

Sustainably Growing our Future

2020 Annual Review



Dampier Bunbury
Pipeline



Multinet
Gas Networks



Australian
Gas Networks



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We are Australian Gas Infrastructure Group (AGIG)

One of Australia's largest gas infrastructure businesses.

We own and operate infrastructure that delivers gas to Australian homes, businesses, and communities. We also deliver and store gas that supports the Australian economy for power generators, mines and manufacturers.

We are taking active steps towards sustainable gas delivery today, and tomorrow. In 2021 we delivered Australia's largest renewable gas production facility: Hydrogen Park South Australia.

Our vision is to be the leading gas infrastructure business in Australia. We will achieve this by delivering for our customers, being a good employer and being sustainably cost efficient.

AGIG builds and operates energy infrastructure across the value chain and across the country. Our portfolio of companies delivers for customers across Australia.



DBP operates Western Australia's principal gas transmission system. Australian Gas Infrastructure Developments (AGID) operates unregulated transmission pipelines, gas processing and storage in Western Australia and the Northern Territory.



Operates gas distribution infrastructure in Victoria.



Operates gas infrastructure (distribution and transmission pipelines) in Victoria, South Australia, Queensland, New South Wales and the Northern Territory and Australia's largest renewable gas production facility, Hydrogen Park South Australia.

Message from the Chairmen

John Langoulant, Dampier to Bunbury Pipeline and Australian Gas Infrastructure Developments (AGID)

It's been another strong year of operational performance on our transmission and storage assets. Safety has been outstanding and we've delivered positive outcomes for customers.

I'm pleased with the good advances in our process safety performance. Maintaining a level of zero Tier 1 and Tier 2 (gas loss) events is extremely important and an expected performance, whilst our record scores relating to Tier 3 and Tier 4 measures illustrate continuous improvement and that our teams have embraced the mentality, taking a personal sense of responsibility for the assets.

The philosophy of Process Safety reporting was strengthened by the Health, Safety and Environment (HSE) team's 2020 Zero Harm campaign, focusing on courageous reporting and implementing a Just Culture Policy across the business.

In an extension of 2019's Dampier to Bunbury Pipeline mainline pigging program, this year we successfully assessed the safety and integrity of all lateral pipeline connections. Our customers depend on our assets to safely and reliably transport gas, so it's great to know we can continue delivering on this commitment with confirmation of no structural issues.

We strengthened our end-to-end capability and expertise in delivering infrastructure projects in 2020. We constructed and commissioned two major projects during COVID-19 movement restrictions. The Waitasia Inlet Meter Station project was delivered in an impressive 5,000+ onsite hours with zero safety incidents, while the Wellesley Offtake Facilities provide a new gas connection to Albermarle's Lithium Plant.

Following the submission of our five-year plan for the Dampier to Bunbury Natural Gas Pipeline (DBNGP) in early 2020, we have been engaging with stakeholders and the Economic Regulation Authority (ERA) to reflect our changing operating environment. We're expecting their Final Decision on our Revised Final Plan by April 2021. The team was able to recontract with several major customers during 2020, providing price certainty for them and us.

For our employees, we have been dedicated in our approach to Zero Harm during the global pandemic. Our staff have been committed to delivering for the customer throughout, and we've supported them by keeping them healthy and safe. The quick move to deploy exclusive charter flights for our field crews was a key contributor in protecting our people and the operational needs of the pipeline. This year taught everyone about the need to rapidly assess evolving risks, and pleasingly, amongst COVID-19, tropical cyclones and bushfire threats, our operational status and the integrity of our assets and services has not wavered.

Peter Tulloch, Australian Gas Networks

In another year of 'best evers', the most important metrics we track are those of public safety. AGN achieved the best ever leak response rate in 2020. Networks were above target every month with improvements across each state we serve. We also maintained consistent performance in leak repairs.

We continue to pave the way with low-carbon gas leadership and achieved a significant milestone with production of hydrogen at Hydrogen Park South Australia (HyP SA) as part of commissioning activities. When online in 2021, this Australian-first facility will demonstrate how renewable hydrogen can be produced safely and reliably, blended into the natural gas supply and supplied to our residential customers through the existing network.

Our commitment to low-carbon gas doesn't end at HyP SA, as we've moved forward in delivering Hydrogen Park Gladstone (HyP Gladstone) this year. In another Australian-first, this renewable hydrogen facility is a step on from HyP SA, and will distribute a blend of up to a 10% renewable hydrogen to an entire city network. I'm looking forward to this project moving into construction in the coming year.

Following an extensive Stakeholder Engagement Program, we successfully submitted our revised Final Plan for our South Australian network to the Australian Energy Regulator (AER). This Plan proposed an 8% cut in prices and builds on the price cut of 21% delivered five years ago. We are expecting a final decision from the AER on our plan in April 2021.

We made strong headway during the year in our Mains Replacement Program with over 270km of mains replaced across Adelaide, Melbourne and Brisbane, helped by the reduced foot and vehicle traffic in the replacement areas. This complex work will continue into 2021.

There is still work to be done on reducing our Lost Time Injuries, as our teams are still experiencing too many soft tissue injuries. A large focus has been placed on asset strike education this year in a bid to reduce the frequency of these incidents. We will continue to shine a light on these incidents in 2021 to promote improvements.

Peter Lowe, Multinet Gas Networks

The 2020 year presented an unusual set of circumstances for residents and businesses in Victoria, and more specifically in metropolitan Melbourne. In a colder and wetter than usual winter coupled with more residents staying at home, the need for reliability in supply and good customer communication was paramount.

Response to leaks within a 1-hour response time exceeded the target of 97.5% despite exceptionally wet and unfavourable conditions. We also maintained consistent performance in leak repairs, responding to 95.5% of leaks within the target timeframe.

In amongst the wet conditions, the number of unplanned interruptions was higher than anticipated and will remain a focus as we head into 2021. We see these issues with the wet weather on our older cast-iron mains. Our Customer Team has worked hard over the year to support affected customers and develop strategies for continual process refinement.

Our Mains Replacement Program achieved good results this year and will help to reduce the number of supply interruptions caused by water in mains. Maintaining the integrity of our assets is an important factor in reliability and safety and I'm pleased we've made good progress on replacing old mains this year.

Significant focus has been placed on improving our Customer Satisfaction result, and we've had further improvement this year. In 2019 we increased our score from 6.9 to 7.5, and in 2020 we've reached a score of 7.9. This means that the enhancements and initiatives we've put in place are being received well by customers. In 2021 we are targeting further improvements.

Early in 2020 we collaborated with industry peers to offer tariff relief and rebates to customers faced with financial hardship due to COVID-19, as part of the Network Relief Package. This is something we're proud to be a part of and which aligns well with our company Vision. As we monitored the evolving pandemic and its knock-on effect in the economy, I'm confident it was the right thing to do in extending this through the duration of 2020.

On the safety side, although we'd always prefer to see Zero Harm, our Total Recordable Injury Frequency Rate was better than our threshold of 5, a pleasing result, and will form a good foundation for future improvements.



As the Chairmen of the companies that make up AGIG we are proud of the achievements in 2020.



John Langoulant
Chairman, Dampier Bunbury Pipeline



Peter Tulloch
Chairman, Australian Gas Networks



Peter Lowe
Chairman, Multinet Gas Networks



Message from the CEO

It's been an extraordinary year in many ways. While navigating new challenges, we've delivered a strong overall performance for our customers, stakeholders and shareholders.

Delivering for the customer

As a provider of an essential service and during a period of uncertainty, our delivery for customers has been more important than ever. We have demonstrated this commitment through all our operations and continued to deliver energy safely through the pandemic.

On our distribution networks, public safety means rapidly responding to gas leaks and fixing the issue. In another record year, we delivered our best network leak response, responding to 99.4% of reported leaks within the target timeframe – including 100% across several months. For our transmission assets, we achieved outstanding performance in process safety for 2020, beating our targets for each of the four tiers of events. This includes maintaining the outcome of none of the most serious gas loss events (Tier 1 and Tier 2).

Our reliability was good across the business, however we'll continue to focus on progressing the Multinet Mains Replacement Program and reduce the instances of water-in-mains on these older assets.

Given its importance in the Western Australian market, the continual reliability of the DBNGP is crucial to keeping the lights on. It was great to see the DBNGP maintain stable operational status through the Category 4 Tropical Cyclone Damien. These natural weather events serve as good tests for the effectiveness of our Emergency Response processes and teams, while also demonstrating the durability and reliability of our assets. The DBNGP has now run for more than 13 years without interruption.

We also saw continued improvement in customer satisfaction scores resulting in our best performance to date. The aggregate scores for AGN and MGN exceeded the yearly target of 8.3 and demonstrate the efforts our teams have gone to in elevating the experience for our customers. The strong performance continued through to our key DBNGP customers with a score of 8.0.

As the breadth of the pandemic became apparent, we recognised the need to support those who faced with hardship as a result of COVID-19. In partnership with Energy Networks Australia, we were

pleased to offer a Network Relief Package for Australians. Aimed at supporting small business and residential customers through these extraordinary times, the package took effect on April 1 and included rebates, payment relief and options for payment deferrals. These measures, in conjunction with retailers, assisted in alleviating added pressures for these customers.

A good employer

Keeping our people safe is paramount across all of our sites, offices and environments. Managing the COVID-19 pandemic required agility and a dedicated workforce, and our teams excelled at both. We have looked after each other and stayed COVID-safe all year.

Across the Group, our action compliance and leadership engagements in the field were above target demonstrating that our response and attitude towards incidents is where it should be. We have more work to do in 2021 to bring the number of soft tissues injuries down, along with our continued focus on preventing asset strikes. This year saw one Lost Time Injury recorded within DBP, the first in over 12 months. Whilst we prefer no injuries, this demonstrates that reporting is being embraced – an important part of our culture.

I'm pleased with how our Management and HSE teams responded to the evolving threat of COVID-19. It was important that our field staff continued to maintain the safety and integrity of our assets, while themselves operating in COVID-safe conditions. An example of this was the introduction of charter flights for our field-based staff on the DBNGP who would typically take commercial aircraft to site.

Our office-based staff across Australia began working from home in mid-March. During this time we supported staff through extended technology service assistance, HSE resources and materials, the Employee Assistance Program and increased internal communications. A roster system for staff to return to office allowed us to mitigate the risk of a potential outbreak spreading across our workforce and manage the capacities across our sites. Each office space had their cleaning program increased, 'hygiene' stations introduced, social distancing measures in place and thermal imaging detection to monitor temperatures. Thankfully, we have had no cases of COVID-19 within our workforce.

We updated and released our permanent Flexible Working Policy following the extended period of working from home. This allows office-based employees to work one day at home on an ongoing basis, and the ability to extend this up to two days. We also launched a Diversity and Inclusion Policy, cementing our philosophy of being a workplace that reflects the diversity of the community to help us better achieve our Vision.

Our annual Employee Engagement Survey saw 88% of our workforce respond to the survey which is a fantastic outcome and our best response rate to date. Both alignment and engagement scores increased from last year, with the engagement score of 73%, up from 67% last year, putting us in the top 10% of Australian utility and natural resource companies. High employee engagement says we have done right by each other this year, but it is also crucial for a positive safety culture and a customer service focus.

Sustainably cost efficient

Growth in our customer numbers continued this year as we expanded the reach of our networks and pipelines. The volume of gas we delivered along the distribution networks was strong in a relatively cool year for the eastern states. For our Western

Australian assets, we also saw higher than anticipated gas delivered to meet the needs of our customers.

2020 was a break-out year for AGIG in delivering and securing substantial infrastructure projects. We've further expanded our storage capability at Tubridgi from 57 to 60PJ and successfully begun withdrawal of gas reserves for our customers. We also successfully delivered a new Meter Station for the Waitsia Inlet and received practical completion of the 660m lateral pipeline at Wellesley. Good progress has also been made by our teams on the Pluto-to-North West Shelf Interconnector project. We're looking forward to making further progress on this project along with securing additional projects in 2021.

2020 was an important year for finalising our upcoming Western Australian and South Australian regulatory plans. These plans set out the activities and expenditure we propose to undertake over the next five years. Our West Australian and South Australian Final Plans will deliver price cuts to customers and set a stable revenue trajectory for the five-year period. We are committed to sustainable solutions for our customers today and tomorrow.

During our South Australian customer and stakeholder engagement program, 87% of customers told us it is very important or extremely important that we consider ways to lower carbon emissions. In response, we worked with our customers and stakeholders to develop a proposal to source up to 20% of our unaccounted-for gas (UAFG) with renewable gas, an initiative which 84% of customers supported.

Our flagship HyP SA project has produced renewable hydrogen on site – an important milestone on the path to decarbonisation for our business. With several other renewable hydrogen projects planned or underway within our portfolio, hydrogen is business-as-usual for us as we look to decarbonise existing supply and deliver new assets for customers.

