SNOWCAP • February 2022

Transition AGL

Reject the Demerger. **Accelerate** Coal Closure. **Unlock** Value.

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Executive Summary

- AGL Energy ("AGL" or "the Company") is the second largest of Australia's "big three" integrated utilities, supplying ~20% of the domestic electricity market.

- Since 2013, AGL has acquired 7GW of coal power at a time when the rest of the developed world has been moving away from it. Today, AGL is Australia's largest polluter, and responsible for 0.1% of all carbon emissions globally.

- AGL's failure to adapt to a decarbonising world has destroyed A$11 billion of value in just five years. AGL's shares now trade at a substantial discount to intrinsic value and peers.

- AGL's proposed demerger plan is a tokenistic and value destructive solution to the problem. It will create two interdependent entities and will make environmental transition harder.

- In order to unlock value for all stakeholders, AGL should abandon the proposed demerger and take meaningful action by committing to transition its coal assets by 2030.

- Brookfield's bid recognises the strategic merits of accelerated transition. However, we share management's view that the offer price of A$7.50 materially undervalues AGL's business.

We believe that by committing to transition, AGL can unlock 30-60% of upside for shareholders and avoid 385m tonnes of greenhouse gas emissions.

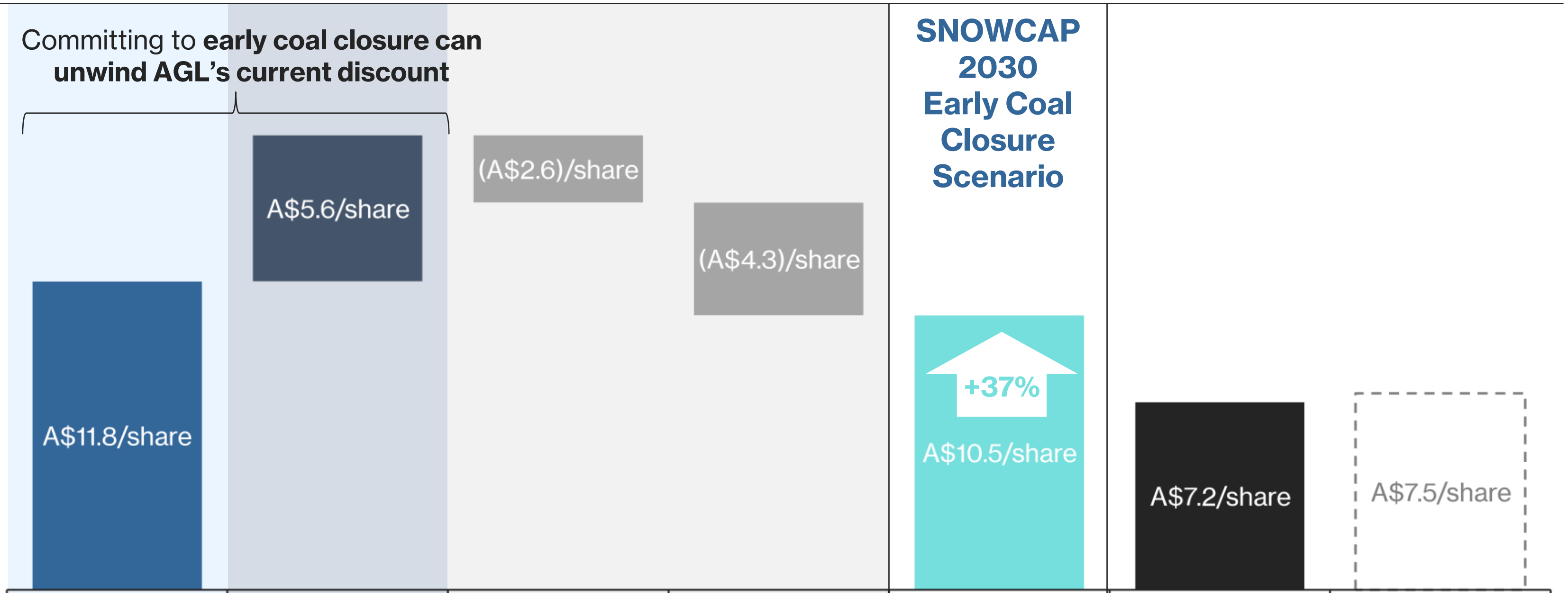
AGL is at a crossroads

	AGL Management Plan	*Strategic Alternative Proposed by SNOWCAP*	*Sale to Private Buyer*
	1	2	3
	Demerge & Operate Coal Plants until 2045	**Abandon Demerger & Commit to Coal Closure by 2030**	**Take Private Bid from Brookfield & Grok Ventures**
	Pursue value destructive demerger that fails to address discount and will make environmental transition harder	Unlock value for shareholders by abandoning the flawed demerger plan and pursuing an accelerated transition pathway	Unsolicited take private offer from Brookfield consortium at $7.50 a share with the plan to transition AGL to net zero by 2035
Potential Shareholder Value	A$7.16/share(1)	**A$10-12/share(2)**	A$7.50/share(3)
Coal Closure Date	2045	**2030**	2035

1. Closing share price on 18/02/2022, reflects market value of AGL prior to Brookfield bid.
2. Snowcap valuation analysis (see slide 61 of presentation).
3. Non-binding offer made by Brookfield and Grok Ventures consortium on 20/02/2022.

Abandoning the demerger and committing to accelerated transition can unlock ~30-60% upside for shareholders...

SOTP Valuation
Snowcap

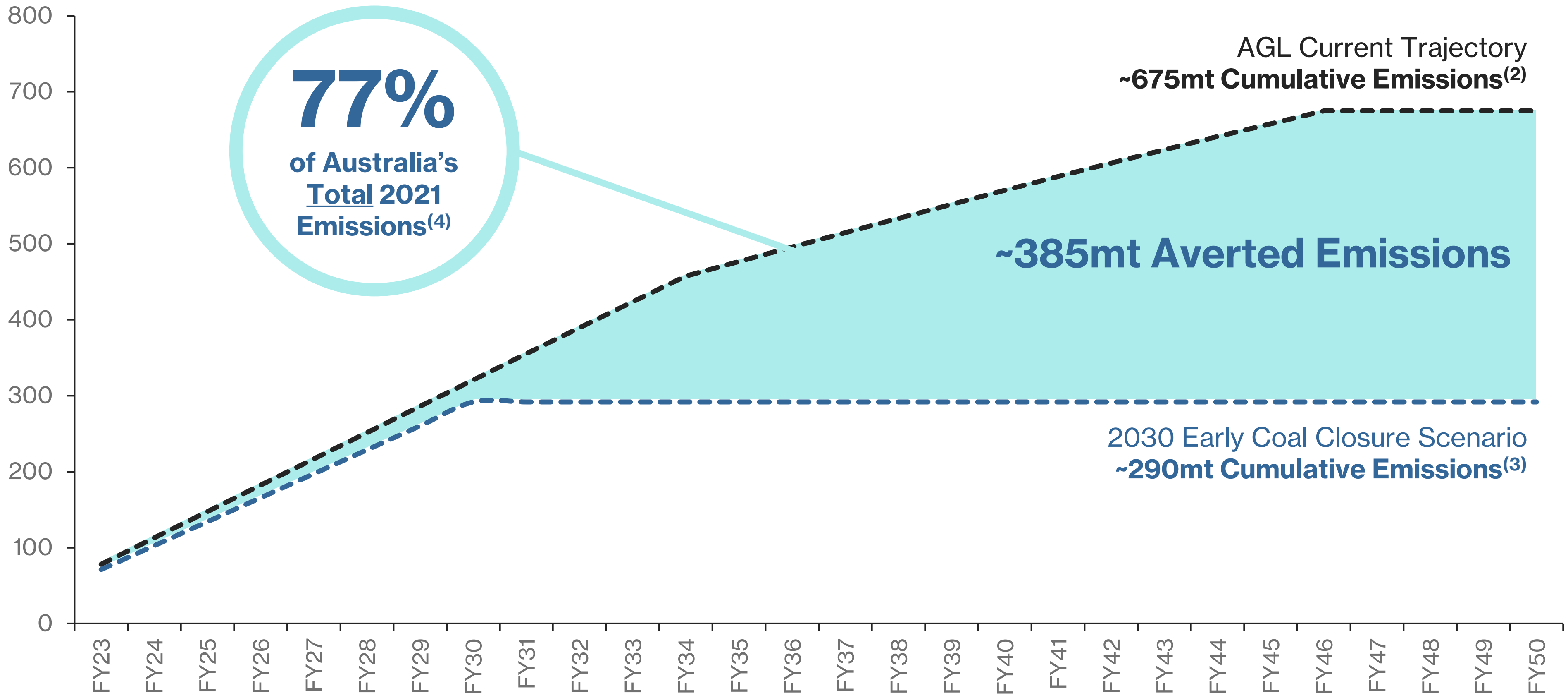


	Retail & Green Gen	Coal Generation & Other Thermal	Central Expenses	Net Debt & Adjustments	Equity Value	Market Cap (Pre Brookfield Bid)	Brookfield Offer
LTM EBITDA	A$646m	A$1,101m	(A$281m)	A$3m	A$1,469m		
EV/EBITDA	*12.0x*	*3.3x*	*6.0x*	*n/a*	*6.7x*	*5.2x*	*5.3x*
Valuation	A$7,752m[(1)]	A$3,673m[(2)]	(A$1,686m)[(3)]	(A$2,837m)[(4)]	**A$6,902m**	A$4,714m[(5)]	A$4,938m
A$/Share	*A$11.8*	*A$5.6*	*A$2.6*	*A$4.3*	***A$10.5***	*A$7.16*	*A$7.50*

1. Retail & Green Generation as reported under "AGL Australia". Valued using 12.7x average EV/Forward EBITDA multiple of Australia and New Zealand Integrated Utility peers (Origin Energy, Contact Energy, Mercury NZ, Genesis Energy, Meridian Energy and Trustpower). Capital IQ as of 22/02/22.
2. Coal & Other Thermal Generation as reported under "Accel Energy". Valued using an estimate of unlevered cashflows from AGL's coal plants in a 2030 coal closure scenario ("Snowcap Conservative Case"), discounted at 7.0%. A$620m has been added to this value to reflect estimated value of Torrens Island Power Station and AGL's Natural Gas Storage and Production Assets.
3. Central Expenses as reported under "Centrally Managed Expenses".
4. Net Debt and Adjustments includes Net Debt of A$2,925m as HY 31/12/2021 (Capital IQ) and Investments, Onerous Contract Provisions and Tax Benefit (Book Value as of HY ending 31/12/2021). A$500m has also been added for AGL's Development pipeline, valued at A$200/kw (2.5GW total pipeline size).
5. Closing share price on 18/02/2022, reflects market value of AGL prior to Brookfield bid.

…whilst also averting ~385 million tonnes of green house gas emissions…

Cumulative Emissions Projections, 2030 Coal Closure Scenario vs Current Trajectory[1]
Million Tonnes CO_2-e, Snowcap Estimate



1. Assumes emissions intensity for plants stays constant from FY21 (1.29t/MWh for Loy Yang A, 0.96t/MWh for Bayswater and 1.02t/MWh for Liddell).
2. AGL Latest Trajectory assumes closure of Loy Yang A and Bayswater in FY45 and FY33 respectively. Generation output modelled using AGL's Pathways to 2050 Scenario A, outlined in its 2020 TCFD report. 22.5% capacity factor assumed for remaining operation of Liddell.
3. Snowcap 2030 Closure scenario assumes closure of Loy Yang A and Bayswater in FY30. Generation modelled by applying 10% discount to AGL's Pathways to 2050 Scenario A, outlined in its 2020 TCFD report. 22.5% capacity factor assumed for remaining operation of Liddell.
4. Total annual emissions for year 2020/21 reported as 499Mt by Australian Government.

Introduction to AGL

AGL Energy Overview

Company Overview

Founded in 1837, AGL Energy (ASX:AGL) is the second largest of Australia's "big three" integrated utilities. The Company has two main divisions:

- **Integrated Energy (wholesale)** - Operates the largest electricity generation portfolio in Australia with 11GW of capacity of which 9.2 GW is owned.
- **Customer Markets (retail)** - Supplies electricity to 2.47m customers (23% of retail market[1]) and gas to 1.53m customers (37% of retail market[1]).

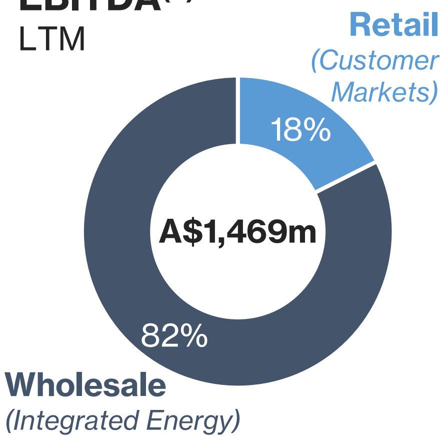
Headquartered in Sydney. 4,398 employees.

Key Financials[4]

	Historical				Cons. Est.
(AUDm)	FY Jun-19	FY Jun-20	FY Jun-21	LTM Dec-21	FY Jun-22
Revenue	13,246	12,160	10,942	11,241	10,950
EBITDA	**2,285**	**2,070**	**1,666**	**1,469**	**1,351**
Margin	*17%*	*17%*	*15%*	*13%*	*12%*
OCF	1,599	2,156	1,250	1,303	
(-) Capex	(910)	(685)	(707)	(688)	(650)
FCF	689	1,471	543	615	
EBITDA (-) Capex	**1,375**	**1,385**	**959**	**781**	**701**
Net Debt	2,792	3,038	3,131	2,923	2,789
xEBITDA	*1.2x*	*1.5x*	*1.9x*	*2.0x*	*2.1x*

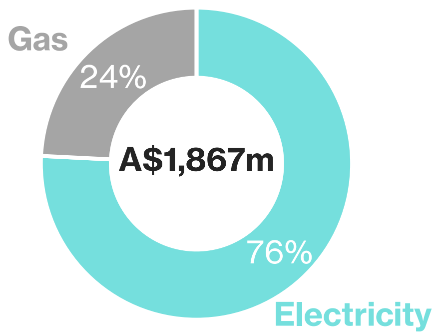
EBITDA[2]

LTM



Portfolio Margin[3]

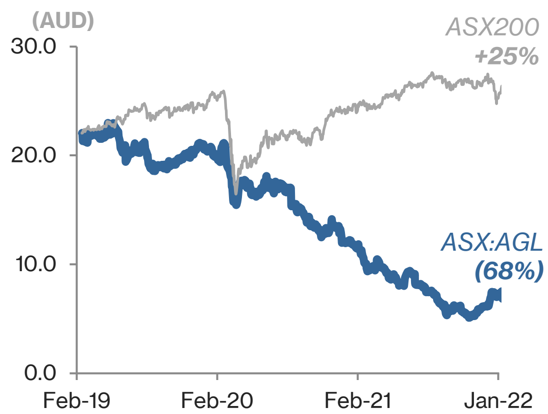
LTM



Trading Valuation[5]

(AUDm)	
Shr. price (AUD)	7.65
No. of shares (m)	658
Market cap.	**5,037**
(+) Net debt	2,923
(+) Minority interest	2
TEV	**7,962**
x2022 EBITDA	*5.9x*

3yr Share Price[5]

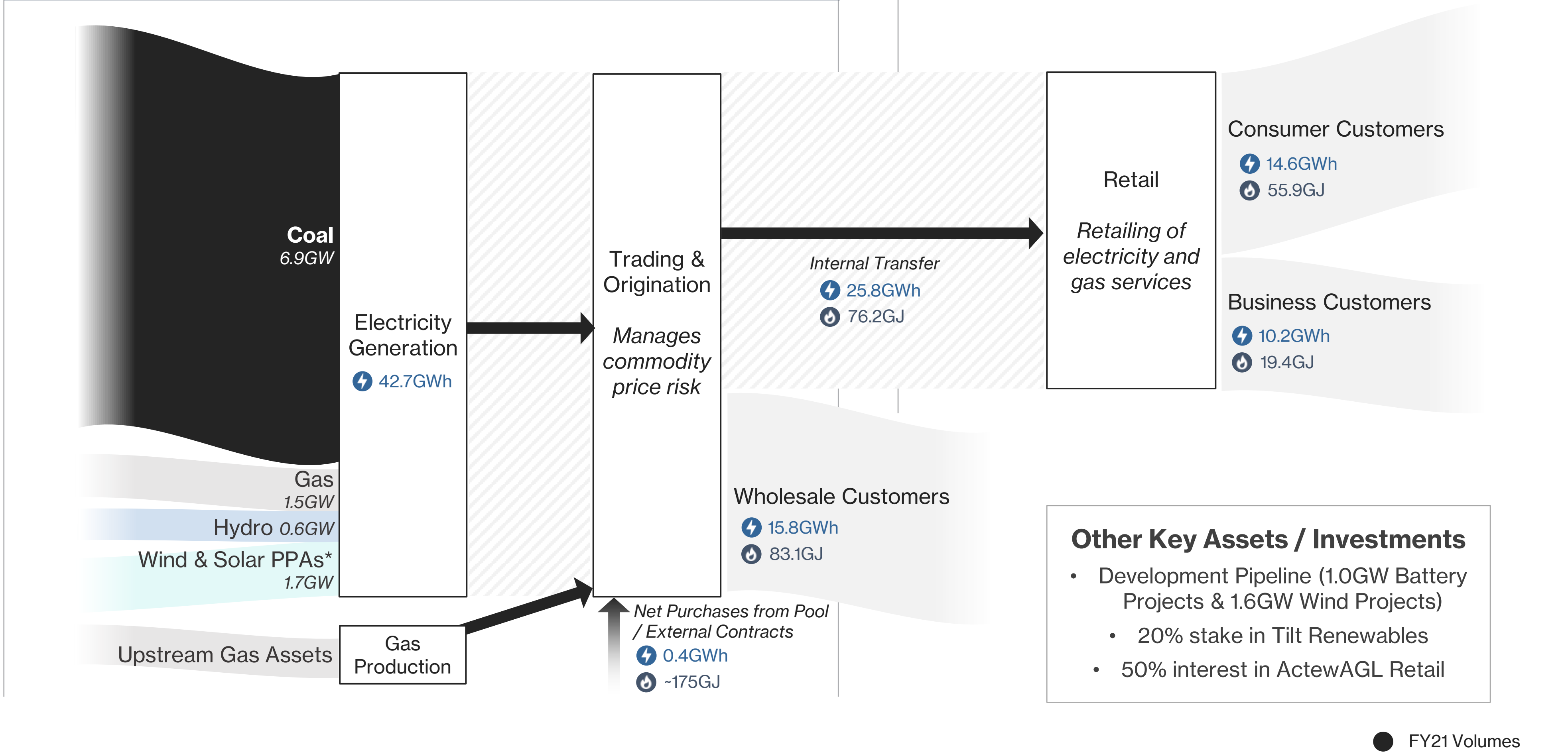


1. Australian Energy Regulator (AER) Annual Retail Market Report 2020-21.
2. Total EBITDA includes A$281m of Centrally Managed Expenses and A$3m EBITDA contribution from Investments (both reported outside of AGL's Integrated Energy and Customer Markets segments).
3. Portfolio Margin is an internal metric reported by AGL for reflecting profitability by commodity.
4. Source: Capital IQ and Company Filings. Free Cash Flow defined as Operating Cash Flow less Capex.
5. Capital IQ as of 23/02/2022.

AGL Energy Overview *cont.*

Upstream Wholesale Generation
"Integrated Energy"

Downstream Retail
"Customer Markets"

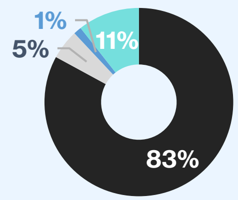
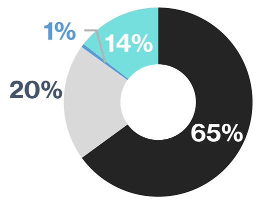
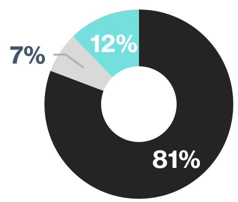


Other Key Assets / Investments

- Development Pipeline (1.0GW Battery Projects & 1.6GW Wind Projects)
- 20% stake in Tilt Renewables
- 50% interest in ActewAGL Retail

1. Company Filings. Diagram is for illustrative purposes and not proportional to exact volumes. AGL owns further assets / liabilities not included within diagram.

