ASX/NZX Release

19 February 2024

2023 ANNUAL REPORT

Ampol Limited (ASX/NZX:ALD) provides the attached 2023 Annual Report.

Authorised for release by: the Board of Ampol Limited.

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Annual Report

2023

Powered by Connection

Ampol's purpose is to power better journeys for millions of customers.

For over 100 years, Ampol has supported customers as a major transport energy provider ready to evolve with their needs. We recognise the pace of the energy transition will vary from customer to customer and remain committed to powering their needs today while supporting their ambitions for tomorrow.

Ampol is powered by connections, and it's through leveraging our entire value chain that we will take our role in the unfolding energy transition to shape the future of fuels, convenience and energy across the region.

Acknowledgment of Country

Ampol acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and the Traditional Custodians of the lands where we operate. We pay our respects to Elders past, present and emerging and recognise their role in maintaining culture and country and their spiritual connection to the land. Our registered office is located on the lands of the Gadigal People.

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About our reporting suite

Annual Report (this document)

The Annual Report provides a comprehensive outline of Ampol's financial performance in 2023, including a summary of operations and an overview of how we create value for stakeholders. Disclosures required under the ASX Listing Rules and *Corporations Act 2001* (Cth), including the Directors' Report and audited Financial Statements, are included.

Ampol's 2023 Annual Report also incorporates our 2023 Sustainability Performance Report. The Sustainability Performance section (pages 18–52) outlines Ampol's performance in regards to sustainability targets and outcomes on key metrics across the areas of environment, social and governance. Our Sustainability Performance focuses on Ampol's operations in Australia and Singapore. Z Energy outcomes are only incorporated where indicated. Further details on our emissions reduction targets, including boundaries, are detailed in our 2023–2025 Sustainability Strategy found on the Ampol website.

The following terms are used throughout this document to define the entities to which this information relates:

"**Ampol**" or "**Group**" means Ampol Limited and its controlled entities, and their interests in associates and jointly controlled entities, unless otherwise stated or otherwise clear from the context in which the term is used.

"**Z Energy**" means Z Energy Limited and its controlled entities.

Sustainability Datasheet and Appendix

The Sustainability Datasheet and Appendix contain additional data on key sustainability performance metrics that may not be released in this report. It also includes a reference to the Global Reporting Initiative (GRI) Standards index as well as our performance in relation to several of the United Nations Sustainable Development Goals (UN SDGs).

Aotearoa New Zealand Climate Standards

Ampol is exempt from the climate-related disclosure requirements imposed under New Zealand law in respect of its New Zealand business because its subsidiary Z Energy is required to prepare a group climate statement that includes information about Ampol's New Zealand business. Z Energy's climate statement will be published in April 2024 and available on the Z website thereafter.

Appendix 4E, ASX/NZX Release and Results Presentation

These documents include key financial results information required under the ASX Listing Rules, along with a management and a non-statutory summary of financial and non-financial performance.

Corporate Governance Statement

The Corporate Governance Statement is a requirement under the ASX Listing Rules and summarises Ampol's Corporate Governance Framework, practices and policies. It has been developed for the 2023 reporting period and aligns with the fourth edition of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*.

Tax Transparency Report

This report includes an overview of Ampol's approach to taxation and our tax position for each financial year. The last report published was the 2022 Taxes Paid Report. Ampol will publish its 2023 Taxes Paid Report in 2024 in accordance with the Board of Taxation's Voluntary Tax Transparency Code.

Modern Slavery Statement

The Modern Slavery Statement includes an outline of our approach to modern slavery and how we manage and mitigate modern slavery risks across our operations and supply chain. The statement meets Ampol's reporting requirement under Commonwealth legislation and is published in an online register in June in the year following the reporting period. The statement is also maintained by Attorney-General's Department at **www.modernslaveryregister.gov.au**.

The above reporting suite documents are all available on the Ampol website – www.ampol.com.au

Z Energy documents can be found on the Z website – www.z.co.nz

2023 Highlights

Strong operational and financial performance

Financial

RCOP EBITDA[1]

$1,756m

RCOP EBIT[1]

$1,297m

Growth from non-refining divisions' improved earnings mix

Record total sales volumes

28.4b litres

▲17%

Full year fully franked total dividend of

275cps

$655 million returned to shareholders, represents record payout ratio of 89% of RCOP NPAT

Strategy

International volume growth contribution

Including an uplift in earnings from the US Trading and Shipping operations

Full 12 months' contribution from Z Energy acquisition

including delivery of expected acquisition benefits and synergies

Highway upgrade strategy

Opened Pheasants Nest, NSW
and upgraded M1 Northbound, NSW.

Continuing EV charger rollout

in Australia and New Zealand

Renewable fuels production and hydrogen refueling

Investigation is ongoing

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[1] Excludes Significant Items.

Operations

Fuel & Infrastructure[2]

RCOP EBIT[1]

$736m

Total Australian sales volumes

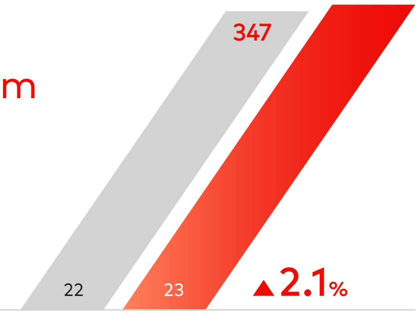
15.6b litres

▲11%

Convenience Retail

RCOP EBIT[1]

$355m



▲2.1%

Shop gross margin[3] increased to

36.1%

post waste and shrink

$1.2 million

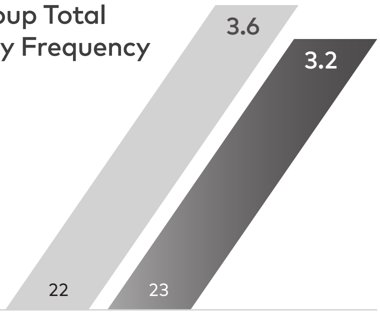
raised for Ampol Foundation charity partners through retail fundraising

Sustainability[4]

Wellbeing and inclusive workplaces

Reduction in Group Total Recordable Injury Frequency Rate (TRIFR)

▼11%



Indigenous partnerships

80%

of Reconciliation Action Plan commitments delivered

Supporting communities and nature

AU$4.6m

total community contributions in Australia

NZ$2.7m

total community contributions in New Zealand

Decarbonisation

186

EV charging bays delivered across Australia and New Zealand[5]

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2. From Continuing Operations.
3. Shop gross margin (post waste and shrink) compared to FY 2022 and includes QSR offerings and reclassification of rebates to margin for FY 2022 and FY 2023.

4. More information can be found in the Sustainability Performance section of this Annual Report, as well as additional information and metrics in our 2023 Sustainability Datasheet and Appendix located on the Ampol website.
5. The total of EV charging bays operated or controlled by Ampol (individually or together with one or more joint ventures in which the Group participates) in Australia and New Zealand is an annual rolling figure that commenced from 1 July 2022.

Chairman's Message

It is my pleasure to write to you with this update on Ampol's performance in 2023.

Ampol has continued its strong operational and financial performance with a Replacement Cost Operating Profit (RCOP) EBITDA of $1,756 million and RCOP EBIT of $1,297 million.

Following our previous record performance in 2022, this strong result was achieved in a year of uncertainty, headlined by volatility in international energy markets brought about by ongoing geopolitical tensions.

Ampol delivered record fuel sales of 28.4 billion litres. The growth was broad based including in Australian jet fuel sales, a full 12 months' contribution from Z Energy, as well as growth in international third party sales.

Our earnings were the second highest in Ampol's history. Importantly, these near record earnings included a higher contribution from the non-refining parts of the business, improving the earnings mix.

2023 marks our first full-year results since finalising the Ampol rebrand and acquiring the Z Energy business. The Ampol brand is now re-established in the hearts and minds of our Australian customers, and the business continues to embed itself as iconically Australian with a rich history and vision for the future. For similar reasons we have retained the Z Energy brand in New Zealand. Like Ampol in Australia, Z is for Aotearoa New Zealand.

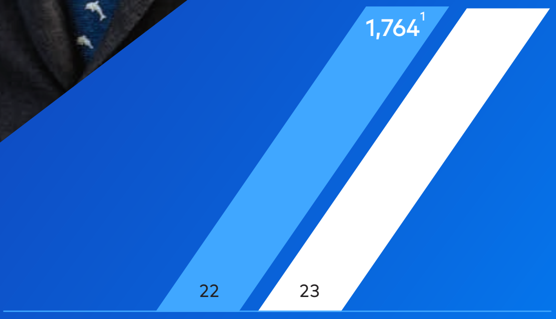
Z Energy continues to deliver beyond the acquisition business case and contributed to the Group's strong performance.

Our core business today holds the key to the future. In 2023, we continued to invest in our fuel supply chain assets while also investing in the infrastructure and technologies of tomorrow to support Australia and New Zealand in their energy transitions.

Our company's role in the fuel security of the region cannot be understated. We are proud of our position in providing safe and reliable energy for Australia and New Zealand and will continue to invest in our strategic infrastructure to deliver on this responsibility with excellence.

Looking to the future, our strategy to succeed in the energy transition centres on supporting our customers in their own transition by providing low carbon energy solutions. We are enabling customer transition journeys on several fronts, including the rollout of national networks of electric vehicles (EV) charging bays in Australia and New Zealand.

Our ambition to build a premium Tier 1 network with national coverage through the rollout of our Australian EV charging network, AmpCharge, is progressing. We have committed to delivering 300 charging bays at more than 100 sites by the end of 2024, and we are on track to achieve this. In New Zealand, we reached 104 bays by the end of 2023 and are targeting a minimum of 150 bays by the end of 2024.



RCOP EBITDA[2]

$1,756m

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1. Group result excluding Significant Items.
2. Excludes Significant Items.

We recognise the energy transition will take time, so we are committed to striking the right balance between investing in our core business, prudently investing in the energy transition, and delivering returns to shareholders.

Ampol has declared $655 million in fully franked total dividends for the year, in line with the record 2022 distributions, while maintaining a strong balance sheet and funding and liquidity platform.

Of course, we wouldn't be able to deliver this result without our people, comprising over 9,100 individuals with diverse skills and capabilities who work diligently each day to deliver for our customers, the organisation, and our shareholders.

The wellbeing of our people is of the highest priority for the organisation, and we continue to strive for excellence in safety performance. It is, therefore, pleasing to report improvements across key safety metrics with personal safety performance at or near historical best levels in all parts of the business.

We recognise our people hold the key to our future success and true value is unlocked with the best people with the right skills and capabilities. That's why we have invested deeply to develop our people in 2023 and will continue to do so.

We will keep investing to ensure safe and reliable operations from our core businesses, utilising our capabilities and strong market position to strategically grow the business and deliver ongoing shareholder returns.

While economic uncertainty and geopolitical tensions will likely remain the backdrop to operating conditions in 2024, we are well-placed to deliver on our strategic priorities in the year ahead for the benefit of our customers and shareholders.

I want to extend my congratulations, on behalf of the Board, to Managing Director and CEO Matt Halliday, his leadership team and all Ampol employees for delivering another impressive result in 2023.

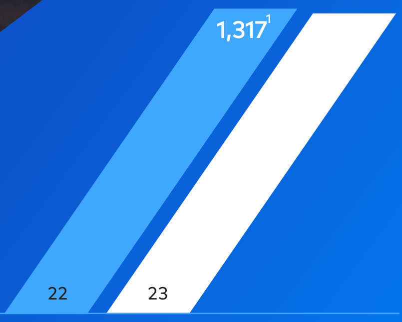
To all our customers and stakeholders, including suppliers and partners, who are essential to our sustained success, I also express my gratitude.

Lastly, I thank our shareholders for supporting Ampol in 2023. We are excited to continue our efforts to execute our strategic plans in the year ahead, and we look forward to delivering for you again in 2024.

All the best,

Steven Gregg
Chairman

CEO’s Message



RCOP EBIT[1]

$1,297m

It has been a privilege to lead Ampol in 2023 and it is my pleasure to provide you with this update on our performance.

In 2023, we successfully executed our strategy, leveraging the achievements of 2022 to achieve yet another strong financial performance. Our operational and financial success has benefited our shareholders, customers, and the communities in which we operate.

The full year 2023 Replacement Cost Operating Profit (RCOP) EBIT was $1,297 million and RCOP NPAT was $740 million. This result was underpinned by earnings growth in non-refining divisions and a full 12 months’ contribution from Z Energy. Lytton also contributed to the result as earnings eased from the record level seen last year.

This wouldn’t have been possible without the commitment of the entire Ampol team. They have worked diligently and cohesively to consistently deliver for our customers and shareholders.

Total fuel sales reached record volumes of 28.4 billion litres, up approximately 17% from last year, having benefited from international sales growth, improving aviation fuel volumes in Australia, along with the addition of the first full 12 months’ contribution from Z Energy.

With the recent finalisation of the new fuel standards by the Australian Federal Government, we intend 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 items ahead of a Final Investment Decision expected in the coming weeks.

Throughout the year, we retained and secured several new Business to Business (B2B) customer contracts, and our fuels and lubricants supply chain now services more than 110,000 businesses across Australia and New Zealand.

The resilience of our integrated supply chain, with the support of our Trading and Shipping team, was evident this year as it responded to the significant outage at Lytton refinery early in the year, maintaining uninterrupted supply to our customers. During the year imported fuel supply to Z Energy transitioned to Ampol’s Trading and Shipping team in Singapore, contributing meaningfully to the New Zealand segment result. The Trading and Shipping team has grown to be a significant contributor to Ampol’s profitability over the past decade, growing both its capacity and capabilities to support customers across a broad range of products and geographies.

Convenience Retail continued to perform strongly with RCOP EBIT earnings up 2.1%.

Following the completion of our network rationalisation program, Convenience Retail’s focus shifted in 2023 to investment in our major highway network as part of our strategy to upgrade and deliver new sites along key transport routes.

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1. Group result excluding Significant Items.
2. Excludes Significant Items.

The Pheasants Nest sites on both sides of the Hume Highway in NSW were unveiled in 2023. The completion of the M1 Northbound site at Wyong NSW followed in December with the M1 Southbound site due for completion in the first half of 2024.

We also commenced a Quick Service Restaurant (QSR) trial during the year, taking over the operation of Hungry Jack's stores on the Central Coast of NSW and the M1 Northbound site at Wyong, NSW. The stores are performing to expectation and the trial will be extended during 2024.

We continue to deliver on our ambition to assist customers through the energy transition as the leading Trans-Tasman transport energy provider.

Our EV network rollout gained momentum through the year with 186 charging bays now operating across Australia and New Zealand, rising from 34 at the end of 2022.

We have an ambition to be a major player in the development of renewable fuels and are assessing a number of options to provide solutions for hard to abate sectors like mining, aviation and heavy haul transport.

We are committed to meeting the ongoing energy needs of our customers by developing capability and partnerships to ensure we play a leading role in the transport energy transition, and our success will be achieved by building on the competitive strengths that underpin our business today.

Our achievements in 2023 extended beyond our operational and commercial performance, encompassing notable advancements in our people, community, and sustainability programs.

We remain determined to make a difference in the communities in which we operate, and our financial contribution to the community through the work of the Ampol Foundation increased by 12% from 2022, to over $4.6 million in 2023. We also reached a significant milestone with our support of the Westpac Rescue Helicopter Service, celebrating 30 years of partnership. Z Energy continued with its Good In The Hood program contributing NZ$1 million to its local communities.

We also made meaningful advancements in our diversity and inclusion programs, including our activities to encourage improved Indigenous participation across both our Australia and New Zealand operations.

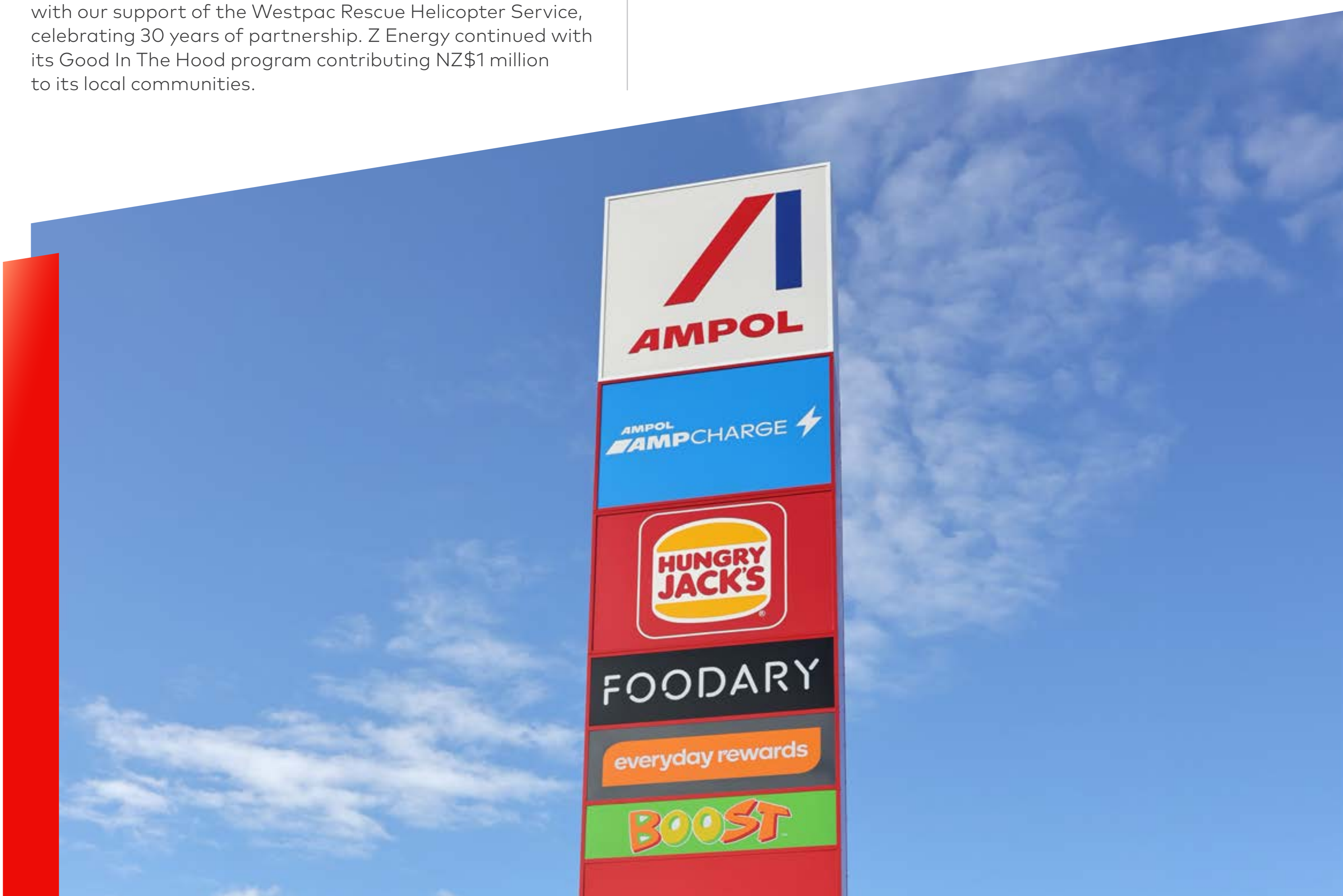
In addition, we brought to life our 'Glampol' campaign to demonstrate our support for the LGBTQIA+ community and raise funds to support the mental health of Australian youth of diverse sexualities and genders.

Ampol is a diverse organisation that is connected by a common purpose – to power better journeys today and tomorrow. Despite the challenges posed by geopolitical tensions and volatility in energy markets in recent years, we have consistently showcased our ability to navigate risks effectively to deliver strong operational and financial outcomes.

I'd like to thank all our employees for their hard work and dedication to the delivery of this result. I would also like to acknowledge the support of our customers, partners, suppliers, community stakeholders and shareholders.

We are well-positioned to carry out our strategic objectives in 2024, and we look forward to delivering on our vision for the organisation in the year ahead.

Matthew Halliday
Managing Director and CEO



Ampol is an independent Australian company and the leader in transport energy across Australia and New Zealand.

Ampol possesses qualities that are unmatched in the Australian and New Zealand transport fuels industries. This includes our unique competitive strengths of strategic assets, supply chain expertise, deep customer base and iconic brands. In the past decade we have been growing our international presence culminating in the acquisition of Z Energy in 2022. International earnings contributed approximately 30% to the Group's earnings in 2023.

Our ability to service a broad range of customers ensures we have an important role to play in supporting our customers through the ongoing energy transition. Our integrated business generates strong cash flows, and provides a strong foundation to invest in the energy transition in a disciplined manner.

~110,000

Business and SME customers across Australia and New Zealand

~4,000,000

Weekly retail customers across Australia and New Zealand

We operate a portfolio of strategic assets across key demand centres and leading branded retail networks throughout Australia and New Zealand.

1 Singapore

Ampol's Trading and Shipping business was established in 2013 to source crude and petroleum products from global markets and leverage our privileged infrastructure.

2 Philippines (20% owned)

Strategic partnership with Seaoil.

3 Australia

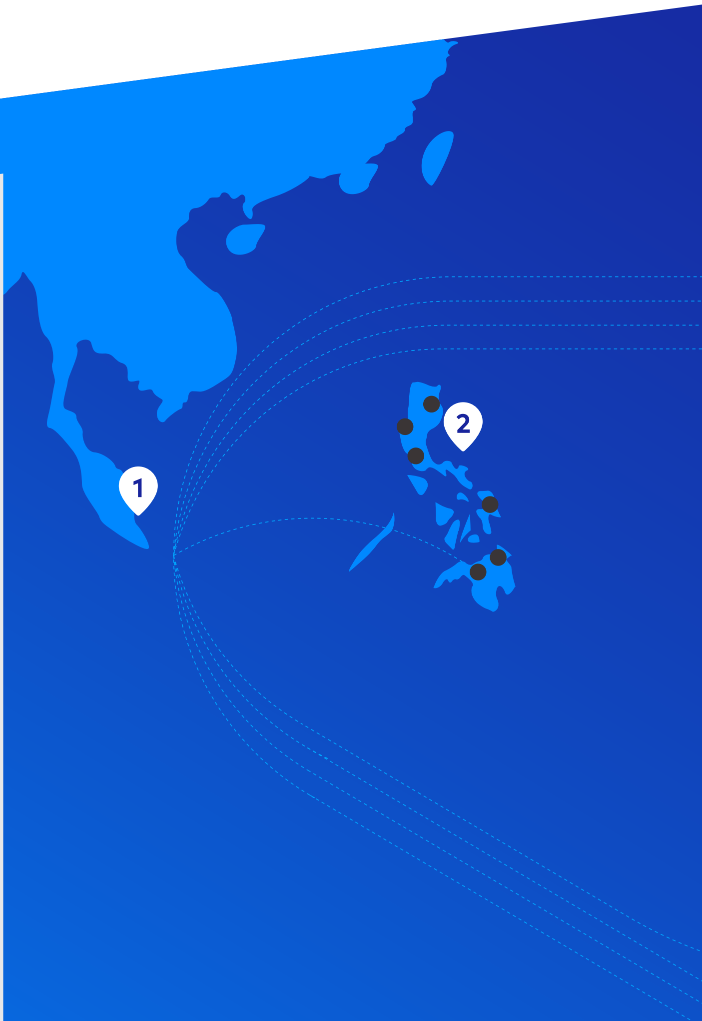
Serving retail and business customers for over 100 years.

4 New Zealand

Owner of Z Energy, one of New Zealand's largest transport energy companies. Ampol also owns 12.6% of Channel Infrastructure in New Zealand via its ownership of Z Energy.

5 United States of America

Houston-based Trading and Shipping office, which commenced trading in October 2020.



○ Ampol company-controlled network (Australia)

● Fuels and Infrastructure network

● Z Energy network (New Zealand)

● Seaoil network (Philippines)

Our principal activities

Fuels and Infrastructure

Our Fuels and Infrastructure business sources, imports, refines and distributes crude, fuels and lubricants to a diverse customer base.

▶ See more on page 10

Convenience Retail

Our Convenience Retail business delivers fuel, lubricants and a range of convenience products to approximately three million customers in Australia every week.

▶ See more on page 12

Future Energy

Our Future Energy team continues to play a key role in supporting customers through the energy transition and decarbonisation journeys.

▶ See more on page 14

New Zealand

Z Energy is one of New Zealand's largest transport energy companies, including the Z and Caltex branded retail networks, and supplies and distributes fuel to commercial and wholesale customers.

▶ See more on page 16

Ampol is connected by its purpose to power better journeys for millions of people in the communities in which we operate.

Fuels and Infrastructure

Strong financial performance while maintaining safe and reliable operations.

Fuels and Infrastructure RCOP EBIT

$736m

Fuels and Infrastructure (Ex-Lytton and Future Energy) earnings more than doubled year on year while Lytton earnings eased from the historical highs in 2022.

Fuels and Infrastructure (Ex-Lytton and Future Energy) sees growth

Fuels and Infrastructure (Ex-Lytton and Future Energy) earnings grew substantially through 2023, doubling the 2022 result. The result reflects the flexibility of our integrated supply chain to adapt to changing market conditions. This includes the ability to optimise our freight and infrastructure advantage, benefiting from freight spreads and when gasoline blending opportunities arise. Our access to and insights gained from major international markets developed over the past decade inform supply decisions and third party sales. Fuels and Infrastructure Australia (Ex-Lytton and Future Energy) earnings more than tripled as total Australian sales volumes rose 11% to 15.6 billion litres.

Fuels and Infrastructure International earnings rose 22% over the 2022 result (on a continuing basis which excludes earnings from Gull). International sales volumes (excluding Z Energy) rose 12% as we leveraged our Australian and New Zealand demand to grow third party sales. The strong 2023 result includes an uplift in the contribution from the US Trading and Shipping operations as US sales volumes rose by approximately 0.6 billion litres.

Our Trading and Shipping business celebrated 10 years in Singapore in 2023, growing to be a significant contributor to the profitability of the Group, with capability and capacity growing significantly over the decade.

Lytton refinery impacted by disruption

Lytton earnings eased from the historical highs in 2022. Labour and electricity charges increased operating costs and total production for the year was lower, due mainly to an unplanned outage in the second quarter.

While refining earnings fell, Singapore product cracks eased from the exceptional highs during the 2022 financial year, despite remaining above historical levels, and global refining conditions remained favourably balanced. For the majority of the year the Lytton refinery was able to take advantage of these favourable product cracks with the Refiner Margin for 2023 averaging US$12.81/bbl.

Safety performance remains a high priority for our Fuels and Infrastructure business. The Fuels and Infrastructure Australian operation initiatives to improve safety outcomes delivered a Total Recordable Injury Frequency Rate (TRIFR) decrease to 2.2 (down from 4.2 in 2022).

Secured and retained customer success

Around 110,000 business and SME customers continued to benefit from Ampol's supply chain and quality products in 2023.

An example of a key customer contract renewal was the five-year deal signed with Roy Hill to supply diesel to its iron ore mine sites, through Port Hedland. The renewal has provided the opportunity to retain and secure longer-term contracted volume as well as explore terminal efficiencies and margin improvement opportunities.

Our partnership with Australia's leading trucking association National Road Transport Association (NatRoad) delivered on its promise to support Australia's freight transport sector. By connecting NatRoad with our leading diesel refuelling network, we exceeded our volume target across an unprecedented 1,500 members and delivered more than $15 million in savings for the freight industry across our truck network of more than 380 Ampol sites.

Lubricants enjoy rebound year

After supply disruptions during 2022, the lubricants business had a better year achieving improved consumer brand awareness and sales.

Lubricants returned to pre–COVID-19 profitability, as a result of both a stabilisation of base oil prices and global additive supply improvements.

Our lubricants marketing alliance with ExxonMobil has helped maintain a network of additive suppliers in Australia, South-East Asia, the USA and Europe and ensure contingency arrangements remain in place for any potential future disruptions.

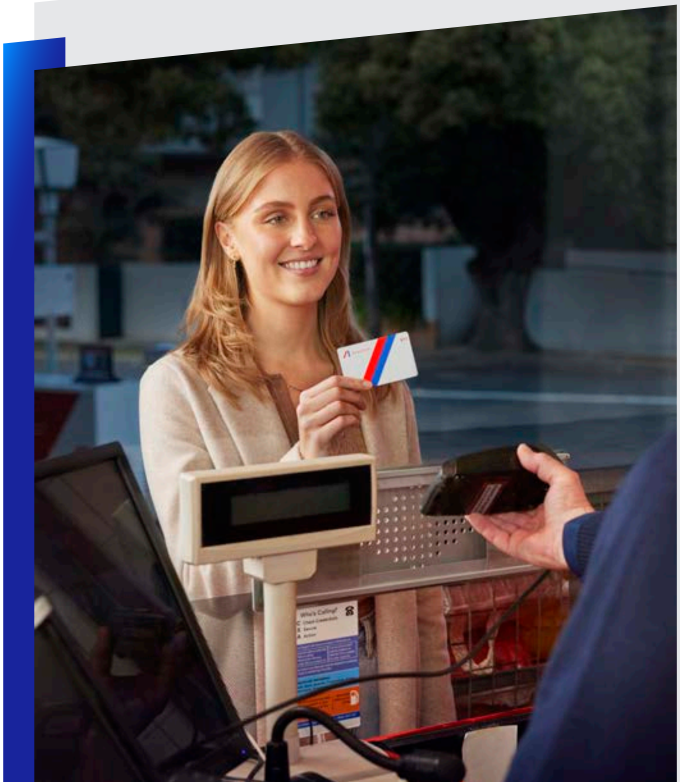
Our lubricants manufacturing facility in Queensland remains a significant source for our major volume products including engine oils, driveline fluids and hydraulic oils, where continuous improvement initiatives ensure ongoing competitive supply to our large network of retail and business customers.

