



Taxes Paid Report

Year ended
31 December 2019



A statement from the Chief Financial Officer

On behalf of Ampol Limited (Ampol or the Company), I am pleased to deliver our Taxes Paid Report for the year ended 31 December 2019 (FY2019).

At Ampol, we understand the importance of tax transparency and its role in building confidence in the integrity of tax systems and policies, as well as building trust and keeping ourselves and others accountable.

As a proudly independent Australian company, tax transparency exemplifies our commitment to playing a positive role in local economies and communities, showcasing the significance of our contributions that help fund important infrastructure and other programs that benefit our society. In 2019, our total tax contribution was \$7.5 billion, with 96.2% paid in Australia, making Ampol one of Australia's largest taxpayers.

In preparing this report, Ampol has adopted Australia's Tax Transparency Code, published by the Board of Taxation and endorsed by the Government in May 2016. In the following pages you will find a reconciliation of accounting profit to tax expense and tax paid, the effective tax rate as well as our approach to related party dealings and governance. We disclose all taxes paid and collected by Ampol and our controlled entities, for our operations both in Australia and overseas, and have been reporting our taxes voluntarily since 2013.

We hope you find this report useful.



A handwritten signature in black ink, appearing to read 'JE' followed by a stylized flourish.

Jeff Etherington
Interim Chief Financial Officer
17 December 2020

How we report

At Ampol, our corporate reporting is undertaken via multiple reports which are available on our website.

The Taxes Paid Report should be read together with our other corporate reporting. The 2019 relevant corporate reporting comprises the following documents:

- [Annual Report](#); and
- [Sustainability Report](#).

Together, these reports address all recommended aspects of the Tax Transparency Code for large businesses.



Ampol Overview

Ampol Limited (ASX:ALD) is an independent Australian company and the nation's leader in transport fuels.

We manage the country's largest petrol and convenience network as well as refining, importing and marketing fuels and lubricants. We are backed by experience with a history spanning over 120 years, having grown to become the largest transport fuels company listed on the Australian Securities Exchange.

In recent years we have expanded our national and international footprint to develop a reliable and adaptable supply chain extending from the regional hub of Singapore, where we operate our trading and shipping office, to the Australian end consumer, serving over 80,000 customers in markets such as defence, mining, aviation and over three million retail customers every week.

Our robust supply chain is underpinned by our market-leading infrastructure, including a refinery at Lytton in Queensland, 94 bulk fuel storage and distribution hubs and over 300 kilometres of fuel pipelines, to a national network of approximately 800 company-controlled retail stores and 1,900 associated stores. This network is supported by over 7,800 people across Australia and overseas.

Ampol Limited, formerly Caltex Australia, returned to the iconic Australian name following shareholder approval on 14 May 2020. The national brand roll-out across our retail network began in August 2020 and will be completed by the end of 2022.



7,800 employees

\$3.1M contributed to communities in 2019

~1,900 branded and AmpolCard accepting sites

94 bulk fuel storage and distribution hubs



Ampol’s major international operations

Ampol Singapore

Ampol Singapore, a wholly-owned group of companies, is the trading and shipping arm of the Ampol Group.

Ampol Singapore plays a critical role in Ampol’s integrated value chain. It’s international market knowledge and strong trading, shipping and operational capability allows Ampol to access opportunities more rapidly as market conditions change. Sourcing refined products and crude oil from outside Australia is required in order to support the energy supply security of Australia while providing competitively priced fuel to our customers.

Ampol Singapore is incorporated and tax resident in Singapore.

Ampol USA

In late 2019, Ampol expanded its trading and shipping operations through the establishment of Ampol USA (located in Houston, Texas) to capture value in the Americas market.

The wholly-owned Ampol USA group of companies is incorporated and tax resident in the US.

Gull New Zealand

Gull New Zealand operates a retail network of mostly unmanned sites. In 2019, Gull New Zealand supplied customers with fuel across 87 locations on the north island of New Zealand and a further two new locations in the South Island.

The wholly-owned Gull New Zealand group of companies is incorporated and tax resident in New Zealand.

Seaoil

Since 2018, Ampol has had a strategic partnership with Seaoil, the leading independent fuel company in the Philippines.

