GOVERNMENT AND SHAREHOLDER DISCLOSURE
POLICY SUMMARY

1. OUR APPROACH TO DISCLOSURE

Energex adopts a broad approach to disclosure, with obligations set out in the Government Owned Corporations Act 1993 (GOC Act), other relevant legislation and GOC policies published on the Queensland Treasury website, to ensure accountability to our shareholding Ministers, who are in turn accountable to Parliament.

In accordance with section 122 of the GOC Act, the Energex Limited Board has an obligation to keep the shareholding Ministers reasonably informed of the operations, financial performance, financial position and governance of the company and its subsidiaries. This requirement is similar to the continuous disclosure obligations which apply to listed companies under the ASX Listing Rules.

We report in a timely manner on all issues likely to have a significant financial, operating, social or environmental impact, in accordance with our obligations under legislation and government guidelines. We work cooperatively with the shareholding Ministers on these issues.

We also advise our shareholding Ministers of any potential and actual breaches of the Code of Conduct by Energex Directors, the Chief Executive Officer or senior executives and, where material, by our employees.

2. PRINCIPAL LIAISON OFFICERS

Our Board Chair is the principal liaison officer with the shareholding Ministers, both on a formal and informal basis.

Our Chief Executive Officer and certain managers and employees liaise with representatives of shareholder departments on a regular basis.

Our Customer Advocacy Group is the initial point of contact in Energex for general government enquiries, Ministerial Briefing Notes, possible Parliamentary questions and questions on notice.

3. CORPORATE PLANNING DOCUMENTS

3.1 Legislative requirements

Sections 107 and 97 of the Government Owned Corporations Act 1993 (GOC Act) require the Board of Energex Limited to submit to shareholding Ministers a draft Statement of Corporate Intent (SCI) and Corporate Plan (CP) by 31 March each year. The GOC Act requires that the Board and shareholding Ministers endeavour to reach agreement on the draft documents as soon as possible but no later than 1 July each year.

After submitting the SCI and CP to the shareholding Ministers for feedback, the Energex Board approves the documents for submission to the shareholding Ministers by 31 May each year.

3.2 Statement of Corporate Intent (SCI)

The emphasis of the SCI is on a one-year outline of the nature, scope and main undertakings by Energex for each financial year. Specifically, the SCI must address financial matters such as capital structure, dividend policy, borrowings and financial forecasts, and also provide significant detail on Energex’s employment and industrial relations plan.
3.3 Corporate Plan (CP)

The CP is a five-year forward planning document, inclusive of an executive summary, corporate overview (core business, vision, mission and values), business environment analysis, strategic direction and five year financial and non-financial business targets.

4. REPORTING, MINISTERIAL ENQUIRIES AND CORRESPONDENCE

4.1 Routine reporting

In addition to submissions on specific matters, including regular briefing notes, we provide a quarterly report and an interim report to shareholding Ministers.

We also publish our Annual Performance Report in accordance with section 298 of the Corporations Act 2001. The Annual Performance Report is also tabled in Parliament each year.

4.2 Ministerial Briefing Notes

Ministerial Briefing Notes are a one way communication to provide advice to the Minister's office, the Department of Energy and Water Supply and Commercial Monitoring. Such advice is initiated either by the Minister's Office requesting information or by Energex management providing advice on significant matters affecting the business.

All Ministerial Briefing Notes are managed by our Customer Advocacy Group who will provide a reference number and who will also process the document via the relevant Executive General Manager and the Chief Executive Officer before release.

There are many ways of communicating with Government, eg letters direct from the Board Chair, CEO or Company Secretary to shareholding Ministers, face-to-face meetings with Government Department representatives.

4.3 Possible Parliamentary Questions (PPQs)

Possible Parliamentary Question (PPQ) briefs are requested by the Department of Energy and Water Supply before sittings of Parliament.

4.4 Questions on Notice

Question on Notice (QoN) briefs are required to respond to QoN's raised during sittings of Parliament and are listed on the Queensland Parliament website.

4.5 Submissions Seeking Shareholding Ministers' Approval

Information on these submissions can be obtained from the Investment Guidelines for Government Owned Corporations. These guidelines have been incorporated into Energex's Delegation of Authority Policy. The thresholds for seeking shareholding Minister approval are $75M for regulated investments and $20M for unregulated investments. Energex must also notify shareholding Ministers of any projects in excess of $20M (via the Quarterly Report of shareholding Ministers).

5. POLICY SUMMARY

This is a summary of the existing procedures Energex has in place for Government liaison and shareholder disclosure. Further details of these procedures are held within Energex's document management system and intranet.