AGL Energy Limited
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ASX & Media Release

AGL – Results for Announcement to the Market

13 August 2025

Attached are the following documents relating to AGL Energy Limited's results for the year ended 30 June 2025:

- Appendix 4E
- AGL Energy Limited 2025 Annual Report.

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 Australian life. Proudly Australian for more than 185 years, AGL supplies around 4.6 million[1] energy, telecommunications and Netflix customer services. 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, and batteries and other firming and storage technology. We are building on our history as one of Australia's leading private investors in renewable energy to be a leader in the transition to a lower emissions and smart energy future in line with the goals of our Climate Transition Action Plan. We'll continue to innovate in energy and other services to enhance the way Australians live, move and work.

For more information visit agl.com.au.

[1] Services to customers number is as at 30 June 2025.

Appendix 4E

AGL Energy Limited

ABN 74 115 061 375

Preliminary Final Report

Results for announcement to the market
for the year ended 30 June 2025

				30 June 2025 $A million	30 June 2024 $A million
Revenue	**Up**	**6.0%**	to	**14,393**	**13,583**
Statutory (loss)/profit after tax attributable to shareholders		**NM[1]**	to	**(98)**	**711**
Underlying Profit after tax attributable to shareholders	**Down**	**21.2%**	to	**640**	**812**
				30 June 2025 Cents	30 June 2024 Cents
Statutory Earnings per share		**NM[1]**	to	**(14.6)**	**105.7**
Underlying Earnings per share	**Down**	**21.2%**	to	**95.1**	**120.7**
				30 June 2025 $A	30 June 2024 $A
Net tangible asset backing per share	**Down**	**35.8%**	to	**2.22**	**3.46**
				Amount cents	Franked amount cents
Final dividend per ordinary share				25.0	25.0
Interim dividend per ordinary share				23.0	23.0

[1] Not Meaningful

Record date for determining entitlements to the final dividend:
27 August 2025 and payable 25 September 2025.

Brief explanation of Underlying Profit after tax and Underlying Earnings per share:
Statutory Profit after tax and Statutory Earnings per share are prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards, which comply with International Financial Reporting Standards.

Statutory loss after tax of $98 million included a loss of $596 million after tax treated as significant items and a loss of $142 million after tax from the changes in the fair value of financial instruments. Excluding these items, the Underlying Profit after tax was $640 million, 21.2% down on the prior corresponding period.

Underlying Profit after tax is reported to give information to shareholders that provides a greater understanding of the performance of AGL Energy Limited's (AGL's) operations. AGL believes Underlying Profit after tax is useful as it removes significant items and timing mismatches between the fair value of derivatives and the underlying asset being hedged thereby facilitating a more representative comparison of financial performance between financial periods.

This report should be read in conjunction with the 2025 Annual Report incorporating AGL Directors' Report (including the Operating & Financial Review) and the Financial Report released to the market on 13 August 2025.

The consolidated financial statements contained within the 2025 Annual Report, of which this report is based upon, have been audited by Deloitte Touche Tohmatsu.

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Annual Report 2025

Report structure

This report is designed to be read in its entirety. The required elements of the Directors' Report, including the Operating and Financial Review (OFR) as required by ASIC Regulatory Guide 247 and the Sustainability Report (Climate-Related Disclosures), are covered on pages 64-88. Commentary on AGL's financial performance specifically is contained on pages 14-63 and references information reported in the Financial Report (pages 126-222). The Financial Report includes AGL Energy Limited (the Company or Parent Entity) and the entities it controlled at the end of, or during, the year ended 30 June 2025. Throughout the report, the consolidated entity is referred to as AGL or the Group. The Directors' Declaration forms part of the Financial Report under the Corporations Act 2001 (Cth) (Corporations Act).

Voluntary reporting frameworks

This report has been prepared with consideration to the International Integrated Reporting Council's (IIRC) International Integrated Reporting Framework to demonstrate how sustainable value is created for our shareholders and other stakeholders over time, applying a lens that is broader than financial performance alone.

Australian Sustainability Reporting Standard AASB S2 - Climate-related Disclosures (the Australian equivalent of IFRS S2), will apply to AGL for its FY26 report. AGL has endeavoured to reflect aspects of AASB S2 in our FY25 disclosures on pages 64-88 of the Directors' Report.

The disclosures in this report and the ESG Data Centre are made with consideration of the Sustainability Accounting Standards Board (SASB) standards for 'Electrical Utilities and Power Generators' and 'Gas Utilities and Distributors' version 2023-12. Our SASB index is included in the ESG Data Centre, which identifies the extent to which each SASB disclosure requirement has been applied.

Assurance

The Remuneration Report (pages 100-123) and the Financial Report (pages 126-222) have been independently audited by Deloitte in accordance with Australian Auditing Standards. Deloitte was also engaged to provide limited assurance over selected key performance indicators included in the Business Value Driver scorecards (page 27) and AGL's progress against selected quantified targets from our Climate Transition Action Plan (CTAP) (page 65) and other selected climate-related metrics (page 79) in accordance with the Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. The key performance indicators are to be read in conjunction with the definitions in the Glossary (page 226). Full details of the assurance scope, process and outcomes are included in the assurance statement on page 218.

Forward-looking statements

This report includes information about AGL's performance for the period 1 July 2024 to 30 June 2025. Any forward-looking statements are based on AGL's current expectations, best estimates and assumptions as at the date of preparation, many of which are beyond AGL's control. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, which may cause actual results to differ materially from those expressed in the report.

Image: Kiewa Hydro Scheme, Victoria.
Cover image: Hallett Wind Farm, South Australia.

Acknowledgment of Country

AGL recognises the First Nations people as the Traditional Custodians of the lands on which we work, and acknowledges those communities' continuing connections to their lands, waters and cultures. We pay our respects to their Elders, past and present.

Contents

Business Value Drivers

We are focused on creating sustainable, long-term value for our shareholders and other stakeholders through the delivery of our strategy in a manner that is consistent with our values and delivers on our purpose of 'Powering Australian life'. As well as financial value, we consider value through six additional lenses as outlined in our ESG framework below.

Customers

Connecting every customer to a sustainable future

How we are creating value:

- Solutions to meet customer needs
- Energy affordability and support for customers experiencing vulnerability
- Decarbonised energy supply

+ Read more on pages 27-30

Assets

Responsible management of and investment in the assets of today and tomorrow

How we are creating value:

- Transitioning our energy portfolio
- Reliable and efficient plant operations
- Repurposed infrastructure (energy hubs)

+ Read more on pages 30-33

People

Investing in and protecting our people, delivering optimal outcomes by living our values

How we are creating value:

- Safe and healthy workforce
- Future fit people and culture
- Workforce transition

+ Read more on pages 33-35

Relationships

Supporting communities and maintaining strong partnerships

How we are creating value:

- Engaged and supported communities
- Collaboration for Australia's energy future
- Strong business relationships

+ Read more on pages 35-37

Environment

Minimising impact, preserving nature and ensuring resource efficiency

How we are creating value:

- Future low-carbon world
- Environmental stewardship
- Responsible rehabilitation

+ Read more on pages 37-40 and 64-88

Business Intelligence

Unlocking growth through technology and insights

How we are creating value:

- Enhancing customer experience
- Trading, operation and risk management capabilities
- Secure assets and data

+ Read more on pages 41-42

Underpinned by effective governance and ethical behaviour

+ Read more on pages 89-92

Driving financial value

+ Read more on pages 23-26

Chair and MD & CEO's Message

Dear Shareholders

It has been three years since AGL reset its strategy. In September 2022, in line with AGL's inaugural Climate Transition Action Plan (CTAP), AGL set out a multi-decade strategy to progressively decarbonise its asset portfolio with new renewable and firming capacity. This included an ambition to supply our customer demand with 12 GW of new generation and firming capacity by the end of 2035 and an interim target to have 5 GW of new renewables and firming in place by 2030, including to seek options to accelerate where possible.

> Over the past three years we have deployed or committed over $3 billion towards our decarbonisation strategy, and AGL's development pipeline has tripled from 3.2 GW to 9.6 GW. We also have access to a further 9 GW of early-stage opportunities.

As at 30 June 2025, AGL's operated scope 1 & 2 emissions were 30.7 MtCO2e, which is a 29.1% reduction against an FY19 baseline.

We have also delivered a number of initiatives to drive electrification and support our customers decarbonise the way they live, move and work.

We are focused on delivering long-term value through disciplined, year-on-year delivery and execution.

During FY25, we continued our strong progress while also delivering solid financial and operational results. We have also evolved our strategy and set new targets to allow us to continue to generate long-term sustainable value through the energy transition.

Highlighted below is a summary of what we achieved during FY25, our new targets, and an outlook for the year ahead.

FY25 financial and operational results

Our FY25 results were in line with our FY25 earnings guidance. We achieved:

- Underlying Net Profit after tax of $640 million, which excludes movements in the fair value of financial instruments and significant items. We incurred a statutory loss of $(98) million, including significant items of $(596) million (post-tax). The statutory loss primarily related to lower forecasted electricity and renewable energy certificate pricing, which resulted in a $(398) million increase in onerous contract provisions for various legacy power purchase agreements and a negative movement in the fair value of financial instruments of $(142) million. Retail Transformation costs of $(87) million were also recognised as a significant item.
- Underlying EBITDA of $2,010 million.

The Board has declared a final FY25 dividend of [25] cents per share (fully franked), resulting in a total dividend for FY25 of [48] cents per share (fully franked).

The strong financial performance was achieved during FY25 despite reduced fleet availability in the second half of FY25. The FY25 result demonstrates the flexibility and breadth of AGL's portfolio, including the strong earnings from our growing battery portfolio.

AGL's flexible asset fleet capacity has grown to 8.3 GW, which is spread across a diverse range of asset types and continues to deliver increasing portfolio benefits to AGL. This also means that in periods of planned and forced outages across AGL's coal-fired fleet, AGL has significant flexibility across its hydro operations, gas peakers and batteries, in addition to demand response mechanisms under our contracts with aluminium smelters, to manage market demand and generate value.

Improved safety performance and employee engagement

In FY25, we were pleased that AGL's safety performance improved significantly from FY24 as a result of a targeted program of initiatives to reinforce a culture of shared responsibility and continuous improvement across our operations. These initiatives included training, strengthened governance and enhanced risk visibility.

AGL's FY25 employee engagement score increased by 1 percentage point to 73%, representing the continued focus on developing our people to ensure we have the skills and capabilities for the future.

Investments and growth to deliver AGL's strategy

During FY25, we made a number of important investments to progress our strategy to connect our customers to a sustainable future and to transition our energy portfolio

This included:

- the acquisition of Firm Power and Terrain Solar in September 2024. The acquisition provided access to 21 battery projects in development and six solar projects in development to provide further optionality for AGL's development pipeline.
- the acquisition of Everty, an EV software platform that provides charging and energy management solutions for electric vehicles. This has allowed AGL to continue to offer innovative solutions and encourage widespread adoption of electric vehicles.
- the acquisition of two pumped hydro energy storage projects located in the Hunter region of NSW. These projects are an important addition to AGL's long duration storage opportunities.
- completion of the acquisition of the 20% equity interest in Kaluza, underpinning AGL's Retail Transformation Program.

This momentum has continued into FY26 with:

- the acquisition of South Australia's Virtual Power Plant (VPP) from Tesla. This is one of Australia's largest VPPs, comprised of distributed solar capacity and about 7,000 Powerwall home batteries. More batteries are expected to be installed this year as we look to develop Australia's largest social and community housing VPP.
- final investment decision reached on the 500 MW/ 2,000 MWh Tomago Battery Project. The Tomago Battery Project adds to AGL's existing grid-scale battery portfolio, with the 500 MW/ 1,000 MWh Liddell Battery on track for commencement of operations in early 2026.
- the acquisition of the Yadnarie solar and long duration energy storage project. This project is based on RayGen's PV Ultra and Thermal Hydro technology, demonstrating our investment in innovative solar-and-storage system technology as a potential solution to the need for long duration energy storage.

Supporting Our Customers

AGL is Australia's leading energy brand, with over 4.56 million customer services. During FY25, we focused on helping our customers decarbonise the way they live, move and work, while also supporting many customers facing cost-of-living pressures.

We have now completed our two-year $90 million customer support package. This included $76 million in direct financial support such as debt relief and payment matching, and the installation of solar and/or batteries for customers experiencing vulnerability. Key learnings from this program have been embedded into our everyday operations and we continue to implement programs to help our customers.

As an example, we recently launched AGL Community Power, which seeks to find ways to share the benefits of the energy transition with those who cannot purchase solar and batteries or who may be locked out due to barriers to home ownership. As part of this program, we are partnering on the emPowering SA program to construct, install and/or operate 18 community batteries (~11.5 MW) and share benefits through discounted electricity for up to 11,000 customers.

We continue to offer innovative products and services to drive electrification of homes and businesses, including:

- Rooftop solar to approximately 650,000 solar customers.
- Our demand-response Peak Energy Rewards program.
- Electric vehicle charging and orchestration - we currently have approximately 32,000 customers on electric vehicle plans.
- Our VPP, which will play an important role in providing flexibility and helping to balance grid stability.

We've expanded our free digital advisory tool "Electrify Now". This tool leverages energy usage data to deliver a personalised electrification savings report for customers, with estimated energy bill and carbon savings for products like solar, batteries and electric appliances. We have had over 500,000 visits to Electrify Now since May 2024.

We have also partnered with fintech lender Plenti Group Limited to offer eligible customers discounted finance rates for residential solar batteries, with support from the Clean Energy Finance Corporation.

Our retail transformation program is also underway to deliver more seamless, customer focused experiences. Phase 1 of the program (Salesforce) has been successfully implemented to deliver enhanced customer and agent experience.

Embracing ESG and 2025 CTAP

During FY25 the Board approved an ESG decision making framework to embed ESG considerations into the work we do and the decisions we make to safeguard our business, access future opportunities, unlock strategic value and create competitive advantage.

Pages 12-13 of the Annual Report provide a summary of how we have considered our responsibilities to our people, customers, investors, the environment and the communities in which we operate during FY25.

A key focus of the Board during FY25 was oversight of AGL's 2025 CTAP. The 2025 CTAP was released as part of AGL's FY25 Results and will be subject to a shareholder vote at the 2025 AGM.

Importantly, we have built on our ambitions since our 2022 CTAP, including increasing our interim target from 5 GW by 2030 to 6 GW by FY30, of which we're targeting at least 3 GW of grid-scale batteries.

We have bolstered our interim Scope 1 and 2 emissions reduction targets, prioritising direct emissions reductions, and set a new ambition to reduce our Scope 3 emissions by 60% compared to FY19 levels following the closure of our coal-fired power stations.

We've also enhanced our commitment to a responsible transition, with clear principles developed to guide transparent engagement and meaningful support for our workforce, customers and communities as we navigate the transformation of Australia's energy systems together.

Our 2025 CTAP demonstrates our commitment and progress towards our decarbonisation strategy, including how we are setting ourselves up for success, the initiatives we are delivering to connect every customer to a sustainable future and to drive electrification, and our policy advocacy priorities that outline the action and regulatory certainty needed to allow AGL, and the broader energy industry, to navigate a clearer and accelerated decarbonisation pathway.

We encourage our stakeholders to read our 2025 CTAP and welcome your feedback at the 2025 AGM.

Board and Management Renewal

Patricia McKenzie retired from the Board on 12 February 2025. In May, we announced that Kerry Schott will be retiring at the 2025 AGM on 3 October 2025 and Betsy Donaghey is proposed to join the Board from the AGM, subject to election by shareholders. The Board is grateful for the significant contributions that Patricia and Kerry made to the Board and AGL during their tenure.

The Board has unanimously recommended that shareholders approve the appointment of Betsy Donaghey at the AGM. Betsy has extensive skills and experience in the energy sector, gained from working in a range of relevant organisations, including advising on the energy transition.

In February 2025, we announced that Markus Brokhof, AGL's Chief Operating Officer, will be retiring with effect from 15 September 2025. Markus has been instrumental in delivering AGL's strategy to transition our energy portfolio and the Board is appreciative of Markus' leadership over the past five years, including building a robust succession plan that ensures depth in our leadership pipeline.

As a result of Markus' retirement, AGL has decided to reshape AGL's Integrated Energy business unit into two new business units - Energy Assets and Energy Markets and Development, reflecting the growing size and complexity of our generation portfolio, development pipeline, and trading activities, which will enable greater specialisation to meet the challenges of the energy transition going forward.

In addition, a new business unit 'Strategy, Sustainability and Enterprise Energy Solutions' has been established to provide an integrated approach to the delivery of AGL's strategy, including our decarbonisation ambitions. This business unit will also include our commercial and industrial business, recognising the significant role of these customers in future large-scale electrification, development and the growth of our overall portfolio.

The Board is pleased that three new Executive General Managers have been appointed from AGL's internal talent to lead the new business units, reflecting our strong talent and capability pipeline. Matthew Currie has been appointed Chief Operations and Construction Officer and will lead the Energy Assets business unit. David Moretto has been appointed Chief Commercial Officer and will lead the Energy Markets and Development business unit, and Ryan Warburton has been appointed as Executive General Manager, Strategy, Sustainability and Enterprise Energy Solutions.

The year ahead

As we noted earlier, AGL's strategy involves a multi-decade decarbonisation of the business, which requires significant ongoing investment. This investment is not only required to maintain AGL's existing assets and deliver excellent service to our customers, but also to significantly transform our business in line with our strategy and to meet our decarbonisation commitments.

AGL's FY26 guidance range reflects the significant ongoing investment AGL is making to deliver its long-term strategy. This significant ongoing investment is expected to result in increased levels of depreciation and amortisation over the medium term, which will impact the level of Net Profit After Tax in future years. Therefore, Underlying EBITDA and Operating Free Cash Flow will become increasingly relevant measures of AGL's future performance.

AGL will continue to focus on the delivery of its strategy in the year ahead, and is cognisant of the geopolitical, market and regulatory landscape that will shape the pace and framework for the energy transition. We are committed to working with relevant stakeholders to chart a path forward that's affordable, reliable and secure for Australians.

We are getting on with the significant transformation ahead of us and are optimistic about the ongoing delivery of our strategy to create long-term value for our shareholders with our leading flexible asset base, brand and customer portfolio.

Thank you for your continued support.

Miles George
Chair

Damien Nicks
Managing Director & CEO

Five Year Summary

Key financial metrics

		FY25	FY24	FY23	FY22	FY21
Income						
Revenue	$m	**14,393**	13,583	14,157	13,221	10,942
Underlying EBITDA	$m	**2,010**	2,216	1,361	1,218	1,666
Underlying EBIT	$m	**1,207**	1,469	633	501	959
Statutory Profit/(Loss) after tax	$m	**(98)**	711	(1,264)	860	(2,058)
Underlying Profit after tax	$m	**640**	812	281	225	537
Financial position						
Total assets	$m	**16,204**	15,661	15,238	19,270	15,450
Net debt	$m	**2,903**	1,769	2,711	2,662	2,997
Gearing (net debt/net debt + equity)	%	**37.2**	24.7	34.9	29.2	35.1
Cash flow						
Sustaining capital expenditure	$m	**660**	588	508	460	534
Growth capital expenditure	$m	**508**	259	121	186	173
Operating cash flow before significant items, interest and tax	$m	**1,449**	2,429	1,013	1,498	1,606
Operating free cash flow	$m	**459**	1,736	504	763	855
Cash conversion excluding margin calls and rehabilitation	%	**80**	115	86	112	100
Shareholder value						
Statutory earnings per share	cents	**(14.6)**	105.7	(187.9)	131.6	(330.3)
Underlying earnings per share	cents	**95.1**	120.7	41.8	34.4	86.2
Dividends declared	cents	**48.0**	61.0	31.0	26.0	75.0
Payout ratio	%	**50.0**	50.5	75.0	75.0	87.0
Return on capital invested	%	**11.1**	13.5	5.7	4.8	7.6
Return on equity	%	**12.1**	14.9	4.9	3.7	8.1

Key operating metrics

		FY25	FY24	FY23	FY22	FY21
Total services to customers[1,2]	million	**4.560**	4.482	4.271	4.215	4.208
Customer churn	%	**15.7**	15.8	14.2	15.6	14.3
Pool generation volume	TWh	**32.9**	34.1	36.9	40.8	41.1
Customer demand: Electricity[2]	TWh	**36.1**	37.3	38.2	39.0	40.6
Customer demand: Gas	PJ	**100.8**	101.8	131.4	153.1	158.4
Wholesale electricity prices (realised spot generation)[3]	$/MWh	**125.6**	94.0	134.0	115.0	58.0
Fuel costs[4]	$/MWh	**(22.7)**	(21.3)	(23.3)	(20.2)	(20.8)
Operating costs and capital expenditure	$m	**(2,964)**	(2,634)	(2,233)	(2,142)	(2,326)

1. Includes Netflix Services.
2. Comparatives have been restated to integrate electricity services for Ovo Energy Australia post 100% ownership on 3 April 2024.
3. Refer to Operating & Financial Review - Section 6.2 Electricity Portfolio - Net Portfolio Management for further information.
4. Refer to Operating & Financial Review - Section 3.1.5 Fuel costs for further information.

Overview
Directors' Report
Financial Report
Other Information

Business Value Driver key performance indicators

For more information about each key performance indicator, refer to the scorecards in Section 3.2. The key performance indicators should be read in conjunction with the Glossary on pages 226-230.

		FY25	FY24	FY23	FY22	FY21
Customers						
Strategic Net Promoter Score (NPS)		**+8**	+4	+5	+6	+5
Customer Satisfaction (CSAT)	%	**81.6**	80.1	80.5	79.8	NR
Ombudsman complaints		**6,651**	8,111	5,012	4,873	5,973
Number of customers on Staying Connected		**34,328**	27,471	18,889	15,964	26,263
Average level of debt of customers on Staying Connected	$	**2,343**	2,025	2,578	2,973	2,768
Total average debt across mass market customer portfolio	$	**420**	414	386	241	292
Green revenue as a % of total revenue	%	**19.7**	19.3	17.5	15.3	13.4
Increase in green revenue from FY19	%	**98**	83	73	41	NR
Cumulative customer assets installed (behind the meter)	MW	**147**	70[1]	NR	NR	NR
Decentralised assets under orchestration (including smelters)	MW	**1,487**	1,249	1,139	NR	NR
Assets						
New renewable and firming capacity	MW	**1,178**	978	478	NA	NA
Operated and contracted renewable generation and storage capacity	%	**34.5**	32.8	30.5	NR	NR
Grid-scale batteries installed and managed	MW	**430**	380	130	30	30
Total grid-scale batteries operated, contracted or in delivery	MW	**1,200**	1,000	430	NR	NR
Equivalent Availability Factor - all fleet	%	**79.1**	85.8	76.8	74.5	73.7
Equivalent Availability Factor - thermal and gas generation fleet	%	**79.5**	86.6	74.6	NR	NR
People						
TIFR employees		**1.2**	2.7	2.4	1.5	1.7
TIFR (employees + contractors)		**2.0**	3.5	2.8	2.1	2.3
Fatalities (employees + contractors)		**0**	0	0	0	0
Employee engagement	%	**73**	72	67	57	62
Attrition (total workforce)	%	**10**	11	13	20	10
Key talent retention	%	**96**	92	83	76	95
Gender mix in senior leadership pipeline	% female	**36**	36	33	35	36
Material breaches of Code of Conduct		**0**	0	0	0	0
Relationships						
Community contribution	$m	**6.0**	6.0	4.8	3.8	5.2
RepTrak score		**67.7**	66.9	65.6	65.8	66.7
Underlying effective tax rate	%	**27.9**	30.5	26.7	23.2	27.0
Environment						
Scope 1 & 2 emissions	$MtCO_2e$	**30.7**[2]	33.2	35.2	40.1	40.8
Reduction in Scope 1 & 2 emissions compared to FY19 baseline	%	**29.1**[2]	23.3	18.5	NR	NR
Operated and contracted generation intensity	tCO_2e/MWh	**0.908**[2]	0.936	0.916	NR	NR
Scope 3 emissions	$MtCO_2e$	**23.2**[2]	25.8	24.8	25.1	25.2
Emissions intensity of total revenue	$ktCO_2e/\$m$	**2.1**[2]	2.4	2.5	3.0	3.7
Emissions intensity of electricity supplied	tCO_2e/MWh	**0.834**	0.841	0.879	NR	NR
Environmental Regulatory Reportable incidents		**14**	17	30	13	11
Environment SIF Actual		**0**	1	2	NR	NR
Business Intelligence						
Speed to market[3]	%	**+30**	+30	NA	NA	NA
Digital only customers	%	**59.0**	55.8	52.7	NR	NR
Major IT incidents		**46**	44	34	50	52
Reportable privacy incidents		**2**	5	3	1	0

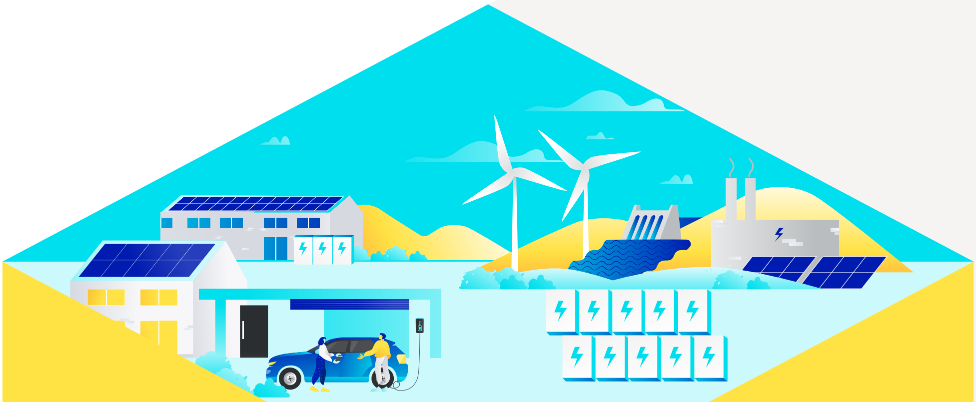
1. FY24 data was restated to include residential EV chargers and reflect actual battery capacity installed.
2. Data is based on material emission sources and estimates for non-material sources; this will be updated later in the year and may change.
3. Improvement compared to May 2023 baseline.

Strategy and Performance

AGL is driving Australia's decarbonisation journey by connecting every customer to a sustainable future and transitioning our energy portfolio.

Our purpose
Why we exist

Powering Australian Life



Our strategic focus
What we're focusing on for success

Connecting every customer to a sustainable future

Helping our customers decarbonise the way they live, move and work

Transitioning our energy portfolio

Ambition to add 12 GW of new renewable and firming capacity by the end of 2035, and seek options to accelerate where possible

Our foundation
Underpins everything we do

We will enable this transformation by ensuring a strong foundation:

Embracing ESG

We factor ESG considerations into the work we do and the decisions we make

Future-fit, people and culture

Our people are empowered as the driving force of a safe, future focused, purpose driven business

Technology at the core

Growth and customer experience unlocked through technology, digitisation and AI

Delivering for Shareholders

Shareholder Value

Providing financial stewardship, effective capital allocation, and strong returns to shareholders

We are making strong progress towards achieving our FY27 strategic targets

Customer NPS leadership

FY27: **+20**
(Strategic NPS)

FY25: +8
FY24: +4

Operational performance

FY27: **88%**
Equivalent Availability Factor (EAF)[5]

FY25: 79.5%
FY24: 86.6%

Digital only customers

FY27: **60%**

FY25: 59.0%
FY24: 55.8%

New renewable and firming capacity development contracted or in delivery

FY27: **2.1 GW**[6]

FY25: 1,178 MW
FY24: 978 MW

Speed to market improvement

FY27: **By 80%**[1]

FY25: +30%
FY24: +30%

Total grid-scale batteries operated, contracted or in delivery

FY27: **1.5 GW**

FY25: 1.2 GW
FY24: 1.0 GW

Green revenue expanded

FY27: **85%**
Increase in green revenue from FY19[2]

FY25: 98%
FY24: 83%

Decentralised assets under orchestration

FY27: **1.6 GW**[7]

FY25: 1.49 GW
FY24: 1.25 GW

Cumulative customer assets installed

FY27: **300 MW**[3]
Behind the meter

FY25: 147 MW
FY24: 70 MW[4]

Energy hubs established

FY27: **6 - 8**
Major industrial clients located on or connected to a hub

FY25: 10 MOUs in progress; 3 in final stage
FY24: 4 in negotiation

1. Improvement compared to May 2023 baseline.
2. Increase in AGL's revenue from green energy and carbon neutral products and services compared to FY19 baseline.
3. Installations completed from FY24 – FY27 inclusive.
4. FY24 data was restated to include residential EV chargers and reflect actual battery capacity installed.
5. Comprises Liddell, Bayswater, and Loy Yang A coal-fired power stations, and Torrens Island B, Somerton, Barker Inlet and Kwinana Swift gas-fired power stations.
6. Measured as new firming and renewable capacity in construction, delivery or contracted from FY23 onwards. Excludes projects that were already operational during FY23.
7. Includes smelters.

Embracing ESG

Embracing ESG means thinking about the responsibilities we have to our people, customers, investors, communities and the environment in which we operate.

Decarbonisation and portfolio transition

Focus

Progressing our renewable and firming pipeline and connecting every customer to a sustainable future to drive the energy transition, including by supporting our customers to decarbonise through business and home electrification products and services.

Progress

- We launched our second Climate Transition Action Plan (CTAP), building on our decarbonisation commitments.
- We exceeded our target to reduce our annual Scope 1 and 2 greenhouse gas emissions by 17% by FY24 compared to FY19 baseline, achieving a 29.1% reduction.
- We've expanded our development pipeline of renewable and firming assets to 9.6 GW.
- Construction of the 500 MW /1,000 MWh Liddell Battery continues, targeted to commence operations in 2026.
- We are actively investing to support customers to transition away from natural gas, through electrification and fuel switching, and advocating for policies that drive electrification.
- We expanded Electrify Now, enabling customers to connect with trusted installers and received direct quotes for electrification opportunities. We have had over 500,000 visits to the platform since May 2024.
- We launched AGL Battery Rewards energy plan and partnered with Plenti to offer eligible customers discounted finance rates for residential solar batteries.
- We are supporting our customers to switch to EVs by acquiring Everty's ChargePoint Management System and partnering with PLUS ES, with 153 public EV chargers delivered across Sydney.

Safety and environment

Focus

Driving a culture of safety performance and environmental compliance through proactive risk management, reporting and training, we're empowering every employee to prioritise safety and environmental protection in all aspects of our operations.

Progress

- The number of recordable injuries and the associated Total Injury Frequency Rate (TIFR) for employees and contractors decreased from 3.5 to 2.0.
- We have continued our focus on safety and hazard awareness across our workforce, resulting in a 12% increase in HSE conversations.
- Strategic programs of work have focused on advanced leadership capability through targeted training, strengthened governance for psychosocial and physical health, enhanced risk visibility with real time data and analytics, and embedded operational risk management into standard practices.
- Increased environmental awareness together with improved plant maintenance and reliability led to an 18% decrease in Environmental Regulatory Reportable incidents.
- We developed Integrated Weed Management Plans for each of our operational sites to drive effective management of locally identified weeds.
- We introduced Cultural Heritage Management Plans for all operational sites and proposed projects, and conducted a comprehensive audit of our existing approach to cultural heritage management.
- We completed the subsurface decommissioning of all 144 wells at the Camden Gas Project, and the rehabilitation of the Rosalind Park Gas Plant.

Gender equality and representation

Focus

Achieving gender diversity and equality at all levels of our organisation to deliver our 40:40:20 vision for gender equality.

Progress

- The average gender pay gap for total remuneration reduced by 1.3 percentage points from March 2024 to 24.7% in March 2025, and female hiring rates increased by three percentage points to 42%.
- Progress was achieved in FY25 through targeted initiatives aimed at increasing female representation across AGL's workforce and leadership pipeline. However, meeting the *40:40:20 Vision* across AGL continues to be challenging.
- We were the first energy company to join Respect & Protect, reinforcing our commitment to preventing gender-based violence and preventing our products from being weaponised by perpetrators.
- We continued to deliver on our inclusion strategy across capability development, talent management, early careers programs, and employee engagement. This includes our ongoing Women Rising and Male Allies programs.
- We partnered with Tradeswomen Australia on initiatives focused on increasing gender balance at our operational sites.
- We continued our active involvement in the Champions of Change Energy Group.

Reconciliation (procurement and recruitment)

Focus

Creating employment and supplier opportunities for Aboriginal and Torres Strait Islander people to meet our First Nations suppliers target and advance our First Nations recruitment strategy.

Progress

- We purchased $13.27 million of goods and services from First Nations owned businesses, a 123% increase on last year's First Nations spend, and an achievement of 337% of our two-year Reconciliation Action Plan target.
- We established the AGL First Nations Employee Network, aimed at fostering connection, support, and advocacy, and our inaugural First Nations employee gathering in May 2025 on Worimi Country.
- The number of self-identifying First Nations employees increased from 39 to 43.
- 83% of our employees have completed Cultural Capability training since November 2023, building deeper understanding and respect across our workforce.
- We launched a partnership with the Jumbunna Institute for Indigenous Education and Research at UTS, focusing on understanding the experiences of our First Nations employees, to inform future actions to further enhance our workplace culture and inclusivity.

Community acceptance and social value

Focus

Maximising the social impact of our community investment with clear site-specific community investment plans to better align to our social licence priorities, and developing regional strategic partnerships to improve community acceptance of our projects, reputation and social licence.

Progress

- We invested $6.0 million in the communities in which we operate through a structured program of community investment.
- We are continuing the consolidation of our community investment into long-term partnerships that address our social impact priorities (community resilience, climate action, cost-of-living, and First Nations empowerment).
- We funded the installation of a solar battery system for the Upper Hunter Show, and the provision of 12-month EV subscriptions and EV charging units for OzHarvest's Sydney Warehouse and the Gunaikurnai Land and Water Aboriginal Corporation in Gippsland, Victoria.
- We updated our Community Engagement Policy and Standard to align with best practice industry guidelines, including strengthening our approach to engagement with First Nations people to deliver a consistent, respectful, and culturally informed approach across all our projects and operations.
- We are developing Benefit Sharing Guidelines to define a consistent and equitable approach for supporting communities hosting our energy transition projects across the country.

Affordability

Focus

Improving the way we identify and support customers experiencing vulnerability, including delivering on our commitments made through the Customer Support Program to help our customers who need it most.

Progress

- We have completed delivery of our two-year, $90 million Customer Support Package, including providing $76 million in payment matching and debt relief for customers experiencing vulnerability, proactively engaging with ~500k customers to offer energy affordability checks, and deploying 272 free solar and battery systems for eligible low-income households.
- We have delivered enhanced energy literacy and accessibility through targeted initiatives supporting culturally and linguistically diverse and First Nations customers.
- In July 2025 we acquired a Virtual Power Plant in South Australia (SAVPP) comprising distributed rooftop solar and around 7,000 home batteries installed on social and community housing, delivering discounted energy prices to customers who are part of this program.
- In FY25 the AGL Peak Energy Rewards program grew by 76%, compared to FY24. This program helps educate and engage customers on their energy usage and in FY25 delivered an estimated $3 million in financial rewards for participation in demand response events.

1. About AGL

Proudly Australian for more than 187 years, AGL supplies energy and other essential services to residential, small and large businesses and wholesale customers. AGL is committed to providing our customers with simple 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, comprising coal and gas-fired generation, renewable energy sources such as wind, hydro and solar, and batteries and other firming and storage technology. We are building on our history as one of Australia's leading private investors in the construction of renewable energy projects, to be a leader in the transition to a lower emissions and smart energy future in line with the goals of our Climate Transition Action Plan.

Our purpose and values

The world is changing and at AGL we're looking to the future. AGL's purpose, **Powering Australian life**, and company values (**Bring on tomorrow**; **Can do. Will do**; and **Be safe. Be supportive**) reflect our commitment to provide reliable, sustainable and affordable energy solutions for millions of homes and businesses as we play our role in Australia's energy transition. At an enterprise level, AGL's purpose provides our company, our Directors and our employees and contractors with the foundations for actions and, together with our values, guides our thinking and decision-making so that we continue to perform and deliver for our customers, communities and other stakeholders.

Principal activities

The principal activities of AGL as of the reporting date comprised the operation of energy businesses and investments, including electricity generation and storage, gas storage, the sale of electricity and gas to residential, business and wholesale customers, and the retailing of broadband and mobile services.

Operating segments

AGL manages its business in three key operating segments:

- **Customer Markets** comprises the Consumer and Large Business customer portfolios responsible for the retailing of electricity, gas, broadband/mobile/voice, solar and energy efficiency products and services to residential, small and large business customers. Customer Markets sources its energy from Integrated Energy at transfer prices that reflect wholesale energy costs in each state, along with energy provided by rooftop solar. Customer Markets also includes sales, marketing, brand, AGL's customer contact and call centre operations, and AGL's electrification and innovation growth areas.
- **Integrated Energy** operates AGL's power generation portfolio and other key assets, including coal, gas, wind and hydro generation facilities, grid-scale batteries, natural gas storage facilities, and development projects. Integrated Energy runs a large trading operation that manages price risk associated with procuring electricity and gas for AGL's customers, manages AGL's obligations in relation to renewable energy schemes, and controls the dispatch of AGL's owned and contracted generation assets, gas offtake agreements and associated portfolio of energy hedging products.
- **Investments** comprises AGL's interests in the ActewAGL Retail Partnership, Tilt Renewables, and other investments.

Refer to Section 5 for further details and financial performance information for each operating segment, and for centrally managed expenses.

Our Purpose is centred on

Powering Australian Life

At AGL, we believe energy makes life better. That's why we're passionate about powering the way Australians live, move and work.

Bring on tomorrow.

Seize the opportunity. The work we do today impacts the Australia we leave for future generations. We don't have all the answers. But through continuous improvement and working together, we'll uncover opportunities that make history. For all of us. Bring it on.

Can do. Will do.

Make things happen. We show up with a positive attitude. We're resilient, confident, and flexible in the way we work. Combine this with our expertise and insight, we always deliver. For ourselves, each other, and our customers.

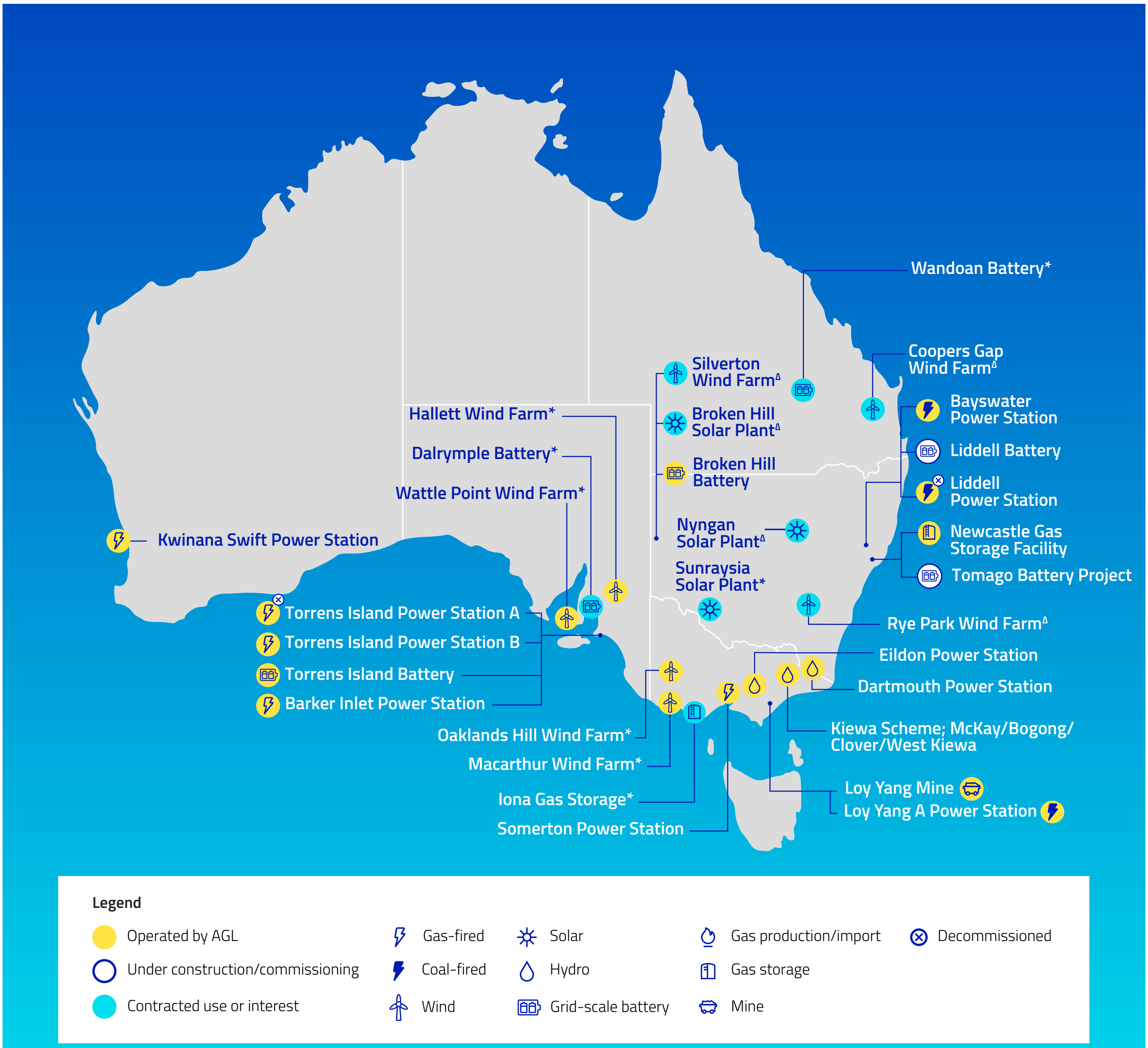
Be safe. Be supportive.

Be a good human. Upholding a safe environment at work is on all of us. So we back ourselves and we back each other. Creating a culture where everyone feels included, heard and safe, every day.

1.1 Our operations

The map below shows the energy assets which we operate or invest in as of 30 June 2025.

AGL recognises First Nations people as the Traditional Custodians of the lands on which we work, and acknowledges those communities' continuing connections to their lands, waters and cultures. We acknowledge the Traditional Custodians who have cared for Country for thousands of years, and we are committed to continuing to learn what we can achieve together to build a better future for Australia. The Traditional Custodians of the lands on which we work are identified on the map in our Reconciliation Action Plan, available on our website.



Δ Assets owned by Tilt Renewables. Rye Park Wind Farm 45% contracted generation to AGL.
* Projects funded / owned by other parties. Sunraysia Solar Plant 50% contracted generation to AGL.
Map reflects assets as at 13 August 2025. Generation assets operated or contracted by AGL which have an installed capacity of less than 50 MW are not shown on this map.

2. Strategy

Australia's energy system is undergoing a significant transformation, shifting from one that is heavily reliant on coal-fired power to a system comprised of a mix of grid-scale renewable generation technologies supported by storage and firming, along with decentralised consumer energy resources (CER). The move towards low-emissions energy sources and the continued development of new customer-centric technologies are driving a structural and economic shift in energy markets, and in the way that energy is produced and consumed.

AGL is contributing to Australia's decarbonisation journey by delivering on our strategy of **connecting every customer to a sustainable future** and **transitioning our energy portfolio**. Our strategy also aims to balance energy affordability, system reliability and security while adapting to the evolving needs of our customers and communities.

Released in conjunction with this report, our second Climate Transition Action Plan (CTAP) sets out our commitments and progress towards our decarbonisation strategy, and builds on the ambitious targets and commitments set in our inaugural 2022 CTAP, including our commitment to exit coal-fired generation by the end of FY35, almost a decade earlier than previously planned.

In FY25 we have continued to make significant progress in the delivery of our strategy, as outlined below.

Connecting every customer to a sustainable future
As the energy transition accelerates, our strategy is focused on connecting every customer to a sustainable future, meeting their changing needs. We are enhancing our capabilities in electrification and decarbonisation solutions to support our customers, and working toward a reliable, cost-efficient energy transition that leads to a net zero future.

During FY25 we continued to focus on the delivery of innovative products and services to customers to support them on their decarbonisation journey and to benefit from the energy transition. During FY25, we launched new offers, plans and financial solutions for solar PV, battery and EV owners, and we have reached more than 500,000 visits to our Electrify Now platform which helps customers electrify. We have also launched AGL Community Power, supported by the SAVPP acquisition as well as our partnership with the South Australian Department of Energy and Mining on the emPowering South Australia Community Batteries project. Further, we have and will continue to provide support to customers experiencing vulnerability, for example through the integration into our business-as-usual operating model of core initiatives that were developed as part of the Customer Support Package. Refer to the Customer scorecard for more details about how we have been helping our customers decarbonise the way they live, move and work, while also actively balancing the need to support our customers facing cost-of-living pressures.

Transitioning our energy portfolio
As we phase out our coal-fired power stations, we aim to add 12 GW of renewable and firming capacity by the end of 2035, making efforts to accelerate this transition where possible. The reliable performance of our coal-fired power stations until their closure, along with the flexibility of our portfolio, will continue to play a key role in providing energy for our customers during the energy transition. During FY25 we advanced our development pipeline to 9.6 GW, up 3.4 GW from FY24 driven by our acquisition of Firm Power and Terrain Solar, announced in August 2024. We also recently acquired two early stage pumped hydro projects. Through our 2025 CTAP, we have revised our interim target for new renewable and firming capacity from 5 GW by 2030 to 6 GW by FY30, of which at least 3 GW is targeted to comprise grid-scale batteries. Refer to the Assets scorecard for details regarding AGL's asset performance, investments in flexible generation, development pipeline, and our energy hub progress over FY25.

Strategic enablers
Our goals are supported by three foundational strategic pillars: embracing ESG, fostering a future-fit culture and workforce, and leveraging technology at the core of our business. We aim to maximise opportunities to create value for our customers, shareholders, and other stakeholders through the energy transition.

- AGL factors ESG considerations into the work we do and the decisions we make to safeguard our business, access future opportunities, unlock strategic value and create competitive advantage. During FY25, we implemented a new, enterprise-wide ESG decision making framework to promote consistency in how ESG issues are considered during decision making processes, and to encourage early consideration of opportunities to enhance positive ESG outcomes. The ESG decision making framework is formally embedded in key governance forums and is also used as guiding principles to support broader consideration of ESG issues in strategic decisions.
- During FY25, we continued to focus on building a future-fit workforce and culture. Refer to the People scorecard for details.
- During FY25 we have continued to invest in our broader technology capabilities, including cybersecurity, digital and AI capabilities to drive safe, innovative, and efficient operations. Refer to the Business Intelligence scorecard for details.

Our performance against our FY27 strategic targets is shown on page 11 .

2.1 Operating environment

The transition of Australia's energy sector remains highly dynamic against a backdrop of strongly contested policy settings, advances in technology and product offerings, and continued cost-of-living pressures for customers.

Over the coming decades, ageing thermal generation will be replaced by a range of more modern, flexible, and distributed low-carbon resources. As coal-fired power stations progressively close, a significant amount of renewable generation capacity will be connected to Australia's electricity grids, supported by low-emissions firming generation and storage, including batteries, pumped hydro, and gas-powered generation.

Consumer energy resources (CER) such as rooftop solar, batteries, electric vehicles and controlled loads (like hot water systems) will continue to be more widely adopted and have a much more prominent role in the future energy system. Although many households and business will seek to electrify, gas will continue to be an important energy input during the energy transition, and action to address forecast gas shortfalls on Australia's east coast will be essential.

To support Australia's energy transition, major infrastructure is needed, including substantial investment in and deployment of new generation, transmission, and CER. This will require a supportive policy and investment environment to drive action across multiple sectors, and continued efforts to overcome technical challenges and respond to concerns from customers and communities.

As government and industry work on these issues collectively, the energy transition continues at pace. The Australian Government's Capacity Investment Scheme is continuing to drive investment in new renewables and firming. The Independent Review of Wholesale Market Settings, the Commonwealth's Gas Market Review, and many other market reforms, are considering how to meet the government's stated policy ambitions while keeping energy secure, reliable, and affordable for customers.

A range of policies and initiatives exist to support the development of new energy technologies, most notably the Australian Government's Cheaper Household Batteries initiative, as well as those which support hydrogen, offshore wind, industrial processes, electric vehicles, consumer energy resources, and energy efficiency and productivity improvements.

Addressing social licence for the energy transition, particularly in the regional communities is being prioritised through new legislation and efforts are being made to improve certainty for all stakeholders through improved planning and environmental approvals processes.

Global cooperation to act on climate change and the deployment of capital to support investment in the energy transition remains strong, despite global policy uncertainty, geopolitical instability and the risk of escalating trade disputes. Across the energy market there is a large pipeline of new renewable and firming projects under consideration.

Conditions in energy markets remain stable, and remain much improved from a period of significant disruption and government price intervention in 2022. Electricity grids have generally met their security and reliability targets, and although forecasts of future gas shortfalls remain, these have been pushed out until 2028.

Stakeholders remain concerned about the pace of the transition and the cost of energy. Collaborative action, policy reform, and a stable investment environment will be key to addressing these concerns and delivering new infrastructure in a timely manner that meets the needs of energy customers and other stakeholders.

2.2 Capital allocation framework

AGL has a strategic approach to capital allocation. We aim to deploy capital to maximise value for shareholders, maintain financial strength and flexibility, and support continued investment in-line with our strategy. Maintaining, transitioning and growing our energy portfolio will require substantial capital investment throughout the next decade.

Our capital allocation framework governs a disciplined allocation of capital to deliver on our strategy while maximising value and shareholder returns. Our capital allocation principles set out below guide capital investment decisions:

1. **Maintain strong credit profile:** Maintain Baa2 investment grade credit rating.
2. **Sustainable dividends:** Dividend payout ratio of 50-75% of Underlying Profit after tax, franked to the extent possible.
3. **Ongoing investment:** Continue to invest to strengthen and drive value from our core business to realise opportunities through the energy transition.
4. **Capital allocation:** Investment decisions are tested against additional returns to shareholders, through increased dividends and/or return of capital.

Investment proposition

AGL is well-positioned to be a leader in the energy transition. Our investment proposition summarises our core strengths as an integrated business and how we intend to leverage these to deliver future value:

- Strong positive momentum in earnings and cashflow underscored by our low-cost baseload generation position, growing flexible portfolio and development pipeline.
- Leading energy retailer, large quality customer base to underpin investment in transition and capture new value from electrification.
- Disciplined capital allocation framework to deliver on the transition while maximising value and shareholder returns.
- Opportunity to invest in the Australian energy transition with a clear strategic plan strongly supported by financial markets.

2.3 Enterprise and strategic risk management

As an owner and operator of critical energy infrastructure and one of Australia's largest providers of essential services, AGL is subject to a broad range of risks and opportunities. In order to effectively manage these risks and optimise opportunities, AGL maintains an enterprise-wide risk management framework designed to ensure that risk management practices are embedded into all business processes, strategy setting and operational activity, driving consistent, effective and accountable actions and decision making, and promoting a cohesive risk culture.

AGL's risk management framework, which is overseen by the Board with support from the Audit & Risk Management Committee, is aligned with the principles and requirements set out within the international standard for risk management (*ISO 31000 – Risk Management*). On an annual basis, the Board and the Audit & Risk Management Committee review the appropriateness of AGL's Risk Management Framework and assess its consistent application across the organisation, as well as review and approve AGL's Statement of Risk Appetite, which was most recently reviewed in June 2025. The Board has also adopted an enterprise-wide Risk Management Policy that sets out AGL's objectives for risk management and clearly articulates the responsibilities of all AGL's people in relation to the management of risks.

Applying the risk management framework, AGL undertakes a structured and comprehensive process throughout the year to identify, assess, manage and report on the key risks to achieving our strategic priorities over the medium to long-term. We define these as Tier 1 Strategic Risks. Risk mitigation strategies are in place for each of these risks, which are overseen by AGL's Audit & Risk Management Committee and reviewed by the Board. Further detail on AGL's risk management framework is detailed in our 2025 Corporate Governance Statement.

2.3.1 FY25 Tier 1 Strategic Risks

During FY25, key risks to the delivery of AGL's strategy included the pace and complexity of the energy transition, ongoing macroeconomic risks and geopolitical uncertainty, rapidly evolving technology (including AGL's ability to respond to opportunities and risks associated with new technology such as Artificial Intelligence), inflationary pressures affecting affordability for our customers, and a challenging cyber threat landscape. AGL continues to prioritise our response to these risks, both to support AGL's ongoing financial performance and future prospects, and, more broadly, to continue to support the NEM to provide reliable and affordable energy during Australia's energy transition. As a result of the complex environment in which AGL operates, the majority of our strategic risks remain elevated.

AGL's Tier 1 Strategic Risks for FY25 are summarised below.

Tier 1 Strategic Risk	Mitigation approach	Business Value Driver
Climate change response: *AGL is unable to meet expectations and/or deliver on its strategy and commitments to be a leader in the energy transition to a low-carbon future within targeted timeframes.*		
• A broad range of AGL's stakeholders, including shareholders, customers, governments and capital market participants, expect AGL to transition its energy generation portfolio as rapidly as possible – while supporting overall energy system security and reliability, balancing cost to our customers, and delivering strong operational and financial performance. • AGL recognises the large part we must play in Australia's transition to net zero, and have set ambitious, but achievable, goals relating to both the transition of our energy generation portfolio, and connecting every customer to a sustainable future. • Australia's energy transition, and therefore AGL's portfolio transition, is complex and ambitious. AGL's ability to deliver on our transition is reliant on factors including a stable and conducive government policy environment, access to required capital, ongoing social licence, availability of the skills needed to build renewable and firming generation at scale, and effective project development and management.	• AGL's strategy remains focused on the closure of our thermal plants, and the ongoing development of a technologically and geographically diverse pipeline of investment options for new renewable and firming generation (as outlined in the Assets scorecard). • AGL continues to expand our product offerings and services to connect every customer to a sustainable future (as outlined in the Customer scorecard). • AGL proactively engages with various stakeholders on key matters related to the energy transition, including the development of AGL's 2025 Climate Transition Action Plan, the development of new assets and integrated energy hubs, and the closure and rehabilitation of existing thermal assets sites. • AGL actively engages with government and regulatory bodies to advocate for balanced policy outcomes that consider the interests of our customers and stakeholders, and support the provision of reliable and affordable energy during Australia's energy transition, as outlined in the Relationships scorecard).	

Tier 1 Strategic Risk	Mitigation approach	Business Value Driver
Unfavourable government intervention: *AGL is not able to effectively anticipate, plan or respond to changing government policy or regulatory interventions, impacting business and/or strategic objectives.*		
• The energy market has been subject to significant interventions in recent periods, as governments seek to address a broad range of energy-related challenges. • Given the complexity of Australia's energy transition and ongoing macroeconomic and cost-of-living challenges for consumers, it is likely that future government interventions and regulatory reforms will be required, which may have significant impacts on AGL's operations. • Australian governments have set clear targets and ambitions relating to emissions reduction in the NEM. In order to meet these targets, new government policies are likely in the future, which may alter aspects of current energy market settings.	• AGL actively engages with government and regulatory bodies to advocate for balanced policy outcomes that consider the interests of our customers and stakeholders, and support the provision of reliable and affordable energy during Australia's energy transition, as outlined in the Relationships scorecard). • AGL engages with a broad range of stakeholders that may be involved in the development of government policy and legislation, and participates in industry consultations and forums, to contribute to the direction of future regulatory reforms and position AGL to respond effectively.	
Wholesale market pricing and earnings volatility: *AGL is unable to effectively manage the impact of wholesale electricity price change, and resulting impacts on earnings or cashflow volatility.*		
• AGL's earnings are materially exposed to wholesale electricity pricing. The electricity market remains highly volatile, with pricing influenced by factors including local weather, availability of large, ageing generation assets and related infrastructure, global commodity pricing and changes to government policies and regulation. • AGL's ability to effectively manage price volatility risk is key to delivering stable earnings and predicting and managing cashflows required for operations and financing activities (including to finance AGL's generation portfolio transition). • Evolving global trade policies are creating significant volatility in global commodity, foreign currency and capital markets, which have the potential to also influence energy markets in Australia. • Over the coming decade, the electricity market is expected to change materially, as ageing coal-fired generators are retired and replaced by a range of large-scale renewable energy generation and storage systems, and by consumer energy resources, including rooftop solar and home batteries, which may impact AGL's business and operating model.	• AGL primarily manages wholesale electricity price driven earnings volatility through financial hedging contracts (derivatives) and longer-term offtake arrangements. • AGL has a robust risk management program to manage and monitor exposures to volatility in wholesale electricity pricing and commodity markets, and counterparty credit risk. Further, AGL's Board-approved Trading Risk Policy includes financial exposure limits to manage the financial exposure AGL is prepared to take. • We actively manage our liquidity position through a Treasury Committee that is governed by a Board-approved Treasury Risk Policy, including maintaining a minimum liquidity level limit. • AGL's hedging and treasury strategies, supported by a comprehensive market monitoring program including stress testing against adverse scenarios, considers our generation portfolio mix, including technological and geographic diversity and anticipated market shifts. • AGL's ongoing investment in increasing the flexibility of our thermal plants is ensuring generation is better aligned to the changing needs of the NEM (e.g. reduced demand in the middle of the day).	

Tier 1 Strategic Risk	Mitigation approach	Business Value Driver
Cyber security and resilience: *AGL's critical systems, platforms, technology infrastructure and core business and operational processes are compromised or unacceptably disrupted by a cyber, vendor or internal event.*		
• AGL is reliant on systems and large volumes of data to carry out key business functions, including supporting the operation of our generation assets, the billing of customers, and to enable key business support functions such as energy markets risk management, finance and payroll. • The cyber security threat landscape remains heightened due to ongoing geopolitical events, and is rapidly evolving, driven by the acceleration of technological capabilities such as Artificial Intelligence. • A successful cyber-attack or information security breach (targeting AGL or our third-party providers) has the potential for broad and material impacts on AGL, including disruption or damage to generation assets, material disruption of business operations, loss of customers or significant reputational and financial loss.	• AGL's enterprise cyber security strategy and framework includes robust processes providing 24/7 monitoring and defence, network security, identity and access management, data loss prevention, and cyber security training and awareness. • AGL manages our data and technology assets and systems in accordance with our risk appetite, which considers relevant legislation and frameworks. • AGL continues to invest in security capabilities to proactively manage cyber risk and limit the likelihood of inappropriate access to our systems and data, and the impact of cyber security incidents. • Our IT and data storage assets are regularly reviewed and subject to a program of testing, business continuity exercises, crisis management simulations and disaster recovery tests. • AGL also proactively engages with government stakeholders on cyber security to effectively identify potential threats and contribute to future regulatory reform.	
Safety, culture and capability: *AGL is unable to foster a health and safety focused, resilient, responsive, future-oriented and purpose-driven organisation that is built on strong and ethical behaviours, a talented diverse and inclusive workforce and a customer-centric mindset.*		
• AGL's people conduct activities that, if not properly controlled, could result in harm to our people and contractors, other stakeholders, our assets or the environment. • As AGL prepares to retire our coal-fired generators, highly complex activities related to decommissioning, demolition and rehabilitation will be required, which may have associated safety and environmental risks. • Our people are fundamental to our success. Our ability to identify and meet our capability needs is critical to the effective delivery of our strategy. • The demand for energy-related skills is expected to remain high over the longer term due to the large scale of the energy transition.	• AGL remains committed to conducting our business in a way that causes no harm to our people and contractors. • AGL has a robust and comprehensive Health, Safety, and Environment (HSE) framework to monitor and manage our HSE risks, that is complemented by a focus on proactive leadership, critical control verifications and regular oversight by senior management. • AGL continues to focus on attracting, retaining, and developing our people, through targeted skill and leadership development programs and operational workforce transition initiatives.	
Access to gas: *AGL is unable to source sufficient quantities of gas to meet its future demand.*		
• AGL requires access to sufficient wholesale gas to meet the needs of our customers, and supply our gas-fired generation plants, which are expected to continue to play an important role in the NEM after coal-fired plants retire. • AEMO forecasts a risk that Australia will experience gas shortfalls on extreme peak days from 2028, with annual supply gaps emerging from 2029.	• AGL proactively contracts competitive gas supplies to firm up our short-, medium- and longer-term gas position to meet gas supply demands.	

Tier 1 Strategic Risk	Mitigation approach	Business Value Driver
Resilience of generation and critical infrastructure: *AGL is unable to generate and maintain a resilient and flexible energy supply from generation assets and related critical infrastructure.*		
• AGL operates a geographically and technologically diverse fleet of energy generation assets. Reliable operation of these assets is critical to both the NEM and to AGL's financial performance. • As our ageing thermal fleet approaches end of life, unplanned outages will become more likely. Where these occur during periods of very high wholesale electricity pricing, they may have material financial impacts. • Delivery of AGL's products and services remains dependent on key infrastructure outside of our operational control, including electricity transmission and distribution infrastructure, interconnectors, and gas pipelines, which are susceptible to increasing weather and other climate-related hazards, potentially impacting our ability to deliver products and services.	• While AGL transitions our fleet to renewable and firming assets, we continue to focus on and invest in the safety, reliability and flexibility of our existing power stations, to support plant performance that will allow us to capture value from the changing energy market. • As outlined in the Assets scorecard, AGL continues to develop a diverse pipeline of investment options for new renewable and firming generation, including partnership and acquisition opportunities. • AGL's energy contracting and risk management strategies consider our generation portfolio and help manage the financial risks associated with unplanned outages. • AGL also continues to build our demand-side flexibility, enabling enhanced response to changing marking conditions.	
Investment planning and execution: *AGL's major investments do not deliver on their intended benefits, announced timeframes or outcomes for shareholders, customers and the community.*		
• AGL's ambition is to add 12 GW of renewable and firming capacity by the end of 2035. We continue to seek options to accelerate these plans where possible. • To deliver on our ambition, AGL requires a stable government policy environment, access to capital, and continued stakeholder support. • Given the volatile nature of the electricity market, and the transforming nature of the NEM, predicting future returns on investment for new assets remains challenging. • As we plan and build new renewable and firming assets, our ability to efficiently deliver projects remains challenging due to availability of skilled labour, cost inflation and volatility, supply chain disruptions, and dependencies on timely receipt of required licences, permits and approvals.	• AGL has progressed a 9.6 GW pipeline of renewable and firming assets, providing significant optionality in the delivery of our targets. • AGL has implemented a disciplined capital management process, as well as a robust investment governance framework. • Across FY25, AGL maintained a Baa2 "stable" investment grade Moody's rating, and are well placed to progress our generation portfolio's transition and deliver on our decarbonisation strategy. • AGL continues to review our project planning and development capabilities, and enhance specific identified competencies where required. • We engage with key stakeholders, including the community, on relevant development opportunities to understand expectations and key risks.	
Retail market disruption: *AGL does not adequately or appropriately identify and respond to changing customer or operating environment needs and expectations; or does not effectively harness new technologies, products or services that support these changing needs and expectations.*		
• As a provider of essential services, AGL plays an important role in keeping the lights on for our customers. • The retail market continues to evolve, with customer preferences trending towards electrification, and evolving technologies, such as Consumer Energy Resources and Distributed Energy Resources, increasing choice and flexibility for AGL's customers. • The Australian retail energy market remains highly competitive for traditional energy customers, and AGL continues to seek opportunities to expand our electrification products and services across solar, batteries and electric vehicles. • Consumer electricity demand is forecast to continue to rise, driven by factors including increasing electrification, EV uptake, increased demand from data centres, and underlying economic and population growth.	• We are committed to supporting customers experiencing cost-of-living pressures. Following delivery of our $90 million customer support package across FY24 and FY25, we continue to deliver programs to support our customers through a range of support mechanisms (see Customer scorecard). • AGL actively monitors new technologies and business models, and develops products and services to meet the evolving needs of our customers. • AGL continues to progress and invest in our Retail Transformation Program, a key enabler of our strategy to connect every customer to a sustainable future, and to simplify our products, processes and operating model. • AGL actively engages with government and regulatory bodies as they determine regulation required to support consumer use of new energy related technology and services.	

Tier 1 Strategic Risk	Mitigation approach	Business Value Driver
Energy sector transition: *AGL is unable to deliver on its strategic objectives due to challenges relating to the broader transition of the energy sector.*		
• The energy transition is fast-moving, highly complex, and very challenging due to ongoing factors including evolving technologies, competition for specialist renewables-related materials and resourcing, renewables project delays, and uncertain future government policy relating to the transition. • As thermal assets continue to age and approach end of life, reliability issues are expected to increase, which may drive government interventions in the energy market, and impact AGL's business and operating model. • Australia's energy transition requires a significant and coordinated build out of transmission and related assets to support a decentralised, decarbonised generation fleet across the NEM, as well as support from a broad range of stakeholders including the community.	• AGL's strategy remains focused on the accelerated closure of our thermal plants, and we continue to make positive progress developing a diverse renewables and firming generation pipeline (as outlined in the Assets scorecard). • AGL has progressed a 9.6 GW pipeline of renewable and firming assets, providing significant optionality in the delivery of its targets. • AGL proactively engages with government and regulatory bodies across all NEM jurisdictions to advocate for balanced policy outcomes to provide reliable and affordable energy during Australia's energy transition, particularly relating to the future design of the NEM.	
Stakeholder trust: *AGL is unable to maintain (or build) the trust required from its stakeholders in order to deliver on its strategy.*		
• AGL plays an important role in keeping the lights on for Australian households, connecting every customer to a sustainable future, and supporting Australia's energy transition more broadly. • We remain committed to meeting and exceeding both our customers and the community's expectations of us.	• AGL proactively engages with a broad range of stakeholder groups, including customers, shareholders, investors, governments and regulatory bodies, and the communities in which we operate (see Relationships scorecard). • We continue to commit resources to understand the key social licence risks and opportunities, and where focus is required to meet rising customer and community expectations and challenges. • We engage with key stakeholders prior to seeking relevant approvals for development and operational activities. This engagement continues through the life of the project and during operations.	
Compliance: *AGL fails to comply with laws, regulations or commitments made, or new obligations have significant business impacts.*		
• As a provider of essential services, AGL operates in markets that are highly regulated and subject to significant regulatory scrutiny and interventions from government, seeking to address a broad range of energy-related challenges. • Failure to comply with regulations can result in fines, reputation damage or adverse impacts on our customers and broader stakeholders.	• AGL remains committed to complying with all applicable laws and regulations, and our Values and Code of Conduct guides the conduct we expect from our people, and how we expect decisions to be made. • We have a robust enterprise-wide compliance framework, including a Board-approved Compliance Management Policy, and a mandatory annual enterprise-wide compliance training program to address compliance management processes, systems and key compliance requirements. • AGL continues to commit significant resources to assessing new or proposed regulatory changes so that we have (or develop where needed) the appropriate processes and systems to support compliance with associated regulatory requirements.	

Further information in relation to AGL's climate-related risks is available in the Climate-Related Disclosures section of this report, including transition risks (arising from the changes to systems and business functions which are necessary to address climate change) and physical risks.

3. Key Operating Metrics and Business Value Drivers

The following sections summarise the performance of AGL's business during FY25. Performance is considered through two dimensions:

- **Key Operating Metrics** – These performance measures have a direct influence on AGL's FY25 financial performance. The six key operating metrics comprise:
  - Customer numbers and churn;
  - Customer energy demand;
  - Wholesale electricity prices;
  - Generation volumes;
  - Fuel costs; and
  - Operating costs and capital expenditure.
- **Business Value Drivers** – These performance measures are critical to long-term value creation, however may have a less direct relationship to annual performance, and/or may influence financial performance over the longer term. The performance measures are divided into scorecards for each of AGL's identified Business Value Drivers (as shown on page 4).

3.1 Key Operating Metrics performance

3.1.1 Customer numbers and churn

Total services to customers increased 1.7% to 4.560 million, up from 4.482 million as at 30 June 2024. The increase of 78,000 was driven by continued Netflix services growth of 39,000, strong telecommunications growth of 36,000 and Consumer energy services growth of 3,000 across AGL and Ovo Energy Australia.

Consumer Electricity services declined by 4,000 during the year, primarily driven by reductions in New South Wales by 11,000 services and Queensland by 7,000 services, partly offset by strong growth in Victoria of 17,000. The net decrease in services was a strategic decision to balance portfolio value with service growth in a highly competitive market.

Consumer Gas services increased by 7,000, largely due to continued growth in New South Wales by 9,000 services and Western Australia by 5,000 services.

Total Telecommunication services increased 10.5% to 380,000, from 344,000 as at 30 June 2024. The increase of 36,000 was driven by continued growth in broadband and mobile plans.

Services to customers	FY25 ('000)	Restated FY24 ('000)[1]
Consumer Electricity	**2,524**	2,528
New South Wales	**882**	893
Victoria	**849**	832
South Australia	**356**	359
Queensland	**437**	444
Consumer Gas	**1,558**	1,551
New South Wales	**612**	603
Victoria	**605**	611
South Australia	**143**	143
Queensland	**86**	87
Western Australia	**112**	107
Total Consumer energy services	**4,082**	4,079
Dual fuel services	**2,310**	2,345
Average consumer energy services	**4,094**	4,030
Total Large Business energy services	**15**	15
Total energy services	**4,097**	4,094
Total Telecommunication services	**380**	344
Total Other services[2]	**83**	44
Total services to customers[3]	**4,560**	4,482

1. Comparatives have been restated to integrate electricity services for Ovo Energy Australia post 100% ownership on 3 April 2024.
2. Other services relate to Netflix services.
3. Excluding approximately 308,000 services to ActewAGL customers.

AGL churn remains lower than Rest of Market due to a strong focus on customer retention, improved customer experience and the benefit of bundled product offerings which are deepening customer relationships and delivering significantly lower churn compared to energy only customers. AGL churn remained stable at 15.7% (a decrease of 0.1 ppts from 15.8% at 30 June 2024), and Rest of Market churn was 20.0% (a decrease of 0.9 ppts from 20.9% at 30 June 2024). AGL continues to maintain a strong churn percentage at 4.3 ppts lower than Rest of Market.

3.1.2 Customer energy demand

Total electricity customer sales volumes were 36,138 GWh, down 1,173 GWh or 3.1%.

- Consumer customer electricity sales volumes were 14,676 GWh, up 466 GWh or 3.3%, driven by higher average services across the year.
- Large Business customer electricity sales volumes were 8,458 GWh, down 973 GWh or 10.3%, primarily driven by competitive market conditions with balanced portfolio decisions made and lower operational consumption at several large key strategic customer sites.
- Wholesale customer electricity sales volumes were 13,004 GWh, down 666 GWh or 4.9%, driven by lower consumption from AGL's wholesale customer base. This includes sales volumes for contracts with ActewAGL (FY25: 1,804 GWh; FY24: 2,332 GWh), and the Portland and Tomago aluminium smelters.

Customer electricity demand	FY25 GWh	Restated FY24 GWh
Consumer customers electricity sales[1]	**14,676**	14,210
Large Business customers electricity sales	**8,458**	9,431
Wholesale customers electricity sales[2]	**13,004**	13,670
Total customer electricity sales volume	**36,138**	37,311

1. Comparatives have been restated to integrate electricity services for Ovo Energy Australia post 100% ownership on 3 April 2024.
2. Comparatives have been restated in line with updated volumes.

Total gas customer sales volumes were 100.8 PJ, down 1.0 PJ or 1.0%.

- Consumer customer gas sales volumes were 45.5 PJ, down 0.7 PJ or 1.5%, driven by lower average demand due to milder weather, partly offset by an increase in average customer numbers.
- Large Business customer gas sales volumes were 18.6 PJ, up 3.6 PJ or 24.0% primarily driven by portfolio growth in Western Australia and Victoria.
- Wholesale customer gas sales and internal gas volumes for power generation were 36.7 PJ, down 3.9 PJ or 9.6%, primarily driven by the roll-off of wholesale customer volumes, partly offset by higher usage for power generation.

Customer gas demand	FY25 PJ	FY24 PJ
Consumer customers gas sales	**45.5**	46.2
Large Business customers gas sales	**18.6**	15.0
Wholesale customers gas sales and generation	**36.7**	40.6
Total customer gas sales volume	**100.8**	101.8

3.1.3 Wholesale electricity prices

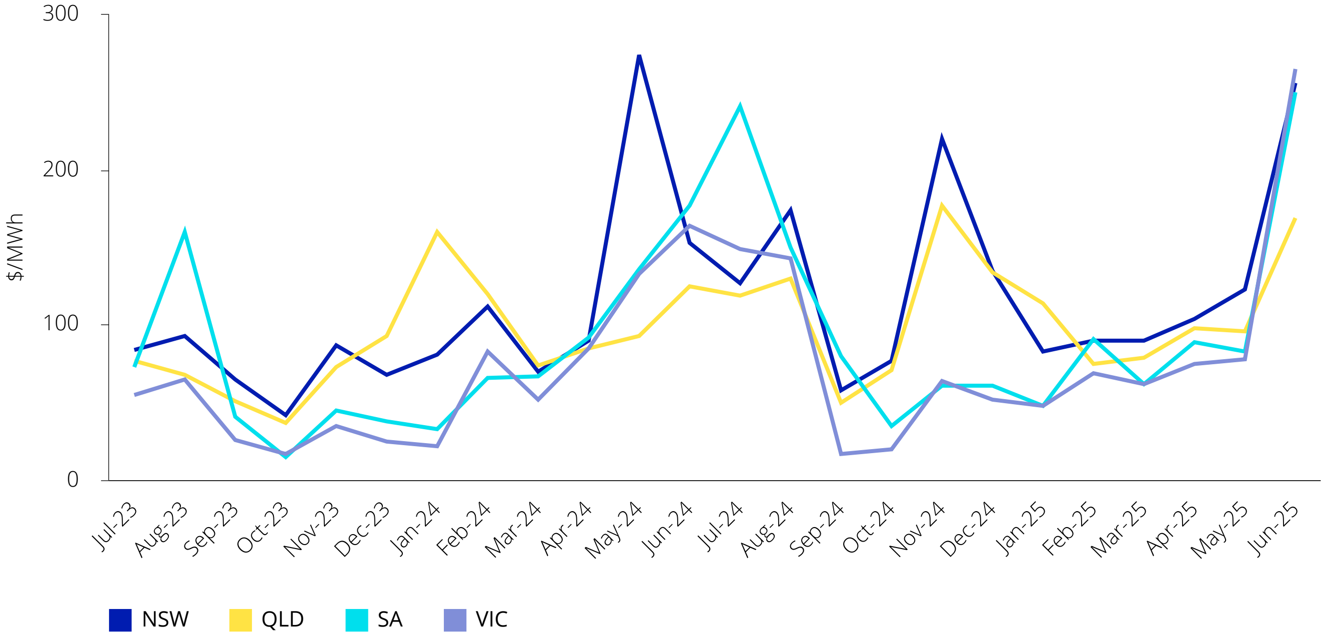
Wholesale electricity prices were on average higher across all states compared with the prior year due to periods of volatility driven by interconnector issues and increased power station outages.

Wholesale electricity prices in July and August 2024 were influenced by periods of significant volatility in South Australia due to interconnector constraints, cold weather, low wind generation, as well as planned and unplanned outages. Prices decreased in September and October 2024 as lower demand, mild weather, solar irradiance and higher wind volumes resulted in low average pool prices across all regions. During this period, large portions of the day traded at negative prices and the peak periods averaged under $150/MWh. In November and December 2024, demand increased due to warmer weather in the northeastern regions. Average prices increased, with periods of significant volatility in New South Wales and Queensland regions. As a result, AEMO facilitated market responses due to the lack of reserve levels with a number of baseload and interconnector outages.

Prices decreased and remained low throughout all regions for the period from January to April 2025 where there was little to no volatility during these months primarily due to high wind generation, mild weather and lower demands. In June 2025, the market experienced periods of volatility due to unplanned outages, low wind generation and interconnector constraints with all regions experiencing a significant uplift in average prices compared with the prior year.

Refer to Section 6.2 for details of the Electricity Portfolio Margin, including commentary on customer network and generation running costs.

Wholesale electricity prices (AEMO spot prices)



3.1.4 Generation volumes

Generation volumes sold to the pool were 32,904 GWh, a decrease of 3.5%, driven by lower generation at AGL Loy Yang Power Station due to a planned major outage, and an increase in unplanned minor outages at both AGL Loy Yang and Bayswater power stations. This was partly offset by higher gas generation in South Australia primarily driven by AEMO directed running of Torrens Island Power Station and higher generation during periods of volatility in July 2024, August 2024 and June 2025, alongside higher generation from wind and hydroelectric power stations in the second half of the year.

Pool generation volumes	FY25 GWh	FY24 GWh
Bayswater Power Station	**14,065**	14,334
AGL Loy Yang Power Station	**12,461**	14,063
Gas generation	**1,434**	982
Renewable generation	**4,944**	4,707
Total pool generation volumes	**32,904**	34,086

3.1.5 Fuel costs

Total fuel costs for the electricity generation portfolio were $(748) million, up 3.0%.

