

Australian Gas Infrastructure Holdings Pty Ltd

Sustainability Report

31 December 2025

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1. About this Report

AGIH is part of Australian Gas Infrastructure Group (AGIG), one of Australia's largest gas infrastructure businesses.

AGIH owns gas transmission, gas storage and gas distribution networks across Western Australia, Victoria and the Northern Territory. AGIH distribution assets deliver gas to homes, businesses and communities in Victoria, and AGIH transmission and storage assets transport and store gas that supports the economy for power generation, mining and manufacturing. AGIH does this safely, reliably and in a cost-efficient manner for our customers.

AGIG's vision is to deliver infrastructure essential to a sustainable energy future by delivering the natural gas needed today and advancing low carbon solutions for the future. AGIG's Net Zero Ambition outlines our own emissions reduction targets and how we work with customers and stakeholders to deliver and develop the energy infrastructure solutions essential to lowering emissions.

This Sustainability Report ("Report") represents the complete set of climate-related financial disclosures for Australian Gas Infrastructure Holdings (AGIH) and its subsidiaries (referred to hereafter as "the Group") for the year ended 31 December 2025.

This Report considers the same consolidated reporting entity and reporting period as the Group's consolidated Financial Statements (please refer to note 1 (b) "Basis of Preparation" in the Financial Statements) and incorporates climate-related information of the parent entity and its subsidiaries. The Group reports in Australian Dollars.

This Report was authorised for issue in accordance with a resolution of the Directors on 11 March 2026.

(a) Basis of Preparation

The Sustainability Report of AGIH and its subsidiaries has been prepared in accordance with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures as issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

This Report should be read in conjunction with consolidated Financial Statements, which have been prepared in accordance with Australian Accounting Standards issued by the AASB and the *Corporations Act 2001*. In accordance with the transition provisions of AASB S2, comparative information is not disclosed.

The following underpin the preparation of this report:

Value Chain

AGIH is an energy transport business that operates predominantly as a regulated monopoly. This regulatory structure underpins our value chain. AGIH is made up of a significant number of regulated assets which provide gas transport services via ownership and operation of the physical infrastructure that links gas producers with end users. The Group also owns and operates unregulated assets which account for less than 10% of the total Group assets.

Upstream and downstream value chain exposures for transmission pipelines and distribution networks include:

- Gas: exploration, production and transmission (upstream);
- Shipper/customers: gas delivery to outlet points for industrial users, distribution network operators and power stations (downstream);
- Customer base: connection number, type and gas delivery (downstream).

Climate Scenarios

AGIH has considered two climate scenarios for the identification of climate-related risks and opportunities. The scenarios considered are outlined in the table below:

Temperature	Inputs	Assumptions and narrative
1.5°C	SSP1-1.9 External analysis (SSP1-2.6) NGFS	Rapid decarbonisation. Drivers will include strong policy settings and legislative requirements. Rapid electrification, with focus on domestic usage initially. Deployment of carbon capture and storage (CCS). Biofuel (renewable) inputs in high demand for difficult to abate sectors (industrial gas, aircraft fuel and certain diesel fuels). A carbon pricing mechanism (ACCU and/or SMC or similar) is in place. Emissions are net zero by 2050
>2.0°C	SSP2-4.5 External analysis (SSP1-2.6)	No additional decarbonisation targets beyond those already announced (43% reduction from 2005 levels by 2030, no further updates to Safeguard Mechanism, Net Zero by 2050). A carbon pricing mechanism (ACCU and/or SMC or similar) is in place. Emissions are net zero by 2050.

Risk and Opportunity Assessment Methodology

AGIH risk and opportunity management (including climate) has four stages:

- (i) Identification: risks and opportunities are identified considering input from climate scenarios, specific history and geographic conditions. The identification process included a diverse range of subject matter experts from across the business.
- (ii) Evaluation and analysis: risks are analysed using the Corporate Risk Matrix to rate the likelihood and consequence across three timeframes (short, medium and long term, as defined below). The risk matrix considers risks in terms of their materiality across financial impact, safety, legal compliance, reputation and business interruption.
 - i) Short term - up to 2030. Aligns with known government policy regarding Safeguard Mechanism and emissions reductions, and with the timeframes for Access Arrangement cycles. Reasonably predictable for regulated networks.
 - ii) Medium Term - 2030–2050. This is the transition phase, considering the national target of net zero by 2050 and targets as set out in the AGIG Net Zero Ambition, of which AGIH is a contributor.
 - iii) Long Term - 2050 and beyond. Captures the Net Zero world that has been committed to under the Paris Agreement, government undertakings and our own targets.

Material risks to the business are rated on a gradient from negligible to extreme through the Risk Matrix.

- (iii) Monitoring and review: climate risks are monitored by the Climate Working Group and reported to the Executive Leadership Team (ELT) and ESG and Risk Committees every six months in line with our Governance structure.
- (iv) Reporting: Information relating to the management of risks is communicated in a clear and structured manner that is consistent with the rating of each risk.

Emissions methodology

The sources of our scope 1 emissions are fugitive, stationary combustion and vehicle transport. For gas transmission businesses, the majority of emissions are due to combustion of gas for compression. For gas distribution businesses, the majority of emissions are fugitive emissions.

The calculation methodology applied to scope 1 emissions in 2025 has been based on the Methods and framework set out in the *National Greenhouse and Energy Reporting (Measurement) Determination 2008* (NGER Framework)¹, as follows:

¹ The NGER framework refers to the National Greenhouse and Energy Reporting Act 2007.

- AGIH applied Method 2 to calculate its scope 1 fugitive emissions for the MGN distribution assets.
- AGIH applied Method 1 to calculate scope 1 emissions for the DBNGP transmission assets.

AGIH chose to report utilising the NGER methodology as permitted by the AASB S2 emissions methodology to remain consistent with its reporting within Australia to the Commonwealth Government.

The source of our scope 2 emissions is purchased electricity. Accordingly, in 2025 AGIH applied the location-based methodology as specified in the NGER Framework: emissions from a company's electricity consumption, reflecting the emissions intensity of the electricity generation within the State or Territory where it operates.

(b) Organisational and Emissions Reporting Boundary

This Report considers AGIH and its subsidiaries, consistent with the Financial Statements.

The Group has operational control over all its subsidiaries. Emissions from these subsidiaries, classified into either scope 1 or 2, are reported under the *National Greenhouse and Energy Reporting Act 2007* (NGER Act) using the NGER Framework discussed above.

(c) Significant Judgments and Uncertainties

In preparing this Report, Management has exercised judgement across the process of identifying climate-related risks and opportunities and identifying relevant information to report. This includes the use of estimates where items in our value chain cannot be directly measured, where there are data limitations and for forward-looking information.

Details of critical judgements made by Management in preparing this Report, as well as amounts that are subject to a high degree of measurement uncertainty, are outlined below.

Mains length and materials

Gas infrastructure is a multi-generational asset that is constructed over decades and principally located underground. This can present challenges in terms of documentation and demonstration of exact asset location and quantification of length and achieving assurance².

Emissions factors

AGIH uses Method 2 of the NGER Framework to calculate fugitive scope 1 greenhouse emissions for distribution facilities. The largest source of uncertainty in these calculations is the published error margins for each asset emission factor, which introduce significantly greater uncertainties than those from asset related uncertainties. The overall effect is a margin of error that is larger than the scope 1 emission itself. Matching asset types to emission factors can also involve judgement, in circumstances where the Australian definitions differ from those used in the original emission factor data source. Fugitive emissions are the major component of scope 1 emissions for AGIH distribution network facilities.

Targets

Targets set at an AGIG level relating to enabling emissions reductions for our customers, of which AGIH is a contributor, require supportive government policy and require third parties³ to develop projects. More specifically:

- Our targets require supportive Commonwealth and State policy to be in place to enable new production projects and requires new project construction to commence by end-2027.
- Achieving our short-term targets is a key requirement for achievement of our longer-term target to have 100% renewable and carbon-neutral gas in our distribution networks by 2050. AGIG's 2050 target also requires supportive policy and legislation as well as new project construction by AGIG and third parties to be achieved.

² For completeness, we also note that in a small percentage of instances, construction details such as mains length or pipeline composition, or length of service may have been lost or never recorded, making such inputs into the NGER Framework challenging to quantify. When this occurs, an estimate has been made of the relevant material and composition of the asset covering the historical interval where the data is not available.

