

AGL Investor Day

16 June 2023



 agl Join the change

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Agenda



10:30 Strategic overview and Business update

Damien Nicks, Managing Director & CEO

11:00 Connecting our customers to a sustainable future

Jo Egan, Chief Customer Officer

11:30 Shaping the energy portfolio of tomorrow

Markus Brokhof, Chief Operating Officer

12:00 Lunch and breakout sessions

12:45 Funding the transition and capital allocation principles

Gary Brown, Chief Financial Officer

13:15 Question and Answer panel session

Damien Nicks, Managing Director & CEO

Gary Brown, Chief Financial Officer

Jo Egan, Chief Customer Officer

Markus Brokhof, Chief Operating Officer

13:45 Closing remarks

Damien Nicks, Managing Director & CEO

Strategic Overview and Business Update

Damien Nicks



Our purpose – Powering Australian Life



Connecting our customers 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 generation and firming by the end of 2035, while running safely and delivering operational and trading excellence

We will enable this transformation by ensuring a strong foundation:

Embracing ESG



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 CX unlocked through technology, digitisation and AI

Shareholder value

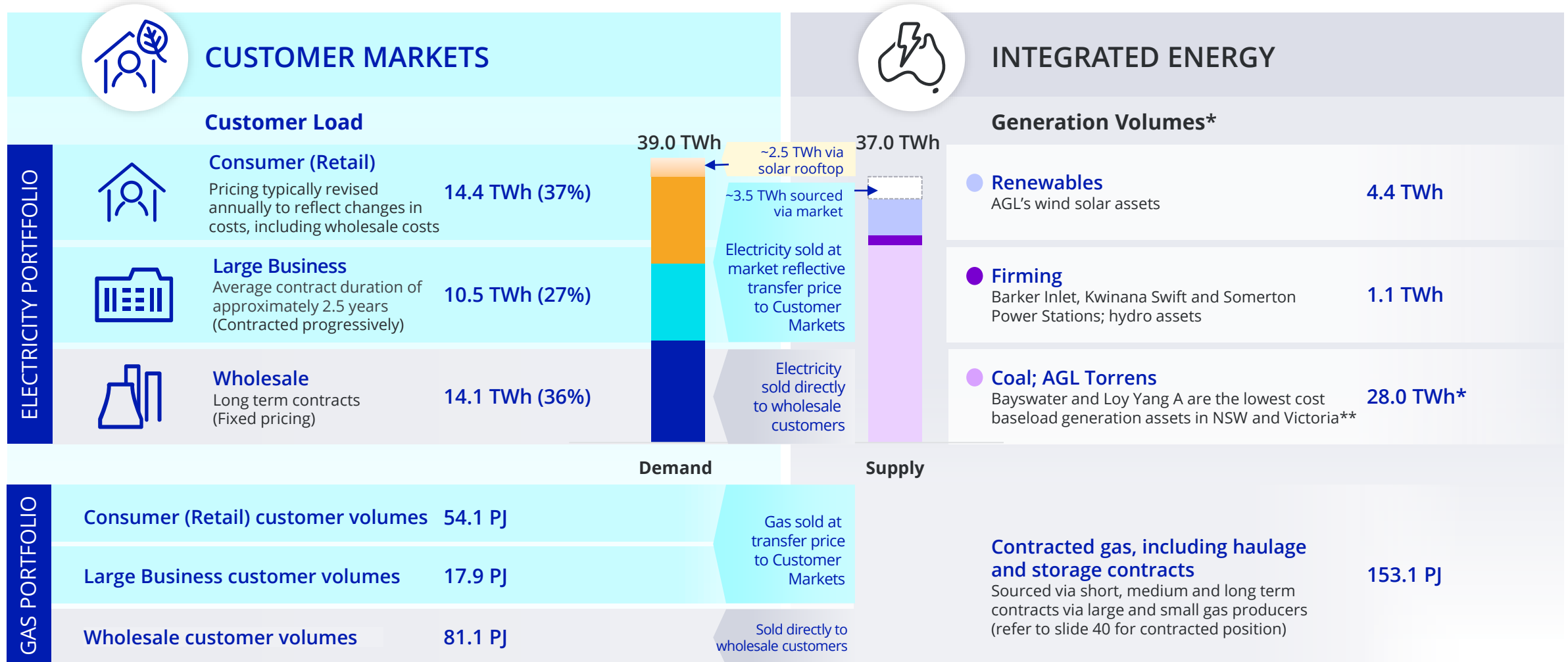


Providing financial stewardship, effective capital allocation, and strong returns to shareholders

Earnings and expected cash growth from existing operations will help fund the transition of our customer and generation portfolios



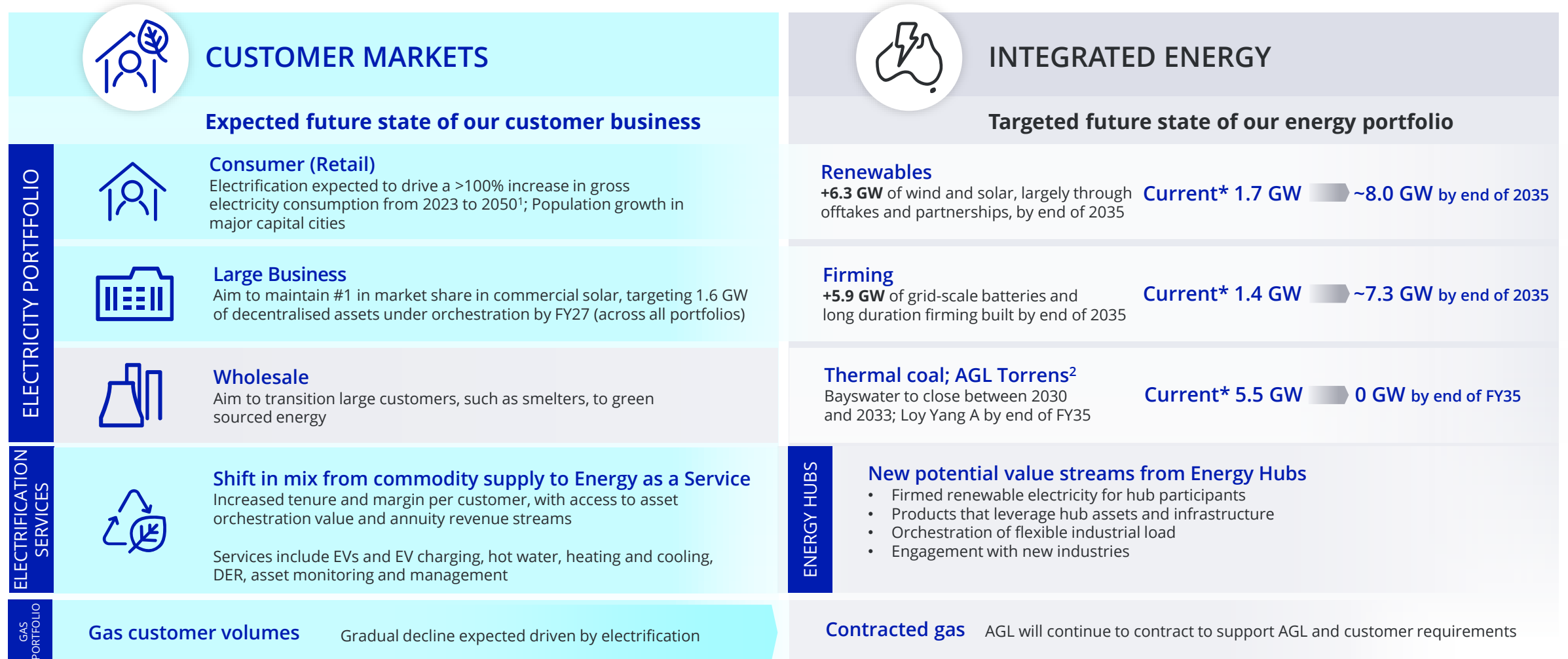
Majority of earnings uplift expected to be captured in Integrated Energy, supported by our low-cost generation portfolio



AGL's future state: generation portfolio will be demand-driven, responding to the expected growth in customer load



Electrification services and Energy Hubs to create incremental future value

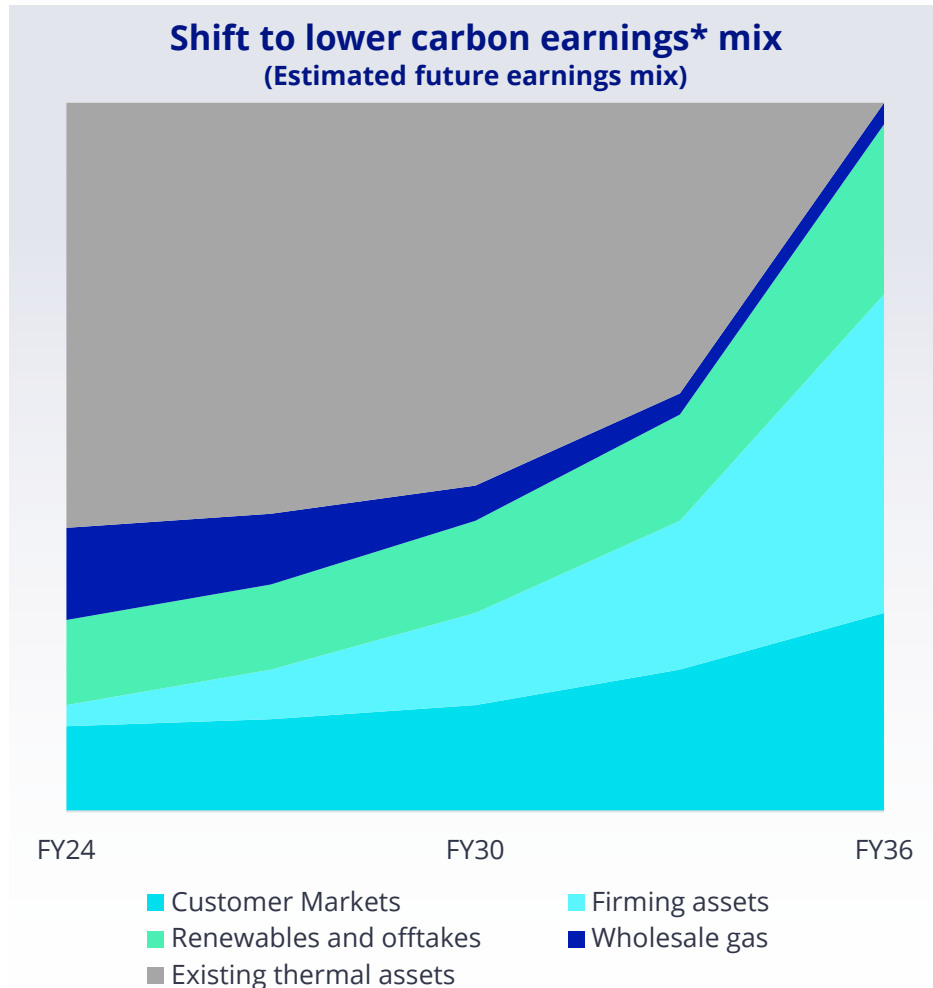


¹ AEMO 2022 ISP Infographic, with Rooftop Solar PV generation added ('Step Change' scenario).

² Nameplate capacity excluding Liddell Power Station (1.5 GW), which was closed in April 2023.

*Nameplate capacity as at 31 December 2022.

AGL's future state: progressive shift away from thermal generation earnings to a lower-carbon earnings mix



Targeting a progressive shift away from earnings largely derived from thermal assets to a low-carbon earnings mix

- Bayswater targeted for closure between 2030 and 2033
- Targeted closure of Loy Yang A by end of 2035
- “Future state” earnings mix (end of 2035) estimated to be supported by Customer Markets earnings growth, high quality portfolio of renewable generation and firming assets
- Projected shift to electrification expected to result in gradual decline of gas demand

*Estimated Underlying EBITDA earnings mix based on current expectations of future customer markets growth, targeted thermal plant closure dates and intended composition of AGL's future portfolio of renewable and firming generation assets.

