Directors' Report – Operating and financial review

The purpose of the operating and financial review (OFR) is to provide shareholders with additional information regarding the Group's operations, financial position, business strategies and prospects. The review complements the Financial Report on pages 112 to 174.

The OFR may contain forward-looking statements. These statements are based solely on the information available at the time of this report, and there can be no certainty of the outcome in relation to the matters to which the statements relate.

Company overview

Ampol (previously Caltex) returned to its iconic Australian name following shareholder approval on 14 May 2020. The national rollout of the Ampol brand across our retail network was completed in late 2022. Approximately 1,800 sites now display the Ampol brand. Ampol is an independent Australian company and the leader in transport fuels in Australia and, through its acquisition of Z Energy, in New Zealand.

We supply Australia's largest branded petrol and convenience network as well as refining, importing and marketing fuels and lubricants. As the energy transition progresses, we are building out our electric vehicle (EV) on-the-go public charging networks in Australia and New Zealand. We have a deep history spanning over 120 years and are listed on the Australian Securities Exchange (ASX) (primary listing) and New Zealand Exchange (NZX) through a foreign exempt listing.

Ampol supplies fuel to more than 110,000 business and SME customers in diverse sectors across the Australian and New Zealand economies, including mining, transport, marine, agriculture, aviation and other commercial and industrial sectors. Across our Australian and New Zealand retail networks, we serve approximately four million customers every week with fuel, convenience and EV charging products.

Our ability to service our broad customer base is supported by our robust supply chain and strategic infrastructure positions. In Australia that includes 15 terminals, 6 major pipelines, 53 wet depots, 1,790 Ampol branded sites (including 636 company-controlled retail sites) and one refinery located in Lytton, Queensland. In New Zealand, we have grown our presence through the acquisition of Z Energy. Ampol divested Gull New Zealand on 27 July 2022 as part of the regulatory approval to acquire Z Energy. Our New Zealand operations now consists of 9 terminals and 513 sites (includes Z Energy and Caltex branded sites). This network is supported by over 9,100 people across Australia, New Zealand, Singapore and the United States of America (USA).

In recent years, we have leveraged our Australian business to extend our supply chain and operations into international markets. This includes our Trading and Shipping business that operates out of Singapore and Houston in the USA, and our international storage positions across the Asia Pacific region and North America. Ampol also owns a 20% equity interest in Seaoil, a leading independent fuel company in the Philippines.

Group strategy

Ampol's strategy is focused around three pillars which are underpinned by our market-leading position in transport fuels, strategic assets, customer relationships and supply chain expertise.

During the year we have continued to deliver for our customers and produced strong financial results, we have also made good progress on our 2023 strategic priorities aligned to our strategic pillars:

- Enhance the core business;
- Expand from the rejuvenated fuels platform; and
- Evolve our energy offer for our customers.

For the Enhance pillar our priorities were focused on:

- completing the work to enable a final investment decision for the Ultra Low Sulfur Fuels Project for Lytton;
- leveraging our successful rebrand to Ampol to continue to grow retail channels in Australia, achieving 2.1 per cent growth in earnings in 2023; and
- continue to grow and effectively price risk manage the integrated margin from the Fuels and Infrastructure Australia division, resulting in RCOP EBIT tripling year on year.

For the Expand pillar our priorities were focused on:

- delivering the Z Energy acquisition benefits and synergies target;
- continuing to explore organic growth opportunities in Fuels and Infrastructure International, delivering record earnings and a 12 per cent increase in volume sold;
- developing strategic highway sites in Australia including the opening of Pheasants Nest North and South bound service centres and the refresh of the M1 Northbound marquee site; and
- conducting a Quick Service Restaurant trial with Hungry Jack's. Two Hungry Jack's restaurants were in operation at the end of 2023 including the M1 Northbound highway site, the busiest Hungry Jack's restaurant in Australia.

Evolving our business to build the foundations for energy transition is the third pillar of Ampol's strategy. Ampol's and Z Energy's privileged assets, supply chain expertise and deep customer relationships mean we are uniquely placed to be part of the decarbonisation solution in Australia and New Zealand by enabling an orderly energy transition and to capitalise on opportunities that can deliver sustainable returns for shareholders over the long term. Our focus areas in the Evolve pillar were to:

- progress the rollout of the on-the-go EV charging network reaching 82 charging bays in Australia and 104 in New Zealand;
- establishing partnerships for destination charging including with Mirvac and back to base charging with Europcar, Acciona and Outbound; and
- evaluate low carbon solutions for hard to abate sectors such as aviation, mining and heavy haul trucking including partnership with OneH2 for hydrogen refuelling.

Directors' Report – Operating and financial review continued

Powering better journeys, today and tomorrow

Enhance the core business	**Bring back Ampol**	Amplify premium fuel increased to 53.7% of fuel volumes of Convenience Retail fuel sales volumes Strong connection built with Australian consumers with Brand Preference results demonstrating the strength of the Ampol offer in market
	Maximise Lytton value	Lytton Ultra Low Sulfur Fuels Project FID expected in 1Q 2024. Historically these gasoline cracks (10ppm) have traded at a premium to current Australian grade Optimising crude selection including accessing North American crudes through USA trading office
	Improve retail network	Transition to company operated, network rationalisation and rebrand complete; RCOP EBIT uplift from 2019 to 2023 of 76%
	Restore F&I Australia performance	Increased volume (up ~20% from COVID lows in 2021) and favourable supply and freight conditions improved returns Launched new AmpolCard ecosystem
Expand from rejuvenated fuels platform	**International earnings growth**	Acquisition of Z Energy in 2022, benefits and synergies delivered[1]; 33 premium Z Retail sites upgraded Record Fuels and Infrastructure International earnings from expansion across customers, products and regional markets (sales volume up 12% year on year) International earnings (including New Zealand) represent ~30% of Group earnings[2] up from 11% in 2019
	Shop earnings growth	Highway and premium site strategy underway with opening of Pheasants Nest and renovated M1 Northbound Largest Boost Juice franchisee with plans to grow stores; commenced QSR trial with first two Hungry Jack's restaurants operating by end 2023
Evolve energy offer for our customers	**Build foundations for energy transition**	Total of 82 and 104 EV public charging bays delivered in Australia and New Zealand respectively First major destination EV charging deal signed with Mirvac and established first back-to-base charging services with B2B customers Exploring manufacture and distribution of renewable fuels as a drop in solution for hard to abate sectors On track to reach operational emissions[3] (Scope 1 and 2) reduction targets by 2025 in Australia

1. On a run rate basis

2. Measured as International earnings from Fuels and Infrastructure International (including Gull where applicable) and New Zealand as a percentage of Group RCOP EBIT

3. Ampol's definition of operational emissions is in accordance with the National Greenhouse and Reporting (NGER) definition and refers to all Scope 1 and 2 emissions within Ampol's operational control in Australia

Ampol results 31 December 2023

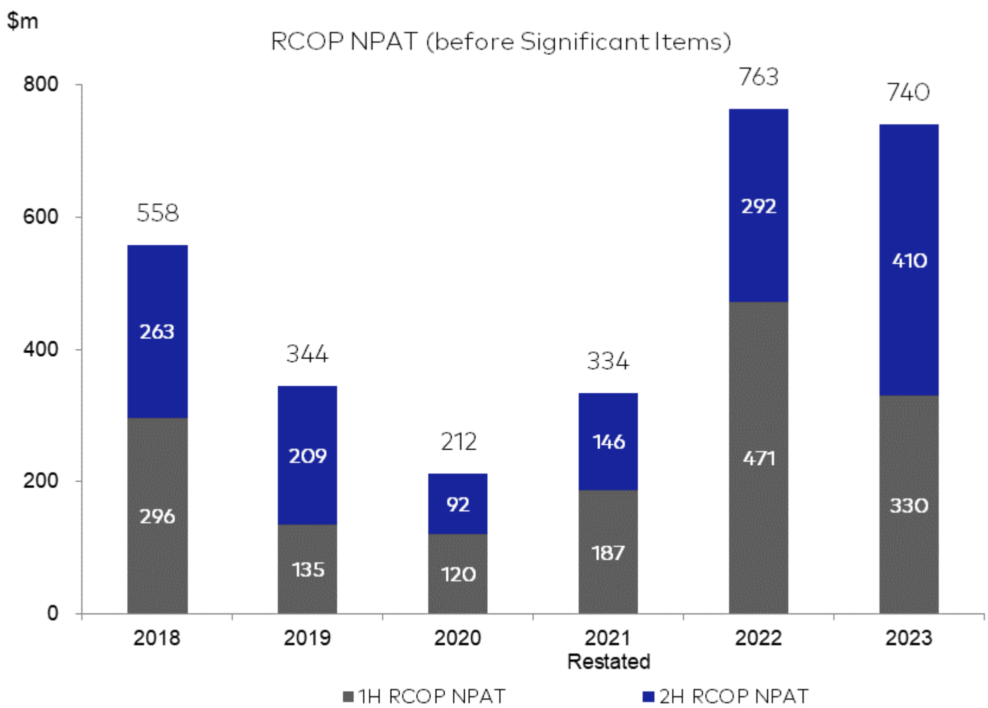
The financial results for the year ended 31 December 2023 reflect another strong year of financial performance. Continued delivery of Ampol's Strategic priorities has ensured the business is able to navigate volatile markets and set up all segments of the business for continued success.

On a statutory basis, Ampol recorded an after tax profit attributable to equity holders of the parent entity of $549.1 million, including a Significant Item loss of $64.4 million and a product and crude oil inventory loss of $126.6 million after tax. This compares to the 2022 full year after tax profit attributable to equity holders of the parent entity of $795.9 million, which included a Significant Item gain of $123.1 million and a product and crude oil inventory loss of $90.1 million after tax.

On an RCOP basis, Ampol recorded an RCOP NPAT (before Significant Items) of $740.1 million (2022: $762.9 million). RCOP is the key measure used by management and the global downstream oil industry to assess financial performance for a given period. It is a non-International Financial Reporting Standards (IFRS) measure, unaudited and derived from the statutory profit adjusted for inventory (losses)/gains. RCOP excludes the unintended impact of the fall or rise in oil and product prices (key external factors). It is calculated by restating the cost of sales using the replacement cost of goods sold rather than the statutory costs, and adjusting for the effect of contract-based revenue lags.

A reconciliation of the RCOP result to the statutory result is set out in the following table and can also be found in note B3 to the Financial Statements:

Reconciliation of the RCOP result to the statutory result	2023 $m (after tax)	2022 $m (after tax)
Net profit attributable to equity holders of the parent entity	**549.1**	795.9
Significant Items (gain)/loss (after tax)	**64.4**	(123.1)
Inventory loss	**126.6**	90.1
RCOP NPAT (before Significant Items)	**740.1**	762.9



Dividends

The Board has declared a final ordinary dividend of 120 cents per share, fully franked. This takes full year ordinary dividends to 215 cents per share, representing a 69 per cent payout ratio of 2023 RCOP NPAT. Full year ordinary dividends are at the top end of Ampol's stated Dividend Policy pay-out ratio of 50% to 70%. Additionally, the Board has declared a special dividend of 60 cents per share, fully franked, which compares with a special dividend of 50 cents per share in 2022. This takes total dividends declared to 275 cents per share, or $655 million, for the year in line with the record dividend distribution in 2022.

Directors' Report – Operating and financial review continued

Income statement

	For the year ended 31 December	2023 $m	2022 $m
	Continuing operations		
1.	Total revenue	**37,749.3**	38,491.5
	Other income	**15.5**	5.3
	Share of net profit of entities accounted for using the equity method	**(3.1)**	14.5
2.	Total expenses(i)	**(36,465.1)**	(37,242.3)
	RCOP EBIT, excluding Significant Items from continuing operations	**1,296.6**	**1,269.0**
	Finance income	**11.3**	5.1
	Finance expenses	**(289.9)**	(182.8)
3.	**Net finance costs**	**(278.6)**	**(177.7)**
	Income tax expense(ii)	**(226.9)**	(308.0)
	Non-controlling interest	**(51.0)**	(51.1)
	RCOP net profit after tax from continuing operations	**740.1**	732.3
	RCOP net profit after tax from discontinued operations	**-**	30.6
	RCOP net profit after tax from continuing and discontinued operations	**740.1**	**762.9**
4.	Inventory gain/(loss) after tax	**(126.6)**	(90.1)
5.	Significant Items gain/(loss) after tax	**(64.4)**	12.9
5.	Significant Item: Singapore tax provision release	**-**	110.2
	Statutory net profit after tax attributable to parent	**549.1**	**795.9**
	Non-controlling interest	**51.0**	51.1
	Statutory net profit after tax	**600.1**	**847.0**
	Dividends declared or paid		
	Interim ordinary dividend per share	**95c**	120c
	Final ordinary dividend per share	**120c**	105c
	Special dividend per share	**60c**	50c
	Earnings per share from continuing operations (cents)		
	Statutory basis including Significant Items – basic	**230.4**	305.3
	Statutory basis including Significant Items – diluted	**229.9**	303.8
	Replacement cost basis excluding Significant Items – basic	**310.6**	307.3
	Replacement cost basis excluding Significant Items – diluted	**309.9**	305.8

(i) Excludes Significant Item loss before tax of $90.8 million from continuing operations (2022: $32.2 million loss) and inventory loss before tax of $175.6 million (2022: $122.6 million inventory loss).

(ii) Excludes tax benefit on inventory loss of $49.0 million from continuing operations (2022: $33.4 million tax benefit) and tax benefit on Significant Items loss of $26.4 million (2022: $6.5 million).

Income statement continued

Discussion and analysis – Income statement	
1. **Total revenue from continuing operations** ▼ 2%	Total revenue decreased due to movements in crude and product prices over the year with the equivalent Australian dollar sales prices being 14% lower on average than 2022. Largely offsetting this was a 17% increase in total sales volumes (28.4 BL) compared with 2022 (24.3 BL). Contributing to the increase in volume was a full 12 months from New Zealand in 2023 and growth in aviation fuel sales volumes as the industry continues its recovery post COVID.
2. **Total expenses from continuing operations** ▼ 2%	Total expenses decreased in line with revenue primarily due to lower replacement cost of goods sold, driven by decreased crude and product prices in AUD, partly offset by an uplift in volumes.
3. **Net finance costs from continuing operations** ▲ 57%	Finance costs increased predominantly due to an increase in market interest rates, and higher average drawn debt in 2023 compared to 2022, the latter reflecting the all-debt funded acquisition of Z Energy in May 2022, net of divestment proceeds from Gull, in the comparative period.
4. **RCOP Inventory loss after tax $126.6 million**	Inventory loss of $126.6 million after tax ($175.6 million before tax) in 2023 due to the purchase price of inventory during the period being higher (on average) than replacement cost. Ampol holds crude and product inventory, the price of which varies due to fluctuations in the product price and foreign exchange movements. The price at which inventory was purchased often varies from the current market prices at the time of sale however is typically passed to customers at the time of sale due to contractual terms or retail pricing dynamics. This creates an accounting inventory gain or loss at the time of sale.
5. **Significant Items loss after tax $64.4 million**	Significant Items are those events deemed to be outside the scope of usual business due to their size, nature and/or incidence. These items are reported separately to better inform shareholders of the Group's underlying financial performance from one period to the next. Total Significant Item expense after tax of $64.4 million (2022: $123.1 million gain) relates to: **Software-as-a-service** In the current year the Group has recognised an expense of $17.8 million (2022: $7.8 million) relating to multi-year projects for IT customisation costs for software-as-a-service solutions which are not able to be capitalised as intangible assets. Ampol's policy allows for such investments to be treated as Significant Items given their size and multi-year benefits to the organisation. **Commercial Settlements** In the current year the Group has recognised an expense of $4.5 million in relation to settlement of commercial disputes (2022: $35.7 million). **Site remediation** The Group has recognised a $17.6 million expense in the current period relating to an increase in environmental remediation provisions for a number of Fuels and Infrastructure sites. In 2022, a review of remediation cost experience led to an increase in Convenience Retail's asset restoration obligations of $26.3 million being expensed and treated as a Significant Item. These costs related to sites that were previously closed or fully impaired. **Asset divestments and impairments** The following divestment and impairment outcomes have been included in Significant Items with a total net expense in the current period of $5.5 million (2022: $25.8 million income): • A gain on sale of Convenience Retail sites of $8.3 million has been recognised in the current period (2022: $14.8 million). • An expense of $13.8 million relating to decommissioning costs and impairment of assets following a decision to exit the LPG product category by the Convenience Retail business during the year (2022: $nil). • In 2022, a net $11.0 million income relating to the reversal of Convenience Retail asset impairments $21.8 million, partly offset by an impairment of $10.8 million relating to underperforming sites. **Unrealised (losses)/gain from mark-to-market of Electricity Derivatives** Relates to a $45.4 million loss from unrealised mark-to-market movements on electricity derivatives which do not qualify for hedge accounting treatment (2022: gain of $71.8 million).

