



United Nations Global Compact – CEO Statement of Support

I am pleased to affirm my support for the ten Principles of the United Nations Global Compact covering the areas of Human Rights, Labour, Environment and Anti-Corruption.

Since becoming a signatory to the United Nations Global Compact (UNGC) in 2016, AGL Energy is proud to be one of over 9,500 business signatories to the UNGC across 160 countries, including almost 150 actively participating organisations in Australia.

Graeme Hunt

Managing Director & CEO, AGL Energy Limited

12 August 2020

2021 Communication on Progress

Below, you will find our FY21 UNGC Content Index, designed to provide our stakeholders with an overview of how we are meeting or implementing the UNGC principles through links to relevant sections of AGL Energy’s FY21 reporting suite.

Area	Principle		Response or link to FY21 reporting suite
Human Rights	1	Businesses should support and respect the protection of internationally proclaimed human rights	<p>AGL Energy’s Human Rights Policy applies to all our businesses and transactions in all countries within which we operate, and covers: AGL Energy and all subsidiary and affiliate entities over which we exercise control; and all directors, officers and employees of AGL Energy.</p> <p>Behaviour of AGL Energy’s directors, employees and contractors is guided by the AGL Values and the AGL Energy Code of Conduct.</p> <p>AGL Energy operates in Australia only in accordance with the laws of Australia.</p> <p>AGL Energy’s FY21 Annual Report and ESG data centre cover many issues that relate to human rights, including corporate governance, employee health and safety, and employee experiences and behaviours.</p> <p>Our approach to human rights is also documented in our Modern Slavery Act Statement 2020, which covers FY20. The Modern Slavery Act Statement for FY21 will be available on our website by the end of 2021.</p>
	2	Make sure that they are not complicit in human rights abuses	



Area	Principle		Response or link to FY21 reporting suite
Labour	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	AGL Energy upholds the freedom of association and the right to collective bargaining, as set out in our Human Rights Policy . As at end of FY21, more than 44% of AGL Energy's workforce was covered by collective bargaining agreements.
	4	The elimination of all forms of forced and compulsory labour	AGL Energy operates in Australia only in accordance with the labour laws of Australia and our Code of Conduct , which is underpinned by the Company Values.
	5	The effective abolition of child labour	<p>AGL Energy's Supplier Code of Conduct prohibits our suppliers from engaging in any form of child, forced or involuntary labour, and requires them to adhere to all international standards and domestic regulations relating to the employment of children.</p> <p>The Supplier Code of Conduct also makes clear that AGL Energy expects its suppliers to comply with modern slavery laws and regulations, and identify, address and report on risks of modern slavery practices in their business operations and supply chains.</p> <p>In accordance with the Commonwealth Modern Slavery Act 2018, in December 2020 AGL Energy released our first Modern Slavery Act Statement for FY20. Our Modern Slavery Act Statement for FY21 will be available on our website by the end of 2021.</p>
	6	The elimination of discrimination in respect of employment and occupation	<p>The People scorecard within AGL Energy's FY21 Annual Report and our Diversity & Inclusion Policy describe our approach to diversity and inclusion, and the removal of discrimination, and how these attributes are promoted and embedded throughout our business.</p> <p>Our Supplier Code of Conduct requires our suppliers to promote an inclusive workplace free of discrimination, harassment, bullying and other unlawful behaviour on discriminatory grounds.</p>
Environment	7	Businesses should support a precautionary approach to environmental challenges	<p>AGL Energy's Health, Safety and Environment Policy sets out our commitment to conduct our business in a way that minimises our impact on the environment.</p> <p>Our approach to climate change is reflected in AGL Energy's Climate Statement, released in FY20, which confirms our target of achieving net zero emissions by 2050. Our approach to climate change is also documented in our FY21 'Accelerating Our Transition' report, which is prepared in accordance with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) voluntary disclosure framework.</p>



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	8	Undertake initiatives to promote greater environmental responsibility	<p>We are committed to playing our part as Australia transitions toward full decarbonisation by 2050, by:</p> <ul style="list-style-type: none"> • Offering our customers the option of carbon neutral prices across all our products • Supporting the evolution of Australia’s voluntary carbon markets • Continuing to invest in new sources of electricity supply • Responsibly transitioning our energy portfolio, and • Being transparent through our disclosures and holding ourselves accountable through our remuneration structures. <p>Our progress against these commitments is disclosed in AGL Energy's 'Accelerating Our Transition' report. Our FY21 Annual Report also covers issues that relate to environmentally responsible initiatives and technologies. These can be found in the Customer, Environment and Infrastructure scorecards.</p>
	9	Encourage the development and diffusion of environmentally friendly technologies	
Anti-corruption	10	Businesses should work against corruption in all its forms, including extortion and bribery	<p>AGL Energy has embedded risk-based anti-bribery and corruption controls throughout our processes and policies, including within the AGL Energy Code of Conduct and the Anti-Bribery Corruption and Fraud (ABCF) Policy.</p> <p>We also have a comprehensive Anti-Money Laundering / Counter-Terrorism Financing Compliance Program and an Australian Financial Services Licence Compliance Program within our wholesale markets (energy trading) areas. In this regard we conduct regular risk assessments to determine the adequacy of the controls that are in place.</p>