Ultra Low Sulfur Fuels project

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 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.

Kurnell update

In August 2023, Ampol entered into an enforceable undertaking with the New South Wales Environmental Protection Agency (EPA) relating to an incident in April 2022 at Ampol's Kurnell fuel transfer terminal, which resulted in hydrocarbon-impacted floodwaters escaping from the terminal. Ampol contributed $700,000 towards four projects to enhance and improve the local environment and community. Further details of the incident and undertaking can be found in the Directors' Report forming part of this Annual Report.



CASE STUDY

Launching new AmpolCard platform

With the customer at the heart of everything we do, it's important we continue to update and develop new systems to ensure we remain technologically viable. Finding solutions that not only support the business today but also into the future remains essential.

We were proud to launch a new 'card ecosystem' for AmpolCard. The launch included a streamlined AmpolCard platform and mobile-compatible online portal as well as new API management and data warehouse systems. This implementation took over four years and involved the migration of approximately 11.2 million records.

Supported by a core project team of 80 people across 12 work streams, the new AmpolCard ecosystem launched in mid-December. Work continues to optimise and finalise the reporting system for the platform.

Our AmpolCard and AmpolCash product make up approximately 30% of retail fuel volume with thanks to our 80,000 Australian business customers. From local small to medium enterprises to national commercial fleets, all levels of government and leading trade and industry associations, AmpolCard continues to be fundamental for businesses across Australia.

Convenience Retail

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

Record Convenience Retail RCOP EBIT

$355m

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

Convenience Retail contributes to improved earnings mix

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

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

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

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

Leveraging the retail network

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

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

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

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

Our retail product offering continued to evolve in 2023. Following last year's successful Victorian pilot, Doughnut Time was welcomed to more than 500 Ampol Foodary sites across Australia. This national expansion proved another example of Ampol supporting local businesses delivering quality Australian products to our customers.

Ampol Foodary was unveiled as one of Australia's select retailers for MrBeast's Feastables range of chocolates. This range of confectionery was founded last year by YouTube sensation, MrBeast, the world's most popular content creator. The Feastables range speaks to our ambition of innovating our retail offering by providing unique and distinctive products.

Our new blend of coffee that's 'meant to be' is now available across the country (excluding Western Australia). The new coffee blend is made up of the bold flavours of Robusta and the complex, delicate profile of Arabica beans; both globally sourced for their flavour, locally roasted and freshly ground in-stores. Customer satisfaction to date has been encouraging.

Ampol's EV charging solution AmpCharge continued rolling out to forecourts in 2023. As of 31 December 2023, 82 charging bays had been installed as part of a national commitment to install 300 charging bays by the end of 2024.

Highway upgrade strategy launched

As part of our retail strategy, we committed to an investment program to upgrade highway service centres along key Australian transport routes.

The highway strategy is part of our mission to power better journeys, where all drivers and their passengers are able to refuel and re-energise in the comfort of modernised facilities.

Our Ampol Foodary Pheasants Nest sites on the Hume Highway in New South Wales were the first to open as part of this strategy and have set a new standard in comfort, retail convenience and wellbeing for customers and long-haul drivers.

The newly developed Pheasants Nest sites include a large food court area with both indoor and outdoor dining areas, children's play areas, truck driver amenities, separate fuel and diesel canopies, outdoor spaces to refresh including a dog park, dedicated caravan and coach parking spaces and a fresh convenience offer. In addition to Ampol Foodary, Hungry Jack's and Boost Juice; Oporto, Oliver's, Krispy Kreme and Durk's Café are now available at Pheasants Nest.

The upgrade of our M1 Northbound service centre at Wyong, New South Wales was completed in time for the busy end-of-year holiday period. The M1 Southbound site is due to be completed in the first half of 2024, with further highway development announcements to be made in due course.

Ampol Foundation key fundraising for charity partners

As Australia's leading transport fuels provider that operates in hundreds of communities across the country, we are passionate about keeping people and customers safe and remain dedicated to improving access to education among disadvantaged youth.

The Ampol Foundation had yet another successful year with three key fundraising campaigns executed across our retail network. Thanks to the generosity of loyal customers and selected suppliers, Ampol raised over $1.2 million for key charity partners The Smith Family, Surf Life Saving Australia and Sebastian Foundation.

We also showcased our Glampol campaign in February to raise awareness of LGBTQIA+ inclusion and drive in-store donations for youth mental health charity Minus18 across 10 Sydney CBD Ampol Foodary sites.

CASE STUDY

Customer connection at the forefront

The convenience shopper of 2023 sought value for money as cost-of-living pressures took hold.

Recognising this, we introduced the Crave 'n Save promotion which offers customers more value for their money with different monthly combo deals and discounted prices.

We also broke new ground in 2023 through our 'Flip to Win' Premium Fuels promotion, the first campaign to be launched across the entirety of the Ampol-branded network. The Q4 promotion received over 179,000 entries and was driven by a simple digital game that offered customers the chance to flip a digital coin to win physical AmpolCash (up to the value of $100 when they spent more than $30 on Amplify Premium Fuel) and a weekly opportunity to win free fuel for a year.

Future Energy

Ampol is committed to meeting customer needs as the energy transition continues to evolve.

186

charging bays across Australia and New Zealand

As the leading provider of transport energy across Australia and New Zealand, Ampol believes we have a key role to play in supporting our customers through the energy transition.

We recognise that this will take time which is why we are committed to getting the balance right between investing in the core business, investing prudently in the energy transition and delivering shareholder returns. We are well placed to respond to changes in the pace of the transition with the ability to flex investment as proof points emerge.

In 2023, we continued the execution of our Future Energy Strategy. Our Future Energy Strategy pursues the opportunities arising from the energy transition, focusing on a suite of initiatives that target e-mobility, hydrogen, renewable fuels and other low carbon products in Australia.

More information on our Future Energy Strategy can be found on the Ampol website.

AmpCharge rollout continues

In line with our over 100-year history of keeping customers moving with the right product in the right location, the Australian rollout of our EV charging solution AmpCharge continued in 2023. The AmpCharge ecosystem leverages our existing transport product offers and is underpinned by Ampol's Australian retail network and broad customer base.

As of 31 December 2023, Ampol has delivered 82 AmpCharge charging bays in Australia. This makes up part of our national commitment to install 300 AmpCharge EV charging bays at more than 100 Australian sites by the end of 2024.

The live sites have been delivered with support from co-funding agreements with the Australian Renewable Energy Agency (ARENA) and the NSW Government. We also entered into an installation provider agreement with Energy Queensland's integrated energy solutions provider Yurika to initially deliver over 30 new EV charging bays.

To support energy usage across our retail stores and AmpCharge EV charging bays, we have commenced a program installing ~50kW solar panels to supplement grid energy consumption at our owned and operated Retail sites. First-of-its-kind AmpCharge hubs have also been installed at our flagship Ampol Foodary Pheasants Nest sites that include 12 charging bays providing up to 300kW of power to serve EV drivers on long journeys up and down the Hume Highway.

A small number of our owned and operated sites that host AmpCharge chargers are also trialling integrating batteries, solar and grid power to support retail store consumption and EV charging.

With the rollout of AmpCharge EV chargers well underway, several other partnerships to offer 'at-destination' EV charging were established throughout 2023. Among the key partners were Mirvac who will have AmpCharge chargers installed throughout its retail portfolio; the first AmpCharge infrastructure to be installed outside of our service station network.

Renewable fuels

The energy transition to date has demonstrated that there is no 'one-size-fits-all' solution. Different customers have different requirements, and the pace of change will vary.

As the complexity of the transition becomes more apparent, it is clear that transitional drop-in solutions like renewable fuels have an important role to play. Renewable fuels consist of liquid hydrocarbons, made from biomass material that can be blended into different traditional fuel grades, and make progress in a sensible and pragmatic way, most notably in hard to abate areas such as mining, aviation, shipping and heavy road transport.

We have an ambition to be a major player in the development of renewable fuels and are assessing numerous options for viability, through the lenses of policy and regulation, customer needs and available technology, to make informed choices.

Ampol is committed to ensuring Australia continues to take the right steps for the future of renewable fuels and the extent to which it can play a material role in the Australian transportation energy supply. While government policy is paramount, the associated benefits for agricultural industries and regional communities are key considerations.

We are currently exploring the feasibility of delivering a renewable fuels manufacturing facility at our Lytton refinery.

The Brisbane Renewable Fuels project considers the use of agricultural, animal and other waste feedstocks prevalent in the Queensland market. Leveraging existing refinery manufacturing, distribution infrastructure and capability to produce renewable fuels for domestic use, and the export market where possible, remains a priority provided acceptable returns are available.

In September, we also undertook a renewable diesel trial with select customers, as part of assisting customer decarbonisation journeys and attaining a practical understanding of renewable diesel.

Entering the Australian hydrogen market

Hydrogen remains a pillar of our Future Energy Strategy and has a key role to play in reducing emissions across Australia's transport and energy sectors.

Ampol has commenced prioritising projects that address the refuelling demand of mobility customers and has established relationships with both hydrogen producers and supply chain manufacturers to establish a safe, scaled and reliable supply chain.

In August, we entered into a partnership with hydrogen equipment manufacturer and supplier OneH2, to represent the United States based company in the Australian hydrogen market.

By partnering with OneH2, we aim to offer a unique and complete hydrogen refuelling solution, giving customers the opportunity to trial hydrogen technology and better understand how it can further assist their decarbonisation journeys through alternative fuel options.

The OneH2 equipment is unique with its mobile refuelling offer as it eliminates expensive installations and provides refuelling flexibility for customers. The partnership is a natural extension to our fuel portfolio and will initially focus on back-to-base hydrogen operations. It is expected that heavier transport will be the focus.

In a further demonstration of the enhanced focus in hydrogen, we also entered a Memorandum of Understanding (MOU) with Hyundai, Toyota and Pacific Energy. The MOU will allow Australia's leading proponents of the growing hydrogen economy to combine expertise and capabilities to jointly develop hydrogen refuelling infrastructure.

CASE STUDY

Ampol Energy in market

We continued our mission to power better journeys in 2023 by officially unveiling our retail home electricity solution, Ampol Energy. While not yet available for customers outside of the South-East Queensland (SEQ) Energex network, the move into the electricity market has allowed Ampol to trial powering our customers wherever journeys may start – including at home.

A small employee test and learn pilot was conducted prior to SEQ customer uptake commencing in March. For the first time anywhere in Australia, the introduction of Ampol Energy allowed SEQ customers to utilise Ampol's entire existing product portfolio, and benefit when buying fuel from Ampol Foodary sites.

New Zealand

Reliable supply chain and ongoing energy transition enables one of New Zealand's leading transport energy companies, Z Energy.

New Zealand RCOP EBIT

$264m

The New Zealand segment includes a full 12 months' contribution from Z Energy and the contribution from Ampol's import supply chain into New Zealand.

New Zealand delivers improved performance

The New Zealand segment contributed RCOP EBIT of $264 million as Z Energy's fuel sales volumes improved by 11%, on a proforma basis compared with 2022. The underlying Z Energy business performed strongly, including a strong performance from shop as sales and gross margin continued to improve. The 2023 result for New Zealand also 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 significantly elevated global fuel prices.

Z Energy strategy refresh

Between 2019 and 2023, Z Energy delivered against a four-year strategy program that generated a new industry structure, a reconfigured liquid fuel supply chain and an optimised network and customer offer.

That strategy was focused on optimising the core business and resulted in a business that is simpler and more efficient while maintaining growth options from its privileged network of assets.

Z Energy's investment in building its capability in digital technology and convenience retail is paying off. Their customers engage across a range of digital products aimed at providing convenience. The pay-by-plate technology is the ultimate in speed and ease while the coffee pre-order remains a convenient option that our customers are increasingly using.

This strategy phase was about optimising the core business and provided the foundation for growth in the years to come.

Z Energy now enters a new phase of strategy, where it can build upon its strong and diverse foundations. This phase balances Z Energy's responsibility as one of New Zealand's leading transport energy companies – to safely and reliably deliver the affordable energy customers and the economy needs, while supporting the energy transition.

An integrated, efficient fuel supply chain

Z Energy plays a critical role in the secure and reliable supply of transport fuels that its customers and the New Zealand economy need.

Over the year, Z Energy took further steps to ensure its supply chain is efficient, safe and reliable. In two tranches, Z Energy has smoothly transitioned its fuel imports into the Ampol supply chain. Z Energy now benefits from the regional scale of the Group, including the Group's Singapore trading function, and has access to a flexible regional supply of high-quality transport fuels.

This followed the transition of New Zealand's sole crude oil refinery to an import-only terminal, which was the biggest structural shift in New Zealand's liquid fuel supply chain in more than 60 years and was managed with no impacts on operational safety, customers or the economy.

Delivering growth through infrastructure

Z Energy holds approximately 40% of New Zealand's liquid fuel bulk storage assets through a network of port terminals and equity stakes in the country's primary fuel import terminal and inland tank farm at Wiri, Auckland.

To operate these assets with greater commercial autonomy, Z Energy increased its national fuel market share position over 2023. This growth has been driven by strong performance in wholesale and commercial fuel markets. Supporting this increasing volume performance, Z Energy signed a five-year contract during the year with fuel trucking company, MOVe Logistics. This contract provides greater security around Z Energy's road delivery requirements.

New energy solutions determine partnerships

Z Energy continues to identify and commercialise new energy solutions for its customers and support them in their own decarbonisation journeys.

The New Zealand Government, in conjunction with Air New Zealand, co-funded two feasibility studies to test the viability of establishing and operating a domestic Sustainable Aviation Fuel (SAF) facility. In one of these studies, Z Energy is partnering directly with LanzaTech and LanzaJet, focusing on the potential to use forestry residue as a feedstock in the production of SAF.

Supporting the electrification of customers and the economy

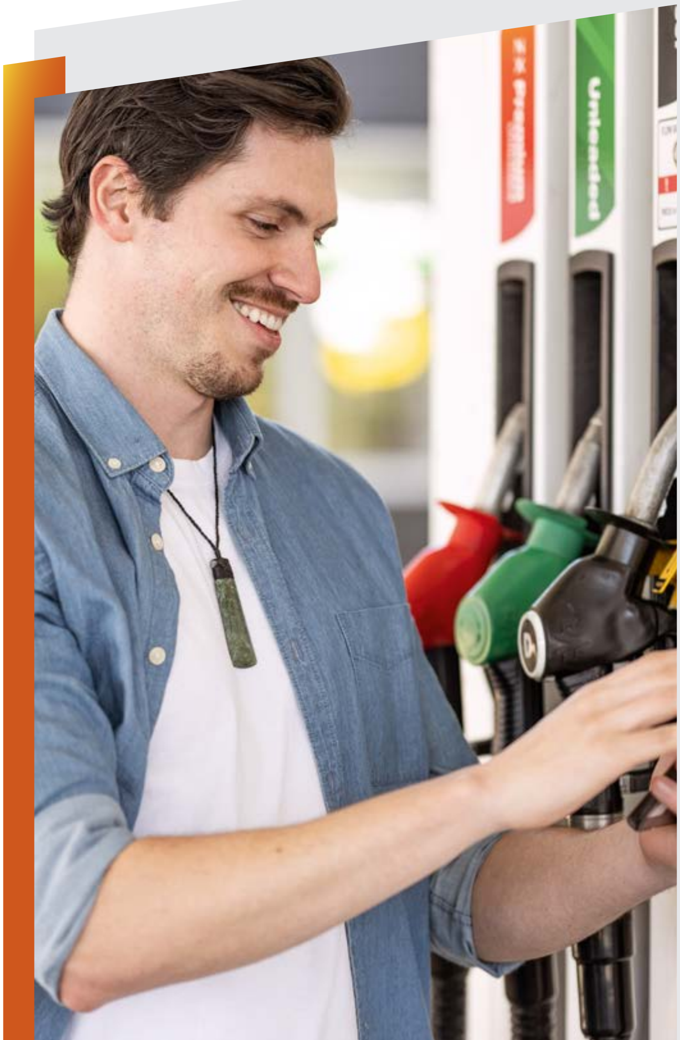
Electrification can play a significant role in the energy transition. Z Energy has been active in diversifying operations to ensure they can deliver value to their customers from increasing the use of electricity, including directly into customers' homes.

Over 2023, Z Energy increased its majority ownership position of the electricity retail business, Flick Electric, to 100% ownership and introduced an innovative new electricity offer.

Using a technology platform that was developed and built in-house, Flick Electric provides a flexible and easy-to-use system for its customers to monitor and control their energy consumption.

In conjunction with domestic EV charging provider Evnex, Z Energy has introduced the opportunity for customers to have EV chargers installed in their homes, as well as a discount offer that provides free electricity during certain off-peak periods for domestic EV charging.

Throughout 2023, Z Energy has also accelerated its delivery of EV charging bays across its retail network. As of the end of 2023, Z had 104 EV charging bays and is continuing to invest in fast charging capacity at strategic locations across the highway network.



CASE STUDY

Meeting customers on their journeys

Z Energy's strategy is to build a flexible, efficient business that delivers value. Investment in alternative energy, digital technology and customer experience provides a strong platform for growth.

Take fictional Joel for example. Joel has two kids and runs his own business. Time is precious and he wants to leave a better world for his kids.

He drops his kids at school before heading to work. He uses the Z App to pre-order a latte from his local Z.

Joel employs 12 staff with a fleet of trucks and vans. Using Z business cards at service stations and truck stops across his region, fuel purchases are centralised into one account that he monitors.

During the kids' pickup, he might buy healthy snacks while refuelling at the local Z, or if he's in a hurry, he'll use pay by plate.

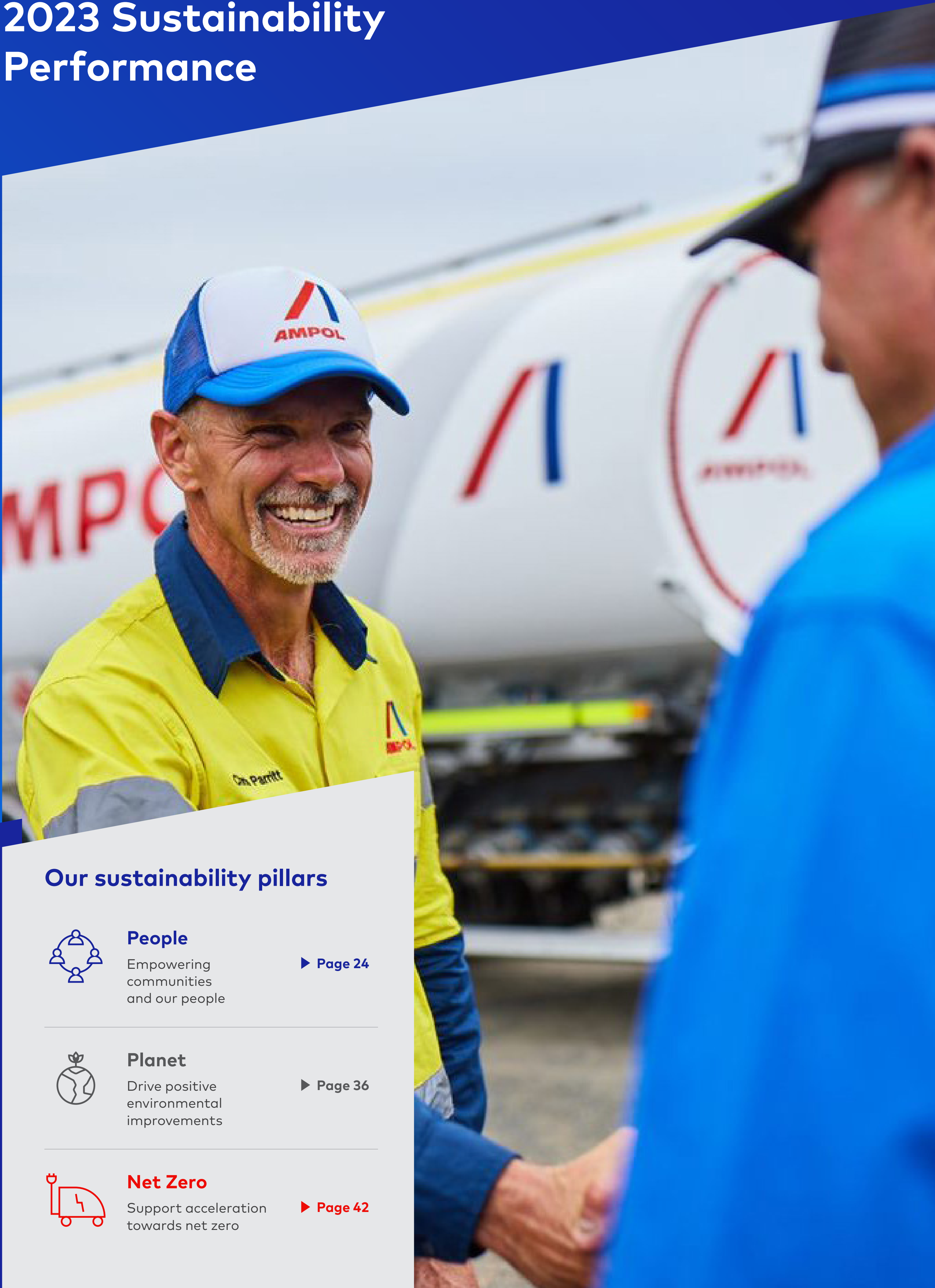
Joel is active in the community and votes for local community organisations through the annual Good In The Hood program.

With Z's EV at Home plan, he uses an Evnex charger installed in his garage and loves charging his EV for free from 3am to 6am.

Joel often visits whānau in other regions, using Z's EV chargers to top up his car while enjoying a coffee.

He is talking with his Z account manager about the future of his work fleet. Joel takes confidence in Z's growing EV charging network while continuing to get the fuels he needs now from a network he trusts.

2023 Sustainability Performance



Our sustainability pillars

People	Empowering communities and our people	▶ Page 24
Planet	Drive positive environmental improvements	▶ Page 36
Net Zero	Support acceleration towards net zero	▶ Page 42

Our commitment to sustainability

In executing our corporate strategy and delivering on our purpose, we recognise that we need to take a responsible and long-term view to deliver enduring value for our customers, shareholders, employees, and the communities in which we operate.

We are committed to transparency, and our approach involves making sustainability integral to decision-making at all levels across our business. We do this in a way which balances environmental, social and governance considerations within our broader strategic objectives, as well as being guided by the Ten Principles of the United Nations Global Compact (UNGC), which Ampol is a signatory. Ampol is also a member of the UNGC Network Australia.

Our approach to sustainability considers and aligns to recognised industry best practices and standards, and ongoing feedback from our stakeholders on what they regard as the material issues for Ampol to address. We are committed to continually developing and working to improve and implement policies and plans to drive progress on our commitments, with key policies and plans including:

- Climate Change Position Statement
- Supplier Code of Conduct
- Representation, Equity and Inclusion Policy
- Human Rights Policy; and
- Reconciliation Action Plan.

For additional information on our Corporate Governance and access to these documents visit the Ampol website.

Our approach to sustainability performance reporting

Our Sustainability Performance Report is aimed at improving transparency of our most material non-financial risks, explaining how we manage these risks and opportunities as well as operate responsibly.

Reporting period and boundaries

Unless otherwise identified, our Sustainability Performance Report covers the period between 1 January 2023 to 31 December 2023, with the exception of energy (GJ) and greenhouse gas emissions data (Scope 1, 2 and 3) which covers the reporting period from 1 July 2022 to 30 June 2023, in accordance with our Australian reporting obligations under the *National Greenhouse and Energy Reporting Act 2007*.

Our 2023 Sustainability Performance Report is focused on our operations in Australia, Singapore and Houston (USA) where identified, as well as New Zealand (Z Energy). For more information on Z Energy's sustainability performance, visit the Z Energy website.

Reporting standard and limited assurance

We prepare our report with reference to the Global Reporting Initiative (GRI) Standards to provide our stakeholders with comparable information relating to our sustainability performance.

In addition to this, we also engage KPMG to provide limited assurance over selected sustainability information to provide confidence in our datasets – this includes safety, greenhouse gas emissions data and performance. KPMG's public Assurance Statement can be found at the rear of the Sustainability Performance section of this report.

UN Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) seek to address the most significant challenges our world is facing today by 2030. We have identified ten SDGs that sit within our sustainability strategy in relation to which we feel we can make the most meaningful contribution towards as a Group. For more information on how the ten SDGs sit within our 2023–2025 Sustainability Strategy, can be found on the Ampol website.

Sustainability Index and Datasheet

This report summarises our key, overarching metrics that govern our approach to sustainability. Ampol also reports on a range of additional sustainability metrics not released in this report. For additional information and metrics please see our 2023 Sustainability Datasheet and Appendix, which can be found on the Ampol website and contain:

- 2023 sustainability performance data
- Global Reporting Initiative (GRI) index; and
- United Nations Sustainable Development Goals (SDGs) progress.

2023–2025 Sustainability Strategy

In 2022, we refreshed our sustainability strategy to align more closely to our corporate strategy, and to cover all the geographies in which Ampol operates. Within our sustainability strategy, we set a vision, as well as developed principles that help to guide our approach to integrating sustainability into all levels of decision-making across our business.

We have developed a roadmap, and detailed the activities we plan to undertake in order to progress towards our 2025 commitments and 2030 goals.

Our commitment to sustainability continued

Strategy scorecard

Pillars

People
Empowering communities and our people

Planet
Drive positive environmental improvements

Net Zero
Support acceleration towards net zero

Vision

Powering positive environmentally and socially sustainable outcomes in the communities in which we operate

Focus	Wellbeing and inclusive workplaces	Indigenous partnerships
2030 Goals[1]	Drive safe, healthy, equitable and inclusive outcomes for our people including upskilling and development for the energy transition	Contribute to reconciliation where Aboriginal and Torres Strait Islander peoples have equitable participation in Australian society and where the long heritage and culture of First Australians is respected. Achieve a material uplift in the representation of Māori and Pasifika as part of our workforce in New Zealand
2025 Public Commitments	● Deliver a mental health first aid program to senior leaders and a minimum 10% of permanent workforce. ● Introduce a wellbeing leave offering for employees. ● Achieve a 40/40/20 gender representation target across our enterprise. ○ Gender-pay difference on like-for-like roles is between +/- 1%. ◐ Improve our status in the Australian Workplace Equality Index.	◐ Work towards and maintain relevant representation of Indigenous people across the geographies in which we operate. ● Develop a commitment to Te Tiriti o Waitangi/Te Ao Māori. ◐ Maintain and strengthen relationships with Clontarf and Stars Foundations and TupaToa. ◐ Execute our Aboriginal and Torres Strait Islander procurement strategy. ◌ Establish a stretch-level Reconciliation Action Plan.
UN SDGs	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES

● Delivered
◐ Progressing
△ Pivoted
○ No change
◌ Not started

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1. Goal refers to our aims for the desired result from our initiatives in the relevant focus.

Principles

Authenticity

Honest and caring action that delivers genuine outcomes for our stakeholders

Leadership

Demonstrating leadership that is aligned with our broader strategy and purpose

Equity

Supporting key sectors of the communities in which we operate

Visibility

High quality and transparent communication and engagement with our stakeholders

Supporting communities and nature

Have a positive and measurable impact in the communities where we operate and support nature positive outcomes

- ◐ Increase Ampol Foundation 'total community contribution' to >AU$5 million including cash donations, in-kind support, employee contributions, fundraising and employee volunteering hours.
- ◐ Deliver Z Energy's Biodiversity Fund and Good In The Hood campaign to local communities.
- ◐ Increase Australian employee volunteering and workplace giving outcomes by 50% from 2021 levels.
- ◐ Continue to take a proactive approach to the responsible sale of tobacco.
- ◐ Establish metrics and systems to measure social and nature positive value.
- ◐ Development and delivery of proactive community and environmental programs across targeted Fuel Supply Chain facilities.

4 QUALITY EDUCATION
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
15 LIFE ON LAND

Circular economy

Collaborate with our value chain partners, government and industry to reduce waste and support the transition to a circular economy

- ◐ Establish standards to integrate circular economy principles into the business including use of renewable and sustainable raw material; reuse/recyclability of equipment that has reached end of life and adaptive re-use of assets and equipment.
- ◐ Establish a pathway to introduce recycling initiatives for customers and operations for retail sites to minimise volumes of food and packaging waste being sent to landfill.
- ◐ Ampol own Retail brand packaging to be in line with Australian government's 2025 National Packaging Targets as an active Australian Packaging Covenant Organisation (APCO) member.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Decarbonisation

Contribute towards our ambition[2] of net zero emissions across our operations by 2040[3] together with reducing the emissions intensity of the products we sell to customers and within our supply chain

- ◐ Commit to 40% equivalent net renewable electricity for operational use[4].
- ◐ Convenience Retail – reduce operational emissions[5] on an absolute basis by 25% by 2025 from 2021 levels.
- ◐ Fuels and Infrastructure – reduce operational emissions intensity[6] by 5% by 2025 from 2021 levels.
- ◐ Z Energy – progress 2030 goal to reduce operational emissions[7] by 42% from 2019 levels.
- ◐ Progress target of achieving 500 EV charger bays by 2027 in Australia.
- ◐ Enhanced processes to identify emissions reduction opportunities within our supply chain, partnering where feasible.
- ● Continued transparency and climate disclosures aligned with Task Force on Climate-related Financial Disclosures (TCFD).

