



20 September 2019

ASX ANNOUNCEMENT

APA Group (ASX: APA)

NOTICE OF ANNUAL MEETING

The following documents are attached for release to the market:

- Notice of Annual Meeting 2019
- Proxy Form

A handwritten signature in black ink, appearing to read 'N Codevelle', written in a cursive style.

Nevenka Codevelle
Company Secretary
Australian Pipeline Limited

For further information, please contact:

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About APA Group (APA)

APA is a leading Australian energy infrastructure business, owning and/or operating in excess of \$21 billion of energy infrastructure assets. Its gas transmission pipelines span every state and territory on mainland Australia, delivering approximately half of the nation's gas usage. APA has direct management and operational control over its assets and the majority of its investments. APA also holds ownership interests in a number of energy infrastructure enterprises including SEA Gas Pipeline, SEA Gas (Mortlake) Partnership, Energy Infrastructure Investments and GDI Allgas Gas Networks.

APT Pipelines Limited is a wholly owned subsidiary of Australian Pipeline Trust and is the borrowing entity of APA Group.

For more information visit APA's website, apa.com.au



notice of annual meeting 2019.

AUSTRALIAN PIPELINE TRUST (ARSN 091 678 778)
AND APT INVESTMENT TRUST (ARSN 115 585 441)

Thursday, 24 October 2019 at 10.30am
Intercontinental Sydney Hotel
James Cook Ballroom
117 Macquarie Street, Sydney, NSW

IMPORTANT

All eligible APA Group Securityholders should consider voting on the proposed resolutions. Your vote is important and we thank you for your support. If you are unable to attend the meeting, please register your vote by completing and returning the proxy form, or lodging your proxy online, before **10.30am on Tuesday, 22 October 2019**.



20 September 2019

Dear Securityholder,

2019 APA Group Annual Meeting

On behalf of Australian Pipeline Limited, the responsible entity of Australian Pipeline Trust and APT Investment Trust, I am pleased to invite you to attend the Annual Meetings of those trusts to be held concurrently on Thursday, 24 October 2019 at 10.30am in the InterContinental Sydney Hotel, James Cook Ballroom, 117 Macquarie Street, Sydney, NSW.

The Annual Meeting is an important event on the APA Group calendar. It not only provides the opportunity to update Securityholders on performance for the prior financial year, but also offers you the opportunity to ask questions and vote on items of business.

At the meeting, we will provide a report to Securityholders on the results and activities of APA Group for the financial year to 30 June 2019. Securityholders are encouraged to consider and vote on the following resolutions, as detailed in the Notice of Meeting:

- to adopt the APA Group's Remuneration Report for the year ended 30 June 2019
- to approve the nominations of Steven Crane, Michael Fraser, and James Fazzino as Directors of Australian Pipeline Limited. Each of them, being eligible, is standing for election or re-election. Details of their experience and qualifications are provided in the Explanatory Notes to the enclosed Notice of Meeting. No other nominations of candidates were received by the close of the nomination period.
- to approve a grant of performance rights to the Chief Executive Officer under APA Group's long term incentive plan.

Further details in relation to these resolutions are set out in the Explanatory Notes to the Notice of Meeting.

We appreciate receiving feedback from Securityholders on any aspect of APA Group and its business, and so invite you to send your comments or questions using the form enclosed with your proxy, or online with your proxy appointment. Please submit any questions by close of business/5pm on Thursday 17 October 2019. During the meeting, I will endeavour to answer as many of the more frequently asked questions as reasonably possible.

Seating will be available from 10.00am on the day of the meeting. There are a number of parking stations in the vicinity of the InterContinental Hotel Sydney and the venue is also served by public transport.

Please bring this document and your proxy form with you if you will be attending the meeting.

If however you are unable to attend, please either lodge your proxy online or complete your enclosed proxy form and lodge it in accordance with the instructions in the Notice of Meeting, so that it is received by APA Group's registry before 10.30am on Tuesday, 22 October 2019.

We look forward to seeing you at the meeting.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael Fraser', with a long, sweeping horizontal line extending to the right.

Michael Fraser
Chairman

notice of annual meeting.