Looking forward to 2021

The foundations we've laid in 2020 have set us in excellent stead for a good year ahead. We'll continue to deliver infrastructure projects for customers and strive to maintain the excellent operational performance achieved this year. Safety remains a focus for the business as we look to deliver zero harm.

We'll formally launch HyP SA and deliver Australia's first 5% renewable hydrogen blend to more than 700 customers and continue on our renewable gas journey through the development of HyP Gladstone.

Gas infrastructure remains an important part of the energy landscape in Australia. From natural gas to hydrogen, we are delivering for customers today and tomorrow.

Ben Wilson
Chief Executive Officer



Project in focus

Project Name

Pluto-to-North
West Shelf Interconnector

Location

Western Australia

Client

Woodside

Asset

Transmission

This new pipeline connecting the Woodside operated Pluto and NWS LNG Plants provides the customer with operating flexibility and supports the development of potential new offshore gas projects. When completed, our Western Australia team will be managing the operation of a new inlet point and pig launcher, meter station, pig receiver and outlet point within the North West Shelf Karratha Gas Plant.

In 2020, we made good progress on the facility despite COVID-19 restrictions. Engagement began with the traditional owners and was deemed critical to ensuring our work within the corridor meets the project's Cultural and Heritage Management Plan. Significant milestones for the project included receiving large bore valves, pipe, tees and flanges for the facilities construction, commencing earthworks at the Inlet and Metering Stations, and construction of the gabion retaining walls at the Inlet Station.



Pluto-to-North West Shelf Compressor Station, Western Australia

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Design, construct and operate a 30-inch, 3km pipeline that connects Woodside's Pluto Liquefied Natural Gas (LNG) Plant to the North West Shelf LNG plant.

About AGIG

We have over two million customers across every Australian mainland state and the Northern Territory, 35,000km of distribution networks, 4,400km of gas transmission pipelines and 60 petajoules of gas storage capacity.

We are leading the industry on the pathway to cleaner energy through Australia's largest renewable hydrogen project, producing and blending renewable hydrogen into our existing public network.

Our commitment to the customer continued in 2020 through an unprecedented year as COVID-19 changed the way people lived and worked. With Australians spending more time than ever at home this year, we've delivered energy safely and reliably to homes and businesses. We've completed an additional 29,500 new gas connections across Australia and have achieved further improvements to our customer satisfaction scores resulting in our best ever year to date.

Major projects have helped us to deliver on our Vision of being the leading gas infrastructure business in Australia. In 2020 we strengthened our project portfolio across the supply chain and proved our expertise in delivering diverse assets. We have further increased the storage capacity at Tubridgi Gas Storage and produced renewable hydrogen through our Australian-first blended gas project, Hydrogen Park South Australia. We replaced over 400km of cast iron mains with polyethylene pipes to maintain safety and future-proof our networks.

2+ million

Distribution customers as at 31 December 2020

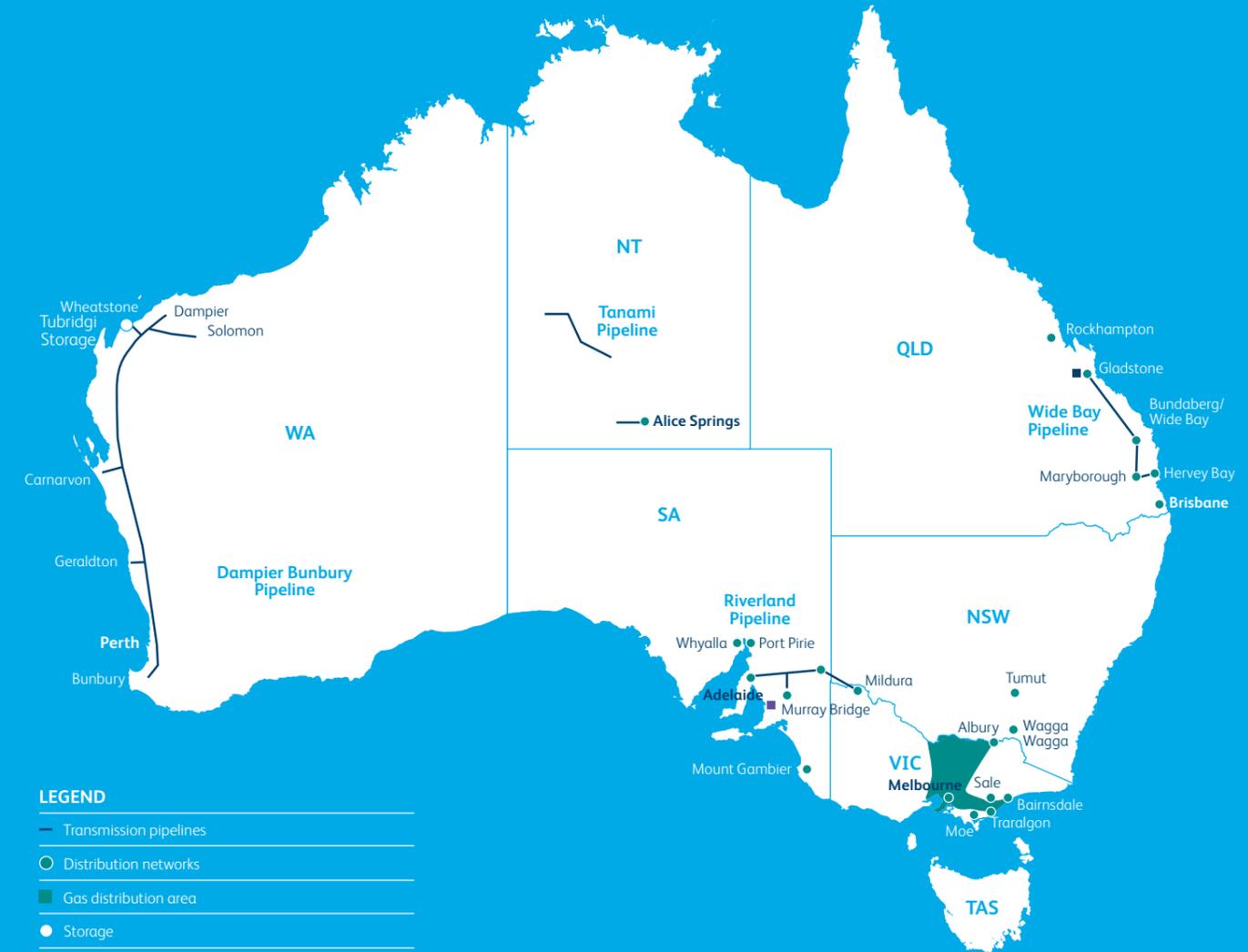
VIC (MGN)	717,604
VIC (AGN)	712,063
SA	463,983
QLD	107,517
NSW	60,885
NT	1,156
TOTAL	2,063,208



Regulated Asset Base of \$8.63bn

- NSW 0.5%
- QLD 5.7%
- VIC (MGN) 15.6%
- VIC (AGN) 20%
- SA 20%
- WA 38.9%

Note: Totals may not add due to rounding.



LEGEND

- Transmission pipelines
- Distribution networks
- Gas distribution area
- Storage
- Renewable hydrogen production facility
- Renewable hydrogen production facility under development

South Australia

- 463,983 customers
- 17GJ per annum average residential consumption
- 90%+ penetration
- Distribution 8,239km
- Transmission 480km

Victoria

- 1,429,667 customers
- 52GJ per annum average residential consumption
- 90%+ penetration
- Distribution 21,562 km
- Transmission 503km

New South Wales

- 60,885 customers
- 39GJ per annum average residential consumption
- 90%+ penetration
- Distribution 2,005km
- Transmission 84km

Queensland

- 107,517 customers
- 8GJ per annum average residential consumption
- 30%+ penetration
- Distribution 3,150km
- Transmission 314km

Northern Territory

- 1,156 customers
- Distribution 40km
- Transmission 601km

Western Australia

- 37 shippers
- Transmission 2,337km
- 60PJ gas storage

Note: Penetration rate is an estimate of the percentage of homes connected to the gas in areas served by our networks



Our Vision

To be the leading gas infrastructure business in Australia, aiming for top quartile performance on all our targets.



Delivering for Customers

- Public safety
- Reliability
- Customer service



A Good Employer

- Health and safety
- Employee engagement
- Skills development



Sustainably Cost Efficient

- Working within industry benchmarks
- Delivering profitable growth
- Environmentally and socially responsible

Our Values

Drive our culture and how we behave and make decisions.



Trust

We act with integrity, we do the right thing, we are safe guardians of essential Australian infrastructure. We act in a safe and professional manner.



Respect

We treat our customers and our colleagues the way we would want to be treated, and we embrace and respect diversity.



Perform

We are accountable to our customers and stakeholders, we are transparent on our performance and we deliver results. We continuously improve by bringing fresh ideas and constructive challenge.



One Team

We communicate well and support each other, and we are united behind our shared vision.

Our Role in the Gas Industry

We deliver for customers across the gas supply chain serving the needs of producers, major energy users, and residential and business users.

AGIG's Services

We design, construct, operate, maintain and manage gas infrastructure.

AGIG Services



Production and processing
Onshore and offshore gas fields are drilled to access gas reserves and gas is processed to specification.

Our **transmission pipelines** deliver gas from processing facilities across Australia to the end users where it is used for power generation, mineral processing, manufacturing and distribution networks.

Our pipeline facilities also include odourisation plants which give natural gas its distinctive smell. At times we use compressors to assist gas flow through the pipeline.

Our Tubridgi **gas storage** facility provides gas producers and gas users with the ability to insure against outages and boost energy security.

Our **power generation facilities** provide power at our sites in some of the most remote regions in Australia.

Our **distribution networks** deliver gas directly to homes and business customers, providing essential energy for hot water, heating and cooking for over two million customers.

Our **renewable gas facility** Hydrogen Park South Australia produces renewable gas for supply to over 700 customers. The development of our Hydrogen Park Gladstone facility is underway.

We maintain and read over **2 million gas meters** in homes and businesses across Australia.

Gas Supply Chain

The process in which gas is produced and used; from the field to users.

Transmission
Transmission pipelines are large high-pressure pipelines which carry gas from the gas fields/processing plants to key markets (large users and distribution networks). At the end of transmission pipelines pressure is reduced before it enters the distribution network.

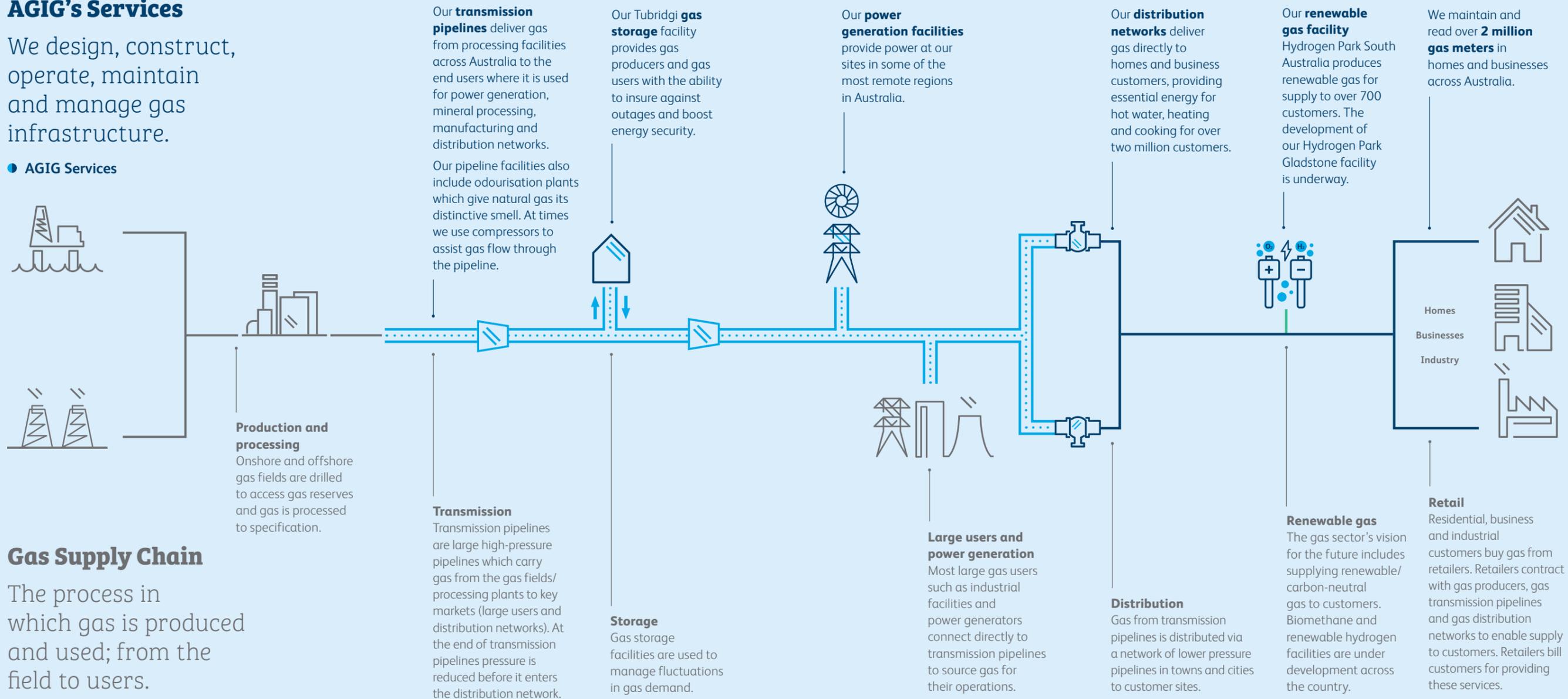
Storage
Gas storage facilities are used to manage fluctuations in gas demand.

