Energy Charter Disclosure Report 2022

July 2021 – June 2022



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Introduction by CEO

We own and operate infrastructure that delivers gas to more than two million Australian homes and businesses. As a founding signatory of the Energy Charter Program. we are committed to working together in partnership to deliver energy for a better Australia. In 2022 we have made good progress to deliver on what's important to our customers and stakeholders, including through our low carbon initiatives and providing assistance to customers experiencing vulnerability.

This Disclosure Report details our performance highlights, in addition to identifying areas for continued improvement. This report has been endorsed by the Boards of Australian Gas Networks (AGN), Multinet Gas Networks (MGN) and and the Dampier Bunbury Pipeline.

Our performance in 2022

In 2022 we have continued to meet or exceed all performance targets for safety and reliability. For example, we have delivered the lowest Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injury Frequency rate (LTIFR) across all three businesses. We have also achieved our highest customer satisfaction score at 8.5 year to date.

We know that decarbonisation and meeting net zero emissions targets is important to our customers and industry. While natural gas has an important role to play in Australia's energy sector today, we recognise that if Australia is to meet its emission reduction targets, we need to focus on large-scale decarbonisation of the gas we supply through our distribution networks. In 2022, our Board endorsed a low carbon strategy that includes targets to deliver at least a 10 per cent renewable gas blend across our distribution networks by 2030, and a stretch target to achieve the full decarbonisation of our networks by 2040, or by 2050 at the latest.

We delivered on our goal to invest in clean energy with good progress being made in our Hydrogen Park Programs. Hydrogen Park South Australia is currently blending up to 5 per cent renewable gas with natural gas to 700 homes in Adelaide and we are looking to expand this to more than 3000 Adelaide homes by early 2023.

We are proud of pioneering this Australian-first project, delivered alongside the South Australian Government, which demonstrates the first step on our pathway to help reduce Australia's greenhouse gas emissions and achieve our own vision for a renewable gas future.

But this is only the begining - we are partnering with governments, industry and the community to deliver renewable hydrogen gas projects across the country and the value chain. These renewable gas projects are business-as-usual for us now.

Improvements since 2021

In 2021, we identified that we had a long way to go in supporting customers facing vulnerability and improving the customer experience. This year we have implemented a dedicated Customer Care Team, developed a Proactive Outage Management Tool and set up after-hours support to better address customer needs. We are exploring ways to better understand the different experience that customers have with us through a dedicated priority service customer satisfaction measure and technology improvements.

Focus areas for 2023 and beyond

We engaged with our stakeholders on our 2022 maturity assessment and the feedback was consistent. We have started on an important decarbonisation journey, and we must continue to focus on new ways to provide sustainable energy solutions. In 2023 we need to showcase more renewable gas projects and uplift our renewable gas communications and engagement. We are also planning to roll out our Priority Services Program – an industry first. We believe these outcome focused actions will help us achieve our Energy Charter aspirations.



Craig de Laine
Chief Executive Officer

Feedback from AGIG Customer Councils

We consulted our South Australian Reference Group (SARG) on our 2022 Disclosure Statement and the Energy Charter strategic review's recommendations to move to a de-centralised governance model. We also shared a draft version of our 2022 Disclosure Statement with a sub-set of our Victorian Gas Networks Stakeholder Roundtable (VGNSR) for comment. Our SARG and VGNSR comprises a range of customer and other stakeholder advocates representing a wide range of end-user gas customers.

Stakeholders have indicated their willingness to be influence and provide feedback on our activities against the Energy Charter Principles, our Maturity Model self-assessment and to recommend future focus areas.

Members of the SARG encouraged AGIG to focus on the positive stories we are receiving from customers through our reporting and self-assessment, and not just focussing on customer complaints and areas of improvement.

The importance of communicating about renewable gas to customers was noted by some stakeholders. They encouraged us to activity engage the community through periods of energy transition. Stakeholders echoed the importance of the private sector in leading the way with renewables and reaching net-zero targets.

Stakeholders provided positive feedback on the name of our Priority Services Program to reduce the stigma of customers requiring additional support who are often labelled as 'vulnerable'.

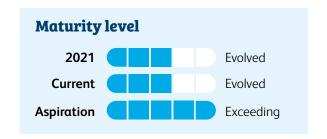
Stakeholders agreed with our maturity model self-assessment and approach. The process of advancement through the model was compared as being similar to community development work, highlighting that it can take two to three years to be able to make a substantial impact on the sector. We received overwhelming advice that AGIG needs to take its time to ensure the sustainability and longevity of our initatives and that the right outcomes are being prioritised.

