

**AGL Resources Inc.**  
**Policy for Complaints Regarding Audit and Accounting Practices**

Section 301 of the Sarbanes-Oxley Act requires the Company's Audit Committee to establish procedures for:

- (i) Receiving, retaining and treating complaints regarding the Company's accounting, internal accounting controls, or auditing matters; and
- (ii) The confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.

The matters referred to in (i) and (ii) above are referred to herein, collectively, as "Accounting and Audit Concerns". The policies and procedures described herein have been adopted by the Company's Audit Committee to fulfill the above-listed requirements.

**Reporting Procedure on the Ethics and Compliance Helpline**

The Company currently uses a "helpline" monitored by Compliance Concepts, Inc., or CCI, (the "Compliance Helpline") as a means of receiving, documenting and addressing employee concerns of any nature. The Company has adapted and will use its Compliance Helpline as a means of receiving and directing concerns from employees and third parties relating to Accounting and Audit Concerns.

Management shall announce the changes to the Compliance Helpline relating to Accounting and Audit Concerns to the Company's employees and shall post a description of the Compliance Helpline as it relates to reports regarding Accounting and Audit Concerns on the Company's external website. This will allow third parties access to information regarding the Company's reporting procedures for Accounting and Audit Concerns.

CCI's Compliance Reporting Procedure

Under the Company's arrangement with CCI, CCI's personnel answer calls made to the Compliance Helpline. The caller may choose to remain anonymous or may give his or her name with the report. CCI is responsible for making a written record of the content of the caller's report and assigning the report a number and a personal identification number (PIN). The report number and PIN are intended to allow the caller to access the Compliance Helpline and check on the status of his or her report.

During the call, CCI is responsible for determining the category (or categories) under which the report fits and designating the report accordingly. The Company designates "Financial/Accounting Issues" as the category for reports relating to Accounting and Audit Concerns. CCI has been instructed to forward written records of these reports to the Company's Chief Internal Auditor; provided, however, that if the report implicates the Chief Internal Auditor or anyone in the Internal Audit Department, CCI has been instructed to forward a written record of the report to the Chief Financial Officer of the Company.

## **Reporting Policy for Company Personnel**

It is possible that employees and third parties might initiate complaints or concerns regarding Accounting and Audit Concerns directly with Company personnel. It is also possible that CCI may forward a complaint/concern that is initially made to the Compliance Helpline to inappropriate personnel.

It is the Company's policy that any employee who is aware of a violation of the Company's Code of Conduct or of any legal requirement must report that violation. In the event a complaint/concern regarding Accounting and Audit Concerns is received by an employee of the Company (whether from another employee, a third party, or as a result of an error by CCI, or for any other reason), the employee receiving such complaint shall promptly report it to the Chief Internal Auditor; provided, however, that if the complaint implicates the Chief Internal Auditor or anyone in the Internal Audit Department, the employee shall promptly report the complaint to the Company's Chief Financial Officer.

## **Responsibility of Company Personnel**

The Chief Internal Auditor or the Chief Financial Officer, as the case may be, is responsible for:

- reviewing and investigating reports forwarded to them by CCI;
- documenting (via interview with complainant or other method), dating and reviewing reports forwarded to them by Company personnel;
- immediately contacting a designated Audit Committee member concerning complaints which in their judgment are potentially significant;
- reporting quarterly to the Audit Committee all reports related to Accounting and Audit Concerns that are received by them during the quarter; and
- retaining copies of all forwarded reports and any investigative materials related thereto in a manner consistent with the Company's document retention policy. In the event of any government investigation or proceeding or any litigation related to such report, all documents shall be retained at least until the end of the investigation or proceeding.

## **Responsibility of Audit Committee**

The Audit Committee is responsible, as a group or by delegating to an individual member or a subcommittee, for deciding, depending on the credibility and significance of a report, whether:

- to gather any additional information from the complainant, from the Company or from other relevant sources;
- to delegate further investigation to the General Counsel, Chief Internal Auditor, Chief Financial Officer, Chief Compliance Officer or other appropriate employee;
- to employ (at Company expense) a third party to investigate; or
- to employ some combination of the foregoing.

Finally, the Audit Committee will review quarterly the results of the review and investigation of reports received during the quarter to determine, among other things, whether there are any patterns within the reports that should be investigated further.