Large users and power generation
Most large gas users such as industrial facilities and power generators connect directly to transmission pipelines to source gas for their operations.

Distribution
Gas from transmission pipelines is distributed via a network of lower pressure pipelines in towns and cities to customer sites.

Renewable gas
The gas sector's vision for the future includes supplying renewable/carbon-neutral gas to customers. Biomethane and renewable hydrogen facilities are under development across the country.

Retail
Residential, business and industrial customers buy gas from retailers. Retailers contract with gas producers, gas transmission pipelines and gas distribution networks to enable supply to customers. Retailers bill customers for providing these services.





Delivering for Customers

Customers are at the heart of our business.

Public Safety and Reliability

Distribution

The core elements of what we deliver are safe and reliable energy services.

Across our distribution networks, the 2020 leak response was above target every month with improvements across each state we serve. Of particular mention was our one hour response time on the Victorian networks which both exceeded the target of 97.5% among exceptionally wet and unfavourable conditions.

We have maintained consistent performance in leak repairs across the business, on average repairing 98.5% of priority (Class 1 and Class 2) gas leaks within the target time frame: 99.4% of leaks within targets for the AGN network and 95.5% for MGN. Our target performance is 98% and we will seek to lift MGN performance in 2021.

In Victoria, MGN suffered higher than normal unplanned interruptions to five or more customers at 22 from a target of 15, following record rainfall in Melbourne resulting in water ingress on our older mains causing interruptions to services. In the future, a combination of the ongoing replacement of old cast iron mains and improved customer communications will aim to reduce interruptions and ensure that customers are kept informed should outages occur.

Across our AGN networks, unplanned interruptions impacting five or more customers were lower in 2020 than 2019 (30 down from 36). Our SA and QLD networks showed particular improvement from the previous year, whilst in Victoria there was a slight increase, however all were ahead or in line with target.

Given the significant reduction in vehicle and foot traffic through central business districts (CBD) in 2020 as a result of many companies working from home, both MGN and AGN delivered strong mains replacement progress. This allowed our Service Providers to perform renewal works in what are usually some of the most busiest built-up areas. In the Melbourne CBD area we completed 10.6km of Low Pressure mains replacement, bringing the completed quantity in line with the target. Our Adelaide works tracked well against the target for the majority of the year with some COVID-19 lockdown restrictions affecting accessibility of contractors.



Replacing older mains at the end of their useful lives is one of our key work programs. It ensures we can continue to deliver gas safely and reliably to our customers.

Transmission

On our transmission assets, the safety of the pipeline is focused on preventing events that may cause a fatality or serious injury.

The reliability of our assets is maintained by ensuring pipelines have the capacity and compression available to meet the needs of our customers.

In Western Australia and the Northern Territory, there were no curtailments of contracted capacity in 2020 and system reliability was 100%. Both compressor availability and asset utilisation performed well across the year and achieved above-target numbers for 2020, continuing the strong track record for reliability on these assets.

We met the expectations of our customers delivering a safe, reliable and secure source of energy. This is key for the DBNGP given its important role in linking critical industries throughout the state with gas suppliers in the north-west. Over 90% of gas transported is delivered to large customers along the pipeline. Natural gas fuels approximately 50% of WA's electricity generation, keeping the lights on in Perth.

Our operations team were faced with many challenges during the year including Tropical Cyclone Damien and the COVID-19 pandemic outbreak. Our people responded by adjusting to changing circumstances and maintaining a high level of maintenance compliance.

Process Safety

Following its introduction to the business in 2018, Process Safety has been adopted as part of the reporting culture and developed a total safety approach for the business. The engagement from field personnel has been immense and it has become obvious our team members take a personal sense of responsibility for the assets that they interact with.

Tier 1 and Tier 2 events relate to gas escapes from the pipeline and are the most serious Process Safety events. We are pleased to not have experienced these events during the reporting timeframe.

Tier 3 and 4 events represent both leading and lagging indicators which could indicate or lead to more serious events. We achieved outstanding performance in Process Safety for 2020 by achieving our best scores to date. We achieved an annual result of 83.9% against our target of 80%. This represents the first year that the results for all tiers were above target since we started tracking in 2018.

We look forward to the continuous improvement in 2021 through minor variation to the suite of Process Safety KPI's and we encourage all personnel to remain vigilant and report anything that doesn't seem as it should be.

Overall combined Tier 3 and 4 events





Customer Service

We have achieved our best ever customer satisfaction in 2020.

We deliver for our customers by providing services like connections and meter repairs within appropriate timeframes and responding to customer calls.

2020 continued to show improvement across the business, with an aggregate customer satisfaction performance of 8.3 out of 10 across the AGIG businesses.

In Victoria, MGN has implemented a number of initiatives to improve scores in 2020, including:

- Updating collateral to provide customers with clearer communications;
- Simplifying processes for new connections; and
- Providing updates on mains upgrades to customers impacted by repeat supply issues.

Additionally, a key initiative saw us collaborate with other Victorian gas distribution businesses to review and improve the new connections process on a trial basis. We are making a difference by making it easier for customers, having a consistent process to connect to gas in Victoria irrespective of their postcode area.

Both AGN and MGN are continuing with further initiatives and improvements to deliver tangible benefits and improve the customer experience.

During 2020 we connected approximately 29,500 net new customers. As the majority of our new connections come from new home construction, the impact of COVID-19 on the building industry during autumn and winter months in turn impacted new connections. However following the introduction of government build incentives, we have had a strong increase in construction activity and ongoing connection growth.

We have also seen the pandemic impact home renovation activity, with a significant increase in our new natural gas appliance rebate program for natural gas central heating and fireplaces and cooking.



Customer Satisfaction Score

AGN 8.4

8.1 in 2019 - aggregate of Victoria, South Australia and Queensland networks

MGN 7.9

7.5 in 2019

DBP 8.0

8.4 in 2019

Perth Airport Project

Safety of our pipeline assets often requires close coordination with land-owners and monitoring of sections with heavy traffic. The vast majority of the DBNGP pipeline length spans through remote pastoral land and agricultural land, however there are small sections that run through the Perth metropolitan area and urban environments.

For several years, we have been working with Perth Airport Pty Ltd (PAPL) on an access protocol for maintenance to the section of DBNGP corridor that runs through Commonwealth land that PAPL leases. Part of this land passes by an area of cultural significance for the traditional land-owners: the Wadjuk Aboriginal people. The Wadjuk people, PAPL and AGIG had become increasingly concerned about disturbance to the land, especially by unauthorised 4WD activity.

Together with these groups, we worked to achieve several improvements to restrict access and protect this section of land, including new chain mesh fencing and new access tracks.

This cooperation has provided improved access and security for the DBNGP and PAPL, as well as assisting in the preservation of important Wadjuk Noongar cultural place.



A section of Munday Swamp with the new security fence



Australia's largest storage facility allows us to deliver more flexible energy solutions for our customers.



Project in focus

Project Name

Tubridgi Gas Storage Expansion

Location

Western Australia

Asset

Gas Storage

We've successfully expanded this storage facility even further in 2020, now encompassing 60PJ of storage capacity for our customers. Following the extensive expansion project in 2019, taking capacity from 42PJ to 57PJ, we rebuilt field and dynamic models to redefine the maximum storage capacity to 60PJ. In February, our teams undertook an initial test of the withdrawal capability which was completed safely and successfully.

During August, the facility began commercial withdrawal operations. The commencement of withdrawal operations now sees the whole plant in operation to treat and compress the stored gas for delivery to back to our customers.



Tubridgi Gas Storage Facility, Western Australia

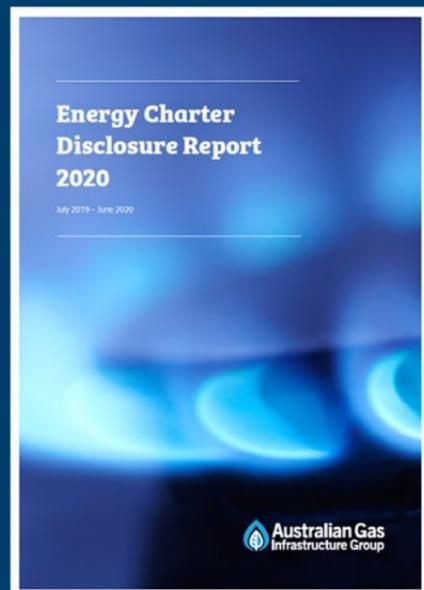


Energy Charter

The purpose of the Energy Charter is to progress the culture and solutions required to deliver a more affordable, reliable and sustainable energy system for all Australians. The primary focus is to embed a customer-centric culture in energy businesses to improve business practices and deliver better outcomes for customers.

In 2020, AGIG delivered our second Energy Charter Disclosure Report. Last year's inaugural report was an opportunity to evaluate our business and how well we deliver against our Vision and against the Charter Principles. In contrast, this year was all about delivery.

The 2020 Disclosure Reports included participant's self-assessment against the Energy Charter maturity model. This year's maturity model has highlighted our strong focus on safety and cost efficiency, but also our need to continue to build a culture where all teams think 'customer first' and proactively work together for better customer outcomes. Making customer satisfaction a corporate key performance indicator in 2020 is one of the ways we're embedding a customer-centric culture across our entire organisation. Against the five principles of the Energy Charter, the AGIG assessment rated from 'Elementary' to 'Evolved' levels of maturity. We also provided three-year aspiration targets for our maturity against each principle.



Network Relief Package

As the breadth of the COVID-19 conditions presented themselves across Australia, the role of energy as an essential service was clear.

Our commitment to the customer also remained clear, and we spent significant time exploring how we could best support our customers who may be faced with hardship as a result of COVID-19.

In partnership with Energy Networks Australia, we were a participating network and driving force of the new Network Relief Package for Australians. Aimed towards supporting small business and residential customers through extraordinarily tough times the initiative included rebates, payment relief and options for payment deferrals working with energy retailers.

It took effect on April 1 and applied to:

1. Small business customers;
2. Residential customers of small retailers; and
3. Residential customers of large retailers.

The Relief Package was available to all retailers from 1 April to 30 June and was extended for small energy retailers through to December 31, 2020.

We also implemented the principles set out by the Australian Energy Regulator for protecting customers and the energy market during COVID-19 including ensuring residential and small business customers in financial stress are not disconnected for failing to pay their energy bills if they are in contact with their retailer.

These measures helped to alleviate added pressures for these customer groups in the face of the pandemic.

Vulnerable Customers

Principal 5 of the Energy Charter states: "We will support customers facing vulnerable circumstances".

One of our 2020 Disclosure Report commitments was to formalise vulnerable customer initiatives across AGIG and to develop a vulnerable customer strategy.

Focus areas will include:

- Continue to build our understanding of customers in vulnerable circumstances;
- Provide training to employees and service providers about customers in vulnerable situations;
- Improve our processes to minimise negative impact on vulnerable customers;
- Identify where further assistance may be required to provide direct support to customers; and
- Utilise our Community Partnership initiatives to assist vulnerable communities.

Price and Emissions

We know price is important to our customers, and we continuously focus on providing affordable energy solutions. Analysis shows gas continues to be a lower-cost and lower-carbon choice for most of our customers, which has also been reflected in our Voice of the Customer program and Stakeholder Engagement results.

Cost savings have always been one of the main reasons customers use natural gas for cooking, hot water and heating. For many households natural gas remains significantly cheaper than comparable electric appliances running on grid electricity. While every household has different circumstances and priorities that may influence their energy decisions, we provide articles on our website and cost comparison calculators to help customers understand what can be a complex issue.

Our website also compares emissions between natural gas and electric appliances. Natural gas continues to provide a much cleaner alternative to grid electricity, as 70%* of National Electricity Market grid electricity is still generated from coal-fired power stations.