Our progress on our 2021 commitments

| P1 - We will put customers at the centre of our business and the energy system | | | |
|---|---|--|--|
| Our 2021 commitments | Our progress | | |
| Deliver programs our customers identified as important from our award-winning stakeholder engagement process in South Australia. | We have developed and progressed a Priority Services Program (PSP) and are working to replace unaccounted for gas with renewable gas. | | |
| Deliver a Victorian joint engagement process that considers what's important to our customer and stakeholder groups. | We submitted our Access Arrangement alongside AusNet with a 96% acceptance score. | | |
| Continue to leverage the Customer and Strategy teams to ensure all customer segments are considered. | We've implemented a dedicated Customer Care Team to better address customer needs. | | |
| P2 - We will improve energy affordability for customers | | | |
| Our 2021 commitments | Our progress | | |
| Continue to deliver stable prices in our upcoming access arrangement for our Victorian networks, MGN and AGN. | We are proposing stable prices. We have balanced customer priorities for affordability and investing in a sustaible future. | | |
| P3 - We will provide energy safely, sustainably and reliably | | | |
| Our 2021 commitments | Our progress | | |
| Continue to work towards our Hydrogen Park Gladstone production date of September 2022, delivering the highest volume of hydrogen by an existing gas network. | We have delayed the live date of our Hydrogen Park Gladstone project as we are looking for a new site location following community feedback. We now expect to deliver by mid 2023. Our Hydrogen Park South Australia will be extended to approximately 3000 homes in 2023. | | |

| Work with government and industry to meet net zero targets. Communicate the renewable gas future to customers and ensure all segments are brought along the journey. Develop a systematic field response process for repeated supply issues, implement a winter preparedness and performance review process. Deliver renewable gas to meet our unaccounted-for gas requirements | We continue to work with government and industry to meet net zero targets. We've developed a new marketing campaign focused on educating customers about renewable gas. We have ongoing renewable gas engagement. We have implemented new processes and services to support our customers during outages, including after hours support. We will search for opportunities for our networks across Australia. We are working with a group who will produce and inject Bio-Methane into the distribution network in South Australia. Anticipated financial close by the end of 2022. |
|---|--|
| P4 – We will improve the customer experience | |
| Our 2021 commitments | Our progress |
| Use the customer experience initiatives framework to monitor, track and progress our list of initiatives. We will measure the results of these improved processes through feedback and metrics such as CSAT scores. Continue gathering connections data for retailers to track progress and have regular meetings with AGN, MGN, AusNet and retailers to identify improvement opportunities. Aim to register as many customers affected by outages as possible, implement this process into BAU practices and look to improve the opt-in rate. This includes differing approaches for planned projects (SMS updates) and unplanned outages. | We've developed a dedicated priority customer CSAT service as an output of this process. We have seen an uplift in our overall CSAT over the last 12 months. We are sharing CSAT metrics with retailers and have been advised this motivates them to seek improvements in their connections processes. We are developing further strategies to invite customers to register for SMS updates, with a positive success rate from bulk mail outs targeting planned work areas. We have started using Whisper (SMS notification device) and emails to update customers on the rectification process. This includes proactive communications to customers facing outages. |
| P5 – We will support customers facing vulnerable circumstances | |
| Our 2021 commitments | Our progress |
| Further develop our Priority Services Strategy, learning from customer advocates and impacted customers to best meet their needs. This would include increasing customer referrals to community support organisations, and minimising impact on customers and communities facing vulnerability. | We've continued to develop our customer strategy by engaging customers and stakeholders through the Victorian Access Arrangement. In discussions with retailers we have determined the optimum process for customer referrals. We're looking for ways to refer customers onto support organisations. We're merging multiple customer relationship manager (CRM) services across businesses to allow us to identify and contact customers. |
| We will continue to evolve the #BetterTogether – knock prior to disconnection process and work to include retailers in the trial. This ensures we protect a greater customer base from unwanted disconnection. | We've simplified the process for retailers by funding a trial to reduce multiple service orders from retailers to increase retailer participation. We are a key driver of the Priority #Better Together initiative as part of the Energy Charter which facilities consistency across the sector. This Priority #Beter Together initiative will create a Code of Practice with a strong CEO focus to move beyond trial status. |

Principle 1: We will put customers at the centre of our business and the energy system



1.1 Our dedicated Customer Care Team, providing specialised customer service

Why: We are committed to supporting customers who are facing or are at risk of facing vulnerability, particularly as the energy sector undergoes significant transformation. We know that customer expectations of what is good customer service are changing alongside expectations for the services we deliver. We also know that more customers are experiencing vulnerability, and they need an extra level of care from us.

