

Audit Committee Charter

Introduction

The Audit Committee (Committee) is established as a committee of the Board of Ampol Limited (Ampol or Company) on the terms set out in this charter and in accordance with the Board's charter and the Company's Constitution.

Role of the Committee

The role of the Audit Committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities relating to:

- the integrity of the financial reporting of the listed entity Ampol Limited;
- the effectiveness of the Group's corporate reporting process and internal control environment;
- the effectiveness of the Group's risk management framework, risk management systems and reporting in relation to financial risks;
- the internal and external audit functions; and
- other matters referred to the Committee by the Board.

In this Charter:

- **Board** means the Board of Directors of Ampol Limited;
- **Executive Key Management Personnel** means senior executives designated as key management personnel for the purposes of the *Corporations Act 2001* (Cth); and
- **Ampol Limited** or **the Group** means Ampol Limited and its respective controlled entities.

Committee membership

- The members of the Committee are appointed by the Board.
- The Committee will consist of at least three members each of whom must be an independent non-executive Director.
- The Chair of the Committee is appointed by the Board. The Chair of the Committee must not be the Chair of the Board. If the Chair of the Committee is absent from a meeting, the members of the Committee present at the meeting will appoint a Chair.
- The Committee membership must not be identical to the Safety & Sustainability Committee
- All members of the Committee must:
 - be financially literate and at least one member of the Committee must have significant relevant financial and/or accounting experience;
 - have a sufficient understanding of the business of Ampol and a sufficient understanding of the financial, operating and legal issues which affect the Group; and
 - understand Ampol's structure, controls and typical transactions in order to adequately assess any significant financial risks faced by Ampol.

Duties and responsibilities

The duties and responsibilities of the Committee are set out below.

Review of corporate reports

- The Committee will review the half yearly and annual financial reports of the Group's listed entity, management's recommendations as to dividend payments and make recommendations to the Board as to the approval of the financial reports and dividend payments.
- In reviewing the financial reports, the Committee will review the adequacy of, and question where necessary, the actions and judgment of management in relation to the financial reports including, as applicable:
 - critical accounting policies and practices adopted, and any changes in them;
 - compliance with applicable accounting standards, ASX Listing Rules, the Corporations Act 2001 and other legal requirements in relation to the financial reports;
 - decisions requiring a major element of judgment relating to matters which may have a material impact on the financial reports;
 - the extent to which the financial reports are affected by any unusual transactions, and how they are disclosed;
 - material audit adjustments and any audit recommendations that have not been adjusted;
 - the going concern assumption;
 - the corporate reporting and risk management and internal control processes in place to form the basis of the declarations by the Chief Executive Officer and Chief Financial Officer to the Board under section 295A of the Corporations Act 2001 and the ASX Corporate Governance Principles and Recommendations; and
 - the clarity and adequacy of the financial reports.
- Management will report to the Committee on management's processes to verify the integrity of any periodic report released to the market that has not been audited or reviewed by an external auditor.
- The Committee is not required to review other financial reports or information released by Ampol from time to time except where a specific delegation of responsibility is made by the Board to the Committee.

Internal audit

The Committee will:

- review, assess and approve any proposed change to the head of internal audit;
- monitor and review the adequacy of resources and governance arrangements of the internal audit function including its independence from executive decision making and any restrictions placed on it by management;
- review and approve the proposed audit plans of the internal auditors, including the scope, adequacy and materiality level of the audit plan;
- monitor and assess compliance with, and the effectiveness of implementation of, the audit plans of the internal auditors;
- receive and review reports from the internal auditors on their audit findings, management responses and action plans in relation to those findings and the implementation of those action plans; and
- facilitate open communication between the internal auditors, the external auditors and the Board.

External audit

The Committee will:

- approve the process for selecting the external auditors, and make appropriate recommendations to the Board regarding the appointment, re-appointment and removal of the external auditors;
- assess the independence, objectivity and effectiveness of the external auditors and, in particular, assess whether the Committee is satisfied that the independence of the external auditors has been maintained, having regard to the provision by the external auditors of any non-audit related services;
- monitor the rotation of the external auditors' engagement partners at agreed intervals;
- review and approve the fees payable to the external auditors for audit and non-audit work, which fees must be

commensurate with the conduct of an effective and comprehensive audit;

- monitor and review the performance by the external auditors of any non-audit related work in accordance with the External Audit Policy: Independence and Non-audit Services;
- monitor and assess any management or other restrictions being placed on the external auditors;
- approve the proposed audit plans and engagement letter of the external auditors, including the nature, scope, materiality level and procedures of the audit;
- monitor and assess compliance with, and the quality and effectiveness of implementation of, the audit plans of the external auditors; and
- review reports from the external auditors in relation to their major audit findings, management responses and action plans in relation to those findings and reports from the external auditors on the implementation of those action plans. Where the Committee thinks it necessary or appropriate, it may meet with the external auditors in private.