Australia's 'Big Three' Integrated Utilities

	Retail Customers[1] *(market share)*		Electricity Generation[2]		Emissions[3]
	Electricity	Gas	Output (FY21)	Mix (Coal / Hydro / Gas / W&S)	Scope 1 & 2 (FY20)
AGL Energy (ASX:AGL)	**1.5m** *(23%)*	**0.8m** *(37%)*	**42.7 TWh**		**42.7 mt**
Origin Energy (ASX:ORG)	1.8m *(27%)*	0.6m *(27%)*	20.4 TWh		18.4 mt
EnergyAustralia *Owned by CLP Holdings (SEHK:2)*	1.0m *(15%)*	0.4m *(19%)*	18.2 TWh		18.2 mt

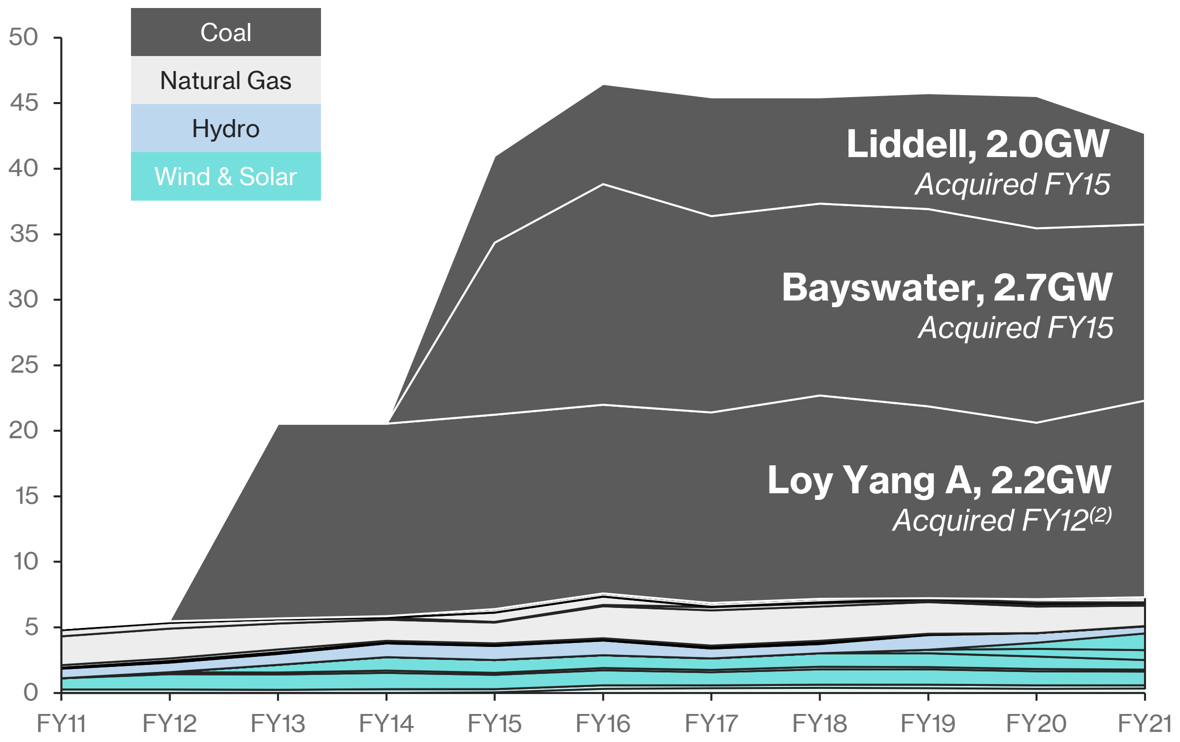
1. Australian Energy Regulator (AER) Retail Energy Market Performance Update for Quarter 3, 2020-21).
2. Annual reports for AGL Energy, Origin Energy and CLP Group.
3. Clean Energy Regulator.

1. AGL has Failed to Get with the Environmental Agenda

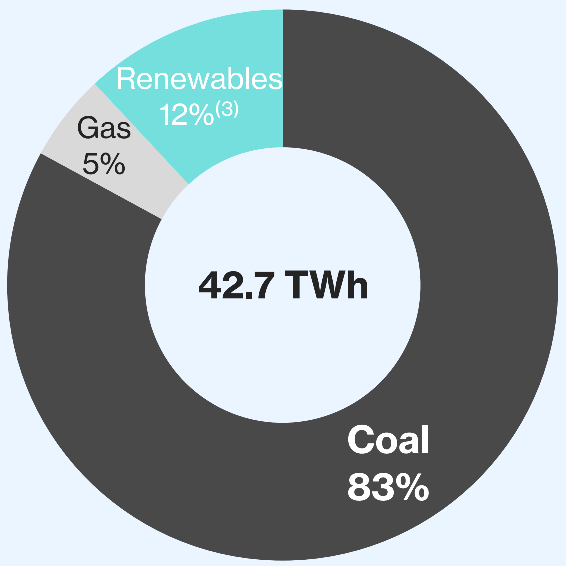
AGL has invested in coal when the rest of the world has been moving away from it

Since 2013, AGL has acquired 7.0GW of coal generation capacity. In FY21, 83% of the Company's electricity generation output was from coal, the highest proportion of any major Australian utility.

AGL Controlled Electricity Generation by Facility, FY11-FY21(1)
TWh



AGL Electricity Generation by Source, FY21

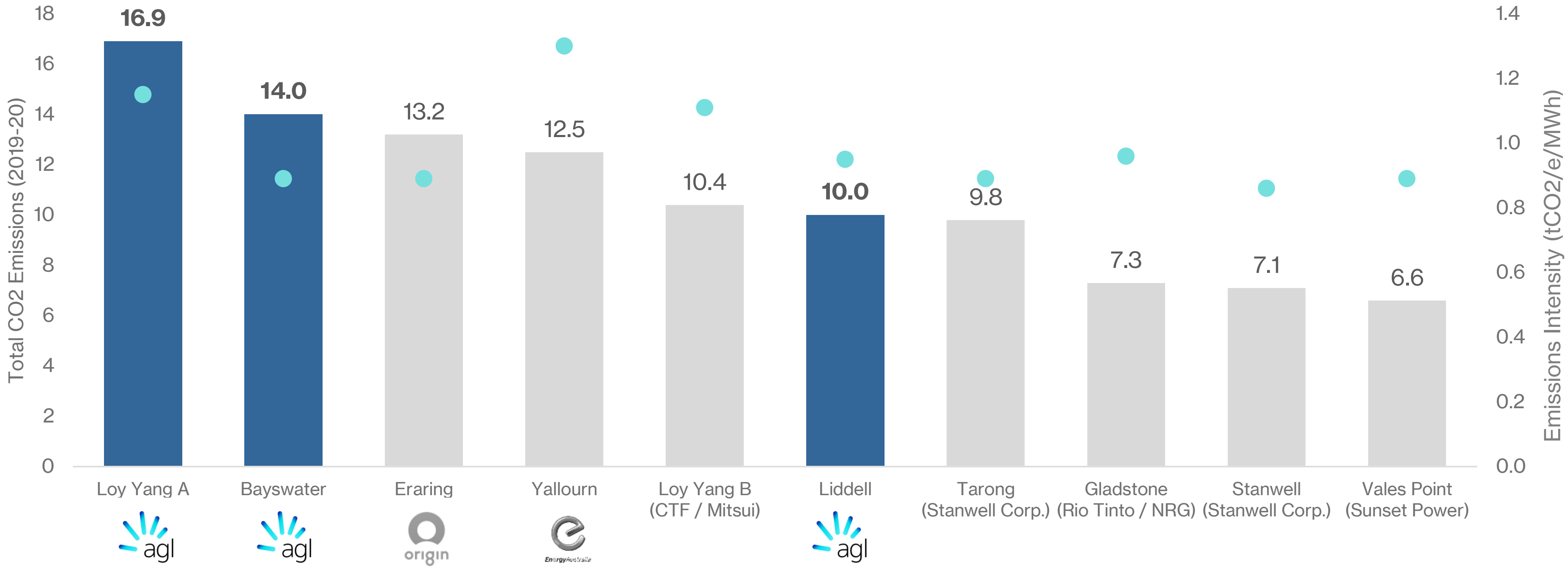


1. Company Filings. Controlled generation includes generation from Power Purchase Agreement (PPA) contracts for facilities that AGL does not own but has agreed long-term offtake terms for.
2. AGL already owned a minority share in Loy Yang A (33%) prior to acquisition.
3. Renewables includes Hydro, Wind and Solar generation.

Today, AGL owns the most polluting power stations in Australia[2]

AGL's 2 largest power stations, Loy Yang A and Bayswater, both produce more CO2 emissions than any other coal plants in Australia.

Australia's 10 Most Polluting Coal Plants as Measured by CO2 Emissions[1]



1. Clean Energy Regulator.
2. As defined by total CO2 Emissions

AGL's peers have brought forward coal closure to mid-2020's

Both Origin Energy and EnergyAustralia have recently announced plans to bring forward closure of their largest coal plants Eraring and Yallourn to 2025 and 2028 respectively.

Australia's largest coal-fired power station, Eraring, to close in 2025, seven years early

February, 2022[1]

origin

EnergyAustralia to close Yallourn power station in 2028, four years ahead of schedule

March, 2021[2]

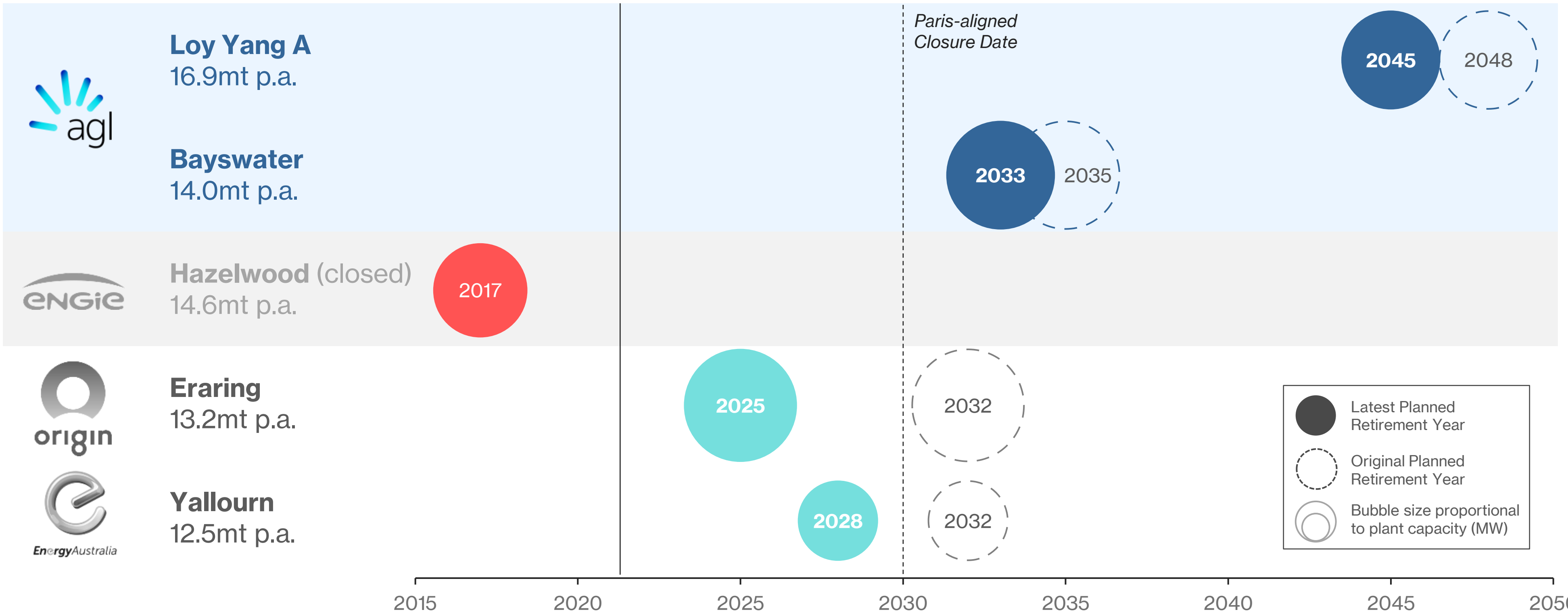
EnergyAustralia

1. The Guardian.
2. ABC News.

Loy Yang A and Bayswater are now Australia's only mega polluters[1] due to run beyond 2030

AGL's coal plants Loy Yang A and Bayswater are scheduled to run until 2045 and 2033 respectively – substantially longer than other major coal plants. Hazelwood was shut down early in 2017.

Scheduled Retirement Dates of Australia's Top 5 Most Polluting Coal Plants[1]



1. Defined as top 5 most polluting generation facilities in Australia as of 2016.
2. Includes 5 most polluting coal power plants in Australia as of 2017 (prior to Hazelwood closure). Retirement dates taken from company filings for AGL, Origin and CLP Group. Emissions figures reflect data for 2019-20 year except Hazelwood that reflects 2016-17 year (final full year of operation).

AGL's coal plants have a problematic track record for environmental offences

Since 2015, AGL's Liddell and Bayswater Plants have been fined by the NSW EPA on at least nine separate occasions in relation to environmental breaches or pollution events.

List of Recent NSW Environmental Protection Agency (EPA) Major Fines and Cautions Against AGL(1)

Date	Type	Plant	Offence
Jun-21	Air Pollution	Liddell	Fined A$15k by EPA for **exceeding licensed solid particles concentration limit** for emissions on one unit. Caution also issued for exceedance on a separate unit.
Dec-20	Water Pollution	Bayswater	Fined A$1.1m by EPA for incident in September 2019, where a **fly ash transfer pipeline leaked, polluting nearby Bayswater Creek**.
Jul-20	Dust Emissions	Liddell	Fined A$15k after EPA received reports of **excess dust being generated from Liddell Ash Dam**.
Jan-20	Sampling methodology	Bayswater	AGL reported that it had **failed to correctly sample and analyse coal ash** at its Bayswater and Liddell plants. Paid A$100k to community projects.
Aug-18	Water Pollution	Bayswater	Fined A$15k by EPA for incident in February 2019, **where discharge from the lime softening plant entered Wisemans Creek**. The pollution impacted nearby River Red Gum Endangered Ecological Community.
May-18	Land Pollution	Bayswater	Fined A$30k by EPA for incident in May 2018, **where diesel overflowed and spilled (45kL-70kL) from an onsite tank into Tinkers Creek** despite alarms being sounded.
Mar-16	Pollution	Liddell	Fined A$15k by EPA for **ash slurry overflow to an area of sensitive vegetation** in March 2018.
	Other		Lake Liddell permanently closed to the public following the detection of a fatal, brain-eating virus thought to be nurtured through artificially warmed waters.
Nov-15	Water Pollution	Bayswater	Fined A$30k by EPA for **sulphuric acid spill (6kL) into Tinkers Creek** caused by a mechanical failure. One year later.
Apr-15	Water Pollution	Bayswater	Fined A$15k for by EPA for **spill of ammoniated water (60-100L) into Tinkers Creek**.

1. NSW EPA.

Despite its rhetoric, AGL has not invested directly in developing renewables since 2016

Since 2012, AGL has invested just ~A$0.8bn[(1)] directly in developing renewable capacity. Since 2016, the Company has abandoned its renewable capex program altogether.

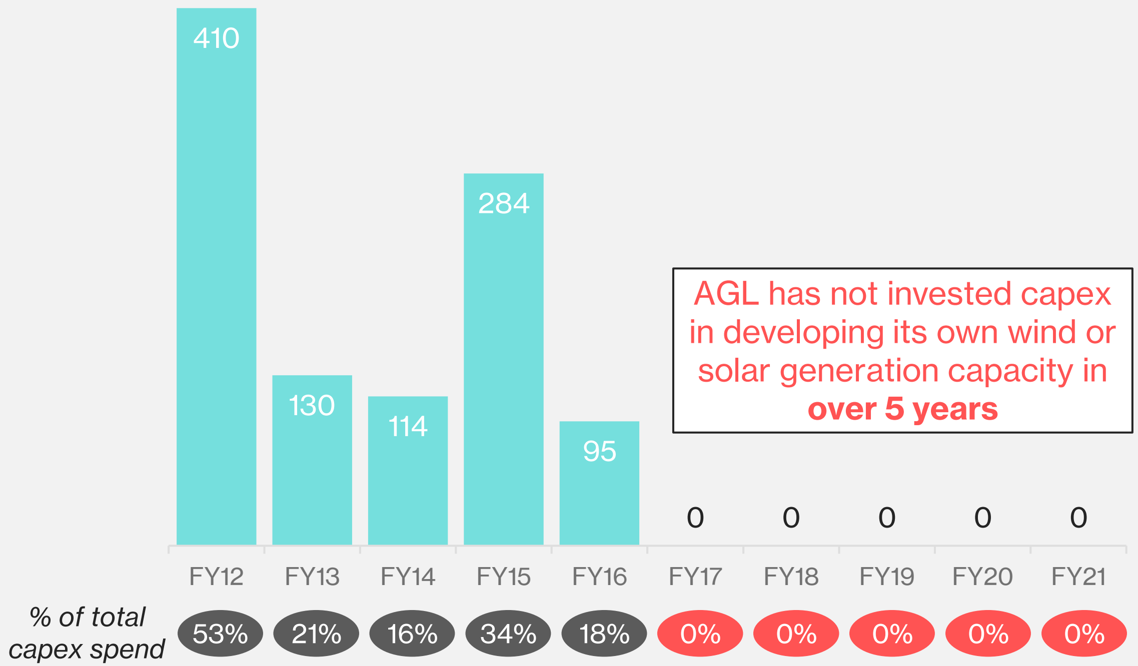
AGL's Disingenuous Environmental Claims

*"In the last two decades, **AGL played a leadership role in Australia's transition"***

Peter Botten, AGL Chair
February 2022

AGL Capex Spend on Renewables, FY12-FY21[(2)]

A$m, inclusive of capex spent using government grants

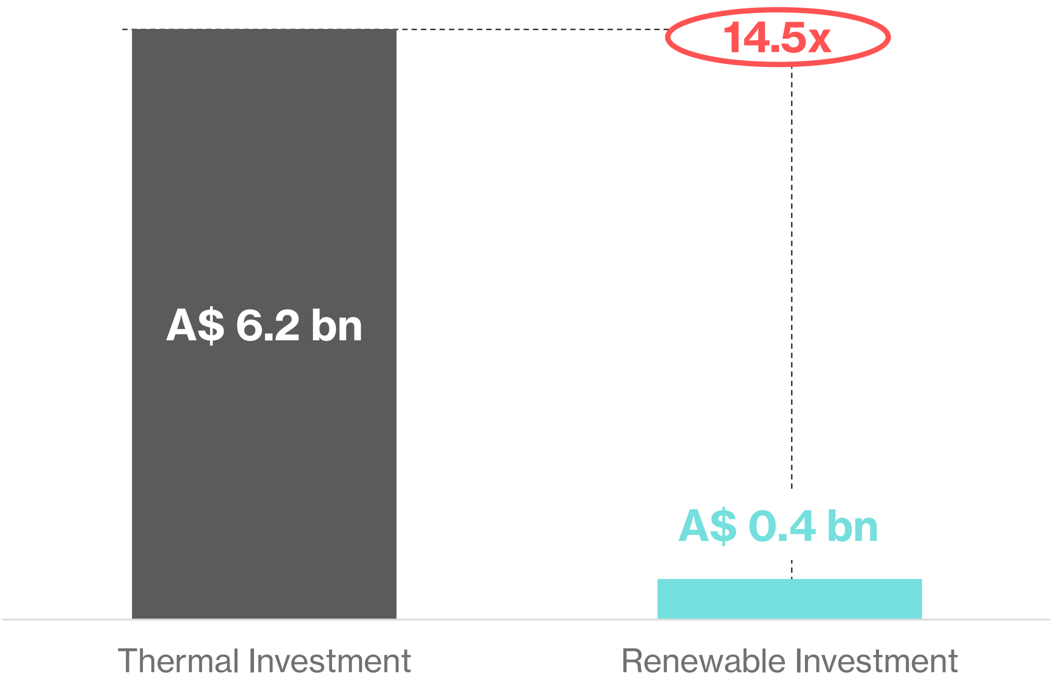


1. A$0.8bn net capex investment calculated by deducting A$245m in government grants from gross renewable capex (A$1,033m).
2. Snowcap estimate based on available information in Company Filings. Capex spend during period includes Oaklands Hill Wind, Hallett Wind, Macarthur Wind, Nyngen Hill Solar and "New Energy" capex. A$245m of capex spent using government grants.

