

Message from the Chairman and the Managing Director & CEO

Dear shareholders, 2021 was a successful and transformational year for Ampol.

Despite the ongoing uncertainty created by COVID-19, the company delivered strong financial and operational performance, including ongoing improvements in safety outcomes.

We also made further progress executing our established growth strategies, continued our exciting Ampol rebrand and put the foundations in place to transform our business as energy markets evolve.

There were many highlights from the past 12 months. We achieved record total sales volumes of 22.04 billion litres, delivered significant growth in volumes and earnings in our International business and opened 20 new Ampol Woolworths Metro sites as we continued to execute our Convenience Retail growth strategy.

We also remained focused on cost and capital discipline and on delivering on our commitments to shareholders. Our \$300 million Off-market Buy-back was completed in January 2021, we made strong progress on ongoing cost-out initiatives, and we maximised value from the decision to continue refining operations at Lytton, supporting the dual objectives of fuel security and energy transition in partnership with government.

The release of our Future Energy and Decarbonisation strategies put the foundations in place to evolve our business for the future. We have a pathway to achieve our ambition of net zero emissions from operations (Scope 1 and 2) by 2040 and are taking steps to build new energy solutions for customers.

Later in the year, we announced a binding agreement to acquire Z Energy in New Zealand, subject to shareholder and regulatory approvals. This demonstrated significant progress towards our strategic objective of regional market leadership.

Strong and resilient financial performance

Ampol delivered strong financial performance in 2021 with our highest replacement cost of sales (RCOP) earnings before interest and tax (EBIT) result since 2018. Our RCOP EBIT result was \$631.2 million, up 57% on 2020.

Our record total sales volume of 22.04 billion litres represents a significant achievement given ongoing uncertainty in global markets and interruptions caused by COVID-19. Significant growth in international sales volumes more than offset the impact that COVID-19 and competitor supply chain decisions had on Australian sales volumes. International volumes were up 38% on 2020 and RCOP EBIT for Fuels and Infrastructure International increased 31% to a record \$110.9 million, demonstrating the strong progress we have made on our strategy to diversify and grow internationally.

Elsewhere in Fuels and Infrastructure, safe and reliable operations at the Lytton refinery drove increased production in an improving refiner margin environment, with our Lytton team delivering an RCOP EBIT of \$158.7 million and total volumes of 6.14 billion litres. We also completed our refinery review and made the decision to continue operating in partnership with government. Ampol was pleased that this outcome delivers value for shareholders and supports the government's priorities in energy security, while providing a path forward for our valued employees at Lytton and preserving manufacturing skills that will be critical for success in the energy transition.

The resumption of production at Lytton displaced additional imported volumes required in 2020 during the extended turnaround and inspection (T&I). This was the main contributor to the reduction in Fuels and Infrastructure Australia's (ex-Lytton) RCOP EBIT to \$110.2 million in 2021.

Group RCOP EBIT



In Convenience Retail, RCOP EBIT declined to \$253.7 million and total volumes fell by 4.9%, with COVID-19 impacts affecting most of the second half and offsetting positive trends in first half fuel volumes, shop sales and earnings. Rapidly rising crude and product prices also put pressure on fuel margins – particularly diesel margins that take longer to respond – but showed improvement towards the end of the year. Despite this, we have delivered a cumulative \$52.6 million of our non-fuel earnings uplift target to date (FY2020 and FY2021), and are on track to achieving our target of \$85 million in earnings uplift by 2024. We also continued our focus on reducing labour costs, waste and shrinkage.

Safety performance continues to improve

The safety of our people and our customers remains a priority and in 2021 we delivered strong improvement in our safety performance. This was particularly pleasing given the impacts and disruption caused by COVID-19, and we are proud of the way our people responded to these challenges and maintained operational excellence throughout the year.

Across the year, we delivered a considerable reduction in recordable injuries and in injuries requiring time away from work. This improvement was the result of our ongoing focus on safety leadership and culture, and our efforts to deliver targeted programs to improve safety practices and procedures.

In Fuels and Infrastructure, we delivered a 59% reduction in our Total Recordable Injury Frequency Rate (TRIFR) and a 27% reduction in our Days Away from Work Injury Frequency Rate (DAFWIFR). We also delivered our annual T&I at the Lytton refinery incident-free. In Convenience Retail, TRIFR reduced by 54% and DAFWIFR by 50%.

