

Energy Charter Disclosure Statement 2024

July 2023 – June 2024



Message from our CEO

As a founding signatory of the Energy Charter, I am delighted to present our fifth Disclosure Statement.



This report outlines our delivery against the Energy Charter principles during the 2024 Financial Year, along with the disclosure of our Maturity Model assessment.

Now in our fifth year as a full signatory, this report reflects our ongoing maturity to the Energy Charter principles and how we continue to embed a customer focused culture into our business practices. I'm proud of the continued progress AGIG has made to deliver for customers and the communities we serve, now and in the future. Over 2024 our focus was on continuous improvement and to deliver on existing commitments and established work programs. This is reflected in our self assessment against the Maturity Model. We know there is more to do to improve our customer service delivery.

2024 was a significant step forward for AGIG in delivering a range of renewable gas projects that pave the way for sustainable energy in Australia. We further expanded our Hydrogen Park South Australia facility by lifting the initial blend of renewable hydrogen with natural gas from 5% to 10%, safely demonstrating a pathway to build scale in the distribution network.

We have progressed the construction of both Hydrogen Park Gladstone and Hydrogen Park Murray Valley – both on track to start delivering renewable hydrogen in late 2024 and 2025 respectively. We have many other projects that we plan to progress, including biomethane projects.

This year we have focused on increasing awareness around our Australian-first Priority Services Program - supporting customers on our networks in South Australia and Queensland who are experiencing vulnerability. This Program is particularly important with cost of living continuing to be a key concern for our customers. We will be expanding the program to include Victoria in the second half of 2024. In supporting our Priority Services Program, we have launched an enhanced Customer Relationship Management (CRM) platform. This will give us more visibility into customers requiring support, allowing us to provide a tailored service.

In 2025, we will continue to strengthen our customer focus while making a positive contribution to building sustainable communities.

Craig de Laine
Chief Executive Officer

Acknowledgement of Country

Australian Gas Infrastructure Group acknowledges the Traditional Custodians of the lands upon which we live and operate, and we pay our respects to Elders past, present and emerging.

We recognise Aboriginal and Torres Strait Islander peoples' historical and ongoing connection to land and waters, and we embrace the spirit of reconciliation.

2023-24 Highlights



Volunteer hours

670  **359**
2023 2022

This is equivalent to ~ 88 working days or 17 working weeks

16th  **23rd**
2023 2022

Best Workplaces to Give Back 2023



317km of older generation gas mains replaced with renewable gas ready pipeline



Launch of Renewable Gas webpage by industry partners in support of the awareness of renewable gas used in the Masterchef Australia kitchen 2024



Priority Services Program



Completion of the AGN Victoria Mains Replacement Program



Launched in July 2023, an Australian-first initiative showcasing 100% hydrogen gas appliances in a residential setting.

507 visitors over 48 tours

to HyHome, since launch in July 2023 (as of 1 August 2024)

Our Customers and Communities

We deliver gas to more than 2.1 million customers across every Australian mainland state and the Northern Territory.

Whether it be through research programs, direct customer engagement or daily interactions, we are continually listening to our customers to better understand their needs, priorities, and relationship with energy, among many other things.

Below are a few insights that we hear across our diverse customer base:

Customers and communities value the safe delivery of gas. For most, they expect that we are doing this and will continue to deliver gas safely well into the future.

Affordability of gas is a key concern for all customers, whether it be a young family or a large industrial customer.

Customers and communities are interested in our decarbonisation journey, with many looking to us to support them in their own decarbonisation efforts.

Sustainability Targets

We remain committed to transparency and accountability to deliver better outcomes to customers through the Energy Charter and also through the Environmental, Social and Governance (ESG) reporting.

Now in our third year of reporting, we continue to showcase commitment to - and investment in - mitigating long-term impacts to the environment while progressing the interests of customers and the communities that we serve. Given the natural overlap between the Energy Charter principles and our sustainability targets, we have streamlined this year's Energy Charter statement to refer to the relevant progress in our ESG Report.

Our ESG reporting has been set to align with our Vision and Values and to have regard to the most relevant and influential aspects of our business. We have aligned these to the following seven United Nations Sustainable Development Goals.