We have created a dedicated Customer Care Team. This aligns with our vision of 'Delivering for customers' and our aspiration to drive a respectful customer culture. The creation of a dedicated Customer Care Team brings together existing customer dispute resolution functions, new priority services for customers experiencing vulnerability and customer satisfaction improvement functions. This team helps customers when they have specific needs or complex enquiries. They will also take renewable gas enquiries as we deliver more blended gas to our customers and help us identify and deliver improvements to our customer service scores year-on-year. The creation of this team has allowed for a new role – the Customer Care Manager. Reporting to the Head of Customer & Market Services, the Customer Care Manager leads a team of customer service specialists and is responsible for delivering best practice customer service. The Customer Care Manager will drive a customer-centric culture and continue the strong growth of our CSAT performance.

We are making a difference by exploring ways that we can better support our customers and test that they are fit-for-purpose. We are differentiating our service delivery by customer segments, providing tailored assistance to those customers who need it. We are providing bespoke assistance with dispute resolution, supporting vulnerable customers, renewable gas queries and resolving other complex issues.

We will continue to resource and build our Customer Care Team. We will explore how we can improve service delivery to different customer segments, particularly for customers experiencing vulnerability and during the transition to a renewable energy future.

1.2 Engaging Victorians on the Future of our Network: A joint engagement approach

Why: Victoria is served by three gas distributors: AGN, MGN and AusNet. With all three businesses running engagement programs, customers and stakeholders could have been called to participate in several programs at once on similar issues. Consumer advocates were experiencing competing demands for participation in customer councils and forums.

We have developed a joint engagement approach across the three distribution businesses to develop our five-yearly service delivery and pricing plans, enabling us to engage with key stakeholders via a single coordinated program. In mid 2020 we began the development of our joint engagement approach and published our Draft Engagement Plan in March 2021. Key engagement was delivered as part of the project is ongoing. AGN, MGN and AusNet submitted Final Plans to the Australian Energy Regulator (AER) on 1 July 2022.

We are making a difference by working together so that customers and stakeholders only need to provide feedback once and all distribution businesses can better understand customers' needs. The joint approach allowed the three Victorian Gas Networks to work as 'one team' together with stakeholders and develop plans that were consistent for all Victorian gas customers. Given the increasing complexity facing the energy sector in Victoria, working together and leveraging our respective expertise in engagement, research and regulation was not only beneficial to the program, but it also gave AGN, MGN and AusNet executives and staff opportunities to collaborate and discuss critical issues facing the sector.

The joint engagement benefited the networks by:

• making it easier for stakeholders and customers to engage, leading to better quality conversations and higher attendance than would have been possible if businesses were competing for their time in separate processes

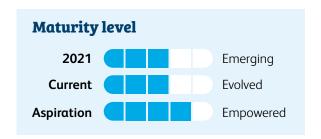
- pooling engagement expertise and experience across multiple businesses allowing us to leverage each other's skill, experience and relationships
- improving industry collaboration and allowing regulatory teams to work together on future gas modelling approaches, demand forecasting approach and other areas.

The joint engagement benefited our customers and stakeholders by:

- presenting information consistently across businesses, thereby enabling stakeholders to compare where businesses are different, leading to much richer and more nuanced discussions than if concepts were discussed in insolation
- having greater accessibility to and depth of engagement with hard-to-reach customer cohorts, including culturally and linguistically diverse (CALD) customers and major energy users
- undertaking a single process, making it easier to get quality participation from key stakeholders enabling better representation of customers and other stakeholders at forums
- promoting consistency for customers and stakeholders across Victoria in key areas, such as in the design of services to support customers experiencing vulnerability.

We will continue to deliver our joint engagement program activities with AusNet after we submitted our Final Plans to the AER. Our ongoing engagement will include meetings and deep dive sessions with the Victorian Gas Networks Stakeholder Roundtable and Retailer Reference Groups around the future of gas challenges.

Principle 2: We will improve energy affordability for customers



2.1 Keeping prices stable for Victorians as we transition to a renewable future – offering price reduction in AGN, stable prices in MGN

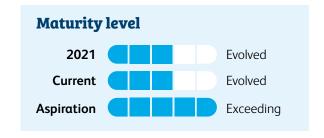
Why: We know that affordability is a top priority for our customers, and that they want to understand future price paths to help manage their bills. We know that it's critical to our customers that we retain current levels of safety and reliability.