Directors' Report – Operating and financial review continued

2022 Rebranding

In 2022, the Group recognised a net expense of $30.9 million in Significant Items relating to the Group's rebranding activities.

Transaction costs and sale of Gull New Zealand

In 2022, the Group recognised net income of $9.5 million relating to a gain on the sale of Gull $46.6 million partly offset by $37.1 million relating to transaction costs (Z Energy Limited $29.1 million and Gull $8.0 million).

Tax effect of Significant Items

Significant Items tax benefit of $26.4 million on Significant Items (2022: $6.5 million) predominantly reflects the Australian corporate tax rate of 30% on the items above.

Release of income tax provision relating to Singapore entity profits

In 2022 a $110.2 million tax provision was released as a consequence of an agreement reached with the ATO in relation to tax payable on profits earned by the Group's Singapore operations.

Income Statement continued

Discussion and analysis – Income statement	RCOP EBIT breakdown[1]
Fuels and Infrastructure (F&I) EBIT	**$736.5m**
Fuels and Infrastructure RCOP EBIT for the 2023 financial year was $736.5 million, 14 per cent lower (on a continuing basis) than the same period last year, with the strong F&I (Ex-Lytton and Future Energy) result largely offsetting a decline in refining earnings from the historically high level seen in 2022. Lytton RCOP EBIT was $362.3 million as the Lytton Refiner Margin (LRM) eased to an average of US$12.81 per barrel, from historical highs in 2022. Labour and electricity charges increased operating costs and total production for the year was lower, mainly due to the unplanned outages in the second quarter and in December. F&I (Ex-Lytton and Future Energy) earnings more than doubled and reflects the ability for our strategic assets and supply chain expertise to adapt to changing market conditions to optimise the margin across our integrated supply chain. F&I Australia (Ex-Lytton and Future Energy) benefited from growing domestic demand. Total Australian sales volumes rose 11 per cent to 15.6 billion litres, including the continued recovery in jet volumes post COVID. F&I International earnings (adjusted to exclude Gull as a discontinued operation) rose 22 per cent. International volumes (excluding Z Energy) rose 12 per cent as we leveraged our Australian and New Zealand demand to grow third party sales. This includes an uplift in earnings from US Trading and Shipping operations with sales volumes up approximately 0.6 billion litres. Future Energy commenced the rollout of the AmpCharge on-the-go electric vehicle (EV) charging network. By the end of December 2023, 82 charging bays at 36 sites have been delivered in Australia with parts of the network build supported by government grants. We continue to explore other low carbon transport solutions including renewable fuels.	
Convenience Retail (CR) EBIT	**$354.6m**
Convenience Retail continued to perform strongly with RCOP EBIT earnings up 2.1 per cent to a record $354.6 million driven largely by improved fuel margins. Fuel volumes were down 1.6 per cent, 1.0 per cent on a like-for-like basis. Overall retail fuel margins were higher than in 2022, reflecting favourable fuel mix, network improvements and costs recovery. Excluding tobacco, network shop sales grew 3.0 per cent on a like-for-like basis as key categories of bakery, snacks, beverages and confectionery achieved strong growth. Average Basket Value also increased year on year and shop gross margin[2] also continued to improve, reaching 36.1 per cent post waste and shrink which helped to offset falling tobacco sales, and higher electricity costs. The rebranding of 50 MetroGo stores to Foodary is complete and there has been an improvement in the earnings at these sites including the benefits of the changes to product range. The two new marquee sites at Pheasants Nest opened and the M1 northbound flagship site refresh is also complete including the Ampol-operated Hungry Jack's Quick Service Restaurant (QSR), the second restaurant in the trial.	
New Zealand (incl Z Energy) EBIT	**$263.5m**
The New Zealand segment contributed RCOP EBIT of $263.5 million to the Group result, reflecting a full 12 months' contribution of Z Energy and the contribution from the transition to fuel supply from Ampol. Fuel sales volumes improved by 11 per cent, on a proforma basis compared with 2022, as the COVID recovery improved demand particularly for jet fuel, and Z Energy continued to grow wholesale sales volumes, leveraging its infrastructure position. The Z Energy management team have delivered the anticipated benefits of the acquisition and the objective to simplify the business to drive improved profitability. The underlying business performed strongly, including a strong performance from shop as sales and gross margin continued to improve. The 2023 result for New Zealand includes the once-off recovery of impacts from the New Zealand Government's temporary reduction of fuel excise duty in 2022 as part of the Government's response to elevated global fuel prices. Z Energy also has continued to execute on its energy transition strategy having installed 104 EV charge bays at 37 sites across the Z retail network by the end of 2023.	
Corporate EBIT	**($58.0m)**
Corporate operating expenses are 3.9% higher compared with 2022 largely due to investment in cyber security resilience.	
RCOP EBIT excluding Significant Items from continuing operations	**$1,296.6m**

1) RCOP is an unaudited non-IFRS reporting measure. A reconciliation between statutory earnings and RCOP earnings can be found in note B3 of the financial statements.

2) Shop gross margin (post waste and shrink) and includes Hungry Jack's and reallocation of rebates to margin.

Directors' Report – Operating and financial review continued

Statement of Financial Position

As at 31 December	2023 $m	2022 Restated (i) $m	Change $m
1. Working capital	**1,624.6**	2,001.4	▼ 376.8
2. Property, plant and equipment	**4,906.3**	4,615.6	▲ 290.7
3. Intangibles	**1,424.5**	1,609.9	▼ 185.4
4. Interest-bearing liabilities net of cash	**(3,394.4)**	(3,488.4)	▼ 94.0
5. Other assets and liabilities	**(585.1)**	(688.4)	▼ 103.3
Total equity	**3,975.9**	4,050.1	▼ 74.2

(i) Amounts have been re-presented as at 31 December 2022 due to the finalisation of the purchase price allocation on the Z Energy acquisition. Refer to note F2 of the financial statements for further information.

Discussion and analysis – Statement of Financial Position	
1. Working capital ▼ **$376.8m**	The working capital movement was driven predominately by a decrease in year end inventory volumes and AUD purchase prices. In addition, falling sales prices have resulted in a decrease in trade and other receivables.
2. Property, plant and equipment ▲ **$290.7m**	The increase in property, plant and equipment including lease right of use assets is driven mainly by capital expenditure net of divestments of $521.4 million partly offset by depreciation, and an increase in right of use assets of $182.6 million.
3. Intangibles ▼ **$185.4m**	Intangibles decreased largely due to the surrender of New Zealand Emissions Trading Units. These units are held by Z Energy to meet surrender obligations under the NZ Emissions Trading Scheme.
4. Interest-bearing liabilities net of cash ▼ **$94.0m**	Interest-bearing liabilities relate to net borrowings of $2,194.7 million (December 2022: $2,358.9 million) and lease liabilities of $1,199.7 million (December 2022: $1,129.5) at 31 December 2023. Ampol's gearing was 35.6%, a decrease of 1.2 percentage points from 31 December 2022. On a lease-adjusted basis, gearing was 46.1%, a decrease of 0.2 percentage points from 31 December 2022. Leverage of 1.6 times Adj. Net Debt(i) / RCOP EBITDA(ii) (December 2022: 1.7 times).
5. Other assets and liabilities ▼ **$103.3m**	Other assets and liabilities decreased primarily due to the decrease in Z Energy's Emissions Trading Units surrender obligation reflecting the settlement of the 2022 surrender obligation in 2023.

(i) Adjusted net debt of $2,819.4 million includes net borrowings of $2,194.7 million, lease liabilities of $1,199.7 million (calculated in accordance with AASB 16) and hybrid equity credits of $575.0 million (as an offset)

(ii) Last twelve months RCOP EBITDA of $1,755.5 million

Cash flows(i)

For year ended 31 December	2023 $m	2022 $m	Change $m
1. Net operating cash (outflows)/inflows	**1,511.8**	909.2	▲ 602.6
2. Net investing cash (outflows)/inflows(ii)	**(535.6)**	(1,632.0)	▲ 1,096.4
3. Net financing cash (outflows)/inflows	**(779.9)**	266.5	▼ 1,046.4
Net increase (decrease) in cash held(iii)	**197.1**	(462.8)	▲ 659.9

(i) The Consolidated Cash Flow Statement includes cash flows from both continuing and discontinued operations.

(ii) Does not include the purchases of New Zealand Emissions Trading Units during the period, which is included in payments to suppliers, employees and government in operating cashflows.

(iii) Including effect of foreign exchange rates on cash and cash equivalents.

Discussion and analysis – Cash flows	
1. Net operating cash inflows ▲ $602.6m	Net operating cash inflows increased largely due to a strong pre-tax financial performance combined with favourable movements in working capital. This increase in receipts from customers ($1,330.2 million) was partly offset by an increase in payments to suppliers ($497.0 million) and increased tax related payments of $170.1 million due to higher earnings in FY22.
2. Net investing cash outflows ▲ $1,096.4m	Investing cash outflows includes capital expenditure for property, plant and equipment (including Lytton T&I costs and preliminary work in relation to the Lytton Ultra Low Sulfur Fuels Project) and the purchase of software intangibles. Investing cash outflows reduced compared with the prior period, which included payment for the acquisition of Z Energy for $1,785.1 million (plus cash acquired of $111.1 million), and receipt of proceeds from the sale of Gull NZ of $470.9 million (plus cash divested of $4.5 million).
3. Net financing cash outflows ▼ $1,046.4m	Financing cash flows in the current year reflect the repayment of debt from cashflow generated from operations, net of investment cash outflows and the payment of dividends during the year ($595.6 million, an increase of $212.0 million on the prior year). Comparisons to the prior year were largely impacted by the non-recurrence of the draw-down of facilities to fund the Z Energy acquisition and the receipt of proceeds on sales of the non-controlling interest in Ampol Property Trust 2 and the non-controlling interest in Z Limited Partnership (property).

Capital expenditure

Capital expenditure net of $35.2m of divestments totalled $521.4 million, including $80.9 million for Z Energy. Within the total F&I capital expenditure of $330.4 million was $218.2 million for Lytton (which includes Lytton T&I costs and preliminary work in relation to the Lytton Ultra Low Sulfur Fuels Project), $64.3 million F&I ex-Lytton and $47.9 million relating to Future Energy. In Convenience Retail, capital expenditure was $136.8 million. Corporate capital expenditure of $8.5 million mainly related to information technology assets.

Directors' Report – Operating and financial review continued

Current trading conditions and outlook

Overall the Group has had a strong start to the year. The Lytton Refiner Margin for January reached US$13.33 per barrel, above the LRM for 4Q 2023 and historical averages, and reflects the impact of the December outage on volumes and yield. Convenience Retail and Z Energy have continued to trade broadly in line with the same time last year.

In December, Fuels and Infrastructure were not directly impacted by risks associated with navigating the Red Sea. More recently freight rates escalated as geopolitical tensions flared, particularly for product freight, and this trend is likely to be positive for Lytton and the integrated supply chain.

With the recent finalisation of the new fuel standards by the Australian Federal Government, Ampol intends to upgrade the Lytton refinery to produce gasoline compliant with the new specifications for both regular and premium gasoline grades. Ampol has made significant progress in design, site preparation, and procurement of long lead time items ahead of a Final Investment Decision expected in the coming weeks. Estimated remaining capital spend is approximately $250 million, net of applicable Federal Government grants. The project is expected to be commissioned in the second half of 2025. Ampol also notes that, historically, gasoline cracks for the new specification (10ppm sulfur content) have traded at a premium to cracks for the current Australian grades. Gasoline typically represents approximately half of the Lytton production slate.

A scheduled turnaround and inspection (T&I) is planned for 2H 2024. This is expected to take approximately 7 weeks with refining output of high value product similar to levels seen in FY2023.

Beyond the short term, Ampol continues to extend and improve its convenience retail offers in both Australia and New Zealand. These networks will form the cornerstone of an on-the-go charging network, which is expected to extend to 300 charging bays in Australia and 150 charging bays in New Zealand by the end of 2024 and provide Ampol with the flexibility to adapt its approach to transition as it evolves.

Directors' Report – Risk management

Ampol's commitment to managing risk is fundamental to achieving our strategic objectives while maintaining safe and efficient operations, thereby generating value for our customers and shareholders.

In our pursuit of effective risk management across our core businesses, execution of our strategy, and decision-making processes, Ampol has instituted a comprehensive Enterprise Risk Management Framework. Through this framework, Ampol systematically identifies and addresses a spectrum of financial and non-financial risks inherent in both Australian, New Zealand and other markets, including sustainability and climate-related risks.

Our Ampol Risk Management Framework (ARMF) aligns with the International Standard ISO 31000:2018 for Risk Management and adheres to the ASX Corporate Governance Principles and Recommendations. It is reinforced by a three lines of defence assurance model, embedding risk management as a key aspect of our organisational culture.

The ARMF is a key component of our strategic planning and decision-making processes, ensuring that Ampol not only mitigates risks but also capitalises on the opportunities presented by the transition to a low carbon economy. We are dedicated to continually enhancing our risk management practices, safeguarding our business and delivering long-term value to our shareholders.

Our approach to risk management is underpinned by top level commitment, ensuring alignment with our strategic objectives and corporate values. For example:

- the Board approved Ampol Risk Management Policy establishes the roles and responsibilities of the Board and senior management.
- the ARMF is codified in our Corporate Governance Statement and the various Board and Committee charters.
- each year, the Board reviews and determines whether the framework remains sound and in line with the ASX Corporate Governance Principle 7.2.
- each material risk has a nominated risk owner from the Ampol Leadership Team (ALT) who is accountable for ensuring an annual review takes place and reporting the findings to the Board. For climate change, the risk owner is the MD and CEO.

As part of our ongoing commitment to strategic resilience and sustainable growth, Ampol has integrated the management of enterprise risks and opportunities into the core of our strategic planning process. This integration is crucial for ensuring that our business remains adaptive, competitive and aligned with the evolving landscape of the energy sector.

Ampol's approach to risk management is also outlined in our Corporate Governance Statement, which is available on the Ampol website.

The Board of Directors, Audit Committee, the Safety and Sustainability Committee and the People and Culture Committee each receive reports on material risks relevant to their responsibilities, as follows:

- Board: customer and competitors, business transformation, business interruption, regulatory and compliance.
- Audit Committee: information security, cyber and technology, capital management and allocation, liquidity, financial markets, fraud and ethical misconduct.
- Safety and Sustainability Committee: climate change, process safety, personal safety, health and wellbeing, environment, product quality (fuels and lubricants) and product quality (food).
- People and Culture Committee: organisational capability.

The following is a table outlining our material risks, along with a description of each risk and an overview of the mitigation strategies that are in place. In this table, we have not included information that could result in unreasonable prejudice to Ampol, including information that is confidential, commercially sensitive or that could give a third party a commercial advantage.

Material risk	Description	Monitor and manage
Strategic and commercial risks		
1. Customer and competitors 2. Business transformation	The transport fuels and Convenience Retail landscapes are continually evolving. Ampol needs to be able to transform along with this landscape to seize opportunities and ensure the ongoing viability and success of the business. Changes in customer demand, technology and products have the potential to materially impact Ampol's earnings. Ampol must respond and adapt to these changes by optimising current earnings streams and creating new earnings streams in both domestic and international markets in order to support the growth of Ampol and deliver value to customers, the community and shareholders.	Ampol's strategic decision-making framework ensures that strategies are in place to manage customer and competition risks in order to protect and grow core business earnings and enter markets to deliver new earnings streams. These strategies include: • enhancing the core business through a relentless focus on cost efficiency, capital effectiveness and customer centricity; • delivering earnings growth in international and retail businesses; and • building foundations for the energy transition, leveraging the strength of our assets, customer relationships and capabilities.