AGL will seek to accelerate the development of options in order to deliver on its decarbonisation pathway



AGL's DECARBONISATION ROADMAP

By end of 2025



Liddell Power Station safely closed
in April 2023 after over 50 years of operation;
Annual emissions reduction of **8 MtCO₂e**¹



On target to deliver **850 MW**
of **grid scale batteries**

250 MW Torrens and 50 MW Broken Hill batteries
anticipated operational in Q1-FY24

Focusing on accelerated development of
500 MW Liddell Battery (ARENA backed)



Target by end of 2030

~5 GW

renewable generation, firming and DER
capacity targeted to be in place

AGL's existing development pipeline
advanced by over 60%,
from 3.2 GW to **5.3 GW**⁴

Periodic review of market dynamics,
customer demand and development
pipeline to determine feasibility to
accelerate options and decarbonisation
pathway⁵



Target by end of FY35

2030-2033

Bayswater Power Station closure

By end FY35

Loy Yang A Power Station targeted closure;
Annual emissions reduction² of
40 MtCO₂e

Net Zero

for operated Scope 1 and 2 emissions
after coal closures³

Ambition to add 12 GW

new renewable generation and firming



Continued ambition to be
**net zero by 2050 for Scope 1,
2 and 3 emissions**



Relentless focus on our performance
as a **leading Australian retailer of
essential services**



Ongoing commitment to the supply of
affordable and reliable energy, and
**supporting our customers' transition to
a low carbon future**



Strong focus on **working with
our people** to explore opportunities
for **career transition**

1) Liddell Power Station accounted for around 8 MtCO₂e of Scope 1 and 2 greenhouse gas emissions annually on average. Upon its closure in April 2023, emissions associated with generation from the Liddell Power Station have ceased.
2) AGL's operated Scope 1 and 2 greenhouse gas emissions, as reported under the National Greenhouse and Energy Reporting Act 2007, are around 40 MtCO₂e annually on average and will reduce to net zero with AGL's net zero commitment after coal closures.
3) AGL will be net zero for operated Scope 1 and 2 emissions following the closure of all AGL's coal-fired power stations, targeted by end FY35.
4) AGL's development pipeline was disclosed as 3.2 GW in the HY23 Result announcement on 9 February 2023.
5) AGL's Climate Transition Action Plan (CTAP) will be subject to a non-binding shareholder vote every three years at AGL's AGM, unless there are material changes.

We are committed to a decarbonisation journey that takes account of our stakeholders



Our plans recognise growing demand for an accelerated transition from coal from many parts of the community as it:

- ✓ Supports the delivery of the **Federal and State Government's** emissions reduction ambitions
- ✓ Provides >10 years to support the **economic transition in our regions**
- ✓ Continues the progress across our thermal sites to **transition to low-carbon Energy Hubs**
- ✓ Supports our **customers' transition to low and no carbon energy supply** in a responsible and planned way

We will continue working with all stakeholders, striving to ensure the way we transition helps deliver a balanced and responsible outcome



...with all **GOVERNMENTS,**

work collaboratively on emissions reduction supporting affordability, jobs, regional development and customers

- Supportive of customer bill rebates (particularly for vulnerable customers), albeit cognisant of the long-term consequences of ongoing commodity price interventions for business and investment confidence
- Government support for new flexible storage; Muswellbrook Pumped Hydro (feasibility grant); 500 MW Liddell battery (ARENA-backed)



...with our **CUSTOMERS,**

work side by side to provide simple and affordable ways to decarbonise at home, at work and on the road



...with our **PEOPLE,**

engage with them to understand their needs and explore opportunities for career transition (including retraining, transition to retirement, reskilling and alternative career pathways)

- Liddell Power Station closure in April 2023
 - ✓ No forced redundancies
 - ✓ Transfer of employees from Liddell to Bayswater
 - ✓ Broad stakeholder support for AGL's approach



...with our **COMMUNITIES,**

cultivate respectful, trusted and meaningful connections with Traditional Owners of the lands on which we operate

Collaborate with local business, industry, community and educational institutions to identify new investment prospects and create new employment opportunities

Our strategic targets for end of FY27 align with our transition plan

Powering Australian Life

<p>Customer NPS leadership</p> <p>+20 (Strategic NPS)</p>	<p>Digital only customers</p> <p>60%</p>	<p>Speed to market improved by</p> <p>by 80%</p>	<p>Green revenue expanded¹</p> <p>85%+ Increase in green revenue from FY19¹</p>	<p>Cumulative customer assets installed</p> <p>300 MW² behind the meter</p>
<p>Operational performance</p> <p>88% Equivalent Availability Factor (EAF)³</p>	<p>New renewable and firming capacity development contracted or in delivery</p> <p>+2.1 GW⁴</p>	<p>Total grid scale batteries contracted or in delivery</p> <p>1.5 GW⁵</p>	<p>Decentralised assets under orchestration</p> <p>1.6 GW</p>	<p>Energy Hubs established</p> <p>6 - 8 Major industrial clients located on or connected to a hub</p>

1. Percentage increase in revenue from green energy and carbon neutral products and services from 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; revenue from Carbon Neutral products and services, other revenue from state-based charges passed through to customers and energy efficiency products and pool generation revenue sourced from Wind, Solar and Hydro Generators.

2. Installations completed from FY23 – FY27 inclusive.

3. EAF for thermal sites including Bayswater, Loy Yang A, and Torrens Island generation sites.

4. Includes +1.3 GW of grid scale batteries contracted or in delivery and Rye Park PPA (180 MW).

5. The 1.5 GW target includes construction assets: Torrens Island battery (250 MW), Broken Hill battery (50 MW) and operational assets: Wandoan (100 MW) and Dalrymple (30 MW).

We are well positioned to lead the energy transition and generate strong returns for shareholders



WHY INVEST IN AGL

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

FY23 guidance update, FY24 guidance, and updated dividend policy

FY23 guidance range narrowed:

- Underlying EBITDA between \$1,330 and \$1,375 million (previously between \$1,250 and \$1,375 million)
- Underlying NPAT between \$255 and \$285 million (previously between \$200 and \$280 million)

FY23 guidance reflects an improved second half, in line with expectations, with the following drivers:

- Increased generation due to improved plant availability and a reduction in forced outages
- Customer margin improved due to disciplined margin management and an increase in customer services
- Operating costs (excluding depreciation and amortisation) increased half-on-half, largely due to increased maintenance costs, seasonal net bad debt expense and inflationary impacts which we continue to manage closely

FY24 guidance range:

- Underlying EBITDA between \$1,875 and \$2,175 million
- Underlying NPAT between \$580 and \$780 million

FY24 guidance reflects an expected uplift in earnings, with the following drivers:

- Sustained periods of higher wholesale electricity pricing, reflected in pricing outcomes and reset through contract positions
- Expected improved plant availability and flexibility of asset fleet, including the commencement of operations of Torrens Island and Broken Hill batteries, and the non-recurrence of forced outages and market volatility impacts from July 2022 of ~\$130 million (pre-tax)
- Partly offset by the closure of Liddell Power Station and higher operating costs, including:
 - the impact of higher revenue from pricing outcomes increasing variable costs such as net bad debt expense and anticipated market activity,
 - increased maintenance spend to improve asset availability and reliability; and
 - inflation

Updated dividend policy: Dividend payout ratio of 50-75% of Underlying Profit after tax, franked to extent possible, updated from the previous target of 75% of Underlying Profit after tax

All guidance is subject to any impacts arising from regulatory and government intervention, variability in trading conditions and plant availability.

In a strong position to deliver upon our long-term ambitions



Poised to navigate and grow in a complex energy retailing market

- Relentless focus on strengthening core business
- Pursuing new and growing value pools, primarily through electrification and decarbonisation
- Strategic partnerships in e-mobility
- Capturing value through “Energy as a service” (EaaS) at scale in a growing market
- Driving further efficiency through Retail Transformation



Portfolio transition accelerating; Continued focus on legacy assets

- Development pipeline increased by over 60%, from 3.2 GW to 5.3 GW
- Delivery of 12 GW ambition supported by the acceleration of development optionality
- Measures undertaken to improve asset fleet flexibility, availability and reliability
- New gas supply agreements contracted with Cooper Energy, Senex and ExxonMobil



Refreshed capital allocation principles to fund transition

- Continued commitment to investment grade balance sheet
- Refreshed capital allocation framework to prudently allocate capital to transition the portfolio and drive shareholder returns
- Leveraging strong operating cash flows to fund the transition
- AGL expected to deploy ~\$3-4bn of balance sheet capital by FY30 and an additional \$5-6bn by FY35 to deliver the 12 GW ambition



FY23 and FY24 guidance; Updated dividend policy

- FY23 Underlying NPAT guidance range narrowed to between \$255 and \$285 million
- FY24 Underlying NPAT guidance range of between \$580 and \$780 million
- Updated dividend payout ratio of 50-75% of Underlying Profit after tax, franked to extent possible (effective from FY24 dividend)

The core fundamentals of our integrated business today provides a strong foundation to deliver upon the AGL of tomorrow

Connecting Our Customers to a Sustainable Future

Jo Egan



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A strong retail business, ready to create and capture growth in new value pools



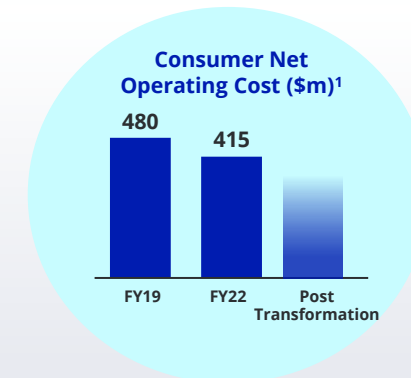
STRENGTHENING THE CORE AND SUPPORTING OUR CUSTOMERS

- > Strong results delivered during period of unprecedented volatility
- > 4.3 million services and growing
- > Churn 5.6 ppts below rest of market
- > Maintained #1 brand awareness
- > At least \$70m customer support committed over next 2 years



CAPTURING NEW AND GROWING VALUE POOLS

- > Electricity Gross Consumption to rise by >100% by 2050
- > Pursuing new and growing value pools through electrification and decarbonisation
- > Deploying a new suite of services to support the way customers live, move, work
- > Creating new business models that differentiate our offering and unlock electrification at scale
- > Launched 'Electrify Now', strategic partnership in e-Mobility and Commercial and Industrial Energy as a Service (**EaaS**) offering



CREATING EFFICIENCY THROUGH RETAIL TRANSFORMATION

- > Retail Transformation well underway
- > 52% digital only customers and #1 digital app
- > \$65m annualised cost reduction already delivered with more to come
- > New operating model being implemented to support future growth
- > Near term focus on further digitisation, automation driving cost reduction and improved Customer Experience (**CX**)
- > Medium term focus on core billing and unlocking orchestration at scale

We are a leading brand with a resilient business model successfully navigating Australia's complex energy market



OUR COMPETITIVE STRENGTHS



Scale and stability to capture growth and underpin the transition investment



Deep **customer and energy expertise** to be a market maker in new energy solutions



Resilient model enables focus on **value growth** through volatile retail market



4.3
million customer services



13.9%
churn rate,
5.6 ppts below rest of market



~25 TWh
In Electricity demand²



~72 PJ
in Gas demand²



#1
Brand awareness
in energy



#1
market share in
commercial solar

Our customer focus and deep energy expertise enables us to successfully navigate near term challenges and capture future opportunity



Current and emerging market trends



Uncertain economic environment

Playing our role in supporting a sustainable future

Debt and affordability

- providing targeted payment matching, debt relief, and bill credits
- proactive outreach to customers to help manage cost of living



\$70m

Minimum customer support committed over next 2 years



1m

Customers on monthly billing, enabling better bill management



Digitisation and technology

Retail Transformation

- investing in a future ready technology platform
- leveraging digitisation and AI to automate, simplify to lower cost and enable strategy



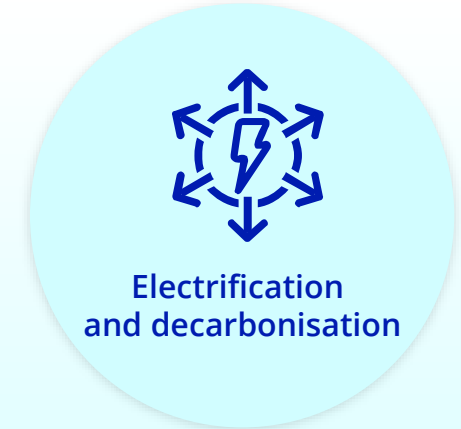
#1

Digital app supporting future needs²



52%

Digital only customers



Electrification and decarbonisation

Sustainable outcomes

- leading offering to partner with customers as they electrify and decarbonise
- equipping customers with the right advice, products, and financing options



20.1%

Customer Markets Green Revenue, +1.8ppts vs FY22³



199 MW

Decentralised assets under orchestration, +44% vs 1H22

¹ All data as at 31 December 2022 per our Half Year Results, unless otherwise stated.

