

08 March 2024

Basis of Preparation

Overview

Reporting period: 1 January to 31 December 2023

Organisational boundary: AGN and its controlled entities for the reporting period (1 January 2023 to 31 December 2023), unless otherwise specified.

Operations

Key Definitions	<p>Gas Delivered: Gas delivered via distribution networks to customers. Gas is provided by distribution pipelines to the customer's meter.</p> <p>Customer Numbers: Total number of customers receiving gas on our pipelines.</p> <p>Unplanned network interruptions: interruption to gas supply to a customer that was unplanned.</p>
Metrics	<ul style="list-style-type: none">• Total Gas Delivered• Total Customer Numbers• Number of unplanned network interruptions affecting 5 or more customers during the reporting period• Number of customers who experienced 3 or more unplanned network interruptions during the reporting period

Supply Chain

Key Definitions	<p>Active supplier: a vendor within AGN's Enterprise Resource Planning system (SAP).</p> <p>Tier 1 supplier: direct supplier of a product or service, with purchases during the reporting period. For this metric APA Group has been excluded as a supplier, given the nature of the service provider agreement.</p> <p>Continent: the continent of the supplier's location, as shown by the address on the supplier's invoice.</p> <p>Geographical location: the country of the supplier's location, as shown by the address on the supplier's invoice.</p> <p>Purchases: purchases made during the reporting period, for which an invoice has been received and processed by AGN.</p> <p>Local suppliers: suppliers with an Australian address, as shown on the supplier's invoice.</p>
Metrics	<ul style="list-style-type: none"> • The number of active Tier 1 suppliers by geographical location • Proportion of spend of active Tier 1 local suppliers

Community and Human Rights

Key Definitions	<p>Community Investments: Under AGN's Community Partnership Program (CPP), AGN provides financial contributions to Australian based registered charities or not for profit organisations.</p> <p>Volunteer hours: hours that AGN employees have volunteered during the reporting period. Volunteer hours must be used for Australian based registered charities or not for profit organisations.</p>
Metrics	<ul style="list-style-type: none"> • Community investment made by AGN in Australian dollars (AUD) (in accordance with terms and conditions applicable under AGN's CPP) • The community investment made by AGN employees through volunteering hours
Assumptions, estimates and judgements	<p>Funding for the CPP program is budgeted and paid by AGN for all entities within the Australian Gas Infrastructure Group (AGIG). The shareholder has requested that the AGN metric is reported as one-third of the total investments made by AGN on behalf of AGIG during the reporting period.</p>

Governance

Corruption practices: are circumstances or activities amounting to fraud, corruption, misconduct or improper states of affairs or circumstances, including conduct that could result in a contravention of laws applicable to AGN, and is considered "Reportable Conduct" in accordance with the AGN Fraud Corruption Misconduct Prevention and Whistleblowing Policy (version 05).

Key Definitions

Whistleblower reports: A whistleblowing report, submitted to Grant Thornton, or otherwise to AGN using any of the methods outlined in AGN's Fraud Corruption Misconduct Prevention and Whistleblowing Policy (version 05) to report any suspected impropriety, misconduct, corruption or malpractice on a confidential basis.

Grant Thornton: independent provider of AGN's confidential whistleblowing hotline.

Incident: an incident of corruption reported during the reporting period.

Legal cases: formal dispute resolution processes, to be resolved by a court or tribunal, commenced during the reporting period, between AGN and another person or entity.

Metrics

- The total number of whistleblower reports made during the reporting period
- The total number of whistleblower reports relating to bribery and/or corruption practices made during the reporting period
- Confirmed incidents of corruption and actions taken
- Legal cases relating to corruption practices

Key Definitions

Cybersecurity breaches: A confirmed data or cyber breach resulting in unauthorised access to, modification, disclosure, or other misuse of AGN data or technology systems.

Significant notifiable breaches: Breach that impacts customers, employees and contractors and is reportable to one or more relevant regulators in compliance with legislative or regulatory requirements applicable to AGN including: Australian Privacy Legislation, Security of Critical Infrastructure (SOCI) Legislation, Foreign Investment Review Board (FIRB) requirements.

Breach (data): When data is lost or subjected to unauthorised access, modification, disclosure, or other misuse or interference. Also referred to as a 'data spill'.

Breach (security): A cyber security incident that results in unauthorised access to data, applications, services, networks and/or devices by bypassing their underlying security mechanisms.

Metrics

- The total number of significant notifiable cyber security breaches identified during the reporting period

Employee Reporting Criteria

Workforce by employment type: The distribution of employees by employment type as at the end of the reporting period (31 December 2023). Employment types are full-time, part-time, and casual employees. For the purposes of these metrics, employees exclude contractors.

Full time employee: an employee who is employed on a full-time basis by AGN, and works 38 hours per week, as outlined in their employment contract.

Part-time employee: an employee who is employed on a part-time basis by AGN, who works less than 38 hours per week, as outlined in their employment contract.

Casual employee: an employee who is employed on a casual basis by AGN, in line with the definitions of a casual employee under the Fair Work Act 2009.

Workforce by gender: The percentage of employees by gender as at the end of the reporting period (31 December 2023) as disclosed by the employee at the time of their onboarding. An employee will self-nominate as either male, female or choose not to disclose (undisclosed category). For the purposes of this metric, employees include only full-time employees, and excludes part-time employees, casual employees, and contractors.