(* Per AEMO electricity generation data for 1 Jan – 30 Dec 2020)

Natural gas savings calculator available on our AGN website



Estimated upfront installation fees

Billed from AGN, your builder and/or gas fitter

\$1,150 after AGN Rebate



Estimated natural gas costs

Billed from your energy retailer

\$985 per year

Comparable electricity price \$1,245 per year

Note: These numbers have been provided for illustrative purposes only.

Through our engagement and dialogue at our customer workshops, we know price is important to customers. Because of this, we see it as important to support our customers by focusing on providing affordable energy solutions.

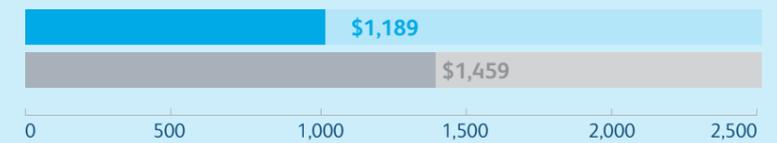
● Natural Gas ● Electricity

Victoria

Using 43GJ of natural gas or 7.5MWh of grid electricity for cooking, hot water and heating in an average home in Melbourne

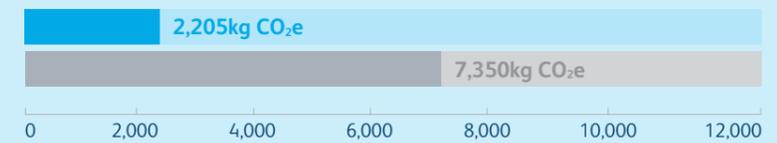
\$ per customer

Cost



kg CO₂e (carbon dioxide equivalent) per customer

Emissions

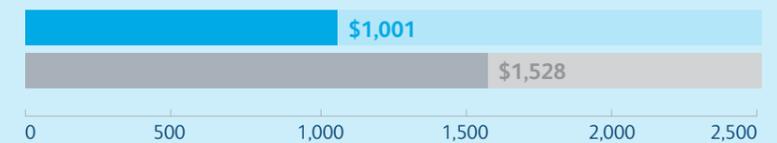


South Australia

Using 18GJ of natural gas or 4.4 MWh of grid electricity for cooking, hot water and heating in an average home in Adelaide

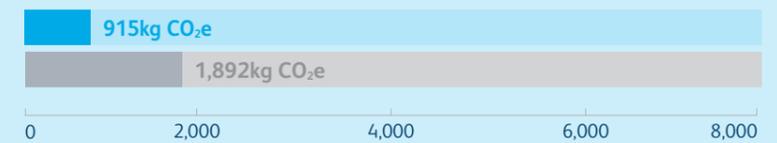
\$ per customer

Cost



kg CO₂e per customer

Emissions



Note: Comparison of annual running costs for natural gas and electrical appliances are based on average household consumption in Melbourne and Adelaide, using Origin Energy standard tariffs as of 1 January 2021. Emission comparisons are calculated using the Department of the Environment and Energy, National Greenhouse Accounts Factors Report October 2020.



There's a lot to love about Natural Gas

This year we built on our 'Love Winter' marketing campaign with additional television commercials and online advertising. Our new creative concept focused on the joys of unlimited hot water and the ability to slow cook to perfection on a natural gas connected BBQ.

Extending the appliance mix in our marketing also meant we could engage with warmer regions on our networks with messages more suited to their climate. The creative complimented our existing suite of assets that aim to connect audiences to the emotional benefits with natural gas and through our website, advise potential customers how to connect to natural gas.

With COVID-19 changing the way people interacted with media and consumed content, the channel mix was continually monitored and adapted in order to ensure we were still reaching audiences with relevant messages.

Communicating the Renewable Gas Future

With the arrival of our electrolyser on site at Hydrogen Park South Australia, we launched an online campaign aimed at raising awareness and educating consumers on the benefits of renewable gas. The campaign was designed to answer the most common questions our customers have: what is renewable gas, how is it made, and what are the potential future uses? Our online videos, digital banners and social media content were supported by new pages on the AGN website. Over the two months the campaign attracted an additional 54,000 visitors to our website.

Voice of the Customer Program

Our Voice of the Customer research remains a key long-term measure and reference point for how our current and potential customers view natural gas as a product and the service we provide. It also lets us test opinion of changes to our services - particularly as we plan towards future Access Arrangements. At the end of 2020, over 80% of our residential customers said they were either satisfied or very satisfied using natural gas in their home; maintaining the consistently high levels we have seen over the last three years.



Customer and Stakeholder Engagement

Our customers and stakeholders want us to deliver reliable, sustainable and affordable energy solutions. By taking the time to listen and understand customer needs, we can align our services and investment with customer expectations. We also use customer and stakeholder feedback as part of improving our services every day.



We received the Energy Network Australia Consumer Engagement Award for demonstrating outstanding leadership in consumer engagement.



We submitted a Final Plan for South Australia to the regulator with 96% support from customers.



We got the green light from the AER to use renewable gas to replace lost gas from the network – an initiative driven by our customers.



We developed a proposed Vulnerable Customer Assistance Program to help those in our community in need, an initiative shaped by customers, social service experts, and other key stakeholders.



We switched to enhanced online engagement programs to ensure customer and stakeholder views were understood and responded to during the pandemic.

Engaging South Australians on the Future of their Network

In South Australia we embedded customer engagement into our planning for the South Australian gas distribution network (2021 – 2026). To ensure genuine and effective engagement we designed a program that included interactive customer workshops where customers could have open discussions with us about what was important to them.

We discussed the key issues and then tested and validated our proposals with our customers. In parallel we worked closely with consumer representative groups and other key stakeholders.

In 2020 we published a Draft Plan for consultation which included further customer workshops across metropolitan and regional South Australia. Ongoing engagement with stakeholders and our reference group shaped our Final Plan.

Together with customers and stakeholders we provided a Final Plan to the regulator with 96% support from customers, and broad support from stakeholders involved in the program. We included new proposals developed together with customers, including a Vulnerable Customer Assistance Program, an Innovation Allowance and an initiative to replace lost gas with renewable gas.

Shipper Roundtables in Western Australia

On 2 January 2020, we lodged our Final Plan (2021 – 2025) for the DBNGP with Western Australia’s Economic Regulation Authority (ERA). This followed an extensive 18-month consultation program with customers (known as ‘Shippers’). Regular Shipper Roundtable meetings are chaired by our Chief Executive Officer and provide an opportunity to bring together our customers to discuss how we can deliver for them, today and in the future.



Engaging with students on the future of gas at Adelaide’s Science Alive seminar

In the Community

The future of gas, hydrogen and renewable energy were key themes of our engagement program in 2020. While engaging directly with the community posed COVID-19 related challenges, we were able to participate in events and activities that gave us a better understanding of the issues of importance and insights into community sentiment.

Engaging with customers in our future planning

The future of gas was a key topic in our consultation with customers and stakeholders as we developed our business plans for the future. Customers and stakeholders told us they are interested in finding ways of lowering carbon emissions and contributing to environmental sustainability. These insights have helped inform the development of future proposals to reduce carbon emissions by using renewable gas in some of our distribution networks.

Student engagement

We were able to engage with students and teachers on the science behind hydrogen, the future of gas and renewable energy. At Science Alive! more than 4,000 students and teachers were able to learn more about the future of gas through a range of tools including interpretative information, interactive models and videos developed around the Science, Technology, Engineering and Mathematics (STEM) curriculum. 15,000 members of the public also attended the event and were able to engage with AGIG staff on hand.

Community engagement on hydrogen

Engaging with the community is key to the successful delivery of our blended gas projects, including HyP SA and HyP Gladstone. We look forward to ongoing engagement with the community on these important renewable projects decarbonising the gas distribution networks.



Our Stakeholder Engagement Team receiving the award from judging panel representative Mark Henley.



National Consumer Engagement Award 2020

We were proud to receive the Network Consumer Engagement Award 2020 from Energy Networks Australia (ENA) and Energy Consumers Australia for our engagement program in South Australia.

The award recognises an Australian energy network business that demonstrates outstanding leadership in consumer engagement. We were commended for how we embedded customer feedback into our future planning process in a way which was genuine and authentic.



Carbon emissions [are] a major issue and needs to be looked at on many levels. Everything that can be done to reduce emissions is important.

SA Stakeholder



Field personnel boarding a charter flight from the Pluto-to-North West Shelf site after rectifying a Priority 3 shutdown



Tropical Cyclone Damien Response

Tropical Cyclone Damien crossed the West Australian coast near Karratha on Saturday 8 February 2020. Karratha went into 'Red Alert' which means people needed to take shelter and the airport was closed. Cyclone Damien was a Category 4 and was one of the strongest to hit the Pilbara region in several years. AGIG's Incident Management Team was enacted to handle the severe weather event that threatened operations on the DBNGP.

The eye of Cyclone Damien passed directly over one of AGIG's assets: Main Line Valve 7. This resulted in loss of mains power supply to a number of sites, all of which have battery backup which enabled full visibility to be maintained to all but one site.

After the cyclone, AGIG's standby aircraft was used to deploy personnel to sites subjected to loss of mains power. Our assets on the path of the cyclone were unharmed, with only minor physical damage. While a number of gas producers switched offline, the DBNGP continued to operate ensuring gas flows continued through the DBNGP system. Importantly, this included the recently constructed Pluto compressor. Numerous teams across the business responded to this extreme weather event, meaning that the DBNGP continued to operate and serve our customers.



Mount Gambier Case Study

Delivering a reliable supply of gas to our customers is a substantial focus for our businesses – something we know our customers appreciate from gas. When an interruption to supply occurs, we ensure customers are safely reconnected as soon as possible and have a positive experience with our teams.

During the month of September, a fault on the connecting transmission pipeline owned by a third party caused an outage to 9,000 customers in our Mount Gambier distribution network. Following rectification of the transmission failure, all residential and business connections required reconnection (relighting).

We worked closely with our service provider and invaluable local assistance of emergency services, resulting in all customers safely reconnected within five days of the outage. We kept customers updated via text messages, a call centre (activated specifically for this incident), radio updates, social media, website updates and face-to-face conversations.

Given this event was the largest outage on one of our distribution networks in over five years, we conducted a series of customer service measurements to better understand the experience for customers. This included a survey of over 400 customers – both residential and commercial – who were affected by the outage, with some worthwhile learnings achieved.

Our service provider APA were responsible for the field response and delivered a commendable result - we thank them for their efforts.

"I think given the pressure everyone was under, they did a fantastic job. People were working double time to make sure the town was up and running again promptly."

Mt Gambier Resident

A snapshot of our achievements in 2020

We've delivered strong performance and achieved top quartile outcomes on our targets.

Delivering For Customers

Public Safety



Best Ever Leak Response
above target performance every month with improvements across each state we serve

Best Ever Process Safety Results
the first year that results for all tiers were above target

Zero Tier 1 and Tier 2 Safety Events



Reliability



4,700+

days without an outage on the Mainline, even through Tropical Cyclone Damien

400+ km of gas mains replaced

increasing reliability of supply to Adelaide, Melbourne and Brisbane districts



100% system reliability on the DBNGP

Customer Service

Best Ever Customer Satisfaction Scores for AGN and MGN

AGN Customer Satisfaction



8.4

MGN Customer Satisfaction



7.9

DBP Customer Satisfaction



8.0



Received National Network Consumer Engagement Award for our engagement work with stakeholders and customers



Implemented the Network Relief package supporting small business and residential customers during COVID

A Good Employer

Health and Safety

Best ever workforce utilisation on our Transmission assets



Zero Harm approach to COVID-19 health challenges

850 Leadership Engagements

demonstrating individual interactions which reinforce positive HSE behaviours.

Introduction of a Just Culture Policy



ensuring that any incident involving safety misconduct is evaluated using a fair and consistent approach

Employee Engagement

Best ever employee response rate in our annual Employee Engagement Survey

75% **88%**
— 2017 — — 2020 —



Top decile for Alignment and Engagement across the business against a targeted benchmark group



Diversity and Inclusion and Flexible Working policies introduced

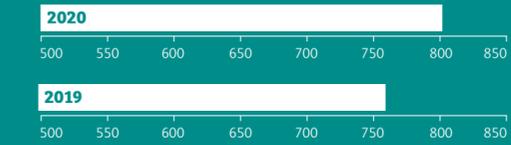


New office environments for our Perth and Adelaide-based staff

Sustainably Cost Efficient

Working within Industry Benchmarks

Earnings (earnings before interest and tax)
\$803 million Earnings Before Interest and Tax, up from \$760 million in 2019



Submitted our Five Year Plan for our South Australian AGN Networks

Regulatory support to source renewable gas to replace unaccounted for gas in South Australia

Environmentally and Socially Responsible



Green light for HyP SA's Tube Trailer Facilities to supply industry with renewable hydrogen

Continued leadership on renewable hydrogen projects with advanced proposals for federal funding covering innovation projects in three states



Expanded our Community Partnership Program and increased funding across our national operations



Green hydrogen produced, blended and delivered to customers through our Australian-first Hydrogen Park South Australia project

Delivering Profitable Growth

29,500 New Customers Connected

Growth and Projects

We deliver new projects for customers across the country.