In the past decade, AGL has invested 15x more in fossil fuel generation than renewables

Adjusting for disposals and government grants, we calculate that AGL has made a net investment of just A$429m in wind & solar generation capacity since 2012. By comparison, AGL has invested more than A$6bn (15x) in coal and gas generation assets during the same period.

AGL Cumulative Net Investment, FY12-HY22(1)
A$m



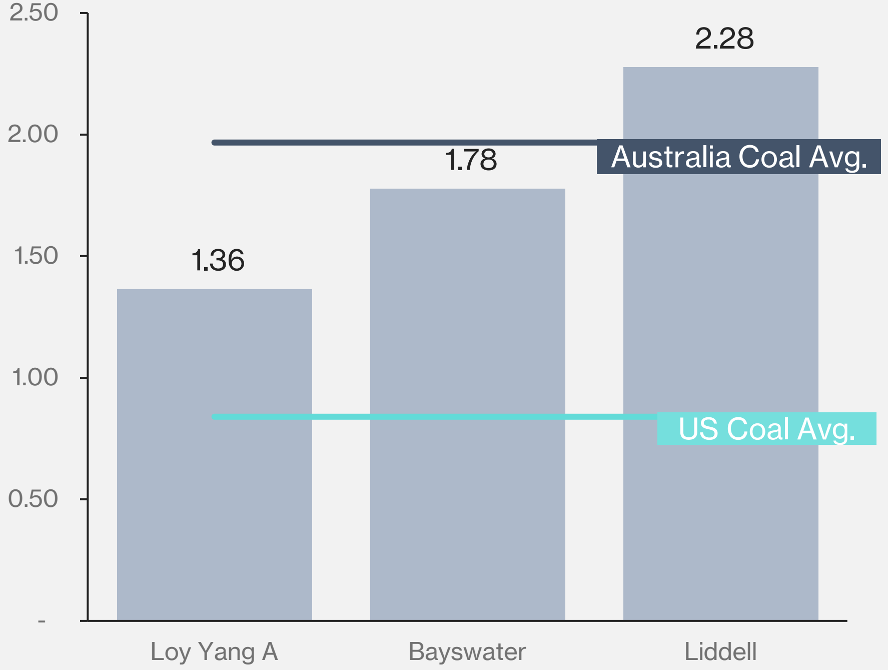
Cumulative Investment FY12-HY22(1) *A$millions*	**Thermal Assets**	**Wind & Solar Assets**
(+) Gross Capex	3,148	1,033
(-) Government Grants	-	(245)
Net Capex	3,148	788
(+) Acquisitions	3,244	476
(-) Disposals	(151)	(835)
Net M&A	3,093	(359)
Net Total Investment	**A6,241m**	**A$429m**

1. Snowcap estimate based on available Company Filings.
2. Thermal gross capex includes maintenance capex of A$2.7bn (where not split out by AGL we have attributed 70% of total sustaining capex towards maintenance of thermal assets in line with other years) and growth capex of A$0.4bn and growth capex (includes Barker Inlet Gas Station and Bayswater Upgrade). Renewable gross capex detailed on slide 17 of this presentation.
3. Thermal acquisitions during period include of Loy Yang A (67% stake) and Macquarie Generation (Bayswater & Liddell). Wind & Solar acquisitions include Silverton wind farm development rights and investment in Tilt Renewables (previously PoWAR Fund). For acquisitions we have accounted for total EV where debt has also been assumed by AGL as a result investment (e.g. Loy Yang A).
4. Thermal disposals during period include Diamentina Gas. Renewable disposals during period include Macarthur wind farm, Silverton wind farm, Nyngen Solar and Yandin & Wellington wind farm development rights.

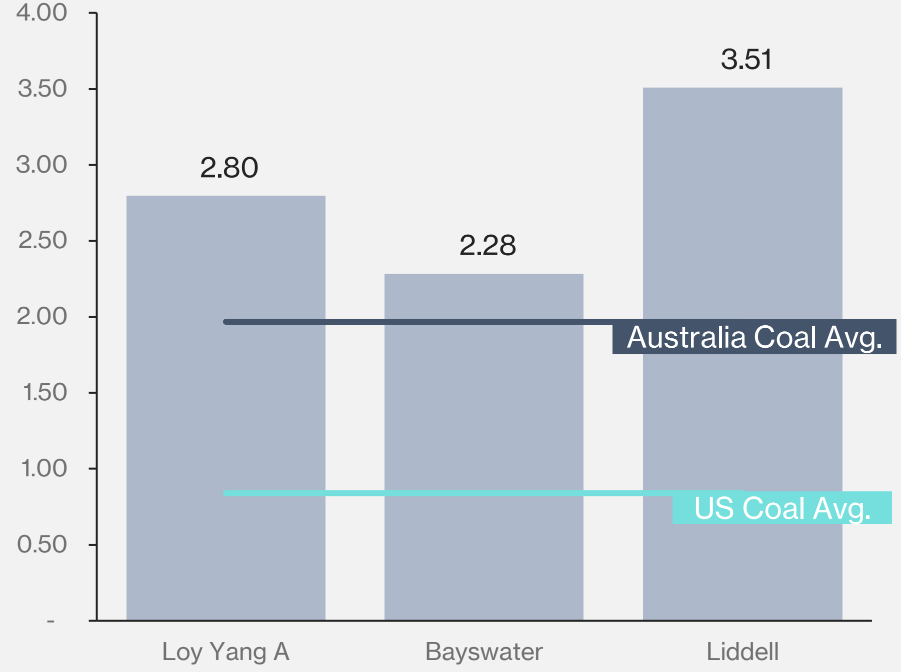
Despite spending billions on coal, AGL has refrained from investing in emissions reduction

AGL has refrained from installing SO_2 and NO emission reduction technologies that are now mandated across coal plants in the US and EU.

Sulphur Dioxide Emissions Intensity[1]
Kilograms of Sulphur Dioxide per MWh of Electricity Generated



Nitrogen Oxide Emissions Intensity[1]
Kilograms of Nitrogen Oxide per MWh of Electricity Generated

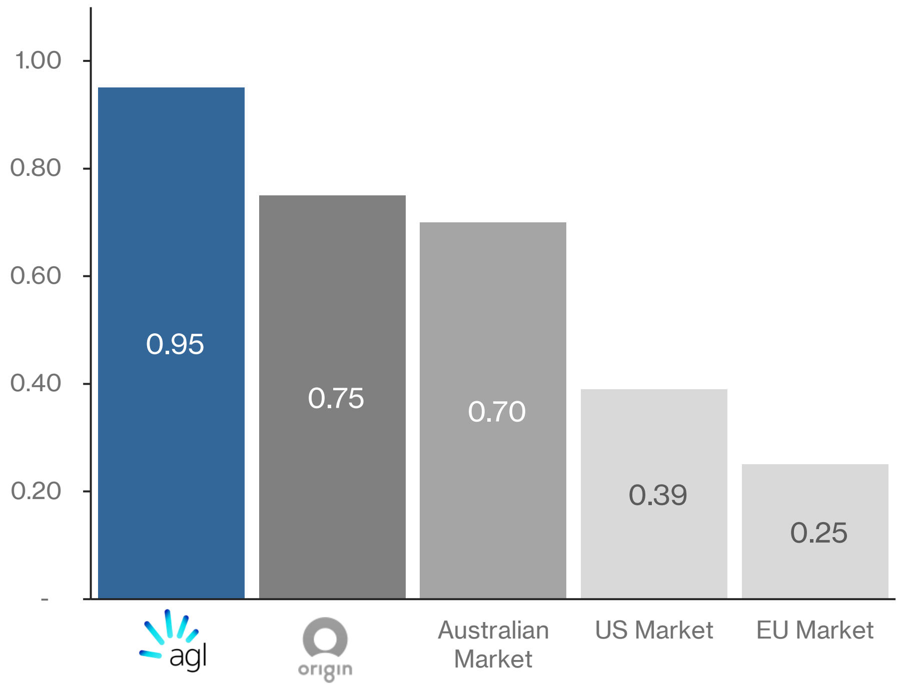


1. Australian National Pollutant Inventory. Australian Coal average represents ten largest coal plants. US Coal average data from EIA.

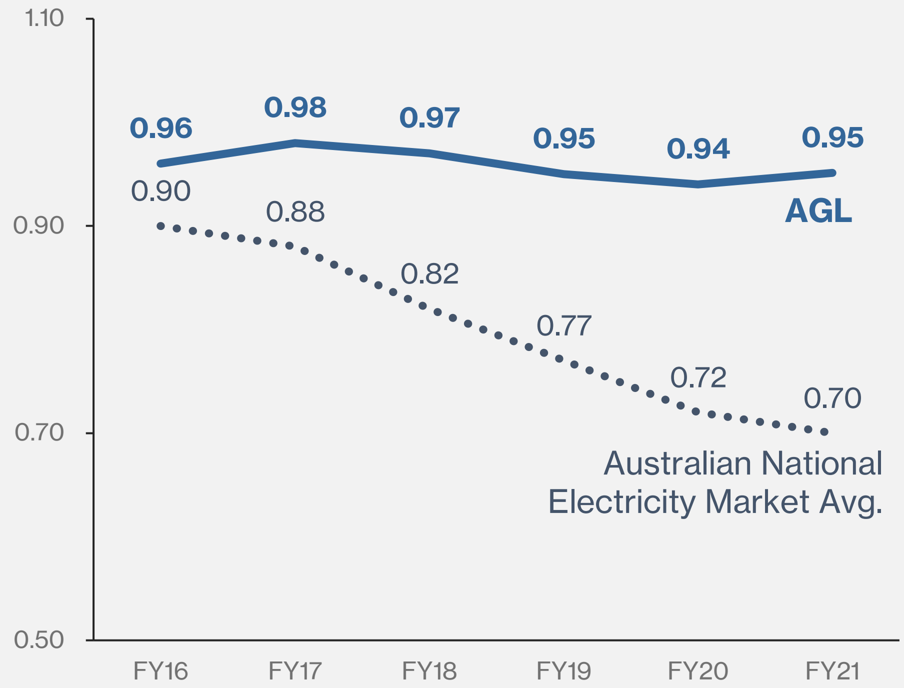
Consequently, AGL now has the highest emissions intensity amongst its peers

Today, AGL's emissions intensity (0.95mt CO_2-e/TWh) is substantially higher than Origin and the Australian market average. This gap has widened significantly over the past five years as AGL has failed to keep pace with renewable build-out across Australia.

Emissions Intensity, AGL vs Others 2020-21[(1)]
Average Emissions Generated (mtCO2-e) per TWh of Electricity Generated



Emissions Intensity, AGL vs Market 2016-21[(2)]
Average Emissions Generated (mtCO2-e) per TWh of Electricity Generated



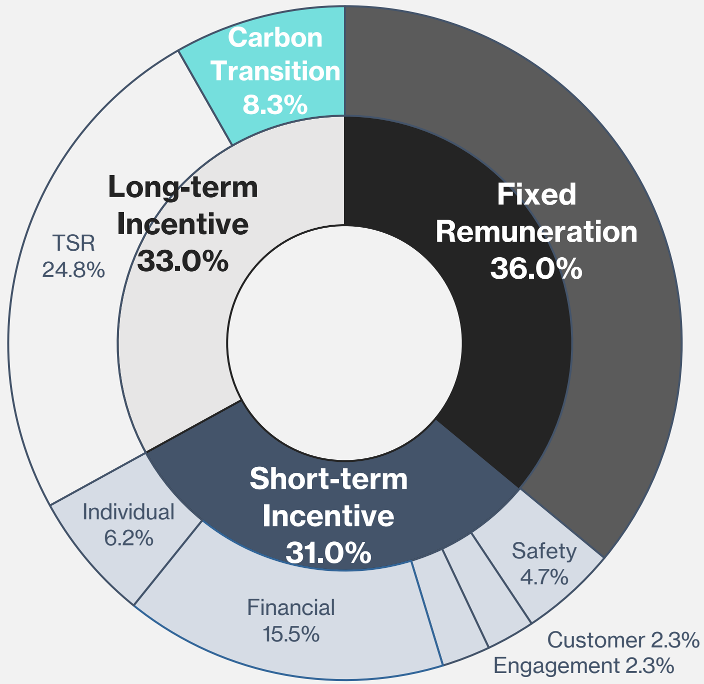
1. Data for AGL and Origin taken from Company Filings. Australian data point reflects average for National Electricity Market. US data point taken from EIA. EU from EEA.
2. Company Filings.

Management incentives are not aligned with near-term action on emissions

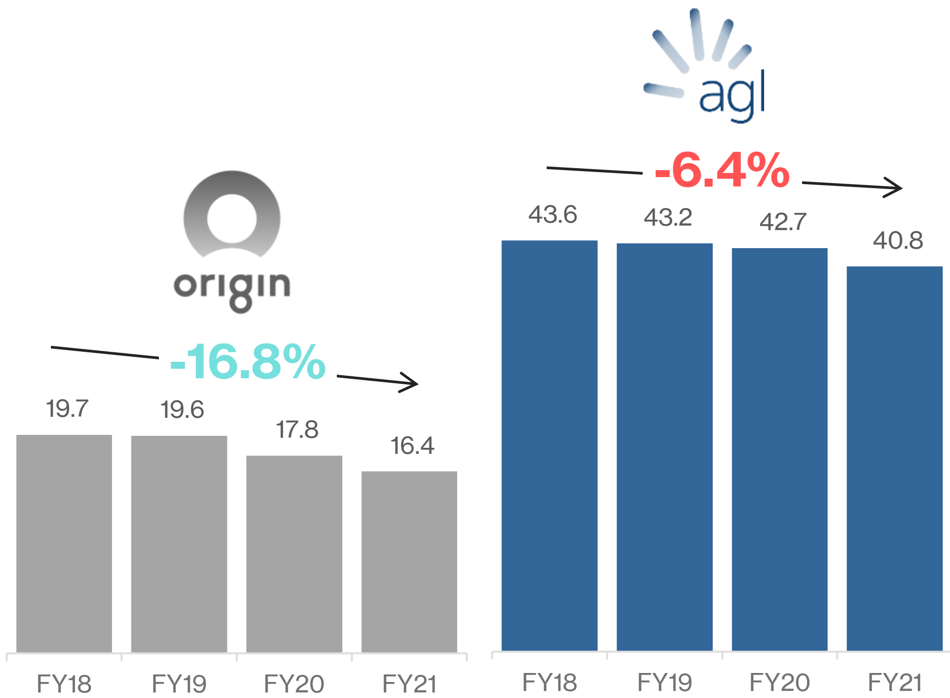
AGL's short term management incentives do not include any carbon transition targets.

Origin, which does include emission reduction targets within management incentives[2], has been far more successful at reducing emissions.

AGL Remuneration Mix FY22[1]
% of Total Compensation, Average of Executives



Emissions Reduction, AGL vs Origin[3]
Scope 1 & 2 Emissions, mtCO2-e

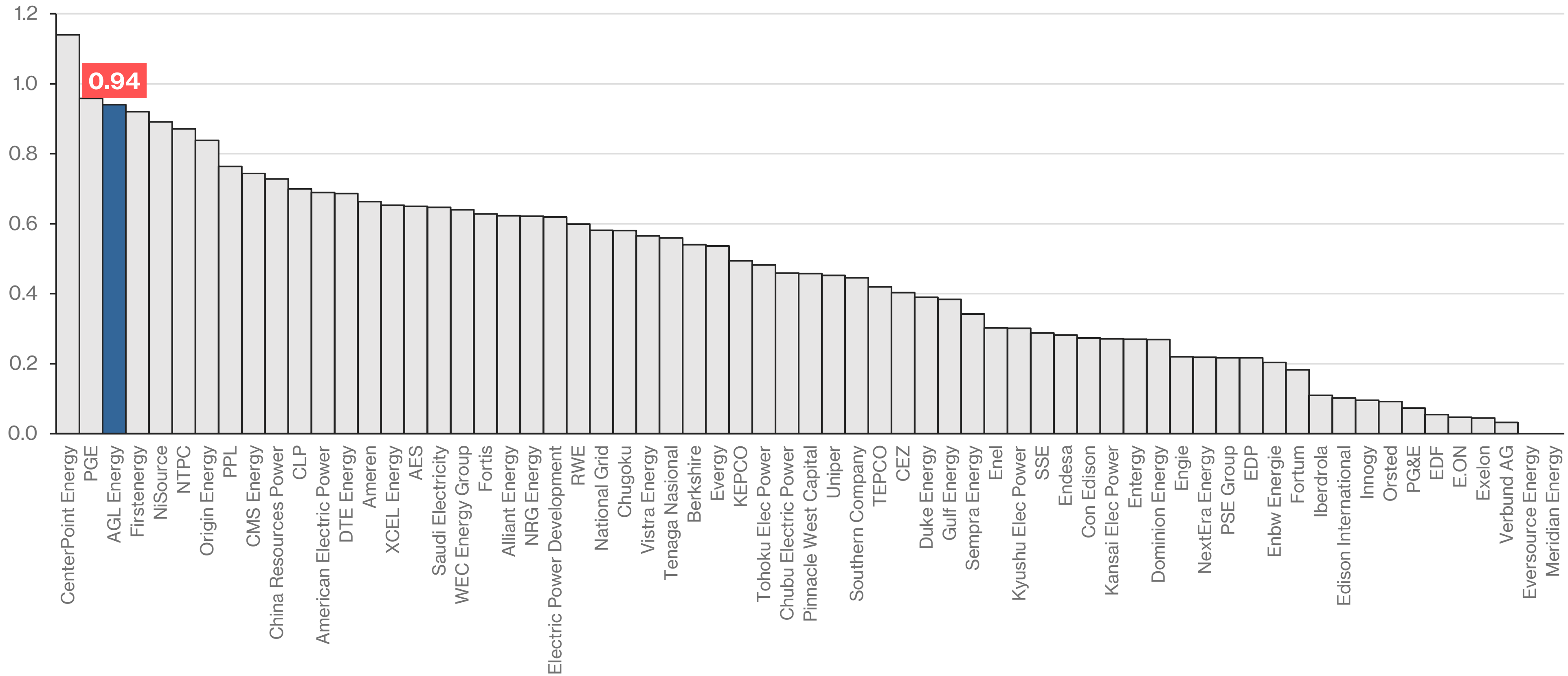


1. AGL Company Filings.
2. Origin Company Filings.
3. AGL and Origin Company Filings.

Today, AGL is one of the most carbon intensive utility companies on the planet

Carbon Intensity: Listed Electricity Utilities[(1)]

Tonnes of CO_2-e per MWh electricity generation, 2020

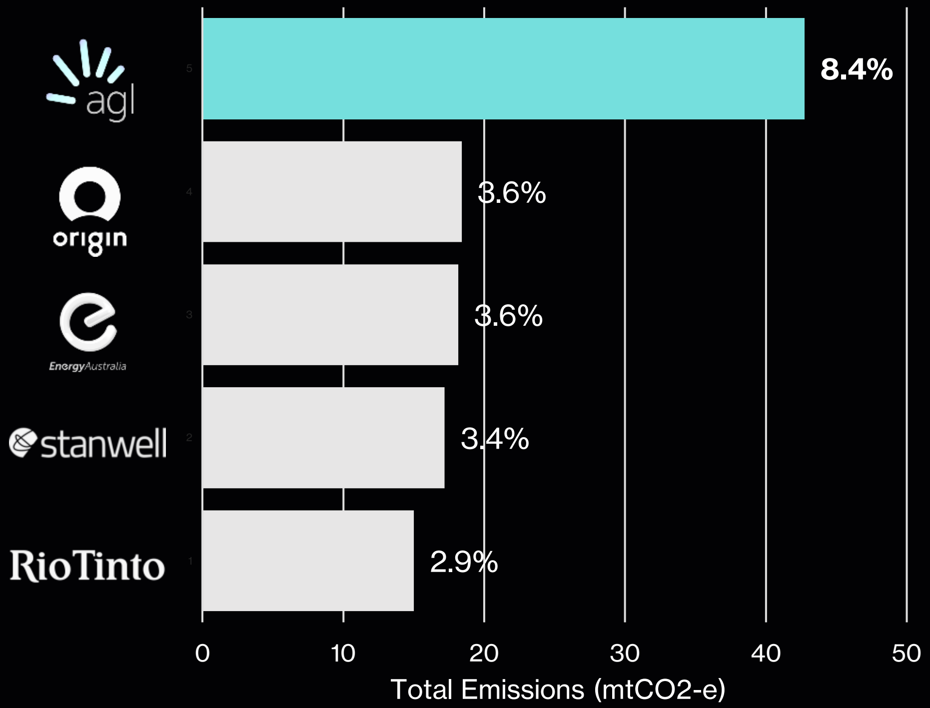


1. Transition Pathway Initiative.

AGL is the **single largest contributor of carbon emissions in Australia**

AGL is directly responsible for producing **~8%** of all emissions in Australia, which equates to approximately 0.1% of all carbon emissions globally.