Directors' Report – Risk management continued

3.	Climate change	Risks associated with the transition to a low carbon economy have the potential to impact Ampol's socio-political and regulatory environment, earnings and growth opportunities, and brand and reputation. Ampol must balance the needs of the current economy, our customers and shareholders, while demonstrating active integration of climate-associated risk into strategic and financial planning processes to inform its investment decisions. In parallel, Ampol actively assesses and models the physical impact of climate change on the business and manages the energy intensity of our operations to limit carbon emissions.	The Board oversees Ampol's strategic direction in mitigating climate risk, with the Board's Safety and Sustainability Committee playing a pivotal role in governance and monitoring, as delineated in the Committee's Charter. This oversight includes ensuring the integration of Energy Transition and Decarbonisation, which are key pillars of our Group strategy, within our business planning. In 2021 Ampol released its Future Energy and Decarbonisation strategies to address the risks and opportunities and position Ampol well for the energy transition by reducing its own operating emissions over time and enabling the transition for its customers through the development of low carbon transport energy offerings. Over the past few years Ampol has committed to rolling out a network of fast and ultra fast EV chargers at its own forecourts and third party sites to facilitate the electrification of the light vehicle fleet. Ampol is also investigating the opportunity to manufacture, import and distribute renewable fuels for hard to abate sectors like heavy haul trucking, mining and aviation. In 2023, our objectives were geared towards leveraging our infrastructure and customer relationships to defend and grow our business in the face of energy sector disruptions. We are rolling out key initiatives, such as expanding fast-charging infrastructure for EVs and integrating energy solutions into customer experiences via the Ampol app, with the ambition to be a leader in sustainable energy solutions by 2025. In line with our commitment to transparency and stakeholder engagement, Ampol's inaugural climate report was released during 2023, which details our decarbonisation approach and identifies opportunities to support our customers. This report, highlighting our efforts and the progress made, is available on our website. Furthermore, Ampol actively engages in external advocacy to progress collective action and policies that support an orderly and just energy transition, ensuring that our strategic objectives align with current decarbonisation mandates of financial markets, governments, and industries.
4.	Information security, cyber and technology	Ampol faces ever-evolving cyber security threats and must be able to prevent, detect, respond to and recover from these threats by investing in technology, information security and cyber governance, capability and controls.	Ampol recognises that cyber security is an ever-evolving challenge. Our commitment to excellence is unwavering, as we continue to refine our defences and enhance our capabilities. We follow a path of continuous improvement to develop and strengthen our security measures and reduce vulnerabilities to the lowest possible level, aspiring to eliminate them wherever reasonably achievable. Ampol adheres to the requirements set forth by the ISO27001 standards, ensuring a systematic and structured approach to managing sensitive company and customer information. Furthermore, our alignment with the NIST Cybersecurity Framework (CSF) underscores our commitment to

			adopting industry best practices in risk management, heightening our resilience against cyber threats. Our ongoing journey in cyber security sees us leveraging the latest technology and strategic insights, continuous monitoring and regular independent assessments to enable us to continuously fortify our cyber risk strategy and defences. We are committed to investing in securing our critical operations against the spectrum of cyber risks. Protecting customer data is at the forefront of our agenda, with a clear focus on maintaining confidentiality, integrity, and availability in the face of evolving cyber threats. Ampol's proactive and anticipatory approach ensures that our cyber security posture is robust, responsive, and equipped to support the secure operation of our services in today's interconnected digital ecosystem.
5.	Organisational capability	Successful execution of Ampol's strategy is driven by the capability strength of our people and the organisational culture we operate within. An absence of strong capability to deliver our strategy and/or an unhealthy organisational culture can negatively impact Ampol's ability to maximise value generation.	Ampol is continuously focused on accessing and retaining the right diversity of people and capability. There are a number of processes, systems and programmes which ensure that Ampol fosters a healthy organisational culture which includes development and career opportunities so that Ampol can continue to be an attractive place to work.

Operational risks

6. 7. 8.	Process safety Personal safety, health and wellbeing Environment	The manufacturing and transportation of transport fuels and the operation of Ampol's retail network gives rise to an inherent risk to the health and safety of our employees, contractors, customers, the public and the environment in which we operate. Ampol invests the necessary capital and resources to reduce these risks so far as is reasonably practicable.	To manage these risks, Ampol has in place: • an integrated management system for managing safety, health and environmental risks, and; • a comprehensive risk management framework which ensures risks are proactively identified and managed from the corporate level to the local site level and involves active engagement from senior management and the Board. Ampol also transfers certain major risk exposures through its comprehensive corporate insurance program, which provides cover for damage to facilities and associated business interruption as well as product liability.
9.	Product quality – fuels and lubricants	The material risk revolves around the potential inability to supply fuels and lubricants that meet relevant regulatory and contractual requirements, conform with our customers specifications and are fit for purpose. This has the potential to impact our customers and the environment which would have a negative impact on the Ampol brand and our financial performance.	Ampol is actively responding to the ever-changing regulatory landscape by ensuring that its operations and products are compliant with the latest fuel quality standards. This proactive approach is exemplified by Lytton Ultra Low Sulfur Fuels Project which will ensure gasoline products manufactured at the Lytton Refinery will have a sulfur content of no greater than 10 parts per million in line with Australia's Fuel Quality standards. The ability to manufacture better-quality fuel with lower-sulfur content in Lytton Refinery, will help support the Australian motor industry to import vehicles with more sophisticated emissions control technology and engines that are more fuel efficient. Ampol has developed and implemented comprehensive quality control and assurance measures across its supply chain. These

Directors' Report – Risk management continued

		measures are designed to guarantee that all fuels and lubricants delivered to customers meet strict fuel quality standards. By doing so, Ampol reinforces its brand promise of providing high-quality fuels and lubricants. This focus on quality and compliance not only ensures that Ampol remains at the forefront of industry standards but also reflects its dedication to environmental responsibility and customer satisfaction.
10. Product quality – food	In the retail environment, Ampol aims to provide high quality food products that meet customer needs, conform to specifications and satisfy our contractual and regulatory requirements.	The Ampol food safety system is well established: • food suppliers to Ampol are approved and compliance to the Ampol approved supplier program is reviewed annually; • specifications for private label ingredients and products are available; • food handling procedures are documented and adherence is verified via internal auditing; and • additional verification is obtained via daily checks of temperature of food, equipment and food deliveries. External visits (council audits) occur in Ampol retail stores for compliance to food safety legislation at various intervals. Reports are saved where provided with all visits recorded. The complaints handling process is followed for all supplier and customer complaints and records are maintained electronically in addition to product recalls and withdrawals.
11. Business interruption	Significant business interruption leading to commercial loss may result from a wide range of risk sources, including: • extended industrial disputes; • supply chain disruption; • loss of externally supplied utilities; • pandemic; • cyber and other security breaches; and • natural disasters, such as bushfires and floods.	Ampol manages these risks through the framework and governance structures described in this report, including those focused on security and resilience. It also mitigates certain major risk exposures through its comprehensive corporate insurance program, which provides cover for damage to facilities and associated business interruption as well as product liability.
Financial risks		
12. Capital management and allocation	An inability to successfully manage and allocate capital erodes Ampol's profitability, cash flows, growth aspirations, investor confidence, licence to operate and relationships with key stakeholders.	Ampol governs and manages capital allocation in accordance with a well-defined capital allocation framework that is underpinned by operational and capital efficiency focussed on targeting a strong return on capital employed (ROCE) across all parts of the portfolio. The framework is underpinned by operational and capital efficiency measures and defines priorities for capital allocation for Ampol's internal and external stakeholders. Ampol's Investment Committee (IC), which is comprised of senior leaders, supports this framework. The IC is supported by the necessary governance and processes to

			successfully prioritise and execute capital investment and manage capital allocation.
13.	Liquidity	Inadequate access to liquidity may limit Ampol's ability to meet its future funding requirements, including in relation to planned expenditure or emerging investment opportunities. A weak liquidity platform may also limit Ampol's ability to withstand liquidity related stress from material risk events and/or a major economic downturn.	Ampol prudently manages liquidity risk by maintaining sufficient undrawn committed debt facilities to cover its base business requirements as well as various potential growth and downside scenarios. Ampol seeks to maintain an extended and diversified debt maturity profile to minimise refinancing risk and preserve financial flexibility. This is underpinned by a capital structure that is consistent with a strong investment grade credit rating, thereby ensuring continued access to a range of debt and equity capital markets.
14.	Financial markets	Commodity price and other associated markets driven by supply and demand for Ampol's products may vary outside of expectations from time to time. Foreign exchange rate variations can offset or exacerbate this risk.	Ampol balances its exposure to financial market risk in accordance with the Board approved Group Treasury Policy. The policy sets a range of quantitative and volumetric limits to reduce the inherent risk to levels within the desired risk appetite threshold. Ampol regularly monitors financial market exposures and reports this as part of its updates to senior management and the Board.
	Social, compliance and conduct risks		
15.	Regulatory and compliance	Ampol is exposed to a wide range of regulatory environments since its operations are located across several jurisdictions. Ampol's brand, reputation and licence to operate can be negatively impacted through actual or perceived breaches of law or behaviours that are inconsistent with Ampol's values or breach its Code of Conduct.	Ampol's specialist government affairs and legal and risk teams oversee our strategic stakeholder engagement plan, designed to actively manage and mitigate the impact of major policy changes. This includes engaging with government, policymakers, regulatory bodies and industry associations to keep abreast of legislative changes, training and drafting submissions for consultation phases for emerging legislation.
16.	Fraud and ethical misconduct	Ampol is exposed to a wide range of compliance and conduct risk including major fraud, bribery, corruption or other behaviour that is inconsistent with the organisational values or contravenes Ampol's Code of Conduct.	Ampol employs a comprehensive approach to manage and monitor fraud and ethical misconduct risks, incorporating a variety of strategies. This includes thorough background checks during recruitment and ongoing checks to ensure the integrity of its workforce, alongside a strict Code of Conduct bolstered by regular training sessions to instil ethical obligations. To promote transparency and accountability, Ampol maintains a whistleblower hotline, allowing anonymous reporting of any misconduct concerns. The company engages in proactive monitoring and engagement to ensure adherence to ethical standards and employs third-party assurance to provide additional oversight, ensuring the effectiveness of its strategies in maintaining high ethical standards.

Directors' Report

Events subsequent to the end of the year

Dividend

The Board has declared a final ordinary dividend of 120 cents per share, fully franked. This takes full year ordinary dividends to 215 cents per share, representing a 69 per cent payout ratio of 2023 RCOP NPAT (excluding Significant Items). Additionally, the Board has declared a special dividend of 60 cents per share, fully franked, recognising the strength of the balance sheet and in accordance with the capital allocation framework. This takes total dividends declared for the full year to 275 cents per share, or $655 million, in line with the record distributions for 2022. The record and payment dates for both the ordinary and special dividend are 4 March 2024 and 27 March 2024 respectively.

Environmental regulations

Ampol is committed to complying with the relevant laws, regulations and standards of the jurisdictions in which we operate, as well as minimising the impact of our operations on the environment. The Board's Safety and Sustainability Committee addresses the appropriateness of Ampol's occupational health, safety and environmental practices to manage material health, safety and environmental risks, so that these risks are managed in the best interests of Ampol and its stakeholders.

Ampol sets key performance indicators to measure environmental, health and safety performance and drive improvements against targets. In addition to review by the Board, progress against these performance measures is monitored regularly by the Managing Director and CEO and executive general managers.

Risks are examined and communicated through the Ampol Risk Management Framework, which includes environmental risks. Under the framework, risks and controls are assessed and improvements are identified, with regular reports being made to management and the Board.

The Ampol Operational Excellence Management System (OEMS) is designed to ensure that, as far as reasonably practicable, operations are carried out in an environmentally sound, safe, secure, reliable and efficient manner. OEMS operating standards and procedures support the Ampol Environmental Policy and the Ampol Health and Safety Policy.

Ampol meets reporting requirements under the National Greenhouse and Energy Reporting Scheme, reporting energy consumption and production as well as greenhouse gas emissions from Group operations. Ampol also continues to disclose information on emissions under the National Pollutant Inventory reporting framework. Ampol continues to remain a signatory to the Australian Packaging Covenant.

Compliance with environmental regulations

For the year ended 31 December 2023, regulators were notified of a total of seven environmental reportable non-compliances. For the period, the group received six formal notices from environmental agencies; five of these notices related to legacy contamination. Remediation action is either underway or has been taken in relation to the incidents and notices. The Company received no fines during the period. All incidents were investigated, and lessons captured and shared as appropriate across the Group.

On 7 April 2022, during an extreme weather event, components of the wastewater treatment plant (WWTP) at Ampol's fuel transfer terminal in Kurnell were inundated with floodwaters and overflowed, causing hydrocarbon-impacted floodwaters to escape from the terminal to the local environment and community. Approximately 9,200 litres of hydrocarbon escaped from the WWTP in floodwaters as a result of the incident.

The EPA considered that the overflow incident and consequential impacts to the environment were in breach of the *Protection of Environment Operations Act 1997*. The hydrocarbon-impacted floodwaters had a significant impact on the local environment and community and degraded the lands and waterways surrounding Ampol's fuel transfer terminal in Kurnell. The enforceable undertaking required Ampol to pay $700,000 to fund the following four projects:

- $220,000 to Sutherland Shire Council for the construction of a new children's playground at Marton Park.
- $150,000 to Sutherland Shire Council for the construction of a new outdoor gym at Marton Park.
- $180,000 to Greater Sydney Landcare to provide an educational program, involving research and water sampling activities in the Kurnell area, to local school students.
- $150,000 to National Parks & Wildlife Service to undertake a program to remove invasive weeds and restore native species in the Kamay Botany Bay National Park.

Ampol deeply regrets the impact that the incident has had on the Kurnell community and the environment. Ampol takes compliance with its obligations under all laws, including environmental laws, very seriously. Ampol has, and will continue to, consult with the Kurnell community regarding our Kurnell operations.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 105 and forms part of the Directors' Report for the financial year ended 31 December 2023.

Remuneration Report

Contents

The Directors of Ampol Limited present the Remuneration Report prepared in accordance with section 300A of the *Corporations Act 2001* (Cth) (Corporations Act) for the Ampol Group for the year ended 31 December 2023.

The Remuneration Report provides information about the executive remuneration framework and remuneration outcomes for Key Management Personnel (KMP) – being those persons with authority and responsibility for planning, directing and controlling the activities of Ampol.

KMP comprises:

- Non-executive Directors (NED); and
- the Managing Director and Chief Executive Officer (MD & CEO) and select direct reports to the MD & CEO – collectively, Senior Executives.

All values are represented in Australian dollars. Where necessary, values have been converted to Australian dollars using the monthly average foreign exchange rates from 1 January 2023 to 31 December 2023, sourced from Thomson Reuters.

The information provided in this Remuneration Report has been audited as required by section 308(3C) of the Corporations Act, apart from where it is indicated that the information is unaudited.

Directors' Report – Message from the Chair of the People and Culture Committee

On behalf of the Board, I am pleased to present Ampol's 2023 Remuneration Report.

Against a backdrop of global geopolitical risks, volatility in oil and product prices, as well as cost of living pressures, Ampol has again delivered exceptional results. Our 2023 performance includes increased fuel sales volumes, record profit and shareholder returns as well as continued progress against our strategic priorities. The Board is proud of what the Ampol team has achieved.

Record and resilient financial performance

- Delivered our second highest RCOP NPAT on record. This RCOP NPAT of $740 million represents an outcome between target and stretch. In 2023, Ampol did not receive any financial support under the Australian Fuel Security Package.
- Maintained record total dividends at 275 cents per share (cps). This includes the fully franked special dividend of 60 cps, final interim ordinary dividend of 120cps and the 95 cps interim fully franked dividend from 1H 2023.
- The result includes significant earnings contributions from the non-refining divisions, with notable earnings growth achieved from Convenience Retail and international trading operations.

Delivered against strategic priorities safely and reliably

We enhanced our core business, including:

- Record fuel sales volumes of 28.4 billion litres, including 17% growth in Australian fuel sales through continued COVID-19 recovery (particularly in Jet).
- Convenience Retail delivered a record financial performance through continued strong shop performance and improved fuel margins, offsetting inflationary pressures.
- Improved Fuels and Infrastructure Australia earnings through successful price risk management of supply volatility and improved customer contract pricing.

We expanded the scale and offer of our business, including:

- Z Energy delivering target benefits and synergies.
- Growing the Australian Convenience Retail offer:
  - Highway and premium site strategy underway with the opening of Pheasants Nest and renovated M1 northbound complete.
  - Commenced our Quick Service Restaurant trial with our first two Hungry Jack's restaurants operating successfully by end of 2023.
- Record international earnings growth via organic expansion across customers, products and regional markets with fuel sales up 12% compared to 2022.

We remain committed to evolving our energy offer to our customers, including:

- Roll out of on-the-go Electric Vehicle (EV) charging network reached 82 bays across 36 sites in Australia and 104 bays across 37 sites in NZ.
- First major destination EV charging deal signed with Mirvac.
- Established the first back to base charging servicing arrangements with B2B customers.

We continue to hold ourselves accountable to high safety standards through two primary safety measures:

- Personal safety performance is measured through a total recordable injury frequency rate (TRIFR),
  - Convenience Retail maintained its exceptional TRIFR performance compared with 2022 – assessed at close to stretch performance.
  - Fuels and Infrastructure improved significantly compared with 2022 and beat industry top quartile performance - assessed as a stretch outcome.
  - Z Energy maintained performance compared with 2022 - assessed between target and stretch.
- Process safety performance is focused on prevention of fires, explosions, chemical accidents and/or spills when dealing with hazardous materials. Our measurement approach is informed by the American Petroleum Institute's Recommended Practice 754.
  - Our recordable spills performance in Fuels and Infrastructure improved compared to 2022, however it was assessed as below threshold expectations.
  - Z Energy - assessed between threshold and target.
  - There were no Tier 1 process safety incidents for the fifth year in a row and there were three Tier 2 process safety incidents in 2023.