Financial risk management oversight

In relation to financial risks the Committee will:

- at least on an annual basis, review and assess the adequacy of the Group's enterprise risk management policy and enterprise risk management framework as it relates to identifying, monitoring and managing material financial risks;
- monitor management's performance against the Group's enterprise risk management framework as it relates to financial risk, including whether it is operating within the risk appetite set by the Board for financial risks;
- conduct annual reviews with management into each of the material risks mapped to the Committee under the Ampol Risk Management Framework;
- make recommendations to the Board for any changes to be made to the Group's enterprise risk management framework or to the risk appetite set by the Board for financial risks;
- receive and review reports from management on new and emerging financial risks and the risk controls and mitigation measures in place to deal with those risks;
- review the Group's continuing processes for:
 - assessing trends or changes associated with identified material financial risks, and whether they remain within the risk appetite set by the Board for financial risks;
 - identifying new or emerging financial risks;
 - the maintenance of appropriate internal control systems designed to manage and mitigate key financial risk areas; and
 - monitoring and reporting against compliance with the financial risk management policy and the financial risk management framework.
- consult with the Human Resources Committee on financial risks relevant to the determination of remuneration outcomes for Executive Key Management Personnel.

Compliance

The Committee will:

- at least on an annual basis, review the relevant Group policies and procedures in relation to fraud to ensure that they are operating effectively and, if necessary, make recommendations to the Board on changes to the procedures for detecting, reporting and preventing fraud;
- review any reported incidents under the Group's policies and procedures involving:
 - a material or systemic incident of fraud or breakdown of the Group's processes for managing financial risk;
 - a serious breach of a code of conduct, where not within the remit of another Board committee;
- monitor and review the Group's procedures for receiving and acting on complaints regarding accounting practices, internal accounting controls or auditing matters;
- monitor, review (and, if necessary, make recommendations to the Board) on management's procedures and policies for identifying and (where appropriate) managing all related party transactions or potential or actual conflicts of interest that arise in relation to the business of Ampol; and
- consider and evaluate management reports on the matters referred to above.

Other matters

The Committee may undertake any special projects or investigations which the Committee considers necessary, or as may be requested by the Board.

Reporting to the Board

- The Chair of the Committee (or a person nominated by the Chair of the Committee for that purpose) will:
 - report to the Board at the Board's next meeting on any matters relevant to the Committee's duties and responsibilities; and
 - attend the Board meeting at which financial statements of the listed entity are approved.
- The Committee will refer to any other Board committee any matters that have come to the attention of the Committee that are relevant to that Board committee.

Meetings

Proceedings

- The Committee will meet at least four times a year or more as frequently as required.
- A quorum for a meeting of the Committee is two members. A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers or discretions vested in, or exercisable by, the Committee.
- The Company Secretary will act as Secretary to the Committee, unless otherwise determined by the Committee.
- The Secretary to the Committee or any member of the Committee may call a meeting of the Committee.
- The dates, times and venues of each meeting of the Committee will be notified by the Secretary to all members of the Committee as far in advance as possible.
- Supporting papers for each meeting of the Committee will be distributed by the Secretary to all members of the Committee as far in advance as possible and where possible by the last working day of the week preceding the meeting.
- Proceedings of the Committee will be governed by the provisions of the constitution of Ampol Limited, in so far as they may be applicable and not inconsistent with this Charter.
- Only members of the Committee are entitled to vote on a resolution of the Committee and the Chair does not have a casting vote in addition to their deliberative vote.
- Members of the Committee will not participate in discussions and will not vote on any issue in respect of which there is an actual or perceived conflict of interest.
- Minutes of meetings of the Committee will, following preliminary approval by the Chair, be circulated to Committee members for confirmation. Copies of all minutes will be included in the papers for the next Board meeting.

Attendance

- Any director may attend meetings of the Committee.
- The Committee may extend an invitation to any person to attend all or part of any meeting of the Committee which it considers appropriate. In particular, the Committee may meet with:
 - the internal auditors;
 - the external auditors;
 - external advisers;
 - any executive or employee including any executive Director; or
 - the Chair of the Board or any other Director,and may do so with or without executive management being present.
- The Committee will, at least once a year:
 - meet with the internal auditor and the external auditors without executive management being present; and
 - meet privately with the Chief Financial Officer.

Authority

- The Committee is authorised to investigate any activity or function of Ampol in accordance with this Charter. The Committee is authorised to make recommendations to the Board regarding appropriate action resulting from such investigations.
- The Committee has unrestricted access to executive management, relevant Ampol legal and other professional advisers. Requests to executive management will be made through the Chief Executive Officer and copied to the Chair of the Committee and Chair of the Board.
- The Committee is authorised (at the cost of Ampol) to obtain outside legal or other independent professional advice, and to secure the attendance of such advisers if it is considered necessary for the proper performance of the Committee's functions under this Charter. If a Committee member wishes to obtain legal or other independent professional advice, the prior approval of the Chair of the Committee is required.

Review

This Charter and the External Audit Policy: Independence & Non-Audit Services will be reviewed annually by the Committee to ensure that they are operating effectively and whether any changes are required.

Publication

This Charter will be made available on the Ampol website (www.ampol.com.au).

Document change history

Version number	Conducted by	Approved by	Date	Description of changes
1		Board	22/02/2019	
2	Secretariat	Board	14/05/2020	Update references from Caltex to Ampol
3		Board	21/06/2021	Best practice amendments