05 Gender Equity - Achieve gender equality and empower all women and girls



07 Affordable and Clean Energy - Ensure access to affordable, reliable, sustainable and modern energy for all



08 Decent Work and Economic Growth - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



09 Industry, Innovation and Infrastructure - Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



11 Sustainable Cities and Communities - Make cities and human settlements inclusive, safe, resilient and sustainable



12 Responsible Consumption and Production - Ensure sustainable consumption and production patterns



13 Climate Action - Take urgent action to combat climate change and its impacts



2024 Maturity Assessment

Principle 01

We will put customers at the centre of our business and the energy system

Evolving

1.1 More tailored support for customers through our enhanced Customer Relationship Management System (new)

We continued to have a strong focus on customers to improve business practices and deliver better outcomes. Over FY24, we worked to deliver an enhanced Customer Relationship Management (CRM) platform to support our Priority Services Program, improving the way we support our customers. Our new CRM will provide enhanced visibility into customers requiring more support by allowing us to provide a tailored service and fostering greater transparency going forward. There is still more to do to grow customer centricity, but the CRM provides a base application to leverage.

We will monitor the impact that the CRM has in allowing us to identify early customers at risk and provide support through the Priority Services Program.

1.2 Developing our future plans for the Dampier Bunbury Natural Gas Pipeline (new)

We have commenced planning our future investment priorities and services for the Dampier to Bunbury Natural Gas Pipeline (DBNGP) for the period 1 January 2026 through to 31 December 2030.

Our objective is to develop a plan that delivers for current and future customers, is underpinned by effective stakeholder engagement, and is capable of being accepted by our customers and stakeholders. We are actively engaging with stakeholders to shape our future plans (ESG, p.38).

Principle 02

We will improve energy affordability for customers

Evolving

2.1 Continue to develop efficient and sustainable price and service offerings (ongoing)

In developing regulatory plans for our Victorian and South Australian distribution networks and Western Australian transmission network, we engage with our customers to develop an efficient and sustainable price and service offering. This offering seeks to balance customer priorities including safety, affordability, stability and reliability in delivering our services for customers.

For the upcoming access arrangement for our South Australian network, we are using all endeavours to ensure that our distribution charges - which account for around 50% of a typical household's energy bill - remain efficient and sustainable.

ESG Target: We seek to balance consumer priorities including safety, affordability, stability and reliability in delivery of our services.

Sustainable Development Goal 07

Principle 03

We will provide energy safely, sustainably, and reliably

Empowering

3.1 Delivering on our Low Carbon Strategy (ongoing)

In terms of sustainability, FY24 was a significant step forward for AGIG as we delivered a range of projects to scale-up the production and delivery of renewable gas into our networks. We expanded the renewable gas blend from Hydrogen Park (HyP) South Australia to around 4,000 homes, businesses and schools (from 700 homes initially), and have lifted the blend

to 10% hydrogen (from 5%). We have also progressed construction of HyP Gladstone, which will provide a 10% renewable hydrogen blend to our entire network in Gladstone in late 2024 (ESG, pp.51-57).

ESG Target: We will invest in significant new renewable gas projects for supply to our customers.

Sustainable Development Goal 07

We will work with stakeholders to demonstrate 100% hydrogen domestic appliances in a typical "at home" setting to help them understand how they might use hydrogen in the future; We will promote knowledge sharing and partnerships across the renewable energy sector; We will target 10% renewable gas in our distribution networks by 2030.

Sustainable Development Goal 09

We will target 100% renewable gas in our distribution networks by 2050 at the latest and 2040 as a stretch; We will target net zero emissions from our transmission and midstream assets by 2050 at the latest.

Sustainable Development Goal 13

3.2 Significant milestone reached on AGN Victoria's Mains Replacement Program (complete)

We reached a significant safety milestone through the completion of AGN Victoria's mains replacement program in early FY24. The mains replacement program involves changing from legacy steel and cast iron pipes to new polyethylene and protected-steel pipes. This means our mains are among the safest and most reliable of anywhere in the world, operating with fewer fugitive emissions and compatible with delivering 100% renewable hydrogen with minor incremental investment (ESG, p.38).

ESG Target: We will improve reliability, reduce emissions and future proof our distribution networks by replacing low pressure and earliest generation polyethylene pipes.