Solomon Meter Station Upgrade

This upgrade project will enable Fortescue Metals Group to increase the capacity of the existing meter station at their Solomon iron ore mine site to 64TJ per day for delivery to their existing and proposed new power stations.

AGIG has begun design and construction on the meter station upgrade, which will consist of increasing the capacity of the existing meter runs 1 and 2 to 33TJ per day and the addition of runs 3 and 4 to increase capacity by an additional 38TJ per day.

The Solomon Meter Station will be recommissioned with a total capacity of 71TJ per day and will secure all free flow capacity of the Fortescue River Gas Pipeline.

The project is scheduled to achieve Practical Completion in May 2021.



CS04 Gas Turbine Exchange

During September, Compressor Station 04 located east of Carnarvon on the DBNGP completed a turbine exchange and exhaust stack replacement. The Solar Mars turbines on the DBNGP are typically replaced after 30,000 run hours. This exchange was slightly different as it also included the replacement of the turbine exhaust stack which was identified as unfit for service.

This task was completed by a project team comprised from Transmission Operations and Transmission Asset Management and undertaken over a period of six days on site. This activity will ensure turbine availability is maintained at a high level to enable the effective compression of gas to meet the throughput needs of the DBNGP.



DBNGP Pigging Program

Following a successful pigging program of the mainline in 2019, we conducted an internal inspection (pigging) of multiple laterals associated with the DBNGP in 2020. This process is conducted to ensure the integrity of the pipeline system is fit for purpose and poses no risk to public safety.

The total length of the multiple pipelines inspected was approximately 231km, with pipeline lengths of between 2km and 84km. Pipeline conditioning in preparation for the runs on some of the laterals was required, which involved DBNGP configuration changes or in some cases timing our inspection in line with customers plant operation.

This pipeline inspection campaign was completed by a team from Transmission Asset Management and Transmission Operations without incident from a safety or customer impact point of view. The data collected will be analysed against a specific criteria to determine if any additional follow up is required.



Tubridgi Gas Storage into Extraction Mode

Our customers find great value in the option to store their gas as a way to effectively address fluctuations in the production market. Following the first commissioning of the Tubridgi Gas Storage facility in 2017, we have been successfully injecting gas back into the reservoir under pipeline pressure through the DBNGP.

During August, our Tubridgi Gas Storage Facility began commercial withdrawal operations. Flows were intermittent through September and October due to the balancing of injection nominations from some customers against the new withdrawal nominations, however flows gradually increased to sustained two-compressor operation throughout December. The commencement of withdrawal operations now sees the whole plant in operation to treat and compress the stored gas for delivery to back to our customers.

Start-up and early operations ran smoothly with both the compressors and the balance of plant all performing well.



South Gippsland Pigging Program

The South Gippsland gas transmission pipeline was constructed over 2007 and 2008 and supplies the townships of Korumburra, Leongatha, Wonthaggi and Inverloch. The In-Line Inspection (ILI) of the South Gippsland pipeline is required as part of the Pipeline Safety and Operating Plan that outlines periodic internal inspection. In 2020, we ran stage 2 of the project: The Korumburra – Leongatha Section. MGN led the design, planning, engineering and co-ordination activities for the project to ensure it remained on schedule. The project required close liaison with our major dairy customer in Leongatha as the flows were predominantly dictated by their usage.

The project achieved a safe and successful outcome as a result of good collaboration between MGN Engineering, Service Delivery, HSE, System Operations and other external stakeholders.



A Good Employer

A healthy, safe and engaged workforce form the foundation for all services we deliver to our customers.

Health and Safety

Engaged employees prioritise customer service and safe work practices, protecting the public, themselves and their colleagues from harm.

Across all of our operations, the recordable injuries per million hours worked in 2020 was 8.4 (otherwise known as the total recordable injury frequency rate, TRIFR) - which is in line with our 2019 performance.

The majority of these injuries were due to muscular skeletal disorders stemming from sprains, strains and superficial wounds from incorrect equipment use or body impacts.

We have continued to track leading Key Performance Indicators during 2020, focusing on risk, action, audit and training compliance metrics and have standardised our approach internally and with Service Provider partners.

Throughout the COVID-19 pandemic, we maintained a strong focus on wellness initiatives including medical and wellbeing checks, online physical exercise programs and strategies on working from home. We also encouraged our employees to utilise the support mechanisms available through our Employee Assistance Program partners.

In 2021 our Health Safety and Environment focus will target reducing musculoskeletal injuries, decreasing asset strikes, eliminating High Potential fatal risk incidents and effective audit and coaching strategies.



If you see something that isn't right - challenge, intervene, stop the job, and report it.



Performance in focus

Charter Flights

The health risks associated with COVID-19 presented a variety of challenges for our operations. For AGIG's remote asset sites, our field officers work within two rosters to provide preventative and corrective maintenance on assets. With this work schedule came an inherent risk of effectively and safely managing any COVID-19 cases, should a case arise. Traditionally, our site staff would fly on commercial aircraft to either Karratha, Carnarvon or Onslow, however as a means of protecting staff AGIG decided to deploy exclusive charter flights for our field crews with an alternative aviation supplier.

Although this transition increased the travel costs, a Zero Harm approach identified that commercial flights could elevate our employees' exposure to COVID-19. We successfully reduced exposure to persons outside of AGIG and could assure flight schedules were under our control.

Further to this, the new agreement with the supplier increased safety for our employees through:

- Dedicated twin-turbine engine aircraft;
- Dual hydraulic system in all offered aircraft; and
- Air-Conditioning as standard.

The supplier's fleet of fixed wing aircraft are also preferable for safety on high priority breakdown response to remote locations, such as the Tanami Pipeline in the Northern Territory. All aircraft in the fleet provide not only added safety to our crews but are ergonomically preferred by our team.



Zero Harm

AGIG believes that all incidents are preventable and we are continually striving to achieve Zero Harm. To support this, we have established a set of Zero Harm Principles that target work activities where it is proven that failure to comply carries an inherent risk of fatality.

The Zero Harm Principles apply to all employees and contractors of AGIG. Adherence to them is mandatory and non-compliance may result in disciplinary action.



Confined Spaces



Driving and Remote Travel



Energy Isolation



Mechanical Lifting



Mobile Plant



Traffic Management



Excavation and Trenching



Safety Management



Working at Height



Fitness for Work



Work in Gaseous Environments

Zero Harm Workshops

Our annual Zero Harm Day focused on courageous reporting and challenging with positive intent. These sessions summarised our safety performance for the year, the expectations of our HSE Culture Model and its alignment with AGIG's Vision and Values. We presented incident case studies highlighting the significance of reporting: 'If you see something that isn't right - challenge, intervene, stop the job, and report it'.

Several AGIG employees were recognised for their courageous reporting on the day. Our Just Culture Policy was officially launched and formalised a fair and consistent approach to reporting, ultimately empowering the workforce to confidently engage in transparent reporting without fear of undue penalty for themselves or others.

COVID-19 Response

For our employees, the 2020 year presented a unique set of working arrangements.

In mid-March, our office-based staff across all states were directed to work from home in line with government COVID-19 restrictions. In uncertain and unprecedented times, effective engagement with our workforce was hugely important.

In supporting our staff to effectively work from home, our teams worked to provide:

- Full roll-out of Technology equipment and connection support for home offices, enabling staff to safely set-up a remote work space;
- Health, Safety and Environment (HSE) guides and procedures for safe ergonomic practices at home;
- HSE assessments of employee home workstations;
- Mental Health support through our Employee Assistance Program;
- Complimentary online group fitness training;
- Weekly video updates from the CEO with COVID-19 and wider business updates; and
- Distribution of care packages to staff in Melbourne who endured a difficult and lengthy lockdown period.

Thankfully, the nature of our business model as a provider of critical services meant there were no job losses or reduction in hours for staff as a result of the pandemic.

Employee Engagement

In September, our staff completed an annual employee engagement survey to assess and measure how engaged employees feel in their day-to-day environment.

We achieved the highest level of participation since we commenced these surveys, with 88% of staff participating. We also received our highest scores in both alignment and engagement in this annual survey to date.

Overall, every item across the alignment and engagement framework has improved in favourable percentages, with many also improving in benchmark position.

In addition to the existing catalogue of questions on all facets of our business, in 2020 we included targeted questions on AGIG's response to COVID-19. In a year where the typical face-to-face environments were somewhat limited, we felt it was important to understand how we performed as 'A Good Employer' during a period of global uncertainty. Pleasingly, these results came back as overwhelmingly positive with the large majority of our employees feeling supported, respected and empowered during the pandemic.

Opportunities to maintain a focus and continue to deliver initiatives to better promote Diversity and Inclusion, Investment in Systems and Investment in People were identified.



Top decile performance for Employee Engagement and Alignment against a targeted benchmark group of Australian utilities, mining and engineering companies.

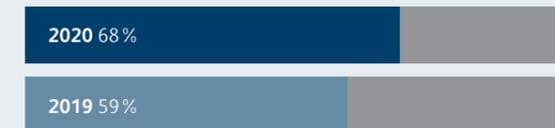
Purchasing Officer, Kevin Hotchin, at our Jandakot warehouse facility

Employee Response Rate

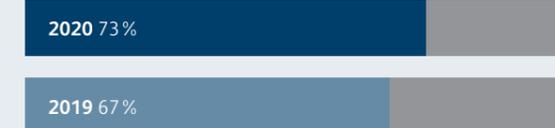


Employee Engagement and Alignment

Alignment

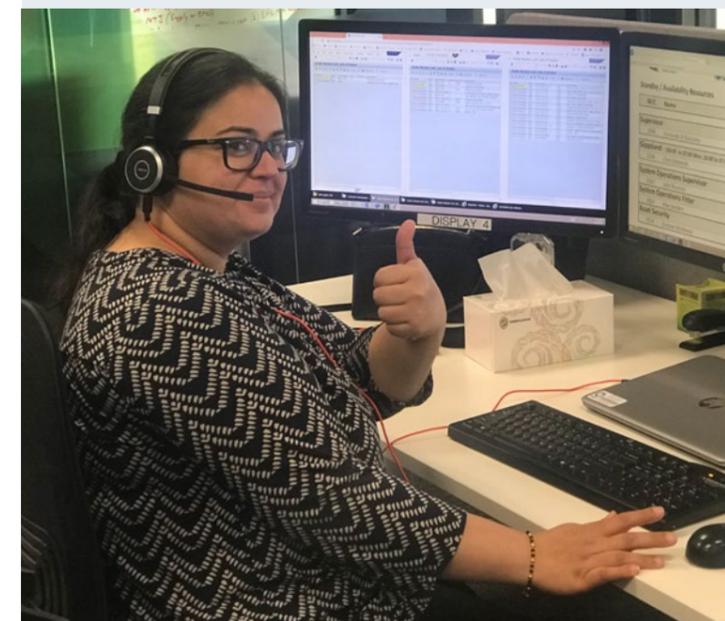


Engagement



Alignment measures the extent to which actions, behaviours and outcomes are linked to AGIG's long term goals.

Engagement measures how committed employees are to AGIG and if they promote and act in its best interests.





Flexible Working Policy

The requirement for staff to be nimble, flexible and accommodating in the face of working from home expectations was responded to exceptionally well across the business, and our staff demonstrated cooperation and perseverance amongst a raft of changing government restrictions.

We were pleased to introduce an official Flexible Working Policy in 2020 which offered our people the opportunity to work from home one-to-two days per week on an ongoing basis. To ensure productivity and efficiencies within teams, AGIG's approach to flexible working arrangements – and as outlined in the policy - begins with employees conversing with their manager to discuss suitability.

Formalising Flexible Working had been a topic that arose in historical Employee Engagement Surveys and the implementation of the new policy was well received by our workforce.

Diversity and Inclusion

AGIG is committed to a workplace that promotes and recognises the diversity of its employees and the broader community that we serve by applying the principles of equity, fairness and transparency.

A workplace that reflects the diversity of the community will also better achieve our vision, including through improved customer service, innovation, skills and business performance more broadly. AGIG is therefore committed to a diverse, inclusive and safe place for people to bring their whole self to the workplace.

A dedicated Diversity and Inclusion Policy was released during 2020, aiming to support a diverse and inclusive workplace - including by providing the framework to develop specific strategies aimed at improving knowledge, capability and reporting of outcomes within the business.



Adelaide staff pledging their support during International Women's Day activities



New Office Environments

This year we performed upgrades to our Adelaide and Melbourne offices and relocated our Perth office to better suit employee and operational needs.

