

## Operations Report

# Convenience Retail

Successful execution of the retail strategy reinforced our customers' ongoing connection to the Ampol Foodary brand.

Record Convenience  
Retail RCOP EBIT

**\$355<sub>m</sub>**



**Ampol understands the important role our market-leading national retail network plays for approximately three million Australian customers every week. 2023 allowed us to continue investing, assessing and refining our customer offering in order to deliver an excellent Ampol Foodary experience. New additions to our retail strategy and the launch of our highway strategy were key highlights for the year.**

### Convenience Retail contributes to improved earnings mix

Convenience Retail continued to perform strongly with RCOP EBIT earnings up 2.1% to a record \$355 million. Improved fuel margins helped offset operating costs, including labour, electricity and interest costs. The total volume of retail fuel sales decreased by 1% on a like-for-like basis.

The increasing prevalence of vaping and illicit tobacco sources in Australia led to a significant decline in Ampol's tobacco product sales, reducing overall shop sales. Excluding tobacco, network shop sales grew 3% on a like-for-like basis as key categories of bakery, snacks, beverages and confectionery achieved strong growth contributing to an increase in Average Basket Value. Shop gross margin also continued to improve.

Our network optimisation is now complete. We are focused on improving the quality of our network through site rationalisation, investment in premium sites and improving our network tiering and micro-market offering.

Retail Convenience TRIFR was broadly in line with 2022's historical best safety performance (3.5 in 2022 to 3.8 in 2023).

### Leveraging the retail network

With strong shop performance complementing improved fuel margins, we continued to leverage our retail network to explore new opportunities.

Midway through 2023, the Ampol Woolworths MetroGo pilot ended, with these sites since converting to the Ampol Foodary brand. We remain committed to our partnership with Woolworths and the Everyday Rewards program and offerings.

This decision provided us with a greater flexibility to leverage the entirety of our network and execute the next phase of our retail strategy. We are currently prioritising a tiered approach to our Foodary offer to cater for an evolving customer base, drive retail innovation and ensure the right retail format is reflected across the communities in which Ampol Foodary operates.

Ampol also continues to unlock potential through our Quick Service Restaurant (QSR) strategy. Ampol is the largest franchisee of juice and smoothie brand Boost Juice and has commenced a trial of operating Hungry Jack's restaurants. We are also currently expanding our presence across online delivery platforms UberEats and DoorDash.