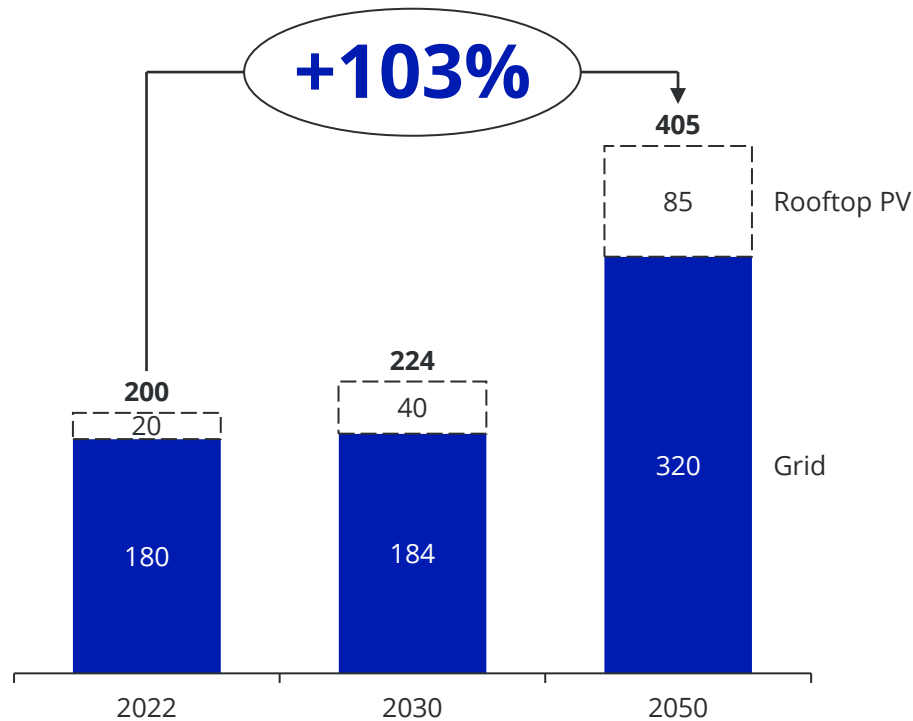
² 4.7 star rating on App Store as at 31 December 2022

³ Customer Markets revenue from green energy and carbon neutral products and services / Total Customer Markets revenue.

Significant growth projected in electricity consumption expected to result in the emergence of new and growing value pools

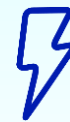


Significant growth projected in electricity consumption (TWh) within the NEM¹



Electrification expected to be driven by...

- **Fuel switching will drive electrification** in how we live, move and work
- **Five assets** within the home, that make up 70%+² of a home's future energy load; solar, battery, hot water, HVAC and EV charging
- Growing demand for **electric vehicles and charging infrastructure**
- Greater demand for **energy management systems**, energy storage solutions, smart technologies and infrastructure to optimise usage
- Additional value pools are emerging from the **hardware supply, installation and financing** associated with these activities
- **Opportunity to capture value from flexibility and orchestration** through virtual power plants (**VPP**) will increase over a multi-decade period; winning the electrification CX is critical



25 TWh
Additional Consumption
from Electrification³



80%
Increase in Rooftop PV
capacity³



2.8m
EVs on the road³

¹ AEMO 2022 ISP Infographic, with Rooftop Solar PV generation added ('Step Change' scenario).

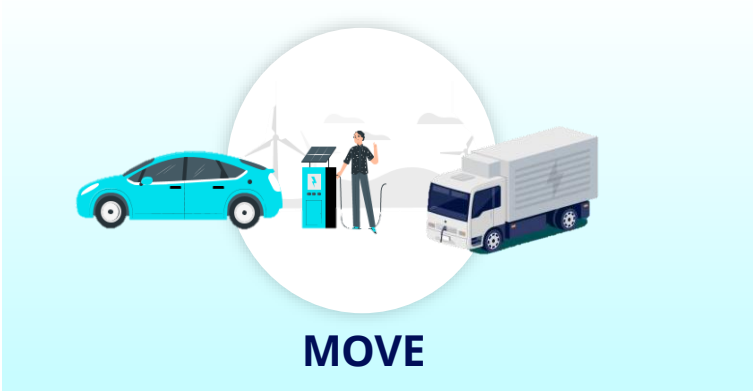
² Household Electrification: Savings in the Suburbs, Saul Griffith, October 2021

³ AEMO IASR 2023 - 'Orchestrated Step Change' in 2030 (previously referred to as 'Step Change' scenario).

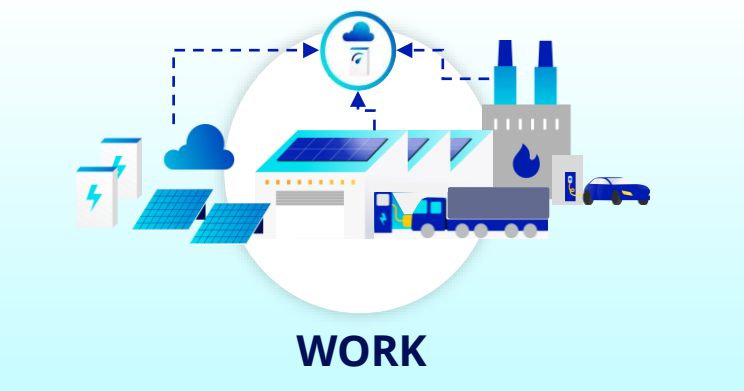
Our ambition is to be the partner of choice for customers as they electrify and decarbonise the way they live, move and work



LIVE



MOVE




WORK

A suite of innovative electrification and decarbonisation products and services

 Make it easy to electrify

 Drive savings and efficiency

 Enhance sustainability



RETAIL TRANSFORMATION

 Digitisation and automation

 Agile operating model

 DER orchestration

Extending our electrification offering to unlock new revenue streams and create a differentiated relationship with our customers



Electrify Now, powered by advanced analytics to create a pathway for electrification in the home



LIVE

'Electrify Now' – AGL's home electrification solution centre

An Australian-first program that

- Simplifies access to electrification products and services
- Utilises smart meter data to understand customer usage
- Provides a suite of electrification and financing options

VALUE TO AGL

- ✓ Build deeper relationships with customers, strengthen loyalty to reduce churn
- ✓ Capture growing market and generate additional revenue streams
- ✓ Attract new customers in the electrification market through building the customer acquisition funnel
- ✓ Grow DER assets and expand beyond core energy supply through E2E customer offers
- ✓ Increase margin per customer



¹ Launched in March. Results based on the period 20 March to 8 June 2023. Includes all customers presented with a tailored decarbonisation plan for their home via both inbound and outbound channels.

² Estimate based on the standard installation cost for the hardware recommendations provided to customers. Costs have been sourced from AGL's solar and battery bundles pricing.

³ Based on our assumptions regarding the amount of solar energy that will be generated by the recommended system (as installed by customers), using the relevant Australian National Greenhouse Account Factor for Scope 2 emissions.

Pursuing strategic partnerships will grow new businesses and leverage core competencies – AGL and bp pulse to lead in e-mobility



MOVE

Innovative e-mobility partnership focused on charging at home and on the go

An exclusive partnership with *bp pulse* aimed at:

- Accelerating Australia's transition to electric vehicles
- Developing offers and promotions that make charging simple and affordable for our customers
- Exploring the deployment of renewable-backed public charging infrastructure

VALUE TO AGL

- ✓ Capture increase in home charging consumption through innovative customer propositions
- ✓ Create new revenue streams, through diversified services
- ✓ Innovative partnership providing greater customer reach and cross-sell opportunities
- ✓ Leverage AGL and bp pulse's expert capabilities and shared commitments to invest in the decarbonisation of transportation



2.8m

EVs on the road by 2030¹



1,400+

bp Branded Service Stations across Australia



600

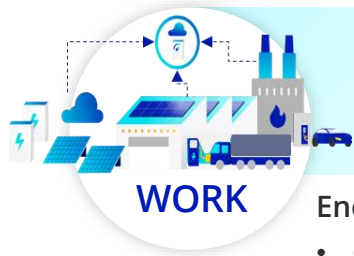
bp Branded Public Charge Points by 2025²



¹ AEMO IASR 2023 – 'Orchestrated Step Change' (previously referred to as 'Step Change' scenario).

² Projected numbers.

Our leading position in Commercial Energy Solutions enables us to capture value through EaaS at scale in a growing market



Case Study: Design, build, own, operate and maintain a microgrid for the Kerarbury Almond Farm

Energy-as-a-Service offering:

- Own and operate an on-site microgrid
- Providing fixed price, reliable electricity with high renewable penetration
- Energy management, firming and orchestration services



6.0 MWp
Solar Capacity



10.6 GWh¹
Energy Supply



6.9 Kt²
CO₂-e Reduction



4.3 MWh
Battery Capacity



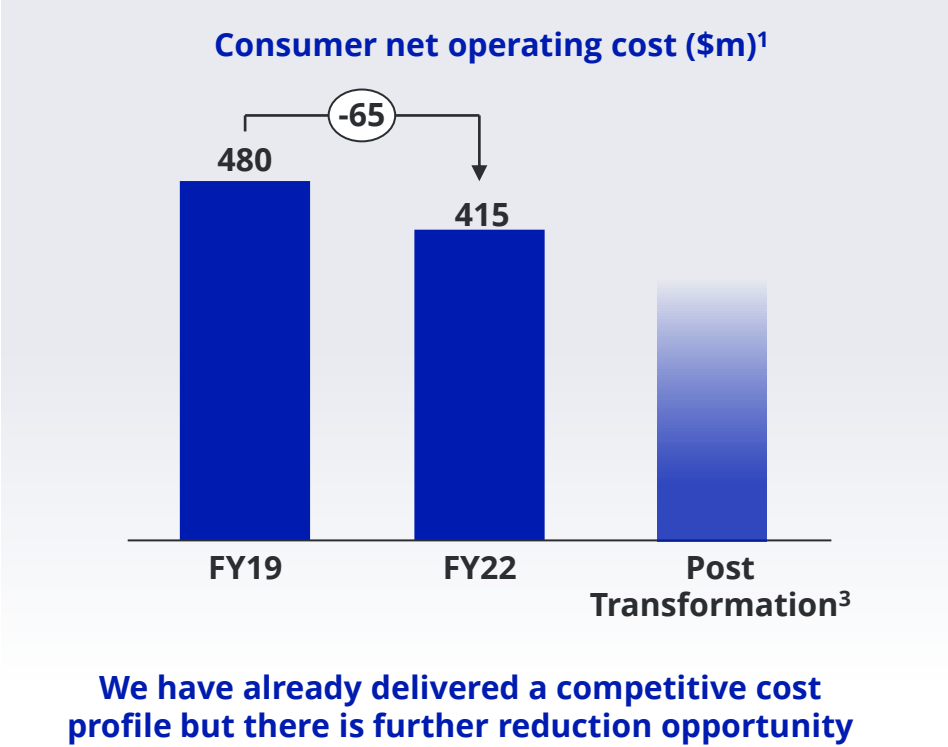
VALUE TO AGL

- ✓ Generates long term annuity revenue streams for contract duration
- ✓ Allows AGL to leverage the asset to optimise energy production and consumption, orchestrating for value through the VPP
- ✓ Showcases AGL's technical capabilities and product innovation
- ✓ Increased certainty and tenure in customer load, supporting AGL to invest with confidence in renewables
- ✓ Ambition to leverage our leading position to create a \$1b+ asset-based business through EaaS, supporting customer decarbonisation