7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION

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2. Ambition refers to seeking a certain outcome for which the pathway to achieving this is uncertain. Efforts will be pursued towards addressing the ambition subject to certain assumptions and conditions.
3. Net zero refers to a state in which greenhouse gas emissions going into the atmosphere are balanced by removal out of the atmosphere. Ampol's net zero ambition includes operational emissions within Australia and assumes Lytton refinery will no longer be operational by 2040. It includes the use of carbon offsets if required.
4. This commitment applies to Convenience Retail and Fuels and Infrastructure business units operating in Australia. Equivalent net renewable includes electricity offset with large-scale renewable energy certificates, on-site solar and grid decarbonisation.
5. Ampol's definition of operational emissions is in accordance with the National Greenhouse and Energy Reporting (NGER) definition and refers to all Scope 1 and 2 emissions within Ampol's operational control in Australia.
6. Total emissions (Scope 1 and 2) per kL of Total High Value Product (HVP) for Lytton refinery and total emissions (Scope 1 and 2) per kL of Total Fuel Throughput for our three largest Terminal facilities: Kurnell NSW, Banksmeadow NSW and Newport VIC.
7. Z Energy's operational emissions includes Scope 1 and 2 emissions, together with Scope 3 emissions associated with staff travel, waste to landfill and domestic distribution and storage of fuels in New Zealand.

Our commitment to sustainability continued

Sustainability governance

We believe adopting a high standard of corporate governance is essential to sustaining long-term performance and creating value. Each year we prepare a sustainability plan that supports the delivery of our yearly sustainability commitments made in our Annual Report, as well as our overarching 2025 targets[1] and 2030 goals that sit within our sustainability strategy. Within this plan, we outline the initiatives to be implemented throughout the year as well as the metrics required to help us measure successful performance.

Below is a summary of the governance structure that we have in place to support delivery.

Ampol Board	Responsible for corporate governance policies and risk management, including those relevant to sustainability. Approves policies for publication on the Ampol website, key sustainability initiatives and disclosures. Approves Ampol's sustainability strategy.
Board Safety and Sustainability Committee	Meets quarterly to oversee and monitor the effectiveness of Ampol's sustainability strategy and annual sustainability plan, as well as sustainability reporting requirements and the management of key social and environmental sustainability risks.
Board 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 and Inclusion Policy and Strategy.
Ampol Leadership Team	Approves the annual sustainability plan and monitors progress of the sustainability strategy on a quarterly basis.

Issue-specific management committees

Decarbonisation Project Review Board	Chaired by the Group Chief Financial Officer and comprising a sub-set of the Ampol Leadership Team, this group provides oversight on Ampol's decarbonisation programs, including capital allocation, emissions forecasting, and delivery against public commitments.
Ampol Foundation Committee	The Committee is the primary decision-making body governing community investment decisions and activities executed through the Ampol Foundation.
Diversity and Inclusion Council	Chaired by the executive sponsor for Diversity and Inclusion, the Executive General Manager (EGM) Fuel Supply Chain. Meets quarterly to provide stewardship of our Diversity and Inclusion Strategy with senior leadership representatives from across the Group.
Wellbeing Council	Provides oversight over our enterprise-wide approach to our wellbeing strategy and delivery of key priorities consisting of senior representation across the business, with executive sponsorship from the EGM, People and Culture.
Reconciliation Action Plan (RAP) Working Group	Promotes the RAP and its efforts towards reconciliation. Instigates and influences the delivery of initiatives aligned with the RAP commitments through operational business activity.
Sustainability function	Works across the business to coordinate and support delivery of the sustainability strategy.

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[1] Target refers to an intended outcome where we have identified one or more pathways for delivering that outcome subject to certain assumptions and conditions.

2023 Sustainability performance

Last year we set 20 public sustainability commitments that aligned to the five focus areas that sit within our refreshed 2023–2025 Sustainability Strategy. Our sustainability plan and corresponding program of work to help support the achievement of these commitments were overseen by the Ampol Leadership Team and the Ampol Board's Safety and Sustainability Committee.

In 2023 we made good progress against our 20 sustainability commitments, some of which are medium-term in nature and align to our 2025 targets.

● 14
commitments delivered

◐ 2
commitments in progress

△ 3
commitments pivoted

○ 1
commitment delayed

Further detail on the individual status of each of our 2023 public commitments can be found throughout the sustainability performance section of this report.

2024 Sustainability commitments

With the introduction of new government policy relating to climate disclosures and our strategic efforts to successfully navigate the energy transition, we have determined to pivot and reprioritise some of our 2024 sustainability key deliverables outlined in our 2023–2025 Sustainability Strategy. As such, we will focus on items that can have the biggest impact to achieving our objectives. This includes prioritising efforts to develop and improve our reporting and developing the disclosures that will be required under the Exposure Draft legislation that seeks to amend parts of the *Australian Securities and Investment Commission Act 2001* and the *Corporations Act 2001 (Cth)* to introduce mandatory requirements for large businesses and institutions to disclose their climate-related risks and opportunities.

As a result, we have deprioritised or pivoted the below 2024 deliverables:

Supporting communities and nature

- Develop a biodiversity policy and undertake biodiversity assessments, developing management plans as required – *deprioritised*
- Development of environment and community database including measuring social impacts – *pivoted*

Decarbonisation

- Explore development of customer carbon management tool – *pivoted*
- Enhance carbon data management systems extending to Scope 3 emissions – *pivoted*

Further detail on the individual update of each of our 2024 public commitments can be found throughout the sustainability performance section of this report.

Industry collaboration

To effectively advocate for a common industry view on key policy matters as well as broader community issues, we participate in, and are a member of, several industry forums and associations. This helps to provide us with access to insights and expertise across new and existing markets as well as enhancing our ability to advocate for sound policy outcomes to address the challenges and opportunities our industry faces.

Listed below are some of the industry associations and business forums in which we participate:

- Australian Association of Convenience Stores
- Australasian Convenience and Petroleum Marketers Association
- Australian Climate Leaders Coalition
- Australian Hydrogen Council
- Australian Industry Greenhouse Network
- Australian Industry Group
- Australian Institute of Petroleum
- Bioenergy Australia
- Business Council of Australia
- Carbon Market Institute
- Clean Energy Council
- Electric Vehicle Council
- Gas Energy Australia
- Global Compact Network Australia
- New Zealand Climate Leaders Coalition
- Sustainable Business Council (New Zealand)
- Sustainable Business Network (New Zealand)

Investor engagement on sustainability

As part of our investor engagement program, we regularly meet with existing or prospective investors on our sustainability performance. These meetings often include Ampol's MD and CEO, as well as members of the Ampol Leadership Team. Engagement sessions are an opportunity to invite and understand investor feedback on critical business plans and progress. In 2023, we saw a shift in investor engagements with buy-side ESG analysts attending sessions with portfolio managers. This speaks to a broader shift Ampol has seen in investors' area of focus.

Regarding sustainability, our focus areas with investors in 2023 included:

- the release of our 2023 Climate Report, detailing Ampol's pragmatic and customer-led approach to energy transition and decarbonisation;
- updates on our progress to meet our short-term (2025) Australian emission reduction targets to support our ambition to achieve net zero operational emissions by 2040;
- updates on the delivery of our future energy projects, including the significant progress made in our test and learn activities across a range of mobility solutions and in progressing the rollout of our on-the-go EV charging network;
- accessing sustainability-linked debt financing;
- Ampol's strategic planning to better understand our long-term opportunities pipeline, including the release of new in-house climate modelling of the Australian transport sector, building on the modelling work released in 2021; and
- our safety, environmental and community performance and the management of modern slavery risks in our supply chain.

Ampol 2023 ESG rating performance[2]

MSCI	'AA' rating maintained		
SUSTAINALYTICS	47.8[3] Average ESG risk management score		
FTSE4Good	3/5		
ISS ESG	2/10[4] Governance	3/10 Social	4/10 Environment

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2. In 2022 Ampol received a 'Comprehensive' ESG rating by ASCI for ASX200 Sustainability Reporting. However as of 2023 ASCI are no longer undertaking ESG ratings on ASX200 companies.
3. Sustainalytics ESG Risk Management Rating is categorised across three levels: Strong (100–50), Average (50–25) and Weak (25–0).
4. For ISS rating scores, 1 represents the highest score possible.

People

Empowering communities and our people

2023 Safety performance

Fuels and Infrastructure

Providing a safe and healthy workplace for our employees in all the geographies in which we operate is the first focus for everyone in our business.

We operate in a complex and hazardous industry, so the consequences of not getting it right are significant and we are rigorous in recognising and reducing risk. Pleasingly, in 2023 our Fuels and Infrastructure business saw an improvement in Total Recordable Injury Frequency Rate (TRIFR), reducing by 48%, from 4.2 in 2022, to 2.2 in 2023. We achieved a 33% reduction in recordable injuries, down from 15 in 2022, to 10 in 2023. Additionally, the rate of impacted days away associated with these injuries notably decreased by 62% throughout the year. There were no Category 2 personal injuries in 2023.

There was a focused effort to promote safe work practices and enhance safety awareness across our Fuels and Infrastructure businesses in 2023. We actioned contractor intervention and safety improvement initiatives actively engaging with staff and contractors to strengthen risk mitigation practices. In 2024, we will continue to deliver and implement identified improvement initiatives.

Process safety

In 2023 we recorded two Tier 2 process safety incidents. One incident saw a spill of 400 litres of petrol during a truck loading at Albany Terminal. All product was captured within the tanker truck loading rack and the on-site interceptor catchment pit. The other incident occurred at the Lytton refinery with a release of refining products that resulted in two workers being exposed. Both workers attended hospital for precautionary checks and were later discharged.

Safety improvement initiatives

We have an active program of implementing improvements in our systems and practices to ensure we work safely and during 2023, this program included, amongst many actions, the following interventions and initiatives:

- the implementation of an enhanced risk assessment tool to allow for a more comprehensive evaluation of potential hazards for our Distribution network;
- various safety initiatives, including, within Distribution, campaigns such as awareness of hazardous rail crossings and recognising and acting upon hazardous tanks at customer locations;
- began the implementation of a 'Stop, Think, Act' campaign to ensure our people are well informed and equipped with the necessary knowledge and skills to prioritise their personal safety;
- over 15,000 hours of face-to-face training and more than 5,900 online courses were completed at Lytton refinery by contractors and employees. The training focused on various induction, health, safety and environmental topics;
- updating critical operating procedures including high risk work standards and procedures at Lytton refinery to align with regulation and best practices; and
- the introduction of mental health awareness training for key leaders.

Convenience Retail

Our Australian Convenience Retail's Total Recordable Injury Frequency Rate (TRIFR) remained broadly consistent at 3.8 in 2023 from 3.5 in 2022, and total recordable injuries at 28 in 2023 from 27 in 2022. For the third consecutive year, we have seen no Category 2 personal injuries recorded. Throughout 2023 our focus was on:

- hazard reporting, in response to which we saw an increase of 300 hazards reported in comparison to 2022;
- safety leadership engagement conversations which lifted from 3,801 in 2022 to 5,431 in 2023; and
- increasing our security controls to maintain a safe workplace for our team and to assist in reducing exposure of our team to security events. We saw a 45% reduction in armed hold-up incidents from 2022 and a 10% reduction of break and enters from 2022 to 2023.

Z Energy

In 2023, Z Energy adopted Ampol's safety performance metrics and calculations, and subsequently saw a Total Recordable Injury Frequency Rate (TRIFR) of 3.8 and 14 recordable injuries in 2023.

Process Safety

Z Energy recorded one Tier 2 process safety incident in 2023. The incident involved a spill of 80 litres of petrol inside a truck gantry at Nelson Terminal. All product was contained in the truck bund embankment.

Safety concerns

Perhaps the most significant safety concern for Z Energy over 2023 has been the increasing aggression of some customers towards retail staff. Such abuse has also been observed across other retailers in New Zealand.

Theft at retail service stations, including convenience products instore and fuel, remains a significant issue. During 2023 there were 24,700 cases of fuel 'drive-offs', slightly higher than in the previous year.

Z Energy has invested in a range of initiatives to support the safety of their employees, including extensive training. Z Energy will have further initiatives in 2024 targeted on addressing customer aggression and theft.

Culture and capabilities

Strong cultural health is a high priority, and is critical as Ampol continues to lead through a multi-year energy transition. We are committed to a culture which is bold, nimble, and ambitious with the aim of creating sustainable value for our stakeholders. There has been a lot of progress that has led to sustained high employee engagement in 2023.

As our business evolves, the capabilities and behaviours we need to be successful must also change. Our cultural commitment will allow us to look for new ways that we can improve. So as a first step, we asked our people what capabilities they think we need to deliver on our aspirations now and in the future.

What we heard back helped us evolve our approach to create a leadership framework, based on the following principles:

- one framework for everyone that is simple and works across the Group;
- aligned to our vision and strategy, inclusive of who we are now, whilst also creating the foundations for who we want and need to be in the future;
- anchored to leadership behaviours and attributes everyone needs to demonstrate, so that we can successfully and sustainably deliver on our strategy; and
- sustained focus on technical capabilities where there will continue to be a focus on these in each business area.

Following a successful launch in June 2023, we have made significant progress in embedding the leadership framework into employee experience, including self-assessment tools; self-paced learning; and a formal learning program for our senior leaders (~200) across the Group.

As we increase our pace of transformation, it is critical that we understand how our employees are thinking and feeling and that we use these insights to adapt how we lead and support teams. Following three years of annual engagement surveys, in May 2023 we implemented 'Peakon', our high frequency (e.g. monthly) engagement survey, which has three underlying features:

- holistic measurement of engagement – insights about employee experience, benchmarked from over 160 million unique global surveys all using the same model of engagement with very closely aligned questions;
- intelligent listening – Peakon asks the right question at the right time to the right person (e.g. new to organisation receive different questions to longer tenures); and
- localised and decentralised – each leader of five or more people has a dashboard for their team highlighting strengths, suggested priorities and actions. Every participant has an individual dashboard tracking engagement and comments.

After six months of surveying across the Group, we have observed high engagement at 79% or 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 aggregated participation rate of 71%.

As we look ahead to 2024, we will maintain high engagement by mobilising our people around our strategy, driving greater value through the way we connect, and continuing to engage our people so that they feel included, inspired and valued.

2023 Sustainability Performance – People continued

Employee wellbeing

Our Group wellbeing framework is established with three pillars of physical, mental, and social wellbeing.

Senior leader representatives from across the Group meet bi-monthly as part of a Wellbeing Council to steer the delivery of the Group wellbeing framework. Throughout 2023, we have made progress in supporting wellbeing, including:

- we continued to offer wellbeing days as additional leave benefits each quarter to those who are utilising their leave entitlements appropriately;
- utilising R U OK? Day in Australia, we continued to support employees in connecting with their colleagues and leaning into the important conversation about mental ill health;
- in support of both social and physical mental health we facilitated 103 employees to participate in the March Change, a 31-day fitness challenge where we raised AU$10,000 for Australia's Cancer Council; and
- delivering mental health first aid awareness training for our Ampol Leadership Team.

Delivering mental health first aid training to the Ampol Leadership Team

To deliver on our mental wellbeing pillar, we committed in 2023 to delivering mental health first aid awareness training for the Ampol Leadership Team. In December, we engaged with a Principal Psychologist at Communicorp to deliver Workplace Psychological Health Essentials training, which was aimed at developing supportive leadership skills, by focusing on a capability uplift in identifying and responding to mental health related issues in the workplace.

Curated specifically for Ampol, the training session brought together the Ampol Leadership Team to acquire the knowledge to learn and practise key skills in recognising early signs of declining mental health. Through this, they learnt to respond appropriately by preparing for, instigating, and participating in conversations about mental health with their team members. As well as equipping them with the necessary skills to model, coach, and promote similar supportive leadership behaviours across Ampol. Following the successful delivery of this, we will expand this training to our key senior leaders across the Group in 2024.

Diversity and inclusion

We are committed to a culture that connects and empowers our people to contribute to their full potential whilst delivering to our strategy.

During 2023 our diversity and inclusion strategy focused on:

- gender – equitable gender representation and pay;
- inclusive work practices – executing and embedding initiatives that drive inclusion; and
- Indigenous partnerships – increasing our understanding, connection and equitable outcomes for the Indigenous cultures where we have large workforces, i.e. Australia and New Zealand.

Throughout 2023, stewardship was held through our Diversity and Inclusion Council to share updates on past and future initiatives and identify opportunities for cross business collaboration.

Gender

Our approach to advancing gender equality in 2023 included a focus on representation, pay equity, and gender inclusive policies and practices.

We are proud to be committed to the representation principle of 40% female/40% male/20% any gender. In 2023, we achieved this target with female representation reaching 42% at an overall level, as well as reaching 40% female representation among our senior leaders. The Ampol Board maintained its female representation at 33%, which is unchanged from 2022.

In addition to representation, we are focused on gender pay equality and managing any gender-based pay differential. Pleasingly, our overall average pay gap has improved to 13.7% (in favour of males). 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). We continue to strive to be within our targeted range of +/-1% in this space.

We continued to invest in the growth and development of our talent with females representing 53% of all promotions throughout 2023. In addition, 70 female employees participated in the 'Women Rising' leadership development program supported by 12 participants in the 'Male Allies' program which was launched to complement Women Rising.

Z Energy gets New Zealand's GenderTick re-accreditation

New Zealand's GenderTick is a formal accreditation program designed to acknowledge organisations which have successfully demonstrated their compliance and leadership in the gender equality space on an annual basis. In 2023, Z Energy achieved their re-accreditation for the fourth time, through evaluation across key indicators such as including equal pay, leadership representation and a gender inclusive culture. They have also now received the Advanced GenderTick for two consecutive years.

Z Energy wins award for salary transparency

In March 2023, Z Energy won the Supreme Award at the Human Resources Institute of New Zealand (HRNZ) awards ceremony. HRNZ is a professional body for human resources professionals, with their Supreme Award being awarded to an organisation showcasing the greatest level of overall leadership in human resource practices. Z Energy was awarded the Supreme Award for their initiative to help close their gender pay gap. Salary transparency, an innovative KiwiSaver offering to benefit those who work part time or take time off for parental leave, and systematic modelling of their gender pay gap, have helped Z Energy progress their objective to close their pay gap by 2024. Alongside this objective, the initiative will help to achieve more equitable outcomes for women both now and into their retirement.

Inclusive work practices

At Ampol promoting and embedding inclusion is the responsibility of everyone. In 2023, our employee-led network groups or 'Inclusion Action Networks' helped to advance this focus, with committed advocates leading on important issues such as gender, LGBTQIA+, sustainability, neurodiversity and Indigenous inclusion. In addition to this, we developed a structured and holistic way to honour and recognise important days of significance throughout the year, to mark the different ways our people celebrate culturally significant events.

Ampol's Women Inspiring Fresh Ideas (WIFI)

In its eighth consecutive year running, the WIFI network continues to centre on advancing gender equality through its three pillars of network, connect, and empower.

In 2023 WIFI continued to hold regular learning sessions and delivered another year of their group mentoring development circles capturing 45 people. Some additional WIFI initiatives during the year included:

- holding quarterly sessions to learn from women across the business on several topics including unconscious bias and career journeys of several senior leaders;
- selecting RizeUp as WIFI's social responsibility focus for its purpose of providing life changing practical support for families affected by domestic and family violence – including the raising of $1,300 for the Polished Man charity with all funds raised going to RizeUp; and
- expanding opportunities to share self-development through a monthly podcast program.

2023 Sustainability Performance – People continued

Ampol Rainbow Alliance (ARA)

The ARA has been an active employee-led network in our Australian business for over four years. ARA's purpose is to ensure a safe space for all, and to bring those of diverse sexualities and genders, and their allies, together to learn, develop and support to achieve their full potential.

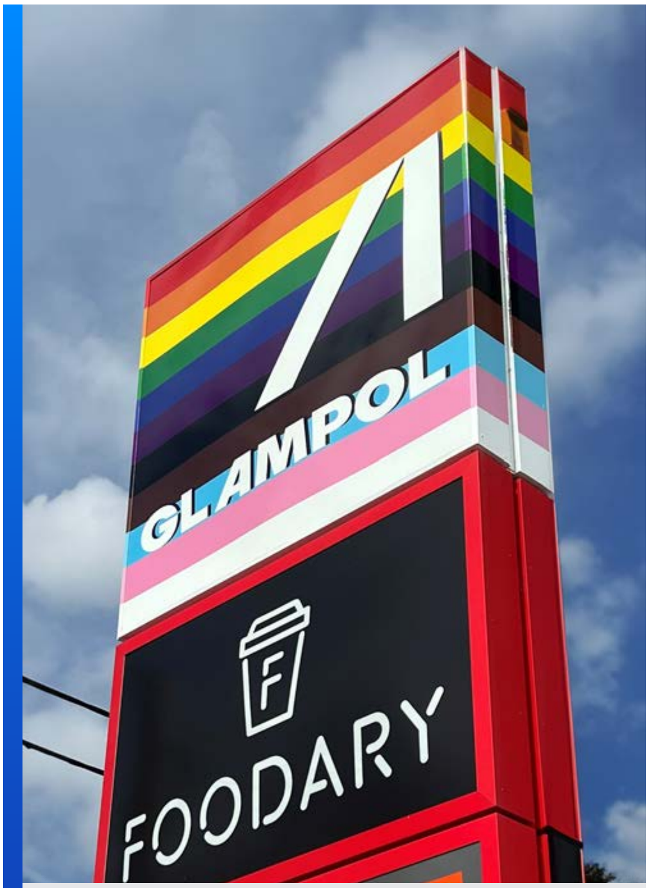
In 2023 ARA continued to play a key role, including:

- facilitating Ampol as a proud sponsor of the Australian Queer Aquatics Festival during Sydney Mardi Gras and a highly successful Glampol campaign across key Convenience Retail sites in Australia to mark WorldPride;
- continuing their support of Pride in Diversity, Australia's first and only not-for-profit employer support program for LGBTQIA+ inclusion. Ampol hosted the inaugural Sydney Executive Leadership Networking event, and again sponsored their annual Pride in Practice conference;
- collaborating with InterRetail, which is a network group across some of Australia's largest retailers for LGBTQIA+ retail employees and their allies including hosting a networking event in celebration of Pride Month; and
- we continue to strive for stronger LGBTQIA+ workplace inclusion and through our participation in the Australian Workplace Equality Index (AWEI), we are seeing strong progress. For example, 83% of respondents agreed that Ampol is genuinely committed to LGBTQIA+ diversity and inclusion – an uplift of 98% on prior survey.

Our New Zealand based business also made strong progress in LGBTQIA+ inclusion in 2023:

- receiving the Rainbow Tick reaccreditation, spearheaded by their Network Rainbow@Z. A Rainbow Tick is awarded to organisations in New Zealand that complete an assessment process showcasing that as an organisation they embrace diversity of sexual and gender identities; and
- sponsoring the Auckland Pride Parade and Wellington Pride Festival and sponsored the small- and medium-sized enterprise category at the Rainbow Excellence Awards.

In addition to the above, we continued with our commitment to celebrating days of significance including IDAHOBIT, Pride Month, Wear it Purple Day, Trans Awareness Week, and World AIDS Day.



Championed by ARA, Ampol goes rainbow with 'Glampol'

In February 2023, we launched 'Glampol', a month-long campaign celebrating and showing our support for the LGBTQIA+ community. Aligned with WorldPride 2023 and Sydney Mardi Gras, our Coogee and North Bondi sites were dressed up in rainbow elements across their respective forecourts and canopies.

Complementing this campaign, we hosted a 'Drag Baes Window Wash' fundraising event. We collected donations at other stores across our Sydney network, including Manly, Neutral Bay, Randwick, Woollahra, Rosebery, Alexandria, Lane Cove West, and Coogee South.

Our Glampol campaign also saw us host an event with special guest, Josh Cavallo – Adelaide United midfielder and the only openly gay footballer currently playing in a top division in Australia. Josh joined us to share his story, discuss the very important topic of mental health within the LGBTQIA+ community – and more specifically, young people – and the importance of living fearlessly and accepting people for who they are.

We raised over AU$22,000 for Minus18, an Ampol Foundation charity partner that focuses on supporting the mental health of rainbow youth. The campaign was also amplified across Ampol's various social media accounts, raising greater awareness about Ampol's commitment to diversity and inclusion.

Indigenous partnerships

Our focus on Indigenous partnerships differs by geography:

- Aboriginal and Torres Strait Islanders through our Reconciliation Action Plan (RAP) in Australia; and
- Māori and Pasifika through our ongoing commitment to Te Ao Māori in New Zealand.

Australia

During 2023, we prioritised cultural awareness and capability, to strengthen our understanding of Aboriginal and Torres Strait Islander heritage and cultures, including:

- delivering cultural competency session with the Ampol Leadership Team;
- further education session for Ampol senior leaders on cultural awareness;
- a Company-wide e-learning module, completed by over 96% of our Convenience Retail staff; and
- strong progress in building relationships with local land councils in proximity to our Tier 1 locations. For example, collaborating with traditional landowners to create an Indigenous bush tucker garden at our Lytton site, and incorporate local Indigenous elements at our recently revamped Pheasants Nest highway site.

We continue to work towards and maintain relevant representation of Aboriginal and Torres Strait Islander people within our workforce. In 2023, this decreased from 3.2% to 2.9% and we are aiming to better understand how we can foster stronger retention of our workforce who identify as Indigenous.

Building on the launch of our Indigenous Procurement Strategy in 2022, our commercial engagement with Aboriginal and Torres Strait Islander businesses grew significantly over the past year, with a 100% increase in our annual procurement spend and a 54% increase in the number of affiliations with Aboriginal and Torres Strait Islander owned businesses.

We also continued the implementation of our second Innovate-level RAP, with 80% of planned RAP activities completed in the period to 31 December 2023 (with an anticipated 86% completion rate by the conclusion of this RAP in March 2024). Progress was led by our RAP Working Group, comprising of representatives from across the business who track progress, learnings, and future activity. Achievements were shared with the Ampol Leadership Team and broader workforce, quarterly.

Increasing our leadership cultural awareness

One of our commitments was to deliver cultural awareness training for senior leaders across Ampol.

Our Ampol Leadership Team participated in a cultural competency session with Shelley Reys AO, CEO of Arrilla Indigenous Consulting.

We followed this up by engaging Paul Sinclair from Mirri Mirri Indigenous Consulting to host several cultural awareness sessions for over 150 Australian-based senior leaders to encourage conversation and increase understanding, value and recognition of Aboriginal and Torres Strait Islander culture. Over 80% of participants reported increased confidence to discuss the topic with their teams, and a recording of these sessions was provided through our intranet. This included access to a range of information and resources about Indigenous history, reconciliation, and at the time, the Uluru Statement from the Heart in relation to the Voice to Parliament referendum that was held in Australia on 14 October 2023.

Detail of 'Journey Pathways' by Riki Salam (Mualgal, Kaurareg, Kuku Yalanji), We Are 27 Creative

Bringing Clontarf Foundation and Red Bull Ampol Racing together

Clontarf Foundation is one of our longstanding Ampol Foundation partners who support the education and wellbeing of Indigenous youths.

Bringing together our charity partners and key sponsorships allows us to drive positive change in the communities in which we operate. This year we once again brought together two of our most important partnerships: Clontarf Foundation and Red Bull Ampol Racing.

With a competition commencing in late 2022, the winning artwork design submission was awarded to Clontarf academy Ambrose Treacy College in Brisbane. The design was used for Red Bull Ampol Racing's Indigenous car livery held at the Darwin Triple Crown in June 2023. Lead designer student Brock Compton (who happens to be named after racing royalty Peter Brock) along with 10 of his academy peers, won a trip to Darwin for the Supercars Indigenous Round race weekend. The artwork design embodied the 'Spirit of the Driver', which talks to the journey of a race car driver, including their achievements and challenges along the way while being supported by their family, friends, crew and fans.

The artwork also featured on the drivers, suits which were auctioned off over the race weekend as well as on team merchandise. The proceeds of sale raised a further $7,400 for the Clontarf Foundation in addition to Ampol's $300,000 annual contribution.

New Zealand

Developing a greater understanding of Te Ao Māori has advanced through initiatives including:

- the launch of the 'Commitment to Te Ao Māori' in June – 'Te Terenga' and delivering capability building activities for our Z Energy Leadership Team;
- completing the second cohort of Te Ao Māori training in December 2023; and
- the appointment of our first dedicated internal leader responsible for building Māori capability in our New Zealand workforce.

Our focus on representation in recruitment by using diverse job boards resulted in:

- a 58% increase in Māori applicants year-on-year;
- five TupuToa interns commencing in November 2023;
- the attraction of 60% Māori or Pasifika representation in the 2024 graduate cohort; and
- increasing our Māori and Pasifika employees in our New Zealand workforce to 9.8% at the end of 2023.

Z Energy's Te Ao Māori knowledge and culture training

As part of their journey to gain a greater understanding of Te Ao Māori, Z Energy has continued to provide opportunities for employees to build their Te Ao Māori capability. The Z Energy Leadership Team and extended senior leaders have participated in Te Ao Māori development sessions, including a number of off-site visits held at local marae. Z Energy's foundational Te Ao Māori development program continued, with 7% of employees participating in 2023.