Australia's Top 5 Corporate Polluters 2019-20(1)
Contribution to Australia's Total Emissions (%)



Global Emissions from AGL(2)
%

1. Clean Energy Regulator.
2. Calculated from ~50GtCO2-e of global emissions in FY20.

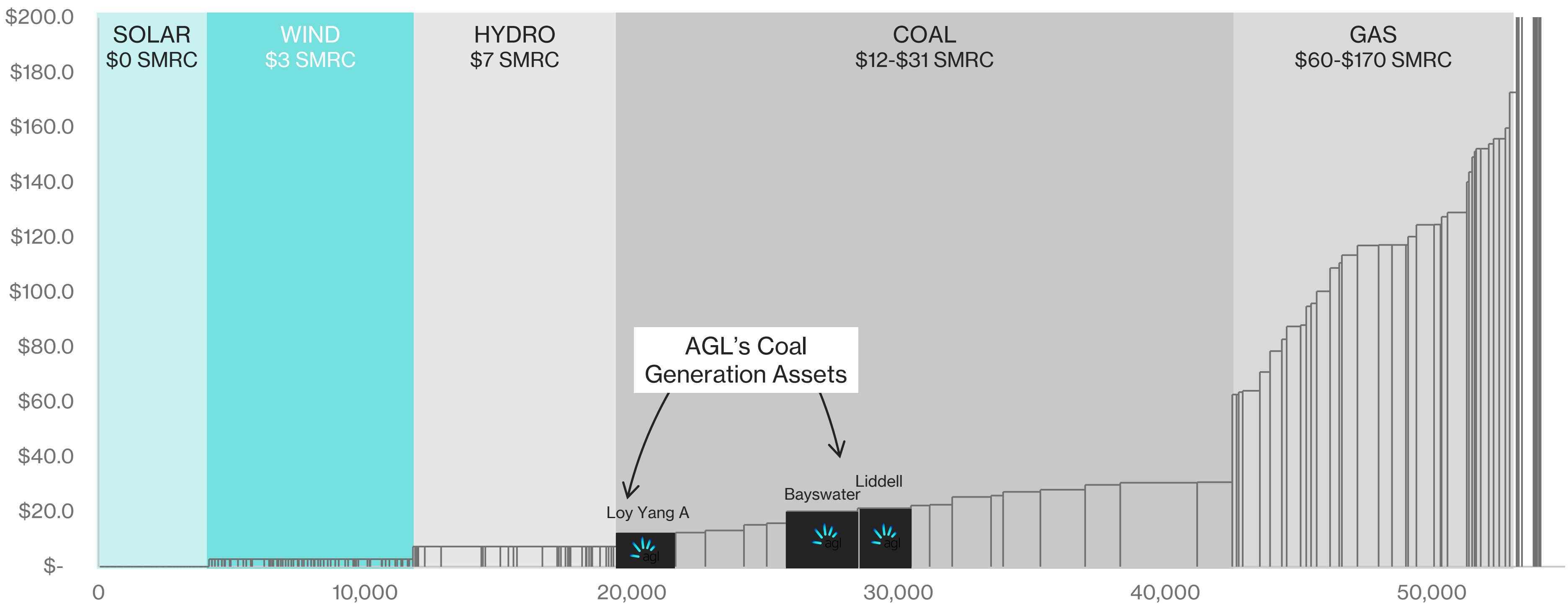
2. Australia's Changing Energy Markets have Shifted the Economics of Coal Power

~15GW of new wind & solar capacity has shifted Australia's power stack

Since 2015, over 15GW of new wind and utility solar generation capacity has been installed across Australia's NEM. This capacity has a near-zero short run marginal cost (SMRC), shifting coal and gas power plants up the dispatch curve.

Australia's National Electricity Market Dispatch Curve, 2021[1]

Short Run Marginal Cost (A$/MWh) vs Cumulative Capacity (MW)

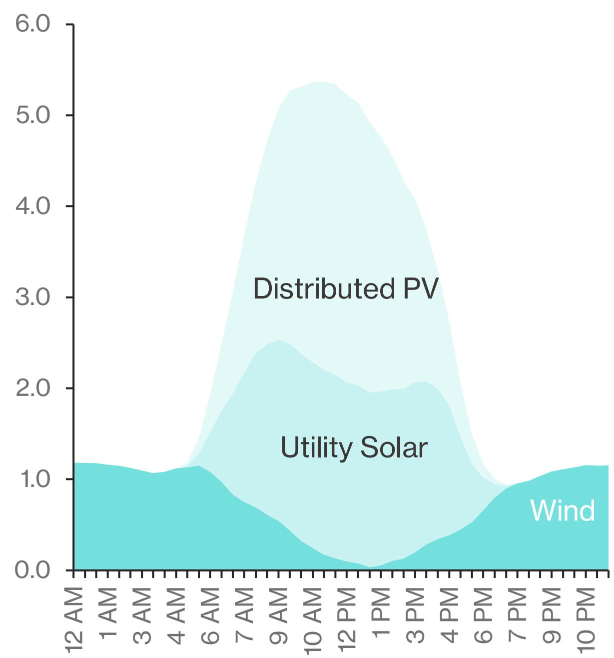


1. AEMO 2021 Inputs, Scenarios and Assumptions Workbook.

Low-cost energy from wind & solar has lowered wholesale electricity prices

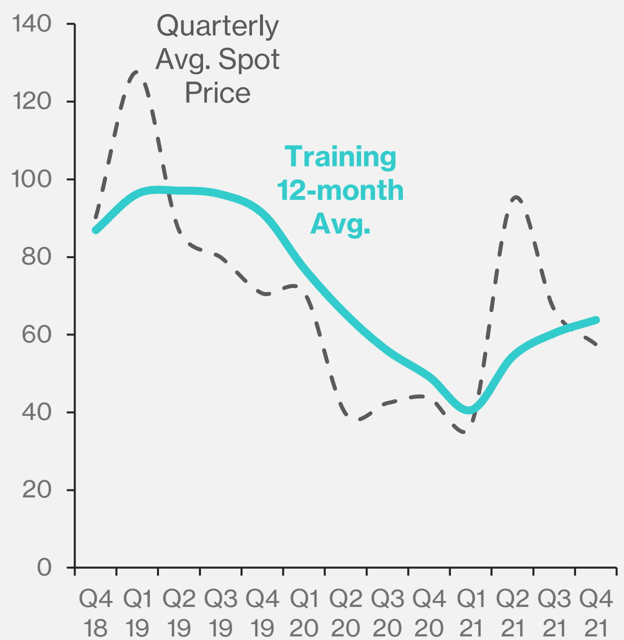
Wind & solar generate increased volumes of electricity supply, especially during daylight hours.

NEM Change in Daily Wind & Solar Generation, 4Q18 vs 4Q21(1)
GWh by time of day



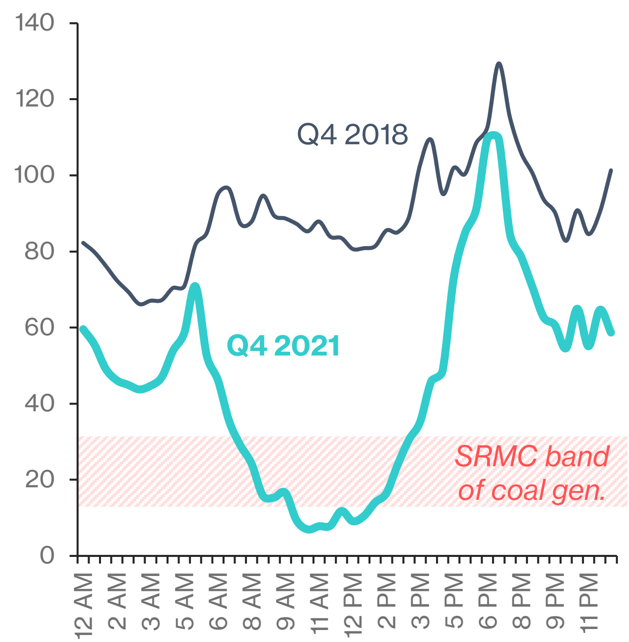
These low-cost sources of generation have contributed to declining wholesale prices...

NEM Avg. Quarterly Wholesale Electricity Prices(2)
A$/MWh



...making it unprofitable for coal plants to operate during the middle of the day.

NEM Avg. Wholesale Electricity Prices, 4Q18 vs 4Q21(3)
A$/MWh by Time of Day



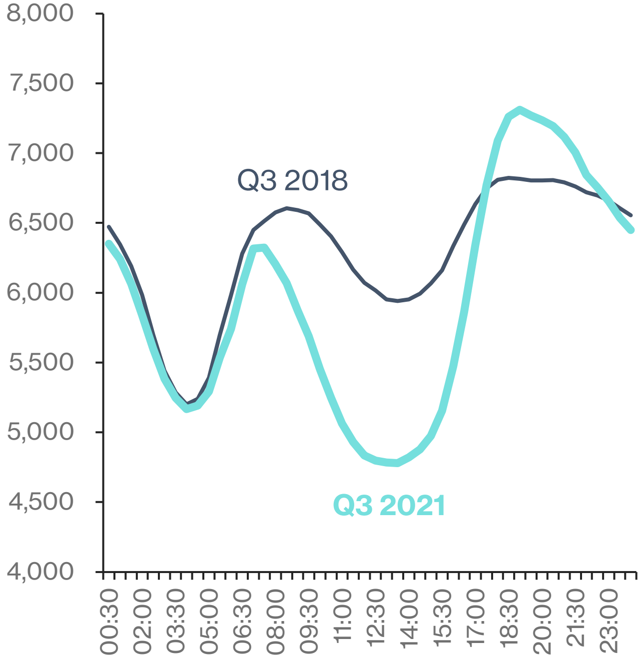
1. Australian Energy Market Operator.
2. Australian Energy Market Operator.
3. Australian Energy Market Operator.

Coal generators are now having to flex their output, causing outages and inflating costs

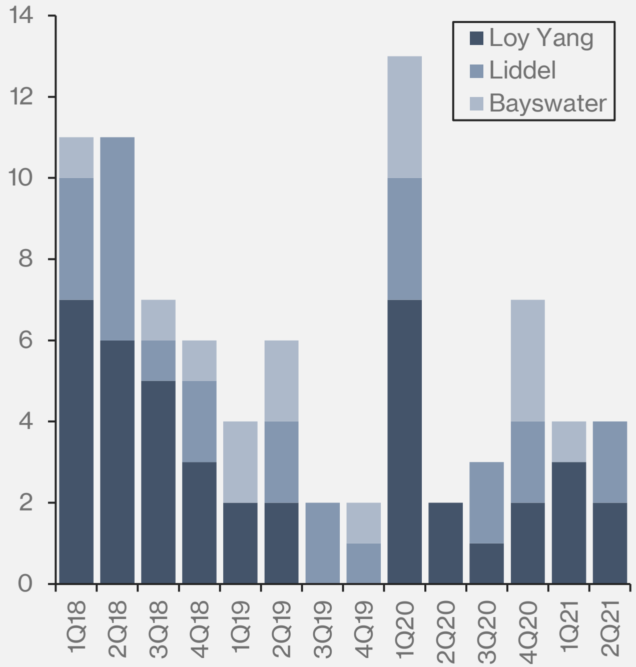
In response to lower daytime prices, coal plants are increasingly flexing their output.

This "peaking" has increased strain on ageing coal plants designed for stable baseload power, leading to increasing unplanned outages and rising O&M costs.

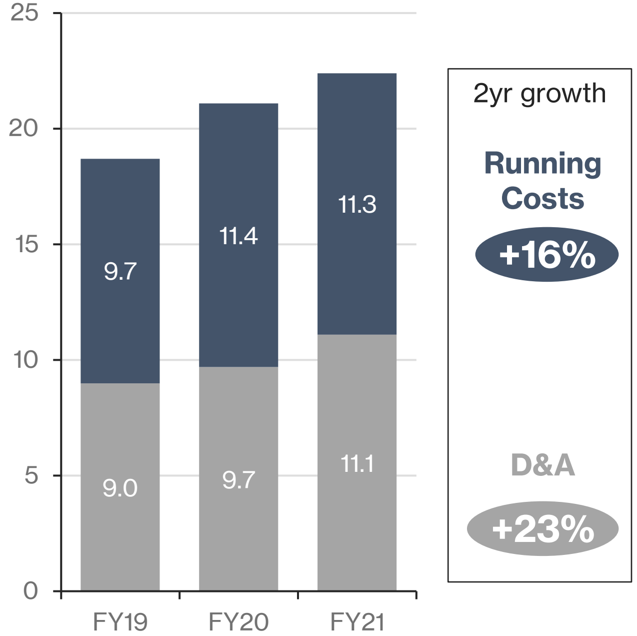
Average NSW Black Coal-fired Generation[1]
MWh by time of day, 3Q18 VS 3Q21



AGL Coal Unplanned Outages[2]
per quarter, 1Q18-2Q21



AGL Coal Marginal O&M Costs[3]
A$/MWh, excludes Fuel Costs

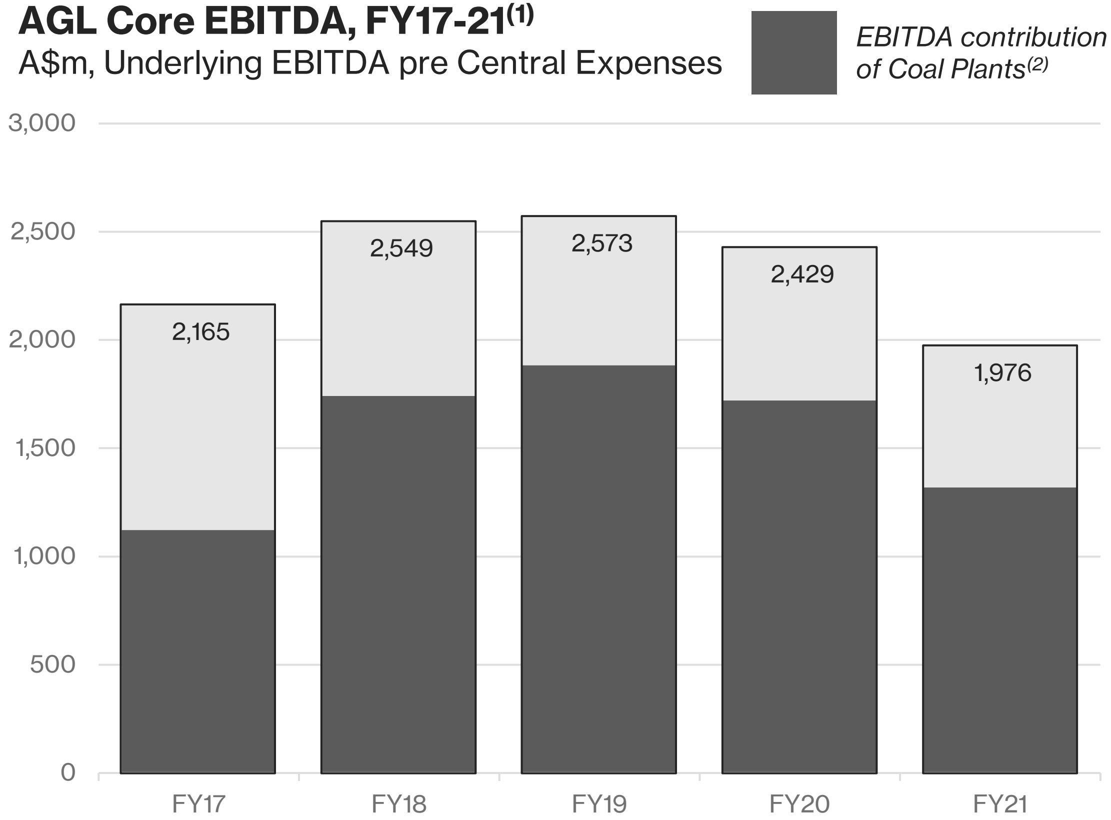


1. Australian Energy Market Operator.
2. Australia Institute.
3. Company Filings. D&A reflects capitalised component of fixed operating costs (maintenance capex). Figures used reflect A$/MWh D&A cost for entire generation fleet as coal D&A is not specified in accounts.

AGL's focus on coal has left it disproportionally exposed to Australia's decarbonising market

AGL's declining profit from coal has driven a deterioration in overall group earnings since FY19.