- Coal costs were $(583) million, down 2.2%, primarily driven by lower generation at Bayswater Power Station due to unplanned minor outages. On a per MWh basis, costs increased by $1.0 per MWh or 4.8%, driven by lower generation at AGL Loy Yang Power Station.
- Gas fuel costs were $(165) million, up 26.9%, driven by higher generation volumes in response to higher pool prices in South Australia from interconnector constraints and low wind generation. AEMO also frequently directed Torrens Island Power Station to provide system security for South Australia. On a per MWh basis, costs decreased by 13.1%, mainly due to higher gas generation on a relatively fixed capacity cost compared to the prior year.

Generation fuel costs	FY25 $m	FY24 $m	FY25 $/MWh	FY24 $/MWh
Coal	**(583)**	(596)	**(22.0)**	(21.0)
Gas	**(165)**	(130)	**(115.1)**	(132.4)
Total generation fuel costs	**(748)**	(726)	**(22.7)**	(21.3)

Total wholesale gas costs were $(1,183) million, up 7.0%.

- Gas purchases costs were $(845) million, up 10.9%, driven by a lower net sell market position and rising gas costs. On a per GJ basis, costs increased by $0.9 per GJ, or 12.0%, driven by rising gas costs attributed to the roll-off of lower cost legacy supply contracts.
- Haulage, storage and other costs were $(338) million, down 1.7% driven by lower haulage capacity required following the roll-off of wholesale customers. This was partly offset by haulage contracts rate escalation. On a per GJ basis, costs were flat to the prior year, due to lower fixed costs spread across a lower customer base.

Total wholesale gas costs	FY25 $m	FY24 $m	FY25 $/GJ	FY24 $/GJ
Gas purchases	**(845)**	(762)	**(8.4)**	(7.5)
Haulage, storage and other	**(338)**	(344)	**(3.4)**	(3.4)
Total wholesale gas costs	**(1,183)**	(1,106)	**(11.8)**	(10.9)

3.1.6 Operating costs and capital expenditure

Total operating costs (excluding depreciation and amortisation) were $(1,796) million, up 0.5%. Inflationary pressures were more than offset by productivity initiatives implemented throughout the year and lower underlying operating costs associated with the Retail Transformation Program (recognised as a significant item in the current year). Increased investment in AGL's development pipeline and electrification and innovation initiatives, and higher costs due to increased unplanned minor outages at the thermal power stations were partly offset by the Surat Gas Project being substantially divested in March 2025, lower net bad debt expense and lower campaign and advertising spend.

Operating costs	FY25 $m	Restated FY24 $m
Customer Markets[1]	**(633)**	(677)
Integrated Energy	**(829)**	(790)
Centrally Managed Expenses	**(334)**	(320)
Total operating costs (excluding depreciation and amortisation)	**(1,796)**	(1,787)

1. Comparatives have been restated to transfer Ovo Energy Australia from Investments to Customer Markets following 100% ownership on 3 April 2024.

Total capital expenditure was $1,168 million, an increase of $321 million:

- Sustaining capital expenditure was $660 million, an increase of $72 million. This included $470 million of expenditure on AGL's thermal power stations, up $76 million, primarily due to the two planned major outages that occurred in FY25 compared to one in the prior year. Other key sustaining capital expenditure included corporate property refurbishment projects and cyber uplift programs. This was partly offset by the completion of Retail Transformation Phase 1 and regulatory programs.
- Growth capital expenditure was $508 million, an increase of $249 million, mainly due to the ongoing construction of the Liddell Battery project, increased spend on the development pipeline and Energy as a Service (EaaS) projects.

Capital expenditure	FY25 $m	FY24 $m
Customer Markets	**125**	138
Integrated Energy	**963**	675
Centrally Managed Expenses	**80**	34
Total capital expenditure	**1,168**	847
Sustaining	**660**	588
Growth	**508**	259
Total capital expenditure	**1,168**	847

3.2 Business Value Driver performance

A summary of our performance in relation to each of AGL's Business Value Drivers is provided in the following sections. Time series data for the Business Value Driver key performance indicators as well as performance data for an extended range of non-financial metrics is available in the ESG Data Centre. The key performance indicators included in each scorecard should be read in conjunction with the Glossary on page 226.

Key performance indicators that are linked to the FY25 remuneration outcomes for the CEO and key management personnel are also identified as outlined in the legend below.

Key	KPI linked to remuneration outcomes for MD and CEO and key management personnel

Customers

We are committed to partnering with our customers in connecting them to a sustainable future through a range of innovative initiatives which deliver value and benefits for both our customers and AGL. AGL supports 4.56 million customer services[1] across energy and telecommunications translating to approximately 24% of households in the National Electricity Market (NEM).

As we navigate the multi-decade journey of the energy transition, we are actively balancing the need to support our customers facing cost-of-living pressures, including rising energy price rises, and the investment required to support our customers to transition to a net zero future.

Solutions to meet customer needs

A critical way to enhance our relationship with our customers and grow trust is through the development of products and services that meet and respond to their changing needs. AGL has maintained a positive level of customer advocacy in 2025, with our Net Promoter Scope at +8 despite a highly competitive market and many customers continuing to face cost-of-living pressures. Our Transactional Customer Satisfaction (CSAT) continued to further improve from FY24, with 81.6%[2] of customers rating their experience with team members as five out of five. Our energy consumer churn was also 4.3 percentage points lower than the rest of the market at 15.7%, driven in part by our multi-service offerings and our ongoing partnerships with Velocity and Netflix. In FY25 we extended these partnerships, and expanded across new services channels. We also launched a new partnership with bp and bp Pulse, supporting customers through discounted fuel and electric vehicle charging offers.

Ombudsman complaints volume fell to 6,651 in FY25, compared to 8,111 in FY24, due in part to proactive initiatives to decrease customer effort, improve engagement quality, and make it easier for customers to contact us. Top complaint drivers for customers remained consistent in FY25 including billing and credit issues, energy prices, and cost-of-living pressures. In response, new initiatives in FY25 focused on reducing billing adjustments and making it easier for customers to access concessions digitally. We also implemented the Empathy First program, an initiative that encourages empathetic, accountable customer service to reduce complaints, improve resolution quality, and enhance customer trust.

We continue to invest in optimising our digital service environment to create a smoother overall customer experience across both sales and customer support journeys. This year this optimisation included enhanced payment and direct debit services for customers, a new onboarding experience for new customers and improved accessibility when signing up via MyAccount and AGL's mobile app. We also introduced more digital self-service actions for our customers and integrated AI into our web chat, making it easier for customers to find answers to their queries. The AGL App continues to be the highest rated[3] utility and telco app in Australia at 4.7 stars.

As outlined in the Business Intelligence scorecard, we are also progressing our Retail Transformation Program, focused on technology implementation, underpinned by a holistic operating model. We have completed the program's first phase, which aimed to transform customer engagement by leveraging the latest in automation and Customer Relationship Management (CRM) solutions, building on our existing digital assets. Our second phase is focused on harnessing the power of modern flexible technology platforms to unlock value for customers in a decentralised energy landscape through our investment in Kaluza. In May 2025, Kaluza announced its acquisition of Beige Technologies, a leading Australian technology company. The acquisition will enable Kaluza to continue to respond to these growing demands by enhancing its localised platform capabilities for suppliers in the Australian market. We also continue to invest in our broader Salesforce CRM, AI and digital capabilities to improve customer experience as part of our second phase of the Retail Transformation Program.

	Target		FY25	FY24
Strategic Net Promoter Score (NPS)	FY27: +20		**+8**	+4
Customer Satisfaction (CSAT)	-	KPI linked to remuneration	**81.6**	80.1
Ombudsman complaints	-		**6,651**	8,111

1. Includes Netflix services.
2. AGL Transactional Customer Satisfaction survey, June 2025.
3. Based on Apple App Store reviews for competitor utility and telco apps with 1k+ reviews.

Energy affordability and support for customers experiencing vulnerability

Over the past 12 months, Australia's economic conditions have remained difficult for many households. While inflation has eased and the Reserve Bank has commenced rate cuts, cost-of-living pressures continue, particularly for lower-income customers who are increasingly accessing support through our hardship program Staying Connected.

In response, AGL has maintained our strong focus on delivering our Customer Support Package, a two-year $90 million initiative, which delivered over one million instances of targeted support,[1] reflecting our ongoing commitment to affordability. We are also engaging with the federal government regarding the best use of future iterations of the Energy Bill Relief Fund and continue to advocate for greater consistency in state-based concession schemes.

Key achievements under the Customer Support Package across FY24 and FY25 include:

- **$76 million in payment matching and debt relief** provided to customers experiencing vulnerability, including those using Centrepay, participating in Staying Connected and customers impacted by family and domestic violence.
- Improved access to renewable energy through free solar installations for eligible low-income households, with **272 solar PV and/or battery systems** installed.
- **Specialised empathy training** for frontline agents to better support customers, especially those experiencing various forms of vulnerability.
- Over **500,000 customers** contacted through our proactive outreach program providing access to payment support, better energy plans, and value-add services such as Direct Debit, E-Bill and Bill Smoothing in addition to guided help in applying for Government grants and rebates.
- Enhanced energy literacy and accessibility through targeted initiatives supporting culturally and linguistically diverse and First Nations customers.

This year we have provided $20 million direct financial support to assist customers experiencing vulnerability,[2] helping them pay down their energy debts faster. We also supported approximately 5,700 customers to move off Staying Connected, demonstrating the effectiveness of our approach in driving sustainable outcomes for those experiencing vulnerability.

Overall participation in Staying Connected remains high, with a 20% increase in customers seeking support through the program in FY25. Debt for customers on Staying Connected also increased by 16% in 2025, as the vast majority of customers on the program are on repayment plans at a rate less than their monthly consumption. This is largely attributed to broader economic challenges, which have prompted more customers to reach out for support in managing their energy arrears.

Looking ahead, our commitment to supporting customers experiencing hardship remains steadfast. From FY26, core initiatives developed through the Customer Support Package will be formally integrated into our business-as-usual operating model to deliver enduring impact. Proactive, data-informed engagement will continue to be a key pillar, enabling earlier identification of customers experiencing vulnerability and more efficient, targeted delivery of support. In particular, we will focus on delivering tailored debt relief to customers experiencing entrenched financial hardship where circumstances are unlikely to improve, while continuing to invest in our partnerships with the community sector, ensuring we remain closely connected to the frontline of Australia's evolving affordability landscape.

In FY25, the average debt across mass market customers increased by 1.5%, remaining steady compared to the previous financial year. This is largely attributed to the impact of various government funding initiatives, which played a significant role in easing overall customer debt levels.

	FY25	FY24
Number of customers on Staying Connected	**34,238**	27,471
Average level of debt of customers on Staying Connected	**$2,343**	$2,025
Total average debt across mass market customer portfolio	**$420**	$414

Decarbonised energy supply

AGL is committed to being the partner of choice in helping our customers decarbonise the way they live, move and work, delivering a range of innovative products and services to meet their changing needs. During FY25, we expanded our capabilities in our home, business electrification and decarbonisation solution portfolios, increasing customer awareness across the electrification value chain. Through these initiatives, AGL continues to prioritise facilitating an energy transition that is simple, affordable, and beneficial for all our customers.

- **Electrify Now**: Electrify Now is a free digital advisory tool that simplifies the path to electrification, available to all energy customers across the National Electricity Market (NEM), regardless of whether they purchase energy from AGL or another retailer. The platform leverages energy usage data from smart and basic meters to deliver a personalised electrification savings report with estimated energy bill and emissions savings that may arise from the installation of products including solar, batteries, EVs and electric appliances. We have expanded our end-to-end customer offering by enabling customers to connect

1. A two-year long program which concluded on 30 June 2025.
2. Delivered to eligible customers participating in Staying Connected.

with trusted installers and receive direct quotes for electrification opportunities. We have had more than 500,000 visits to the platform since launching last year. On average, the reported estimated savings per household with Electrify Now were over one thousand dollars annually off their energy bill.

- **Flexibility services**: We are focused on growing our flexible load under management, including virtual power plants. AGL now[3] has one of the largest residential battery virtual power plants in Australia, driving us closer to our FY27 target of having 1.6 GW of decentralised assets under orchestration. AGL is also focused on expanding batteries as a key flexibility asset, and our AGL Battery Rewards program enables customers to earn by exporting energy back to the grid during peak times.
- **Hot water orchestration:** Electric hot water system orchestration presents a significant opportunity to help customers optimise their grid electricity usage and energy costs, while also supporting grid stability through the energy transition. In most homes, hot water heaters have traditionally been scheduled to heat up overnight. By shifting customers' hot water load to the middle of the day to coincide with abundant solar generation through electric hot water system orchestration, AGL is able to access a substantial flexible load throughout the NEM. We have seen a growth of approximately 104% in controlled hot water load compared to FY24 through new partnerships with distribution network service providers in New South Wales and other leading metering providers. We are now orchestrating the hot water loads of nearly 100,000 customers through our virtual power plants and exploring ways to increase energy bill savings for customers over time.
- **AGL Community Power**: We recognise the need to share the benefits of the energy transition with those who cannot purchase solar and batteries or who may be locked out due to barriers to home ownership. In July 2025, as part of the AGL Community Power initiative, AGL announced the acquisition from Tesla of South Australia's Virtual Power Plant (SAVPP), one of Australia's largest VPPs which was first established in 2018 with support from the SA Government and ARENA, and comprises distributed rooftop solar and approximately 7,000 home batteries. More batteries are expected to be installed this year as we look to develop the country's largest social and community housing VPP. The acquisition of the SAVPP will provide AGL with access to a network of residential solar and battery systems to continue delivering benefits to those SA social and community housing residents participating in the program. Building on this acquisition, in July 2025 AGL announced our partnership with the Government of South Australia on the emPowering SA community battery project to build and operate 16 community batteries that will facilitate cheaper electricity for social housing tenants and people experiencing financial hardship. In the same month the new "Three for Free" energy plan was also launched, giving households access to three hours of free electricity usage every day.[4]This plan is targeted at customers who do not yet have a rooftop solar system, including renters.
- **Financing residential solar batteries**: AGL has partnered with fintech lender Plenti Group Limited to connect eligible customers with competitive financing for residential solar batteries, supported by the Clean Energy Finance Corporation (CEFC). AGL customers can apply for a Plenti Green Loan to install a solar battery in their home at a discounted interest rate.
- **Electric vehicles**: We have made significant progress in the e-mobility space, with products and services that encourage customers to switch to EVs. Our EV plans attracted approximately 35,000 customers[5] in FY25, with our offering including discounted tariffs for home charging, complemented by our public kerbside charging offer partnership with BP pulse, enabling EV recharging away from home at a competitive cost. In FY25 we expanded our business offerings and capabilities through the acquisition of Everty, a full-service electric vehicle charging and energy management software platform for commercial customers. The scaling of smart charging solutions through our investment in Kaluza is already delivering benefits by enabling customers to shift their energy usage while progressing toward vehicle-to-grid readiness.
- **Climate Active certified products:** AGL provided 551,636[6] Climate Active certified Carbon Neutral services (up from 510,074 in FY24), including gas and electricity (representing more than 170,000 services), telecommunications, residential solar systems, and solar batteries. While EV chargers and EV subscriptions are not Climate Active certified, AGL voluntarily purchases and surrenders carbon offsets for their full lifecycle emissions (Scope 1, 2 and 3).

Supporting business decarbonisation: We maintain a strong ambition to be the decarbonisation partner of choice for our commercial and industrial customers. In FY25, we have continued scaling our Energy as a Service (EaaS) proposition, providing integrated offerings across energy solutions, asset management, orchestration and asset financing. In addition, we continue to grow the volume of commercial and industrial customers that are accessing long-term renewable energy Power Purchase Agreements with an additional 172 GWh/year, supporting our customers in their commitment to purchase up to 618 GWh/year of large-scale generation certificates. We have also partnered with key strategic customers to support the design, development and feasibility of complex zero-emission energy projects. AGL continues to offer demand response products to help our business customers manage flexible loads, including trialling a price intensity forecasting tool through the ARENA Load Flex trial.[7]

3. Following the acquisition of the SAVPP, announced 4 July 2025.
4. The plan is initially available to customers in South Australia, provides free electricity usage from 10am to 1pm daily. Daily supply and any controlled load usage charges still apply.
5. Represents both AGL and OVO customers.
6. From FY25, this includes Perth Energy.
7. Eligible commercial customers may opt in.

	Target		FY25	FY24
Green revenue as a % of total revenue[1]			**19.7%**	19.3%
Increase in green revenue from FY19[2]	FY27: +85%		**98%**	83%
Decentralised assets under orchestration (including smelters)	FY27: 1.6 GW		**1.49 GW**	1.25 GW
Cumulative customer assets installed (behind the meter)	FY27: 300 MW[3]		**147 MW**	70 MW[4]

1. The percentage of AGL's total revenue derived from green energy and carbon neutral products and services.
2. Increase in revenue from green energy and carbon neutral products and services compared to FY19 baseline.
3. Installations completed from FY24 – FY27 inclusive.
4. FY24 data was restated to include residential EV chargers and reflect actual battery capacity installed.

Assets

AGL operates Australia's largest private electricity generation portfolio. During FY25, our operated assets delivered 31,272 GWh to the grid[1], equating to over 15% of total generation within the NEM in FY25. AGL's operated generation capacity as at 30 June 2025 was 7,928 MW[2].

AGL is committed to meeting the targeted closure dates for our coal-fired power stations - Bayswater (by the end of 2033)[3] and Loy Yang A (by the end of FY35)[4]. In addition, Torrens Island 'B' Power Station (gas-fired) is currently scheduled to close by 30 June 2026 (refer to Section 7.2.1).

As we phase out our coal-fired power stations, we aim to add 12 GW of renewable and firming capacity by the end of 2035, making efforts to accelerate this transition where possible. The reliable performance of our coal-fired power stations until their closure, along with the flexibility of our portfolio, remains crucial in providing energy for our customers during the energy transition.

Transitioning our energy portfolio

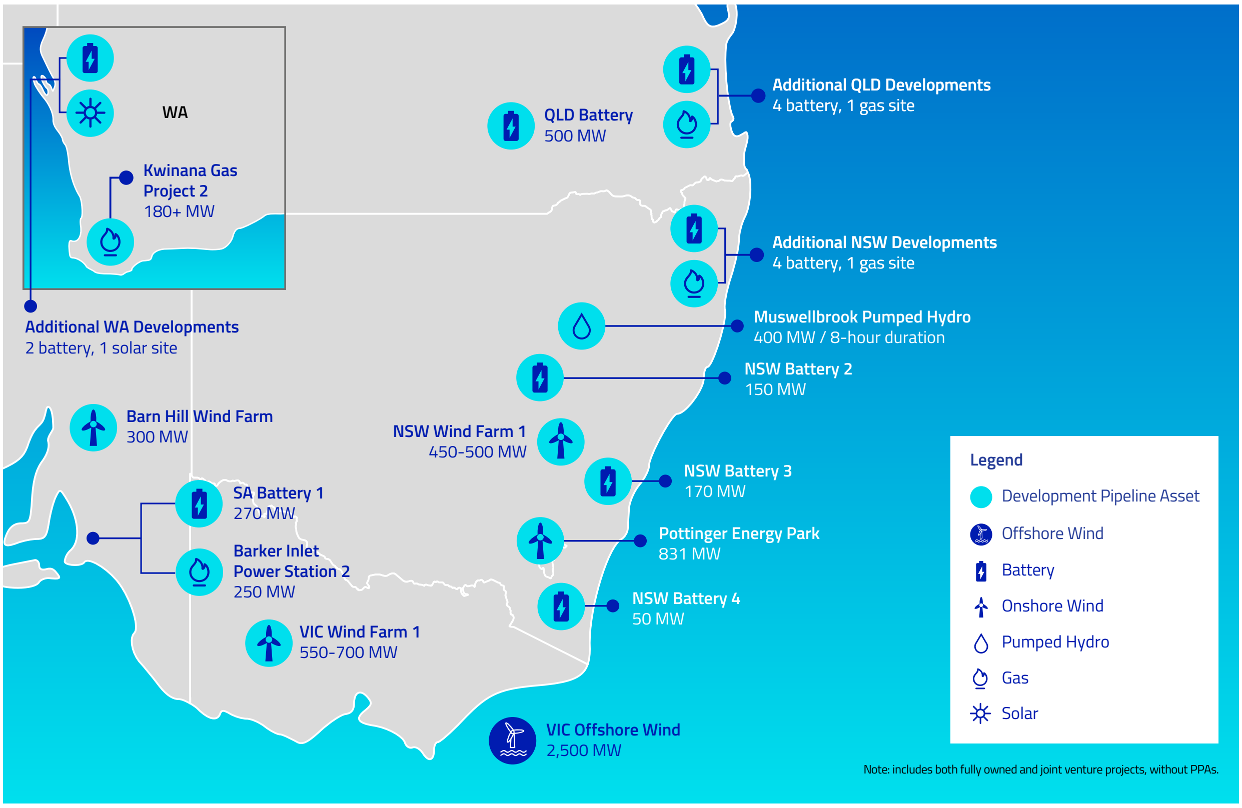
As we transition our energy portfolio, we are sourcing the required renewable and firming capacity to power our customer energy demand through a combination of self-development and external project options via partnerships, acquisitions and third-party offtakes. We have built a significant 9.6 GW pipeline of new renewable and firming projects, which has grown threefold since September 2022, and we plan to continue to build this pipeline to enable options to be exercised as needed depending on the policy environment, economic environment, and portfolio and customer needs. We are on track to meet our ambition to add 12 GW of new renewable and firming capacity for our customers by 2035, and we will seek options to accelerate where possible. We have also increased our interim target from 5 GW by 2030 to 6 GW by FY30.

During FY25 we continued our strong track record of developing renewable and firming capacity projects:

- **Projects commencing commercial operations in FY25:** AGL's 50 MW / 50 MWh Broken Hill Battery commenced commercial operations in August 2024.
- **Projects under construction:** Construction is progressing for the 500 MW / 1,000 MWh grid-scale battery at the former Liddell Power Station site, with the commencement of operations targeted for 2026. We also continued the Clover Power Station upgrade project to increase the output capacity of the Kiewa Hydro Scheme by 14 MW. This is expected to be completed in FY26. In July 2025, we achieved FID on the 500 MW / 2,000 MWh Tomago Battery Project.
- **Development pipeline:** In August 2024 we announced the acquisition of Firm Power and Terrain Solar, which added new project options to our development pipeline. During FY25 we received planning approval for the 500 MW / 2,000 MWh Queensland Battery, and the Barn Hill Wind Farm and Battery Project. The Pottinger Energy Park was also granted an Access Right in the South West Renewable Energy Zone. We also acquired two early-stage pumped hydro energy storage projects in the Upper Hunter, and progressed Muswellbrook pumped hydro. Gas peaking plant projects at the sites of our existing Barker Inlet and Kwinana Swift power stations are also included in our development pipeline.
- **Exit from upstream gas production**: Following the closure of the Camden Gas Project in August 2023, and the March 2025 Surat Basin sale, AGL no longer operates upstream gas assets, though it retains minor gas interests for supply purposes.

1. Gross sent-out generation does not take account of losses or electricity imported from the grid at generation facilities.
2. FY25 installed capacity is the AEMO registered capacity, also taking into account the three 25 MW upgrades to Bayswater Power Station Units 4, 2 and 3 in FY20, FY22 and FY23 respectively.
3. Subject to market and regulatory conditions. Asset management plans have been structured to support the closure of Bayswater Power Station by the end of 2033.
4. Asset management plans have been structured to support the targeted closure of Loy Yang A Power Station by the end of FY35. AGL has a Structured Transition Agreement (STA) with the Victorian Government which provides for the orderly closure of Loy Yang A Power Station by a scheduled closure date of 30 June 2035, and a framework for safeguarding the continued and reliable operation of Loy Yang A Power Station until its planned closure date.

The following map summarises our development pipeline.



Further information in relation to FY25 and expected future capital allocation to renewable and firming capacity is available in the Climate-Related Disclosures section.

	Target	FY25	FY24
Operated and contracted renewable generation and storage capacity	Refer to Remuneration Report	**34.5%**	32.8%
New renewable and firming capacity[1]	FY27: 2.1 GW FY30: 6 GW	**1,178 MW**[2]	978 MW
Grid-scale batteries installed and managed		**430 MW**[3]	380 MW
Total grid-scale batteries operated, contracted or in delivery	FY27: 1.5 GW FY30: 3.0 GW	**1,200 MW**[4]	1,000 MW

1. Measured as new renewable and firming capacity in construction, delivery or contracted from FY23 onwards. Excludes projects that were already operational during FY23.
2. Comprises Liddell Battery (500 MW) under construction, Broken Hill Battery (50 MW), Torrens Island Battery (250 MW), Western Downs Stage 1 Battery Contract (100 MW), Western Downs Stage 2 Battery Contract (100 MW) and Rye Park Wind Farm PPA (178 MW). Does not include the 14 MW upgrade currently underway at Clover Power Station (hydro).
3. Comprises Dalrymple Battery (30 MW), Wandoan Battery (100 MW), Torrens Island Battery (250 MW) and Broken Hill BESS (50 MW).
4. Comprises Dalrymple Battery (30 MW), Wandoan Battery (100 MW), Torrens Island Battery (250 MW), Broken Hill Battery (50 MW) and Liddell Battery (500 MW), as well as virtual battery contracts for Western Downs Stage 1 Battery (100 MW), Western Downs Stage 2 Battery (100 MW) and Capital Battery (70 MW).

Further information regarding expected future capital allocation to renewable and firming capacity is available in Section 7.2.3.

Reliable and efficient plant operations

In FY25, AGL's overall fleet Equivalent Availability Factor (EAF), was 79.1%, down 6.7 percentage points compared to FY24. This was primarily driven by a decrease in generation at Loy Yang A due to the planned Unit 4 major outage (compared to no major outages for Loy Yang A in FY24) and unplanned minor outages at Bayswater in the second half of the year.

With the changing nature of electricity demand across Australia, there is an increasing need for more flexible generation, as well as generation from a diverse range of sources and in a range of locations. Firming assets, such as battery storage, pumped hydro and gas-powered generation, can start at short notice and ramp up and down quickly, providing an excellent complement to higher levels of variable renewable generation such as wind and solar.

We are investing in increasing the flexibility of our coal-fired generation fleet as its role in the electricity system evolves. This year AGL's flexible operations program implemented new minimum generation levels for both Bayswater and Loy Yang A power stations, helping to reduce asset risk while increasing flexibility. Our investments over the past three years and further upgrades at Loy Yang A (planned for completion in FY26) are expected to reduce the combined minimum generation capacity of our coal fleet to 1,760 MW (previously 2,000 MW) – meaning we can flexibly operate 64% of our total coal generation capacity of 4,925 MW.

Our ability to flex our thermal fleet enables us to manage the impacts of lower customer demand, or negative pool pricing, during daytime periods of peak solar generation. In addition to enabling improved commercial outcomes, flexible operations may deliver emissions reduction benefits. The investment in operational flexibility upgrades of Bayswater and Loy Yang A power stations enabled the avoidance of approximately 290,000 tCO_2e of greenhouse gas emissions in FY25.[1]

The enhanced flexibility of our thermal assets along with our growing portfolio of firming assets (including batteries, hydro and gas powered generation) means we have a flexible generation capacity of 5.37 GW, with another 0.2 GW on long notice recall.[2]

	Target	FY25	FY24
Equivalent Availability Factor (EAF) - all fleet		**79.1%**	85.8%
Equivalent Availability Factor (EAF) - thermal and gas generation fleet	FY27: 88%	**79.5%**	86.9%

Repurposed infrastructure (energy hubs)

A part of our strategic goal of transitioning our energy portfolio is the transformation of our existing large power station sites into integrated energy hubs which aim to complement the decarbonising energy sector, contribute to regional economies and help build resilient communities.

With circular economy principles at the forefront, through our three proposed energy hubs in the Hunter Valley, Latrobe Valley and at Torrens Island, we aim to repurpose the land and infrastructure to facilitate the establishment of new industries that can play a key role in the energy transition, creating regional economic diversification and job creation across areas such as low-carbon manufacturing, materials recovery and recycling, low-carbon fuels, computing services and other energy intensive industries, co-located with grid-scale batteries and renewable energy generation.

Each energy hub site has its own natural advantages and complexities, which may suit different sectors of industry. These factors include land size, connectivity to transport infrastructure, existing grid connections, water infrastructure, zoning permissions and presence of a local workforce.

The Hunter Energy Hub is the furthest progressed and can act as a blueprint for other energy hub developments at Torrens Island and in the Latrobe Valley, unlocking a concept that has the potential to make a significant contribution to Australia's energy transition. Construction of the 500 MW Liddell Battery commenced in 2024 and is expected to be operational in 2026.

The following development activities were also undertaken during FY25:

- Planning authorities approved our proposal to enable a broader range of activities to be undertaken on defined areas of AGL's Muswellbrook site.
- Feasibility assessments are underway with Renewable Metals, Elecsome and Cable Australia (Ojas Group) to explore the potential development of renewable manufacturing facilities, while continuing dialogue with SunDrive[3].
- Baseline infrastructure assessments and concept designs have been completed to facilitate the supply of essential services to future development precincts within the Hunter Energy Hub.
- Our Hunter Energy Hub is home to a Manuka tree plantation, which is owned and operated by the Wonnarua Nation Aboriginal Corporation. Planting commenced during the year and with AGL's support this endeavour offers employment opportunities and in future has the potential to become a revenue generating activity for this First Nations group.

Decommissioning and rehabilitation of Liddell Power Station is progressing alongside these planning activities. Refer to the Environment scorecard for further information.

The transition of our Torrens Island Power Station into the Torrens Island Hub, which already includes the Torrens Island Battery, continued in FY25. Activities in FY25 included:

- We entered into memoranda of understanding (MOUs) with a data centre developer and renewable diesel producer to explore future development opportunities on site.
- Together with cultural heritage, flora and fauna and maritime assessments, we undertook preliminary infrastructure assessments for Torrens Island.

Given the planned closure of Loy Yang A Power Station by the end of FY35, AGL continues to explore redevelopment activities for the Latrobe Valley Energy Hub. Activities in FY25 included the following:

- We continued with feasibility assessments for the potential commercial-scale development of an Australia-Japan co-invested hydrogen supply chain project.

1. Based on comparison of estimated greenhouse gas emissions from running the units at Bayswater and Loy Yang A power stations at the previous minimum level and estimated emissions from operations of units at reduced minimum generation levels during FY25.
2. 0.2 GW (200 MW) refers to Torrens B1 (Gas), which is currently mothballed with a long notice recall.
3. MOU signed between AGL and Sundrive in January 2025. Pre-feasibility studies have been completed, and parties are continuing discussions on how the opportunity may progress; however, it is not considered as "under negotiation".

- Following our research partnerships in FY24, AGL continued to explore opportunities to recycle waste coal ash into products such as building materials and agricultural inputs.

	Targets	FY25	FY24
Major industrial clients located on or connected to a hub[1]	FY27: 6 - 8	**0[2]**	0[3]

1. From FY23.
2. 10 MOUs in progress.
3. Four under negotiation.

People

The energy transition is an industry-wide transformation that will involve significant changes to the way in which AGL operates, and the labour and skills required to operate our generation assets will change over time. At AGL, we recognise the importance of attracting, developing and retaining the right people to enable us to deliver value to our customers and stakeholders. We will seek to achieve this by building a safe, performance-driven and values-led culture that is reflective of the communities in which we operate. As we progress through the energy transition, our approach is to treat people fairly and with respect, and to work constructively and openly with our people to keep them informed and engaged.

Safe and healthy workforce

Underpinned by our value of 'Be Safe. Be Supportive', AGL continues to strengthen safety strategies and culture, delivering significant reductions in injury rates and improvements in HSE capability, training compliance, and action close-out in FY25. Strategic programs of work this year were focused on advancing leadership capabilities through targeted training, strengthening governance processes for psychosocial and physical health, and enhancing the visibility of risks through real-time data analytics.

We further embedded health and safety risk management into everyday operations through strengthened governance, proactive reporting, and assurance practices. Asset specific strategies focused on addressing high-risk activities and injury trends, enabling tailored, site-specific controls and consistent risk mitigation. We also introduced proactive reporting targets for HSE interactions, reinforcing visible safety leadership and driving a company-wide focus on boots-on-the-ground engagement. These initiatives have reinforced a culture of shared responsibility and continuous improvement across our operational footprint.

There were no actual Significant Impact or Fatality (SIFa) events recorded in FY25. There were 45 potential health and safety Significant Impact or Fatality (SIFp) events recorded in FY25, representing a 10% year on year reduction compared with FY24. Our focus on SIF prevention continued through targeted risk management programs across operational sites. Site-specific strategies, on critical risk areas such as working at heights, dropped and fallen objects and contact with electricity, led to measurable improvements in incident reduction and hazard reporting. In addition, we strengthened our connection with contractors across the business through collaborative safety initiatives, which supported shared learning and reinforced our collective commitment to safety leadership and performance.

There was a 41% decrease in the number of recordable injuries in FY25 and an associated decrease in our Total Injury Frequency Rate (TIFR) for employees and contractors. These injuries were largely of low to moderate impact, with no significant long-term injuries affecting our employees or contractors. We continue to prioritise meaningful engagement with our workforce and contractor partners to strengthen safety culture and shared accountability. Throughout FY25, this has included a range of initiatives designed to foster open dialogue, build trust, and promote continuous learning. These efforts support a consistent and collaborative approach to health and safety, reinforcing our commitment to proactive risk management and safe outcomes for everyone working with AGL. The impact of this strategic focus was seen through an increased engagement across the business, driving a 12% increase in HSE conversations compared to FY24 and higher completion rates of AGL's Better Mental Health training.

A key focus in FY25 has been ensuring our contractors are engaged and aligned with AGL's values, policies, and standards. A highlight was the 2025 HSE Contractor Conference, themed "Innovate, Collaborate and Elevate - Leading HSE Together", which strengthened partnerships and supported contractor-led collaboration to drive safety innovation. The event showcased future-focused improvements in risk, environmental, and digital systems, with strong engagement on psychological safety. HSE forums with contractors remain a key part of our ongoing contractor engagement approach, helping to maintain alignment and continuous improvement.

	FY25	FY24
TIFR employees	**1.2**	2.7
TIFR (employees + contractors)	**2.0**	3.5
Fatalities (employees + contractors)	**0**	0

Future fit people and culture

As reflected in our overarching strategy, our people are the foundation to our success. In FY25 we continued to focus on building a future-fit workforce and culture. AGL's employee engagement score improved for the third year running, increasing by one percentage point to 73%. This outcome provides a positive signal that we remain on track with our FY25 focus areas

- Performance, Growth and Culture - as we continue with the ongoing transformation of our business and adapt to new ways of working.

The demand for talent to support the energy transition means that continuous employee development and growth are essential to our success. The recent rebrand of the AGL Learning & Development function to Capability & Learning, has seen us undergo a significant transformation in our operating model. This shift reflects our commitment to modernising how we develop leadership capabilities across the organisation. Our new model moves away from traditional, in-person facilitator-led learning and embraces a digital-first, scalable approach. This change allows us to reach more people more efficiently, while also aligning with contemporary learning preferences and business needs.

As part of this evolution, we've introduced the Leadership Compass and AGL Academy—a strategic framework designed to guide leadership development across all levels. The Leadership Compass defines capabilities across leadership levels, and sets expectations that guide recruitment, performance, learning, talent and succession. Each capability is supported by tailored learning to help employees grow in their current role and prepare for what's next. Talent and succession reviews were also conducted for over 200 people and roles.

We know that harnessing a broad talent pool will be key to unlocking future success and therefore accelerating progress on gender equality, building an inclusive and respectful culture, and playing our role in building an inclusive energy future are key focus areas of our diversity and inclusion strategy. The impact of our focus on future-fit people and culture over FY25 is evident with the stabilisation of attrition at 10% in FY25, down slightly from 11% in FY24, and improved retention of key talent up from 92% in FY24 to 96% in FY25.

During FY25 we maintained a 75% Inclusion Index. A key action in network-level plans was to deliver leadership training focused on specific facets of diversity. An overarching learning needs analysis was conducted to form a combined set of learning objectives. These objectives formed the basis of an Inclusive Leadership capability and an Inclusive Leadership module being developed for delivery over FY26-FY27. This year, one of the goals allocated to people leaders included the expectation for leaders to be actively building a culture of respect and inclusion. Looking forward to FY26, continuing to embed expectations and support leaders to build their inclusion capabilities will remain a key focus.

Increasing the representation of women was identified in FY24 as a strategic area of focus and effort has continued over FY25 on building and sustaining inclusive talent management practices and amplifying AGL's commitment to inclusion in the Employee Value Proposition.

Our sustained commitment to achieving a '40:40:20' gender balance has resulted in female hiring rates increasing from 39% in FY24 to 42% in FY25. We have also seen a notable improvement in the average gender pay gap for total remuneration, down from 26% in March 2024 to 24.7% in March 2025.

While female representation at the Senior Executive level is balanced, targets for Board, SLP and the overall population continue to be a focus. Overall female representation has increased from 35% in FY24 to 36% in FY25, and SLP increased from 35% to 36%, however the current results indicate slower progress despite focused efforts. We know there is more work for us to do, and we continue to deliver several well-established programs as part of our broader inclusion strategy spanning capability development, talent management, early careers programs, and employee engagement.

During FY25 we maintained our Platinum Employer status for LGBTQ+ inclusion through the Australian Workplace Equality Index, our Family Inclusive Workplace certification through Family Friendly Workplaces and our Breastfeeding Friendly Workplace accreditation through the Australian Breastfeeding Association. We were also proud to be become a WORK180 endorsed employer to further support gender equality.

In FY25, AGL continued to strengthen its commitment to First Nations inclusion and cultural safety. We worked closely with our First Nations employees to establish the AGL First Nations Employee Network, a key initiative aimed at fostering connection, support, and advocacy across the organisation. In parallel, we developed a dedicated Employee Value Proposition (EVP) to enhance the recruitment and retention of First Nations talent at AGL. In FY25, the number of self-identifying First Nation employees increased from 39 (0.9%) in FY24 to 43 (1.0%).

A significant milestone this year was AGL's inaugural First Nations employee gathering held in May 2025 on Worimi Country. This event provided a meaningful opportunity to amplify First Nations voices within AGL and deepen cultural connections. During the gathering, we launched our partnership with the Jumbunna Institute for Indigenous Education and Research at UTS, focusing on understanding the experiences of our First Nations employees. This collaboration will inform recommendations to further enhance our workplace culture and inclusivity.

At our operational sites, we are creating long-term employment pathways for First Nations people, and we remain committed to offering annual First Nations apprenticeship placements as part of our broader workforce strategy. At AGL Loy Yang, we introduced a new two-year traineeship program, appointing two First Nations warehouse trainees in FY25. Additionally, we placed one identified apprenticeship position at each of the Loy Yang A and Bayswater power stations, which were successfully filled.

We also continued to implement our Cultural Capability Framework, engaging local First Nations communities to deliver cultural teachings on Country. These experiences are helping to build deeper cultural understanding and respect across our workforce.

	Targets	FY25	FY24
Employee engagement		**73%**	72%
Attrition (total workforce)		**10%**	11%
Key talent retention		**96%**	92%
Gender mix in SLP (% female)	FY25: 40% FY26: ≥40%	**36%**	36%
Material breaches of Code of Conduct		**0**	0

Workforce transition

Our commitment to a respectful and responsible workforce transition is crucial in building a secure foundation for the future of our employees and the communities impacted by assets in Transition and the repurposing of our sites.

Our approach to workforce transition is informed by a comprehensive workforce analysis that identifies pathways for our people to achieve success post-closure while providing the necessary skills and capabilities to continue operating our assets safely and reliably.

We continually review and refine our people transition blueprint, as we endeavour to provide the best available support for employees and respect the legacy of the work they have done and continue to do.

Our People Transition Hub opened at Torrens Island in February 2025. This dedicated on-site career centre was launched with a mini-career expo, where initial offerings included Career outplacement services, transition to retirement awareness sessions, financial information, superannuation, health, and mental health support and information.

Our People transition journey has commenced for impacted employees at Bayswater Power Station in the Hunter Valley (New South Wales), which is scheduled to close by the end of 2033. We have established a Transition Working Group (TWG) and meet regularly to discuss the transition needs of employees. Information sessions for Leaders and employees have commenced, and in line with our people plan, impacted employees will have an initial individual transition plan conversation by December 2025.

We continue to work with leaders across our assets in Transition equipping them to lead their people through change as our assets transition.

Relationships

As a key player in Australia's interconnected energy industry, it is vital that AGL has respectful relationships with our stakeholders. A wide variety of people and groups are interested in, or affected by, the decisions that AGL makes. These include communities in which AGL operates and Traditional Custodians, governments, regulators, consumer advocates, industry associations, non-government organisations and advocacy groups, suppliers, project partners, and lenders and investors.

AGL strives to make a net positive social, economic and environmental contribution to the communities in which we operate. We proactively engage with our stakeholders in ways that are most appropriate to each group. It is important that we build trust in our stakeholders by engaging openly.

Engaged and supported communities

AGL invests in the communities in which we operate through a structured program of community investment. In FY25, we continued investing in our four key social impact pillars: economic development and education programs in communities where we operate; climate and environmental initiatives; addressing energy affordability; and empowering First Nations communities through education and employment opportunities. In FY25, total community contributions remained consistent with FY24 at $6.0 million. Through our social impact framework, we are focusing on consolidating investments into larger, long-term partnerships, while decreasing one-off, ad hoc donations.

Through AGL's Powering our Community program we provide funding to our community partners to help them transition to renewable energy technologies. During FY25 the program funded the installation of a solar battery system for the Upper Hunter Show, and the provision of 12-month EV subscriptions and EV charging units for OzHarvest's Sydney Warehouse and the Gunaikurnai Land and Water Aboriginal Corporation in Gippsland, Victoria.

Through our ongoing partnership with Gippsland Climate Change Network, since 2022 we have supported the delivery of a network of community-owned EV charging infrastructure and the provision of community education regarding electrification. To date, our partnership has completed installation of EV chargers at facilities at Lardner Park, Baw Baw Food Hub in Warragul, the Business Enterprise Centre in Churchill, Yallambee Aged Care Village in Traralgon, and the Uniting Church in Yarragon.

AGL acknowledges the importance of the relationship between First Nations peoples and their lands. Our engagement with First Nations communities is guided by the principles of self-determination, cultural respect, and Free, Prior and Informed Consent, as recognised in the United Nations Declaration on the Rights of Indigenous Peoples. We proactively engage with Traditional Custodian groups and First Nations communities to build respectful, collaborative relationships that support sustainable opportunities for employment, economic participation, and care for Country. For new projects we undertake meaningful engagement with local stakeholders and Traditional Custodians, shaped by their expectations and aspirations. In FY25, we continued the implementation of our second 'Innovate' Reconciliation Action Plan (RAP) and have made strong progress against the targets and ambitions contained in it. AGL is currently developing its third RAP.

Our commitment to supporting education of First Nations people continued through ongoing support for programs such as the Clontarf Foundation, Stars Foundation, and the Jungarra Wannik tertiary scholarships. In FY25, we launched new partnerships with Deadly Coders and the National Aboriginal Sporting Chance Academy. We also established a new tertiary scholarship in collaboration with the Wollotuka Institute at the University of Newcastle. In FY25, we updated our Community Engagement Policy and the supporting Community Engagement Standard to align with current industry guidelines. The Standard outlines AGL's benchmark requirements for engagement activities and applies to all AGL's assets and new projects. It is informed by the Clean Energy Council's Best Practice Charter and International Association of Public Participation (IAP2) Quality Assurance Standard.

We continue to engage with communities where we operate through established forums such as Community Consultative Committees. We conduct community sentiment surveys to understand the perceptions, concerns and needs of the communities where we have significant operational presence to better inform our engagement with the community.

AGL undertake quarterly monitoring of our reputation via RepTrak. Our RepTrak score improved by 0.8 points to 67.7 in FY25. This improvement coincided with increased activity in market from AGL, including the launch of new value based propositions. and significant efforts to help customers experiencing cost-of-living pressures (as outlined in the Customer scorecard). During FY25, AGL obtained the right to feature the 'Australian Made' logo on our electricity and gas products. This not only underscores our pride in being an Australian company but also helps our customers to easily identify those products as locally-based and supplied.

We are committed to meeting all our tax compliance obligations, and to providing our stakeholders with information about the taxes we pay. In this regard we have adopted the Board of Taxation's voluntary Tax Transparency Code. Our effective tax rate on Underlying Profit for FY25 is broadly in line with the Australian corporate tax rate of 30% before prior year adjustments and the research and development concession.

	FY25	FY24
Community contribution	**$6.0 m**	$6.0 m
RepTrak score	**67.7**	66.9
Underlying effective tax rate	**27.9%**	30.5%

Collaboration for Australia's energy future

Strong collaboration and cooperation are required to deliver Australia's energy transition at pace and at scale, to contribute to the achievement of our climate goals. AGL recognises the importance of positive and transparent relationships with all our stakeholders. We engage regularly, widely, and transparently so that we are well informed of our stakeholders' needs.

As an owner of critical infrastructure and provider of essential services to Australian households and businesses, we proactively engage with all levels of government, statutory authorities (including planning, transition, and environmental bodies). In accordance with AGL's Political Donations Policy, we did not make any political donations (monetary or in-kind) in FY25.

We also engage with energy market bodies to discuss the operation of energy markets and consider market reforms that will best meet the needs of the energy system and our customers. We actively participate in regulatory consultation processes regarding proposed changes to energy market policy and regulation, and our submissions to these consultations are made publicly available on AGL's website.

AGL is a member of several industry associations that provide access to industry information and an opportunity to engage on issues and shared opportunities facing the energy sector. We also participate in several community associations that have a particular focus on the locations in which we operate. In accordance with our Industry Association Membership Policy, we review memberships annually so that the values and aims of the associations are consistent with those of AGL. Where there is misalignment, we take steps to advocate for changes in policy positioning within that organisation or consider the merit of ongoing membership with the association where the misalignment is significant and unable to be resolved. A summary of the FY25 review is included in the ESG Data Centre, as well as information regarding the policy positions of the organisations of which we are a member, and membership fees paid by AGL.

Both directly and through our industry associations, we are working to influence the right regulatory and market settings to accelerate the decarbonisation of Australia's energy markets so that AGL can deliver on our strategy and the pathways set out in our Climate Transition Action Plan, and so that the energy sector as a whole can play its part in delivering on Australia's ambition for a net zero future.

As we progress our energy transition plans, we proactively engage with a diverse range of public interest groups that represent diverse stakeholder views on important issues, including climate and the environment, so that there is open communication through which we are kept aware of key issues for communities, and can share the opportunities and challenges presented by the transition to a lower carbon future.

AGL is acutely aware of the challenges facing energy customers, particularly rising cost-of-living pressures. We have strong relationships with diverse customer representatives through the AGL Customer Council, which has been operating since 1998, as well as with other consumer groups, financial counsellors, customer advocates, and energy ombudsman schemes.

Strong business relationships

Our relationships with suppliers, project partners and financial institutions remain foundational to our ability to deliver on Australia's energy transition.

With over 4,800 suppliers, our Supplier Code of Conduct governs our procurement practices with a key focus on engaging with suppliers that share similar values and commitments as AGL, while also supporting our suppliers to manage the ESG impact of the goods and services they supply to us. AGL's Procurement Policy has an underlying principle of responsible procurement which is aimed at strengthening our engagement with diverse suppliers including First Nations owned businesses, small and local businesses, and social enterprises within the communities in which we operate.

In FY25 AGL continued to assess potential ESG impacts as part of our supplier selection and assessment criteria in the procurement process. Our procurement improvement initiatives included uplifts to our systems, increased automation and data insights, and regulatory compliance. We also strengthened the security of payments to suppliers by rolling out third-party verification on supplier bank details, helping to identify and prevent fraudulent activity and payments.

Payment of small business suppliers has continued to be a strong focus in FY25, improving our performance in the Australian Government's Small Business Payment Times Reporting Scheme by 3.9%. This has a significant impact in supporting small businesses with their cashflow.

AGL's commitment to First Nations owned businesses continues to grow. During FY25 we purchased $13.27 million of goods and services from First Nations owned businesses.[1] This is a 123% increase on last year's First Nations spend, and represents a significant milestone achieving 337% of our two-year Reconciliation Action Plan target of $5.7 million.

During FY25 we partnered with Blackrock Industries, a local First Nations-owned business, at our Liddell Battery project. Through the *Second Chance for Change* program, 12 incarcerated First Nations men on work release were employed in meaningful, above-award roles on the project. This initiative provided more than just training—it offered dignified employment, skill development, and a renewed sense of purpose. Several participants have since transitioned into full-time roles within the energy sector.

Our Human Rights Policy sets out our expectations and commitments to uphold the dignity and rights of all people, including our employees, customers, the communities where we operate and other parties in our business value chain. As part of delivering on these commitments, AGL undertakes annual assessments on the modern slavery risks across our operations and supply chain. The outcomes of these assessments inform our approach to the management of modern slavery risk. Our sixth Modern Slavery Statement, which will be made available on our website in early 2026, provides a summary of our material modern slavery-related risks, the processes we undertake to manage these risks, and the key enhancements we have made to our modern slavery risk management processes across FY25.

Developing and maintaining strong relationships with lending banks and debt capital markets investors is a crucial element of securing the capital needed to invest in renewable and firming projects and to execute on AGL's strategy and decarbonisation targets. To meet our portfolio transition targets, projects are expected to be funded through a combination of assets on AGL's balance sheet, utilising available debt capacity and strong operating cash flows from existing thermal operations and selective projects backed by offtakes and partnerships.

AGL has been focused on ensuring that lenders and investors that want to deploy capital to support the energy transition understand both AGL's strategy and the nuances of the Australian electricity market, particularly given that the carbon intensity of AGL's generation portfolio will remain much higher than the industry average while the Bayswater and Loy Yang A power stations are required for the stable, efficient, and cost-effective operation of the National Electricity Market.

Our Green Finance Framework,[2] established in FY23, sets out the process by which we have issued debt on an ongoing basis to fund capital expenditure for new firming capacity and renewable energy assets. In FY25, our 'Green Use-of-Proceeds Facilities' were utilised to fund the construction of our Liddell Battery project in addition to construction spend on our completed or now operational Broken Hill and Torrens Island battery projects.

AGL successfully amended and extended its $1,518 million Syndicated Facility Agreement ('SFA') in April 2025. All tranches were extended by over 2 years, and the overall facility was upsized by $310 million. The earliest maturities now occur in July 2028. The additional capacity will be utilised to repay a maturing US Private Placement for US$135 million/A$152 million and fund capex for new growth projects reaching FID this year.[3]

Following the refinance of the SFA, AGL does not have any significant debt maturities until FY27 apart from one $50 million bilateral, cash advance facility with SMBC maturing in December 2025. AGL also amended and extended multiple bilateral facilities totalling $1 billion and new maturities between September 2026 and July 2027. These facilities will continue to be used to support AGL's working capital needs.

Environment

1. Includes both direct and indirect spend.
2. The Framework is consistent with the Green Loan Principles (GLP) as issued by the Asia-Pacific Loan Market Association (APLMA), the Green Bond Principles (GBP) and Climate Transition Finance Handbook (CTFH) as issued by the International Capital Market Association (ICMA) and the Climate Bonds Standard & Certification Scheme (CBS) where applicable.
3. Refer to Note 35 for further information.

AGL takes our environmental responsibilities seriously, and recognises the high expectations of our stakeholders in relation to how we operate our assets as well as the role we play in Australia's decarbonisation journey. We recognise that our stakeholders expect AGL to have strong and responsible transition plans that lead AGL towards a net zero future, accompanied by measurable targets and transparent reporting. As we contribute to Australia's decarbonisation through the responsible closure of our coal-fired power stations over time, we face significant rehabilitation obligations, which we undertake through various transition activities with careful monitoring and transparency.

Future low-carbon world

In September 2022, AGL published our inaugural Climate Transition Action Plan (2022 CTAP), committing to exit coal-fired generation by the end of FY35, up to a decade earlier than previously planned, as well as setting Scope 1 and 2 emissions reduction targets and ambitious renewable and firming portfolio commitments. Our second CTAP (2025 CTAP), published alongside this report, builds on the commitments, ambitions and targets set in our 2022 CTAP. Further information on our 2025 CTAP, including a summary of the progress made against our commitments, is provided in the Climate-Related Disclosures section of this report. The Climate-Related Disclosures section also provides further details on AGL's approach to climate-related issues including risks and opportunities, governance, strategy, and metrics and targets.

As Australia's largest corporate emitter of greenhouse gases, the delivery of our decarbonisation strategy will have a material impact on Australia's emissions profile. In FY25 our Scope 1 and 2 emissions accounted for approximately 7% of Australia's total emissions. This year, we exceeded our target of achieving a 17% reduction in Scope 1 and 2 emissions compared to FY19 baseline, achieving a 29.1% reduction. In FY25, over 95% of our Scope 1 and 2 emissions and approximately 55% of our total Scope 1, 2 and 3 emissions arose from the combustion of black and brown coal in our coal-fired power stations to generate electricity, both for our customers and the broader National Electricity Market.

AGL's Scope 1 and 2 emissions decreased by over 2 $MtCO_2e$ in FY25, due to a planned major outage at Loy Yang A Power Station and unplanned minor outages at Bayswater Power Station. The emissions intensity of operated and contracted generation decreased in FY25 due to a decrease in the proportion of coal-fired generation to renewable and gas-fired generation compared to FY24. Additionally, this was impacted by the commencement of the Rye Park PPA in April 2025.

Further information on how we are transitioning our energy portfolio, including our development pipeline of renewable and firming projects and our integrated energy hubs developments, is available in the Assets scorecard. Information about how we are working with our customers, our people and our communities as we decarbonise is available in our Customer and Relationships scorecards.

	Target	FY25	FY24
Scope 1 & 2 emissions ($MtCO_2e$)		**30.7**[1]	33.2
Reduction in Scope 1 & 2 emissions compared to FY19 baseline	FY25-FY26: 17% FY27-FY34: 19% FY35: 52%	**29.1%**[1]	23.3%
Operated and contracted generation intensity (tCO_2e/MWh)	Refer to Remuneration Report	**0.908**[1]	0.936
Scope 3 emissions ($MtCO_2e$)		**23.2**[1]	25.8[2]
Emissions intensity of total revenue ($ktCO_2e/\$m$)		**2.1**[1]	2.4
Emissions intensity of electricity supplied (tCO_2e/MWh)	Refer to Remuneration Report	**0.834**[1]	0.841

1. Data for FY25 is estimated and based on material emission sources and estimates for non-material sources; any changes will be updated in the ESG Data Centre later in the year.
2. FY24 performance has been restated to align with the updated calculation method in FY25.

Green revenue and portfolio transition targets and performance are included in the Customer scorecard and Assets scorecard respectively.

Environmental stewardship

AGL has a genuine commitment to operate in a responsible manner and has plans that are designed to reduce our environmental impact through the continuous improvement of our environmental management practices and performance.

In FY25, AGL delivered programs to maintain high standards of compliance with environment and planning legislation, protect and conserve biodiversity, and improve cultural heritage practices:

- **Biodiversity:** As part of protecting and conserving biodiversity in the areas where we operate, during FY25, AGL commenced a program of works to develop Integrated Weed Management Plans (IWMP) for each site where AGL has operational control. The IWMPs provide functional guidance on innovative weed control techniques to effectively manage the introduction and spread of locally significant weeds at each operational site. Implementation of the IWMPs also helps AGL satisfy its statutory biosecurity duties by preventing, eliminating or minimising biosecurity risk posed from weeds. AGL has also signed a joint agreement with the University of Newcastle and CSIRO to research Biological and Molecular Control options for Pampas Grass.

- **Cultural heritage:** AGL is strengthening our approach to the protection of First Nations cultural heritage. In FY25, we introduced Cultural Heritage Management Plans for all operational sites and proposed projects, regardless of legislative requirements. We continued implementation and training on the Ground and Vegetation Disturbance Permit, which is required prior to any ground disturbance activities to help identify and prevent unauthorised impacts to biodiversity and recorded cultural heritage sites. We conducted a comprehensive audit of our existing cultural heritage management approach and updated our engagement practices for more meaningful and respectful collaboration with Traditional Custodians in cultural heritage management.
- **Environmental Regulatory and Approvals:** AGL is committed to ensuring compliance with all environment and planning legislation. During FY25, AGL developed and introduced a process which identifies the approvals pipeline and approval priority ranking for all sites, along with metrics to track progress in the delivery of the approvals, and communication and education tools for internal stakeholders.

During FY25, there were fourteen Environmental Regulatory Reportable (ERR) incidents, three administrative non-compliance incident events, and no Environment Serious Impact or Fatality (SIF) Actual events as summarised below. This reduction in incidents, compared to FY24, demonstrates increased awareness of environmental impacts and improved maintenance and reliability of plant and equipment as we transform our energy portfolio:

- **Three ERR events with negligible short-term local environmental impact (inside AGL's operational area):** These events comprised a community complaint from fugitive dust emissions, an unauthorised discharge to surface water and an exceedance of surface water concentration limit. Plant maintenance and equipment modifications were completed to reduce the likelihood of these events occurring again.
- **Nine ERR events with small scale short-term environmental impact that may extend beyond AGL's operational area:** These events comprised community complaints from fugitive dust emissions, unauthorised air emissions, unauthorised water discharges, exceedance of water discharge concentration limits, elevated concentrations in groundwater, and deposit of ash to unlicensed landfill cell. Clean up works were undertaken, further monitoring was completed, and plant maintenance and equipment modifications were implemented to reduce the likelihood of these events occurring again.
- **Two ERR events with moderate short to medium-term environmental impact that may extend beyond AGL's operational area, which was contained and required short-term clean-up:** These events comprised elevated concentrations within surface water and exceedance of water discharge concentration limit. Works have commenced and are ongoing to reduce the likelihood of these events occurring again.
- **Three administrative non-compliance events:** These events resulted from undertaking works without complying with air emissions and water sampling requirements. Changes in operations were completed to reduce the likelihood of these events occurring again.

Programs are underway which seek to reduce risk and reportable events across our operational sites. For information on official cautions and Penalty Infringement Notices received during FY25 refer to the Environmental regulation section. More information is also included in the ESG Data Centre.

	FY25	FY24
Environmental Regulatory Reportable incidents	**14**	17
SIF Actual - Environment	**0**	1

Responsible rehabilitation

The safe and efficient closure of our ageing generation assets is essential in achieving AGL's decarbonisation commitments. In addition, the necessary decommissioning, demolition and rehabilitation of these sites creates a pathway to deliver AGL's integrated energy hub strategy. We remain committed to working with our community and stakeholders regarding our approach to the closure and rehabilitation of our assets at the end of their operational lives.

Transition highlights in FY25 included:

- Completion of handover of Liddell Power Station to the demolition Principal Contractor and commencement of preliminary works under a complying development consent;
- State Significant Development Consent received for demolition and rehabilitation of Liddell Power Station;
- Completion of over 184 ha of capping across two distinct zones at the Liddell Ash Dam, as part of rehabilitation works, and continued proactive dust and vegetation management strategies on site;
- Delivery of positive outcomes against our site transition sustainability strategy across AGL's closure projects, including repurposing waste materials;
- Continued removal of hazardous materials at Torrens A Power Station by the Principal Contractor.

FY25 also saw the completion of civil works and rehabilitation of the Rosalind Park Gas Plant site, part of the Camden Gas Project, followed by hand back of the lease to the landowner. We also completed the decommissioning of gas wells, marking the end of progressive subsurface decommissioning across all 144 wells, which AGL has undertaken since the Camden Gas Project's 'last gas' in August 2023. The final three well surface locations (which comprised a total of 12 gas wells) are now under surface rehabilitation before being approved by government regulators and returned to their respective landowners.

Looking forwards to FY26, transition activities will focus on:

- Maintaining our focus on recycling and recovering materials through our closure projects and demolition contracts.
- Progressing the full-scale demolition project works at Liddell Power Station, and hazardous material removal and demolition activities at Torrens A Power Station;
- Further progressing the Liddell Ash Dam capping project in line with rehabilitation plans;
- Decommissioning the 2 MW Cairn Curran Hydro Power Station.

AGL also undertakes progressive rehabilitation works at the Loy Yang mine, Silver Springs, and the Ravensworth facility in compliance with regulatory obligations and approvals. Progressive rehabilitation activities are outlined in the ESG Data Centre.

AGL estimates the future removal and rehabilitation costs of electricity generation assets, oil and gas production facilities, wells, pipelines, mine and related assets at the time of their installation. Last year[1] an assessment of the environmental rehabilitation provision was performed across AGL's assets, which included determining the nature and timing of rehabilitation activities to be undertaken for each site.

In FY25 AGL has carried out most of the rehabilitation works that were included in the financial provision for the year ended 30 June 2024. Some activities at Liddell and Torrens A were not conducted and are now reflected in the financial provision for the year ending 30 June 2025. The rehabilitation of Camden Gas Project was successfully completed in FY25, and only minimal land restoration and regulatory process close out tasks remain as at 30 June 2025.

The rehabilitation provision increased by $208 million for the year ended 30 June 2025. This was primarily the result of changes to discount rates, indexation and planned rehabilitation activities that we not completed in FY25. The discount rate used to derive the present value of the estimated cash flows has decreased from FY24 at 6.86% to FY25 6.12%.

Asset[1]	Planned closure date	Provision amount ($m)	Rehabilitation costs Real ($m)
AGL Loy Yang	2035	768	1,400
AGL Macquarie (Liddell and Bayswater)	2023-2033	762	1,175
AGL Torrens (A and B station)	2022-2026	44	47
Other	Various	199	714
		1,773	**3,336**

1. Upstream gas assets have been moved to 'Other' following the divestment of Surat Gas and the completion of rehabilitation of Camden gas wells.

1. For the year ended 30 June 2024.

Business Intelligence

Leveraging business intelligence and insights is a critical way for AGL to deliver benefits for our customers. Asset and data security measures help safeguard customer information entrusted to us, enabling us to navigate an increasingly complex digital landscape. In addition, AGL's management of wholesale trading and risk management supports prudent decision-making and effective mitigation of potential risks and volatility affecting our customers.

Enhancing customer experience

We are continuing to invest in technology transformation to better meet the evolving needs of our customers and enrich their experience. By leveraging call-driver analytics, we gain deeper insights into how customers interact with our services, enabling us to tailor and improve their journey. These insights have driven improvements across our digital channels, from streamlining direct debit and payment processes to expanding the capabilities of our virtual assistant, empowering customers to self-serve with greater ease. This has been reflected in the growth of our 'digital only' customers to 59.0%, and those who are able to fully resolve their queries and tasks through digital channels. We processed 5 million automated AI transactions[2] in FY25, compared to 10.4 million in FY24. This is due to one-off transactions associated with Energy Bill Relief Fund in FY24, and integration of unknown energy consumer transactions into our core systems, which reduced the volume of transactions via robotic process automation.

In FY25, we continued our Retail Transformation Program, which focuses on enhancing customer and agent experiences, reducing operating costs and improving speed to market for new products. This program is crucial to accelerating AGL's strategic focus to connect every customer to a sustainable future. We completed our strategic 20% equity investment in Kaluza in January 2025. Additionally, we successfully implemented Salesforce at Ovo Energy Australia (OEA), enhancing the OEA environment (which currently supports almost 120,000 customers) to align with our future state architecture. Our technology implementation is reinforced by a comprehensive operating model that simplifies processes, systems, and ways of working. This approach not only streamlines operations, but also enables our teams to focus more effectively on our customers.

We have seen consistent year on year increases in business customers' adoption of and interaction with our digital platform. Efforts in FY25 also extended to our commercial solar monitoring and management platform which now supports 309 MW of business customers' solar assets, supporting our team and business customers in monitoring and maximising the performance of installed assets.

	Target	FY25	FY24
Digital only customers	FY27: 60%	**59.0%**	55.8%
Speed to market	FY27: +80%[1]	**+30%**	+30%

1. Improvement compared to May 2023 baseline.

Trading, operation, and risk management capabilities

AGL's position as an integrated energy generator and retailer means we can effectively manage price volatility in the energy markets on behalf of our customers. With the increase in price volatility observed in the NEM during FY25, AGL's trading and risk management capability, our diverse assets, and our access to significant distributed energy resources, delivered and protected significant value over the course of the year.

Our risk management framework includes the Trading Risk Policy, which governs our energy hedging and related trading activities. This policy allows for the commercial optimisation of AGL's portfolio within an overall risk limit that represents AGL's risk appetite.

With continued investment in our Trading, Risk and Decentralised Energy management systems, we have been able to improve the sophistication of our decision-making, such as the algorithmic optimisation and bidding of both our growing grid-scale battery fleet, and our growing Virtual Power Plant (VPP), which incorporates distributed assets like batteries, hot water units and other customer assets. Critically, investments in these systems have helped our governance processes to remain in step with our commercial decision-making.

AGL will continue to contract gas to support the requirements of our customers and our generation fleet, recognising that customer gas demand is expected to gradually decline with the projected shift to electrification.

Secure assets and data

AGL manages a significant number of assets, including systems, software and networks on which we and others rely, as well as critical infrastructure assets owned and operated by AGL. We also protect a significant amount of confidential information, including personal information and data records of our customers.

We undertake a comprehensive process to identify, assess and mitigate key cyber security risks, leveraging the Australian Energy Sector Cyber Security Framework, and in line with regulatory requirements such as the *Security of Critical Infrastructure Act 2018* and the *Privacy Act 1988*. Cyber security and resilience is a Tier 1 Strategic Risk overseen by the Board as part of AGL's enterprise-wide risk management program (refer to the FY25 Tier 1 Strategic Risks section).

2. Automated AI transactions includes: transactions via robotic process automation, virtual assistance-contained transactions and interactive voice response-handled transactions.

Our continual investment in our portfolio of security capabilities, processes and measures helps us to protect the confidentiality, integrity and availability of assets and data. We proactively manage cyber risk to limit the likelihood of inappropriate access to systems and data, and to limit the impact of incidents through preparation and rapid response capabilities. Security vulnerabilities are managed via a dedicated threat and vulnerability management team and automated scanning platforms, as well as specialist technical assurance, including penetration testing.

Despite the robust measures and activities, systems and controls that we have in place to protect our assets and data, these cannot fully eliminate risk. There is always a risk that security breaches, unauthorised access, malicious software, external attacks or internal breaches could occur that adversely impact our operations and confidential information.

Major Incidents rose slightly in FY25 to 46, up from 44 in FY24. This increase was mainly due to change-related major incidents, which increased from four in FY24 to 11 in FY25. This aligns with an 11% rise in technology change volume, driven by new application deployments and upgrades. The overall stability of our technology environment is attributed to robust change management processes, focus on remediation actions, proactive monitoring and detection, and continued focus on addressing root cause problems to prevent issues from escalating into major incidents.

There were no major cyber incidents resulting in a breach or compromise of AGL systems or data in FY25. As part of our program of proactive security testing, AGL engaged a specialist third-party service provider to undertake a simulated cyber-attack against AGL (referred to as 'red teaming'). This exercise resulted in two simulated cyber incidents from a targeted phishing campaign and a simulated compromise of an AGL employee account. AGL's Cybersecurity team detected and contained both simulated incidents. Conducting red team exercises is a key proactive measure designed to test AGL's security capabilities, by providing realistic testing of security controls and procedures, and to identify opportunities for strengthening AGL's security posture. Our security controls were further uplifted following the red team exercise.

Across FY25, AGL identified and reported two Notifiable Data Breaches to the Office of the Australian Information Commissioner, compared with five in FY24. The decrease in Notifiable Data Breaches is partly attributable to AGL continuing to engage in work to uplift its privacy and data management processes, which has included ongoing training and awareness campaigns and enhanced data loss prevention capabilities.

AGL is also reliant on key third parties to maintain effective controls and prevent unauthorised access. AGL continues to invest in tools, controls and management practices designed to reduce the likelihood of further breaches, and to detect and remediate any breaches that occur in the future.

	FY25	FY24
Major IT incidents	**46**	44
Reportable privacy incidents	**2**	5

4. Group Financial Performance and Position

4.1 Group results summary

Statutory Loss after tax attributable to AGL shareholders was $(98) million, a decrease of $809 million compared to the Statutory Profit of $711 million in the prior year. The principal drivers of the decrease were an increase in onerous contract provisions, recognition of other significant items including the Retail Transformation Program, negative movements in the fair value of financial instruments and lower Underlying Profit after tax.

4.1.1 Reconciliation of Statutory (Loss)/Profit to Underlying Profit

AGL uses Underlying Profit as a key measure of financial performance. Underlying Profit is derived from Statutory Profit, as measured in accordance with Australian Accounting Standards, and excluding significant items and movements in the fair value of financial instruments. The use of Underlying Profit enhances comparability of results by excluding non-recurring events and transactions that materially affect the financial results of AGL for the reporting period.

Underlying Profit after tax was $640 million, down 21.2% from the prior year. A description of the factors driving Underlying Profit is included in Section 4.1.5.

	FY25 $m	FY24 $m
Statutory (Loss)/Profit after tax attributable to AGL shareholders	**(98)**	711
Adjusted for:		
Significant items after tax[1]	**596**	64
Loss on fair value of financial instruments after tax[2]	**142**	37
Underlying Profit after tax	**640**	812
Earnings per share on Statutory (Loss)/Profit	**(14.6) cents**	105.7 cents
Earnings per share on Underlying Profit	**95.1 cents**	120.7 cents

1. Refer to Section 4.1.2 for further information.
2. Refer to Section 4.1.3 for further information.

Earnings per share (EPS) calculations have been based upon a weighted average number of ordinary shares of 672,747,233 (30 June 2024: 672,747,233).

4.1.2 Significant items

AGL recognised significant items of $(809) million, or $(596) million post-tax, primarily related to an increase in the onerous contracts provisions.

	FY25 $m		FY24 $m	
	Pre-tax	Post-tax	Pre-tax	Post-tax
Movement in onerous contracts	**(569)**	**(398)**	1	1
Retail Transformation	**(125)**	**(87)**	(39)	(27)
Business restructuring and transaction costs	**(46)**	**(55)**	46	46
Legal penalties	**(25)**	**(25)**	-	-
Movement in rehabilitation provision	**(23)**	**(16)**	(19)	(13)
Impairments	**(21)**	**(15)**	(94)	(72)
Corporate office lease surrender	**-**	**-**	2	1
Total significant items	**(809)**	**(596)**	(103)	(64)

FY25

During the year AGL recognised:

- $559 million ($391 million post-tax) for the revaluation of onerous contract provisions relating to various renewable asset power purchase agreements (PPAs) based on lower forecasted prices for large-scale generation certificates and wholesale electricity, and $10 million ($7 million post-tax) relating to an onerous technology contract.
- $109 million ($76 million post-tax) of costs related to consumer implementation of the Retail Transformation Program and $16 million ($11 million post-tax) related to other transition costs.
- $46 million ($55 million post tax) related to business restructuring activities undertaken during the year, including loss on disposal of the Surat Gas Project, separation costs, transaction and integration costs for the acquisition of Terrain Solar, Firm Power and other investments, and cost of terminating the Torrens Defined Benefit Fund. Post-tax loss includes the derecognition of deferred tax asset on settlement of the Surat Gas Project.

- $25 million ($25 million post-tax) related to the Court ordered penalty in legal proceedings initiated by the Australian Energy Regulator (AER) in relation to Centrepay payments.
- $23 million ($16 million post-tax) increase in rehabilitation provision for which the rehabilitation assets were previously impaired.
- $21 million ($15 million post-tax) impairment loss for the Bowmans Creek Wind Farm and other development assets.

FY24
During the year AGL recognised:

- A reduction in the onerous contract liability of $1 million ($1 million post-tax) related to various renewable asset PPAs.
- $39 million ($27 million post-tax) in costs related to the Retail Transformation Program.
- $46 million ($46 million post-tax) gain on sale of the Moranbah and North Queensland Energy joint operations (Moranbah Gas Project) in August 2023.
- $19 million ($13 million post-tax) in expenses due to the increase in the rehabilitation provisions for operational sites that no longer have depreciating assets. The increase in the rehabilitation provisions followed external reviews of the rehabilitation requirements for all operational sites.
- Impairments of $94 million ($72 million post-tax) related to the carrying value of the Surat Gas Project, Retail Transformation Phase 1, and long-dated customer contract intangibles.
- $2 million ($1 million post-tax) net gain due to the partial surrender of the 664 Collins Street office lease, partly offset by impairment of corporate office leases.

4.1.3 Movement in fair value of financial instruments recognised in Profit or Loss

Movement in the fair value of financial instruments recognised in profit or loss (excluded from Underlying Profit) was $(203) million ($(142) million post-tax), down from $(53) million ($(37) million post-tax) compared to prior year. The net loss primarily reflected negative fair value movements in level 1 and level 2 electricity and oil derivatives due to lower forward prices on a net-buy position. This was partly offset by positive fair value movements in level 3 valuations due to net negative cash flows expiring in periods up to June 2025.

	FY25 $m		FY24 $m	
	Pre-tax	Post-tax	Pre-tax	Post-tax
Energy derivative contracts	**(242)**	**(169)**	(60)	(42)
Treasury derivative contracts	**2**	**1**	–	–
Fair value recognised within debt instrument financial assets	**13**	**9**	–	–
Fair value recognised within equity accounted investments	**24**	**17**	7	5
Fair value recognised in profit or loss	**(203)**	**(142)**	(53)	(37)

4.1.4 Earnings Before Interest and Tax (EBIT)

	FY25 $m	FY24 Restated $m[1]
Statutory EBIT	**195**	1,313
Significant items	**809**	103
Loss on fair value of financial instruments	**203**	53
Underlying EBIT	**1,207**	1,469
Customer Markets	**182**	234
Integrated Energy	**1,413**	1,618
Investments	**13**	8
Centrally Managed Expenses	**(401)**	(391)
Underlying EBIT	**1,207**	1,469

1. Comparatives have been restated to transfer Ovo Energy Australia from Investments to Customers Markets following 100% ownership on 3 April 2024.

4.1.5 Group financial performance

Underlying Profit after tax attributable to AGL shareholders was $640 million, down 21.2%. The principal drivers of the decrease were lower wholesale electricity prices resetting through lower contract positions, consumer margin compression following a period of heightened market activity, and increased depreciation and amortisation driven by the continued strategic investment in our thermal fleet. This was partly offset by higher volatility capture using the flexibility of AGL's generation portfolio, higher Eco Markets gross margin, and lower income tax expense compared to the prior year.

	FY25 $m	FY24 $m
Revenue	**14,393**	13,583
Cost of sales	**(10,601)**	(9,579)
Other income	**14**	(1)
Gross margin	**3,806**	4,003
Operating costs (excluding depreciation and amortisation)	**(1,796)**	(1,787)
Underlying EBITDA	**2,010**	2,216
Depreciation and amortisation	**(803)**	(747)
Underlying EBIT	**1,207**	1,469
Net finance costs	**(319)**	(312)
Underlying Profit before tax	**888**	1,157
Income tax expense	**(248)**	(353)
Underlying Profit after tax	**640**	804
Non-controlling interests[1]	**–**	8
Underlying Profit after tax attributable to AGL shareholders	**640**	812

1. Relates to the 49% non-controlling interest in Ovo Energy Australia prior to the acquisition. AGL has 100% ownership of Ovo Energy Australia since 3 April 2024.

Refer to Section 5 for further analysis on the movement in gross margin for each operating segment and Section 3.1.6 for commentary on Group operating costs.

Depreciation and amortisation of $(803) million was up 7.5%, driven by a higher asset base at AGL Loy Yang and Bayswater power stations and an increase in environmental rehabilitation assets in the prior year.

Net finance costs were $(319) million, up 2.2% primarily driven by higher debt facility interest costs, and higher embedded interest costs unwinding from the onerous contracts and rehabilitation provisions due to increased reference base rates.

Underlying tax expense was $(248) million, primarily reflecting the decrease in Underlying Profit before tax. The underlying effective tax rate was 27.9%, a decrease of 2.6 ppts compared to prior year.

4.2 Cash flow

4.2.1 Reconciliation of Underlying EBITDA to cash movement

Operating cash flow before significant items, interest and tax was $1,449 million, down $980 million compared to prior year, primarily due to pass through of government bill relief received in June 2024 to customers in FY25 and lower underlying EBITDA. The rate of conversion of EBITDA to operating cash flow was 72%, down from 110% in the prior year. Adjusting for margin calls and rehabilitation, the cash conversion rate was 80%, down from 115% in the prior year.