We have listened closely to our customers, enabling them to guide the development of our plans and prices. In our recent submission to the AER on our Victorian networks, we have proposed lower prices of 6 per cent in AGN and to increase prices by 1 per cent in MGN from 1 July 2023.

We are making a difference by committing to stabilise / lower distribution costs while also preparing our network for the future. This is particularly important in the current energy environment and given energy prices make up a relatively large portion of household and industry costs. Customers also expect that we are preparing for a decarbonised future.

We will continue to drive operational efficiencies across all transmission, distribution and investment areas of AGIG. We will continue to engage with our customers and communities on price and decarbonising the gas supply.

Principle 3: We will provide energy safely, sustainably, and reliably



3.1 Hydrogen Park Projects/Renewable Gas Engagement: Leading in renewable gas across the nation

Why: We have a responsibility to ensure environmental sustainability and to address climate change. Renewable and carbonneutral gases will lower emissions while keeping costs low and contributing to national and state sustainability targets. Our boardendorsed low carbon strategy targets a carbon-free gas supply by no later than 2050.

We have continued to develop our Hydrogen Park Murray Valley project with our joint venture partner, ENGIE. Pending appropriate approvals, this 10 megawatt facility will be the largest renewable hydrogen blending project in Australia, delivering up to 10 per cent renewable hydrogen to around 40,000 customers in Albury-Wodonga. The project has received funding from the Victorian Government, ARENA and approvals from Wodonga City Council to start construction in 2023.

We have submitted our expression of interest application to the NSW Government Hydrogen Hubs Initiative in February 2022 for our Hydrogen Park Wagga Wagga project. In May 2022 we were invited to submit a full application.

We have reviewed the site location in Gladstone for our Hydrogen Park Gladstone project to ensure it meets customer, stakeholder and community expectations. The review has resulted in project delays but we are committed to working through these to deliver blended gas to Gladstone.

Our Hydrogen Park South Australia expansion is underway, with more than 3,000 more customers receiving up to five per cent blended gas by early 2023.

We have started work on a 100 per cent Hydrogen powered home – HyHome. Pending final approvals, this is expected to be operational in 2023.

We are making a difference by developing new sustainable energy projects and partnering with organisations to increase our impact. We are demonstrating a pathway to cleaner gas energy and building knowledge and capabilities in the sector, allowing us to take on more projects and expand existing operations.

We will continue to work towards our Hydrogen Park Murray Valley project production date of early 2025, delivering the largest renewable hydrogen blending project in Australia. We have submitted our full application for the Hydrogen Park Wagga Wagga project funding in August 2022. We will continue to work towards having a fully functional HyHome in operation in 2023. We will remain committed to establishing the Hydrogen Park Gladstone project with plans to deliver in 2023.

3.2 Committing to targets and industry standards (low carbon strategy)

Why: During our Victorian customer and stakeholder engagement program almost 90 per cent of respondents told us that reducing carbon emissions is important or very important to them and expect that we are making changes to achieve this.

We have set ambitious, board-endorsed targets as part of our broader push to achieve net zero emissions.

We are making a difference by setting targets that will drive change, including 10 per cent renewable gas by volume on our distribution networks by 2030. With the plan to fully decarbonise our distribution networks by 2040 (as a stretch target) and no later than 2050. We are also targeting net zero emissions from our pipeline assets by 2050 at the latest. This delivers on Australian state and territory targets of net zero carbon by 2050.

We will continue to invest in new renewable gas projects for supply to our customers. We will promote knowledge sharing and partnerships across the renewable energy sector, partner with government and industry to reach our targets and continue to provide our customers with the infrastructure needed to transition their businesses towards net zero. We will adopt the recommendations of the Task Force on Climate-Related Financial Disclosures by the end of 2024. We will also provide more

information to our customers and the public about our transition to a renewable gas future and utilise feedback from our reference groups in this process to ensure we understand the needs of all market segments.

3.3 Committing to Sustainable Development Goals, and publishing our first Environmental, Social and Governance Report

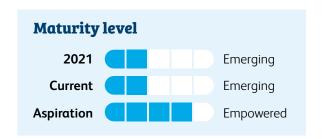
Why: We are committed to delivering the targets outlined in our 2021 Environmental, Social and Governance (ESG) report. This includes mitigating long-term impacts to the environment and developing and implementing a Reconciliation Action Plan and Diversity and Inclusion Action Plan.