³ Third parties refer to external energy production/investment companies developing renewable and carbon-neutral gas projects for injection into our infrastructure

Our target to have net zero scope 1 and 2 emissions from our operations by 2050 builds on the interim 2030 emissions reduction target and will require evolution in the way scope 1 emissions are measured. Such changes include the recognition of renewable and carbon-neutral gases and the ability to measure and report actual fugitive emissions. The purchase of carbon offsets to address any residual component of emissions may also be required.

Progress against our 2050 targets is measured on an absolute basis.

Climate-related risks and opportunities

Addressing the climate-related risks and developing the climate-related opportunities identified in section 3(b) of this report assumes our ability to recover efficient costs through the regulated tariffs applied to our customer base across the short (to 2030) and medium term (to 2050).

Forward-looking statements

This report includes information about AGIH performance for the period 1 January to 31 December 2025. Any forward-looking statements are based on the Group's current expectations, best estimates and assumptions as at the date of preparation, many of which depend on external factors and are beyond the Group's control. Any forward-looking statements included in this report are not guarantees or predictions of future performance, and involve known and unknown risks, which may cause actual results to differ from those expressed in the report.

Directors' Declaration

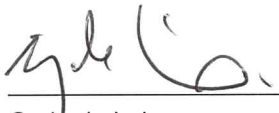
In the Directors' opinion:

The entity has taken reasonable steps to ensure that the substantive provisions of the Company's sustainability report for the financial year ended 31 December 2025 are in accordance with the *Corporations Act 2001*, including:

- compliance with *Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures*
- making the climate statement disclosures required by section 296D of the *Corporations Act 2001*

Signed in accordance with a resolution of Directors made pursuant to section 296A of the *Corporations Act 2001*.

On behalf of the Directors,

A handwritten signature in black ink, appearing to read 'Craig de Laine', written over a horizontal line.

Craig de Laine
Director

11 March 2026

2. Overview of the Group

AGIH is part of Australian Gas Infrastructure Group (AGIG), one of Australia's largest gas infrastructure businesses.

AGIH owns gas transmission, gas storage and gas distribution networks across Western Australia, Victoria and the Northern Territory. AGIH distribution assets deliver gas to homes, businesses and communities in Victoria, and AGIH transmission and storage assets transport and store gas that supports the economy for power generation, mining and manufacturing. AGIH does this safely, reliably and in a cost-efficient manner for our customers.

AGIG's vision is to deliver infrastructure essential to a sustainable energy future by delivering the natural gas needed today and advancing low carbon solutions for the future. AGIG's Net Zero Ambition outlines our own emissions reduction targets and how we work with customers and stakeholders to deliver and develop the energy infrastructure solutions essential to lowering emissions.

(a) Our Value Chain

As a key part of the energy supply chain across mainland Australia, our stakeholders and customers are geographically and commercially diverse.

We are committed to understanding and reporting on the climate-related risks and opportunities associated with our value chain. Our assessment of these risks and opportunities is informed by an ongoing review of the reasonable and supportable information available, and will continue to evolve as our business, value chain, the broader economy and the science of climate change evolves.

(b) Our Emissions

AGIH emissions are grouped as direct and indirect categories. Our direct emissions (scope 1) and indirect emissions which include metered electricity emissions (scope 2) used in our operations, are reported to the Clean Energy Regulator (CER) as a regulatory requirement under the NGER Act.

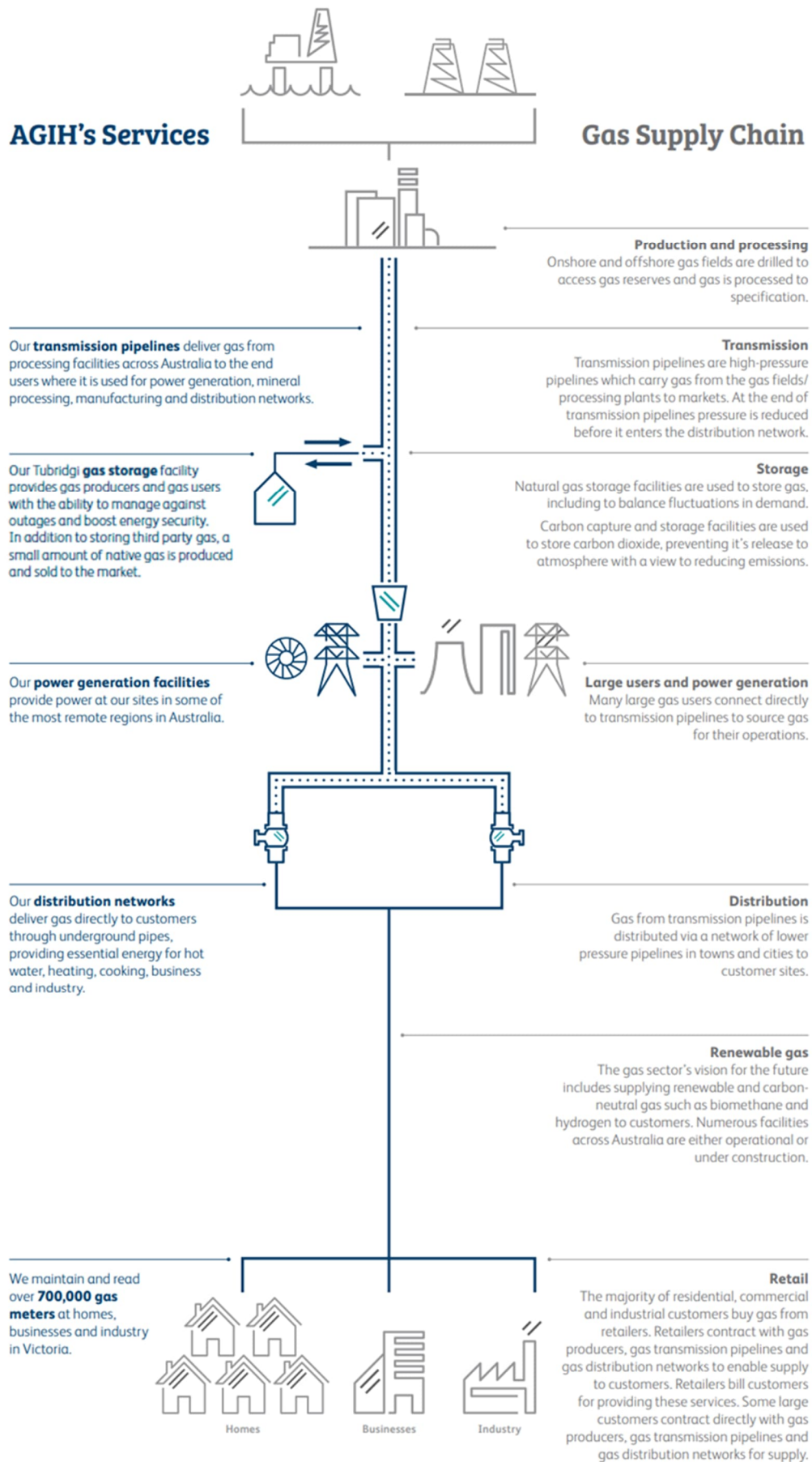
For further information, refer to section 1(c) Significant judgements and uncertainties.

The accuracy of GHG emissions calculations is contingent on the quality of data and the representativeness of the proxies used. Similarly, the estimation of anticipated financial effects is influenced by the assumptions and scenarios underpinning risk models.

We are committed to continuously improving the accuracy of these metrics and will continue to work towards improving data collection and reporting, engaging with suppliers to obtain more precise data, and participating in industry initiatives to refine the methodologies for calculating value chain emissions. Further details on our emissions and reduction can be found in section 3, Strategy.

AGIH's Services

Gas Supply Chain



3. Strategy

AGIH is part of Australian Gas Infrastructure Group (AGIG), one of Australia's largest gas infrastructure businesses. AGIG's Net Zero Ambition applies to AGIG and its entities, including AGIH.

AGIG's Net Zero Ambition outlines our strategic approach to climate change by reducing our own emissions and supporting our customers and supply chain on their emissions journey.