AGL Core EBITDA, FY17-21[1]
A$m, Underlying EBITDA pre Central Expenses

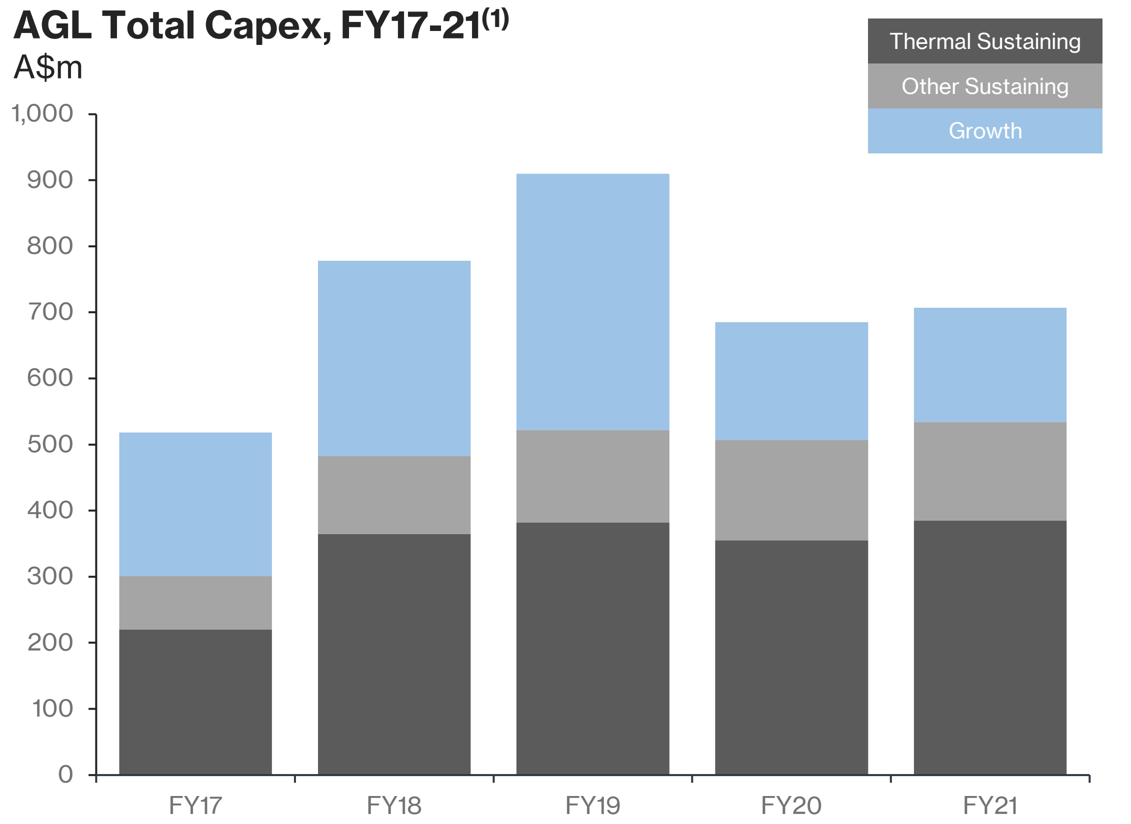


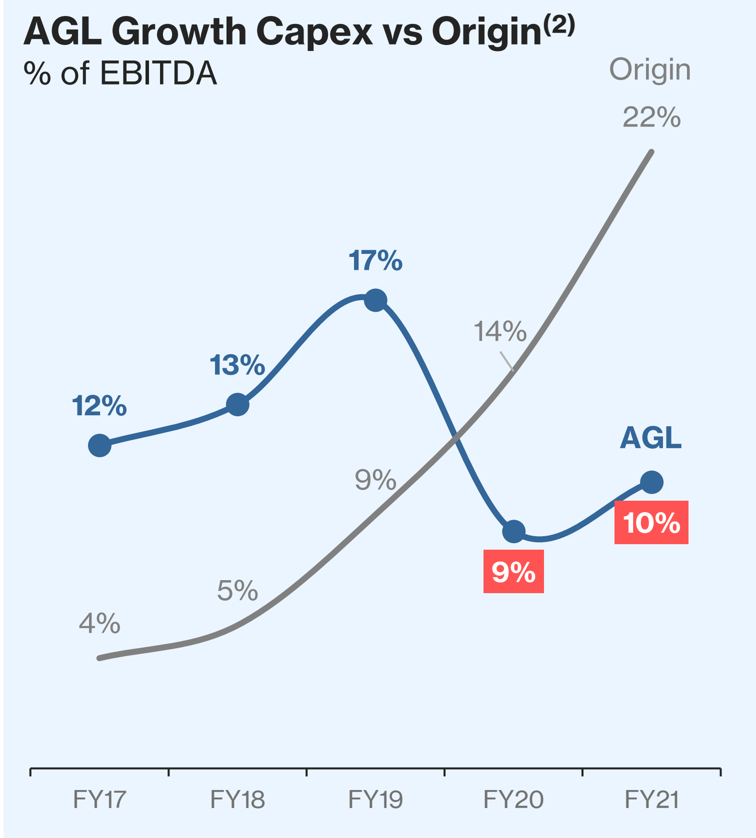

REUTERS
Australia's AGL flags profit plunge as coal power suffers
August 2021[3]

1. Company Filings. Core EBITDA defined as combined EBITDA contribution of Integrated Energy and Customer Markets segments.
2. Coal EBITDA contribution estimated by taking AGL's average wholesale electricity price (total electricity portfolio revenue / total generation supplied) for each year and multiplying by coal pool generation volume before deducting coal fuel costs and coal running costs (as these were not individually reported by AGL in FY17 and FY18 we assumed the same marginal cost/MWh as achieved by AGL in FY19).
3. Reuters.

High coal maintenance capex has further restricted AGL's ability to invest in growth

In the past 5 years, AGL has spent over A$1.7bn on maintenance capex for its thermal generation fleet. These high maintenance payments have restricted the Company's headroom to invest in growth initiatives.





1. Company Filings.
2. AGL and Origin Company Filings.

3. AGL's Failure to Transition has **Destroyed A$11bn of Value**

AGL's **share price has dramatically underperformed peers**

Over the past 5 years AGL's share price has underperformed its closest peer, Origin Energy (ASX:ORG) by 53% and the wider Australian market by 92%. Much of this underperformance has occurred since AGL's demerger announcement in March 2021.

Relative Stock Performance AGL vs Market(1)
(%) Last 5 Years.

AGL Share Price Performance(2)

	vs Origin	*vs ASX 200*
5-year	**-53%**	*-92%*
3-year	**-41%**	*-81%*
1-year	**-50%**	*-29%*
Since Demerger Announcement	**-45%**	*-27%*

1. Capital IQ as of 23/02/2022.
2. Capital IQ as of 23/02/2022. Demerger announcement made on 31/3/2021.

AGL's management are in denial about its underperformance

> *"Our peer group, or some of our peer group within the market have also seen substantial changes to their share price* ***not too dissimilar to us****"*
>
> Peter Botten, AGL Chair
> September 2021[1]

1. AGL AGM, September 2021.

AGL’s largest shareholders have been pressured to divest on ESG grounds

6 of AGL’s 10 largest shareholders as of 2017 have since sold their stakes entirely, including Norges Bank which publicly announced that it was divesting its shares over fossil fuel concerns.

AGL Energy 10 Largest Shareholders 2017[1]
% ownership in Dec-17 vs % ownership today

% Shareholding	Dec-17	Latest
Blackrock	6.20%	4.10%
Vanguard	3.29%	4.71%
Legg Mason	1.45%	-
Norges Bank	**1.05%**	-
Australian Foundation	0.66%	-
Argo Investments	0.56%	0.35%
Jupiter Investment Mana	0.51%	-
State Street	0.45%	8.08%
Milton Corporation	0.41%	0.54%
First Sentier Investors	0.36%	-
AMP Capital	0.32%	-

The Guardian

Norway's giant oil fund ditches stake in Australia's AGL over fossil fuel concerns

May 2021[2]

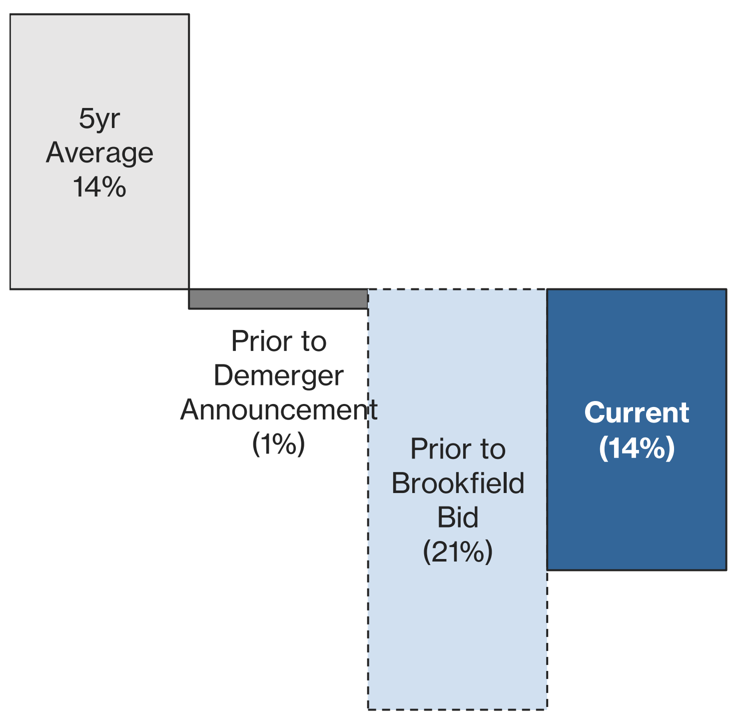
1. Capital IQ as of 23/02/2022.
2. https://www.theguardian.com/australia-news/2020/may/14/norways-giant-oil-fund-ditches-stake-in-australias-agl-over-fossil-fuel-concerns

AGL’s shares now trade at a meaningful discount on an EV/EBITDA basis

AGL now trades at a 14% discount to Origin on an EV/NTM EBITDA basis vs its 5-year average premium of +14%.

Enterprise Value / NTM EBITDA(1)

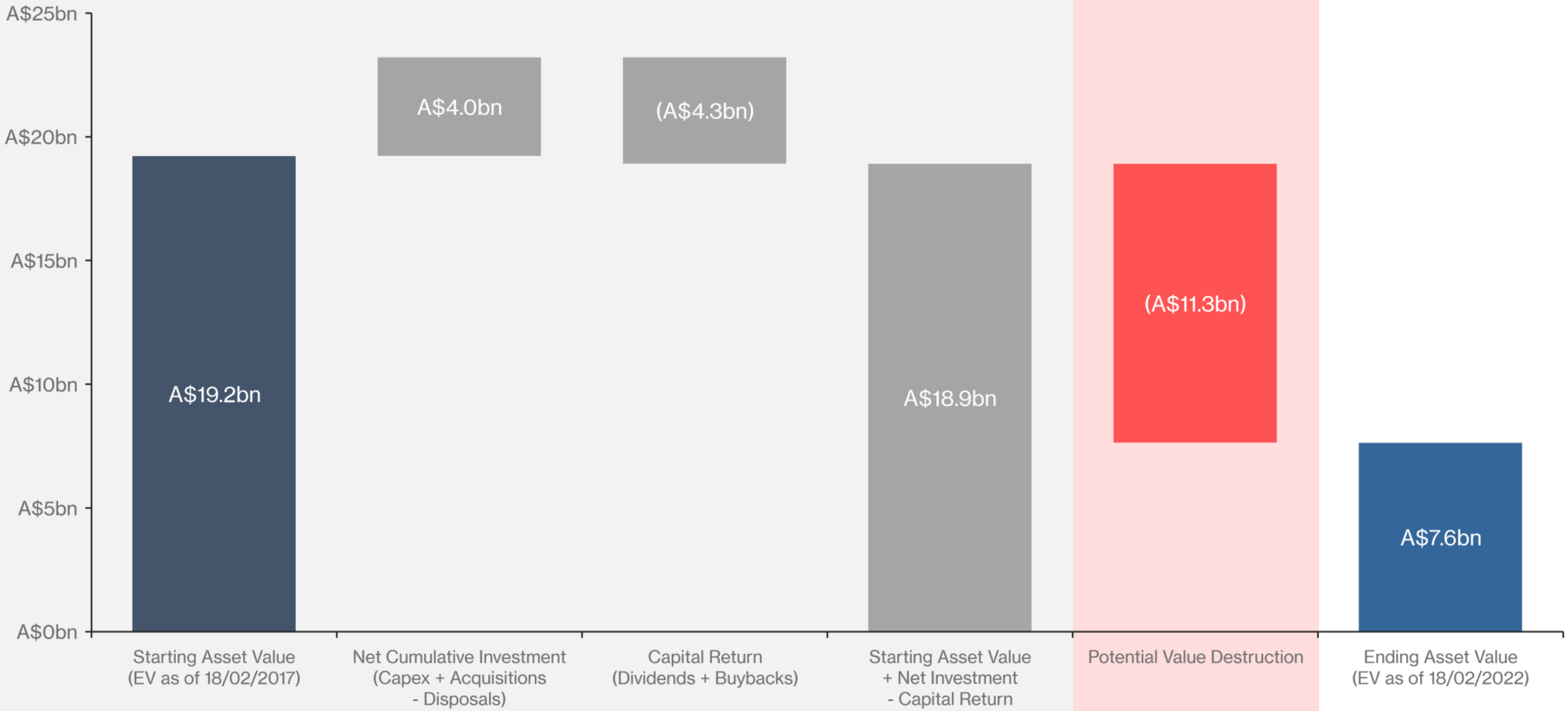
AGL Premium/Discount to Origin(1)



1. Capital IQ. As of 23/02/2022.
2. Capital IQ. As of 23/02/2022. Demerger announcement made on 31/03/2021. Closing price on 18/02/2022 used for calculating discount prior to Brookfield bid.

AGL has destroyed A$11 bn of total value in just 5 years

AGL's 5-year Value Destruction[1]
A$bn



1. Company Filings. Pricing data from Capital IQ as of 23/02/2022. AGL financials cumulative for reporting period 2H17 to 1H22.

Note: Time period chosen for 18/02/17 - 18/02/22 to avoid capturing share price impact of recent Brookfield bid.
Calculation does not account for cost of capital on investments or asset base, which would increase level of value destruction.

4. Management's Proposed Demerger Creates More Problems than it Solves

Management's current demerger proposal

In March 2021, AGL announced plans to split its business into two separately listed entities; an upstream thermal generator ("Accel Energy"), and a downstream retailer with a small amount of flexible generation capacity ("AGL Australia").

Demerger Proposal at a Glance

Accel to have a 15% Cross Holding in AGL Australia

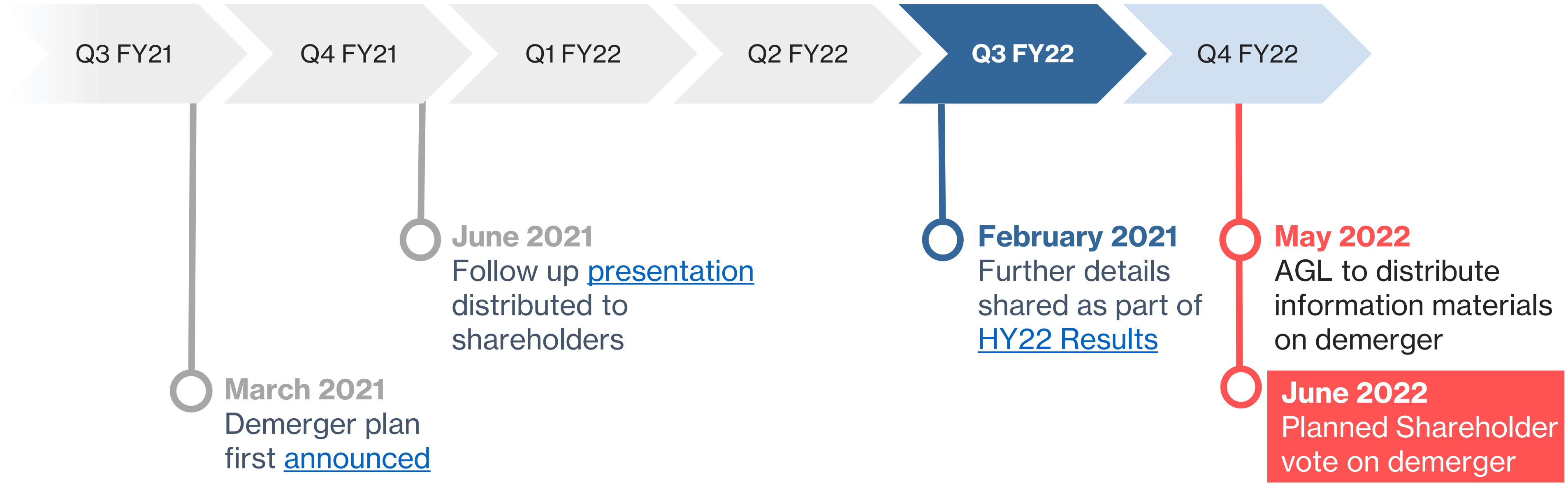
	Accel Energy *Upstream Baseload Electricity Supplier*	**AGL Australia** *Downstream Energy Retailer*
Customers (FY21 consumption)	• Industrial & Large Business Customers	• Consumer & Small Business Customers
Generation Assets (Installed Capacity)	• Coal Power Stations (6.9GW) • Baseload Gas Station (0.8GW)	• Hydro Assets (0.8GW) • Flexible Gas Stations (0.7GW)
Other	• Legacy Wind PPAs (Onerous contract liability) • Upstream Gas Assets	• Tilt Renewables PPAs • 20% Tilt Renewables stake • 50% ActewAGL stake • Wholesale Gas Contracts

1. Company Filings.

Shareholders are expected to vote on the demerger proposal by June 2022

Management are expected to distribute information materials on the demerger by May 2022, with shareholders due to vote on the proposal in June 2022.

Timeline of AGL Demerger



1. Company Filings.

Why AGL shareholders should reject management's demerger proposal

1

AGL Australia unlikely to trade at a green premium

Post-demerger, "carbon neutral" AGL Australia will continue to purchase most of its energy from Accel's coal plants, making it one of the biggest carbon emitters on the ASX including scope 3 emissions.

Interdependent, cross-ownership structure between entities will likely garner a discount.

2

Questionable strategic benefits from separation

Accel's revenue will be concentrated among key industrial customers who are also coming under increased pressure to decarbonise their energy consumption.

AGL Australia's high debt burden will restrict its ability to invest in growth.

Substantial dyssynergies from demerger.

AGL Australia's strategic independence undermined by significant Accel ownership.

3

Makes early coal closure harder

Accel's recently announced emission reduction targets show no interest in pursuing decarbonisation seriously.

Reduced balance sheet headroom will restrict Accel's ability to close coal plants ahead of time.

Accel will inevitably attract an investor base less concerned with coal transition or responsible ownership.

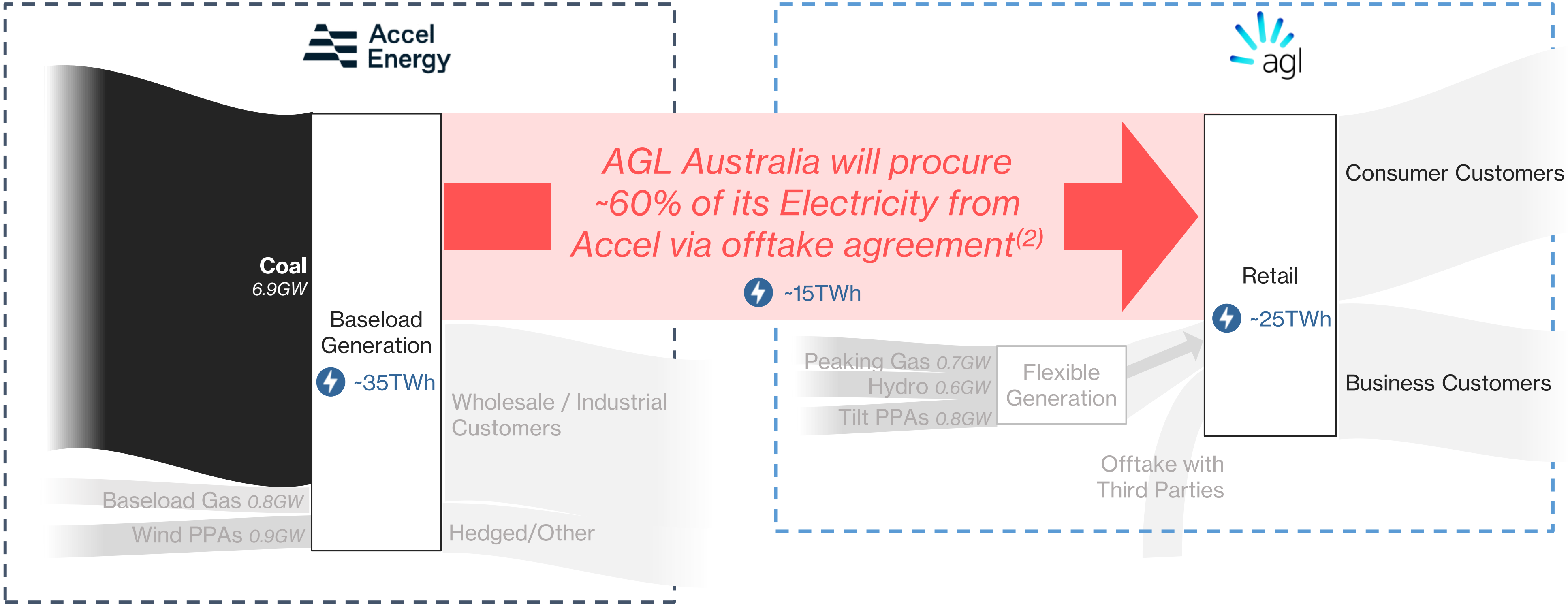
+ Demerger execution costs alone will be **A$220-260m[1]** (~5% of AGL's current market cap)

1. Latest guidance in AGL's HY22 Results Presentation.

“Carbon neutral” AGL Australia will still buy **most** its energy from the **same coal plants**

AGL claims that a demerged AGL Australia will be carbon neutral, making it more appealing to investors and customers. In reality, AGL Australia will continue to procure most its energy from the same coal plants via an offtake agreement with Accel.