We have established an ESG Board Committee in early 2022 who will oversee AGIG's ESG strategy and policy and ensure that we deliver against our ESG commitments. We identified six United Nations Sustainable Development Goals (SDGs) that we consider most relevant to our business. We have committed to reporting alongside these SDGs and have selected key goals which we consider most relevant to our business. We developed these targets using a multi-step process that included consultation with our ESG working group and other subject matter experts from across the business. We published how we are performing against these goals in our first ESG report. This report also outlines areas where we need to do more, while showcasing what has already been delivered.

We are making a difference by committing to targets that will lower carbon emissions, transparently reporting where we are at, being honest about our current performance and striving to do better. Our business is working closely with industry, suppliers, customers, government, stakeholders and the community to support Australia's future gas network. We see significant future opportunity in supporting our partners to deliver on their net zero ambitions, and we are exploring the possibilities of diversified business and infrastructure offerings.

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

Principle 4: We will improve the customer experience



4.1 Development of Customer Experience initiative framework

Why: Improving the delivery of services to our customers is one of our key business objectives. Within AGN and MGN there is a strong focus on analysing customer service (CSAT) results, with figures being the highest they've ever been in recent years, however we are always learning where we we can improve. In 2021 we developed a dashboard that presented CSAT survey results to employees and the executive team. The dashboard covers a wide range of performance data including supply-related incidents, customer connection data, complaint numbers and appliance rebate numbers. Early in 2022 we identified that the dashboard was missing critical information about why customers were rating their CSAT scores.

We have developed a new CSAT dashboard to provide a greater focus on what our customers are telling us about the services they are receiving. This allows us to review and improve the customer experience and network performance qualitatively, rather than assuming good network performance equals good service to customers. When customers are impacted by an unplanned supply outage, we seek their feedback on the duration of the interruption, the quality of communication, the quality of any work performed and the professionalism of the crew. We also seek feedback on the ease of reporting and dealing with the supply interruption. We analyse the CSAT survey results to identify delivery improvements.

We are making a difference by addressing areas that customers state are most important and placing higher emphasis on them. We ask different survey questions across the customer contact teams. For gas connections, the focus is on the time it will

take to have a new site connected and the quality of the communication throughout the process. For unplanned outages, the focus has been on the time to restore gas supply and providing regular restoration updates. For planned outages, the focus is on the quality of advanced communication explaining the works and the reinstatement. This improves the customer experience by addressing the root cause of customer concerns.

We will continue to focus on customer experience across the business. Across MGN and AGN, we have established a Customer Service Steering Committee as the governance structure to drive further CSAT improvements. We will target MGN and AGN customer services to exceed industry benchmarking. We are now investigating how other industries measure and set targets for CSAT, such as the Australian water industry and gas and electricity network businesses in the United Kingdom.

4.2 Dedicated Priority Service CSAT score

Why: Our customers have different needs, and we recognise the importance of having a greater understanding of our customers to develop and identify potential new services to improve their customer experience.

We have developed a list of demographic questions as part of our CSAT surveys to get clearer insights into who our customers are and how we can better serve them. We identified that this was the most efficient way to capture potential customer demographics for those customers that have had recent dealings with us. These questions included business/residential occupant status, household structure, age group, dwelling ownership, languages spoken other than English and if customers need help with energy bills and other support.

We are making a difference by identifying, recognising and tailoring a level of potential priority services for those customers that may need it in our networks. By having better data on customer needs we are able to improve our customer strategies and develop more tailored services. We can improve the customer experience by identifying and developing new initiatives and processes from the data.

We will collate this information by the end of 2022 and analyse the data to identify and opportunities to develop any tailored or priority services to meet specific customer needs. We will use the data to track, analyse and develop a framework and develop a list of potential initiatives/priority services to improve the customer experience.

4.3 After-hours support teams

Why: We respond to emergency calls and supply interruptions 24/7, 365 days a year. On most occasions the issues can be resolved quickly by the initial crew dispatched to the incident. Some situations are more complex and have a greater impact to customers, the community and the network system. In these instances, our service providers require additional support from our distribution engineering team. We have always had Emergency Duty Managers that take the lead during complex after-hours situations.