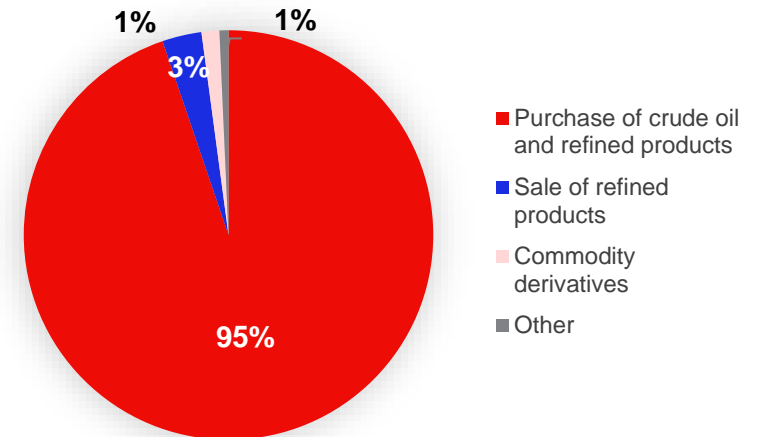
This strategic partnership includes the holding of a 20 percent equity interest in Seaoil Philippines Inc, a company incorporated and tax resident in the Philippines.

International Related Party Dealings

Transactions between Ampol and Ampol Singapore are undertaken on an arm’s length basis, in accordance with OECD Guidelines and Australian and Singapore transfer pricing rules. The main transactions between Ampol and Ampol Singapore in FY2019 were as follows:

- Purchase of refined products and crude oil by Ampol from Ampol Singapore;
- Sale of refined products by Ampol to Ampol Singapore; and
- Commodity derivatives.

Figure 1. FY2019 intercompany transactions between Ampol and Ampol Singapore



During FY2019 there were no material transactions between Ampol and its other related parties.



Tax Policy, Tax Strategy and Governance

The Board of Directors of Ampol is committed to high standards of corporate governance. An overview of Ampol’s corporate governance is set out in our [2019 Corporate Governance Framework](#).

The [Ampol Tax Policy](#) is part of the broader Ampol [Risk Management Framework](#). It describes Ampol’s principled approach to the management of its tax affairs. The objectives of the Ampol Tax Policy are aligned with the broader organisational goals and values of Ampol. All these governance documents can be found on the Ampol corporate website.

Figure 2. Ampol Risk Management Framework (as per 2019 Corporate Governance Statement)



Approach to engagement with revenue authorities

As part of the Ampol Risk Management Framework, Ampol has an established, strong, internal tax control framework to identify, manage and report tax risks.

In line with the guiding principles set by the Ampol Tax Policy, Ampol strives toward maintaining a co-operative and open relationship with all tax authorities with which it deals. Ampol has regular engagement with the Australian Tax Office (ATO) through its participation in the pre-lodgement compliance review program and other products and channels available (e.g. private rulings and class rulings). In addition, Ampol participates in tax industry forums.

Ampol’s tax affairs are constantly reviewed by the ATO and other tax and revenue authorities.



Tax Contribution Summary

Table 1 shows the total tax contribution by Ampol's wholly owned entities during FY2019.

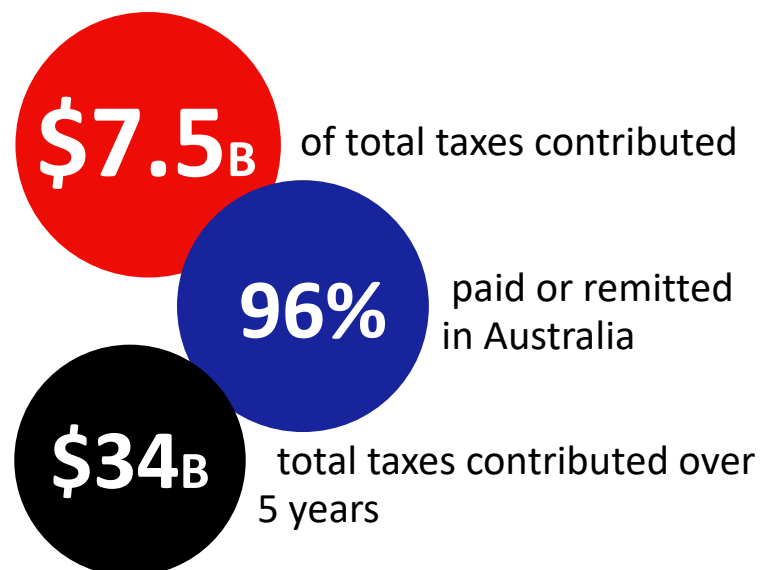
Amounts have been disclosed on the basis of cash paid or received.