		FY25 $m		FY24 $m
Underlying EBITDA		**2,010**		2,216
Equity accounted income (net of dividends received)		**12**		18
Accounting for onerous contracts		**(98)**		(18)
Other assets/liabilities and non-cash items[1]		**(248)**		435
Payments for rehabilitation		**(80)**		(82)
Working capital movements				
(Increase) in receivables	**(27)**		(98)	
Increase/(decrease) in payables	**147**		(75)	
(Increase)/decrease in inventories	**(77)**		25	
Net derivative premiums (paid)/roll-offs	**(9)**		3	
(Increase) in financial assets (margin calls)	**(85)**		(38)	
Net movement in green assets/liabilities	**(99)**		41	
Other working capital movements	**3**		2	
Total working capital movements		**(147)**		(140)
Operating cash flow before significant items, interest and tax		**1,449**		2,429
Net finance costs paid		**(147)**		(139)
Income taxes		**(268)**		(4)
Cash flow relating to significant items		**(188)**		(46)
Net cash provided by operating activities[2]		**846**		2,240
Net cash used in investing activities		**(1,558)**		(926)
Net cash provided by/(used in) financing activities		**99**		(530)
Net (decrease)/increase in cash and cash equivalents		**(613)**		784

1. Includes government bill relief of $381 million received in June 2024 which was remitted to customers during FY25 with a residual of approximately $52 million remaining as credits on customer accounts within payables as at 30 June 2025.
2. Net cash provided by operating activities includes the effect of exchange rate changes on the balance of cash held in foreign currencies.

Total working capital movements were $(147) million, compared to $(140) million in the prior year. Components of working capital movement were:

- Receivables cash flow of $(27) million reflected an increase in debtors driven by the under-surrender of 2024 green certificates, partly offset by lower consumer electricity consumption revenue.
- Payables cash flow of $147 million primarily reflected higher electricity pool prices on a net-buy position compared to the prior period.
- Inventory cash flow of $(77) million reflected higher coal purchases combined with lower generation at Bayswater Power Station, higher levels of materials inventory at AGL Loy Yang and Bayswater power stations and higher levels of gas storage due to increased net injections.
- Financial assets/liabilities (margin calls) cash flow of $(85) million reflected the movement of initial and variation margins within the futures book.
- Green assets/liabilities cash flow of $(99) million reflected increased purchases of Large-Scale Renewable Energy certificates (LREC) and Victorian Energy Efficiency certificates (VEEC).

Accounting for onerous contracts $(98) million primarily reflected the onerous portion of payments made to suppliers under legacy wind farm offtake agreements.

The movement in other assets/liabilities and non-cash items of $(248) million primarily reflected the partial unwind of the FY24 bill relief receipt to customers of $(381) million, partly offset by incentive payments received by vendors.

Payments for rehabilitation of $(80) million included costs associated with the rehabilitation of Liddell and Torrens A power stations, Loy Yang Mine, Ravensworth facility at Bayswater Power Station, and Surat and Camden Gas Project infrastructure.

Cash tax payment of $(268) million reflected PAYG instalments for FY25 combined with the final tax payment for FY24. Tax paid during FY25 was higher than FY24 due to the utilisation of prior year tax losses in FY24.

Cash flows relating to significant items of $(188) million primarily reflected costs related to the Retail Transformation Program, legal penalties and transaction costs. Refer to section 4.1.2 for further details on significant Items.

Investing cash flows of $(1,558) million primarily reflected capital expenditure, the acquisition of Firm Power and Terrain Solar, and the investment in Kaluza. Refer to Section 3.1.6 for further details on capital expenditure.

Financing activities cash flows of $99 million reflected a higher net drawdown of debt facilities of $495 million, partly offset by dividend payments of $(390) million.

4.2.2 Operating Free Cash Flow

AGL uses operating free cash flow as a key measure of financial performance to ensure the operational core business generates strong cash flows to support future investment in growth. Operating free cash flow is derived from net cash provided by operating activities excluding working capital movements for margin calls and cash flow related to significant items and adding sustaining capital expenditure on an accruals basis.

Operating free cash flow was $459 million, down $1,277 million from the prior year, primarily driven by the remittance of government bill relief received in June 2024 to customers in FY25, higher income tax, a decrease in underlying EBITDA, higher purchases of green certificates and an increase in sustaining capital expenditure.

	FY25 $m	FY24 $m
Net cash provided by operating activities	**846**	2,240
Adjust for:		
Working capital movements for margin calls	**85**	38
Cash flow related to significant items	**188**	46
Sustaining capital expenditure (accruals basis)	**(660)**	(588)
Operating free cash flow	**459**	1,736

Refer to Section 4.2.1 for a description of the factors driving net cash provided by operating activities, working capital movements for margin calls and cash flow related to significant items. Refer to Section 3.1.6 for commentary on sustaining capital expenditure on an accruals basis.

4.3 Financial position

Summary Statement of Financial Position

At 30 June 2025, AGL's total assets were $16,204 million, an increase from $15,661 million at 30 June 2024, due to an increase in property plant and equipment, reflective of the increase in capital expenditure (refer to Section 3.1.6) and an increase in trade and other receivables driven by higher spot electricity prices. This was partly offset by a decrease in cash reflective of the pass-through of bill relief to customers, payments made for capital expenditure, the acquisition of Firm Power and Terrain Solar, and the investment in Kaluza.

Total liabilities at 30 June 2025 were $11,346 million, an increase from $10,230 million at 30 June 2024, driven by an increase in borrowings, an increase in trade and other payables reflecting an increase in AEMO related trade payables, and increases in the onerous contracts and environmental rehabilitation provisions. This was partly offset by a decrease in tax liabilities and a decrease in liabilities held for sale due to the Surat Gas Project being substantially divested.

Total equity at 30 June 2025 was $4,858 million, down from $5,431 million, primarily reflecting the Statutory Loss for the year and dividends paid. AGL's return on equity, calculated on a rolling 12-month basis was 12.1%, down 2.8 ppts from 30 June 2024.

	FY25 $m	FY24 $m
Assets		
Cash and cash equivalents	**319**	932
Other current assets	**4,118**	3,928
Property, plant and equipment	**6,277**	5,717
Intangible assets	**3,365**	3,100
Other non-current assets	**2,125**	1,984
Total assets	**16,204**	15,661
Liabilities		
Borrowings	**3,307**	2,728
Other liabilities	**8,039**	7,502
Total liabilities	**11,346**	10,230
Net assets/total equity	**4,858**	5,431

4.3.1 Net Debt Reconciliation

Net debt at 30 June 2025 was $2,903 million, up from $1,769 million as of 30 June 2024. Net debt was utilised to fund the acquisition of Firm Power and Terrain Solar, the investment in Kaluza, and growth projects including the Liddell Battery. The increase also reflected the partial unwind of the $381 million government bill relief received in June 2024 that was passed through to customers in FY25.

AGL's gearing (measured as the ratio of net debt to net debt plus adjusted equity) at 30 June 2025 was 37.2% compared with 24.7% at 30 June 2024.

AGL maintained its credit rating of Baa2 throughout the period as provided by Moody's Investors Service. Key metrics consistent with this credit rating at 30 June 2025:

- Interest cover: 6.6 times
- Funds from operations to net debt: 32.7%

	FY25 $m	FY24 $m
Net debt reconciliation		
Borrowings	**3,307**	2,728
Less: Adjustment for cross currency swap hedges	**(85)**	(27)
Cash and cash equivalents	**(319)**	(932)
Net debt	**2,903**	1,769

4.3.2 Movement in fair value of financial instruments

Approach to hedging

AGL's approach to managing energy price risks, through physical ownership of energy generation, contracting for energy supply and financial hedging, reflects the need to provide pricing certainty to customers and limit exposure to adverse wholesale market outcomes. AGL generates electricity or has contracted gas supply in excess of its customers' demand in some states. In other states, AGL has sources of supply less than its customers' demand.

AGL uses certain financial instruments (derivatives) to manage these energy price risks and to manage its exposure to interest and foreign exchange rates arising in the normal course of business, provided the overall AGL risk appetite is not exceeded. The majority of these financial instruments exchange a fixed price for a floating market-based price of a given commodity, interest rate, currency or a quoted asset, with the net differential being settled with the counterparty. AGL is exposed to price volatility on the sale and purchase of energy-related commodities in the normal course of business, and therefore enters into contracts that minimise the price risk to AGL on both sold and purchased forecast exposures.

AGL has in place a governance framework that establishes the policy guidelines under which energy hedging activities are conducted. Key components of that policy include segregation of duties, independent risk oversight, earnings-at-risk limits, compliance management and regular reporting to the Board. The risk policy represents AGL's commitment to an effective risk management function to ensure appropriate management and oversight of AGL's risks related to wholesale markets energy risk. The policy allows for commercial optimisation of the portfolio provided that AGL adheres to overall earnings-at-risk limits that reflect its risk appetite.

Energy price risk

AGL's energy-related derivatives recognised in profit or loss include sell and buy positions, where AGL receives or pays a fixed price from or to a counterparty in exchange for a floating price paid or received.

AGL is required to make margin payments in respect of futures contracts traded through the Australian Securities Exchange (ASX). Initial margin call payments are made at the time contracts are entered in order to manage intra-day credit exposure. The quantum of initial margin depends on the volume traded, the expected market volatility as well as forward electricity prices at the time. The initial margin call can move subsequently as forward prices move. AGL also receives or makes payments known as variation margin calls, which cover mark to market movements of AGL's open futures position. These typically reverse through future earnings as contract positions roll off.

Treasury related risk

AGL's treasury related risk primarily relates to interest and foreign currency rate fluctuations. Contracts to minimise the exposure to market-based fluctuations are executed pursuant to AGL's treasury risk management policy. These contracts primarily result in fixed interest rates and foreign currency exchange rates. These contracts are designated in hedge relationships when they can be matched to forecast transactions with sufficient probability of the forecast transaction occurring.

In addition to the above, AGL is counterparty to cross-currency interest rate swap arrangements to convert its fixed interest rate US dollar private placement borrowing instruments to floating interest rate Australian dollar equivalent borrowing instruments. The cross-currency interest rate swap arrangements are designated as fair value and cash flow hedge relationships.

Movement in fair value

The initial fair value of a derivative is the consideration paid or received (the premium). Fair value movements in any given period are a function of changes to underlying indices, market prices or currencies and the roll-off of realised contractual volumes or amounts. A reconciliation of the movements in financial instruments carried at fair value for FY25 is presented in the following table.

Net assets/(liabilities)	FY25 $m	FY24 $m	Change $m
Energy derivative contracts	**(467)**	(247)	(220)
Treasury derivative contracts	**96**	105	(9)
Total net assets/(liabilities) for financial instruments	**(371)**	(142)	(229)
Change in net assets/(liabilities)	**(229)**		
Premiums paid	**(151)**		
Premium roll off	**141**		
Debt instrument accounted fair value	**13**		
Equity accounted fair value	**(25)**		
Total change in fair value	**(251)**		
Recognised in equity hedge and other reserve	**(117)**		
Recognised in borrowings	**57**		
Recognised in profit or loss – pre-tax	**(191)**		
Total change in fair value	**(251)**		

The movement in net derivative assets/(liabilities) in the period of $(229) million is expanded on within the table below.

		Unrealised fair value recognised in:						
	FY24 $m	Profit or loss	Hedge reserve	Borrowings	Currency basis	Premiums and roll offs received	FY25 $m	Change $m
Energy derivative contracts	**(247)**	(230)	–	–	–	10	**(467)**	**(220)**
Treasury derivative contracts	**105**	2	(70)	57	2	–	**96**	**(9)**
Net assets/(liabilities)	**(142)**	**(228)**	**(70)**	**57**	**2**	**10**	**(371)**	**(229)**
Fair value recognised within debt instrument financial assets		13	–	–	–	–	**13**	
Fair value recognised within equity accounted investments		24	(49)	–	–	–	**(25)**	
Profit or loss		**(191)**						
Realised fair value to be recognised in cost of sales		(12)						
Fair value recognised in profit or loss		**(203)**						

The fair value movement driving the change in the net derivative liabilities position reflected in unrealised fair value movements is as follows:

- A decrease in the fair value of unrealised energy-related derivatives of $230 million was recognised in profit or loss (excluded from Underlying Profit). The net loss primarily reflected negative fair value movements in level 1 and level 2 electricity and oil derivatives due to lower forward prices on a net-buy position. This was partly offset by positive fair value movements in level 3 valuations due to net negative cash flows expiring in periods up to June 2025.
- A decrease in fair value of $9 million of treasury derivative contracts was recognised mainly driven by the decrease in forward interest rate curves.

5. Segmental Analysis

AGL manages its business in three key operating segments: Customer Markets, Integrated Energy and Investments. Further detail on the activities of each operating segment is provided below.

AGL manages and reports a number of expense items including Technology within Centrally Managed Expenses. These costs are not reallocated to AGL's operating segments because their management is the responsibility of various corporate functions.

A reconciliation of segment results and Underlying Profit after tax is provided in the Consolidated Financial Statements Note 1 Segment information.

5.1 Customer Markets

Customer Markets comprises the Consumer and Large Business customer portfolios responsible for the retailing of electricity, gas, broadband/mobile/voice, solar and energy efficiency products and services to residential, small and large business customers. Customer Markets sources its energy from Integrated Energy at transfer prices that reflect wholesale energy costs in each state, along with energy provided by rooftop solar. FY24 has been restated to include Ovo Energy Australia (previously in Investments) which AGL has 100% ownership of since 3 April 2024.

Customer Markets also includes sales, marketing, brand, AGL's customer contact and call centre operations, and AGL's electrification and innovation growth areas.

5.1.1 Underlying EBIT

Customer Markets Underlying EBIT was $182 million, down 22.2% mainly due to lower Consumer Electricity and Gas gross margin, partly offset by higher Perth Energy and Telecommunications gross margin, and lower operating costs.

	FY25 $m	Restated FY24 $m[1]
Consumer Electricity gross margin	**527**	600
Consumer Gas gross margin	**260**	305
Large Business Electricity gross margin	**31**	33
Large Business Gas gross margin	**3**	6
Fees, charges and other gross margin	**17**	16
Telecommunications gross margin	**39**	28
Perth Energy gross margin	**44**	26
Sustainable Business Energy Solutions gross margin	**10**	14
Gross margin	**931**	1,028
Operating costs (excluding depreciation and amortisation)	**(633)**	(677)
Underlying EBITDA	**298**	351
Depreciation and amortisation	**(116)**	(117)
Underlying EBIT	**182**	234

1. Comparatives have been restated to transfer Ovo Energy Australia from Investments to Customer Markets following 100% ownership on 3 April 2024.

- Consumer Electricity gross margin was $527 million, down 12.2%, driven by AGL's FY25 pricing decision to not fully pass through year-on-year cost increases to customers to help with customer affordability. In addition, margin compression occurred in FY25 as customers switched to lower-priced plans as compared to FY24 where margins increased from customers moving off low fixed rates.
- Consumer Gas gross margin was $260 million, down 14.8%, driven by lower average demand due to milder weather and margin compression due to customers switching to lower-priced plans.
- Large Business Electricity gross margin was $31 million, down 6.1%, driven by lower volumes primarily due to competitive market conditions in New South Wales.
- Large Business Gas gross margin was $3 million, down 50.0%, driven by lower revenue rates, partly offset by higher volumes in Victoria due to higher contracting activity.
- Fees, charges and other gross margin were $17 million, up 6.3% driven by higher electric vehicle subscription revenue.
- Telecommunications gross margin was $39 million, up 39.3%, driven by growth in telecommunications services and higher margin rates.
- Perth Energy gross margin was $44 million, up 69.2%, driven by higher electricity revenue rates from customer re-contracting, and higher gas gross margin due to higher volumes and revenue rates driven by portfolio growth and favourable market conditions.
- Sustainable Business Energy Solutions (SBES) gross margin was $10 million, down 28.6% due to a higher Energy as a Service (EaaS) product mix, resulting in a higher proportion of revenue deferred into future years. This was partly offset by higher generation revenue supported by growth in the EaaS asset fleet.

- Depreciation and amortisation was $(116) million, broadly flat to prior year with an increase driven by the implementation of Retail Transformation Phase 1 offset by other Customer Markets assets being fully amortised.

5.1.2 Operating costs

Customer Markets operating costs (excluding depreciation and amortisation) were $(633) million, down 6.5% driven by lower underlying costs associated with the Retail Transformation Program (recognised as a significant item in the current financial year), a reduction in campaign and advertising spend, and lower net bad debt expense due to portfolio improvement initiatives and government relief receipts.

	FY25 $m	Restated FY24 $m
Labour and contractor services	**(257)**	(255)
Net bad debt expense	**(119)**	(125)
Campaigns and advertising	**(124)**	(134)
Other expenditure	**(133)**	(163)
Operating costs (excluding depreciation and amortisation)[1]	**(633)**	(677)
Add: depreciation and amortisation	**(116)**	(117)
Operating costs (including depreciation and amortisation)	**(749)**	(794)

1. Comparatives have been restated to transfer Ovo Energy Australia from Investments to Customer Markets following 100% ownership on 3 April 2024.

- Labour and contractor services costs were $(257) million, broadly flat to the prior year.
- Net bad debt expense was $(119) million, down 4.8% due to improvement initiatives across the portfolio and government relief receipts, which have minimised the debt impact of cost-of-living pressures.
- Campaigns and advertising costs were $(124) million, down 7.5% due to more efficient channel spend and a lower investment in brand and marketing.
- Other expenditure was $(133) million, down 18.4% primarily driven by the recognition of FY25 costs associated with the Retail Transformation Program as a significant item.

5.1.3 Consumer profitability and operating efficiency

Net operating costs per consumer service was $(117), down 5.6% compared to the prior year driven by lower campaigns and advertising spend, lower channel costs, and lower net bad debt expense due to portfolio improvement initiatives and government relief receipts.

	FY25	Restated FY24
Gross margin ($m)[1]	**826**	934
Net operating costs ($m)[1,2]	**(521)**	(541)
EBITDA ($m)	**305**	393
Average consumer services ('000)[1,3]	**4,455**	4,349
Gross margin per consumer service ($)	**185**	215
Net operating costs per consumer service ($)[3]	**(117)**	(124)
EBITDA per consumer service ($)[3]	**68**	90
Net operating costs as a percentage of gross margin	**63.1%**	57.9%

1. Comparatives have been restated to transfer Ovo Energy Australia from Investments to Customer Markets following 100% ownership on 3 April 2024.
2. Includes fees, charges, and recoveries. Excludes depreciation and amortisation, and the impact of digital uplift expenses (Software as a Service).
3. Excludes Netflix services.

Average consumer services increased 2.4% compared to the prior year primarily due to growth in Telecommunications and Gas services.

Gross margin per consumer service decreased compared to the prior year, driven by AGL's FY25 pricing decision to not fully pass through year-on-year cost increases to customers and margin compression due to customers switching to lower-priced plans.

5.2 Integrated Energy

The Trading and Origination components of Integrated Energy are responsible for managing the price risk associated with trading electricity and gas for AGL's customers and for managing AGL's obligations in relation to renewable energy schemes. They also control the dispatch of AGL's owned and contracted generation assets, as well as grid-scale batteries, and the associated portfolio of energy hedging products.

- Trading and Origination - Electricity reflects the trading of key fuel inputs, hedging of AGL's wholesale electricity requirements, and costs associated with power purchase agreements for solar and wind farms and other assets, as well as virtual storage agreements for batteries. It also includes Eco Markets, which reflects the management of AGL's liabilities relating to both voluntary and mandatory renewable and energy efficiency programs, which is reflected as green compliance costs.
- Trading and Origination - Gas reflects the sourcing and management of AGL's gas supply, storage and transportation portfolio. Trading and Origination - Gas is also responsible for the management of the price exposures related to AGL's oil-linked wholesale gas contracts.
- Trading and Origination – Other reflects the Trading and Origination resourcing and support. In addition, the Decentralised Energy Resources business is responsible for the management of other growth initiatives in AGL's orchestration pathway alongside Customer Markets.

The Operations and Other components of Integrated Energy comprises AGL's power generation portfolio and other key sites and operating facilities across the Coal, Gas Generation, Renewables and Storage, Natural Gas, and Other business units.

- Coal primarily comprises Bayswater Power Station and AGL Loy Yang.
- Gas Generation primarily comprises Torrens Island Power Station, Barker Inlet Power Station, Kwinana Swift Power Station and Somerton Power Station. As announced in November 2022, Torrens Island Power Station will close its three remaining units in operation on 30 June 2026 and will be rehabilitated and transitioned into an integrated energy hub.
- Renewables and Storage primarily comprises hydroelectric power stations, the operation of wind power generation, and the Torrens Island Battery and Broken Hill Battery since reaching practical completion. Operational costs to maintain the wind farms are reported within Trading and Origination – Electricity to align with the gross margin of the related power purchase agreements.
- Natural Gas includes the Newcastle Gas Storage Facility, the Camden Gas Project which ceased production in August 2023, the Moranbah Gas Project until it was divested in August 2023 and the Surat Gas Project until it was substantially divested in March 2025.
- Other primarily consists of the Power Development & Energy Hubs and Construction businesses focused on the development and construction of greenfield growth opportunities related to renewable and firming capacity as well as the development of the Integrated Energy Hubs at Torrens Island, Latrobe Valley and the Hunter, and technical and business support functions.

5.2.1 Underlying EBIT

Integrated Energy Underlying EBIT was $1,413 million, down $205 million or 12.7%, largely due to higher depreciation and amortisation, lower Trading and Origination – Electricity margin, lower Trading and Origination – Gas margin and an increase in operating costs.

	FY25 $m	FY24 $m
Gross margin	**2,862**	2,967
Operating costs (excluding depreciation and amortisation)	**(829)**	(790)
Underlying EBITDA	**2,033**	2,177
Depreciation and amortisation	**(620)**	(559)
Underlying EBIT	**1,413**	1,618

Gross margin was $2,862 million, down $105 million, due to lower margin in Trading and Origination - Electricity, primarily driven by lower wholesale electricity prices resetting through contract positions, lower generation due to a planned major outage at AGL Loy Yang Power Station and an increase in unplanned minor outages at both AGL Loy Yang and Bayswater power stations. Lower Trading and Origination - Gas margin was mainly driven by increased gas costs as a result of the roll-off of lower cost legacy supply contracts. This was partly offset by higher volatility capture using the flexibility of AGL's generation portfolio, increased Eco Markets margin driven by the procurement of Large-Scale Renewable Energy certificates (LRECs) at lower prices, partly offset by lower wind generation reducing AGL's self-produced LRECs.

Operating costs (excluding depreciation and amortisation) were $(829) million, an increase of $39 million compared with the prior year due to higher labour costs driven by Enterprise Agreement wage escalations, increased investment in AGL's development pipeline, including costs associated with the Firm Power and Terrain Solar businesses acquired in September 2024, and higher costs due to increased unplanned outages at the thermal power stations. This was partly offset by lower inventory obsolescence provisions at AGL Loy Yang and Bayswater power stations, the Surat Gas Project being substantially divested in March 2025, the Moranbah Gas Project divestment in the prior year and savings through productivity and optimisation initiatives. For further details see Section 5.2.2.

The following table provides a breakdown of the contributors to Underlying EBITDA and Underlying EBIT:

	FY25 $m	FY24 $m
Trading and Origination - Electricity	**2,299**	2,378
Trading and Origination - Gas	**411**	439
Trading and Origination - Other	**(30)**	(32)
Coal	**(465)**	(452)
Gas Generation	**(43)**	(37)
Renewables and Storage	**(36)**	(32)
Natural Gas	**(10)**	(12)
Other	**(93)**	(75)
Underlying EBITDA	**2,033**	2,177
Depreciation and amortisation	**(620)**	(559)
Underlying EBIT	**1,413**	1,618

- Trading and Origination – Electricity gross margin was $2,299 million, down 3.3%, primarily driven by lower wholesale electricity prices resetting through contract positions, lower generation due to lower availability from a planned major outage at AGL Loy Yang Power Station that did not occur in the prior year and an increase in unplanned minor outages at both AGL Loy Yang and Bayswater power stations. This was partly offset by higher volatility capture using the flexibility of AGL's generation portfolio, and increased gross margin from AGL's grid-scale battery portfolio with the completion of Broken Hill Battery. The Eco Markets portfolio contributed to the margin increase through the procurement of LRECs at lower prices, partly offset by lower wind generation reducing AGL's self-produced LRECs.
- Trading and Origination – Gas gross margin was $411 million, down 6.2%, driven by increased gas costs as a result of the roll-off of lower cost legacy supply contracts. This was partly offset by the reset of customer tariffs reflecting the lagged recovery of rising gas costs in recent years that were previously absorbed by AGL, and higher internal gas generation volumes.
- Trading and Origination – Other Underlying EBITDA was $(30) million, up 6.3%, primarily driven by strong virtual power plant orchestration performance, growth in demand response and hot water program participation. This was partly offset by labour escalation and new growth initiatives.
- Coal Underlying EBITDA was $(465) million, down 2.9%, driven by increased labour costs due to Enterprise Agreement wage escalations, and higher costs due to increased unplanned outages at the thermal power stations. This was partly offset by higher revenue from the sale of coal to Loy Yang B Power Station, lower inventory obsolescence provisions at AGL Loy Yang and Bayswater power stations and savings through productivity and optimisation initiatives.
- Gas Generation Underlying EBITDA was $(43) million, down 16.2%, primarily driven by non-routine maintenance at Barker Inlet Power Station.
- Renewables and Storage Underlying EBITDA was $(36) million, down 12.5%, primarily driven by higher operating costs for the Torrens Island and Broken Hill batteries which commenced operations on 30 September 2023 and 21 August 2024 respectively and higher labour costs to transition and implement an internal maintenance model at AGL operated wind farms.
- Natural Gas Underlying EBITDA was $(10) million, up 16.7%, driven by the commencement of the NSW government funding agreement to support the Newcastle Gas Storage Facility to ensure natural gas supply for NSW residents and consumers during peak gas demand periods. This was partly offset by the Surat Gas Project being substantially divested in March 2025 and the closure of the Camden Gas Project in August 2023.
- Other Underlying EBITDA was $(93) million, down 24.0%, driven by increased investment in AGL's development pipeline, including costs associated with the Firm Power and Terrain Solar businesses acquired in September 2024.

5.2.2 Operating costs

Integrated Energy operating costs (excluding depreciation and amortisation) of $(829) million increased by 4.9% compared with the prior year.

	FY25 $m	FY24 $m
Labour	**(407)**	(382)
Contracts and materials	**(286)**	(271)
Other	**(136)**	(137)
Operating costs (excluding depreciation and amortisation)	**(829)**	(790)

- Labour costs were $(407) million, up 6.5%, driven by Enterprise Agreement wage escalations and additional investment in AGL's development pipeline.
- Contracts and materials costs were $(286) million, up 5.5%, driven by higher costs due to increased unplanned outages at the thermal power stations, non-routine maintenance at Barker Inlet Power Station, and inflationary pressures. This was partly offset by lower inventory obsolescence provisions at AGL Loy Yang and Bayswater power stations compared to prior year.
- Other operating costs were $(136) million, broadly flat to prior year, driven by lower costs resulting from the Surat Gas Project being substantially divested in March 2025, the divestment of the Moranbah Gas Project in August 2023 along with commencement of the NSW government funding agreement to support the Newcastle Gas Storage Facility. This was broadly offset by operating costs from the acquisition of Firm Power and Terrain Solar businesses in September 2024.

5.2.3 Depreciation and amortisation

Integrated Energy depreciation and amortisation of $(620) million increased by 10.9% compared with the prior year.

	FY25 $m	FY24 $m
Coal	**(505)**	(450)
Gas Generation	**(38)**	(33)
Renewables and Storage	**(47)**	(44)
Natural Gas	**(1)**	(2)
Other Integrated Energy	**(29)**	(30)
Depreciation and amortisation	**(620)**	(559)

- Coal depreciation and amortisation was $(505) million, up 12.2%, driven by a higher asset base due to increased investment to deliver reliability and flexibility at Bayswater and AGL Loy Yang power stations and an increase in environmental rehabilitation assets in the prior year.
- Gas Generation depreciation and amortisation was $(38) million, up 15.2%, driven by the FY24 Torrens Island Power Station major outage being depreciated over two years in line with the 30 June 2026 scheduled closure date.
- Renewables and Storage depreciation and amortisation was $(47) million, up 6.8%, driven by the first full year of operations of the Torrens Island Battery, and the commencement of operations of the Broken Hill Battery.
- Natural Gas depreciation and amortisation was $(1) million, broadly flat to prior year.
- Other Integrated Energy depreciation and amortisation was $(29) million, broadly flat to prior year.

5.3 Centrally Managed Expenses

AGL manages and reports certain expense items including technology costs within Centrally Managed Expenses. These costs are not reallocated to AGL's operating segments as their management is the responsibility of various corporate functions.

Centrally Managed Expenses Underlying EBIT was $(401) million, down 2.6%. Higher labour costs were driven by inflationary increases and uplift to support strategic initiatives. IT hardware and software costs increased by $6 million due to increased investment in Cloud and Software as a Service (SaaS), additional licensing costs to support the Retail Transformation Program, partly offset by savings through productivity and optimisation initiatives. Depreciation and amortisation decreased by $4 million, due to technology assets reaching the end of their depreciable life.

	FY25 $m	FY24 $m
Gross margin	**–**	–
Operating costs (excluding depreciation and amortisation)	**(334)**	(320)
Underlying EBITDA	**(334)**	(320)
Depreciation and amortisation	**(67)**	(71)
Underlying EBIT	**(401)**	(391)
Operating costs (excluding depreciation and amortisation)		
Labour	**(164)**	(153)
IT hardware and software costs	**(123)**	(117)
Consultants and contractor services	**(13)**	(17)
Insurance premiums	**(7)**	(8)
Other	**(27)**	(25)
Operating costs (excluding depreciation and amortisation)	**(334)**	(320)

5.4 Investments

Investments primarily comprises AGL's interests in the ActewAGL Retail Partnership (ActewAGL) and Tilt Renewables.

	FY25 $m	Restated FY24 $m
ActewAGL	**26**	26
Ovo Energy Australia[1]	**–**	–
Tilt Renewables	**(13)**	(18)
Underlying EBIT	**13**	8

1. Comparatives have been restated to transfer Ovo Energy Australia from Investments to Customer Markets following 100% ownership on 3 April 2024.

- ActewAGL contributed an equity share of profits of $26 million, flat to prior year.
- Tilt Renewables contributed an equity share of loss of $(13) million, an improvement of $5 million from prior year, primarily driven by higher generation volumes.

5.5 Consolidated financial performance by operating segment

FY25 $m	Customer Markets	Integrated Energy	Investments	Centrally Managed Expenses	Inter-segment	Total Group
Revenue	**9,681**	**9,358**	**–**	**–**	**(4,646)**	**14,393**
Cost of sales	**(8,750)**	**(6,497)**	**–**	**–**	**4,646**	**(10,601)**
Other income	**–**	**1**	**13**	**–**	**–**	**14**
Gross margin	**931**	**2,862**	**13**	**–**	**–**	**3,806**
Operating costs (excluding depreciation and amortisation)	**(633)**	**(829)**	**–**	**(334)**	**–**	**(1,796)**
Underlying EBITDA	**298**	**2,033**	**13**	**(334)**	**–**	**2,010**
Depreciation and amortisation	**(116)**	**(620)**	**–**	**(67)**	**–**	**(803)**
Underlying EBIT	**182**	**1,413**	**13**	**(401)**	**–**	**1,207**
Net finance costs						**(319)**
Underlying Profit before tax						**888**
Income tax expense						**(248)**
Underlying Profit after tax						**640**
Non-controlling interests						**–**
Underlying Profit after tax attributable to AGL shareholders						**640**

Restated FY24 $m[1]	Customer Markets	Integrated Energy	Investments	Centrally Managed Expenses	Inter-segment	Total Group
Revenue	9,619	8,680	–	–	(4,716)	13,583
Cost of sales	(8,590)	(5,705)	–	–	4,716	(9,579)
Other income	(1)	(8)	8	–	–	(1)
Gross margin	1,028	2,967	8	–	–	4,003
Operating costs (excluding depreciation and amortisation)	(677)	(790)	–	(320)	–	(1,787)
Underlying EBITDA	351	2,177	8	(320)	–	2,216
Depreciation and amortisation	(117)	(559)	–	(71)	–	(747)
Underlying EBIT	234	1,618	8	(391)	–	1,469
Net finance costs						(312)
Underlying Profit before tax						1,157
Income tax expense						(353)
Underlying Profit after tax						804
Non-controlling interests[2]						8
Underlying Profit after tax attributable to AGL shareholders						812

1. Comparatives have been restated to transfer Ovo Energy Australia from Investments to Customers Markets following 100% ownership on 3 April.
2. Relates to the 49% non-controlling interest in Ovo Energy Australia prior to the acquisition. AGL has 100% ownership of Ovo Energy Australia since 3 April 2024.

6. Portfolio Review Summary

The portfolio review for the Electricity (Section 6.2) and Gas (Section 6.3) businesses outlines the margin achieved for each of AGL's portfolios across operating segments, and demonstrates how value is generated within each business. The portfolio reviews in Sections 6.2 and 6.3 start with volume information before summarising external customer revenue, customer network and other costs, fuel and gas costs net of hedging, and costs of managing and maintaining owned and contracted generation assets, to arrive at a portfolio's margin. A per unit rate ($/MWh for electricity and $/GJ for gas) is derived from each category of revenue and cost using the relevant associated volumes.

The tables in Sections 6.2 and 6.3 should be read in conjunction with Section 6.4 to reconcile the segmental revenue and costs allocated to each portfolio with Group Underlying EBIT.

6.1 Portfolio Review Summary to Underlying Profit after Tax

	FY25 $m	Restated FY24 $m
Electricity Portfolio		
Total revenue	**8,283**	8,375
Customer network, green compliance, and other cost of sales	**(3,886)**	(3,749)
Fuel costs	**(748)**	(726)
Generation running costs	**(766)**	(754)
Depreciation and amortisation	**(591)**	(526)
Net portfolio management	**(548)**	(646)
Electricity Portfolio Margin (a)	**1,744**	1,974
Gas Portfolio		
Total revenue	**2,565**	2,506
Customer network and other cost of sales	**(685)**	(635)
Gas purchases	**(845)**	(762)
Haulage, storage and other	**(338)**	(344)
Gas Portfolio Margin	**697**	765
Natural Gas	**(11)**	(14)
Gas Portfolio Margin (including Natural Gas) (b)	**686**	751
Other AGL		
Other margin[1]	**87**	66
Customer Markets operating costs	**(633)**	(677)
Integrated Energy other operating costs	**(132)**	(107)
Centrally Managed Expenses operating costs	**(334)**	(320)
Other depreciation and amortisation	**(211)**	(218)
Net finance costs	**(319)**	(312)
Income tax expense	**(248)**	(353)
Total Other AGL (c)	**(1,790)**	(1,921)
Underlying Profit after Tax (a + b + c)	**640**	804
Non-controlling interests[2]	**–**	8
Underlying Profit after tax attributable to AGL shareholders	**640**	812

1. Other margin includes other income from investments, and gross margin from Customer Markets and Integrated Energy.
2. Relates to the 49% non-controlling interest in Ovo Energy Australia prior to the acquisition. AGL has 100% ownership of Ovo Energy Australia since 3 April 2024.

6.2 Electricity portfolio

The Electricity portfolio review combines Integrated Energy's Trading and Origination (Electricity), Operations (Coal, Gas Generation, and Renewables and Storage), with Customer Markets (Consumer and Large Business) businesses to outline the portfolio's performance across operating segments.

All electricity volumes generated by AGL is sold into either the National Electricity Market (NEM) or Western Australian Wholesale Electricity Market (collectively "the pool") for which AGL receives pool generation revenue. Pool generation revenue is a function of volume and pool prices, which are set by the real-time market in each state. In the NEM, the total volume demanded by AGL customers is then purchased from the pool according to the geographical profile of customer demand and is reported as pool purchase volumes and costs. Where AGL's customer demand volumes exceed pool generation volumes, the generation volume deficit needs to be purchased from the pool by AGL.

	FY25 GWh	Restated FY24 GWh	Movement %
Pool purchase volume to satisfy Consumer customers	**15,505**	15,020	3.2%
Pool purchase volume to satisfy Large Business customers and Wholesale customers	**21,765**	23,420	(7.1)%
Pool purchase volume[1,2]	**37,270**	38,440	(3.0)%
Add: Net generation volume deficit	**(4,366)**	(4,354)	(0.3)%
Pool generation volume	**32,904**	34,086	(3.5)%
Consumer customers sales[3]	**14,676**	14,210	3.3%
Large Business customers sales	**8,458**	9,431	(10.3)%
Wholesale customers sales[2]	**13,004**	13,670	(4.9)%
Total customer sales volume	**36,138**	37,311	(3.1)%
Energy losses	**1,132**	1,129	0.3%
Pool purchase volume[2]	**37,270**	38,440	(3.0)%

1. Includes 3.5 TWh residential solar volumes purchased from consumers (FY24: 3.1 TWh).
2. Comparatives have been restated in line with updated volumes.
3. Comparatives have been restated to integrate electricity services for Ovo Energy Australia post 100% ownership on 3 April 2024.

Refer to Section 3.1.4 for commentary on generation volumes.

Refer to Section 3.1.2 for commentary on customer energy demand.

	Portfolio Margin		Per Unit		Volume Denomination	
Revenue	FY25 $m	Restated FY24 $m	FY25 $/MWh	Restated FY24 $/MWh	FY25 GWh	Restated FY24 GWh
Consumer customers[1]	**5,270**	5,311	***359.1***	*373.8*	**14,676**	14,210
Large Business customers	**1,658**	1,729	***196.0***	*183.3*	**8,458**	9,431
Wholesale customers[2,3]	**1,226**	1,217	***94.3***	*89.0*	**13,004**	13,670
Operations (ancillary revenue)	**129**	118	**–**	–	**–**	–
Total revenue	**8,283**	8,375	***229.2***	*224.5*	**36,138**	37,311

1. Comparatives have been restated to integrate electricity services for Ovo Energy Australia post 100% ownership on 3 April 2024.
2. Wholesale customers revenue includes amounts from certain wholesale contracts that are treated as derivatives for statutory reporting purposes. In the statutory accounts the amounts associated with these contracts are recognised within cost of sales.
3. Comparatives have been restated in line with updated volumes.

Total revenue was $8,283 million, down 1.1%.

- Revenue from Consumer customers was $5,270 million, down 0.8%, driven by customers product switching to lower-priced plans and lower revenue rates due to a decrease in wholesale energy prices. This was partly offset by an increase in volumes.
- Large Business customer revenue was $1,658 million, down 4.1%, driven by lower volumes due to competitive market conditions with balanced portfolio decisions made and lower operational consumption at several large key strategic customer sites, partly offset by increased revenue rates due to higher network cost rate.
- Wholesale customer revenue was $1,226 million, up 0.7%, largely driven by an increase in green certificates sold compared to the prior year at similar prices, partly offset by lower wholesale customer volumes sold.
- Operations revenue was $129 million, up 9.3%, primarily driven by higher external revenue from the sale of coal from AGL's mine at AGL Loy Yang to the Loy Yang B Power Station.

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Network and other cost of sales	Portfolio Margin FY25 $m	Portfolio Margin Restated FY24 $m	Per Unit FY25 $/MWh	Per Unit Restated FY24 $/MWh	Volume Denomination FY25 GWh	Volume Denomination Restated FY24 GWh
Network costs[1]	**(2,633)**	(2,370)	***(113.8)***	*(100.2)*	**23,134**	23,641
Consumer	**(2,096)**	(1,826)	***(142.8)***	*(128.5)*	**14,676**	14,210
Large Business	**(537)**	(544)	***(63.5)***	*(57.7)*	**8,458**	9,431
Green compliance costs	**(767)**	(811)	***(33.2)***	*(34.3)*	**23,134**	23,641
Consumer solar costs	**(158)**	(237)	***(45.5)***	*(80.7)*	**3,475**	2,935
Other cost of sales	**(328)**	(331)	***(14.2)***	*(14.0)*	**23,134**	23,641
Total customer network and other cost of sales	**(3,886)**	(3,749)	**(168.0)**	(158.6)	**23,134**	23,641

1. Comparatives have been restated to integrate electricity services for Ovo Energy Australia post 100% ownership on 3 April 2024.

Total customer network and other costs of sales were $(3,886) million, up 3.7%.

- Total network costs were $(2,633) million, an increase of 11.1%, driven by higher consumer volumes and an increase in average network tariff rates reflecting regulatory determinations.
- Green compliance costs were $(767) million, a decrease of 5.4%, primarily driven by a decrease in costs from the Small-Scale Renewable Energy Scheme (SRES) due to a lower compliance scheme percentage compared to the prior year, partly offset by higher prices for Victoria Energy Efficiency certificates (VEEC).
- Consumer solar costs were $(158) million, a decrease of 33.3%, due to a reduction in average feed-in-tariffs compared to the prior year, partly offset by an increase in solar volumes
- Other cost of sales were $(328) million, broadly flat to prior year.

Fuel costs	Portfolio Margin FY25 $m	Portfolio Margin FY24 $m	Per Unit FY25 $/MWh	Per Unit FY24 $/MWh	Volume Denomination FY25 GWh	Volume Denomination FY24 GWh
Coal	**(583)**	(596)	***(22.0)***	*(21.0)*	**26,526**	28,397
Gas	**(165)**	(130)	***(115.1)***	*(132.4)*	**1,434**	982
Renewables	–	–	–	–	**4,944**	4,707
Total fuel costs (a)	**(748)**	(726)	***(22.7)***	*(21.3)*	**32,904**	34,086

Refer to Section 3.1.5 for commentary on fuel costs.

Generation running costs						
Coal power plants	**(392)**	(387)	***(14.8)***	*(13.6)*	**26,526**	28,397
Gas power plants	**(54)**	(48)	***(37.7)***	*(48.9)*	**1,434**	982
Renewables and Storage[1]	**(233)**	(254)	***(47.1)***	*(54.0)*	**4,944**	4,707
Other	**(87)**	(65)	***(2.6)***	*(1.9)*	**32,904**	34,086
Total generation running costs (b)	**(766)**	(754)	***(23.3)***	*(22.1)*	**32,904**	34,086

1. Renewables and Storage includes Power Purchase Agreements (PPA) costs.

Total generation running costs were $(766) million, up 1.6%.

- Coal operating costs were $(392) million, up 1.3%, driven by increased labour costs due to Enterprise Agreement wage escalations and higher costs associated with increased unplanned outages at the thermal power stations, partly offset by lower inventory obsolescence provisions at AGL Loy Yang and Bayswater power stations and savings through productivity and optimisation initiatives.
- Gas operating costs were $(54) million, up 12.5%, primarily driven by non-routine maintenance at Barker Inlet Power Station. On a per MWh basis, costs have decreased by 22.9%, due to additional generation in FY25 on a largely fixed cost base.
- Renewables and Storage costs were $(233) million, down 8.3%, primarily driven by an increase in onerous contract releases compared to the prior year. These releases were higher due to lower assumed price outcomes that were fixed within the current year. This was partly offset by an increase in operating costs due to higher labour costs to transition and implement an internal maintenance model of AGL operated wind farms, the first full year of operations of the Torrens Island Battery, and the commencement of operations of the Broken Hill Battery.
- Other costs, which include coal royalties and grid connection charges, were $(87) million, up 33.8% compared to the prior year driven by higher AEMO market fees and water charges.

	Portfolio Margin		Per Unit		Volume Denomination	
	FY25 $m	Restated FY24 $m	FY25 $/MWh	Restated FY24 $/MWh	FY25 GWh	Restated FY24 GWh
Depreciation and amortisation (c)	**(591)**	(526)	***(18.0)***	*(15.4)*	**32,904**	34,086

Depreciation and amortisation was $(591) million, up 12.4%, driven by a higher asset base at Bayswater and AGL Loy Yang power stations, an increase in environmental rehabilitation assets in the prior year, the FY24 Torrens Island Power Station major outage being depreciated over two years in line with the 30 June 2026 scheduled closure date, the first full year of operations of the Torrens Island Battery and the commencement of operations of the Broken Hill Battery.

Net Portfolio Management						
Pool generation revenue	**4,132**	3,205	***125.6***	*94.0*	**32,904**	34,086
Pool purchase costs[1]	**(4,829)**	(3,794)	***(129.6)***	*(98.7)*	**37,270**	38,440
Net derivative (cost)/revenue	**149**	(57)	***4.5***	*(1.7)*	**32,904**	34,086
Net Portfolio Management (d)[2]	**(548)**	(646)	***(15.2)***	*(17.3)*	**36,138**	37,311

1. Comparatives have been restated in line with updated volumes.
2. Pool generation revenue and pool purchase costs include amounts from certain wholesale contracts that are treated as derivatives for statutory reporting purposes. In the statutory accounts the amounts associated with these contracts are recognised within cost of sales.

Net pool generation revenue and pool purchase costs were $(697) million, down $108 million, reflecting higher pool prices which resulted in higher generation revenue and pool purchase costs. Lower generation volumes were the result of lower availability at Bayswater and AGL Loy Yang power stations driven by a higher number of planned and unplanned outages. Net derivative revenue of $149 million increased by $206 million, largely driven by a net-buy position in New South Wales, South Australia and Queensland where fixed prices were settled at higher spot prices.

Total wholesale costs (a + b + c + d)	**(2,653)**	(2,652)	***(71.2)***	*(69.0)*	**37,270**	38,440
Total costs	**(6,539)**	(6,401)	***(180.9)***	*(171.6)*	**36,138**	37,311
Electricity Portfolio Margin	**1,744**	1,974	***48.3***	*52.9*	**36,138**	37,311
Consumer customers	**527**	600				
Large Business customers	**31**	33				
Trading and Origination	**2,299**	2,378				
Perth Energy margin	**21**	11				
Operations (Coal, Gas Generation, and Renewables and Storage)	**(1,134)**	(1,048)				

In addition to the commentary above, Electricity portfolio margin is discussed in Section 5.1 and 5.2.

6.3 Gas portfolio

The gas portfolio review combines the Integrated Energy (Trading and Origination – Gas) and Customer Markets (Consumer and Large Business) businesses to outline the portfolio's performance across operating segments.

	FY25 PJ	FY24 PJ	Movement %
Consumer customers sales	**45.5**	46.2	(1.5)%
Large Business customers sales	**18.6**	15.0	24.0%
Wholesale customer sales and internal generation usage volumes	**36.7**	40.6	(9.6)%
Total customer sales volume	**100.8**	101.8	(1.0)%
Energy losses	**3.3**	2.5	32.0%
Gas purchase volume	**104.1**	104.3	(0.2)%

Refer to Section 3.1.2 for commentary on customer energy demand.

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	Portfolio Margin		Per Unit		Volume Denomination	
Revenue	FY25 $m	FY24 $m	FY25 $/GJ	FY24 $/GJ	FY25 PJ	FY24 PJ
Consumer customers	**1,817**	1,762	***39.9***	*38.1*	**45.5**	46.2
Large Business customers	**217**	179	***11.7***	*11.9*	**18.6**	15.0
Wholesale customers & internal generation	**531**	565	***14.5***	*13.9*	**36.7**	40.6
Total revenue	**2,565**	2,506	***25.4***	*24.6*	**100.8**	101.8

Total revenue was $2,565 million, up 2.4%.

- Revenue from Consumer customers was $1,817 million, up 3.1%, due to higher revenue rates from an increase in wholesale gas prices and network costs, partly offset by lower average consumption per customer.
- Large Business customers revenue was $217 million, up 21.2%, largely driven by higher volumes due to portfolio growth in Western Australia and Victoria.
- Wholesale customers revenue was $531 million, down 6.0%, primarily driven by the roll-off of wholesale customer volumes from AGL's existing customer base, partly offset by higher internal consumption of gas volumes used for power generation in South Australia.

	Portfolio Margin		Per Unit		Volume Denomination	
Network and other cost of sales	FY25 $m	FY24 $m	FY25 $/GJ	FY24 $/GJ	FY25 PJ	FY24 PJ
Consumer network costs	**(540)**	(518)	***(11.9)***	*(11.2)*	**45.5**	46.2
Consumer other cost of sales	**(129)**	(99)	***(2.8)***	*(2.1)*	**45.5**	46.2
Large Business customers network costs	**(21)**	(20)	***(1.1)***	*(1.3)*	**18.6**	15.0
Large Business customers other cost of sales	**5**	2	***0.3***	*0.1*	**18.6**	15.0
Total network and other cost of sales	**(685)**	(635)	***(10.7)***	*(10.4)*	**64.1**	61.2

Total network costs and other cost of sales were $(685) million, up 7.9%, driven by network tariff increases and green compliance costs.

Wholesale costs						
Gas purchases	**(845)**	(762)	***(8.4)***	*(7.5)*	**100.8**	101.8
Haulage, storage and other	**(338)**	(344)	***(3.4)***	*(3.4)*	**100.8**	101.8
Total wholesale costs	**(1,183)**	(1,106)	***(11.7)***	*(10.9)*	**100.8**	101.8

See Section 3.1.5 for commentary on wholesale gas costs.

Total costs	**(1,868)**	(1,741)	***(18.5)***	*(17.1)*	**100.8**	101.8
Gas Portfolio Margin	**697**	765	***6.9***	*7.5*	**100.8**	101.8
Natural Gas	**(11)**	(14)				
Gas Portfolio Margin (including Natural Gas)	**686**	751				
Consumer customers	**260**	305				
Large Business customers	**3**	6				
Wholesale Gas	**411**	439				
Perth Energy margin	**23**	15				
Natural Gas	**(11)**	(14)				

Natural Gas was $(11) million, up $3 million, primarily driven by the commencement of the NSW government funding agreement to support the Newcastle Gas Storage Facility to ensure natural gas supply for NSW residents and consumers during peak gas demand periods. This was partly offset by the Surat Gas Project being substantially divested in March 2025, the divestment of the Moranbah Gas Project in August 2023, and the closure of the Camden Gas Project in August 2023.

In addition to the commentary above, Gas portfolio margin is discussed in Sections 5.1 and 5.2.

6.4 Portfolio Review Reconciliation

FY25 $m	Electricity Portfolio	Gas Portfolio	Other AGL (a)	Adjustments (b)	Total Group
Customer Markets	**6,928**	**2,034**	**363**	**89**	**9,414**
Integrated Energy	**1,355**	**531**	**33**	**3,060**	**4,979**
Revenue	**8,283**	**2,565**	**396**	**3,149**	**14,393**
Customer Markets	**(3,886)**	**(685)**	**(297)**	**557**	**(4,311)**
Integrated Energy	**(1,387)**	**(1,183)**	**(14)**	**(3,706)**	**(6,290)**
Cost of sales	**(5,273)**	**(1,868)**	**(311)**	**(3,149)**	**(10,601)**
Other income	**–**	**–**	**14**	**–**	**14**
Gross margin	**3,010**	**697**	**99**	**–**	**3,806**
Operating costs (excluding depreciation and amortisation)	**(675)**	**–**	**(1,121)**	**–**	**(1,796)**
Depreciation and amortisation	**(591)**	**–**	**(212)**	**–**	**(803)**
Portfolio Margin/Underlying EBIT	**1,744**	**697**	**(1,234)**	**–**	**1,207**

FY25 $m	Electricity	Gas	Pool revenue	Other	Total Group
Portfolio Margin Reporting	**8,283**	**2,565**	**4,132**	**–**	**14,980**
Revenue reclass	**(697)**	**–**	**(251)**	**–**	**(948)**
Intragroup	**–**	**(190)**	**–**	**–**	**(190)**
Other	**(474)**	**(22)**	**14**	**1,033**	**551**
Note 2 - Revenue	**7,112**	**2,353**	**3,895**	**1,033**	**14,393**

Restated FY24 $m[1]	Electricity Portfolio	Gas Portfolio	Other AGL (a)	Adjustments (b)	Total Group
Customer Markets	7,040	1,941	334	88	9,403
Integrated Energy	1,335	565	60	2,220	4,180
Revenue	8,375	2,506	394	2,308	13,583
Customer Markets	(3,749)	(635)	(279)	616	(4,047)
Integrated Energy	(1,487)	(1,106)	(15)	(2,924)	(5,532)
Cost of sales	(5,236)	(1,741)	(294)	(2,308)	(9,579)
Other income	–	–	(1)	–	(1)
Gross margin	3,139	765	99	–	4,003
Operating costs (excluding depreciation and amortisation)	(639)	–	(1,148)	–	(1,787)
Depreciation and amortisation	(526)	–	(221)	–	(747)
Portfolio Margin/Underlying EBIT	1,974	765	(1,270)	–	1,469

Restated FY24 $m[1]	Electricity	Gas	Pool revenue	Other	Total Group
Portfolio Margin Reporting	8,375	2,506	3,205	–	14,086
Revenue reclass	(690)	–	(188)	–	(878)
Intragroup	–	(143)	–	–	(143)
Other	(428)	(10)	18	938	518
Note 2 - Revenue	7,257	2,353	3,035	938	13,583

1. Comparatives have been restated to integrate electricity services for Ovo Energy Australia post 100% ownership on 3 April 2024.

Notes

a. Other AGL includes Natural Gas Underlying EBIT.

b. Key adjustments include:

- Integrated Energy electricity pool sales in the statutory accounts has been reallocated to cost of sales (net portfolio management) in the Portfolio Review where it is combined with pool purchase costs and derivatives to reflect AGL's net position.
- A portion of Integrated Energy other revenue in the statutory accounts has been reallocated to cost of sales (generation running costs) in the Portfolio Review.
- Within Integrated Energy, derivatives from certain wholesale contracts are recognised within cost of sales in the statutory accounts.
- In the Portfolio Review the revenue and costs have been separately disclosed. Intra-segment and inter-segment eliminations include: Gas sales from Trading and Origination - Gas to Trading and Origination - Electricity; gas sales from Natural Gas to Trading and Origination - Gas. Elimination adjustment also includes the reallocation of green costs from Trading and Origination - Electricity to Consumer and Business customer other cost of sales.

7. Climate-Related Disclosures

AGL recognises that the physical impacts of, and transitional responses relating to, climate change have significant implications for our business. Climate change presents both material risks and opportunities that can shape AGL's financial position, performance, and prospects.

Australia, like many international jurisdictions, is taking measures to provide investors and other stakeholders with greater transparency and accountability when it comes to organisations' climate-related risks and opportunities, and their transition plans. From 2026, under incoming mandatory climate reporting legislation, AGL will be required to disclose information about climate-related risks and opportunities that could reasonably be expected to affect our financial prospects over the short, medium, and long-term.

As an early adopter of the Task Force on Climate-related Financial Disclosures (TCFD) framework in Australia, AGL has disclosed TCFD-informed climate-related information since 2018. We have incorporated climate-related risk and strategy disclosures in our annual reporting suite since 2016, and have publicly reported on our greenhouse gas emissions since 2007.

This report represents the next step in AGL's approach to providing transparent climate-related disclosures. We have used the Australian Accounting Standards Board (AASB) S2 – *Climate-related financial disclosures* to inform and enhance our climate-related disclosure in preparation for adopting Australia's mandatory climate reporting regime in FY26.[1] A summary of where our responses to AASB S2's disclosure requirements can be found within our reporting suite is included in Section 7.5.5. We anticipate that these disclosures will continue to evolve over time.

7.1 Governance approach

AGL's Board provides close oversight over climate-related matters, consistent with its role to safeguard AGL's interests and foster sustainable value creation. The Board reviews and approves AGL's strategic direction, taking into account financial and non-financial risks and opportunities. This includes considering the implications of climate and sustainability-related risks and opportunities on AGL's business model, financial position, financial performance and cash flows over the short, medium and long-term.

During FY25, the Board approved an ESG decision-making framework to support the Board's consideration of ESG matters, including integrating sustainability and climate-related risks and opportunities into decision-making.

AGL's Managing Director & CEO is a member of the Board and is responsible for ensuring management's focus on AGL's strategic direction within the changing landscape of climate-related policies, regulations, and market dynamics. This includes our response to climate-related issues through our two key strategic objectives of *connecting every customer to a sustainable future* and *transitioning our energy portfolio*. The CEO & Managing Director is also responsible for translating the strategic objectives into actionable plans to address the risks and opportunities associated with climate change.

7.1.1 Climate governance

Board & Committees

Responsibilities of the Board and Board Committees are set out in formal Charters, which the Board reviews at least every two years. During FY25, the Board and Committee Charters were reviewed and updated to enhance the oversight of climate and sustainability matters. The Board and each Board Committee has a particular responsibility in relation to climate and sustainability matters.

The Audit & Risk Management Committee (ARMC) is responsible for overseeing AGL's statutory reporting processes, including climate-related financial disclosures. The ARMC also oversees AGL's risk management and internal controls framework, including climate-related risks and opportunities.

The Safety & Sustainability Committee (SSC) is responsible for monitoring AGL's sustainability performance, including consideration of AGL's relationships with external stakeholders and reputational impacts of AGL's strategies. From FY26, the SSC will be responsible for overseeing the processes for managing AGL's material sustainability and climate-related risks and opportunities, reviewing and recommending to the Board for approval AGL's material public sustainability and climate-related targets, monitoring progress against those targets and overseeing the preparation of AGL's public disclosures related to sustainability.

The People & Performance Committee (P&PC) is responsible for considering how climate and sustainability-related considerations should be factored into AGL's remuneration framework and metrics, and makes relevant recommendations to the Board.

The Nominations Committee is responsible for reviewing the composition of the Board, including assessing and recommending to the Board the appropriate mix of skills, competencies, knowledge, experience, independence and diversity to enable the Board to discharge its responsibilities effectively. Skills and experience in climate change, including identification of relevant risks and opportunities, is a core area identified by the Committee, as outlined in the Board Skills Matrix.

During FY25, a key focus of the Board was oversight and guidance in relation to the direction of the 2025 Climate Transition Action Plan (CTAP). A CTAP Steering Committee was established to oversee the development of AGL's 2025 CTAP. The Steering Committee comprised members of AGL's Board and Executive Team, and provided regular updates to the Board.

More information about the role of the Board and its Board Committees can be found in the 2025 Corporate Governance Statement.

1. As noted on page 2, our disclosures related to the TCFD framework are now superseded by this reporting approach.

Climate-related skills and competency

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 Board Skills Matrix is set out on page 89.

AGL has identified *ESG and Climate Change Risks and Opportunities* as a priority area for the Board's competency. The Board seeks to ensure that adequate skills and experience are in place to allow it to appropriately manage risks and opportunities related to the following areas:

- ESG experience, including identification of risks and opportunities related to sustainability, decarbonisation and the energy transition;
- Rehabilitation and site transition experience, including responsible transition strategies;
- Climate change risk management and opportunities; and
- Management of social risks and opportunities, including ethical sourcing, reputation management and corporate social responsibilities.

AGL's Board undertakes a program of ongoing Director education to remain up to date on the risks and opportunities facing AGL's business. This year's Director education program included a session on climate risks and the new reporting regime for climate-related financial disclosures.

In FY25 the Board was rated as having 'Significant' experience in the 'ESG and climate change risks and opportunities' category. Further details including biographies of AGL's Board members are outlined in the Governance Summary in the Directors' Report.

7.2 Strategy

As outlined in Strategy and Performance, decarbonisation is a key element of AGL's strategy. We are investing to support customer decarbonisation across homes, businesses, and transport through greater uptake of consumer energy resources (CER) and broader electrification. The transition to a net zero economy is complex and requires major investment in renewable generation, firming technologies, and grid infrastructure, supported by coordinated efforts across governments, industry, and communities. While this presents both risks and opportunities, AGL is well positioned to accelerate its customer decarbonisation strategy and energy portfolio transition, subject to supportive policy and market conditions.

While we consider all of our business activities as being exposed to climate-related transitional and physical risks, our strategy strongly positions AGL to capitalise on climate opportunities. More details on our strategic resilience are outlined in Section 7.2.2.

7.2.1 AGL's Climate Transition Action Plan

AGL's inaugural Climate Transition Action Plan (2022 CTAP) was released in September 2022, and outlined our targets to exit coal-fired generation by the end of FY35, up to a decade earlier than planned prior to our 2022 CTAP, and to be net zero for Scope 1 and 2 greenhouse gas emissions following the closure of these assets. The 2022 CTAP also set out our ambition to add 12 GW of additional renewable and firming capacity by the end of 2035 to power our customer demand. Shareholders had the opportunity to vote on the 2022 CTAP via the 'Say on Climate' resolution at our 2022 Annual General Meeting, with the majority voting in support of the plan.

Since our 2022 CTAP, we have made strong progress in delivering on our decarbonisation commitments and targets. In our 2025 CTAP we have built on these commitments by charting a pathway to achieving our ambition of being net zero for Scope 1, 2 and 3 emissions by 2050, and setting additional commitments relating to emission reductions, our portfolio rebuild and other initiatives. Our 2025 CTAP also sets out our commitments to working collaboratively with our stakeholders, including government bodies, customers, employees, and the communities in which we operate to lead a responsible transition.

The 2025 CTAP continues our track record of transparently communicating with our stakeholders about our decarbonisation approach, and outlines our ambitions, commitments and targets for the short, medium and long-term. It will be subject to a non-binding shareholder advisory vote at AGL's 2025 Annual General Meeting.

A summary of the commitments made by AGL in our 2025 CTAP, as well as completed commitments from our 2022 CTAP, are outlined below. We engaged Deloitte to undertake limited assurance of select targets in accordance with the Australian Standard on Assurance Engagements ASAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the Australian Auditing and Assurance Standards Board. Full details of the assurance scope, process and outcome are included in the assurance statement on page 218.

Key ✓ Complete → In progress ↻ Ongoing - met in FY25

Commitment		Progress as at 30 June 2025
Completed 2022 CTAP commitments		
Closure of our coal-fired power stations: Liddell Power Station will be closed by April 2023.[1]	✓	Liddell ceased generation in April 2023 and decommissioning and rehabilitation has commenced.
Carbon offsets: AGL will develop appropriate strategies for the use and/or origination of high-quality offsets, guided by the development of carbon markets over the coming years.	✓	AGL has developed a company-wide Carbon Offsets Policy, available on our website.
Scope 3 decarbonisation pathway: AGL will provide further details on our Scope 3 decarbonisation pathway in our second CTAP.	✓	Our 2025 CTAP sets out ambitions and plans for our Scope 3 decarbonisation pathway.
2025 CTAP commitments[2]		
Emissions reduction		
Scope 1 and 2: Target to achieve a reduction of 17% in gross annual Scope 1 and 2 emissions[3] compared to FY19 baseline[2] from FY24-FY26 inclusive following the closure of Liddell Power Station in FY23.	↻	AGL's Scope 1 and 2 emissions reduced by 29.1% in FY25 compared to FY19 baseline. Refer to the Environment scorecard, Assets scorecard and Section 7.4 for more information.
Scope 1 and 2: Target to achieve a reduction of 19% in gross annual Scope 1 and 2 emissions compared to FY19 baseline[2] each year from FY27-FY34 inclusive. Target to achieve a reduction of 52% in gross annual Scope 1 and 2 emissions compared to FY19 baseline by FY35 following the closure of Bayswater Power Station. Target to achieve a 90% reduction in gross annual Scope 1 and 2 emissions compared to FY19 baseline following the closure of AGL's coal-fired power stations.[4] Target to achieve net zero emissions following the closure of AGL's coal-fired power stations.[4]	→	
Scope 3: Ambition to reduce gross annual Scope 3 emissions by 60% compared to FY19 baseline following the closure of AGL's coal-fired power stations.[5] **Scope 1, 2 and 3:** Ambition to reduce gross annual Scope 1, 2 and 3 emissions by 90% compared to FY19 baseline, by 2050.[5] Ambition of being Net Zero for Scope 1, 2 and 3 emissions by 2050.[5]	→	AGL is taking steps to transition our energy portfolio, which, in addition to reducing our Scope 1 and 2 emissions, will support decarbonisation of the grid and drive a reduction in our Scope 3 emissions from electricity supply. Electrification is a key lever, and we are actively investing to support customers in transitioning away from gas.

Commitment		Progress as at 30 June 2025
Energy portfolio transition		
Closure of our thermal power stations: Torrens Island 'B' Power Station (gas-fired) is scheduled to close by 30 June 2026.[6] Bayswater Power Station: target to close by the end of 2033.[7] Loy Yang A Power Station: target to close by the end of FY35.[8]	→	AGL's asset management plans have been structured to support availability and reliability until the planned closure of Bayswater and Loy Yang A power stations, in the time frames targeted. AGL continues to plan for the closure of Torrens Island 'B' Power Station and the transition of the site into an integrated energy hub by the relevant closure date.
Adding new sources of electricity supply: Target to add 2.1 GW of new renewable and firming capacity by end of FY27. Target to add 6 GW of new renewable and firming capacity by end of FY30. Ambition to add 12 GW of new renewable and firming capacity by end of 2035.[9] Target to have a total of 1.5 GW of grid-scale batteries[10] by FY27. Target to have a total of 3 GW of grid-scale batteries[10] by FY30.	→	AGL has 1,178 MW of new renewable and firming capacity contracted or in delivery from FY23 as at 30 June 2025. AGL has a total of 1.2 GW of grid-scale batteries operated, contracted or in delivery as at 30 June 2025. For more information, refer to the Assets scorecard.
Orchestration and consumer energy resources		
Cumulative customer assets installed (behind the meter): Target to add 300 MW of cumulative customer assets installed from FY24-FY27 inclusive.	→	147 MW of cumulative customer assets installed from FY24 as at 30 June 2025.
Decentralised assets under orchestration: Target to achieve 1.6 GW of aggregated flexible load and generation assets managed under AGL's VPP.	→	1.49 GW of decentralised assets under orchestration as at 30 June 2025.
Demand-side flexibility: Ambition to achieve 2.5 GW by FY27.	→	-
Responsible and orderly transition		
AGL aims to positively contribute to the delivery of a responsible transition that supports those impacted by the changing energy landscape, including our people, the community and our customers. Commitments and principles relating to these groups are outlined in the CTAP.	→	Actions undertaken in FY25 in relation to supporting the transition of our workforce are outlined in the People scorecard. AGL's engagements with local communities, local businesses and government, and connections with Traditional Owners, are outlined in the Relationships scorecard. Actions undertaken in FY25 in relation to supporting our customers through the transition outlined in the Customer scorecard.

Commitment		Progress as at 30 June 2025
Responsible policy advocacy and stakeholder engagement		
We will publish submissions made on climate and related public policy matters on our website (excluding those containing commercially sensitive information). Annually we will disclose industry association memberships, membership fees, and areas where AGL's position on climate change differs materially from the associations.[11] We will not make any monetary or in-kind political donations to political parties, either directly or through third parties, in accordance with our Political Donations Policy. We will not provide funding or support to organisations or groups that spread climate misinformation and/or actively lobby against climate action.		A summary of AGL positions on climate-related advocacy is available in the ESG Data Centre. Our policy submissions are published in the news centre on our website. AGL has not made any political donations in FY25. AGL continues to monitor the policy positions of industry associations of which we are a member (refer to the ESG Data Centre).
Transparent reporting		
We will report progress against the targets set in our Climate Transition Action Plan through our Annual Report each year. We will obtain independent assurance over our annual Scope 1, 2 and 3 emissions to allow progress against our emissions reduction targets and ambitions to be verified. We will report on climate-related governance, risk management, strategy and metrics and targets through our Annual Report each year, in line with incoming AASB S2 requirements that will apply to AGL from FY26.		AGL has reported against our CTAP commitments in this document and obtained limited assurance over our FY25 Scope 1 and 2 emissions. We have also obtained limited assurance over our FY25 Scope 3 emissions associated with our supply of electricity to customers, supply and end use of gas by customers, and supply of brown coal. These sources of Scope 3 emissions cover approximately 95% of our total Scope 3 emissions.
Creating value in a low-carbon world		
Green revenue: Target of an increase in green revenue of 85% by FY27 compared to FY19 baseline.[3]		The percentage of AGL's total revenue derived from green energy and carbon neutral products and services in FY25 was 19.7%, an increase of 98% compared to FY19. Refer to the Remuneration Report for further details.
Incentive plans driving achievement of decarbonisation objectives: Climate-related metrics are incorporated into short-term incentive (STI) and long- term incentive (LTI) plans to incentivise executives and senior leaders on climate change objectives.		Refer to the Remuneration Report. Financial metrics (such as TSR for the LTI) are also included in incentive plans so that delivery of AGL's decarbonisation objectives also deliver value for shareholders.

1. Performance against this commitment was assured in FY23.
2. Initiated or updated in AGL's 2025 CTAP. All targets, commitments and ambitions included in the 2025 CTAP supersede those outlined in our 2022 CTAP.
3. Performance against this commitment was assured in FY25.
4. Applies from the financial year following the closure of our coal-fired power stations, planned to be FY36. Loy Yang A Power Station is targeted to close by the end of FY35.
5. Scope 3 FY19 baseline is 24.9 $MtCO_2e$, comprising: supply of electricity to customers (5.2 $MtCO_2e$), supply of natural gas to customers (9.4 $MtCO_2e$), end use of coal sold to Loy Yang B (9.7 $MtCO_2e$), and other Scope 3 emissions (0.6 $MtCO_2e$).
6. As outlined in our 2025 CTAP, as at the date of this report, AGL is currently in discussions with the South Australian Government regarding its request for AGL to extend the operation of the Torrens Island 'B' Power Station for two years. While the discussions have not yet resulted in a legally binding agreement, AGL has agreed in principle to the request and continues to engage constructively with the South Australian Government. This extension, if agreed, would not impact AGL's delivery of the commitments outlined in the CTAP in relation to emissions reduction targets or the approach to responsible transition.
7. Subject to market and regulatory conditions. Asset management plans have been structured to support the closure of Bayswater Power Station by the end of 2033.
8. Asset management plans have been structured to support the targeted closure of Loy Yang A Power Station by the end of FY35. AGL has a Structured Transition Agreement (STA) with the Victorian Government which provides for the closure of Loy Yang A Power Station by a scheduled closure date of 30 June 2035, and a framework for safeguarding the continued and reliable operation of Loy Yang A Power Station until its planned closure date.
9. This also includes CER.
10. Total grid-scale batteries operated, contracted or in delivery.
11. In accordance with AGL's Industry Association Membership Policy.

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7.2.2 Scenario analysis of climate-related transitional effects on the electricity market

AGL periodically undertakes climate-related scenario analysis to gain insights into potential transition pathways for the Australian energy system and associated implications for our business and strategy. Climate scenario modelling helps AGL assess the resilience of our strategy across a range of potential future pathways, anticipate risks and opportunities, and adapt our plans with the evolving energy landscape.

In FY25 we undertook electricity market modelling, with the modelled scenarios designed to span a broad range of energy transition pathways. The modelled scenarios had a range of warming outcomes, including a pathway for the NEM to achieve emissions reductions consistent with a 1.5 degrees temperature rise outcome.[1] The assumptions and outcomes of this scenario modelling are summarised in Section 7.5.2, and in our 2025 CTAP. We have used the high and low-warming scenarios to stress test the resilience of AGL's strategy and business plan as outlined below.

Climate resilience of AGL's strategy

Low-warming scenario - 1.5° rapid transition

Rapid decarbonisation and transformation of the Australian energy system to align to a 1.5 degrees pathway, with the development of a green hydrogen export industry.[2]

Temperature outcome	Electricity demand growth	Electrification and CER uptake	Renewable build rates
1.5 degrees (RCP1.9)	Low Medium **High**	Low Medium **High**	Low Medium **High**

Under this scenario Australia's electricity sector transitions rapidly, delivering emissions reductions consistent with a 1.5 degree warming outcome, while the pace of renewable and firming capacity build-out and electrification accelerates significantly and electrification increases greatly. This scenario would require an accelerated coal closure schedule and a substantial rise in electricity demand. To support this transition, the energy sector would need to substantially accelerate the transformation of the energy system to ensure system reliability and to enable earlier coal-fired generation retirement.

This scenario presents both opportunities and risks to AGL. AGL would also be well-positioned to benefit from the rapid growth in electrification and energy demand seen under this scenario. With our electrification offerings, including residential and commercial solar and battery solutions and electric vehicle subscriptions, and demand-side flexibility capabilities, AGL would be well positioned to accelerate the delivery of our customer decarbonisation strategy.

All coal-fired power stations in the market would close by FY30 under this scenario. As a result, some of the projected closure dates in the next few years would not meet AEMO's minimum notice of closure requirement.

Under this scenario, AGL's coal-fired power stations would both close in FY30 under this scenario, significantly earlier than currently planned. As well as likely creating energy supply and reliability risks in the NEM, a FY30 closure would present financial downside risks to AGL (including lost future earnings and a bring forward of rehabilitation costs. To mitigate these risks, AGL would need to significantly fast-track portfolio transition activities, presenting capital, supply chain, workforce, community and environmental challenges, as well as broader energy security concerns for the economy. AGL has a Structured Transition Agreement (STA) with the Victorian Government. The STA allows for scenarios where the power station can close earlier than 30 June 2035, with agreement from the State, including if the power station is not needed for the reliable and secure supply of electricity in Victoria (as determined by AEMO).

Under this scenario, AGL would be well positioned to accelerate the delivery of our strategy through both our customer electrification and portfolio rebuild plans. While AGL remains committed to our planned closure dates, we will seek to accelerate renewable and firming capacity development wherever possible. This is underpinned by our stakeholder and investor management, in order to have ongoing access to capital to accelerate our energy portfolio transition. With the acceleration of the energy transition and supported by access to capital, AGL would be able to adapt to support our business to remain resilient to market and policy changes over the short, medium and long-term.

Opportunities related to the acceleration of customer decarbonisation and the low-carbon energy transition are detailed in Section 7.3.3. Risks associated with policy or regular intervention and the ability to access capital are detailed in Section 7.3.1.

1. Temperature rise relative to pre-industrial levels, by 2100.
2. Low-warming scenario corresponds to Scenario 1 disclosed in our 2025 CTAP.

High-warming scenario - Above two degrees with build constraints

Renewable build rates have been constrained to historical levels, resulting in delayed energy policy delivery and an above 2 degrees aligned emissions pathways. Australia still achieves net zero energy emissions by 2050.[1]

Temperature outcome	Electricity demand growth	Electrification and CER uptake	Renewable build rates
2.6 degrees (RCP4.5)	Low **Medium** High	Low **Medium** High	Low **Medium** High

Although this scenario reflects AGL's planned coal closure dates, it assumes a slower build-out of renewable and firming capacity in the broader market due to challenging conditions for project development in Australia. These challenges may include delays in grid connections, planning approvals, supply chain constraints, and workforce availability.

The current momentum in CER adoption and electrification continues under this scenario—AGL would be well positioned to take advantage of the growth in CER and broader electrification.

A global temperature rise of approximately 2.6 degrees would also increase physical risks to AGL's assets, which may affect operating costs. To address this, AGL has robust business resilience and continuity plans, asset management and maintenance strategies and insurance in place. The technological and geographical diversity of our generation fleet further mitigates the risk of widespread disruption from individual physical hazards. The assessment of extreme weather risks to our assets and operations is detailed in Section 7.3.2.

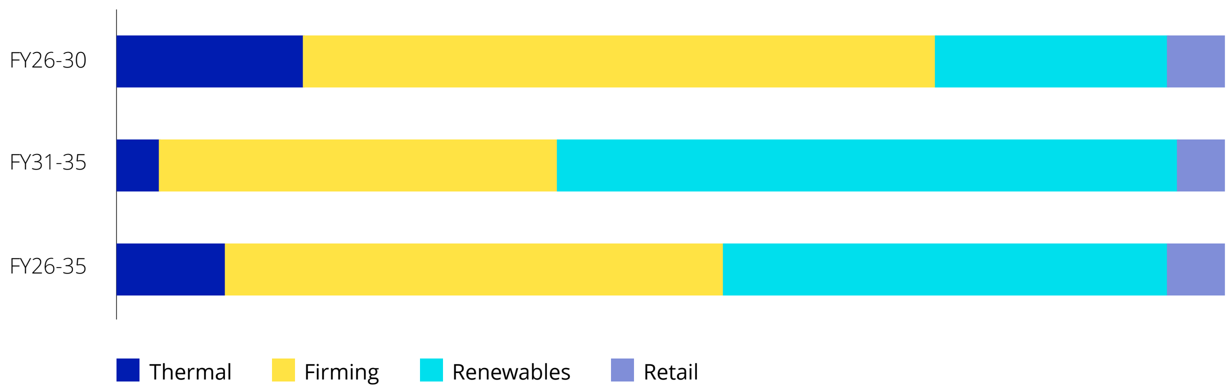
AGL remains committed to our ambition to add 12 GW of new renewable and firming capacity by the end of 2035, and will seek options to accelerate where possible. As outlined in our CTAP, action in five key areas is needed to drive Australia's decarbonisation in pursuit of the Paris Agreement goals, and we have established clear advocacy positions relating to the policy and regulatory settings needed to deliver action. This includes advocating for streamlining connection and approval processes, acceleration of CER and large-scale renewable and firming development to support the timely and successful delivery of new energy infrastructure.

With the flexibility of AGL's strategy and our robust asset management maintenance plans for our existing fleet to address climate-related physical risks, AGL's business model would remain resilient over the short, medium and long-term. This would be underpinned by policy advocacy and relationship management with insurers.

