



Media Release

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Groundswell Gloucester calls for AGL shareholders to divest

Groundswell Gloucester today called for reputable institutions to divest their shares in AGL Energy on the basis that its Gloucester Coal Seam Gas Field project represents an unacceptable Environmental, Social and Corporate Governance (ESG) risk.

In a blistering report into AGL Energy's management of the Gloucester Project, Groundswell Gloucester has examined the company's track record since taking over the project in 2008. The project has to date been beset by numerous environmental, regulatory and social problems.

The Gloucester Valley, home to prosperous farming and tourism businesses, is part of a water catchment area that provides drinking water to 75,000 people. It is completely unsuitable for coal seam fracking¹.

Groundswell Gloucester spokesperson Julie Lyford said AGL's failure to meet Environmental, Social and Corporate Governance standards exposes the company to a strong risk of more reputational damage.

"AGL's track record has exacerbated community concerns to the point there is an air of inevitability that environmental degradation of the Gloucester Valley and continuing damage to the Gloucester community will occur if AGL unwisely tries to proceed with the project."

"AGL's missteps in its exploration program have demonstrated a ham-fisted approach and a lack of expertise in managing an upstream gas field development."

"In the report we have used the internationally recognised FTSE4Good ESG Ratings model² to lay bare AGL's conduct and the project's real and potential impacts in relation to climate change, ground and surface water use, water and air pollution, community impacts and flawed processes."

"We encourage AGL investors and customers to download this important report and supporting documents, consider what the company is doing on your behalf and then to act accordingly."

"Adverse impacts on water resources and air cannot be retrospectively addressed, nor predicted accurately. What we have here is a lot of risk for very little return", Mrs Lyford said. "AGL has been trying to portray itself as a company for the future concerned about its status as Australia's biggest polluter. Any such efforts will be futile if this flawed project proceeds."

To obtain a copy of the report and supporting documents, email info@groundswellgloucester.com with the Subject line 'ESG case study documents'.

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¹ The process of injecting liquid at high pressure into subterranean rocks, boreholes, etc. so as to force open existing fissures and extract oil or gas <http://www.oxforddictionaries.com/definition/english/fracking>

² The FTSE4Good Index Series measures the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. AGL is a constituent of the Index.