AUSTRALIAN PIPELINE LIMITED

Notice is given that meeting of the Securityholders of each of Australian Pipeline Trust (ARSN 091 678 778) and APT Investment Trust (ARSN 115 585 441), which together comprise APA Group, will be held concurrently at:

Time: 10.30am

Date: Thursday, 24 October 2019

Place: InterContinental Sydney Hotel,
James Cook Ballroom,
117 Macquarie Street, Sydney, NSW 2000

This notice is issued by Australian Pipeline Limited (ACN 091 344 704; AFSL 239 927) as responsible entity of Australian Pipeline Trust and APT Investment Trust.

Items of Business

1. Adoption of the Remuneration Report.

Votes on this resolution are advisory only and do not bind the Directors or APA Group. The Directors will consider the outcome of the vote and comments made by Securityholders on the Remuneration Report when reviewing APA Group's remuneration policies.

Securityholders are asked to consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

Resolution 1:

That the Remuneration Report for the year ended 30 June 2019 be adopted.

APA Group will disregard any votes cast on this resolution by or on behalf of certain Securityholders. Details of the voting exclusions applicable to Resolution 1 are set out in the 'Voting Exclusions' section on page 2.

2. Nomination of Steven Crane for re-election as a Director.

Steven Crane retires by rotation as a Director of Australian Pipeline Limited and offers himself for re-election.

Australian Pipeline Limited has nominated Mr Crane to be re-elected as a Director of Australian Pipeline Limited and Mr Crane, being eligible, has indicated that he wishes to seek re-election. Information about his qualifications and experience are set out in the Explanatory Notes to this Notice.

Securityholders are asked to consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 2:

That the nomination of Steven Crane to be re-elected as a Director of Australian Pipeline Limited be approved.

3. Nomination of Michael Fraser for re-election as a Director.

Michael Fraser retires by rotation as a Director of Australian Pipeline Limited and offers himself for re-election.

Australian Pipeline Limited has nominated Mr Fraser to be re-elected as a Director of Australian Pipeline Limited and Mr Fraser, being eligible, has indicated that he wishes to seek re-election. Information about his qualifications and experience are set out in the Explanatory Notes to this Notice.

Securityholders are asked to consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 3:

That the nomination of Michael Fraser to be re-elected as a Director of Australian Pipeline Limited be approved.

4. Nomination of James Fazzino for election as a Director.

James Fazzino retires as a Director of Australian Pipeline Limited and offers himself for election.

Australian Pipeline Limited has nominated Mr Fazzino to be elected as a Director of Australian Pipeline Limited and Mr Fazzino, being eligible, has indicated that he wishes to seek election. Information about his qualifications and experience are set out in the Explanatory Notes to this Notice.

Securityholders are asked to consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 4:

That the nomination of James Fazzino to be elected as a Director of Australian Pipeline Limited be approved.

5. Approval of grant of performance rights to the Chief Executive Officer under the APA Group long term incentive plan.

APA Group's Chief Executive Officer, Robert Wheals, is entitled to participate in the APA Group long term incentive plan, as outlined in APA Group's announcement to ASX on 13 May 2019 regarding the terms of his appointment.

Securityholders are asked to consider and, if thought fit, pass the following resolution as an ordinary resolution:

Resolution 5:

That approval be given for all purposes for the grant of performance rights to Robert Wheals as his annual long term incentive award for the year ended 30 June 2020 on the terms described in the Explanatory Notes to the Notice of Meeting.

APA Group will disregard any votes cast on this resolution by or on behalf of certain Securityholders. Details of the voting exclusions applicable to Resolution 5 are set out in the 'Voting Exclusions' section on page 3.

By order of the Board of Australian Pipeline Limited as responsible entity of Australian Pipeline Trust and APT Investment Trust.



Nevenka Codevelle

Company Secretary

Australian Pipeline Limited
20 September 2019

The Explanatory Notes accompanying this Notice of Meeting form part of this Notice of Meeting and provide information relating to the resolutions and the responsible entity's reasons for proposing the resolutions.

information for securityholders

Required Majority

All resolutions are ordinary resolutions, and will be passed if more than 50% of the votes cast by Securityholders (in person or by proxy) entitled to vote on the resolution are in favour of the resolution.

