder experience over the performance period. This is the third consecutive year with zero vesting to executives for the LTI.

I would now like to discuss the retention awards that were paid to key management personnel during the financial year.

In FY23, the Board determined that, with the ongoing uncertainty following the withdrawal of the proposed demerger and the announcement that the previous MD & CEO would be stepping down, retention awards were considered necessary for both Damien Nicks and Markus Brokhof, our Chief Operating Officer, to ensure continuity of leadership for operations and to mitigate the risks of further destabilisation of the executive team.

Following his appointment to the MD & CEO role, Mr Nicks elected to forfeit his retention award in recognition of the opportunity and the increase in his remuneration provided by the new role.

Mr Brokhof's retention award was delivered 50% in cash and 50% in equity, with a one year restriction.

Finally, Non-executive Director fees were not increased during FY23. The last fee change was in January 2020.

In summary, the Board has listened to the feedback from stakeholders regarding the 2022 Remuneration Report and we believe that we have taken appropriate action during the course of FY23 to address that feedback.

The Board recommends that shareholders vote in favour of this resolution.

Thank you