AGIH accepts the science of climate change as articulated by the Intergovernmental Panel on Climate Change and the need to rapidly decarbonise our society with the aim of limiting global temperature increases to 1.5°C above pre-industrial levels.

The primary way AGIH can help to address climate change is through emissions management. AGIG's Net Zero Ambition articulates both our intent in relation to emissions reductions from our own activities and how we can assist our customers to decarbonise. Our Emissions Strategy – a sub-component of our ESG Strategy – outlines how we intend to achieve our emissions reduction targets.

(a) The AGIG Net Zero Ambition

AGIG's Net Zero Ambition is:

- To achieve net zero emissions in our own operations; and
- To enable net zero emissions for our customers.

To achieve net zero emissions in our own operations, AGIG aims to reduce scope 1 and 2 emissions by 30% by 2030 (from a 2020 baseline, for which AGIH will be a contributor); before targeting net zero scope 1 and scope 2 emissions across all AGIG (including AGIH) operations by 2050.

Whilst emissions from the end use of gas delivered by our infrastructure are not classified as scope 1, 2 or 3 emissions for AGIG (or for AGIH), AGIG's Net Zero Ambition emphasises going beyond our direct responsibilities to support our customers in their efforts to reduce emissions. By 2030 AGIG aims to facilitate customer access to renewable or carbon-neutral gases delivered through its distribution assets (for which AGIH will be a contributor). Longer term, we aim for 100% renewable and carbon-neutral gas in AGIG's infrastructure (including AGIH) by providing customers with sustainable infrastructure consistent with their preferred timing.

We measure and report on progress toward AGIG's Net Zero Ambition through a multifaceted approach that focuses on key enablers, recognising that success requires coordinated action across areas both within and beyond our control. This includes shaping the right regulatory framework to support our objectives, advocating for policy settings that unlock the potential for renewable and carbon-neutral gas, and delivering projects that demonstrate these solutions are both achievable and desirable.

(b) Climate-related Risks and Opportunities

The physical impacts of climate change and the transition towards a net-zero emissions economy are likely to impact areas of our business and parts of our value chain to varying degrees.

To determine the potential impacts of climate change, the Group undertook climate modelling, identifying climate-related risks and opportunities that could reasonably be expected to affect the Group's future. Specifically, cash flows, access to finance or cost of capital, over the short (to 2030), medium (to 2050) or long-term (2050 and beyond).

Identified climate-related risks and opportunities are wide ranging with the potential to impact a range of other strategic and operational elements of our business such as regulatory risk, cost of inputs, health and safety.

The Group recognises that it has an impact on the climate and will be impacted by climate change. We look to minimise our climate impact by managing climate-related risks and by capturing the opportunities that the transition to a lower-carbon economy represents.

Summary of climate-related risks and opportunities

Risks	Opportunities
<i>Transitional Risks</i> Policy – insufficient renewable and carbon-neutral gas and CCS policy support, policies that restrict natural gas consumption and potential review of rates of emissions reduction under the Safeguard Mechanism. Market – changing customer demand. Technology – accelerated energy change. Reputational – failure to meet emissions reduction targets or compliance with the Safeguard Mechanism legislation.	<i>Transitional Opportunities</i> Policy – additional revenue and other support from Federal and State renewable and carbon-neutral gas and CCS programs. Market – development of renewable and carbon-neutral gas, CCS, and Guarantee of Origin Scheme (or similar) certificate markets. Technology – advances in renewable and carbon-neutral gas supply, storage and transport. Reputational – leadership in renewable and carbon-neutral gas and CCS demonstrating commitment to net zero. CCS associated infrastructure as alternative revenue.
<i>Physical Risks</i> Extreme weather events, including bushfire/heat, increased rain intensity and wind.	<i>Physical Opportunities</i> Physical resilience of gas infrastructure.

All risks have been assessed as material and could be reasonably expected to affect future business opportunities.

Physical climate risk has been assessed as having no material financial impact post mitigation and adaptation measures on the business.

(c) Risks and Opportunities Related to Climate Change

Climate-related risks and opportunities can affect the Group's financial position in the short, medium and long-term. These impacts may influence financial performance and cash flow in both current and future periods.

AGIH is predominantly a regulated business, delivering essential distribution and transmission infrastructure across Australia. The regulatory framework supports stable and predictable revenue streams. Revenue is determined by the Australia Energy Regulator (AER) in Victoria, and Economic Regulation Authority (ERA) in Western Australia through a reset process that occurs every five years. Due to AGIH's geographically diverse portfolio and the staggered timing of regulatory resets across its assets, the financial impact of any single reset is distributed over multiple years, thereby mitigating potential short- to medium-term earnings volatility.

We have disclosed the qualitative and quantitative impacts of climate-related risks and opportunities on our financial position, financial performance and cash flows for the reporting period within the climate risk and opportunity tables in section 3(d). This includes the anticipated effects over the short, medium and long term, and considerations of how climate-related risks and opportunities are included in our financial planning.

(d) Climate Risk and Opportunity

Transitional Climate-related Risks (TR)

TR1 –Renewable and carbon-neutral gas policy		
Climate-related Risk Category	Nature of Risk	Adaptation or Mitigation Efforts
Transitional Risk Category <i>Political and legal:</i> Lack of government support for renewable and carbon-neutral gases and policies that restrict natural gas consumption. <i>Market:</i> changing customer demand for natural gas, decline in customer numbers and future decline in gas supply (particularly on Australia's east coast). Anticipated Impact Timeframe Medium-to-long term. Anticipated Fraction of Assets Exposed All property, plant and equipment and intangibles assets held on balance sheet were assessed as vulnerable to this risk. Current Impact on the Financial Statements When compared to the previous financial year the AGIH distribution business has observed a reduction in gas consumption however it is not possible to attribute this directly to policy, climate, weather variability, or cost of living considerations. Anticipated Future Impact on the Financial Statements - Decreased consumption of natural gas, with the impact on Net Profit After Tax (NPAT) and cash flows mitigated due to the regulated nature of the business where tariffs set will continue to reflect actual consumption levels. - Asset valuation assumptions used for impairment testing required by accounting standards, have been adjusted to reflect current market conditions, with no impairment. If these assumptions change due to deteriorating market conditions, the future recoverability of asset values could be at risk. - Lack of government support for renewable and carbon-neutral gases could also have an impact on accounting asset lives. An indicative reduction in the life of mains and services assets of 10 years would result in additional accounting depreciation of approximately \$10.9 million per year.	The risk relates to declining future gas demand as Commonwealth and State Governments focus on renewable electricity to deliver emissions targets. Despite steady connection growth historically, distribution network risks include declining gas use per connection driven by behavioural change, appliance switching and warmer climates. In addition, the Victorian Government has announced a ban on new household and most new commercial building connections and end-of-life gas hot water appliance replacement from 2027 onwards, with several exemptions. Our transmission infrastructure risk is assessed to be low in the short term (to 2030) due to length of time to develop alternative energy required for hard-to-abate and industrial customers as well as the requirement for gas fired power generation to be available for standard and peak periods, as coal fired generators are phased out and renewable power technologies require back up for 24/7 reliable power generation.	As Government policies are often state based, adverse policies will not necessarily impact all of AGIH's assets which are spread across Western Australia, Northern Territory and Victoria. AGIH also has diversified operations of distribution and transmission which can protect against specific behavioural and policy trends. AGIH advocate for enhanced policy certainty and investor confidence in the role of renewable and carbon-neutral gas to support our diverse customer base, enabling customer choice on their preferred pathway to reach net zero. Through submissions to various government-led processes as well as more general stakeholder engagement, we highlight the diversity of customer needs and how existing gas infrastructure can be used to meet carbon reduction goals including through the transport of renewable and carbon-neutral gas. AGIH submissions emphasise the need for policy frameworks that facilitate this future, facilitating customer choice. Key recent Australian Government measures include the Future Made in Australia policy² and related Federal Budget³ items as well as the 2024 Future Gas Strategy⁴ which reaffirmed the necessity of natural gas in Australia's energy mix through 2050 and beyond, albeit with an evolving role including renewable and carbon-neutral gases and the integration of CCS technologies to reduce emissions. The Victorian Government's Gas Substitution Roadmap Update (2024) also recognises the need to secure natural gas supplies whilst scaling up renewable and carbon-neutral gas. The Energy and Climate Change Ministerial Council (ECMC) are looking to set a renewable and carbon-neutral gas target for all States and Territories. The Western Australian Gas Statement of Opportunities forecast that demand for natural gas is increasing, recognising the DBNGP will be required in the short to medium term.⁵