People and Culture

Connecting, motivating, and supporting our people across our diverse value chain has continued to enable our people to deliver value for our stakeholders, including:

- Strengthening leadership capability through the launch and rollout of our leadership framework.
- Following three years of annual engagement surveys, in May 2023 we implemented "Peakon" our high frequency (e.g. monthly) intelligent listening tool.
- After six months of surveying, we have high engagement at 79% and an employee Net Promoter Score (eNPS) of 40 which places Ampol in the top 25% of companies in Peakon's global benchmark. This has all been achieved with an aggregate participation rate above 70%.
- Female gender representation has been maintained across the Company above 40% including representation among Senior Leaders increasing from 38% to 40%.
- Pleasingly, our overall average pay gap has improved to 13.7%. However, a continued focus is required on our gender pay equity position which has held flat when comparing like for like roles (-1.3% in favour of males).
- Support for our people has continued in deepening their knowledge and respect for Aboriginal and Torres Strait Islander cultures and heritage through the ongoing delivery of our Reconciliation Action Plan.
- Community programs went from strength to strength with the Good in the Hood Charity Programme in New Zealand delivering NZ$1m of donations for over 500 charities. In Australia, >$4.6m contributed to community programs, +12% compared to 2022.

2023 Remuneration outcomes

The Board takes a holistic approach when evaluating the performance of Ampol's Senior Executives. After robust consideration of all the relevant quantitative and qualitative factors, we consider the following outcomes to be appropriate.

Short-Term Incentive

- An STI outcome for the Managing Director and CEO equal to 85% of the maximum STI opportunity. This outcome is slightly lower when compared to 2022 due to profit outcomes being relatively lower against target expectations in 2023 compared to 2022.
- STI awards to other Senior Executives range from 83% to 89% of maximum STI opportunity.
- The Board's assessment of 2023 performance included a review of Significant Items. There were no adjustments made to Significant Items as it relates to performance and remuneration. More detail on the Significant Items from 2023 can be found in Section B3.3 of the financial statements.

Long-Term Incentive

- 98.6% of the 2021 LTI will vest in April 2024, representing the combined performance outcome of return on capital employed (ROCE) and relative total shareholder return (rTSR) over the three-year period ending December 2023.
  - ROCE performance was above the Weighted Average Cost of Capital (WACC), meeting stretch expectations and contributing 50% to the total LTI vesting outcome.
  - rTSR performance was assessed at the 73.6th percentile of the Standard and Poor's (S&P) ASX100, contributing 48.6% to the total LTI vesting outcome.
  - LTI participants are required to hold 100% of the vested outcome as restricted shares for 12 months (until April 2025) to adhere with our equity plan trading restrictions.
  - Section 3 of this report contains further detail.

Looking ahead

Remuneration Framework and Structure

Our overarching executive remuneration framework for 2024 is unchanged, noting that we continue to adjust our scorecard and performance expectations as required.

One performance measure on the Ampol Scorecard for 2024 will change. The Ampol Brand measure will be replaced by an Ampol People and Culture measure.

- Ampol Brand measures served us well in the scorecard for the years 2021 to 2023 (inclusive), as it was linked to the Australian network rebranding exercise. Now that the rebranding is complete we are focusing on the importance of maintaining strong cultural health.
- Cultural Health will replace Brand, weighted at 5%. This measure will connect the whole of Ampol to the expectations of strong cultural health which includes top quartile employee net promoter score and other supporting measures.

Senior Executive Remuneration

Following an internal and external benchmarking exercise Ms Thomson will receive a base salary increase of 6% effective 1 April 2024 reflecting performance in role, as well as the role complexity associated with delivery of the future strategy of the Australian Convenience Retail business. The adjustment to base salary also ensures stronger internal relativity to Ms Thomson's peers.

Non-executive Director Fees and Pool

There will be no change to the 2024 base fees for the NEDs.

To support ongoing board renewal flexibility an increase to the overall NED fee pool is proposed, subject to shareholder approval at the 2024 Annual General Meeting.

On behalf of the Board, we thank you for your ongoing support. We encourage you to read the report in full and welcome your feedback.

Melinda Conrad

Chair, People and Culture Committee

Directors' Report – Remuneration Report

1. Key Management Personnel

Unless otherwise indicated, the KMP were classified as KMP for the entire financial year.

	Current KMP	
Non-executive KMP	Steven Gregg	Chairman and Independent, Non-executive Director
Non-executive KMP	Simon Allen	Independent, Non-executive Director
Non-executive KMP	Mark Chellew	Independent, Non-executive Director
Non-executive KMP	Melinda Conrad	Independent, Non-executive Director
Non-executive KMP	Elizabeth Donaghey	Independent, Non-executive Director
Non-executive KMP	Michael Ihlein	Independent, Non-executive Director
Non-executive KMP	Gary Smith	Independent, Non-executive Director
Non-executive KMP	Penny Winn	Independent, Non-executive Director
Executive KMP	Matthew Halliday	Managing Director and Chief Executive Officer
Executive KMP	Greg Barnes	Group Chief Financial Officer
Executive KMP	Andrew Brewer	Executive General Manager, Fuel Supply Chain
Executive KMP	Lindis Jones(i)	Executive General Manager, Z Energy
Executive KMP	Brent Merrick	Executive General Manager, International and New Business
Executive KMP	Kate Thomson	Executive General Manager, Retail Australia
	Former KMP	
	Michael Bennetts(ii)	Executive General Manager, Z Energy

(i) Mr Jones was appointed to the role of Executive General Manager, Z Energy, effective 1 March 2023.

(ii) Mr Bennetts ceased to be a KMP from 1 March 2023 and his employment ended on 31 March 2023.

2. Ampol's remuneration philosophy and framework

Our remuneration philosophy and framework are designed to support Ampol's purpose and strategy.

Purpose

Powering better journeys, today and tomorrow

Strategy

Sustainably deliver value and growth for our owners, people and customers

Strategic focus areas

- **Enhance** the core business
- **Expand** from rejuvenated fuels platform
- **Evolve** energy offer for our customers

Remuneration Principles

- Alignment with shareholders' interests
- Performance focused and differentiated
- Market competitive
- Fair and equitable

	Purpose	Performance	Delivery
Fixed Remuneration	To attract and retain the best capability to deliver the Ampol strategy.	Independent benchmarking to ensure competitive positioning against two Board-approved ASX listed peer groups. The primary peer group is focused on where we compete for capital and talent and the secondary peer group is focused on companies with a similar-sized market capitalisation, only.	Base salary, uncapped statutory superannuation and other benefits.
Short-term Incentive	Reward the achievement of annual targets aligned with sustainably delivering value and growth.	A combination of financial (RCOP NPAT) and non-financial measures (safety, climate, people & culture and brand) as well as execution of business strategic priorities.	A mix of cash and deferred restricted shares. STI outcomes and associated payouts as a proportion of target STI will range on a sliding scale from: below threshold (0%); threshold (60%); target (100%); and stretch (150%).
Long-term Incentive	Align Senior Executive remuneration with long-term shareholder experience.	An equal combination of relative Total Shareholder Return compared against the ASX 100 and Return on Capital to incentivise strong and sustained shareholder returns.	Performance rights for nil consideration as a right to receive a fully paid ordinary share following a three year performance period. Trading is restricted for an additional one year post any vesting. There is also a minimum shareholding requirement for Senior Executives over a five year period.

Minimum requirement to demonstrate Ampol's stated values and appropriate conduct.

Board oversight considering the holistic quality of delivery including risk management, capital management and performance, contributions, and outcomes through the lens of our Shareholders, Customers, Employees and Communities.

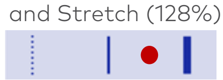
Directors' Report – Remuneration Report continued

3. Performance and remuneration outcomes

SUSTAINED & STRONG FINANCIAL PERFORMANCE	DELIVERING ON STRATEGIC PRIORITIES	CREATING VALUE FOR EMPLOYEES & COMMUNITY
RCOP NPAT $740m ▼ 3% on 2022 Fuel volumes sold 28.4bl ▲ 17% on 2022	Synergies realised from the acquisition of Z Energy Record financial performance from Convenience Retail Delivering EV charging network with 186 charging bays across AU & NZ	Top quartile employee net promoter score (eNPS) 40% Female representation among Senior Leaders at 40% Community contributions across AU & NZ >$6m

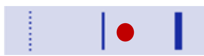
The Board's holistic process for determining STI outcomes considers a range of quantitative and qualitative inputs and outcomes. As a first step, an assessment is made against annual scorecard objectives split between the Ampol (Company) scorecard (65%), and strategic priorities (35%).

Table 1: 2023 annual scorecard performance assessment for Senior Executives

Performance measure	Commentary	Assessment
Ampol Scorecard (65%)[i]		Threshold = 60% Target = 100% Stretch = 150%
Profit (40%)[ii]		
Delivering annual RCOP NPAT to plan carries the greatest weight in the Ampol Scorecard. This ensures STI outcomes are heavily influenced by the annual profit result and aligned to shareholder experience.	RCOP NPAT delivered a result of $740m, which is 3.0% lower than 2022 however represents our second highest RCOP NPAT on record and demonstrates a more resilient earnings capability generated by our Convenience Retail and Fuels and Infrastructure International business areas, independent of refining margins. The Board reviewed all Significant Items for 2023. There were no adjustments made to Significant Items as they relate to performance and remuneration. More detail on the Significant Items from 2023 can be found in Section B3.3 of the financial statements.	Between target and stretch (131%) 
Safety (10%)[iii] [iv]		
Delivering safe, reliable, high-quality products and services to our customers is a critical measure of success. There are five safety measures which include personal safety (TRIFR) specific to the Fuels and Infrastructure, Convenience Retail and Z Energy businesses, as well as process safety (e.g. recordable spills) specific to Fuels & Infrastructure and Z Energy, only. Performance gateways apply to each safety measure.	(1) Convenience Retail recorded a personal safety outcome (TRIFR) just short of stretch with a 3.8 TRIFR result. (2) Fuels and Infrastructure (F&I): a) TRIFR performance improved materially compared to 2022 achieving a result of 2.2 vs. target of 3.9, which represents a stretch outcome. b) Despite an improvement in performance when compared to 2022, seven recordable spills in 2023 failed to meet threshold expectations, including two Tier 2 process safety events. (3) Z Energy: a) TRIFR performance of 3.8 vs. target of 4.7 resulted in an outcome between target and stretch. b) Five recordable spills in process safety resulted in a performance above threshold but below target, including one Tier 2 process safety event. All five safety measures are used for performance assessment of the MD and CEO; Group Chief Financial Officer and Executive General Manager, International and New Business. Safety measures are applied to the relevant Senior Executives, e.g. Executive General Manager Fuel Supply Chain for F&I (measures 2a and 2b).	(1) Between target and stretch (143%)  (2a) Stretch (150%)  (2b) Below threshold (0%)  (3a) Between target and Stretch (128%)  (3b) Between threshold and target (80%) 

3. Performance and remuneration outcomes continued

Table 1: 2023 annual scorecard performance assessment for Senior Executives continued

Performance measure	Commentary	Assessment
Ampol Scorecard (65%)[i] continued		Threshold = 60% ⋮ Target = 100% | Stretch = 150%
Climate (10%)[iv]		
Annual climate performance determined by assessing progress against: • 2025 Scope 1 & 2 emissions targets for Convenience Retail, Fuels and Infrastructure and abatement projects including renewable energy, process and energy efficiency improvements; and • Scope 3 emissions intensity reduction, including targeted e-mobility, hydrogen and biofuels (renewable fuels) initiatives.	Scope 1 & 2: Through the successful delivery of our Energy Management Plans, Ampol is on track to deliver against the 2025 Scope 1 & 2 emissions reduction targets. • Absolute emissions reductions in Convenience Retail are equivalent to a 25% reduction from the 2021 baseline (including the benefit of the power purchase agreements in Western Australia) – this result is already meeting 2025 commitments and has been assessed as stretch performance for 2023. • Emissions intensity reduction from Manufacturing in F&I is equivalent to a 7% reduction against the 2021 baseline. This is ahead of the 2025 commitment of a 5% reduction and has been assessed as stretch performance for 2023. • Our Terminals in F&I are more energy efficient per unit of fuel moved across terminals with a 16% reduction in emissions intensity reduction compared to a 2021 baseline – tracking ahead of 2025 target. This has been assessed at target for 2023. • Absolute emissions reduction from Z Energy is the equivalent to a 50% reduction when compared to a 2020 baseline and on track to deliver the 2030 commitments from Z Energy. This has been assessed at target for 2023. Scope 3: As we lead through the energy transition, we aspire to have a critical mass of customer demand for low carbon energy solutions to enable a meaningful contribution to Scope 3 emissions reduction. We are focused on setting the commercial foundations for this to be successful and the 'Evolve' section of our scorecard (see next page) has more information on our 2023 achievements.	Between target and stretch (125%) 
Brand (5%)		
Successfully launch and embed the iconic Australian brand, Ampol. Establishing a clear approach to measure brand awareness and preference – tracked through a brand health monitor, managed by an external third party.	The strong results of our brand metrics demonstrate that the Ampol brand resonates with our customers: • Brand preference increased by 3 percentage points compared to the 2022 result – assessed as a stretch outcome. • Brand awareness was 1 percentage point lower compared to 2022 result - assessed at target. In evolving our business and brand, the Foodary, AmpCharge and Amplify premium brands were successfully integrated with our sponsorship arrangements, such as Supercars and State of Origin.	Between target and stretch (121%) 

Directors' Report – Remuneration Report continued

3. Performance and remuneration outcomes **continued**

Strategic priorities (35%)

Enhance the core business

Between target and stretch (127%)

Increased throughput volume:

- Record fuel sales volumes of 28.4 billion litres, including 17% growth in Australian fuel sales through continued post-COVID-19 recovery, particularly in jet fuel.
- Amplify premium fuel increased to 53.7% of fuel volumes.

Improved retail network:

- Convenience Retail delivered a record financial performance through continued strong shop performance and improved fuel margins, offsetting inflationary pressures.

Restored F&I Australia earnings:

- Price risk management of supply volatility and improved customer contract pricing.
- Launch of new AmpolCard ecosystem, replacing a legacy system.

Maximising Lytton value:

- On track to meet Federal Government mandate by December 2025 for ultra-low sulphur fuel production from Lytton refinery. 2023 saw early site preparatory works and the execution of the phase 1 grant agreement with the Federal Government (refer Section 9 of this report for more information on the timing of this grant).

Expand from a rejuvenated fuels platform

Between target and stretch (142%)

Continued to strengthen Convenience Retail earnings growth:

- Expansion of highway and premium Convenience Retail site offering with opening of Pheasant's Nest and M1 Northbound
- Quick Service Restaurant trial with two Hungry Jack's stores operating by end 2023.

Delivered significant growth in international earnings:

- Expansion across customers, products and regional markets with sales volume up 12% compared with 2022 resulting in record Fuels and Infrastructure International earnings.
- Synergies realised from the acquisition of Z Energy.

Evolve the energy offer for our customers

Between target and stretch (124%)

Successfully building foundations for the energy transition:

Over time, a critical mass of customer demand for low carbon energy solutions will enable meaningful contribution to Scope 3 emissions reduction.

- EV network has gathered momentum with 82 charging bays across 36 sites in Australia and 104 bays across 37 sites in New Zealand.
- First major destination charging agreements reached with Mirvac.
- Established first back-to-base charging services with B2B customers like Europcar.
- Ampol Energy achieved milestone of 5,000 retail energy customers.
- Entered commercial partnership with hydrogen equipment manufacturer and supplier OneH2 to represent the United States based company in the Australian market
- Undertook a renewable diesel trial with select customers, including Hanson, as part of assisting customer decarbonisation journeys and attaining a practical understanding of the import and distribution of renewable diesel.

(i) A profit gate opener of 80% RCOP NPAT to target applies to the Ampol Scorecard.

(ii) RCOP NPAT excluding Significant Items is a non-IFRS measure derived from the statutory profit adjusted for inventory (losses)/gains (including externalities foreign exchange). RCOP excludes the unintended impact of the fall or rise in oil and product prices (key external factors). It is calculated by restating the cost of sales using the replacement cost of goods sold rather than the statutory costs and adjusting for the effect of contract-based revenue lags.

(iii) TRIFR gateways of: Fatality = 0 and Category 2 injuries <=2. Recordable spills (> 1bbl marine spills) gateway of: for F&I: Tier 1 process safety events <=1 and Tier 2 process safety events <=2; for Z Energy: Tier 1 process safety events <=1 and Tier 2 process safety events <=1.

(iv) With 2023 being the first full performance year as part of Ampol, Z Energy safety measures are included in the Ampol Scorecard for 2023.

(v) The Board also considers the year-on-year change for absolute emissions in Convenience Retail; and emissions intensity in both the Manufacturing and Distribution businesses. All three measures have trended favourably from 2021 to 2023 (refer to the Sustainability section of the Annual Report).

3. Performance and remuneration outcomes continued

Overall assessment for short-term incentive

While annual scorecard outcomes are the key driver of STI, the Board takes a holistic approach in assessing a range of quantitative and qualitative inputs and outcomes in carefully considering the performance of Ampol and its Senior Executives.