Accel & AGL Australia’s Electricity Operations, FY23 Indicative[1]

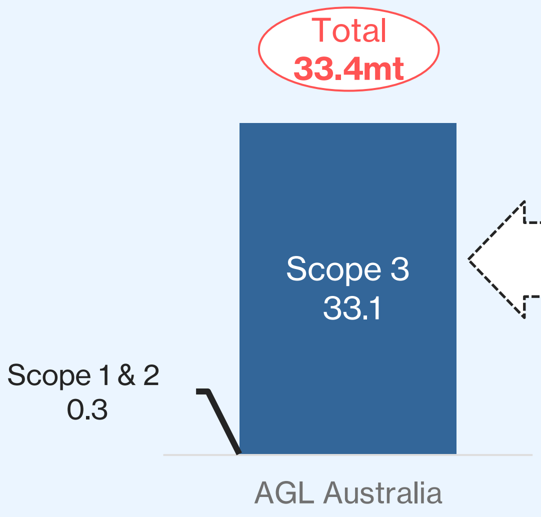


1. Diagram is for illustrative purposes only to reflect expected electricity flows for Accel and AGL Australia in FY23 . Sizing is not exactly proportional to electricity volume.
2. Electricity volumes have been estimated form AGL’s current customer split and indications given in Company Filings to date.

Including Scope 3 emissions, AGL Australia will be **one of the largest polluters in the ASX**

Because of this, AGL Australia will only be "carbon neutral"[1] as measured by Scope 1&2 emissions. We estimate that AGL Australia's Scope 3 emissions will be in the region of **33mt per annum** – making it one of the largest emitters in the ASX.

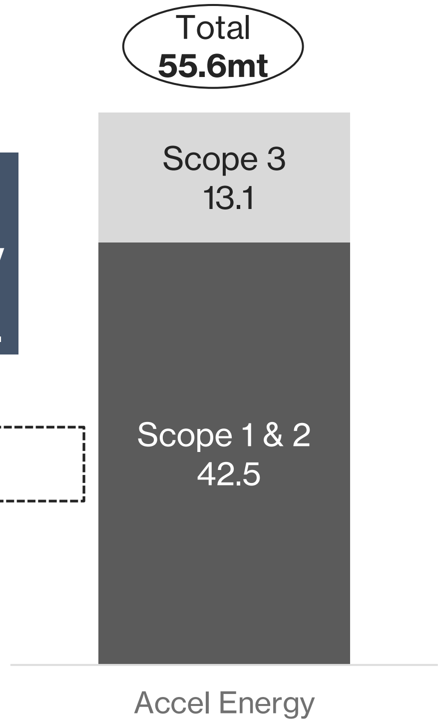
Total Emissions, AGL Australia (Post Demerger)[1]
$MtCO_2$-e, illustrative for FY21



We estimate AGL Australia will have 33mt of scope 3 emissions post demerger. **18mt of this will be directly attributable to the ~15TWh of electricity it will contract from Accel.**

~15TWh Electricity Supply Agreement

Total Emissions, Accel Energy (Post Demerger)
$MtCO_2$-e, illustrative for FY21



1. AGL Australia intends to offset its minimal scope 1&2 emissions to achieve "carbon neutrality" status.
2. Split of Scope 1&2 emissions taken from AGL's FY21 TCFD Report. AGL Australia's Scope 3 emissions from supply of electricity calculated as **24.5mt**: 42% share of Accel's generation (15TWh/35TWh total output) x Accel's Scope 1 generation emissions (42.0mt) + externally sourced electricity (5TWh) x average emissions intensity of Australia's NEM (0.70t/MWh) + 3.0mt for transmission and distribution of electricity. Other Scope 3 emissions include supply of natural gas (1.7mt), end use of natural gas (6.8mt) and other (0.2mt).

Investors increasingly focussed on *total* emissions, **including scope 3**

ESG-conscious investors are increasingly focussed on more holistic environmental metrics, including scope 3 emissions. Because of this, we believe that AGL Australia is unlikely to garner any meaningful ESG premium.

Net Zero Asset Managers Initiative with 236 signatories controlling US$57.5tn of AuM(1)

The Net Zero Asset Managers initiative

For assets committed to be managed in line with the attainment of net zero emissions by 2050 or sooner (under commitment b)

1. Set interim targets for 2030, consistent with a fair share of the 50% global reduction in CO_2 identified as a requirement in the IPCC special report on global warming of 1.5°C
2. Take account of portfolio Scope 1 & 2 emissions and, to the extent possible, material portfolio Scope 3 emissions
3. Prioritise the achievement of real economy emissions reductions within the sectors and companies in which we invest

AGL Shareholders who are Net Zero Signatories(2)

BlackRock

Vanguard

State Street

J.P.Morgan Asset Management

MACQUARIE

FRANKLIN TEMPLETON

BNP PARIBAS

1. Net Zero Asset Managers Initiative
2. Capital IQ as of 23/02/2022.

Accel's key industrial customers **are also looking to decarbonise**

Precisely because of this increased focus on scope 3 emissions, AGL's largest industrial customers are also looking to switch to renewable energy, undermining many of the supposed strategic benefits of the demerger. Yet true to form, management continue to underestimate this shift.

Accel plans to sell coal power to its industrial customers, who AGL claims do not care about clean energy...

DEMERGER RATIONALE

- Energy requirements of consumer and business users increasingly different from industrial customers
- AGL Australia energy needs are aligned with increasing customer demand for distributed energy and carbon neutral products

AGL Demerger Document

Tomago Smelter - AGL's **largest** industrial customer - has already pledged to switch to renewable energy once it's current contract with AGL expires. We expect others to follow.

The Guardian

Tomago, Australia's largest aluminium smelter, vows to switch to renewable energy by 2029

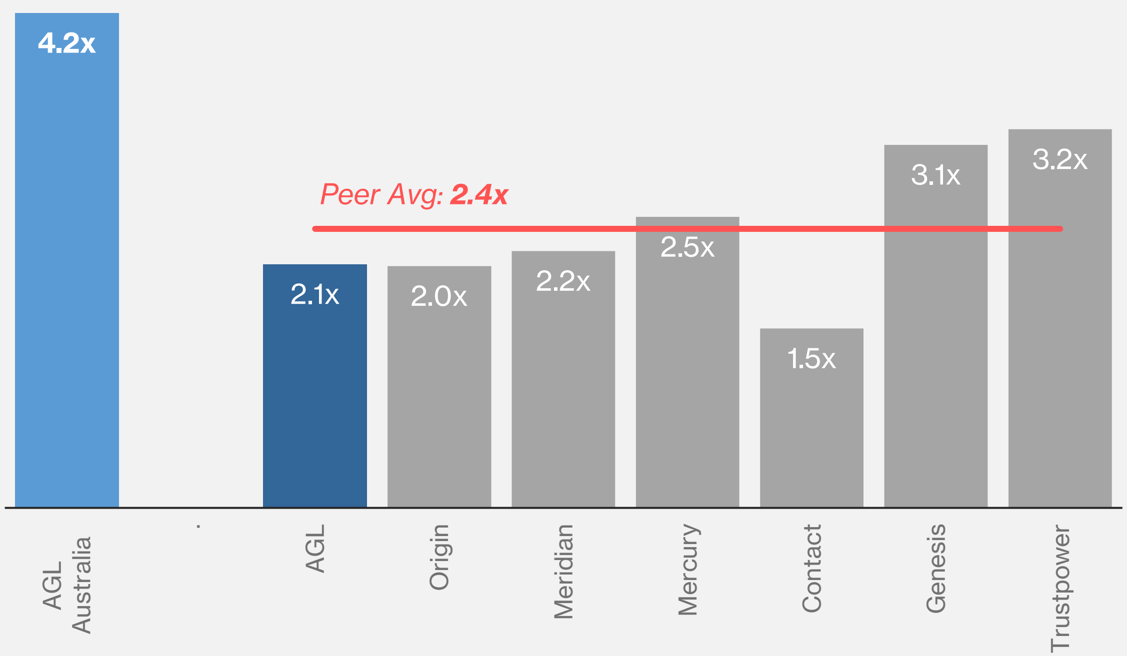
August, 2021[2]

1. Company Filings.
2. The Guardian.

AGL Australia will inherit the bulk of the Group's debt, limiting its ability to invest in growth

AGL Australia will inherit the bulk of AGL's debt despite contributing a minority of Group EBITDA, due to reluctance from lenders to take exposure to Accel's coal assets. As a result, AGL Australia will demerge with 4.0-4.5x Net Debt/EBITDA, nearly twice the average leverage of peers.

Net Debt Ratio, AGL Australia vs Integrated Utility Comps[(1)]
ND/FWD EBITDA



"AGL Australia is going to demerge with 4.5 times plus net debt-to-EBITDA. I mean, that sounds personally to me, a ***crazy level of gearing for a business like that*** *to demerge with. Talk about growth ambitions - you* ***need money to fund growth ambitions*** *…."*

Mark Samter[(2)]
Energy Analyst, MST Marquee

1. Data from Capital IQ. AGL Australia illustrative ratio calculated using LTM EBITDA figures plus 50% of CME EBITDA. Assumes Accel adopts starting net borrowing of A$800m with AGL Australia taking remainder of AGL's current net debt
2. AGL HY22 Earnings Call.

Accel's token emission targets show no interest in pursuing decarbonisation seriously

Accel recently announced a token pledge to bring forward the retirement of Bayswater and Loy Yang by just 2-3 years – still way off Paris-aligned dates.

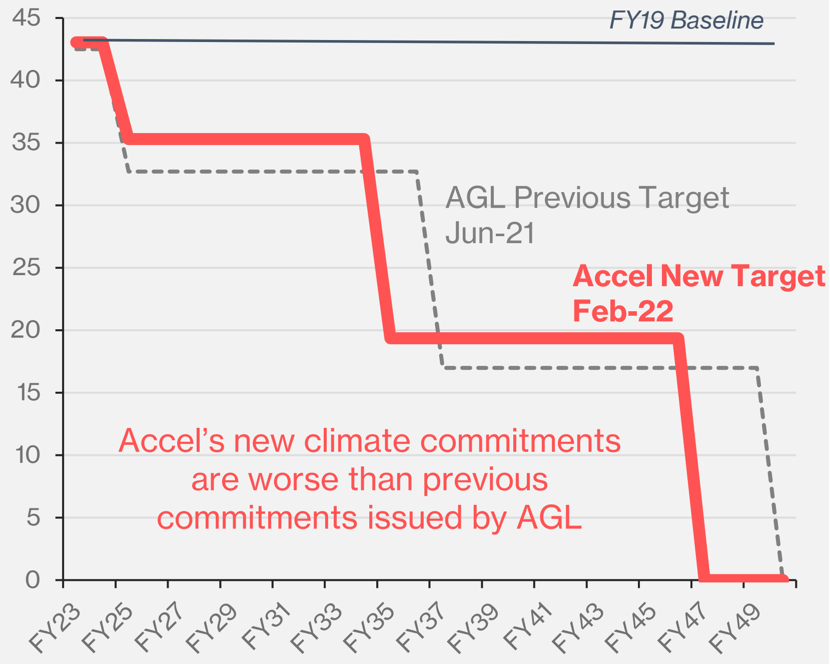
At the same time, Accel actually raised the emission limits for Bayswater and Loy Yang A.

Accel's Announced Emission Reduction Targets[1]

	AGL Energy Jul-21	**Accel Energy** Feb-22	***Paris-Aligned Net Zero Target***[2]
Emissions Baseline	FY20	FY19	
Liddell Closure	FY24	FY24	*FY24*
Emissions Target 1	-23% by FY25	**-18% by FY25**	
Bayswater Closure	FY36	**FY34**	*FY31*
Emissions Target 2	-60% by FY37	**-55% by FY35**	
Loy Yang Closure	FY49	**FY46**	*FY31*
Emissions Target 3	*-100% by FY50*	***-100% by FY47***	

Accel's Emission Reduction Trajectory vs Prior AGL Commitment

Maximum Allowed Emissions, $mtCO_2$-e



1. AGL and Accel Targets from AGL's HY22 Results Presentation (slide 45).
2. Based on IEA recommendation for all unbated coal capacity in advanced economies to close by 2030 in order to comply with 1.5°C target of Paris Agreement.
3. Maximum Emissions calculated by applying stated Emissions Reduction Targets to respective baselines (FY19: 43.0mt and FY20: 42.5mt).

Demerger is a one way street that will push Accel into the hands of less responsible owners

Through self selection, Accel's shareholder base will inevitably concentrate around less ESG-conscious shareholders, skewing future decision making around coal closure and transition.

"The one thing you know for sure about the people to whom you sell the shares, is that they will be ***much less concerned about climate change than you are****"*

Hirocichi Mizuno, CIO of GPIF, criticising divestment as an ESG strategy

Note: GPIF is the world's largest pension programme with $1.8tn AuM

1. Financial Times

5. AGL Should Abandon the Demerger and **Commit to an Accelerated Transition Path Now**

The Alternative: Accelerated Transition

We believe that the optimal path for AGL is to abandon the demerger and pursue an aggressive strategy to transition AGL's coal assets by 2030.

Timeline		Stage	Actions
3-6 months	1	Abandon Demerger	• Abandon value destructive and environmentally irresponsible demerger plan.
1-2 years	2	Commit to Early Closure	• Bring forward retirement dates of Bayswater and Loy Yang A to 2030.
		Align Management Incentives	• Include emission reduction and ambitious renewable capacity targets within Short Term Management Incentives.
Next 10 years	3	Responsibly Operate and Rehabilitate	• Focus on limiting excess emissions and environmental incidents at coal plants during their remaining years of operation. • Budget adequately for rehabilitation costs.
		Accelerate Renewable Investment	• Significantly increase renewable generation capacity, via both direct investment and signing of off-take agreements.

Why committing <u>now</u> to close coal by 2030 makes sense for **AGL Shareholders**

1. **Uncertain Profitability of AGL's Coal Plants Beyond 2030**
2. **Unwinds AGL's ESG Discount by Aligning With Global Climate Targets**
3. **Significant Maintenance Capex Savings**
4. **Provides Clear Strategic Direction for AGL's Future**

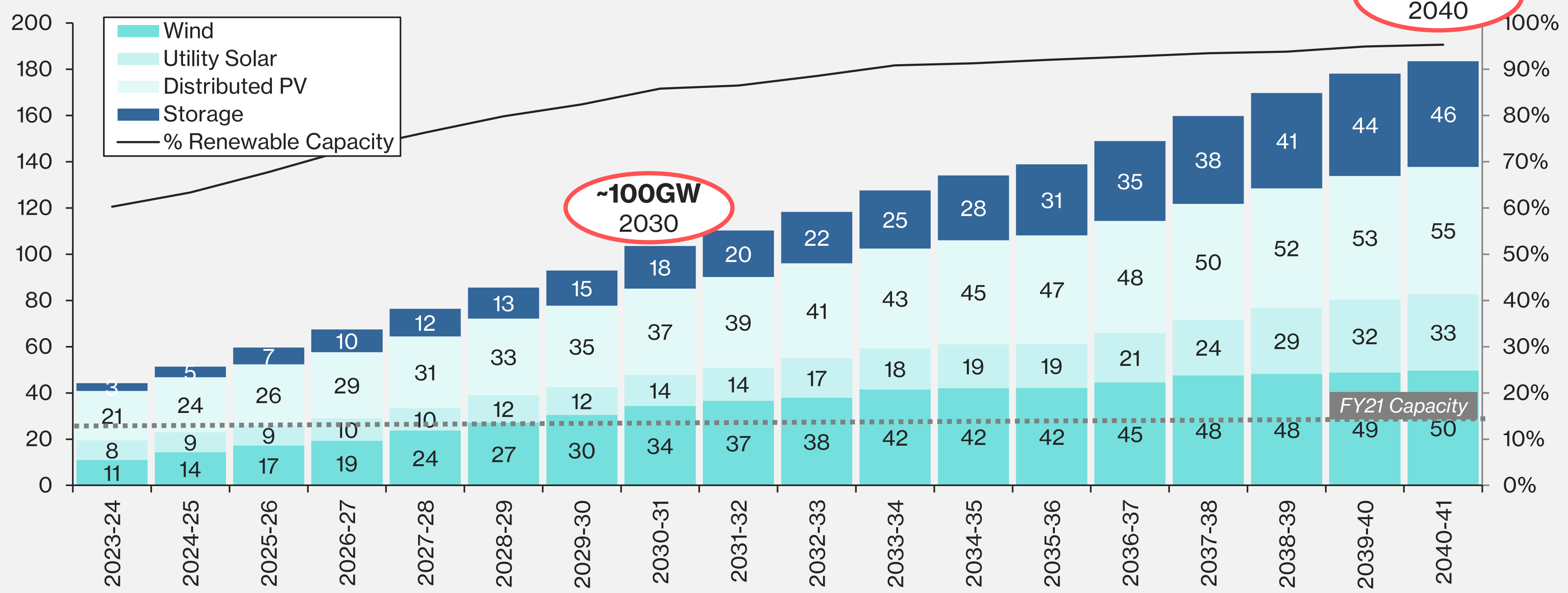
1. .

Growing renewables will mean there is **limited opportunity cost** to closing AGL's coal by 2030

The long-term profitability of Bayswater and Loy Yang A appears increasingly challenged, with a further ~75GW of renewable generation and storage capacity currently forecast to be operational by 2030.

AEMO Forecast Wind, Solar and Storage Capacity, Australia NEM(1)

GW of Installed Capacity (LHS) and Renewable Capacity as % of Total NEM Capacity(2) (RHS)



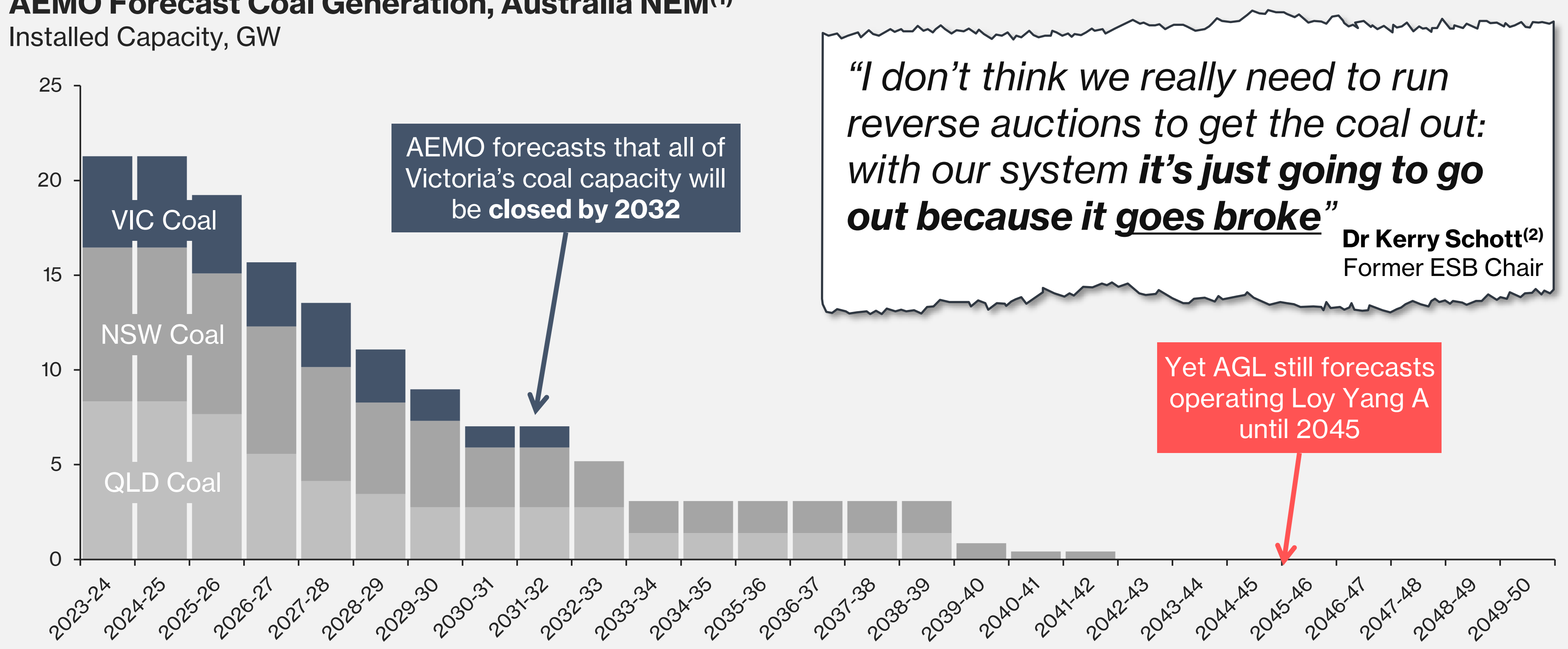
Year	Wind	Utility Solar	Distributed PV	Storage
2023-24	11	8	21	3
2024-25	14	9	24	5
2025-26	17	9	26	7
2026-27	19	10	29	10
2027-28	24	10	31	12
2028-29	27	12	33	13
2029-30	30	12	35	15
2030-31	34	14	37	18
2031-32	37	14	39	20
2032-33	38	17	41	22
2033-34	42	18	43	25
2034-35	42	19	45	28
2035-36	42	19	47	31
2036-37	45	21	48	35
2037-38	48	24	50	38
2038-39	48	29	52	41
2039-40	49	32	53	44
2040-41	50	33	55	46

1. AEMO Draft 2022 Integrated System Plan (ISP) Forecast – Step-change Scenario.
2. Total Renewable capacity includes hydro, wind, solar and storage capacity.

