

An International Focus on ESG

Highlights from the 28th World Gas Conference - Daegu, South Korea

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Australian Gas Industry Trust

Who Are We?



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Agenda

- 28th World Gas Conference
- ESG Overview
- Environmental Sustainability
- Social Impact & Influence
- Governance Implications
- Key Takeaways

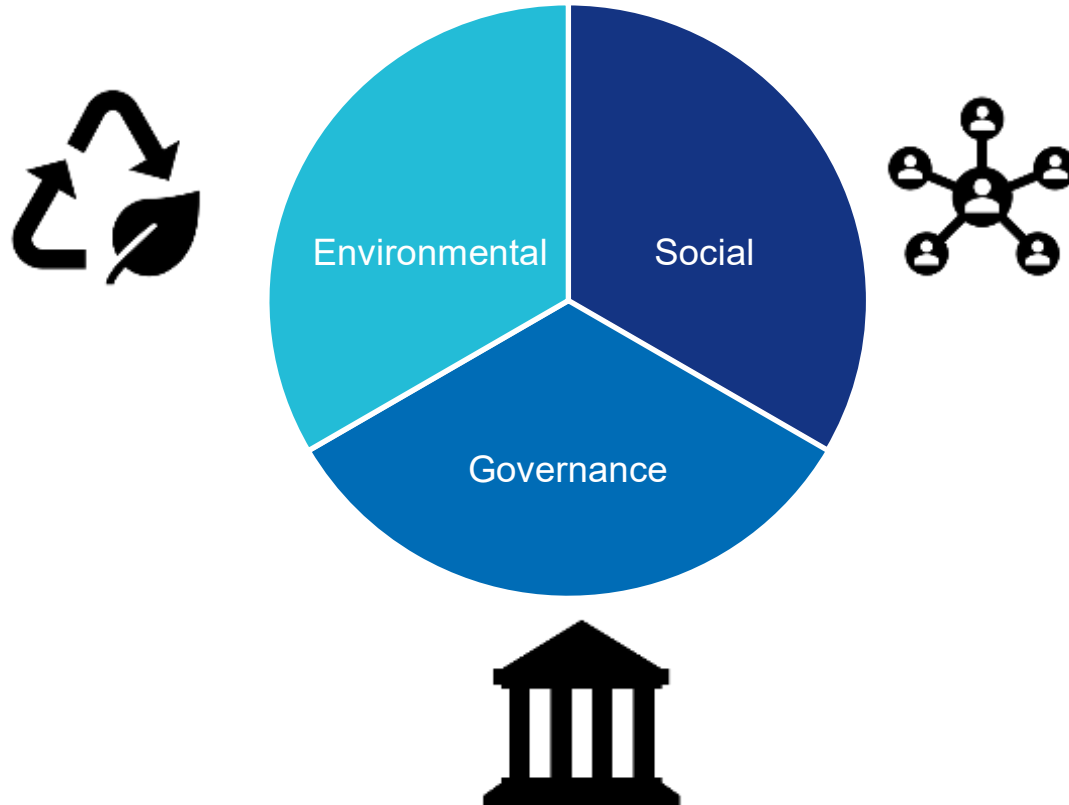
28th World Gas Conference – Daegu, South Korea

- **What?** – The premier international gas industry conference held every 3 years by the International Gas Union (IGU)
- **Why?** – To promote the role of gas to achieve a sustainable energy future through dialogue, debate & discussion of the energy value chain
- **Who?** – Attendees range from senior business leaders, technical experts, academics, policy makers, bankers & commentators
- **How?** – Scholarships recipients awarded to emerging industry leaders by the Australian Gas Industry Trust (AGIT)