We know that meeting customer needs can be delayed when issues are referred to the customer service team on the next business day. Previously, attempts have been made to contact customer team members but this was difficult to do after-hours. There have been situations where the field crews do not have access to customer databases and have been unable to contact customers to arrange access into their premises. The customer service team have access to contact details and can make calls after-hours to provide customers with updates regarding work that is occurring in their street to restore supply, or to make an appointment for our field crews to visit and conduct repairs on their property.

We have initiated an after-hours customer service team roster in MGN to focus on supporting customers that may be impacted by incidents on our network. Prior to implementing after-hours support teams, MGN delivered the after-hours service in an ad-hoc manner. The purpose of this new arrangement is to manage customers who may be directly or indirectly impacted by events such as urgent leaks, gas outages or impacts to vulnerable customers. We have made field crews and Incident Managers aware that customer response teams can provide an additional layer of support. This increased the frequency they called upon after-hours customer service employees to support them in managing customer needs. Over a year, the utilisation of after-hours customer support increased. The after-hours customer service function delivered an additional 220 hours in the financial year supporting customers.

We are making a difference by ensuring that the Customer Response Team have an ongoing roster to be available to support the Service Delivery Emergency Manager to meet customer needs after-hours. The Customer Response Team can leverage off

customer service requirements and the vulnerable customer policy outlining customer support response during emergency events. We are able to embed a customer service team notification process in the existing Emergency Manager Response Plan. We are making a difference by completing welfare checks on vulnerable customers, increasing customer communication, producing and printing customer collateral, applying discretionary GSLs, providing an after-hour escalation point for National Response Centre (NRC) customer calls, facilitating heaters/cooktop delivery for vulnerable customers, liaising with responsible bodies to further support impacted customers and being available should on-site assistance for customer management be required.

We will continue to monitor the effectiveness of the MGN after-hours customer service team. We will monitor the number of incidents they have assisted with and will seek customer feedback to see if the customer service team have assisted in making the dealings with AGIG easier. We will also investigate if we can extend the after-hours customer service roster into the AGN networks which are currently managed by a third party provider.

4.4 Proactive Outage Management

Why: We identified that some properties were experiencing repeated supply faults, and there was a lack of visibility between customer service and service delivery teams regarding capital works improvements that were being prioritised. We needed a tool to improve transparency across outage management activities. In our existing CRM database, we had high volumes of customer requests being submitted, and after raising an information request to our service provider we learnt that they were already addressing the matter, but they had no way to communicate this to us easily. We received some complaints that customers were dissatisfied and were not being prioritised and others were having their responses addressed quickly. We had Ombudsman complaints and customers dissatisfied with response time with some complaints being left open for 20 to 30 days. We also had some customers experiencing multiple outages that never raised a complaint. We needed to find a way to balance priorities and deliver for everyone.

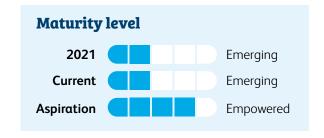
We have developed a Proactive Outage Management (POM) Tool to be a central hub of customer information. The POM Tool is visible to the customer care team, service delivery team and external service providers, who can all upload data. The tool allows teams to prioritise the highest impacted customers and escalated complaints.

We are making a difference by improving transparency across customer teams, service delivery teams and our service providers to improve customer response. We have greater clarity on the status of customer issues, allowing us to communicate this to customers and resolve issues faster.

As a result of the POM Tool we have reduced the number of outage management complaint cases significantly. We can proactively address outage issues affecting multiple properties in a street or local area. We are making a difference by getting ahead of supply reliability issues and being able to provide information to customers otherwise unaware of gas faults about remediation activities planned for their immediate area. If a customer is experiencing multiple supply interruptions, they are added to a database that allows us to review their complaint history and we can proactively engage with them prior to being impacted by further outages.

We will improve the POM Tool by looking into the possibility of automatically updating the tool. We plan to proactively reach out to customers that meet eligibility criteria who may be impacted to reduce the number of complaints and improve the customer experience. We will be giving customers the opportunity to receive updates to let them know when we are in the area.

Principle 5: We will support customers facing vulnerable circumstances



5.1 #BetterTogether - door knock prior to disconnection

Why: Throughout the past few years of the COVID-19 pandemic and into the most recent times of an increase in inflation costs, we know more customers are facing vulnerable positions and the inability to pay their bills resulting in disconnection requests. AGIG is committed to ensuring that more customers have access to the Knock Prior to Disconnection service. This keeps customers connected to the networks by engaging them five days prior to the disconnection request date and encouraging them to engage with the retailer to remain connected to supply.