7.2.3 Capital allocation to support the energy transition

AGL has and will continue to evolve our capital allocation[2] over time to support an energy portfolio focused on renewable and firming capacity assets, and to connect our customers to a sustainable future. Our target is to add 6 GW of new renewables and firming capacity via building and contracting by the end of FY30 and 12 GW by the end of 2035. In FY25, AGL's allocation of capital toward climate solutions[3] included $512 million of capital expenditure on a mixture of grid-scale batteries, investment in hydro assets and Energy as a Service projects, equivalent to approximately 44% of total capital expenditure for FY25.

Capital mix required for our strategy, including the 12 GW energy portfolio rebuild[4]



1. High-warming scenario corresponds to Scenario 4 disclosed in our 2025 CTAP.
2. Capital allocation is broader than capital expenditure and AGL has aligned our definition of capital allocation to that of capital deployment in the Australian Sustainability Reporting Standards to be, "the amount of capital expenditure, financing or investment deployed". This includes AGL's direct capital allocation, in addition to third party capital prorated for AGL's proportion of offtake capacity.
3. AGL defines climate solutions as grid-scale renewable generation, grid-scale batteries and pumped hydro, retail electrification and decentralised sustainable business energy solutions for customers and retail transformation.
4. Thermal generation refers to generation plant where a conventional boiler is used to generate electricity. AGL's thermal generation portfolio comprises Bayswater, Loy Yang A and Torrens Island 'B' power stations. Our flexible gas-powered generation assets use gas turbines or reciprocating engines to generate electricity, and are classified as firming.

Capital allocation evolution

Period	Capital allocation for climate solutions
FY26-30	70%
FY31-35	64%
FY26-35	67%

To meet our 12 GW energy portfolio transition ambition, grid-scale renewables and firming is expected to be supplied to AGL from projects developed and funded on AGL's balance sheet, utilising available debt capacity and operating cash flows, projects funded by third parties and backed with offtakes from AGL and projects funded by partnerships and backed with offtakes from AGL.
We expect grid-scale renewable generation to be mostly sourced via offtakes and partnerships, given the strong availability of capital for these assets and the fair allocation of risks between the project and the offtaker.
Securing supply from renewable assets via offtakes allows AGL to optimise the deployment of our balance sheet capital. We estimate that approximately $10 billion will be funded on our balance sheet across the course of AGL's energy portfolio transition, with this investment heavily weighted towards firming assets. We expect to invest in a mix of short- and long-duration firming assets.

In the longer term, the bulk of our balance sheet investment is intended to be made in long-duration firming assets, with AGL expecting to invest across a range of project types.

AGL will also continue to deploy capital to support our retail business and existing thermal assets. Future investment in our existing thermal fleet will be important to deliver safety, flexibility, and availability until closure, recognising the critical role thermal generation plays in providing reliable and affordable electricity during the energy transition.

7.2.4 Considering future costs of carbon

As one of our strategic pillars, we factor ESG considerations into the work we do and the decisions we make to safeguard our business, access future opportunities, unlock strategic advantage and support long-term value creation. AGL's enterprise-wide ESG decision-making framework is used to promote consistency in how ESG issues are considered during decision-making processes and encourage early consideration of future emissions associated with new projects, products or acquisitions.

The potential future cost of carbon offsets is taken into consideration as part of our financial planning and capital approvals. We consider a range of carbon cost forecasts in our capital allocation decision-making, including to inform carbon investment and origination investment decisions, as well as our net zero target cost forecasting. The carbon price used in estimating the costs of offsets to meet our target to be net zero for Scope 1 and 2 emissions following the closure of our coal-fired power stations ranges from approximately \$21/tCO_2e to \$23/tCO_2e (nominal), sourced from third-party analysis that assumed a voluntary carbon market setting.

7.3 Climate-related risks and opportunities

AGL takes a strategic approach to managing the transition to a lower-carbon future, focusing on business resilience and long-term stakeholder value. We identify, manage, and monitor climate-related risks throughout all areas of our business, consistent with our enterprise-wide risk management framework. AGL's risk management framework is designed to ensure risk management practices are embedded into all business processes, strategy setting and operational activity. Our framework assists AGL to identify and evaluate risk events across a broad range of likelihood levels and consequence categories in a structured manner, including impacts on our customers, financial position, regulatory compliance, our reputation, the broader community, the environment, health and safety, and our people. We use a standardised set of thresholds across both likelihood and consequence categories, which includes both quantitative and qualitative factors as relevant.

As shown in Section 2.3.1, 'Climate change response' is disclosed as a Tier 1 Strategic Risk for FY25. Climate-related causes are also associated with many of our other Tier 1 Strategic Risks, due to the interconnected nature of climate change with the energy sector. We continue to prioritise our ongoing response to and management of climate-related risks through the application of our risk management framework, and the governance and oversight of our Board.

Climate-related opportunities are identified and assessed on an iterative basis through our enterprise strategic planning processes. Through this process, augmented by considering the scenarios developed for our Climate Transition Action Plan (CTAP)[1], we identified climate-related opportunity areas. These include growth in residential decarbonisation and transport electrification, C&I decarbonisation and growth in renewable and firming assets. The financial impact of these opportunities was considered through the lens of their growth potential over the short, medium and long-term time horizons.

AGL recognises that climate-related risks and opportunities have the potential to influence our financial position, performance, and cash flows over time. During FY25, to further enhance our understanding of the potential financial implications arising from climate-related risks and opportunities, we utilised scenarios developed as part of our CTAP to inform our analysis of transitional risks relevant to AGL's operations.[1] Additionally, we referenced the outcome of scenarios modelled and disclosed in our FY24 Annual Report[2] to broaden our insight into the physical risks affecting AGL's operations. We also developed a climate risk management program to assist AGL in disclosing these risks in a manner that is aligned to AASB S2, including the application of a financial materiality criteria, that is aligned to our enterprise risk management framework.

AGL has assessed whether the risks and opportunities as determined through the processes above would reasonably affect our business' prospects should they eventuate through the application of an internal financial materiality criterion. The following sections include a summary of the climate-related risks and opportunities that AGL considers to be financially material, the time horizons in which these could be expected to materialise, the affected aspects of our value chain[3] and an outline of the financial implications of each.

Interaction with material information in the financial statements

In FY25, AGL's material risks and opportunities informed key assumptions used in impairment testing, asset life estimates, and environmental rehabilitation provisions, which are areas that remain sensitive to climate-related developments. Refer to Notes 14, 15, and 18 of the financial statements.

Looking ahead, transitional and physical risks may impact asset values, provisions, profitability and/or cash flows. These risks could disrupt operations, increase operating costs, and reduce revenue certainty, placing downward pressure on operating margins. They may also influence capital allocation decisions by accelerating investment in renewable and firming capacity while reducing spending on carbon-intensive infrastructure. Conversely, climate-related opportunities may enhance long-term revenue and asset value.

In FY25, AGL's material risks and opportunities informed key assumptions used in impairment testing, asset life estimates, and environmental rehabilitation provisions, which are areas that remain sensitive to climate-related developments. Further detail on risk mitigations are detailed in Section 7.3.1 and Section 7.3.2.

Financial impacts in this report are expressed qualitatively in support of our ongoing focus on transparency and phased approach to preparing for our future mandatory reporting obligations. Only the climate-related risks and opportunities that could reasonably be expected to affect AGL's cash flows, access to finance or cost of capital are disclosed below.

1. While particular temperature-aligned scenarios can increase the likelihood of certain risks, a conservative approach was taken for this risk identification exercise, exploring the financial consequence if the risk were to materialise, without taking into account the likelihood of occurrence.
2. In FY24, AGL engaged Aon, an external risk specialist, to undertake climate-related physical hazard modelling to assess potential hazards facing our assets under different warming scenarios. AGL has assessed that these scenarios, their assumptions and modelling are still valid in FY25. Further details are outlined in AGL's FY24 Annual Report and in Section 7.5.3.
3. Our business value chain comprises the following material areas:
   - Upstream gas: The production and supply of natural gas which AGL purchases for our customers.
   - Downstream gas: The end use of natural gas by our customers.
   - Upstream electricity: The generation and distribution of electricity from AGL assets or purchased by AGL from the market for our customers, as well as the purchase of consumer energy resources for sale to our customers.
   - Operated energy portfolio: AGL's operated portfolio of electricity generation and storage assets.
   - Downstream electricity: The supply of electricity to customers and interactions with our customers' CER, including CER installation, flexibility offerings and orchestration.

7.3.1 Transition risks

The potential challenges and uncertainties that arise from the shift towards a low-carbon economy and the transition away from carbon-intensive industries and practices are known as climate-related transition risks. These risks emerge as a result of various factors, including policy changes, technological advancements, market dynamics, and evolving societal expectations.

Financially material climate-related transitional risks are summarised below. Short, medium and long-term time horizons have been selected in alignment with AGL's budget planning cycles and expected coal closure period.

Key	Short-term (1-4 years)	Medium-term (5-10 years)	Long-term (10+ years)

Changes to climate-focused policy or regulation negatively impact AGL's strategy and/or operations

As the energy sector continues to decarbonise, further policy and regulatory change seeking to address climate change is likely. Depending on their nature, material changes have the potential to have significant impacts on AGL's strategy and operations.

Drivers

- Community sentiment, and related government commitments, may result in new or changed climate-related policies or regulations that impact AGL's existing operations or strategic objectives.
- Government policies and/or other interventions designed to address climate change could, including through their manner of implementation, increase uncertainty for AGL's strategic direction and in the allocation of resources.
- Any new regulations that seek to address reliability and security issues arising from climate change would be likely to increase the cost of operating thermal plants.

Potential financial impact

- Increased cost to anticipate, respond to and comply with new and changed regulatory requirements with regards to climate.
- Higher cost of capital due to regulatory uncertainty, which may affect investor confidence and limit access to financing.
- Reduced profitability of thermal generation assets from potential carbon pricing mechanisms, leading to margin compression and impairment.
- Revenue may fluctuate due to changes in how electricity prices are set and regulated, as well as shifts in consumer pricing influenced by government climate policies.

Value chain impacts: Operated electricity portfolio, upstream gas, downstream electricity, downstream gas

Mitigation

- AGL actively engages with government and regulatory bodies to advocate for balanced policy outcomes that consider the interests of our stakeholders, and support AGL and the broader electricity market to provide reliable and affordable energy during Australia's energy transition.
- We engage with stakeholders that may be involved in the development of government policy to understand likely future policy direction and position AGL to respond to changing policy and regulatory requirements effectively.
- AGL's strategy, which involves connecting every customer to a sustainable future and transitioning our portfolio, is designed to be as resilient as possible to evolving government policy and regulatory interventions.

Evolving capital market expectations relating to climate change constrain AGL's access to capital

AGL's access to capital markets, including debt, equity investors and insurance, may become more challenging where ESG pressures increase, or our energy transition timing does not meet the evolving expectations of these markets.

Drivers

- Capital market participants may place restrictions on their participation with companies they consider to be not meeting their specific and evolving expectations relating to climate change response in their efforts to support emissions reduction in the Australian economy.
- ESG imperatives and capital market perception of climate change will remain an ongoing challenge for AGL, as debt and equity markets continue to focus on climate risks and impacts.
- While AGL is making good progress against the targets set out within the CTAP, our ability to meet all of these targets is dependent on a conducive government policy environment, and support from our stakeholders, including investors.
- Longer-term transition-related planning may become comparatively more challenging where capital market expectations rapidly change.

Potential financial impact

- Restricted access to capital markets may limit AGL's ability to fund its energy transition strategy and future growth initiatives.
- Increased cost of capital due to perceived delays in transition execution, potentially raising debt margins and equity risk premiums.
- Reduced access to insurance cover or higher premium costs for carbon-intensive assets.
- Liquidity risks may emerge if capital availability tightens during periods of high investment or refinancing needs.
- Any deterioration in credit quality due to climate-related financial risks may limit dealings in the physical and financial energy markets.

Value chain impacts: Operated electricity portfolio

Mitigation

- AGL's CTAP documents our climate commitments, targets and ambitions, including accelerated coal closure timeframes and emissions reduction targets, and ambitious renewable and firming portfolio targets, helping market participants understand AGL's climate change strategy.
- AGL seeks to maintain strong relationships with lending banks, debt capital markets investors, shareholders and other market participants.
- AGL maintains our investment grade credit rating, with headroom.

AGL is unable to deliver on our portfolio transition and other climate solutions due to challenges associated with the broader energy transition

The pace, cost and extent of AGL's portfolio transition may be influenced by a wide range of factors outside of AGL's control.

Drivers

- The transition of the broader energy sector, both within Australia and globally, may be impeded by a range of barriers. These may include policy shifts, supply chain challenges, global competition for transition-related resources, material cost inflation, broader geo-political risks, as well as local issues such as approval delays, transmission infrastructure delays, community sentiment and social licence challenges, as well as related consumer affordability concerns.

Potential financial impact

- Rising costs for renewable and firming projects due to supply chain disruptions, community concerns, and delays in approvals and transmission infrastructure.
- Revenue uncertainty if new generation capacity is not delivered on time, limiting AGL's ability to meet market demand and optimise portfolio performance.
- Slower progress on transition projects may lead to extended use of ageing coal-fired power stations, increasing operating costs and exposure to carbon-related expenses.
- Uncertainty regarding coal closure dates, such as potential extensions of third-party assets, complicates forecasting and hedging strategies and may result in higher fuel procurement costs.
- Risk of asset impairments if renewable and firming projects are stalled or become less financially viable.
- Investor concerns about transition delays may increase the cost of funding or ability to access capital.

Value chain impacts: Operated electricity portfolio

Mitigation

- AGL actively engages with government and regulatory bodies to advocate for balanced policy outcomes within the broader NEM to provide reliable and affordable energy during Australia's energy transition.
- AGL continues to expand and refine our pipeline of renewable and firming project development options, providing increasing optionality to support the delivery of our portfolio transition targets and accelerate where possible. AGL has a high quality development pipeline, and we actively engage with local communities and aim to minimise construction costs and environmental impact.
- AGL continues to make prudent investments in our existing assets and infrastructure, ensuring funds are available to be recycled into the development of our pipeline.
- Where possible, AGL maintains diversified supplier relationships, utilises forward procurement strategies, and ongoing monitoring of critical materials and logistics are prioritised to minimise supply chain risks.

AGL fails to identify and/or respond to changing market conditions or customer preferences for low-carbon products and services

AGL is unable to respond to changing market conditions as customer preferences and energy market product and service offerings evolve in response to the broader energy transition (such as increasing household electrification, consumer uptake of rooftop solar, residential batteries, and electric vehicles).

Drivers

- Customer demand for renewable and clean energy is driving a transition towards a more decentralised energy system and electrified economy. AGL may fail to address this and/or appropriately invest at the speed required to support the transition in alignment with our customer preferences.
- As emerging low-carbon, renewable, electrification and behind-the-meter technologies alter electricity demand from, and supply to, the NEM, and / or change the profile of Australia's electricity supply, some energy assets and investments may no longer provide a viable economic return, resulting in curtailment of asset economic lifespan or requiring adjustment to AGL's strategy.
- Changing weather patterns caused by climate change (e.g. increased extreme heat and extreme cold events) may change consumer load profiles and consequently, the overall demand profile in the NEM.

Potential financial impact

- Loss of customer revenue and market share if AGL does not adapt quickly enough to changing customer preferences for clean, decentralised energy solutions.
- Higher costs to serve and acquire customers if product offerings lag behind market expectations, leading to compressed retail margins.
- Increased investment requirements to upgrade or expand product and service offerings to meet evolving industry standards and customer demand.
- Risk of impairment if energy infrastructure and investments are misaligned with future demand patterns or technological shifts.

Value chain impacts: Downstream electricity, downstream gas

Mitigation

- AGL actively monitors and invests in new technologies, products and business models with a view to meeting future customer demand and evolving customer expectations, while applying prudent investment principles to deliver alignment with strategic objectives and long-term value creation.
- In response to a rapidly accelerating pace of technology and digital disruption, AGL continues to progress our demand-side flexibility and related offerings for our customers
- AGL continues to expand our product offerings for consumers, including innovative residential and commercial solar and battery products, electric vehicle offerings, and the Electrify Now platform.

AGL fails to identify and/or respond to competing stakeholder expectations regarding AGL's response to climate change

Challenges in balancing conflicting stakeholder objectives through the energy transition may negatively impact AGL's reputation, social licence or the trust of key stakeholders.

Drivers

- AGL's success is dependent on the ongoing support of our key stakeholders, including our people, customers, shareholders and the communities in which we operate. Where AGL is unable to meet current expectations, or anticipate and/or respond to changing expectations, our ability to achieve our objectives could be significantly challenged.

Potential financial impact

- Inability to meet targeted transition dates due to delayed or failed approvals and extended community consultation periods may impact AGL's future earnings.
- The risk of shareholder action could signal instability, raising perceived financial risk.
- Negative perception regarding AGL's pace of transition may cause ESG-focused investors to divest, impacting access to capital.

Value chain impacts: Operated electricity portfolio, upstream gas, downstream electricity, downstream gas

Mitigation

- AGL proactively engages with stakeholder groups, including customers, shareholders, investors, governments and regulatory bodies, and the communities in which we operate. We seek to understand the key social licence risks and opportunities, and where focus is required to meet and exceed rising community expectations.
- We engage with key stakeholders prior to seeking relevant approvals for development and operational activities. This engagement continues through the life of the project and during operations.

7.3.2 Physical risks

Physical risks associated with climate change have the potential to significantly impact AGL's business. These risks can be categorised into two main types of hazards: acute and chronic. Both acute and chronic physical hazards pose risks to businesses, communities, and the overall economy. Physical climate hazards can have both primary and secondary effects. The primary effects include the direct impacts on AGL's operations and customers, and the critical infrastructure on which we rely for our business operations. This may result in pressures on cash flows, asset values, and earnings directly by damaging infrastructure or interrupting generation output. Secondary effects for AGL include impacts on our customers, broader supply chain and other market participants.

Financially material climate-related physical risks for AGL are summarised below:

Acute physical risks

Vulnerability of non-AGL infrastructure to climate-related risks

AGL's performance may be negatively impacted by climate-related hazards impacting parts of our supply chain (whether upstream or downstream). For example, electricity transmission and distribution infrastructure, interconnectors, gas pipelines, coal transport, or significant industrial customers.

Drivers

- As a gentailer, AGL's business relies on infrastructure operated by other parties, including transmission and distribution infrastructure, interconnectors, gas pipelines and coal transport. Increasing prevalence of extreme weather events (including bushfires, floods, storms, and heatwaves) have the potential to impact these kinds of infrastructure. In addition, AGL has limited ability to control the mitigation actions put into place by the operators of this infrastructure.
- Should our customers be materially impacted by climate-related hazards, AGL's demand profile would be expected to be affected.

Potential financial impact

- Reduced generation performance and wholesale revenue due to connection issues such as network losses and constraints, system black events, or delays caused by damage to third-party infrastructure.
- Earnings risk if major commercial or industrial customers halt operations unexpectedly due to climate-related disruptions, affecting demand and contractual revenues.
- Operational disruptions from extreme weather events impacting upstream or downstream infrastructure, potentially increasing costs and reducing reliability.

Value chain impacts: Downstream electricity, downstream gas

Mitigation

- AGL has robust, practised business resilience and continuity plans in place.
- AGL's technologically and geographically diverse generation fleet reduces the risk of a material proportion of assets being affected by localised weather events.
- AGL's hedging strategy considers our generation portfolio mix, and factors such as technological and geographic diversity, plant outages, anticipated market shifts and severe weather events.
- AGL continues to invest in and focus on the safety, reliability and flexibility of our existing power stations and related assets.
- Our coal-fired power stations undertake fuel stockpiling to minimise supply disruptions, which may arise from climate-related impacts.

A fire event causes significant damage to key plant at AGL Loy Yang Power Station

An extreme heat or bushfire event may occur, leading to a serious fire in key equipment at AGL Loy Yang, which materially limits generation at AGL's Loy Yang A Power Station, and may also impact an adjacent third-party power station.

Drivers

- Climate change analysis data indicates bushfire prevalence will increase materially from 2030 under a range of different scenarios.
- There are some key components that are critical to the operation of the power station. Should these be materially damaged, Loy Yang A Power Station may be unable to generate for an extended period of time.

Potential financial impact

- Extended unplanned outages, particularly during periods of high demand or elevated market prices in Victoria, may result in significant earnings loss and increased market exposure.
- There may be significant repair and recovery costs if critical equipment is damaged by fire.

Value chain impacts: Downstream electricity

Mitigation

- AGL has significant proactive fire prevention mitigation in place, including plant maintenance strategies, plant inspections, and vegetation management plans.
- AGL also has robust response measures in place, including hot spot detection and thermal cameras, fire suppression systems, on site emergency services, and detailed business resilience and continuity plans.

A fire event causes significant damage to key plant at AGL's Bayswater Power Station

An extreme heat or bushfire event may occur, which leads to a serious fire in key equipment at Bayswater Power Station that materially limits coal supply to the station, and consequently generation.

Drivers

- Climate change analysis data indicates bushfire prevalence will increase somewhat from 2030 under a range of different scenarios.
- Coal is sourced from and conveyed to Bayswater by external suppliers. Should key components in the delivery of coal to the station be materially damaged, Bayswater may be unable to generate for a period of time

Potential financial impact

- Extended unplanned outages at Bayswater, particularly during high-price periods in the NSW market, may result in significant earnings loss and increased market exposure.
- Significant repair costs if critical infrastructure or coal delivery systems are damaged by fire.

Value chain impacts: Downstream electricity

Mitigation

- AGL has significant proactive fire prevention mitigation in place, including plant maintenance strategies, plant inspections, clearing, and vegetation management.
- AGL also has robust response measures in place, including hot spot detection and thermal cameras, fire suppression systems, on site emergency services, and detailed business resilience and continuity plans.

Chronic physical risks

Sustained drought curtails generation across AGL's fleet

In the event of a serious and sustained drought, AGL's access to required water may be limited, affecting our ability to operate or rehabilitate assets that rely on water, including hydroelectric assets and steam turbine assets

Drivers

- Some types of generators within AGL's fleet require access to water in order to operate. Where there is a sustained and severe drought that impacts water being availability for electricity generation, AGL may be unable to operate these assets at all or may be required to materially de-rate them.
- AGL's rehabilitation plans for the Loy Yang mine will require access to water. Should drought reduce the amount of water available, there may be impacts to the nature or timing (and therefore cost) of planned rehabilitation activities.

Potential financial impact

- Reduced earnings from prolonged output reduction at hydroelectric assets.
- Reduced generation revenue if assets are de-rated or temporarily shut down due to water scarcity.
- Higher rehabilitation costs at the Loy Yang mine if water access delays or alters planned rehabilitation activities.

Value chain impacts: Downstream electricity

Mitigation

- AGL's technologically and geographically diverse fleet reduces reliance on any particular asset class (including those that rely on water to operate).
- AGL is developing our pumped hydro capability, which will allow AGL to continue to use some hydro assets during low water scenarios.
- AGL has applied for a Bulk Water Entitlement to access surface water from the Latrobe River system for water-based rehabilitation of the Loy Yang Mine.

Changing weather patterns inhibit production capacity of renewables assets

As AGL transitions our generation fleet to a higher proportion of renewables, changing weather patterns that lead to prolonged periods of reduced solar irradiance or wind drought (or both, i.e. Dunkelflaute) may have a proportionately greater impact on AGL's fleet performance.

Drivers

- AGL is transitioning our operated and contracted fleet to a higher concentration of intermittent renewables assets (including wind and solar farms). Should climate change result in changing weather patterns, the electricity production from these assets may be affected.

Potential financial impact

- Reduced output and efficiency of solar and wind assets may lower revenue and overall fleet performance.
- Potential uplift in the value of firming technologies which may require additional capital investment to expand AGL's firming capacity.

Value chain impacts: Downstream electricity

Mitigation

- AGL's technologically and geographically diverse generation fleet reduces the risk of a material proportion of assets being affected by individual weather events.
- AGL's hedging strategy considers our generation portfolio mix, activities which help AGL manage our positions such as PPAs and demand orchestration; and factors such as technological and geographic diversity, plant outages, anticipated market shifts and severe weather events. In particular, AGL buys a range of weather-related products to manage commercial impacts of extreme weather events, where prudent.
- AGL's current and future planned investments in long duration storage and firming can act to mitigate the impact of reduced generation output from renewable assets.

7.3.3 Opportunities

AGL's strategy recognises the significant opportunities arising from the decarbonisation of Australia's energy sector by embracing changing consumer needs through connecting every customer to a sustainable future and transitioning our energy portfolio. The opportunities presented by the energy transition are fundamentally related to climate and the nature of AGL's business as an integrated energy generator, investor and retailer.

AGL's climate-related opportunities can impact our financial performance through revenue growth, margin improvement, risk mitigation, and asset value enhancement. AGL's key climate-related opportunities lie in driving Australia's clean energy shift both behind the meter and at the grid scale. By leveraging these opportunities, AGL aims to strengthen our financial performance through new revenues and sustained margin, mitigate risk and secure our long-term viability in a low-carbon economy.

Financially material opportunities related to climate for AGL are summarised below:

Decarbonisation of every customer is at the heart of our strategy

Changing consumer needs and expectations as Australia and industry and energy users decarbonise.

Drivers

- Customer demand for renewable and clean energy is driving a transition towards a more decentralised energy system and electrified economy. This shift presents opportunities for AGL to expand into new and growing markets and offer new products and services to help meet consumers' and industries' changing needs.
- Decarbonisation will increase demand for electricity over the short, medium and long-term as residential and industry energy users switch from alternate energy sources such as gas or diesel to electricity. This switch is expected to reduce demand for gas over the longer term. A growing portion of electricity demand will be met by consumers' own supply of renewable energy through the expansion of consumer energy resources (CER). This includes rooftop solar PV, battery storage systems, electric vehicles and hot water systems. These changing market dynamics will promote technological development and likely support new product and service adoption.
- AGL is well positioned to respond to price volatility driven by increased solar PV uptake.
- Supply of renewable energy from Australia's electricity grids will also increase over the short, medium and long-term and support the decarbonisation efforts of industrial and residential energy users.

Potential financial impact

- Increased and diversified revenue streams as AGL captures market share in emerging segments such as decentralised energy, electrification, and clean energy products.
- Improved margins through new product offerings aligned with customer demand.
- Growth potential in industrial and commercial markets as demand for clean electricity rises, enabling AGL to shape market dynamics and introduce new business models.
- Revenue uplift from services that support grid stability and customer energy management, such as load flexibility and behind-the-meter technologies.

Value chain impacts: Downstream electricity, downstream gas

Strategic response

- AGL's strategic pillar of 'connecting every customer to a sustainable future' includes a focus on electrification, load flexibility and customer solar.
- AGL's strategy to transition our portfolio from coal-fired to renewable generation and firming is contributing to decarbonising the grid and electricity to supplied to customers.
- Growing our e-mobility solutions for residential and commercial customers through our EV subscription offer, public charging partnerships and EV charging and energy supply packages.

Low-carbon energy transition

The electricity sector has a critical role to play in decarbonising Australia's economy through the inevitable closure of ageing coal-fired power stations, delivery of a rebuilt power system based on renewables and firming, and through the electrification of other sectors.

Drivers

- Supply of renewable energy into Australia's electricity grids will increase over the short, medium and long-term and support Australia's transition to a low-carbon economy.

Potential financial impact

- AGL can capitalise on favourable conditions such as government climate targets and falling technology costs to accelerate its development pipeline and capture market share in renewable and firming capacity assets.
- Opportunities for new revenue streams from renewable generation, firming services, and grid support technologies as Australia's electricity system decarbonises.
- Investment in low-carbon infrastructure may enhance long-term asset value and improve portfolio resilience.

Value chain impacts: Upstream electricity

Strategic response

- AGL has an ambition to add 12 GW of new renewable and firming capacity by the end of 2035 with an interim target of 6 GW by FY30, and we will seek options to accelerate where possible. We have set a strategic target of having 2.1 GW of new renewable and firming capacity in development, contracted or in delivery from FY23 by FY27.

7.4 Metrics and targets

AGL is committed to transparently disclosing climate-related metrics and targets to provide stakeholders with information on our greenhouse gas emissions performance and progress. AGL uses several metrics to measure our emissions and climate-related impacts, and discloses this information publicly through this report, our ESG Data Centre**,** and numerous investor-led surveys and benchmark initiatives. AGL also reports emissions to the Clean Energy Regulator to meet the requirements of Australia's *National Greenhouse and Energy Reporting Act 2007* (NGER Act). Definitions of relevant terms can be found in the Glossary.

7.4.1 Metrics

Key climate-related metrics are discussed in the Environment scorecard and summarised in the table below. Additional breakdowns of emissions data as well as other climate-related metrics developed to measure progress against our climate-related targets can be found in the ESG Data Centre. Further information on the boundary, methodology, inputs and assumptions associated with calculating our Scope 1, 2 and 3 greenhouse gas emissions for AGL's material sources are outlined in section 7.5.1 and 7.5.4.

	FY25	FY24	FY25 assurance	Commitments
Scope 1 and 2 emissions[1]				
Scope 1 ($MtCO_2e$)	**30.4**[2]	32.9		CTAP target
Scope 2 (location-based) ($MtCO_2e$)	**0.25**[2]	0.26		CTAP target
Scope 2 (market-based) ($MtCO_2e$)	**0.25**[2]	0.25	Yes	N/A
Scope 1 and Scope 2 (location-based) ($MtCO_2e$)	**30.7**[2]	33.2	Yes	CTAP target
Reduction in annual Scope 1 and 2 emissions compared to FY19 baseline (%)	**29.1**[2]	23.3	Yes	CTAP target
Scope 3 emissions[1]				
Scope 3 - supply of electricity to customers ($MtCO_2e$)[3]	**6.9**	8.2	Yes[4]	CTAP ambition
Scope 3 - supply of natural gas to customers ($MtCO_2e$)[3]	**5.7**	6.1	Yes[4]	CTAP ambition
Scope 3 - end use of coal sold to Loy Yang B ($MtCO_2e$)[3]	**10.0**	10.2	Yes[4]	CTAP ambition
Scope 3 - other ($MtCO_2e$)	**0.6**	1.3		CTAP ambition
Scope 3 - Total ($MtCO_2e$)[5]	**23.2**	25.8		CTAP ambition
Reduction in Scope 3 emissions compared to FY19 baseline (%)[2,6]	**7.0**	Not reported		CTAP ambition
Emissions intensity				
Operated generation intensity (tCO_2e/MWh)[7]	**0.98**[2]	0.94		N/A
Operated and contracted generation intensity (tCO_2e/MWh)	**0.908**[2]	0.936	Yes	LTI plan target[8]
Emissions intensity of electricity supplied (tCO_2e/MWh)	**0.834**	0.841		LTI plan target[8]
Proportion of generation output and capacity from renewables				
Operated renewable and electricity storage capacity (%)[7]	**24.7**	24.7		N/A
Operated and contracted renewable generation and storage capacity (%)	**34.5**	32.8	Yes	LTI plan target[8]
Total grid-scale batteries operated, contracted or in delivery (MW)	**1,200**	1,000		CTAP & strategic target
New renewable and firming capacity (MW)	**1,178**	978	Yes	CTAP & strategic target
Revenue related metrics				
Emissions intensity of total revenue ($ktCO_2e/\$m$)	**2.1**	2.4	Yes	N/A
Green revenue as a % of total revenue (%)	**19.7**	19.3	Yes	LTI plan target[8]
Increase in green revenue from FY19 (%)	**98**	83		Strategic target
Customer decarbonisation				
Cumulative customer assets installed (behind the meter) (MW)	**147**	70		Strategic target
Decentralised assets under orchestration (MW)	**1,487**	1,249		Strategic target

1. Gross greenhouse gas emissions. The use of carbon offsets has not been accounted for.
2. Data for FY25 is calculated for material emissions sources, with estimates for non-material sources, and may be subject to revision.
3. Scope 3 emissions from electricity supplied to customers, as well as the portion of Scope 3 emissions from natural gas supplied to customers arising from upstream natural gas production, transportation and distribution, fall within GHG Protocol Category 3 (Fuel- and energy-related activities). Scope 3 emissions from the combustion of brown coal sold to Loy Yang B, as well as the portion of Scope 3 emissions from natural gas supplied to customers arising from the end use of natural gas by customers, fall within GHG Protocol Category 11 (Use of sold products).
4. Assurance was undertaken over the total of the three material categories of Scope 3 emissions (22.6 $MtCO_2e$).
5. Annual Scope 3 emissions are estimated, and the calculation methods continue to evolve each year to improve accuracy. Calculation method changes have been retrospectively applied. FY25 Scope 3 emissions are based on estimates for material emissions sources. The FY25 total includes an estimate for the 'other' category. 'Other' emissions for FY25 are not yet available and are reported 1 year in arrears.
6. Scope 3 FY19 baseline is 24.9 $MtCO_2e$, comprising material emissions totalling 24.3 $MtCO_2e$ (supply of electricity to customers (5.2 $MtCO_2e$), supply of natural gas to customers (9.4 $MtCO_2e$), end use of coal sold to Loy Yang B (9.7 $MtCO_2e$)), and other Scope 3 emissions (0.6 $MtCO_2e$).
7. In June 2024, AGL and Tilt Renewables agreed to terminate agreements pursuant to which AGL provided asset management and agency and dispatch services in respect of certain assets owned by Tilt Renewables, namely the Nyngan Solar Plant, Broken Hill Solar Plant, Coopers Gap Wind Farm and Silverton Wind Farm. AGL has not operate these facilities since June 2024 onward, but will continue to have offtake agreements to contract generation from these assets. This is to be noted when making year on year comparisons of AGL's performance.
8. Most recent target set under the FY23 LTI Plan offer in the FY22 Remuneration Report.

7.4.2 Targets

AGL has set a number of climate-related targets through our FY27 strategic targets and our CTAP, as summarised below, as well as through our Remuneration Report. Short, medium and long-term time horizons have been selected in alignment with AGL's budget planning cycles and expected coal closure period.

CTAP commitments are set as part of our CTAP cycle, which is aligned with our Strategic Planning cycle. The development of AGL's CTAP over FY25 was overseen by a CTAP Steering Committee, which comprised members of AGL's Board and Executive Team. The CTAP has been approved by the AGL Board. Our 2025 CTAP is in place for the FY26-FY28 period. AGL expects to release updated plans in 2028, alongside our FY28 full-year financial results. In the event of material changes to AGL's strategy or operating environment during this period, AGL may choose to publish updated plans in advance of this date.

Strategic targets are also set in line with our strategic planning cycles, and are reviewed annually. Definitions of relevant terms can be found in the Glossary.

Key → Short-term (1-4 years) ⇉ Medium-term (5-10 years) ⇶ Long-term (10+ years)

Metric	Commitment	Time horizon	Alignment with strategic objectives
FY26 Long-Term Incentive (LTI) plan[1]			
New renewable and firming capacity	FY29: 4.5 GW to ≥5.2 GW[2]	→	Transitioning our energy portfolio
Emissions intensity of electricity supplied	FY29: 0.814 tCO_2e/MWh to ≤0.799 tCO_2e/MWh	→	Transitioning our energy portfolio Connecting every customer to a sustainable future
2025 CTAP			
Closure of our coal-fired power stations	By the end of 2033: Bayswater Power Station	⇉	Transitioning our energy portfolio
	By end of FY35: Loy Yang A Power Station	⇶	Transitioning our energy portfolio
Reduction in annual Scope 1 and 2 emissions compared to FY19 baseline	FY24 - FY26: 17%[3]	→	Transitioning our energy portfolio
	FY27 - FY34: 19%[3]	⇉	Transitioning our energy portfolio
	FY35: 52%[3]	⇶	Transitioning our energy portfolio
	Following closure of our coal-fired power stations: ≥90%[3]	⇶	Transitioning our energy portfolio
	Following closure of our coal-fired power stations: Net zero	⇶	Transitioning our energy portfolio
Reduction in Scope 1, 2 and 3 emissions compared to FY19 baseline	2050: 90%[3] (ambition)	⇶	Transitioning our energy portfolio Connecting every customer to a sustainable future
	2050: Net zero (ambition)	⇶	Transitioning our energy portfolio Connecting every customer to a sustainable future
Reduction in Scope 3 emissions compared to FY19 baseline	Following closure of our coal-fired power stations: 60%[3] (ambition)	⇶	Transitioning our energy portfolio Connecting every customer to a sustainable future
New renewable and firming capacity	FY30: 6 GW[2]	⇉	Transitioning our energy portfolio
	By the end of 2035: 12 GW (ambition)[2,4]	⇶	Transitioning our energy portfolio
Total grid-scale batteries operated, contracted or in delivery	FY30: At least 3 GW	⇉	Transitioning our energy portfolio
Demand-side flexibility	FY27: 2.5 GW (ambition)	→	Connecting every customer to a sustainable future

Metric	Commitment	Time horizon	Alignment with strategic objectives
Relevant FY27 strategic targets			
Cumulative customer assets installed (behind the meter)	FY27: 300 MW		Connecting every customer to a sustainable future
Decentralised assets under orchestration	FY27: 1.6 GW		Connecting every customer to a sustainable future
New renewable and firming capacity	FY27: 2.1 GW[2]		Transitioning our energy portfolio
Total grid-scale batteries operated, contracted or in delivery	FY27: 1.5 GW		Transitioning our energy portfolio
Increase in green revenue from FY19	FY27: 85%		Transitioning our energy portfolio Connecting every customer to a sustainable future

1. There are other LTI targets which apply from previous financial years, with performance outcomes for FY25. See the Remuneration Report for further details.
2. From FY23 onwards.
3. On a gross emissions basis. The use of carbon offsets is not included toward this.
4. This also includes CER.

Emissions targets and use of carbon offsets

AGL's Scope 1 and 2 decarbonisation pathway as set out in its 2025 CTAP is focused on achieving direct reductions in its Scope 1 and 2 emissions, through the responsible closure of AGL's coal-fired power stations. To achieve AGL's net zero Scope 1 and 2 target, we plan to offset residual emissions (<10% of AGL's Scope 1 and 2 emissions in FY19), where necessary, subject to availability and viability. Carbon offsets will not be used toward AGL's interim gross Scope 1 and 2 reduction targets (i.e. the targets that apply before the closure of Loy Yang A Power Station).

In alignment with the mitigation hierarchy, AGL's Scope 3 decarbonisation approach is currently focused on delivering direct emissions reductions. As part of AGL's ambition to be net zero for Scope 1, 2 and 3 by 2050, we have set an ambition to directly reduce Scope 1, 2 and 3 emissions by 90% relative to FY19 levels by 2050. We recognise that high quality carbon offsets and other negative emissions technology solutions may be needed to meet a net zero by 2050 ambition for Australia's economy.

The general considerations for assessing the credibility of offsets that AGL uses to help meet its net zero targets and ambitions are outlined in AGL's Carbon Offsets Policy, including consideration of permanence, vintage, project types and verification. As stated in the policy, offset projects should aim to be independently verified through recognised national/international standards by an independent, appropriately qualified third party for alignment with these principles. Different types of carbon offsets, including nature-based removals and negative emissions technologies may be considered as part of AGL's portfolio of offsets for use towards achieving AGL's Scope 1 and 2 emissions reduction targets. The approach that AGL takes to evaluate carbon offset quality will evolve over time as necessary to adapt to updated regulations, policies, standards, consumer preferences, and industry practice as domestic and international carbon markets mature.

7.5 Appendices to the Climate-Related Disclosures

7.5.1 Key estimates, uncertainties and judgements

The preparation of AGL's FY25 climate-related disclosures required the use of estimates and judgements for specific forward-looking information, and where access to source data was not possible. In particular, emissions quantification is subject to inherent uncertainty because incomplete information has been used to determine emissions factors and the values needed to estimate emissions from different greenhouse gas emissions on an equivalent basis (in tCO_2e). Additionally, non-financial information may be subject to inherent limitations, given both its nature and the methods used for deriving this information.

The judgements, assumptions and estimates that AGL has made in preparing our climate-related disclosures that could impact how information in this section of the Annual Report is perceived are set out below.

Section	Estimate, judgement or assumption	Methodology	Potential impact
7.3	Materiality process	Judgements are made in the process of identifying material information to report on climate-related risks and opportunities, and setting a threshold(s) for materiality.	The boundary of climate-related risks and opportunities is reliant upon a reasonable and justifiable materiality threshold being selected, and an appropriate aggregation or disaggregation of risks and opportunities.
7.2.1 7.4	Calculation methods for operated generation intensity Calculation methods for operated and contracted generation intensity	Emissions data is measured in accordance with the NGER scheme from material sources, which make up approximately 99% of total Scope 1 and 2 emissions, with estimates for minor sources based on generation volumes and previous year's intensity. Generation volumes are measured as sent out volumes. AGL's operated boundary includes any grid-connected electricity generation asset (excluding behind the meter assets) which AGL has operational control of, as defined by the National Greenhouse and Energy Reporting Act 2007 (Cth). AGL's operated and contracted boundary includes any grid-connected electricity generation asset (excluding behind the meter assets) which AGL has operational control of, as defined by the National Greenhouse and Energy Reporting Act 2007 (Cth); or in respect of which AGL has virtual or physical offtake or nomination rights, in proportion to AGL's share of such rights.	The accuracy of generation intensity calculations is contingent upon the quality of data and accuracy of application of the operational boundary.
7.2.1 7.4	Calculation methods for Scope 3 emissions	Input estimations are used for in the calculation of Scope 3 emissions, including standard emissions factors.	The accuracy of emissions calculations is contingent upon the quality of data and the appropriateness of the estimates and assumptions used.
7.2.1 7.4	Greenhouse gas emissions measurement and reporting	Calculation of the Scope 1 and 2 emissions in the Group's inventory is disaggregated, with a combination of the 'top-down' and 'bottom-up' approaches (by sites and type of equipment when available), using mass balance and emissions factors for each type of input and activity, and for each of the states where AGL operates. The majority of the data is collected and analysed monthly, including the use of fuel logs, invoices and meter readings. Monthly generation, electricity and gas sales data and coal sales and quality data is used for the calculation of Scope 3 emissions arising from electricity supply, gas supply and brown coal supply.	AGL is committed to continuously improving the accuracy of these metrics. We are investing in improving data collection and reporting systems, engaging with sites to obtain more precise data, and participating in industry working groups to refine the methodologies for calculating value chain emissions.
7.3	Value chain estimation	The upstream and downstream value chain was considered using all reasonable and supportable information, to inform our assessment of AGL's material climate-related financial risks and opportunities.	The disclosure of outcomes of climate-related risks and opportunities is dependent upon reasonable and justifiable inputs.

7.5.2 Scenario modelling assumptions, results and limitations

As noted in Section 7.2.2, during FY25, AGL undertook scenario modelling of the Australian energy market to gain insights into potential transition pathways for the Australian energy system.

AGL engaged ACIL Allen (ACIL) to undertake market modelling of the NEM and the Western Australian Electricity Market (WEM). ACIL's market modelling utilises 'PowerMark', a simulation model which includes a program to dispatch and settle the electricity market in a similar way to how Australian electricity markets operate to ensure that demand is met in an optimum fashion. PowerMark introduces new investment when prices are sufficient to meet the hurdle rate of different new investment technologies, factoring in government incentives where required to meet assumed renewable energy policy, and retires capacity at set retirement dates or when prices are insufficient for the economic viability of the given generator.

The scenarios modelled were developed in partnership with ACIL and primarily utilise externally referenceable assumptions for credibility and robustness of approach. We have aligned to AEMO's 2024 Integrated System Plan (ISP) scenario modelling assumptions for key assumptions including underlying electricity demand, carbon budgets and capital costs. Additional disclosures on the modelling outcomes across the range of scenarios modelled, and implications for AGL, are presented in our 2025 CTAP.

Scenario modelling assumptions

Parameter	Low-warming scenario: 1.5° rapid transition[1]	High-warming scenario: Above 2° with build constraints[2]
Narrative	Rapid decarbonisation and transformation of the Australian energy system to align to 1.5 degrees pathway, with the development of a hydrogen export industry.	Renewable build rates have been constrained to historical levels, resulting in delay to Australia's renewable energy target delivery and an above 2 degrees-aligned emissions pathway. Australia still achieves net zero energy emissions by 2050.
Temperature outcome[3]	**1.5°** (RCP 1.9)	**~2.6°** (RCP 4.5)
NEM Carbon budget (2025 – 2052)[4,5]	AEMO 2024 ISP Green Energy Exports: 357 $MtCO_2$	AEMO 2024 ISP Progressive Change - 1203 $MtCO_2$
Net zero emissions by 2050	Yes	Yes
Carbon pricing mechanism	Yes	Yes
Electricity demand	**High** – aligned to AEMO 2024 ISP Green Energy exports, but modified to delay hydrogen demand 5 years.	**Medium** – aligned to AEMO 2024 ISP Step Change but demand from electrification is per Progressive Change.
AGL coal plant assumptions[6]	**Modelled outcome** – Bayswater Sep 2029, Loy Yang A Sep 2029	**Aligned to AGL targeted closure dates** – Bayswater Dec 2033, Loy Yang A June 2035
Renewable and firming build-out	Unconstrained	Moderate constraints
New entrant capital costs – NEM[7,8]	AEMO 2024 ISP Green Energy Exports	AEMO 2024 ISP Progressive Change
Fuel costs - NEM[8]	AEMO 2024 ISP Green Energy Exports	AEMO 2024 ISP Progressive Change
H_2 for power generation[9]	Available from 2030	Available from 2040
Timing of major transmission projects	EnergyConnect (Jul 2027) Heywood upgrade (Jul 2027) Humelink/VNI West (Apr 2029) QNI connect (Jul 2029) CopperString (Jul 2029) QNI medium upgrade (Jul 2030) Marinus Link 1 (Jul 2030) Marinus Link 2 (Jul 2032)	EnergyConnect (Jul 2027) Heywood upgrade (Jul 2030) Humelink/VNI West (Apr 2032) QNI connect (Jul 2032) CopperString (Jul 2029) QNI medium upgrade (Jul 2032) Marinus Link 1 (Jul 2033) Marinus Link 2 (not developed)
CER Uptake (Rooftop PV, BTM batteries)	**High** - AEMO 2024 ISP Green Energy Exports	**Low** - AEMO 2024 Progressive change rate, except for Solar PV uptake growth being aligned with 2024 Step Change for the period FY26-FY30 due to current trajectory.

1. Low-warming scenario corresponds to Scenario 1 disclosed in our 2025 CTAP scenario analysis.
2. High-warming scenario corresponds to Scenario 4 disclosed in our 2025 CTAP scenario analysis.
3. Temperature rise relative to pre-industrial levels, by 2100.
4. Carbon budgets are estimates of emissions levels over a period of time, which are expected to lead to a particular temperature range outcome, expressed within a likelihood range. These estimates are inherently uncertain and subject to revision over time.
5. NEM carbon budgets are based on reference ISP scenarios. WEM carbon budgets were estimated by ACIL, based on the corresponding NEM trajectory.
6. There is variability across scenarios in the outlook for the load profiles of coal-fired power stations, with flexible operations including a greater proportion of operations at minimum generation levels and some seasonal mothballing under scenarios 1-3.
7. Potential new entrant technologies included in the modelling: onshore wind, offshore wind, solar, BESS (2hr, 4hr and 8hr), pumped hydro (8hr), CCGT (natural gas and H_2) and aeroderivative/reciprocating turbine (natural gas and H_2).
8. New entrant capital costs and fuel costs for the WEM are per NEM assumption, with a cost premium for the WEM as defined by ACIL.
9. The model assumes green hydrogen is available as a viable fuel for power generation from the assumed date, and that GPG investments are able to switch to running on green hydrogen. In reality this would require substantial government support and grid-scale infrastructure upgrades. Hydrogen generation in the modelling may be viewed as a proxy for GPG that uses carbon offsets, or other low-carbon technologies.

Carbon budgets

For the high and low-warming scenarios, the carbon budget was achieved via iterative modelling of an implicit carbon price. While the implementation of a carbon price to Australia's electricity sector is not considered to be feasible, for the purposes of scenario analysis it provides a useful proxy for a variety of potential market mechanisms and policy drivers that could be put in place to drive decarbonisation outcomes. The assumed carbon budget for a given scenario is a key driver of modelled market outcomes.

The assumed carbon budget for the low-warming Scenario aligns to AEMO's 2024 ISP Green Energy Exports scenario, which aligns to representative concentration pathway RCP1.9; the ISP states "AEMO's Green Energy Exports scenario sees a global drive to limit temperature rise to 1.5°C by the end of the century, and is best aligned to RCP 1.9 which targets that 1.5°C outcome". For the carbon budgets for Australia as determined for use by the CSIRO in their 2022 multi sector modelling that underpins the 2024 AEMO ISP Green Energy Exports scenario, the uncertainty is presented as a 50% chance of limiting warming to 1.5 degrees above pre-industrial levels, with no temperature overshoot.

The assumed carbon budget for the high-warming Scenario aligns to AEMO's 2024 ISP Progressive Change scenario, which aligns to representative concentration pathway RCP4.5; the ISP states that this scenario is "aligned to RCP 4.5, which is consistent with a temperature rise of approximately 2.6°C by the end of the century".

Modelling results

The low-warming scenario illustrates a pathway for the NEM to achieve rapid, deep emissions reductions consistent with a 1.5 degrees temperature rise outcome, predicated on real-world build constraints being fully removed. This scenario would require an accelerated coal closure schedule, combined with the rapid development of replacement grid-scale renewables, storage and firming. Near-term wind generation capacity would need to be built at annual rates of up to three times what has been achieved in Australia historically.

Delivering this pathway would require real-world constraints to be overcome and a very significant uplift in the current rate of delivery of energy projects, requiring urgent government intervention which would lead to significant and immediate costs for customers and/or taxpayers. Under this scenario, all coal-fired power stations in the market would close by FY30. As a result, some of the projected closure dates in the next in the next few years would not meet AEMO's minimum notice of closure requirement. Across the market, participants would need to significantly fast-track portfolio transition activities, presenting capital, supply chain, workforce, community and environmental challenges, as well as broader energy security concerns for the economy.

The pace of decarbonisation of the NEM in the low-warming scenario would be extremely challenging to deliver in practice. The pursuit of a 1.5 degree-aligned pathway for the Australian economy could require greater acceleration of decarbonisation efforts in other sectors. As noted by Climateworks Centre, to stay within a 1.5 degrees carbon budget Australia would also potentially need to rely on an unprecedented level of carbon sinks and negative emissions technologies to offset emissions overshoot and hard-to-abate emissions. This would require a supportive policy framework, technological breakthroughs and a robust, transparent carbon market to ensure the integrity of offsets.

The high-warming scenario explores the potential impact if some of the current challenges facing renewable projects worsen or are not resolved. In this scenario the pace of energy infrastructure build-out is constrained to historical rates, resulting in a delay to the delivery of national 2030 renewable policy targets until the latter half of the 2030s, although net zero would still be achieved by 2050. All coal-fired power stations in the NEM would close by 2040. Under this scenario, timely delivery of new energy projects would potentially face challenges, mirroring current delays for renewable energy projects. An above 2 degrees temperature outcome could also result in increased exposure to physical climate hazards for electricity assets. See our 2025 CTAP for further details of modelling outcomes.

Modelling limitations

This disclosure considers a low-warming and high-warming scenario, which are not predictions or reflections of AGL's preferences or projections. Rather, they explore the possible implications of different interpretations and assumptions about the nature and pace of Australia's energy transition. Scenario modelling and associated analysis have inherent limitations. Assumptions may or may not be, or prove to be, correct; and may or may not eventuate, and scenarios may be impacted by factors beyond the assumptions made. Additionally, these scenarios do not cover all possible outcomes comprehensively. The scenarios present a range of possible outcomes to help form judgements about the uncertainty surrounding the energy transition in Australia. AGL considers a broad spectrum of other analyses and information when developing our long-term strategy.

7.5.3 AGL's scenario analysis of climate-related physical hazards

As noted in Section 7.3, in FY24 AGL engaged Aon, an external risk specialist, to undertake climate-related physical hazard modelling to assess potential hazards facing our assets under different warming scenarios. AGL has assessed that these scenarios, their assumptions and modelling are still valid in FY25. AGL has used these scenarios and their outcomes to inform our considerations of physical risks.

The modelling was conducted across each of our operational sites, our integrated energy hubs, assets with which we have Power Purchase Agreements and for selected future assets within our development pipeline. AGL has limited the disclosure of the analysis below to our operational electricity generation assets and integrated energy hubs as it best represents our material assets and potential material risks. Three scenarios aligned to three different temperature outcomes[1] were modelled, as summarised below.

Physical risk type	Hazard type	Modelling approach	Scenarios modelled for each hazard[1,2]
Acute hazards	Bushfire Flood Cyclone Hail Storm	The current exposure to acute hazards was analysed using a proprietary model, containing seven billion data cells and over 200 risk variables. For assessing future exposure to acute hazards, the model was extended by integrating climate science from the CSIRO, Bureau of Meteorology, and the Climate Measurement Standards Initiative. This model forecasts changes in hazard exposure at an asset level for various emissions pathways over intervals to 2090.	*Scenario A* - The expected change in climate under a ~1.8-degree scenario aligned with RCP2.6 / SSP1-2.6. *Scenario B* - The expected change in climate under a ~2.7-degree scenario aligned with RCP4.5 / SSP2-4.5. *Scenario C* - The expected change in climate under a ~4.4-degree scenario aligned with RCP8.5 / SSP5-8.5.
Chronic hazards	Drought Extreme heat Extreme rainfall	The analysis of current and future exposure to chronic physical hazards utilised a proprietary model incorporating data from the Coupled Model Intercomparison Project Phase 6 (CMIP6), which informed the IPCC Sixth Assessment Report. This model provides climate projections at 10-year intervals relative to the historical baseline period (1995-2014) extending to 2100.	

1. Relative Concentration Pathways (RCP), are concentration pathways for greenhouse gases and aerosols, demonstrating possible future emissions and radiative forces (i.e. Temperature intensity) scenarios for the world until 2100, as defined by the IPCC).
2. Shared Socioeconomic Pathways (SSP), describe how socioeconomic trends around the world may evolve over time, as defined by the IPCC (2017).

Modelling method

For modelling acute hazards, the analysis considered the declared value of each AGL asset to estimate the Average Annual Loss (AAL) loading for each hazard. When assessing future acute hazards, the model estimated the proportion of the declared value at risk over various scenarios, evaluating these risks at intervals up to the year 2090.

This financial assessment focused on the direct effects of potential climate hazards on each asset, without considering impacts to the income generated by the asset or the broader impacts of the hazard on supporting infrastructure and markets.

For chronic hazards, the model employs a percentile-based scoring system that ranges from 1 to 100. This scoring indicates the relative hazard level of each asset's location compared to global locations. For instance, a score of 70 signifies that the hazard level for that specific location is higher than 70% of all locations worldwide.

This analysis has enabled AGL to more accurately assess current physical hazards facing our assets and anticipate areas where exposure to hazards may increase under different climate scenarios in the future.

It is important to note that this analysis is centred on changes in exposure to physical hazards based on the asset's location. It does not consider the type of asset, its vulnerability to the hazards, or any mitigation actions that might be implemented. As such, the *impact* of the hazard has not been assessed. Additionally, the scenarios modelled are not predictions or forecasts but indicators of potential outcomes.

Modelling outcomes

The modelling of current acute hazards indicated that over 90% of AGL's generation asset portfolio exhibits moderate to lower levels of exposure across all acute hazards. This assessment underlines that AGL's current risk from acute physical hazards is limited and manageable.

Under the acute hazard modelling, floods and bushfires were identified as key concerns across AGL's generation assets, with flood exposure projected to rise by 23% and bushfire exposure also by 23% by 2090 under Scenario C. While hydro generation assets face increased flood exposure, this does not necessarily indicate escalated risk levels. AGL's geographically diverse asset fleet and plans for new locations help to mitigate simultaneous impacts and overall business risk.

For chronic hazards, extreme heat and drought were identified as primary risks. Current exposure to extreme heat was found to be significant, with possible performance implications for AGL's generation assets. Scenario C indicates an increase in the annual average number of extreme heat days from 10 to 50 by the century's end. Drought exposure under Scenario A was expected to peak at 1.9 consecutive months around 2045 and then decrease slightly towards the end of the century, while under Scenario C, exposure was projected to steadily increase to approximately 2.6 months.

1. Temperature outcomes are as outlined in the most recent report from the Intergovernmental Panel on Climate Change (IPCC): Assessment Report 6 (AR6)

Further controls and mitigation

AGL's management of climate-related physical risks is grounded in our commitment to being net zero for Scope 1 and 2 emissions following the closure of our coal-fired power stations. This commitment along with others outlined in our CTAP are intended to progress and support action on climate change to limit warming.

Through these measures AGL aims to contribute to the mitigation of climate-related physical hazards and the avoidance of a high-warming outcome as modelled in Scenario C. More specifically, AGL's physical hazards are controlled and managed through AGL's risk management process as outlined in Section 2.3.

AGL's asset portfolio is resilient to direct physical risks in part through its geographic distribution, which acts to dilute the impact of location-specific acute impacts. The generation fleet is also technologically diverse, which provides increased resilience to the impacts of specific physical effects, such as temperature increases on generation efficiency. In addition, water rights and supply security allow for certainty even in extensive drought conditions.

AGL currently has comprehensive mitigation strategies in place in relation to bushfires and water security, as detailed in our FY23 TCFD Report which is available on our website.

7.5.4 Measurement of greenhouse gas emissions

The table below outlines the boundary, methodology, inputs and assumptions associated with calculating our Scope 1, 2 and 3 greenhouse gas emissions for AGL's material sources, as set out in Section 7.4.1.

Scope 1 and 2 emissions are prepared in accordance with the *National Greenhouse and Energy Reporting Act 2007*. Immaterial Scope 1 sources have been calculated using Method 1 as stipulated for each emissions source in the *National Greenhouse and Energy Reporting (Measurement) Determination 2008* (the Determination).[1] Scope 3 emissions estimates use methodologies which are aligned with the GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Emissions category	Activity	Data sources	Data quality & uncertainty	Methodology	Emission factors & global warming potential sources
Scope 1					
Combustion of solid fuels	Combustion of bituminous coal for the purpose of generating electricity	Weightometer data Totaliser data Ultrasonic detector data Coal quality report Invoices	High quality Uncertainty calculated at ~2.5%	Emissions calculated in accordance with Division 2.2.3 of the Determination. Uncertainty assessed in accordance with Chapter 8 of the Determination.	Emission factors are taken from Schedule 1 of the Determination. Global warming potentials are taken from Division 2.2 of the *National Greenhouse and Energy Reporting Regulations 2008*.
	Combustion of brown coal for the purpose of generating electricity	Weightometer data Totaliser data Ultrasonic detector data Coal quality report	High quality Uncertainty calculated at ~1%		
Combustion of gaseous fuels[1]	Combustion of natural gas distributed in a pipeline for the purposes of generating electricity	Gas quality report Gas consumption report Delivery report Meter data Invoices	High quality Uncertainty calculated at between 0.5 and 10%	Emissions calculated in accordance with Division 2.2.3 of the Determination. Uncertainty assessed in accordance with Chapter 8 of the Determination.	Emission factors are taken from Schedule 1 of the Determination. Global warming potentials are taken from Division 2.2 of the *National Greenhouse and Energy Reporting Regulations 2008*.
Scope 2 (location-based)					
Purchased electricity	Purchase of electricity from main electricity grid	NEM settlements data Invoices	High quality Low uncertainty	Emissions calculated in accordance with Section 7.2 of the Determination. The accuracy of electrical metering is in accordance with Schedule 7.4 of the National Electricity Rules.	Emission factors are taken from Schedule 1 of the Determination.
Scope 2 (market-based)					
Purchased electricity	Purchase of electricity from main electricity grid	NEM settlements data Invoices REC surrenders	High quality Low uncertainty	Emissions calculated in accordance with Section 7.4 of the Determination. The accuracy of electrical metering is in accordance with Schedule 7.4 of the National Electricity Rules.	Residual mix factor from Part 6 of Schedule 1 of the Determination. RET Renewable Power Percentage for the applicable period as published by the Clean Energy Regulator.

1. With the exception of some industrial process emissions calculated using Method 3.

Emissions category	Activity	Data sources	Data quality & uncertainty	Methodology	Emission factors & global warming potential sources
Scope 3					
GHG Protocol Category 3: Fuel - and energy-related activities	Supply of electricity to customers	Annual electricity sales volumes by state Annual pool generation volumes by state Electricity loss factors by state Fuel quantities as reported for NGER	Based on actual sales data and standard emission factors	In accordance with GHG Protocol Technical Guidance for Calculating Scope 3 Emissions, a sum of the following categories: • Upstream emissions of purchased fuels; • Upstream emissions of purchased electricity; • Transmission and distribution losses; • Generation of purchased electricity that is sold to end users.	Department of Climate Change, Energy, the Environment and Water – National Greenhouse Accounts (NGA) Factors
	Supply of natural gas to customers	Annual gas sales volumes by state	Based on actual sales data and standard emission factors	In accordance with GHG Protocol Technical Guidance for Calculating Scope 3 Emissions, a sum of the following categories: • Upstream emissions of purchased fuels; • Transmission and distribution losses. Fugitive emissions from low-pressure distribution pipelines calculated in accordance with the Determination.	Department of Climate Change, Energy, the Environment and Water – National Greenhouse Accounts (NGA) Factors; Paris Agreement inventory
GHG Protocol Category 11: Use of sold products	End use of natural gas by customers	Annual gas sales volumes by state	Based on actual sales data and standard emission factors	In accordance with GHG Protocol Technical Guidance for Calculating Scope 3 Emissions.	Department of Climate Change, Energy, the Environment and Water – NGA Factors
	End use of coal sold to Loy Yang B	Coal volumes delivered Loy Yang A - Monthly CO_2 emissions factor	Based on actual sales data and assumed emission factors	In accordance with GHG Protocol Technical Guidance for Calculating Scope 3 Emissions.	Emission factors calculated in accordance with the Determination
Other categories	Other (business travel, waste, investments)	Business-related activity data associated with each of the relevant 15 GHG Protocol Scope 3 categories	Based on estimates and standard emission factors	In accordance with GHG Protocol Technical Guidance for Calculating Scope 3 Emissions. Other Scope 3 emissions are considered immaterial to AGL's overall emissions profile and are calculated 1 year in arrears.[2]	Climate Active emission factors

1. As calculated in FY24 for AGL's gas generation assets. Emissions from the combustion of gas are not quantitatively material to AGL's Scope 1 emissions, however are included as they are material to our stakeholders.
2. A portion of these emissions are accounted for via AGL's carbon neutral certification process.

7.5.5 AASB S2 disclosures index

As noted on page 64, AGL has used Australian Accounting Standards Board (AASB) S2 – *Climate-related financial disclosures* to inform and enhance our climate-related disclosures in our FY25 reporting in preparation for compliance with Australia's mandatory climate reporting regime in FY26. The following table outlines where our responses to AASB S2's disclosure requirements can be found within our reporting suite. Where requirements in AASB S2 are duplicated across sections or provided for guidance, these have not been included below.

AASB S2 core content	AASB S2 disclosure requirement	Where to find more information
Governance	**Governance**	
	6a (i)(ii)(iii)(v)	7.1 Governance approach, 7.1.1 Climate governance
	6(iv)	7.1 Governance approach, 7.3 Climate-related risks and opportunities, 7.2.4 Considering future costs of carbon
	6(b)	7.1 Governance approach, 7.1.1 Climate governance, 7.3 Climate-related risks and opportunities
Strategy	**Climate-related risks and opportunities**	
	10(a)-(d)	7.3 Climate-related risks and opportunities, 7.3.1 Transition risks, 7.3.2 Physical risks, 7.3.3 Opportunities
	Business model and value chain	
	13(a)(b)	7.3.1 Transition risks, 7.3.2 Physical risks, 7.3.3 Opportunities
	Strategy and decision-making	
	14(a)(i)(iv)(v)(b)(c)	7.2 Strategy, 7.2.1 AGL's Climate Transition Action Plan, 7.3 Climate-related risks and opportunities, 7.3.1 Transition risks, 7.3.2 Physical risks, 7.3.3 Opportunities, 7.2.3 Capital allocation to support the energy transition, 7.2.2 Scenario analysis of climate-related transitional effects on the electricity market, 7.5.2 Scenario modelling assumptions, results and limitations, 7.5.3 AGL's scenario analysis of climate-related physical hazards
	14(a)(ii)(iii)	7.2.1 AGL's Climate Transition Action Plan, 7.3 Climate-related risks and opportunities, 7.3.1 Transition risks, 7.3.2 Physical risks, 7.3.3 Opportunities
	Financial position, financial performance and cash flows[1]	
	15(a)(b) 16(a)-(d) 21(c)	7.3 Climate-related risks and opportunities, 7.3.1 Transition risks,7.3.2 Physical risks, 7.3.3 Opportunities, 7.2.3 Capital allocation to support the energy transition, 7.5.1 Key estimates, uncertainties and judgements
	Climate resilience and scenario analysis	
	22(a)(i)(ii)(iii)(b)(i)(ii)(iii)[2]	7.2.2 Scenario analysis of climate-related transitional effects on the electricity market, 7.5.1 Key estimates, uncertainties and judgements, 7.5.2 Scenario modelling assumptions, results and limitations, 7.5.3 AGL's scenario analysis of climate-related physical hazards
Risk management	**Risk management**	
	25(a)(ii)-(vi)	7.3 Climate-related risks and opportunities
Metrics and targets	**Climate-related metrics**	
	29(a)(i)-(vi)	7.2.1 AGL's Climate Transition Action Plan, 7.4.1 Metrics, 7.5.4 Measurement of greenhouse gas emissions
	29(b)(c)(d)	7.3 Climate-related risks and opportunities
	29(f)(i)(ii)	7.2.4 Considering future costs of carbon
	29(g)	7.1.1 Climate governance, 7.4.1 Metrics
	Climate-related targets	
	33(a)-(h), 34(a)-(d), 35	7.2.1 AGL's Climate Transition Action Plan, 7.4.2 Targets
	36(e)	7.4.2 Targets

1. For FY25 this is excluding quantitative, forward-looking financial disclosures on climate-related risks and opportunities, which form part of the requirements of AASB S2.
2. Includes additional requirements set out within the Corporations Act 2001, 296D (2A - 2B).

8. Governance Summary

AGL is committed to ensuring that its corporate governance framework, policies and practices are of a high standard. 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.

AGL's corporate governance arrangements are consistent with the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council. Set out below is a summary of selected aspects of AGL's corporate governance framework and a summary of key governance focus areas during FY25. The full Corporate Governance Statement is available at agl.com.au/CorporateGovernance.

8.1 Board skills

AGL seeks to maintain a Board of Directors with a broad range of skills, knowledge and experience necessary to provide effective oversight over management and guide the strategic direction of AGL. The Board uses a skills matrix to identify the key skills and experience the 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 13 August 2025 is set out in the table below.

In conducting the assessment, Directors 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 Director 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 eleven identified areas, the Board as a whole was rated either as having Significant Experience or Developed Understanding.

Further details about AGL's Board Skills Matrix are set out in AGL's 2025 Corporate Governance Statement available at agl.com.au/CorporateGovernance.

Board Skills Matrix

Skills, experience & knowledge	Key Competencies	Competency Level
Operations	• Industrial and large asset operations management • Operational efficiency and optimisation • Wholesale customer strategies • Project governance and management • Industries in transition	General **Developed** Significant
Customer Markets	• Experience with large customer base, including strategies to enhance customer experience and value proposition • Retail and C&I customer experience • Product innovation and multi-product packaging • Customer-led transformation initiatives • Responsive to new market entrants and disruption • Electrification opportunities	General **Developed** Significant
Stakeholder Management and Communications	• Effective Government relationships and experience in public policy • Championing NEM transition • Experience engaging with a broad range of stakeholders, including in local and regional communities, First Nations people and non-governmental organisations • Investor Relations	General **Developed** Significant

Governance Summary

For the year ended 30 June 2025

Skills, experience & knowledge	Key Competencies	Competency Level
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 • Transition and Transformation	General **Developed** Significant
People & Culture	• Large workforce management • Transitioning workforce • Highly unionised workforce • Remuneration policy • People management, including succession planning, development of new capabilities, performance measurement and oversight of organisational culture	General **Developed** Significant
Energy Markets	• Renewables and firming development • Fuel sourcing • Trading • Effective risk management • Decentralised energy and orchestration	General **Developed** Significant
Technology	• Technology and digital enablement • New and emerging technologies • Development of customer solutions • Cyber risk management • AI risks and opportunities	General **Developed** Significant
Financial/Capital Markets	• Funding and credit sourcing • Financial governance (audit and controls) • Accounting, financial reporting and capital management	General **Developed** Significant
ESG and Climate Change Risks and Opportunities	• ESG experience, including identification of risks and opportunities related to sustainability, decarbonisation and the energy transition • Rehabilitation and site transition experience, including responsible transition strategies • Climate change risk management and opportunities • Management of social risks and opportunities, including ethical sourcing, reputation management and corporate social responsibilities	General **Developed** Significant
Governance	• Effective risk management • Compliance management • ASX listed experience • Experience in highly regulated business	General **Developed** Significant
HSE	• Safety • Health and wellbeing • Effective environment risk management including management of emissions	General **Developed** Significant

8.2 Key areas of focus during FY25

Board Key Focus Areas | **Business Value Drivers**

- Overseeing the implementation of AGL's strategy, including:
  - ***Connecting every customer to a sustainable future*** - monitoring the progress of the retail transformation program, including completing the acquisition of a 20% interest in Kaluza and successful Phase 1 Salesforce implementation, and overseeing support provided to our customers to decarbonise the way they live, work and move including initiatives such as the Electrify Now platform and electric vehicle services to drive the uptake of electrification.
  - ***Transitioning our energy portfolio*** - growth of AGL's development pipeline through various investments, including approving a second Neoen battery agreement, the acquisition of Firm Power and Terrain Solar, the acquisition of two pumped hydro energy storage projects from Upper Hunter Hydro, the Final Investment Decision on the Tomago Battery Project, and the progression of AGL's Energy Hub strategy.
  - ***Embracing ESG*** - approving AGL's ESG decision making framework designed to consider ESG risks and opportunities during decision making processes and guiding the development of AGL's 2025 Climate Transition Action Plan (CTAP) - the CTAP review process involved detailed review of scenario modelling to gain insights into potential transition pathways for the Australian energy system and associated implications for AGL's business and strategy, and approving revised climate ambitions including increasing AGL's target from 5 GW to add 6 GW of new renewable and firming capacity by FY30.
  - ***Technology at the Core*** - monitoring progress on the implementation of AGL's technology strategy, including management of AGL's cybersecurity environment and posture and the use of AI and the associated risks and opportunities.
  - ***Future-fit people and culture*** - overseeing AGL's Diversity and Inclusion Strategy and various capability and talent initiatives in key areas required to deliver AGL's strategy.
  - ***Shareholder Value*** - reviewing AGL's capital allocation framework and considering ways to optimise the management of AGL's portfolio to deliver AGL's strategy and long-term shareholder value.
- Customer affordability measures, customer advocacy and other support afforded to customers experiencing vulnerability including the recent launch of AGL Community Power to support customers who cannot purchase solar and batteries or who may be locked out of the energy transition due to barriers related to home ownership.
- AGL's relationships with the local communities in which we operate, including AGL's approach to responsible transition as the energy transition progresses.
- Group performance (including financial performance, operational performance, customer performance and HSE performance).
- Various acquisitions and divestments including the acquisition of Firm Power and Terrain Solar, the acquisition of Everty to enhance electric vehicle charging and energy management solutions, the acquisition of Ampol's Australian retail electricity business, the acquisition of a virtual power plant in South Australia from Tesla, and the divestment of the Surat Gas Project.
- Rehabilitation plans for the Liddell and Torrens Island A power stations for their re-use as integrated energy hubs.
- Progress against AGL's sustainability targets, including in relation to the progressive reduction of greenhouse gas emissions and AGL's decarbonisation pathway.
- AGL's cyber and business resilience capabilities, including incident response plans and conducting a Board ransomware exercise.
- AGL's compliance with key legal requirements and regulations, including AGL's readiness for compliance with the new climate-related disclosure regime.
- The Federal Court proceedings brought by the Australian Energy Regulator against AGL, which remain subject to appeal.
- The effectiveness of a number of AGL Group policies and approved various amendments to those policies.
- AGL's safety and environmental performance and compliance programs, including the implementation of AGL's health and wellbeing programs.
- AGL's governance and risk management framework, risk appetite statement and ways to further strengthen governance, accountability and culture within AGL.

Board and Board Committee focus areas during FY25

The key areas of focus for the Board during FY25, in addition to standing agenda items, are set out on page 91 .

The Board has established four standing Committees as follows:

- Audit & Risk Management Committee;
- Nominations Committee;
- People & Performance Committee; and
- Safety & Sustainability Committee.

Each Committee's roles and responsibilities are set out in its Charter. A summary of the key focus areas for the Committees during FY25 is set out in the table below.

Board Committees

Audit & Risk Management Committee	Safety & Sustainability Committee
• Overseeing AGL’s financial reporting processes, including consideration of AGL’s half-year and full-year reports and readiness for updated legislation relating to climate-related financial disclosures. • 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. • Reviewing disclosures to be made by AGL in relation to climate change risks. • Overseeing the process for the tender of external audit services, including recommending to the Board the appointment of a new auditor. • Overseeing AGL’s funding and debt strategy. • Overseeing the management of AGL's trading and portfolio risks. • 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. • Overseeing AGL's business resilience and cyber resilience programs. • Overseeing AGL’s preparedness for peak period operations. • 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.	• Site visits to Loy Yang A Power Station and Loy Yang mine, Portland Aluminium Smelter, Macarthur Wind Farm, Liddell Power Station (including the battery and demolition sites), and Bayswater Power Station (including the Bayswater Ash Dam and Plashett Dam). • Overseeing planning activities for the proposed future use of the Liddell site. • Meeting with groups of employees across AGL's operations to discuss safety and other issues affecting AGL's people. • Oversight of AGL’s safety culture, systems, capability and risk, including overseeing initiatives to improve health, wellbeing, safety and environmental performance and participation in site critical control checks. • Meeting with community representatives at Loy Yang and Bayswater to discuss key issues and areas of focus for the communities in which AGL operates. • Meeting with investors to understand ESG priorities. • Oversight of AGL’s engagement with First Nations peoples and the implementation of AGL's Reconciliation Action Plan. • Deep dives on AGL's reputation and social licence priorities, US and Australian election implications and AGL's ESG focus areas. • Oversight of AGL's ESG Framework, ESG metrics and sustainability opportunities. • Overseeing the HSE Audit program. • Committee education, including meeting with the CEO of a major supplier to share safety learnings.
Nominations Committee	**People & Performance Committee**
• Board succession planning, having regard to the retirement of Patricia McKenzie and Kerry Schott, including recommendations for the election of Betsy Donaghey and re-election of John Pollaers and Mark Twidell as Non-Executive Directors at the 2025 AGM.	• Overseeing the preparation of AGL’s FY25 Remuneration Report. • Executive talent and succession planning. • Consideration of AGL’s Diversity & Inclusion Targets. • Consideration of changes to the FY26 remuneration framework. • Monitoring organisational culture, engagement and conduct.

Board of Directors

The Directors present their report together with the financial statements of AGL and its controlled entities for the year ended 30 June 2025. The section of our Annual Report titled 'Operating & Financial Review' comprises our operating and financial review (OFR) and forms part of this Directors' Report. The Governance Summary, Remuneration Report and Other Required Disclosures also form part of this Directors' Report.

The names of the persons who have been Directors, or appointed as Directors during the period since 1 July 2024 and up to the date of this Report are Miles George (Chair), Damien Nicks (Managing Director & CEO), Mark Bloom, Graham Cockroft, Christine Holman, John Pollaers, Kerry Schott, Vanessa Sullivan and Mark Twidell. Patricia McKenzie retired as a Director on 12 February 2025.

Details of the skills, qualifications, experience and responsibilities of AGL's Directors as at the date of this Report are set out below.

Miles George

Non-Executive Director since 19 September 2022 and Chair since 13 February 2025
Age 70. BE, MBA

Current Directorships: Nil

Former Directorships of listed companies over the past 3 years: Nil

Experience: Miles has more than 30 years' experience in the energy and infrastructure sectors, with a focus on development, investment and financing in the renewable energy industry in Australia and internationally. He has served as an adviser to the AEMC and AEMO on the energy transition, as Chairman of the Clean Energy Council, Director of Spark Infrastructure RE Limited, CEO of CleanCo Queensland and Managing Director of Infigen Energy.

Damien Nicks

Managing Director & Chief Executive Officer since 19 January 2023
Age 52. BCom (Honors), FCA, GAICD

Current Directorships: Chair of the Australian Energy Council, a peak industry body for electricity and downstream natural gas businesses and Director of Kaluza Ltd (AGL's nominee director).