Australian Energy Market Operator already **predicts full exit from brown coal by 2032**

Australia's Energy Market Operator (AEMO) currently forecasts that all coal capacity in Victoria will be retired by 2032 due to declining profitability. This includes AGL's Loy Yang A.

AEMO Forecast Coal Generation, Australia NEM(1)
Installed Capacity, GW



1. "Australia's Emissions Projections 2021" – Department of Industry, Science, Energy and Resources (October 2021)

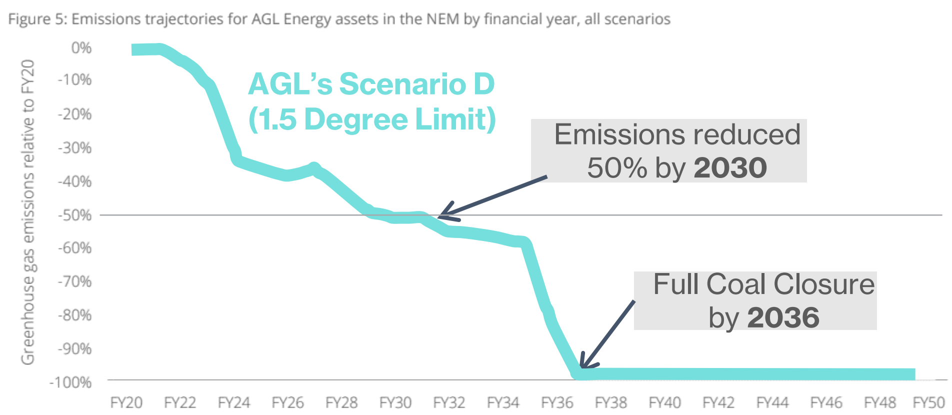
Accelerating coal closure is the **only** way to comply with investor climate targets

Even AGL's own modelling shows that its coal plants must be closed by 2036 to accord with 1.5°C target of Paris Agreement.

Scientists estimate that the actual date for coal closure in order to comply with Paris targets is 2030 for developed nations.

Accel's Announced Energy Climate Commitments

AGL's own modelling indicates coal plants should be **closed by 2036 latest to align with 1.5C Target**



IEA claims that Australia's Coal Capacity must be closed by 2030 to meet 1.5C Target

*"Reaching net zero globally by 2050 would require **phasing out all unabated coal-fired generation in advanced economies by 2030**..."*

May 2021

1. AGL's TCFD Report.
2. IEA

Investors increasingly favour active engagement over divestment

Divestment is drawing increased scrutiny for doing little to address emissions whilst pushing "dirty" assets into the hands of less responsible owners. Progressive ESG funds will increasingly champion responsible ownership aimed at retaining and transitioning dirty assets.

FINANCIAL TIMES

Japan's $1.36tn Government Pension Investment Fund (GPIF), the world's largest pension programme, has called on its managers to engage with companies on climate change rather than divest.

Bloomberg

Investors Pushed Mining Giants to Quit Coal. Now It's Backfiring

There's growing unease that the divestment campaign could lead to more coal being produced for longer.

We believe that the interests of ESG investors will be best served by **retaining full control of AGL's coal plants,** ensuring their environmental impact is minimised by operating them responsibly and then retiring them at the *right* time.

1. Financial Times
2. Bloomberg

Early visibility on coal closure dates will benefit all **other stakeholders**

By providing an early commitment on coal retirement dates, AGL will help maximise Australia's chances of managing its energy transition quickly with minimal disruption.

Regulators & Energy Market Participants	• A responsible transition from coal involves ensuring continued energy security, allowing adequate time for retiring generation capacity to be replaced and grid infrastructure upgraded. • Providing regulators and other energy market participants maximum advance notice and certainty on coal closures is essential for minimising disruption.
Employees & Local Communities	• Short-notice closures are more likely to result in a higher number of redundancies associated with coal closure, bearing a heavy impact on local communities. • Committing to early closure far in advance would enable AGL to gradually reposition employees at Bayswater and Loy Yang A to other parts of its business (expected that significant employment opportunities will be created by renewable capacity development and ongoing maintenance requirements).
Customers	• Sudden or short-notice coal closures and the resulting drop in supply can cause short-term price hikes for energy consumers as well as grid reliability issues.(1)

1. In 2017, Engie decided to suddenly close its Hazelwood coal-fired plant after safety issues were raised, giving just five months advance notice. This resulted in higher power prices and reliability issues across the grid.

Brookfield bid highlights the strategic merits and viability of accelerated transition

On 19th February 2022, Brookfield Asset Management and Grok Ventures made an unsolicited offer for AGL at A$7.50 per share, underpinned by a plan to exit coal by 2035. The bid was promptly rejected by management.

AGL is a compelling and unique investment opportunity

Brookfield's bid recognises that AGL is a valuable company trading at a discounted valuation.

AGL's value is best unlocked through accelerated transition

Brookfield shares our view that early coal closure and accelerated transition is the optimal strategy by which to unlock AGL's value.

Early coal closure is possible sooner than management claims

Brookfield's target transition date of 2035 contradicts sandbagging by AGL's own management around the feasibility and timing of early closure.

Transition is better managed under public ownership

Public ownership maximises transparency and accountability around AGL's transition whilst enabling shareholders to participate in the economic upside

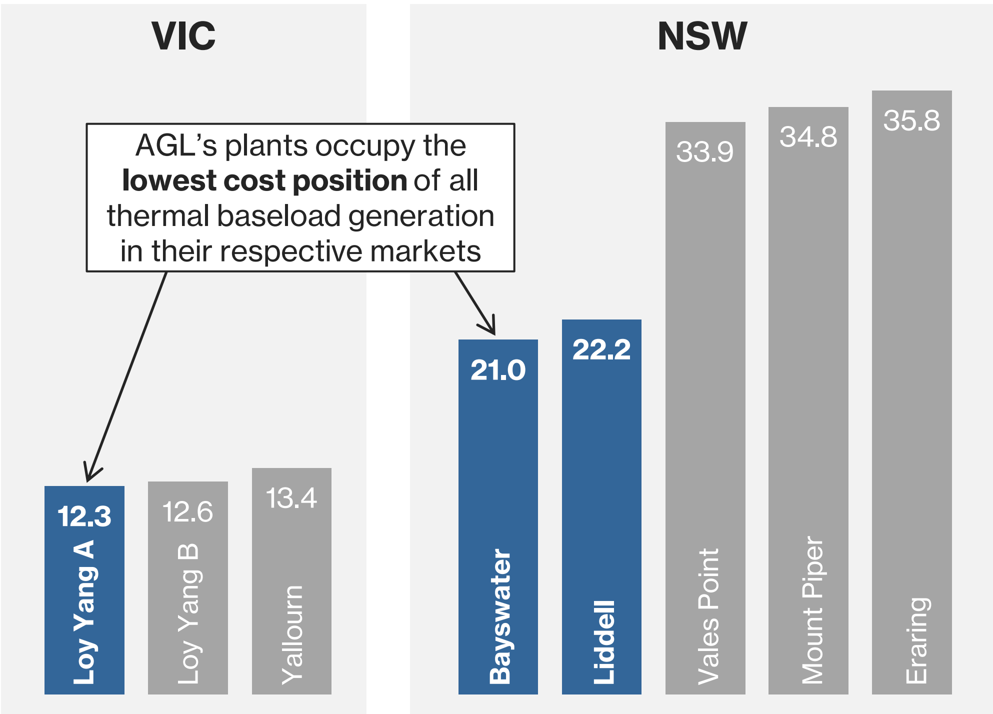
6. Committing to Transition Can Generate Meaningful Financial Upside and Environmental Impact

Bayswater and Loy Yang A are attractive assets in the near term

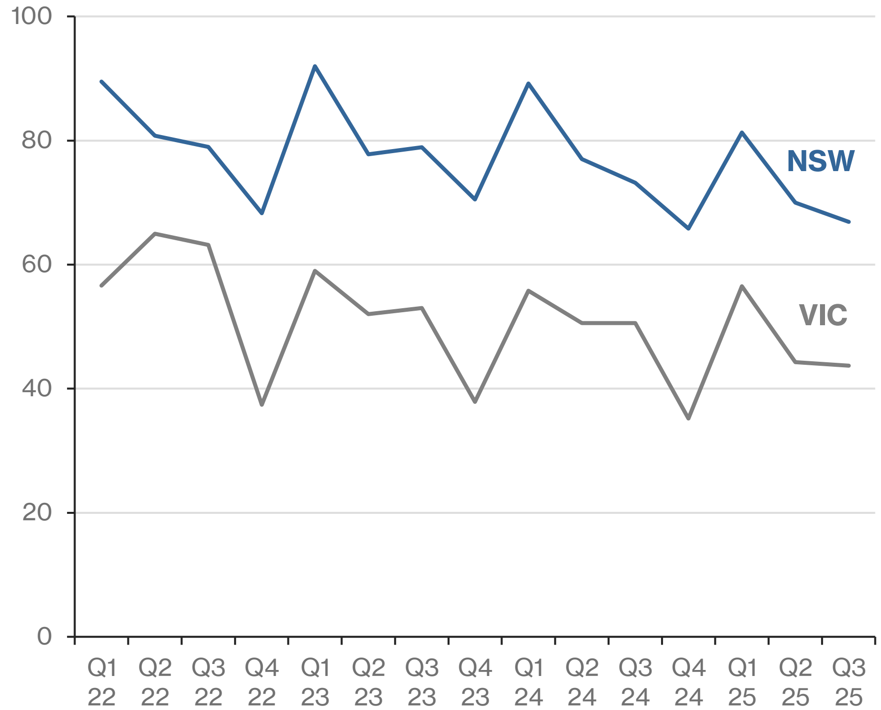
AGL owns the lowest-cost baseload generation plants in both Victoria and New South Wales.

Electricity wholesale price futures indicate a profitable near-term outlook for AGL's plants.

Short Run Marginal Cost, NEM Coal Plants[1]
A$/MWh



NEM Baseload Swap Prices[2]
Nominal A$/MWh, Qarterly Prices



1. AEMO 2021 Inputs, Scenarios and Assumptions Workbook
2. ASX. Data as of 31/12/21.

23-Feb-22

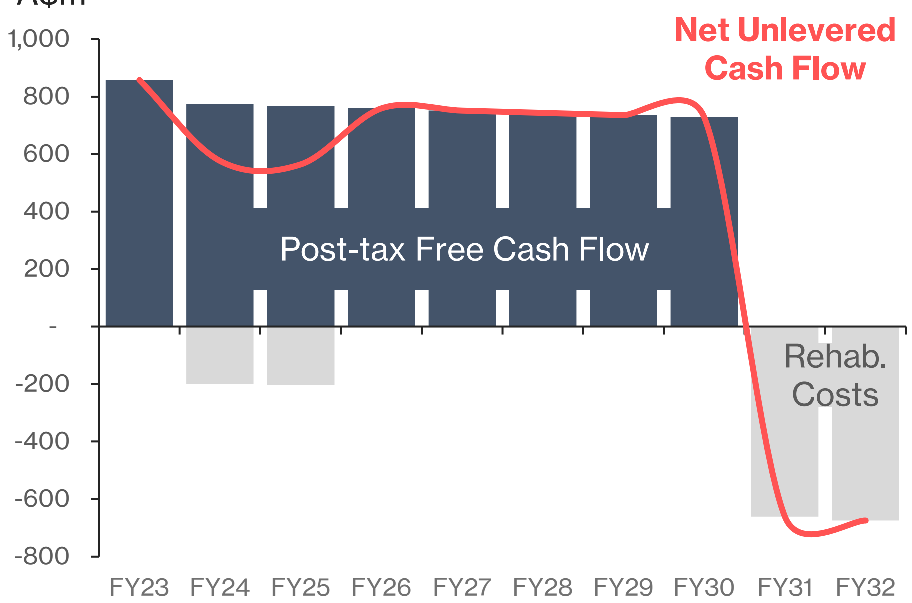
We estimate AGL's coal assets are worth **A$3bn+ <u>even</u> if responsibly closed by 2030**

A$3.1bn NPV[1] for AGL's Coal Fleet in **2030 Early Closure Scenario**

Snowcap's Conservative Valuation Case

Forecast Unlevered Cash Flow, AGL's Coal Fleet

A$m



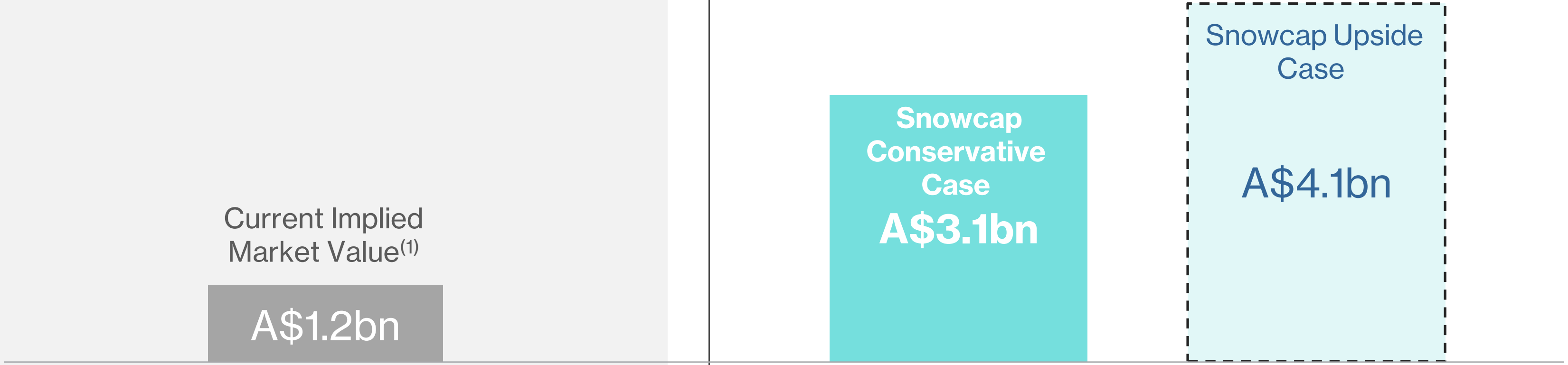
Key Assumptions

		Liddell	Bays.	Loy Yang	*Source*
Revenue					
Final Year of Operation		FY23	**FY30**	**FY30**	*Snowcap*
Generation[2]		10% lower output than AGL's Pathways to 2050 Scenario A for FY23-30			*AGL / Snowcap*
Elec. Price[3]		A$75/MWh		A$50/MWh	*Snowcap*
Expenses					
Fuel Cost [4]	*A$/GJ (Real)*	2.0	2.0	0.8	*AEMO **+25%***
Variable Mrgn[4]	*A$/MWh (Real)*	4.3	4.3	4.3	*AEMO*
Fixed Mrgn[4]	*A$/MW (Real)*	54	54	148	*AEMO **+10%***
Rehab. Cost[5]	*A$m (Real)*	**378**	**499**	**581**	*AGL **+25%***
Other					
Tax Rate			30%		
Discount Rate [6]			7.0%		*Snowcap*

1. NPV calculated discounting estimated unlevered cashflows of AGL's coal fleet to date 23/02/2022.
2. For prudence we have assumed 10% lower generation output for Loy Yang A and Bayswater compared to AGL's Pathways to 2050 Scenario A, outlined in its 2020 TCFD report. 22.5% capacity factor assumed for remaining operation of Liddell.
3. For simplicity we have modelled flat electricity price curves from now until 2030 that are in line with current electricity spot price futures for both Victoria and New South Wales (ASX data). Whilst we recognise that electricity spot prices are likely to exhibit high variation year-on-year, we believe that this effect will be normalised across the modelled period. In our view, the downwards impact on pricing from the development of further renewable capacity in the NEM will be more than offset by the significant amount of baseload capacity already announced to retire prior to 2030.
4. All coal plant technical operating assumptions (heat rate, fuel cost, variable operating margin, fixed operating margin) taken from AEMO's latest Inputs, Scenarios and Assumptions Workbook (December 2021). We have applied a 25% increase on fuel cost to reflect the roll-off of any current below-market coal supply contracts due to expire before 2030. +10% additional provision assumed to fixed operating margin with 50% of this cost capitalised as maintenance capex. Inflation of 2.0% p.a. has been applied to all costs assumptions.
5. +25% additional provision assumed for rehabilitation costs beyond AGL's current provisions as of year-end FY21 (A$1,167m FY21 real). This is in order to ensure all facilities are responsibly retired with minimal environmental impact in line with a responsible transition. For simplicity rehabilitation costs have been assumed to be incurred evenly across the two financial years following each plants respective retirement. Inflation of 2.0% p.a. has been applied to these costs. No cash-drag has been assumed on maintaining adequate provision cash balances during period although we do not expect this to be material.
6. Discount rate of 7.0%, marginally above AGL's post-tax WACC during FY21 (6.7%). Whilst thermal assets typically incur a higher associated cost of capital, we believe that in an early closure scenario AGL's coal assets will likely re-rate given their significant contribution towards accelerating environmental targets .