Maturing our approach to diversity and inclusion

In the second half of 2023, after appointing a dedicated senior leader to help guide and shape our progress on diversity and inclusion, we undertook an internal and external consultation to evaluate our journey to date, what our challenges are, and the opportunities that lie ahead. This resulted in the broadening of our approach to diversity and inclusion to a more holistic and integrated model of 'Representation, Equity and Inclusion', whereby:

- representation is creating a workplace that represents diverse backgrounds, experiences, expertise, abilities, and perspectives;
- equity is providing equitable access to growth opportunities to enable the potential of our people; and
- inclusion is embedding inclusive work practices.

Moving into 2024, our new Board-approved Representation, Equity and Inclusion Strategy will focus on maturing inclusive workplaces at Ampol which will be supported by a refreshed Representation, Equity and Inclusion Council with senior leaders representing our business areas and the geographies in which we operate.

2023 Sustainability Performance – People continued

Supporting communities

Z Energy's Good In The Hood program

During 2023, Z Energy reviewed its flagship community program, Good In The Hood, to ensure the NZ$1 million provided every year was having a meaningful impact on local communities. Throughout the year, a total of 517 community organisations (most of which are charities) nominated by their local communities received donations following customer voting at Z retail sites. Following analysis of prior years' data the approach to Good In The Hood was modified to better support Māori communities that had previously been underrepresented in the groups that received support. This approach was successful in increasing the proportion of funding that went to Māori-led or representative community organisations.

Ampol Foundation

Ampol Foundation is the vehicle through which we deliver our mission to *proudly power better journeys for all Australians*. Established in 2019, Ampol Foundation leverages our people, our skills and our infrastructure to support communities in which we operate.

Led by a committee of employees and supported by the Ampol Leadership Team through executive sponsorship by Meaghan Davis our EGM People and Culture, the foundation focuses activities on two key social areas of need, youth education and development, and community wellbeing and safety.

Our total community investment contribution via the Ampol Foundation for 2023 was over AU$4.6 million – this is an increase from 2022 of 12%. As we move into 2024, we are looking to create more grounding value moments with our foundation partners to strategically align to Ampol Foundation's mission.

Powering community safety for 30 years with Westpac Rescue Helicopter

Since 1993, we have proudly supported the iconic Westpac Rescue Helicopter service. The Westpac Rescue Helicopter service is on standby 24/7 to help save lives from the Hawkesbury to the Queensland border by delivering the highest standard of aeromedical and rescue services to those in need. Through our charitable arm, the Ampol Foundation, we are able to support the initiative through critical fundraising efforts and supply of AmpolCard and aviation fuel to their fleet of six helicopters through a discount arrangement.

To support in other ways, we also participate in various initiatives and events including golf days, gala dinners, and auctions. This includes helping to facilitate fundraising, such as offering AmpolCash prizes or other auction items. In 2023, Ampol offered a 'hot lap' for auction, given Westpac Rescue Helicopter is a partner of Newcastle Supercars, which raised close to AU$10,000.

Ampol's Fuelling Change program

Fuelling Change is our workplace giving program that falls under our company value of *Never Stop Caring*. The program allows for our Australian employees to make pre-tax donations to a selection of charity partners based in Australia, with all donations equally matched by Ampol. In 2023, we added two more partners to our Fuelling Change program, totalling 14 now, with one of these partnerships delivering positive outcomes for biodiversity and nature.

By year-end we proudly contributed just over AU$268,000 to our partners, with an increase of one-off donors.

Street Side Medics

In April, we extended our partnership with Street Side Medics, a general practitioner-led mobile medical service launched in 2020 and led by 2022 Young Australian of the Year, Dr Daniel Nour. Street Side Medics is aimed at delivering primary healthcare to the most vulnerable people in New South Wales. By becoming one of our eight strategic Ampol Foundation partners, we assist Street Side Medics by providing much needed fuel, as well as matching dollar-for-dollar our employees, pre-tax donations as part of our Fuelling Change workplace giving program.

This partnership aligns with our key focus areas of promoting community wellbeing and safety.

Ampol Best All Rounder

The Ampol Best All Rounder Award is a national school awards program forming part of our organisation's commitment to supporting education in communities across the country. It is our longest running community program and has recognised over 30,000 young Australians in high schools across the country since 1985.

2023 Ampol Best All Rounder Award national winner

In 2023, we named Adam Varghese from Queensland's St Peters Lutheran College Springfield as the national winner of the Best All Rounder Award. Adam has a long list of achievements, notwithstanding the two jobs he balances and the strong academic results he has achieved. Aspiring for a career in medicine, Adam raised $11,000 for the Leukemia Foundation in honour of his father who has been diagnosed with the disease. He has also been awarded the Duke of Edinburgh Gold Award in early 2023 and completed his Certificate III in Allied Health Assistance.

"St Peters Springfield is extremely proud of Adam. Adam has been an exceptional 2023 College captain who has shown great leadership, service and humility both within the classroom and within our community," St Peters Lutheran College Springfield principal Natalie Houston said.

As part of his recognition, Adam has won a laptop, a $5,000 cash grant and a $1,000 AmpolCash gift card, in addition to a $5,000 grant for St Peters Lutheran College Springfield.

2023 Ampol Best All Rounder Award state winners were:

New South Wales	Edward Dodds, Tumut High School
South Australia	Abigail Henderson-Mak, Urrbrae Agricultural High School, Netherby
Tasmania	Aiyana Read, Elizabeth College, Hobart
Victoria	Estelle Roberts, John Monash Science School, Clayton
Western Australia	Malcolm van Burgel, North Albany Senior High School

Community engagement

Convenience Retail

In 2023, our Convenience Retail teams across Australia continued to leverage the generosity and goodwill of our customers to successfully raise over AU$1.2 million in donations for four of our key strategic Ampol Foundation partners: The Sebastian Foundation, The Smith Family, Surf Life Saving Australia and Minus18.

Most notable of these campaigns was our third Winter Appeal held in July. Throughout the month, we raised a contribution of over AU$447,000 – which is a 20% increase from our 2022 Winter Appeal – with the funds being donated to help young Australians attend Learning Clubs which target educational support based on their individual needs.

Fuels and Infrastructure

The 2023 community engagement focus within Fuels and Infrastructure businesses in Australia was to consult and engage openly with community stakeholders close to our operations, to demonstrate care and to seek mutually beneficial outcomes for all. By partnering and working closely with community groups and organisations, we enabled the implementation of community-led initiatives and projects in those communities in which we operate.

Some of the initiatives that were undertaken in 2023 included a Community Family Fun Day in collaboration with the local Wynnum-Manly Rotary Club at Lytton refinery. This focused on learning how to stay safe in the community and had over 5,000 attendees. On Sunday 3 December, the team at Newcastle Terminal supported the 2023 Bikers for Kids Newcastle Toy Run, raising funds and providing toys to kids who otherwise would go without at Christmas. Our Newport Terminal was also proud to support the local Spotswood Primary School Fete to help raise funds towards the upgrade of the school playground.

The Ampol Kurnell Community Fund was implemented to improve local amenities and positively impact the lives of Kurnell residents. Community groups were encouraged to apply and successful projects to receive funding included the upgrade of the Kurnell Horse Arena, construction of a new playground at the Kurnell Public School and new lighting, air conditioning and equipment for the Kurnell Men's Shed. Other successful projects included refurbishment of the Kurnell Stingrays Junior Rugby League Football Club clubhouse, upgrades to training and technology infrastructure of the Kurnell Rural Fire Service Brigade, and facility improvements at the Kurnell Pre-School.

2023 Sustainability Performance – **People** continued

Community engagement continued

Singapore

In 2023, our Singapore staff and their Ampol in the Community (AIC) Committee coordinated several volunteering days and charity events for local organisations throughout the year.

Over 20 employees volunteered their time over two sessions and assisted with sorting and packing food items for low-income families for the not-for-profit Food From The Heart, which focuses on distributing food to those in need. In addition to this, Ampol Singapore ran a live auction at its 10th Anniversary Gala Dinner with all proceeds being paid to the Children's Wishing Well. A total of SG$20,000 was raised, which will go towards supporting the educational and daily needs of children that are part of the program.

Additional community engagement activities undertaken by our Ampol Singapore employees included 10 employees volunteering at the Willing Hearts soup kitchen, which prepares and distributes approximately 11,000 meals daily to low-income households. The Ampol Singapore team also organised a charity bake sale for Breast Cancer Awareness Week, with every donation dollar-matched by the AIC Committee.

Z Energy

In January, Z Energy provided NZ$50,000 in donations to assist three local charities in their support of those impacted by flooding in Auckland and surrounding areas. In February 2023, many communities across the east coast of New Zealand's North Island were impacted by Cyclone Gabrielle. The Group provided NZ$109,000 in donations to assist a local trust as well as impacted Marae, facilities that have a distinctive sacred and communal role in Māori communities throughout Aotearoa New Zealand, and via Z retailers to five local charities. This amount included NZ$20,000 in donations from Z Energy and Flick employees.

Our approach to modern slavery at Ampol

In July, we released our second Ampol Modern Slavery Statement for the reporting period 1 January 2022 to 31 December 2022.

Our 2022 Modern Slavery Statement reported that we exceeded our target of conducting workplace audits in Australia to ensure our Ampol-branded sites comply with workplace law and minimum entitlements under awards and other conditions. In addition to this, in 2023 we commenced the development of targeted information sessions for our Australian branded partners to educate them on labour-related obligations such as the engagement of juniors, hours of work and minimum terms and conditions.

We continued to focus on due diligence and achieved our 2022 goal of over 80% of our supplier base (when measured by spend) completing our Supplier Code of Conduct questionnaire, as well as our performing verification audits of 110 suppliers. Our questionnaire sits parallel to the Ampol Supplier Code of Conduct, which outlines our expectations around labour and human rights, that applies to all third-party suppliers, contractors, trading and business partners, service providers and their employees who transact with or provide any goods or services to Ampol.

Our approach to modern slavery is based on the United Nations Guiding Principles on Business and Human Rights and intends to identify, mitigate, or avoid the risk of modern slavery across our supply chains.

To access our 2022 Ampol Modern Statement, Human Rights Policy and Ampol Supplier Code of Conduct, visit the Ampol website.

Z Energy's approach to modern slavery

Z Energy's approach to modern slavery is aligned to their three values of *Tū kaha | Stand out, Tū māia | Speak up* and *Tū kotahi | Side by side*. Having previously published two Modern Slavery Statements in 2020 and 2021 as an ASX-listed company, since the acquisition of Z Energy in 2022 by Ampol, Z no longer has a legislative requirement to report on modern slavery. However, Z Energy continues to remain committed to taking action and released a Modern Slavery Statement for the reporting period between 1 April 2021 to 31 December 2022.

In 2022, Z Energy rolled out a tailored version of a modern slavery awareness training module across New Zealand for contract managers and supplier managers to help them align with Ampol's commitments on human rights. Z Energy also adopted and implemented Ampol's Supplier Code of Conduct questionnaire as part of their supplier due diligence process, to better align with Ampol's policies and procedures across all areas in which we operate.

People

2023 Priorities and performance[1]

Wellbeing and inclusive workplaces	Broaden our approach and develop an enterprise-wide Diversity and Inclusion Strategy, encompassing all areas of our business	**Delivered**	●
	Deliver mental health first aid training for the Ampol Leadership Team	**Delivered**	●
	Develop and implement gender representation targets by business and job family	**Delivered**	●
	Implement an employee listening tool to improve engagement with our people	**Delivered**	●
	Develop a leadership capability framework supported by the implementation of prioritised capability development	**Delivered**	●
Indigenous partnerships	Continue delivery of our Innovate Reconciliation Action Plan including delivery of cultural awareness training for the Ampol Leadership Team	**Delivered**	●
	Deliver Te Tiriti and Te Ao Māori training across Z Energy	**Delivered**	●
	Increased partnership with TupuToa for Māori and Pasifika internships	**Delivered**	●
	Develop our commitment to Te Tiriti/Te Ao Māori	**Delivered**	●

2024 Priorities

Wellbeing and inclusive workplaces	Implement Representation, Equity and Inclusion Strategy
	Maintain Group 40/40/20 gender representation and strengthen consistency in gender representation across key segments of the business, including by seniority and business unit
	Reduce the group average gender-based pay differential
	Continue to strengthen inclusive work practices (e.g., improving AWEI status)
Indigenous partnerships	Continue our commitment to Reconciliation in Australia through finalising the delivery of the 2022–24 Reconciliation Action Plan and design and launch our next Innovate-level Reconciliation Action Plan
	Embed our Indigenous Procurement Strategy by increasing and sustaining our annual procurement spend with Aboriginal and Torres Strait Islander businesses for each year of our RAP

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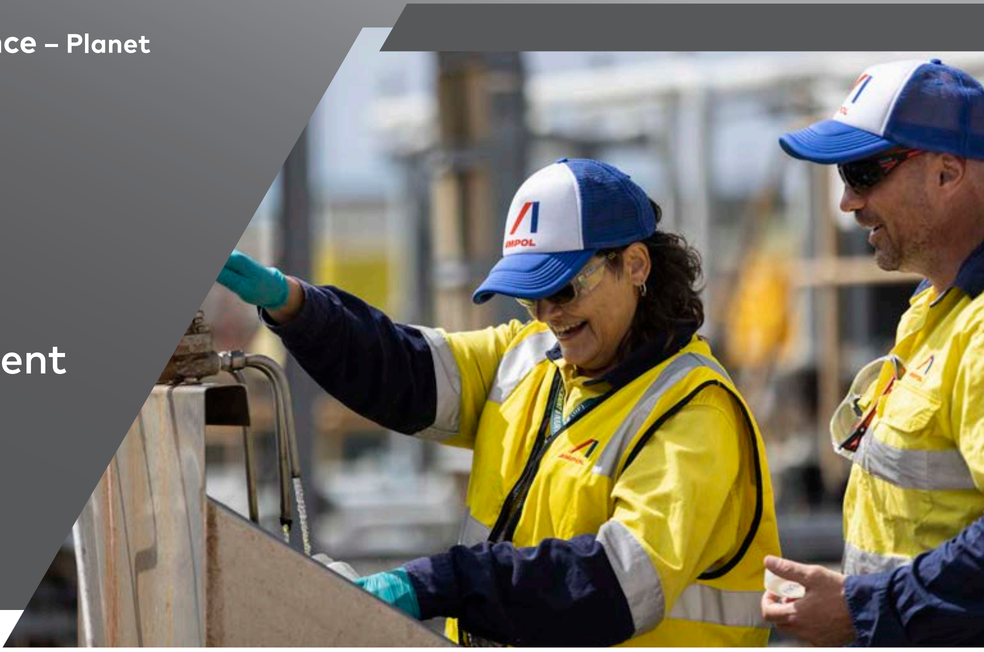
1. 2023 priorities are enterprise-wide and incorporate Australian, New Zealand (Z Energy) and Singapore operations.

Planet

Drive positive environment improvements



2023 Environmental performance

Fuels and Infrastructure

Protecting the environment is central to our social licence to operate. Our objective has aways been to align our business operations with the principles set out in the ISO14001:2015 Environment Management Systems (EMS) standard and to improve our performance over time. The Lytton refinery, our lubricants facility and our Kurnell Terminal are all ISO9001 and ISO14001 certified. In addition, five of our other terminal facilities across NSW, Queensland and WA are also ISO14001 certified. The EMS for all other remaining terminals across Australia are based on the guidelines of ISO14001.

Pleasingly in 2023 our Fuels and Infrastructure businesses had no Category 2 or 3 environmental incidents. Following on from the NSW Environmental Protection Agency (EPA) declaration in November 2022 of our Newcastle Terminal recognising significantly contaminated land due to historical spills, we have developed and had approved a voluntary management plan to remediate the contaminated site. We are currently progressing to schedule on implementing this plan, which includes undertaking a remediation trial. Data from the trial will help inform the full-scale remediation works that will be required and will commence in 2024. We will continue engaging with local communities to ensure positive outcomes are achieved for all.

Transition of per- and poly-fluorinated alkyl substances (PFAS) firefighting foams to environmentally non-persistent alternatives continues to be an ongoing action for us. We are on track to meet our aim to be fully transitioned in Queensland by the end of 2024, and we have so far successfully transitioned nearly 149,000 litres of stock. We are now focused on transitioning our assets in NSW, Victoria and Tasmania. Given the nature of our facilities, it is essential we maintain firefighting capability to safely contain a fire and we have tested new PFAS-free foams extensively to ensure this is possible.

Kurnell update

Following on from the Category 3 severity environmental incident that occurred at Kurnell Terminal in April 2022, which resulted from a 1-in-100-year rain event, we have continued to work closely with the Kurnell community to build back trust and drive positive outcomes throughout 2023.

In September, we also entered into an enforceable undertaking agreement with the NSW Environmental Protection Authority (EPA). Further details of the incident and undertaking can be found in the Directors' Report forming part of this Annual Report.

Following on from this event, we have also assessed 12 of our other Terminal locations to look at preparedness in the event of another severe rain event occuring. At the end of 2023, we identified no additional risks related to storms and extreme rainfall in these assessments. We will continue to implement ongoing reviews to ensure we are adequately prepared to prevent an incident like this happening again.

Welcoming improved fuel quality standards

In December 2023, we welcomed the Federal Government's announcement on improved fuel quality and noxious emissions standards that will see Australians benefit from cleaner, more efficient cars on Australian roads.

Effective from December 2025, the Government will reduce the amount of aromatic hydrocarbons in Research Octane Number (RON) '95 petrol, which will also align with the previously announced reduction in sulfur limits for all petrol sold in Australia. This was announced in tandem with the requirement that all new cars sold in Australia from December 2025 will need to comply with Euro 6d noxious emissions standards. Together, these updates will provide Australia with best-practice fuel and noxious emissions standards, helping to protect Australians from harmful exhaust pollutants that can cause multiple health issues.

Convenience Retail

Convenience Retail has continued to deliver its Underground Petroleum Storage System (UPSS) Risk Reduction Program, taking further steps to proactively manage risk. In 2023, UPSS risk reduction works were undertaken at 17 sites, which included the replacement of all underground storage tanks and piping or lining of the underground tanks and replacement of underground piping.

Our UPSS Risk Model was enhanced through an upgrade to the Microsoft Power BI digital platform, which has improved our data quality, integrity and security. We installed Automatic Tank Gauges (ATGs) across all sites, as well as enabling tank levels and fuel system alarms to be remotely monitored. These changes provide a consistent, best practice wet stock management system that leverages existing, and expands upon, Ampol assets in order to manage the environmental risk associated with a loss of containment from underground fuel systems.

Several environmental standards and guidelines were also developed to formally document the existing processes in managing environmental risks associated with contaminated land. The environmental data management initiative has led to improved governance reporting and increased visibility of overall environmental performance to management.

In 2023, we had no environmental incidents that have resulted in environmental harm or regulator penalties.

Z Energy

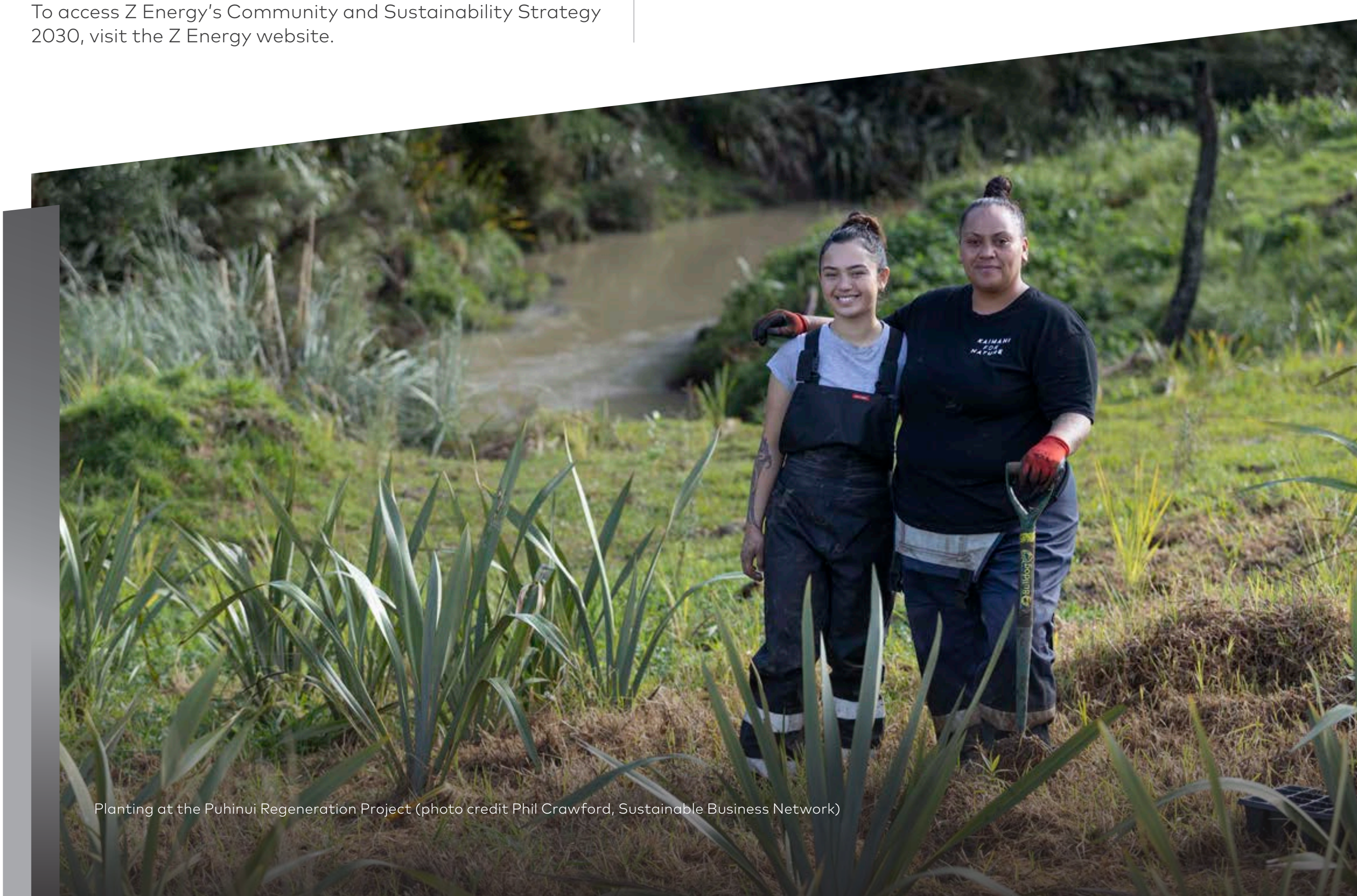
Z Energy has made progress against a number of the strategic goals and outcomes targeted in their Community and Environmental Sustainability Strategy 2030 and the action focus areas that have been defined out to 2025. Z Energy continues its support as an active member of the Sustainable Business Council (SBC), Sustainable Business Network (SBN) and the New Zealand Climate Leaders Coalition.

To access Z Energy's Community and Sustainability Strategy 2030, visit the Z Energy website.

Z Energy's Biodiversity Fund

Across 2023, Z Energy's biodiversity fund continued to support the health and regeneration of indigenous biodiversity in Aotearoa New Zealand through its three foundation partnerships:

- Trees That Count seed island partnership with Tane's Tree Trust to trial and demonstrate the use of 'seed islands' to assist the natural regeneration of native forests at scale.
- The Nature Conservancy's Blue Carbon initiative to help finance coastal restoration, enhance biodiversity, and increase coastal resilience to sea-level rise.
- The Sustainable Business Network's regeneration partnership on native biodiversity regeneration initiatives, including funding for the Puhinui Regeneration Project, which is a native biodiversity restoration initiative seeking to create 100 new employment opportunities for local people.



Planting at the Puhinui Regeneration Project (photo credit Phil Crawford, Sustainable Business Network)

2023 Sustainability Performance – **Planet** continued

Water management

Lytton refinery continues to be the biggest user of water within Ampol, using approximately 2.868 megalitres in 2023. Although Lytton refinery is not located in a water stressed area, in efforts to help us effectively manage our water usage and minimise our draw on potable water, we continue to purchase recycled water from an external wastewater treatment plant located close by, contributing 45% of our usage as well as utilising condensate to generate steam during the refining process to provide a further 25% of the water used.

Embedding sustainability metrics into our investment decision-making process

In 2023, we began the work to look at embedding sustainability metrics associated with our sustainability strategy into our capital planning and capital allocation decision-making process. By doing this, we can consider the risks and opportunities as well as measure the impacts of any outcomes identified that align to our five focus areas of:

- wellbeing and inclusive workplaces;
- Indigenous partnerships;
- supporting communities and nature;
- circular economy; and
- decarbonisation.

Moving into 2024, we will investigate the development of a database to help capture these sustainability impacts.

Ampol Sustainability Ambassadors volunteering

Last year, to help us power change for the better, our Australian employees created an Ampol Sustainability Ambassadors employee-led network program. The purpose of this network group is to bring together like-minded people across the business to advocate and help guide the conversation on environmental sustainability throughout our workplaces.

In 2023, several of our sustainability ambassadors chose to register either their teams or as individuals for volunteering days with an Australian community partnership that focuses on regenerative and biodiversity conservation. Several of these events and days were held throughout the year, adding considerably to our Ampol total volunteering hours of over 1,032 in 2023, an increase of 14% from 2022.

Circular economy

Fuels and Infrastructure

Due to the hazardous materials used in our Fuels and Infrastructure businesses in Australia, the waste associated with these facilities is also hazardous and has limited options to be recycled or repurposed. Kurnell Terminal has continued to undergo remediation works in 2023, and as a result, over 13,000 tonnes of hazardous waste was treated where required and sent to landfill. As hazardous waste has the potential to harm the environment either now or in the future, we will continue to comply with state and federal regulations to ensure safe disposal of any such materials arising from remediation activities.

Convenience Retail

We are always looking for ways to continually evolve and adopt a circular economy approach across our Convenience Retail business to reduce resource use and waste ending up in landfill. In 2023, we finalised a short trial with WIRES to collect used fresh food produce for sick, injured and orphaned animals in care. From this initiative, 2,343 kilograms of fresh produce were donated to WIRES; the equivalent of almost 5,000 human meals that would have otherwise been sent to landfill. In 2023, we also continued our partnerships with Containers for Change (at select Perth sites) and E-Thread (at select Sydney sites).

Z Energy

Reducing waste across Z Energy's operations is a key action focus area within their Community and Environmental Sustainability Strategy 2030. In 2023, total waste sent to landfill was 1,062 tonnes, with a 47% diversion from landfill rate through off-site recycling and composting. The largest volume of waste comes from Z retail operations in New Zealand, including waste disposed of by customers at their service stations.

Lubricants launches a steel drum collection program in collaboration with Pact Group's 'We Make It. We Take It'

At the start of 2023, our lubricants business launched a steel drum collection service in partnership with Pact Group, specifically for our oil, solvent and fuel drum customers. The program forms part of Pact's Reuse 'We Make it. We Take It' national collection service and involves the collection or returning of used steel drums in metropolitan and regional areas throughout Australia. Provided they meet Pact's Reuse Drum Acceptance criteria, they will recondition the drums and ensure they are disposed of in compliance with all applicable environmental, dangerous goods and occupational health and safety legislation.

The launching of this program forms part of our lubricants' commitments to the Australian Packaging Covenant (APCO) 2025 targets.

Initiatives to improve recycling at our head office

To assist us with helping to develop awareness on circular economy principles for our employees, towards the end of 2023 we implemented and placed new signage on all the bins located in the kitchens at our head office in Sydney. The signs are used to help educate our employees on what can and can't go in each bin and assist to divert unnecessary waste from ending up in landfill. Moving into 2024, we will look to expand this program across our other office locations, as well as look to work with our Ampol Sustainability Ambassadors to deliver a Group education program on circular economy.

Z Energy expands Anchor Dairy and Will&Able closed-loop recycling trial

After a successful pilot in 2022, in 2023 Z Energy expanded their closed-loop recycling partnership with Anchor Dairy and Will&Able; a social enterprise dedicated to helping employ Kiwis with disabilities to make Environmental Choice New Zealand (ECNZ) certified cleaning products.

Beginning with nine retail locations in 2022, in 2023 the partnership expanded to include a total of 39 retail locations in Auckland, New Zealand. The partnership between these three companies involves the installation of specially designed recycling units on Z forecourts, whereby empty Will&Able cleaning products as well as empty Anchor Dairy milk bottles can be returned for recycling to avoid being disposed of in landfill. The empty Will&Able cleaning product bottles are then returned to their facilities, where they are washed and refilled by staff to be resold. The empty Anchor Dairy milk bottles are sent to recycling centres to be repurposed into products such as plastic plumbing pipes, building paper and rubbish bags.

In addition to this, all the empty Anchor Dairy milk bottles used at Z cafes in the participating locations are also collected as part of this program.

Planet

2023 Priorities and performance[1]

Supporting communities and nature	Explore B2B partnership opportunities that deliver environment and social value	**Delivered**	●
	Explore an Australian community partnership to deliver conservation, biodiversity and nature positive outcomes	**Delivered**	●
	Establish environment and social return on investment metrics to help decision-making	**Delivered**	●
Circular economy	Develop and factor circular economy principles into procurement and contractual processes	**Delivered**	●
	Supply chain engagement on circular economy	Pivoted *decision to reprioritise to continually improve emissions reporting under decarbonisation due to changing legislation*	△
	Develop and deliver circular economy employee awareness and education program	Pivoted *to Sustainability Ambassador program in 2024*	△
	Establish circular economy data management system	Pivoted *decision to reprioritise to continually improve emissions reporting under decarbonisation due to changing legislation*	△

2024 Priorities

Supporting communities and nature	Continue to progress Z Energy's Biodiversity Fund
	Investigate the development of a database to capture the sustainability impacts in our investment decision-making process
Circular economy	Ampol Sustainability Ambassadors to host employee circular economy education program

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1. 2023 priorities are enterprise-wide and incorporate Australian, New Zealand (Z Energy) and Singapore operations.