² Future Made in Australia Act 2024

⁴ Future Gas Strategy, 25 June 2024

³ Investing in a Future Made in Australia, Budget 2024-25

⁵ WA Gas Statement of Opportunities, December 2024

TR2 – Accelerated energy change relating to technology		
Climate-related Risk Category	Nature of Risk	Adaptation or Mitigation Efforts
Transitional Risk Category <i>Technology:</i> Electrification, change in cost of electricity generation and storage resulting in more affordable electricity. Anticipated Impact Timeframe Medium-to-long term. Anticipated Fraction of Assets Exposed All assets were assessed as exposed to this risk. Current and short-term impact on the Financial Statements When compared to the previous financial year the AGIH distribution business has observed a reduction in gas consumption however it is not possible to attribute this directly to policy, climate, weather variability, or cost of living considerations. Anticipated future impact on the Financial Statements in the medium and long term • Further reduction in consumption or disconnections may result from a shift in customer preferences towards electrification, however there is insufficient data available to estimate financial impacts reliably. Regulatory benchmarks on which tariffs are based already include some allowance for a shift in consumer preferences, therefore in the medium term neither NPAT nor cashflows are expected to be impacted. The longer-term risk is that a continued shift in consumer preference could result in tariffs being increased to an uncompetitive market level. Impairment assessment time horizons are in the same range as the risk assessment timeframes. • Asset valuation assumptions used for impairment testing required by accounting standards, have been adjusted to reflect current market conditions, with no impairment. If these assumptions change due to deteriorating market conditions, the future recoverability of asset values could be at risk. The longer-term risk is that a continued shift in consumer preference could result in tariffs being increased to an uncompetitive market level thereby reducing cashflows which could result in impairment of the asset base. Refer note 19 of the Financial Statements for assumptions used in impairment testing.	AGIH is at risk of changes to technology in relation to renewable electricity generation and storage, which increases deployment through either increased end user applications and or decreased costs, driven by increasing pressure on high emitters to reduce or limit high emission operations. This risk may result in decreasing demand for natural gas from residential, industrial and hard-to-abate sectors if they begin to move to renewable electricity or other forms of renewable energy.	AGIH advocates for ongoing market development of renewable and carbon-neutral gas to ensure customer choice over energy to deliver emissions reductions with a view of ensuring it is price competitive.

TR3 – Reputational failure to meet emissions reduction targets; and increased focus of voluntary commitments and Safeguard Mechanism		
Climate-related Risk Category	Nature of Risk	Adaptation or Mitigation Efforts
Transitional Risk Category <i>Reputational:</i> - Failure to meet 2030 emissions reductions target, and future emissions reduction targets. - Increased focus of voluntary commitments, along with emissions reductions from AGIH's Victorian Safeguard Mechanism Facility. Anticipated Impact Timeframe Short-to-medium term. Anticipated Fraction of Assets Exposed All assets were assessed as exposed to this risk. Current Impact on the Financial Statements. - Our mains replacement program helps mitigate the risk of failing to meet emissions reductions by replacing existing materials with lower emitting materials. In 2025, \$85.2 million was invested in mains replacement. Anticipated Future Impact on the Financial Statements Ability to raise funds in the Capital Market: - The Group's ongoing access to funding is dependent on many factors including our emissions strategy and performance. An inability to progress the emissions strategy could impact future requirements to raise capital. As there is currently no precedent in the market, the level of uncertainty in estimating this is considered too high for disclosure to be useful to users of the Financial Statements. A 0.5% shift in interest rates would result in an increase of \$1.9 million in financing costs. Cost of carbon offsets to meet Federal Government emissions reporting legislation (Safeguard Mechanism) in the short term. The AGIH Group is expected to incur costs of \$0.8m in 2026. Ongoing costs of carbon offsets to meet Federal Government emissions reporting legislation (Safeguard Mechanism) in the medium and long term.	AGIH is required to account for its scope 1 emissions under the NGER Act. The Safeguard Mechanism is the Australian Government's policy for reducing emissions to 2030 and is expected to be extended when the Australian 2035 emissions target is set. Under the Safeguard Mechanism, Australia's largest industrial facilities (including AGIH assets), are known as Safeguard Facilities (SF). Each SF has a legislated emissions limit, known as the Safeguard Baseline. The Safeguard Mechanism requires industrial facilities to contribute to Australia's emissions reduction target by remaining below a calculated emissions baseline which reduces by 4.9% per annum to 2030. If SF emissions exceed their Safeguard Baseline, the SF must purchase carbon offsets to make up the difference. Existing NGER calculation methodologies for gas distribution networks limit opportunities to demonstrate active management of leaks and emissions. Given the calculation methods, beyond 2030 it may prove increasingly difficult to deliver emissions reductions from the AGIH SFs. The outcome of this risk could impact AGIH's credibility among some stakeholders and lead to lower ESG ratings.	In 2025, AGIH scope 1 and 2 emissions were down 9% from 2020 baseline year, primarily due to: - Transmission compressor efficiency improvements, reducing fuel use and emissions. - Distribution mains replacement, replacing old cast iron mains with polyethylene piping, reducing leaks and therefore emissions. - Application of appropriate asset classification to ensure accurate emissions factors. AGIH continues to replace low pressure and earliest generation polyethylene pipes, increasing the safety and reliability of our network, reducing emissions and future proofing our distribution networks. DBP has committed to a multi-year program of emissions intensity reduction including pipeline reconfiguration, asset replacement to improve energy efficiency and installing battery backed renewable generation to replace existing onsite electricity generation. We continue to monitor and transparently report on the performance and progress of our emissions targets which includes progress as detailed in our mitigation efforts section regarding TR1 natural gas replacement including hydrogen and biomethane for gas distribution infrastructure. We continue to engage with the Federal Government in relation to emissions calculation methodologies or introduce other forms of emissions normalisation into emissions legislation. Mitigation efforts related to reducing emissions is outlined at TR1 and TR2.

Physical Climate-related Risks (PR)

PR1 – Increasing intensity of extreme weather including bushfire, wind, rain and heat events impacting our value chain, communities and people		
Climate-related Risk Category	Nature of Risk	Adaptation or Mitigation Efforts
Physical Risk Category Extreme weather: Increased intensity of rain, wind and heat events. Anticipated Impact Timeframe Medium-to-long term. Anticipated Fraction of Assets Exposed All assets were assessed as potentially experiencing this risk. Current Impact on the Financial Statements No financial impacts in the current year. Anticipated Future Impact on the Financial Statements - Labour productivity losses in the medium-to-long term relating to weather events. Our climate analysis illustrated that productivity loss due to heat is non-linear, with potential impacts ranging from <5% to up to 90% higher (long term) over historical. Immaterial impact on NPAT due to the regulated nature of the business, allowing recoverability of operating costs. - Increase in insurance premiums, consistent with increases seen across Australia following natural disasters in the medium to long term. As the majority of our assets are located underground, there is inherent protection from weather events. Due to the regulated nature of the business, we have not experienced and do not anticipate any material impact on operating costs resulting from weather and climate events.	AGIH is exposed to increased extreme weather events, including storms and flood, cyclones (wind) and changing rainfall patterns. This may result in water entering low pressure gas infrastructure, increased vegetation growth, rising insurance premiums and decreased hours worked due to restrictions to work areas. The primary physical risk brought about by extreme weather relates to the safety and wellbeing of employees working on our assets.	Climate scenario analysis illustrates the resilience of our assets to the physical impact of extreme weather, primarily due to the inherent protection of the majority of our assets being located underground. The risk to our employees is managed via our severe weather policies, which outline how we respond to these events and include actions to manage personnel rosters and safely access remote stations in the event of cyclones, storms, bushfires and dust storms. These policies are updated in accordance with our usual governance processes.