Sustainable Development Goal 09

Principle 04

We will improve the customer experience

Evolving

4.1 Continuing to support the communities where we operate through the Community Partnerships Program (ongoing)

Now in its third year, our Community Partnerships Program (CPP) continues to be a key part of our business and focuses on supporting the communities where we operate. This includes by providing financial and in-kind support to a range of community organisations, including those that promote diversity, environmental sustainability and education (ESG, p.59). During 2023-2024 we invested \$0.5 million and 846 volunteer hours.

ESG Target: We will invest in the community through our CPP; We will track and improve employee uptake of the AGIG Volunteer Program.

Sustainable Development Goal 11

4.2 Increasing renewable gas awareness through webpage launch, showcasing the renewable gas used in Masterchef 2024 (new)

Customer insights on decarbonisation show that customers have low levels of awareness of renewable gas and are keen to learn more. Clear and informed customer education and communication is required to manage any major transitional change such as the shift away from natural gas to different energy sources. In 2024, we launched a renewable gas webpage along with our industry peers to build awareness around renewable gas. The webpage also provides information about the renewable gas showcased on Masterchef Australia 2024.

Principle 05

We will support customers facing vulnerable circumstances

Evolving

5.1 Promoting our Priority Services Program (ongoing)

In 2023 we launched our Priority Services Program, the first of its kind by a gas distributor in Australia. The Priority Services Program delivers additional support to our South Australian and Queensland customers who need it the most, including by providing gas appliance safety checks, repairs and appliance replacement rebates. We have expanded our customer care team to support the effective delivery of our Priority Services Program (ESG, p.36). Over 2024 we have worked to build more awareness of the Priority Services Program to reach more customers who are experiencing vulnerability. We currently have over 90 registrations across South Australia and Queensland.

Our future focus is to take learnings from the initial year to continue to grow the base of the Priority Services Program by communicating with a wider audience of communities experiencing vulnerable circumstances.

ESG Target: We will support customers in vulnerable circumstances.

Sustainable Development Goal 07

5.2 Better Together Knock to Stay Connected (ongoing)

In 2023, the Energy Charter successfully launched the 'Knock to Stay Connected' Code. The Code provides guidance for participants on how to reduce the number of customers who have their energy supply disconnected as a result of being in financial hardship. We are proud to be early adopters of the Knock to Stay Connected program since 2020. (ESG, p.35)

Our progress on our 2022-23 Disclosure Statement Commitments

Principle 01

We will put customers at the centre of our business and the energy system

Our new internal Customer Satisfaction (CSAT) program, improving how we deliver internal customer service

We will baseline our internal CSAT score in 2023 and consider performance targets for 2024.

Our Progress

Ongoing. We are continuing to refine our internal CSAT program and test the methodology to ensure we can better measure internal customer satisfaction. Given this, no performance targets for 2024 were set, but will be considered for future years.

Engaging Victorians on the future of our networks: Our award-winning engagement approach

We will continue to seek opportunities where we can work collaboratively with the industry to deliver projects and initiatives where this collaboration will ultimately improve customer outcomes.

Our Progress

Ongoing. We continue to seek opportunities to collaboratively work with industry to deliver projects and initiatives. In late 2023, the Australian Hydrogen Centre, a cross-sector collaboration with State Governments and major energy network businesses (including AGIG) released reports assessing the feasibility of transitioning existing natural gas distribution networks into a new system to produce, store, and transport renewable hydrogen.

Continued investment in our dedicated Customer Care team

We will continue to assess and invest in our Customer Care team to ensure it meets both the expectations of our business and customers. With the launch of our Priority Services Program in Victoria in 2024 we will again see the team grow in size and expertise.

Our Progress

Ongoing. We are continuing to assess and invest in our Customer Care team, developing skills and understanding of vulnerabilities to ensure it meets both the expectations of our business and customers.

Principle 02

We will improve energy affordability for customers

Appliance efficiency rebates and a Priority Services Program for customers experiencing vulnerability

We will continue to build awareness of our Priority Services Program, and energy efficiency rebates, to ensure that all customers on our South Australian and Queensland networks who are eligible are accessing the support that is available to them.