The amount of tax paid by Ampol year-on-year is influenced by a number of factors including:

- volume and price of petroleum; products purchased, sold and used;
- financial performance;
- salary and wages paid;
- asset purchases; and
- timing of tax instalment payment dates in the jurisdictions in which we operate.

Table 1. Total taxes paid

TOTAL TAXES PAID 2019			
	Millions of dollars ('000,000AUD)		
	Australia	Singapore	New Zealand
Income tax	49	10	13
Fuel Taxes	5,367	0	236
State Taxes	47	N/A	N/A
Other Taxes (including Customs and FBT)	1	1	0
Government imposts collected on behalf of others (including GST, PAYG withholding)	1,721	0	23
TOTAL TAXES PAID IN EACH COUNTRY	7,185	11	272
TOTAL TAXES CONTRIBUTED	7,467		



Reconciliation of Accounting Profit to Income Tax Expense

Table 2 provides a reconciliation of accounting profit to income tax expense for FY2019, as disclosed in Ampol's 2019 Financial Report. For further details, please refer to the 2019 Financial Report.

Table 2. Reconciliation of accounting profit to income tax expense

Thousands of dollars ('000 AUD)	2019
Profit before income tax expense (Table 5.2)	521,732
Income tax using the domestic corporate tax rate of 30%	156,520
Effect of tax rates in foreign jurisdictions	(8,374)
Increase/(decrease) in income tax expense due to:	
Share of net profit of associated entities	(1,269)
Capital losses utilised for which no deferred tax asset was recognised	(9,786)
Uplift to market value on pre-CGT sites	(6,146)
Research and development allowances	(638)
Deferred tax against equity	0
Other	530
Income tax expense over provided in prior years	7,076
Total income tax expense in the income statement	137,913

Effective tax rates

Ampol calculates the effective tax rate as income tax expense divided by accounting profit.

Table 3. Effective tax rate for Ampol (global operations)

Thousands of dollars ('000 AUD)	2019
Total income tax expense of Ampol	137,913
Profit before income tax expense of Ampol	521,732
Effective tax rate	26.43%

Table 4. Effective tax rate of Ampol's Australian operations

Thousands of dollars ('000 AUD)	2019
Total income tax expense of Ampol Australia*	117,033
Profit before income tax expense of Ampol Australia	481,938
Effective tax rate	24.28%

*At the date of this report, the ATO had not finalised its position in relation to the extent to which earnings from the Group's Singaporean entities would be subject to income tax in Australia. Due to the uncertainty over the ATO's final position, the Group has estimated and recognised tax liabilities for 2014 to 2019 based on the income tax rate of 30%, being the Australian corporate income tax rate. Under an administrative agreement made with the ATO, 50% of the differential between the earnings taxable under the Australian and Singaporean taxation rates for the 2014 to 2019 years has been paid or is payable, pending resolution of the matter. For further details, please refer to the 2019 Financial Report.



Reconciliation of income tax expense to income tax paid or payable

The amount of income tax paid or payable by Ampol in respect of a particular year in its tax returns differs to its income tax expense for that year.