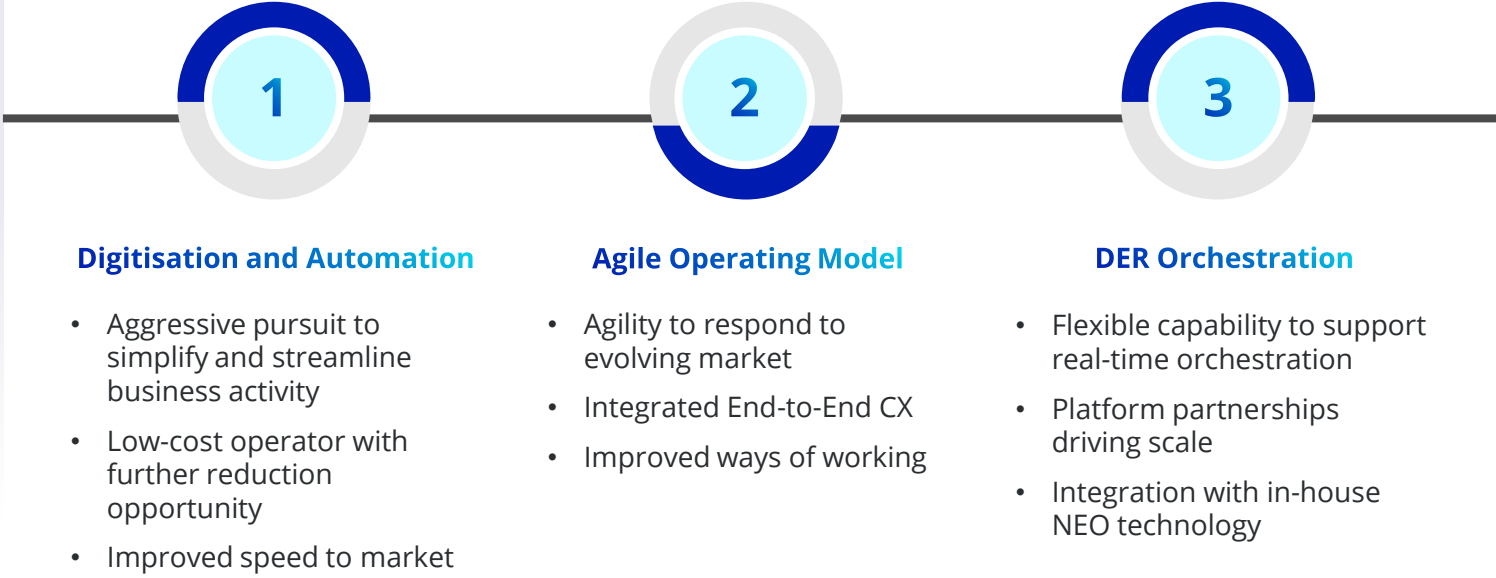
¹ Estimated annual energy supply from the grid.

² The CO₂-e reduction is calculated based on the NSW grid electricity emissions factor of .79 tonnes of CO₂e per MWh. The microgrid is expected to supply 8.7GWh (82%) of the electricity supply to site.

Investment in retail transformation to significantly reduce our current costs whilst continuing to increase our customer centricity



Our Retail Transformation will continue to deliver efficiencies, decentralisation, and effortless customer experiences



Already delivering benefits²



52% digital only customers



>50% reduction in products vs FY20



>40% improvement in speed to market vs FY20



>5m transactions managed through AI per annum

1. Includes fees, charges and recoveries. Excludes depreciation, amortisation and SaaS.
 2. Data as at 1 May 2023.
 3. This is a multi-year target with completion dates to be advised in FY24.

An increased Customer Support package, of at least \$70m over 2 years, helping customers manage cost of living pressures



Direct financial support

- Targeted payment matching and debt relief
- Bill credits for customers on Staying Connected program to help reduce the impact of price increases



Proactive customer engagement

- Advanced analytics identify and enable proactive outreach to support customers facing financial hardship
- Guided assistance to customers to access government grants



Innovative solar fund

- Launching new program to deploy solar for eligible customers facing ongoing hardship
- Program to reduce consumption to reduce long term energy poverty



Improving energy literacy and accessibility

- Simplified communications for culturally and linguistically diverse customers
- Guidance for customers on how to find/get help and manage their energy use



Specialised frontline agent Training

- Empowering agents to identify and act on subtle triggers for early identification of payment difficulty
- Tailored conversations for customers experiencing affordability challenges

Connecting Our Customers to a Sustainable Future

Jo Egan



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Shaping the energy portfolio of tomorrow

Markus Brokhof



Torrens Island grid scale battery, South Australia
(Anticipated to be operational in Q1 FY24)

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Portfolio transition accelerating with increase in AGL's development pipeline; Continued focus on legacy assets



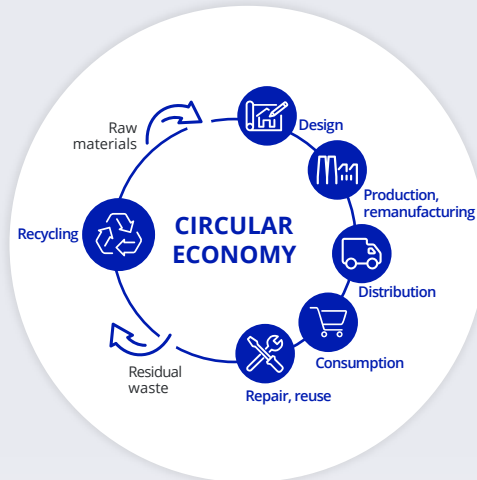
SUBSTANTIAL INCREASE IN DEVELOPMENT PIPELINE



Development Pipeline
 ↑ **60%** to **5.3GW**

- Development pipeline increased by over 60%, from 3.2 GW to 5.3 GW
- Further partnerships in negotiation for renewable projects
- Next project FID expected to be Liddell Battery in Q4, 2023
- Strong track record and deep expertise in low-carbon asset development
- New PPA signed with Rye Park Wind Farm (NSW) for 178 MW (with Tilt Renewables)

INTEGRATED INDUSTRIAL ENERGY HUBS ADVANCED



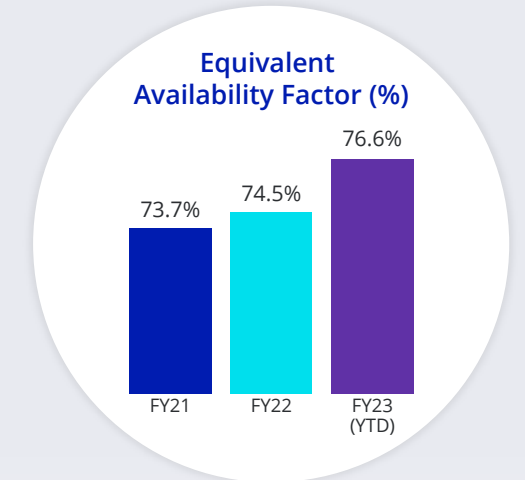
- Further MoUs and partnerships in development
- Workforce transition plans in development
- First project with First Nations groups identified
- Master plans for Energy Hubs developed

DECOMMISSIONING AND REHABILITATION ON TRACK



- Centre of Excellence established
- Clear accountability and strong partnerships with specialised contractors
- Priority projects - Decommissioning of the Liddell and Torrens Island Power Stations
- Mobilisation of Delta for demolition of Liddell power station

ASSET FLEET AVAILABILITY AND RELIABILITY IMPROVED



- Improved availability of thermal fleet
- First stage of minimum generation testing for Loy Yang and Bayswater concluded
- Increased focus on critical equipment and derates
- Improvement on mills and precipitators
- Revised asset management plans in place

The 12 GW renewable and firming ambition requires a combination of delivery pathways and partnerships (including Tilt)



AGL aims to meet its 5 GW 2030 target by...

Progressing onshore wind, battery and PHES projects

- ~1.9 GW Renewables and firming in full development
- ~2.2 GW Renewables and firming in early phase
- Expand peaking development options

AGL aims to meet its 12 GW ambition by the end of 2035 by...

Building mid-long term optionality and developing options for proven asset classes

- Early stage feasibility for Offshore Wind
- Maximise value of daytime energy
- Expand pipeline for all technology options

Developing energy hubs and scaling emerging technologies

- Energy Hub developments to create demand
- Funding opportunities in emerging industries (including offshore wind and hydrogen)
- Pilot and scale emerging technologies

Prospecting for additional development options: contracting, partnership and acquisition opportunities

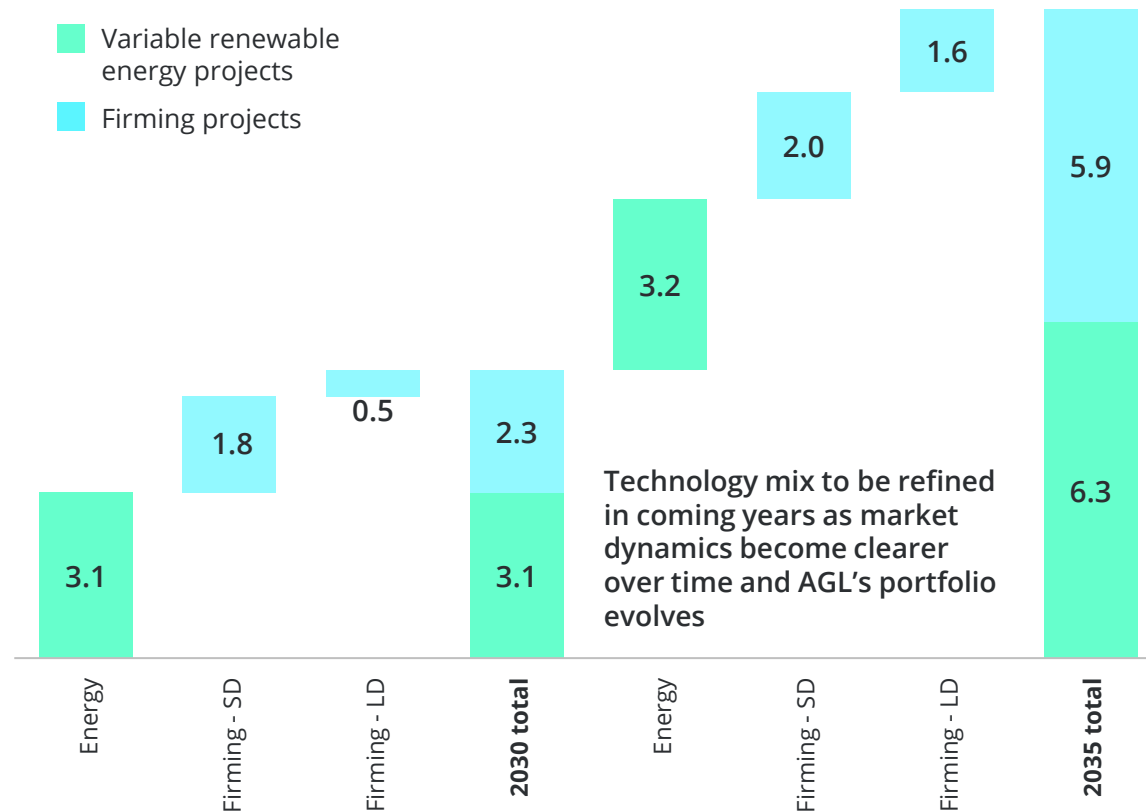
- Significant development options required
- Significant prospecting effort
- Acquisitions
- Develop partnerships, including Tilt
- Contract energy

Please note that of the current 5.3 GW development pipeline (in line with AGL's project management framework), ~1.9 GW is in full development, ~2.2 GW is in early phase development and ~1.2 GW is in the exploratory phase.