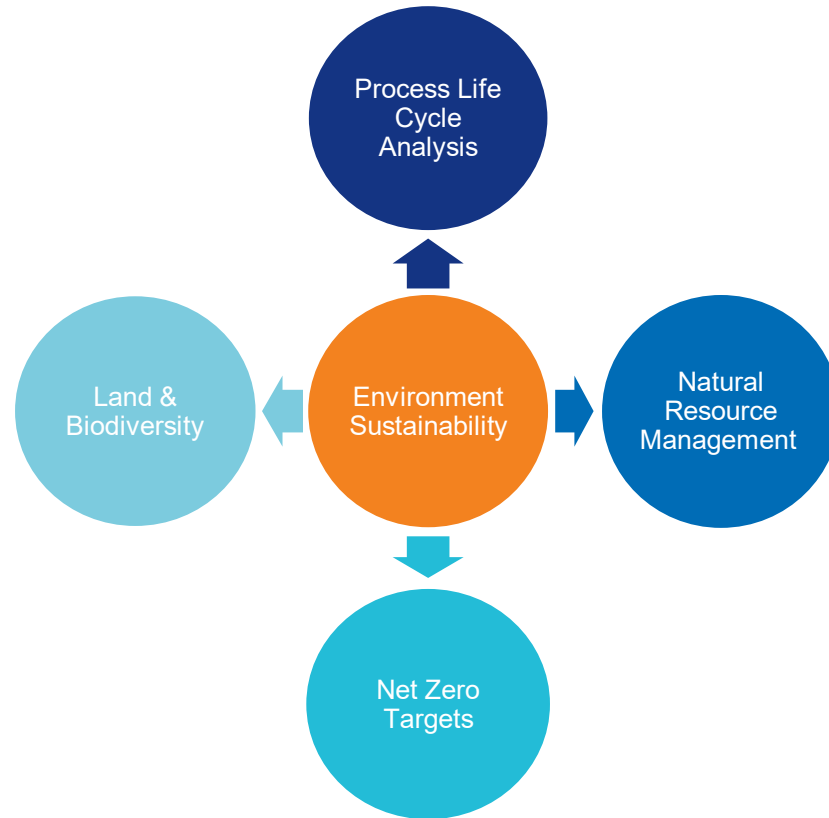
The premier international gas conference hosted by the IGU

What is ESG?



A holistic assessment of an organisation's impact both internally and externally

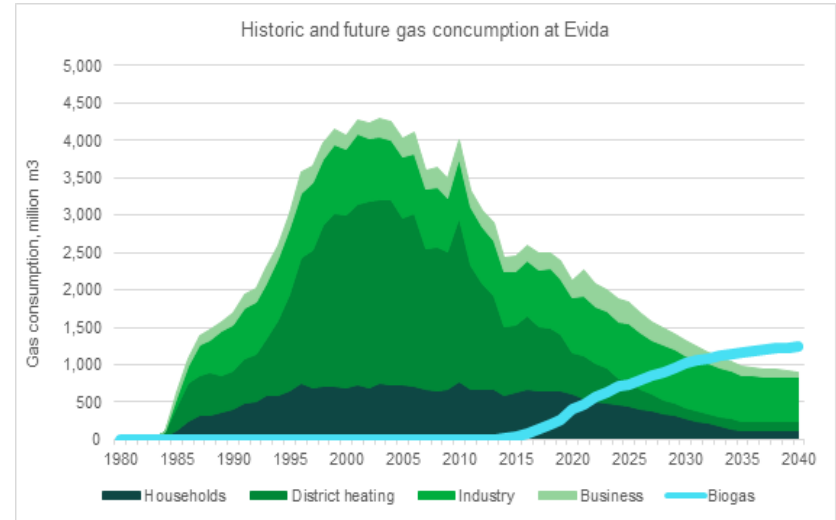
ESG – What is “Environmental Sustainability”?



Environmental sustainability involves neutralising ones impacts on the environment to zero

Renewable Gas Injection & Blending

- Biomethane capture and utilization
- Gas still meets essential requirements
 - Energy Flexibility
 - High temperatures required for Industry processes
- Peak & reserve load energy demands
- Utilises biogas from large agricultural industry
- Reinforces networks with bidirectional feed
- Blend with future renewable gases