The approach taken includes oversight and judgement across a range of factors not included in the annual scorecard, including:

- management within the Board-approved risk appetite;
- performance and reward appropriateness through the lens of our shareholders, customers, employees and communities;
- ability to attract and retain best fit capability to drive sustainable value; and
- adherence to Ampol's values, and our Code of Conduct.

Taking all the relevant factors into account, the Board-approved Senior Executive annual STI outcomes at 85% of maximum opportunity, on average. Table 2 sets out the Senior Executive STI outcomes for full year 2023.

A portion of STI outcomes will be deferred in restricted shares for two years. For the MD and CEO this represents 40% and for the other Senior Executives it represents 25%. Table 5 sets out further information on 2023 total remuneration outcomes for Senior Executives.

Table 2: 2023 Senior Executive short-term incentive outcomes

	2023 STI as % of base salary(i)			2023 outcome as % of target opportunity	2023 outcome as % of maximum opportunity
	Target opportunity	Maximum opportunity	Actual outcome		
Current Senior Executives					
Matthew Halliday	70%	105%	**89%**	**127%**	85%
Greg Barnes	60%	90%	**77%**	**128%**	85%
Andrew Brewer	60%	90%	**75%**	**125%**	83%
Lindis Jones(ii)	60%	90%	**76%**	**126%**	84%
Brent Merrick	60%	90%	**77%**	**128%**	85%
Kate Thomson	60%	90%	**80%**	**134%**	89%
Former Senior Executives					
Michael Bennetts(iii)	-	-	-	-	-

(i) Base salary refers to annual salary excluding employer superannuation/KiwiSaver contributions and non-monetary benefits.

(ii) Mr Jones was appointed to the role of Executive General Manager, Z Energy, effective 1 March 2023. Mr Jones' participated in the Ampol Executive STI Plan on a pro rata basis. The numbers above are grossed-up to reflect the equivalent of a full-year participation for comparative purposes.

(iii) Mr Bennetts ceased to be a KMP from 1 March 2023 and his employment ended on 31 March 2023. Mr Bennetts did not participate in the Ampol Executive STI Plan for 2023.

Directors' Report – Remuneration Report continued

3. Performance and remuneration outcomes continued

Overall assessment for long-term incentive outcomes

Vesting of performance rights under the 2021 LTI award are subject to a ROCE measure, and an rTSR measure over the three-year period 1 January 2021 to 31 December 2023.

ROCE performance

Ampol's ROCE over the period was 15.7%, which is 6.5 percentage points above the average annual realised WACC and 2.9 percentage points above stretch expectations, resulting in a 100% vesting outcome for ROCE.

rTSR performance

Total Shareholder Return over the three-year period is 38.6% and relative TSR (rTSR) among the S&P ASX 100 achieved 73.6th percentile, resulting in a 97.2% vesting outcome for rTSR.

Table 3 summarises the 2021 LTI performance outcomes with 98.6% of the total LTI opportunity vesting, subject to further restrictions.[(i)]

Table 3: 2023 Long-term incentive outcomes

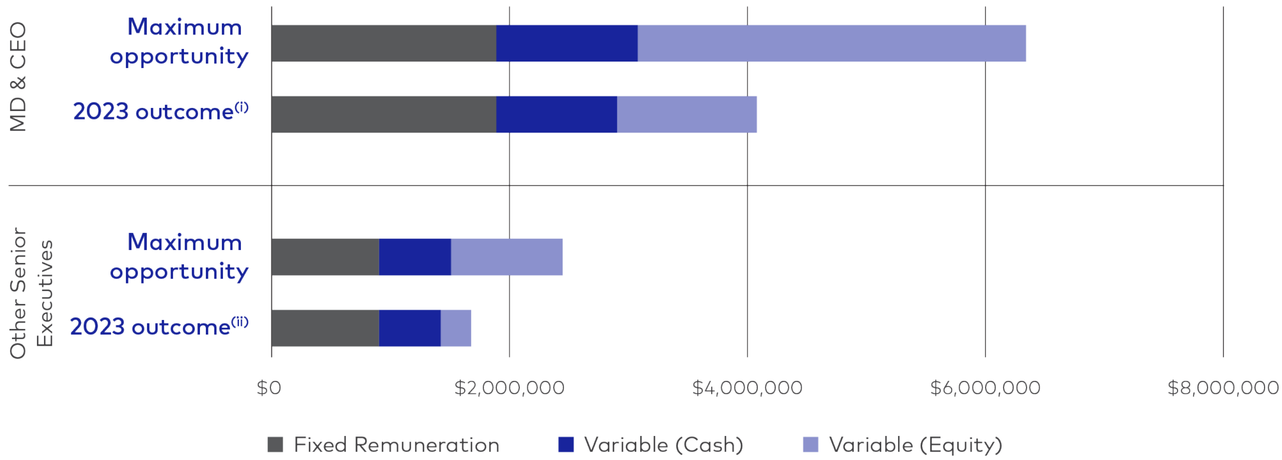
Performance condition	Threshold	Target	Stretch	Actual performance	Percentage vesting	Weighting	Vesting outcome[(i)]
rTSR (FY21 – FY23)							
rTSR against S&P ASX 100	50th percentile	Straight line	75th percentile	**73.6th percentile**	97.2%	50%	48.6%
ROCE (FY21 – FY23)							
ROCE against average WACC and three-year business plan.	WACC + 1% 10.2%	3-year business plan 11.8%	Target + 1% 12.8%	**15.7%**	100.0%	50%	50.0%
Vesting							98.6%

(i) The vested portion of the 2021 LTI award will be converted to restricted shares with a further one year dealing restriction (i.e. until April 2025). The restricted shares will be converted to ordinary shares at the earlier of the one year restriction period or upon cessation of employment.

3. Performance and remuneration outcomes continued

Chart 1 illustrates 2023 total remuneration outcomes compared to the maximum opportunity under the Senior Executive remuneration framework. This reflects the average of the variable remuneration outcomes presented in table 5.

Chart 1: 2023 total remuneration outcomes



(i) The 2023 outcome represents an average STI outcome of 85% of maximum opportunity for the 2023 performance year and 2020 LTI award which vested during the 2023 performance year at 25.2% of maximum opportunity.

Linking pay and performance over five years

Table 4 outlines Ampol's TSR, dividend, share price, earnings per share, RCOP NPAT results and safety performance each year from 2019 to 2023 together with a comparison to actual STI and LTI outcomes.

Remuneration outcomes have maintained strong alignment to Company performance and shareholder experience.

Table 4: Link between Company performance and Senior Executive remuneration (unaudited)

Summary of performance	2023	2022	2021	2020	2019
12-month TSR %(i)	**36.1**	2.3	7.0	(14.1)	36.9
Dividends paid (cents per share)	**250**	161	75	76	93
Share price(ii)	**$36.15**	$28.28	$29.66	$28.42	$33.95
RCOP NPAT excl. Significant Items earnings per share	**$3.11**	$3.20	$1.40	$0.84	$1.36
RCOP NPAT excl. Significant Items (million)(iii)	**$740**	$763	$334	$212	$344
Ampol safety – TRIFR(iv)	**3.2**	3.5	3.4	7.4	11.5
Ampol safety – DAFWIFR(v)	**1.6**	1.6	1.8	3.1	5.7
Link to remuneration					
RCOP NPAT relative to annual target	**131%**	177%	153%	43%	65%
Average Senior Executive STI outcome (to target)	**128%**	132%	132%	0%	0%
LTI vesting outcome at end of Performance period					
Year of grant	**2021**	2020	2019	2018	2017
Vesting percentage	**98.6%**	25.2%	13.3%	6.7%	6.7%

(i) TSR is a measure of the return to shareholders in respect of each financial year. It is calculated as the change in share price for the year, plus dividends announced for the year, divided by the opening share price.

(ii) The price quoted is the trading price for the last day of trading (31 December) in each calendar year.

(iii) RCOP NPAT excluding Significant Items is a non-IFRS measure derived from the statutory profit adjusted for inventory (losses)/gains (including externalities foreign exchange). RCOP excludes the unintended impact of the fall or rise in oil and product prices (key external factors). It is calculated by restating the cost of sales using the replacement cost of goods sold rather than the statutory costs and adjusting for the effect of contract-based revenue lags.

(iv) Total Recordable Injury Frequency Rate (TRIFR) end of year, inclusive of Z Energy for 2023.

(v) Days Away from Work Injury Frequency Rate (DAFWIFR). The total number of occupational injuries resulting in 'Days Away from Work' as certified by a physician per 1,000,000 hours worked for a nominated reporting period, inclusive of Z Energy for 2023.

Directors' Report – Remuneration Report continued

3. 2023 Senior Executive remuneration outcomes continued

2023 Total remuneration earned by Senior Executives

The following table sets out the actual remuneration earned by Senior Executives in 2023. The value of remuneration includes the long-term equity grants where the Senior Executive received control of the shares in 2023.

The purpose of this table is to provide a summary of the remuneration outcomes received in either cash or equity in 2023. The values in this table will not reconcile with those provided in the statutory disclosures in table 8. For example, table 8 discloses the value of LTI grants (which may or may not vest in future years) which are amortised over the vesting period and may be negative when adjustments for actual vesting outcomes are applied. The following table discloses the value of the 2020 LTI grant which vested in 2023 as well as the full value of the deferred portion of 2023 STI to be granted in April 2024 which is not reflected in table 8 on the same basis.

Table 5: Total remuneration earned by Senior Executives in 2023 (unaudited, non-statutory disclosure)

$	Fixed Remuneration(i)	STI (cash)(ii)	STI (restricted shares)(iii)	LTI vested during the year(iv)	Post-employment entitlement(v)	Remuneration 'earned' for 2023
Current Senior Executives						
Matthew Halliday (Managing Director and Chief Executive Officer)						
2023	2,013,236	1,006,526	604,250	566,992		4,191,274
Greg Barnes (Group Chief Financial Officer)						
2023	1,197,692	625,614	187,872	–	–	2,011,178
Andrew Brewer (Executive General Manager, Fuel Supply Chain)						
2023	988,709	514,485	154,500	–	–	1,657,694
Lindis Jones(vi) (Executive General Manager, Z Energy)						
2023	702,712	366,766	116,434	–	–	1,185,912
Brent Merrick (Executive General Manager, International and New Business)						
2023	961,551	510,369	153,264	99,672		1,724,856
Kate Thomson (Executive General Manager, Retail Australia)						
2023	873,877	502,499	150,901	57,199		1,584,476
Former Senior Executives						
Michael Bennetts(vii) (Executive General Manager, Z Energy)						
2023	217,797	–	–	–	411,831	629,628
Total remuneration:						
2023	**6,955,574**	3,526,260	1,367,491	**723,863**	411,831	12,985,018

(i) Salary and fees comprise base salary, employer superannuation or KiwiSaver contributions made, annual leave and long service leave entitlements, and any fringe benefits tax payable on non-monetary benefits.

(ii) The cash portion of short-term incentive (STI) for the 2023 performance year payable in April 2024, including employer superannuation or KiwiSaver contributions. For Mr Jones this represents pro rata participation in the Ampol Executive STI Plan since his appointment.

(iii) The grant value of the deferred portion of 2023 STI issued as restricted shares for two years to be granted in April 2024. 40% of the STI outcome is deferred for the MD & CEO and 25% of the STI outcome is deferred for the other Senior Executives.

(iv) This refers to cash and equity based LTI plans from prior years that have vested in the current 2023 year. The value is calculated using the closing share price of Company shares on the vesting date. The 2023 LTI figures reflect 25.2% of the 2020 LTI Award vested, as disclosed in the 2022 remuneration report.

(v) The value shown represents 43% of the total of Mr Bennetts' post-employment entitlements accrued in 2023 as reported in Ampol's 2022 remuneration report. Refer to page 83 of the 2022 Annual report.

(vi) Mr Jones was appointed Executive General Manager, Z Energy effective 1 March 2023.

(vii) Mr Bennetts ceased to be a KMP from 1 March 2023 and ended his employment on 31 March 2023.

4. Remuneration governance

Board and People and Culture Committee

The Board takes an active role in the governance and oversight of Ampol's remuneration policies and practices. Approval of key people and culture and remuneration matters are reserved for the Board, including setting remuneration for KMP and any discretion applied in relation to the targets or funding pool for Ampol's incentive plans.

The People and Culture Committee assists the Board to fulfil its corporate governance responsibilities in relation to Ampol's remuneration framework, incentive plans, succession planning, cultural health and engagement as well as diversity, equity and inclusion.

The People and Culture Committee seeks to put in place appropriate remuneration arrangements and practices that are clear and understandable, attract and retain talent and capability, and support superior performance and long-term growth in shareholder value.

Throughout the performance year the People and Culture Committee supports the Board by regularly monitoring performance against the Board-approved Ampol Scorecard and strategic priorities for Senior Executives.

While annual scorecard outcomes are the primary driver of STI, the Board takes a holistic approach in assessing a range of quantitative and qualitative inputs and outcomes in carefully considering the performance of Ampol and its Senior Executives. The approach taken includes oversight and judgement across:

- management within the Board-approved risk appetite;
- performance and reward appropriateness through the lens of our shareholders, customers, employees and communities;
- ability to attract and retain best fit capability to drive sustainable value; and
- adherence to Ampol's values, and our Code of Conduct.

The Board uses this assessment in considering the potential for a discretionary overlay either upward or downward at the Ampol or individual level or both.

Further information about the role of the Board and the People and Culture Committee is set out in their charters, which are available on the Company's website (www.ampol.com.au).

External advice

The People and Culture Committee is independent of management and is authorised to obtain external professional advice as necessary. The use of external specialists to provide advice and recommendations specifically in relation to the remuneration of KMP is either initiated directly, or approved by, the People and Culture Committee, and these specialists are directly engaged by the People and Culture Committee Chair. During 2023, Ampol received no 'remuneration recommendations' (as defined in the Corporations Act).

Malus and Clawback

Ampol has malus and clawback provisions over Senior Executive remuneration that allows the Company to reduce (including to zero) and/or recoup incentives that may have been awarded and/or vested to Senior Executives in certain circumstances. Triggers to enact these provisions include where the Senior Executive acts fraudulently or dishonestly; is in breach of their obligations; has brought the Company into disrepute; delivers business performance which is unsustainable or involves unacceptably high risk; where there has been a material failure of risk management by the Company; misstatement or omission in the financial statements in relation to the Company in any of the previous three financial years; or any other circumstances the Board determines in good faith to have resulted in an unfair benefit to the Senior Executive.

The Board may at any time exercise discretion if, acting in good faith, it determines that any trigger for malus and clawback exists or has occurred. These actions include: deem any vesting equity award granted to the Senior Executive to be forfeited; reissue any number of performance rights or restricted shares to the Senior Executive subject to new vesting conditions in place of any forfeited; require reimbursement of cash already paid to the Senior Executive following vesting; adjust the Senior Executive's future incentive remuneration; or initiate legal action (or both) against the Senior Executive.

Hedging and margin lending policies

The Ampol Securities Trading Policy prohibits KMP from entering into any arrangements that would have the effect of limiting their exposure relating to Ampol securities, including vested Ampol securities or unvested entitlements to Ampol securities under the Ampol Equity Incentive Plan (AEIP). KMP are prohibited from entering into any margin lending arrangements and other secured financing arrangements in respect of Ampol securities.

KMP are required to undertake training to ensure that they are aware of and understand their obligations and responsibilities under the Ampol Securities Trading Policy, which is available on our website. A contravention is a serious matter and may lead to disciplinary action, including termination of employment.

Directors' Report – Remuneration Report continued

5. Senior Executive remuneration in detail

Remuneration structure

Ampol's Senior Executive remuneration framework delivers total remuneration outcomes over a four-year period.

Our framework supports the achievement of strategic priorities; is an effective mechanism to attract and retain executive talent; and provides strong alignment with the interests of shareholders.

Fixed remuneration consists of market competitive base salary and retirement benefits.

Variable remuneration represents performance based "at-risk" remuneration which is delivered through:

- an annual STI program which delivers outcomes as a combination of cash and restricted shares; and
- a three-year LTI program which issues performance rights (subject to performance conditions and continued employment) as well as trading restrictions for a further 12 months.

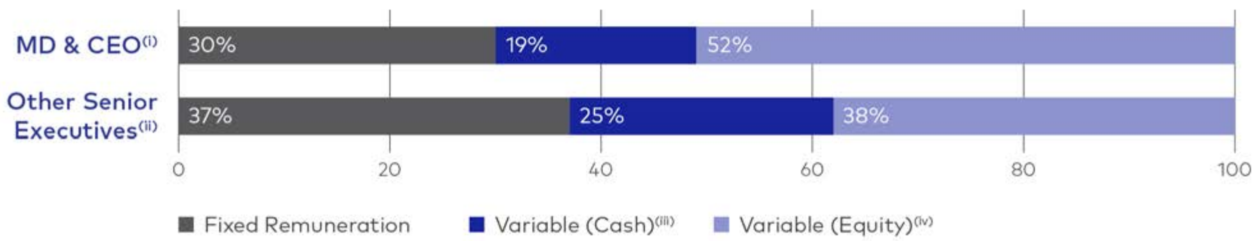
Chart 2: Senior Executive remuneration structure

Remuneration mix

The mix of remuneration for Senior Executives is weighted toward variable remuneration with equity-based variable remuneration representing the largest component of total remuneration at stretch performance.