Net Zero

Support acceleration towards net zero

Decarbonising our emissions across our operations

Our Decarbonisation Strategy was developed in May 2021 to address the emissions associated with our operations (Scope 1 & 2)[1], with an ambition[2] to reach net zero operational emissions across our Australian operations by 2040[3]. We set short-term (2025) and medium-term (2030) Scope 1 and 2 operational emissions reduction targets for our Convenience Retail[4] and Fuels and Infrastructure[5] business units in Australia to support our ambition.

Fuels and Infrastructure

Our decarbonisation approach towards our operational emissions at Lytton refinery involves prioritising abatement opportunities using a cost-benefit approach, while also supporting Australia's fuel security needs. This includes maintaining domestic refining operations until at least mid-2027 with the option to extend in alignment to the Federal Government's *Fuel Security Act 2021* (Cth).

Towards the end of 2022 we installed a modelling software tool that enabled us to better monitor and identify when maintenance and cleaning of the crude unit pre-heat exchanger was needed. Between March and July 2023, we were able to see an improvement in efficiency, and the data gathered shows we will see a subsequent reduction of approximately 2,300 tCO_2e per year associated with the improved practice, without seeing an increase in the number of pre-heat exchanger cleans throughout the year.

In November 2023, we successfully completed the replacement of economisers on two of the refinery's boilers. We will be able to see the impact of this energy efficiency improvement project in 2024.

Throughout 2024 we plan to continue to build capability by engaging two additional resources to assist with the project management of our decarbonisation initiatives at the refinery. Lytton refinery accounts for 98.5% of our Scope 1 emissions in Australia.

In our Distribution network, we undertook two lighting optimisation projects at our Banksmeadow NSW Terminal and Newport VIC Terminal facilities. These two projects involved LED light replacement in both operational and office spaces. Throughout 2023, we also continued replacing our Depot operational fleet with more modern, diesel engine technology and truck configurations optimised to deliver an emissions reduction benefit. Moving into 2024, we will expand this program to our Aviation facility fleet vehicles.

Safeguard Mechanism Reforms

In 2023, the Federal Government introduced reforms to the *National Greenhouse and Energy Reporting (Safeguard Mechanism) Rule 2015* (Cth) (Safeguard Mechanism). This was done to help establish a national framework for Australia's highest emitting industrial facilities to reduce their emissions and help to achieve Australia's Nationally Determined Contribution (NDC) emissions reduction goals of 43% by 2030, gradually, and predictably.

We are supportive of the Government's changes to the Safeguard Mechanism and understand the complexities of balancing the dual objectives of supporting a reliable and secure domestic fuel supply chain, while also delivering on Australia's international emission reduction commitments and supporting broader energy transition goals. We will continue to work with the Government as the reforms progress, recognising the impacts to Lytton refinery of manufacturing to the new fuel standards (from December 2025), as well as understanding how the use of renewable fuels may support other facilities covered under the Safeguard Mechanism to meet their own emissions reduction objectives.

1. Ampol's definition of operational emissions is in accordance with the National Greenhouse and Reporting (NGER) definition and refers to all Scope 1 and Scope 2 emissions within Ampol's operational control in Australia.
2. Ambition refers to seeking a certain outcome for which the pathway to achieving this is uncertain. Efforts will be pursued towards addressing the ambition subject to certain assumptions and conditions.
3. In order to achieve net zero operational emissions by 2040, we have assumed that Lytton will no longer be operating as a refinery that manufacturers hydrocarbon products by that time. More information can be found in our 2023 Climate Report available on the Ampol website.
4. Reduce operational emissions on an absolute basis by 25% by 2025 and 50% by 2030 from 2021 levels for all retail locations owned and operated by Ampol in Australia.
5. Reduce operational emissions intensity by 5% by 2025 and 10% by 2030 from 2021 levels. With emissions intensity being the total emissions (Scope 1 and 2) per kL of Total High Value Product (HVP) for Lytton refinery and total emissions (Scope 1 and 2) per kL of Total Fuel Throughput for our three largest Terminal facilities: Kurnell NSW, Banksmeadow NSW and Newport VIC.

Convenience Retail

Approximately 38% of our location-based Scope 2 operational emissions are attributed to our company owned retail operations in Australia in 2023. Following on from the energy audits we conducted in 2022, as well as the piloted LED lighting upgrades we conducted in 17 of our company owned and operated locations around Australia, we found our most tangible area of opportunity to help reduce Scope 2 emissions was by rolling out LED lighting retrofits across our network.

This year we undertook LED lighting upgrades in both our retail canopies and forecourts in 41 of our company owned and operated locations in Victoria as well as 95 of our company owned and operated retail locations in New South Wales (NSW). This involved the canopies only in Victoria, and both canopies and forecourts in NSW. Moving into 2024, we plan to continue the rollout of this project at retail locations in Queensland that have been strategically identified for upgrades.

This year we began the program to install ~50kW capacity per site of solar panels at over 90 of our company owned and operated retail locations that align with our AmpCharge EV fast-charging infrastructure rollout. As at 31 December 2023, 25 locations have had solar panels installed under this program, located in NSW, Victoria and Queensland.

Z Energy

In New Zealand, our ambition is to achieve a 42% reduction in operational emissions by 2029 from a 2019 baseline. We continue to deliver against this target through emissions reduction initiatives that include increasing the proportion of hybrid and EVs within Z Energy's corporate fleet. Emissions associated with distribution of fuel through the use of heavy vehicles is one of the hardest areas to abate within our operational emissions target in New Zealand. Z Energy is continuing to work in collaboration with MOVe, its domestic fuel haulier, on their shared commitment to sustainability and emissions reductions.

To access Z Energy's Community and Sustainability Strategy 2030, visit the Z Energy website.

Delivery of Ampol's 2023 Climate Report aligned to Task Force on Climate-Related Financial Disclosures

In July 2023 we released our 2023 Climate Report, which provided an overview of how we are progressing on the delivery of both our Future Energy and Decarbonisation strategies between the period May 2021 to the end of May 2023.

Our Decarbonisation Strategy outlined our commitment and pathway to reducing our operational emissions (Scope 1 and 2), with an ambition for our operational emissions to be net zero in Australia by 2040. In order to meet our ambition, we also set interim targets which include short-term (2025) and medium-term (2030) Scope 1 and 2 targets, and our 2023 Climate Report provided information that we are on track to meet our 2025 targets.

Our Future Energy Strategy outlined our ambition to commercially participate in helping our customers embark on the energy transition in Australia. This reflects our strategic intentions to introduce low carbon energy solutions for our customers, as well as outline our intentions with regards to Scope 3 emissions, and how we can influence the reduction of these emissions as commercially viable solutions become available. For more information on how we are delivering on these strategic intentions, please refer to the Future Energy section of the Operations Report in our Annual Report.

The report was prepared in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework and can be found online on the Ampol website.

Updating our Ampol Supplier Code of Conduct and questionnaire

In 2023, we looked to factor in decarbonisation principles and supply chain engagement into procurement and contractual processes at Ampol. As part of this process, in Q4 we updated our Ampol Supplier Code of Conduct as well as our supplier questionnaire to help us better assess and engage with suppliers who have decarbonisation and circular economy opportunities that look to measure, identify, monitor and minimise emissions and energy consumptions from their own operations.

2023 Sustainability Performance – Net Zero continued

Supporting our customers and positioning for the energy transition

Since the release of our Future Energy Strategy in May 2021, we have developed in-house modelling capabilities to estimate the impact of various climate change scenarios on the transport sector. By 31 December 2023 we have invested over AU$65 million in capital expenditure as part of our 2025 AU$100 million target in the development of low carbon transport solutions.

Our Future Energy Strategy can be found on the Ampol website.

In 2022, Z Energy released a Community and Sustainability Strategy 2030, with one of the goals to lead transition *Arahi Whanaketanga*. By working with customers, suppliers, and partners to provide solutions, this goal will enable New Zealanders to join Z Energy on the path to a low carbon future.

By 31 December 2023, Z Energy has continued to utilise its NZ$50 million capital spend in New Zealand to support future energy initiatives by 2029.

To access Z Energy's Greenhouse Gas Inventory including all Scope 1, 2 and 3 emissions, visit the Z Energy website.

Accelerating our AmpCharge rollout across Australia

As our customers' needs expand, we believe battery electric vehicles (BEV) will be the likely decarbonisation solution for our passenger and light commercial vehicles customers. Therefore, we have a key role to play in supporting the uptake of EVs in Australia.

Since launching our AmpCharge EV charging brand in May 2022, in addition to our own capital investment, we have also entered into co-funding agreements with Australian Renewable Energy Agency (ARENA) and the NSW Government to roll out 300 EV charging bays to over 100 EV charging sites by the end of 2024. In 2023, we successfully partnered with Europcar as a Future Energy Initiative delivered, and as of 31 December 2023 we have successfully delivered 82 AmpCharge charging bays in Australia to 36 sites of the minimum 180 EV charge bays targeted for delivery in Australia in 2023. Despite our best efforts the pace of the rollout was impacted by the time taken to obtain approval to make the electrical connection across numerous network service providers and other development approvals including working with third party landowners. This meant that only 82 bays were able to go live during 2023 with many more in various stages of completion. We continue to manage the approvals processes as we continue to expand the EV charging network during 2024.

In the period of 1 January and 31 December 2023, we also chose to offset 100% of the electricity consumption for our ARENA and NSW co-funded AmpCharge EV charging bays through the purchasing and surrendering of voluntary large-scale generation certificates (LGCs) to cover the electricity usage at these charging sites.

AmpCharge Mirvac partnership

This year we partnered with Mirvac on an important initiative that will see us install AmpCharge EV charging bays at destinations outside of our service stations. This partnership with Mirvac will involve installing AmpCharge chargers throughout Mirvac's retail portfolio, with the first installation to take place in early 2024.

Mirvac first rolled out EV charging services for customers six years ago and this partnership with Ampol will more than double the number of charging bays across the property group's retail destinations, including Broadway Sydney, South Eveleigh and Orion Springfield Central, offering a range of customer charging options.

Mirvac Retail General Manager Kelly Miller said: "Mirvac's partnership with Ampol represents a significant milestone in electrification with two major Australian companies coming together to drive the use of more sustainable vehicles. We recognise it is our responsibility to provide our customers with more sustainable solutions."

Z Energy's EV charging rollout

Z Energy's approach to installing EV charging bays across New Zealand focuses primarily on areas with the highest density of customers using EVs. As Z Energy continues to expand its on-the-go EV charging network, as of 31 December, they have installed 104 charging bays across 37 retail sites. Z Energy has the ambition to be one of the leading EV charging providers in New Zealand, with a network of fast and ultra-fast charging infrastructure across the country.

Z Energy's Red Phase partnership

In September 2023, Z Energy commenced an ultra-high speed EV charging infrastructure trial at the Z Waiouru retail site in partnership with local EV charger manufacturer Red Phase and supported by lines company Powerco and the Energy Efficiency and Conservation Authority (EECA).

Red Phase uses an innovative technology that helps the EV charging infrastructure use power more efficiently and reduces pressure on the local electricity network. This technology should enable EV charging infrastructure to be rolled out more efficiently, avoiding costly and time-consuming network upgrades.

Next generation fuels for our customers, focusing on renewable diesel and hydrogen

In 2023, we continued to build momentum and evolve our strategy towards becoming a leader in next generation fuels for our customers in Australia and New Zealand. Our research has shown that renewable fuels i.e. liquid hydrocarbons made from biomass material that can be blended into different traditional fuel grades, has the potential to be one of the most cost-effective and easily deployable decarbonisation solutions available.

We are currently exploring the feasibility of delivering a renewable fuels manufacturing facility at our Lytton refinery. In New Zealand, Z Energy are partnering with LanzaTech and LanzaJet to conduct a feasibility study to test the viability of establishing and operating a domestic Sustainable Aviation Fuel (SAF) facility in New Zealand.

In addition to renewable fuels, we continue to believe that hydrogen will also play an important role in the decarbonisation of Australia's transport sector. Our modelling suggests that heavy transport and shipping will have the greatest use for hydrogen and its derivatives in Australia. We continued to build out our hydrogen strategy in 2023, and worked closely with State, Territory and Federal Governments acting as an industry expert to help facilitate the establishment of a hydrogen transport industry in Australia.

Z Energy Sustainable Aviation Fuel partnership

In June 2023, New Zealand's then Minister for Tourism announced that the Government, in conjunction with Air New Zealand, was co-funding two feasibility studies to test the viability of establishing and operating a domestic Sustainable Aviation Fuel (SAF) production facility in New Zealand. Under one of these feasibility studies, Z Energy is partnering directly with LanzaTech and LanzaJet, focusing on the potential to use forestry residue as a feedstock in the production of SAF.

Hanson renewable diesel partnership

In September, we announced a new and exciting partnership with Hanson, who became our first renewable diesel imported product trial customer. Renewable diesel is comprised of liquid hydrocarbons made from biomass material that can be blended into different traditional fuel grades. As part of this trial partnership, we will be supplying Hanson with a blend of fuel products consisting of 20% renewable diesel and 80% ultra-low sulfur diesel. By doing this, it will allow us to get a more practical understanding of the customer demand and market feasibility of renewable diesel in Australia.

2023 Sustainability Performance – Net Zero continued

Net Zero

2023 Priorities and performance[1]

Decarbonisation	Factor decarbonisation principles into procurement and contractual processes	**Delivered**	●
	Supply chain engagement on decarbonisation	Pivoted ***decision to reprioritise to continually improve emissions reporting due to changing legislation***	△
	Deliver a material uplift to a minimum 180 EV charge bays	**In progress**	◐
	Release Climate Report aligned with TCFD	**Delivered**	●

2024 Priorities

Decarbonisation	Deliver a network of 300 EV charge bays in Australia by the end of 2024
	Deliver a network of 150 EV charge bays in New Zealand by the end of 2024
	Enhance carbon data management systems extending to Scope 3 emissions

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[1] 2023 priorities are enterprise-wide and incorporate Australian, New Zealand (Z Energy) and Singapore operations.

Sustainability Data

Ampol's(1) sustainability performance data covers the reporting period 1 January to 31 December, with the exceptions of energy (GJ), emissions data (Scope 1, 2 and 3) and emissions performance, all of which cover the reporting period 1 July to 30 June. Unless otherwise specified, Ampol's performance data is focused on our operations in Australia, Singapore, Houston (USA) and New Zealand (including Z Energy and Trading and Shipping supply to New Zealand). 'Fuels and Infrastructure' includes Lytton refinery, Trading and Shipping, Distribution, Infrastructure and Future Energy. 'Convenience Retail' includes all retail locations owned and operated by Ampol in Australia. More information on Ampol's sustainability performance metrics, including additional data that is not included in this Annual Report, can be found in the 2023 Sustainability Datasheet and Appendix available on the Ampol website.

Additional Z Energy sustainability performance data can be found on the Z Energy website.

	2019	2020	2021	2022	2023
People					
Group employee information(2)					
Employee headcount	7,644	8,127	8,381	8,790	9,115
Permanent full-time	2,491	2,350	2,417	2,549	3,152
Permanent part-time	3,183	2,128	1,505	1,076	1,004
Fixed-term contract full-time employees	51	52	51	61	123
Fixed-term contract part-time employees	5	4	20	17	5
Casual employees	1,914	3,593	4,388	5,087	4,831
Female representation					
Female representation at senior leadership level (%)	37.4	37.7	37.9	37.0	40.0
Overall female representation (%)	42.6	42.8	41.9	42.3	42.4
Group gender-pay differences					
Gender-based pay differences (like-for-like roles) (%)	0.4	1.8	1.4	1.3	1.3
Gender-based pay differences overall	n/a	n/a	n/a	n/a	13.7
Employee engagement and Employee Net Promoter Score (eNPS) scores(3)					
Employee engagement (%)	n/a	63	71	70	79
Employee net promotor score	n/a	n/a	n/a	n/a	40
Employee turnover					
Group voluntary turnover (%)(4)	27	17	20	21	15
Community investment					
Total Australian community investment (AUDm)(5)	2.48	2.47	3.17	4.10	4.63
Total New Zealand community investment (NZDm)	n/a	n/a	n/a	n/a	2.77
Ampol community complaints	**62**	**34**	**27**	**90(6)**	**30**
Total Group Recordable Injuries	**135**	**83**	**41**	**42**	**53**
Fuels and Infrastructure (Australia only)	42	17	7	15	10
Convenience Retail	93	66	34	27	28
Z Energy	n/a	n/a	n/a	n/a	14
Total Group Category 2 Severity Injuries	**1**	**1**	**1**	**1**	**2**
Fuels and Infrastructure (Australia only)	1	0	1	1	0
Convenience Retail	0	1	0	0	0
Z Energy	n/a	n/a	n/a	n/a	2
Total Group Recordable Injury Frequency Rate(7)	**11.5**	**7.4**	**3.4**	**3.6**	**3.2**
Fuels and Infrastructure (Australia only)	10.7	4.6	1.9	4.2	2.2
Convenience Retail	14.0	10.1	4.6	3.5	3.8
Z Energy	n/a	n/a	n/a	n/a	3.8
Total Group Days Away from Work Injury Frequency Rate(8)	**5.7**	**3.1**	**1.8**	**1.5**	**1.6**
Fuels and Infrastructure (Australia only)	3.8	1.1	0.8	1.1	0.9
Convenience Retail	7.8	4.8	2.4	1.8	1.6
Z Energy	n/a	n/a	n/a	n/a	2.4
Total Group Fatalities	**0**	**0**	**0**	**0**	**0**
Group Process Safety(9)					
Tier 1 safety event	0	0	0	0	0
Tier 2 safety event	2	1	3	1	3

(1) Ampol means Ampol Limited and its controlled entities, and their interests in associates and jointly controlled entities, unless otherwise stated or otherwise clear from the context in which the term is used.
(2) Group employee information figures from 2023 includes Ampol Australia, Singapore, Houston USA (where applicable) and Z Energy in New Zealand. In the years prior to this, these figures only include Ampol Australia, Singapore and Houston USA (where applicable) due to the acquisition of Z Energy in May 2022.
(3) In 2023, Ampol adopted Peakon as an employee listening tool to align to Z Energy's and adopt a Group view. In previous years Ampol utilised Ernst & Young Culture Fitness Diagnostic tool.
(4) Group voluntary (%) employee turnover includes Z Energy from 1 January 2023 to 31 December 2023.
(5) Ampol's total community investment includes cash donations, funds raised from customers in our retail network, in-kind support (including provision of fuel products), employee contributions, volunteering hours and management fees.
(6) Increase in Australia community complaints is in relation to the April 2022 Kurnell incident with 51 recorded in April and May.
(7) Total number of occupational injuries per one million hours worked. Occupational injuries include an injury requiring days away from work, restrictions in the work performed or medical treatment.
(8) Total days away from work injury frequency rate is calculated as the total number of days away from work injuries per one million hours worked. A day away from work injury is where the agreed capacity of the worker, supported by a physician where available, is unfit to work for any full calendar day after the date of injury.
(9) A process safety incident is an unplanned or uncontrolled loss of primary containment or any material including non-toxic and non-flammable materials from a process or an undesired event or condition. Process safety events are classified as Tier 1 of greatest consequence or Tier 2 of lesser consequence.

Sustainability Data continued

	2019	2020	2021	2022	2023
Planet					
Total energy consumed in Australia (GJ)(10)	234,439,503	192,039,943	180,890,934	244,007,682	242,302,738
Lytton refinery (excluding lubricants)	231,137,212	189,411,300	178,025,514(11)	241,683,136	239,862,674
Terminals, lubricants and other	2,963,596	2,231,713	2,398,319	1,866,362	1,979,060
Convenience Retail	338,695	396,930	467,101	458,184	461,004
Energy Intensity Index(12) – Lytton refinery	102.4	101.4	95.9	99.9	100.8
Spills(13)					
Major spills (Vol (l) >=8,000L)	0	0	0	1	0
Minor spills (160 < Vol (l) <8,000L)	5	4	8	9	11
Marine spills (any quantity)	2	0	1	2	0
Environmental incidents					
Category 2 severity environmental incident(14)	n/a	0	1	0	0
Category 3 severity environmental incident(15)	n/a	1	0	1	0
Water use					
Potable water use – in Australia excluding Lytton refinery (kL)(16)	484,226	534,049	460,551	550,468	553,629
Potable water use – Lytton refinery only (kL)	680,172	612,933	733,580	1,080,392(17)	837,509
Recycled water (purchased) + reused (refinery condensate) – Lytton refinery only (kL)	1,925,239	1,342,376	2,081,600	2,135,403	2,030,868
Group waste volumes					
Fuels and Infrastructure					
Recycled or reused hazardous waste – liquids (kL)	3,695	3,002	3,096	4,248	1,396
Landfill hazardous waste – liquids (kL)	4,570	4,567	4,389	4,269	2,399
Recycled or reused hazardous waste – solids (tonnes)	13,564(18)	1,490	0	114	667
Landfill hazardous waste – solids (tonnes)	5,528	2,705	22,023(19)	17,101	14,689
Convenience Retail					
Recycled or reused waste – solids (tonnes)	1,752	1,745	1,727	1,874	3,217
Landfill waste – solids (tonnes)	6,254	5,673	5,227	4,021	8,434
Z Energy					
Recycled or reused waste – solids (tonnes)	n/a	n/a	n/a	n/a	1,442
Landfill waste – solids (tonnes)	n/a	n/a	n/a	n/a	1,602
Total air pollutants – Lytton refinery only (tonnes)(20)					
CO	5,819	3,699	4,004	6,402	3,824
SO_2	5,933	3,650	5,907	5,758	5,053
VOC	1,059	818	905	1,019	934
NOx	888	574	979	980	918
PM	538	369	464	442	508
Net Zero					
Total Group Scope 1 emissions (tCO_2e)	**673,668**	**576,611**	**551,804**	**727,358**	**683,969**
Lytton refinery (excluding Lubricants)(21)	646,846	561,618	539,067	717,291	673,186
Terminals, lubricants, offices and other facilities in Australia(21)	26,822	14,993	12,737	10,067	10,345
Z Energy offices, terminals and retail sites(22)	n/a	n/a	n/a	n/a	438
Total Group Scope 2 emissions (tCO_2e)	**230,539**	**222,097**	**231,720**	**243,247**	**221,430**
Lytton refinery (excluding Lubricants)(23)	117,603	104,591	104,105	126,091	110,916
Terminals, lubricants, offices and other facilities in Australia	37,062	29,582	25,239	25,703	24,688
Convenience Retail – *location-based method*(24)	75,874	87,924	102,376	96,800	83,441
Z Energy offices, terminals and retail sites – *location-based method*(25)	n/a	n/a	n/a	n/a	2,385

(10) Total energy consumed figures in gigajoules (GJ) are calculated between 1 July to 30 June using the National Greenhouse and Energy Reporting (NGER) Measurement Determination factors in relation to a facilities within Ampol's operational control within Australia in relation to the disposal of energy from the operation of the facility, including own-use and losses in extraction, production and transmission.

(11) Reduced energy consumption for Lytton refinery is related to the impacts of COVID-19 on production volumes.

(12) Data is based on Solomon Associates Energy Intensity Index 2010 methodology.

(13) From 2023, Group spills include Z Energy.

(14) Category 2 severity environmental incidents resulting in three months or more remediation effort. Capturing and reporting of environmental incidents commenced in 2020.

(15) Category 3 severity environmental incidents resulting in three months or more remediation effort. Capturing and reporting of environmental incidents commenced in 2020.

(16) Potable water outside of Lytton refinery is an aggregate estimate based off our largest facilities.

(17) 2022 increase in potable water use at Lytton refinery attributed to strong production and occasional operational issues requiring additional water.

(18) 2019 recycled or reused hazardous waste was sent to Victoria which had the potential to be reused.

(19) 21,239 tonnes of hazardous waste was attributed to the remediated soil waste at Kurnell Terminal in NSW. Due to NSW EPA compliance requirements, the hazardous waste could not be recycled or reused, so was subsequently treated and sent to landfill in 2021.

(20) National Polluting Inventory (NPI) annual reporting requirements are for the reporting period between 1 January to 31 December to match environmental licencing requirements for Lytton refinery only. These figures are due to the Department of Climate Change, Energy, the Environment and Water by the 31 March annually.

(21) Total Scope 1 direct greenhouse gas emissions are measured in tonnes of CO_2 equivalent (tCO_2e) and calculated between 1 July to 30 June using the National Greenhouse and Energy Reporting (NGER) Measurement Determination factors and methodology for facilities within Ampol's operational control in Australia.

(22) Total Scope 1 direct greenhouse gas emissions are measured in tonnes of CO_2 equivalent (tCO_2e) and calculated between 1 July and 30 June using the Ministry for the Environment (MfE) emissions factors where available or as provided by other credible government or industry sources and methodology for facilities within Z Energy's operational control in New Zealand.

(23) Total Scope 2 indirect greenhouse gas emissions are measured in tonnes of CO_2 equivalent (tCO_2e) and calculated between 1 July to 30 June using the National Greenhouse and Energy Reporting (NGER) Measurement Determination factors and methodology for facilities within Ampol's operational control in Australia.

(24) Location-based method refers to the use of emission factors annually updated by the National Greenhouse and Energy Reporting (NGER) Measurement Determination for estimating Scope 2 emissions from electricity purchased, acquired or lost from main electricity grid in a State or Territory for Ampol's Convenience Retail facilities within Ampol's operational control in Australia.

(25) Location-based method refers to the use of emission factors updated by the Ministry for the Environment (MfE) for estimating Scope 2 emissions from electricity purchased from the grid for facilities in Z Energy's operational control in New Zealand.

	2019	2020	2021	2022	2023
Net Zero continued					
Total Group Scope 3 emissions (tCO$_2$e)	**n/a**	**n/a**	**n/a**	**n/a**	**56,590,426**
Australia total Scope 3 emissions (tCO$_2$e)(26)	41,116,116(27)	38,234,452(28)	34,946,531(29)	42,699,636(30)	43,837,413(31)
New Zealand total Scope 3 emissions (tCO$_2$e)(32)	n/a	n/a	n/a	n/a	12,753,013
Selected sustainability information					
Total emissions (Scope 1 and 2)(33) per kL of Total High Value Product, Lytton refinery(34) (tCO$_2$e/kL)	0.1366	0.1426	0.1486	0.1428	0.1387
Total emissions (Scope 1 and 2)(33) per Total Fuel Throughput, Terminals(35) (tCO$_2$e/kL)	0.0019	0.0015	0.0025	0.0024	0.0021
Fuels and Infrastructure – SPT1 Result(36) shows a reduction in SPT1(37) of at least 1.5% against the Baseline SPT1(38)	n/a	n/a	n/a	n/a	Yes
Total emissions (Scope 2)(39) Convenience Retail (tCO$_2$e) – *market-based method*(40)	n/a	n/a	n/a	91,453	76,765
Convenience Retail – SPT2 Result(41) shows a reduction in SPT2(42) of at least 5.0% against the Baseline SPT2(43)	n/a	n/a	n/a	n/a	Yes
Future Energy Investment Made (AU$m)(44)	n/a	n/a	≥3	≥15	≥30
Future Energy Initiative Delivered(45) ≥ 1	n/a	n/a	n/a	Yes	Yes
% of energy used for ARENA co-funded EV charging bays offset with renewable energy certificates(46)	n/a	n/a	n/a	100%	100%
% of energy used for NSW co-funded EV charging bays offset with renewable energy certificates(47)	n/a	n/a	n/a	100%	100%
# EV charge bays operated or controlled by Group by 31 December in Australia(48)	n/a	n/a	n/a	12	82
# EV charge bays operated or controlled by Group by 31 December in New Zealand(49)	n/a	n/a	n/a	22	104

(26) Unless otherwise specified, all total Scope 3 emissions (tCO$_2$e) in Australia quantification has been completed in accordance with the *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard* and the Australian Government's *Climate Active Carbon Neutral Standard for Products and Services*.

(27) 2019 Total Scope 3 emissions (tCO$_2$e) is associated with the downstream activity attributed to the combustion of diesel and petrol products sold in Australia and New Zealand for Gull New Zealand only. This figure was also calculated between 1 January 2019 to 31 December 2019 and was selected as it was most representative of a year of regular operations and as a requirement to calculate a baseline for our Climate Active certification carbon neutral product. In our 2020 Sustainability Report we did not specify that it was for 2019.

(28) 2020 Total Scope 3 emissions (tCO$_2$e) is attributed to the downstream activity associated with the combustion of diesel and petrol products sold in Australia and New Zealand for Gull New Zealand over the reporting period from 1 July 2019 to 30 June 2020.

(29) 2021 Total Scope 3 emissions (tCO$_2$e) is attributed to the downstream activity associated with the combustion of diesel and petrol products sold in Australia and New Zealand for Gull New Zealand over the reporting period from 1 July 2020 to 30 June 2021.

(30) 2022 Total Scope 3 emissions (tCO$_2$e) is associated with the upstream and downstream emissions associated with unleaded petrol, diesel and jet fuel products, produced by Ampol Australia's diesel, petrol and jet fuel products value chain and business operations over the reporting period from 1 July 2021 to 30 June 2022. The organisational boundaries were defined as all the entities Ampol has operational control over. The relevant parties under Ampol's operations, includes all units from cradle-to-grave, such as procurement of products, refining of products, distribution to retail sites in Australia and the emissions associated with the use of their products (primarily combustion).
This figure has been updated in the 2023 Annual Report to reflect the figure published in Ampol's 2023 Climate Report for Scope 3 emissions in Australia.