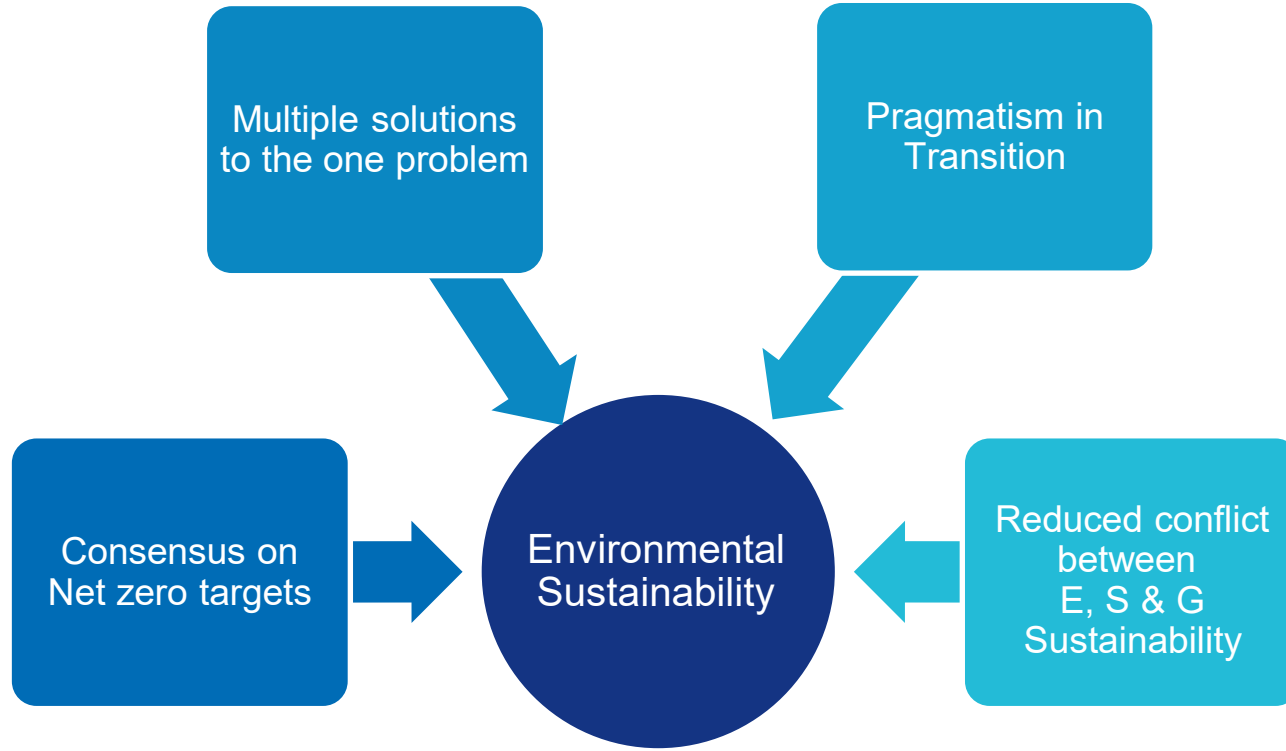
Source: Evida / Denmark government 2022

Hydrogen Injection & Fuel Cells

- Government Policy Driving Innovation
- Doosan & Hyundai are working on Hydrogen fuel cells
- Hyundai Heavy Industries has invested in Hydrogen powered transport
- Liquid Hydrogen



WGC Environmental Sustainability Highlights



Don't let a good Crisis go to waste

ESG – What is “Social”?



Social sustainability considers individuals and their communities

Social Sustainability within the Gas Industry



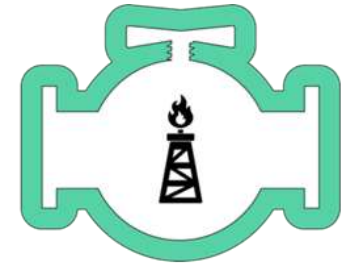
Affordability

How much will it cost me?



Security

Will it be available when I need it?



Sustainability

What is the environmental impact?



The energy trilemma and the UN's Sustainable Development Goals are key gas industry drivers

WGC Social Impact and Influence

ROLE OF GAS TO DRIVE ECONOMIC GROWTH AND MITIGATE ENERGY POVERTY

MODERATOR



Terence Thorn

Senior Advisor to the President of the IGU
International Gas Union (IGU)

PANELISTS



Dr. Philip Mshelbila

Managing Director and Chief Executive Officer
Nigeria LNG



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Mark Brownstein

Senior Vice President - Energy Transition
Environmental Defense Fund (EDF)



GAS IN ASIA – A PATH OR THREAT TO NET ZERO GOALS

MODERATOR



Prof. Jonathan Stein

Distinguished Research Fellow & Founder of the
Natural Gas Research Programme
Oxford Institute for Energy Studies (OIES)