Transitional Climate-related Opportunities (TO)

TO1 – Natural gas replacement including hydrogen and biomethane for gas distribution infrastructure		
Climate-related Risk Category	Nature of Opportunity	Our Approach
Transitional Opportunity Category Renewable hydrogen and biomethane are seen as clean and effective fuels to replace natural gas. Timeframe Medium-to-long term. Current Impact on the Financial Statements No impact in the current financial year. Anticipated future impact on the Financial Statements in the short, medium and long term. - Revenue from further commercial opportunities from sale of renewable hydrogen and oxygen to transport and industrial sectors in the short, medium and long term. - Resulting from biomethane projects, potential revenue from the sale of carbon dioxide as an industrial gas and residual organic matter to the agricultural sector and waste gate fees for disposal of organic matter at these facilities in the medium to long term. - Potential revenue resulting from our larger hydrogen plants to provide Frequency Control Ancillary Services to the electricity market in the short, medium and long term. - Revenue from the sale of renewable and carbon-neutral gas certificates such as the GreenPower Renewable Guarantee of Origin (RGGO) certificates in the medium-to-long term. - Increased consumption of renewable and carbon-neutral gases to offset the potential impact on the Financial Statements in the medium to long term as outlined in TR1. - Receipts from both State and Commonwealth Government financial support schemes over the short-to-medium term. These may take the form of grant funding or production credits and may apply to capital and/or operational expenditure.	Renewable and carbon-neutral gas production would increase to meet increasing demand, delivered via existing gas infrastructure. The opportunity is for increased revenue from new projects associated with sales of renewable and carbon-neutral gas or related products.	AGIH advocates for enhanced policy certainty and investor confidence in the role of renewable and carbon-neutral gas to support our diverse customer base, enabling customer choice on their preferred pathway to reach net zero. Renewable and carbon-neutral gases, including biomethane and renewable hydrogen have been formally recognised under the NGER Act as a decarbonisation benefit. This may result in more demand from customers for renewable and carbon-neutral gas to mitigate emissions. The Australian Government's 2024 Future Gas Strategy sets out that under all credible net zero scenarios, natural gas is needed through to 2050 and beyond. It also sets out as a guiding principle that <i>"Householders will continue to have a choice over how their energy needs are met"</i>. In addition to this the ECMC are looking to set a renewable and carbon-neutral gas target for all States and Territories. Victoria is engaging on a Renewable and carbon-neutral gas Target. We are investing in projects that demonstrate the pathways to a low carbon future. This includes preparing new and existing assets for future fuel and carbon transport and storage. We are also working closely with existing and emerging gas suppliers, including those providing hydrogen and biomethane at scale, to deliver these options to customers via our networks. By connecting with these suppliers, we aim to integrate renewable and carbon-neutral gases seamlessly into our infrastructure, ensuring that customers have access to cleaner energy choices. Additional information on these projects can be found at the Metrics and Targets section.

TO2 – Carbon Capture Storage (CCS) as alternative revenue opportunity for transmission gas infrastructure		
Climate-related Risk Category	Nature of Opportunity	Our Approach
Transitional Opportunity Category CCS infrastructure construction and operation as alternative/additional revenue stream. Timeframe Medium-to-long term. Current and Anticipated Future Impact on the Financial Statements Grant funding of \$15 million has been awarded from the Western Australian Government to contribute towards development of a transmission pipeline for CCS in the Pilbara region.	Emissions scenarios where temperature rise is limited to 1.5°C include active CCS removing carbon dioxide from the atmosphere. The opportunity is to develop CO₂ pipeline infrastructure in Western Australia, connecting emitters to providers of CO₂ sequestration facilities, with potential alternative or additional revenue streams in the long term (2050 and beyond).	AGIH's regulated transmission pipeline delivers natural gas to hard-to-abate and large industrial customers. This pipeline is likely to continue operating until 2050 and beyond supported by the Australian Government's 2024 Future Gas Strategy which sets out that under all credible net zero scenarios, natural gas is needed through to 2050 and beyond. We seek to invest in projects that demonstrate the pathway to a low carbon future, this includes preparing new and existing assets for future fuel and carbon transport. AGIH has a natural advantage in development of pipelines for CCS facilities given its expertise in construction of pipelines and, in particular in WA, its access to infrastructure corridors and good relationships with traditional owners and other landholders over the length of the transmission pipeline.

Physical Climate-related Opportunities (PO)

PO1 – Physical resilience of gas infrastructure assets		
Climate-related Risk Category	Nature of Opportunity	Our Approach
Physical Opportunity Category Resilience and reliability of gas distribution and transmission infrastructure, to deliver reliable energy in the future despite climate impact, making it an increasingly attractive source of transport for energy. Timeframe Medium-to-long term. Anticipated Impact to the Financial Statements within Timeframe The inherent physical resilience of our gas infrastructure could provide new customers or demand. - Continued successful operation of the gas distribution networks maintaining financial performance and cashflows. - Continued successful operation and potential growth of the gas transmission assets due to reliability of supply.	The majority of AGIH gas infrastructure is buried underground, protecting it against the physical impact of extreme weather. The opportunity is for the gas we transport to be seen as reliable, and a valued energy alternative under circumstances where electricity supply is interrupted, increasing demand for our services. There is also an opportunity for increased gas delivery along the Dampier Bunbury Pipeline to supply gas peaking generation to support increased intermittent renewable electricity generation.	Climate scenario analysis illustrated the resilience of our assets to the physical impact of extreme weather, primarily based on the inherent protection of the majority of our assets being located underground. This resilience enables us to continue to provide reliable energy as needed, safely to our customers, even under future extreme climate scenarios.

(e) Our Emissions Strategy

In 2023 we enhanced our governance processes relevant to emissions management by implementing our formal Emissions Strategy.

Our Emissions Strategy is both inwards and outwards focused, outlining emissions management of our own footprint, and how we can contribute to emissions reductions for our customers.

The Emissions Strategy led to the development of our Emissions Reduction Pathway, which identifies key areas where we can actively work to reduce our scope 1 and 2 footprints.

(f) Our Emissions Reduction Pathway

In applying our Emissions Reduction Pathway, we have identified key areas where we can actively work to reduce our scope 1 and 2 footprints. We have identified key projects in each of these areas below to work towards achievement of our reduction ambitions over time.

In Victoria, we continued upgrading and renewing existing gas infrastructure, increasing safety, enhancing efficiency and reducing emissions. In 2025, \$85.2 million was invested in mains replacement.

In Western Australia, we are progressively reducing greenhouse gas (GHG) emissions by transitioning site electricity supply to renewable energy sources. In 2025, solar systems were installed and commissioned at several main line valves with total investment in this phase of the transition of approximately \$1.5 million.

While we aim to eliminate or reduce emissions as much as possible, some emissions may be unavoidable. In these cases, we will look to offset these emissions by investing in projects that remove or reduce carbon elsewhere. In the future this may involve purchasing carbon credits or creating our own carbon offset projects to reduce the remaining balance of our emissions. To date, emissions are reported as gross and no offsets have been purchased or allocated in 2025 to reduce emissions.

We continue to progress renewable and carbon-neutral gas industry development, demonstrating practical pathways to decarbonising existing infrastructure. Key projects include:

1. WA Feasibility Study

This study investigated whether the Dampier Bunbury Pipeline could safely introduce hydrogen into its mix. This study was supported by the Western Australian Government.

2. Australian Hydrogen Centre

A joint industry research centre undertaking feasibility studies in South Australia and Victoria, for extending from 10% hydrogen blends in the gas network to a 100% conversion. The Australian Hydrogen Centre also shares learnings from the HyP SA project. Reports were published in 2022 and 2023. The Australian Hydrogen Centre was supported by Commonwealth, South Australian and Victorian Governments and considered AGIH's Multinet network.

3. Pilbara Carbon Capture and Storage

Investigating the potential for onshore CCS infrastructure to unlock decarbonisation of industry in the Pilbara region. The Pilbara CCS study commenced in 2025. If the Pilbara CCS project eventuates, grant funding of \$15 million from the Western Australian Government will be used to support capital works.

(g) Scenario Analysis

The Group uses scenario analysis to help understand the impacts of climate-related risks and opportunities on operations, strategy, and financial planning and has incorporated this understanding into our strategy and business planning. This approach provides the ability to implement effective measures that mitigate risks while maximising opportunities.

The Group considered the following scenarios in its climate analysis:

SSP1 / RCP 1.9 – modelling to meet current global climate targets and policies (1.5°C by 2100 at best) warming by 2100;

- SSP2 / RCP 4.5 – modelling to illustrate delayed emissions recovery scenario with up to 3°C warming by 2100; and
- The central Banks and Supervisors network for Greening the Financial System (climate ambition) and the Australian Energy Market Operator (AEMO) Multi-sector Energy Modelling, 2021.