To deliver on the 12 GW ambition, AGL will procure energy and firming in the most cost effective and lowest risk manner



2030 / 2035 portfolio mix build up (GW - nameplate) Indicative build-out by asset types



Key points:

- AGL will seek the most **efficient way of sourcing the required energy and firming**
- AGL needs **both** self-development and external project **options** – including via partnerships (including Tilt Renewables) and third-party offtakes
- The pathway to internal development or external offtakes will vary with an **overall aim to optimise costs and risks**
- In relation to asset classes, we note for AGL:
 - **Short duration (SD) firming** (<4hrs) is expected to have the **greatest enduring value**
 - **Wind** is expected to provide **value by covering customer load**, with risk being mitigated by customer underwriting
 - **Long duration (LD) firming** (>8 hrs) generally has higher costs and **lower returns than SD firming**, but **manages risk**
 - **Solar PV** is expected to **provide the lowest value** due to low generation differentiation benefit and large supply to AGL via our customer base

Project Optionality = Partnerships, Tilt Renewables development pipeline, 3rd parties and power purchasing agreements and future AGL projects not yet identified.

AGL's onshore development pipeline has increased from 3.2 GW to 5.3 GW; Torrens and Broken Hill batteries near completion

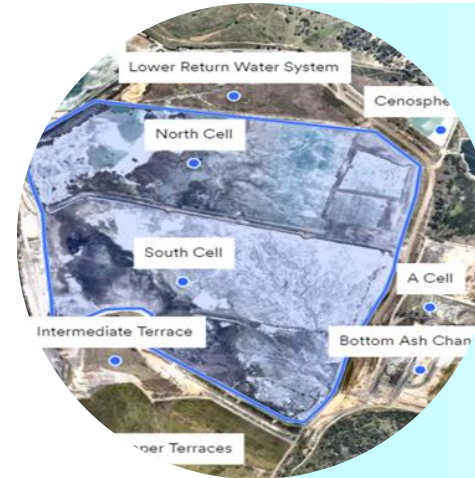


We are developing strong rehabilitation capabilities



Liddell decommissioning

- Preparation of plant to 'cold, dark, dry'.
- 202 scopes of work, 12,500 hours.
- Decoupling for high voltage separation of Liddell / Bayswater.
- Isolation and separation of energy sources, cleaning of ash and coal systems, removal of residual chemicals, oils, fuels.



Liddell Ash Dam – 140ha north and south cells rehabilitation works

- FY23: Mobilisation, polymer dust suppression, preliminary works.
- FY24: Capping 1st layer, capping 2nd layer commencement, North Borrow establishment.
- FY25: Capping 2nd layer, drainage structures completion, upper decant capping.



Cairn Curran

- PowerCor are disconnecting supply from step-up transformer and re-supplying 415V connection.
- McMahon Services draining and removing redundant transformer and circuit breaker.



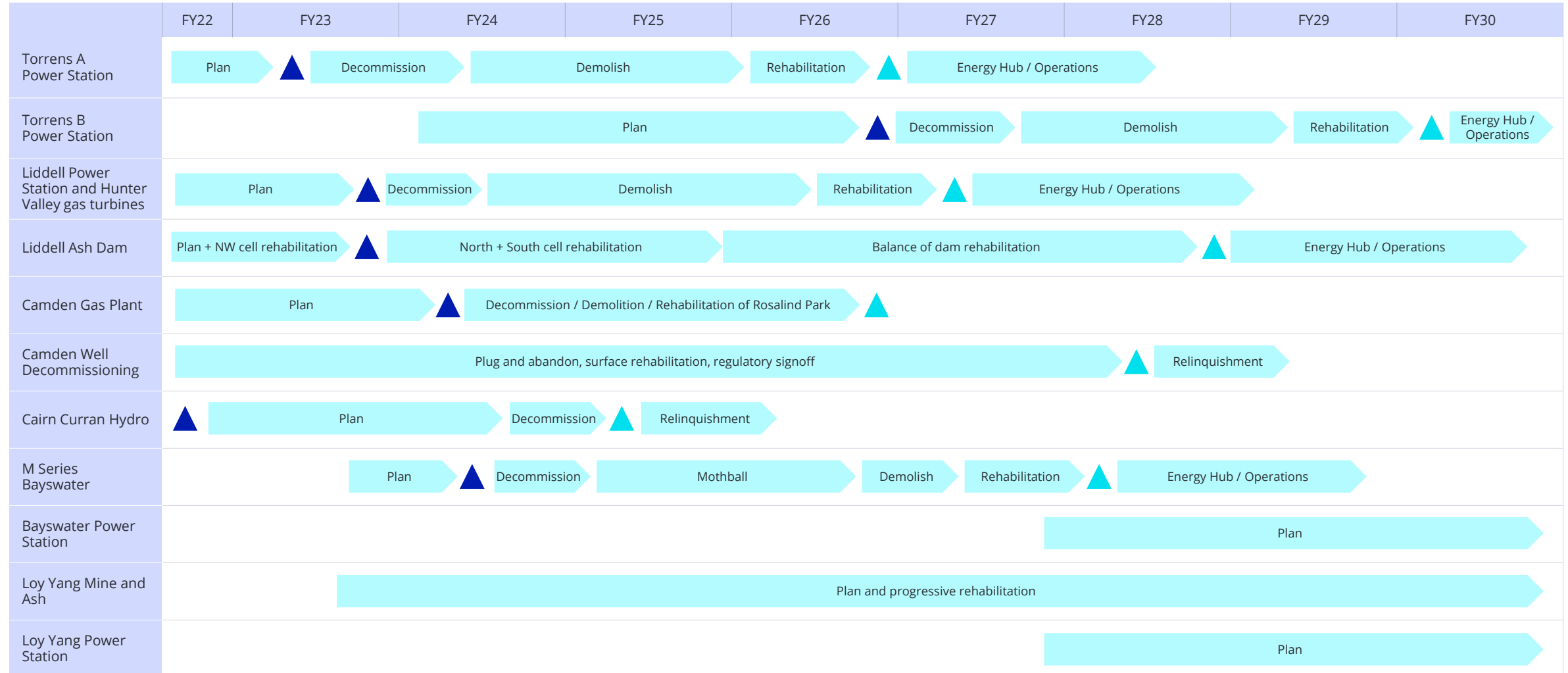
Camden last gas

- Last gas scheduled 28 August 2023.
- 109 of 144 wells decommissioned. 18 per annum.
- Over 100km of gas gathering line across the wellfield, with base assumption that 50% will require removal across FY23-25.

We are committed to a safe and responsible transition for our people, our assets and our community

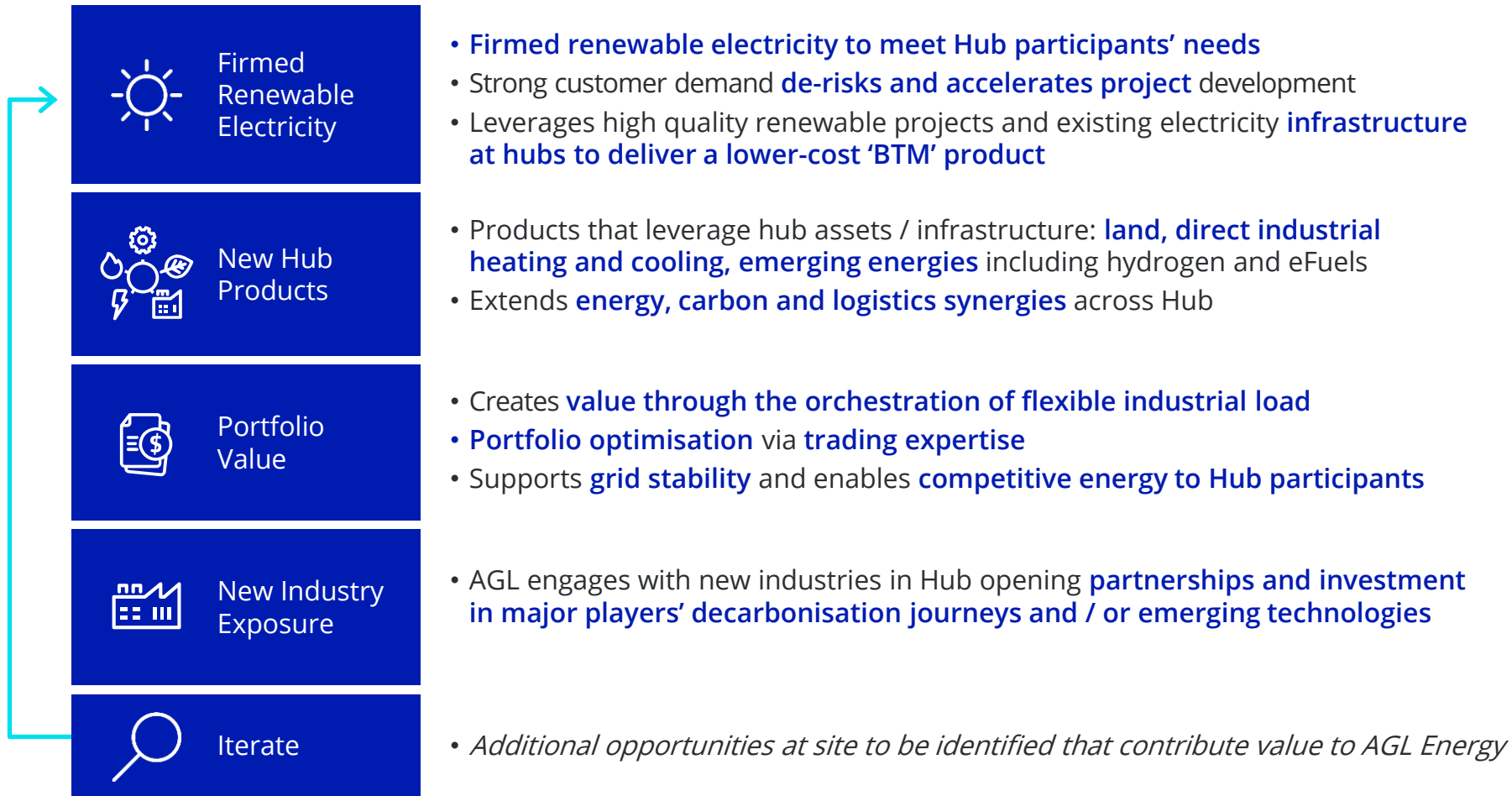


AGL decommissioning and rehabilitation plan



Please note timing is being determined for Hydro, Wind, NGSF, Surat / Moranbah, BIPS, Kwinana and Torrens / Broken Hill battery.