(31) 2023 Total Scope 3 emissions (tCO$_2$e) is associated with the upstream and downstream emissions associated with unleaded petrol, diesel, jet fuel and gasoil products, produced by Ampol Australia's diesel, petrol, jet fuel and gasoil products value chain and business operations over the reporting period from 1 July 2022 to 30 June 2023. The organisational boundaries were defined as all the entities Ampol has operational control over. The relevant parties under Ampol's operations, includes all units from cradle-to-grave, such as procurement of products, refining of products, distribution to retail sites in Australia and the emissions associated with the use of their products (primarily combustion).

(32) Total Scope 3 indirect greenhouse gas emissions are measured in tonnes of CO_2 equivalent (tCO$_2$e) in New Zealand and calculated between 1 July and 30 June. Quantification has been completed in accordance with the *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard* and using the *Ministry for the Environment (MfE) emissions factors* where available or as provided by another credible government or industry source. For further information on Z Energy's Scope 3 emissions reporting, this can be found in their CY23 Greenhouse Gas Inventory Reports available on the Z Energy website.

(33) Total emissions (Scope 1 and Scope 2) are calculated in accordance with the National Greenhouse and Reporting (NGER) definition and refers to all Scope 1 and Scope 2 emissions within Ampol's operational control in Australia.

(34) Total High Value Product is from Lytton refinery and excludes the Lubricants facility.

(35) Total Fuel Throughput is from Ampol's three largest Terminal facilities only: Kurnell NSW, Banksmeadow NSW and Newport VIC.

(36) SPT1 Result for Fuels and Infrastructure is broken down into two parts; SPT1A Result and SPT1B Result. SPT1A Result is equal to the total tCO$_2$e/kL HVP calculated in respect to the noted performance period and showing that the SPT1A Result has met the % of reduction against the Baseline SPT1A. SPT1B Result is equal to the total tCO$_2$e/kL Total Fuel Throughput calculated in respect to the noted performance period between and showing that the SPT1B Result has met the % of reduction against the Baseline SPT1B.

(37) SPT1 for Fuels and Infrastructure is broken down into two parts; SPT1A and SPT1B. SPT1A is equal to the total emissions intensity calculated as operational emissions (Scope 1 and Scope 2) in tonnes of CO_2 equivalent (tCO$_2$e) for Lytton refinery (excluding the Lubricants facility) divided by the Total High Value Product between 1 July to 30 June (tCO$_2$e/kL HVP). SPT1B is equal to the total emissions intensity calculated as operational emissions (Scope 1 and Scope 2) in tonnes of CO_2 equivalent (tCO$_2$e) emissions for Ampol's three largest Terminal facilities only (Kurnell NSW, Banksmeadow NSW and Newport VIC) divided by the Total Fuel Throughput for these three facilities between 1 July to 30 June (tCO$_2$e/kL Total Fuel Throughput).

(38) Baseline SPT1 for Fuels and Infrastructure is broken down into two parts; Baseline SPT1A and Baseline SPT1B. Baseline SPT1A is equal to the total tCO$_2$e/kL HVP reported between 1 July 2020 to 30 June 2021, which is equal to 0.1486 tCO$_2$e/kL HVP. Baseline SPT1B is equal to the total tCO$_2$e/kL Total Fuel Throughput reported between 1 July 2020 to 30 June 2021, which is equal to 0.0025 tCO$_2$e/kL Total Fuel Throughput.

(39) Total emissions (Scope 2) are calculated in accordance with the National Greenhouse and Reporting (NGER) definition and refers to all Scope 2 emissions within Ampol's operational control in Australia.

(40) Market-based method refers to the use of market-based accounting methods attributed to emission reductions associated with a renewable energy procurement contract agreement for Ampol's Convenience Retail facilities within Ampol's operational control in Australia.

(41) SPT2 Result is equal to the total tCO$_2$e calculated in respect to the noted performance period and showing that the SPT2 Result has met the % of reduction against the Baseline SPT2.

(42) SPT2 is equal to the total operational emissions (Scope 1 and Scope 2) calculated in tonnes of CO_2 equivalent (tCO$_2$e) for Ampol's Convenience Retail facilities within Ampol's operational control in Australia between 1 July to 30 June, factoring market-based accounting methods.

(43) Baseline SPT2 is equal to the total tCO$_2$e calculated between 1 July 2020 to 30 June 2021, which is equal to 102,376 tCO$_2$e.

(44) Future Energy Investment Made (AU$m) refers to the aggregate amount applied or contracted by Ampol to assets and activities that are primarily or solely directed towards, used for or spent to deliver, a Future Energy Initiative during the period commencing on 1 January 2021 and the year ending on 31 December of the reporting period.

(45) Future Energy Initiative Delivered means in respect of the Performance Period, the number of Future Energy Initiatives which are included on the Future Energy Initiatives Plan and which have been confirmed by Ampol in the Sustainability Performance Report for that Performance Period as having been delivered during that Performance Period or contracted for during that Performance Period.

(46) The total energy used for ARENA co-funded EV charging bays refers to the consumption of electricity measured between 1 January and 31 December through an installed submeter at each EV charging bay. The total megawatt hour (MWh) of energy consumption for the year is calculated and then offset through the voluntary purchasing and surrendering of Large-scale generation certificates (LGCs). This is done to net the equivalent electricity consumption with renewable energy for all of the ARENA co-funded charging bays once installed and active.

(47) The total energy used for NSW co-funded EV charging bays refers to the consumption of electricity measured between 1 January and 31 December through an installed submeter at each EV charging bay. The total megawatt hour (MWh) of energy consumption for the year is calculated and then offset through the voluntary purchasing and surrendering of Large-scale generation certificates (LGCs). This is done to net the equivalent electricity consumption with renewable energy for all of the NSW Government co-funded charging bays once installed and active.

(48) The total of EV charging bays operated or controlled by Ampol (individually or together with one or more joint ventures in which the Group participates) in Australia is an annual rolling figure that commenced from 1 July 2022. One EV charging bay is defined as a parking spot in which one customer can park and charge their electric vehicle using either an AmpCharge EV fast charger or any functionally equivalent electric vehicle fast charger. Each two EV charging bays are generally supported by a charging unit capable of charging two vehicles concurrently.

(49) The total of EV charging bays operated or controlled by Z Energy is an annual rolling figure that commenced from 1 May 2022. One EV charging bay is defined as a parking spot in which one customer can park and charge their electric vehicle using an any functionally equivalent electric vehicle fast charger. Each two EV charging bays are generally supported by a charging unit capable of charging two vehicles concurrently.

Independent Limited Assurance Report to the Directors of Ampol Limited

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Selected Sustainability Information which has been prepared by Ampol Limited in accordance with Ampol Limited policies, procedures, and methodologies (the Criteria) for the reporting period 1 January 2023 to 31 December 2023 (except where otherwise stated).

Information Subject to Assurance

The Selected Sustainability Information, as presented in the Ampol Limited 2023 Annual Report and available on the Ampol Limited website, comprises of the following. All metrics relate to Ampol Limited's Australian operations only.

Selected Sustainability Information	Value Assured
Total Recordable Injuries (TRI) (number) - Fuel and Infrastructure	10
Total Recordable Injuries (TRI) (number) - Convenience Retail	28
Total Recordable Injuries Frequency Rate (TRIFR) - Fuels and Infrastructure	2.2
Total Recordable Injuries Frequency Rate (TRIFR) - Convenience Retail	3.8
Days Away from Work Injury Frequency Rate (DAWIFR) - Fuels and Infrastructure	0.9
Days Away from Work Injury Frequency Rate (DAWIFR) - Convenience Retail	1.6
Tier One Safety Event (number)	0
Tier Two Safety Event (number)	2
GHG Emissions Scope 1 (tCO2e) – 1 July 2022 to 30 June 2023 (Australia only)	683,531
GHG Emissions Scope 2 (tCO2e) – 1 July 2022 to 30 June 2023 (Australia only)	219,045
Total Emissions (Scope 1 and 2) per kL of Total Fuel Throughput, Terminals (tCO2e/kL) - 1 July 2022 to 30 June 2023 (SPT1B)	0.0021
Total Emissions (Scope 1 and 2) Convenience Retail (tCO2e) - 1 July 2022 to 30 June 2023 (SPT2)	76,765
Total Emissions (Scope 1 and 2) per kL of Total High Value Product, Lytton Refinery (tCO2e/kL) - 1 July 2022 to 30 June 2023 (SPT1A)	0.1387
Fuels and Infrastructure business – SPT1 Result shows a reduction in SPT1 of at least 1.5% against the Baseline SPT1	Yes
Convenience and Retail Business – SPT2 Result shows a reduction in SPT2 of at least 5.0% against the Baseline SPT2.	Yes
≥$30m Future Energy Investment made	Yes
Future Energy Initiatives delivered ≥1	Yes
Percentage of energy used for ARENA co-funded EV charge bays offset with renewable energy certificates	100%
Percentage of energy used for NSW co-funded EV charge bays offset with renewable energy certificates	100%

Number of EV Charge Bays operated or controlled by Ampol Group by 31 December 2023	82

Criteria Used as the Basis of Reporting

The criteria used in relation to the Selected Sustainability Information presented in the Ampol Limited 2023 Annual Report are Ampol Limited policies, procedures, and methodologies as documented in Ampol Limited's Basis of Preparation (the Criteria).

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Statements* (the Standards). In accordance with the Standards, we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the [information subject to assurance], whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant Ampol Limited personnel to understand the internal controls, governance structure and reporting process of the Information Subject to Assurance;
- reviews of relevant documentation including 2023 Ampol Limited's Sustainability Report Basis of Preparation and the Sustainability Linked Loan Principles by the Asia Pacific Loan Markets Association and Loan Markets Association Framework;
- analytical procedures over the Information Subject to Assurance;
- interviews with Corporate Head Office (Sydney) and Lytton refinery;
- walkthroughs of the Information Subject to Assurance to source documentation;
- evaluating the appropriateness of the criteria with respect to the Information Subject to Assurance; and
- reviewed the sustainability information in the Ampol Limited 2023 Annual Report in its entirety to ensure it is consistent with our overall knowledge of the assurance engagement.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Ampol Limited.

Inherent Limitations

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts,

KPMG Assurance Statement continued

(ii) information used to determine emission factors and(iii) the values needed to combine emissions of different gases.

The nature of non-financial information, the absence of a significant body of established practice on which to draw, and the methods and precision used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time. The Selected Sustainability Information has been measured applying the Criteria, which has been developed solely for the purpose of providing this non-financial information. As such, the Selected Sustainability Information may not be suitable for another purpose.

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error, or non-compliance with the Criteria may occur and not be detected. A limited assurance engagement as at and for the year ended 31 December 2023 does not provide assurance on whether compliance with the Criteria will continue in the future.

Use of this Assurance Report

This report has been prepared for the Directors of Ampol Limited for the purpose of providing an assurance conclusion on the Information Subject to Assurance and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Ampol Limited, or for any other purpose than that for which it was prepared.

Management's responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs and the needs of their stakeholders;
- preparing and presenting the Information Subject to Assurance in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Information Subject to Assurance that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Information Subject to Assurance for the period 1 January 2023 to 31 December 2023 (unless otherwise stated), and to issue an assurance report that includes our conclusion.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Management 1 to design, implement and operate a system of quality management.

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19 February 2024

2023 Financial Report


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The Board

The directors of Ampol Limited present the 2023 Directors' Report and the 2023 Financial Report for Ampol and its controlled entities (collectively referred to as the Group) for the year ended 31 December 2023. An Independent Auditor's Report from KPMG, as external auditor, is also provided.

Board of Directors

The Board of Ampol comprises Steven Gregg (Chairman), Matthew Halliday (Managing Director and CEO), Simon Allen, Mark Chellew, Melinda Conrad, Elizabeth Donaghey, Michael Ihlein, Gary Smith and Penny Winn.

1. Steven Gregg

Chairman and Independent Non-executive Director
Date of appointment: 9 October 2015
Board Committees: Nomination Committee (Chairman)

Steven Gregg is the Chairman of Ampol.

Steven has more than 35 years' experience in global financial services, strategy consulting and professional services across Australia, Asia, Europe and the US. Steven has extensive experience in global investment banking, including through senior roles with ABN Amro, Chase Manhattan, Lehman Brothers and AMP Morgan Grenfell. His most recent executive role was as a partner at McKinsey & Company where he advised clients in Financial Services and other sectors, primarily in Australia and Asia.

Steven has served as Chairman and Director for companies across various sectors and is currently Chairman of Westpac Banking Corporation, The Lottery Corporation (retiring first quarter calendar year 2024) and Unisson Disability Limited and a Director of William Inglis & Son Limited. Steven was formerly the Chairman of Tabcorp Holdings Limited, Goodman Fielder Limited and Austock Group Limited, and formerly a Non-executive Director at Challenger Limited.

Steven holds a Bachelor of Commerce from the University of New South Wales.

2. Matthew Halliday

Managing Director and CEO
Date of appointment: 29 June 2020

Matthew Halliday was appointed Managing Director and Chief Executive Officer in June 2020. He joined Ampol in April 2019 as Chief Financial Officer.

Prior to joining Ampol, Matthew enjoyed a successful career with Rio Tinto spanning 20 years, where he held senior finance and commercial roles across several divisions and geographies.

Matthew is a Chartered Accountant and holds a Bachelor of Commerce from the University of Western Australia and an MBA from London Business School.

3. Simon Allen

Independent Non-executive Director
Date of appointment: 1 September 2022
Board Committees: Safety and Sustainability Committee and Nomination Committee

Simon Allen has over 30 years' commercial experience in New Zealand and Australian capital markets and was Chief Executive of investment bank BZW/ABN AMRO in New Zealand for 21 years. He is currently Chair of IAG (New Zealand) Limited, a Director of IAG Limited and a Trustee of the New Zealand Antarctic Heritage Trust.

He was the inaugural Chair of NZX Limited as well as the Financial Markets Authority and Crown Fibre Holdings Limited (renamed Crown Infrastructure Partners Limited) and Chair of Channel Infrastructure NZ Limited (formerly The New Zealand Refining Company Limited).

Simon is a Chartered Fellow of the New Zealand Institute of Directors.

Simon holds a Bachelor of Science from the University of Otago and a Bachelor of Commerce from the University of Auckland.

4. Mark Chellew

Independent Non-executive Director
Date of appointment: 2 April 2018
Board Committees: Safety and Sustainability Committee, People and Culture Committee and Nomination Committee

Mark Chellew brings to the Board international expertise in industry, strategy, governance and large capital projects with a background in manufacturing, mining and process industries. Mark was formerly Chairman of Cleanaway Waste Management Limited, the industry body Manufacturing Australia and Downer EDI Limited, and a director of Virgin Australia Holdings Limited and Infigen Energy Limited.

Mark was the Chief Executive Officer and Managing Director of Adelaide Brighton and prior to that, held executive positions at Blue Circle Industries and CSR Limited.

Mark holds a Bachelor of Science (Ceramic Engineering) from the University of New South Wales, a Master of Engineering (Mechanical) from the University of Wollongong and a Graduate Diploma of Management from the University of New South Wales.

5. Melinda Conrad

Independent Non-executive Director
Date of appointment: 1 March 2017
Board Committees: People and Culture Committee (Chairwoman), Audit Committee and Nomination Committee

Melinda Conrad brings to the Board over 25 years' experience in business strategy, marketing, and technology-led transformation, and brings skills and insights as an executive and director from a range of industries, including retail, financial services and healthcare.

Melinda is currently a director of ASX Limited, Stockland Group, and Penten Pty Ltd. She is a member of the Australian Institute of Company Directors Corporate Governance Committee and an Advisory Board member of Five V Capital.

Melinda has previously served as a director of OFX Group Limited, The Reject Shop Limited, David Jones Limited, APN News and Media Limited and as a member of the ASIC Director Advisory Panel.

Melinda held executive roles at Harvard Business School, Colgate-Palmolive, several retail businesses as founder and CEO, and in strategy and marketing advisory.

Melinda holds a BA (Hons) from Wellesley College in Boston, an MBA from Harvard Business School, and is a Fellow of the Australian Institute of Company Directors.

6. Elizabeth (Betsy) Donaghey

Independent Non-executive Director
Date of appointment: 1 September 2021
Board Committees: People and Culture Committee, Safety and Sustainability Committee and Nomination Committee

Elizabeth Donaghey brings over 30 years' experience in the energy and oil and gas sectors including technical, commercial and executive roles at EnergyAustralia, Woodside Energy and BHP Petroleum. She is currently a non-executive director of the Australian Energy Market Operator (AEMO) and Cooper Energy Limited.

Betsy's previous experience includes non-executive director roles at Imdex Ltd, an ASX-listed provider of drilling fluids and downhole instrumentation, St Barbara Ltd, a gold explorer and producer, and the Australian Renewable Energy Agency. She has performed extensive committee roles in these appointments, serving on audit and compliance, risk and audit, technical and regulatory, remuneration, and health and safety committees.

Betsy holds a Bachelor of Civil Engineering from Texas A&M University, a Master of Science in Operations Research from the University of Houston and has completed the Harvard Business School Advanced Management Program.

7. Michael Ihlein

Independent Non-executive Director
Date of appointment: 1 June 2020
Board Committees: Audit Committee (Chairman), People and Culture Committee and Nomination Committee

Mike Ihlein brings to the Board financial expertise and experience as an international executive from a range of industries, including previous roles as CEO and CFO of Brambles Limited and CFO of Coca-Cola Amatil Limited and a director of CSR Limited.

Mike is currently a director of Scentre Group Limited, Inghams Group Limited and the not-for-profit mentoring organisation Kilfinan Australia Ltd.

Mike holds a Bachelor of Business Studies (Accounting) from the University of Technology, Sydney. He is a fellow of the Australian Institute of Company Directors, CPA Australia and the Financial Services Institute of Australasia.

8. Gary Smith

Independent Non-executive Director
Date of appointment: 1 June 2020
Board Committees: Audit Committee, Safety and Sustainability Committee and Nomination Committee

Gary Smith brings to the Board substantial Australian and international oil industry experience with a career in oil and gas that spans 40 years, including 20 years with Shell and various executive roles within the industry, including General Manager Refining, Supply and Distribution of Ampol Limited (formerly Caltex Australia Limited). Gary is currently employed as a Senior Advisor with Poten & Partners, working with the LNG Commercial team.

Gary holds a Bachelor of Engineering (Mechanical Engineering) and Master of Science (Chemical Engineering and Chemical Technology) from the University of New South Wales.

9. Penny Winn

Independent Non-executive Director
Date of appointment: 1 November 2015
Board Committees: Safety and Sustainability Committee (Chairwoman), Audit Committee and Nomination Committee

Penny Winn brings to the Board Australian and international strategic, major transformation and business integration, technology, supply chain and retail marketing experience.

Penny is currently a director of CSR Limited, Super Retail Group Limited, The Amphora Group PLC (Accolade Wines) and the ANU Foundation. She has previously served as Chair and director of Port Waratah Coal Services Limited, Coca-Cola Amatil Limited, Goodman Limited, and Goodman Funds Management Limited and a Woolworths business, Greengrocer.com, a Myer business, sass & bide, and Quantium Group.

Prior to her appointment to Ampol, Penny was Director, Group Retail Services, with Woolworths Limited. She has over 30 years' experience in retail with senior management roles in Australia and internationally.

Penny holds a Bachelor of Commerce from the Australian National University and a Master of Business Administration from the University of Technology, Sydney and is a graduate of the Australian Institute of Company Directors.

Leadership Team

1. Greg Barnes

Group Chief Financial Officer

Greg Barnes was appointed Group Chief Financial Officer on 1 July 2021.

Greg has more than 25 years' experience in finance, including as Group Chief Financial Officer for Coca-Cola Amatil, Nine Entertainment Co. and CSR Limited. He has also held senior finance roles in the industrial and manufacturing sectors in the Asia Pacific region.

Greg is a qualified chartered accountant and holds a Bachelor of Commerce from the University of Newcastle as well as a Master of Business Administration from the Macquarie Graduate School of Management. Greg is also a graduate of the Australian Institute of Company Directors programme.

2. Andrew Brewer

Executive General Manager, Fuel Supply Chain

Andrew Brewer was appointed Executive General Manager, Fuel Supply Chain in November 2020. He is responsible for Ampol's Australian manufacturing and distribution assets, supply operations, planning and value chain optimisation functions and the information technology business.

He is an experienced senior executive in the energy and resources sector, having held leadership roles for large-scale facilities and integrated supply chains in the minerals processing, resources and energy industries across Australia, New Zealand and Canada. This includes former roles at Ampol, where he was General Manager of the Kurnell refinery and later Executive General Manager of Supply Chain Operations and Executive General Manager, Transformation.

Andrew returned to Ampol from Refining New Zealand where he held the position of Chief Operating Officer.

Andrew has a Bachelor of Engineering (Honours) and a Bachelor of Science from the University of Adelaide and a Diploma in Management from Deakin University.

3. Meaghan Davis

Executive General Manager, People and Culture

Meaghan Davis was appointed Executive General Manager, People and Culture in November 2021.

Meaghan has more than 25 years' experience in people and culture roles and has held a number of senior executive roles at leading Australian companies. Prior to joining Ampol, Meaghan spent 17 years at Woolworths Limited before joining Lendlease, where she held senior roles including Head of People and Culture – Australia, and Program Director of Lendlease's global transformation program.

Meaghan holds a Masters of Management from the Macquarie Graduate School of Management and is a member of the Australian Institute of Company Directors and the Australian Human Resources Institute.

4. Lindis Jones

Executive General Manager, Z Energy

Lindis was appointed Chief Executive Officer, Z Energy on 1 March 2023. He has been with Z since 2010, where he's held several different executive roles including GM Corporate, responsible for Z's original strategy development and Chief Financial Officer.

He was also responsible for the integration of the Chevron New Zealand Business in 2015–16 and oversaw the integration approach to Ampol's acquisition of Z in 2022. Lindis was a Director of Channel Infrastructure up until December 2023, and was on the Board of Flick Electric – the electricity retailer wholly owned by Z – from 2018 until May 2023.

Lindis has a strong personal commitment to helping Aotearoa New Zealand shift to a low carbon economy in a way that ensures energy security and affordability.

5. Brent Merrick

Executive General Manager, International and New Business

Brent Merrick was appointed Executive General Manager, International and New Business in September 2020. Brent is responsible for Trading and Shipping, international growth and other new business, including future energy.

Brent joined Ampol in 2000, with his career at the company spanning a range of roles, including his first job as a process engineer at the Lytton refinery in Queensland. Brent gained commercial and trading experience through roles in the Australian supply and trading teams before being seconded to Chevron Singapore. Brent held roles in the sales and marketing business prior to returning to Singapore as a trader.

More recently, Brent has been responsible for expanding Ampol's international operations by expanding Singapore and establishing the office in the United States, where the company's global Trading and Shipping business is driven.

Brent holds a Bachelor of Engineering (Chemical) from the University of Queensland.

6. Faith Taylor

Executive General Manager, Group General Counsel, Regulation and Company Secretary

Faith Taylor was appointed Executive General Manager, Group General Counsel, Regulation and Company Secretary in December 2022.

Faith joined Ampol in January 2022, following a 30-year tenure with Clayton Utz. 11 years of her time at Clayton Utz were spent as a partner of the organisation's energy team. Faith has also been a part of the Institute of Bone and Joint Research in either a Board or Company Secretary role for over a decade.

Faith holds a Bachelor of Arts and Bachelor of Law from the University of Sydney.

7. Kate Thomson

Executive General Manager, Retail Australia

Kate Thomson was appointed Executive General Manager, Retail Australia in April 2022.

Kate has more than 25 years' experience in retail operations, holding a number of senior roles at leading consumer brands. Prior to joining Ampol in 2019 as Head of Retail Excellence and then General Manager, Retail Operations, Kate spent three years with ANZ as both General Manager of mobile lending and General Manager of NSW regional branch network. Before joining ANZ, she spent 22 years at McDonald's Australia, holding a number of senior roles including Director of Business Development.

Kate holds a Postgraduate Certificate in Management Enterprise from the University of Newcastle and a Masters of Business Administration from Charles Sturt University.

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

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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

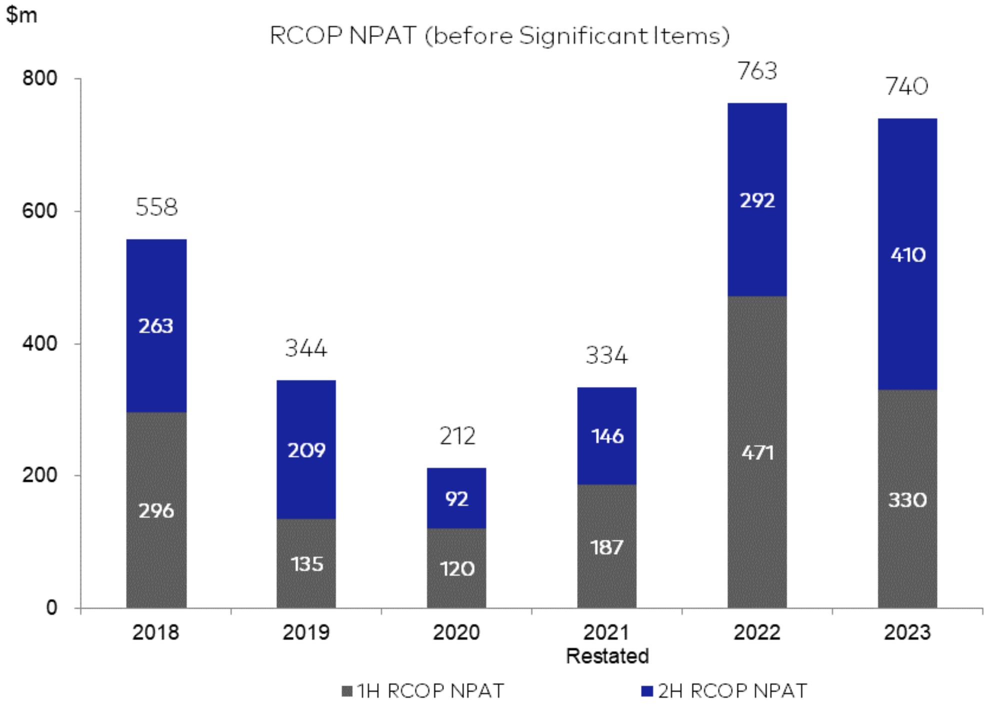
The financial results for the year ended 31 December 2023 reflect another strong year of financial performance. Continued delivery of Ampol's Strategic priorities has ensured the business is able to navigate volatile markets and set up all segments of the business for continued success.

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.

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	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.
2. Business transformation		

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. Process safety	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.
7. Personal safety, health and wellbeing		
8. Environment		
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

Message from the Chair of the People and Culture Committee

1. Key Management Personnel
2. Ampol's remuneration philosophy and framework
3. Performance and remuneration outcomes
4. Remuneration governance
5. Senior Executive remuneration in detail
6. Outlook for 2024
7. Senior Executive remuneration tables
8. Non-executive Director remuneration
9. Appendix: Consideration of the Government Fuel Security Package

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 B. Conrad

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

3. Performance and remuneration outcomes

SUSTAINED & STRONG FINANCIAL PERFORMANCE

RCOP NPAT

$740m ▼ 3% on 2022

Fuel volumes sold

28.4bl ▲ 17% on 2022

DELIVERING ON STRATEGIC PRIORITIES

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

CREATING VALUE FOR EMPLOYEES & COMMUNITY

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

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).

Between target and stretch (127%)

Expand from a rejuvenated fuels platform

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.

Between target and stretch (142%)

Evolve the energy offer for our customers

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.

Between target and stretch (124%)

(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.

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

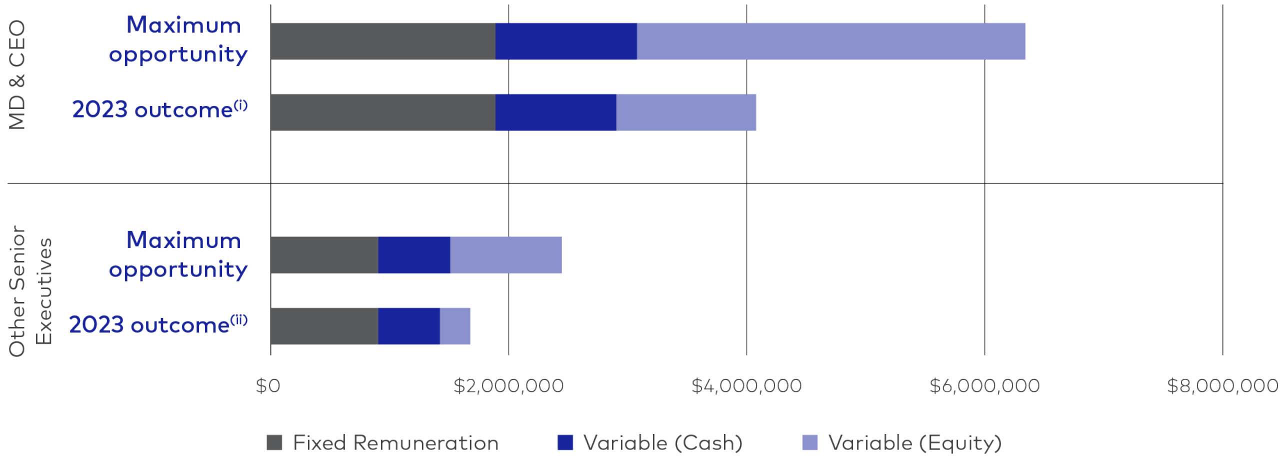
Performance condition	Threshold	Target	Stretch	Actual performance	Percentage vesting	Weighting	Vesting outcome(i)
rTSR (FY21 – FY23)							
rTSR against S&P ASX 100	50th percentile	Straight line	75th percentile	**73.6th percentile**	97.2%	50%	48.6%
ROCE (FY21 – FY23)							
ROCE against average WACC 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.