Appointment of Chairman

In accordance with the Corporations Act 2001 and the Constitutions of Australian Pipeline Trust and APT Investment Trust, Australian Pipeline Limited has appointed Mr Michael Fraser, Chairman of Australian Pipeline Limited, to act as Chairman of the meeting. However, when Resolution 3 relating to Mr Fraser's own nomination is being considered and voted on, another Director will act as Chairman of that part of the meeting.

Right to Appoint A Proxy

A Securityholder has the right to appoint a proxy to attend and vote at the meeting on their behalf. A proxy does not need to be a Securityholder in APA Group, and you may appoint the Chairman of the meeting as your proxy. A Securityholder may appoint two proxies and, if a Securityholder does so, they may specify the proportion or number of votes each proxy is appointed to exercise. The Proxy Form that accompanies this Notice of Meeting includes instructions on how to vote and appoint a proxy.

To be effective, a Proxy Form (and, if relevant, any Power of Attorney under which it was signed) must be received at Link Market Services, the registry of APA Group, by no later than 10.30am on Tuesday, 22 October 2019 as follows:

- By hand delivery:** 1A Homebush Bay Drive,
Rhodes, NSW 2138
or
Level 12, 680 George Street,
Sydney NSW 2000
- By post:** APA Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South, NSW, 1235
- By facsimile:** +61 2 9287 0309
- Electronically:** Log onto the registry website,
www.linkmarketservices.com.au
and follow the prompts and instructions.

Voting Entitlement

Securityholders registered as holders of securities in APA Group as at 7.00pm on 22 October 2019 will be entitled to attend and vote at the meeting (subject to any applicable voting exclusion).

Voting Exclusions

The Corporations Act 2001 requires that listed companies exclude their key management personnel (referred to as "KMP") from voting on certain matters relating to remuneration. Specified persons are also excluded from voting on certain matters relating to remuneration under the ASX Listing Rules. In accordance with the Corporate Governance Framework adopted by the Board effective 1 July 2017, APA Group has determined that those voting exclusions will apply to APA Group as if APA Group was a listed company.

The voting exclusions applicable in respect of the 2019 Annual Meeting of Securityholders are described below.

Voting Exclusion applicable to Resolution 1

APA Group will disregard any votes cast, in any capacity, on Resolution 1:

- by or on behalf of a member of APA Group's KMP named in the Remuneration Report for the year ended 30 June 2019 or their closely related parties; or
- as proxy by a person who is a member of the APA Group's KMP on the date of the Annual Meeting or their closely related parties,

unless the vote is cast:

- as proxy for a person entitled to vote, in accordance with a direction on the proxy form; or
- by the person chairing the meeting pursuant to a proxy appointment which expressly authorises the Chairman of the meeting to exercise the proxy (even though Resolution 1 is connected with the remuneration of the KMP).

Voting Exclusion applicable to Resolution 5

APA Group will disregard any votes cast, in any capacity, on Resolution 5:

- in favour of the resolution by or on behalf of Mr Robert Wheals or any of his associates; or
- as proxy by a person who is a member of the APA Group's KMP on the date of the Annual Meeting or their closely related parties,

unless the vote is cast:

- as proxy for a person entitled to vote, in accordance with a direction on the proxy form; or
- by the person chairing the meeting pursuant to a proxy appointment which expressly authorises the Chairman of the meeting to exercise the proxy (even though Resolution 5 is connected with the remuneration of the KMP).

What this means for Securityholders

If you intend to appoint a member of APA Group's KMP (other than the Chairman) as your proxy, please ensure that you direct them how to vote on Resolutions 1 and 5 by completing the "Voting Directions" section of the proxy form (for example if you wish to vote for, against, or abstain from voting). If you do not direct them how to vote, the vote will be disregarded.

If you intend to appoint the Chairman of the meeting as your proxy, you can direct him how to vote by completing the "Voting Directions" section on the proxy form or, you can choose not to complete this section for Resolutions 1 and 5 and give the Chairman of the meeting your express authority to vote your undirected proxy (in which case the Chairman intends to vote in favour of Resolutions 1 and 5).

Corporate Representatives

A company wishing to appoint a person to act as its representative at the meeting must provide that person with a letter executed in accordance with that company's Constitution and the Corporations Act 2001 authorising him or her to act as the Securityholder's representative.