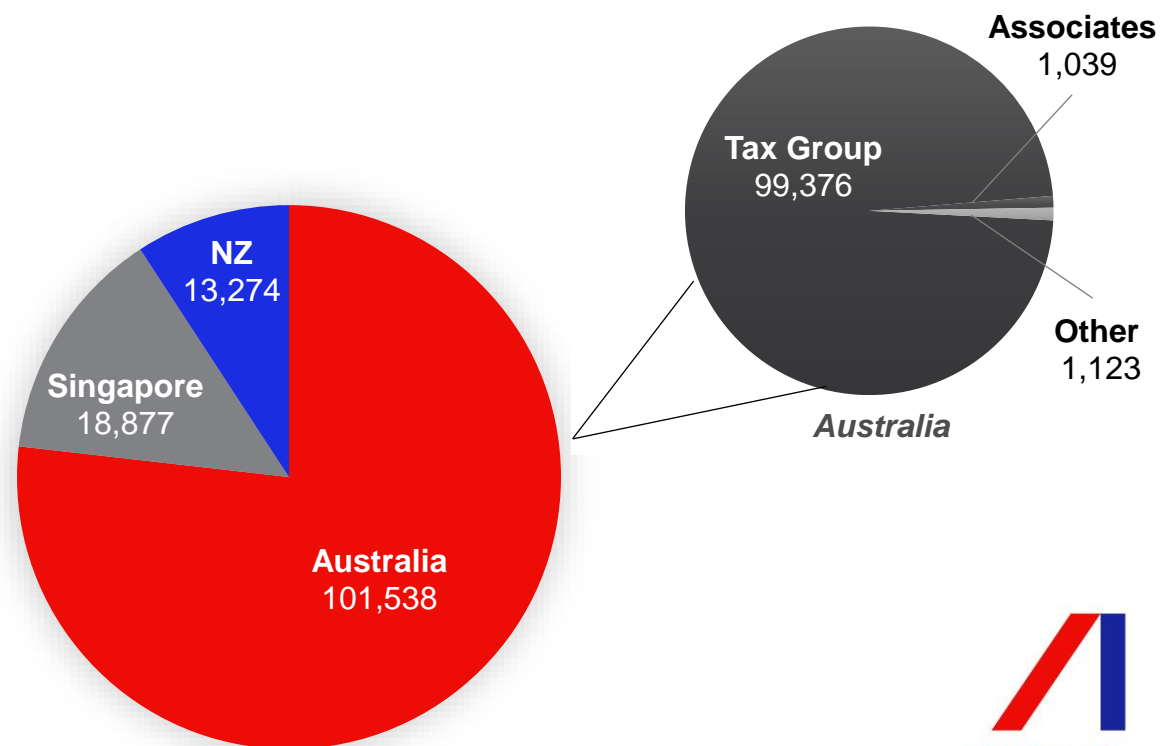
The main reason for this is due to the difference in timing between when a transaction is recognised in the accounts and when it is assessable or deductible for tax purposes. These differences are referred to as temporary differences.

Temporary differences do not impact how much tax is paid on profits (i.e. income tax expense), but they do impact the timing of when the liability to pay the related tax arises.

Table 5. Reconciliation of income tax expense to tax payable

Thousands of dollars ('000 AUD)	FY2019
Total income tax expense of Ampol (Table 2)	137,913
Income tax expense relating to over provision in prior years	(7,076)
Current year income tax expense	130,837
Adjustments to non-temporary differences	677
Temporary differences	2,176
Income tax paid or payable per tax returns	133,690

Figure 3. FY2019 Income Tax payable per jurisdiction ('000 AUD)



Expected ATO Public Disclosure

In December 2021 the ATO will publicly disclose specific information about Ampol, as reported by the company in its Australian tax return for FY2019 (the 2020 tax year).

The tax return for Ampol is a consolidated tax return and comprises the results of all wholly-owned, Australian tax resident, Ampol entities (Ampol Tax Group).

Table 6 outlines the expected ATO disclosures based on Ampol's filed tax returns and amendments envisaged as at the date of this report.

Table 6. ATO disclosure December 2021 (in relation to FY2019)

Income tax return disclosures ('000 AUD)	Total
Tax year	2020
ABN	40 004 201 307
Total Income	28,247,607
Total Expenses	27,769,460
Total Profit	478,148
Taxable Income	397,906
Income tax payable	99,376

Information disclosed by the ATO

The amount of income tax payable by Ampol as reported by the ATO for any particular year may differ from disclosure in the taxes paid report due to amendments arising from the finalisation of foreign tax returns and other matters which have not yet been completely reflected in the published data.