Former Directorships of listed companies over the past 3 years: Nil

Experience: Damien was appointed as Managing Director & Chief Executive Officer on 19 January 2023. Since joining AGL in March 2013, Damien held several senior executive finance roles before joining the Executive Team as Chief Financial Officer in August 2018.

Damien has more than 29 years' experience across large multinational businesses including Linfox Logistics, Smorgon Steel and Deloitte.

Mark Bloom

Non-Executive Director since 1 July 2020
Age 67. BCom, BAcc, CA

Current Directorships: Director of Abacus Storage King (commenced 1 July 2021), EBOS Group Limited (commenced 16 September 2022), Metropolitan Memorial Parks and JewishCare NSW.

Former Directorships of listed companies over the past 3 years: Mark Bloom was a director of Abacus Property Group from 1 July 2021 to 3 August 2023 and a director of Pacific Smiles Group Limited from 18 October 2019 to 8 August 2024.

Experience: Mark has over 35 years' experience as a Finance Executive. Mark was CFO at ASX listed Scentre Group from its formation in July 2014 until his retirement in April 2019. Prior to the formation of Scentre Group, Mark was the Deputy Group CFO of Westfield Group for 11 years.

Mark's executive career includes acting as CFO and an executive Director at three listed entities in Real Estate (Westfield and Scentre Group – 16 years) and Insurance and diversified Financial Services (Liberty Life, South Africa and Manulife Financial, Toronto – 20 years). Mark has extensive experience in overseeing global and local finance and IT teams.

Graham Cockroft
Non-Executive Director since 1 January 2022
Age 62. MCom, Masters in Finance, CMInstD

Current Directorships: Director of Meridian Energy Limited and Tuatahi First Fibre Limited (and three related companies).

Former Directorships of listed companies over the past 3 years: Nil

Experience: Graham has over 30 years' experience in the international energy industry, with executive roles in the UK, South America, New Zealand and Asia. His experiences have been across the energy chain and under different political, economic and regulatory regimes. He has a strong financial background and extensive experience in strategy and business development.

During his executive career Graham has served as Group CFO at Sembcorp Industries, Singapore, CFO and COO at Contact Energy, New Zealand, and in various senior executive roles for close to two decades at BG Group, primarily in the UK and South America.

Christine Holman
Non-Executive Director since 15 November 2022
Age 55. MBA, PG Dip Mgt, GAICD

Current Directorships: Director of Collins Foods Limited (commenced 12 December 2019), Indara Pty Limited, the McGrath Foundation, the State Library of New South Wales Foundation and Football Australia.

Former Directorships of listed companies over the past 3 years: Christine was a director of Metcash Limited from 14 September 2020 to 13 September 2024 and CSR Limited from 25 October 2016 to 16 November 2022.

Experience: Christine is a professional non-executive director with more than 30 years' experience across media, property, industrial, infrastructure, and technology sectors. She was formerly Chief Financial Officer and Commercial Director at Telstra Broadcast Services. Christine was previously at Capital Investment Group. More recently, Christine has served as a Non-Executive Director of Metcash Limited, CSR Limited, Blackmores Limited, Wisetech Global Limited, HT&E Limited (previously APN News & Media), Vocus Group Limited and National Intermodal Corporation. Christine was also previously a Director of the Bradman Foundation and T20 World Cup Cricket 2020, and is a former member of the Australian Institute of Company Directors' Corporate Governance Committee. Christine is a member of ASIC's expert panel to conduct its Inquiry into the Australian Securities Exchange (ASX) group.

Professor John Pollaers OAM
Non-Executive Director since 15 November 2022
Age 63. BElecEng, BCompSc, MBA

Current Directorships: Chair of the Australian Financial Complaints Authority and Brown Family Wine Group, Director of Amotiv Limited (commenced 23 June 2021) and Chancellor of Swinburne University of Technology.

Former Directorships of listed companies over the past 3 years: Nil

Experience: John has 30 years of commercial and operational leadership experience that includes serving as the CEO of Pacific Brands, the CEO of Fosters Group, the Managing Director of Carlton United Brewers and President Asia Pacific at Diageo. His Diageo career spanned 20 years in various General Management, Finance, M&A, and Operations roles across the UK, Asia-Pacific, and Group Executive Committee.

John has extensive experience across a range of sectors including consumer goods, aged care, advanced manufacturing and higher education. He previously served as a Non-Executive Director of pladis Global Advisory Board, Chair of the Australian Industry & Skills Committee, Chair of the Aged Care Workforce Strategy Taskforce and Chair of the Australian Advanced Manufacturing Council.

Board of Directors

For the year ended 30 June 2025

Doctor Kerry Schott AO

Non-Executive Director since 15 November 2022

Age 80. BA (Hons), MA (UBC), DPhil (Oxon)

Current Directorships: Chair of the Carbon Market Institute, Chair of the NSW Government's Freight Policy Independent Advisory Panel and Chair of the Commonwealth Treasury Competition Policy Review Panel.

Former Directorships of listed companies over the past 3 years: Nil

Experience: Kerry has recently been Chair of the Energy Security Board advising on the redesign of the energy market to enable increased renewable generation. She has been an investment banker for 14 years in senior roles at Deutsche Bank and Bankers Trust specialising in privatisations and infrastructure. She was CEO of Sydney Water, a member of Infrastructure Australia, Chair of Moorebank Intermodal, Director of NBN, and more recently Chair of the NSW Net Zero Emissions Board and member of the Aware Super Direct Asset Committee. Kerry is currently a member of the NSW Government's Sydney Trains Review Panel and an advisor to the Tasmanian Cabinet assisting with its consideration of its final investment decision on Marinus Link. She has honorary doctorates from the University of Sydney, University of Western Sydney and University of New England.

Vanessa (Fernandes) Sullivan

Non-Executive Director since 1 March 2022

Age 56. BEc (Hons), GradDip (AppFin), GAICD

Current Directorships: Chair of Centacare's Advisory Board (a Not For Profit disability and family services provider), Director of Port of Townsville, Future Energy Exports CRC Ltd, and a Non-Executive member of the Commonwealth Scientific and Industrial Research Organisation Board. Vanessa is also a member of a Griffith University Business School Advisory Board.

Former Directorships of listed companies over the past 3 years: Nil

Experience: Vanessa has strong commercial, financial, project development and strategy experience gained over 20 years, working across the energy, water and sustainability sectors and more recently in hydrogen industry development. This includes as a Climate Change Leader and Utilities Leader at EY and undertaking significant energy market reforms across the supply chain whilst at Queensland Treasury Corporation. Vanessa has previously held non-executive director roles with Eco Markets Australia, the Smart Energy Council, Essential Energy, Sunwater and Niche Environment and Heritage. Vanessa was also previously an independent member of the Ministerial Energy Council Hydrogen Development sub committee.

Mark Twidell

Non-Executive Director since 15 November 2022

Age 57. BSc Hons (Elec and Electronic Engineering), MBA, GAICD

Current Directorships: Mark is a member of the Australian Renewable Energy Agency (ARENA) Advisory Panel and an Advisory Board member for TAGEnergy and the UNSW Energy Institute.

Former Directorships of listed companies over the past 3 years: Nil

Experience: Mark is a former energy executive with over 35 years' experience in building new markets, programs, and teams globally in the solar and storage sectors. Mark has served as Director – Energy Programs at Tesla, responsible for leading Tesla's Energy business in Asia-Pacific, and during 2019-21 the Americas and Europe, Middle East and Africa. He also has experience helping companies and governments with energy transition, having previously served on the boards of ARENA and the Commonwealth Government Solar Flagships Council, and as Deputy Chair of the Clean Energy Council. Mark is an advisor to Drive Powerline Inc and an Industry Professor of Practice at UNSW.

Board of Directors
For the year ended 30 June 2025

Composition of Board Committees as at 30 June 2025

Director	Status	Audit & Risk Management Committee	People & Performance Committee	Safety & Sustainability Committee	Nominations Committee
Miles George	Independent				Chair
Damien Nicks	Managing Director & CEO				
Mark Bloom	Independent	Chair		✔	✔
Graham Cockroft	Independent	✔	Chair		✔
Christine Holman	Independent	✔	✔		✔
John Pollaers	Independent	✔	✔		✔
Kerry Schott	Independent	✔		✔	✔
Vanessa Sullivan	Independent		✔	Chair	✔
Mark Twidell	Independent		✔	✔	✔

Directors' Interests

The relevant interest of each Director in the share capital of AGL or any of its related bodies corporate, as notified by the Directors to the ASX in accordance with Section 205G of the Corporations Act, at the date of this Report is as follows:

AGL Energy Limited Ordinary Shares	
Miles George	50,000
Mark Bloom	22,000
Damien Nicks	184,979
Graham Cockroft	35,000
Christine Holman	28,000
John Pollaers	37,340
Kerry Schott	26,500
Vanessa Sullivan	27,265
Mark Twidell	25,212

Damien Nicks also holds performance rights allocated as LTI awards under AGL's Long-Term Incentive Plan, which are detailed on page 121 of the Remuneration Report.

No options have been granted over any securities or interests of AGL or the consolidated entity.

Company Secretary

During FY25, Melinda Hunter held the position of General Counsel and Company Secretary, having been appointed Company Secretary on 23 May 2017 and General Counsel on 1 July 2022. Melinda's qualifications are a Bachelor of Commerce and a Bachelor of Laws from Macquarie University. Melinda is admitted as a Solicitor of the Supreme Court of New South Wales and has been practising corporate law for over 20 years.

Board of Directors
For the year ended 30 June 2025

Dividends

The Directors have declared a final dividend of 25.0 cents per share, compared with 35.0 cents per share for the prior final dividend. The annual dividend for the year ended 30 June 2025 was 48.0 cents per share compared with 61.0 cents per share for the prior year. The final dividend will be 100% franked and will be paid on 25 September 2025. The record date to determine shareholders' entitlements to the final dividend is 27 August 2025. Shares will commence trading ex-dividend on 26 August 2025.

The following dividends have been paid or declared by the Directors since 30 June 2024:

Dividend	Franking	Date paid	Amount
Final dividend of 35.0 cents per share	100% unfranked	24 September 2024	$235 million
Interim dividend of 23.0 cents per share	100% franked	27 March 2025	$155 million
Final dividend of 25.0 cents per share	100% franked	25 September 2025	$168 million

AGL targets a payout ratio of 50 to 75 percent of Underlying Profit after tax. Before declaring each dividend the Directors satisfied themselves that:

- AGL's assets exceeded its liabilities immediately before declaring the dividend and the excess was sufficient for the payment of the dividend;
- the payment of the dividend was fair and reasonable to AGL's shareholders as a whole; and
- the payment of the dividend would not materially prejudice AGL's ability to pay its creditors.

The Dividend Reinvestment Plan (DRP) has been suspended indefinitely.

Directors' Meetings

The number of Directors' meetings (including meetings of Board Committees) and number of meetings attended by each of the Directors of AGL during the financial year ended 30 June 2025 were:

	Regular Board		Special Board		Audit & Risk Management Committee		People & Performance Committee		Safety & Sustainability Committee		Nominations Committee	
Directors' Name	A	B	A	B	A	B	A	B	A	B	A	B
Miles George[1]	9	9	2	2	3	3			2	2	7	7
Patricia McKenzie[2]	5	6	0	1							1	2
Damien Nicks	9	9	2	2								
Mark Bloom	9	9	2	2	5	5			4	4	7	7
Graham Cockroft	9	9	2	2	5	5	6	6			7	7
Christine Holman	9	9	2	2	5	5	6	6			7	7
John Pollaers	9	9	2	2	5	5	6	6			7	7
Kerry Schott	9	9	2	2	5	5			4	4	5	7
Vanessa Sullivan	9	9	2	2			6	6	4	4	7	7
Mark Twidell	9	9	2	2			6	6	4	4	7	7

A – number of meetings attended as a member
B – number of meetings held during the time the Director held office during the year (and was a member of the relevant Committee or otherwise was eligible to attend)

1 – Chair from 13 February 2025. Member of the Audit & Risk Management Committee and Safety & Sustainability Committee until 12 February 2025.
2 – Chair until 12 February 2025. Retired as a Director on 12 February 2025.

During the year, in aggregate, there were 28 occasions when Non-Executive Directors also attended meetings of Committees of which they were not members.

Directors also participated in informal meetings and video conferences. AGL makes use of email between meetings to keep Directors informed of current developments; to provide relevant background and industry information; to settle routine matters and allow formal Board meetings to concentrate on more strategic matters. Periodically, Directors meet informally outside AGL to discuss matters of interest and travel to visit assets, operations or locations of particular relevance to AGL.

Executive Team

For the year ended 30 June 2025

Damien Nicks

Managing Director & Chief Executive Officer

See page 93 for Damien's bio.

Markus Brokhof

Chief Operating Officer

Markus joined AGL in April 2020 as Chief Operating Officer.

Prior to joining AGL, Markus was the Head of Digital and Commerce, and an Executive Board Member at ALPIQ Group in Switzerland, a leading Swiss electricity producer. In this capacity, Markus was responsible for the trading and origination activities in more than 30 countries as well for the retail and digital business of the Group.

With 30 years' experience in the oil, power and gas sectors gained across operations in Europe, Africa and the Middle East, Markus brings a wealth of experience in mining, asset management and trading. Markus holds a Masters of Engineering from Technical University of Clausthal, Germany.

Gary Brown

Chief Financial Officer

Gary joined AGL in January 2022. He successfully led a review of the company's strategic direction before being appointed as Chief Financial Officer in October 2022.

Gary has more than 24 years' experience across multinational energy businesses including BHP, Shell and Engie, where he was Chief Financial Officer.

Gary is a Director on the Board of Tilt Renewables, a landmark financing initiative created by AGL to unlock investment in large-scale renewable energy. Gary holds a Bachelor of Commerce from Monash University and a Masters of Business Administration, is a member of the Chartered Accountants Australia and New Zealand, and is a graduate of the Australian Institute of Company Directors.

Jo Egan

Chief Customer Officer

Jo joined AGL in 2008 and has held several senior executive roles within Customer Markets. She played a pivotal role leading AGL's Multi-Retailer Growth Strategy, before being appointed as Chief Customer Officer in June 2022.

Jo has over 26 years' experience across consumer services-based organisations, specialising in product development, marketing and channel strategy. Prior to joining AGL, she led Product & Sales at TRUenergy and served as the General Manager of Operations at PCI.

Jo sits on the ActewAGL Joint Venture Partnerships Board, holds a Masters of Business Administration and Management from Deakin University, is a Graduate of the Australian Institute of Company Directors and a member of Chief Executive Women.

Suzanne Falvi

Executive General Manager, Corporate Affairs

Suzanne joined AGL in May 2023 as Executive General Manager, Corporate Affairs.

Over the past 14 years Suzanne has worked extensively on a broad range of regulatory, governance and policy issues and leading reforms across energy and climate change frameworks. Formerly a dispute resolution lawyer, she has held numerous senior leadership roles at the Energy Security Board and the Australian Energy Market Commission and has deep experience in strategic stakeholder engagement and communications, strategy and economic analysis.

Suzanne holds a Bachelor of Economics, a Bachelor of Law (Honours) and a Master of Laws (International Law) from the Australian National University.

Executive Team
For the year ended 30 June 2025

Andrew Haddad
Chief Information Officer

Andrew joined AGL in September 2023 as Chief Information Officer.

Andrew has more than 23 years' experience in the Telecommunications industry working across infrastructure, IT and digital transformation programs. Most recently Andrew was Chief Information Officer at One NZ in New Zealand (formerly Vodafone NZ) where he led the separation from the Vodafone Group. He was recognised as NZ's CIO of the Year in 2021.

Prior to this, Andrew held a number of senior technology roles at nbn and has a strong background in digital transformation and agile methodologies.

Andrew holds a Bachelor of Engineering (Honours) in Computer Systems from RMIT University, Melbourne.

Melinda Hunter
General Counsel & Company Secretary

Melinda is an experienced corporate lawyer and governance professional with more than 20 years' experience. She was appointed General Counsel and Company Secretary of AGL in July 2022.

Melinda leads the legal, company secretariat, enterprise risk, compliance, internal audit and competition and regulation teams.

Melinda joined AGL in 2017. Prior to joining AGL, Melinda worked in top tier law firms specialising in mergers and acquisitions and corporate governance and advisory.

Melinda holds a Bachelor of Commerce and a Bachelor of Laws from Macquarie University and is admitted as a solicitor of the Supreme Court of New South Wales.

Amanda Lee
Chief People Officer

Amanda joined AGL in 2016 and was appointed Chief People Officer in August 2022.

Amanda has more than 25 years' HR experience across a range of geographies, complex industries and business operating models.

Prior to joining AGL, Amanda held senior leadership roles in ASX-50 companies, heading up executive remuneration while driving change and building high-performing teams.

Amanda holds a Bachelor of Psychology from the University of Western Australia, a Masters of Management from Macquarie University and is a member of Chief Executive Women.

Contents

9. Remuneration Report

Message from the Chair of the People & Performance Committee

Dear Shareholders,
On behalf of the Board, I am pleased to present the Remuneration Report for AGL Energy Limited (AGL) and its consolidated entities for the year ended 30 June 2025 (FY25).

During FY25, AGL continued its strong business performance and significant delivery of our long-term strategy to transition our energy portfolio and connect every customer to a sustainable future.

The AGL Board measured management's performance across FY25 through a variety of short-term and long-term performance metrics.

From a short-term perspective, AGL's FY25 group scorecard evaluated management's performance across four individually weighted measures comprised of financial, safety, customer and people metrics. Overall, the group scorecard outcome was 71.6% of the maximum opportunity for the MD & CEO and 74.6% for other executives, highlighting solid performance across most metrics. Each executive is also measured by reference to their individual performance based on strategic objectives set relevant to their area of responsibility.

From a long-term perspective, the AGL Board assessed management's performance against two key metrics – relative total shareholder return (TSR), to ensure alignment of outcomes with shareholder experience, and carbon transition metrics, to incentivise management to deliver AGL's climate and decarbonisation goals and to progress the energy transition. At the end of FY25, the FY22 LTI grant was tested and an overall vesting outcome of 64.6% was achieved.

No Board discretion was exercised during FY25. An outline of performance against FY25 performance metrics is set out below.

Remuneration Report
For the year ended 30 June 2025

FY25 key performance outcomes
In determining overall remuneration outcomes, Directors had particular regard to the following matters:

- alignment with shareholder experience;
- reward for strong performance in delivering AGL's strategy;
- significant improvements in safety results during FY25; and
- meaningful efforts to enhance the customer experience, as evidenced by performance exceeding FY25 targets for customer metrics.

FY25 remuneration outcomes for executives are summarised below.

Remuneration element	MD & CEO	Other executives
Short-term incentive (STI)	68.1% of maximum	69.5% to 84.9% of maximum
Long-term incentive (LTI)	64.6% vesting	64.6% vesting
Fixed remuneration	7.1% increase	2.1% to 11.8% increase

Short-term incentive (STI) outcomes

Underlying Net Profit after tax (NPAT)	Operating free cash flow	Total Injury Frequency Rate (TIFR)
$632m Mid-range FY25 guidance	$513m Mid-range FY25 target	2.0 -1.5 from FY24

Customer Satisfaction (CSAT)	Digital only customers	Employee engagement	Inclusion index
81.6% *New in FY25	59.0% +3.2ppt from FY24	73% +1ppt from FY24	75% *New in FY25

The group performance outcomes in the STI scorecard for the year are as follows:

- Underlying Net Profit after tax was $632 million, which has been adjusted to deduct AGL's Centrepay penalty and exclude unbudgeted costs associated with acquisitions and divestments throughout the year. This strong result, consistent with guidance provided in February, reflected the resilience and flexibility of AGL's generation portfolio despite a lower second half performance from thermal plants, increased Consumer customer compression, and increased depreciation reflecting the continued strategic investment in AGL's assets.
- Operating free cash flow was $513 million, which has been adjusted to include AGL's Centrepay penalty, and exclude unbudgeted costs associated with acquisitions and divestments and certain value adding working capital outflows for coal and large-scale generation certificates (LGCs). This reflected a decrease on FY24 due to the release of government bill relief to customers, higher tax payments and a decrease in Underlying EBITDA.
- A significantly improved Total Injury Frequency Rate (TIFR) of 2.0, down from 3.5 in FY24. Safety of our people is our number one priority, and the Board was pleased with the performance of management in driving safety improvements across the business in FY25.
- The Customer Satisfaction (CSAT) score measures customer satisfaction from interactions AGL customers have with our people, with a result of 81.6% for FY25. The proportion of digital only customers increased to 59.0% from 55.8% in FY24. The Board is cognisant of the cost-of-living pressures faced by our customers, and is pleased that these metrics improved amidst these challenges.
- Our employee engagement score increased by 1 percentage point to 73% in FY25. This is supplemented by our 75% inclusion index, a new measure introduced in FY25 recognising that a diverse and inclusive workforce is essential to address the complex challenges and opportunities faced by the energy transition.

Long-term incentive (LTI) outcomes

	Carbon transition metrics		
Relative total shareholder return (TSR)	Operated and contracted generation intensity	Operated and contracted renewable and electricity storage capacity	Green energy and carbon neutral products & services
59.09th percentile	0.908 tCO_2e/MWh	34.46%	19.7%

As noted above, the FY22 LTI grant resulted in an overall vesting outcome of 64.6%. The relative TSR hurdle was met, achieving performance at the 59.09th percentile against S&P/ASX100 companies, reflecting the ongoing improvements in AGL's share price after a number of years of nil vesting until FY24. The carbon transition metrics were partially achieved, with an increase in AGL's renewable fleet and in turn, the proportion of green revenue derived from renewable assets.

Other remuneration arrangements

With executives now having established tenure in their roles, their salaries were adjusted in FY25 to better reflect market benchmarks for comparable positions in S&P/ASX200 companies within a market capitalisation of 50% to 200% of AGL's twelve-month average market capitalisation. During FY25, a fixed remuneration increase of 7.1% was agreed for Mr Nicks, and increases of between 2.1% and 11.8% were applied for other executives. This was the first fixed remuneration increase for both Mr Nicks and Mr Brown since their permanent appointments as MD & CEO and CFO, respectively. All increases were effective 1 September 2024.

This year, following feedback from key shareholders and proxy advisors, we have included a 'take home pay' table in Section 9.3.4 to provide a simple way for stakeholders to view the annual remuneration received by executive key management personnel (KMP).

Non-Executive Director fees remained unchanged in FY25. The last fee change was in January 2020.

The year ahead

The Board, with support from the People & Performance Committee, reviews AGL's executive remuneration framework annually, taking into consideration shareholder and market feedback, while ensuring it continues to be fit-for-purpose and drives performance outcomes that deliver on AGL's strategy and long-term value for shareholders. The STI plan will remain unchanged in FY26. The individual objectives of executives are set annually, focused on the short-term strategic goals required to deliver AGL's strategy.

For the FY26 LTI plan, the Board has decided to include two carbon transition metrics, with the overall weighting remaining unchanged at 30%. The carbon transition metric related to operated and contracted renewable and electricity storage capacity in AGL's energy portfolio has increased to 20% as the Board believes it is important for management to continue to focus on delivery of the energy portfolio transition, which will ultimately drive AGL's decarbonisation strategy. The metric related to emissions intensity remains unchanged at 10%.

No further changes will be made to the executive remuneration framework for FY26.

Overall, the Board believes the remuneration outcomes of AGL's executive KMP, detailed in this report, reflect AGL's strong performance during FY25 and align with shareholder returns, while maintaining AGL's ability to attract and retain talented executive capability throughout the energy transition.

We are pleased to share our FY25 Remuneration Report with you and welcome your feedback on the remuneration practices and disclosures for AGL. We look forward to your support at our 2025 AGM.

Yours sincerely,

Graham Cockroft
Chair, People & Performance Committee

9.1 Key management personnel (KMP)

The FY25 Remuneration Report sets out the remuneration arrangements for AGL's KMP being the Non-Executive Directors, the Managing Director & CEO and other executives with operational and/or financial responsibility (together referred to in this report as 'executives').

For FY25, the KMP were:

Name	Position	Term as KMP
Non-Executive Directors		
Current		
Miles George	Chair	Full year[1]
Mark Bloom	Non-Executive Director	Full year
Graham Cockroft	Non-Executive Director	Full year
Christine Holman	Non-Executive Director	Full year
Professor John Pollaers OAM	Non-Executive Director	Full year
Kerry Schott AO	Non-Executive Director	Full year
Vanessa Sullivan	Non-Executive Director	Full year
Mark Twidell	Non-Executive Director	Full year
Former		
Patricia McKenzie	Chair	Until 12 February 2025
Executives		
Damien Nicks	Managing Director & CEO (MD & CEO)	Full year
Markus Brokhof	Chief Operating Officer (COO)	Full year
Jo Egan	Chief Customer Officer (CCO)	Full year
Gary Brown	Chief Financial Officer (CFO)	Full year

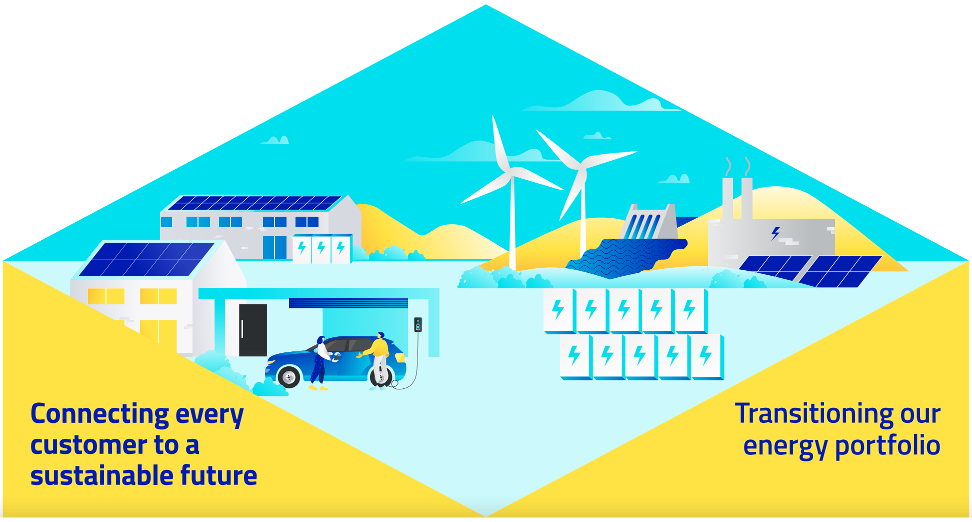
1. Appointed Chair from 13 February 2025.

9.2 Executive remuneration strategy and framework

Our purpose
Why we exist

Powering Australian Life

Our strategy
Key role in Australia's decarbonisation journey



Our remuneration strategy

Attract, drive performance and retain the right people to lead AGL through the energy transition, and to create a positive culture that delivers our business strategy and contributes to sustainable long-term returns for shareholders

Remuneration principles

Purpose and Strategy	Market competitive	Our values	Performance driven	Simple and transparent
Drive delivery of the strategy and the commitments in the CTAP to create long-term sustainable value for shareholders	Competitive remuneration to attract, drive performance and retain	Guide the behavioural expectations of executives	Reward outcomes are aligned to performance; and underpinned by AGL Business Value Drivers	Easily understood

Executive remuneration framework

	Fixed remuneration	Short-term incentive (STI)	Long-term incentive (LTI)
How does it link with strategy?	Competitive remuneration to attract, drive performance and retain executives with the right capability and experience to deliver against the strategic objectives.	Rewards executives for delivering financial returns and progressing AGL's strategy; with annual metrics aligned to AGL Business Value Drivers.	Rewards executives for long-term performance, delivering against the AGL strategy and CTAP; to encourage executive shareholding and deliver long-term value creation for shareholders and other stakeholders.
How is it determined?	Determined based on: • Market benchmarking • Skills and experience • Role complexity and responsibility • Individual performance	Annual performance period with scorecard of: • Financial metrics: 55% • Safety metrics: 10% • Customer metrics: 7.5% • People metrics: 7.5% • Individual strategic metrics: 20%	Four-year performance period: • Relative total shareholder return (TSR) measured against the S&P/ASX100: 70% • Carbon transition metrics: 30%
How is it delivered?	Base salary and superannuation.	Cash and Restricted Shares, with restrictions lifting after two years.	Performance Rights which vest after four years, subject to meeting the performance conditions.

Overview
Directors' Report
Financial Report
Other Information

Remuneration mix

The remuneration mix is structured to attract, drive performance and retain executives, with a significant portion of the remuneration package comprising variable, performance-based and at-risk reward. The FY25 remuneration mix at maximum for executives is summarised below.

MD & CEO

	Performance-based		
Fixed remuneration 28%	**Maximum STI 35%**		**Maximum LTI 37%**
	Cash 17.5%	Restricted Shares 17.5%	Performance Rights

Other executives

	Performance-based		
Fixed remuneration 35%	**Maximum STI 30%**		**Maximum LTI 35%**
	Cash 22.5%	Restricted Shares 7.5%	Performance Rights

Remuneration time horizons

	FY25	FY26	FY27	FY28
Fixed remuneration	Base salary and superannuation			
STI	Cash	Restricted Shares		
LTI	Performance Rights			

Business Value Driver glossary[1]

Customer	Connecting every customer to a sustainable future
Assets	Responsible management of and investment in the assets of today and tomorrow
People	Investing in and protecting AGL's people, delivering optimal outcomes by living the AGL values
Relationships	Supporting communities and maintaining strong partnerships
Environment	Minimising impact, preserving nature and ensuring resource efficiency
Business Intelligence	Unlocking growth through technology and insights
Financial	Driving financial value

1. Performance-based reward outcomes are shaped by Business Value Drivers. For more information on Business Value Drivers, refer to pages 27-42.

9.2.1 Fixed remuneration

Features	Approach
Overview	• Executives' fixed remuneration is initially set based on their skill and experience, with progressive increases as they gain experience in role and demonstrate performance. • Fixed remuneration is benchmarked against peer companies in the S&P/ASX200 Index within a market capitalisation of 50% to 200% of AGL's twelve-month average market capitalisation. It is reviewed annually based on market positioning and individual performance. • AGL ensures gender pay equity across employees, with no gender pay gaps in fixed remuneration for executives in equivalent roles, based on relative experience.

9.2.2 STI framework

<table>
<tr><th>Features</th><th>Approach</th></tr>
<tr><td>Purpose</td><td>• The STI plan rewards executives for delivering financial returns and progressing AGL's strategy. The key focus is to deliver against financial and non-financial strategic objectives so that operational goals are achieved. This recognises the importance of AGL generating a sustainable cash flow to support the energy portfolio transition, future growth and deliver on progress against AGL's strategy.
• Climate-related objectives relate to the build of the development pipeline which aligns to transitioning AGL's energy portfolio, and customer electrification objectives, which demonstrates AGL's commitment to its ambition of connecting every customer to a sustainable future.</td></tr>
<tr><td>Opportunity</td><td>• MD & CEO: target of 100% of fixed remuneration (maximum of 125% of fixed remuneration)
• Other executives: target of 70% of fixed remuneration (maximum of 84% of fixed remuneration)</td></tr>
<tr><td>Performance measures and weightings</td><td>• STI scorecards consist of group metrics aligned to the AGL Business Value Drivers and individual strategic objectives which drive towards long-term value creation for shareholders:
<table>
<tr><th>Measure</th><th>Weighting</th><th>Business Value Driver</th></tr>
<tr><td>Financial</td><td>55%</td><td>$</td></tr>
<tr><td>Safety</td><td>10%</td><td></td></tr>
<tr><td>Customer</td><td>7.5%</td><td></td></tr>
<tr><td>People</td><td>7.5%</td><td></td></tr>
<tr><td>Individual strategic objectives</td><td>20%</td><td>All</td></tr>
</table></td></tr>
<tr><td>Performance assessment</td><td>• Performance targets are set at "stretch" levels. The Board assesses STI outcomes based on the quality of results, the manner in which they were achieved and alignment with shareholder experience.
• The starting point for considering STI outcomes is Statutory Profit, which may be adjusted for non-cash fair value movements and non-recurring significant items to derive Underlying Profit after tax. This ensures that management are not unfairly advantaged or disadvantaged by items outside their control. Further, the Board considers whether adjustments are required to Underlying Profit and operating free cash flow to reflect overall performance in the year.
• Within the STI plan, the MD & CEO can increase or decrease an individual's overall STI outcome, based on factors such as cost discipline, leadership or broader contributions to group performance.
• For the MD & CEO, any such adjustment is determined by the Board and is applied only in exceptional cases where the formulaic outcome does not reflect the executive's overall performance and impact during the year.</td></tr>
<tr><td>Payment and deferral</td><td>• MD & CEO: 50% cash and 50% Restricted Shares.
• Other executives: 75% cash and 25% Restricted Shares.
• Restricted Shares are subject to a two-year deferral period. They carry voting rights and entitlements to dividends. The number of Restricted Shares allocated is based on a five-day volume-weighted average share price (VWAP) at the time of offer.</td></tr>
<tr><td>Cessation of employment</td><td>• Where an executive leaves prior to the STI payment date, including tendering their resignation or dismissal for cause, they are not eligible for any STI award. Any unvested Restricted Shares will be forfeited.
• Good leaver: where the Board determines that an executive is a "good leaver" they may be entitled to a pro-rated STI award in the year of their cessation. The grant of new Restricted Shares and treatment of unvested Restricted Shares is subject to Board discretion.</td></tr>
</table>

9.2.3 LTI framework

Features	Approach
Purpose	• The LTI plan rewards executives for delivering against the AGL strategy (including CTAP commitments) to create long-term value for shareholders and other stakeholders.
Opportunity	• **MD & CEO:** maximum of 130% of fixed remuneration • **Other executives:** maximum of 100% of fixed remuneration • The minimum potential outcome is zero
Instrument	• Performance Rights. Participants are not eligible for voting rights or entitled to receive dividends • The number of Performance Rights granted is based on a 30-day VWAP up to the commencement of the performance period
Performance period	• Four years from 1 July 2024 to 30 June 2028
Performance measures and weightings	• Performance metrics are selected to align with AGL's strategy of connecting every customer to a sustainable future and transitioning AGL's energy portfolio to drive shareholder value. • The LTI plan has included carbon transition metrics since the FY21 LTI grant. • The performance measures for the FY25 LTI are: - **Relative TSR (70%):** a comparative, external market performance benchmark against the companies in the S&P/ASX100 Index. Provides a direct link between executive reward and shareholder return. - **Carbon transition (30%):** provides the focus for executives to deliver against carbon transition objectives. The carbon transition metrics (equally weighted at 10% of the overall award) aim to enhance alignment with AGL's strategy including commitments in the CTAP. • Metrics are measured either over the performance period or based on performance at the end of the period. Performance is tested once at the end of the performance period to determine the vesting outcome.

Carbon transition measure	Description	Link to strategy
Emissions intensity of electricity supplied in FY28	Measured as the emissions (tCO_2e) associated with the maximum of AGL's electricity supply to the wholesale or retail market by state, as a proportion of that same volume (MWh).	Incentivises reducing the proportion of electricity to meet customer demand that is sourced from coal-fired generation, as well as the expansion of operated and contracted renewable and firming capacity, and increasing customer electrification.
New renewable and firming capacity from 1 July 2022 to 30 June 2028	Measured as new renewable and firming capacity in construction, delivered or contracted from 1 July 2022 to 30 June 2028.	Aligns to AGL's strategy to transition its energy portfolio. Delivery of new renewable and firming capacity is key to enabling AGL's responsible exit of coal-fired power stations in the targeted timeframes to meet the long-term Scope 1 and 2 net zero target.
Revenue uplift of green energy and carbon neutral products & services in FY28 from FY19 base	Increase in revenue from green energy and carbon neutral products and services from FY19 base. Green energy revenue represents: green revenue including state-based green schemes; Renewable Energy Target (RET) revenue from green charges passed through to customers; and other revenue from state-based charges passed through to customers.	Aligns to AGL's commitment to connect every customer to a sustainable future.

Features	Approach
FY25 performance targets	*Relative TSR*

AGL's relative TSR ranking against comparator group	Vesting of award (% of maximum)
Less than 50th percentile	0%
50th percentile to 75th percentile	Straight-line vesting between 50% and 100%
At or above 75th percentile	100%

Carbon transition

Emissions intensity of electricity supplied in FY28		New renewable and firming capacity from 1 July 2022 to 30 June 2028		Revenue uplift of green energy and carbon neutral products & services in FY28 from FY19 base	
	Vesting of award (% of maximum)		**Vesting of award (% of maximum)**		**Vesting of award (% of maximum)**
More than 0.838 tCO_2e/MWh	0%	Less than 3.1 GW	0%	Less than 90%	0%
0.838 to 0.825 tCO_2e/MWh	Straight-line vesting between 25% and 50%	3.1 GW to 3.5 GW	Straight-line vesting between 25% and 70%	90% to 96%	Straight-line vesting between 25% and 50%
0.825 to 0.819 tCO_2e/MWh	Straight-line vesting between 50% and 90%	3.5 GW to 3.7 GW	Straight-line vesting between 70% and 90%	96% to 106%	Straight-line vesting between 50% and 100%
0.819 to 0.812 tCO_2e/MWh	Straight-line vesting between 90% and 100%	3.7 GW to 4.0 GW	Straight-line vesting between 90% and 100%	More than 106%	100%
Less than 0.812 tCO_2e/MWh	100%	More than 4.0 GW	100%		

Features	Approach
Performance assessment	• **Relative TSR:** independent external assessment of TSR is undertaken, based on the 30-day average VWAP up to the end of the performance period. The Board considers the final evaluation of performance based on this assessment. • **Carbon transition:** internal calculations are undertaken and assured by external auditors as part of the Environmental, Social and Governance (ESG) key performance indicator assurance process for the Annual Report. Revenue from green energy and carbon neutral products and services is derived from the reported revenue. The Board determines the final outcome.
Cessation of employment	• Unvested Performance Rights lapse if an executive leaves prior to the end of the performance period. • **Good leaver:** where the Board determines that an executive is a "good leaver", they may be entitled to retain a pro-rated number of Performance Rights which remain subject to the plan rules until performance testing at the end of the performance period.

9.2.4 FY26 LTI terms

Relative TSR will continue to be the main measure of performance under the FY26 LTI plan.

In relation to the carbon transition measures, a targeted review has been conducted to ensure they continue to incentivise and drive behaviours and performance that are critical to achieving AGL's strategy, including commitments in the 2025 CTAP. Increasing the fleet of renewable assets in AGL's portfolio ultimately drives an uplift in green revenue over time and the review highlighted the current 'green revenue' metric has an increasingly high degree of complexity in terms of calculation methodology and transparency. Therefore, for the FY26 LTI plan, the 'new renewable and firming capacity' metric will increase to 20% weighting and the 'green revenue' metric will be removed. The 'emissions intensity of electricity supplied' metric will be maintained at 10%. The overall carbon transition weighting remains at 30%, demonstrating AGL's ongoing commitment to incentivising executives to deliver the company's decarbonisation strategy. The 'new renewable and firming capacity' measure is more transparent and less complex, therefore more effective in driving performance.

The performance measures for the FY26 LTI will be as follows:

- **Relative TSR:** 70% weighting
- **Carbon transition:** 30% weighting
  - **New renewable and firming capacity:** 20% weighting
  - **Emissions intensity of electricity supplied:** 10% weighting

Performance will be measured over a four-year period from 1 July 2025 to 30 June 2029, or with reference to the final year of the performance period (FY29). The vesting schedule for relative TSR will align with the FY25 LTI, and the vesting schedules for the carbon transition measures are outlined below:

Features	Approach			
FY26 carbon transition metrics	**New renewable and firming capacity from 1 July 2022 to 30 June 2029**		**Emissions intensity of electricity supplied in FY29**	
		Vesting of award (% of maximum)		**Vesting of award (% of maximum)**
	Less than 4.5 GW	0%	More than 0.814 tCO_2e/MWh	0%
	4.5 GW to 5.2 GW	Straight-line vesting between 50% and 100%	0.814 to 0.806 tCO_2e/MWh	Straight-line vesting between 25% and 50%
	More than 5.2 GW	100%	0.806 to 0.802 tCO_2e/MWh	Straight-line vesting between 50% and 90%
			0.802 to 0.799 tCO_2e/MWh	Straight-line vesting between 90% and 100%
			Less than 0.799 tCO_2e/MWh	100%

9.3 FY25 performance and executive remuneration outcomes

9.3.1 Fixed remuneration outcomes

Executive remuneration was reviewed with reference to market benchmarks in peer companies, and relevant incumbent experience, performance and criticality in delivering strategic objectives. With executives now having established tenure in their roles, their salaries were adjusted to better reflect market benchmarks for comparable positions in S&P/ASX200 companies within a market capitalisation of 50% to 200% of AGL's twelve-month average market capitalisation. A fixed remuneration increase of 7.1% was agreed for Mr Nicks, and increases of between 2.1% and 11.8% were applied for other executives. This was the first fixed remuneration increase for both Mr Nicks and Mr Brown since their permanent appointments as MD & CEO and CFO, respectively. All increases were effective 1 September 2024.

9.3.2 STI outcomes

Group performance objectives and FY25 outcomes

Climate transition objectives relate to the build of the development pipeline which aligns to AGL's energy portfolio transition strategy, and customer electrification objectives, demonstrating AGL's commitment to its ambition of connecting every customer to a sustainable future.

There is a strong link between executive remuneration outcomes and business performance. The FY25 STI scorecard results in STI outcomes of between 68.1% and 84.9% of maximum for executives. As outlined in Section 9.2.2, when considering the STI outcomes for executives, the Board takes into account the scorecard results, how those outcomes were achieved, and the experience of shareholders over the period. The Board determined that the outcomes appropriately reflect the company's performance and executives' contributions against the scorecard for the year and has elected not to exercise discretion to adjust the outcomes.

Table 9.3.2.1: STI scorecard - FY25 group performance outcomes

Performance measure and rationale	Target range and outcome relative to target: Threshold	Target	Stretch	Commentary
Financial (55%)				
Underlying NPAT Strong link between financial performance and rewards	$550m	**$680m**	>$780m	Underlying Net Profit after tax (NPAT) was $632 million, adjusted to deduct AGL's Centrepay penalty and exclude unbudgeted acquisitions and divestments. This result was achieved through the flexibility of AGL's generation portfolio despite a lower second half performance from thermal plants.
Operating free cash flow Generate cashflows to support the delivery of future growth objectives	$370m	**$560m**	>$670m	Operating free cash flow was $513 million, adjusted to include AGL's Centrepay penalty, and exclude unbudgeted costs associated with acquisitions and divestments and value adding working capital outflows for coal and LGCs. This reflected a decrease on FY24 due to the release of government bill relief to customers, higher tax payments and a decrease in Underlying EBITDA.
Safety (10%)				
TIFR Safety of our people remains key	>2.8	**2.0**	<1.8	Total Injury Frequency Rate (TIFR) was 2.0 per million hours worked (compared to 3.5 for FY24), reflecting a concentrated approach to drive significant improvement.
Customer (7.5%)				
CSAT Focus on customer satisfaction	79.6%	**80.2%**	>81.0%	Customer Satisfaction (CSAT) score was 81.6%. CSAT, introduced in FY25, and measures how satisfied customers are with their interaction with AGL (based on the proportion of customers rating their experience with AGL team members as five out of five).
Digital only customers Deliver customer value and cost to serve reduction	56.5%	**58.5%**	>60%	59.0% digital only customers, up from 55.8% in FY24. This result was driven by a coordinated program delivery across more than 15 initiatives in FY25.
People (7.5%)				
Employee engagement Measure employee sentiment	73%	**75%**	>77%	73% employee engagement score, up 1 percentage point from 72% in FY24. This result reflects a continued focus on AGL's performance, growth and culture, and employee confidence in AGL's strategic direction.
Inclusion index Leverage diversity and build an inclusive culture	76%	**78%**	>80%	75% inclusion index score. This measure is new in FY25 to supplement the AGL engagement score, recognising that a diverse and inclusive workforce is essential to address the complex challenges and opportunities faced by the energy transition.
Strategic (20%)				
Strategic objectives				See individual outcomes below.

Remuneration Report

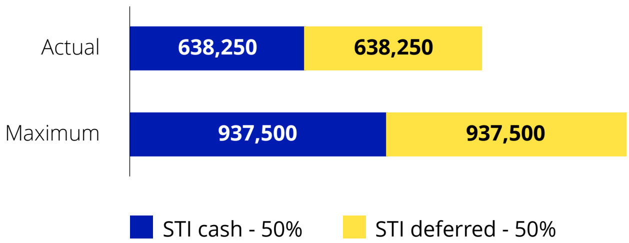
For the year ended 30 June 2025

FY25 individual strategic outcomes

Damien Nicks
Managing Director & CEO

Achieved 68.1% of maximum STI measured on:

Group objectives 80%	**Achieved 57.3%.** Refer Table 9.3.2.1 for details.
Individual strategic objectives 20% Business Value Drivers: 	**Achieved 10.8%.** **Outcomes:** • Development pipeline increased by +1.8 GW risk adjusted, driven by acquisitions such as Firm Power and Terrain Solar, and growth in development projects • Construction progressing for 500 MW battery at the former Liddell Power Station site • Expansion of battery energy storage system portfolio, with 200 MW Virtual Battery Agreement with Western Downs provided by NEOEN • Divested AGL's interest in the Surat gas assets • Continued Retail Transformation Program; completed 20% equity investment in Kaluza; successful phase 1 Salesforce implementation

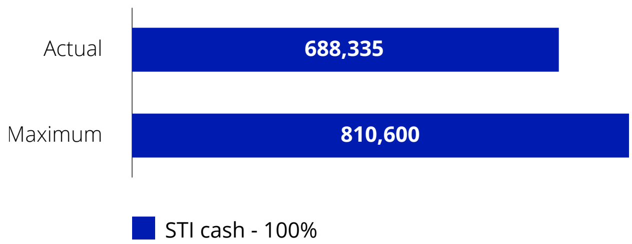


Markus Brokhof[1 2]
Chief Operating Officer

Achieved 84.9% of maximum STI measured on:

Group objectives 80%	**Achieved 59.7%.** Refer Table 9.3.2.1 for details.
Individual strategic objectives 20% Business Value Drivers: 	**Achieved 14.9%.** **Outcomes:** • Equivalent availability factor (EAF) of 79.1% and commercial availability factor (CAF) of 79.0%, both impacted due to outages at Bayswater and Loy Yang A • Development pipeline increased by +1.8 GW risk adjusted, driven by acquisitions such as Firm Power and Terrain Solar, and growth in development projects • Construction progressing for 500 MW battery at the former Liddell Power Station site • Expansion of battery energy storage system portfolio, with 200 MW Virtual Battery Agreement with Western Downs provided by NEOEN • Divested AGL's interest in the Surat gas assets

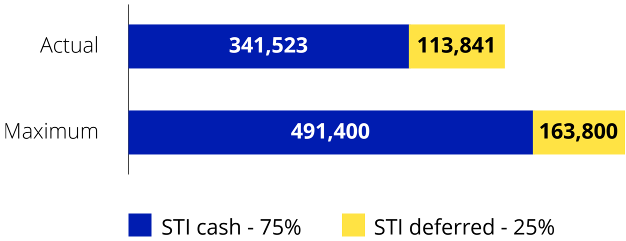
1. Outcome adjusted under the plan by the MD & CEO to uplift scorecard result from 74.5% of maximum to 84.9% of maximum in recognition of Mr Brokhof's strong leadership in developing and facilitating succession, delivering a smooth transition and achieving outcomes above his performance scorecard.
2. To be delivered as 100% cash due to cessation of employment on payment date at 15 September 2025.



Jo Egan
Chief Customer Officer

Achieved 69.5% of maximum STI measured on:

Group objectives 80%	**Achieved 59.7%.** Refer Table 9.3.2.1 for details.
Individual strategic objectives 20% Business Value Drivers:	**Achieved 9.8%.** **Outcomes:** • Increased decentralised assets under orchestration as part of AGL's virtual power plant • Cumulative assets installed across solar, battery, biogas and electric vehicle charging • Continued Retail Transformation Program; completed 20% equity investment in Kaluza; successful phase 1 Salesforce implementation • Strong integration and enhancement of Electrify Now platform • Scaled e-mobility offerings and infrastructure, including partnership with BP pulse



Gary Brown
Chief Financial Officer

Achieved 72.2% of maximum STI measured on:

Group objectives 80%	**Achieved 59.7%.** Refer Table 9.3.2.1 for details.
Individual strategic objectives 20% Business Value Drivers:	**Achieved 12.5%.** **Outcomes:** • Continued Retail Transformation Program; completed 20% equity investment in Kaluza; successful phase 1 Salesforce implementation • Development pipeline increased by +1.8 GW risk adjusted, driven by acquisitions such as Firm Power and Terrain Solar, and growth in development projects • Secured capital to fund AGL's transition strategy and development pipeline

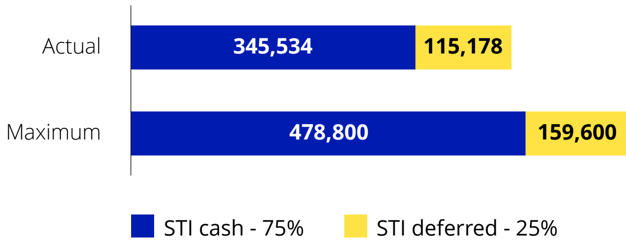


Table 9.3.2.2: Actual FY25 STI outcomes

Executive	Total STI award $	Cash $[1]	Restricted Shares $[2]	Total STI paid as a % of maximum opportunity	Total STI forfeited as a % of maximum opportunity
D Nicks	1,276,500	638,250	638,250	68.1%	31.9%
M Brokhof[3]	688,335	688,335	-	84.9%	15.1%
J Egan	455,364	341,523	113,841	69.5%	30.5%
G Brown	460,712	345,534	115,178	72.2%	27.8%

1. To be paid on 15 September 2025.
2. To be allocated once the full-year financial results have been disclosed to the market, generally in August/September 2025.
3. Due to Mr Brokhof's pending cessation of employment on 15 September 2025, being the payment date, his STI award will be delivered as 100% cash (no deferral component).

9.3.3 LTI outcomes

FY22 LTI grant - vested during FY25

In assessing outcomes under the LTI, the Board assessed the quality of the results and the manner in which they were achieved and ensured that outcomes were aligned with the experience of AGL's shareholders over the performance period.

The vesting outcome of the FY22 LTI grant offer (performance period of 1 July 2021 to 30 June 2025) is detailed below.

Metric	Vesting schedule	Outcome	Commentary
Relative TSR (75%)	Straight-line vesting between 50-100% for 50th to 75th percentile	59.09th percentile 68% vesting	AGL's relative TSR performance over the four-year performance period was at the 59.09th percentile, resulting in a 68% vesting outcome.
Carbon transition (25%)			
Operated and contracted generation intensity (measured as AGL's Scope 1 and 2 emissions (tCO_2e) as a proportion of total sent out generation (MWh))	Straight-line vesting between 50-100% for operated and contracted generation intensity at 30 June 2025 of 0.885 tCO_2e/MWh to 0.823 tCO_2e/MWh	0.908 tCO_2e/MWh 0% vesting	The operated and contracted generation intensity was 0.908 tCO_2e/MWh, resulting in a nil vesting outcome.
Operated and contracted renewable and electricity storage capacity (measured as the proportion of total owned, operated and contracted renewables and storage electricity capacity (MW) in AGL's total operated and contracted generation capacity and electricity storage capacity (MW))	Straight-line vesting between 50-100% for operated and contracted renewable and electricity storage capacity at 30 June 2025 between 29.4% and 36.9%	34.46% outcome 84% vesting	The operated and contracted renewable and electricity storage capacity was 34.46%, resulting in a 84% vesting outcome.
Percentage of total revenue derived from green energy and carbon neutral products and services	Straight-line vesting between 50-100% for green energy and carbon neutral products and services in FY25 between 16.5% and 22.1%	19.7% outcome 79% vesting	The percentage of total revenue derived from green energy and carbon neutral products and services was 19.7%, resulting in a 79% vesting outcome.
	The combined vesting outcome for the FY22 LTI grant is:	**64.6% vesting**	

Table 9.3.3.1: FY22 LTI vesting outcomes

Executive[1]	Grant date	Number of awards granted	Value at grant date $[2]	Vesting date	Number of awards forfeited[3]	Number of awards vested but not yet allocated	Value vested $[4]	Number of awards lapsed	% of awards lapsed	Value lapsed $[4]
D Nicks	29 October 2021	89,034	213,012	30 June 2025	-	57,515	559,621	31,519	35.4%	306,680
M Brokhof	29 October 2021	103,394	247,369	30 June 2025	-	66,792	649,886	36,602	35.4%	356,137
J Egan	29 October 2021	17,691	42,323	30 June 2025	-	11,428	111,194	6,263	35.4%	60,939

1. Includes executives who were KMP at the vesting date. The FY22 LTI grant to Mr Nicks was granted for his prior role as CFO; the FY22 LTI grant to Ms Egan was for a role prior to being appointed KMP; and Mr Brown was not employed by AGL at the time of the FY22 LTI offer.
2. Calculated based on fair values shown in Note 32 to the consolidated financial report.
3. Reflects the number of Performance Rights forfeited as a result of cessation of employment.
4. Calculated based on the closing share price as at the end of the performance period, being $9.73.

9.3.4 Total pay received

In line with general market practice, presented below is a voluntary disclosure of the actual take home pay realised in FY25. This differs from the statutory remuneration table presented in Section 9.5.1 which is subject to requirements under the Australian Accounting Standards and Corporations Act.

The following table includes:

- **Fixed remuneration:** cash salary and superannuation received in the year.
- **Cash STI earned in the year:** represents the cash STI award relating to current year performance, to be paid in September 2025.
- **Other short-term benefits:** relates to any cash payments paid in the year, including cash retention awards. No other short-term benefits were paid to executives in FY25.
- **STI deferred equity released in the year:** relates to STI Restricted Shares released in the year.
- **LTI equity:** based on performance testing of the FY22 LTI grant as at 30 June 2025, with resulting shares to be allocated in August 2025.
- **Other equity:** relates to any other equity grants released in the year. No other equity awards vested for executives in FY25.

Table 9.3.4.1: Actual remuneration received in FY25

Executive	Fixed remuneration $	Cash STI earned in the year $[1]	Other short-term benefits $	STI deferred equity released in the year $[2]	LTI equity $[3]	Other equity $	Total $
D Nicks	1,483,333	638,250	-	140,035	559,621	-	**2,821,239**
M Brokhof	939,403	688,335	-	162,622	649,886	-	**2,440,246**
J Egan	766,666	341,523	-	-	111,194	-	**1,219,383**
G Brown	746,666	345,534	-	-	-	-	**1,092,200**

1. Refer Table 9.3.2.2.
2. Refer Table 9.6.1.1. Calculated based on the closing share price on the release date, being $11.74.
3. Refer Table 9.3.3.1. Calculated based on the closing share price as at the end of the performance period, being $9.73.

9.3.5 Historical performance outcomes

The following table outlines AGL's historical financial performance, including corresponding STI and LTI performance outcomes.

Table 9.3.5.1: AGL five-year performance

	FY25	FY24	FY23	FY22	FY21
Statutory (Loss)/Profit attributable to AGL shareholders ($m)	(98)	711	(1,264)	860	(2,058)
Underlying Profit ($m)	640	812	281	225	537
Statutory (loss)/earnings per share (EPS) (cents)	(14.6)	105.7	(187.9)	131.6	(330.3)
Underlying EPS (cents)	95.1	120.7	41.8	34.4	86.2
Dividends (cents)	48.0	61.0	31.0	26.0	75.0
Closing share price at 30 June ($)	9.73	10.83	10.81	8.25	8.20
Return on equity (%)[1,2]	12.1	14.9	4.9	3.7	8.1
MD & CEO STI outcome (% of maximum)	68.1	83.8	73.8	42.9	0.0
LTI vesting outcome (%)	64.6	53.2	0.0	0.0	0.0

1. Used to calculate a portion of executives' LTI outcomes until FY24.
2. Includes share buy-backs.

9.4 Remuneration governance

9.4.1 Responsibility of the Board and People & Performance Committee

Board
The Board has overarching responsibility for the approval of executive and Non-Executive Director remuneration, frameworks, policies and remuneration outcomes, based on recommendations from the People & Performance Committee.

People & Performance Committee (the Committee)

What is the purpose of the Committee?	How does the Committee support the Board?	Who sits on the Committee?
• The purpose of the Committee is to support the Board in fulfilling its responsibilities through the recruitment, retention and remuneration of executives with the capabilities and skills necessary to execute AGL's strategy and deliver on the commitments in AGL's CTAP.	• The Committee reviews and makes recommendations to the Board on the remuneration arrangements for KMP. • The Committee provides support to the Board in relation to matters such as governing remuneration and employment policies, practices and programs. • The Committee oversees the preparation of AGL's Remuneration Report which is subsequently reviewed by the Board as part of the Annual Report.	• The Committee includes independent Non-Executive Directors of the Board, including members of the Audit & Risk Management Committee and the Safety & Sustainability Committee.

Management	External advisors
The Committee has access to management to seek advice on various remuneration-related matters, as required.	The Committee has access to external consultants to seek advice on various remuneration-related matters, as required. Any recommendations made by consultants in relation to remuneration arrangements of KMP are made directly to the Board without any influence from management. Arrangements are in place to ensure any advice is independent of management. During FY25, the Committee engaged EY to act as independent remuneration advisers. EY did not provide any remuneration recommendations as defined in the *Corporations Act 2001* to the Committee during FY25.

Further details

The complete Committee Charter is reviewed at least every two years and is available on AGL's website: **agl.com.au/BoardAndCommitteeCharters**. The Committee Charter was updated during FY25.

9.4.2 Management of risk and remuneration

The AGL remuneration framework is designed to ensure that executives focus on delivering against the strategic objectives, ensuring that company and shareholder outcomes are primary considerations in decision-making processes. The framework is structured to mitigate against any excessive risk-taking or short-term decisions by executives through the establishment of scorecard metrics that align with strategic objectives. The use of deferred equity in both the short and long-term incentive plans, and the clawback provisions within those equity plans also assists the company in managing risk and ensures sustainable performance in delivering its strategy including meeting CTAP commitments.

9.4.3 Incentive plan governance

AGL has the following governance framework in place for its incentive plans:

Clawback	• The Board has discretion to prescribe clawback events for any unvested equity awards which may be clawed back from executives.
Change of control	• The Board will determine at the time a change of control event occurs how to treat unvested equity in accordance with the plan rules, and ultimately has absolute discretion in determining this treatment, taking into consideration market practice.
Consequence Management Framework	• All executives must adhere to AGL's Code of Conduct. • In FY25, a Consequence Management Framework was introduced to formalise the existing discipline management approach, ensuring consistent consequences for any breaches of AGL's Code of Conduct or other policies.
Hedging Policy	• AGL has a policy in place that prevents executives from entering into any derivative or other financial product in relation to their equity plan(s) participation.
Discretion	• The Board, in conjunction with the People & Performance Committee, exercises discretion to ensure the quantum of executive remuneration is appropriate considering individual and company performance, for example by adjusting STI and LTI vesting outcomes. This discretion ensures that the quantum of executive remuneration is appropriate and aligned to shareholder experience. • Discretion guidelines provide a framework to assist the Board with identifying one-off/extraordinary circumstances (e.g. impairments) and whether those circumstances require an adjustment to incentive outcomes. The guidelines support consistency in application over time and does not limit the Board's overarching discretion under AGL's incentive plans.

9.4.4 KMP share ownership

To provide for shareholder alignment, AGL operates a Minimum Shareholding Policy, subject to compliance with AGL's Securities Dealing Policy. Shareholdings are reported in Table 9.6.2.1 for executives and Table 9.7.4.1 for Non-Executive Directors.

The Minimum Shareholding Policy stipulates the following requirements:

	Shareholding requirement	Period to satisfy requirement
Non-Executive Directors	100% of Board member base fee	Four years; 50% within two years of appointment; encouraged to hold 10% by the end of the financial year of appointment.
Executives		
MD & CEO	100% of fixed remuneration	Up to five years from their initial appointment date to an eligible role.
CFO	75% of fixed remuneration	
Other executives	50% of fixed remuneration	

9.5 Executive remuneration disclosure

9.5.1 Statutory remuneration

Table 9.5.1.1: Executive remuneration and benefits for FY25 (prepared in accordance with the statutory accounting requirements)

		Short-term benefits			
Executive	Year	Cash salary/ fees $[1]	Total cash incentive $[2]	Non-monetary benefits $[3]	Other short-term benefits $
Current					
D Nicks	**FY25**	**1,453,401**	**638,250**	**15,627**	**-**
	FY24	1,372,601	704,200	15,353	-
M Brokhof	**FY25**	**909,471**	**688,335**	**8,016**	**-**
	FY24	910,101	513,986	47,925	20,335
J Egan	**FY25**	**736,734**	**341,523**	**8,568**	**-**
	FY24	659,268	369,705	10,041	-
G Brown	**FY25**	**716,734**	**345,534**	**9,557**	**-**
	FY24	652,601	360,927	10,712	-
TOTAL	**FY25**	**3,816,340**	**2,013,642**	**41,768**	**-**
	FY24	3,594,571	1,948,818	84,031	20,335

1. Represents cash salary and fees including any salary-sacrificed items (such as additional superannuation contributions and charitable donations) and unpaid annual leave.
2. Represents cash payments under the STI achieved in the year (payable following the relevant financial year-end), excluding the Restricted Share portion (to be allocated following the relevant financial year-end). The Restricted Share portion is disclosed under the STI Restricted Shares column.
3. Includes benefits such as, but not limited to, the provision of car parking, insurance benefits and fringe benefits tax (FBT) on all benefits, where applicable. FBT included is in respect of the FBT year ended 31 March 2025.

	Post-employment benefits	Share-based payments					
	Superannuation/ pension $	STI Restricted Shares $[4]	LTI equity $[5]	Other equity $[6]	Total $	Performance-related %	Termination benefits $
	29,932	**638,250**	**705,388**	**-**	**3,480,848**	**56.9%**	**-**
	27,399	704,200	443,506	-	3,267,259	56.7%	-
	29,932	**-**	**436,098**	**-**	**2,071,852**	**54.3%**	**-**
	27,399	171,328	362,252	20,335	2,073,661	51.5%	-
	29,932	**113,841**	**325,093**	**-**	**1,555,691**	**50.2%**	**-**
	27,399	123,235	207,946	-	1,397,594	50.1%	-
	29,932	**115,178**	**285,850**	**-**	**1,502,785**	**49.7%**	**-**
	27,399	120,309	156,607	33,425	1,361,980	49.3%	-
	119,728	**867,269**	**1,752,429**	**-**	**8,611,176**		**-**
	109,596	1,119,072	1,170,311	53,760	8,100,494		-

4. Includes the value of all STI Restricted Shares in relation to the performance year to be allocated following the financial year-end.
5. Includes a proportion of the fair value of all outstanding LTI offers at the start of the year or offered during the year. Under Australian Accounting Standards, the fair value is determined as at the offer date and is apportioned on a straight-line basis across the expected vesting period after adjusting at each reporting date for an estimation of the number of shares that will ultimately vest.
6. Includes a proportion of the fair value of all Restricted Shares held at the start of the year, or which were granted during the year, generally for retention or sign-on purposes.

9.6 Additional executive disclosures

9.6.1 Equity granted as remuneration

The table below provides a summary of the number awards granted to executives, including Restricted Shares granted as part of STI or retention/sign-on awards, and Performance Rights granted under the LTI offers.

Table 9.6.1.1: Equity on foot for executives

Executive	Plan[1]	Allocation/ Grant date	Number of awards granted	Value at grant date $[2]	Vesting/ release date	Vested/ Released %	Value vested/ released $	Lapsed %	Forfeited %[3]
D Nicks	FY22 LTI	29 Oct 2021	89,034	213,012	30 Jun 2025	64.6%	559,621[4]	35.4%	-
	FY22 STI Restricted Shares	12 Sep 2022	11,928	84,140	12 Sep 2024	100.0%	140,035[5]		-
	FY23 LTI	8 Nov 2022	94,510	421,041	30 Jun 2026	-	-	-	-
	FY23 STI Restricted Shares	31 Aug 2023	26,737	299,286	31 Aug 2025	-	-	-	-
	FY24 LTI	24 Nov 2023	162,146	1,052,974	30 Jun 2027	-	-	-	-
	FY24 STI Restricted Shares	26 Aug 2024	59,984	704,188	26 Aug 2026	-	-	-	-
	FY25 LTI	17 Oct 2024	185,661	1,331,745	30 Jun 2028	-	-	-	-
M Brokhof	FY22 LTI	29 Oct 2021	103,394	247,369	30 Jun 2025	64.6%	649,886[4]	35.4%	-
	FY22 STI Restricted Shares	12 Sep 2022	13,852	97,712	12 Sep 2024	100.0%	162,622[5]	-	-
	FY23 LTI	8 Nov 2022	106,323	473,667	30 Jun 2026	-	-	-	-
	FY23 STI Restricted Shares	31 Aug 2023	12,170	136,227	31 Aug 2025	-	-	-	-
	FY24 LTI	24 Nov 2023	91,207	592,298	30 Jun 2027	-	-	-	-
	FY24 STI Restricted Shares	26 Aug 2024	14,594	171,328	26 Aug 2026	-	-	-	-
	FY25 LTI	17 Oct 2024	91,878	659,040	30 Jun 2028	-	-	-	-
J Egan	FY22 LTI	29 Oct 2021	17,691	42,323	30 Jun 2025	64.6%	111,194[4]	35.4%	-
	FY23 LTI	8 Nov 2022	73,245	326,306	30 Jun 2026	-	-	-	-
	FY23 STI Restricted Shares	31 Aug 2023	8,578	96,020	31 Aug 2025	-	-	-	-
	FY24 LTI	24 Nov 2023	67,561	438,740	30 Jun 2027	-	-	-	-
	FY24 STI Restricted Shares	26 Aug 2024	10,497	123,231	26 Aug 2026	-	-	-	-
	FY25 LTI	17 Oct 2024	74,264	532,695	30 Jun 2028	-	-	-	-
G Brown	FY23 LTI	8 Nov 2022	44,656	198,942	30 Jun 2026	-	-	-	-
	FY23 STI Restricted Shares	31 Aug 2023	6,380	71,416	31 Aug 2025	-	-	-	-
	FY24 LTI	24 Nov 2023	65,630	426,201	30 Jun 2027	-	-	-	-
	FY24 STI Restricted Shares	26 Aug 2024	10,248	120,307	26 Aug 2026	-	-	-	-
	FY25 LTI	17 Oct 2024	72,360	519,038	30 Jun 2028	-	-	-	-

1. AGL Energy Ltd is the disclosing entity that issued the equity instruments.
2. Calculated based on fair values shown in Note 32 to the consolidated financial report. For FY25 LTI plan, the fair values are $6.24 for relative TSR and $9.35 for carbon transition metrics. The minimum value of the grant is zero.
3. Generally reflects the number of Performance Rights forfeited as a result of cessation of employment.
4. Calculated based on the closing share price as at the end of the performance period, being $9.73.
5. Calculated based on the closing share price on the release date, being $11.74.

9.6.2 Movement in AGL shares

The movement during the financial year in the number of AGL shares, including Restricted Shares, held by each executive, including their related parties, is shown below. Restricted Shares generally relate to the STI deferral, or for attraction/retention purposes in certain circumstances. As at 30 June 2025, all executives are compliant with the Minimum Shareholding Policy.

Table 9.6.2.1: Executive movements in shareholdings

Executive	Balance at start of year	Granted/ acquired during year[1]	Received upon vesting/ exercise[2]	Other changes during year[3]	Balance at end of year	Total consideration $[4]	% FR[5]	Date to satisfy requirement
D Nicks	107,557	59,984	17,438	-	184,979	1,890,539	126%	Satisfied[6]
M Brokhof	57,919	14,594	27,709	-	100,222	957,002	99%	Satisfied
J Egan	9,179	10,497	4,741	-	24,417	286,500	37%	27 Jun 27
G Brown	27,026	10,248	-	(3,570)	33,704	311,718	41%	19 Jan 28
Total	**201,681**	**95,323**	**49,888**	**(3,570)**	**343,322**			

1. Includes purchase of ordinary shares.
2. Includes shares acquired upon vesting of LTI awards.
3. Includes sale of ordinary shares and balance adjustments for executives joining or leaving KMP.
4. The value is calculated based on the price of shares at the time of acquisition, in accordance with the Minimum Shareholding Policy. During the year, a revision was made to this policy to include the value of all ordinary shares, including those held as STI Restricted Shares, which were previously excluded.
5. Percentage of fixed remuneration (FR).
6. In accordance with the policy and on appointment to MD & CEO on 19 January 2023, the Committee determined the requirement to meet the revised minimum shareholding requirement of 100% of fixed remuneration would need to be achieved within five years of appointment as MD & CEO.

9.6.3 Movement in Performance Rights

The movement during the financial year in the number of AGL Performance Rights held by each executive under the LTI plan is shown below.

Table 9.6.3.1: Executive movements in Performance Right holdings

Executive	Balance at start of year	Acquired during year as part of remuneration	Performance Rights vested but not yet allocated[1]	Other changes during year[2]	Balance at end of year
D Nicks	345,690	185,661	(57,515)	(31,519)	442,317
M Brokhof	300,924	91,878	(66,792)	(36,602)	289,408
J Egan	158,497	74,264	(11,428)	(6,263)	215,070
G Brown	110,286	72,360	-	-	182,646
Total	**915,397**	**424,163**	**(135,735)**	**(74,384)**	**1,129,441**

1. Relates to Performance Rights vested under the LTI but will not be allocated to executives until August/September following the financial year end. For the FY22 LTI grant with performance tested to 30 June 2025, 64.6% vested.
2. Represents balance adjustments for executives joining or leaving KMP, and any units forfeited under the LTI. Includes Performance Rights forfeited under the LTI but will not lapse for executives until August/September following the financial year end.

9.6.4 Executive contract terms

Remuneration and other terms of employment for executives are formalised in service agreements that provide for participation in short and long-term incentives in accordance with the terms of the respective plans.

Table 9.6.4.1: Information relating to service agreements of executives

	Notice period[2]			
Executive[1]	By executive	By AGL	Termination payment[3,4]	Post employment restraint period
D Nicks	12 months	12 months	N/A	12 months
M Brokhof	6 months[5]	3 months	9 months	12 months
J Egan	6 months	6 months	6 months	12 months
G Brown	6 months	6 months	6 months	12 months

1. Includes executives who were KMP at 30 June 2025.
2. AGL can, at its election, make a payment in lieu of part or all of the notice period.
3. Maximum termination payment (exclusive of any payment in lieu of notice) payable if AGL terminates the executive's employment other than for cause.
4. Termination payments reference fixed remuneration.
5. The executive may also terminate their agreement with three months' notice in the event of a 'fundamental change', which includes circumstances where there has been a substantial diminution of role and responsibility of the executive, in which event they will be entitled to a payment equivalent to nine months' fixed remuneration.

9.7 Non-Executive Director remuneration disclosure

9.7.1 Fee policy

Non-Executive Directors receive a base fee. The Chair of the Board receives a higher base fee in recognition of the added responsibility and time commitment; but does not receive any extra fees for participating in or chairing any Committees. Other members of a Committee receive a Committee fee to recognise the associated higher workload and extra responsibilities, and chairing a Committee attracts a higher fee. Fees are inclusive of superannuation.

In setting Non-Executive Directors' fees, the Board considers the following:

- time commitment
- workload
- risk and responsibility
- market benchmark data, sourced from companies with market capitalisation of 50-200% of AGL's

To ensure independence, Non-Executive Directors do not receive performance-related remuneration. This allows the Board to focus on governance and both short and long-term strategy.

9.7.2 Fee pool

The maximum aggregate fee pool for Non-Executive Directors is $2.75 million per annum. The fee pool is regularly reviewed by the Board and, if appropriate, adjusted (subject to shareholder approval), having regard to the anticipated time commitment, workload and responsibilities attached and the fees paid by comparable organisations. The current fee pool was approved by shareholders at the 2016 AGM.

9.7.3 FY25 fees

Non-Executive Director fees remained unchanged in the year. The last fee change was in January 2020.

Table 9.7.3.1: Non-Executive Director fees

Board/Committee[1]	Chair fee $	Member fee $
Board base fee	603,000	201,000
Audit & Risk Management Committee	55,200	27,600
People & Performance Committee	44,900	21,200
Safety & Sustainability Committee	44,900	21,200

1. There are no additional fees in relation to the Nominations Committee.

Other transactions with key management personnel

Ms Patricia McKenzie, the former Chair of AGL, was injured in August 2023 while visiting an AGL site. Since the incident, Ms McKenzie has required surgery and ongoing medical assistance. As Ms McKenzie was a non-executive Director (and not an employee), she was not covered by state workers' compensation legislation. With input from external legal counsel, AGL developed a Director Injury Policy (Policy) based on the principle that Directors should be no worse off than other employees (and treated comparably) in respect of injuries they incur in the course of their duties. In accordance with the Policy, the Board conducted an independent process and had access to expert external advice and benchmarking to assess the current and future loss incurred by Ms McKenzie in relation to her medical fees and ongoing impacts of her injury. Having regard to the advice obtained, in January 2025 the Board (other than Ms McKenzie) approved a settlement of $720,000 to Ms McKenzie relating to all current and future loss suffered as a result the injury in addition to reimbursement of Medicare costs in the amount of $11,657.55 . The settlement sum is full and final and there are no outstanding balances.

Table 9.7.3.2: Non-Executive Director remuneration for FY25

Non-Executive Director	Year	Director fees $	Superannuation $	Other $[1]	Total $
Current					
M George	**FY25**	**358,817**	**27,848**	**-**	**386,665**
	FY24	225,045	24,755	-	249,800
M Bloom	**FY25**	**248,789**	**28,611**	**-**	**277,400**
	FY24	250,001	27,399	-	277,400
G Cockroft	**FY25**	**258,584**	**14,916**	**-**	**273,500**
	FY24	256,883	16,617	-	273,500
C Holman	**FY25**	**224,036**	**25,764**	**-**	**249,800**
	FY24	225,045	24,755	-	249,800
J Pollaers	**FY25**	**224,036**	**25,764**	**-**	**249,800**
	FY24	225,045	24,755	-	249,800
K Schott	**FY25**	**224,036**	**25,764**	**436**	**250,236**
	FY24	225,045	24,755	-	249,800
V Sullivan	**FY25**	**239,552**	**27,548**	**-**	**267,100**
	FY24	240,631	26,469	-	267,100
M Twidell	**FY25**	**218,296**	**25,104**	**445**	**243,845**
	FY24	219,279	24,121	-	243,400
Former					
P McKenzie	**FY25**	**349,628**	**22,222**	**731,658**[2]	**1,103,508**
	FY24	575,601	27,399	-	603,000
TOTAL	**FY25**	**2,345,774**	**223,541**	**732,539**	**3,301,854**
	FY24	2,442,575	221,025	-	2,663,600

1. Includes kilometre reimbursement for business-related travel.
2. Represents a settlement sum of $720,000 plus Medicare costs of $11,657.55. The amount was not provided in exchange for services rendered by Ms McKenzie as a Director, and as a result, is not considered to be remuneration, or counted towards the maximum aggregate fee pool of $2.75 million per annum.

9.7.4 Non-Executive Director share movements and minimum shareholding requirements

The movement during the financial year in the number of AGL shares held by each Non-Executive Director, including their related parties, is shown below. As at 30 June 2025, all Non-Executive Directors are compliant with the Minimum Shareholding Policy.

Table 9.7.4.1: Non-Executive Director movements in shareholdings

Non-Executive Director	Balance at start of year	Acquired during year[1]	Other changes during year[2]	Balance at end of year[3]	Total consideration $[4]	% base fees[5]	Date to satisfy requirement
Current							
M George	50,000	-	-	50,000	381,491	190%	Satisfied
M Bloom	22,000	-	-	22,000	208,704	104%	Satisfied
G Cockroft	35,000	-	-	35,000	245,750	122%	Satisfied
C Holman	28,000	-	-	28,000	210,170	105%	Satisfied
J Pollaers	37,340	-	-	37,340	318,832	159%	Satisfied
K Schott	26,500	-	-	26,500	197,969	98%	15 Nov 26
V Sullivan	27,265	-	-	27,265	202,004	100%	Satisfied
M Twidell	25,212	-	-	25,212	234,970	117%	Satisfied
Former							
P McKenzie	29,965	-	(29,965)	-			
Total	**281,282**	**-**	**(29,965)**	**251,317**			

1. Includes purchase of ordinary shares.
2. Includes sale of ordinary shares and balance adjustments for directors joining or leaving as KMP.
3. All shares held indirectly by Non-Executive Directors, with the exception of Mr Cockroft and Mr George (all shares held directly), and Mr Twidell (9,012 of 25,212 shares held directly).
4. Value is based on price of shares at the time of acquisition, as per the Minimum Shareholding Policy.
5. In accordance with the Minimum Shareholding Policy, the percentage of base fees is based on the Board member base fee for all Non-Executive Directors, including the Chair.