Workforce by employment category: The distribution of employees by employment category as at the end of the reporting period (31 December 2023). Employment categories are managers and non-managers. Managers are defined as employees who hold the positions with the Executive Leadership Team (ELT) and Director only. For the purposes of this metric, employees include only full-time employees, and excludes part-time employees, casual employees, and contractors.

Workforce by region: The distribution of employees by region as at the end of the reporting period (31 December 2023). Location of the employee is extracted from the AGN payroll system and is based on the state at which the employee performs the majority of their AGN related work. For the purposes of this metric workforce data includes full-time, part-time and casual employees and excludes contractors.

Workforce by age group: The distribution of employees by age group as at the end of the reporting period (31 December 2023). The age of employees is determined from the date of birth recorded at the time of the employee's onboarding. For the purposes of this metric, employees include only full-time employees, and excludes part-time employees, casual employees, and contractors.

Basic salary: refers to the fixed, minimum amount paid to an employee.

Total remuneration: refers to basic salary plus additional amounts paid to an employee, which can include longevity pay, bonuses (cash / equity), benefit payments, overtime, and any additional allowances.

Key Definitions

Metrics

- Employment type (Full, Part, Casual)
- Gender
- Employment category (Manager, non-manager)
- Region (States)
- Age Group
- Turnover rate (by gender and age-group)
- New hires

Key Definitions	<p>Training modules: Voluntary and mandatory training, as required as part of individual roles.</p> <p>Mandatory training: training required to be completed by employees.</p> <p>Learning Management System (LMS): The system used to record the completion of training by employees.</p> <p>Anti-corruption/ethics and integrity training: The learning module 'Anti-bribery and Corruption' in the LMS.</p> <p>Modern slavery training: The learning module 'Modern Slavery in the LMS.</p> <p>Total training hours: total training hours recorded in LMS/Training and Development Booking Sheet during the reporting period for active employees, based on the expected module completion time per LMS.</p>
Metrics	<ul style="list-style-type: none"> • The percentage of employees that completed training on anti-corruption and ethics and integrity during the reporting period • The total number of hours of modern slavery training employees completed during the reporting period • The total number of hours of training completed by AGN full-time employees and split by gender during the reporting period • The percentage of AGN full-time employees and split by gender who completed a training module on LMS during the reporting period • The total number of hours of training completed by AGN full-time employees, split by employment category, who completed a training module on LMS during the reporting period • The percentage of AGN full-time employees, split by employment category, who completed a training module on LMS/Training and Development Booking Sheet during the reporting period

Safety

Key Definitions	<p>Total Recordable Injury Frequency Rate (TRIFR): reports the number of Total Recordable Injuries (TRI) per million hours worked. TRIFR includes work related injuries that relate to an AGN workplace or AGN activity undertaken by an AGN employee or contractor that resulted in: Fatalities, Lost Time Injuries, Medical Treated Injuries and Restricted Work Injuries. It excludes First Aid Incidents and High Potential Incidents.</p> <p>Lost Time Injury Frequency Rate (LTIFR): reports the number of Lost Time Injuries (LTI) per million hours worked.</p> <p>Total hours worked: - includes hours worked by AGN full-time employees and contractors. The number of total hours worked excludes paid leave of absence from work (paid vacations, paid sick leave, public holidays). Total hours worked by employees is determined by multiplying the total number of AGN employees x 7.6 hours/day x 20 days/month. Total hours worked by contractors are reported to AGN by contractors.</p>
Metrics	<ul style="list-style-type: none"> • Total Recordable Injury Frequency Rate (TRIFR) • Lost Time Injury Frequency Rate (LTIFR) • Total number of fatalities as a result of a work-related injury

Key Definitions	<p>Public leaks: relate to the number of leak investigation work orders raised via a phone call from the public to the National Response Centre. It excludes Leak Survey or internally generated leak reports.</p> <p>Leak response time: is the measurement of time from when the Leak Service Request is created by the National Response Centre (when receiving the leak call from the public) to when the First Response operator arrives on site as reported to AGN by its service provider. All responses to leaks calls, except cancelled jobs, are included in the measure, irrespective of the outcome (for example even if no leaks were found).</p>
Metrics	<ul style="list-style-type: none"> • Percentage of public leak reports responded to in 1 hour in Victoria or 2 hours in South Australia and Queensland

Key Definitions	<p>Leak management plan (LMP): leak surveys: planned periodic leak surveys undertaken by AGN. Where a leak is identified, this will result in pinpoint investigation followed by a leak repair work order.</p>
	<p>Leak repair work: order used to track commencement and completion of remediation of leaks identified from LMP leak surveys.</p>
Metrics	<ul style="list-style-type: none"> Percentage of Leak Management Plan (LMP) leak surveys compliance
Key Definitions	<p>This metric measures the compliance to leak repair time required for Class 1 and Class 2 leaks.</p> <ul style="list-style-type: none"> Class 1 leaks are higher risk and required to be repaired within 24 hours. Class 2 leaks are lower risk leaks that need to be repaired within 7 business days.
	<p>The leak repair time is measured from when the Leak Service Request is created by the National Response Centre or when an internally generated leak work order is created, to the actual finish time as recorded in the Leak Repair work order.</p>
Metrics	<ul style="list-style-type: none"> LMP Class 1 and Class 2 leak repair - % performance with LMP target timeframe