Our Progress

Ongoing. We are broadening our outreach to raise awareness of our Priority Services Program so vulnerable customers on our South Australian and Queensland networks are better informed about supports that are available to them for appliance safety checks, repairs, and replacement.

Rebates for energy efficient appliances align with AGIG's sustainability strategy. The next phase involves a Trade Rewards Program to encourage increased investment from trade partners to support more efficient gas appliances.

Principle 03

We will provide energy safely, sustainably, and reliably

Delivering our Low Carbon Strategy

We will continue to work towards our HyP Gladstone and HyP Murray Valley delivery dates of early 2024 and 2025, respectively. We are also continually scoping and exploring new projects, and in particular targeting biomethane opportunities across our networks, together with renewable hydrogen, in assisting us achieve our Low Carbon Vision.

Our Progress

Ongoing. We will continue to work towards completion of our HyP Gladstone and HyP Murray Valley projects. In connection with new biomethane opportunities, we are investigating opportunities in Queensland and have signed a Memorandum of Understanding with LMS Energy in 2024 to investigate the feasibility of two projects in Victoria that involve processing landfill biogas into biomethane.

Our commitment to Sustainable Development Goals, and ESG Reporting

We will progress our ESG targets each year and continue to highlight how we are making a measurable difference to the environment, our customers, and the communities in which we operate.

Our progress on our 2022-23 Disclosure Statement Commitments

Our Progress

Ongoing. We released our 2023 ESG Report in March 2024. This year's report focuses on AGIG's commitment to improving long-term impacts to the environment in the interests of our customers, community and employees while delivering best-practice performance as one of Australia's largest gas infrastructure businesses. In 2023, we increased our alignment with United Nations Sustainable Development Goals from 6 to 7 by adding Gender Equality and setting appropriate targets to empower women and girls in our workforce.

Principle 04

We will improve the customer experience

Supporting communities through our Community Partnerships Program

We will undertake a strategic review of our Community Partnerships Program in late 2023. We will also look to appoint new flagship partners in 2024.

Our Progress

We have undertaken a strategic review of our Community Partnerships Program and agreed to increase our community investment over time to ensure the program continues to grow and to make a positive contribution to the communities we serve across Australia.

Recognising outstanding performance with our Customer Service Excellence Awards

We will be announcing the winners of our first Customer Service Excellence Awards in late 2023 at a dedicated awards ceremony.

Our Progress

Ongoing. Now in its second year, the Customer Service Excellence Awards program has been a fantastic way to recognise and reward our people and service providers who deliver customer service excellence.

Restructuring our business to shine a light on the customer and employee experience

We will continue to invest in and grow our Employee Experience and Customer Experience teams at AGIG and monitor our success across a range of initiatives in 2023.

Our Progress

Ongoing. Our Customer Experience team grew in size and expertise over 2024 to deliver on a range of important initiatives such as regulatory and renewable gas engagement programs and uplifting our digital capability to meet the communication needs of our customers. Over 2024, the Employee Experience team has

continued to focus on improving employee engagement and driving workplace improvements such as transitioning to a new employee assistance partner (EAP) and launching our inaugural organisational cultural survey. In February 2024, AGIG published its Workplace Gender Equality report followed by a refreshed Diversity, Equity, and Inclusion Plan for 2024 to 2026.

Principle 05

We will support customers facing vulnerable circumstances

Our Priority Services Program

By increasing awareness of our Priority Services Program, we have been able to provide financial and trade support for appliance safety checks, repairs, and replacement to customers facing vulnerable circumstances on our South Australian and Queensland networks.

Our Progress

Ongoing. We will continue to promote the Priority Services Program in South Australia and Queensland to ensure that eligible customers are accessing the available support.

Recent amendments to the license conditions for Gas Distribution Network Operators in Victoria prevent the full implementation of the Priority Services Program in that State. However, we are on-track for an amended, compliant program to assist priority customers in Victoria to be launched in the second half of 2024.