Other Required Disclosures
For the year ended 30 June 2025

These Other Required Disclosures (pages 82 to 83) are attached to and form part of the Directors' Report.

10. Other Required Disclosures

10.1 Changes in state of affairs
In the opinion of the Directors there were no significant changes in the state of affairs of the AGL consolidated entity that occurred during the financial year other than those included in this Directors' Report.

10.2 Proceedings on behalf of the company
No person has applied under Section 237 of the Corporations Act for leave of the Court to bring proceedings on behalf of AGL or intervene in any proceedings to which AGL is a party for the purpose of taking responsibility on behalf of AGL for all or any part of those proceedings. AGL was not a party to any such proceedings during the year.

10.3 Commercial in confidence information
Further information about likely developments in the operations of AGL and its consolidated entity and the expected results of those operations in the future has been included in this Directors' Report except to the extent disclosure of the information would be likely to result in unreasonable prejudice to the consolidated entity.

The type of information not disclosed includes commercial in confidence information such as detailed operational plans and strategies that would provide third parties with a commercial advantage.

10.4 Auditor and non-audit services
Non-audit services have been provided during the year by the external auditor, Deloitte Touche Tohmatsu Australia (Deloitte). Disclosure of the details of these services can be found in Note 25 of the Financial Report 2025.

The Board has a formal policy on the provision of auditing and related services. Specifically, the external auditor is precluded from providing any services that might threaten its independence or conflict with its assurance and compliance role. Semi-annual reports on the provision of auditing and related services are provided to the Board through the Audit & Risk Management Committee. The Directors are satisfied that the provision of other accounting advice and services by the external auditor is compatible with the general standard of independence for auditors.

The policy and procedures in place, and the review by the Audit & Risk Management Committee, enable the Directors to conclude that non-audit services provided did not compromise the external auditor's independence requirements of the Corporations Act.

The external auditor annually provides a letter to the Company Secretary on its independence within the meaning of relevant legislation and professional standards. No officers of AGL were partners or directors of Deloitte during this or prior periods.

10.5 Rounding
AGL is an entity to which ASIC Corporations Instrument 2016/191 applies and, in accordance with that Instrument, amounts in the Financial Report and this Directors' Report have been rounded to the nearest million dollars, unless otherwise stated.

10.6 Auditor's Independence Declaration
A copy of the external auditor's declaration under Section 307C of the Corporations Act in relation to the audit for the financial year is attached to the AGL Financial Report 2025.

10.7 Indemnification and insurance of officers
AGL's constitution indemnifies, to the extent permitted by law, officers of the consolidated entity when acting in their capacity in respect of:

- liability to third parties (other than related entities) when acting in good faith; and
- costs and expenses of successfully defending legal proceedings and ancillary matters.

The Directors named earlier in this Report and the Company Secretary have the benefit of the indemnity, together with any other person concerned in, or who takes part in, the management of the consolidated entity.

During the year, AGL paid premiums in respect of contracts insuring all Directors of AGL as listed earlier, all Directors of related bodies corporate of AGL, secretaries and other Officers of the consolidated entity against liabilities incurred in their capacity as Director or Officer, as the case may be, of the consolidated entity.

The contract prohibits disclosure of the nature of the liabilities covered and the amount of premium.

10.8 Subsequent events

SA VPP Project Trust acquisition
On 1 July 2025, AGL acquired 100% of the units in the SA VPP Project Trust from Tesla Group for approximately $80 million, comprising distributed solar and battery capacity across approximately 7,000 South Australia social and community housing sites. On acquisition, $64 million of the consideration was paid, with the balance contingent on completion of remaining installations and other customary completion adjustments. As the remaining consideration is conditional and the fair value assessment of assets and liabilities is ongoing, the purchase price allocation for the acquisition is in progress with 12 months to finalise throughout FY 2026.

Final Investment Decision (FID) on Tomago Battery Project
On 31 July 2025, AGL reached FID on the development of a 500 MW, four-hour duration, grid-scale battery in the Hunter Region of New South Wales, known as the Tomago Battery Project. The project is estimated to cost approximately $800 million and will be funded through operating cash flows and existing debt facilities. Construction is expected to commence in late 2025, with operations anticipated to begin in late 2027.

Apart from the matters identified above and in the financial statements or notes thereto, there has not been any other matter or circumstance that has arisen since the end of the financial year, that has significantly affected or may significantly affect the operations of AGL, the results of those operations, or the state of affairs of AGL in future financial periods.

Other Required Disclosures
For the year ended 30 June 2025

10.9 Non-IFRS Financial Information

The Operating & Financial Review attached to and forming part of this Directors' Report includes a number of non-International Financial Reporting Standards (IFRS) financial measures. AGL management uses these non-IFRS financial measures to assess the performance of the business and make decisions on the allocation of resources.

Principal among these non-IFRS financial measures is Underlying Profit. This measure is Statutory Profit/(Loss) adjusted for:

- significant items (which are material items of revenue or expense that are unrelated to the underlying performance of the business); and
- changes in the fair value of financial instruments recognised in the statement of profit or loss (to remove the volatility caused by mismatches in valuing financial instruments and the underlying asset differently).

AGL believes that Underlying Profit provides a better understanding of its financial performance than Statutory Profit/(Loss) and allows for a more relevant comparison of financial performance between financial periods.

Underlying Profit is presented with reference to ASIC Regulatory Guide 230 "Disclosing non-IFRS financial information", issued in December 2011. AGL's policy for reporting Underlying Profit is consistent with this guidance. The Directors have had the consistency of the application of the policy reviewed by the external auditor of AGL.

10.10 Corporate governance

A copy of AGL's Corporate Governance Statement can be found on the AGL website at agl.com.au/CorporateGovernance.

10.11 Environmental regulation

AGL's businesses are subject to a range of environmental laws and regulations as well as project and site-specific environmental permits and approvals issued at both the federal and state government levels.

On 13 March 2025, the NSW Environment Protection Authority issued AGL Macquarie Pty Limited with a penalty notice in the sum of $30,000, following a release of coal ash from the Bayswater Ash Dam which entered Chilcott Creek on 8 August 2024.

On 21 March 2025 and 7 April 2025, AGL Gas Storage Pty Ltd received a total of six penalty infringement notices (PINs) from the Queensland Department of the Environment, Tourism, Science and Innovation (DETSI) in the sum of $4,032 each. On 7 April 2025, AGL Upstream Gas (MOS) Pty Limited also received a PIN in the sum of $4,032 from DETSI. These PINs were issued for not applying for new estimated rehabilitation cost decisions for seven Silver Springs tenements in accordance with the legislative timeframe and requirements under the Environmental Protection Act 1994 (Qld).

On 1 April 2025, the Federal Department of Climate Change, Energy, the Environment and Water (DCCEEW) issued AGL Macquarie Pty Limited with a warning notice and an infringement notice in the sum of $19,800. The infringement notice was issued in response to an administrative non compliance by AGL Macquarie Pty Limited, being a failure to provide DCCEEW with written notice about the commencement of an action under its approval within ten business days after the date of commencement. This relates to the construction of the Ravensworth Ash Pipeline in 2022 and did not result in ecological harm. The warning notice related to three additional administrative non compliances.

Approval of Directors' Report

This Directors' Report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board this 13th day of August 2025.

Miles George
Chair

13 August 2025

Financial Report

Consolidated Statement of Profit or Loss

For the year ended 30 June 2025

	Note	2025 $m	2024 $m
Continuing operations			
Revenue	2	**14,393**	13,583
Other income	3	**-**	46
Expenses	4	**(13,432)**	(11,583)
Share of profits of associates and joint ventures	13	**37**	14
Profit before net financing costs, depreciation and amortisation		**998**	2,060
Depreciation and amortisation	5	**(803)**	(747)
Profit before net financing costs		**195**	1,313
Finance income	6	**22**	13
Finance costs	6	**(341)**	(325)
Net financing costs		**(319)**	(312)
(Loss)/profit before tax		**(124)**	1,001
Income tax benefit/(expense)	7	**26**	(298)
(Loss)/profit for the year including non-controlling interests from continuing operations		**(98)**	703
Loss attributable to non-controlling interest[1]		**-**	8
(Loss)/profit for the year attributable to AGL shareholders		**(98)**	711
Earnings per share			
Basic earnings per share	22	**(14.6 cents)**	105.7 cents
Diluted earnings per share	22	**(14.6 cents)**	105.4 cents

1. In April 2024, AGL acquired the remaining 49% non-controlling interest of Ovo Energy Australia.

The Consolidated Statement of Profit or Loss should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2025

	Note	2025 $m	2024 $m
(Loss)/profit for the year attributable to AGL shareholders		**(98)**	711
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement loss on defined benefit plans	31	**(9)**	(12)
Fair value gain on the revaluation of equity instrument financial assets		**4**	7
Income tax relating to items that will not be reclassified subsequently	7	**1**	2
		(4)	(3)
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges			
(Loss)/gain in fair value of cash flow hedges		**(50)**	11
Reclassification adjustments transferred to profit or loss		**(20)**	(48)
Share of (loss)/gain attributable to joint ventures	13	**(49)**	5
Benefit/(cost) of hedging subject to basis adjustment		**2**	(3)
Income tax relating to items that may be reclassified subsequently	7	**34**	11
		(83)	(24)
Other comprehensive loss for the year, net of income tax		**(87)**	(27)
Total comprehensive (loss)/income for the year attributable to AGL shareholders		**(185)**	684

The Consolidated Statement of Comprehensive Income should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position
As at 30 June 2025

	Note	2025 $m	2024 $m
Current assets			
Cash and cash equivalents	34	**319**	932
Trade and other receivables	9	**2,440**	2,204
Inventories	10	**396**	323
Other financial assets	11	**774**	988
Other assets	12	**508**	330
Assets classified as held for sale		**-**	83
Total current assets		**4,437**	4,860
Non-current assets			
Trade and other receivables	9	**157**	67
Other financial assets	11	**559**	653
Investments in associates and joint ventures	13	**380**	404
Property, plant and equipment	14	**6,277**	5,717
Intangible assets	15	**3,365**	3,100
Deferred tax assets	7	**990**	780
Other assets	12	**39**	80
Total non-current assets		**11,767**	10,801
Total assets		**16,204**	15,661
Current liabilities			
Trade and other payables	16	**2,641**	2,101
Borrowings	17	**238**	35
Provisions	18	**488**	466
Current tax liabilities	7	**90**	167
Other financial liabilities	19	**1,063**	1,257
Other liabilities	20	**157**	448
Liabilities classified as held for sale		**-**	83
Total current liabilities		**4,677**	4,557
Non-current liabilities			
Borrowings	17	**3,069**	2,693
Provisions	18	**2,958**	2,231
Other financial liabilities	19	**409**	559
Other liabilities	20	**233**	190
Total non-current liabilities		**6,669**	5,673
Total liabilities		**11,346**	10,230
Net assets		**4,858**	5,431
Equity			
Issued capital	21	**5,918**	5,918
Reserves		**(59)**	19
Accumulated losses		**(1,001)**	(506)
Total equity		**4,858**	5,431

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

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Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

	Attributable to AGL shareholders								
	Issued capital $m	Investment revaluation reserve $m	Employee equity benefits reserve $m	Hedge reserve $m	Other reserve $m	Retained earnings / (Accumulated losses) $m	Equity $m	Non-controlling Interests $m[1]	Total equity $m
Balance at the beginning of the financial year	**5,918**	**25**	**3**	**39**	**(48)**	**(506)**	**5,431**	**-**	**5,431**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**(98)**	**(98)**	**-**	**(98)**
Other comprehensive income/(loss) for the year, net of income tax	**-**	**3**	**-**	**(85)**	**2**	**(7)**	**(87)**	**-**	**(87)**
Total comprehensive income/ (loss) for the year	**-**	**3**	**-**	**(85)**	**2**	**(105)**	**(185)**	**-**	**(185)**
Transactions with owners in their capacity as owners:									
Payment of dividends	**-**	**-**	**-**	**-**	**-**	**(390)**	**(390)**	**-**	**(390)**
Share-based payments	**-**	**-**	**2**	**-**	**-**	**-**	**2**	**-**	**2**
Balance at 30 June 2025	**5,918**	**28**	**5**	**(46)**	**(46)**	**(1,001)**	**4,858**	**-**	**4,858**
Balance at 1 July 2023	5,918	19	(1)	61	3	(879)	5,121	(2)	5,119
Profit/(loss) for the period	-	-	-	-	-	711	711	(8)	703
Other comprehensive income/(loss) for the year, net of income tax	-	6	-	(22)	(3)	(8)	(27)	-	(27)
Total comprehensive loss for the year	-	6	-	(22)	(3)	703	684	(8)	676
Transactions with owners in their capacity as owners:									
Payment of dividends	-	-	-	-	-	(330)	(330)	-	(330)
Share-based payments	-	-	4	-	-	-	4	-	4
Acquisition of non-controlling interests	-	-	-	-	(48)	-	(48)	5	(43)
Capital contributed by non-controlling interests	-	-	-	-	-	-	-	5	5
Balance at 30 June 2024	5,918	25	3	39	(48)	(506)	5,431	-	5,431

1. In April 2024, AGL acquired the remaining 49% non-controlling interest of Ovo Energy Australia.

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 $m	2024 $m
Cash flows from operating activities			
Receipts from customers		**15,106**	14,641
Payments to suppliers and employees		**(13,875)**	(12,284)
Dividends received		**25**	26
Finance income received		**23**	12
Finance costs paid		**(170)**	(151)
Income taxes paid		**(268)**	(4)
Net cash provided by operating activities	34(b)	**841**	2,240
Cash flows from investing activities			
Payments for property, plant and equipment and other assets		**(1,125)**	(838)
Payments for acquisition of a subsidiary, net of cash acquired	28	**(220)**	-
Payments for investments in associates and joint ventures		**(13)**	(14)
Payments for equity instrument financial assets		**(1)**	(3)
Payments for debt instrument financial assets	11	**(151)**	-
Payment for acquisition of non-controlling interest		**-**	(4)
Payments on disposal of joint operations		**(2)**	(17)
Loans to joint ventures		**(7)**	(10)
Payments of deferred consideration		**(38)**	(39)
Loans to equity instrument investments		**(1)**	(1)
Net cash used in investing activities		**(1,558)**	(926)
Cash flows from financing activities			
Purchase of shares on-market for equity based remuneration		**(5)**	(3)
Proceeds from borrowings		**1,365**	1,681
Repayment of borrowings		**(871)**	(1,883)
Dividends paid	8	**(390)**	(330)
Capital contributed by non-controlling interests		**-**	5
Net cash provided by/(used in) financing activities		**99**	(530)
Net (decrease)/increase in cash and cash equivalents		**(618)**	784
Cash and cash equivalents at the beginning of the financial period		**932**	148
Effect of exchange rate changes on the balance of cash held in foreign currencies		**5**	-
Cash and cash equivalents at the end of the financial period	34(a)	**319**	932

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

1. Segment information

Operating Segments

AGL manages its business in three key operating segments:

Segments

- **Customer Markets** comprises the Consumer and Business customer portfolios responsible for the retailing of electricity, gas, broadband/mobile/voice, solar and energy efficiency products and services to residential, small and large business customers. Customer Markets sources its energy from Integrated Energy at transfer prices that reflect wholesale energy costs in each state, along with other energy costs such as those arising from environmental schemes. Customer Markets also includes sales, marketing, brand, and AGL's customer contact and call centre operations.
- **Integrated Energy** operates AGL's power generation portfolio and other key assets, including coal, gas and renewable generation facilities, natural gas storage and production facilities, and development projects. Integrated Energy runs a large trading operation to manage price risk associated with procuring electricity and gas for AGL's customers, manages AGL's obligations in relation to renewable energy schemes, and controls the dispatch of AGL's owned and contracted generation assets, gas offtake agreements and associated portfolio of energy hedging products.
- **Investments** comprises AGL's interests in the ActewAGL Retail Partnership, Tilt Renewables, Energy Impact Partners Europe and other investments.

In the segment financial results, the 'Other' category consists of various Corporate activities. These are not considered to be reportable segments.

Segment financial results

The measurement of segment results is in line with the basis of information presented to the Board of Directors for internal management reporting purposes. The performance of each segment is measured based on their Underlying earnings before interest and tax (Underlying EBIT) contribution to AGL. Certain items of income and expense are excluded from the segment results to show a measure of underlying performance. These items include changes in fair value of financial instruments and significant items. The use of Underlying Profit enhances comparability of results by excluding non-recurring events and transactions that materially affect the financial results of AGL for the reporting period.

AGL reports segment information on the same basis as the internal management structure. As a result, the Customer Markets segment reports the revenue and margin associated with satisfying the gas, electricity and telecommunication requirements of AGL consumer and business customer portfolio and Integrated Energy reports the revenue, expenses and margin related to AGL's operating sites and AGL's wholesale energy portfolio.

1. Segment information (Continued)

2025 $m	Customer Markets	Integrated Energy	Investments	Other	Total
Revenue					
Total segment revenue	**9,434**	**9,157**	**-**	**-**	**18,591**
Inter-segment revenue	**(20)**	**(4,178)**	**-**	**-**	**(4,198)**
External revenue	**9,414**	**4,979**	**-**	**-**	**14,393**
Underlying earnings before interest, tax, depreciation and amortisation (Underlying EBITDA)	**298**	**2,033**	**13**	**(334)**	**2,010**
Depreciation and amortisation	**(116)**	**(620)**	**-**	**(67)**	**(803)**
Underlying EBIT	**182**	**1,413**	**13**	**(401)**	**1,207**
Net financing costs					**(319)**
Underlying profit before tax					**888**
Underlying income tax expense					**(248)**
Underlying profit after tax					**640**
Non-controlling interests					**-**
Underlying profit after tax (attributable to AGL shareholders)					**640**
Segment assets	**2,951**	**10,013**	**396**	**237**	**13,597**
Segment liabilities	**911**	**5,338**	**-**	**229**	**6,478**
Other profit or loss segment information					
Share of profits of associates and joint ventures	**-**	**-**	**37**	**-**	**37**
Cost of sales	**(8,501)**	**(6,297)**	**-**	**-**	**(14,798)**
Operating costs	**(633)**	**(829)**	**-**	**(334)**	**(1,796)**
Other non-cash expenses	**(119)**	**-**	**-**	**(11)**	**(130)**
Other balance sheet segment information					
Investments in associates and joint ventures	**-**	**18**	**362**	**-**	**380**
Additions to non-current assets	**133**	**1,283**	**-**	**85**	**1,501**

1. Segment information (Continued)

2024 (Restated) $m[1]	Customer Markets	Integrated Energy	Investments	Other	Total
Revenue					
Total segment revenue	9,412	8,407	-	-	17,819
Inter-segment revenue	(9)	(4,227)	-	-	(4,236)
External revenue	9,403	4,180	-	-	13,583
Underlying earnings before interest, tax, depreciation and amortisation (Underlying EBITDA)	351	2,177	8	(320)	2,216
Depreciation and amortisation	(117)	(559)	-	(71)	(747)
Underlying EBIT	234	1,618	8	(391)	1,469
Net financing costs					(312)
Underlying profit before tax					1,157
Underlying income tax expense					(353)
Underlying profit after tax					804
Non-controlling interests					8
Underlying profit after tax (attributable to AGL shareholders)					812
Segment assets	2,969	8,693	469	203	12,334
Segment liabilities	1,241	4,068	-	210	5,519
Other profit or loss segment information					
Share of profits of associates and joint ventures	-	-	14	-	14
Cost of sales	(8,383)	(5,433)	-	-	(13,816)
Operating costs	(677)	(790)	-	(320)	(1,787)
Other non-cash expenses	(126)	-	-	(28)	(154)
Other balance sheet segment information					
Investments in associates and joint ventures	-	5	399	-	404
Additions to non-current assets	142	684	-	70	896

1. On 1 July 2024, Ovo Energy Australia reporting segment changed from Investments to Customer Markets and the 2024 segment note has been restated for comparative purposes.

Segment revenue reconciliation to the Consolidated Statement of Profit or Loss

Reconciliation of segment revenue to total revenue from continuing operations is as follows:

	2025 $m	2024 $m
Segment revenue for reportable segments	**18,591**	17,819
Elimination of inter-segment revenue	**(4,198)**	(4,236)
Revenue for reportable segments	**14,393**	13,583
Total revenue	**14,393**	13,583

1. Segment information (Continued)

Revenue from major products and services

The following is an analysis of AGL's reportable segment revenue from continuing operations from its major products and services:

	2025 $m	2024 $m
Electricity	**7,112**	7,257
Generation sales to pool	**3,895**	3,035
Gas	**2,353**	2,353
Telecommunication Services	**191**	157
Engineering, procurement and construction services	**42**	66
Other services	**247**	254
Other revenue	**553**	461
Total revenue	**14,393**	13,583

Segment Underlying EBIT reconciliation to the Consolidated Statement of Profit or Loss

Reconciliation of segment Underlying EBIT to profit before tax for continuing operations is as follows:

	2025 $m	2024 $m
Underlying EBIT for reportable segments	**1,608**	1,860
Other	**(401)**	(391)
	1,207	1,469
Amounts excluded from underlying results:		
- loss in fair value of financial instruments	**(203)**	(53)
- significant items	**(809)**	(103)
- finance income	**22**	13
- finance costs	**(341)**	(325)
(Loss)/profit before tax	**(124)**	1,001

Segment assets reconciliation to the Consolidated Statement of Financial Position

Reconciliation of segment assets to total assets is as follows:

	2025 $m	2024 $m
Segment assets for reportable segments	**13,360**	12,131
Other	**237**	203
	13,597	12,334
Cash and cash equivalents	**319**	932
Deferred tax assets	**990**	780
Derivative financial instruments	**1,002**	1,573
Debt instrument financial asset	**164**	-
Futures deposits and margin calls	**121**	37
Other	**11**	5
Total assets	**16,204**	15,661

1. Segment information (Continued)

Segment liabilities reconciliation to the Consolidated Statement of Financial Position

Reconciliation of segment liabilities to total liabilities is as follows:

	2025 $m	2024 $m
Segment liabilities for reportable segments	**6,249**	5,309
Other	**229**	210
	6,478	5,519
Borrowings	**3,307**	2,728
Current tax liabilities	**90**	167
Derivative financial instruments	**1,372**	1,715
Other liabilities	**13**	-
Deferred consideration	**86**	101
Total liabilities	**11,346**	10,230

Geographical information

AGL principally operates in one geographical area being Australia. All non-current assets and total external revenue from customers is attributed to Australia.

Information about major customers

No single customer amounts to 10 percent or more of AGL's total external revenue (2024: none).

2. Revenue

2025	Consumer $m	Business $m	Wholesale $m	Other $m	Total $m
Electricity	**5,465**	**1,388**	**259**	**-**	**7,112**
Generation sales to pool	**-**	**-**	**3,895**	**-**	**3,895**
Gas	**1,882**	**133**	**336**	**2**	**2,353**
Telecommunication Services	**191**	**-**	**-**	**-**	**191**
Engineering, procurement and construction services	**-**	**42**	**-**	**-**	**42**
Other services	**69**	**31**	**99**	**48**	**247**
Other revenue	**2**	**86**	**355**	**110**	**553**
Total revenue	**7,609**	**1,680**	**4,944**	**160**	**14,393**

2024	Consumer $m	Business $m	Wholesale $m	Other $m	Total $m
Electricity	5,498	1,475	284	-	7,257
Generation sales to pool	-	-	3,035	-	3,035
Gas	1,808	116	422	7	2,353
Telecommunication Services	157	-	-	-	157
Engineering, procurement and construction services	-	66	-	-	66
Other services	54	32	107	61	254
Other revenue	2	70	290	99	461
Total revenue	7,519	1,759	4,138	167	13,583

2. Revenue (Continued)

MATERIAL ACCOUNTING POLICY

Revenue from contracts with customers

AGL's primary revenue streams relate to the retail sale of electricity and gas to residential (consumer) and business customers in Australia, the sale of electricity and gas to wholesale customers in Australia and the sale of generated electricity to the National Electricity Market (NEM). Revenue from contracts with customers is recognised when control of the goods or services is transferred to a customer at an amount that reflects the consideration to which AGL expects to be entitled to receive in exchange for those goods or services.

The majority of contractual energy supply arrangements with customers have no fixed duration, generally require no minimum consumption by the customer and are able to be terminated by either party at any time without incurring significant penalty. Given this, the enforceable contracts are considered short term (less than 12 months) in nature. There are some longer term contracts particularly those with business and wholesale customers.

AGL has generally concluded that it is the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

AGL's primary performance obligations are the supply of energy (electricity or gas) over the contractual term. There are either individual contracts representing separate purchasing decisions of customers, or the units of supply of energy represent a series of distinct goods that are substantially the same and have the same pattern of transfer to the customer and hence is considered one performance obligation satisfied over time. For the shorter term contracts, the performance obligations are considered to be satisfied, and revenue is recognised, as and when the units of energy are delivered. Additionally, in relation to AGL's longer term contracts, AGL determines that the right-to-invoice approach to measure the progress towards completion of the performance obligation is most appropriate as it represents AGL's performance. AGL uses the units of energy delivered to the customer as estimated as part of the unbilled process (and later verified by meter readings) or as indicated by the customer's energy meter (where these are known more frequently).

In most instances, the transaction price is determined by the relevant customer pricing plan. For some wholesale contracts, AGL also considers the effects of variable consideration and for some business sales, there is non-cash consideration and consideration payable to the customer relating to renewable energy certificates (RECs).

Electricity and Gas revenue

Consumer electricity and gas sales

Consumer energy sales relate to the sale of energy (electricity and gas) to retail customers. Consumer sales are classified as individual, short term, day-by-day contracts and are recognised as revenue on a day-by-day basis upon delivery of energy to customers.

Where the customers are eligible to receive additional discounts (e.g. pay on time discounts to encourage timely payment of energy invoices), AGL considers this to be variable consideration, which is estimated as part of the unbilled process.

Portfolio approach for consumer electricity and gas sales

AGL recognises revenue from contracts with its consumers at the electricity and gas portfolio levels. Furthermore, AGL has elected to apply the portfolio approach in accounting for the fair valuing of RECs, accounting for connection fees and sales commissions. Recognition at the portfolio level does not differ materially from applying the standard on a contract-by-contract basis.

Business electricity and gas sales

Business sales represent the sale of energy to business customers. Revenue recognition is largely consistent with consumer sales. These contracts are longer term in nature and represent a series of distinct goods that are substantially the same and have the same pattern of transfer to the customer and are treated as one performance obligation satisfied over time based on the output delivered to the customer. For a large majority of business sales customers, revenue is recognised when AGL has the 'right to invoice' the customer for consideration that has been determined to correspond directly with the value of units of energy delivered to that customer.

Some business sales arrangements also include the transfer of RECs to the customer, which can, in some instances, represent a separate performance obligation.

Material right applicable to residential and business sales

Where a fixed fee (e.g. connection fee, distribution fee, capacity reservation charge, etc.) received from a customer does not represent a transfer of a good or service to a customer, but the customer is charged an upfront amount, the customer contract contains a material right in that the customer is effectively able to buy additional units of energy at a lower cost per unit.

The material right is valued based on its relative standalone selling price. If standalone selling prices are not directly observable, the price is estimated by taking into consideration the discount the customer would receive in a standalone transaction and the likelihood that the customer would exercise the option.

Revenue from a material right is recognised as and when the right is exercised by the customer or the right expires, whichever is earlier.

2. Revenue (Continued)

MATERIAL ACCOUNTING POLICY

Wholesale energy sales
Wholesale energy sales represent the sale of electricity and gas to wholesale customers. These involve a high volume of energy usually over an extended period of time. Supply of energy represents a series of distinct goods that are substantially the same and have the same pattern of transfer to the customer and is the major performance obligation. It is treated as one performance obligation which is satisfied over time. In some instances, there is an additional performance obligation in these contracts by way of a material right.

Revenue is recognised for these arrangements when AGL has the 'right to invoice' the customer for consideration that has been determined to correspond directly with the value of units of energy delivered to that customer.

Some wholesale electricity arrangements may involve the transfer of RECs to the customer, which may represent a separate performance obligation.

Renewable energy certificates (RECs) applicable to business and wholesale sales
There are two main instances where RECs pass between AGL and its customers. These include those transferred under a self-surrender arrangement as part of the consideration for energy and those that are sold to customers.

Received from customer (self-surrender)
As a retailer, AGL incurs costs in relation to its renewable energy obligations for which RECs must be surrendered to the government. For most customers, the costs associated with meeting these renewable energy obligations is factored into the cost of energy (i.e. there is a REC cost component built into the price paid). For some customers, instead of paying for the cost of the energy in cash, they have the option to elect to pay for their energy usage in the form of cash and by self-surrendering RECs.

The obligation to remit RECs to the regulator remains with AGL, but the customer is choosing to meet part of its payment by way of surrendering its own RECs rather than paying for the cost of the RECs as part of the overall cost of the energy.

The transfer of RECs as consideration in exchange for energy is a form of non-cash consideration. AGL measures non-cash consideration at its fair value at the date of surrender (i.e. the date of transfer by the customer).

Transferred to the customer
For some customer contracts, AGL sells both energy and RECs to the customer. A customer may purchase RECs to meet its own REC obligations and/or where it wants actual title to the RECs.

The RECs sold to a customer represent a separate performance obligation, i.e. a good, as the customer can benefit from the RECs on their own and the promise to transfer RECs to the customer is separately identifiable from the other promises in the contract (e.g. promise to deliver energy).

AGL determines the portion of the transaction price that it allocates to the RECs using the relative standalone selling price method.

The transaction price is allocated to each performance obligation based on the proportion of the stand-alone selling price of each performance obligation to the sum of the stand-alone selling prices of all of the performance obligations in the contract.

Revenue is recognised as and when the control of the RECs are transferred to the customer, which occurs at a point in time. Where the customer is entitled to all the RECs generated at a specified power plant (e.g. in cases where power plants are located at the customer's site), transfer of control to the customer occurs as and when the RECs are generated. In other cases where the RECs are transferred to the customer from inventory, control of the RECs transfers upon receipt by the customer.

Pool revenue

Generation Sales to Pool
Pool generation sales and pool purchase costs relate to sales by AGL's generation assets to the NEM as well as purchases of energy on behalf of AGL's retail business. AGL has assessed it is acting as the principal in relation to such sales and purchases of energy to the pool and therefore the transactions are recognised on a 'gross' basis. Revenue from these arrangements is recognised at the spot price achieved when control of the energy passes to the NEM.

Variable consideration
If the consideration in a contract includes a variable amount, AGL estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Significant financing component
AGL applies the practical expedient in that it does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

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2. Revenue (Continued)

MATERIAL ACCOUNTING POLICY

Costs to obtain a contract

Costs that are incurred regardless of whether a contract is obtained are expensed as incurred, unless those costs are explicitly chargeable to the customer. Discretionary bonuses paid to sales staff based on meeting annual sales targets, overall profitability and individual performance evaluations are expensed as incurred as they are not directly attributable to identifiable contracts and do not meet the criteria for capitalisation.

Costs to fulfil

The costs incurred by AGL to fulfil a contract with a customer, which may qualify for capitalisation include connection fees paid/incurred by AGL (including those charged by distribution businesses to provide such network services, or those incurred directly by AGL in connecting a customer). These costs do not fall within the scope of any other standard (i.e. the cost is not part of inventory, an intangible asset or property, plant and equipment). Therefore, these costs are capitalised as a contract cost (cost to fulfil) asset and amortised over the life of the customer contract or customer relationship, where material.

Cost sharing arrangements

AGL enters into cost sharing arrangements whereby the costs to operate and maintain assets that are shared with parties outside the AGL Group are recharged to the parties in accordance with their beneficial interest. These recharged amounts are recognised as revenue when the associated costs to which they relate impact the statement of profit or loss. Revenue is measured with reference to the fair value of the consideration received.

Government grants

Government grants are recognised when there is reasonable assurance that AGL will comply with the conditions of the grant and the grant will be received.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Variable consideration and constraints

AGL includes variable consideration in the transaction price as estimated at the inception of a contract. However, if it is considered 'highly probable' that a significant reversal of revenue recognised will occur in the future, the variable consideration is constrained and not included in the transaction price.

AGL's contractual arrangements contain a number of variable pricing elements including pay-on-time discounts, payment plans, and escalations. Some of these variable elements are resolved during the reporting period. Where they are not, management estimates the likelihood of the variable pricing element eventuating and recognises the variable pricing element to the extent it is not highly probable that it will reverse.

Revenue recognition

AGL recognises revenue from gas and electricity services once the gas and/or electricity has been consumed by the customer. Management estimates customer consumption between the last invoice date and the end of the reporting period when determining gas and electricity revenue for the financial period. Various assumptions and financial models are used to determine the estimated unbilled consumption. Refer to Note 9 for the key assumptions used in determining the estimated unbilled consumption.

3. Other income

	2025 $m	2024 $m
Sale of Moranbah Gas Project[1]	-	46
Total other income	-	46

1. AGL completed the disposal of Moranbah Gas Project in August 2023, resulting in a net gain on disposal of $46 million. Moranbah Gas Project consisted of upstream gas assets and liabilities relating to Moranbah and North Queensland Energy joint operations. Moranbah Gas Project was included in the Integrated Energy operating segment.

4. Expenses

	Note	2025 $m	2024 $m
Cost of sales		**10,612**	9,585
Employee benefits expenses		**751**	707
Administrative expenses		**263**	280
Other expenses			
Revaluation of onerous contract provision	18	**569**	(1)
Contracts and materials		**299**	282
Loss on fair value of financial instruments		**215**	55
Retail transformation costs		**125**	39
Impairment loss on trade receivables (net of bad debts recovered)		**119**	126
Marketing expenses		**60**	64
Short term lease and outgoings expenses		**40**	40
Legal penalties[1]		**25**	-
Movement in environmental rehabilitation provision[2]	18	**23**	19
Impairment losses on property plant & equipment	14	**19**	7
Net loss on disposal of assets held for sale[3]		**13**	-
Transaction costs		**11**	-
Restructuring and related costs		**10**	-
Defined benefit termination costs		**8**	-
Impairment losses on assets held for sale[3]		**4**	48
Impairment losses on intangible assets	15	**2**	43
Net loss on disposal of property, plant and equipment		**-**	9
Reversal of impairment on property plant & equipment		**-**	(1)
Other		**264**	281
Total expenses		**13,432**	11,583

1. $25 million Court ordered penalty in legal proceedings initiated by the Australian Energy Regulator (AER) in relation to Centrepay payments.
2. Movement in environmental rehabilitation provision relates to changes in estimate recognised through the consolidated statement of profit or loss due to the associated rehabilitation asset being previously impaired. Refer to Note 18.
3. AGL completed the disposal of Surat Gas Project in March 2025, resulting in a net loss on disposal of $13 million. There was also $4 million of impairment recognised during the year to reflect the expected consideration. Surat Gas Project consists of upstream gas assets and liabilities located at Silver Springs and Wallumbilla. Surat Gas Project was included in the Integrated Energy operating segment.

5. Depreciation and amortisation

	2025 $m	2024 $m
Property, plant and equipment	**618**	550
Intangible assets	**185**	197
Total depreciation and amortisation	**803**	747

6. Net financing costs

	Note	2025 $m	2024 $m
Finance income			
Interest income		**22**	13
Total financing income		**22**	13
Finance costs			
Interest expense[1]		**127**	119
Lease interest expense		**16**	16
Unwinding of discounts on provisions	18	**176**	163
Unwinding of discount on deferred consideration		**11**	14
Other finance costs		**11**	13
Total financing costs		**341**	325
Net financing costs		**319**	312

1. Interest expense for the year ended 30 June 2025 is presented net of capitalised interest of $24 million (2024: $11 million).

The weighted average capitalisation rate on funds borrowed for finance costs capitalised is 6.16% (2024: 5.66%).

7. Income tax

Income tax recognised in the Consolidated Statement of Profit or Loss

The major components of income tax expense are:

	2025 $m	2024 $m
Current tax		
Current tax expense in respect of the current year	**189**	150
Deferred tax		
Relating to the origination and reversal of temporary differences	**(215)**	148
Total income tax (benefit)/expense	**(26)**	298

Numerical reconciliation between tax expense and pre-tax accounting profit

The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the financial statements as follows:

	2025 $m	2024 $m
(Loss)/profit before tax	**(124)**	1,001
Income tax (benefit)/expense calculated at the Australian tax rate of 30% (2024: 30%)	**(37)**	300
Non-deductible expenses	**10**	1
Adjustments in relation to current tax of prior years	**(7)**	1
Other	**8**	(4)
Total income tax (benefit)/expense	**(26)**	298

7. Income tax (Continued)

Income tax recognised in other comprehensive income

	2025 $m	2024 $m
Deferred tax		
Cash flow hedges	**(34)**	(11)
Remeasurement loss on defined benefit plans	**(3)**	(4)
Fair value gain on the revaluation of equity instrument financial assets	**2**	2
Total income tax benefit recognised in other comprehensive income	**(35)**	(13)

Deferred income tax recognised in the Consolidated Statement of Profit or Loss

	2025 $m	2024 $m
Temporary differences		
Tax losses and offsets	**(38)**	86
Provisions, payables and accruals	**(223)**	(69)
Allowance for expected credit losses	**2**	(1)
Defined benefit superannuation plans	**(6)**	5
Borrowings	**(6)**	(5)
Derivative financial instruments	**(61)**	(16)
Property, plant and equipment and intangible assets	**104**	149
Other	**13**	(1)
Total deferred income tax recognised in profit or loss	**(215)**	148

Current tax balances

	2025 $m	2024 $m
Current tax liabilities		
Income tax payable	**90**	167

Deferred tax balances

	2025 $m	2024 $m
Deferred tax assets arise from the following:		
Tax losses and offsets	**279**	240
Provisions, payables and accruals	**1,043**	820
Allowance for expected credit losses	**53**	55
Defined benefit superannuation plans	**(1)**	(9)
Borrowings	**59**	53
Derivative financial instruments	**214**	118
Property, plant and equipment and intangible assets	**(706)**	(563)
Other	**49**	66
Net deferred tax assets	**990**	780
Recognised in the Consolidated Statement of Financial Position as follows:		
Deferred tax assets	**990**	780
Net deferred tax assets	**990**	780

Deferred tax assets of $25 million (2024: $22 million) remain unrecognised.

7. Income tax (Continued)

AGL has adopted the voluntary Tax Transparency Code as endorsed by the Board of Taxation and the Australian Taxation Office.

MATERIAL ACCOUNTING POLICY

Income tax

Tax consolidation
AGL Energy Limited (the Parent Entity) and its wholly-owned Australian resident subsidiaries formed a tax-consolidated group pursuant to Australian taxation law with effect from 25 October 2006 and are therefore taxed as a single entity from that date. AGL Energy Limited is the head entity in the tax-consolidated group.

On 23 July 2012, AGL Generation Holdco Pty Ltd, a subsidiary 99.99% owned by AGL Energy Limited, and AGL Generation Pty Ltd elected to form a tax-consolidated group with Loy Yang Marketing Holdings Pty Limited and its wholly-owned subsidiary, in addition to the existing group. On 27 July 2012, Great Energy Alliance Corporation Pty Limited (GEAC) and its wholly-owned subsidiaries joined the new tax-consolidated group. AGL Generation Holdco Pty Ltd is the head entity in this tax-consolidated group.

Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'standalone taxpayer' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the tax-consolidated group are recognised by the head entity in each tax consolidated group.

The members of each of the tax-consolidated group have entered into a tax sharing and tax funding agreement. The tax funding agreement requires payments to/from the head entity equal to the current tax liability/asset assumed by the head entity and any tax loss deferred tax asset assumed by the head entity. The payments are recorded as intercompany receivables/payables.

OECD Pillar Two Global Anti-Base Erosion (GloBE) Model Rules
AGL is within the scope of the Pillar Two top up tax that has been substantively enacted in Australia for income years beginning on or after 1 January 2024. The first period for which a Pillar Two return will be required is the financial year ended 30 June 2025. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

For the financial year ended 30 June 2025, AGL has assessed the impact of the OECD's Pillar Two GloBE rules. Given that AGL's effective tax rate (ETR) is above the 15% global minimum tax threshold for both Australia and Singapore, there is no material exposure to the Pillar Two top-up taxes.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Deferred tax assets relating to tax losses

AGL recognises a deferred tax asset relating to tax losses. The recoverability of this deferred tax asset is dependent on the generation of sufficient taxable income, to utilise those tax losses. Management judgements and estimates are required in the assessment of this recoverability, including forecasting sufficient future taxable income.

8. Dividends

Recognised amounts

	2025 $m	2024 $m
Final dividend		
Final dividend for 2024 of 35.0 cents per share, unfranked, paid 24 September 2024 (2024: Final dividend for 2023 of 23.0 cents per share, unfranked, paid 22 September 2023).	**235**	155
Interim dividend		
Interim dividend for 2025 of 23.0 cents per share, fully franked, paid 27 March 2025 (2024: Interim dividend for 2024 of 26.0 cents per share, unfranked, paid 22 March 2024).	**155**	175
Dividends paid as per the Consolidated Statement of Cash Flows	**390**	330

Unrecognised amounts

	2025 $m	2024 $m
Since the end of the financial year, the Directors have declared a final dividend for 2025 of 25.0 cents per share, fully franked, payable 25 September 2025 (2024: 35.0 cents per share, unfranked, paid 24 September 2024).	**168**	235

Dividend franking account

	2025 $m	2024 $m
Adjusted franking account balance	**134**	140

MATERIAL ACCOUNTING POLICY

Dividends represent a distribution of profits that holders of ordinary shares receive from time to time. Dividends are not accrued as a liability until a dividend declaration is made by the Board of Directors. The liability is reduced when the dividend is paid. The Board of Directors takes into consideration factors including AGL's relative capital strength and the existing dividend payout ratio guidelines in determining the amount of dividends to be paid.

9. Trade and other receivables

	2025 $m	2024 $m
Current		
Trade receivables	**1,813**	1,491
Unbilled revenue	**779**	869
Allowance for expected credit loss	**(178)**	(185)
	2,414	2,175
Other receivables	**26**	29
Total current trade and other receivables	**2,440**	2,204
Non-current		
Other receivables	**135**	53
Loans to joint ventures	**22**	14
Total non-current trade and other receivables	**157**	67
Allowance for expected credit loss		
Balance as at 1 July	**185**	183
Impairment losses recognised on receivables	**190**	217
Amounts written off as uncollectible	**(197)**	(215)
Balance at end of the financial year	**178**	185

The allowance for expected credit loss associated with unbilled revenue and the ageing of trade receivables at the reporting date is detailed below:

	2025		2024	
	Total $m	Allowance $m	Total $m	Allowance $m
Unbilled revenue	**779**	**(29)**	869	(40)
Not past due	**1,455**	**(27)**	1,134	(11)
Past due 0 – 30 days	**96**	**(17)**	105	(13)
Past due 31 – 60 days	**48**	**(14)**	42	(14)
Past due 61 – 90 days	**31**	**(11)**	38	(14)
Past 90 days	**183**	**(80)**	172	(93)
Total	**2,592**	**(178)**	2,360	(185)

9. Trade and other receivables (Continued)

MATERIAL ACCOUNTING POLICY

Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade and other receivables are recognised at amortised cost, less an allowance for expected credit loss. AGL's policy requires customers to pay in accordance with agreed payment terms. Depending on the customer segment, trade receivables are generally due for settlement within 30 days.

AGL assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and fair value through other comprehensive income (FVOCI). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, unbilled revenue, and other receivables, AGL applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Unbilled revenue

Unbilled revenue represents estimated gas and electricity services supplied to customers but unbilled at the end of the reporting period. Unbilled gas and electricity revenue is not collectible until such time as customers' meters are read and bills rendered.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Expected credit loss on trade receivables and unbilled revenue

AGL estimates expected credit losses (ECL) on trade receivables and unbilled revenue using a machine learning model. This model assesses a range of customer-specific factors, including historical payment behaviour, billing and consumption trends, and other transactional data, to assign a risk score to each customer. These risk scores are then applied to outstanding balances to determine the ECL provision.

For customer segments where individual-level data is unavailable or not applicable, AGL applies segment-level loss rates based on historical progression of receivables to write-off as well as forward-looking factors.

Unbilled revenue

AGL recognises revenue from gas and electricity sales once the gas and/or electricity has been consumed by the customer. Management estimates customer consumption between the last invoice date and the end of the reporting period when determining gas and electricity revenue for the financial period. Various assumptions and financial models are used to determine the estimated unbilled consumption.

Key accounting assumptions and estimates include:

- Volume and timing of energy consumed by the customers
- Various pricing plans prevalent and allocation of the estimated volume to such pricing plans
- Loss factors
- Behavioural discounts.

10. Inventories

	2025 $m	2024 $m
Current		
Raw materials and stores - at cost	**331**	271
Finished goods - at cost	**65**	52
Total current inventories	**396**	323

MATERIAL ACCOUNTING POLICY

Inventories
Inventories are measured at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out or weighted average basis. Net realisable value represents the estimated selling price for inventories less the estimated costs necessary to sell the inventory.

11. Other financial assets

	2025 $m	2024 $m
Current		
Derivative financial instruments - at fair value		
Cross currency swap contracts - cash flow and fair value hedges	**53**	-
Interest rate swap contracts - cash flow and fair value hedges	**16**	30
Forward foreign exchange contracts - cash flow hedges	**1**	-
Energy derivatives - economic hedges	**570**	919
	640	949
Futures deposits and margin calls	**121**	37
Other	**13**	2
Total current other financial assets	**774**	988
Non-current		
Derivative financial instruments - at fair value		
Cross currency swap contracts - cash flow and fair value hedges	**33**	59
Interest rate swap contracts - cash flow and fair value hedges	**28**	59
Energy derivatives - economic hedges	**300**	506
	361	624
Equity instrument financial assets - at fair value through other comprehensive income		
Unlisted equity securities	**24**	15
Unlisted investment funds	**10**	11
	34	26
Debt instrument financial assets - at fair value through profit or loss[1]	**164**	-
Other	**-**	3
Total non-current other financial assets	**559**	653

1. On 28 January 2025, AGL completed the acquisition of 20% investment in Kaluza (a UK-based entity) in the form of preference shares, for cash consideration of GBP78.6 million ($151 million).

Refer to Note 35 for AGL's financial assets critical accounting estimates and assumptions.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

12. Other assets

	Note	2025 $m	2024 $m
Current			
Green commodities scheme certificates and instruments		**423**	236
Prepayments		**85**	94
Total current other assets		**508**	330
Non-current			
Defined benefit superannuation plan asset	31	**39**	80
Total non-current other assets		**39**	80

MATERIAL ACCOUNTING POLICY

Green commodity scheme certificates

AGL participates in a number of renewable energy and energy efficiency schemes administered by the Commonwealth and State governments. AGL holds green commodity scheme certificates in order to satisfy its surrender obligations under the various schemes.

AGL has elected to account for green commodity scheme certificates as inventory. The initial cost is calculated at either the weighted average cost of internally generated assets or at the cost paid to third parties when the green certificates are purchased. Subsequent to initial recognition, green commodity scheme certificates are recorded at the lower of cost or net realisable value.

13. Investments in associates and joint ventures

	2025 $m	2024 $m
Investments in joint ventures - unlisted	**380**	404
Total investments in associates and joint ventures	**380**	404

Reconciliation of movements in investments in associates and joint ventures

	2025 $m	2024 $m
Balance at beginning of financial year	**404**	397
Additions[1]	**13**	14
Share of profits	**37**	14
Dividends received	**(25)**	(26)
Fair value (loss)/gain on financial instruments through other comprehensive income	**(49)**	5
Balance at end of financial year	**380**	404

1. Additions relate to capital injections into Gippsland Skies of $13 million (2024: Tilt Renewables $13 million and Gippsland Skies $1 million).

13. Investments in associates and joint ventures (Continued)

	Principal activities	Ownership interest 2025 %	Ownership interest 2024 %	Carrying value 2025 $m	Carrying value 2024 $m
Joint ventures					
ActewAGL Retail Partnership	Gas and electricity retailer	**50**	50	**41**	38
Tilt Renewables	Development and owner of renewable energy generation projects	**20**	20	**321**	361
Pottinger Renewables	Development and owner of renewable energy generation projects	**50**	50	**4**	4
Muswellbrook Pumped Hydro	Pumped hydro energy generation project	**50**	50	**-**	-
Gippsland Skies	Offshore wind energy generation project	**20**	20	**14**	1
Total investments in associates and joint ventures				**380**	404

All the above entities are incorporated and operate in Australia.

Aggregate information of joint ventures

	2025 $m	2024 $m
Current assets	**362**	407
Non-current assets	**4,921**	4,653
Total assets	**5,283**	5,060
Current liabilities	**490**	533
Non-current liabilities	**3,103**	2,646
Total liabilities	**3,593**	3,179
Net assets	**1,690**	1,881
Revenue	**1,205**	1,062
Expenses	**(1,099)**	(1,067)
AGL's share of joint ventures' profit after income tax	**37**	14

Commitments and contingent liabilities

AGL's share of commitments and contingent liabilities of associates and joint ventures are disclosed in Notes 23(b) and 24 respectively.

14. Property, plant and equipment

2025	Plant and equipment $m	Right-of-use plant and equipment $m	Other Right-of-use assets $m	Other $m[1]	Total $m
Balance at 1 July 2024, net of accumulated depreciation and impairment	**5,359**	**99**	**172**	**87**	**5,717**
Additions	**1,017**	**11**	**9**	**12**	**1,049**
Impairment loss recognised in profit or loss[2]	**(19)**	**-**	**-**	**-**	**(19)**
Change in estimate related to provision for environmental rehabilitation[3]	**148**	**-**	**-**	**-**	**148**
Depreciation expense	**(593)**	**(11)**	**(14)**	**-**	**(618)**
Balance at 30 June 2025, net of accumulated depreciation and impairment	**5,912**	**99**	**167**	**99**	**6,277**

1. Includes land, buildings and leasehold improvements.
2. $19 million impairment of capitalised development costs was recognised in relation to Bowman's Creek wind farm, following the decision to terminate the project.
3. Refer to Note 18.

Balance at 1 July 2024					
Cost (gross carrying amount)	**11,266**	**115**	**280**	**110**	**11,771**
Accumulated depreciation and impairment	**(5,907)**	**(16)**	**(108)**	**(23)**	**(6,054)**
Net carrying amount	**5,359**	**99**	**172**	**87**	**5,717**

Balance at 30 June 2025					
Cost (gross carrying amount)	**12,397**	**126**	**280**	**122**	**12,925**
Accumulated depreciation and impairment	**(6,485)**	**(27)**	**(113)**	**(23)**	**(6,648)**
Net carrying amount	**5,912**	**99**	**167**	**99**	**6,277**

2024	Plant and equipment $m	Right-of-use plant and equipment $m	Other Right-of-use assets $m	Other $m	Total $m
Balance at 1 July 2023, net of accumulated depreciation and impairment	5,084	99	149	86	5,418
Additions	695	8	34	1	738
Impairment loss recognised in profit or loss	(7)	-	-	-	(7)
Change in estimate related to provision for environmental rehabilitation[1]	126	-	-	-	126
Disposals	(9)	-	-	-	(9)
Reversal of impairment[2]	-	-	1	-	1
Depreciation expense	(530)	(8)	(12)	-	(550)
Balance at 30 June 2024, net of accumulated depreciation and impairment	5,359	99	172	87	5,717

1. Refer to Note 18.
2. The reversal of impairment of other right-of-use assets relates to the Collins Street right-of-use asset that was previously impaired.

Balance at 1 July 2023					
Cost (gross carrying amount)	10,543	115	303	109	11,070
Accumulated depreciation and impairment	(5,459)	(16)	(154)	(23)	(5,652)
Net carrying amount	5,084	99	149	86	5,418

Balance at 30 June 2024					
Cost (gross carrying amount)	11,266	115	280	110	11,771
Accumulated depreciation and impairment	(5,907)	(16)	(108)	(23)	(6,054)
Net carrying amount	5,359	99	172	87	5,717

14. Property, plant and equipment (Continued)

Property, plant and equipment under construction

The net carrying amount of property, plant and equipment disclosed includes expenditure recognised in relation to plant and equipment which is in the course of construction of $934 million (2024: $573 million).

MATERIAL ACCOUNTING POLICY

Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition or construction of the asset. Finance costs related to the acquisition or construction of qualifying assets are capitalised. Cost may also include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Depreciation is calculated on a straight-line basis so as to write off the cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are amortised over the period of the relevant lease or estimated useful life, whichever is the shorter. Land is not depreciated.

Climate-related impacts

The estimated useful lives, residual values and depreciation method are reviewed, and adjusted if appropriate at the end of each annual reporting period. For generation assets, the useful economic lives are aligned with AGL's announced planned closure dates, as outlined in the Climate Transition Action Plan (CTAP). In determining asset lives, AGL has considered climate-related factors including changes in asset utilisation, regulatory developments, and market conditions.

The following estimated useful lives are used in the calculation of depreciation:

- Leasehold improvements – lesser of lease period or up to 50 years
- Plant and equipment – Up to 50 years

Right-of-use assets (ROU assets)

A ROU asset is subsequently measured using the cost model less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. AGL does not apply the revaluation model but instead carries all ROU assets at cost. The ROU asset is depreciated over the shorter of the useful life of the asset and the lease term. Where the ROU asset is adjusted due to changes in the lease liability, the depreciation for the ROU asset is adjusted on a prospective basis.

The following estimated useful lives are used in the calculation of depreciation on ROU assets:

- Plant and equipment – ROU assets: lesser of lease period or up to 15 years
- Other – ROU assets: lesser of lease period or up to 50 years

Short-term and low value leases as lessee

AGL has elected to apply the practical expedients available for short-term leases (i.e. where the lease period is 12 months or less) and low-value asset leases. As a result of application of these practical expedients, the measurement requirements of accounting standards do not apply and the expense for these leases is recognised on a straight-line basis.

Impairment of non-financial assets excluding goodwill

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Refer to Note 15 for further details on the impairment assessment during the period.

15. Intangible assets

2025	Goodwill $m	Software $m	Licences $m	Development Assets $m[1]	Contracts and Other $m	Total $m
Balance at 1 July 2024, net of accumulated amortisation and impairment	**2,446**	**369**	**260**	**-**	**25**	**3,100**
Additions	**-**	**131**	**-**	**18**	**7**	**156**
Amortisation expense	**-**	**(162)**	**(9)**	**-**	**(14)**	**(185)**
Acquisitions through business combinations[2]	**147**	**-**	**-**	**130**	**19**	**296**
Impairment loss recognised in profit or loss[3]	**-**	**-**	**-**	**-**	**(2)**	**(2)**
Balance at 30 June 2025, net of accumulated amortisation and impairment	**2,593**	**338**	**251**	**148**	**35**	**3,365**

1. The 'Development Assets' category has been introduced as a result of the acquisition of Firm Power and Terrain Solar and their associated entities, as well as other acquisitions during the period.
2. On 12 September 2024, the Group acquired 100% of the shares and units in Firm Power and Terrain Solar and their associated entities. Additions include goodwill, development rights and customer contracts. Refer to Note 28.
3. $2 million impairment was recognised upon termination of a Joint Development Agreement due to changes in the project's economic viability.

Balance at 1 July 2024	Goodwill $m	Software $m	Licences $m	Development Assets $m	Contracts and Other $m	Total $m
Cost (gross carrying amount)	**3,073**	**1,768**	**314**	**-**	**107**	**5,262**
Accumulated amortisation and impairment	**(627)**	**(1,399)**	**(54)**	**-**	**(82)**	**(2,162)**
Net carrying amount	**2,446**	**369**	**260**	**-**	**25**	**3,100**

Balance at 30 June 2025	Goodwill $m	Software $m	Licences $m	Development Assets $m	Contracts and Other $m	Total $m
Cost (gross carrying amount)	**3,220**	**1,286**	**306**	**148**	**133**	**5,093**
Accumulated amortisation and impairment	**(627)**	**(948)**	**(55)**	**-**	**(98)**	**(1,728)**
Net carrying amount	**2,593**	**338**	**251**	**148**	**35**	**3,365**

15. Intangible assets (Continued)

2024	Goodwill $m	Software $m	Licences $m	Development Assets $m	Contracts and Other $m	Total $m
Balance at 1 July 2023, net of accumulated amortisation and impairment	2,446	405	266	-	65	3,182
Additions	-	151	2	-	5	158
Amortisation expense	-	(165)	(8)	-	(24)	(197)
Impairment loss recognised in profit or loss	-	(22)	-	-	(21)	(43)
Balance at 30 June 2024, net of accumulated amortisation and impairment	2,446	369	260	-	25	3,100
Balance at 1 July 2023						
Cost (gross carrying amount)	3,073	1,616	311	-	336	5,336
Accumulated amortisation and impairment	(627)	(1,211)	(45)	-	(271)	(2,154)
Net carrying amount	2,446	405	266	-	65	3,182
Balance at 30 June 2024						
Cost (gross carrying amount)	3,073	1,768	314	-	107	5,262
Accumulated amortisation and impairment	(627)	(1,399)	(54)	-	(82)	(2,162)
Net carrying amount	2,446	369	260	-	25	3,100

Intangible assets in progress

The net carrying amount of intangible assets disclosed includes expenditure recognised in relation to work in progress intangible assets of $177 million (2024: $42 million).

Impairment testing for goodwill and intangibles with indefinite useful lives

Goodwill, that is significant in comparison to AGL's total carrying amount of intangible assets with indefinite lives, has been allocated to cash-generating units (CGUs) for the purpose of impairment testing as follows:

	2025 $m	2024 $m
Customer Markets	**1,093**	1,093
Wholesale Gas	**1,353**	1,353
Generation Fleet	**-**	-
Flexible Generation[1]	**147**	-
Total goodwill and intangibles with indefinite useful lives	**2,593**	2,446

1. Refer to Note 28.

15. Intangible assets (Continued)

MATERIAL ACCOUNTING POLICY

Intangible assets

Except for goodwill and development assets, intangible assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is recognised as an expense on a straight-line basis over the period during which economic benefits are expected to be received.

The estimated useful life and amortisation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of amortisation for intangible assets with finite lives:

- Customer relationships and contracts – 3 to 20 years
- Software – 3 to 7 years
- Licences – 3 to 35 years

Goodwill and development assets are carried at cost less accumulated impairment losses, if any. Development assets are amortised once the associated project becomes operational.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Impairment assessment for the year ended 30 June 2025

AGL regularly reviews the carrying values of its assets to test for impairment. An assessment of indications of impairment for each cash generating unit (CGU) is performed at each reporting period end, and if indications of impairment exist, a recoverable value assessment is performed. Notwithstanding the above, the recoverable value of a CGU containing goodwill, intangible assets with indefinite useful lives or intangible assets in development is determined at least annually in December each year.

AGL's main CGUs are:

- Generation Fleet
- Wholesale Gas
- Customer Markets
- Flexible Generation

Impairment testing methodology

AGL is subject to a number of external factors that impact the performance of its CGUs. This includes, but is not limited to, market prices, external regulatory and social factors that may impact the life of assets, competitor behaviour and new entrants and technological change. To respond to the range of potential outcomes that can result from these factors, AGL applies a scenario analysis approach in determining the recoverable value of assets. To estimate the recoverable value of the CGU overall, each scenario is assigned a probability weighting.

Climate-related impact

The methodology of analysing several modelled outcomes is consistent with AGL's external reporting disclosures including the Climate-Related Financial Disclosures in the Annual Report and CTAP. The scenarios modelled represent a range of outcomes including differing wholesale market prices, expected generation volume, station closure dates, asset lives, and growth rates.

Assumptions consistent with AGL's climate-related strategy have been incorporated into the determination of recoverable values for each CGU. These assumptions reflect AGL's strategic response to climate-related risks and opportunities, including regulatory developments, market transitions, and decarbonisation pathways.

If the recoverable amount of a CGU is estimated to be less than its carrying amount, the carrying amount of the CGU is reduced to its recoverable amount with any impairment loss recognised immediately in the statement of profit or loss.

Generation Fleet CGU

For AGL's fleet of finite life generation assets, cash flow forecasts are based on discrete and long-term cash flow forecasts that reflect the life of the assets. The long-term modelling reflects AGL's view of the cash flows anticipated from operations, factoring in both known events such as planned outages and expectations, and allows for quantification of sensitivities and scenarios.

The following key assumptions were applied to determine the recoverable amount of the Generation Fleet CGU at 31 December 2024:

- Two scenarios of forecast electricity pool prices over the life of the relevant station based on short term market forecasts for electricity pricing and longer term external and internal modelled pricing outlook;
- Station closure dates consistent with those announced in the CTAP;
- A post-tax Weighted Average Cost of Capital (WACC) discount rate of 9.25% (Dec 23: 9.5%);
- Generation volumes for each relevant station based on historical and forecast generation and availability including planned outages; and
- Assumptions associated with regulatory outcomes impacting upon operations.

15. Intangible assets (Continued)

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The derived recoverable amount resulted in no impairment charge to the carrying value of the CGU nor a requirement to reverse previously recognised impairment at 31 December 2024.

Sensitivity analysis

When considering variables in isolation, AGL's Generation Fleet CGU recoverable amount estimate is sensitive to changes in electricity pool prices. There is a high degree of uncertainty when forecasting pool prices over long-term periods due to structural changes to supply and demand. Based on historical pool prices, a reasonably possible change of $10 per MWh has been observed. In the annual impairment assessment performed at 31 December 2024, a sustained decrease of $10 per MWh in the pool price, whilst holding all other assumptions constant, could result in further impairment of the Generation Fleet CGU. Equally, a sustained increase of $10 per MWh could result in the partial reversal of any previously recognised impairment losses, up to the depreciated carrying amount.

The recoverable amount estimate is also sensitive to changes in expected generation volumes. The relationship between generation volume and the flow on impact on the recoverable amount is complex and interdependent, particularly as Australia transitions away from coal-fired baseload to intermittent renewable power generation. During periods of excess generation, pool prices are often negative, and in such instances, AGL may limit or curtail the generation volume to reduce exposure to negative pricing. It is possible that limiting and curtailing generation volume in this instance can have a counterintuitive impact of increasing the recoverable amount. However, based on the assumptions utilised in the annual impairment assessment at 31 December 2024, a sustained decrease of 2.5% in generation volume whilst holding all other assumptions constant could result in further impairment. Equally, a sustained increase of 2.5% in generation volume could result in the partial reversal of any previously recognised impairment losses, up to the depreciated carrying amount.

The analysis above is to some extent limited by the fact that changes in variables are rarely mutually exclusive and the relationships and interactions between those changes are highly complex. Alterations in the external operational landscape, such as closure of major electricity consumers, substantial additions to generation capacity, postponements in the closure of power stations not owned by AGL, or modifications to government policies, have the potential to bring about fluctuations in pool prices. Additionally, these changes may decrease the operational lifespan of AGL's assets, possibly leading to additional impairments.

At 30 June 2025, an impairment indicators assessment was performed for the Generation Fleet CGU to determine if there were any indicators of impairment since the assessment performed at 31 December 2024. The assessment has not identified any internal or external indicators that the asset within this CGU is further impaired or the previous impairment expense recognised should be reversed. Accordingly, no further recoverable value assessment was required.

Customer Markets CGU

The following key assumptions were applied to determine the recoverable amount of the Customer Markets CGU at 31 December 2024:

- Gross margin outcomes based on actual regulatory decisions for the current reporting period, which are publicly available, together with AGL's expectations of regulated network prices and regulated pricing (Victorian Default Market Offer/Default Market Offer) beyond the current reset period;
- Future gross margin in unregulated markets is determined with reference to historically achieved revenue rates, AGL's expectations of future price changes and impact of expected customer discounts;
- Customer numbers and consumption volumes are estimated based on historical experience, marketing strategies for the retention and winning of customers and the expected competition from new entrants;
- A post-tax WACC discount rate of 8% (Dec 23: 8.25%); and
- Terminal growth rate of 2.75% (Dec 23: 2.75%).

The recoverable amount of the Customer Markets CGU exceeded the carrying value at 31 December 2024.

Sensitivity analysis has been performed for the Customer Markets CGU. There were no reasonable possible changes in assumptions that would result in an impairment.

At 30 June 2025, an impairment indicators assessment was performed for the Customer Markets CGU. The assessment has not identified any internal or external indicator that the assets within this CGU are impaired and accordingly, no further recoverable value assessment was required.

Wholesale Gas CGU

The following key assumptions were applied to determine the recoverable amount of the Wholesale Gas CGU at 31 December 2024:

- Probability-weighted scenarios for gas sales volumes, pricing and procurement costs with an estimate of future market and contracted margins and volumes beyond the period of the actual contracted portfolio based on expected new supply sources and demand;
- A post-tax WACC discount rate of 8% (Dec 23: 8.25%);
- Terminal growth rate range between 0% to 1.5% (Dec 23: 0% to 1.5%); and
- Various scenarios with different assumptions regarding the operational life of the CGU were evaluated.

The recoverable amount of the Wholesale Gas CGU exceeded the carrying value at 31 December 2024 and

15. Intangible assets (Continued)

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

consequently no impairment loss was recognised in relation to this CGU.

At 30 June 2025, an impairment indicators assessment was performed for the Wholesale Gas CGU. The assessment has not identified any internal or external indicator that the assets within this CGU are impaired and accordingly, no further recoverable value assessment was required.

Sensitivity analysis
The recoverable amount of the Wholesale Gas CGU is sensitive to changes in the forecast gas margin assumption. At 31 December 2024, a reasonable possible change in this assumption will not result in an impairment or a reversal of previously recognised impairment. However, it is possible a significant and/or sustained change in this assumption due to changing market factors could result in impairment or reversal of previously recognised impairment in future periods.

The Wholesale Gas CGU benefits from favourable supply costs associated with existing contractual arrangements and the recoverable amount at 31 December 2024 includes probability-weighted scenarios on gross margins based on new supply sources and demand. As the existing contracts lapse and where gross margin on new supply sources are lower than forecast, the recoverable amount of the Wholesale Gas CGU could potentially decrease. A decrease in the recoverable amount could potentially give rise to an impairment loss in future periods to the extent it is lower than the carrying amount.

Flexible Generation CGU

The following key assumptions were applied to determine the recoverable amount of the Flexible Generation CGU at 31 December 2024:

- Assumed cap prices derived from internal and external market modelling to reflect the ability to capture prices during high demand events;
- Useful life of the generation assets, which includes gas peaker stations and renewable generation and storage assets;
- A post-tax WACC discount rate of 8% (Dec 23: 8.25%);
- Generation volumes for each relevant asset based on historical and forecast generation and availability including planned maintenance; and
- Terminal growth rate of 2.75% (Dec 23: 2.75%).

The assets acquired as part of the Firm Power and Terrain Solar transaction forms part of the Flexible Generation CGU. At 31 December 2024, recoverable value of these assets is based on the transaction price, which is supported by comparable multiples valuation.

The recoverable amount of the Flexible Generation CGU exceeded the carrying value of the CGU at 31 December 2024.

Sensitivity analysis has been performed for the Flexible Generation CGU. There were no reasonable possible changes in assumptions that would result in an impairment.

At 30 June 2025, an impairment indicators assessment was performed for the Flexible Generation CGU. The assessment has not identified any internal or external indicator that the assets within this CGU are impaired and accordingly, no further recoverable value assessment was required.

16. Trade and other payables

	2025 $m	2024 $m
Current		
Trade payables and accrued expenses	**1,750**	1,277
Accrued distribution costs	**446**	473
Green commodity scheme obligations	**400**	311
Other	**45**	40
Total trade and other payables	**2,641**	2,101

Trade payables are unsecured and are generally settled within 32 days from end of month of the date of recognition.

MATERIAL ACCOUNTING POLICY

Trade and other payables
Trade and other payables represent liabilities for goods and services provided to AGL prior to the end of the reporting period that are unpaid and arise when AGL becomes obliged to make future payments in respect of the purchase of these goods and services.

Green commodity scheme obligations
Green commodity scheme obligations represent liabilities to satisfy surrender obligations under the various renewable energy and energy efficiency schemes administered by the Commonwealth and State governments. Liability is recognised as energy is consumed by our customers and assets. Given the schemes are surrendered on a calendar year basis, the liability is calculated based on the best estimated unit cost at the time of expected surrender.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Accrued distribution costs
AGL recognises distribution costs once the gas and electricity has been delivered to the customer and is measured through a regular review of usage meters. Management estimates customer consumption between the last invoice date for distribution costs and the end of the reporting period when determining distribution costs for the financial period.
Various assumptions and financial models are used to determine the estimated unbilled consumption. Refer to Note 9 for the key assumptions used in determining the estimated unbilled consumption.

17. Borrowings

	2025 $m	2024 $m
Current		
USD senior notes - unsecured	**205**	-
CPI bonds - unsecured	**14**	13
Lease liabilities	**19**	22
Total current borrowings	**238**	35
Non-current		
Bank loans - unsecured	**1,368**	853
USD senior notes - unsecured	**1,457**	1,604
CPI bonds - unsecured	**15**	28
Lease liabilities	**249**	225
Deferred transaction costs	**(20)**	(17)
Total non-current borrowings	**3,069**	2,693

Financing facilities

AGL has access to the following committed financing facilities comprising of bank facilities, bonds, and US Private Placements:

	Total facilities		Amounts used	
	2025 $m	2024 $m	2025 $m	2024 $m
USD senior notes - unsecured (after effect of cross currency swaps)	**1,577**	1,577	**1,577**	1,577
Bank loans - unsecured	**2,428**	2,113	**1,368**	853
CPI bonds - unsecured	**29**	42	**29**	41
Bank guarantees - unsecured	**1,140**	1,055	**789**	819
Total financing facilities	**5,174**	4,787	**3,763**	3,290

USD senior notes

- On 20 November 2023, AGL issued A$467 million (USD 100 million and AUD 313 million) of fixed rate unsecured senior notes in the US private placement market, with maturity ranging from 10 to 12 years.
- On 8 June 2023, AGL issued A$386 million (USD 131 million and AUD 188 million) of fixed rate unsecured senior notes in the US private placement market, with maturity ranging from 7 to 15 years.
- On 8 December 2016, AGL issued A$572 million (USD 395 million and AUD 50 million) of fixed rate unsecured senior notes in the US private placement market, maturing between 2026 and 2031.
- On 8 September 2010, AGL issued A$152 million (USD 135 million) of fixed rate unsecured senior notes in the US private placement market, maturing on 8 September 2025.
- All USD senior notes are converted back to AUD through cross currency interest rate swaps.

Bank loans

- On 14 December 2023, AGL executed a A$510 million Asian term loan facility, with maturity ranging from 5 to 7 years. As of 30 June 2025, A$470 million of this was utilised.
- On 10 April 2025, AGL executed an Amending Deed to upsize and extend the syndicated facility agreement originally executed on 28 April 2023. The extended syndicated facility agreement has been upsized to A$1,518 million and includes a A$500 million green capital expenditure facility. The facility tranches have maturities ranging from 3 to 7 years. As of 30 June 2025, A$728 million of the facility had been utilised.
- The remaining A$400 million of bank debt facilities comprises of bilateral facilities, with A$170 million utilised at 30 June 2025.

CPI bonds

- CPI bonds rank pari passu with other unsecured debt and will mature in May 2027.

17. Borrowings (Continued)

Loan covenants

The bank loans and USD senior notes are subject to a financial covenants which are tested semi-annually on 30 June and 31 December each year. The covenant measures the Group's gearing ratio, FFO Interest Cover Ratio, Guarantor Group Tangible Assets as a percentage of the Consolidated Group Tangible Assets and Guarantor Group EBITDA as a percentage of the Consolidated Group EBITDA.

The Group has complied with these covenants at 30 June 2025 (and 30 June 2024).

As part of the Group's liquidity risk management framework, the Group's expected compliance with the covenant is monitored on an ongoing basis and the Group expects to remain in compliance with the covenant in the next 12 months.

The Group's other borrowings are not subject to any covenants.

MATERIAL ACCOUNTING POLICY

Borrowings

Interest bearing liabilities

All loans and borrowings are initially recognised at fair value, being the amount received less attributable transaction costs. After initial recognition, interest bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

Lease liabilities

In contracts where AGL is a lessee, AGL recognises a right-of-use asset and a lease liability at the commencement date of the lease for all leases other than short-term or low-value asset leases.

AGL has elected to apply the practical expedients available for short-term leases (i.e. where the lease term is less than 12 months) and low-value asset leases. As a result of application of these practical expedients, the measurement requirements of accounting standards do not apply and the expense for these leases is recognised on a straight-line basis.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Leases

Lease term

Where lease arrangements contain options to extend the term or terminate the contract, AGL assesses whether it is 'reasonably certain' that the option to extend or terminate the contract will be made. Consideration is given to the prevalence of other contractual arrangements and/or the economic circumstances relevant to the lease contract, that may indicate the likelihood of the option being exercised. Lease liabilities and ROU assets are measured using the reasonably certain contract term.

18. Provisions

	2025 $m	2024 $m
Current		
Employee benefits	**250**	239
Environmental rehabilitation	**81**	96
Restructuring	**6**	32
Onerous contracts	**141**	90
Other	**10**	9
Total current provisions	**488**	**466**

	2025 $m	2024 $m
Non-current		
Employee benefits	**6**	5
Environmental rehabilitation	**1,692**	1,469
Onerous contracts	**1,235**	757
Restructuring	**25**	-
Total non-current provisions	**2,958**	2,231

Movements in each class of provision, except employee benefits, are set out below:

	Environmental rehabilitation $m	Restructuring $m	Onerous contracts $m[1]	Total $m
Balance at 1 July 2024	1,565	32	847	2,444
Changes in estimated provision	174	-	559	733
Additional provisions recognised	-	10	10	20
Provisions utilised and derecognised	(74)	(11)	(108)	(193)
Unwinding of discount	108	-	68	176
Balance at 30 June 2025	1,773	31	1,376	3,180

1. Movement in onerous contract provision in Note 4 consists of both the change in estimated provision and additional provisions recognised during the period.

MATERIAL ACCOUNTING POLICY

Provisions

Employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by AGL in respect of services provided by employees up to the end of the reporting period.

Environmental rehabilitation
The provision for future rehabilitation costs is the best estimate of the present value of the expenditure required to settle the rehabilitation obligation at the end of the reporting period, based on current legal requirements and current technology. Future rehabilitation costs are reviewed periodically and any changes are reflected in the provision at the end of each reporting period.

The initial estimate of the environmental rehabilitation provision is capitalised into the cost of the related asset and depreciated/ amortised on the same basis as the related asset. Changes in the estimate of the provision for environmental rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

Restructuring
A restructuring provision is recognised when AGL has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. Future operating losses are not provided for.

18. Provisions (Continued)

MATERIAL ACCOUNTING POLICY

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Provision for environmental rehabilitation

AGL estimates the future removal and rehabilitation costs of electricity generation assets, oil and gas production facilities, wells, pipelines, mine and related assets at the time of installation of the assets. In most instances, removal of assets will occur many years into the future. The requirement for rehabilitation is also subject to community and regulatory expectations which may evolve over time and in practice, negotiation is required to arrive at a practical rehabilitation strategy. The calculation of this provision requires management to make assumptions regarding the removal date, application of environmental legislation, the extent of rehabilitation activities required, and available technologies. The assumptions are highly judgemental and represents management's best estimate of the present value of the expenditure required to settle the obligation, given known facts and circumstances at a point in time.

At 30 June 2025, the critical judgements and assumptions included in the estimation of the environmental rehabilitation provision consist of the following:

- Commencement date of rehabilitation activities is consistent with the announced closure dates of AGL's thermal generation assets, as outlined in the CTAP;
- The operating life of wind generation assets is extended based on available technical feasibility performed for similar assets and as a result, the associated rehabilitation activities are deferred until the end of the extended operating life;
- Where AGL intends on repurposing thermal generation sites as "Energy Hubs", rehabilitation activities may be deferred where there is no associated regulatory or legal requirement to immediately remediate;
- During the operating phase of generation assets, costs that are mandatory for the operation of the assets are classified as operational costs. Post closure and where appropriate, these costs are only classified as rehabilitation costs to the extent that they are unavoidable during the rehabilitation period and subsequent to completion of remediation activities, where AGL retains ownership or lease of the associated site; and
- A pre-tax discount rate of 6.12% (FY24: 6.86%).

Climate-related impacts

Climate-related risks have been considered in the recognition and measurement of environmental rehabilitation provisions, particularly in relation to asset closure planning and regulatory developments. The timing of rehabilitation activities reflects AGL's announced closure dates for thermal generation assets.

In line with AGL's accounting policy, the provisions for environmental rehabilitation are reviewed regularly.

Provision for onerous contracts

AGL recognises a number of legacy power purchase agreements as onerous. Under these legacy power purchase agreements, AGL makes periodic payments for the electricity and green certificates generated by these assets. These offtake agreements were entered at prices significantly higher than current and forecast prices for electricity and renewable energy certificates today.