We have identified that many customers were missing out from the initiative because of low retailer participation due to the manual effort and costs associated. At AGIG we have committed to expanding our initiative to all retailers for a three month period; this will commence from 1 August 2022 and will run through to 31 October 2022 at no additional cost to retailers and with no manual work-a-rounds for retailers for non-payment disconnection requests. In November 2021, AEMO's protocols and systems that allow business to business interactions (B2B Gas schema) changed resulting in additional market codes available for use which has given us a greater ability to segment disconnection requests between customer requested, unauthorised usage and non-payment.

We are making a difference by being a leading participant in this Priority #BetterTogether initiative. We are trialling different methods of knock prior to disconnection and then sharing the outcomes across the industry to share learnings and increase collaboration. We are making a difference by reminding customers to interact with their gas retailers and preventing customers from having their gas supply disconnected.

We will continue to work with all parties involved in the initiative, learn from the outcomes and ensure we aim to keep customers connected. Once the phase 2 trial is completed in November 2022 that we will work with retailers on to share outcomes and input into the Priority #Better Together initiative.

5.2 Community Partnership Program

Why: Our Community Partnership Program reflects AGIG's Vision and Values and demonstrates our commitment to being a socially and environmentally responsible business. This initiative reflects our Values of 'Trust' and 'One team' by putting our customers at the forefront of our business and focusing on the communities and local areas that we operate in.

We have launched our newly expanded Community Partnerships Program in 2021. We committed to increasing the funding support that we offer and staff volunteering through our in-kind support program. We offer three tiers of partnerships including Flagship, Community and Staff Partnerships. Flagship Partnerships are offered over a 3-year team to national organisations allowing us to work closely to build long-term relationships and deliver significant community and environmental benefits across Australia. Our Community Partnerships offer annual support to state or national community organisations to make positive contributions to communities in areas our business operates. Community Partnerships include financial support and opportunities for employee involvement in community events, education and mentoring programs and volunteering. Our Staff Partnerships support our staff to get involved with their communities through a local community club or charity that aligns with AGIG's Vision and Values by providing funding and dollar matching.

We are making a difference by supporting communities. Key areas of investment include supporting customers experiencing vulnerability, supporting local communities and promoting diversity, environmental sustainability and education. With the ongoing social and economic impacts of COVID-19 it is evident that community groups are reliant on charitable support.

We will continue to grow our support for our communities and support our staff to make a difference in their communities. We will look for further opportunities to support our existing community partners and increase our volunteering hours. We will review the program to determine whether it is ambitious enough.

5.3 Our Priority Services Program (SA and Vic proposal)

Why: Traditionally, the provision of assistance to customers experiencing vulnerability in the energy sector has been left to retailers, not-for-profit organisations and governments. However, it has become clear through our stakeholder engagement process, the development of the Energy Charter, the Financial Services Royal Commission and the Consumer Policity Research Centre's work for the AER, that networks also have a role to play in customers experiencing vulnerability and that this is becoming an increasingly important element of our social license to operate. The AER published its Draft Consumer Vulnerability Strategy in December 2021. The Strategy acknowledges the need for a whole of energy sector approach to addressing consumer vulnerability. Specifically, it outlines a range of outcomes, objectives and actions designed to achieve the AER's vision to 'see consumers experiencing vulnerability offered timely and effective supports that work for both consumers and energy businesses, improving energy affordability, helping consumers stay connected and reducing energy businesses' 'cost to serve'. To achieve this, the AER is encouraging greater levels of energy system collaboration, innovation and leadership.

We received high levels of support from our customers in both South Australia and Victoria to provide better support to vulnerable customers. For example, in Victoria, more than 90 per cent of customers felt that it was important or very important to have dedicated services for customers experiencing vulnerability. In explaining the importance, customers emphasised inclusivity, fairness, and our duty of care to look after their most vulnerable. This is also reflected by feedback from other stakeholders, including members of the VGNSR. The importance of supporting customers experiencing vulnerability has become even clearer through the COVID-19 pandemic.

We have commenced work on the design and implementation of the Priority Service Program in South Australia. We have renamed this the 'Priority Services Program' to reflect stakeholder feedback on appropriate language. This year we have been undertaking detailed design on the proposed new services, looking at foundational technology that will need to be implemented to support the program, including a CRM. At the same time, we have also been undertaking considerable engagement with our Victorian customers and stakeholders to design the proposed Priority Services Program in Victoria. We submitted our plans to the AER on 1 July. To design a program that truly delivers on the needs of Victorian priority service customers, we established a Priority Services Program Advisory Panel comprising of key representatives from social services organisations with a national and/ or Victorian focus. We have held three workshops since September 2021. This initiative was delivered jointly with AusNet to ensure consistency would be delivered in Victoria regardless of who a customer's distributor is.