The hubs and associated partnerships are designed to provide four new value streams that support Energy Hub growth



High quality firming and renewable projects situated around the Energy Hubs setting AGL up for future growth



- Under planning and development
- Industrial Energy Hub developments / concepts

TORRENS HUB

- Commissioning of 250 MW Torrens Island battery underway
- BIPS hydrogen blending study, BIPS 2 approval
- Project Calor underway (ARENA funding)
- MOUs with Adbri, Brickworks, Flinders Ports, INPEX CORPORATION, Osaka Gas Australia, SK ecoplant, Spark Renewables, AGIG and POSCO in place to explore hydrogen and hydrogen derived products opportunities



Torrens Hub



Hunter Hub



Latrobe Valley Hub



LATROBE VALLEY HUB

- MoU with Solar Recovery Corporation (SRC) for a feasibility study on a solar photovoltaic (PV) panels materials recovery
- Japanese Government Green Innovation Fund support to further progress evaluation of commercial scale clean hydrogen production
- Exploring emerging battery technology pilot



HUNTER HUB

- Planning approval and ARENA funding for Liddell battery
- MoU with SLB to explore early commercialisation of alternative chemistry battery storage technology with multiple hub locations, under assessment
- Pre-feasibility study with Fortescue Future Industries to investigate hydrogen completed - proceeding to feasibility
- MOU with Nu-Rock to investigate feasibility of waste recycling technology
- Pre-feasibility assessment underway for solar thermal development
- FID of Indigenous agriculture project at Liddell
- Solar recycling and manufacturing opportunities being explored
- Feasibility study underway for Muswellbrook Pumped Hydro – JV with Idemitsu, NSW Govt funding



always powering ahead

Current Operations

Markus Brokhof



AGL continues to focus on thermal asset reliability and flexibility



BASELOAD TO FLEXIBLE OPERATIONS

- Focus on reliable flexible low load operations
 - Loy Yang A flexibility between min and max generation is ~ 1,000 MW
 - Bayswater flexibility between min and max generation ~ 1,900 MW
- Accessing global expertise through EPRI and Uniper
- Capital invested in the right areas to meet asset objectives through to end of life
- Thermal digital twin, supporting determination of plant capability and efficiency



DERATE AND RISK REDUCTION

- Outage strategies modified
- Boiler tube leak reduction program and chemical cleans
- Loy Yang A mine dredgers, conveyors, electrical and control equipment
- Mill maintenance and air heater refurbishment performance program



DIGITAL INNOVATION

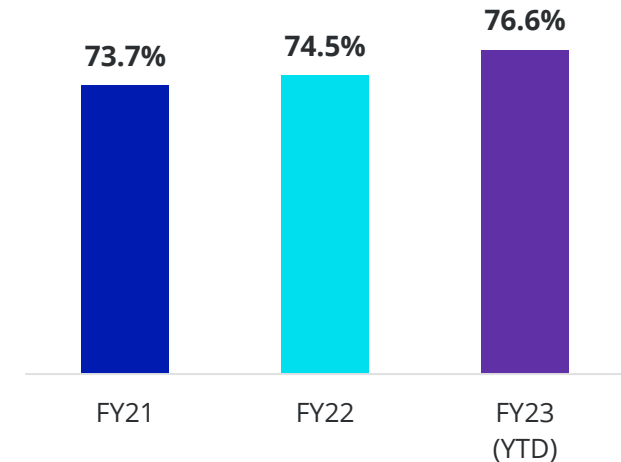
- Drones, supporting integrity inspections of difficult to access plant
- Exploring structural digital twins to support mobile mine plant integrity inspections



STRATEGIC SPARES INVESTMENT

- 2 Loy Yang A generators rewind
- Loy Yang low pressure turbines

Equivalent Availability Factor (%)



LOY YANG A GENERATOR STATOR IN TRANSIT



BOILER TUBE LEAD REDUCTION PROGRAM



Gas continues to be a key input fuel into meeting electricity demand



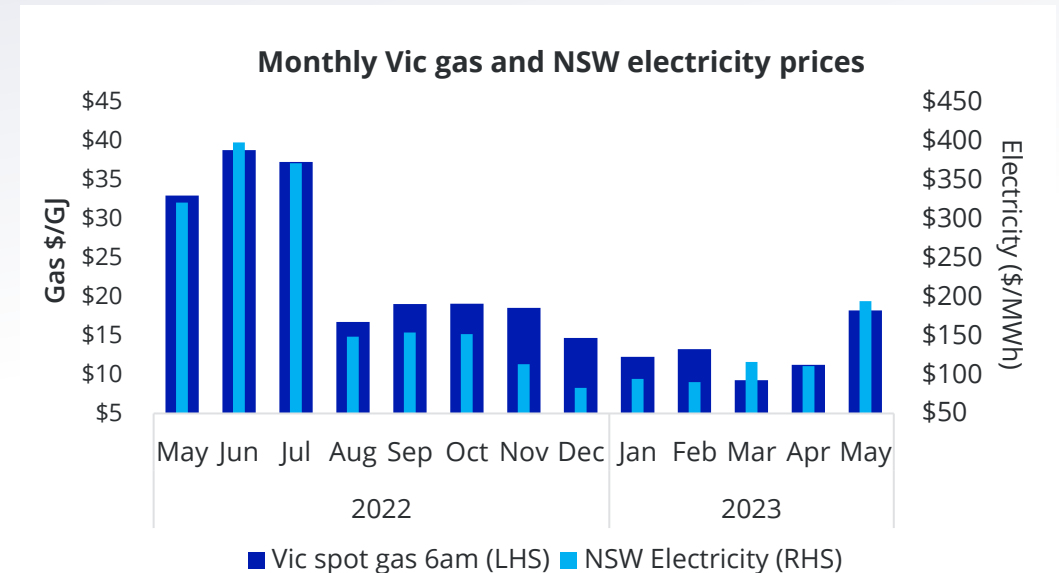
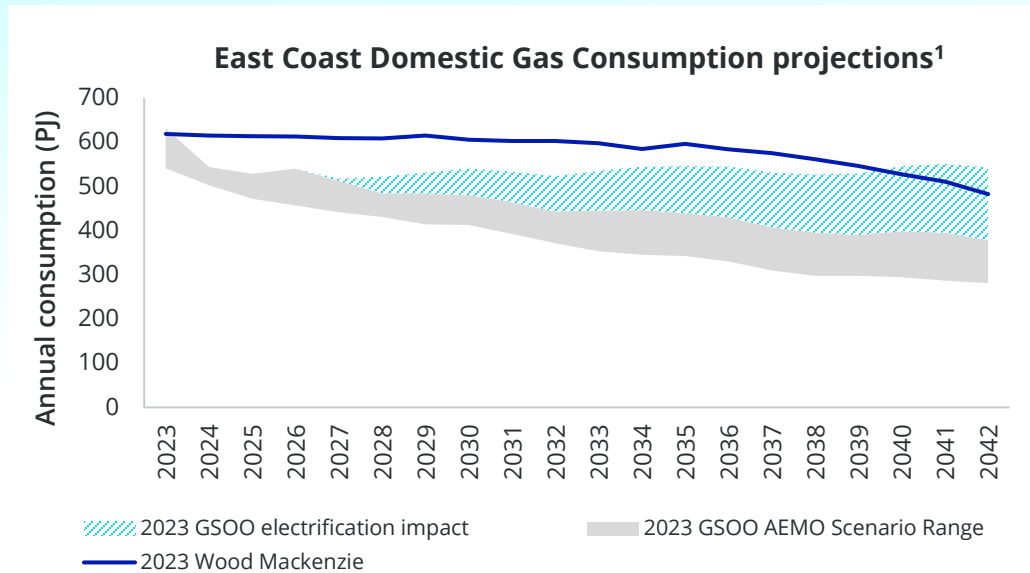
Gas as a transition fuel

The projections for the electrification of gas demand are varied, but gas-powered generation has a key transition role to play in meeting long-duration peaking requirements, and in the event of a seasonal renewable “drought”



Gas as key input into electricity pricing

Short-term gas prices have been a key driver of electricity pricing outcomes, reflecting the marginal nature of gas-powered generation in the NEM, particularly in winter months



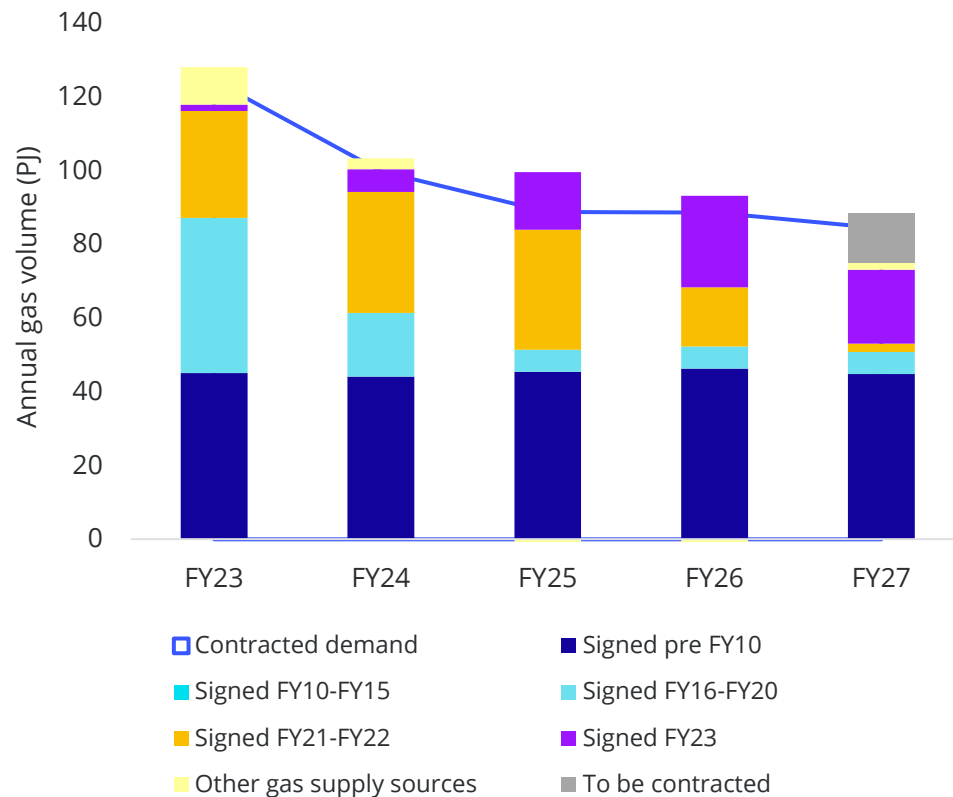
¹Excluding LNG consumption. “East coast” states comprise Queensland, NSW, Victoria South Australia and Tasmania.
 Source: AEMO 2023 GSOO and Wood Mackenzie, February 2023 East Coast Gas Market Outlook
 AGL Investor Day | 16 June 2023

Source: AEMO

With scaled presence and strategic supply options, gas continues to be a key value driver for AGL over the medium term



AGL's gas portfolio is well balanced to FY27



Strategic supply options

- Active engagement and support of smaller producers to underwrite new gas supplies
- Partnerships with third-party LNG import projects as a key source of flexible and scalable gas supply

Maintaining AGL's scaled presence in gas continues to create value:

- Haulage and flexibility are required to supply customer demand and are also utilised to run gas peaking plants, defraying fixed costs
- AGL's presence across the NEM enables trading value to be generated through optimisation of supply, demand, haulage and storage

New supply agreements

- AGL has contracted competitive gas supplies to replace contracts that are expiring over time, including new supply agreements with Cooper Energy, Senex, Exxon and others executed in FY23
- Medium-term supply position of over 100 PJ



Shaping the energy portfolio of tomorrow

Markus Brokhof



Torrens Island grid scale battery, South Australia
(Anticipated to be operational in Q1 FY24)

 agl Join the change

Funding the transition and capital allocation principles

Gary Brown

Eildon Power Station, Victoria



agl Join the change

Funding the transition and capital allocation principles



Replacement of thermal generation earnings

AGL expects to retain strong earnings from its thermal assets and aims to materially replace these earnings with growth from Customer Markets and from new renewable and firming assets built or contracted



Aim to deploy \$8-10bn - \$3-4bn by FY30, and \$5-6bn by FY36

AGL's targeted portfolio rebuild projected to be backed by high quality customer demand and will require development lead time prior to significant capital being deployed. Targeting post-tax asset returns of 6-11%* including incremental returns from AGL's portfolio and capabilities



Strengthen core business, unlock future value pools

Commitment to an investment grade balance sheet, continued investment in existing assets to generate the cashflows required to fund the portfolio rebuild, and a more flexible and sustainable dividend policy



Disciplined approach to Capital Allocation

Refreshed capital allocation framework to prudently allocate capital to transition the portfolio and drive shareholder returns

*Returns estimated using comparable companies with similar cash flow risk characteristics and where available, comparable transactions. There are no comparable companies operating solely in the technology types analysed and therefore estimations are subject to deviations; Comparable company data reflects peers analysis undertaken.