Provision for onerous contracts includes the following key assumptions;

- Long-term electricity and renewable energy certificate prices;
- Generation volume;
- Maintenance costs; and
- A discount rate of 6.3% (FY24: 7.7%).

In line with AGL's accounting policy, the onerous contract provisions are reviewed on a regular basis.

19. Other financial liabilities

	2025 $m	2024 $m
Current		
Derivative financial instruments - at fair value		
Cross currency swap contracts - cash flow and fair value hedges	**8**	20
Interest rate swap contracts - cash flow and fair value hedges	**3**	-
Forward foreign exchange contracts - cash flow hedges	**10**	2
Energy derivatives - economic hedges	**980**	1,206
	1,001	1,228
Deferred consideration[1]	**48**	29
Other	**14**	-
Total current other financial liabilities	**1,063**	1,257
Non-current		
Derivative financial instruments - at fair value		
Cross currency swap contracts - cash flow and fair value hedges	**6**	19
Interest rate swap contracts - cash flow and fair value hedges	**8**	2
Energy derivatives - economic hedges	**357**	466
	371	487
Deferred consideration[1]	**38**	72
Total non-current other financial liabilities	**409**	559

1. Deferred consideration relates to the acquisitions of Loy Yang and Firm Power, Terrain Solar and their associated entities.

Refer to Note 35 for AGL's financial assets critical accounting estimates and assumptions.

20. Other liabilities

	Note	2025 $m	2024 $m
Current			
Deferred revenue[1]		**157**	448
Total current other liabilities		**157**	448
Non-current			
Defined benefit superannuation plan liability	31	**36**	49
Other		**197**	141
Total non-current other liabilities		**233**	190

1. Deferred revenue decreased compared to prior period primarily due to a government contribution received in June 2024 that was applied against customer bills in FY25.

21. Issued capital

	2025		2024	
	Total $m	Number of shares	Total $m	Number of shares
Balance at beginning of reporting period	**5,918**	**672,747,233**	5,918	672,747,233
Balance at reporting date	**5,918**	**672,747,233**	5,918	672,747,233

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding-up of the Parent Entity in proportion to the number of shares held. Every shareholder present at a general meeting of the Parent Entity, in person or by proxy is entitled to one vote per ordinary share held.

MATERIAL ACCOUNTING POLICY

Issued capital
Ordinary shares are classified as equity. Ordinary shares issued by AGL are recorded at the proceeds received, less transaction costs directly attributable to the issue of new shares, net of any tax effects.

22. Earnings per share

	2025	2024
Statutory earnings per share		
Basic earnings per share	**(14.6 cents)**	105.7 cents
Diluted earnings per share	**(14.6 cents)**	105.4 cents
Underlying earnings per share		
Basic earnings per share	**95.1 cents**	120.7 cents
Diluted earnings per share	**94.8 cents**	120.4 cents

Earnings used in calculating basic and diluted earnings per share attributable to AGL shareholders

	2025 $m	2024 $m
Statutory earnings used to calculate basic and diluted earnings per share attributable to AGL shareholders	**(98)**	711
Significant items after income tax	**596**	64
Loss in fair value of financial instruments after income tax	**142**	37
Underlying earnings used to calculate basic and diluted earnings per share	**640**	812

Weighted average number of ordinary shares

	30 June 2025 Number	30 June 2024 Number
Number of ordinary shares used in the calculation of basic earnings per share	**672,747,233**	672,747,233
Effect of dilution - LTIP share performance rights	**2,706,476**	1,926,596
Number of ordinary shares used in the calculation of diluted earnings per share	**675,453,709**	674,673,829

23. Commitments

23.a Capital expenditure commitments

	2025 $m	2024 $m
Not later than one year	**276**	416
Later than one year and not later than five years	**-**	63
	276	479

There are nil (2024: nil) joint operations capital commitments and AGL's share of associates' commitments is nil (2024: nil).

23.b Joint venture commitments

AGL's share of commitments made jointly with other investors relating to its joint ventures is $2 million (2024: $1 million).

24. Contingent assets and liabilities

Regulatory reviews and investigations

AGL and its businesses are subject to a range of laws and regulations and AGL is subject to reviews and investigations by the government and regulatory bodies from time to time. Regulatory investigations and reviews may result in enforcement action, litigation, and penalties. Consideration has been given to such matters and whilst at this stage a present obligation may be possible, at this time, it is expected that the resolution of these contingent events will not have a material impact on the financial position of AGL.

Legal actions and claims

Certain entities in AGL are party to various legal actions and claims which have arisen in the ordinary course of business. Any liabilities arising from such legal actions and claims are not expected to have a material adverse effect on AGL.

25. Remuneration of auditors

Auditor of the Parent Entity

	2025 $000	2024 $000
Deloitte Touche Tohmatsu Australia		
Audit and review of financial reports		
Group	**2,016**	2,095
Controlled entities	**101**	101
Total Audit and Review	**2,117**	2,196
Other regulatory audit services	**189**	184
Other assurance services	**138**	160
Total regulatory and other assurance	**327**	344
Other services	**30**	30
Total other services	**30**	30
Total Deloitte Touche Tohmatsu Australia	**2,474**	**2,570**
Deloitte Touche Tohmatsu related practices		
Audit of subsidiary financial reports	**70**	74
Total remuneration of auditors	**2,544**	2,644

The auditor of AGL Energy Limited is Deloitte Touche Tohmatsu Australia.

26. Subsidiaries

Name of subsidiary	Note	Country of incorporation	Ownership interest and voting power held 30 June 2025 %	Ownership interest and voting power held 30 June 2024 %
AGL ACT Retail Investments Pty Limited	(a)	Australia	**100**	100
AGL Australia Pty Limited	(b)	Australia	**-**	100
AGLA Vic Hydro Assets Pty Limited	(b)	Australia	**-**	100
AGL Barker Inlet Pty Limited	(a)	Australia	**100**	100
AGL Corporate Services Pty Limited	(a)	Australia	**100**	100
AGL Electricity (VIC) Pty Limited	(a)	Australia	**100**	100
Ovo Energy Pty Ltd	(a)	Australia	**100**	100
Victorian Energy Pty Limited	(a)	Australia	**100**	100
AGL Sales Pty Limited	(a)	Australia	**100**	100
AGL Sales (Queensland) Pty Limited	(a)	Australia	**100**	100
AGL Sales (Queensland Electricity) Pty Limited	(a)	Australia	**100**	100
AGL Torrens Island Holdings Pty Limited	(a)	Australia	**100**	100
AGL SA Generation Pty Limited	(a)	Australia	**100**	100
AGL Torrens Island Pty Limited	(a)	Australia	**100**	100
AGL South Australia Pty Limited	(a)	Australia	**100**	100
AGL APG Holdings Pty Limited	(a)	Australia	**100**	100
Australian Power and Gas Company Limited	(a)	Australia	**100**	100
AGL Australia Markets Pty Limited	(a)	Australia	**100**	100
APG Operations Pty Ltd	(b)	Australia	**-**	100
Australian Power and Gas (NSW) Pty Ltd	(a)	Australia	**100**	100
AGL Torrens Island Battery Pty Limited	(a)	Australia	**100**	100
AGL Dalrymple Pty Limited	(a)	Australia	**100**	100
Energy 360 Pty Ltd	(a)	Australia	**100**	100
Carbon Green Pty Ltd	(b)	Australia	**-**	100
Access Way SPV Pty Ltd	(b)	Australia	**-**	100
Epho Holding Pty Limited	(a)	Australia	**100**	100
Epho Services Pty Limited	(b)	Australia	**-**	100
Epho Pty Limited	(a)	Australia	**100**	100
Epho Asset Management Pty Limited	(a)	Australia	**100**	100
BTPS 1 Pty Limited	(b)	Australia	**-**	100
Everty Pty. Ltd.	(a)(g)	Australia	**100**	-
SEGH Pty Limited	(a)	Australia	**100**	100
Sustainable Business Energy Solutions Pty Ltd	(a)	Australia	**100**	100
Sol Install Pty Limited	(b)	Australia	**-**	100
Sol Distribution Pty Limited	(a)	Australia	**100**	100
Sunlease Pty Limited	(b)	Australia	**-**	100
Solarserve Pty Limited	(b)	Australia	**-**	100
AGL Energy Sales & Marketing Limited	(a)	Australia	**100**	100
AGL Energy Services Pty Limited	(a)	Australia	**100**	100
AGL Financial Energy Solutions Pty Limited	(a)	Australia	**100**	100
AGL Generation Holdco Pty Ltd		Australia	**99.99**	99.99
AGL Loy Yang Pty Ltd		Australia	**75**	75
AGL Loy Yang Partnership		Australia	**75**	75
AGL Loy Yang Projects Pty Ltd		Australia	**75**	75
AGL Generation Proprietary Limited		Australia	**100**	100
AGL Loy Yang Pty Ltd		Australia	**25**	25

26. Subsidiaries (Continued)

Name of subsidiary	Note	Country of incorporation	Ownership interest and voting power held 30 June 2025 %	30 June 2024 %
AGL Loy Yang Partnership		Australia	**25**	25
AGL Loy Yang Projects Pty Ltd		Australia	**25**	25
Loy Yang Marketing Holdings Pty Limited		Australia	**100**	100
AGL Loy Yang Marketing Pty Ltd		Australia	**100**	100
Great Energy Alliance Corporation Pty Limited	(b)	Australia	**-**	100
GEAC Operations Pty Limited	(b)	Australia	**-**	100
AGL LYP 1 Pty Ltd	(b)	Australia	**-**	100
AGL LYP 2 Pty Ltd	(b)	Australia	**-**	100
AGL LYP 3 Pty Ltd	(b)	Australia	**-**	100
AGL HP1 Pty Limited	(a)	Australia	**100**	100
AGL Hydro Partnership		Australia	**49.5**	49.5
AGL Southern Hydro (NSW) Pty Limited	(a)	Australia	**100**	100
AGL HP2 Pty Limited	(a)	Australia	**100**	100
AGL Hydro Partnership		Australia	**20**	20
AGL HP3 Pty Limited	(a)	Australia	**100**	100
AGL Hydro Partnership		Australia	**30.5**	30.5
AGL Liddell BESS Pty Ltd	(a)	Australia	**100**	100
AGL Macquarie Pty Limited	(a)	Australia	**100**	100
AGL New Energy Pty Limited	(a)	Australia	**100**	100
AGL New Energy EIF Pty Limited	(a)	Australia	**100**	100
AGL PARF NSW Pty Ltd	(a)	Australia	**100**	100
AGL PARF QLD Pty Limited	(a)	Australia	**100**	100
AGL Power Generation Pty Limited	(a)	Australia	**100**	100
AGL Power Generation (Wind) Pty Limited	(a)	Australia	**100**	100
AGL Energy Hubs Pty Ltd	(a)	Australia	**100**	100
AGL Yadnarie Pty Limited	(a)(f)	Australia	**100**	-
Barn Hill BESS Pty Ltd	(a)(d)	Australia	**100**	-
Crows Nest Wind Farm Pty Ltd	(b)	Australia	**-**	100
Firm Power Assets Pty Limited	(a)(c)	Australia	**100**	-
Abermain BESS Holding Pty Ltd	(a)(c)	Australia	**100**	-
Abermain BESS Opco Pty Ltd	(a)(c)	Australia	**100**	-
Abermain BESS Operations Trust	(c)	Australia	**100**	-
Abermain BESS Hold Trust	(c)	Australia	**100**	-
Awaba BESS Pty Ltd	(a)(c)	Australia	**100**	-
Awaba BESS Trust	(c)	Australia	**100**	-
Beresfield BESS Pty Ltd	(a)(c)	Australia	**100**	-
Beresfield BESS Trust	(c)	Australia	**100**	-
Firm Power Pty Ltd	(a)(c)	Australia	**100**	-
Firm Power Services Pty Ltd	(a)(c)	Australia	**100**	-
Glen Innes BESS Pty Ltd	(a)(c)	Australia	**100**	-
Glen Innes Project Unit Trust	(c)	Australia	**100**	-
Mount Britton Battery Pty Ltd	(a)(i)	Australia	**100**	-
Murrumburrah BESS Pty Ltd	(a)(c)	Australia	**100**	-
Murrumburrah Project Unit Trust	(c)	Australia	**100**	-
Muswellbrook BESS Pty Ltd	(a)(c)	Australia	**100**	-
Muswellbrook BESS Trust	(c)	Australia	**100**	-

26. Subsidiaries (Continued)

Name of subsidiary	Note	Country of incorporation	Ownership interest and voting power held 30 June 2025 %	30 June 2024 %
Sun State BESS Holding Pty Ltd	(a)(c)	Australia	**100**	-
Sun State BESS Opco Pty Ltd	(a)(c)	Australia	**100**	-
Sun State BESS Hold Trust	(c)	Australia	**100**	-
Sun State BESS Operations Trust	(c)	Australia	**100**	-
Terrain Solar Pty Ltd	(a)(c)	Australia	**100**	-
Terrain Solar Holdings Pty Ltd	(a)(c)	Australia	**100**	-
Terrain Solar AssetCo Pty Ltd	(a)(c)	Australia	**100**	-
Terrain Solar Holdings Trust	(c)	Australia	**100**	-
Fairway Asset Pty Ltd	(a)(c)	Australia	**100**	-
Fairway Asset Trust	(c)	Australia	**100**	-
Monaro Solar Farm Pty Ltd	(a)(c)	Australia	**100**	-
Monaro Solar Farm Trust	(c)	Australia	**100**	-
Myrtle Creek Solar Farm Pty Ltd	(a)(c)	Australia	**100**	-
Myrtle Creek Solar Farm Trust	(c)	Australia	**100**	-
Singleton Solar Farm Pty Ltd	(a)(c)	Australia	**100**	-
Singleton Solar Farm Trust	(c)	Australia	**100**	-
Terrain Solar Asset Trust	(c)	Australia	**100**	-
Terrain Solar Merino Asset Pty Ltd	(a)(c)	Australia	**100**	-
Terrain Solar Merino Trust	(c)	Australia	**100**	-
Upper Hunter Hydro Pty Ltd	(a)(h)	Australia	**100**	-
Upper Hunter Hydro Top Trust	(h)	Australia	**100**	-
Highfields Wind Farm Pty Limited	(b)	Australia	**-**	100
Tuckeroo BESS Pty Ltd	(a)(e)	Australia	**100**	-
Worlds End Wind Farm Pty Ltd	(b)	Australia	**-**	100
AGL PV Solar Holdings Pty Limited	(a)	Australia	**100**	100
AGL PV Solar Developments Pty Limited	(a)	Australia	**100**	100
AGL Retail Energy Limited	(a)	Australia	**100**	100
AGL Australia Services Pty Limited	(b)	Australia	**-**	100
AGL Upstream Gas (Mos) Pty Limited	(a)	Australia	**100**	100
AGL Gas Storage Pty Ltd	(a)	Australia	**100**	100
AGL Upstream Infrastructure Investments Pty Limited	(a)	Australia	**100**	100
AGL Upstream Investments Pty Limited	(a)	Australia	**100**	100
AGL Wholesale Gas Limited	(a)	Australia	**100**	100
AGL Wholesale Gas (SA) Pty Limited	(a)	Australia	**100**	100
Barker Inlet Trust		Australia	**100**	100
Barn Hill Wind Farm Pty Ltd	(a)	Australia	**100**	100
Click Energy Group Holdings Pty Ltd	(a)	Australia	**100**	100
Click Energy Pty Ltd	(a)	Australia	**100**	100
On the Move Pty Ltd	(a)	Australia	**100**	100
Connect Now Pty Ltd	(a)	Australia	**100**	100
Coopers Gap Wind Farm Pty Ltd	(a)	Australia	**100**	100
GRCI Australia Pte. Ltd.		Singapore	**100**	100
Growth Carbon Pty Ltd	(a)(j)	Australia	**100**	100
Nature Regeneration Investments Pty Ltd	(a)(k)	Australia	**100**	100
NGSF Operations Pty Limited	(b)	Australia	**-**	100
Perth Energy Holdings Pty. Ltd.	(a)	Australia	**100**	100

26. Subsidiaries (Continued)

Name of subsidiary	Note	Country of incorporation	Ownership interest and voting power held 30 June 2025 %	Ownership interest and voting power held 30 June 2024 %
Perth Energy Pty Ltd	(a)	Australia	**100**	100
WA Power Exchange Pty Ltd	(a)	Australia	**100**	100
Western Energy Holdings Pty Ltd	(a)	Australia	**100**	100
Western Energy Pty Ltd	(a)	Australia	**100**	100
Powerdirect Pty Ltd	(a)	Australia	**100**	100
Silverton Wind Farm Holdings Pty Limited	(b)	Australia	**-**	100
Silverton Wind Farm Developments Pty Limited	(b)	Australia	**-**	100
Silverton Wind Farm Transmission Pty Limited	(b)	Australia	**-**	100
Southern Phone Company Limited	(a)	Australia	**100**	100
Tomago BESS Pty Limited	(a)(l)	Australia	**100**	100
The Australian Gas Light Company	(a)	Australia	**100**	100

Names inset indicate that shares are held by the entity immediately above the inset.

(a) Parties to a Deed of Cross Guarantee with AGL Energy Limited as detailed in Note 30.
(b) Deregistered on 23 February 2025.
(c) Acquired on 12 September 2024.
(d) Incorporated on 22 October 2024.
(e) Incorporated on 22 October 2024. Queensland BESS Pty Ltd changed its name to Tuckeroo BESS Pty Ltd on 4 February 2025.
(f) Incorporated on 14 November 2024.
(g) Acquired on 8 January 2025.
(h) Acquired on 6 May 2025.
(i) Incorporated on 6 June 2025.
(j) AGL New Energy Investments Pty Limited changed its name to Growth Carbon Pty Ltd on 4 February 2025.
(k) AGL New Energy ACP Pty Limited changed its name to Nature Regeneration Investments Pty Ltd on 19 December 2024.
(l) AGL Newcastle Power Station Pty Limited changed its name to Tomago BESS Pty Limited on 30 July 2024.

27. Acquisition and disposal of subsidiaries and businesses

2025

Acquisition of Upper Hunter Hydro projects
On 4 April 2025, the Group acquired the Upper Hunter Hydro portfolio for purchase consideration of $18 million which includes development projects for renewable energy and storage projects. The agreed total consideration includes future milestone payments which are contingent on completion of project stage gates. The acquisition has been accounted for as an asset acquisition.

Disposal of Surat Gas Project
AGL completed the disposal of Surat Gas Project in March 2025, resulting in a net loss on disposal of $17 million (including $4 million impairment loss). Surat Gas Project consisted of upstream gas assets and liabilities located at Silver Springs and Wallumbilla. The project was included in the Integrated Energy operating segment.

Investment in Kaluza
On 28 January 2025, AGL completed the acquisition of 20% investment in Kaluza (a UK-based entity) in the form of preference shares for a consideration of $151 million. The investment is classified as debt instrument at fair value through profit or loss. Refer to Note 11.

Acquisition of Firm Power and Terrain Solar
On 12 September 2024, AGL acquired 100% of the shares and units in Firm Power and Terrain Solar. Refer to Note 28 for further details.

Joint venture with Outback Carbon
In September 2024, AGL entered into an unincorporated joint venture with Outback Carbon (subsidiary of Mitsui). The joint venture will undertake carbon farming projects with a focus in the Wheatbelt region of Western Australia. The arrangement is accounted for as a joint operation.

Capital Contribution to Gippsland Skies
During the financial period, AGL made a $13 million capital contribution to Gippsland Skies. Refer to Note 13.

2024

Acquisition of remaining shares of Ovo Energy Australia
In April 2024, AGL acquired the remaining 49% non-controlling interest of Ovo Energy Australia, AGL now owns 100% of Ovo Energy Australia.

Disposal of Moranbah Gas Project
AGL completed the disposal of Moranbah Gas Project in August 2023, resulting in a net gain on disposal of $46 million.

Capital Contribution to Tilt Renewables
During the financial year, AGL made a $13 million capital contribution to Tilt Renewables to fund the development of the Rye Park Wind Farm.

28. Business combinations

Firm Power, Terrain Solar and their associated entities

On 12 September 2024, the Group acquired 100% of the shares and units in Firm Power and Terrain Solar and their associated entities. Firm Power is a Battery Energy Storage System (BESS) developer with 21 renewable energy projects in development and Terrain Solar is a solar project developer with six projects in development. The acquisition is expected to increase the Group's energy project development options and expand its energy portfolio.

a. Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred.

	Firm Power $m	Terrain Solar $m	Total $m
Cash	**194**	**21**	**215**
Deferred and contingent consideration	**22**	**2**	**24**
Total consideration transferred	**216**	**23**	**239**

The fair value of consideration transferred includes $24 million of deferred and contingent consideration. The Share and Unit Sale Agreement requires that there be no outstanding claims against either Firm Power or Terrain Solar in the 6 month and 12 month periods respectively following completion of the acquisition. As a result, $12 million was paid to the former owners of Firm Power and Terrain Solar 6 months post acquisition completion. The remaining $12 million will be paid 12 months post acquisition completion. AGL's expectation is that the condition to payment will be met and hence the maximum value of the contingent consideration has been included in the fair value of consideration transferred.

b. Acquisition-related costs

The group incurred acquisition-related costs of $10 million relating to accounting and legal fees, stamp duty and insurance. These costs have been included in Expenses in the consolidated statement of profit or loss.

c. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Note	Firm Power $m	Terrain Solar $m	Total $m
Cash and cash equivalents		**5**	**2**	**7**
Other assets		**2**	**-**	**2**
Intangible assets	15	**131**	**18**	**149**
Trade and other payables		**(23)**	**(2)**	**(25)**
Current tax liabilities		**(2)**	**-**	**(2)**
Deferred tax liabilities		**(34)**	**(5)**	**(39)**
Net identifiable assets acquired		**79**	**13**	**92**

28. Business combinations (Continued)

d. Goodwill

Goodwill arising from the acquisition has been recognised as follows.

	Note	Firm Power $m	Terrain Solar $m	Total $m
Total consideration transferred		216	23	239
Fair value of identifiable net assets		79	13	92
Goodwill	15	**137**	**10**	**147**

The goodwill is attributable mainly to synergy with AGL's existing development pipeline, workforce acquired and acceleration of delivery on AGL's energy transition goal. None of the goodwill recognised is expected to be deductible for tax purposes.

e. Net cash outflow on acquisition

	Firm Power $m	Terrain Solar $m	Total $m
Consideration paid in cash	194	21	215
Less: cash and cash equivalents balances acquired	(5)	(2)	(7)
Net cash outflow on acquisition	**189**	**19**	**208**

Net cash outflows for the acquisition this year included a $208 million upfront payment and $12 million for deferred consideration.

f. Revenue and profit contribution

Firm Power contributed nil revenue and a net loss of $1 million to the group for the period from 12 September 2024 to 30 June 2025. If the acquisition had occurred on 1 July 2024, consolidated revenue for the period would have been nil and consolidated loss after tax for the period would have been $29 million.

Terrain Solar contributed $1 million revenue and a net loss of $1 million to the group for the period from 12 September 2024 to 30 June 2025. If the acquisition had occurred on 1 July 2024, consolidated revenue for the period would have been $1 million and consolidated loss after tax for the period would have been $5 million.

29. Joint operations

Joint operation	Principal activities	Interest 2025 %	Interest 2024 %
Bowen Basin - Queensland			
Spring Gully Project - ATP 592P, PL 195, PL 203 & PL 417	Gas production and exploration	**0.75**	0.75
Spring Gully Project - ATP 701, PL 204	Gas production	**0.0375**	0.0375
Surat Basin - Queensland[1]			
ATP 1190 (Bainbilla Block)	Oil and gas exploration	**-**	75.252
ATP 1190 (Spring Grove #2 sole risk)	Oil and gas exploration	**-**	52.752
ATP 1190 (Weribone)	Oil and gas exploration	**-**	28.71
PL 1 (Cabawin)	Oil production	**-**	16.67
PL 15[2]	Gas production	**75**	75
PL 30 (Riverslea)	Oil production	**-**	10
PL 74 (Major)	Oil production	**-**	16
Others			
Loy Yang Mine Rehabilitation[3]	Mine rehabilitation	**64.0**	64.0
Outback Carbon[4]	Carbon farming	**60.0**	-

1. Surat Basin was disposed of during the period, refer to Note 27.
2. As with other Surat Basin assets, PL 15 is expected to be disposed of in FY26 following receipt of the necessary government approvals.
3. AGL Loy Yang Partnership acquired 64% of Loy Yang Mine Rehabilitation Pty Ltd in June 2024. Loy Yang Mine Rehabilitation Pty Ltd is the trustee for the Loy Yang Mine Rehabilitation Trust.
4. In September 2024, AGL entered into an unincorporated joint venture with Outback Carbon.

AGL's share of capital expenditure commitments and contingent liabilities of joint operations are disclosed in Notes 23 and 24 respectively.

30. Deeds of cross guarantee

The wholly-owned Australian subsidiaries identified in Note 26 have entered into a Deed of Cross Guarantee with AGL Energy Limited in accordance with ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 and are relieved from the *Corporations Act 2001* requirement to prepare and lodge an audited financial report and directors' report. The effect of the deed is that each party guarantees the debts of the others.

The following wholly-owned subsidiaries became a party to the AGL Energy Limited Deed of Cross Guarantee during the year ended 30 June 2025 pursuant to an Assumption Deed dated 16 December 2024:

- Abermain BESS Holding Pty Ltd
- Abermain BESS Opco Pty Ltd
- AGL Yadnarie Pty Limited
- Awaba BESS Pty Ltd
- Barn Hill BESS Pty Ltd
- Beresfield BESS Pty Ltd
- Fairway Asset Pty Ltd
- Firm Power Assets Pty Limited
- Firm Power Pty Ltd
- Firm Power Services Pty Ltd
- Glen Innes BESS Pty Ltd
- Monaro Solar Farm Pty Ltd
- Murrumburrah BESS Pty Ltd
- Muswellbrook BESS Pty Ltd
- Myrtle Creek Solar Farm Pty Ltd
- Singleton Solar Farm Pty Ltd
- Sun State BESS Holding Pty Ltd
- Sun State BESS Opco Pty Ltd
- Terrain Solar AssetCo Pty Ltd
- Terrain Solar Holdings Pty Ltd
- Terrain Solar Merino Asset Pty Ltd
- Terrain Solar Pty Ltd
- Tuckeroo BESS Pty Ltd

The following wholly-owned subsidiaries became a party to the AGL Energy Limited Deed of Cross Guarantee during the year ended 30 June 2025 pursuant to an Assumption Deed dated 24 June 2025:

- Everty Pty. Ltd.
- Mount Britton Battery Pty Ltd
- Upper Hunter Hydro Pty Ltd

Set out below is the statement of profit or loss, statement of comprehensive income, statement of financial position and a summary of movements in retained earnings of the entities party to the Deed of Cross Guarantee.

Statement of profit or loss

	AGL Energy Limited	
	2025 $m	2024 $m
Revenue	**11,945**	11,783
Other income	**360**	46
Expenses	**(11,190)**	(10,510)
Share of profits of associates and joint ventures	**(489)**	43
Profit before net financing costs, depreciation and amortisation	**626**	1,362
Depreciation and amortisation	**(512)**	(466)
Profit before net financing costs	**114**	896
Finance income	**50**	7
Finance costs	**(444)**	(386)
Net financing costs	**(394)**	(379)
(Loss)/profit before tax	**(280)**	517
Income tax benefit/(expense)	**175**	(164)
(Loss)/profit for the year	**(105)**	353
(Loss)/profit is attributable to:		
Deed of Cross Guarantee Group	**(105)**	361
Non-controlling interest	**-**	(8)
	(105)	353

30. Deeds of cross guarantee (Continued)

Statement of comprehensive income

	AGL Energy Limited	
	2025 $m	2024 $m
(Loss)/profit for the period	**(105)**	353
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement gain/(loss) on defined benefit plans	**8**	(9)
Fair value gain on the revaluation of equity instrument financial assets	**4**	8
Income tax relating to items that will not be reclassified subsequently	**(4)**	-
	8	(1)
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges		
Gain in fair value of cash flow hedges	**(50)**	11
Reclassification adjustments transferred to profit or loss	**(20)**	(48)
Share of (loss)/profit attributable to joint ventures	**(49)**	5
Cost of hedging subject to basis adjustment	**2**	(3)
Income tax relating to items that may be reclassified subsequently	**34**	12
	(83)	(23)
Other comprehensive loss for the year, net of income tax	**(75)**	(24)
Total comprehensive (loss)/income for the year	**(180)**	329

30. Deeds of cross guarantee (Continued)

Statement of financial position

	AGL Energy Limited 2025 $m	AGL Energy Limited 2024 $m
Current assets		
Cash and cash equivalents	**294**	913
Trade and other receivables	**1,894**	1,942
Inventories	**289**	237
Current tax assets	**-**	-
Other financial assets	**396**	486
Other assets	**101**	107
Assets classified as held for sale	**-**	83
Total current assets	**2,974**	3,768
Non-current assets		
Trade and other receivables	**157**	106
Other financial assets	**3,828**	2,813
Investments in associates and joint ventures	**379**	405
Property, plant and equipment	**3,143**	2,704
Intangible assets	**3,119**	2,847
Deferred tax assets	**931**	756
Other assets	**-**	32
Total non-current assets	**11,557**	9,663
Total assets	**14,531**	13,431
Current liabilities		
Trade and other payables	**2,306**	1,806
Borrowings	**220**	18
Provisions	**267**	304
Current tax liabilities	**28**	12
Other financial liabilities	**731**	929
Other liabilities	**151**	441
Liabilities classified as held for sale	**-**	83
Total current liabilities	**3,703**	3,593
Non-current liabilities		
Trade and other payables	**71**	-
Borrowings	**2,993**	2,605
Provisions	**829**	736
Other financial liabilities	**3,841**	4,343
Other liabilities	**1,596**	87
Total non-current liabilities	**9,330**	7,771
Total liabilities	**13,033**	11,364
Net assets	**1,498**	2,067
Equity		
Issued capital	**5,910**	5,918
Reserves	**(1,146)**	(1,067)
Accumulated losses	**(3,266)**	(2,784)
Total equity	**1,498**	2,067

30. Deeds of cross guarantee (Continued)

Summary of movements in (accumulated losses)/retained earnings

	AGL Energy Limited	
	2025 $m	2024 $m
Accumulated losses at beginning of financial year	**(2,784)**	(2,788)
Ovo Energy Australia opening accumulated losses	**-**	(21)
(Loss)/profit for the year	**(105)**	361
Dividends paid	**(390)**	(330)
Adjustment for entities added to the deed of cross guarantee	**8**	-
Remeasurement gain/loss) on defined benefit plans, net of tax	**5**	(6)
Accumulated losses at end of financial year	**(3,266)**	(2,784)

31. Defined benefit superannuation plans

AGL contributes to superannuation plans that provide defined benefit members a lump sum on retirement, death, disablement and withdrawal. Some defined benefit members are eligible for pension benefits in some cases. Lump sum benefits are calculated based on years of service and final average salary. The defined benefit plans are closed to new members.

The plans are the Equipsuper Fund (EF), Electricity Industry Superannuation Scheme (EISS), State Superannuation Scheme (SSS), State Authorities Superannuation Scheme (SASS) and the State Authorities Non-contributory Superannuation Scheme (SANCS).

The Superannuation Industry Supervision (SIS) legislation governs the superannuation industry and provides the framework within which superannuation plans operate. The SIS regulations require an actuarial valuation to be performed for each defined benefit plan every three years, or every year if the plan pays defined benefit pensions.

The plans' trustees are responsible for the governance of the plans. The trustees have a legal obligation to act solely in the best interests of plan beneficiaries. The trustees have the following roles: administration of the plans and payment to the beneficiaries from plan assets when required in accordance with the plan rules; management and investment of the plan assets; and compliance with other applicable regulations.

There are a number of risks to which the plans expose AGL. The most significant risks are investment risk, salary growth risk, inflation risk, interest rate risk, legislative risk and changes in the life expectancy for members.

AGL also contributes to defined contribution superannuation plans for employees, which are also provided by these plans. Contributions made to these defined contribution plans are expensed as incurred.

AGL's Withdrawal from EISS

On 30 April 2025, AGL withdrew from the EISS scheme. As a result, AGL no longer has an obligation to contribute in respect of defined benefit liabilities. The EISS Board (the Trustee) will determine the assets required to be retained in the Scheme, with any surplus to be returned to AGL. The withdrawal from the EISS scheme resulted in a settlement loss of $8 million, a partial cash settlement receipt of $13 million and an estimated receivable of $5 million.

Amounts recognised in profit or loss

	2025 $m	2024 $m
Current service cost	**12**	11
Loss from settlements	**8**	-
Net interest (income)	**(2)**	(2)
Expense recognised in profit or loss as part of employee benefits expenses	**18**	9

31. Defined benefit superannuation plans (Continued)

Amounts recognised in other comprehensive income

Remeasurements		
Return on plan assets (excluding amounts included in net interest income/expense)	**(15)**	(13)
Actuarial loss arising from changes in demographic assumptions	**-**	7
Actuarial loss arising from changes in financial assumptions	**31**	16
Actuarial loss arising from experience	**6**	-
Adjustment for effect of asset ceiling	**(13)**	2
Remeasurement loss on defined benefit plans recognised in other comprehensive income	**9**	12

Amounts included in the Consolidated Statement of Financial Position

	Note	2025 $m	2024 $m
Present value of funded defined benefit obligations		**456**	575
Fair value of plan assets		**(459)**	(619)
Adjustment for effect of asset ceiling		**-**	13
Net defined benefit asset		**(3)**	(31)
Recognised in the Consolidated Statement of Financial Position as follows:			
Defined benefit superannuation plan asset	12	**(39)**	(80)
Defined benefit superannuation plan liability	20	**36**	49
Net defined benefit asset		**(3)**	(31)
Net asset at beginning of year		**(31)**	(38)
Expense recognised in the statement of profit or loss as part of employee benefits expense		**18**	9
Amount recognised in retained earnings		**9**	12
Employer contributions[1]		**2**	(14)
Net surplus at end of financial year		**(2)**	(31)

1. Includes a partial cash settlement of $13 million and an estimated receivable of $5 million in relation to the settlement of withdrawal from EISS.

31. Defined benefit superannuation plans (Continued)

Movements in the present value of defined benefit obligations

Opening defined benefit obligations	**575**	560
Current service cost	**12**	11
Interest expense	**30**	30
Loss on settlements[1]	**8**	-
Contributions by plan participants	**4**	5
Actuarial loss arising from changes in demographic assumptions	**-**	7
Actuarial loss arising from changes in financial assumptions	**31**	16
Actuarial loss arising from experience	**6**	-
Benefits paid	**(77)**	(49)
Taxes and premiums paid	**(3)**	(3)
Contributions to accumulation section	**(3)**	(2)
Settlements	**(127)**	-
Closing defined benefit obligations	**456**	575

1. Loss recognised on settlement of withdrawal from EISS.

Movements in the fair value of plan assets

Opening fair value of plan assets	**619**	609
Interest income	**32**	32
Actual return on plan assets less interest income	**15**	13
Employer contributions[1]	**(2)**	14
Contributions by plan participants	**4**	5
Benefits paid	**(77)**	(49)
Taxes and premiums paid	**(3)**	(3)
Contributions to accumulation section	**(3)**	(2)
Settlements	**(126)**	-
Closing fair value of plan assets	**459**	619

1. Includes a partial cash settlement of $13 million and an estimated receivable of $5 million in relation to the settlement of withdrawal from EISS.

Categories of plan assets

The major categories of plan assets as a percentage of the fair value of total plan assets at the end of the reporting period are as follows:

2025	EF %	EISS %[1]	SSS, SASS, and SANCS %
Australian equities	**17**	**N/A**	**12**
International equities	**21**	**N/A**	**39**
Fixed interest securities	**15**	**N/A**	**3**
Property	**6**	**N/A**	**8**
Cash	**10**	**N/A**	**7**
Alternatives/other	**31**	**N/A**	**32**

1. On 30 April 2025, AGL withdrew from the EISS scheme.

31. Defined benefit superannuation plans (Continued)

2024			
Australian equities	16	24	16
International equities	21	28	40
Fixed interest securities	16	16	3
Property	6	9	6
Cash	10	7	7
Alternatives/other	31	16	28

All plan assets are held within investment funds which do not have a quoted market price in an active market.

The fair value of plan assets excludes any amounts relating to AGL's own financial instruments, or property occupied by, or other assets used by AGL.

Principal actuarial assumptions

The principal actuarial assumptions at the end of the reporting period (expressed as weighted averages) were as follows:

2025	EF %	EISS %[1]	SSS, SASS, & SANCS %
Discount rate active members	**5.0**	**N/A**	**5.5**
Discount rate pensioners	**5.0**	**N/A**	**-**
Expected salary increase rate	**4.5**	**N/A**	**3.5**
Expected pension increase rate	**2.5**	**N/A**	**-**

1. On 30 April 2025, AGL withdrew from the EISS scheme.

2024			
Discount rate active members	5.5	5.6	5.6
Discount rate pensioners	5.5	5.6	-
Expected salary increase rate	3.5	3.0	3.8
Expected pension increase rate	2.6	2.7	-

Sensitivity analysis

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Defined benefit obligation			
	Increase 2025 $m	Decrease 2025 $m	Increase 2024 $m	Decrease 2024 $m
Discount rate (0.5 percentage point movement)	**(23)**	**25**	(28)	30
Expected salary increase rate (0.5 percentage point movement)	**11**	**(10)**	10	(9)
Expected pension increase rate (0.5 percentage point movement)	**2**	**(2)**	9	(8)

The sensitivity analyses presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analyses from prior years.

Funding arrangements and employer contributions

Employer contributions are determined based on actuarial advice and are set to target the assets of the plans exceeding the total of members' vested benefits. Funding levels are reviewed regularly. Where assets are less than vested benefits, a management plan must be established to restore the coverage to at least 100%.

AGL expects to contribute $13 million to the defined benefit plans during the year ending 30 June 2026.

The weighted average duration of the defined benefit obligation as at 30 June 2025 was EF 8 years; and SSS, SASS and SANCS 12 years.

31. Defined benefit superannuation plans (Continued)

Defined contribution superannuation plans

AGL makes contributions to a number of defined contribution superannuation plans. The amount recognised as an expense for the year ended 30 June 2025 was $50 million (2024: $54 million).

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Defined benefit superannuation plans

Various actuarial assumptions are utilised in the determination of AGL's defined benefit obligations. AGL uses external actuarial experts to determine these assumptions. Key accounting assumptions include the discount rate, salary increase rate and pension increase rate.

32. Share-based payment plans

AGL operates the following share-based payment plans:

- The Share Reward Plan; and
- The Long-Term Incentive plan.

AGL has the following other equity arrangements:

- The Share Purchase Plan; and
- The Restricted Equity Plan.

Share Reward Plan (SRP)

The SRP is AGL's complying broad-based employee share plan that enables eligible employees to be granted up to $1,000 of ordinary shares in AGL for no consideration each financial year. The SRP is governed by the AGL General Employee Share Plan Rules. The grant of shares is subject to the achievement of performance metrics and can therefore be scaled down in years where all objectives are not met. Shares granted pursuant to the SRP are subject to a trading restriction of the earlier of three years or the participant's cessation of employment.

Eligible participants include all AGL employees with at least 12 months service at the eligibility date (generally 1 September following the financial year end). Participants in the long-term incentive plan are excluded from any SRP grant.

Details of share movements in the SRP during the year are set out below:

Grant date	Balance at 1 July Number	Granted during the year Number	Fair Value per share $	Released during the year Number	Balance at 30 June Number
2025					
30 September 2024	**-**	**263,492**	**$11.74**	**(24,472)**	**239,020**
30 September 2023	**219,410**	**-**	**-**	**(26,862)**	**192,548**
30 September 2022	**274,260**	**-**	**-**	**(32,025)**	**242,235**
28 September 2021	**192,809**	**-**	**-**	**(192,809)**	**-**
Total Share Reward Plan shares	**686,479**	**263,492**		**(276,168)**	**673,803**
2024					
30 September 2023	-	233,100	$10.71	(13,690)	219,410
30 September 2022	298,200	-	-	(23,940)	274,260
28 September 2021	207,583	-	-	(14,774)	192,809
28 September 2020	149,385	-	-	(149,385)	-
Total Share Reward Plan shares	655,168	233,100		(201,789)	686,479

The expense recognised in profit or loss, as part of employee benefits expense during the year in relation to the SRP, was $3 million (2024: $2 million).

32. Share-based payment plans (Continued)

Long-Term Incentive (LTI) Plan

The LTI plan provides for a grant of performance rights to eligible participants subject to AGL's performance against pre-determined metrics over a four-year performance period (prior to FY20, a three-year performance period applied). The LTI is governed by the AGL Energy Limited Share Plan Rules. Participation is determined annually at the discretion of the Board.

Generally, performance rights are forfeited on cessation of employment. The Board has discretion with reference to the relevant facts and circumstances of the cessation to vest all or part of the balance, or to authorise a portion of the award to be retained and assessed post-employment.

Current LTI Plans

For the FY25 and FY24 plan, the performance rights are subject to two performance hurdles, based on:

- Relative Total Shareholder Return (Relative TSR) - 70% weighted; and
- Carbon Transition metrics - 30% weighted

For the FY23 and FY22 plan, the performance rights are subject to two performance hurdles, based on:

- Relative TSR - 75% weighted; and
- Carbon Transition metrics - 25% weighted

Relative TSR is calculated by ranking AGL's TSR on a relative basis against the peer group, being S&P/ASX100 companies.

Carbon Transition is calculated through three transition metrics. These metrics are based off emissions intensity, renewable capacity and green energy and carbon neutral revenue.

The performance period for the outstanding LTI plans as at 30 June 2025 are as follows:

- FY25: Four years from 1 July 2024 to 30 June 2028
- FY24: Four years from 1 July 2023 to 30 June 2027
- FY23: Four years from 1 July 2022 to 30 June 2026
- FY22: Four years from 1 July 2021 to 30 June 2025

The number of shares vested are determined by the vesting schedules detailed in the tables below.

Relative TSR vesting schedule

AGL's TSR ranking against comparator group	Percentage of performance rights which vest			
LTI Plan	FY25	FY24	FY23	FY22
Below 50th percentile	Nil	Nil	Nil	Nil
50th – 75th percentile	50 – 100%	50 – 100%	50 – 100%	50 – 100%
At or above 75th percentile	100%	100%	100%	100%

Carbon Transition vesting schedule

The units of measurement for each of the carbon transition FY25 and FY24 metrics are:

- Emissions intensity of electricity supplied;
- New renewable and firming capacity from 1 July 2022 onwards; and
- Revenue uplift of green energy and carbon neutral products and services from FY19 base

The units of measurement for each of the carbon transition FY23 and FY22 metrics are:

- Operated and contracted generation intensity;
- Operated and contracted renewable and electricity storage capacity; and
- Percentage of total revenue derived from green energy and carbon neutral products and services

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32. Share-based payment plans (Continued)

FY25 plan percentage of performance rights which vest:

Emissions intensity of electricity supplied in FY28		New renewable and firming capacity from 1 July 2022 to 30 June 2028		Revenue uplift of green energy and carbon neutral products & services in FY28 from FY19 base	
0%	More than 0.838	0%	Less than 3.1 GW	0%	Less than 90%
25 - 50%	0.838 - 0.825	25 - 70%	3.1 GW - 3.5 GW	25 - 50%	90% - 96%
50 - 90%	0.825 - 0.819	70 - 90%	3.5 GW - 3.7 GW	50 - 100%	96% - 106%
90 - 100%	0.819 - 0.812	90 - 100%	3.7 GW - 4.0 GW	100%	More than 106%
100%	Less than 0.812	100%	More than 4.0 GW		

FY24 plan percentage of performance rights which vest:

Emissions intensity of electricity supplied in FY27		New total firming and renewable capacity from 1 July 2022 at 30 June 2027		Revenue uplift of green energy and carbon neutral products & services in FY27 from FY19 base	
0%	More than 0.907	0%	Less than 1.5 GW	0%	Less than 75%
25 - 50%	0.907 - 0.884	25 - 50%	1.5 GW - 1.9 GW	25 - 50%	75% - 85%
50 - 90%	0.884 - 0.871	50 - 80%	1.9 GW - 2.1 GW	50 - 100%	85% - 95%
90 - 100%	0.871 - 0.868	80 - 100%	2.1 GW - 2.4 GW	100%	More than 95%
100%	Less than 0.868	100%	More than 2.4 GW		

FY23 plan percentage of performance rights which vest:

	Operated and contracted generation intensity in FY26	% Operated and contracted renewable & electricity storage capacity at 30 June 2026	Green & carbon neutral products & services in FY26
0%	More than 0.875	Less than 30.8%	Less than 22.2%
50 - 100%	0.875 - 0.800	30.8% - 39.8%	22.2% - 27.0%
100%	Less than 0.800	More than 39.8%	More than 27.0%

FY22 plan percentage of performance rights which vest:

	Operated and contracted generation intensity in FY25	% Operated and contracted renewable & electricity storage capacity at 30 June 2025	Green & carbon neutral products & services in FY25
0%	More than 0.885	Less than 29.4%	Less than 16.5%
50 - 100%	0.885 - 0.823	29.4% - 36.9%	16.5% - 22.1%
100%	Less than 0.823	More than 36.9%	More than 22.1%

Details of performance rights movements in the FY25 LTI Plan during the year are set out below:

Grant date	Performance hurdle	Balance at 1 July Number	Granted during the year Number	Fair value per SPR at grant date $	Vested during the year Number	Forfeited/ lapsed during the year Number	Balance at 30 June Number
2025							
FY25 LTI – 17 October 2024	**Relative TSR**	**-**	**739,143**	**$6.24**	**-**	**(1,357)**	**737,786**
FY25 LTI – 17 October 2024	**Carbon Transition**	**-**	**316,776**	**$9.35**	**-**	**(582)**	**316,194**
Total share rights		**-**	**1,055,919**	**$7.17**	**-**	**(1,939)**	**1,053,980**

Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

32. Share-based payment plans (Continued)

Details of performance rights movements in the FY24 LTI Plan during the year are set out below:

Grant date	Performance hurdle	Balance at 1 July Number	Granted during the year Number	Fair value per SPR at grant date $	Vested during the year Number	Forfeited/ lapsed during the year Number	Balance at 30 June Number
2025							
FY24 LTI – 24 November 2023	**Relative TSR**	**646,000**	**-**	**$5.54**	**-**	**(4,850)**	**641,150**
FY24 LTI – 24 November 2023	**Carbon Transition**	**276,858**	**-**	**$8.72**	**-**	**(2,078)**	**274,780**
Total share rights		**922,858**	**-**	**$6.49**	**-**	**(6,928)**	**915,930**
2024							
FY24 LTI – 24 November 2023	Relative TSR	-	660,580	$5.54	-	(14,580)	646,000
FY24 LTI – 24 November 2023	Carbon Transition	-	283,106	$8.72	-	(6,248)	276,858
Total share rights		-	943,686	$6.49	-	(20,828)	922,858

Details of performance rights movements in the FY23 LTI Plan during the year are set out below:

Grant date	Performance hurdle	Balance at 1 July Number	Granted during the year Number	Fair value per SPR at grant date $	Vested during the year Number	Forfeited/ lapsed during the year Number	Balance at 30 June Number
2025							
FY23 LTI – 8 November 2022	**Relative TSR**	**586,691**	**-**	**$3.73**	**-**	**(2,579)**	**584,112**
FY23 LTI – 8 November 2022	**Carbon Transition**	**195,563**	**-**	**$6.63**	**-**	**(859)**	**194,704**
Total share rights		**782,254**	**-**	**$4.46**	**-**	**(3,438)**	**778,816**
2024							
FY23 LTI – 8 November 2022	Relative TSR	606,843	-	$3.73	-	(20,152)	586,691
FY23 LTI – 8 November 2022	Carbon Transition	202,280	-	$6.63	-	(6,717)	195,563
Total share rights		809,123	-	$4.46	-	(26,869)	782,254

Details of performance rights movements in the FY22 LTI Plan during the year are set out below:

Grant date	Performance hurdle	Balance at 1 July Number	Granted during the year Number	Fair value per SPR at grant date $	Vested during the year Number	Forfeited/ lapsed during the year Number	Balance at 30 June Number
2025							
FY22 LTI – 29 Oct 2021	**Relative TSR**	**605,084**	**-**	**$1.59**	**(411,457)**	**(193,627)**	**-**
FY22 LTI – 29 Oct 2021	**Carbon Transition**	**201,690**	**-**	**$4.80**	**(109,585)**	**(92,105)**	**-**
Total share rights		**806,774**	**-**	**$2.39**	**(521,042)**	**(285,732)**	**-**
2024							
FY22 LTI – 29 Oct 2021	Relative TSR	605,084	-	$1.59	-	-	605,084
FY22 LTI – 29 Oct 2021	Carbon Transition	201,690	-	$4.80	-	-	201,690
Total share rights		806,774	-	$2.39	-	-	806,774

32. Share-based payment plans (Continued)

Performance rights grant

The fair value of performance rights granted are measured by reference to the fair value. The estimate of the fair value is measured based on the Monte Carlo simulation method. The contractual life of the performance rights is used as an input into this model. Expected volatility is based on the historical share price volatility over the past three years.

	2025 FY25 LTI	2024 FY24 LTI	2023 FY23 LTI	2022 FY22 LTI
Grant date	17 October 2024	24 November 2023	8 November 2022	29 October 2021
Weighted average fair value at grant date	$7.17	$6.49	$4.46	$2.39
Share price at grant date	$11.74	$9.96	$7.56	$5.72
Expected volatility	29.0%	30.0%	31.0%	27.0%
Expected dividend yield	6.2%	3.7%	3.6%	6.0%
Risk free interest rate (based on government bonds)	3.8%	4.2%	3.6%	0.7%

The expense recognised in profit or loss as part of employee benefits expense during the year in relation to performance rights granted to executives under the LTI Plan was $4 million (2024: $3 million).

Shares purchased on-market

During the financial year ended 30 June 2025, 446,121 (2024: 233,100) AGL shares were purchased on-market at an average of $11.82 (2024: $11.06) per share, for a total consideration of $5,272,314 (2024: $2,577,376), to satisfy employee entitlements pursuant to the SRP and LTI.

Other equity arrangements

Share Purchase Plan (SPP)

The SPP is AGL's salary sacrifice plan that enables eligible employees to contribute up to $5,000 per financial year from their ongoing fixed remuneration and/or short-term incentive (STI) award into acquiring ordinary shares in AGL. The SPP is governed under the AGL General Employee Share Plan Rules. Shares granted pursuant to the SPP are subject to a trading restriction of the earlier of four years (from the start of the financial year in which they are acquired) or the participant's cessation of employment. The holding lock is in place to provide for a deferral of income tax for participants.

Eligible participants include all permanent AGL employees. Non-Executive Directors, the Managing Director and Chief Executive Officer, and members of the executive team are excluded from SPP participation.

Details of share movements in the SPP during the year are set out below:

Share movements	Balance at 1 July Number	Granted during the year Number	Fair Value per share $	Released during the year Number	Balance at 30 June Number
2025					
Employees	**697,273**	**232,285**	**$11.00**	**(339,018)**	**590,540**
Total share purchase plan shares	**697,273**	**232,285**		**(339,018)**	**590,540**
2024					
Employees	691,547	242,023	$9.99	(236,297)	697,273
Total share purchase plan shares	691,547	242,023		(236,297)	697,273

Restricted Equity Plan (REP)

The REP provides for a grant of restricted shares, either as the deferral component of STI awards for executives, or for other purposes (for example, sign-on or retention awards).

Generally, restricted shares are forfeited on cessation of employment. The Board has discretion with reference to the relevant facts and circumstances of the cessation to vest all or part of the balance, or to authorise a portion of the award to be retained and vest post-employment.

32. Share-based payment plans (Continued)

Details of share movements in the REP during the year are set out below:

Share movements	Balance at 1 July Number	Granted during the year Number	Weighted average fair value per share $	Released/ forfeited during the year Number	Balance at 30 June Number
2025					
Current Managing Director and Chief Executive Officer - Damien Nicks	**38,665**	**59,984**	**$11.74**	**(11,928)**	**86,721**
Employees	**73,257**	**100,316**	**$11.24**	**(37,365)**	**136,208**
Total restricted equity plan shares	**111,922**	**160,300**		**(49,293)**	**222,929**
2024					
Current Managing Director and Chief Executive Officer - Damien Nicks	11,928	26,737	$11.19	-	38,665
Employees	82,640	42,393	$11.19	(51,776)	73,257
Total restricted equity plan shares	94,568	69,130		(51,776)	111,922

Shares purchased on-market
During the financial year ended 30 June 2025, 392,585 (2024: 264,969) AGL shares were purchased on-market at an average price of $11.17 (2024: $10.09) per share, for a total consideration of $4,387,130 (2024: $2,674,660), to satisfy employee entitlements pursuant to the SPP and REP.

33. Related party disclosures

Key management personnel remuneration
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of AGL, directly or indirectly, including the Directors of the Parent Entity.

The aggregate remuneration made to key management personnel is set out below:

	2025 $000	2024 $000
Short-term employee benefits	**8,218**	8,090
Post-employment benefits	**343**	331
Share-based payments	**2,620**	2,343
Other payments[1]	**733**	-
Total remuneration to key management personnel	**11,914**	10,764

1. Represents a settlement sum of $720,000 plus Medicare costs. The amount was not paid in exchange for services rendered by Ms McKenzie as a Director.

Further details are contained in the Remuneration Report attached to and forming part of the Directors' Report.

Other transactions with key management personnel
Ms Patricia McKenzie, the former Chair of AGL, was injured in August 2023 while visiting an AGL site. Since the incident, Ms McKenzie has required surgery and ongoing medical assistance. In January 2025, the Directors (other than Ms McKenzie) approved a settlement of $720,000 to Ms McKenzie relating to all current and future loss suffered as a result the injury in addition to reimbursement of Medicare costs in the amount of $11,657.55. Further details are set out in section 9.7.3 of the Remuneration Report.

33. Related party disclosures (Continued)

Amounts owing by joint ventures and joint operations

	2025 $000	2024 $000
ActewAGL Retail Partnership	**57,657**	55,902
Tilt Renewables	**13,626**	12
Pottinger Renewables Joint Venture	**8,400**	7,000
Muswellbrook Pumped Hydro Joint Venture	**13,160**	7,315

The amount owing is unsecured, interest free and will be settled in cash. No expense has been recognised in the current or the prior period for bad or doubtful debts in respect of the amounts owed by joint ventures.

Amounts owing to joint ventures and joint operations

	2025 $000	2024 $000
Tilt Renewables	**-**	15,650

The amount owing is unsecured, interest free and will be net settled in cash.

Trading transactions with joint ventures and joint operations

	2025 $000	2024 $000
ActewAGL Retail Partnership		
AGL sold gas, electricity and environmental products to the ActewAGL Retail Partnership on normal commercial terms and conditions.		
Net amounts received	**323,305**	324,797
Tilt Renewables		
AGL sells/purchases electricity and environmental products with Tilt Renewables on normal commercial terms and conditions.		
Net amounts received/(paid)	**54,897**	(18,479)
AGL received management fees from Tilt for overseeing the operation and construction of its generation assets.		
Net amounts received	**-**	1,534
North Queensland Energy Joint Venture		
North Queensland Energy Joint Venture (NQE) pays management fees to AGL as the operator of NQE.[1]		
Net amounts received	**-**	167

1. North Queensland Energy Joint Venture was disposed of in FY24.

34. Cash and cash equivalents

34.a Reconciliation to cash flow statement

Cash and cash equivalents at the end of the reporting period as shown in the Consolidated Statement of Cash Flows can be reconciled to the related items in the Consolidated Statement of Financial Position as follows:

	2025 $m	2024 $m
Cash at bank and on hand	**305**	492
Short-term deposits	**14**	440
Total cash and cash equivalents	**319**	932

34.b Reconciliation of profit for the year to net cash flows from operating activities

	2025 $m	2024 $m
(Loss)/profit before tax	**(98)**	703
Share of (profits)/losses of associates and joint ventures	**(37)**	(14)
Dividends received from joint ventures	**25**	26
Depreciation and amortisation	**803**	747
Share-based payment expense	**8**	4
Loss in fair value of financial instruments	**215**	55
Net loss/(gain) on disposal of property, plant and equipment	**-**	9
Non-cash finance costs	**194**	186
Capitalised finance costs	**(24)**	(11)
Onerous contract expenses	**569**	(1)
Impairment expenses	**25**	98
Reversal of impairment	**-**	(1)
Net loss/(gain) on the disposal of assets held for sale	**13**	(46)
Other non-cash expenses	**(5)**	-
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	**(326)**	(412)
Decrease/(increase) in inventories	**(69)**	26
Decrease/(increase) in derivative financial instruments	**(15)**	5
(Increase) in other financial assets	**(95)**	(34)
(Increase) in other assets	**(134)**	(16)
Increase/(decrease) in trade and other payables	**540**	298
(Decrease) in provisions	**(156)**	(59)
Decrease in other financial liabilities	**14**	-
Increase in other liabilities	**(313)**	382
Decrease/(increase) in net tax assets	**(293)**	295
Net cash provided by operating activities	**841**	2,240

34.c Reconciliation of changes in liabilities arising from financing activities

Year ended 30 June 2025	Balance at beginning of financial year $m	Net proceeds/ (repayments) $m	Non-cash movements $m	Balance at end of financial year $m
Liabilities arising from financing activities				
USD senior notes	**1,604**	**-**	**58**	**1,662**
Bank loans	**853**	**515**	**-**	**1,368**
CPI bonds	**41**	**(12)**	**-**	**29**
Lease liabilities	**247**	**(2)**	**23**	**268**
Deferred transaction costs	**(17)**	**(7)**	**4**	**(20)**
	2,728	**494**	**85**	**3,307**

34. Cash and cash equivalents (Continued)

Year ended 30 June 2024	Balance at beginning of financial year $m	Net proceeds/ (repayments) $m	Non-cash movements $m	Balance at end of financial year $m
Liabilities arising from financing activities				
USD senior notes	1,133	468	3	1,604
Bank loans	1,483	(630)	-	853
CPI bonds	52	(11)	-	41
Lease liabilities	231	(22)	38	247
Deferred transaction costs	(16)	(7)	6	(17)
	2,883	(202)	47	2,728

MATERIAL ACCOUNTING POLICY

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash. The carrying amount represents fair value.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above net of outstanding bank overdrafts and accounts relating to dividend payments held in escrow.

35. Financial instruments

35.a Classes and categories of financial instruments and their fair values

The following table combines information about:

- Classes of financial instruments based on their nature and characteristics;
  - Amortised cost
  - Fair value through profit or loss ('FVTPL')
  - Fair value through other comprehensive income ('FVOCI')
- The carrying amounts of financial instruments;
- Fair values of financial instruments (except financial instruments when carrying amount approximates their fair value); and
- Fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

	Carrying value								
	Financial assets				Financial liabilities				
2025 $m	FVTPL	FVOCI	Amortised cost	Hedges	FVTPL	FVOCI	Amortised cost	Hedges	Total
Cash and cash equivalents	-	-	**319**	-	-	-	-	-	**319**
Other financial assets	**164**	**34**	**13**	-	-	-	-	-	**211**
Trade and other receivables	-	-	**2,597**	-	-	-	-	-	**2,597**
Future deposits and margin calls	-	-	**121**	-	-	-	-	-	**121**
Derivative financial instruments	**870**	-	-	**131**	**(1,337)**	-	-	**(35)**	**(371)**
Borrowings	-	-	-	-	**(1,112)**	-	**(1,927)**	-	**(3,039)**
Finance lease liabilities	-	-	-	-	-	-	**(268)**	-	**(268)**
Other financial liabilities	-	-	-	-	-	-	**(14)**	-	**(14)**
Trade and other payables	-	-	-	-	-	-	**(2,641)**	-	**(2,641)**
Deferred consideration	-	-	-	-	-	-	**(86)**	-	**(86)**
Total	**1,034**	**34**	**3,050**	**131**	**(2,449)**	-	**(4,936)**	**(35)**	**(3,171)**

35. Financial instruments (Continued)

2024 $m	Carrying value: Financial assets FVTPL	FVOCI	Amortised cost	Hedges	Carrying value: Financial liabilities FVTPL	FVOCI	Amortised cost	Hedges	Total
Cash and cash equivalents	-	-	932	-	-	-	-	-	932
Other financial assets	-	29	2	-	-	-	-	-	31
Trade and other receivables	-	-	2,271	-	-	-	-	-	2,271
Future deposits and margin calls	-	-	37	-	-	-	-	-	37
Derivative financial instruments	1,425	-	-	148	(1,672)	-	-	(43)	(142)
Borrowings	-	-	-	-	(1,054)	-	(1,427)	-	(2,481)
Finance lease liabilities	-	-	-	-	-	-	(247)	-	(247)
Trade and other payables	-	-	-	-	-	-	(2,101)	-	(2,101)
Deferred consideration	-	-	-	-	-	-	(101)	-	(101)
Total	1,425	29	3,242	148	(2,726)	-	3,876	(43)	(1,801)

35.b Fair value measurements

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no material transfers between Level 1 and Level 2 during the year.

2025	Carrying Amount $m	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Financial assets					
Debt instrument financial assets at FVTPL					
Debt instruments	**164**	**-**	**-**	**164**	**164**
Equity instruments at FVOCI					
Unlisted equity securities	**24**	**-**	**-**	**24**	**24**
Other	**10**	**-**	**-**	**10**	**10**
Derivative financial instruments					
Cross currency swap contracts - cash flow and fair value hedges	**86**	**-**	**86**	**-**	**86**
Interest rate swap contracts - cash flow and fair value hedges	**44**	**-**	**44**	**-**	**44**
Forward foreign exchange contracts - cash flow hedges	**1**	**-**	**1**	**-**	**1**
Energy derivatives - economic hedges	**870**	**165**	**142**	**563**	**870**
Total financial assets	**1,199**	**165**	**273**	**761**	**1,199**
Financial liabilities					
Derivative financial instruments					
Cross currency swap contracts - cash flow and fair value hedges	**(14)**	**-**	**(14)**	**-**	**(14)**
Interest rate swap contracts - cash flow and fair value hedges	**(11)**	**-**	**(11)**	**-**	**(11)**
Forward foreign exchange contracts - cash flow hedges	**(10)**	**-**	**(10)**	**-**	**(10)**
Energy derivatives - economic hedges	**(1,337)**	**(277)**	**(303)**	**(757)**	**(1,337)**
Total financial liabilities	**(1,372)**	**(277)**	**(338)**	**(757)**	**(1,372)**

35. Financial instruments (Continued)

2024	Carrying Amount $m	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Financial assets					
Equity instruments at FVOCI					
Unlisted equity securities	15	-	-	15	15
Unlisted investment funds	11	-	-	11	11
Other	3	-	-	3	3
Derivative financial instruments					
Cross currency swap contracts - cash flow and fair value hedges	59	-	59	-	59
Interest rate swap contracts - cash flow and fair value hedges	89	-	89	-	89
Energy derivatives - economic hedges	1,425	383	291	751	1,425
Total financial assets	1,602	383	439	780	1,602
Financial liabilities					
Derivative financial instruments					
Cross currency swap contracts - cash flow and fair value hedges	(40)	-	(40)	-	(40)
Interest rate swap contracts - cash flow and fair value hedges	(1)	-	(1)	-	(1)
Forward foreign exchange contracts - cash flow hedges	(2)	-	(2)	-	(2)
Energy derivatives - economic hedges	(1,672)	(351)	(374)	(947)	(1,672)
Total financial liabilities	(1,715)	(351)	(417)	(947)	(1,715)

Management has assessed that the carrying value of financial assets and financial liabilities to be comparable to fair value.

Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments:

- Receivables/payables with a remaining life of less than six months, the notional amount is deemed to reflect the fair value. All other receivables/payables are discounted to determine the fair value if the effect of discounting is material.
- The fair value of forward foreign exchange contracts, interest rate and cross currency swaps is calculated as the present value of expected future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates that reflect the credit risk of various counterparties.
- The fair value of borrowings, energy derivatives and deferred consideration is determined as the present value of future contracted cash flows and credit adjustments. Cash flows are discounted using standard valuation techniques at applicable market yield having regard to timing of cash flows.
- The fair value of debt instrument is calculated using a valuation methodology based on key assumptions such as customer volume, unit pricing, and market multiples in line with industry standards.
- The fair value of lease liabilities is estimated as the present value of future cash flows discounted where the effect of discounting is material.

The following table provides a reconciliation of fair value movements in Level 3 financial instruments.

	2025 $m	2024 $m
Opening balance	**(167)**	(324)
Total gains or losses recognised in profit or loss		
Settlements during the year	**(444)**	(194)
Changes in fair value	**471**	373
Premiums	**(18)**	(23)
Purchases	**162**	1
Closing balance	**4**	(167)

35. Financial instruments (Continued)

The total gains or losses for the year included a gain of $462 million relating to energy derivative Level 3 contracts held at the end of the reporting period (2024: a gain of $373 million). Fair value gains or losses on energy derivatives are included in other expenses in the line item 'Loss on fair value of financial instruments' in Note 4.

The sensitivity of Level 3 financial instruments with significant unobservable inputs, where the inputs are higher by 10 percent is $(205) million and lower by 10 percent is $209 million (profit after tax (decrease)/increase)). Input changes were applied to forward prices with references to electricity market and emissions schemes, cost-based indexes, contract volumes, contract unit pricing and management's assumptions on long-term commodity curves.

35.c Capital risk management

AGL's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an appropriate capital structure of debt and equity.

In order to maintain or adjust the capital structure, AGL may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. AGL's overall capital management strategy remains unchanged from 2022.

The capital structure of AGL consists of net debt (borrowings offset by cash and cash equivalents) and total equity (comprising issued capital, reserves and retained earnings).

AGL monitors capital on the basis of the gearing ratio and funds from operations (FFO) to interest expense cover.

The gearing ratio is calculated as net debt divided by adjusted total capital. Net debt is calculated as total borrowings, adjusted for cross currency swap hedges and deferred borrowing costs, less cash and cash equivalents. Adjusted total capital is calculated as total equity less the hedge reserve plus net debt. The gearing ratio at the end of the reporting period was as follows:

	2025 $m	2024 $m
Current borrowings	**238**	35
Non-current borrowings	**3,069**	2,693
Total borrowings	**3,307**	2,728
Adjustment for cross currency swap hedges	**(85)**	(27)
Adjusted total borrowings	**3,222**	2,701
Cash and cash equivalents	**(319)**	(932)
Net debt	**2,903**	1,769
Total equity	**4,858**	5,431
Hedge reserve	**46**	(39)
Adjusted equity	**4,904**	5,392
Net debt	**2,903**	1,769
Adjusted total capital	**7,807**	7,161
Gearing ratio	**37.2%**	24.7%

35.d Financial risk management

AGL's activities expose it to a variety of financial risks, including market risk (interest rate risk, foreign currency risk and energy price risk), credit risk and liquidity risk. AGL's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on its financial performance. AGL uses a range of derivative financial instruments to hedge these risk exposures.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management policy and framework. The Board has established the Audit & Risk Management Committee (the Committee), which is responsible for approving AGL's risk management policy and framework for identifying, assessing and managing risk. The Committee is also responsible for reviewing and updating the risk profile, monitoring the effectiveness of the risk management framework and reviewing at least annually the implementation of the risk management policy and framework. The Committee reports regularly to the Board of Directors on its activities.

AGL has written policies covering specific areas, such as interest rate risk, foreign currency risk, energy price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.

35. Financial instruments (Continued)

35.e Interest rate risk management

AGL is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts or other hedging instruments.

AGL regularly analyses its interest rate exposure, by taking into consideration forecast debt positions, refinancing, renewals of existing positions, alternative financing, hedging positions and the mix of fixed and floating interest rates.

At the end of the reporting period, AGL had the following financial assets and liabilities exposed to floating interest rate risk:

Floating rate instruments	2025 $m	2024 $m
Financial assets		
Cash and cash equivalents	**319**	932
Total financial assets	**319**	932
Financial liabilities		
USD senior notes (after effect of cross currency swaps)	**1,027**	1,027
Bank loans	**1,368**	853
Interest rate swap contracts	**(1,350)**	(1,250)
Total financial liabilities	**1,045**	630

Interest rate swap contracts - cash flow hedges

The following table details the notional principal amounts and remaining terms of interest rate swap contracts outstanding at the end of the reporting period:

Outstanding hedging instruments cash flow hedge - receive floating, pay fixed contracts	Average contracted fixed interest rate		Notional principal amount		Carrying value of outstanding hedging instruments	
	2025 %	2024 %	2025 $m	2024 $m	2025 $m	2024 $m
Less than 1 year	**1.24**	0.94	**50**	150	**-**	2
1 to 2 years	**1.50**	1.24	**500**	50	**11**	2
2 to 3 years	**1.26**	1.50	**175**	500	**8**	30
3 to 4 years	**3.74**	1.26	**425**	175	**(7)**	17
4 to 5 years	**2.58**	3.74	**370**	125	**12**	3
5 years or more	**4.14**	2.72	**35**	405	**(1)**	30
Total			**1,555**	1,405	**23**	84

	Financial year	2025 $m	2024 $m
Aggregate notional amount of variable rate borrowings		**1,555**	1,405
Aggregate notional principal of the outstanding interest rate swaps		**1,555**	1,405
Included in this amount:			
Forward interest rate swap contracts		**205**	155
Of which:			
Commences in	**2026**	**100**	50
Commences in	**2027**	**105**	-
Commences in	**2028**	**-**	105

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is the Australian Bank Bill Swap (BBSW) reference rate. AGL will settle the difference between the fixed and floating interest rate on a net basis. During the year, no hedges were de-designated. All underlying forecast transactions remain highly probable.

35. Financial instruments (Continued)

Interest rate sensitivity
The following sensitivity analysis has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

At the end of the reporting period, if interest rates had been 50 basis points higher or lower and all other variables were held constant, AGL's profit after tax and other comprehensive income would have been affected as follows:

	Profit/(loss) after tax increase/(decrease)		Other comprehensive income increase/(decrease)	
	2025 $m	2024 $m	2025 $m	2024 $m
Interest rates +0.5% (50 basis points)	**(3)**	1	**6**	6
Interest rates -0.5% (50 basis points)	**3**	(1)	**(6)**	(6)

35.f Foreign currency risk management
AGL undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Foreign currency risk arises primarily from overseas term borrowings and firm commitments for the purchase of plant and equipment which are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts and cross currency swap contracts.

Forward foreign exchange contracts - cash flow hedges
AGL's Corporate Treasury policy requires the hedging of foreign currency risk using forward foreign exchange contracts. The Corporate Treasury's policy is to hedge currency exposures of anticipated cash flows in excess of $3 million and to not enter into forward foreign exchange contracts until a firm commitment is in place. The forward foreign exchange contracts are designated as cash flow hedges. During the year, no hedges were de-designated and all underlying forecast transactions remain highly probable as per original forecast.

There were $496 million of forward foreign exchange contracts outstanding at the end of the reporting period (2024: $167 million). The fair value of those contracts was $10 million liability (2024: $2 million liability).

The following tables detail the Forward foreign exchange contracts outstanding at the end of the reporting period, as well as information regarding their related hedged items. Forward foreign exchange contracts assets and liabilities are presented in the line 'Derivative financial instruments' (either as assets or as liabilities) within the statement of financial position:

	Average exchange rate		Contract value (foreign currency)		Contract value (local currency)		Carrying value of outstanding hedging instruments	
Cash Flow Hedge - Outstanding contracts	2025	2024	2025 $m	2024 $m	2025 $m	2024 $m	2025 $m	2024 $m
Buy GBP								
6 to 12 months	**-**	0.52	**-**	79	**-**	151	**-**	(2)
Buy Euro								
0 to 6 months	**0.64**	0.64	**1**	5	**1**	8	**-**	-
6 to 12 months	**0.63**	0.64	**2**	2	**3**	3	**-**	-
1 to 5 years	**-**	0.63	**-**	3	**-**	5	**-**	-
Buy USD								
0 to 6 months	**0.64**	-	**293**	-	**455**	-	**(10)**	-
6 - 12 months	**0.65**	-	**12**	-	**18**	-	**-**	-
1 - 2 years	**0.66**	-	**12**	-	**19**	-	**-**	-

Cross currency swap contracts
Under cross currency swap contracts, AGL has agreed to exchange specified foreign currency loan principal and interest amounts at agreed future dates at fixed exchange rates. Such contracts enable AGL to eliminate the risk of movements in foreign exchange rates related to foreign currency denominated borrowings.

The fair value of cross currency swaps at 30 June 2025 was an asset of $72 million (2024: asset of $19 million), of which $127 million (2024: $115 million) is in a cash flow hedge relationship, $(55) million (2024: $(96) million) is in a fair value hedge relationship and $1 million (2024: $0.3 million) relates to the currency basis of the cross currency swaps.

35. Financial instruments (Continued)

The following tables detail the cross currency swap contracts in hedges outstanding at the end of the reporting period:

Outstanding contracts	Average interest rate 2025 %	Average interest rate 2024 %	Average exchange rate 2025	Average exchange rate 2024	Contract value (foreign currency) 2025 $m	Contract value (foreign currency) 2024 $m	Contract value (local currency) 2025 $m	Contract value (local currency) 2024 $m	Fair value/ carrying amount 2025 $m	Fair value/ carrying amount 2024 $m
Buy US dollars										
0 to 6 months	**6.82**	-	**0.888**	-	**135**	-	**152**	-	**52**	-
1 to 5 years	**7.01**	6.95	**0.737**	0.814	**270**	285	**366**	350	**20**	46
5 years or more	**7.49**	7.55	**0.700**	0.703	**356**	476	**509**	677	**-**	(28)

Foreign currency exchange rate sensitivity

The following sensitivity analysis has been determined based on the exposure to foreign currency exchange rates for both derivative and non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

At the end of the reporting period, if the Australian dollar had weakened or strengthened by 10% against the respective foreign currencies where all other variables remain constant, AGL's profit after tax and other comprehensive income would have been affected as follows:

	Profit/(loss) after tax increase/(decrease) 2025 $m	Profit/(loss) after tax increase/(decrease) 2024 $m	Other comprehensive income increase/(decrease) 2025 $m	Other comprehensive income increase/(decrease) 2024 $m
AUD exchange rates +10.0%	**-**	-	**(41)**	3
AUD exchange rates -10.0%	**-**	-	**50**	(4)

35.g Energy price risk management

AGL is exposed to energy price risk associated with the purchase and/or sale of electricity, gas, oil and environmental products. AGL manages energy risk through an established risk management framework consisting of policies to place appropriate risk limits on overall energy market exposures and transaction limits for approved energy commodities, requirements for delegations of authority on trading, regular reporting of exposures and segregation of duties.

It is AGL's policy to actively manage the energy price exposure arising from both forecast energy supply and customer energy load. AGL's risk management policy for energy price risk is to hedge forecast future positions for up to five years into the future.

Exposures to fluctuations in the wholesale market energy prices are managed through the use of various types of hedge contracts including derivative financial instruments.

Energy derivatives – economic hedges

AGL has entered into certain derivative instruments for economic hedging purposes under the Board-approved risk management policies, which do not satisfy the requirements for hedge accounting under AASB 9 *Financial Instruments*. These derivatives are therefore required to be categorised as held for trading and are classified in the Consolidated Statement of Financial Position as economic hedges. Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognised immediately in profit or loss as part of (loss)/gain on fair value of financial instruments.

Energy price sensitivity

The following table details the sensitivity to a 10 percent increase or decrease in the energy contract market forward prices. A sensitivity of 10 percent has been used as this is considered reasonably possible, based on historical data relating to the level of volatility in market prices.

At the end of the reporting period, if the forward prices had been 10 percent higher or lower and all other variables were held constant, AGL's profit after tax and other comprehensive income would have been affected as follows:

	Profit/(loss) after tax increase/(decrease) 2025 $m	Profit/(loss) after tax increase/(decrease) 2024 $m	Other comprehensive income increase/(decrease) 2025 $m	Other comprehensive income increase/(decrease) 2024 $m
Energy forward price +10%	**(242)**	(204)	**-**	-
Energy forward price -10%	**242**	204	**-**	-

35. Financial instruments (Continued)

The movement in profit after tax is mainly attributable to an increase/decrease in the fair value of certain energy derivative instruments which are not hedge accounted by AGL. The movement in other comprehensive income is due to the reclassification and/or amortisation of historical hedge accounted derivatives.