We are making a difference by exploring ways that we can better support our customers, that are fit-for-purpose and valuable. The Priority Services Program initiative in South Australia will assist customers with funding for emergency appliances or fitting line repairs, help them purchase new appliances if they are unrepairable, and offer financial support from switching to more efficient gas appliances. Importantly, we believe customers should be able to tell us their story once before receiving tailored service and support for our call centre and field crews. We partnered with AusNet for the design of the proposed Victorian program design to ensure that gas customers experiencing vulnerability could access the same supports irrespective of who their gas distributor is. This was important to ensure consistency of service delivery for all customers.

We will continue to work towards the full implementation of the approved Priority Services Program program in South Australia, with the intent of introducing the new services in 2023. We will continue to work with stakeholders in the social service sector to explore and develop programs/initiatives that will support our customers experiencing vulnerability.

APPENDICES

Appendix A

Maturity Model – Self Assessment

| Energy Charter Principles | Elementary | Emerging | Evolved | Empowered | Exceeding |
|---|------------|------------|------------|------------|------------|
| P1. We will put customers at the centre of our business and the energy system | | 2020 | 2021/22 | | Aspiration |
| P2. We will improve energy affordability for customers | | 2020 | 2021/22 | Aspiration | |
| P3. We will provide energy safely, sustainably and reliably | | | 2020/21/22 | | Aspiration |
| P4. We will improve the customer experience | | 2020/21/22 | | Aspiration | |
| P5. We will support customers facing vulnerable circumstances | 2020 | 2021/22 | | Aspiration | |

| Principle | Rationale behind our 2022 Maturity Model self-assessment. |
|-----------|---|
| P1 | While work has been done in this area, to achieve 'empowered' further reporting to the board is required, including development of lead and lag indicators. |
| P2 | We're committed to keeping our costs declining but are limited as a distribution business in terms of how and to what extent. Further work in the advocacy space is needed to help ensure the benefits of our price cuts are passed along to customers. |
| Р3 | AGIG is among the leaders of delivering energy sustainably through renewables, but still struggling with reliability issues/mains replacement. Further work is required to ensure no one's left behind in the renewable transition. |
| Р4 | New systems such as Proactive Outage Management, after-hours support and Proactive Outage Management have emerged as a result of addressing customer needs. |
| P5 | Work is ongoing in this space. Given we're still in the early stages of development of our key initiatives, there have been no material outcomes for customers. |

Appendix B

Performance measures

AGIG 2021/22 Performance Table

| Performance metric | 2022 Target | AGN (VIC, SA, QLD) | MGN | 2021 |
|---|----------------------|-----------------------|--------|------------------------|
| Priority 1, 1 Hour Fault Response | 98% | 87.83% (Vic only) | 98.64% | 98.0% AGN 98.7% MGN |
| Customer Satisfaction (AGN & MGN) | >8.4 AGN >8.1 MGN | 8.5 | 8.2 | 8.3 AGN 7.8 MGN |
| CSAT DBP Shippers | >8.3 DBP | | | 8.9* DBP |
| CSAT New Connections | >8.4 AGN >8.1 MGN | 8.1 | 8.2 | 7.9 AGN 7.3 MGN |
| CSAT Unplanned Interruptions | >8.4 AGN >8.1 MGN | 8.9 | 8.7 | 8.9 AGN 8.0 MGN |
| CSAT Planned Interruptions | >8.4 AGN >8.1 MGN | 8.6 | 8.3 | 8.9 AGN 8.0 MGN |
| Customer Calls < 30 seconds | >80% | 78.4% | 79.7% | 94.4% AGN 88.8% MGN |
| 2 Day Complaints Resolution / Acknowledgement | 85% AGN 70% MGN | 98.2% | 90.6% | 96.2% AGN 92.3% MGN |
| Unplanned Interruptions (to 5+ customers) | 10 AGN 15 MGN | 31 | 29 | 33 AGN 20 MGN |
| Customers with 3+ Interruptions | 10 AGN 40 MGN | 11 | 22 | 39 AGN 103 MGN |
| Gas Supply Interruption Events (not restored within 12 hours) | 45 AGN 399 MGN | 53 | 193 | 67 AGN 936 MGN |

*DBP CSAT delayed until Nov 2022