The high transition risk scenario (SSP1 / RCP 1.9) assumes governments around the world enact policies that will achieve net zero by 2050 and that warming is restricted to 1.5°C (potentially with CCS). Central governments develop stringent and coherent climate change policies and responses. This is supported by rapid policy commitments and early investment in renewable energy infrastructure. Under this modelled transition, risks to the Group are high due to the rapid speed of policy changes required in the short term. Additionally, there is significant pressure to reduce the use of fossil fuels. Physical risks remain present at this point, including extreme weather events, noting these are not material to the Group.

Quantitative assessment of this risk particularly the transitional risks was limited by the amount of supporting quantitative data on the specific market and policy settings that would achieve RCP 1.9. It was noted at the time of the assessment that RCP 2.6 was a more fully developed scenario and was used as supporting material.

The high physical risk scenario (SSP2 / RCP 4.5) assumes a business-as-usual approach to emissions reduction. Government response to climate change is slow and adaption measures to reduce emissions lag. Under this scenario there is an absence of policy in various countries leading to a high warming outcome. This scenario results in impacts from climate change being more extreme and is therefore focused on assessing a business's resilience to increased acute and chronic physical risks. This scenario has limited transitional risks but many physical risks, including a heightened change in climate and breaching of global climate tipping points.

(h) Climate Analysis Disclaimer

As the Group's understanding of climate science and the state of the science itself evolves and improves over time, changes to our assessment of the climate-related risks and opportunities may occur.

The AGIH Sustainability Report contains predictions and estimates ("future statements") about the future under climate change for the Group. While these future statements are the Group's current assessment of its risks and opportunities, they are necessarily limited by the scenarios, state of climate science, and information reasonably available to AGIH at the time they were made.

The scenarios and modelling that have been used are a guide to potential outcomes, but they do have recognised limitations and margins of error and uncertainty. These limitations and distributions of probability will in turn impact the degree to which projection of the future is matched to actual observed outcomes.

4. Governance

(a) Corporate Governance

AGIH is an incorporated entity that is managed by an Executive Leadership Team (ELT) reporting to the Board of Directors.

The Board is supported by Sub-Committees comprising the ESG Committee, Audit Committee, Risk and Compliance Committee, and Remuneration Committee. These Committees make key recommendations on business decisions.

A tiered governance system has been developed to oversee and manage our approach to ESG Strategy and Climate-related targets. This involves our Board, executive, senior management and subject matter experts from across the business.

The Governance Approach is outlined in the table below.

Role in Oversight	Frequency of Meetings and Review
Board The AGIH Board of Directors is responsible for corporate governance and strategic planning, including monitoring our sustainability and climate performance. Supported by the Board Sub-Committees, the Board works with the ELT and senior management to manage risks and opportunities, including those that are climate-related, optimise business performance and to maintain high standards of ethical behaviour and legal compliance. The Board holds responsibility for incorporating relevant sustainability and ESG and climate-related matters (encompassing emissions strategy and climate targets) into the Group's Vision and Values, governance, strategy, decision-making processes, and risk management processes. The Board also considers how these are designed to respond to climate-related risks and opportunities and how these align with the business model and long-term strategy, including transition to a low carbon economy. The Board approves and monitors the Internal Audit Plan as recommended by the Audit Committee. The Internal Audit process is designed to review and test controls in place to manage key risks and is an important component of the risk management framework.	The Board meets quarterly. The Board monitors (note) and endorses the following (as required): • Progress towards achieving ESG targets, including climate-related targets as recommended by the ESG Committee; • New ESG targets (as an outcome of our annual Materiality Assessment) as recommended by the ESG Committee; • Business-wide climate-related risks and opportunities as recommended by the ESG and Risk and Compliance Committees; and • The full year ESG Report as recommended by the ESG Committee The review and approval of Climate-related risks and opportunities is outlined at the Risk Management section of this report (5b)
Sub-Committees Committees of the Board comprise directors and shareholder representatives and are attended by the ELT and key management. The Committees are responsible for supporting the Boards in fulfilling their duties and responsibilities. The Audit Committee is responsible for reviewing and recommending to the Board the annual Internal Audit Plan, which is developed having regard to AGIG's risk assessments. The Internal Audit process is designed to review and test controls in place to manage key risks and is an important component of the risk management framework. The ESG and Risk and Compliance Committees are key in overseeing the ESG Strategy and maintaining the effectiveness of policies, procedures and objectives which underpin this strategy, as well as risk management, including in relation to climate-related risks and opportunities resulting from climate change. Additionally, the ESG Committee endorses ESG (and climate) targets for Board endorsement; and holds responsibility for receiving and assessing assurance opinions and reports. The ESG	The relevant Committees meet quarterly, and review matters and provide recommendations to the Board in relation to ESG and climate-related risks and opportunities. Annually, the ESG Committee recommends to the Board: • New targets (as an outcome of our annual Materiality Assessment); • Endorsement of the full year ESG Report. Quarterly, the ESG and Risk and Compliance Committees review the: • Progress to targets; • Emerging focus areas. The review and approval of climate-related risks and opportunities is outlined in the Risk Management section of this report (5b)

Committee is governed by the ESG Committee Charter which is reviewed annually. The ESG and Risk and Compliance Committees report to the Board on progress and any recommended updates to our approach. The Committees are informed periodically by an internal dashboard which tracks and reports progress against our sustainability commitments and targets.	
Executive Leadership Team (ELT)	
The ELT is responsible for operational and functional tasks and the long-term performance and success of AGIH. Consistent with this, the ELT holds responsibility for the performance and delivery of the ESG Strategy and climate-related targets, as well as the integration of sustainability considerations into strategic and financial plans.	The ELT meet weekly as part of normal operational updates, with quarterly review of ESG targets, updates, performance to existing metrics and targets, monitoring and review of climate-related risks and opportunities and consideration of sustainability issues into strategic and financial plans. Outside of the scheduled quarterly updates, adhoc ESG related discussions occur during regular weekly meetings.
ESG Working Group	
A group of cross-practice subject matter experts from across the business who are responsible for the development of the ESG Strategy, recommendation of ESG targets and monitoring performance in relation to ESG matters. Sub-working groups of the ESG Working Group include the Diversity, Equity and Inclusion Working Group, the Emissions Working Group and the Reconciliation Action Plan Working Group.	The ESG Working Group meets quarterly to receive updates from sub-working groups, discuss progress to targets and other ESG related issues. Meetings are scheduled ahead of the Committee meetings to allow updates to be provided to the quarterly meetings.
Employees	
Our employees implement initiatives and conduct our business in an environmentally and socially responsible manner, consistent with our values and policies.	Not applicable.

(b) Executive Leadership Team (ELT)

The ELT is responsible for managing the performance and successful execution of the AGIH ESG Strategy (which incorporates the Emissions Strategy) and ESG and climate-related targets.

The ELT comprises the AGIH CEO and Executive General Managers (EGM) and is responsible for business strategic planning, policies and procedures, and for submitting matters to the relevant Committees and Board for approval – including those related to ESG. The ELT is also responsible for executing approved plans, including the general risk management guidelines, as defined by the Board.

The AGIH ELT is supported by the ESG Working Group on social and climate-related matters.

(c) Environmental, Social and Governance (ESG) Working Group

The ESG Working Group, chaired by the Head of Strategy and Sustainability, comprises cross-practice subject matter experts from across the business. The ESG Working Group is responsible for:

- Developing the ESG Strategy;
- Monitoring performance in relation to ESG and climate matters (including climate-related risks and opportunities);
- Recommending ESG (including climate) targets, informed by a materiality assessment;
- Tracking progress towards achieving our ESG (including climate) targets and recommending the necessary resources for its effective implementation; and

- Publishing of the annual ESG Report and supporting publication of the annual Sustainability Report. ESG Working Group meetings are held quarterly (as a minimum).

The ESG Working Group has smaller sub-working groups, which are responsible for managing the implementation of the Emissions Strategy and the Reconciliation Action Plan (RAP). These sub-working groups provide regular updates to the ESG Working Group.