Resolution 1: Adoption of the Remuneration Report

The purpose of Resolution 1 is to adopt the Remuneration Report for the year ended 30 June 2019. The Remuneration Report, commencing on page 45 of the APA Group 2019 Annual Report, is also available on the website www.apa.com.au.

Consistent with the Corporate Governance Framework adopted by the Board effective 1 July 2017, the Board has determined that APA Group Securityholders will be able to vote on APA Group's Remuneration Report each year.

The Remuneration Report outlines APA Group's remuneration framework and remuneration outcomes for Directors and KMPs for the year ended 30 June 2019. The Board and the People and Remuneration Committee believe the remuneration framework provides a robust remuneration and reward system that aligns employee and investor interests while facilitating the attraction, retention and development of employees.

The vote on Resolution 1 is advisory only and does not bind the Directors or APA Group. However, in accordance with the Corporate Governance Framework, if at two consecutive Annual Meetings at least 25% of the votes cast on the Remuneration Report are voted against its adoption, then it will trigger the 'two strikes' mechanism in the Corporations Act 2001.

Securityholders will have an opportunity to ask questions and make comments on the Remuneration Report at the meeting before voting on whether to adopt the report. The Board will consider and take into account the outcome of the vote and feedback from Securityholders on the Remuneration Report when reviewing APA Group's remuneration policies.

The Board recommends that Securityholders vote in favour of adoption of the Remuneration Report.

Resolutions 2, 3 and 4: Nomination of Steven Crane and Michael Fraser for re-election and James Fazzino for election as Directors of Australian Pipeline Limited

Retirement and re-election of Steven Crane and Michael Fraser as Directors

Under the Constitution of the responsible entity, Australian Pipeline Limited, at each Annual General Meeting of the company one third of the Directors, or the nearest whole number thereto, and those who have held office for three years since re-election, must retire from office. They are, however, eligible for re-election.

Accordingly, Mr Crane and Mr Fraser will retire as Directors at the 2019 Annual General Meeting of Australian Pipeline Limited. They are both, however, eligible for re-election as Directors.

Retirement and election of James Fazzino as Director

Under the Constitution of the responsible entity, Australian Pipeline Limited, any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Directors, other than the Managing Director, holds office until the conclusion of the next Annual General Meeting of the company, but is then eligible for election.

James Fazzino was appointed as an additional Director with effect from 21 February 2019. Accordingly, he will cease to hold office as a Director at the end of the 2019 Annual General Meeting of Australian Pipeline Limited, but is eligible for election as a Director.

Nomination by Securityholders

The constituent documents of Australian Pipeline Limited require the company to use its best endeavours to afford unitholders of Australian Pipeline Trust (being APA Group Securityholders) the opportunity to nominate candidates to fill vacancies on the Board of Directors of Australian Pipeline Limited ("Board"). Accordingly, on 9 August 2019 Australian Pipeline Limited lodged with ASX a notice calling for nominations of candidates from Securityholders. Nominations were required to be received by 5.00pm (Sydney time) on 25 August 2019, but none were received within that timeframe.

Nomination of Steven Crane, Michael Fraser and James Fazzino

The constituent documents of Australian Pipeline Limited also provide that the company may itself nominate a person to fill the office of any retiring Director and is required to use its best endeavours to afford Securityholders the opportunity to approve such nomination. Australian Pipeline Limited has therefore nominated Steven Crane, Michael Fraser and James Fazzino to fill the vacancies that will arise on their retirement as Directors.

In considering whether to support the re-election of Steven Crane and Michael Fraser, and the election of James Fazzino, the Board assessed the performance and contributions of each of them as a Director, and how their qualifications, experience and knowledge complement the skills and experience represented on the Board as a whole and contribute to the performance of the Board. None of the nominees participated in the Board discussion with respect to their own candidature.

On the basis of that analysis, the Board (in the case of each of the nominations referred to above, other than the nominee themselves) recommends to Securityholders the nomination of Steven Crane and Michael Fraser for re-election, and the nomination of James Fazzino for election as Directors of Australian Pipeline Limited, and Securityholders are being given the opportunity to approve those nominations at the meeting.