Perth

Our Perth CBD office was relocated in 2020 to the AMP building, 140 St Georges Tce to achieve improved staff amenities, locational benefits and cost efficiencies. With AGIG leasing two floors, the centrally-located building boasts end-of-trip facilities, improved staff access and personal security, better access to public transport, larger square meterage to accommodate all staff, better meeting room facilities and food and beverage options.

An improved SCADA server room in the new office increased system reliability and supported the sophisticated Control Room systems. The Control Room performs a critical role in pipeline operations. The expert equipment, technology and personnel in the Control Room are responsible for managing and monitoring the throughput of our transmission assets.

Key improvements to the new Control Room facility included:

- Additional space to provide more freedom of movement;
- Sophisticated security system to ensure authorised personnel access only;
- Improved ergonomic desks for Control Room operations given the nature of long shiftwork;
- Integrated systems and equipment; and
- Space for the additional assets and redundancy for the various systems.

Adelaide

Works on the Adelaide CBD office also took place in 2020 by way of an extension and refurbishment of the existing tenancy. The King William Street office extension enabled all Adelaide city-based staff to reside under the one roof. The extension was delivered to time and budget.

“

Delivered to time, budget and schedule despite COVID-19 movement restrictions



Hot-tapping underway at
Waitsia Inlet Meter Station



Project in focus

Project Name

Waitsia Inlet Meter Station

Location

Western Australia

Client

Mitsui

Asset

Transmission

This project involved the design and construction of a new inlet meter station connecting export gas supply from Mitsui's Waitsia Gas Field into the Dampier to Bunbury Natural Gas Pipeline (DBNGP).

The project's scope included bulk earthworks, civil and concrete works, offsite skid fabrication and structural, mechanical, piping, electrical and instrumentation assembly works (including factory acceptance testing). Given the tight schedule, complexity of works and challenges posed during a global pandemic crisis, we delivered the project with over 5,000 onsite hours and zero safety incidents.



Sustainably Cost Efficient

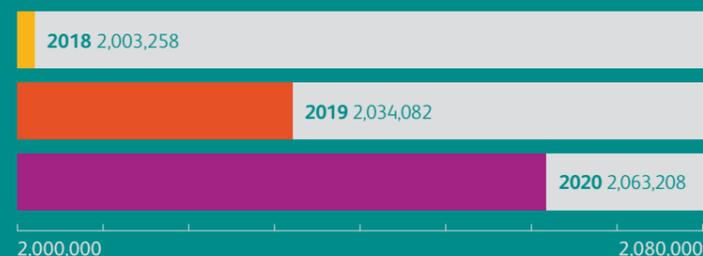
By delivering profitable growth, working within industry benchmarks, and being environmentally and socially responsible.

Delivering Profitable Growth

Growth in our customer numbers continued this year as we expanded the reach of our networks and pipelines to improve the liveability of Australian cities and regions.

The volume of gas we delivered to residential and small business customers (<10TJ) on our distribution networks also increased across 2020. This was primarily driven by colder weather experienced in the southern states and customer growth. The volume of gas delivered to industrial and commercial customers (>10TJ) declined during 2020 primarily due to the impact of COVID-19. For our Western Australian assets, the volume of gas delivered was consistent with 2019.

Distribution Customer Numbers



Operating Expenditure

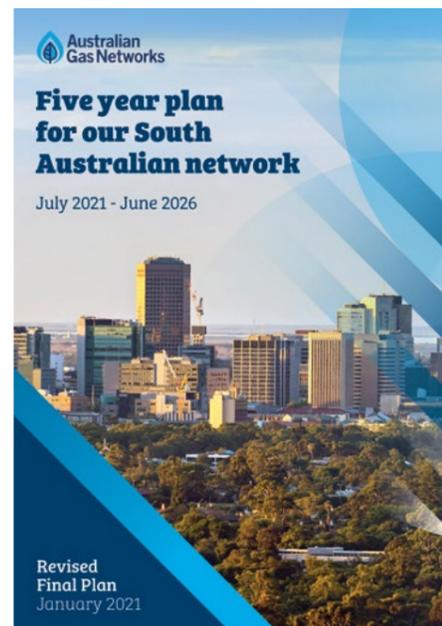
Total operating costs were consistent with the previous year despite increase in customer numbers, reflecting the continuation of tightly managed costs.

We achieved excellent workforce utilisation and efficiency, exceeding our targets, meaning that we are delivering our work within the allocated time and we are using our staff time well.

Capital Expenditure

AGN net capital expenditure in 2020 was \$289 million, \$11 million higher than in 2019, mainly attributable to an increase in our Mains Replacement Program (MRP) expenditure. MGN net capital expenditure increased slightly by \$2 million to \$99 million in 2020. Across our distribution networks, our MRPs demonstrate our commitment to the ongoing safe and reliable supply of natural gas to our customers. In 2020, we replaced a total of 275km of mains at AGN and 133km at MGN.

At the DBP Group (DBP and Australian Gas Infrastructure Developments (AGID)) capital expenditure in 2020 was \$51 million, which was \$17 million lower than the previous year.



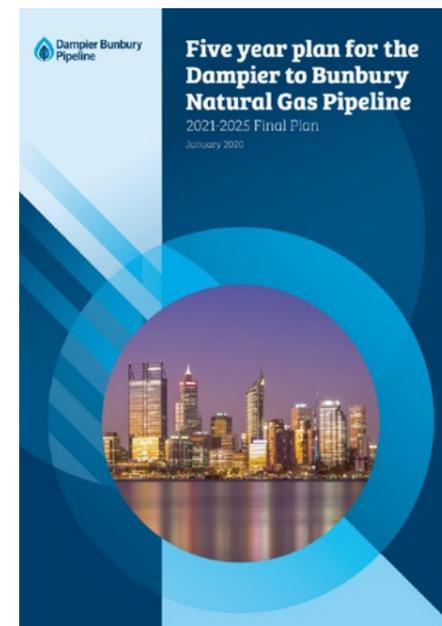
Five Year Plan for our South Australian Network

On 13 January 2021 we submitted our revised Final Plan for our South Australian network to the Australian Energy Regulator (AER).

Our revised Final Plan responded to the AER's Draft Decision, released in November 2020, for the Access Arrangement period July 2021 to June 2026. Our revised Final Plan proposed an 8% cut in prices and builds on the price cut of 21% delivered five years ago. The cumulative impact of the price cuts means our South Australian customers will be paying less in 2025/26 than they were in 2015/16 (after the effects of inflation are removed). During this time, and as proposed in our revised Final Plan, we would have completed the replacement of all of our old cast iron mains, which is a significant safety milestone for our customers and the business. This replacement program has the added benefit of allowing the network to supply hydrogen to our customers in the future.

We also welcome the AER's Draft Decision to approve our proposal to source up to 20% of our unaccounted for gas from renewable sources. This initiative was strongly supported by our customers, at an annual price impact of \$1.50 to \$5.50, and is a way our customers and our business can directly reduce our carbon footprint. We are working with retailers and renewable gas producers to enable this with current estimates resulting in a price impact well below the range supported by our customers.

The AER's Final Decision is expected by the end of April 2021.



Five Year Plan for the Dampier Bunbury Pipeline

On 7 October 2020 we submitted our Revised Final Plan for the DBNGP to the Western Australian ERA. This followed submission of our Final Plan on 2 January 2020.

Our revised Final Plan responds to the ERA's Draft Decision, released in August 2020, for the Access Arrangement period January 2021 to December 2025. Our revised Final Plan proposes a 17% cut in revenue and 10% lower total expenditure compared to the current period, meaning savings for our customers. It also responds to the key issue in the ERA's Draft Decision of forecast capacity, providing the ERA with additional and updated information to better reflect the actual circumstances we face, particularly as the Western Australian electricity market undergoes a significant transition towards renewable sources of electricity generation.

The ERA's Final Decision will be made by April.



AER Approves the Replacement of Lost Gas with Renewable Gases in South Australia

During our South Australian customer and stakeholder engagement program, 87% of customers told us it is very important or extremely important that we consider ways to lower carbon emissions. In response, we worked with our customers and stakeholders to develop a proposal to source up to 20% of our unaccounted for gas (UAFG) with renewable gas, an initiative which 84% of customers supported. This proposal builds on our existing activities to decarbonise the gas distribution network – including at Hydrogen Park South Australia where we will begin delivering a percentage renewable hydrogen/natural gas blend to 700 homes in Mitchell Park early in 2021.

The AER and the Consumer Challenge Panel both agreed that customers support the purchase of renewable gas to replace up to 20% of unaccounted for gas and considered existing mechanisms would provide us sufficient flexibility to source a portion of our UAFG from renewable gas in accordance with the expressed views of our customers.



We welcome this decision. Addressing UAFG emissions serves as a stepping stone to developing low and zero carbon options for the wider network, helping to create options for the future of the network.

Low Carbon Gas

We are investing in the long-term interests of our customers and the environment.

The science of global warming is well accepted and shows that greenhouse gas emissions from human endeavours are increasing and leading to rising temperatures across the globe.

As a business we are responding, taking active steps to sustainable gas delivery today, and tomorrow. In 2017, we worked with Australia's five peak gas bodies to develop Gas Vision 2050 – a pathway to achieve near zero emissions in our gas sector.

Hydrogen and biomethane can be used in the same way as natural gas for heating our homes and businesses, generating electricity and as a transport fuel. The benefit of hydrogen is that it does not contain any carbon and can be blended with natural gas to create a cleaner gas before natural gas is fully replaced. This blend lowers carbon emissions relatively quickly without changes to appliances, pipes and meters. It also means customers retain their choice of energy supply, and those industries relying on gas can continue to access it. The benefit of biomethane is that it is carbon neutral - it harnesses the energy potential from organic materials such as agricultural waste and sewage, supporting the circular economy.

Gas Vision 2050 set out three phases as to how the transition to a lower carbon gas supply system would occur. This included investing in pilot/demonstration plants in the first five years, blending carbon free gas into our networks in years 5-10, before shifting to potential conversion of entire networks.

We are here



“Hydrogen is a thing”

“Hydrogen is Plan A”

“Hydrogen is BAU”

Phase 1 of Gas Vision 2050 is on track with a number of hydrogen projects initiated throughout the country. We have therefore fast-tracked the commencement of Phase 2 as we plan for large scale commercial renewable gas projects.

*BAU - Business as Usual.



At AGIG, we are paving the way to a hydrogen economy, as we seek to deploy renewable gas across our assets.



Delivering on the Vision

Governments are backing renewable gas through funding programs to support their broader climate and sustainability targets.

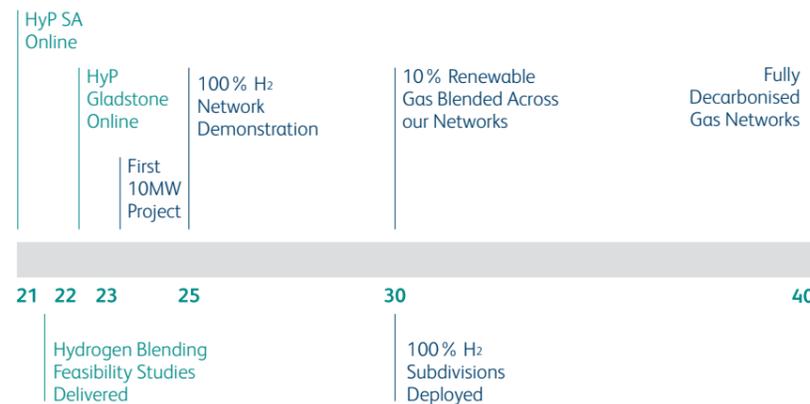
Examples are technology targets such as those led through the Commonwealth's Technology Investment Roadmap, and targets such as 10% hydrogen blending by 2030 in Western Australia and New South Wales.

Consistent with this, we are targeting 10% renewable gas in networks by no later than 2030, delivering 100% renewable gas developments from 2025. Full decarbonisation of our networks is targeted by no later than 2050, and by 2040 as our stretch target. This is consistent with Australian state and territory ambitions which collectively target being net zero carbon by 2050.

For our midstream assets we will continue to deliver for our customers, this means continuing to provide infrastructure solutions including carbon-free gas production, storage and transport assets.

To achieve this, we are partnering with governments and industry to deliver renewable hydrogen projects across the country and across the value chain.

Stretch target: Distribution networks transitioning to renewable/zero-carbon gas by 2040



Continuing to deliver infrastructure solutions for our customers – natural gas and hydrogen



■ Projects underway ■ Proposed projects

This work is further supported by our involvement in research and industry bodies such as:



The Future Fuels Cooperative Research Centre

A seven-year \$90 million research commitment into future fuels and their deployment in the Australian energy industry.



The Australian Hydrogen Council and Bioenergy Australia

Peak bodies for renewable gas.