Senior appointments and building organisational culture

In 2021, we also made several important appointments to the Ampol Board and leadership team and continued our work to build the right workplace culture to support the success of our business.

In September, Elizabeth (Betsy) Donaghey was appointed to the Ampol Board as an Independent Non-executive Director. Betsy brings significant experience in the energy and oil and gas sectors to Ampol and has already made a strong contribution to the execution of our strategy.

This appointment followed the retirement of Barbara Ward as a Non-executive Director of Ampol after six years on the Board. Barbara made a valuable contribution to Ampol over this time, including as Chair of the Human Resources Committee and as a member of the Audit Committee. We thank her and wish her all the best for the future.

We also appointed Greg Barnes as Group Chief Financial Officer in July and in November welcomed Meaghan Davis as Executive General Manager, People and Culture. These two appointments further bolster our experienced leadership team and we are confident we have the skills in place to successfully execute our strategy.

Across our business, we continued to implement programs to further build a culture of high performance and to remove barriers to more courageous thinking in how we make decisions.

A key milestone late in 2021 was the opening of our new Sydney head office in Alexandria, a modern and purpose-built space which will support our teams to work more closely and collaboratively. We also delivered our annual engagement survey, which showed a pleasing improvement in employee engagement. Engagement levels rose 9 points to 72%, showing we are on the right track to building the culture required to support the delivery of our strategy.



Chairman, Steven Gregg, with Managing Director and CEO, Matt Halliday

📖 CASE STUDY

Growing our international platform with the proposed Z Energy acquisition

In October 2021, we were excited to announce the execution of a scheme implementation agreement to acquire Z Energy in New Zealand. Z Energy is a logical growth opportunity for Ampol, and a natural fit with our established international growth strategy.

Ampol and Z Energy have similar operating models, underpinned by market-leading infrastructure, deep customer bases and knowledge of local supply chains.

A combined entity would create a Trans-Tasman leader in transport fuels and convenience retail, with significant additional scale.

The main opportunity for Ampol is to leverage our knowledge of the transition to a fuel import market through our established trading and shipping capabilities and we believe this capability can also play

an important role in supporting fuel security in New Zealand.

Ampol's established trading and shipping capabilities, regional supply chain and broader fuels infrastructure in Australia would strengthen fuel security as the Marsden Point oil refinery transitions and the country moves to a fuel import market.

A combined entity would also create a new and larger platform to accelerate the energy transition from a position of strength, building on the existing work of both organisations in Australia and New Zealand.

The transaction is still subject to shareholder and regulatory approvals, and we look forward to working together with the Z Energy team in 2022 to deliver on the timetable for completion.

Message from the Chairman and the Managing Director & CEO continued



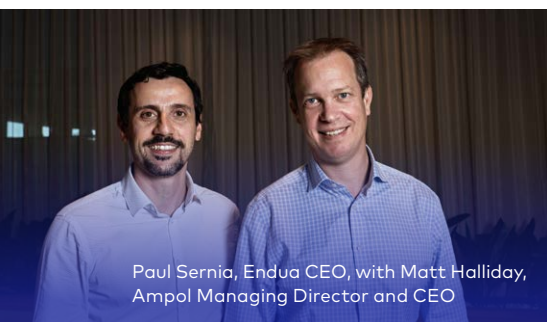
We have rebranded 880 sites across our entire network since we announced the brand transition

Delivering on our promises and maintaining a strong balance sheet

We have again made excellent progress delivering on our commitments to shareholders. Over the past 12 months, Ampol has delivered \$479 million in capital returns and released \$196 million in franking credits, as well as a fully franked total dividend of 93 cents per share.

Our balance sheet remains strong, which has enabled Ampol to weather market interruptions and lockdowns, to operate safely and to progress the implementation of our strategy.

Several capital initiatives were completed in 2021. In December, we successfully raised A\$500 million from an issue of subordinated notes to wholesale investors in the domestic fixed income market. We also announced the sale of a further 20 core freehold Convenience Retail sites to an unlisted trust in which Ampol maintains a controlling interest, expecting to release \$48 million in net proceeds.



Paul Sernia, Endua CEO, with Matt Halliday, Ampol Managing Director and CEO

"We have partnered with Endua to support the delivery of a green hydrogen-powered off-grid clean energy solution."