Election/Re-election of Directors

If Securityholders approve (by ordinary resolution) the nominations of Steven Crane, Michael Fraser and James Fazzino at the meeting, pursuant to the Constitution of Australian Pipeline Limited they will be elected or re-elected (as applicable) as Directors of that company at the company's 2019 Annual General Meeting. If Securityholders do not approve any of those nominations, Australian Pipeline Limited will not nominate that person for election or re-election to the Board.

As Australian Pipeline Limited only has one member, APT Pipelines Limited, under the Corporations Act it is not required to hold an Annual General Meeting and may instead pass a resolution by the sole member recording and signing the record of the resolution. Therefore, the resolution with respect to the election or re-election of the successful nominees will be recorded and signed by the sole member of Australian Pipeline Limited after the close of the Annual Meeting of Securityholders.

Elected or re-elected Directors will hold office for a term not exceeding three years and will be subject to retirement by rotation in accordance with the Constitution of Australian Pipeline Limited.

Resolution 2: Nomination of Steven Crane for Re-Election as a Director

Steven (Steve) Crane

BCom FAICD SF Fin

Independent, Non-Executive Director

Steve Crane was appointed as a Director of Australian Pipeline Limited on 1 January 2011.

Steve has over 40 years' experience in the financial services industry. His background is in investment banking, having previously been Chief Executive Officer of ABN AMRO Australia and BZW Australia.

Steve has experience as a non-executive Director of listed entities. He is currently Chairman of nib holdings limited, Taronga Conservation Society Australia, Global Valve Technology Limited, and a Director of SCA Property Group.

He was formerly Chairman of Adelaide Managed Funds Limited and Investa Property Group Limited, a Director of Bank of Queensland Limited, Transfield Services Limited, Adelaide Bank Limited, Foodland Associated Limited and APA Ethane Limited, the responsible entity of Ethane Pipeline Income Fund, and a member of the Advisory Council for CIMB Securities International (Australia) Pty Ltd.

Steve is a member of the Audit and Risk Management Committee, a member of the Nomination Committee and a member of the People and Remuneration Committee.

The Board has considered the independence of Mr Crane as a Director having regard to the Board's Independence of Directors Policy, and has determined him to be independent.

The Board (other than Mr Crane) recommends that Securityholders vote in favour of Mr Crane's nomination for re-election as a Director.

Resolution 3: Nomination of Michael Fraser for Re-Election as a Director

Michael Fraser

BCom FCPA MAICD

Independent, Non-Executive Director and Chairman

Michael was appointed a Director of Australian Pipeline Limited on 1 September 2015 and appointed Chairman on 27 October 2017.

Michael has more than 35 years' experience in the Australian energy industry. He has held various executive positions at AGL Energy culminating in his role as Managing Director and Chief Executive Officer for the period of seven years until February 2015.

Michael is a Director of Aurizon Holdings Limited. He is also a former Chairman of the Clean Energy Council, Elgas Limited, ActewAGL and the NEMMCo Participants Advisory Committee, as well as a former Director of Queensland Gas Company Limited, the Australian Gas Association and the Energy Retailers Association of Australia.

Michael is a member of the Audit and Risk Management Committee and the Chairman of the Nomination Committee.

The Board has considered the independence of Mr Fraser as a Director having regard to the Board's Independence of Directors Policy, and has determined him to be independent.

The Board (other than Mr Fraser) recommends that Securityholders vote in favour of Mr Fraser's nomination for re-election as a Director.

Resolution 4: Nomination of James Fazzino for Election as a Director

James Fazzino

BEC (Hons) FCPA

Non-Independent, Non-Executive Director

James Fazzino was appointed a Director of Australian Pipeline Limited on 21 February 2019.

James has experience both locally and internationally in industrial chemicals, fertilisers, explosives and manufacturing sectors.

James is currently the Chairman of Manufacturing Australia, Chairman of Osteon Medical, Co-convenor of the Male Champions of Change 2015 Group, Vice Chancellors Fellow at La Trobe University, Adjunct Professor at La Trobe Business School and a member of the Expert Advisory Panel of the Australian Energy Market Operator.