Appendix A

Maturity Assessment

Principle	Elementary	Emerging	Evolving	Empowering	Exceeding
P1. We will put customers at the centre of our business and the energy system			2022, 2023, 2024		Aspiration (2027/2028)
P2. We will improve energy affordability for customers			2022, 2023, 2024	Aspiration (2025/2026)	
P3. We will provide energy safely, sustainably, and reliably			2022	2023, 2024	Aspiration (2025/2026)
P4. We will improve the customer experience		2022	2023, 2024	Aspiration (2025/2026)	
P5. We will support customers facing vulnerable circumstances			2022, 2023, 2024	Aspiration (2025/2026)	

Rationale behind our 2024 Maturity Model Self-Assessment

P1 We will maintain our 'evolving' status in 2024.

- This assessment is based on the fact that we (i) have a strong culture of putting the customer at the centre of our business, including values that reflect this (ii) consider customer and community needs when designing programs and delivering our services, and (iii) report CSAT outcomes and progress against strategic customer initiatives to our Executive Leadership Team, Boards and Committees regularly.
- To advance to an 'empowering' status we need to identify some lead indicators of measuring customer centricity. Over 2025, we are looking to develop an AGIG wide customer and community strategy.

P2 We will maintain our 'evolving' status in 2024.

- This assessment is based on the fact that we, (i) undertake significant engagement with customers and stakeholders during the drafting of all Access Arrangements, to test their support/ need for the services and initiatives that we intend to deliver over the 5-year period, and the cost impacts associated with that, (ii) consider cost implications in all business implications, (iii) offer financial support to customers where it is appropriate and needed (e.g., efficiency rebates).
- To advance to an 'empowering' status we need to identify some lead indicators of affordability that drive continual improvement.

P3 We will maintain our 'empowering' status in 2024.

- This assessment is based on the fact that we, (i) have a very strong culture of safety embedded into our business and performance metrics to match, (ii) report safety KPIs across the business regularly, (iii) are showing leadership in decarbonisation efforts, and have made significant progress on our projects this year, (v) strong focus on sustainability through our ESG.

- We are focussing on best practice and innovative approaches to safety and wellbeing in advancing to an 'exceeding' status.
- We have made significant progress on AGN low pressure mains replacement, with the program completed in Victoria, scheduled for completion in SA in 2026, and Queensland in 2027. MGN program is a continued focus currently scheduled for completion in 2033.

P4 We will maintain our 'evolving' status in 2024.

- This assessment is based on the fact that we, (i) are advanced in our customer engagement processes, building significant social licence for the business, (ii) provide a range of tools and resources to customers to help them navigate our services and the energy sector, (iii) continually review and update our claims and complaints processes to consider external best practices, (iv) have an evolved CSAT program which is monitored at the ELT and Board level and drives strategic and tactical changes in our business.

P5 We will maintain our 'evolving' status in 2024.

- This assessment is based on the fact that we, (i) have programs and policies in place to support customers experiencing vulnerability, (ii) are tracking our performance to improve new service delivery, (iii) continuing to partner with social service organisations to deliver our programs and policies and better understand vulnerable customer needs.
- With the launch of our new CRM platform over 2024, this will provide us the ability to provide a more tailored service and identifying early, customers at risk and provide them with support through the Priority Services Program.

Appendix B

Key Metrics and Performance

As at 30 June 2024, except where noted

Principle 1

Internal CSAT	8.3 (at May 2024)
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Principle 2

	AGN VIC	AGN SA	AGN QLD	MGN
Typical residential customer network charges in \$ 2023/24 (nominal):	\$405	\$555	\$430	\$391

Principle 3

		AGN	MGN	DBP
Safety	Total recordable injury frequency rate (TRIFR)	2.9	5.0	9.9
	Lost time injury frequency rate (LTIFR)	1.1	4.0	3.3
Reliability	Number of unplanned interruptions affecting 5+ customers	37	33	NA
	Number of customers having 3+ interruptions within 12 months	10	135	N/A
	DBNGP system reliability	N/A	N/A	100%
	DBNGP compressor station reliability	N/A	N/A	94.6%

Hydrogen Park South Australia

Renewable Gas Production (kg)	15,629
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Principle 4

	AGN	MGN	DBP
Customer Satisfaction	8.5	8.0	8.7 (at date of publication)

Community Partnerships Program (2023 Calendar Year)

Community investment (\$ thousands)	524
Volunteer hours	670

Principle 5

	AGN (SA & QLD)	VIC (AGN & MGN)
Priority Services Registration	94 (at date of publication)	To be launched September 2024



For more information, please contact:
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