SPEAKERS



Yalan Li

Chairperson of the Board of Directors
Beijing Gas Group
Executive Chairperson
China Gas Association



Jeong Joon Yu

Vice Chairman & CEO
SK E&S



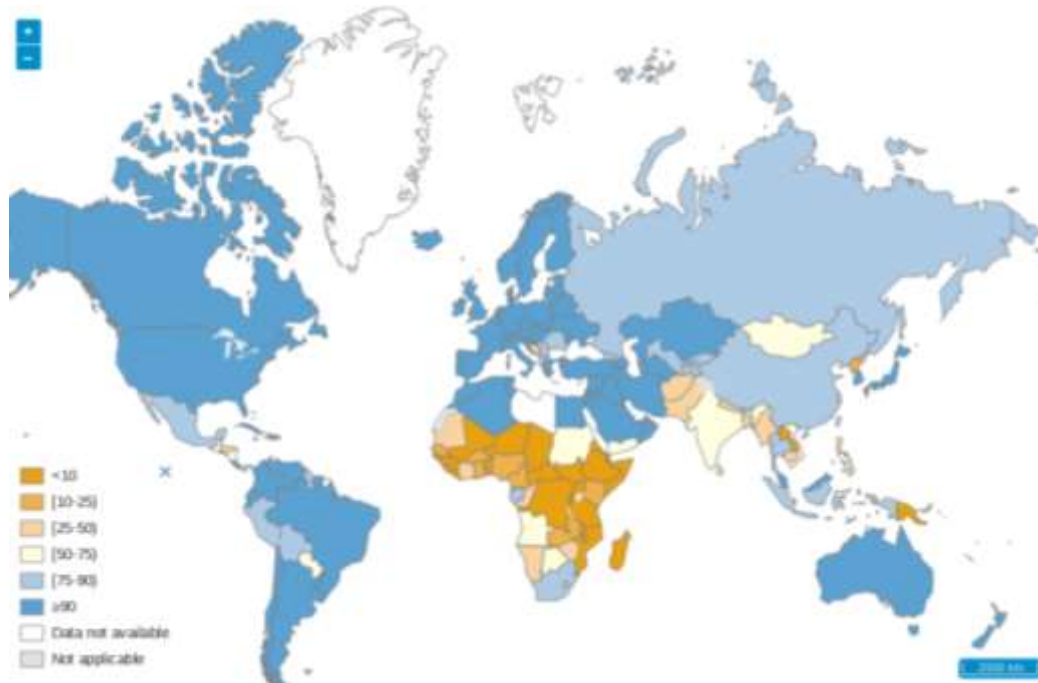
James Rockall

CEO & Managing Director
World LPG Association

Collaboration between government and industry best manages the energy trilemma

Social Case Studies - Developing Nations

Proportion of Population with primary reliance on clean fuels and technologies for cooking (%)