The mix of maximum total remuneration, representing stretch performance under Ampol's executive remuneration framework, is outlined in chart 3 below for 2023.

Chart 3: Senior Executive remuneration mix



(i) The remuneration mix for the MD & CEO reflects a base salary of $1,700,000 plus superannuation contributions of 11%. The annual STI reflects 105% of base salary, and the LTI award represents 150% of base salary.

(ii) The remuneration mix for other Senior Executives reflects average base salary and annual STI and LTI awards both reflect 90% of base salary.

(iii) Variable (Cash) remuneration includes the superannuation/KiwiSaver payable on the cash portion of the annual STI (60% for MD & CEO and 75% for other Senior Executives) and assumes all annual objectives are assessed at stretch performance.

(iv) Variable (Equity) remuneration includes the deferred portion of the annual STI (40% for MD & CEO and 25% for other Senior Executives) and assumes all annual objectives and performance rights granted under the Ampol Equity Incentive Plan (AEIP) are assessed at stretch performance.

5. Senior Executive remuneration in detail continued

2023 Short-term Incentive Program

Plan	STI awards are made under the Leading Results Program.
Plan design	The plan considers Company performance against key financial and non-financial performance measures defined in the Ampol (Company) Scorecard (65%) as well as individual contribution of the Senior Executive in delivering objectives aligned to our business area strategic priorities (35%).
Period	The performance period is for the 12 months ending 31 December 2023.
Incentive opportunity	For the MD & CEO the target STI opportunity is 70% of base salary and the maximum stretch STI opportunity is 105% of base salary. For other Senior Executives the target STI opportunity is 60% of base salary and the maximum stretch STI opportunity is 90% of base salary. Below threshold performance results in 0%.
Financial gateway	RCOP NPAT performance, including the cost of incentives, must achieve 80% of target before STI is payable for 65% of the Leading Results Program (the Ampol Scorecard).
Deferral	STI awards are delivered part in cash (60% for the MD & CEO, 75% for other Senior Executives), and part in restricted shares deferred for two years (where the deferred component is over $25,000). Employer superannuation/KiwiSaver contributions are only payable on the cash portion of STI.
Restricted shares	The number of Restricted shares granted will be calculated by dividing the deferred portion of Senior Executive STI outcome by the volume-weighted average price (VWAP) of the Company's ordinary shares for 20 trading days up to 1 January 2024. Restricted shares will be granted on or around 15 April 2024 consistent with payment of the STI cash portion. Senior Executives will be restricted in trading shares until 1 April 2026 (Vesting Date).
Cessation of employment	Unless the Board determines otherwise, if you cease employment with the Company prior to the Vesting Date of restricted shares: • due to resignation or dismissal for cause, your restricted shares will immediately be forfeited; • for any other reason, (including due to retirement, Total and Permanent Disability, death or redundancy), your restricted shares will remain on foot and will vest at the original Vesting Date.
Frequency	STI awards are paid annually. Payments are made in the April following the end of the performance period and Board approval.
Board discretion	The Board has discretion to alter, remove or substitute performance measures at any time prior to payment and has full discretion in relation to calculations and outcomes.

Directors' Report – Remuneration Report continued

5. Senior Executive remuneration in detail continued

2023 Long-term Incentive Plan

Plan	The 2023 LTI award was granted under the AEIP.
LTI instrument	Performance rights are granted by the Company for nil consideration. Each Performance Right is an entitlement to receive one Restricted Share (or a cash payment of equivalent value), subject to satisfaction of the applicable performance conditions over the Performance period and the cessation of employment rules outlined further below. Performance rights do not carry any dividend or voting rights, or in general, a right to participate in other corporate actions, such as bonus issues. Performance rights are not transferable (except in limited circumstances or with the consent of the Board). Following vesting, performance rights are converted to restricted shares and may not be sold or otherwise dealt with, until the end of the 12-month restricted period. Restricted shares are not transferable (except in limited circumstances or with the consent of the Board).
Allocation methodology	The number of performance rights granted has been calculated by dividing the maximum LTI opportunity by the VWAP of the Company's ordinary shares for 20 trading days up to the first day of the Performance period, discounted to recognise that the performance rights have no rights to receive dividends.
Performance period	The Performance period is three years commencing on 1 January in the year the awards are made. For the 2023 awards, this is the three-year period from 1 January 2023 to 31 December 2025.
LTI opportunity	The MD & CEO received a grant of performance rights based on a maximum stretch LTI value of 150% of base salary. Other Senior Executive grants were based on a maximum stretch LTI value of 90% of base salary.
Performance measures	Vesting of performance rights is subject to the following performance conditions: • 50% of the performance rights are subject to a rTSR measure, reflecting shareholder experience; and • 50% of the performance rights are subject to a ROCE measure, reflecting the Company's return on capital.
Vesting	Vesting will occur in the April following the Performance period once the performance measures have been assessed per the vesting schedule. For the 2023 awards, this will be April 2026.
Vesting schedule	rTSR performance(i) and percentage of the rights that will vest: • Threshold (50th percentile): 50% • At or above Stretch (75th percentile): 100% • Pro-rata vesting occurs between threshold and stretch performance levels ROCE is determined as RCOP EBIT over capital employed where capital employed is total equity plus net debt. ROCE will be calculated by using the average RCOP EBIT and the average capital employed over the three year Performance period. ROCE performance(ii) and percentage of the rights that will vest: • Threshold: 33.3% • Target: 66.6% • Stretch: 100% • Pro-rata vesting occurs between threshold and target, and target and stretch performance levels

(i) rTSR measures a return on an investment in Shares over the Performance period, relative to companies that comprise Standard & Poor's S&P/ASX 100 index at the commencement of the Performance period. The return is based on an investor's return, defined as the percentage difference between the initial amount invested in Shares and the final value of those Shares at the end date, assuming dividends were reinvested. Any effects from Share price volatility on a particular day at the beginning or end of the Performance period are smoothed out by calculating the average Share price over a reasonable time period determined by the Board. The Board has discretion to adjust the comparator group to take into account events including, but not limited to, takeovers, mergers or de-mergers that might occur during the Performance period. The Board retains discretion to adjust the TSR measure or vesting schedule in exceptional circumstances, including matters outside of management's influence, to ensure that a participant is neither advantaged nor disadvantaged by matters that may materially affect achievement of the TSR performance measure.

(ii) Threshold ROCE performance has been set above our Weighted Average Cost of Capital (WACC) and target aligned to the three-year business plan target approved in 2022. When testing the ROCE targets, the Board has full discretion in relation to its calculations and may include or exclude items, including to appropriately reflect the impact of corporate actions, such as mergers and acquisitions or major projects, which, while in shareholders' long-term interests, may adversely impact near term ROCE. The Board considers ROCE targets as commercially sensitive, as disclosure could potentially indicate the Company's margins. Therefore, those targets will not be disclosed during the Performance period. The Board will set out how Ampol has performed against ROCE performance measures in the 2025 Remuneration Report, to be published in February 2026.

5. Senior Executive remuneration in detail continued

2023 Long-term Incentive Plan continued

<table>
<tr><td>Allocation of Shares upon vesting</td><td colspan="3">Following determination of the extent to which the performance conditions have been satisfied (at the end of the three-year Performance period), vested performance rights will be automatically exercised, and one Restricted Share will be allocated for each vested Performance Right that is exercised (unless the Board decides to settle any vested performance rights in cash).
The Company's obligation to allocate restricted shares on vesting and automatic exercise will be satisfied using shares that have been purchased on-market.</td></tr>
<tr><td>Price payable for securities</td><td colspan="3">No amount is payable in respect of the grant of performance rights, nor in respect of any Restricted Shares allocated following vesting of the performance rights.</td></tr>
<tr><td rowspan="7">Cessation of employment</td><td colspan="3">The treatment of the performance rights and Restricted Shares upon cessation of employment is summarised in the table below:</td></tr>
<tr><td>Date of cessation</td><td>Reason</td><td>Outcome</td></tr>
<tr><td>Less than six months after grant date</td><td>Any</td><td>All performance rights will immediately lapse</td></tr>
<tr><td>At least six months after grant date, but prior to vesting</td><td>Resignation or dismissal for cause</td><td>All performance rights will immediately lapse</td></tr>
<tr><td></td><td>Any other reason</td><td>Unless the Board determines otherwise, performance rights will continue and vest on the original vesting date, subject to satisfaction of the performance conditions. The Board has discretion to determine that only a pro-rata number of performance rights continue, based on the Performance period elapsed.</td></tr>
<tr><td>Following vesting (whilst holding restricted shares)</td><td>Any</td><td>The restrictions on the Shares will immediately be lifted.</td></tr>
<tr><td colspan="3">The Board may exercise its discretion to determine a different treatment prior to or within 60 days of the cessation date. In the event that any additional lapsing of performance rights is determined by the Board, the lapse will be deemed to have taken effect on the cessation date.</td></tr>
<tr><td>Malus and Clawback</td><td colspan="3">The Plan provides the Board with the ability to reduce, vary or claw back performance rights, Restricted Shares and Shares in circumstances where the Board considers that the Senior Executive received inappropriate or unfair benefits in connection with their 2023 LTI, or any other remuneration. These circumstances may include fraud, dishonesty, gross misconduct, material misstatement of accounts or risk failures.</td></tr>
<tr><td>Change of control provisions</td><td colspan="3">Any unvested performance rights may vest at the Board's discretion.</td></tr>
</table>

Senior Executive minimum shareholding requirements

A minimum shareholding requirement was introduced in 2021 and applies to the MD & CEO as 100% of fixed annual remuneration, and other Senior Executives as 50% of fixed annual remuneration. The minimum shareholding is to be obtained within five years following 1 January 2021, or five years from commencement as a Senior Executive in the LTI plan.

Directors' Report – Remuneration Report continued

5. Senior Executive remuneration in detail continued

Senior Executive remuneration and service agreements

Table 6: Summary of MD & CEO's service agreement

Term	Conditions
Duration	Ongoing until notice is given by either party
Termination by MD & CEO	Six months' notice Company may elect to make payment in lieu of notice
Termination by Company for cause	No notice requirement or termination benefits (other than accrued entitlements)
Termination by Company (other)	Six months' notice Termination payment of six months' base salary (reduced by any payment in lieu of notice) Treatment of unvested STI and LTI in accordance with plan terms
Post-employment restraints	Restraint applies for six months if employed in the same industry within Australia

Other Senior Executives

The remuneration and terms of employment for the other Senior Executives are formalised in service agreements (contracts of employment). Other Senior Executives are appointed as permanent Ampol employees, and the terms and conditions reflect market conditions at the time of the contract negotiation and appointment. The durations of the service agreements are open-ended (i.e., ongoing until notice is given by either party). The material terms of the service agreements are set out here.

Table 7. Service agreements for Senior Executives

	Termination on notice (by the Company)	Resignation (by the Senior Executive)
Permanently appointed Senior Executives	6 months	6 months

Should a Senior Executive resign, their entitlement to unvested shares payable through the Ampol Equity Incentive Plan (AEIP) would generally be forfeited and if resignation was on or before 1 April of the year, any entitlement under the Leading Results Program would also be forfeited subject to the discretion of the Board. Should a Senior Executive be made redundant, their redundancy payment is determined by the Ampol Redundancy Policy with the payment calculated based on years of service and the applicable notice period.

Other than prescribed notice periods, there is no special termination benefit payable under the service agreements. Statutory benefits (such as long service leave) are paid in accordance with the legislative requirements at the time the Senior Executive ceases employment.

6. Outlook for 2024

Fixed remuneration – Senior Executives

Following an internal and external benchmarking exercise Ms Thomson will receive a base salary increase of 6% effective 1 April 2024 reflecting performance in role, as well as the role complexity associated with delivery of the future strategy of the Australian Convenience Retail business. The adjustment to base salary also ensures stronger internal relativity of Ms Thomson's remuneration to that of her peers.

Non-Executive Directors Base Fees and Pool

Aligned with our approach in since 2021, there will be no change to the 2024 base fees for the NEDs.

An increase to the overall NED fee pool is proposed to $3 million (+20%), subject to shareholder approval at the 2024 Annual General Meeting. The fee pool was last increased to $2.5 million at the 2016 Annual General Meeting and is unchanged since that time.

Variable remuneration

Our overarching executive remuneration framework for 2024 is unchanged, noting that we continue to adjust our scorecard and performance expectations with our evolving strategic objectives.

Short-term Incentive plans

The Ampol Scorecard continues to reflect our key financial and non-financial measures. The combination of Profit, Safety and Climate in the Scorecard will be unchanged for 2024. One performance measure on the Ampol Scorecard for 2024 will change.

The Ampol Brand measures will be replaced by an Ampol People and Culture measure:

- Ampol Brand measures served us well in the scorecard for the years 2021 to 2023 (inclusive), as it was linked to the Australian network rebranding exercise. Now that the rebranding is complete, we are focusing on the importance of maintaining strong cultural health in service of our strategy.
- Cultural Health will replace Brand, weighted at 5%. This measure will connect the whole of Ampol to the expectations of strong cultural health which includes top quartile employee net promoter score and other supporting measures.

Long-term Incentive plans

There are no anticipated changes to the 2024 LTI plan. The terms of the 2023 LTI plan presented in section 5 of this report will apply consistently to the 2024 LTI grant to be awarded in May 2024.

Performance of the 2022 LTI grant will be tested at the year ending 31 December 2024 with the potential to vest in April 2025. The 2022 LTI grant is subject to equally weighted rTSR and ROCE performance measures.

Directors' Report – Remuneration Report continued

7. Senior Executive remuneration tables

Table 8: Total remuneration for Senior Executives in 2023 (statutory disclosures)

The following table sets out the audited total remuneration for Senior Executives in 2022 and 2023, calculated in accordance with statutory accounting requirements:

				Post-employment		Other long-term	Equity			Total
$	Salary and fees(i)	Bonus (short-term incentive)(ii)	Non-monetary benefits(iii)	Retirement benefit(iv)	Post-employment entitlements(v)	Other(vi)	Retention Award	Share benefits(vii)	Rights benefits (long-term incentive)(viii)	Total
Current Senior Executives										
Matthew Halliday (ix)										
2023	**1,855,872**	**906,780**	**33,109**	**181,575**	**–**	**42,426**	**–**	**560,931**	**2,356,270**	**5,936,963**
2022	1,936,636	907,830	56,980	119,752	–	41,242	–	572,871	1,590,957	5,226,268
Greg Barnes(ix)										
2023	**1,142,138**	**563,616**	**4,789**	**88,343**	**–**	**24,420**	**–**	**171,263**	**931,052**	**2,925,621**
2022	1,128,808	560,025	4,769	83,233	–	23,745	–	114,291	614,594	2,529,464
Andrew Brewer(ix)										
2023	**937,116**	**463,500**	**4,651**	**77,331**	**–**	**20,596**	**–**	**141,207**	**577,332**	**2,221,734**
2022	914,839	457,200	4,873	72,436	–	19,996	–	91,932	310,844	1,872,119
Lindis Jones(x)										
2023	**672,293**	**349,301**	–	**47,884**	**–**	**–**		**35,946**	**277,852**	**1,383,276**
2022	–	–	–	–	–	–	–	–	–	–
Brent Merrick(ix)										
2023	**909,205**	**459,792**	**6,048**	**76,923**	**–**	**19,952**	**–**	**137,548**	**561,517**	**2,170,985**
2022	777,881	463,838	32,186	168,468	–	19,371	–	89,122	379,480	1,930,346
Kate Thomson(ix) (xi)										
2023	**826,633**	**452,702**	**2,133**	**76,143**	**–**	**18,765**	**–**	**92,241**	**445,217**	**1,913,835**
2022	614,876	447,233	1,607	71,389	–	13,472	–	45,841	210,946	1,405,364
Former Senior Executive										
Michael Bennetts(xii)										
2023	**206,737**	**–**	**1,629**	**9,430**	**411,831**	**–**	**–**	**–**	**77,926**	**707,554**
2022	1,002,959	748,716	1,126	158,489	481,317	-	842,306	-	222.359	3,457,272
Total remuneration:										
2023	**6,549,995**	**3,195,692**	**52,359**	**557,628**	**411,831**	**126,160**	**–**	**1,139,137**	**5,227,166**	**17,259,968**
2022	6,375,999	3,584,842	101,541	673,767	481,317	117,826	842,306	914,057	3,329,180	16,420,835

7. Senior Executive remuneration tables continued

Table 8: Total remuneration for Senior Executives in 2023 (statutory disclosures) continued

(i) Salary and fees include base salary and cash payments in lieu of employer superannuation in excess of the quarterly maximum superannuation contributions base. These figures also include any annual leave accruals for Senior Executives.