He was formerly the Managing Director and Chief Executive Officer of Incitec Pivot Limited and before that, its Finance Director and Chief Financial Officer.

James is a member of the Audit and Risk Management Committee and a member of the Health, Safety and Environment Committee.

The Board has considered the independence of James Fazzino as a Director having regard to the Board's Independence of Directors Policy, and has determined that he is not independent due to his former position as the Managing Director and Chief Executive Officer at Incitec Pivot, a customer of APA, from which he retired in November 2017 and continues to receive long term incentives.

The Board (other than Mr Fazzino) recommends that Securityholders vote in favour of Mr Fazzino's nomination for election as a Director.

Resolution 5: Approval of the Chief Executive Officer and Managing Director's equity incentive

In FY20, APA Group is implementing a new long term incentive plan for members of the Executive Committee, including the Chief Executive Officer ("CEO"). Unlike APA Group's previous cash-based long term incentive scheme, the new long term incentive plan will be equity-based, with performance rights being granted to participants under the APA Group Equity Incentive Plan.

Consistent with ASX Listing Rule 10.14, APA Group is seeking Securityholder approval for the grant of 217,872 performance rights to the CEO, Robert Wheals, as part of his annual long term incentive ("LTI") award for FY20. The Board of Australian Pipeline Limited expects that any securities in APA Group allocated to the CEO on vesting of the performance rights would be sourced on market. However, Securityholder approval is nevertheless being sought in the interests of transparency and good governance and to preserve flexibility in case, for whatever reason, the Board determines it is appropriate to issue the securities.

The FY20 LTI award is designed to align the interests of the CEO with the interests of Securityholders by providing the opportunity to receive an equity interest in APA Group through the granting of performance rights. Subject to Securityholder approval, the performance rights will be granted under the APA Group Equity Incentive Plan within 12 months of the Annual Meeting.

Grant of performance rights

Each performance right entitles the CEO to one fully paid ordinary stapled security in APA Group on vesting. The Board retains a discretion to make a cash payment on vesting of the performance rights in lieu of an allocation of stapled securities.

For FY20, the CEO will be offered performance rights having a face value opportunity of \$2,400,000 as referred to below. The maximum number of performance rights granted will be 217,872, which has been calculated by dividing the face value of the CEO's LTI award by \$11.0155, being the volume-weighted average price ("VWAP") of the securities of APA Group on the ASX over the 30 trading days ending 7 working days before the People and Remuneration Committee meeting to consider APA Group's full year financial results. The actual value that the CEO will receive (if any) will depend on whether the performance conditions are achieved.

As the performance rights will form part of the CEO's remuneration, they will be granted at no cost and there will be no amount payable by him on vesting.

Performance period and vesting period

The FY20 LTI award will be subject to performance conditions measured over a performance period of 3 years commencing on 1 July 2019 and ending on 30 June 2022.

To the extent that the relevant performance conditions are satisfied, the FY20 LTI award will vest in three equal tranches, with:

- one third being eligible to vest immediately following the end of the performance period and performance testing;
- one third being eligible to vest approximately 12 months after performance testing; and
- the remaining one third being eligible to vest approximately 24 months after performance testing.

Performance conditions and testing

Performance rights granted as part of the FY20 LTI award are subject to the satisfaction of two performance conditions. Performance will not be re-tested if the minimum performance conditions have not been met at the end of the performance period.

The performance conditions are as follows:

- **Relative Total Securityholder Return:** 50% of the performance rights will be subject to a relative total Securityholder return ("TSR") hurdle, which compares the TSR performance of APA Group with the TSR performance of a peer group of companies (the "TSR Component").
- **Return on Capital:** the remaining 50% of the performance rights will be subject to a return on capital ("ROC") performance condition reflecting cash flow leverage achieved based on operating assets during the performance period (the "ROC Component").

TSR Component

The percentage of performance rights comprising the TSR Component that vest, if any, will be based on APA Group's TSR ranking over the performance period relative to the ASX100 as at the start of the performance period ("the Relevant Comparator Group"), as set out in the following vesting schedule:

explanatory notes. continued.