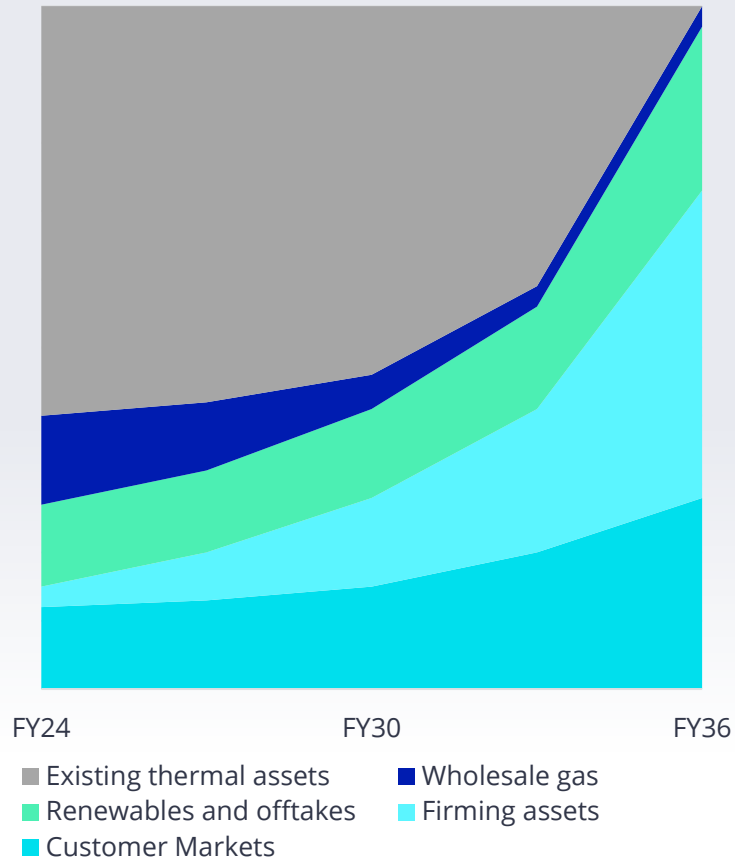
AGL aims to transition its earnings mix away from thermal sources, with new projects coming online prior to asset closures



Growth from customer and new build targeted to materially replace thermal earnings

- AGL aims to materially replace current earnings from thermal assets with growth in earnings from the Customer Markets business and from the new renewable and firming assets built or contracted:
 - Customer markets growth expected to be driven by a progressive shift to electrification, new products and population growth
 - A portfolio rebuild of at least ~5.5 GW owned and controlled assets
- Replacement assets targeted to be in place before thermal asset closures, being large multi-year projects that require years of development and construction

Shift to lower carbon earnings* mix (Estimated future earnings mix)



Lower risk returns from future generation portfolio

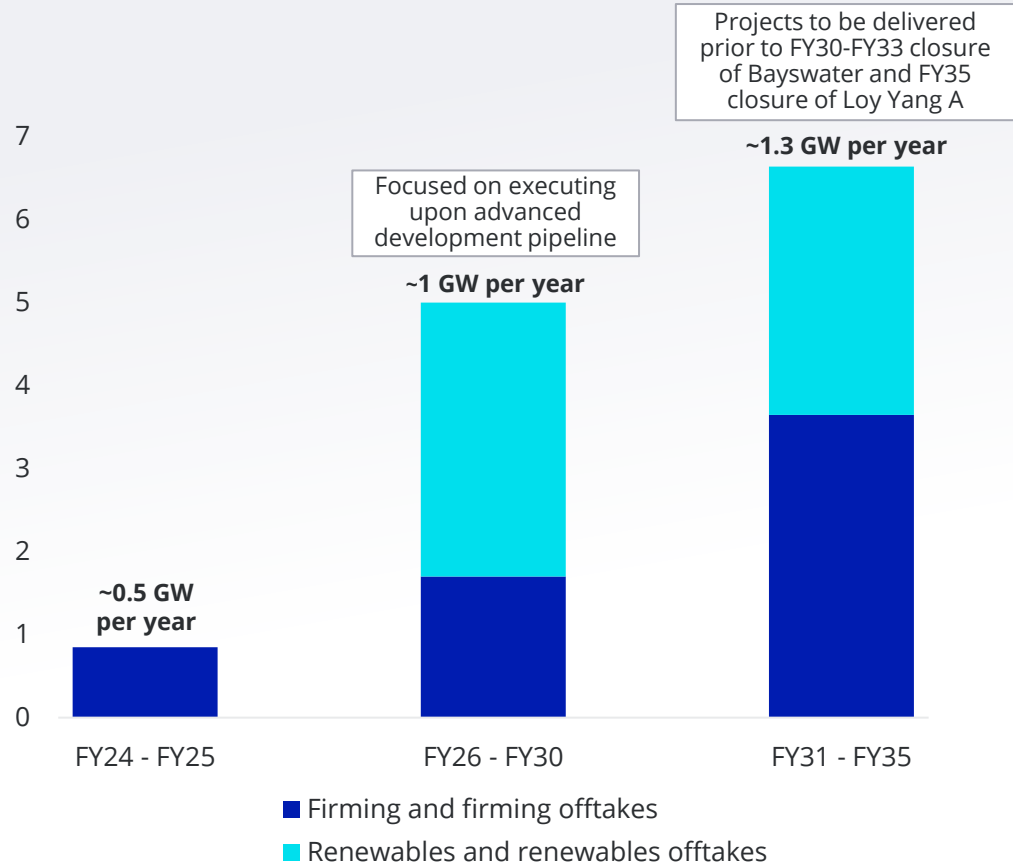
- The current generation earnings mix (dominated by coal) is expected to transition to firming and renewables
- Results in a significant reduction in operating leverage and asset risk over time, as operationally intensive thermal assets are replaced with capital intensive renewable and firming assets
- The overall trend is to lower risk cashflows as the portfolio is rebuilt, generating strong risk adjusted returns from this investment
- AGL expects to retain strong returns from its legacy thermal assets while they are in the process of being replaced

*Estimated Underlying EBITDA earnings mix based on current expectations of future customer markets growth, targeted thermal plant closure dates and intended composition of AGL's future portfolio of renewable and firming generation assets.

The rebuild consists of large, multi-year developments that requires time to develop prior to significant capital being deployed



Expected commitment to the 12 GW ambition by asset type (GW)



~5.5 GW of the 12 GW ambition expected to be funded on AGL's balance sheet

~6.5 GW expected to be procured via joint ventures, partnerships, third party offtakes and DER

Owned and controlled assets (funded on AGL's balance sheet)

- ✓ Continued focus on growing pipeline in addition to existing 5.3 GW
- ✓ Focused on higher returning firming assets with dispatch control (grid scale batteries and pumped hydro projects)
- ✓ Control over development, operation and maintenance of assets
- ✓ **Expected capital recycling of developments**

Joint Ventures and Tilt Partnership

- ✓ Includes access to >3.5 GW development pipeline via Tilt Renewables, on top of 0.8 GW existing operating assets with Tilt
- ✓ Opportunity to leverage third party capital and accelerate development options by partnering with renewable asset developers
- ✓ Opportunity for equity upside as well as developer / manager returns

Off-taking

- ✓ Potential to leverage the scale and diversity of AGL's customer base to achieve favourable supply terms

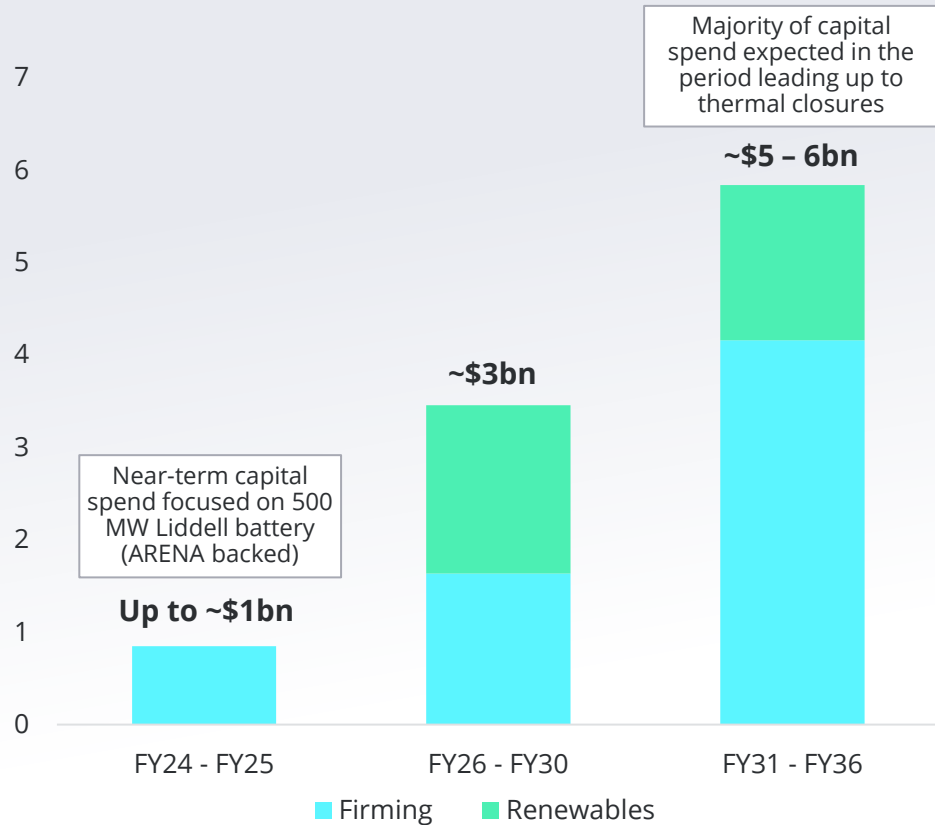
Decentralised energy

- ✓ AGL to source and orchestrate energy from its large retail and C&I customer base (rooftop solar, batteries, energy management solutions) and DER

As the rebuild projects progress, AGL expects to deploy ~\$3-4bn of balance sheet capital by FY30 and an additional \$5-6bn by FY36



Estimated timing of AGL's capital outlay for the ~5.5 GW (\$bn)



AGL aims to derive incremental returns utilising existing infrastructure, along with strong capabilities in development, procurement, management, trading and ongoing servicing of energy projects

Expected post-tax returns for future investments, based on observable peer projects*

Renewables



6.0%

8.5%

Firming and flexible generation



7.0%

11.0%

*Notes:

- Returns estimated using comparable companies with similar cash flow risk characteristics and where available, comparable transactions. There are no comparable companies operating solely in the technology types analysed and therefore estimations are subject to deviations.
 - Comparable company data reflects peers analysis undertaken.
- * Post-tax project returns.