35.h Hedge effectiveness

The following table details the effectiveness of the hedging relationships and the amounts reclassified from hedging reserve to profit or loss:

	Cash flow hedges			Fair Value Hedges	
2025	USD CCIRS $m	IRS $m	FX $m	IRS $m	USD CCIRS $m
Carrying amount of the hedging instrument					
- Assets	**127**	**34**	**1**	**10**	**-**
- Liabilities	**-**	**(11)**	**(10)**	**-**	**(57)**
Total carrying amount of the hedging instrument	**127**	**23**	**(10)**	**10**	**(57)**
Change in value of hedging instrument	**12**	**(58)**	**(8)**	**6**	**40**
Change in value of hedged item	**(12)**	**58**	**8**	**(6)**	**(42)**
Change in value of the hedging instrument recognised in reserve	**(14)**	**(29)**	**(10)**	**n/a**	**n/a**
Amount recognised in profit or loss on discontinued hedge relationships	**-**	**(3)**	**-**	**-**	**-**
Hedge ineffectiveness recognised in profit or loss[1]	**-**	**1**	**-**	**-**	**2**
Amount reclassified from hedge reserve to profit or loss[2]	**26**	**(29)**	**-**	**n/a**	**n/a**
Balance in cash flow hedge reserve for continuing hedges	**(4)**	**28**	**(10)**	**n/a**	**n/a**

1. Included in the line item 'Gain on fair value of financial instruments' within other expenses in the Consolidated Statement of Profit or Loss.
2. The profit or loss from foreign exchange movement of hedging instrument is largely offset by the profit or loss from the foreign exchange movement of the borrowings in an effective hedge relationship.

	Cash flow hedges			Fair Value Hedges	
2024	USD CCIRS $m	IRS $m	FX $m	IRS $m	USD CCIRS $m
Carrying amount of the hedging instrument					
- Assets	116	88	-	-	-
- Liabilities	-	(1)	(2)	-	(96)
Total carrying amount of the hedging instrument	116	87	(2)	-	(96)
Change in value of hedging instrument	(1)	(27)	(3)	-	(2)
Change in value of hedged item	1	27	3	-	3
Change in value of the hedging instrument recognised in reserve	(15)	7	-	n/a	n/a
Amount recognised in profit or loss on discontinued hedge relationships	-	(1)	-	-	-
Hedge ineffectiveness recognised in profit or loss[1]	-	2	-	-	(1)
Amount reclassified from hedge reserve to profit or loss[2]	14	(34)	-	n/a	n/a
Balance in cash flow hedge reserve for continuing hedges	(5)	91	(2)	n/a	n/a

1. Included in the line item 'Gain on fair value of financial instruments' within other expenses in the Consolidated Statement of Profit or Loss.
2. The profit or loss from foreign exchange movement of hedging instrument largely offsets by the profit or loss from the foreign exchange movement of the borrowings in an effective hedge relationship.

35. Financial instruments (Continued)

35.i Credit risk management

AGL manages its exposure to credit risk using credit risk management policies which provide credit exposure limits and contract maturity limits based on the credit worthiness of counterparties. AGL's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread among approved counterparties.

Trade and other receivables consist of approximately 4.56 million residential, small business and large commercial and industrial services to customers, in New South Wales, Victoria, South Australia, Queensland and Western Australia. Ongoing credit evaluation is performed on the financial condition of customers and, where appropriate, an allowance for expected credit loss is raised. AGL does not have any significant credit risk exposure to any single customer or any group of customers.

AGL limits its exposure to credit risk by investing surplus funds and entering into derivative financial instruments only with approved financial institutions that have a credit rating of at least A from Standard & Poor's and within credit limits assigned to each financial institution. Derivative counterparties are limited to high creditworthy financial institutions and other organisations in the energy industry. AGL also utilises International Swaps and Derivative Association (ISDA) agreements with derivative counterparties in order to limit exposure to credit risk through the netting of amounts receivable from and amounts payable to individual counterparties.

At the end of the reporting period, there was a significant concentration of credit risk with certain counterparties in relation to energy derivatives undertaken in accordance with the AGL's hedging and risk management activities. The carrying amount of the financial assets recognised in the financial statements, which is net of impairment losses, represents the maximum exposure to credit risk.

AGL does not hold any collateral or other credit enhancements to cover this credit risk.

35.j Liquidity risk management

Liquidity risk is the risk that AGL will not be able to meet its financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have established an appropriate liquidity risk management framework for the management of AGL's short, medium and long-term funding and liquidity management requirements.

AGL manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details AGL's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts are based on the undiscounted cash flows of financial liabilities on the earliest date on which AGL can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are at floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

2025	Less than 1 year $m	1 - 2 years $m	2 - 5 years $m	More than 5 years $m	Total $m
Non-derivative financial liabilities					
Trade and other payables[1]	**2,641**	**-**	**-**	**-**	**2,641**
USD senior notes	**290**	**128**	**701**	**1,061**	**2,180**
Bank loans	**65**	**231**	**744**	**629**	**1,669**
CPI bonds	**15**	**15**	**-**	**-**	**30**
Lease liabilities	**34**	**33**	**122**	**303**	**492**
Deferred consideration	**53**	**42**	**-**	**-**	**95**
	3,098	**449**	**1,567**	**1,993**	**7,107**

1. Trade payables are generally settled within 32 days of the date of recognition.

2024	Less than 1 year $m	1 - 2 years $m	2 - 5 years $m	More than 5 years $m	Total $m
Non-derivative financial liabilities					
Trade and other payables	2,101	-	-	-	2,101
USD senior notes	89	286	504	1,397	2,276
Bank loans	53	50	667	341	1,111
CPI bonds	14	15	15	-	44
Lease liabilities	26	32	94	352	504
Deferred consideration	40	41	42	-	123
	2,323	424	1,322	2,090	6,159

35. Financial instruments (Continued)

The following table details AGL's liquidity analysis for its derivative financial instruments. The amounts are based on the undiscounted net cash inflows and outflows by settlement period on those derivatives instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. For interest rate swaps, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

2025	Less than 1 year $m	1 - 2 years $m	2 - 5 years $m	More than 5 years $m	Total $m
Derivative financial instruments					
Gross settled					
Cross currency swap contracts - pay leg	**(270)**	**(55)**	**(522)**	**(657)**	**(1,504)**
Cross currency swap contracts - receive leg	**317**	**48**	**540**	**680**	**1,585**
Forward foreign exchange contracts - pay leg	**(478)**	**(20)**	**-**	**-**	**(498)**
Forward foreign exchange contracts - receive leg	**468**	**18**	**-**	**-**	**486**
Net receive/(pay)	**37**	**(9)**	**18**	**23**	**69**
Net settled					
Interest rate swap contracts	**(5)**	**(4)**	**(4)**	**-**	**(13)**
Energy derivatives	**(1,033)**	**(682)**	**(704)**	**(949)**	**(3,368)**
	(1,001)	**(695)**	**(690)**	**(926)**	**(3,312)**

2024	Less than 1 year $m	1 - 2 years $m	2 - 5 years $m	More than 5 years $m	Total $m
Derivative financial instruments					
Gross settled					
Cross currency swap contracts - pay leg	(77)	(218)	(385)	(880)	(1,560)
Cross currency swap contracts - receive leg	58	254	367	912	1,591
Net receive/(pay)	(19)	36	(18)	32	31
Net settled					
Energy derivatives	(1,217)	(828)	(596)	(527)	(3,168)
	(1,236)	(792)	(614)	(495)	(3,137)

MATERIAL ACCOUNTING POLICY

Financial assets

Non-derivative financial assets

Classification
AGL classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on AGL's business model for managing financial assets and the contractual terms of the cash flows.

Equity instruments
All of AGL's equity financial instruments are classified as FVOCI. Dividends from such investments continue to be recognised in profit or loss as other income when AGL's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

35. Financial instruments (Continued)

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Fair value of financial instruments

Management uses their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. For derivative financial instruments, assumptions are made based on quoted market rates adjusted for specific features of the instrument. For debt instruments, key assumptions to valuation include customer volume, unit pricing, and market multiples in line with industry standards. Other financial instruments are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices and rates.

36. Parent entity information

The accounting policies of the Parent Entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

Financial position

	2025 $m	2024 $m
Assets		
Current assets	**384**	950
Non-current assets	**13,313**	12,559
Total assets	**13,697**	13,509
Liabilities		
Current liabilities	**534**	285
Non-current liabilities	**8,996**	8,963
Total liabilities	**9,530**	9,248
Equity		
Issued capital	**5,918**	5,918
Reserves		
Loss reserve	**(2,191)**	(2,191)
Employee equity benefits reserve	**6**	4
Hedge reserve	**(46)**	37
Retained earnings	**480**	493
Total equity	**4,167**	4,261

Financial performance

Profit for the year	**378**	1,111
Other comprehensive (loss)/income	**(81)**	28
Total comprehensive income for the year	**297**	1,139

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The Parent Entity has entered into a Deed of Cross Guarantee with the effect that it guarantees the debts in respect of its wholly owned Australian subsidiaries. Further details of the Deed of Cross Guarantee and the subsidiaries subject to the deed, are disclosed in Notes 26 and 30 respectively.

Contingent liabilities

The Parent Entity is a party to various legal actions and claims which have arisen in the ordinary course of business. The Parent Entity has provided warranties and indemnities to certain third parties in relation to the performance of contracts by various wholly owned subsidiaries.

36. Parent entity information (Continued)

Capital expenditure commitments
As at 30 June 2025, the Parent Entity had commitments for the acquisition of property, plant and equipment of nil (2024: nil) and its share of joint operations capital commitments was nil (2024: nil).

37. Other material accounting policies

AGL Energy Limited (the Parent Entity) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX). The address of its registered office is Level 24, 200 George Street, Sydney NSW 2000 Australia.

The consolidated financial statements comprise the Parent Entity and its controlled entities (together referred to as AGL). For the purposes of preparing the consolidated financial statements, the Parent Entity is a for-profit entity.

The principal activities of AGL are described in Note 1.

37.a Statement of compliance

These consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations as issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

The consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The consolidated financial statements were authorised for issue by the Directors on 13 August 2025.

37.b Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for derivative financial instruments and equity instrument financial assets, which are measured at fair value. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, which is the functional and presentation currency of AGL, unless otherwise noted.

The Parent Entity is a company of the kind referred to in ASIC Corporations Instrument 2016/191, dated 24 March 2016, and in accordance with that Instrument, amounts in the financial statements are rounded off to the nearest million dollars, unless otherwise indicated.

At 30 June 2025, the current assets of the Group were $4,437 million which is $240 million lower than current liabilities of $4,677 million. This deficiency does not take into account existing undrawn bank loan facilities of $1.1 billion.

The deficiency was predominantly caused by:

- USD senior notes being classified as current with $205 million maturing between July 2025 and June 2026 (i.e within 12 months of the balance sheet date); and
- Reduction in cash due to capital expenditures and the acquisition of Firm Power and Terrain Solar.

The preparation of the full year report on a going concern basis is appropriate as:

- AGL has sufficient undrawn bank loan facilities that can be drawn upon to meet working capital requirements or to repay maturing facilities;
- It is expected that replacement funding will be secured within 12 months of the balance sheet date based on AGL's history of refinancing and renewal cycles; and
- AGL is expected to generate sufficient net operating cash inflows to meet its debts and obligations as they become due and payable.

37.c Adoption of new and revised accounting standards and Interpretations

AGL has applied the required amendments to Standards and Interpretations that are relevant to its operations and effective for the current reporting period for the first time for the financial year commencing 1 July 2024.

Material impact relates to the following:

- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants; and
- AASB 2023-8 Amendments to Australian Accounting Standards - Operating Segments

37. Other material accounting policies (Continued)

37.d Standards and Interpretations on issue not yet adopted

The following accounting standards, accounting standard amendments and interpretations are due for adoption for the year ending 30 June 2026 or later:

- AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability;
- AASB 2024-2 Amendments to Australian Accounting Standards – Classification and measurement of financial instruments;
- AASB 2024-3 Amendments to Australian Accounting Standards – Annual Improvements Volume 11;
- AASB 2025-1 Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity; and
- AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The standards and interpretations listed above are not expected to have a material impact on AGL's financial results or financial position on adoption.

AASB 18 *Presentation and Disclosure in Financial Statements* was also issued which is due for adoption for the year ending 30 June 2028. It will not change the recognition and measurement of items in the financial statements but will affect presentation and disclosure in the consolidated financial statements.

38. Subsequent events

SA VPP Project Trust acquisition

On 1 July 2025, AGL acquired 100% of the units in the SA VPP Project Trust from Tesla Group for approximately $80 million, comprising distributed solar and battery capacity across approximately 7,000 South Australia social and community housing sites. On acquisition, $64 million of the consideration was paid, with the balance contingent on completion of remaining installations and other customary completion adjustments. As the remaining consideration is conditional and the fair value assessment of assets and liabilities is ongoing, the purchase price allocation for the acquisition is in progress with 12 months to finalise throughout FY 2026.

Final Investment Decision (FID) on Tomago Battery Project

On 31 July 2025, AGL reached FID on the development of a 500 MW, four-hour duration, grid-scale battery in the Hunter Region of New South Wales, known as the Tomago Battery Project. The project is estimated to cost approximately $800 million and will be funded through operating cash flows and existing debt facilities. Construction is expected to commence in late 2025, with operations anticipated to begin in late 2027.

Apart from the matters identified above and in the financial statements or notes thereto, there has not been any other matter or circumstance that has arisen since the end of the financial year, that has significantly affected or may significantly affect the operations of AGL, the results of those operations, or the state of affairs of AGL in future financial periods.

Consolidated Entity Disclosure Statement

As at 30 June 2025

			Body corporates		Tax residency	
Entity name	**Entity type**	**Trustee, partner or participant in JV**	**Place formed or incorporated**	**% of share capital held**	**Australian tax resident**	**Foreign jurisdiction**
AGL Energy Limited (the Company)	Body Corporate	N/A	Australia		Yes	N/A
AGL ACT Retail Investments Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Barker Inlet Pty Limited	Body Corporate	Trustee of Barker Inlet Trust	Australia	100	Yes	N/A
AGL Corporate Services Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Electricity (VIC) Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Ovo Energy Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Victorian Energy Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Sales Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Sales (Queensland) Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Sales (Queensland Electricity) Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Torrens Island Holdings Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL SA Generation Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Torrens Island Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL South Australia Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL APG Holdings Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Australian Power and Gas Company Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Australia Markets Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Australian Power and Gas (NSW) Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Torrens Island Battery Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Dalrymple Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Energy 360 Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Epho Holding Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Epho Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Epho Asset Management Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Everty Pty. Ltd.	Body Corporate	N/A	Australia	100	Yes	N/A
SEGH Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Sustainable Business Energy Solutions Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Sol Distribution Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Energy Sales & Marketing Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Energy Services Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Financial Energy Solutions Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Generation Holdco Pty Ltd	Body Corporate	Partner in the Loy Yang Partnership	Australia	99.99	Yes	N/A
AGL Loy Yang Pty Ltd	Body Corporate	N/A	Australia	75	Yes	N/A
AGL Loy Yang Partnership	Partnership	N/A	Australia	75	Yes	N/A
AGL Loy Yang Projects Pty Ltd	Body Corporate	N/A	Australia	75	Yes	N/A
AGL Generation Proprietary Limited	Body Corporate	Partner in the Loy Yang Partnership	Australia	100	Yes	N/A
AGL Loy Yang Pty Ltd	Body Corporate	N/A	Australia	25	Yes	N/A
AGL Loy Yang Partnership	Partnership	N/A	Australia	25	Yes	N/A
AGL Loy Yang Projects Pty Ltd	Body Corporate	N/A	Australia	25	Yes	N/A

Consolidated Entity Disclosure Statement
As at 30 June 2025

Entity name	Entity type	Trustee, partner or participant in JV	Body corporates: Place formed or incorporated	Body corporates: % of share capital held	Tax residency: Australian tax resident	Tax residency: Foreign jurisdiction
Loy Yang Marketing Holdings Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Loy Yang Marketing Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
AGL HP1 Pty Limited	Body Corporate	Partner in the AGL Hydro Partnership	Australia	100	Yes	N/A
AGL Hydro Partnership	Partnership	N/A	Australia	49.5	Yes	N/A
AGL Southern Hydro (NSW) Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL HP2 Pty Limited	Body Corporate	Partner in the AGL Hydro Partnership	Australia	100	Yes	N/A
AGL Hydro Partnership	Partnership	N/A	Australia	20	Yes	N/A
AGL HP3 Pty Limited	Body Corporate	Partner in the AGL Hydro Partnership	Australia	100	Yes	N/A
AGL Hydro Partnership	Partnership	N/A	Australia	30.5	Yes	N/A
AGL Liddell BESS Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Macquarie Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL New Energy Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL New Energy EIF Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL PARF NSW Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
AGL PARF QLD Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Power Generation Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Power Generation (Wind) Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Energy Hubs Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Yadnarie Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Barn Hill BESS Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Firm Power Assets Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Abermain BESS Holding Pty Ltd	Body Corporate	Trustee of Abermain BESS Hold Trust	Australia	100	Yes	N/A
Abermain BESS Opco Pty Ltd	Body Corporate	Trustee of Abermain BESS Operations Trust	Australia	100	Yes	N/A
Abermain BESS Operations Trust	Trust	N/A	N/A	N/A	Yes	N/A
Abermain BESS Hold Trust	Trust	N/A	N/A	N/A	Yes	N/A
Awaba BESS Pty Ltd	Body Corporate	Trustee of Awaba BESS Trust	Australia	100	Yes	N/A
Awaba BESS Trust	Trust	N/A	N/A	N/A	Yes	N/A
Beresfield BESS Pty Ltd	Body Corporate	Trustee of Beresfield BESS Trust	Australia	100	Yes	N/A
Beresfield BESS Trust	Trust	N/A	N/A	N/A	Yes	N/A
Firm Power Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Firm Power Services Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Glen Innes BESS Pty Ltd	Body Corporate	Trustee of Glen Innes Project Unit Trust	Australia	100	Yes	N/A
Glen Innes Project Unit Trust	Trust	N/A	N/A	N/A	Yes	N/A
Mount Britton Battery Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Murrumburrah BESS Pty Ltd	Body Corporate	Trustee of Murrumburrah Project Unit Trust	Australia	100	Yes	N/A
Murrumburrah Project Unit Trust	Trust	N/A	N/A	N/A	Yes	N/A
Muswellbrook BESS Pty Ltd	Body Corporate	Trustee of Muswellbrook BESS Trust	Australia	100	Yes	N/A
Muswellbrook BESS Trust	Trust	N/A	N/A	N/A	Yes	N/A

Consolidated Entity Disclosure Statement

As at 30 June 2025

			Body corporates		Tax residency	
Entity name	Entity type	Trustee, partner or participant in JV	Place formed or incorporated	% of share capital held	Australian tax resident	Foreign jurisdiction
Sun State BESS Holding Pty Ltd	Body Corporate	Trustee of Sun State BESS Hold Trust	Australia	100	Yes	N/A
Sun State BESS Opco Pty Ltd	Body Corporate	Trustee of Sun State BESS Operations Trust	Australia	100	Yes	N/A
Sun State BESS Hold Trust	Trust	N/A	N/A	N/A	Yes	N/A
Sun State BESS Operations Trust	Trust	N/A	N/A	N/A	Yes	N/A
Terrain Solar Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Terrain Solar Holdings Pty Ltd	Body Corporate	Trustee of Terrain Solar Holdings Trust	Australia	100	Yes	N/A
Terrain Solar AssetCo Pty Ltd	Body Corporate	Trustee of Terrain Solar Asset Trust	Australia	100	Yes	N/A
Terrain Solar Holdings Trust	Trust	N/A	N/A	N/A	Yes	N/A
Fairway Asset Pty Ltd	Body Corporate	Trustee of Fairway Asset Trust	Australia	100	Yes	N/A
Fairway Asset Trust	Trust	N/A	N/A	N/A	Yes	N/A
Monaro Solar Farm Pty Ltd	Body Corporate	Trustee of Monaro Solar Farm Trust	Australia	100	Yes	N/A
Monaro Solar Farm Trust	Trust	N/A	N/A	N/A	Yes	N/A
Myrtle Creek Solar Farm Pty Ltd	Body Corporate	Trustee of Myrtle Creek Solar Farm Trust	Australia	100	Yes	N/A
Myrtle Creek Solar Farm Trust	Trust	N/A	N/A	N/A	Yes	N/A
Singleton Solar Farm Pty Ltd	Body Corporate	Trustee of Singleton Solar Farm Trust	Australia	100	Yes	N/A
Singleton Solar Farm Trust	Trust	N/A	N/A	N/A	Yes	N/A
Terrain Solar Asset Trust	Trust	N/A	N/A	N/A	Yes	N/A
Terrain Solar Merino Asset Pty Ltd	Body Corporate	Trustee of Terrain Solar Merino Trust	Australia	100	Yes	N/A
Terrain Solar Merino Trust	Trust	N/A	N/A	N/A	Yes	N/A
Upper Hunter Hydro Pty Ltd	Body Corporate	Trustee of Upper Hunter Hydro Top Trust	Australia	100	Yes	N/A
Upper Hunter Hydro Top Trust	Trust	N/A	N/A	N/A	Yes	N/A
Tuckeroo BESS Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
AGL PV Solar Holdings Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL PV Solar Developments Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Retail Energy Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Upstream Gas (Mos) Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Gas Storage Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Upstream Infrastructure Investments Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Upstream Investments Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Wholesale Gas Limited	Body Corporate	N/A	Australia	100	Yes	N/A
AGL Wholesale Gas (SA) Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Barker Inlet Trust	Trust	N/A	N/A	N/A	Yes	N/A
Barn Hill Wind Farm Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Click Energy Group Holdings Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Click Energy Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
On the Move Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Connect Now Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Coopers Gap Wind Farm Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A

Consolidated Entity Disclosure Statement
As at 30 June 2025

			Body corporates		Tax residency	
Entity name	**Entity type**	**Trustee, partner or participant in JV**	**Place formed or incorporated**	**% of share capital held**	**Australian tax resident**	**Foreign jurisdiction**
GRCI Australia Pte. Ltd.	Body Corporate	N/A	Singapore	100	No	Singapore
Growth Carbon Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Nature Regeneration Investments Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Perth Energy Holdings Pty. Ltd.	Body Corporate	N/A	Australia	100	Yes	N/A
Perth Energy Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
WA Power Exchange Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Western Energy Holdings Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Western Energy Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Powerdirect Pty Ltd	Body Corporate	N/A	Australia	100	Yes	N/A
Southern Phone Company Limited	Body Corporate	N/A	Australia	100	Yes	N/A
Tomago BESS Pty Limited	Body Corporate	N/A	Australia	100	Yes	N/A
The Australian Gas Light Company	Body Corporate	N/A	Australia	100	Yes	N/A

Names inset indicate that shares are held by the entity immediately above the inset.

Directors' Declaration

For the year ended 30 June 2025

In accordance with a resolution of the Directors of AGL Energy Limited, the Directors declare that:

a. in their opinion, there are reasonable grounds to believe that AGL Energy Limited will be able to pay its debts as and when they fall due and payable;

b. the financial statements and notes thereto are in compliance with International Financial Reporting Standards, as stated in Note 37(a) to the financial statements;

c. in their opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the consolidated entity's financial position and performance for the year ended 30 June 2025;

d. there are reasonable grounds to believe that AGL Energy Limited and the subsidiaries identified in Note 26 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee between the Parent Entity and those subsidiaries pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785; and

e. the Directors have received the declarations required by s.295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2025.

f. in the directors' opinion, the attached Consolidated Entity Disclosure Statement is true and correct.

Signed on behalf of the Board.

Miles George
Chair
13 August 2025

Auditor's Independence Declaration

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

Phone: +61 2 9322 7000
www.deloitte.com.au

13 August 2025

The Board of Directors
AGL Energy Limited
200 George Street
Sydney NSW 2000

Dear Board Members,

Auditor's Independence Declaration to AGL Energy Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of AGL Energy Limited.

As lead audit partner for the audit of the financial report of AGL Energy Limited for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

H Fortescue
Partner
Chartered Accountants

Independent Auditor's Report of the Financial Report

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

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Independent Auditor's Report to the Members of AGL Energy Limited

A

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of AGL Energy Limited ("AGL" or the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and statement for other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the consolidated entity disclosure statement.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's consolidated financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key Audit Matters	The key audit matters that we have identified in the current year were: • Potential financial reporting impacts of climate change related risk; • Carrying amount of property, plant and equipment and intangible assets; • Unbilled revenue and accrued distribution costs; and • Valuation of financial instruments

Independent Auditor's Report of the Financial Report

Materiality	The materiality that we used for the audit of the Group financial report was $45 million which was determined based on 5% of underlying profit before tax.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the audit engagement team.

Throughout the course of our audit, we identify risks of material misstatement ("risks"). We consider both the likelihood of a risk and the potential magnitude of a misstatement in making the assessment. Certain risks are classified as 'significant' or 'higher' depending on their severity. The category of the risk determines the level of evidence we seek in providing assurance that the associated financial statement item is not materially misstated.

The matters described below were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Potential financial reporting impacts of climate change related risk (impacting property, plant and equipment, intangible assets and provisions) – Notes 14, 15 and 18

Key audit matter description	Climate change related risk is pervasive to AGL's overall financial position and performance given the industry in which AGL operates. It represents a strategic challenge and a key focus of management and the Board of Directors ("Board"). The related risks that we have assessed for our audit are as follows: Forecast assumptions used in assessing whether the recoverable amounts of property, plant and equipment and intangible assets exceed the carrying values within AGL's consolidated statement of financial position. In particular, the forecast price and volume assumptions and their interrelationship with forecast emissions costs and energy procurement costs, may not appropriately reflect actual changes in supply and demand due to the impact of climate change. The estimation of future energy prices is subject to increased uncertainty given climate change, the global energy transition, macroeconomic factors and disruption in global supply due to ongoing geo-political conflicts. There is a risk that management does not forecast reasonable 'best estimate' price forecasts or scenarios when assessing cash generating units ("CGUs") for impairment and/or impairment reversal, leading to material misstatements. These price assumptions are highly judgmental and are pervasive inputs to AGL's CGU valuation models, as well as being consistently applied elsewhere in the Financial Report to determine the carrying values of onerous contract provisions and financial instruments, (see 'Valuation of Financial Instruments' below), where applicable. • The useful economic lives of AGL's generation assets for the purpose of calculating depreciation expense, preparing discounted cash flow value in use models and timing of environmental rehabilitation cash flows are consistent with the announced planned closure dates. As the grid decarbonises, the targeted useful lives may be further shortened as Australian federal and state governments and society moves towards 'net zero' emissions targets. As a consequence in future periods, the depreciation expense associated with these assets may be materially increased, a material impairment of property, plant and equipment may be required and the present value of the provision for environmental rehabilitation may need to be materially increased due to the potential acceleration of timing of cash outflows relating to environmental rehabilitation activities. • AGL reviews current and future water impacts, risks, and opportunities. These reviews consider the quantity of water required, any regulatory requirements and the potential for water scarcity due to climate change. Thermal coal assets use considerable quantities of water and as the likelihood of droughts increase with rising temperatures, water availability and security become increasing risks. AGL holds water rights that reduce the impact of these events. In the event that water rights or supply security changes, a material impairment of property, plant and equipment may be required and the present value of the provision for environmental rehabilitation may need to be materially increased if water scarcity were to impact targeted useful lives of electricity generation assets and/or environmental rehabilitation activities required for those assets.

Independent Auditor's Report of the Financial Report

	The above considerations were a significant focus of management during the year which led to this being a matter that we communicated to the Audit and Risk Management Committee, and which had a significant effect on the overall audit strategy. We therefore identified this as a key audit matter.
How the scope of our audit responded to the key audit matter	We have considered the areas of AGL's financial report whereby climate change related risk could have a financial reporting impact and determined audit procedures to specifically respond to this. Our procedures included, amongst others, the following: In respect of forecast assumptions used by management in assessing the recoverable amount of property, plant and equipment and intangible assets, in conjunction with our valuation specialists, our procedures included, but were not limited to: • assessing and challenging the key assumptions for forecast price and volume inputs used in the CGU valuation models, including obtaining an understanding of the process flows and key controls associated with the valuation models used to estimate the recoverable amount of each CGU and impairment expense, where applicable; • challenging management's scenario analysis and probability weighting of those scenarios, including further sensitivity analyses in terms of future energy prices. We compared these assumptions to historical results and third party economic data and industry forecasts, considering the impact of climate change related risk, where applicable. In doing this, we obtained third party outlook reports and information assessing the National Electricity Market and gas market outlook, which included information related to energy pricing, emissions costs, procurement costs, supply, demand, government policy and targeted thermal coal power station closure dates; and • assessing management's historical forecasting accuracy through retrospective analysis by comparing to actual results and whether the estimates had been determined and applied on a consistent basis. In respect of the targeted useful lives adopted by management, our procedures included, but were not limited to: • assessing and determining whether the planned closure dates of AGL's thermal coal power stations have been appropriately reflected in the value in use discounted cash flow modelling, as well as the calculation of depreciation expense; and • assessing and challenging management's assertion at 30 June 2025 that no further changes were required to useful lives of thermal coal power stations as a consequence of the potential impact of climate change related risk. We compared the assertions to third party outlook reports and information evaluating the National Electricity Market which included expected thermal coal power station closure dates. In respect of assumptions of water availability and cost adopted by management, our procedures included, but were not limited to assessing and challenging water rights and security of supply where changes would impact the recoverability of thermal coal generation assets and associated provision for environmental rehabilitation by comparing to regulatory requirements and third party agreements. We read the other information included in the Annual Report and considered (a) whether there was any material inconsistency between the other information and the financial statements; or (b) whether there was any material inconsistency between the other information and our understanding of the business based on audit evidence obtained and conclusions reached in the audit.
Carrying value of property, plant and equipment and intangible assets – Notes 14 and 15	
Key audit matter description	As disclosed in Notes 14 and 15, property, plant and equipment totaling \$6,277 million and intangible assets totaling \$3,365 million, including goodwill of \$2,593 million, are included in the consolidated statement of financial position at 30 June 2025. Where a CGU contains goodwill, management conducts annual impairment tests (or more frequently if impairment indicators exist) to assess the recoverable amount of property, plant and equipment and intangible assets. This assessment is performed through the preparation of discounted cash flow value in use models. The annual impairment assessment for the year ended 30 June 2025 was carried out at 31 December 2024 which resulted in no impairment expense being recognised, and management has considered whether indicators of impairment are present at 30 June 2025 and concluded that there are

	none. The evaluation of the recoverable amount requires significant judgement by management in determining the key assumptions supporting the forecast cash flows of each CGU. Given the long timeframes involved, certain CGU impairment assessments are sensitive to the discount rates applied to the forecast cash flows. Discount rates should reflect the return required by the market and the risks inherent in the cash flows being discounted. There is a risk that management does not assume reasonable discount rates, adjusted as applicable to the asset specific risks inherent in each CGU, leading to material misstatements. Determining a reasonable discount rate is highly judgmental, and is a pervasive input across AGL's CGU recoverable amount assessments. Management has revised AGL's discount rate assumptions for value in use impairment tests in the current year to reflect current macro-economic and market conditions and as disclosed in Note 14 and 15 to the financial statements a discount rate of 9.25% has been applied to the Generation Fleet CGU (which predominantly includes ageing thermal coal electricity generation assets) and a discount rate of 8.00% has been applied to all other CGUs. AGL's electricity and gas pricing assumptions have a significant impact on all of the CGU impairment assessments, and are inherently uncertain given the volatility in energy markets and impact of the energy transition on supply and demand. There is a risk that management does not forecast reasonable 'best estimate' price forecasts or scenarios when assessing CGUs for impairment expense and/or impairment reversal, leading to material misstatements (see 'Potential financial reporting impacts of climate change related risk' above). Management has used a finite life discounted cash flow value in use model for the Generation Fleet CGU as the related electricity generation assets have finite lives and targeted closure dates. There is a risk that the targeted closure dates in the finite life models are not appropriate (see 'Potential financial reporting impacts of climate change related risks' above). For the Wholesale Gas CGU management has used probability-weighted scenarios for gas sales volumes, pricing and procurement costs with an estimate of future market and contracted margins and volumes beyond the period of the actual contracted portfolio based on expected new supply sources and demand to reflect the ongoing uncertainty over the future of gas markets in Australia. For the Flexible Generation and Customer Markets CGUs, terminal value discounted cash flow models have been used to determine the recoverable amounts of the individual CGUs. Terminal value models assume a level of business continuity of operations and there is a risk that future changes in the entity's operation or strategy in response to society or macroeconomic factors results in terminal value models no longer being appropriate. As disclosed in Notes 14 15 to the financial statements, based on the impairment assessment carried out at 31 December 2024, management has determined the following reasonably possible changes of assumptions that could lead to further impairment or reversal of impairment of CGUs: • Generation Fleet CGU – station closure dates, electricity pool price and generation volumes • Wholesale Gas CGU – significant and/or sustained change in forecast gas margin due to changing market factors • Customer Markets CGU – no reasonably possible changes • Flexible Generation Fleet CGU – no reasonably possible changes. There is a risk that not all reasonably possible changes in assumptions for impairment expense and/or impairment reversal are disclosed. Assessments of the carrying values of property, plant and equipment and intangible assets remain a key audit matter because recoverable amounts and determination of impairment expense and/or impairment reversal are reliant on forecasts that are inherently judgmental and complex for management to estimate, and the magnitude of the potential misstatement risk is material to AGL.
How the scope of our audit responded to the key audit matter	Our procedures included, but were not limited to: • obtaining an understanding of the process flows and key controls associated with the valuation models, prepared by management and approved by the AGL Board, used to estimate the recoverable amount of each CGU and impairment expense or impairment reversal, where applicable;

Independent Auditor's Report of the Financial Report

	• evaluating management's methodologies and their documented basis for key assumptions utilised in the discounted cash flow valuation models, which are disclosed in Note 15 to the financial statements; • in conjunction with our valuation specialists, assessing and challenging: o the identification of each CGU; o the use of finite life or terminal value, value in use models for each CGU; o the identification and allocation of cash flows for the purposes of assessing the recoverable amount of each CGU; o the key assumptions for forecasting energy prices and demand used in the forecast cash flows (see 'Potential financial reporting impact of climate change related risk' above); and o the discount rates applied by comparing to our independent estimates, third party evidence and broker consensus data taking into account whether asset specific risks of each CGU were reasonably reflected by management. • comparing the term of forecast cash flows included in the valuation models to the targeted closure dates of thermal coal power stations as announced to the market; • checking the mechanics and mathematical accuracy of the cash flow models; • agreeing forecast cash flows, including capital expenditure, to the latest forecasts approved by the AGL Board; • assessing management's historical forecasting accuracy through retrospective analysis by comparing to actual results and whether the estimates had been determined and applied on a consistent basis; • challenging the scenarios and probability weighting of those scenarios, including further sensitivity analyses in terms of future energy prices and the discount rate applied; and • assessing and challenging the consideration by management of reasonably possible changes in key assumptions that would be required for each CGU to be impaired and/or impairment reversal and considering the likelihood of such movement in those key assumptions arising. We have also assessed the appropriateness of the disclosures included in Note 14 and Note 15 to the financial statements.
Unbilled revenue and accrued distribution costs – Notes 2, 9 and 16	
Key audit matter description	Unbilled revenue of $779 million, as disclosed in Note 9 to the financial statements, represents the estimated value of electricity and gas supplied to customers between the date of the last meter reading and 30 June 2025 where no invoice has been issued to the customer at the end of the reporting period. Accrued distribution costs of $446 million, as disclosed in Note 16 to the financial statements, represent the estimated distribution costs related to energy consumption between the date of the last invoice from the distributor and 30 June 2025. Significant management judgment is required in the calculation of unbilled revenue and accrued distribution costs, including estimation of allowance for expected credit losses. Management exercises this judgement in the calculation of: • consumption profile for electricity and gas retail portfolios; • pricing applicable to customers between the last invoice date and the end of the reporting period; and • application of consumption profiles of portfolios against relevant published distribution tariff rates. There is a risk that any of the above assumptions individually or in combination are not appropriate, leading to material misstatements.
How the scope of our audit	Our procedures included, but were not limited to:

<table>
<tr><td>responded to the key audit matter</td><td>

obtaining an understanding of the process flows and key controls management has in place to determine the estimate of unbilled revenue, related allowance for expected credit losses and accrued distribution costs;
understanding and challenging management’s assumptions relating to volume, customer pricing and distribution tariff rates used in determining unbilled revenue and accrued distribution costs by:

on a sample basis, agreeing data underlying the calculation of the estimated volume to supporting systems, having performed testing of the key controls in those systems;
comparing the prices applied to customer consumption with historical and current data; and
comparing the distribution tariff rates applied to relevant published distribution tariff rates.

assessing and challenging the allowance for expected credit loss estimates applied to unbilled revenue by:

evaluating management’s forward-looking macroeconomic assumptions and scenario weightings;
testing the completeness and accuracy of critical data elements used in the expected credit loss models; and
testing the recoverability of debtors through subsequent cash collection analysis.

in conjunction with our data analytics specialists:

calculating an independent estimate of the expected unbilled revenue at 30 June 2025 using historical customer consumption, purchase volumes and pricing data, and comparing this to the reported unbilled revenue; and
calculating an independent estimate of the expected accrued distribution costs at 30 June 2025 utilising information supplied by distributors and tariff data and comparing this to the reported accrued distribution costs.

We have also assessed the appropriateness of the disclosures in Note 2, Note 9 and Note 16 to the financial statements.
</td></tr>
<tr><td colspan="2">Valuation of financial instruments – Notes 11, 19 and 35</td></tr>
<tr><td>Key audit matter description</td><td>
AGL enters into various financial instruments including derivative financial instruments, which are recorded at fair value, to economically hedge the Group’s exposure to variability in interest rates, foreign exchange movements and energy prices. These derivative financial instruments include long term energy purchase and supply contracts which in some cases have significant contractual volumes and/or pricing linked to commodity prices.
Where these contracts are economic hedges, such as in the case of power purchase and power sale agreements, hedge accounting is not applied and therefore can result in significant unrealised gains and losses arising in the consolidated statement of profit or loss on account of the fair value movements in the associated derivative assets and liabilities.
At 30 June 2025, derivative financial assets totaled $1,001 million (current assets of $640 million and non-current assets of $361 million), as disclosed in Note 11 to the financial statements, and derivative financial liabilities totaled $1,372 million (current liabilities of $1,001 million and non-current liabilities of $371 million), as disclosed in Note 19 to the financial statements.
For level 1 derivatives AGL has adopted a ‘market approach’ and a ‘discounted cash flow’ approach for level 2 energy and treasury derivatives, applying observable market inputs in the valuations. For level 3 energy derivative valuations, AGL has adopted a ‘discounted cash flow’ approach, applying inputs, assumptions and considerations which a market participant would consider when pricing similar contracts under current market conditions.
Significant judgement is required by management in the valuation of and accounting for these derivative financial instruments including:

understanding and applying contract terms;
forecasting of energy prices in the short and long term;

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</table>

Independent Auditor's Report of the Financial Report

	• forecasting of emissions trading outcomes and prices; and • applying appropriate discount rates. Determining the fair value of derivative assets and liabilities can be complex and subjective, particularly where the valuation is dependent on significant inputs which are not observable and are classified as level 3 in the fair value hierarchy set out in AASB 13 *Fair Value Measurement* ("AASB 13"). Given the significant judgements, sensitivity to management assumptions, and the absolute value associated with these positions, we have identified a significant risk in respect of certain financial instruments where the valuation is dependent on significant unobservable inputs.

How the scope of our audit responded to the key audit mater	Our procedures included, but were not limited to:
	• obtaining an understanding of the internal risk management process and the systems and key controls associated with the origination and maintenance of complete and accurate information relating to contracts containing derivative financial instruments, and the valuation of derivative financial instruments;
	• obtaining an understanding of the relevant contract terms in derivative financial instruments to assess the appropriateness of the relevant accounting applied; and
	• in conjunction with our treasury and capital markets specialists, testing on a sample basis the valuation of derivative financial instruments including:
	  o assessing hedge documentation and effectiveness where appropriate;
	  o evaluating the integrity of the valuation models; and
	  o assessing the incorporation of the contract terms and the key assumptions into the valuation models, including emissions trading outcomes, future energy prices (see 'Potential financial reporting impact of climate change related risk' above), future energy demand used in the forecast cash flows, and discount rates by comparing to market data.
	
	We have also assessed the appropriateness of the disclosures included in Note 11, Note 19 and Note 35 to the financial statements.

Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our audit work.

Based on our professional judgment, we determined materiality, performance materiality and the error reporting threshold for the financial statements as a whole as follows:

Materiality	The materiality that we used for the FY25 group financial statements was $45 million.
Basis for determining materiality	Consistent with the prior year we concluded that it is appropriate to use underlying profit before tax as a materiality benchmark. FY25 materiality was determined to be $45 million, which is 5% of underlying profit before tax.
Rationale for the benchmark applied	We conducted an assessment of which line items are the most important to investors and analysts by reading analyst reports and AGL's communications to shareholders and lenders, as well as the communications of peer companies. Profit before tax is the benchmark ordinarily considered by us when auditing listed entities. It provides comparability against companies across all sectors but has limitations when auditing companies whose earnings are strongly correlated to energy prices, which can be volatile from one year to the next, and therefore may not be representative of the volume of transactions and the overall size of the business in the year.

Independent Auditor's Report of the Financial Report

	This resulted in us selecting underlying profit before tax as the most appropriate benchmark for our audit of AGL. We further note that the non-IFRS measure underlying profit before tax is one of the key metrics communicated by management in AGL's results announcements and therefore is considered to be an appropriate benchmark.
Performance materiality	We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at $36 million which is 80% of materiality for the FY25 audit.
Basis and rationale for determining performance materiality	Consistent with the prior year, performance materiality of 80% reflects the overall quality of the control environment, the magnitude of misstatements identified in the current and prior years, as well as the fact that management is generally willing to correct any such misstatements.
Error reporting threshold	We agreed with the Audit & Risk Management Committee that we would report all differences to the Audit & Risk Management Committee in excess of $2.25 million, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit & Risk Management Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Independent Auditor's Report of the Financial Report

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report of the Financial Report

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 100 to 123 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of AGL Energy Limited, for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

DELOITTE TOUCHE TOHMATSU

H Fortescue
Partner
Chartered Accountants
Sydney, 13 August 2025

J Jackson
Partner
Chartered Accountants
Sydney, 13 August 2025

Independent Auditor's Report on Business Value Drivers

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Independent Limited Assurance Report to the Management of AGL Energy Limited

Conclusion

We have undertaken a limited assurance engagement on the preparation of AGL Energy Limited's ("AGL") Subject Matter Information detailed below (the "Subject Matter Information") in accordance with the Reporting Criteria defined for the relevant periods as described below and presented in the Annual Report for the period 1 July 2024 to 30 June 2025 ("2025 Annual Report").

Subject Matter Information		Reporting Criteria	Pages in the 2025 Annual Report
	Selected Annual KPI scorecard disclosures Performance data in respect of selected Annual KPI Scorecard Disclosures for the period 1 July 2024 to 30 June 2025 within the Business Value Driver key performance indicators.		
	Customers:	AGL's definitions and approaches as described in the "Glossary" section of 2025 Annual Report on pages 201-205 respectively.	
	• Number of customers on Staying Connected		9 and 28
	• Average level of debt of customers on Staying Connected ($)		9 and 28
	• Green revenue as a % of total revenue (%)		9, 30 and 79
	Assets:		
	• Operated and contracted renewable generation and storage capacity (%)		9 and 31
	People:		
	• TIFR employees		9 and 33
	• TIFR (employees + contractors)		9 and 33
	• Fatalities (employees + contractors)		9 and 33
	• Key talent retention (%)		9 and 35
	• Material breaches of Code of Conduct		9 and 35
	Relationships:		
	• Community contribution ($ mln)		9 and 36
	Environment:		
	• Scope 1 & 2 emissions ($MtCO_2e$)		9, 38 and 79
	• Reduction in Scope 1 & 2 emissions compared to FY19 baseline (%)		9, 38 and 79
	• Operated and contracted generation intensity (tCO_2e/MWh)		9, 38 and 79
	• Emissions intensity of total revenue ($ktCO_2e/\$m$)		9, 38 and 79
	• Environmental Regulatory Reportable incidents		9 and 39

Independent Auditor's Report on Business Value Drivers

	Business Intelligence:		
	• Major IT incidents		9 and 42
	• Reportable privacy incidents		9 and 42
	Selected Climate-related disclosure metrics The performance data in respect of selected Climate-related disclosure metrics for the period 1 July 2024 to 30 June 2025 within the *Climate-Related Disclosures* section		
	• Market-based Scope 2 emissions (MtCO2e)	AGL's definitions and approaches as described in the "Glossary " section of 2025 Annual Report on pages 201-205 respectively.	79
	• New renewable and firming capacity (MW)		9, 31 and 79
	Scope 3 disclosures The performance data in respect of selected Scope 3 disclosures and performance for the reporting periods specified below within the *Climate-Related Disclosures* section		
	Scope 3 emissions (MtCO2e) calculated for the period 1 July 2024 to 30 June 2025 comprising of the aggregated following categories as a total: • Scope 3 emissions associated with supply of electricity to customers • Scope 3 emissions associated with supply of natural gas to customers • Scope 3 emissions associated with end use of coal sold to Loy Yang B	AGL's definitions and approaches as described in the "Glossary" section of 2025 Annual Report on pages 201-205 respectively.	79
	Baseline Scope 3 emissions (MtCO2e) calculated for the period 1 July 2018 to 30 June 2019 comprising of the aggregated following categories as a total: • Scope 3 emissions associated with supply of electricity to customers • Scope 3 emissions associated with supply of natural gas to customers • Scope 3 emissions associated with end use of coal sold to Loy Yang B		79

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the Reporting Criteria for the relevant periods detailed above.

Basis for Conclusion

We conducted our limited assurance engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('ASAE 3000') issued by the Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independent Auditor's Report on Business Value Drivers

Our Independence and Quality Management

We have complied with the independence and relevant ethical requirements which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, including those contained in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

Our firm applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Management of AGL

The Management of AGL is responsible for:

- for ensuring that the Subject Matter Information is prepared in accordance with the Reporting Criteria;
- for confirming the measurement or evaluation of the underlying subject matter against the Reporting Criteria, including that all relevant matters are reflected in the Subject Matter Information;
- for designing, establishing and maintaining an effective system of internal control over its operations including, without limitation, systems designed to ensure achievement of its control objectives and its compliance with applicable laws and regulations;
- for designing, implementing and maintaining such internal control as the entity determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement, whether due to fraud or error;
- for selecting and applying measurement methodologies in accordance with the Report Criteria, and making estimates that are reasonable in the circumstances;
- for referring to or describing in its Subject Matter Information the applicable criteria it has used and, when it is not readily apparent from the engagement circumstances, who developed them; and
- the electronic presentation of the Subject Matter Information and our limited assurance report on the website.

Responsibilities of the Assurance Practitioner

Our responsibility is to express a limited assurance conclusion on the preparation of AGL's Subject Matter Information in all material respects, in accordance with the Reporting Criteria for the relevant periods, based on the procedures we have performed and evidence we have obtained. ASAE 3000 requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that AGL's Subject Matter Information has not prepared, in all material respects, in accordance with the Reporting Criteria for the relevant periods.

A limited assurance engagement on AGL's Subject Matter Information involves identifying areas where a material misstatement of the Subject Matter Information is likely to arise, performing procedures to address the areas identified, and considering the process used to prepare the Subject Matter Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion on whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

Our procedures included:

- Interviews with a selection of AGL's executives and senior management, including AGL's sustainability management team concerning the overall governance structure, corporate sustainability strategy and policies used for managing and reporting sustainability performance across the business;
- Interviews with a selection of AGL's management responsible for the Subject Matter Information to understand the compilation and review processes;
- Applying analytical and other review procedures including assessing relationships between the reported information and other financial and non-financial data;
- Examination of evidence for a sample of transactions or events;
- Analysing the key systems, processes, procedures and controls relating to the collation, validation, presentation and approval process of the Subject Matter Information included in the 2025 Annual Report;
- Reviewing underlying evidence on a sample basis to corroborate that the information is prepared and reported in line with the Reporting Criteria; and
- Reading the subject matter disclosures provided in the 2025 Annual Report to ensure that the Subject Matter Information disclosed within the 2025 Annual report is consistent with the supporting evidence inspected during the course of the engagement.

Other information

The Management of AGL is responsible for the other information. The other information comprises the information presented within the 2025 Annual Report, but does not include the Subject Matter Information and our assurance report thereon. Our limited assurance conclusion does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our assurance engagement on the Subject Matter Information, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the inherent limitations of any system of internal control there is an unavoidable risk that fraud, error, non-compliance with laws and regulations or misstatements in the Subject Matter Information may occur and not be detected.

Emissions quantification is subject to inherent uncertainty because incomplete scientific knowledge has been used to determine emissions factors and the values needed to combine emissions due to different gases. We specifically note that AGL has used estimates or extrapolated underlying information to calculate certain amounts included within the Scope 1, 2 and 3 greenhouse gas and energy information.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and sampling or estimating such data.

Restricted Use

The reporting criteria used for this engagement was designed for a specific purpose of reporting the Subject Matter Information in the 2025 Annual Report, as a result, the Subject Matter Information may not be suitable for another purpose.

This report has been prepared for use by the Management of AGL for the purpose of reporting the Subject Matter Information in the 2025 Annual Report. We disclaim any assumption of responsibility for any reliance on this report to any person other than the Management of AGL or for any purpose other than that for which it was prepared.

Independent Auditor's Report on Business Value Drivers

Matters relating to electronic presentation of information

It is our understanding that AGL may publish a copy of our report on their website. We do not accept responsibility for the electronic presentation of our report on the AGL website. The security and controls over information on the website is not evaluated or addressed by the independent assurance practitioner. The examination of the controls over the electronic presentation of this report on the AGL website is beyond the scope of this engagement.

DELOITTE TOUCHE TOHMATSU

Annalisa Amiradakis
Partner
Chartered Accountants

Sydney, 13 August 2025

Shareholding Information

The following information is provided regarding the Issued Capital of AGL as at 18 July 2025:

1. The Issued Capital consisted of 672,747,233 fully-paid ordinary shares. AGL's fully paid ordinary shares are listed on the Australian Securities Exchange under the code "AGL". Holders of AGL's fully paid ordinary shares have, at general meetings, one vote on a show of hands and, upon a poll, one vote for each fully paid ordinary share held by them.
2. There were 113,171 holders of ordinary shares.
3. There were 6,927 holders of less than a marketable parcel of 52 shares.
4. There were 94 holders of 3,552,750 performance rights.

Distribution schedule of ordinary shares

	Securities	%	No. of Holders	%
100,001 and over	452,447,336	67.25%	106	0.09%
10,001 - 100,000	65,313,872	9.71%	3,184	2.81%
5,001 - 10,000	43,172,226	6.42%	6,067	5.36%
1,001 - 5,000	87,420,819	12.99%	37,565	33.19%
1 - 1,000	24,392,980	3.63%	66,249	58.54%
Total	**672,747,233**	**100.00**	**113,171**	**100.00**

Substantial shareholders of AGL

In a substantial holding notice updated on 27 May 2022, Michael Alexander Cannon-Brookes, Galipea Partnership and certain affiliated entities advised that as at 17 May 2022, they had an interest in 75,883,390 ordinary shares, which represented 11.28% of AGL's ordinary shares at this time. On 21 June 2023, Galipea Partnership provided a notice, in accordance with Takeovers Panel Guidance Note 20 - Equity Derivatives, of an equity collar transaction and other transactions entered into by Galipea Partnership which affect the interest notified in the previous substantial holding notice, including the reduction in its relevant interest to 70,037,429 ordinary shares, which represented 10.41% of AGL's ordinary shares at this time.

In a substantial holding notice dated 25 October 2023, Vanguard Group advised that it had a relevant interest in 33,639,498 ordinary shares, which represented 5.0003% of AGL's ordinary shares at this time.

Shareholdings by geographic region

	Securities	%	No. of Holders	%
Australia	667,780,468	99.26	110,929	98.02
Hong Kong	226,301	0.00	53	0.05
New Zealand	3,755,116	0.56	1,354	1.20
United Kingdom	270,248	0.00	229	0.20
USA and Canada	381,243	0.00	433	0.38
Others	333,857	0.05	173	0.15
Total	**672,747,233**	**100.00**	**113,171**	**100.00**

Shareholding Information

20 largest holders of ordinary shares

Twenty Largest Holders as at 18 July 2025	Fully-Paid Ordinary Shares	% of Total Issued Shares
HSBC Custody Nominees (Australia) Limited	142,968,742	21.25
J P Morgan Nominees Australia Pty Limited	94,735,082	14.08
Citicorp Nominees Pty Limited	70,489,067	10.48
HSBC Custody Nominees (Australia) Limited <GP A/C>	50,177,454	7.46
NEWECONOMY COM AU Nominees Pty Limited <Cb Nominees Account>	19,859,875	2.95
BNP Paribas Noms Pty Ltd	7,092,660	1.05
BNP Paribas Nominees Pty Ltd <Agency Lending A/C>	6,334,578	0.94
HSBC Custody Nominees (Australia) Limited <Nt-Comnwlth Super Corp A/C>	5,586,849	0.83
HSBC Custody Nominees (Australia) Limited - A/C 2	5,242,768	0.78
National Nominees Limited	4,855,594	0.72
Netwealth Investments Limited <Wrap Services A/C>	4,671,113	0.69
BNP Paribas Nominees Pty Ltd <Hub24 Custodial Serv Ltd>	3,153,664	0.47
UBS Nominees Pty Ltd	2,947,865	0.44
Warbont Nominees Pty Ltd <Unpaid Entrepot A/C>	1,804,537	0.27
HSBC Custody Nominees (Australia) Limited	1,545,667	0.23
UBS Nominees Pty Ltd	1,399,991	0.21
Carlton Hotel Limited	1,378,556	0.20
IOOF Investment Services Limited <Ips Superfund A/C>	1,345,737	0.20
Ms Bo Xu	1,300,000	0.19
Moorgate Investments Pty Ltd	1,212,355	0.18
	428,102,154	**63.63**

Investor Information

Website access

AGL's Investor Centre is available online at **agl.com.au/investors**. The Investor Centre provides you with easy access to important information about AGL's performance, including annual reports, investor presentations, share price graphs and general security holder information.

The Shareholder Services section in the Investor Centre also provides access to update your details with the Share Registry, Computershare, including:

- checking your holding balance;
- viewing, saving or printing interest payment summaries, transaction summaries and dividend statements for shareholders;
- updating or amending your bank account;
- electing to receive communications electronically; and
- downloading a variety of forms.

Computershare also offers shareholders the ability to register and create a portfolio view of their holdings. Registration is free and enables shareholders to view and update multiple holdings in AGL (or other clients Computershare act as registry for) using a single login. To create a portfolio, please go to www-au.computershare.com/investor.

Share Registry

Shareholders with enquiries about their shareholdings can also contact AGL's Share Registry:
Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001 Australia

Telephone:	1800 824 513 (free call within Australia)
International:	+61 3 9415 4253
Email:	aglenergy@computershare.com.au
Website:	www-au.computershare.com/Investor

When communicating with the Share Registry, it will assist if you can quote your current address together with your Security Reference Number (SRN) or Holder Identification Number (HIN) as shown on your Issuer Sponsored/CHESS statements.

Final share dividend

The final dividend of 25.0 cents per share, fully franked, will be paid on 25 September 2025. As the final dividend will only be paid via direct credit, Australian and New Zealand shareholders need to nominate a bank, building society or credit union account within these jurisdictions. Payments are electronically credited on the dividend payment date and confirmed by a mailed or electronic payment advice. Payment instructions can either be lodged online or an appropriate form can be downloaded from Computershare's website.

Dividend Reinvestment Plan

AGL's Dividend Reinvestment Plan (DRP) has been suspended indefinitely and will not operate for the final FY25 dividend.

On-market share buy-back and shares purchased on-market

AGL is not currently undertaking an on-market share buy-back.

During the financial year ended 30 June 2025, 838,706 AGL shares were purchased on-market at an average price of $11.53 per share to satisfy employee entitlements under the AGL Share Reward Plan, AGL Share Purchase Plan, AGL Restricted Equity Plan and AGL Long-Term Incentive Plan.

Reporting to shareholders

The Corporations Act requires AGL to provide shareholders with access to this Annual Report on AGL's website, unless a shareholder has specifically requested to be sent a printed copy. Shareholders seeking a printed copy of the Annual Report should contact Computershare. AGL's current and past Annual Reports are available online at agl.com.au/about-agl/investors/annual-reports.

Change of name, address or banking details

Shareholders who are Issuer Sponsored should advise the Share Registry immediately of a change of name, address or banking details for dividends electronically credited to a bank account. All such changes must be advised online or in writing and cannot be accepted by telephone. For a change of name, supporting documentation must accompany your written advice. Appropriate forms can also be downloaded from the Share Registry's website.

Shareholders who are CHESS Sponsored should instruct their sponsoring broker in writing to notify the Share Registry of any change.

Tax File Number (TFN)/Australian Business Number (ABN)

It is not compulsory to provide a TFN or ABN. However AGL will be required to deduct tax at the top marginal rate from the unfranked portion of any dividend paid to shareholders who have not provided either a TFN/ABN or details of a relevant TFN exemption. TFN/ABN notification forms can be obtained by contacting the Share Registry, by lodging your details online or by downloading the appropriate form from the Share Registry's website.

Consolidation of shareholdings

Shareholders who wish to consolidate multiple shareholdings into a single shareholding should advise the Share Registry or their sponsoring broker, whichever is applicable, in writing.

Company Secretary

Melinda Hunter BCom LLB

Glossary

Glossary applies to metrics used in the Business Value driver scorecards and Climate-related Disclosures. All data relates to the year ended 30 June 2025 unless specified otherwise.

Term	Explanation
Ambition	The word 'ambition' is used to refer to an intention to achieve an outcome, where outcomes are less certain or depend more strongly on external factors, and there may not be a specific plan of how this outcome will be achieved. Where an ambition is expressed as "by [year]" this relates to the end of the specified year unless otherwise specified i.e. 30 June for financial year ambitions or 31 December for calendar year ambitions.
Attrition (total workforce)	Calculated based on the total number of voluntary departures and includes fixed term, permanent full-time, and permanent part-time employees; excludes casuals, labour hire and contract workers. Data for FY20 is calculated on the number of departures per FTE (full-time equivalent). From FY21, data is calculated on the number of departures per headcount. Employees from Perth Energy (acquired during FY20) and Click Energy (acquired during FY21) are included from FY21. Employees from Solgen and Epho (both acquired during FY21) are included from FY22. From FY25, data includes Energy360 employees. Data does not include employees from Southern Phone Company (39) or Ovo Energy Australia (17) as they were not fully integrated into AGL's human resource systems as of 30 June 2025, and accordingly comparable data is not readily available.
Average level of debt of customers on Staying Connected	The average level of energy debt calculated represents the outstanding debt at the customer (rather than account) level as of 30 June in the reporting year. Debt levels include GST.
Churn, Rest of Market Churn	Churn is defined as a completed transfer of a customer to a competing retailer. Churn figures relate to residential and small business energy customers and do not include commercial and industrial customers or Southern Phone Company customers. Rest of Market churn refers to churn that takes place in the energy market excluding churn from AGL.
Community contribution ($m)	Data includes the AGL matched component only of donations raised to the Employee Giving program and fundraising events, not the donations given by employees. Matched amounts are included in the year in which the employee donations were made (even though the matched payment may have been made after the close the financial year). Data is exclusive of GST. Community contribution is AGL's investment in charitable organisations and grassroots community groups harnessing its resources, skills and innovation to help address societal issues that intersect with its core business. In line with B4SI guidance, data includes management costs. From FY25, we have excluded the management costs associated with pro-rata salaries for community related roles, (B4SI annual membership), and social impact assessment costs (which were included in prior years).
Cumulative customer assets installed (behind the meter) (MW)	Cumulative customer behind the meter asset installations completed from FY24 - FY27 inclusive. Behind the meter assets can include, but are not limited to, solar PV, battery storage, electric vehicle chargers, and biogas systems.
Customer Satisfaction Score (CSAT)	CSAT measures how satisfied customers are with their interactions with a retailer. he aim of the CSAT is to gain immediate insights into customer experiences following post interactions with AGL. Specifically, the CSAT score represents the percentage of customers who rated AGL 5 out of 5 on a 1-5 scale survey. This survey is provided to all customers following the end of an inbound phone call with AGL, for all call types including such as debt collection, complaints, bill shock, payment arrangements, and feedback regarding energy and telecommunications services.
Decentralised assets under orchestration (MW)	Decentralised assets under orchestration refers to the aggregation of flexible load and generation assets managed as a part of AGL's virtual power plant. Most of these assets are installed behind the connection point, and include assets such as residential batteries and solar, as well as flexible loads and backup generation systems at commercial and industrial customer sites. From FY23, this also includes smelters unless otherwise indicated.
Demand-side flexibility (MW)	Ambition for the capacity that can respond to AGL-initiated signals to orchestrate assets and the customer-led capacity that may respond to AGL's incentives to time-shift electricity or asset use (e.g. customer products that feature those incentives).
Digital only customers (%)	Digital only refers to the percentage of residential customers who, in the last 90 days, have only interacted with AGL via AGL's Digital ecosystem, including agl.com.au, help and support, MyAccount and the Mobile App. This includes customers on both ebill and direct debit.
Digitally active services to customers (%)	Digital Active (%) is the percentage of contracts considered to be Digital Active as a proportion of total contracts (excluding Staying Connected customers). Digital Active customers are defined as customers that have accessed one of AGL's digital channels (including MyAccount, App, Web etc.) at least once in the last 180 days.

Glossary

Term	Explanation
Emissions intensity of electricity supplied (tCO_2e/MWh)	Measured as the emissions (tCO_2e) associated with the maximum of either AGL's electricity supply to the wholesale retail market by state, as a proportion of that same volume (MWh).
Emissions intensity of total revenue ($ktCO_2e$/$million)	Total Scope 1 and 2 emissions from facilities over which AGL had operational control [1]during the period divided by AGL's total revenue. Emissions data is based on measured emissions from material sources, which make up approximately 99% of total Scope 1 and 2 emissions, with estimates for minor sources.
Employee engagement	Engagement scores are calculated using the Aon Hewitt's Employee Engagement Model, utilising the ORC International methodology. From FY20, engagement is measured using the Culture Amp platform, with the methodology applied in the calculation of the scores being consistent with prior years. Southern Phone and Perth Energy employees (acquired during FY20) are included from FY21. Click Energy, Solgen and Epho employees (acquired during FY21) are included from FY22. From FY25, Data includes employees from Energy360 (26 employees). Data does not include OVO employees (acquired during FY25) or employees from Southern Phones, as the payroll data system used by this business is not fully integrated with AGL's systems.
Environmental regulatory reportable incidents (ERR)	Up to and including FY22, ERR comprised incidents that trigger mandatory notification provisions under legislation and/or environmental licences. In FY23 there was a change to the Environmental Regulatory Reportable (ERR) incidents definition. From FY23, an ERR incident is any Event that meets the notification criteria of a Regulatory Authority and may include: an Event that caused actual or potential material or serious environmental harm; a breach of an environmental licence condition that is not an administrative non-compliance; and monitoring unable to be completed due to availability of plant or specialist. An ERR incident may include events that have occurred on AGL managed site by an independent party. This definition change has resulted in an increase in ERR events reported as it comprises previous ERR and Voluntarily Regulatory Reportable (VRR) events into one figure.
Equivalent availability factor (EAF) - all fleet	EAF measures the percentage of rated capacity available to the market. Power stations comprise Liddell, Bayswater, Loy Yang A, Torrens Island A and B, and Somerton power stations, AGL's hydroelectric power stations, and wind and solar farms under AGL's operational control. Battery Assets is included from FY24 onwards and comprises of Dalrymple, Wandoan, Torrens BESS with Broken Hill BESS FY25 onwards. Barker Inlet Power Station is included from FY21; Silverton and Coopers Gap wind farms are included from FY22. Kwinana Swift Power Station is included from FY23. Site EAF is weighted by megawatt (MW) capacity.
Equivalent availability factor (EAF) - thermal and gas generation fleet	EAF measures the percentage of rated capacity available to the market. Power stations comprise Liddell, Bayswater, Loy Yang A, Torrens Island B, Somerton, Barker Inlet and Kwinana Swift Power Station. Site EAF is weighted by megawatt (MW) capacity.
Gender mix in senior leadership pipeline (SLP)	The SLP refers to employees in Management Groups A, B and ELT in accordance with AGL's Position Framework. These are equivalent to Hay Level roles 18 and above. Employees from Perth Energy (acquired during FY20) and Click Energy (acquired during FY21) are included from FY21. Employees from Southern Phone Company (acquired during FY20), Solgen and Epho (both acquired during FY21) are included from FY22. Employees from Energy360 (acquired during FY22) are included from FY25. Data does not include employees from Ovo Energy Australia (acquired during FY25), as the payroll data system used by this business is not fully integrated with AGL's systems. Data up to and including FY22 included the Executive Team.
Green revenue as a % of total revenue (%)	The percentage of total revenue derived from green energy and carbon neutral products and services, based on the following: • Total revenue represents AGL's total reported revenue. • Green energy revenue represents: green revenue including state-based green schemes; Renewable Energy Target (RET) revenue from green charges passed through to customers; and other revenue from state-based charges passed through to customers.
Green revenue - FY19 baseline	AGL's FY19 green revenue was 10.8% of total revenue, which has been taken as the baseline year.
Grid-scale batteries installed and managed (MW)	This represents the registered battery capacity used in the AGL portfolio that AGL owns and manages, or has the contracted right to control the dispatch of.
Inclusion Index	The Inclusion Index is a measure of AGL's Diversity & Inclusion Strategy's performance. The Inclusion Index is calculated as the percentage of favourable responses to five key inclusion questions in AGL's annual Employee Listening Survey, using Culture Amp's Inclusion Factor.
Increase in green revenue from FY19 / Revenue uplift of green energy and carbon neutral products & services compared to FY19 baseline	Increase in AGL's revenue from green energy and carbon neutral products and services compared to FY19 baseline. Green energy revenue represents: green revenue including state-based green schemes; Renewable Energy Target (RET) revenue from green charges passed through to customers; and other revenue from state-based charges passed through to customers.

Glossary

Term	Explanation
Key talent retention	The performance measure relates to employees identified as key talent per AGL's talent processes from AGL's enterprise leadership team (ELT) and direct reports. Employees from Southern Phone Company (acquired during FY20) and Ovo Energy Australia employees (acquired during FY25) are not included as they were not fully integrated into AGL's human resource systems as of 30 June 2024. Employees from Click Energy, Solgen and Epho (all acquired during FY21) are included from FY22. Employees from Energy360 (acquired during FY22) are included from FY25. Talent identification and classification processes are subject to change from year to year.
Major IT incidents	Data relates to the number of major IT incidents impacting a technology service, system, network or application ranked as 'critical' or 'high' in accordance with AGL's IT incident management processes. A 'critical' IT incident refers to a complete interruption of service, system, network, application or configuration item identified as critical. A 'high' IT incident applies when the service, system, network, application or configuration item can perform but where performance is significantly reduced and/or with very limited functionality. Operations can continue in a restricted mode. From FY21, data includes Perth Energy (acquired during FY20), Click Energy (acquired during FY21), and any incidents related to Southern Phone services that are sold through AGL's multi-product offerings (NBN and mobile). From FY22, data includes Solgen and Epho (acquired during FY21).
Material breaches of Code of Conduct	Performance measure relates to the number of substantiated material breaches of AGL's Code of Conduct. Material breaches are those ranked 'High' or above according to AGL's FIRM framework. Where the investigation of a potential breach has not been concluded at the time of reporting, this breach (if confirmed) will be reported in the next period as an updated figure for the year where the breach occurred.
New renewable and firming capacity (MW)	Measured as new renewable and firming capacity in construction, delivery or contracted from 1 July 2022 onwards.
Number of customers on Staying Connected	Staying Connected is AGL's program for energy customers who have been identified to be in financial hardship. The performance measure relates to the number of customers on the program as of 30 June in the reporting year.
Ombudsman complaints	Reported figures represent complaints to the various state energy Ombudsman offices that are provided to AGL for resolution. Enquiries and complaints referred to other agencies or instances where the customer has been advised by the Ombudsman to contact AGL directly are not included. Numbers are based on complaints figures provided by the Ombudsmen of New South Wales, Victoria, Western Australia, Queensland and South Australia. Click Energy complaint volumes are included from April 2021 onwards.
Operated and contracted generation intensity (tCO_2e/MWh)	Total Scope 1 and 2 emissions divided by total sent out generation of electricity generation facilities which fit within AGL's operated and contracted boundary[2] . Emissions data is based on measured emissions from material sources, which make up over 95% of total Scope 1 and 2 emissions, with estimates for minor sources.
Operated and contracted renewable generation and storage capacity (%)	The proportion of total operated and contracted[2] renewable and storage capacity (MW) in AGL's total operated and contracted generation and storage capacity (MW), based on the capacity as at 30 June in the reporting year. For AGL operated generation assets in the NEM the capacity is the registered capacity as per AEMO's NEM Registration and Exemption List; for AGL operated storage assets in the NEM the capacity is the maximum capacity as per AEMO's NEM Registration and Exemption List; for Kwinana Swift Power Station the capacity is based on the maximum capacity as per AEMO's Wholesale Electricity Market data; for contracted assets, the capacity is as detailed in the contract. Capacity for assets which were not operational at 30 June is excluded.
Operated generation intensity (tCO_2e/MWh)	Total Scope 1 and 2 emissions divided by total sent out generation of electricity generation facilities which fit within AGL's operated boundary.[1] Emissions data is based on measured emissions from material sources, which make up approximately 99% of total Scope 1 and 2 emissions, with estimates for minor sources.
Operated renewable and electricity storage capacity (%)	The proportion of operated[1] renewable and electricity storage capacity (MW) in AGL's total operated generation and electricity storage capacity (MW), based on the capacity as at 30 June in the reporting year. For generation assets in the NEM the registered capacity is per the AEMO NEM Registration and Exemption List. For storage assets in the NEM the capacity is the maximum capacity per the AEMO NEM Registration and Exemption List. For Kiwana Swift Power Station the capacity is based on the maximum capacity (as per AEMO's Wholesale Electricity Market Data). Capacity for assets which are not operational is excluded.
Pool generation volume	Pool generation volume refers to electricity that AGL generates that is sold into the National Electricity Market and the Western Australian Wholesale Energy Market (together termed "the pool") and considers marginal loss factors, non-scheduled generation and auxiliary usage.
Reduction in Scope 1 & 2 emissions against a FY19 baseline	AGL's FY19 Scope 1 and 2 (location-based) emissions baseline is 43.2 $MtCO_2$ and comprises Scope 1 and 2 greenhouse gas emissions for all facilities operated[1] by AGL, as reported under the National Greenhouse and Energy Reporting Act 2007.
Reportable privacy incidents	Comprise 'eligible data breaches' as defined in the Privacy Act 1988. An eligible data breach arises when there is unauthorised access, disclosure, or loss of personal information and AGL has not been able to prevent the likely risk of serious harm with remedial action.

Glossary

Term	Explanation
RepTrak score	The RepTrak score reflects the most recent score reported to AGL by RepTrak at the time of publication of the Annual Report. FY20 to FY24 scores reflect the score for the June quarter.
Scope 1 & 2 emissions ($MtCO_2e$)	Total Scope 1 and Scope 2 (location-based) emissions from facilities over which AGL had operational control during the period. Operational control is defined by the National Greenhouse and Energy Reporting Act 2007. Data is based on measured emissions from material sources, which make up approximately 99% of total Scope 1 and 2 emissions, with estimates for minor sources. For further details refer to Section 7.5.4.
Scope 1 emissions ($MtCO_2e$)	Scope 1 emissions are the direct release of greenhouse gas emissions into the atmosphere as the result of AGL's direct operations. Estimates are prepared in accordance with the National Greenhouse and Energy Reporting Act 2007, using emissions factors from the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (NGER MD). Unless otherwise stated, emissions are on a gross basis (i.e. the use of carbon offsets has not been accounted for).
Scope 2 emissions ($MtCO_2e$)	Scope 2 emissions are indirect greenhouse gas emissions arising from AGL's consumption of purchased electricity, heat or steam. • Location-based: Calculated and defined as per sections 7.2 and 7.3 of the NGER MD. • Market-based: Calculated and defined as per section 7.4 of the NGER MD. Unless otherwise stated, all references to Scope 2 emissions have been calculated using the location-based methodology, as defined above.
Scope 3 emissions ($MtCO_2e$)	Scope 3 emissions are other indirect emissions that occur in AGL's value chain, after Scope 1 and 2 emissions have been accounted for. This includes upstream emissions associated with purchased electricity, natural gas and other materials and fuels, downstream use of sold products including natural gas and brown coal, as well as minor contributions from emissions arising from capital goods purchases, transport-related activities in vehicles not owned or controlled by the reporting entity, outsourced activities, waste disposal, employee commuting etc. Unless otherwise stated, emissions are on a gross basis (i.e. the use of carbon offsets has not been accounted for). Annual Scope 3 emissions are estimated. AGL continues to prioritise improvements in the underlying data and assumptions used to increase the accuracy of its Scope 3 calculations. Calculation method changes have been retrospectively applied, with historical data restated to align with the updated approach in FY25. For the calculation of Scope 3 emissions from the supply of electricity to customers, this includes emissions from upstream activities including electricity generation and transmission and distribution where AGL is short. Emissions from generation of electricity produced by AGL and sold into energy markets is excluded. An assumed loss factor is applied to AGL's pool generation, to account for the difference between pool generation and sales to customers on the same basis. For the calculation of Scope 3 emissions from the supply of natural gas to customers, this includes an estimate of fugitive emissions from low-pressure distribution pipelines, estimated in accordance with Section 3.81 of the NGER MD. For further details refer to Section 7.5.4.
Scope 3 emissions – FY19 baseline	AGL's FY19 Scope 3 emissions baseline is 24.9 $MtCO_2e$. FY19 emissions have been restated to align with updated Scope 3 accounting approach. This baseline is used for the comparative targets and metrics for Scope 3.
SIF Actual (Environment)	A Serious Impact or Fatality (SIF) Actual (Environment) event results from a sudden, immediate threat impact to human health or the natural environment, arising from an unauthorised activity or the release of pollutants into the air, land, or water. A SIF Actual (Environment) event generally has an actual consequence that corresponds to the prescribed definitions of FIRM Consequence level 4 or higher (this is likely to be driven by the Environment consequence ranking).
Strategic Net Promoter Score (NPS)	NPS is a measure of overall brand performance and is based on how likely a customer would be to recommend AGL as an energy provider. AGL's NPS is measured quarterly via an external survey that asks customers across all energy retailers "On a scale of 0-10, how likely is it that you would recommend Retailer X to a friend or colleague?" The NPS is calculated by subtracting the proportion of responses of zeros to sixes from the proportion of responses of nines and tens. The performance measure relates to the NPS measured in Q4 of the reporting year.
Total average debt across mass market customer portfolio	The average energy debt represents the outstanding debt at the customer (rather than account) level as of 30 June in the relevant reporting year. Debt levels include GST. Data excludes 'unknown customers' and commercial and industrial customers. From FY23 onwards this does not include clearing restricted debt (where bill has been issued but invoice has not been presented to customers).
Total grid-scale batteries operated, contracted or in delivery	This represents the capacity of batteries within AGL's operated and contracted boundary[2] in addition to those in delivery as at 30 June in the reporting year.
Total Injury Frequency Rate (TIFR) (employees)	The rate is calculated as number of lost time and medical treatment injuries classified as TIFR related in a 12-month rolling period, per million hours worked by employees in that 12-month period.

Glossary

Term	Explanation
Total Injury Frequency Rate (TIFR) (employees + contractors)	The rate is calculated as number of lost time and medical treatment injuries classified as TIFR related in a 12-month rolling period, per million hours worked by employees and contractors in that 12-month period. AGL defines a contractor as a person or entity engaged by AGL under purchase order or contract to perform work or deliver services to, or on behalf of, AGL.
Target	The word 'target' is used to refer to a commitment which is underpinned by plans, meaning we have a higher degree of certainty over the outcome. Where a target is expressed as "by [year]" this relates to the end of the specified year unless otherwise specified i.e. 30 June for financial year targets or 31 December for calendar year targets.
Total services to customers	Data comprises AGL's gas and electricity residential, small and large business, and wholesale customer energy services. Data also includes AGL's telecommunications customers, reflecting each internet, mobile and voice 'services-in-operation' (SIO) connected, as well as Netflix customers.
Underlying effective tax rate	AGL's underlying income tax expense expressed as a percentage of AGL's underlying profit.

1. AGL's operated boundary includes any facility over which AGL has operational control, as defined by the National Greenhouse and Energy Reporting Act 2007 (Cth).
2. AGL's operated and contracted boundary includes any grid-connected electricity asset (generation or storage asset excluding behind the meter assets) which AGL has operational control of, as defined by the National Greenhouse and Energy Reporting Act 2007 (Cth); or in respect of which AGL has virtual or physical offtake or nomination rights, in proportion to AGL's share of such rights.

Corporate Directory and Financial Calendar

Directory

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Financial calendar

13 August 2025
Full Year result and final dividend announced

27 August 2025
Record date of final dividend

25 September 2025
Payment date of final dividend

3 October 2025
Annual General Meeting

agl

agl.com.au