Committing to early coal closure is the only way to reverse AGL's current ESG discount

	AGL Today Operate Coal until 2045	2030 Early Closure Scenario Responsibly Close Coal by 2030
	× Coal assets hinder Australia's energy transition by generating an excessive supply of cheap baseload power to the grid. × AGL not aligned with Paris Agreement Climate Targets.	✓ Coal assets play an <u>essential</u> role in facilitating Australia's energy transition by providing critical energy security in short term. ✓ AGL aligned with Paris Agreement Climate Targets, meeting investors' ESG requirements.
Value of AGL's Coal Fleet	**Environmentally Destructive Assets: <u>Heavily Discounted</u> by Market**	**Critical Energy Transition Assets: <u>Valued Fairly</u> by Market**



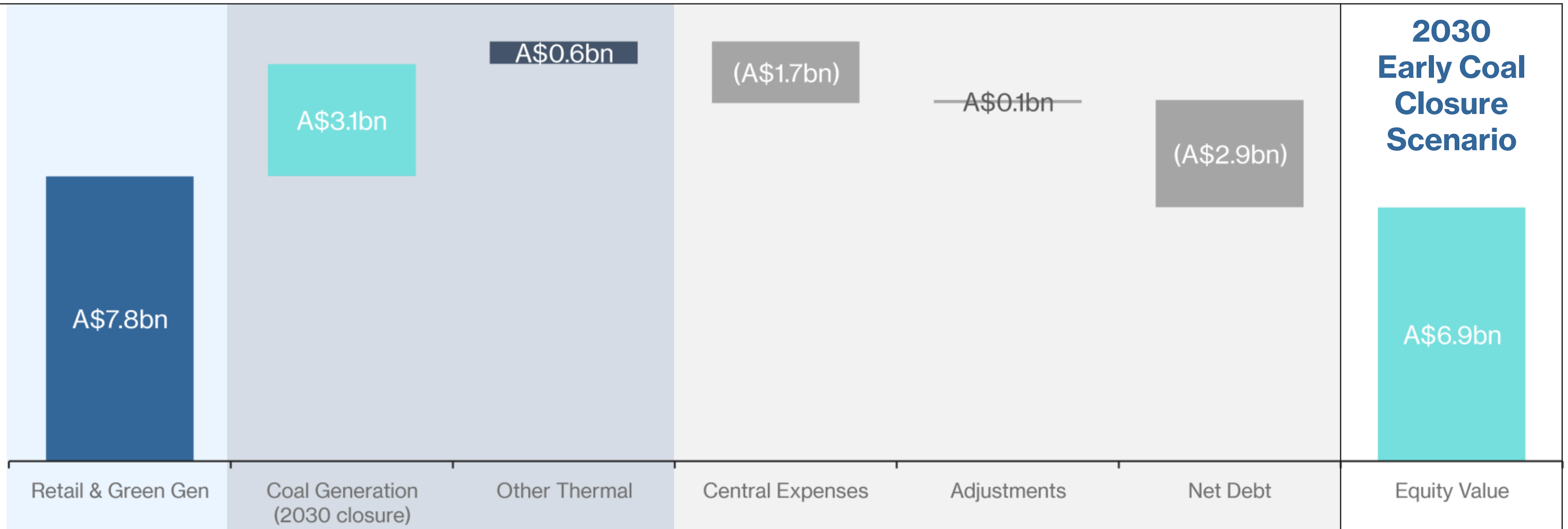
1. Current Implied Market Value calculated by subtracting our sum-of-the-parts valuation of AGL (as detailed on slide 60) excluding the value of coal assets from AGL's current Enterprise Value (Capital IQ as of 23/02/2022)
2. Snowcap Upside Case modelled using same assumptions as Conservative Case with exception of:
   - 10% increase to electricity prices reflecting improving conditions in wholesale market.
   - Removal of 10% additional provision assumed to fixed operating margin for Bayswater and Loy Yang A reflecting maintenance cost reductions achieved as a result of early closure.

We believe AGL is worth **A$10+/share if it commits to early coal closure**

We believe that committing to early closure can reverse AGL's current discount, enabling both its retail business and coal assets to trade at their fair value.

SOTP Valuation
Snowcap

2030 Early Coal Closure Scenario



	Retail & Green Gen	Coal Generation (2030 closure) / Other Thermal	Central Expenses	Adjustments	Net Debt	Equity Value
LTM EBITDA	A$646m	A$1,101m	(A$281m)	A$3m	-	A$1,469m
EV/EBITDA	*12.0x*	*3.3x*	*6.0x*	*n/a*	*n/a*	*6.7x*
Valuation	A$7,752m[(1)]	A$3,673m[(2)]	(A$1,686m)[(3)]	A$88m[(4)]	(A$2,925m)[(5)]	**A$6,902m**
A$/Share	*A$11.8*	*A$5.6*	*(A$2.6)*	*A$0.1*	*(A$4.4)*	***A$10.5***

1. Retail & Green Generation as reported under "AGL Australia". Valued using 12.7x average EV/Forward EBITDA multiple of Australia and New Zealand Integrated Utility peers (Origin Energy, Contact Energy, Mercury NZ, Genesis Energy, Meridian Energy and Trustpower). Capital IQ as of 22/02/22.
2. Coal & Other Thermal Generation as reported under "Accel Energy". Valued using an estimate of unlevered cashflows from AGL's coal plants under a 2030 coal closure scenario ("Snowcap Conservative Case"), discounted at 7.0%. A$620m has been added to this value to reflect estimated value of Torrens Island Power Station and AGL's Natural Gas Storage and Production Assets.
3. Central Expenses as reported under "Centrally Managed Expenses".
4. Net Debt and Adjustments includes Net Debt of A$2,925m as HY 31/12/2021 (Capital IQ) and Investments, Onerous Contract Provisions and Tax Benefit (Book Value as of HY ending 31/12/2021). A$500m has also been added for AGL's Development pipeline, valued at A$200/kw (2.5GW total pipeline size).
5. Closing share price on 18/02/2022, reflects market value of AGL prior to Brookfield bid.

+30-60% of upside in AGL's share price

Using a sum-of-the-parts valuation, we estimate that AGL's current share price implies a value of A$0.8bn for its coal generation assets. We believe this heavy discount reflects negative investor sentiment towards coal ownership.

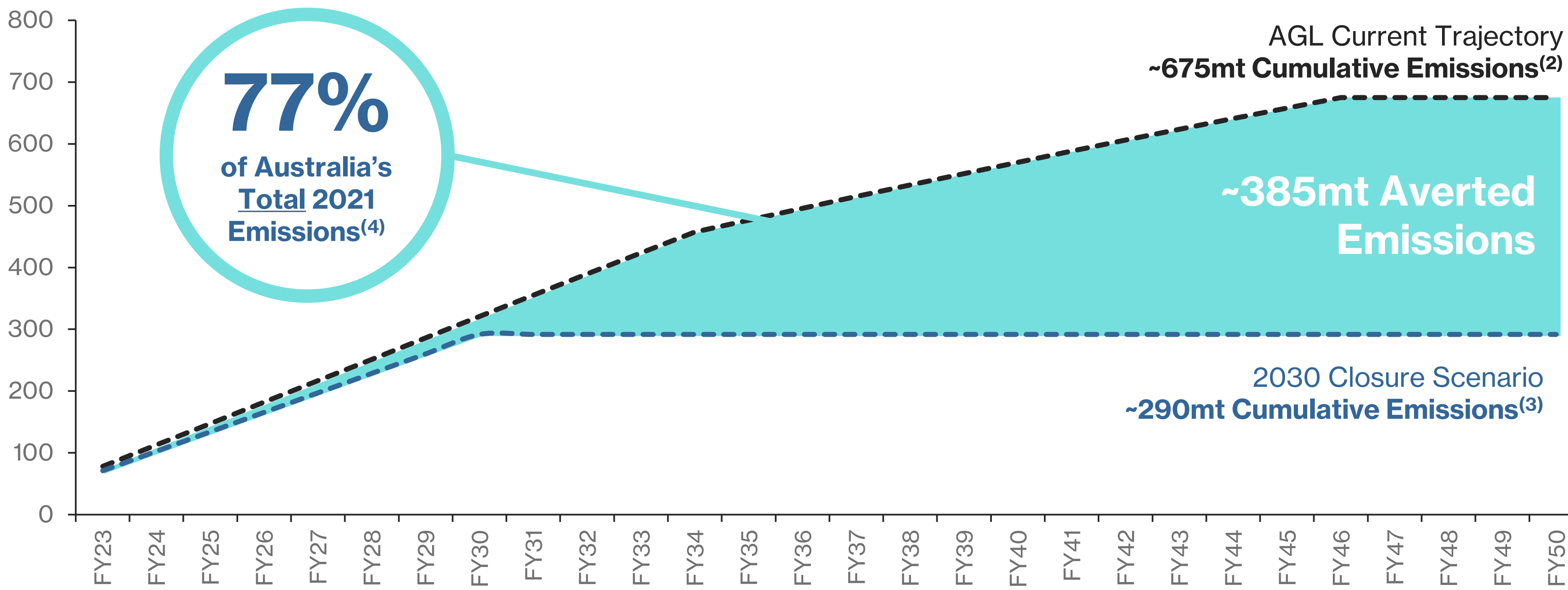
	AGL Today	2030 Early Closure Scenario	
		Conservative Case	Upside Case
Estimated Value of Coal Assets[1]	A$1,188m	**A$3,053m**	**A$4,098m**
AGL Value exc. Coal Assets[2]	A$6,774m	A$6,774m	A$6,774m
Enterprise Value	**A$7,961m**	**A$9,827m**	**A$10,872m**
Net Debt[3]	(A$2,925m)	(A$2,925m)	(A$2,925m)
Market Cap	**A$5,037m**	**A$6,902m**	**A$7,947m**
Share Price	A$7.7 / share	**A$10.5 / share**	**A$12.1 / share**
Shareholder Value Impact		*+37%*	*+57%*

1. As per slide 59 of this presentation.
2. As per Snowcap's sum-of-the-parts analysis on slide 60 of this presentation.
3. Current pricing data as of 23/02/2022 (Capital IQ)

2030 closure can **directly avert ~385mt of green house gas emissions** vs current trajectory

We estimate that closing Bayswater and Loy Yang A by 2030 will avert 385mt of emissions relative to AGL's current trajectory.

Cumulative Emissions Projections[1]
Million Tonnes CO_2-e, Snowcap Estimates



1. Assumes emissions intensity for plants stays constant from FY21 (1.29t/MWh for Loy Yang A, 0.96t/MWh for Bayswater and 1.02t/MWh for Liddell).
2. AGL Latest Trajectory assumes closure of Loy Yang A and Bayswater in FY45 and FY33 respectively. Generation output modelled using AGL's Pathways to 2050 Scenario A, outlined in its 2020 TCFD report. 22.5% capacity factor assumed for remaining operation of Liddell.
3. Snowcap 2030 Closure scenario assumes closure of Loy Yang A and Bayswater in FY30. Generation modelled by applying 10% discount to AGL's Pathways to 2050 Scenario A, outlined in its 2020 TCFD report. 22.5% capacity factor assumed for remaining operation of Liddell.
4. Total annual emissions for year 2020/21 reported as 499Mt by Australian Government.

Delivering **invaluable and tangible environmental & public health benefits**

Closing Bayswater and Loy Yang A by 2030 can prevent 385mt of carbon emissions, driving huge environmental and health benefits to Australians.

Estimated Benefits from closing of Bayswater and Loy Yang A before 2030 vs AGL's Current Trajectory

385m
Tonnes of Green House Gas Emissions Avoided

~860
Fewer Deaths from Direct Coal Pollution

~715
Fewer Premature Births

~1.1k
Fewer Cases of New Onset Diabetes

1. Snowcap estimates based on EJA report – "The health burden of fine particle pollution from electricity generation in NSW" (November 2018). Bayswater emissions impact estimated by calculating the average annual emissions impact based on figures in EJA report and multiplying this by the additional years of expected operation in AGL's current trajectory vs Snowcap's 2030 clsoure case (3 years). Loy Yang A emissions impact estimated by adjusting Bayswater's annualised figures by 20% (in proportion with the level of emissions Loy Yang A is expected to produce during each year of operation vs Bayswater) and multiplying this by additional years of expected operation in AGL's current trajectory vs Snowcap's 2030 closure case (15 years)

Appendix

Australia's Operational Coal Fleet

Top 10 most polluting Coal Power Stations in Australia, 2019-20[(1)]

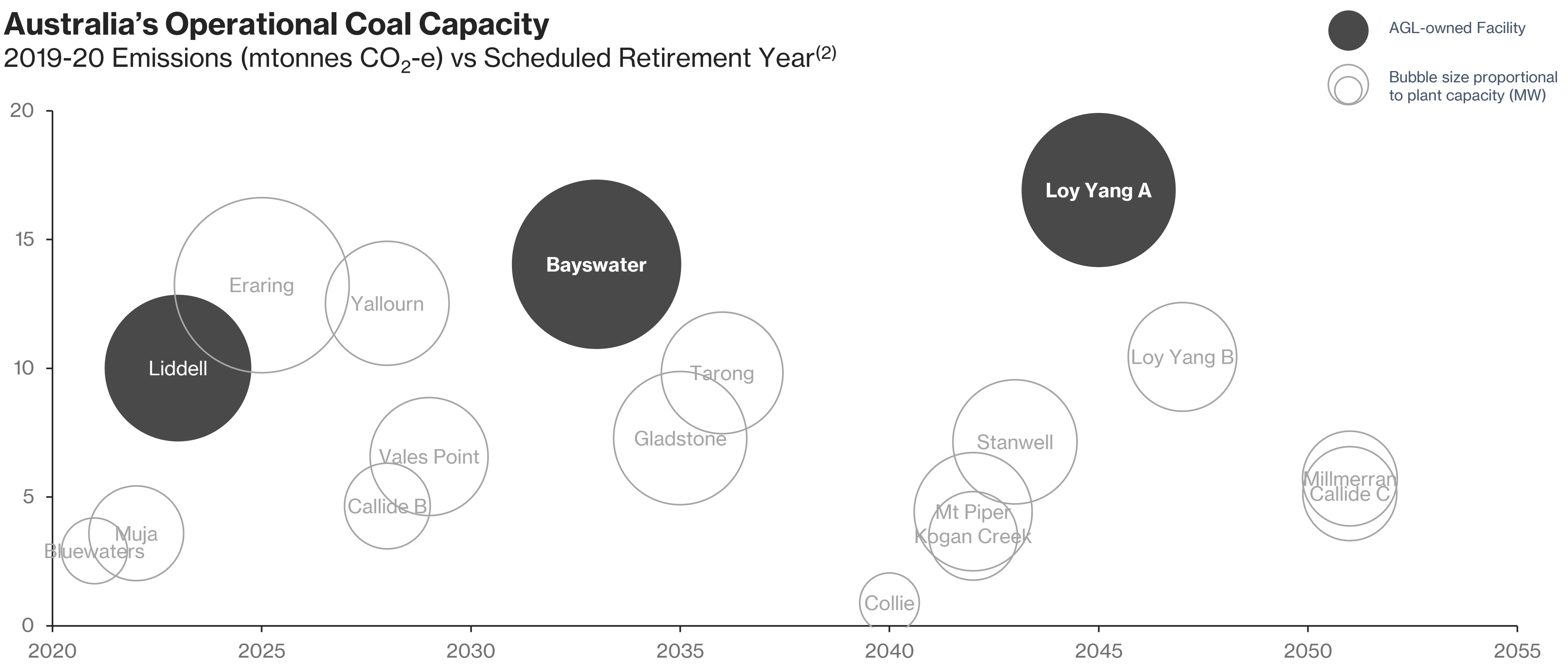
#	Power Station	Fuel Type	Capacity	State	Owner	Scheduled Retirement Date	2019-20 Emissions (mtCO2-e)	Emissions Intensity (tCO2-e/MWh)
1.	Loy Yang A	Brown Coal	2,210	VIC	AGL	2045	**16.9**	**1.15**
2.	Bayswater	Black Coal	2,690	NSW	AGL	2033	**14.0**	0.89
3.	Eraring	Black Coal	2,880	NSW	Origin	2025	13.2	0.89
4.	Yallourn	Brown Coal	1,450	VIC	EnergyAustralia	2028	12.5	1.30
5.	Loy Yang B	Brown Coal	1,115	VIC	Alinta / Mitsui	2047	10.4	1.11
6.	Liddell	Black Coal	2,000	NSW	AGL	2023	**10.0**	0.95
7.	Tarong	Black Coal	1,400	QLD	Stanwell Corp.	2036	9.8	0.89
8.	Gladstone	Black Coal	1,680	QLD	Rio Tinto / NRG	2035	7.3	0.96
9.	Stanwell	Black Coal	1,460	QLD	Stanwell Corp.	2043	7.1	0.86
10.	Vales Point	Black Coal	1,320	NSW	Sunset Power	2029	6.6	0.89

1. Operting Data from AEMO, emissions data from Clean Energy Regulator.

Announced Retirements – Australia's Coal Generation Fleet

Australia's Operational Coal Capacity

2019-20 Emissions (mtonnes CO_2-e) vs Scheduled Retirement Year[2]



1. Emissions data from Clean Energy Regulator. Scheduled Retirement Year data from AEMO.

Listed Peers Trading Multiples

Listed Peers – Australia & New Zealand Electric Integrated Utilities[(1)]

Company	Geog.	Ticker	SP	Mkt Cap	TEV	Div. Yield	Net Debt	ND/ EBITDA	Leverage	TEV/Rev.	TEV/ EBITDA	P/E	P/BV
			AUD	*AUDm*	*AUDm*	*%*	*AUDm*	*AUDm*	*%*	*x*	*x*	*x*	*x*
Origin Energy	AUS	*ASX:ORG*	5.8	10,248	14,794	3.5%	4,546	2.0x	31%	1.2x	6.6x	16.5x	1.0x
Meridian Energy	NZ	*NZSE:MEL*	5.0	12,086	13,558	3.2%	1,472	2.1x	23%	3.4x	19.6x	45.8x	2.4x
Mercury NZ	NZ	*NZSE:MCY*	6.0	7,634	9,145	2.8%	1,510	2.7x	26%	5.0x	16.3x	46.7x	1.7x
Contact Energy	NZ	*NZSE:CEN*	8.3	6,004	6,805	4.3%	801	1.5x	22%	2.8x	12.9x	32.2x	2.0x
Genesis Energy	NZ	*NZSE:GNE*	2.8	2,709	3,945	6.2%	1,236	3.1x	39%	1.3x	9.8x	23.3x	1.3x
Trustpower	NZ	*NZSE:TPW*	6.8	1,991	2,630	5.2%	639	3.2x	38%	2.8x	13.1x	19.4x	1.8x
Average										***3.1x***	***12.7x***	***29.3x***	***1.7x***
AGL Energy	AUS	*ASX:AGL*	7.7	5,037	7,962	6.4%	2,925	2.1x	32%	0.7x	5.6x	14.6x	0.8x
Implied Discount to Peers										***-75%***	***-57%***	***-37%***	***-50%***

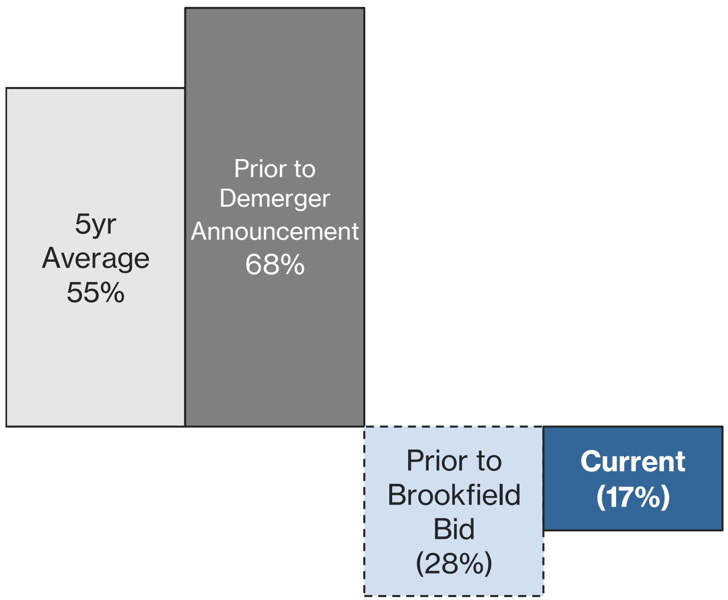
1. Capital IQ. As of 23/02/2022. Revenue, EBITDA and Earnings multiples all calculated on a forward basis.

AGL's shares trade at a meaningful discount on a Price-to-Book basis

AGL trades at a 17% discount to Origin on an Price/Book Value basis vs its 5-year average premium of +55%.

Price / Equity Book Value[1]

AGL Premium/Discount to Origin[2]



1. Capital IQ. As of 23/02/2022.
2. Capital IQ. As of 23/02/2022. Demerger announcement made on 31/03/2021. Closing price on 18/02/2022 used for calculating discount prior to Brookfield bid.

SNOWCAP

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