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.

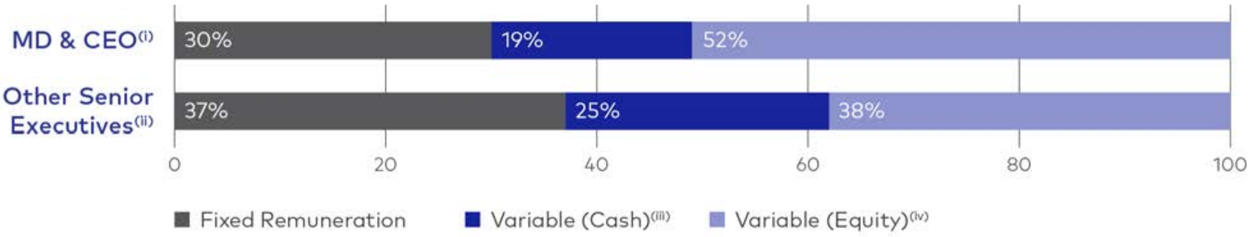
Chart 2: Senior Executive remuneration structure

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.

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 rowspan="1">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.

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.

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.

(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.

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.

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

KPMG

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.

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

  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

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

KPMG

Cameron Slapp

Partner

Sydney

19 February 2024

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Consolidated Income Statement

For the year ended 31 December 2023

Millions of dollars	Note	2023	2022
Continuing operations			
Revenue	B1	**37,749.3**	38,491.5
Cost of goods sold(i)(ii)		**(34,822.8)**	(35,607.8)
Gross profit		**2,926.5**	2,883.7
Other income	B1	**15.5**	5.3
Other expenses	B2	**(4.1)**	(15.7)
Net foreign exchange gain/(loss)		**23.8**	(27.0)
Selling and distribution expenses		**(1,664.8)**	(1,477.7)
General and administration expenses		**(263.6)**	(267.8)
Profit from operating activities		**1,033.3**	1,100.8
Finance costs		**(289.9)**	(183.9)
Finance income(ii)		**11.3**	5.1
Net finance costs	B2	**(278.6)**	(178.8)
Share of net (loss)/profit of investments accounted for using the equity method	F5	**(3.1)**	14.5
Profit before income tax expense		**751.6**	936.5
Income tax (expense)	E1	**(151.5)**	(157.9)
Net profit from continuing operations		**600.1**	778.6
Discontinued operations			
Net profit from discontinued operations	F3	**–**	68.4
Net profit		**600.1**	847.0
Profit attributable to:			
Equity holders of the parent entity		**549.1**	795.9
Non-controlling interests	F8	**51.0**	51.1
Net profit		**600.1**	847.0
Earnings per share from continuing operations			
Statutory – cents per share – basic	B4	**230.4**	305.3
Statutory – cents per share – diluted	B4	**229.9**	303.8
Earnings per share from continuing operations and discontinued operations			
Statutory – cents per share – basic	B4	**230.4**	334.0
Statutory – cents per share – diluted	B4	**229.9**	332.3

(i) Inventories held at 31 December 2022 were written down to their net realisable value by $39.5 million and this expense is non-cash in nature. It arises as a consequence of significant market volatility with market prices in the period. The adjustment is recognised within Cost of Goods Sold expense in the income statement. There was no write-down required in the current period.

(ii) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

The Consolidated Income Statement is to be read in conjunction with the notes to the Consolidated Financial Statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2023

Millions of dollars	Note	2023	2022
Net profit		**600.1**	847.0
Other comprehensive income			
Items that will not be reclassified to income statement:			
Actuarial gain/(loss) on defined benefit plans		**0.1**	(1.3)
Gain on revaluation of investments	F4	**1.0**	15.1
Total items that will not be reclassified to income statement		**1.1**	13.8
Items that may be reclassified subsequently to income statement:			
Foreign operations – foreign currency translation differences		**(13.6)**	87.3
Reserves reclassified to profit or loss on disposal of subsidiary	F3	**–**	(8.8)
Effective portion of changes in fair value of cash flow hedges		**(32.1)**	121.2
Net change in fair value of cash flow hedges reclassified to income statement		**4.2**	(86.8)
Tax on items that may be reclassified subsequently to income statement		**3.4**	(21.0)
Total items that may be reclassified subsequently to income statement		**(38.1)**	91.9
Other comprehensive (loss)/income for the period, net of income tax		**(37.0)**	105.7
Total comprehensive income for the period		**563.1**	952.7
Attributable to:			
Equity holders of the parent entity		**512.1**	901.6
Non-controlling interests	F8	**51.0**	51.1
Total comprehensive income for the period		**563.1**	952.7

Total comprehensive income for the period arising from:			
Continuing operations		**563.1**	960.9
Discontinued operations		**–**	(8.2)

The Consolidated Statement of Comprehensive Income is to be read in conjunction with the notes to the Consolidated Financial Statements.

Consolidated Statement of Financial Position

As at 31 December 2023

Millions of dollars	Note	2023	2022 ^Restated
Current assets			
Cash and cash equivalents		**300.6**	126.0
Trade receivables and other assets	C1	**2,413.1**	2,599.6
Inventories	C2	**2,991.0**	3,593.9
Current tax assets		**40.7**	–
Total current assets		**5,745.4**	6,319.5
Non-current assets			
Trade receivables and other assets	C1	**115.9**	118.1
Investments accounted for using the equity method	F5	**245.9**	241.1
Other investments	F4	**64.6**	64.3
Intangibles	C3	**1,424.5**	1,609.9
Property, plant and equipment(i)	C4	**3,671.3**	3,563.2
Right-of-use assets(i)	C5	**1,235.0**	1,052.4
Deferred tax assets	E2.1	**308.1**	366.1
Employee benefits		**3.4**	3.7
Total non-current assets		**7,068.7**	7,018.8
Total assets		**12,814.1**	13,338.3
Current liabilities			
Payables	C6	**4,225.1**	4,438.2
Interest-bearing liabilities	D1.1	**116.4**	339.9
Lease liabilities	D1.2	**179.4**	163.8
Current tax liabilities		**–**	266.0
Employee benefits		**162.5**	168.5
Provisions	C7	**82.0**	90.8
Total current liabilities		**4,765.4**	5,467.2
Non-current liabilities			
Payables	C6	**39.6**	52.2
Interest-bearing liabilities	D1.1	**2,378.9**	2,145.0
Lease liabilities	D1.2	**1,020.3**	965.7
Deferred tax liabilities	E2.1	**62.7**	82.5
Employee benefits		**6.4**	5.6
Provisions	C7	**564.9**	570.0
Total non-current liabilities		**4,072.8**	3,821.0
Total liabilities		**8,838.2**	9,288.2
Net assets		**3,975.9**	4,050.1
Equity			
Issued capital	D6	**479.7**	479.7
Treasury stock		**(5.4)**	(2.8)
Reserves	D7	**184.1**	209.1
Retained earnings		**2,900.7**	2,946.0
Total parent entity interest		**3,559.1**	3,632.0
Non-controlling interests		**416.8**	418.1
Total equity		**3,975.9**	4,050.1

^ Amounts have been restated at 31 December 2022 due to the finalisation of the purchase price allocation on the Z Energy acquisition. Refer to note F2 for further information.

(i) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

Millions of dollars	Issued capital	Treasury Stock	Reserves (i)	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2023	**479.7**	**(2.8)**	**209.1**	**2,946.0**	**3,632.0**	**418.1**	**4,050.1**
Profit for the period	–	–	–	549.1	549.1	51.0	600.1
Total other comprehensive (loss)/income	–	–	(37.1)	0.1	(37.0)	–	(37.0)
Total comprehensive income for the period	–	–	(37.1)	549.2	512.1	51.0	563.1
Ampol Property Trust and Ampol Property Trust 2 – distribution	–	–	–	–	–	(43.6)	(43.6)
Acquisition of Non-controlling interest net of tax in Flick Energy	–	–	–	0.2	0.2	(0.2)	–
Acquisition of shares – Flick Energy	–	–	–	–	–	(1.9)	(1.9)
Transfer to retained earnings(ii)	–	–	(0.9)	0.9	–	–	–
Own shares acquired, net of tax	–	(5.9)	–	–	(5.9)	–	(5.9)
Shares vested to employees, net of tax	–	3.3	(3.3)	–	–	–	–
Expense on equity settled transactions, net of tax	–	–	16.3	–	16.3	–	16.3
Dividends to shareholders	–	–	–	(595.6)	(595.6)	(6.6)	(602.2)
Balance at 31 December 2023	**479.7**	**(5.4)**	**184.1**	**2,900.7**	**3,559.1**	**416.8**	**3,975.9**
Balance at 1 January 2022	**479.7**	**(1.5)**	**65.5**	**2,531.0**	**3,074.7**	**272.1**	**3,346.8**
Profit for the period	–	–	–	795.9	795.9	51.1	847.0
Other comprehensive income	–	–	105.4	0.3	105.7	–	105.7
Total comprehensive income for the period	–	–	**105.4**	**796.2**	**901.6**	**51.1**	**952.7**
Ampol Property Trust 2 – Divestment of Non-controlling interest, net of tax	–	–	–	31.1	31.1	21.0	52.1
Ampol Property Trust 2 – Acquisition	–	–	–	–	–	4.6	4.6
Ampol Property Trust and Ampol Property Trust 2 – distribution	–	–	–	–	–	(41.1)	(41.1)
Z Limited Partnership – Divestment of Non-controlling interest, net of tax	–	–	–	–	–	119.5	119.5
Acquisition of Non-controlling interest net of tax in Flick Energy	–	–	–	3.5	3.5	(7.9)	(4.4)
Acquisition of shares	–	–	–	–	–	1.6	1.6
Transfer to retained earnings(ii)	–	–	32.2	(32.2)	–	–	–
Own shares acquired, net of tax	–	(5.7)	–	–	(5.7)	–	(5.7)
Shares vested to employees, net of tax	–	4.4	(4.4)	–	–	–	–
Expense on equity settled transactions, net of tax	–	–	10.4	–	10.4	–	10.4
Dividends to shareholders	–	–	–	(383.6)	(383.6)	(2.8)	(386.4)
Balance at 31 December 2022	**479.7**	**(2.8)**	**209.1**	**2,946.0**	**3,632.0**	**418.1**	**4,050.1**

(i) Refer to note D7 for further information.

(ii) Historic unvested amounts and differences between grant date fair value and the value of shares issued have been transferred from share-based payments reserves to retained earnings.

The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the Consolidated Financial Statements.

Consolidated Cash Flow Statement

For the year ended 31 December 2023

Millions of dollars	Note	2023	2022
Cash flows from operating activities			
Receipts from customers		**49,003.9**	47,673.7
Payments to suppliers, employees and governments		**(46,815.5)**	(46,318.5)
Shares acquired for vesting employee benefits		**(5.9)**	(5.7)
Dividends and distributions received		**1.4**	2.8
Interest received		**9.0**	7.4
Finance costs paid		**(188.1)**	(137.3)
Lease interest	D1.2	**(78.6)**	(68.9)
Income taxes paid		**(414.4)**	(244.3)
Net operating cash inflows	G5.2	**1,511.8**	909.2
Cash flows from investing activities			
Transaction costs		**–**	(36.3)
Proceeds from sale of Gull NZ	F3	**–**	470.9
Cash divested on disposal of Gull NZ	F3	**–**	(4.5)
Major cyclical maintenance		**(17.3)**	(26.5)
Acquisition of Z Energy Limited	F2	**–**	(1,785.1)
Cash acquired on acquisition of Z Energy Limited	F2	**–**	111.1
Purchase of investment in associates		**–**	(10.3)
Payment for investments		**(12.3)**	(1.8)
Acquisition of shares in NCI – Flick Energy		**(1.9)**	–
Purchases of property, plant and equipment		**(527.3)**	(369.9)
Purchases of intangibles(i)		**(12.0)**	(10.5)
Proceeds from sale of property, plant and equipment		**35.2**	30.9
Net investing cash (outflows)		**(535.6)**	(1,632.0)
Cash flows from financing activities			
Proceeds from borrowings		**12,038.1**	10,737.5
Repayments of borrowings		**(12,053.6)**	(10,105.9)
Repayments of lease principal	D1.2	**(118.6)**	(112.2)
Proceeds from sale of Non-controlling interest in Ampol Property Trust 2	F8	**–**	55.1
Proceeds from sale of Non-controlling interest in Z Limited Partnership (property)	F8	**–**	119.5
Distributions/dividends paid to Non-controlling interests		**(50.2)**	(43.9)
Dividends paid	B5	**(595.6)**	(383.6)
Net financing cash (outflows)/inflows		**(779.9)**	266.5
Net increase/(decrease) in cash and cash equivalents		**196.3**	(456.3)
Effect of exchange rate changes on cash and cash equivalents		**0.8**	(6.5)
Increase/(decrease) in cash and cash equivalents		**197.1**	(462.8)
Cash and cash equivalents at the beginning of the period		**103.5**	566.3
Cash and cash equivalents at the end of the period	G5.1	**300.6**	103.5

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

The Consolidated Cash Flow Statement is to be read in conjunction with the notes to the Consolidated Financial Statements.

Notes to the Financial Statements – A Overview

For the year ended 31 December 2023

A1 Reporting entity

Ampol Limited ("Ampol" or the "Company") is a for-profit company, incorporated and domiciled in Australia. The Consolidated Financial Statements for the year ended 31 December 2023 comprise the Company and its controlled entities (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities. The Group is primarily involved in the purchase, refining, distribution and marketing of petroleum products and the operation of convenience stores.

A2 Basis of preparation

The Financial Report was approved by the Ampol Board on 19 February 2024.

The Financial Report has been prepared as a general-purpose financial report and complies with the requirements of the *Corporations Act 2001* (Cth) (Corporations Act) and Australian Accounting Standards (AASBs). The Financial Report also complies with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

The Financial Report is prepared on the historical cost basis, except for identified net assets acquired through business combinations and derivative financial instruments, which are measured at fair value, and the defined benefit liability, which is recognised as the net total of the plan assets, plus unrecognised past service costs less the present value of the defined benefit obligation.

The Financial Report is presented in Australian dollars, which is the Company's functional currency.

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016. In accordance with that Instrument, amounts in the Financial Report and Directors' Report have been rounded to the nearest hundred thousand dollars, unless otherwise stated.

The Group has adopted all the mandatory amended Accounting Standards issued that are relevant to its operations and effective for the current reporting period. A number of new standards, amendments to standards and interpretations effective for annual periods beginning on or after 1 January 2024 have not been applied in preparing this Financial Report. Refer to note G8.

A3 Use of judgement and estimates

The preparation of a Financial Report in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Group.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

Judgements made by management in the application of AASBs that have a significant effect on the Financial Report and estimates with a significant risk of material adjustment in future financial years are found in the following notes:

- Information about the assumptions and the risk factors relating to impairment is provided in notes C1 (Trade receivables and other assets), C3 (Intangibles) and C4 (Property, plant and equipment).
- Note C7 (Provisions) and D1.2 (Lease liabilities) provides key sources of estimation, uncertainty and assumptions used in regard to estimation of provisions and lease liabilities.
- Note D2 (Risk management) provides an explanation of the foreign exchange, interest rate, credit risk and commodity price exposures of the Group and the risk in relation to foreign exchange, interest rate, credit risk and commodity price movements.
- Note C1 includes information regarding the judgement required in assessing de-recognition of trade receivables balances based on the transfer of risks and rewards under the sale of trade receivables program in place for the Group.

A4 Changes in material accounting policies

Global minimum top-up tax

The Group has adopted AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules issued by the Australian Accounting Standards Board in June 2023 in response to the Organisation for Economic Co-operation and Development's (OECD) Two Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy. Pillar Two of those proposals seeks to apply a global minimum top-up tax (15%). The amendments issued by the AASB are for application to entities reporting in Australia. Amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure.

The mandatory exception applies retrospectively. The retrospective application has no impact on the Group's Consolidated Financial Statements as no new legislation implementing the top-up tax was enacted or substantively enacted at 31 December 2023 in any jurisdiction in which the Group operates and no related deferred taxes were recognised at that date.

Comparatives

Certain comparative balances have been changed to align with the current year classification. The main items adjusted were:

Asset retirement costs

Historically, the Group has classified make good assets as property, plant and equipment where they related to leased assets. In the current period, the Group has reclassified these to right-of-use assets to reflect more appropriately the nature of these assets in accordance with *AASB 16 Leases*. As a result, $55.3 million was reclassified from 'Property, plant and equipment' to 'Right-of-use assets' in the comparative period.

Mark-to-market derivatives gains and losses

Previously the Group classified electricity derivative mark-to-market gains/losses as finance costs. In the current period the Group has reclassified these to cost of goods sold to more appropriately reflect their nature. As a result, $71.8 million gain was reclassified in the comparative period.

Notes to the Financial Statements – B Results for the year

For the year ended 31 December 2023

This section highlights the performance of the Group for the year, including revenue and other income, costs and expenses, results by operating segment, earnings per share and dividends.

B1 Revenue and other income

Sale of goods

Revenue from the sale of goods in the ordinary course of activities is measured at the fair value of consideration received or receivable, net of product duties and taxes, rebates, discounts and allowances.

Gross sales revenue excludes amounts collected on behalf of third parties such as goods and services tax (GST). Sales revenue is recognised when customers gain control of the product, which is the date products are delivered to the customer.

Contracts entered into by the Group for the sale of petroleum are typically priced by reference to quoted prices. In line with market practice, some contracts are based on average prices over a period that is partially or entirely after delivery. Revenue relating to such contracts is recognised initially based on the estimated forward price at the time of delivery and subsequently adjusted as prices are finalised. Whilst these post-delivery adjustments are changed in the value of receivables, the distinction between revenue recognised at the time of delivery and revenue recognised as a result of post-delivery changes in quoted commodity prices relating to the same transaction is not considered to be significant. All revenue from these contracts, both that recognised at the time of delivery and that from post-delivery price adjustments, is disclosed as revenue from sale of goods.

For contracts with variable consideration (i.e. changes in market price, quality and quantity variances), revenue is recognised to the extent that it is highly probable that a reversal of previously recognised revenue will not occur.

Contract assets

On 5 July 2018, Ampol Limited entered into a new supply agreement for 15 years with a one-off upfront payment of $50.0 million. This amount has been deferred and recognised against sale of goods over the life of the agreement. The closing balance as at 31 December 2023 in relation to this contract asset is $28.6 million (2022: $33.3 million).

Other revenue

Rental income from leased sites is recognised in the Consolidated Income Statement on a straight-line basis over the term of the lease. Transaction and merchant fees are generated from AmpolCard and credit card transactions processed across the network. Dividend income is recognised at the date the right to receive payment is established.

Other income

Net gain on disposal of property, plant and equipment and sale of investments

The gain on disposal of property, plant and equipment and sale of investment in joint operations is brought to account at the time that:

- the costs incurred, or to be incurred, in respect of the sale can be measured reliably; and
- the control of ownership of the property, plant and equipment and investment has been transferred to the buyer.

B1 Revenue and other income continued

Millions of dollars	2023	2022
Revenue		
Sale of goods	**37,454.5**	38,245.4
Other revenue		
Rental income	**28.7**	25.4
Transaction and merchant fees	**123.4**	109.9
Other	**142.7**	110.8
Total other revenue	**294.8**	246.1
Total revenue	**37,749.3**	38,491.5
Other income		
Net gain on lease disposal	**4.7**	–
Net gain on sale of property, plant and equipment	**5.8**	5.3
Dividend received from other investment	**5.0**	–
Total other income	**15.5**	5.3

B1.1 Revenue from products and services

Millions of dollars	2023	2022
Petrol	**10,430.4**	10,016.1
Diesel	**18,219.2**	21,288.3
Jet	**3,964.5**	3,256.9
Lubricants	**341.2**	316.5
Specialty and other products	**534.0**	374.2
Crude	**2,798.2**	1,808.4
Non-fuel income	**1,167.0**	1,185.0
Other revenue	**294.8**	246.1
Total product and service revenue	**37,749.3**	38,491.5

Notes to the Financial Statements – B Results for the year continued

For the year ended 31 December 2023

B2 Costs and expenses

Finance costs are recognised as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use or sale. In these circumstances, finance costs are capitalised to the cost of the relevant asset. Where borrowings are not specific to an asset, finance costs are capitalised using an average rate based on the general borrowings of the Group.

Millions of dollars	Note	2023	2022
Finance costs			
Interest expense		**204.0**	133.4
Finance charges on leases		**78.6**	67.4
Impact of discounting		**(1.8)**	(16.9)
Loss on derecognition of financial assets		**9.1**	–
Finance costs		**289.9**	183.9
Finance income		**(11.3)**	(5.1)
Net finance costs		**278.6**	178.8
Depreciation and amortisation			
Depreciation of:			
Buildings	C4	**36.5**	27.4
Leasehold property	C4	**10.7**	11.3
Plant and equipment[(i)]	C4	**220.7**	229.1
Right-of-use assets[(i)]	C5	**148.4**	132.3
		416.3	400.1
Amortisation of:			
Intangibles	C3	**42.6**	38.3
Total depreciation and amortisation		**458.9**	438.4
Personnel expenses		**531.3**	445.5
Other expenses			
Net loss on recognition of asset restoration obligation provision		**–**	26.7
Impairment of non-current assets	C3, C4, C5	**4.1**	10.8
Impairment reversal of non-current assets	C4	**–**	(21.8)
Total other expenses		**4.1**	15.7

(i) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

B3 Segment reporting

B3.1 Segment disclosures

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Income taxes and net finance costs are dealt with at a Group level and not within the reportable segments.

The performance of each reportable segment is measured based on segment replacement cost of sales operating profit (RCOP) before interest and income tax (RCOP EBIT) and excluding Significant Items. This measurement base excludes the unintended impact of the rise or fall in oil or product prices (key external factors). RCOP EBIT excluding Significant Items is measured as management believes that such information is most useful in evaluating the performance of the differing internal business units relative to each other, and other like business units in the industry. Segment RCOP EBIT excluding Significant Items, is also used to assess the performance of each business unit against internal performance measures.

Cost of goods sold measured on a replacement cost basis

Cost of goods sold measured on a replacement cost basis excludes the effect of inventory gains and losses, including the impact of exchange rate movements. Inventory gains or losses arise due to movements in the landed price of crude oil and product prices and represent the difference between the actual historic cost of inventories and the current replacement value of that inventory.

The net inventory gain or loss is also adjusted to reflect the impact of contractual revenue lags.

Types of products and services

The following summary describes the operations in each of the Group's reportable segments:

Fuels and Infrastructure

The Fuels and Infrastructure segment includes revenues and costs associated with the integrated wholesale fuels and lubricants supply for the Group. This includes Lytton refinery, Trading and Shipping (excluding the share of this profit attributed to New Zealand), Distribution, Infrastructure, Future Energy and Ampol's share of its equity accounted investment in Seaoil.

Convenience Retail

The Convenience Retail segment includes revenues and costs associated with fuels and shop offerings at Ampol's Australian network of stores.

New Zealand

The segment includes Z Energy which is the largest fuel distributor in New Zealand, supplying fuel to retail and large commercial customers. It also includes contributions from Trading and Shipping including a share of profit on physical supply and profit or loss on derivatives.

Corporate

Corporate represents the corporate head office and includes transactions relating to Group finance, taxation, treasury, HR, IT, legal and company secretarial functions.

Transfer price between segments

The Group operates as a vertically integrated supply chain including trading and shipping, infrastructure, refining and marketing of fuel products in Australia and internationally to customers, including retail service stations. Segment results are based on commercial pricing between segments. Most notably the sale of product between the Fuels and Infrastructure and each of Convenience Retail and New Zealand segments, is determined by reference to relevant import parity prices for the relevant refined products and other commercial arrangements.

Notes to the Financial Statements – B Results for the year continued

For the year ended 31 December 2023

B3 Segment reporting continued

B3.2 Information about reportable segments

Millions of dollars 31 December 2023	Fuels and Infrastructure	Convenience Retail	New Zealand	Corporate	Total continuing operations
Segment revenue					
Total revenue	33,630.7	5,995.9	5,510.8	–	45,137.4
Inter-segment revenue	(7,388.1)	–	–	–	(7,388.1)
Segment external revenue	26,242.6	5,995.9	5,510.8	–	37,749.3
Segment results					
RCOP(i) EBITDA excluding Significant Items	891.0	538.0	372.8	(46.3)	1,755.5
Depreciation and amortisation	(154.5)	(183.4)	(109.3)	(11.7)	(458.9)
RCOP(i) EBIT excluding Significant Items	736.5	354.6	263.5	(58.0)	1,296.6
Significant Items (before tax)	(27.2)	(13.7)	(40.3)	(9.6)	(90.8)
RCOP(i) EBIT	709.3	340.9	223.2	(67.6)	1,205.8
Inventory **(loss)** (before tax)	(60.5)	–	(115.1)	–	(175.6)
Statutory profit EBIT	648.8	340.9	108.1	(67.6)	1,030.2
Finance income					11.3
Finance expense					(289.9)
Statutory profit before income tax					751.6
RCOP(i) income tax **(expense)**					(226.9)
Significant Items tax **benefit**					26.4
Inventory **loss** tax **benefit**					49.0
Statutory profit income tax expense					(151.5)
Statutory profit after tax					600.1
Statutory profit to RCOP(i) net profit after tax reconciliation					
Statutory profit after tax					600.1
Inventory **loss** (after tax)					126.6
RCOP(i) net profit after tax					726.7
Significant Items excluded from profit or loss (after tax)					64.4
Underlying RCOP(i) net profit after tax					791.1
Non-controlling interests					(51.0)
Underlying RCOP(i) net profit after tax – attributable to parent					740.1
Other items					
Share of (loss) of associates and joint ventures	(2.1)	–	(1.0)	–	(3.1)
Capital expenditure(ii)	330.4	136.8	80.9	8.5	556.6

(i) RCOP (on a before and after tax basis) is a non-International Financial Reporting Standards (IFRS) measure commonly used within the global downstream oil industry. It is 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.

(ii) Capital expenditure includes the purchase of property, plant and equipment and purchase of intangible software (excludes intangible rights and licences and Emissions Trading Units).

B3 Segment reporting continued

B3.2 Information about reportable segments continued

Millions of dollars 31 December 2022	Fuels and Infrastructure	Convenience Retail	New Zealand	Corporate	Total continuing operations	Discontinued operations(iii)	Total
Segment revenue							
Total revenue	32,624.3	6,695.8	4,006.9	0.8	43,327.8	616.7	43,944.5
Inter-segment revenue	(4,836.3)	–	–	–	(4,836.3)	–	(4,836.3)
Segment external revenue	27,788.0	6,695.8	4,006.9	0.8	38,491.5	616.7	39,108.2
Segment results							
RCOP(i) EBITDA excluding Significant Items	1,010.7	522.0	214.7	(41.9)	1,705.5	58.5	1,764.0
Depreciation and amortisation	(157.7)	(174.8)	(90.1)	(13.9)	(436.5)	(11.0)	(447.5)
RCOP(i) EBIT excluding Significant Items	853.0	347.2	124.6	(55.8)	1,269.0	47.5	1,316.5
Significant Items (before tax)(iv)	(34.6)	(31.4)	70.7	(36.9)	(32.2)	38.6	6.4
RCOP(i) EBIT(iv)	818.4	315.8	195.3	(92.7)	1,236.8	86.1	1,322.9
Inventory gain/(loss) (before tax)	51.1	–	(173.7)	–	(122.6)	(1.1)	(123.7)
Statutory profit/(loss) EBIT(iv)	869.5	315.8	21.6	(92.7)	1,114.2	85.0	1,199.2
Finance income(iv)					5.1	–	5.1
Finance expense					(182.8)	(5.0)	(187.8)
Statutory profit before income tax					936.5	80.0	1,016.5
RCOP(i) income tax (expense)					(308.0)	(11.9)	(319.9)
Significant Items: Release of income tax provision relating to Singapore entity profits					110.2	–	110.2
Significant Items tax benefit					6.5	–	6.5
Inventory loss tax benefit					33.4	0.3	33.7
Statutory profit income tax expense					(157.9)	(11.6)	(169.5)
Statutory profit after tax					778.6	68.4	847.0
Statutory profit to RCOP(i) net profit after tax reconciliation							
Statutory profit after tax					778.6	68.4	847.0
Inventory loss (after tax)					89.3	0.8	90.1
RCOP(i) net profit after tax					867.9	69.2	937.1
Significant Items excluded from profit or loss (after tax)					25.7	(38.6)	(12.9)
Release of income tax provision relating to Singapore entity profits					(110.2)	–	(110.2)
Underlying RCOP(i) net profit after tax					783.4	30.6	814.0
Non-controlling interests					(51.1)	–	(51.1)
Underlying RCOP(i) net profit after tax – attributable to parent					732.3	30.6	762.9
Other items							
Share of profit of associates and joint ventures	9.3	–	5.2	–	14.5	–	14.5
Capital expenditure(ii)	168.2	165.5	60.6	7.3	401.6	5.3	406.9

(i) RCOP (on a before and after tax basis) is a non-International Financial Reporting Standards (IFRS) measure commonly used within the global downstream oil industry . It is unaudited and is 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.