The Sustainability Team is responsible for managing the ESG Working Group and for the day-to-day delivery of the ESG Strategy. The Sustainability Team comprises three full-time staff members reporting to the Head of Strategy and Sustainability, under the EGM Customer and Strategy.

(d) Executive Remuneration

The annual remuneration of the members of the ELT is approved by the Remuneration Committee. At 31 December 2025, certain members of the ELT have metrics involving the progression of renewable and carbon-neutral gas projects linked to their remuneration.

(e) Climate-related Skills and Experience

The AGIH Board is selected by our Shareholders and Committee positions are selected by the Board, based on skills and experience relevant to the business and implemented via an integrated governance approach. The ESG and Risk and Compliance Committees, and the ELT, support the Board in fulfilling its duties and responsibilities in relation to climate-related matters. The AGIH team skills and development are managed as part of our People and Culture and Training and Development processes.

The Board delegates climate-related responsibilities to the CEO and ELT.

The Sustainability Team consists of cross-skilled personnel who provide a broad range of appropriate sustainability and climate-related skills.

5. Risk Management

(a) Corporate Risk Management

The Group's risk management approach is based on the Committee of Sponsoring Organisations (COSO) of the Treadway Commission Enterprise Risk Management (ERM) framework and is also aligned to AS/NZS ISO 31000 Risk Management – Principles and Guidelines, AS 2885 Pipelines-Gas and Liquid Petroleum; and AS/NZS 4645 Gas Distribution Network Management.

Application of this framework enables risks to be managed proactively, achieving strategic and operational goals by integrating risk management into our governance and strategy setting process. This underpins all stages of the risk management cycle including identification and analysis to treatment, monitoring and reporting and ensuring decisions made are informed and aligned with governance best practice.

Risks are monitored using a third-party provided Governance, Risk and Compliance (GRC) system. The system provides action-oriented insights to enable data-driven decisions across the business and assists in monitoring performance across the risk lifecycle.

The Assurance and Risk team provides reports to the ELT for review and tracking of the Group's performance in relation to material risks. These are provided to the Committees and Board on a six-monthly basis.

(b) Climate Risk Management

Climate Risk Management forms part of the Group's Corporate Risk function and is managed within our Corporate Governance structure (refer to Section 4, Governance), providing visibility across the Board, Committees and management.

Our risk management system focusses on identifying risks, including climate-related risk; however additional climate scenario analysis has been applied for this Report (refer section 3(g)).

The Corporate Risk Matrix was used to determine climate-related risk materiality. The Corporate Risk Matrix does not recognise potential opportunities that could arise from climate-related risk, these were managed by reviewing the material impact of opportunities and applying these to the climate-related risks as part of the mitigation approach.

The material climate-related risks and opportunities, time frames and financial impact have been outlined in section 3 Strategy.

(c) Climate-related Risk Methodology

AGIH risk management (including climate) has four stages:

(i) Identification

Risks and opportunities were identified across all assets within AGIH based on the climate modelling analysis (refer section 3(g)). Following completion of the climate scenario analysis, and consistent with our enterprise-wide risk framework, risks are assessed in a structured manner utilising the Corporate Risk Matrix, across broad range of likelihood level and consequence categories (including financial). The Corporate Risk Matrix is reviewed annually.

(ii) Evaluation and analysis

The risks are analysed using the Corporate Risk Matrix across a broad range of likelihood and consequence categories including financial impact, safety, legal or compliance issues, reputational and business interruptions.

For identified risks, the risk matrix is used to describe the worst-case scenario and identify cause and impact based on qualitative criteria. Opportunities are considered as part of the adaptation and mitigation approach to managing the risk.

(iii) Monitoring and Review

The risks are monitored by the Assurance and Risk Team and reviewed by the ELT on a six-monthly basis. The outcome of this review, including any changes to risk assessments, mitigations and treatment plans, is reported to the ESG and Risk and Compliance Committees every six months. In the event of risks changing substantially during this timeframe, the ELT will then reconsider the risks and report to the Board Sub-Committees and Board as appropriate.

(iv) Reporting

Information relating to the management of risks is communicated in a clear and structured way across the business. This includes at different levels of the business according to the priority of each risk.

The material climate-related risks are monitored by the Climate Working Group and reported to the ELT, and the ESG and Risk and Compliance Committees, as outlined in the Governance section of this report.

6. Metrics and Targets

(a) Our Reported Emissions: Scope 1 and 2

The Group's scope 1 and 2 emissions are required to be reported to the Clean Energy Regulator (CER) under the NGER Act. These emissions are calculated using the NGER Framework and are reported on an Australian financial year (FY) basis using the Technical Guidelines developed by the Australian Government Department of Climate Change, Environment and Water.

Reported Scope 1 and 2 emissions for Calendar Year (CY) 2025 are shown in the table below:

Emissions	CY 2025 (tCO ₂ -e)
Gross Emissions	
Scope 1	395,467
Scope 2	2,475
Total Scope 1 and 2	397,942

(b) Emissions Calculation Methodology

In 2025, to determine its scope 1 emissions AGIH applied Method 1 of the NGER Framework for the transmission facility⁴ (DBP) and Method 2 of the NGER Framework for the MGN distribution⁵ facilities. AGIH used the location-based method for scope 2 emissions.

The majority of emissions from the AGIH distribution facility are fugitive emissions.

The majority of emissions from the AGIH transmission facility relate to self-use gas used to drive compressors and on-site electricity generation.

Scope 2 emissions comprise less than 1% of total emissions and relate to electricity use and are location based.

While the NGER methodologies outlined above have been used, the emissions reported relate to the calendar year (CY25). NGERS data for FY25 is available on the CER website and emissions are reported in gross numbers.

There have been no changes in our emissions calculation methodology, inputs or assumptions between 2024 and 2025 reporting. Note this relates to emissions reporting to the CER and within our voluntary reporting.

(c) Assumptions and Judgements

AGIH's emissions calculation for its network facility relies upon estimates where actual data is not available. These estimates include:

- Asset length and material, particularly for legacy assets that were installed before modern software and surveying methods were available, or where records are incomplete; and
- Asset quantity during the reporting period, acknowledging that the networks grow and change day to day however reporting is completed six-monthly.

AGIH's emissions calculation for its transmission facility considers gas consumption. Gas chromatographs track gas quality along the pipeline, and gas usage is aggregated on a per hour basis. Gas metering accuracy is maintained through maintenance and verification activities.

(d) Our Emissions Targets

The Group proactively manages and reports emissions through our ESG process, which includes development of, and reporting against, emissions targets relating to our own activities as well as assisting our customers on their decarbonisation journey.

In 2025, AGIG had five proactively-set emissions targets. These targets were set at an AGIG level with no specific targets set at an AGIH level. AGIH is however a contributor to all AGIG emissions targets.

In setting these targets, the Group did not apply a sectoral decarbonisation approach.

In addition to targets set by the Group, AGIH also complies with legislative reporting and targets as required by the Commonwealth Government, namely the Safeguard Mechanism.

The Safeguard Mechanism is the Australian Government's policy aimed at reducing greenhouse gas emissions from the largest industrial facilities (known as Safeguard Facilities) to achieve emissions reductions for Australia's 2030 and net zero targets.

Safeguard Facilities are those that emit over the Safeguard Threshold of 100,000 tonnes of CO₂-e in the financial year. For AGIH this is our Victorian gas distribution network and our Western Australian transmission pipeline. Safeguard Facility emissions are required to remain below a declining baseline over the period 1 July 2024 to 30 June 2030. If emissions at a facility exceed the baseline, the facility must purchase carbon credits to make up the difference. If carbon credits are not purchased to make up the difference, civil penalties will be incurred.

Emissions are calculated based on network material and approved emissions factors. Baselines are calculated on network length and gas demand (gas system withdrawals, as sourced from the

⁴ As outlined in the NGER Legislation "National Greenhouse and Energy Reporting (Measurement) Determination 2008" chapter 3 part 3.3.7

⁵ As outlined in the NGER Legislation "National Greenhouse and Energy Reporting (Measurement) Determination 2008" chapter 3 parts 3.3.7 and 3.3.8

Australian Energy Market Operator (AEMO), available in early October). Baseline actuals for Victoria were 8% lower than forecast due to gas demand being lower than expected.