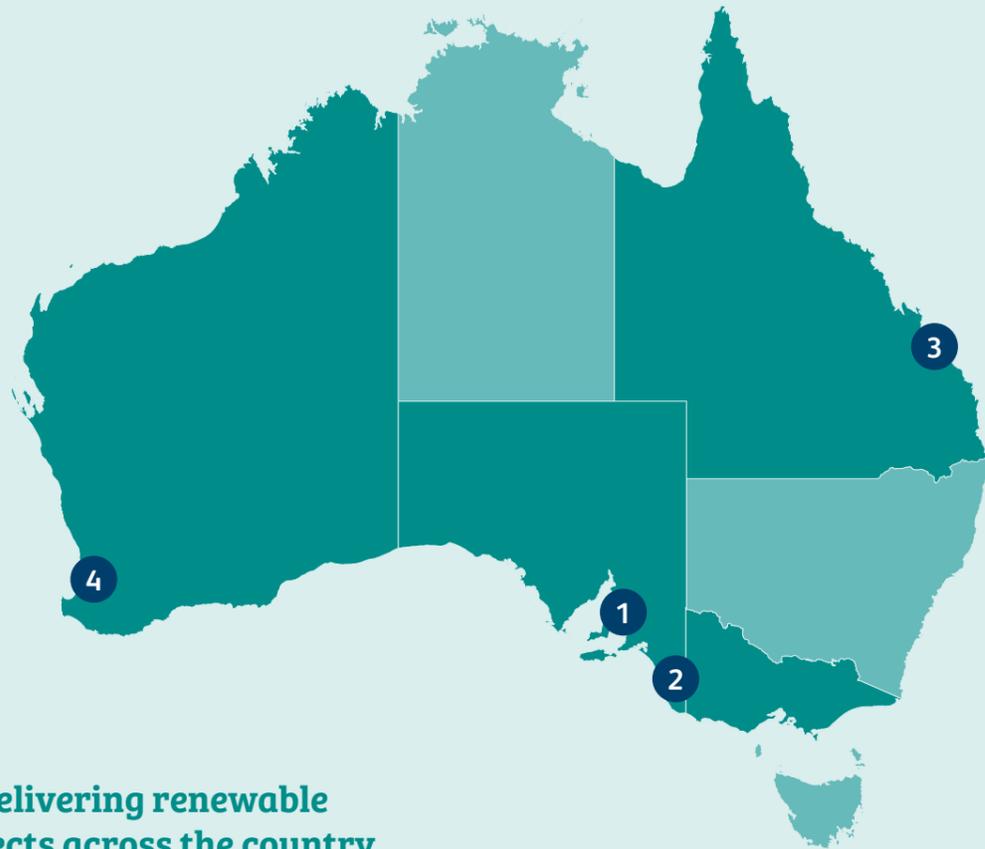


The Australian Energy Transition Initiative.

Bringing together leaders from industry and business to develop pathways towards net zero emissions across critical supply chains.

The Federal Technology Investment Advisory Council and Western Australian Renewable Hydrogen Council.

AGIG CEO Ben Wilson is a member.



We are delivering renewable gas projects across the country and across the value chain

1



Hydrogen Park South Australia

Located at the Tonsley Innovation District, HyP SA is an Australian-first facility to supply blended renewable gas via the existing gas network. Online in mid-2021, the 1.25MW electrolyser produces renewable hydrogen which is blended up to volumes of 5% with natural gas and supplied to more than 700 existing homes. It also supplies industry via tube trailer.

HyP SA is supported by the South Australian Government.

3



Hydrogen Park Gladstone

Located at Gladstone in central Queensland, HyP Gladstone is currently under development. From 2022, HyP Gladstone will produce renewable hydrogen to be blended into the natural gas network at volumes of up to 10% supplying more than 770 residential, commercial and industrial customers.

HyP Gladstone is supported by the Queensland Government.

2



Australian Hydrogen Centre

A joint industry research centre undertaking feasibility studies in South Australia and Victoria, for extending from 10% hydrogen blends in the gas network to a 100% conversion.

The Australian Hydrogen Centre is supported by Commonwealth, South Australian and Victorian Governments.

4



Western Australian Feasibility Study

This study will determine how the Dampier Bunbury Pipeline can introduce hydrogen into its mix. In addition to this technical assessment we will develop a roadmap to assist in the development of regulations for hydrogen blended gas within Western Australia.

The Western Australian Feasibility Study is supported by the Western Australian Government.



The latest update to *Gas Vision 2050 – Delivering a Clean Energy Future* has found that “Net-zero emissions can be reached with hydrogen at half the cost of electrification.” - *Gas Vision 2050 - Delivering a Clean Energy Future (2020)*

Awards



Australian Pipelines and Gas Association

Winner - 2020 Environment Award

Hydrogen Park South Australia



Engineers Australia

Winner - 2020 Australian Engineering Excellence Award

Hydrogen Park South Australia



South Australian Government

Winner - 2020 Climate Leaders Award, Business and Industry Category

Hydrogen Park South Australia



Commendation - 2020 Premiers Awards for Energy and Mining, Innovation and Collaboration

Hydrogen Park South Australia

Hydrogen Park South Australia

HyP SA is an Australian first project, delivering renewable hydrogen made from water, sunshine and wind to homes through our existing gas network.

Hydrogen Park South Australia (HyP SA) is the first in Australia to blend renewable hydrogen with natural gas for supply to customers, and to supply industry in Whyalla and interstate with renewable hydrogen gas.

Located in the Tonsley Innovation District, south of Adelaide's CBD, first hydrogen production occurred in December 2020, before supply to customers in the first half of April 2021.

As the first step in Australia's renewable gas journey, the clean-burning gas is supplied to approximately 710 nearby properties in Mitchell Park, as part of a blend of up to 5% renewable hydrogen and natural gas. We are also supplying to industry via tube trailers (long storage tubes on the back of semi-trailers) and aim to supply the transport sector in the future.

The project is supported by the South Australian Government, and the State's vision to leverage its wind, sun, land, infrastructure and skills to be a world-class renewable hydrogen supplier.

Communication was clear, timely and open, creating confidence in AGIG and its work. The company understood our residents and their needs while ensuring safety was a priority.

Mr Tony Lines, General Manager City Services, Marion Council

AGIG's successful delivery of Australia's largest hydrogen electrolyser at the Tonsley Innovation District marks a significant milestone in the State Government's plans to deliver more affordable, reliable and clean energy to South Australian households and businesses.

The Hon. Dan Van Holst Pellekaan MP, South Australian Minister for Energy and Mining

This project demonstrates Australia's gas networks are hydrogen ready. Hydrogen Park South Australia is an Australian first to deliver renewable hydrogen made from water, sunshine and wind, to homes and businesses through our existing gas network.

Mr Ben Wilson, Chief Executive Officer, AGIG



Installation of hydrogen blending equipment at HyP SA



Performance in focus

Tube Trailer Facilities

In October 2020, we announced the signing of an agreement with BOC Ltd, a subsidiary of Linde plc, to install tube trailer refilling infrastructure at the site.

Hydrogen tube trailers are semi-trailers with hydrogen tanks that vary in length from small tubes to very large size tanks – enabling hydrogen to be road-hauled from a supply site to any destination.

BOC plans to supply industrial customers in Whyalla and Adelaide with hydrogen output from HyP SA. The new Adelaide-based hydrogen supply chain will replace current tube trailer hydrogen deliveries from Victoria, saving approximately 117,000km in annual driving and 122,000kg of carbon emissions per year.

“

A project of significance delivering up to 16.5TJ per day of gas from the Dampier to Bunbury Natural Gas Pipeline (DBNGP) to Albermarle’s new Kemerton Lithium Plant.



Project in focus

Project Name

Wellesley Offtake Facilities

Location

Western Australia

Client

Albermarle Lithium

Asset

Transmission

Following a strong works program in 2019, the short pipeline from the DBNGP to transport gas through to Albermarle’s Lithium Plant was successfully completed in 2020. The facility consisted of an offtake – inclusive of a remote isolation valve – a pig launcher, an 8-inch x 660m lateral pipeline and a meter station.

The facility was commissioned in early February, with the system purged with nitrogen to maintain a gas free environment during construction of the adjacent Lithium Plant. The project was recognised as delivering an exemplary safety outcome.



Investing in Communities and Protecting the Environment

We do more than deliver gas, we invest in communities

Our Community Partnerships Program is an important initiative that demonstrates our commitment to being a socially and environmentally responsible business. We believe in doing the right thing by our customers and the community.

This year, we expanded our Community Partnership Program and increased funding across our national operations.

Our focus is on working closely with partner organisations to support those in need and help build a brighter future, through both financial investment and in-kind support such as staff volunteering. Key areas of investment include supporting those who are vulnerable, promoting diversity, environmental sustainability, education and supporting local communities. We also sponsored around another 11 smaller organisations across Australia to help make a difference in the community. Examples include the Science and Engineering Challenge run out of the University of Newcastle, Street Chaplains WA who provide crisis care to those in need, and the South Australian Financial Counselling Association.



DBP Dolphins

In supporting smaller, local community groups, we sponsored Carine Cats Tee-Ball Club and in particular the under 7's team, now known as the DBP Dolphins.

With over 600 children playing tee-ball with the Carine Cats Ball Club, AGIG's sponsorship was used to help subsidise registration fees and uniform expenses for each child playing tee-ball, enabling more children from all walks of life to enjoy the sport.



Hutt Street Centre

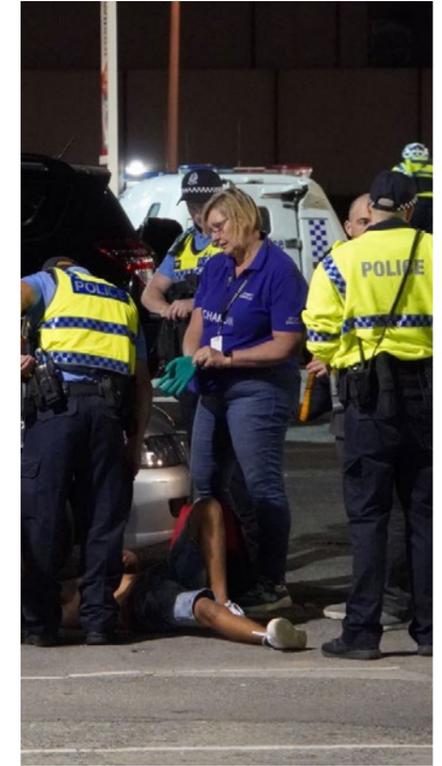
The Hutt Street Centre is a frontline agency for the homeless and the vulnerable. It provides a place of hope, belonging and care to homeless men, women and families. Each year the Hutt Street Centre serves around 40,000 meals and offers social work services to over 3,000 people. Showers, laundry facilities, visiting health professionals, an aged city living program for the elderly clients, recreation activities, education and training, legal aid, assistance finding housing are just some of the services provided by centre each day.

AGIG's support focuses on established programs delivered by the Hutt Street Centre including Home Starter Packs to furnish a small apartment with essentials and funds essential to help keep the kitchen open for a month through the Archangel program.



State Theatre Company of South Australia

AGIG partnerships address a wide range of community needs and interests. With an emphasis on its efforts to be socially responsible, AGIG recognises the need for a strong arts sector. AGIG and the State Theatre Company of South Australia have enjoyed a long-standing partnership – a partnership that AGIG was keen to continue to support in 2020, particularly important given the impacts of COVID on the arts sector.



Street Chaplains WA

In 2020, we supported Street Chaplains, a group of Christian volunteers who provide crisis pastoral care to those in the need of compassion and pastoral care across Western Australia. Staff from our Perth office, together with a team of 110 volunteers, alongside the police and other outreach organisations, work together tirelessly on the streets of Perth and Northbridge to check in with the homeless and those at risk, making sure they are okay and safe. This can range from interacting with rough sleepers through to young party goers that may find themselves in need of assistance or care. They offer first response medical assistance, water, pastoral care, phone charging, assistance to get home, guidance into support groups or organisations, or just offer of a much needed conversation and sometimes maybe a hug.



2020 Focus Organisations



Foodbank

We support Foodbank with funding towards the purchase and transportation of essential food supplies for Australians. Foodbank is Australia's largest food relief organisation, operating on a scale that makes it crucial to the work of the front line charities who are feeding vulnerable Australians. Foodbank provides more than 70% of the food rescued for food relief organisations nation-wide.

The Clontarf Foundation

The Clontarf Foundation exists to improve the education, discipline, life skills, self-esteem and employment prospects of young Aboriginal and Torres Strait Islander men and by doing so equips them to participate more meaningfully in society. Our funding helps Clontarf run programs in South Australia and will be expanding nationally in 2021.