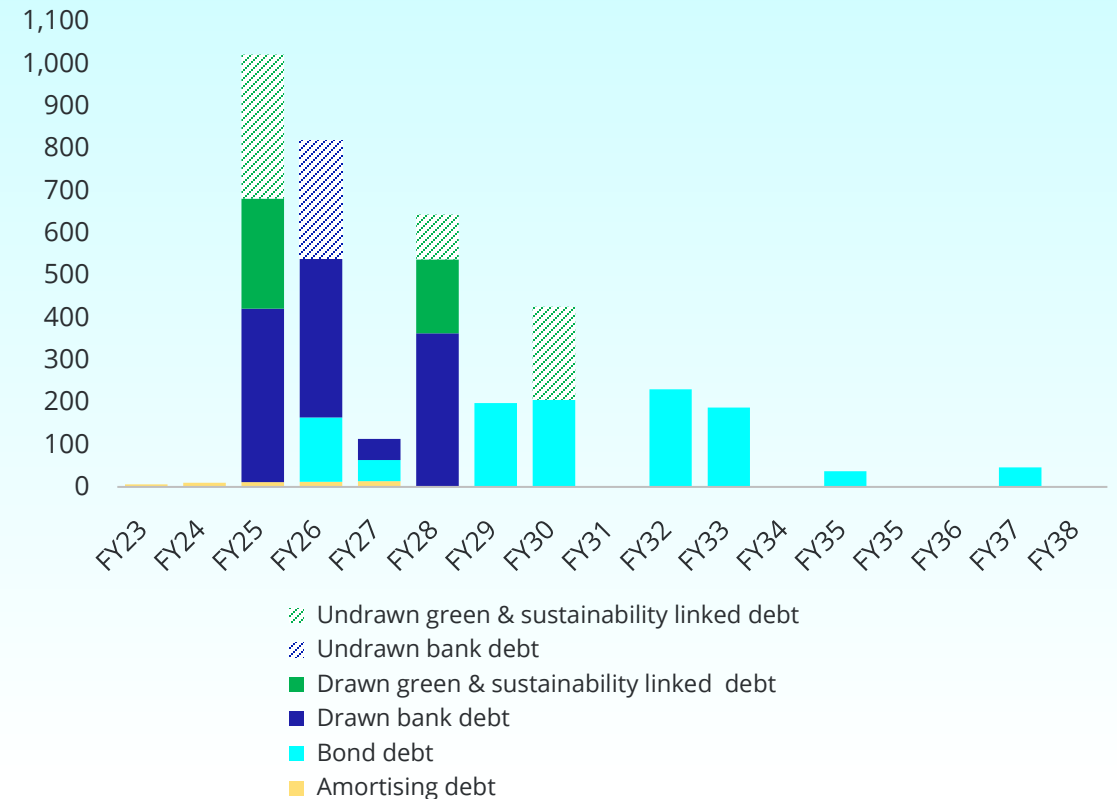
Successful debt refinancing reflects confidence in AGL's business fundamentals and decarbonisation plan



Partial refinancing of existing bank facilities and successful issuance of long-term debt in US private placement market ("Notes")

- ✓ AGL is committed to investment grade balance sheet and capital structure
- ✓ Strong lender support reflects confidence in AGL's business fundamentals and decarbonisation plan
- ✓ Significant capacity for future growth with new facilities including \$500m green capex loan (with five and seven-year maturities) to help fund existing and future firming and renewable energy projects
- ✓ Weighted average tenor increased from 2.6 years to 4.7 years
- ✓ Future refinancing to be focused on FY25 and FY26 maturities and funding future green renewable and firming asset growth

Debt maturity profile post completion of bank debt refinancing and USPP (\$Am)¹



1) The proceeds from USPP issuance were used to partially pay down FY25 and FY26 drawn bank debt
AGL Investor Day | 16 June 2023

A more flexible and sustainable dividend policy is required to fund the transition and growth of AGL's future energy portfolio



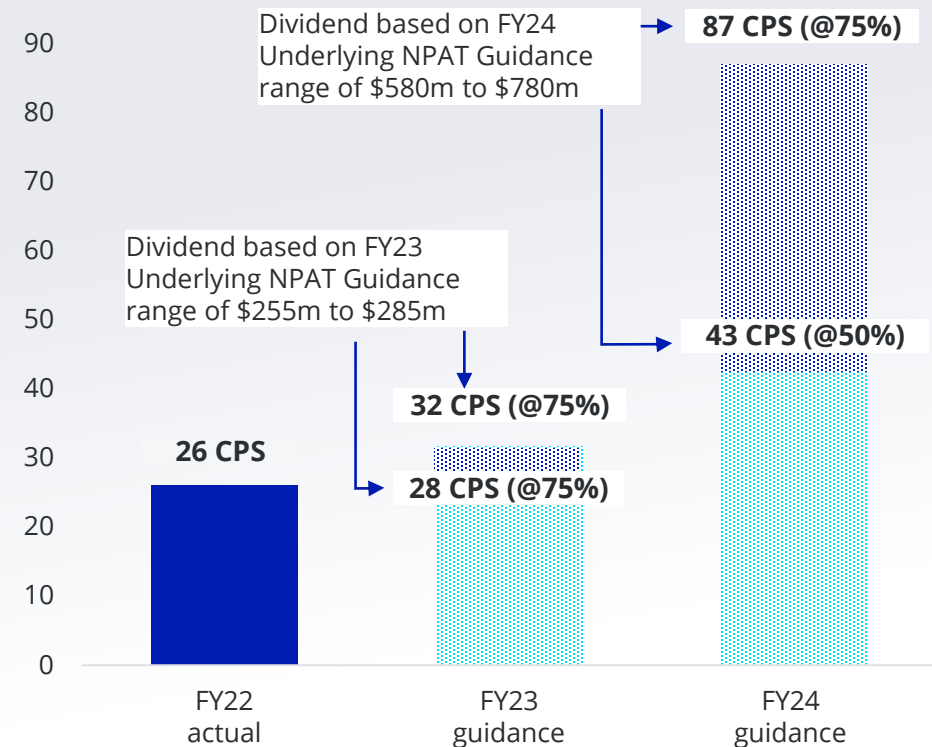
Targeting a dividend payout ratio of 50-75% of Underlying Profit after tax, franked to extent possible

- Updated dividend payout ratio range (effective from the FY24 interim dividend*) to enable capital flexibility, further strengthen our core business and realise opportunities through the energy transition, whilst maximising shareholder return
- Long term returns for shareholders expected to be supported by prudent investments made in new renewable and firming projects
- Subject to AGL's taxable income and the recoupment of tax losses in the future, AGL may begin to pay partly franked dividends from the Interim FY25 dividend



Disciplined and strategic approach to capital allocation, with a defined strategy which aims to deliver a responsible and lower carbon energy portfolio

AGL's historic and forecast DPS (cents per share)



*FY23 Final dividend is targeted to be paid at previous payout ratio of 75% of Underlying Profit after tax
AGL Investor Day | 16 June 2023

AGL will prudently allocate capital to transition the portfolio and drive shareholder returns



OBJECTIVES

DISCIPLINED AND STRATEGIC APPROACH TO CAPITAL ALLOCATION



Maintain financial **strength** and financial **flexibility**



Capital investment to **maintain, transition** and **grow** our energy portfolio



Maximize **value** and shareholder **returns**

EXCESS CASH FLOW

PRINCIPLES

1. **Maintain strong credit profile:** Baa2 investment grade credit rating
2. **Continue to invest** to strengthen and drive value from our core business to realise opportunities through the energy transition
3. **Sustainable dividends:** Dividend payout ratio of 50-75% of Underlying Profit after tax, franked to extent possible
4. **Capital Management:** Consider when appropriate, with all investments tested against additional returns to shareholders

Closing Remarks

Damien Nicks



Wattle Point Wind Farm, South Australia

 agl Join the change

APPENDIX

AGL's targeted earlier closure of Loy Yang A by the end of FY35 supports the transition to a lower carbon world¹



AGL plans to bring forward the closure of Loy Yang A by up to 10 years which would avoid up to 200 MtCO₂e** of greenhouse gas emissions compared to previous thermal coal closure dates

Progressive and responsible retirement of the coal-fired fleet over a targeted 12-year period – providing notice to enable the market to adequately respond

April 2023

Safe and responsible closure of the Liddell Power Station completed

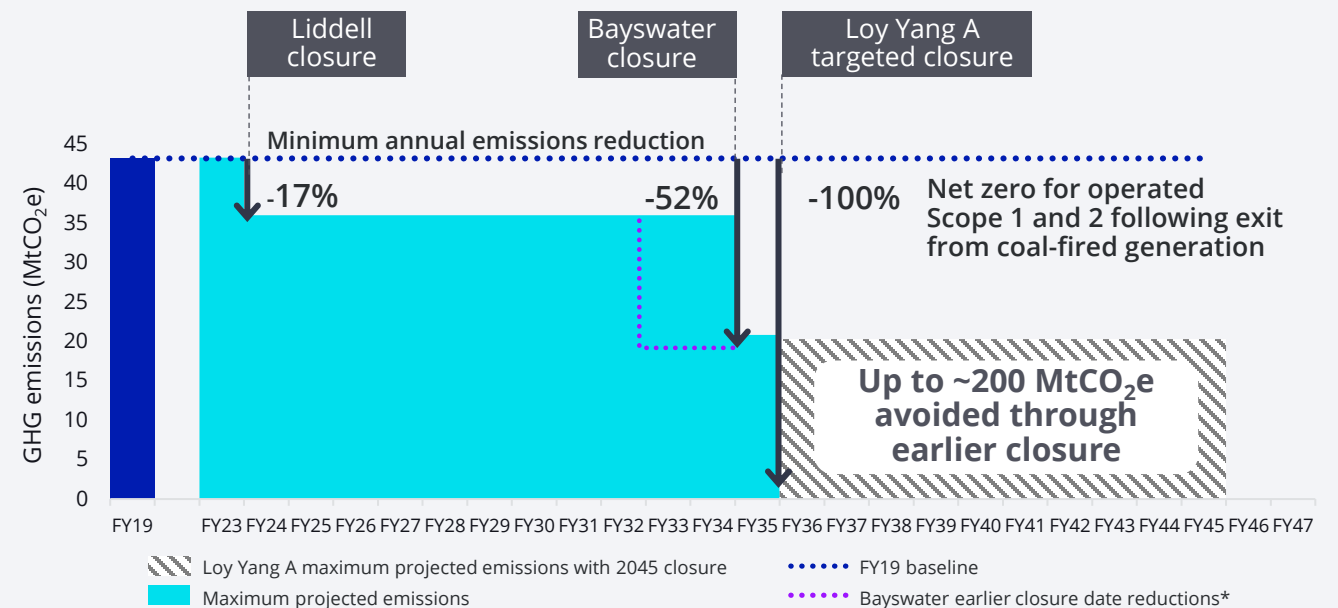
by
end of 2033

Bayswater on track for closure by end of 2033

by
end of FY35

Targeted accelerated closure of Loy Yang A and exit from coal-fired generation by end of FY35

AGL'S EMISSIONS REDUCTION TARGETS^{2,3,4}



1) Based on scenario modelling of the National Electricity Market (NEM) undertaken by ACIL utilising a carbon budget for the NEM which is consistent with limiting global temperature increases to well below two degrees Celsius above pre-industrial levels. The ability for AGL to execute on this target is subject to the risks and uncertainties described on page 12 of AGL's Climate Transition Action Plan, including ongoing market and structural developments within Australia's energy markets. AGL will continue to work with key stakeholders, including State and Federal governments, with a view to ensuring a balanced and responsible transition. For the reasons set out on pages 10 and 11 of AGL's Climate Transition Action Plan, this is not aligned with the Paris Agreement's higher ambition of limiting global warming to 1.5 degrees above pre-industrial levels.

2) Annual emissions reductions are expected to exceed 17% and 52% targets in some years due to operational variability.

3) FY24 and FY35 represent the first full financial years where no emissions from Liddell and Bayswater will occur following the closure of these power stations in April 2023 (FY23) and by CY33 (FY34) respectively. FY36 represents the first full financial year where no emissions from Loy Yang A would occur following its targeted closure in FY35.

4) Emissions comprise Scope 1 and 2 greenhouse gas emissions from AGL's operated facilities, as reported under the National Greenhouse and Energy Reporting Act 2007.

* Earlier closure date reductions trajectory reflects earlier closure date of 2030 / FY31 for Bayswater and is subject to market and portfolio factors.

** Maximum emissions avoidance estimated based on maximum annual output from Loy Yang A Power Station over the FY36 – FY46 period.