(ii) Bonus represents the cash component of the 2023 STI payable in April 2024 excluding employer superannuation/KiwiSaver contribution.

(iii) The non-monetary benefits received by Senior Executives include car parking benefits, the payment of the default premiums for death and total and permanent disability insurance cover and related fringe benefits tax payments made by Ampol.

(iv) Retirement benefit includes the employer Superannuation and KiwiSaver contributions paid and includes the full value of employer superannuation on the cash component of the 2023 STI payable in April 2024.

(v) The value shown represents 43% of the total of Mr Bennetts' post- employment entitlements and was paid following his last day of employment on 31 March 2023. As disclosed in the 2022 Annual Report, Mr Bennetts' termination triggered contractual exit entitlements which were part of Mr Bennetts' employment conditions at the time of acquisition equivalent to nine months of base salary. 57% of these entitlements were represented in 2022 with the balance (43%) accounted for in 2023.

(vi) Other long-term remuneration represents the long service leave accruals for all Senior Executives.

(vii) Share benefits represent the value of the deferred component of STI delivered in restricted shares that have been or that will be awarded to Senior Executives. These values have been calculated in accordance with accounting standards with further details regarding these awards set out in table 10.

(viii) These values have been calculated in accordance with accounting standards. The values may not represent the future value that the Senior Executive will receive, as the vesting of the performance rights is subject to Ampol achieving pre-defined performance measures. The value of performance rights is amortised over the applicable vesting period. The amount shown is the amortisation relating to the 2023 reporting year (and 2022 as a comparison).

(ix) These Senior Executives elect (or did so for a portion of 2023) to receive an equivalent cash payment in lieu of employer superannuation in excess of the quarterly maximum superannuation contributions base.

(x) Mr Jones was appointed Executive General Manager, Z Energy effective 1 March 2023.

(xi) Ms Thomson was appointed as Executive General Manager, Retail Australia effective 1 April 2022.

(xii) Mr Bennetts ceased to be a KMP from 1 March 2023 and ended his employment on 31 March 2023.

Directors' Report – Remuneration Report continued

7. Senior Executive remuneration tables continued

Table 9: Unvested shareholdings of Senior Executives during 2023

	Unvested shares at 31 Dec 2022	Restricted shares granted(i)	Shares vested in current performance year	Forfeited	Unvested shares at 31 Dec 2023
Matthew Halliday	21,492	21,724		–	43,216
Greg Barnes	6,380	6,701	–	–	13,081
Andrew Brewer	5,327	5,471	–	–	10,798
Brent Merrick	4,877	5,550	–	–	10,427
Kate Thomson (ii)	-	5,351	–	–	5,351

(i) Represents the deferred portion of the 2022 STI restricted for two years per the terms of the Leading Results STI Program.

(ii) Ms Thomson was appointed as Executive General Manager, Retail Australia effective 1 April 2022.

Table 10: 2023 Senior Executive performance rights

LTIs for Senior Executives are awarded as performance rights under the AEIP as detailed in section 5. The following table demonstrates movement in performance rights held by Senior Executives during the year, including details of the performance rights that vested as presented in table 5.

	Performance rights at 1 Jan 2023(i)	Granted in 2023(ii)	Vested in 2023(iii)	Lapsed in 2023(iv)	Balance at 31 December 2023(v)
Current Senior Executives					
Matthew Halliday	258,584	110,104	(18,596)	(55,144)	294,948
Greg Barnes	84,786	38,024	–	–	122,810
Andrew Brewer	52,946	32,020	–	–	84,966
Lindis Jones(vi)	10,167	28,726	–	–	38,893
Brent Merrick	63,072	31,020	(3,269)	(9,693)	81,130
Kate Thomson	39,501	29,174	(1,876)	(5,560)	61,239
Former Senior Executives					
Michael Bennetts(vii)	38,388	–	–	(26,942)	11,446

(i) This relates to the 2020, 2021 and 2022 performance rights. If the service-based and performance-based vesting conditions are achieved, the 2021 and 2022 performance rights will vest in 2024 and 2025 respectively.

(ii) This relates to the 2023 performance rights. If the service-based and performance-based vesting conditions are achieved, these performance rights will vest in 2026.

(iii) This relates to the 2020 performance rights of which 25.2% vested. Senior Executives received one Ampol share for each vesting right.

(iv) This relates to the 2020 performance rights of which 74.8% lapsed and for the former Senior Executives the full or pro-rated portion of unvested performance rights which lapsed on cessation of employment. Refer to section 5.

(v) The performance rights for any former Senior Executives are as at the date they ceased employment or retired from their office.

(vi) Mr Jones was appointed Executive General Manager, Z Energy effective 1 March 2023 and the opening balance shown is as at this date.

(vii) Mr Bennetts ceased to be a KMP from 1 March 2023 and ended his employment on 31 March 2023.

7. Senior Executive remuneration tables continued

Table 11: Valuation assumptions of performance rights granted

The fair value of performance rights granted under the AEIP is determined independently by Deloitte using an appropriate numerical pricing model. The model considers a range of assumptions and the fair values for each year of grant have been calculated incorporating the assumptions below.

	2023 grant(i)(ii)		2022 grant(i)(ii)		2021 grant(i)(ii)	
	rTSR against S&P/ASX 100	ROCE measure	rTSR against S&P/ASX 100	ROCE measure	rTSR against S&P/ASX 100	ROCE measure
Grant date	31 May 2023	31 May 2023	07 April 2022 25 May 2022	07 April 2022 25 May 2022	07 April 2021 24 May 2021 15 July 2021	07 April 2021 24 May 2021 15 July 2021
Vesting date	1 April 2026	1 April 2026	1 April 2025	1 April 2025	1 April 2024	1 April 2024
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil
Volatility	27%	27%	34% 34%	34% 34%	33% 34% 34%	33% 34% 34%
Risk-free interest rate	3.4%	3.4%	2.7% 2.8%	2.7% 2.8%	0.3% 0.2%	0.3% 0.2%
Dividend yield	7.2%	7.2%	2.9% 2.8%	2.9% 2.8%	2.0% 1.7% 1.6%	2.0% 1.7% 1.6%
Expected life (years)	2.8	2.8	3.0 2.9	3.0 2.9	3.0 2.9 2.7	3.0 2.9 2.7
Share price at grant date	$31.41	$31.41	$31.80 $33.58	$31.80 $33.58	$24.57 $29.02 $29.30	$24.57 $29.02 $29.30
Valuation per right	$18.82	$25.63	$20.95 $23.84	$29.15 $31.03	$10.06 $16.16 $15.01	$23.18 $27.69 $28.03

(i) Market performance measures, such as rTSR, must be incorporated into the option-pricing model valuation used for the AEIP performance rights, which is reflected in the valuation per performance right. Non-market vesting conditions such as ROCE and strategic measures are not taken into account when determining the value of the performance right. This explains the higher valuation for these performance rights. However, the value of the ROCE measures may be discounted during the Performance period to reflect the Board's assessment of the probability of the number of equity instruments that will vest based on progress against the performance measures. Table 8 reflects these values.

(ii) Senior Executive awards are made in May of each year, along with the MD and CEO's award after shareholder approval has been obtained at the Annual General Meeting held. In 2022 an AEIP performance rights grant was made to Mr Bennetts at the same time as the MD &CEO. In 2021 an AEIP performance rights grant was made to Mr Barnes upon commencement. 2023 was the first year in which all Senior Executive award grants were made following the Annual General Meeting in May 2023, which is in contrast to prior years where all Senior Executives received a grant in April, with the exception of the MD and CEO who, following shareholder approval, received a grant in May following the Annual General Meeting.

Directors' Report – Remuneration Report continued

7 Senior Executive remuneration tables continued

Table 12: Performance remuneration affecting future periods

The fair value of share-based payments granted is amortised over the service period. Therefore, remuneration in respect of these awards may be reported in future years. The following table summarises the maximum value of the awards currently on foot which will be reported in the statutory remuneration tables in future years, assuming all performance conditions are met. The minimum value of these awards is nil should performance and/or service conditions not be satisfied.

	STI (restricted shares)			LTI plan			
$	2021 grant	2022 grant	2023 grant	2021 grant	2022 grant	2023 grant	Total
Current Senior Executives							
Matthew Halliday	47,624	233,006	418,631	175,736	1,130,616	1,740,195	3,745,808
Greg Barnes	14,137	71,873	130,102	104,531	340,840	600,970	1,262,453
Andrew Brewer	11,804	58,680	106,992	35,925	287,015	506,077	1,006,493
Lindis Jones(i)	–	–	80,953	–	116,981	416,466	614,400
Brent Merrick	10,807	59,528	106,136	33,145	278,048	490,272	977,935
Kate Thomson(ii)	–	57,393	104,499	12,119	256,523	461,095	891,629

(i) Mr Jones was appointed Executive General Manager, Z Energy effective 1 March 2023.

(ii) Ms Thomson was appointed as Executive General Manager, Retail Australia effective 1 April 2022.

(iii) The 2021 and 2022 STI grants are payable and will vest in full in April 2024 and April 2025.

8. Non-executive Director remuneration

Summary of 2023 Non-executive Director fees

NED fees are fixed and do not have any variable components. The Chairman receives a fee for chairing the Ampol Limited Board and is not paid any other fees. Other NEDs receive a base fee and additional fees for Committee chairship and membership, except for the Nomination Committee where no additional fee is paid.

NED base fees did not change in 2023 and no changes to NED fees are anticipated in 2024.

Superannuation contributions were increased, consistent with the Superannuation Guarantee legislation. No additional retirement benefits were paid.

Fees paid to NEDs are subject to a maximum annual NED fee pool of $2.5 million (including superannuation). The fee pool was approved by shareholders at the 2016 Annual General Meeting and is unchanged since that time.

Our approach to Non-executive Director fees

Ampol's business and corporate operations are managed under the direction of the Board. The Board oversees the performance of Ampol's management in seeking to deliver superior business performance and long-term growth in shareholder value. The Board recognises that providing strong leadership and strategic guidance to management is important to achieve our goals and objectives.

Under the Ampol Constitution and the ASX Listing Rules, the total annual fee pool for NEDs is approved by shareholders. Within this aggregate amount, NED fees are reviewed by the People and Culture Committee, considering recommendations from an independent remuneration consultant, and set by the Board.

Fees for NEDs are set at a level to attract and retain directors with the necessary skills and experience to allow the Board to have a proper understanding of, and competence to deal with, current and emerging issues for Ampol's business. The Board seeks to attract directors with different skills, experience, expertise and diversity. Additionally, when setting NED fees, the Board considers factors such as external market data on fees and the size and complexity of Ampol's operations.

NEDs do not participate in any Ampol incentive plan.

In 2024, an increase to the NED fee pool is proposed for shareholder approval at the next Annual General Meeting. If approved, this will see the pool increase to $3 million (+20%) to provide sufficient capacity to accommodate the future needs of the Board. The NED fee pool was last increased to $2.5 million in 2016.

Table 13: 2023 Non-executive Director fees

The following table outlines the 2023 NED fees.

	Board		Committees(i)	
	Chairman	Member	Committee Chairman	Member
2023 fee(ii) (iii)	$502,207	$167,403	$46,000	$20,000

(i) Comprising the Audit Committee, People and Culture Committee, and Safety and Sustainability Committee. No fees are paid to the Chair, or members of the Nomination Committee.

(ii) Ampol paid superannuation consistent with the Superannuation Guarantee for NEDs in addition to the above fees in 2023.

(iii) The New Zealand subsidiary Board are paid the following fees: the Chairman and Member were set at AUD$50,000 and AUD$40,000 respectively and any fees paid are represented in table 14.

Table 14: Non-executive Director fees in 2023 (statutory disclosures)

The following table sets out the audited NED fees in 2022 and 2023, calculated in accordance with statutory accounting requirements and which reflect the actual remuneration received during the financial year. NEDs are not eligible to receive any cash or equity-based incentives.

	Salary and fees	Other Board fees(i)	Superannuation(ii)	Total
Current Non-executive Directors				
Steven Gregg (Chairman)				
2023	502,207		53,987	556,194
2022	502,207		51,476	553,683
Simon Allen(iv)(v)				
2023	187,403	50,015	20,146	257,564
2022	62,468	16,766	6,559	85,793
Mark Chellew				
2023	207,403		22,296	229,699
2022	207,403		21,259	228,662
Melinda Conrad				
2023	233,403		25,091	258,494
2022	233,403		23,924	257,327
Elizabeth Donaghey(vi)				
2023	207,403	15,000	22,296	244,699
2022	207,403		21,259	228,662
Michael Ihlein(iii)				
2023	258,494		-	258,494
2022	251,200		6,127	257,327
Gary Smith				
2023	207,403		22,296	229,699
2022	207,403		21,259	228,662
Penny Winn(iv)				
2023	233,403	70,707	25,091	329,201
2022	233,403	26,667	23,924	283,994

(i) These amounts represent fees associated with roles held on subsidiary Boards of Ampol; Z Energy Limited and Z Energy 2015 Limited. These fees do not attract superannuation and/or pension contributions.

(ii) Superannuation contributions are made on behalf of NEDs to satisfy Ampol's obligations under the Superannuation Guarantee legislation. Fees paid to NEDs may be subject to fee sacrifice arrangements for superannuation.

(iii) This NED was provided a superannuation guarantee employer shortfall exemption from the Australian Taxation Office and was provided employer superannuation contributions as a cash allowance for part of the year.

(iv) These directors ceased to be members of the subsidiary Boards of Ampol; Z Energy and Z Energy 2015 Limited effective 20 December 2023. Fees relate to period between 1 January 2023 to 20 December 2023 at which time the Boards were dissolved.

Directors' Report – Remuneration Report continued

(v) Mr Allen was appointed to the Board as an Independent, Non-executive Director effective 1 September 2022

(vi) Ampol appointed Ms Donaghey to the Energy Solutions Advisory Committee (ESAC) effective 19 February 2024. The ESAC is a management committee within Ampol which is advisory in nature and supports the delivery of Ampol's Energy Solutions strategy. Ms Donaghey contributed to the ESAC on an ad hoc basis during 2023, for which she will be paid a special exertion fee of $15,000 (plus superannuation) in 2024. Going forward Ms Donaghey will be paid a special exertion fee of $20,000 (plus superannuation) per annum for her role on the ESAC.

8. Non-executive Director remuneration continued

Shareholdings of Key Management Personnel

Table 15: Shareholdings of Key Management Personnel

The movement during the reporting period in the number of shares of Ampol Limited held directly or indirectly by each KMP, including their personally related entities, is in the following table.

Each NED is required to hold an interest in shares in Ampol with a market value no less than their Board base fee, within three years of appointment to the Board. A minimum shareholding requirement is also in place for current Senior Executives (refer to section 5).

	Held at 31 Dec 2022(i)	Purchased	Vested	Sold	Held at 31 Dec 2023(ii)
Current Directors					
Steven Gregg	20,000	–	–	–	20,000
Simon Allen	–	3,000	–	–	3,000
Mark Chellew	6,900	–	–	–	6,900
Melinda Conrad	8,000	–	–	–	8,000
Elizabeth Donaghey	3,200	2,000	–	–	5,200
Michael Ihlein	7,720	–	–	–	7,720
Gary Smith	5,169	1,118	–	–	6,287
Penny Winn	7,461	–	–	–	7,461
Former Directors					
Current Senior Executives					
Matthew Halliday	107,212	–	18,596	–	125,808
Greg Barnes	7,500	–	–	–	7,500
Andrew Brewer	17,644	–	–	–	17,644
Lindis Jones(iii)	–	30	–	–	30
Brent Merrick	8,727	–	3,269	–	11,996
Kate Thomson	842	–	1,876	–	2,718
Former Senior Executives					
Michael Bennetts(v)	31	15	–	–	46

(i) The shareholdings for any Directors or Senior Executives are as at this date or if appointed during the year, the date of appointment to their office.

(ii) The shareholdings for any former Directors or former Senior Executives are as at the date they ceased employment or retired from their office.

(iii) Mr Jones was appointed to the role of Executive General Manager, Z Energy, effective 1 March 2023.

(iv) Mr Bennetts ceased to be a KMP from 1 March 2023 and ended his employment on 31 March 2023.

Other Key Management Personnel transactions

Apart from as disclosed in the indemnity section of the Directors' Report, no KMP have entered into a material contract, loan or other transaction with any entity in Ampol during the year ended 31 December 2023 (2022: nil).

8. Non-executive Director remuneration continued

Board and Committee meetings

The Ampol Board met eight times during the year ended 31 December 2023. In addition, Directors attended Board strategy sessions and workshops, and special purpose Committee meetings during the year.

The number of Board and Committee meetings attended by each Director during 2023 are set out in the following table.