Both of these initiatives ensure our balance sheet is positioned well to support our operational priorities and growth strategies.

Ampol rebrand gathers momentum

Our exciting Ampol rebrand continues to gather positive momentum. 880 sites across our network had been rebranded at the end of 2021 and customer feedback demonstrates that the iconic Australian brand is resonating strongly across our branded network. The rebranded sites have outperformed control sites on all key performance indicators, including measures of total transactions as well as volume measures including total fuel, premium petrol and AmpolCard. We have also delivered ongoing improvement in prompted and unprompted customer awareness of the Ampol brand among all demographic segments.

Across the year, we continued to introduce our new brand and purpose to customers and partners. Our 'far and wide' multichannel brand campaign launched nationally in April to showcase how our business connects and is a part of the fabric of Australian life. This campaign was supported by our major partnerships, including with the National Rugby League as the naming rights sponsor of the Ampol State of Origin and with Red Bull Ampol Racing.

We also continued to build on our work in local communities through the Ampol Foundation, with a total contribution to community programs of \$3.17 million across the year. Increased employee volunteering, and the delivery of major fundraising campaigns for The Smith Family and Surf Life Saving Australia, were two milestones throughout the year.

Foundations for future energy

In 2021, we released our Future Energy and Decarbonisation strategies, including our ambition to achieve net zero emissions operations (Scope 1 and 2) by 2040 and to invest more than \$100 million in future energy projects by 2025.

Ampol is uniquely positioned to play a key role in the energy transition. Our integrated supply chain capabilities and privileged assets, Australian brand, customer relationships and industry knowledge, when combined with our financial strength, set us apart from our competitors and will put us at the forefront of building new energy solutions to support change across the Australian economy. The flexibility to repurpose our market-leading infrastructure and distribution networks for multiple uses will support the most efficient pathway for our customers' decarbonisation ambitions and underpins our competitive advantage to participate in new energy opportunities.

Our decarbonisation efforts and new initiatives to extend our customer value proposition will be executed with capital discipline to deliver sustainable returns for shareholders over the long term. As technology and policy continues to evolve, we expect the most commercially viable alternative fuel solutions to include a combination of electricity, hydrogen, biofuels and carbon offsets. We will focus our efforts on developing our customer value proposition in these key areas and seek to position Ampol as a partner of choice for industry, government and our communities.

To begin the execution of this strategy, in 2021 we announced a funding agreement with the Australian Renewable Energy Agency (ARENA) to commence the development of a national electric vehicle (EV) fast-charging network of over 200 bays across more than 100 sites, finalised a partnership with Endua to support the delivery of a green hydrogen-powered off-grid clean energy solution, and launched a carbon neutral fuel pilot program for our business customers.

We also commissioned our three-site virtual power plant (VPP) pilot in Adelaide, which includes on-site solar panels and Tesla Powerwall batteries. This has the potential to reduce Scope 2 emissions from retail operations and, over the longer term, generate new revenue streams.

Looking ahead

While there remains uncertainty over the timing of the ongoing economic recovery, in 2022 we will focus on strong operational performance and continue to execute our strategy to improve returns and deliver growth for shareholders.

This will include the expansion of our international operations toward regional market leadership, which will be shaped by the completion of the transaction to acquire Z Energy, which is targeted in the first half subject to shareholder and regulatory approvals. We will also continue to execute our Convenience Retail growth strategy, and further strengthen our position as a proud and independent Australian company through the Ampol rebrand.

Finally, we will continue to progress our work to decarbonise our operations and support the energy transition. Ampol has always been about ensuring Australians can get where they need to go – to move around, to do business, to transport goods from one place to another, to stay connected. That will remain central to our purpose as we move forward and will underpin the development of new energy solutions for customers.

On behalf of the Board and leadership team, we would like to thank our employees for their resilience and performance in a tough environment over the past year. Our financial and operational results reflect the skill, commitment, and passion that our team shows each day to operate safely and deliver for customers.

We also thank our business partners, suppliers and contractors that have worked with us to deliver safely and reliably for our customers.

We would also like to thank Ampol shareholders for their continued support. We look forward to another successful year in 2022 as we continue to build on the proud legacy of this great Australian company.



Steven Gregg
Chairman

Matt Halliday
Managing Director and CEO