Our Victorian network emissions decreased for the reporting year, but the calculated baseline decreased further and therefore actual emissions were above baseline.

Annual reporting for our Safeguard Entity for the period of 1 July 2024 to 30 June 2025 was submitted to the CER on 27 October 2025.

The Group's emissions targets and progress against these targets are outlined in the following table.

Targets	
AGIG Targets - United Nations Sustainable Development Goal (SDG)	Our Progress
SDG 7 – Affordable and Clean Energy We aim to reduce our scope 1 and 2 emissions from across all AGIG assets by 30% compared to our 2020 baseline by end-2030	In 2025, AGIH has contributed to this target by reducing emissions by 5% when compared to the 2020 baseline.
SDG 7 – Affordable and Clean Energy We will track and report our material scope 3 emission categories, with a view to setting measurable targets by end-2027	We remain on track to complete this target by 2027. Total scope 3 emissions for 2025 have been provided in our ESG data book, available on the AGIG website.
SDG 13 – Climate Action We will target renewable and carbon-neutral gas production by AGIG or third parties) connected to our distribution networks, equivalent to 10% (by volume), in these networks by 2030.	This target relates to enabling net zero for our customers and does not relate to the Group's scope 1, 2 or 3 emissions. This target is at an early stage of delivery. When considering AGIG and third-party projects that are operational, under construction or in development, as well as potential sources of renewable and carbon-neutral gas adjacent to AGIG networks (including AGIH) renewable and carbon-neutral gas production able to meet this 10% (by volume) target is evident. The Group acknowledges that to meet this target, supportive policy is required to be in place in 2026, and construction of new projects must commence no later than 2027. In respect of supportive policy and regulatory enablers, the Group notes the following key activities during 2025: • The Clean Energy Regulator launched the Guarantee of Origin certification framework for hydrogen from electrolysis with the scheme to be expanded to biomethane in the future. • The Commonwealth Government established the Hydrogen Production Tax Incentive through the <i>Future Made in Australia (Production Tax Credits and Other Measures) Act 2025</i>. • The Energy and Climate Change Ministerial Council committed to exploring a nationally consistent approach to renewable gas targets with consultation expected to occur in 2026. • Following consultation in late 2024, the Victorian Government reaffirmed its commitment to establishing a Renewable Gas Target.
SDG 13 – Climate Action We will target 100% renewable and	This target is at an early stage of delivery. Our work in delivering our interim target of 10% renewable and carbon-neutral gas in the distribution network by 2030 is a key

carbon-neutral gas in our distribution networks by 2050.	enabler of this target. This target was developed in line with our Net Zero Ambition to reduce the carbon intensity of the gas we transport by replacing natural gas with renewable gas. The target aligns with the net zero commitments of the states and territories in which we operate, and we acknowledge that supportive policy and legislation will be critical to enable the new production projects required for delivery.
SDG 13 – Climate Action We will target net zero emissions from our transmission and midstream assets by 2050	Our work in delivering our Interim scope 1 and 2 emissions target is a key enabler of this target. This target was developed with the ambition to achieve net zero for our operational emissions by 2050, consistent with the Australian Government's net zero target. This target is at an early stage of delivery.
Compliance Target	Legislative Target
Safeguard Mechanism	AGIH has two Safeguard Facilities, our Victorian gas distribution network and our Western Australian transmission pipeline. Whilst safeguard emissions related to the AGIH gas distribution network decreased by 4% for the 2025 reporting year (1 July 2024 to 30 June 2025) compared to the 2024 reporting year, they were above the Safeguard Baseline. The Group will purchase carbon offsets to clear the over baseline position by March 2026 to comply to legislation. The AGIH transmission business has committed to a Multi-Year Monitoring Plan (MYMP) that allows the netting of emissions over the five-year period from 1 July 2023 to 30 June 2027, with a view to the net actual emissions over this period being below the calculated Safeguard Baseline. We are on track to meet the MYMP net baseline position at the end of the MYMP period.

Independent Auditor's Review Report to the members of Australian Gas Infrastructure Holdings Pty Ltd

Report on the Audit of the Financial Report

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Australian Gas Infrastructure Holdings Pty Ltd (the "Company") for the year ended 31 December 2025 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* ("ASSA 5010") issued by the Auditing and Assurance Standards Board ("AUASB"):

Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 <i>Climate-related Disclosures</i> ("AASB S2") (including related general disclosures required by Appendix D)	Location in the Sustainability Report
Governance	Paragraph 6	Section 4 "Governance" on pages 18 to 21
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Section 3 paragraph (d) "Climate Risk and Opportunity" on pages 11 to 16
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Section 6 "Metrics and Targets" paragraphs (a) and (b) on pages 22 to 23

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the "Act").

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* ("ASSA 5000") issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the ‘*Summary of the Work Performed*’ section of our report below.

Our responsibilities under ASSA 5000 are further described in the ‘*Auditor’s Responsibilities*’ section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024 (the “Code”), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company’s annual report for the year ended 31 December 2025 but does not include the specified Sustainability Disclosures and our auditor’s report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. The other information includes the financial report upon which we have performed an audit and issued a separate auditor’s report.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the Specified Sustainability Disclosures

The Directors of the Company are responsible for:

- a) The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- b) Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations in Preparing the Specified Sustainability Disclosures

Greenhouse gas emissions quantification relating to Scope 1 and Scope 2 emissions is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Performed inquiries and walkthroughs to obtain an understanding of the reporting process for preparing the specified Sustainability Disclosures, including the identification of individuals involved and an understanding of key systems used.
- With respect to Governance disclosures:
 - Inquired with management and personnel responsible for the oversight of climate-related risk and opportunities to obtain an understanding of the Company's processes, controls and procedures to monitor, manage and oversee its climate-related risks and opportunities; and
 - Performed walkthroughs and inspected the Company's internal information (e.g. Board meeting minutes, terms of reference, committee charters and internal policies).
- With respect to Strategy (risk and opportunities) disclosures:
 - Obtained an understanding of the Company's process for identifying and assessing its climate-related risks and opportunities across its reporting boundary, including management's materiality assessment process, by performing inquiries to understand the sources of the information used by management (e.g. value chain mapping, strategy documents, stakeholder engagement, peer benchmarking) and inspecting the Company's internal documentation of this process; and

- Assessed whether the climate-related risks and opportunities disclosed are appropriate and complete, based on management's process and judgements, and whether they have been accurately described and classified.
- With respect to Scope 1 and 2 emissions disclosures:
 - Obtained an understanding of the measurement approach, inputs and assumptions used to measure the Company's greenhouse gas emissions through inquiries, walkthroughs and inspection of process flow documentation, calculations and underlying support;
 - Performed analytical procedures (e.g. trend analysis or ratio analysis or independent expectations);
 - Agreed a sample of the underlying emissions data to supporting documentation and checked the mathematical accuracy of management's calculations;
 - Assessed the relevance and reliability of emissions factors used by management; and
 - Evaluated whether management has appropriately applied the requirements of AASB S2 and the NGER Scheme legislation in developing estimates used to report emissions, and whether the methods for developing such estimates are appropriate and have been applied consistently.
- Reconciled the specified Sustainability disclosures in the sustainability report to underlying supporting calculations and/or testing.
- Evaluated the overall presentation of the specified Sustainability Disclosures in the sustainability report and considered whether the specified Sustainability Disclosures as a whole are disclosed in accordance with the relevant requirements of AASB S2.

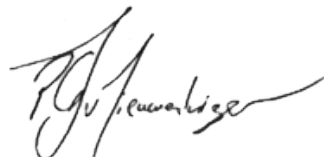
Our procedures did not include assessing the adequacy of design or operating effectiveness of controls, assessing the adequacy of the Company's governance framework and processes or separately developing our own estimate to compare with the Company's estimates.

Other Matter

The comparative information for Scope 1 and Scope 2 emissions was not subject to assurance in the prior year. In connection with our review of the specified Sustainability Disclosures, our responsibility is to determine whether the comparative information not subject to assurance in the prior year, is appropriately presented, by evaluating its consistency with the disclosures presented in the prior period and the consistency of the criteria with the criteria applied in the current period. Our conclusion is not modified in respect of this matter.



DELOITTE TOUCHE TOHMATSU



PG Janse van Nieuwenhuizen

Partner

Chartered Accountants

Perth, 11 March 2026