Angel Flight

Angel Flight Australia is a charity which coordinates non-emergency flights to assist country people to access specialist medical treatment that would otherwise be unavailable to them because distance and costs. We support the volunteer pilots make the journey by funding the cost of the fuel.

Landcare Australia

In 2020, we supported the important work Landcare Australia does to care for our biodiversity, landscapes and environment. We support local groups and the farming community with a direct connection to the DBNGP. This provides funding for community landcare groups, Indigenous and farming groups to protect threatened and endangered species, increase productivity on-farm through sustainable agriculture practices and enhance training opportunities in the community.

In partnership with Landcare we have supported the following initiatives:

- Yaburara and Coastal Mardudhunera Aboriginal Corporation;
- Yuna Farm Improvement Group;
- Chittering Landcare Group;
- Serpentine Jarrahdale Landcare Centre;
- FAWNA (Fostering and Assistance for Wildlife Needing Aid);
- The Waterbird Conservation Group Inc; and
- The Ellen Brockman Integrated Catchment Group.



Community Partnerships Program in 2021

In 2021 we will expand our Community Partnerships Program and increase funding nationally.

Our 2021 program will aim to align with our staff feedback, our Vision and Values, as well as our business objectives. Our focus is to work closely with partner organisations to support those in need and help build a brighter future through both financial investment and in kind support and staff volunteering.

From 2021 our key investment areas will support the vulnerable, diversity, environment and education. Partnerships will be broken up into three tiers consisting of:

- **Flagship Partnerships**
Offering three-to-four key national partnerships with a national presence over three-year term and have opportunities for staff involvement in each state.
- **Community Partnerships**
National and state focus whereby potential partners can submit for a one-year term sponsorship.
- **Staff Led Partnerships**
Opportunities for staff to identify sporting clubs, grassroots community and charitable causes and an employee matching scheme.

Corporate Governance



From left to right: Andrew Staniford, James Smith, Paul May, Roxanne Smith, Ben Wilson, Jon Cleary, Craig de Laine, Mark Beech, Tawake Rakai

Australian Gas Infrastructure Group is owned by various consortia of private sector Hong Kong-based entities listed on the Hong Kong Stock Exchange.

Ben Wilson Chief Executive Officer

Ben joined AGN as Chief Executive Officer in March 2015 and became Chief Executive Officer of DBP and MGN in 2017. Previously, Ben was the Director of Strategy and Regulation and Chief Financial Officer at UK Power Networks, a large electricity distribution company in the United Kingdom with eight million customers. Before joining UK Power Networks in 2011, Ben was a utilities investment banker for 15 years, working in Europe, Asia and Latin America, most recently at Deutsche Bank. He is Chair of Energy Networks Australia and a member of Advisory Panel for the Federal Government's Technology Investment Roadmap. He holds a Bachelors degree in Natural Sciences.

Andrew Staniford Chief Customer Officer

A customer focused leader, Andrew ensures our business and workforce are well positioned to deliver for customers. Responsible for customer growth and increasing customer satisfaction, Andrew delivers major marketing and growth strategies across our national customer base and operations. He is also responsible for information technology strategy and implementation. Andrew has more than 30 years in the energy sector. He holds a Master of Economics.

Craig de Laine General Manager People and Strategy

Craig sets and implements the long-term vision for our gas pipelines and distribution networks, with a focus on actively pursuing a low-carbon gas future. Craig is also responsible for ensuring we have an engaged and skilled workforce, regulatory management, community engagement, compliance, internal audit and risk, policy and our economic advisory function. He brings over 20 years of industry experience, and currently Chairs the Future Fuels Cooperative Technology Research Program. He holds a Master of Economics.

James Smith General Manager Transmission Operations

James leads the safe and reliable operations of our transmission assets. Focused on achieving a zero harm future, James inspires our operations teams and optimises our maintenance activities in Western Australia and the Northern Territory. James is a keen advocate in the pipeline industry, supporting research, development and sharing of lessons learned. He brings almost 30 years' experience from field, supervisory, management and executive management roles in the gas industry. He proudly holds trade qualifications in addition to an Advanced Diploma in Leadership and Management.

Jon Cleary General Manager Commercial

Jon oversees the commercial operation of our transmission pipeline, storage and power generation assets. He monitors the changing energy landscape, seeking strategic opportunities for growth across our national operations. He is responsible for expansion opportunities and new projects, both in the regulated and unregulated space. Under Jon's leadership, we have added a number of new gas pipeline, storage and remote power assets to our portfolio. Reliability is critical for our customers, and Jon also manages our Western Australian control room facilities. Jon brings invaluable experience to our Executive Team, having worked for the Queensland Gas Company (BG Group) and Woodside. He holds a Bachelor of Economics and a Master of Science.

Mark Beech General Manager Network Operations

Mark has operational responsibility for our gas distribution networks, the largest across Australia, ensuring the safe and reliable supply of natural gas to more than two million customers every day. Mark oversees the full life cycle of distribution network asset management, from commissioning through to the daily operational management of the distribution networks. Backed with more than 30 years of experience in utility operations, Mark has a well-deserved reputation as a technical leader in the Australian energy industry. Mark holds a Bachelor of Civil Engineering together with a Graduate Diploma in Engineering Management.

Paul May Chief Financial Officer

Paul brings over 25 years' experience in corporate financial and management roles including extensive experience in ASX-listed companies. He has been CFO of AGIG entities since 2014. Paul oversees all aspects of financial operations and strategy for our portfolio of companies to ensure the business continues to be sustainably cost efficient. He is responsible for the accounting, treasury, tax, capital management and insurance functions across the group. He holds a Bachelor of Accounting and is a Chartered Accountant.

Roxanne Smith General Counsel and Company Secretary

Roxanne manages the Legal and Company Secretary Team, overseeing and advising on all legal and governance matters. Prior to joining AGIG in October 2019, Roxanne spent 20 years in private practice providing legal advice to clients in the infrastructure, utility and natural resources sectors, with a focus on regulation. Roxanne's depth of experience in our sector enables her to provide strategic legal support to all areas of our business. She holds a Bachelor of Laws (Honours) and a Bachelor of Commerce (Accounting).

Tawake Rakai General Manager Transmission Asset Management

Strategic asset management for the gas transmission system and storage facilities is Tawake's responsibility. He leads with the critical imperative of maintaining asset safety and integrity. Applying modern engineering practices, Tawake leads the design and construction of new gas transmission systems, storage facilities and hydrogen production facilities. Tawake is also responsible for health and safety at AGIG, including process safety, leading our safety culture and drive to zero harm. Tawake has extensive operations, maintenance and project experience with more than 35 years in the gas industry. He holds a Bachelor of Engineering (Mechanical).

Operational Statistics

Gas Delivered (TJ)

	2020		2019		2018		2017		2016	
	<10TJ	Total	<10TJ	Total	<10TJ	Total	<10TJ	Total	<10TJ	Total
WA	-	380,122	-	373,379	-	370,268	-	371,443	-	344,246
VIC (AGN)	40,032	56,709	38,573	55,975	37,014	54,865	39,003	57,619	36,625	55,218
VIC (MGN)	43,772	54,577	44,555	56,100	44,928	56,922	44,503	56,395	44,453	56,566
SA	10,999	31,334	10,715	30,615	10,670	31,952	10,777	30,668	10,535	30,795
QLD	2,485	5,602	2,611	5,968	2,595	6,488	2,447	6,114	2,363	6,024
NSW	2,833	5,430	2,792	6,640	2,674	6,647	2,829	7,118	2,611	6,927
NT	54	1,338	66	1,625	64	2,083	61	2,059	62	2,353
Total	100,175	535,112	99,312	530,302	97,946	529,225	99,620	531,416	96,649	502,129

*Unlooped pipeline length, loop is an additional 1,252km for the DBNGP and 87km for the Wheatstone Ashburton West Pipeline

Customer Numbers

	2020		2019		2018		2017		2016	
	WA (Shippers)	37	37	36	35	29				
VIC (AGN)	712,063	697,609	682,170	665,420	650,191					
VIC (MGN)	717,604	711,484	705,047	699,438	694,508					
SA	463,983	458,020	451,718	445,428	439,248					
QLD	107,517	105,878	104,098	101,794	98,989					
NSW	60,885	59,942	59,087	58,096	56,641					
NT	1,156	1,149	1,138	1,137	1,137					
Total	2,063,245	2,034,119	2,003,294	1,971,348	1,940,743					

AGIG was only formed in May 2017, however DBP and MGN statistics for 2017 in full and history are provided prior to this date for completeness

Assets

	WA		VIC		SA		QLD		NSW		NT		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
New mains (km)	-	-	241	237	61	72	60	67	8	14	-	-	370	390
New inlets	-	-	29,187	35,662	7,053	7,999	2,081	2,212	715	544	-	-	39,036	46,417
Replacement mains (km)	-	-	185	170	198	227	14	12	11	10	-	-	407	419
Total mains (km)	-	-	21,562	21,448	8,239	8,180	3,150	3,090	2,005	1,997	40	38	34,996	34,753
Transmission pipelines (km)	2,337*	2,337*	503	503	480	481	314	314	84	85	601	601	4,319	4,321

*Unlooped pipeline length, loop is an additional 1,252km for the DBNGP and 87km for the Wheatstone Ashburton West Pipeline

Financial (\$m)

	DBP/AGID		MGN		AGN		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Total revenue	469	451	232	218	656	632	1,357	1,301
Earnings Before Interest and Tax	273	266	136	129	394	365	803	760
New capital expenditure	51	68	99	97	289	278	439	443
Credit rating	BBB+	BBB	BBB+	BBB+	A-	A-	-	-
Net debt (\$bn)	2.49	2.44	1.15	1.14	2.90	2.82	6.54	6.40
Regulated Asset Base* (\$bn)	3.38	3.40	1.33	1.28	3.92	3.82	8.63	8.50
Net debt:RAB^	70%	68%	87%	89%	74%	74%	74%	74%

* DBP/AGID Net debt includes AGID Net debt, but this is excluded from the DBP/AGID Net debt/RAB calculation



Operational Key Performance Indicators

Delivering for the customer	2020			2019		
	AGN	MGN	DBP	AGN	MGN	DBP
Public safety						
% of public leak reports responded in 2 hours (1 hour MGN)	99%	99%	N/A	99%	99%	N/A
% of Leak Management Plan (LMP) leak surveys compliance	100%	100%	N/A	100%	100%	N/A
LMP Class 1 and Class 2 leak repair – % performance with LMP target timeframe	99%	96%	N/A	99%	95%	N/A
Tier 1 and Tier 2 Safety Events	N/A	N/A	N/A	N/A	N/A	0
Tier 3 and Tier 4 Safety Events	N/A	N/A	84%	N/A	N/A	79%
Reliability						
Unplanned interruptions caused by operator actions, third party damage or asset condition	1,358	6,764	N/A	1,302	5,616	N/A
No. Unplanned interruptions affecting 5+ customers	30	22	N/A	36	16	N/A
No. Customers having 3+ interruptions within 12 months	22	339	N/A	12	89	N/A
No. Events where a gas interruption is not restored within 12 hrs	64	642	N/A	67	594	N/A
DBNGP system reliability	N/A	N/A	100%	N/A	N/A	100%
DBNGP compressor station availability	N/A	N/A	99%	N/A	N/A	99%
10MW unit availability	N/A	N/A	88%	N/A	N/A	90%
Asset utilisation	N/A	N/A	77%	N/A	N/A	75%
Compressor fuel use	N/A	N/A	2%	N/A	N/A	2%
Customer services						
Time to answer calls (Emergency) – within 10 seconds (%)	93%	92%	N/A	94%	90%	N/A
Time to answer calls (Customer) – within 30 seconds (%)	93%	88%	N/A	89%	92%	N/A
No. Substantial complaints	656	559	N/A	866	439	N/A
Connection performance (%)	99%	99%	N/A	93%	92%	N/A
Meter fix performance (%)	100%	99%	N/A	100%	99%	N/A
DBNGP curtailments	N/A	N/A	0	N/A	N/A	0
A good employer						
Health and safety						
Total Recordable Injury Frequency Rate	10.5	4.9	6.4	11.5	4.8	0
No. Lost Time Injuries	2.0	1.9	2.1	3	0	0
No. Moderate Medical Treatment Injuries	19	2	1	16	4	0
Skills development						
Refresher training compliance to scheduled volume (%)	91%	98%	98%	90%	99%	98%
Non-conformance audits	1	3	N/A	0	N/A	N/A
Employee engagement						
Employee engagement score	73%	73%	67%	74%	70%	65%
Sustainably cost efficient						
Environmentally and socially responsible						
Greenhouse gases emissions (volume – tonnes CO ₂ e)	584,661	215,427	271,143	582,665	225,909	250,424
No. of reportable environmental incidents	0	0	0	0	1	0

General Enquiries

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agig.com.au

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australiangasnetworks.com.au

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