Table 16: Board and Committee meetings

Director(i)	Board(ii)		Audit Committee		People and Culture Committee		Nomination Committee		Safety and Sustainability Committee	
Current Directors	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Steven Gregg	8	8	–	–	–	–	2	2	–	–
Matthew Halliday	8	8	–	–	–	–	–	–	–	–
Simon Allen	8	8	–	–	–	–	2	2	4	4
Mark Chellew	8	8	–	–	4	4	2	2	4	3
Melinda Conrad	8	8	4	4	4	4	2	2	–	–
Michael Ihlein	8	8	4	4	4	4	2	2	–	–
Gary Smith	8	8	4	4	–	–	2	2	4	4
Elizabeth Donaghey	8	8	–	–	4	4	2	2	4	4
Penny Winn	8	8	4	4	–	–	2	2	4	4

(i) All Directors are invited to (and regularly attend) Committee meetings; this table lists attendance only where a Director is a member of the relevant Committee. A number of Directors also participated in Board Committees convened for special purposes.

(ii) Includes out of session meetings but excludes strategy workshops and briefings.

Shares and interests

The total number of ordinary shares on issue at 31 December 2023 was 238,302,099 shares (2022: 238,302,099 shares on issue). The total number of rights on issue at the date of this report is 1,722,914 (2022: 1,427,272). 795,576 rights were issued during 2023 (2022: 755,037). 499,934 rights vested or lapsed during the year (2022: 668,613). On vesting, Ampol is required to allocate one ordinary share for each right. For each right that vests, Ampol intends to purchase a share on market.

Directors' interests

The Directors' relevant interests in the shares of Ampol Limited at 31 December 2023 are set out in the following table.

Table 17: Directors interests

Director	Shareholding	Nature of interest
Steven Gregg	20,000 shares	Indirect interest
Matthew Halliday	125,808 shares 43,216 restricted shares 294,948 performance rights	Direct interest Direct interest Direct interest
Simon Allen	3000 shares	Indirect interest
Mark Chellew	6,900 shares	Indirect interest
Melinda Conrad	8,000 shares	Indirect interest
Elizabeth Donaghey	5,200 shares	Direct Interest
Michael Ihlein	7,720 shares	Indirect interest
Gary Smith	6,287 shares	Indirect interest
Penny Winn	7,461 shares	Indirect interest

None of the above Directors have acquired or disposed of any relevant interests in the Company's shares in the period from 1 January 2024 to the date of this Annual Report.

Directors' Report – Remuneration Report continued

9. Appendix: Consideration of the Government Fuel Security Package

In 2021, following comprehensive analysis and constructive engagement with the Government, Ampol determined to keep the Lytton refinery open to support Australia in its dual objectives of fuel security and an orderly transition to renewable energy sources.

This Appendix sets out the background and principles the Board has used, and will use in future, to assess the extent to which incentive outcomes are appropriate in light of any payments received under the *Fuel Security Act 2021* (Cth).

In 2023 Ampol did not receive any financial support as part of the Fuel Security Package.

Australia's Fuel Security Package

The decision to continue operating at the Lytton refinery was confirmed by a comprehensive Fuel Security Package (Security Package) which has been legislated in the *Fuel Security Act 2021*.

The Security Package is a multi-year arrangement that helps underpin the viability of Australia's transport fuel refining industry including Ampol's Lytton refinery over the medium term, as well as supporting investment in infrastructure upgrades that will deliver the manufacture of cleaner fuels.

The Security Package has three key components:

- the potential to receive a variable Fuel Security Services Payment (FSSP) for six years up until mid-2027 (with Ampol having an option to extend for another three years). The FSSP is structured to provide a variable payment when refining margins are low, and no payment when refining margins are high. This structure reduces the risk of losses and improves returns in low margin environments;
- grants for infrastructure upgrades at refineries to bring forward the introduction of better fuels from 2027 to 2025; and
- support in the design and implementation of Minimum Stockholding Obligations (MSO) aligned with overall fuel security.

Multi-year variable Fuel Security Services Payment

The FSSP is a partnership that has been negotiated with the Australian Government, helping Australia meet the dual objectives of fuel security and energy transition. Payments under the partnership will only be received in periods of low refiner margins.

Principles used in the consideration of the Government Fuel Security Package

Given the Security Package is a multi-year arrangement, each year the Board will assess the extent to which the incentive outcomes are appropriate in light of any payments received and will exercise discretion as appropriate. In reviewing incentive outcomes, the Board has adopted the following principles to guide its decision making. It will consider:

- Principle 1: Ampol's achievement towards the dual objectives of the program being fuel security and energy transition as agreed with the Government.
- Principle 2: Management's contribution to the broader performance of the Company and Lytton refinery to ensure there is no unintended windfall gain or loss (perceived or real) arising from receiving Australian Government financial support.
- Principle 3: The materiality of any payment received (or otherwise) – the greater the financial payment provided by the Government, the greater need for the Board to focus on whether any judgement should be applied to adjust incentive outcomes.
- Principle 4: Evolving stakeholder views across the Government, employees, community, and shareholders as to impact of the Security Package.

9. Appendix: Consideration of the Government Fuel Security Package continued

2023 assessment against the principles

In 2023 Ampol did not receive any financial support as part of the Security Package.

The Board has continued to track and monitor Ampol's position against the principles, as set out here.

Principle 1: We continue to make progress towards the dual objectives:

Fuel Security

- The operation of the Lytton refinery continues to enhance national fuel security through the ability to process Australian based crude and condensates and the shorter and more secure supply chain compared to imported product.

Energy Transition

- There has been substantial progress during 2023 in developing the projects to produce ultra-low sulphur fuel including:
  - The Queensland Government gazetting the project to fast-track approvals. This project is subject to a Phase 1 Federal Government grant of $125m. The current forecast regarding the claim and receipt of these funds is 80% in 2024; and 20% in 2025.
  - This work will ultimately produce ultra-low sulphur fuel, allowing for lower emissions from vehicles and wider optionality for Australian motorists as we transition to alternative transport fuel sources.
- Ampol has continued to invest in alternate and new energy sources to enable mobility with the launch of AmpCharge and an ongoing program to install electric vehicle charging points.

Principle 2: Management has contributed to the broader performance of the Company and Lytton refinery:

- Refinery performance in 2023 has continued the safe and reliable operations shown since 2021, with volumes of ~6.0BL and yields > 98.5%, which is underpinned by reliable assets and capable management and workforce.

Principle 3: The materiality of any payment:

- This principle is not relevant for 2023 as Ampol did not receive any financial support under the Fuel Security Package.

Principle 4: Ampol's key stakeholders are supportive of the keeping the refinery open:

- Government: the refinery maintains a strong social licence to operate with both Federal and State governments valuing the operation for fuel security and the highly skilled employment it provides.
- Community: remains highly supportive as evidenced by engagement with industrial neighbours and the local communities.
- Employees: provides continued employment to 550 manufacturing jobs and many more indirectly. Engagement surveys indicate employees are committed to Ampol.
- Shareholders: the Fuel Security Package significantly reduces the risk of losses and improves returns in low margin environments while retaining full benefit to earnings upside. This negotiated arrangement enhances shareholder value, while retaining the optionality to transition the strategically located site to alternative uses in the future. Shareholders have benefited from the financial returns in 2023.

Directors' Report – Remuneration Report continued

Non-audit services

KPMG is the external auditor.

In 2023, KPMG performed non-audit services for Ampol in addition to its statutory audit and review engagements for the full year and half year.

KPMG received, or was due to receive, the following amounts for services performed for Ampol during the year ended 31 December 2023:

- for audit and review services – total fees of $2,489,000 (2022: $2,252,000);
- for regulatory assurance services – total fees of $159,000 (2022: $100,000);
- for assurance services – total fees of $281,000 (2022: $119,000); and
- for other services – total fees $96,000 (2022: $5,000).

The Board has received written advice from the Audit Committee in relation to the independence of KPMG, as external auditor, for 2023. The advice was made in accordance with a resolution of the Audit Committee.

The Directors are satisfied that:

- the provision of non-audit services to Ampol during the year ended 31 December 2023 by KPMG is compatible with the general standard of independence for auditors imposed by the Corporations Act; and
- the provision of non-audit services during the year ended 31 December 2023 by KPMG did not compromise the auditor independence requirements of the Corporations Act for the following reasons:
  - the provision of non-audit services in 2023 was consistent with the Board's policy on the provision of services by the external auditor;
  - the non-audit services provided in 2023 are not considered to be in conflict with the role of external auditor; and
  - the Directors are not aware of any matter relating to the provision of the non-audit services in 2023 that would impair the impartial and objective judgement of KPMG as external auditor.

Company Secretary

The following person is the current Company Secretary of Ampol as at the date of this report:

Faith Taylor

Faith Taylor is in the role of Executive General Manager, Group Counsel, Regulation and Company Secretary, reporting to the MD and CEO.

Faith has more than 25 years' experience as a lawyer and prior to joining Ampol, was a partner at Clayton Utz in its Energy Team for 11 years. She brings a wealth of experience and knowledge advising on energy transition, renewables, and carbon initiatives across both the Government and corporate sectors.

Faith holds Bachelors of Law and Arts from The University of Sydney.

Yvonne Chong

Yvonne Chong was appointed as an additional Company Secretary of Ampol on 19 June 2023. Yvonne is an experienced company secretary, lawyer and compliance professional of more than 19 years. Prior to joining Ampol, she held senior company secretary and legal roles in a variety of sectors such as financial services, top tier law firms, mining and technology. Yvonne reports to Faith Taylor.

Indemnity and Insurance

Ampol has paid insurance premiums for Directors' and officers' liability for current and former Directors and officers of the Company, its subsidiaries and related entities.

The insurance policies prohibit disclosure of the nature of the liabilities insured and the amount of the premiums.

The Constitution provides that each officer of the Company and, if the Board considers it appropriate, any officer of a subsidiary of the Company be indemnified out of the assets of the Company to the relevant extent against any liability incurred by the officer in or arising out of the conduct of the business of the Company or the subsidiary (as the case may be) or in or arising out of the discharge of the duties of the officer, unless incurred in circumstances that the Board resolves do not justify indemnification.

Where the Board considers it appropriate, the Company may execute a documentary indemnity in any form in favour of any officer of the Company or a subsidiary of the Company, provided that such terms are not inconsistent with the Constitution. For more information, refer to the Constitution on the Ampol website.

Rounding of amounts

Ampol Limited is an entity to which the Australian Securities and Investments Commission Corporations Instrument 2016/191 applies. Amounts in the 2023 Directors' Report and the 2023 Financial Report have been rounded off to the nearest hundred thousand dollars (unless otherwise stated) in accordance with that instrument.

The Directors' Report is made in accordance with a resolution of the Board of Ampol Limited.

Steven Gregg
Chairman

Matthew Halliday
Managing Director & Chief Executive Officer

Sydney, 19 February 2024

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Ampol Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Ampol Limited for the financial year ended 31 December 2023 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

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Cameron Slapp

Partner

Sydney

19 February 2024

Directors' Declaration

In the opinion of the Directors of Ampol Limited (the Company):

a) the Financial Statements and notes that are contained in pages 112 to 174 and the Remuneration Report set out on pages 78 to 101 are in accordance with the *Corporations Act 2001* (Cth), including:

   (i) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and

   (ii) complying with Australian Accounting Standards, and the Corporations Regulations 2001.

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

c) at the date of this declaration, there are reasonable grounds to believe that the companies in the Ampol Group that are parties to the Deed of Cross Guarantee as identified in Note F1 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee described in Note F1; and

d) a statement of compliance with International Financial Reporting Standards has been included in note A to the Financial Statements for the year ended 31 December 2023.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001 (*Cth) from the Managing Director and CEO and the Group Chief Financial Officer for the financial year ended 31 December 2023.

Signed in accordance with a resolution of the Directors:

Steven Gregg
Chairman

Matthew Halliday
Managing Director & Chief Executive Officer
Sydney, 19 February 2024

Independent Auditor's Report

To the shareholders of Ampol Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Ampol Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group's*** financial position as at 31 December 2023 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 31 December 2023;
- Consolidated income statement, Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated cash flow statement for the year then ended;
- Notes including a summary of material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Site remediation and dismantling provisions
- Carrying value of non-current assets

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Site remediation and dismantling provisions $630.6m

Refer to Note C7 to the Financial Report

The key audit matter	How the matter was addressed in our audit

The Group's determination of the site remediation and dismantling provisions is considered to be a key audit matter. This is due to the additional audit effort from the:
• inherent complexity for the Group estimating future environmental remediation and dismantling costs, and
• significant judgement applied by the Group, and effort for us, in gathering persuasive audit evidence on the costs, particularly for those costs to be incurred several years in the future.
The estimate of the remediation and dismantling provision is influenced by:
• The complexity in current environmental and regulatory requirements, and the impact to completeness of the provision;
• The expected environmental management strategy of the Group and the nature of the costs incorporated into the provision; and
• The expected timing of expenditure which is planned to occur several years into the future, and the associated inflation and discounting of costs in the present value calculation of the provision.
The Company uses third party and internal experts when assessing their obligations for restoration and rehabilitation activities and associated estimates of future costs.
We involved environmental specialists to supplement our senior audit team members in assessing this key audit matter.
	Our procedures included:
	• Comparing the basis for recognition and measurement of the provisions for consistency with environmental and regulatory requirements and criteria in the accounting standards;
	• Reading the Group's board minutes, litigation register, third party expert advice and correspondence with regulatory authorities to identify legal environmental obligations and checking these were considered in the determination of the provisions;
	• Comparing the expected timing of remediation work against the Group's remediation plans or expected period of site operation which was determined with reference to the useful life of underlying site assets or site lease term;
	• Performing sensitivity analysis over key estimates and assumptions, including discount rate and inflation rate by making changes we consider reasonably possible to assess the impact on the provision determined by the Group;
	• Working with our environmental specialists, we:
	  – evaluated the scope, competence, experience and objectivity of the Group's internal and external experts used in determining the provision;
	  – evaluated the methodology applied by the Group's third party expert in determining the nature and extent of remediation

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  activities by comparison to industry practice;

  - assessed the nature and quantum of cost estimates in third party expert advice, including contingency levels, against the industry guidelines and standard practice; and
  - compared a sample of individual cost components to underlying sources such as third party quotations and actual expenditure incurred by the Group.

- Assessing the disclosures in the financial report using our understanding of the issues obtained from our testing and against the requirement of the accounting standards.

Carrying value of non-current assets $5,095.8m

Refer to Note C3 & C4 to the Financial Report

The key audit matter

A key audit matter for us was the Group's annual testing of non-current assets, including property, plant and equipment, and intangible assets including goodwill, given the size of these balances being 39.9% of total assets.

We focused on the significant forward-looking assumptions the Group applied in their value in use model, including:

- forecast operating cash flows, average growth rates and terminal growth rates, including the sensitivity of these assumptions to changes arising from the potential impacts that clean energy transition and decarbonisation may have on the Cash Generating Units (CGUs). The Group's models are sensitive to small changes in certain assumptions. This drives additional audit effort specific to their feasibility and consistency of application of the Group's strategy; and
- discount rates which are complicated in nature and vary according to the conditions and environment the specific CGU is subject to from time to time.

The Group uses complex models to perform their annual testing of goodwill for impairment. The models are largely manually developed, use adjusted historical performance, and a range of

How the matter was addressed in our audit

Our procedures included:

- Considering the appropriateness of the value in use method applied by the Group to perform the annual test of goodwill for impairment against the requirements of the accounting standards;
- Assessing the integrity of the value in use models used, including the accuracy of the underlying calculations;
- Comparing the forecast operating cash flows and capital expenditure contained in the models to Board approved forecasts;
- Assessing the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the models;
- Assessing the consistency of the Group's forecast operating cash flows, average growth rates and terminal growth rates to the Group's plan and strategy, past performance of the CGUs, and comparison to published studies of industry trends where available;
- Assessing the Group's scenario analysis of the potential impacts of clean energy transition and decarbonisation on cash flow growth rates over transition timeframes against the

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internal and external sources as inputs to the assumptions. Complex modelling, particularly those containing forward-looking assumptions tend to be prone to greater risk for potential bias, error and inconsistent application. These conditions necessitate additional scrutiny by us, in particular to address the objectivity of sources used for assumptions, and their consistent application. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	Group's published Climate Report and external published views where available; • Considering the sensitivity of the models by varying key assumptions, such as forecast average growth rates, terminal growth rates and discount rate, within a reasonable possible range. We did this to identify those assumptions at higher risk of bias or inconsistency in order to focus our procedures; • Working with our valuation specialists, we independently developed a discount rate range using publicly available market data for comparable entities, adjusted by risk factors specific to the CGUs; and • Assessing the disclosures in the financial report using our understanding of the issues obtained from our testing and against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Ampol Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and the Selected Sustainability Information presented within the Annual Report (identified in the section Information Subject to Assurance on pages 50 to 52) and our related assurance opinions.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Ampol Limited for the year ended 31 December 2023, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 78 to 100 of the Directors' report for the year ended 31 December 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

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Cameron Slapp

Partner

Sydney

19 February 2024