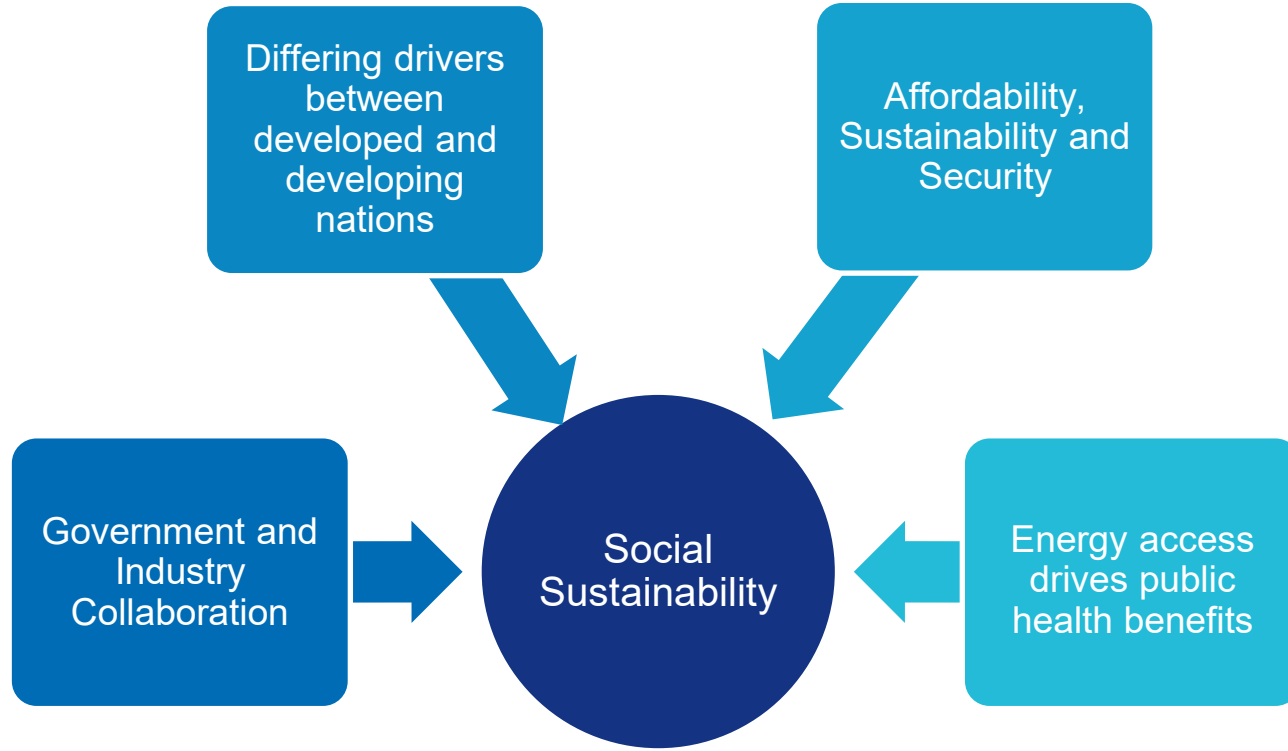


Source: World Health Organisation (2022)

Household air pollution was responsible for an estimated 3.2 million deaths per year in 2020, including over 237,000 deaths of children under the age of 5

World Health Organisation (2022)

WGC Social Sustainability Highlights



Collaboration is key

ESG – What is “Governance”?



Encapsulates how organisations are overseen from a leadership and managerial perspective

ESG Standards – Global Vs. Australia

Legend

Global

Australia

International
Sustainability
Standards Board
(ISSB)



Global
Reporting Initiative
(GRI)



United States
Security & Exchange
Commission (SEC)



National
Greenhouse &
Energy Reporting Act



Sustainability
Accounting
Standards Board
(SASB)



Task Force on
Climate-related
Financial Disclosures
(TCFD)



ASX's Corporate
Governance Council
Principles &
Recommendations



Commonwealth
Modern Slavery Act
2018

Commonwealth
Workplace Gender
Equality Act 2012

ASIC & APRA
published guidance
endorsing TCFD

Various ESG standards are available to help organisations facilitate pro-active reporting

Case Study 1 – Chevron's Corporate Sustainability Report

- Chevron's Corporate Sustainability Report
- Investors have specifically stated the robustness, transparency and validity of the report informing their decision making
- Contains both quantitative & qualitative metrics designed in consultation with various stakeholders
- Independent ESG compliance auditor appointed to validate the company's reports & governance practices
- Chevron continue to advocate for a consistent ESG reporting framework for the gas industry



Strong ESG practices positively impacts & influences investor decision making

Case Study 2 – Nigeria's National Petroleum Company (NNPC)

- NNPC declared the 2020's as “Decade Of Gas”
- Ranked 139 out of 193 countries in United Nation's 17 Sustainable Development Goals
- Increasing difficulty to procure financial investment
- Independent, privately owned corporations being sort after
- Absent strategies fail to hold the nation accountable to ESG
- Contributes to the growing gap between developed vs. developing countries in terms of the energy trilemma



Lack of good governance can cause detrimental impact for stakeholders

WGC Governance Highlights



Applying ESG best practices requires a holistic approach

Key Takeaways

28th World Gas Conference

- An international gathering of professionals seeking to achieve a sustainable energy future

Environment

- There is no one pathway or solution to achieving environmental sustainability

Social

- Energy accessibility & security drives public health benefits

Governance

- Stakeholders are holding both the internal & external practices of organisations to account

Ambition is great, but execution is needed

28th Annual World Gas Conference – “The Experience”