APA Group's TSR rank in the Relevant Comparator Group	% of performance rights that vest
Less than 50th percentile	Nil
At 50.0th percentile (threshold)	50%
Between 50th and 82.5th percentile	Straight line pro rata vesting between 50% and 100%
At 82.5th percentile or above	100%

The Board retains discretion to vary the Relevant Comparator Group for the purposes of the TSR Component, for example to reflect delistings, mergers and other corporate actions.

ROC Component

The percentage of performance rights comprising the ROC Component that vest, if any, will be based on APA Group's ROC as reflected by the Group's earnings before interest, tax, depreciation and amortization (EBITDA) divided by its funds employed (which represents the assets of the business used to derive revenue) with reference to the following vesting schedule:

APA Group's ROC over the performance period	% of performance rights that vest
Less than 11.00%	Nil
Equal to 11.00% (threshold)	33%
Greater than 11.00% up to 11.30%	Straight line pro rata vesting between 33% and 100%
At or above 11.30%	100%

Calculation of ROC will be determined by the Board and the Board retains discretion to adjust EBITDA and funds employed to account for extraordinary items or otherwise ensure that inappropriate outcomes are avoided.

Voting and distribution entitlements

The performance rights granted under the LTI award do not carry distribution or voting rights prior to vesting. Stapled securities allocated upon vesting of performance rights carry the same distribution and voting rights as other securities in APA Group.

Cessation of employment

Unless the Board determines otherwise, on cessation of the participant's employment unvested performance rights will generally remain on foot and be subject to the original terms of grant and tested in the ordinary course. However, where the participant has his employment terminated for cause or resigns having breached the terms of his employment (including any relevant restraints), his unvested performance rights will automatically lapse unless the Board determines otherwise.

Change of control

Under the rules of the APA Group Equity Incentive Plan and the terms of the LTI award, the Board may determine in its absolute discretion that some or all of participants' performance rights will vest on a change of control.

Clawback and preventing inappropriate benefits

Under the Plan rules and the terms of the LTI award, the Board has broad clawback powers which it may exercise if, among other things the participant has acted fraudulently or dishonestly, has engaged in gross misconduct, or where vesting is not justified or supportable in the opinion of the Board having regard to the personal performance and/or conduct of the participant.

Dealing restrictions

Any dealing (including transfer, sale, disposal or hedging) in respect of a performance right is prohibited, unless specifically authorised by the Board.

Additional information

The following information is provided for the purposes of ASX Listing Rule 10.15:

- This is the first time APA Group is seeking approval under Listing Rule 10.14 in respect of LTI plan awards made under the APA Group Equity Incentive Plan.
- Robert Wheals is the only Director of Australian Pipeline (or associate of a Director) entitled to receive performance rights under the LTI plan.
- No loan will be made by in relation to the acquisition of performance rights under the LTI plan.
- If approval is given under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1.

Recommendation

The Board (other than Mr Wheals) recommends that shareholders vote in favour of the grant of performance rights to Mr Wheals.

APA Group's 2019 Annual Report is available on our website www.apa.com.au, an alternate way to access the Annual Report and help the environment.



Australian Pipeline Ltd ACN 091 344 704
AFSL 239927
Australian Pipeline Trust ARSN 091 678 778
APT Investment Trust ARSN 115 585 441
APA Group

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
APA Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: 1800 992 312 Overseas: +61 1800 992 312



X99999999999

PROXY FORM

I/We being a member(s) of APA Group and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual Meeting of APA Group to be held at **10:30am on Thursday, 24 October 2019 at InterContinental Sydney Hotel, James Cook Ballroom, 117 Macquarie Street, Sydney, NSW** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 & 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, by completing and submitting this form, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 & 5, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the APA Group's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by APA Group if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of the Remuneration Report.	☐	☐	☐	4 Nomination of James Fazzino for election as a Director.	☐	☐	☐
2 Nomination of Steven Crane for re-election as a Director.	☐	☐	☐	5 Approval of grant of performance rights to the Chief Executive Officer under the APA Group long term incentive plan.	☐	☐	☐
3 Nomination of Michael Fraser for re-election as a Director.	☐	☐	☐				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

APA PRX1901N

HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on APA Group's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of APA Group.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning APA Group's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from APA Group's security registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received following the instructions given below by **10:30am on Tuesday, 22 October 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your securityholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

APA Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

or

Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**