(ii) Capital expenditure includes the purchase of property, plant and equipment and purchase of intangible software (excludes intangible rights and licences and Emissions Trading Units).

(iii) Refer to note F3 for further information relating to discontinued operations.

(iv) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

Notes to the Financial Statements – B Results for the year continued

For the year ended 31 December 2023

B3 Segment reporting continued

B3.3 Significant Items excluded from profit or loss reported to the chief operating decision maker

Millions of dollars	2023	2022
Software-as-a-service	**(17.8)**	(7.8)
Commercial Settlements	**(4.5)**	(35.7)
Site remediation	**(17.6)**	(26.3)
Asset divestments and impairments	**(5.5)**	25.8
Unrealised (losses)/gains from mark-to-market of Electricity Derivatives	**(45.4)**	71.8
Ampol rebranding expense	**–**	(30.9)
Transaction costs and Sale of Gull New Zealand	**–**	9.5
Significant Items (loss)/gain excluded from EBIT	**(90.8)**	6.4
Tax benefits on Significant Items	**26.4**	6.5
Release of income tax provision relating to Singapore entity profits	**–**	110.2
Significant Items (losses)/gains excluded from profit or loss (after tax)	**(64.4)**	123.1

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 Ampol's underlying financial performance from one period to the next.

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-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 Items. 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).

2022 Rebranding

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

B3 Segment reporting continued

B3.3 Significant Items excluded from profit or loss reported to the chief operating decision maker continued

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

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.

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.

B3.4 Geographical segments

The Group operates in Australia, New Zealand, United States and Singapore. The Group generated the following revenue and holds the following non-current assets across the geographical segments.

Millions of dollars	Australia	New Zealand	Singapore	US	Total
2023					
Revenue	**21,698.2**	**5,526.6**	**8,847.4**	**1,677.1**	**37,749.3**
Non-current assets	**4,583.4**	**2,476.9**	**7.9**	**0.5**	**7,068.7**
2022					
Revenue(i)	26,760.8	4,061.8	6,090.7	1,578.2	38,491.5
Non-current assets^	4,666.4	2,344.0	1.9	6.5	7,018.8

(i) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

^ Amounts have been restated at 31 December 2022 due to the finalisation of the purchase price allocation on the Z Energy acquisition. Refer to note F2 for further information.

B3.5 Major customers

The Group had no major customers in 2023. In 2022 revenues from two major customers of the Group's Fuels and Infrastructure segment represented approximately $5.2 billion of the Group's total gross sales revenue (excluding product duties and taxes).

Notes to the Financial Statements – B Results for the year continued

For the year ended 31 December 2023

B4 Earnings per share

Cents per share	2023	2022
Basic and diluted earnings per share		
Statutory net profit/(loss) attributable to ordinary shareholders – basic	**230.4**	334.0
Statutory net profit/(loss) attributable to ordinary shareholders – diluted	**229.9**	332.3
RCOP after tax and excluding Significant Items – basic	**310.6**	320.1
RCOP after tax and excluding Significant Items – diluted	**309.9**	318.5
Basic and diluted earnings per share – Continuing operations		
Statutory net profit/(loss) attributable to ordinary shareholders – basic	**230.4**	305.3
Statutory net profit/(loss) attributable to ordinary shareholders – diluted	**229.9**	303.8
RCOP after tax and excluding Significant Items – basic	**310.6**	307.3
RCOP after tax and excluding Significant Items – diluted	**309.9**	305.8
Basic and diluted earnings per share – Discontinued operations		
Statutory net profit/(loss) attributable to ordinary shareholders – basic	**–**	28.7
Statutory net profit/(loss) attributable to ordinary shareholders – diluted	**–**	28.5
RCOP after tax and excluding Significant Items – basic	**–**	12.8
RCOP after tax and excluding Significant Items – diluted	**–**	12.7

Calculation of earnings per share

Basic historical earnings per share is calculated as the net profit attributable to ordinary shareholders of the parent entity divided by the weighted average number of ordinary shares outstanding during the year ended 31 December 2023.

Diluted statutory earnings per share is calculated as the net profit attributable to ordinary shareholders of the parent entity divided by the weighted average number of ordinary shares adjusted to include the number of shares that would be issued if all dilutive outstanding rights and restricted shares were exercised.

Earnings per share has been disclosed for both the statutory net profit as well as the RCOP after tax and excluding Significant Items. RCOP after tax and excluding Significant Items is the method that adjusts statutory net profit after tax for Significant Items and inventory gains and losses. A reconciliation between statutory net profit after tax and RCOP after tax attributable to ordinary shareholders of the parent entity is shown below.

The holders of the subordinated notes disclosed in note D1 have the ability to convert the note principle and any unpaid interest to ordinary shares on 26 March 2026 should Ampol not redeem these notes in cash on or before this date. The number of shares will be determined based on the volume weighted average price. These contingently issuable shares have not been included in diluted earnings per share in the current or prior year.

The Group's intention is that they will be repaid prior to any conversion options coming into effect.

Millions of dollars	2023	2022
Net profit after tax from continuing operations	**600.1**	778.6
Add/Less: Non-controlling interests	**(51.0)**	(51.1)
Add/Less: Inventory loss after tax	**126.6**	89.3
Add/Less: Significant Items loss after tax	**64.4**	25.7
Add/Less: Income tax (expense) – Significant Items	**–**	(110.2)
RCOP net profit excluding Significant Items after tax – continuing	**740.1**	732.3

Weighted average number of shares (millions)	2023	2022
Issued shares as at 1 January	**238.3**	238.3
Issued shares as at 31 December	**238.3**	238.3
Weighted average number of shares as at 31 December – basic	**238.3**	238.3
Weighted average number of shares as at 31 December – diluted	**238.8**	239.5

B5 Dividends

A provision for dividends payable is recognised in the reporting period in which the dividends are declared, for the entire undistributed amount.

B5.1 Dividends declared or paid

Dividends recognised in the current year by the Group are:

Millions of dollars	Date of payment	Franked/ unfranked	Cents per share	Total amount
2023				
Interim 2023	27 September 2023	Franked	95	226.3
Final 2022	29 March 2023	Franked	105	250.1
Special 2022	29 March 2023	Franked	50	119.2
Total amount			**250**	**595.6**
2022				
Interim 2022	28 September 2022	Franked	120	286.0
Final 2021	31 March 2022	Franked	41	97.6
Total amount			**161**	**383.6**

Subsequent events
Since 31 December 2023, the Directors declared the following dividends. The dividends have not been provided for and there are no income tax consequences for the Group in relation to 2023.

Final 2023	27 March 2024	Franked	120	**286.0**
Special 2023	27 March 2024	Franked	60	**143.0**

B5.2 Dividend franking account

Millions of dollars	2023	2022
30% franking credits available to shareholders of Ampol Limited for subsequent financial years	**533.5**	525.7
28% New Zealand imputation credits available to shareholders of Ampol Limited for subsequent financial years	**16.1**	160.7

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends.

The impact on the dividend franking account of dividends proposed after 31 December 2023 but not recognised as a liability, is to reduce the balance by $183.8 million (2022: $158.3 million).

Notes to the Financial Statements – C Operating assets and liabilities

For the year ended 31 December 2023

This section provides information on the assets used to generate the Group's trading performance and the liabilities incurred as a result.

C1 Trade receivables and other assets

The following balances are amounts due from the Group's customers and others.

Millions of dollars	2023	2022 ^Restated
Trade debtors	**1,693.0**	1,771.3
Accrued receivables	**127.3**	254.7
Allowance for impairment	**(11.1)**	(8.7)
Prepayments	**77.7**	71.6
Associates and joint venture entities	**94.2**	135.1
Derivative assets	**175.1**	266.0
Other debtors	**344.2**	194.4
Contract assets	**28.6**	33.3
Total trade receivables and other assets	**2,529.0**	2,717.7
Current	**2,413.1**	2,599.6
Non-current	**115.9**	118.1
Total trade receivables and other assets	**2,529.0**	2,717.7

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

Receivables are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost less impairment losses.

Impairment testing is performed at each reporting date. A provision for impairment losses is raised based on a risk matrix for expected credit losses across customer categories.

The business model for the Group receivables is 'hold to collect' except those included in the sale of receivables program. Receivables are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost less impairment losses. The business model for receivables subject to the sale of receivables program is "hold to collect and for sale".

During the year the Group has entered into a sale of trade receivables arrangement to sell a portion of its receivables for cash proceeds. The sale of receivables is a working capital tool. The main purpose is to enable the Group to more efficiently manage working capital. The Group sells a portion of trade receivables on a weekly basis. These trade receivables are de-recognised as substantially all of the risks and rewards of ownership of the trade receivables are transferred at the time of sale. The criteria is assessed on a week by week basis to ensure that derecognition is appropriate.

The receivables that have been de-recognised are $119.6 million as at 31 December 2023 (2022: $nil).

C1 Trade receivables and other assets continued

Impaired receivables

As at 31 December 2023, current trade receivables of the Group with a nominal value of $11.1 million (2022: $8.7 million) were provided for as impaired based on the lifetime expected credit loss model. No collateral is held over these impaired receivables.

As at 31 December 2023, trade receivables of $101.9 million (2022: $71.9 million) were overdue. The ageing analysis of these receivables is as follows:

Millions of dollars	2023	2022
Past due 0 to 30 days	**73.8**	65.6
Past due 31 to 60 days	**6.5**	5.3
Past due greater than 60 days(i)	**21.6**	1.0
Total aged receivables	**101.9**	71.9

(i) The Group has collected $15.8 million of the receivables past due greater than 60 days amount subsequent to 31 December 2023.

Movements in the allowance for impairment of receivables are as follows:

Millions of dollars	2023	2022
At 1 January	**8.7**	8.0
Provision for impairment recognised during the year	**7.8**	4.9
Receivables written off during the year as uncollectible	**(4.5)**	(3.6)
Bad debts recovered	**(0.9)**	(0.6)
Balance at 31 December 2023	**11.1**	8.7

The creation and release of the provision for impaired receivables has been included in general and administration expenses in the Consolidated Income Statement. Amounts charged to the allowance account are written off when there is no expectation of recovering additional cash. The other classes within trade receivables and other assets do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

C2 Inventories

Millions of dollars	2023	2022
Crude oil and raw materials	**400.6**	677.2
Inventory in process	**103.6**	111.8
Finished goods	**2,437.1**	2,774.3
Materials and supplies	**49.7**	30.6
Balance at 31 December 2023	**2,991.0**	3,593.9

Inventories are measured at the lower of cost and net realisable value. Cost is based on the first in first out (FIFO) principle and includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure incurred in acquiring the inventories and bringing them into their existing location and condition.

Inventories held at 31 December 2022 were written down to their net realisable value by $39.5 million and this expense is non-cash in nature. It arises as a consequence of significant market volatility with market prices in the period. The adjustment is recognised within Cost of Goods Sold expense in the income statement. There was no write-down required in the current period. Inventory write-downs may be reversed when net realisable value increases subsequent to initial write-down. The reversal is limited to the original write-down amount.

Notes to the Financial Statements – C Operating assets and liabilities continued

For the year ended 31 December 2023

C3 Intangibles

Millions of dollars	Goodwill	Brand names	Rights and licenses	Customer contracts	Software	New Zealand Emissions Trading Units	Total ^Restated
Cost							
At 1 January 2023	**690.6**	**54.2**	**65.2**	**185.1**	**240.6**	**615.8**	**1,851.5**
Additions	1.2	–	0.1	–	15.6	387.1	404.0
Transfers	–	–	–	–	21.1	–	21.1
Utilisation	–	–	–	–	–	(289.0)	(289.0)
Impairment loss	–	–	–	–	(1.4)	–	(1.4)
Revaluation	–	–	–	–	–	(116.4)	(116.4)
Disposals	–	–	–	(0.4)	(0.5)	–	(0.9)
Units surrendered & sold	–	–	–	–	–	(147.5)	(147.5)
Foreign currency translation	(4.2)	(0.3)	–	(1.9)	(0.4)	(6.8)	(13.6)
Balance at 31 December 2023	**687.6**	**53.9**	**65.3**	**182.8**	**275.0**	**443.2**	**1,707.8**
Cost							
At 1 January 2022	426.2	–	98.0	–	291.4	–	815.6
Additions through business combination	488.2	52.5	–	179.5	13.7	889.5	1,623.4
Additions	–	–	–	–	10.5	221.7	232.2
Transfers	–	–	7.1	–	12.5	–	19.6
Utilisation	–	–	–	–	–	(294.2)	(294.2)
Disposals	–	–	–	–	(89.4)	(219.1)	(308.5)
Disposals through divestment of subsidiary	(228.4)	–	(37.1)	–	–	–	(265.5)
Foreign currency translation	4.6	1.7	(2.8)	5.6	1.9	17.9	28.9
Balance at 31 December 2022	**690.6**	**54.2**	**65.2**	**185.1**	**240.6**	**615.8**	**1,851.5**
Amortisation and impairment							
At 1 January 2023	**(6.6)**	**–**	**(53.4)**	**(13.0)**	**(168.6)**	**–**	**(241.6)**
Amortisation for the year	–	–	(2.8)	(21.0)	(18.8)	–	(42.6)
Disposals	–	–	–	–	0.4	–	0.4
Foreign currency translation	0.2	–	(0.2)	0.1	0.4	–	0.5
Balance at 31 December 2023	**(6.4)**	**–**	**(56.4)**	**(33.9)**	**(186.6)**	**–**	**(283.3)**
Amortisation and impairment							
At 1 January 2022	(19.5)	–	(54.6)	–	(235.2)	–	(309.3)
Amortisation for the year	–	–	(2.7)	(14.1)	(21.5)	–	(38.3)
Disposals	–	–	–	–	86.9	–	86.9
Disposals through divestment of subsidiary	12.9	–	8.3	–	–	–	21.2
Transfers and reclassification	–	–	(4.4)	–	1.6	–	(2.8)
Foreign currency translation	–	–	–	1.1	(0.4)	–	0.7
Balance at 31 December 2022	**(6.6)**	**–**	**(53.4)**	**(13.0)**	**(168.6)**	**–**	**(241.6)**
Carrying amount							
Balance at 31 December 2023	**681.2**	**53.9**	**8.9**	**148.9**	**88.4**	**443.2**	**1,424.5**
Balance at 31 December 2022	684.0	54.2	11.8	172.1	72.0	615.8	1,609.9

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

C3 Intangibles continued

The amortisation charge of $42.6 million (2022: $38.3 million) is recognised in selling and distribution expenses and general and administration expense in the Consolidated Income Statement.

Goodwill

Goodwill arising on the acquisition of subsidiaries is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units (CGUs) and is tested annually for impairment. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

Other intangible assets

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses. Costs related to configuration and customisation of cloud computing arrangements are recognised as an operating expense.

Amortisation

Amortisation is charged to the Consolidated Income Statement on a straight-line basis over the estimated useful lives of intangible assets. Other intangible assets are amortised from the date they are available for use. The estimated useful lives in the current and comparative periods are reflected by the following amortisation rates:

Software development	7 to 17%
Software not integrated with hardware	7 to 18%
Rights and licences	4 to 33%
Customer contracts	7 to 33%
Brand names	Indefinite

Impairment

The carrying amounts of intangible assets are reviewed to determine if there is any indication of impairment. If any such indication exists, the CGUs' recoverable amount is estimated and, if required, an impairment is recognised in the Consolidated Income Statement. No impairment loss has been recognised in 2023 or 2022.

Emissions units

The Group is required to deliver emission units (units) to settle the obligation which arises from Z Energy Limited's import and sale of products that emit pollutants in New Zealand. The Group purchases carbon emission units to meet its surrender obligation under the New Zealand Emissions Trading Scheme. The units are measured at weighted average cost and are classified as intangible assets.

Stock of units (millions)	2023	2022
Balance at beginning of the year	**8.5**	–
Units acquired through acquisition of Z Energy	**–**	13.0
Units acquired and receivable	**6.5**	3.0
Units surrendered & sold	**(7.2)**	(7.5)
Balance at end of year	**7.8**	8.5

Carrying value assessment of cash-generating units containing goodwill and indefinite life intangibles

The Group tests the carrying amount of indefinite life intangible assets, including goodwill, for impairment to ensure they are not carried at above their recoverable amounts, at least annually and where there is an indication that the assets may be impaired.

The recoverable amount of all CGUs containing goodwill have been estimated in the current reporting period.

Notes to the Financial Statements – C Operating assets and liabilities continued

For the year ended 31 December 2023

C3 Intangibles continued

Carrying value assessment of cash-generating units containing goodwill and indefinite life intangibles continued

Goodwill and indefinite life intangibles have been allocated to the CGU groups as follows:

Total goodwill and indefinite life intangibles

Millions of dollars	Convenience Retail	Fuels and Infrastructure Other	New Zealand	Total
Goodwill	**114.4**	**68.0**	**498.8**	**681.2**
Indefinite life intangibles	**–**	**0.9**	**54.2**	**55.1**
Balance at 31 December 2023	**114.4**	**68.9**	**553.0**	**736.3**
Goodwill	113.2	68.0	502.8	684.0
Indefinite life intangibles	–	0.9	54.2	55.1
Balance at 31 December 2022	**113.2**	**68.9**	**557.0**	**739.1**
Pre-tax discount rate	**9.2%**	**10.7%**	**10.8%**	**–**
Post-tax discount rate	**8.3%**	**8.7%**	**9.1%**	**–**

Each of the CGUs' recoverable amount has been determined using a value-in-use approach. There were no impairments recognised during the year ended 31 December 2023 (2022: $nil).

Key assumptions used in value-in-use calculations

Key assumption	Basis for determining value-in-use assigned to key assumption
Cash flow	Estimated future cash flows are based on the Group's most recent best estimate of cash flows covering a five-year plan period from 2024 to 2028. The key assumptions in these cash flow projections are volumes, margin, operating expenditure, and capital expenditure. These assumptions are based on the Group's plans and factor into consideration historical performance, forecast macroeconomic and industry conditions and the estimated effect of the Group's strategic plans, risk adjusted where necessary. Cash flows beyond the period in 2028 are extrapolated using estimated long-term growth average rates into perpetuity.
Estimated long-term average growth rate	The cash flows have been extrapolated using a constant growth rate of: Australia 2.5% (2022: 2.5%) and New Zealand 2.0% (2022: 2.0%).
Discount rate	Discount rates used vary depending on the nature of the business and the country of operation. The cash flows have been discounted using the post-tax discount rates disclosed in the table above. (2022: post-tax discount rates of between 7.5% to 12.3% and pre-tax discount rates of between 8.1% to 14.8% p.a.)

Reasonably possible changes in assumptions

Determining recoverable amount requires the exercise of significant judgement which takes into account both internal and external factors. Changes in the long-term view of any of these factors may impact the estimated recoverable value. Management have assessed the impact of a change in discount rate or terminal growth rate of +/- 1% and a change in capex or terminal cashflows of +/- 10%. Taking into account the break-even sensitivity testing outcomes below there are no reasonably possible changes in key assumptions that would cause the CGU's carrying amount to exceed its recoverable amount.

C3 Intangibles continued

Carrying value assessment of cash-generating units containing goodwill and indefinite life intangibles continued

Break-even sensitivities

The recoverable amount of the CGU Groups containing goodwill and indefinite life intangibles would equal their carrying amount if any of the following key assumptions were to change:

CGU Groups	Key assumptions
Z Limited	Cash contributions reduce by 29% for each year modelled; or Post-tax discount rate increases by 3.0 percentage points
Fuels and Infrastructure other	Cash contributions reduce by 53% for each year modelled; or Post-tax discount rate increases by 6.8 percentage points
Convenience Retail	Cash contributions reduce by 58% for each year modelled; or Post-tax discount rate increases by 8.8 percentage points

In reaching its conclusions regarding the recoverable amounts of these CGUs the Group has considered the potential impacts that the clean energy transition and decarbonisation may have on its business through downside scenario analysis. Whilst the speed and form of the transition is still highly uncertain, the Group has undertaken additional downside scenario analysis using current expectations of the timing and speed of these changes. This has included reviewing required cashflow growth rates for recovery of carrying values against anticipated timing of energy transition including 2035 and 2045 time horizons and timeframes to breakeven. No impairment has been identified based on this scenario analysis.

C4 Property, plant and equipment

Millions of dollars	2023	2022 ^Restated
Freehold land		
At cost	**670.4**	720.4
Accumulated impairment losses	**(70.1)**	(70.1)
Net carrying amount	**600.3**	650.3
Buildings		
At cost	**1,048.3**	1,035.2
Accumulated depreciation and impairment losses	**(440.6)**	(421.5)
Net carrying amount	**607.7**	613.7
Leasehold property(i)		
At cost	**255.3**	272.2
Accumulated depreciation and impairment losses	**(159.6)**	(167.5)
Net carrying amount	**95.7**	104.7
Plant and equipment(i)		
At cost	**6,899.5**	6,747.5
Accumulated depreciation and impairment losses	**(5,153.2)**	(4,952.8)
Net carrying amount	**1,746.3**	1,794.7
Capital projects in progress		
At cost	**621.3**	399.8
Accumulated impairment losses	**–**	–
Net carrying amount	**621.3**	399.8
Total net carrying amount	**3,671.3**	3,563.2

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

(i) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

Notes to the Financial Statements – C Operating assets and liabilities continued

For the year ended 31 December 2023

C4 Property, plant and equipment continued

Owned assets

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of production overheads.

The cost of property, plant and equipment includes the cost of decommissioning and restoration at the end of their economic lives if a present legal or constructive obligation exists. More details of how this cost is estimated and recognised is contained in note C7.

Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including cyclical maintenance, is capitalised. Other subsequent expenditure is capitalised only when it is probable that the future economic benefits embodied within the item will flow to the Group and the cost of the item can be reliably measured. All other expenditure is recognised in the Consolidated Income Statement as an expense as incurred.

Major cyclical maintenance

Major cyclical maintenance expenditure is separately capitalised as an asset component to the extent that it is probable that future economic benefits, in excess of the originally assessed standard of performance, will eventuate. All other such costs are expensed as incurred. Capitalised cyclical maintenance expenditure is depreciated over the lesser of the additional useful life of the asset or the period until the next major cyclical maintenance is scheduled to occur.

Depreciation

Items of property, plant and equipment, including buildings and leasehold property but excluding freehold land, are depreciated using the straight-line method over their expected useful lives. Leasehold improvements are amortised over the shorter of the lease term or useful life.

The depreciation rates used in the current and prior year for each class of asset are as follows:

Buildings	2%
Leasehold property	2% to 10%
Plant and equipment	3% to 25%
Leased plant and equipment	3% to 25%

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

Some of the useful lives of the Group's assets may be impacted by the energy transition and useful lives are reviewed taking this into account. To the extent that the Group's assessment of the timing or pace of this transition changes, the useful lives of the asset would change on a prospective basis.

Impairment of non-current assets

Carrying value assessment of cash-generating units

CGUs are reviewed at each reporting period to determine if there are any indicators of impairment. CGUs are the lowest levels at which assets are grouped and generate separately identifiable cash flows. Where an indicator of impairment exists, a detailed recoverable amount test is performed for the relevant CGU. If the recoverable amount test determines that a CGU is impaired an impairment expense is recognised in the income statement.

All CGUs have been reviewed for indicators and triggers of impairment or a detailed review of recoverable amount performed.

Impairment Convenience Retail site and New Zealand site CGUs

The impairment review did not identify any impairment relating to closing/closed sites (2022: $7.0 million). There was impairment of other specific assets of $4.1 million (2022: $3.8 million). In 2022 the review also identified 33 sites where impairment reversal was indicated with an associated value of $21.8 million. The Group recognised a net loss of $4.1 million (2022: $11.0 million gain).

During the period to December 2023, no other impairment (2022: $nil) has been recognised.

C4 Property, plant and equipment continued

Millions of dollars	2023	2022 ^Restated
Freehold land		
Carrying amount at the beginning of the year	**650.3**	411.9
Additions through business combination	**–**	364.3
Additions	**3.8**	6.3
Disposals	**(9.2)**	(13.9)
Disposals through divestment of subsidiary	**–**	(49.9)
Transfers	**(40.6)**	(77.2)
Depreciation	**–**	–
Foreign currency translation	**(4.0)**	8.8
Carrying amount at the end of the year	**600.3**	**650.3**
Buildings		
Carrying amount at the beginning of the year	**613.7**	421.3
Additions through business combination	**–**	147.3
Additions	**9.6**	6.3
Disposals	**(9.2)**	(5.8)
Impairment	**(2.7)**	–
Transfers	**34.7**	79.8
Depreciation	**(36.5)**	(27.4)
Foreign currency translation	**(1.9)**	(7.8)
Carrying amount at the end of the year	**607.7**	**613.7**
Leasehold property(i)		
Carrying amount at the beginning of the year	**104.7**	102.4
Additions through business combination	**–**	10.3
Additions	**2.0**	(0.1)
Disposals	**(0.5)**	0.2
Transfers	**0.2**	2.9
Depreciation	**(10.7)**	(11.3)
Foreign currency translation	**–**	0.3
Carrying amount at the end of the year	**95.7**	**104.7**

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

(i) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

Notes to the Financial Statements – C Operating assets and liabilities continued

For the year ended 31 December 2023

C4 Property, plant and equipment continued

Millions of dollars	2023	2022 ^Restated
Plant and equipment[(i)]		
Carrying amount at the beginning of the year	**1,794.7**	1,416.4
Additions through business combination	–	296.7
Additions	**30.0**	60.5
Disposals	**(74.0)**	(8.7)
Disposals through divestment of subsidiary	–	(78.2)
Impairment losses	–	(10.8)
Impairment losses reversal	–	21.8
Transfers	**221.8**	314.3
Depreciation	**(220.7)**	(238.1)
Foreign currency translation	**(5.5)**	20.8
Carrying amount at the end of the year	**1,746.3**	**1794.7**
Capital projects in progress		
Carrying amount at the beginning of the year	**399.8**	323.0
Additions through business combination	–	59.6
Additions	**522.9**	353.2
Disposals through divestment of subsidiary	–	(4.2)
Transfers	**(301.0)**	(336.6)
Foreign currency translation	**(0.4)**	4.8
Carrying amount at the end of the year	**621.3**	**399.8**

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

(i) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

C5 Right-of-use assets

Definition of a lease

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on reassessment of a contract that contains a lease and non-lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

Non-lease components are items that are not related to securing the use of the underlying asset.

The Group as a lessee

The Group leases many assets including and predominantly related to property leases for service stations, terminals, pipelines and wharves.

The Group recognises a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost. The cost comprises:

- the initial measurement of the lease liability including any option period reasonably certain of being exercised;
- lease payments made at or before commencement, less lease incentive (if any);
- initial direct costs incurred, including legal fees, agency fees or other fees in relation to negotiation or arrangement of the lease; and
- estimated costs to be incurred in restoring the asset as required by the terms and conditions of the lease.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

The right-of-use assets are depreciated to the earlier of the end of the useful life of the underlying asset or the lease term using the straight-line method. Right-of-use asset depreciation expense is included in the selling and distribution expenses and general and administration expenses in the Consolidated Income Statement based on the function of associated activities.

C5 Right-of-use assets continued

The Group as a lessee continued

The Group has elected not to recognise right-of-use assets for leases of low-value assets and short-term leases, including motor vehicles and IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Millions of dollars	Leasehold property	Plant and equipment	Total
Balance at 1 January 2023	**1,042.9**	**9.5**	**1,052.4**
Additions	**290.7**	**0.1**	**290.8**
Disposals	**(20.7)**	**–**	**(20.7)**
Transfer	**62.0**	**1.8**	**63.8**
Depreciation charge for the year	**(144.9)**	**(3.5)**	**(148.4)**
Foreign currency translation	**(2.9)**	**–**	**(2.9)**
Balance at 31 December 2023	**1,227.1**	**7.9**	**1,235.0**
Balance at 1 January 2022(i)	886.8	3.9	890.7
Addition through business combination	260.5	6.6	267.1
Additions	72.0	2.9	74.9
Disposals	(22.3)	–	(22.3)
Disposals through divestment of subsidiary	(36.7)	–	(36.7)
Depreciation charge for the year	(130.4)	(4.0)	(134.4)
Foreign currency translation	13.0	0.1	13.1
Balance at 31 December 2022	**1,042.9**	**9.5**	**1,052.4**

(i) The prior period has been re-presented due to change in classification. Refer to Note A4 for further information.

Amounts recognised in the Consolidated Income Statement

Millions of dollars	2023	2022
Leases		
Expenses relating to short-term leases, leases of low-value assets and variable leases	**87.2**	45.4

Group as lessor

At inception of a lease where the Group is the lessor, Group determines whether the lease is an operating lease or finance lease.

The Group leases out its owned commercial properties. All leases of owned property are classified as operating leases.

The Group acts as intermediate lessor in relation to sub-lease agreements which can either be classified as finance leases or operating leases with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. The impact of operating sub-lease agreements has been included.

Rental income recognised by the Group during 2023 was $31.3 million (2022: $27.9 million).

The Group has granted operating leases expiring from one to ten years. The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

Millions of dollars	2023	2022^
Operating leases under AASB 16		
Within one year	**29.9**	31.8
Between one and five years	**68.4**	68.1
After five years	**31.9**	12.4
	130.2	112.3

^The prior period has been re-presented to include total operating leases including payments from sub-leases.

Notes to the Financial Statements – C Operating assets and liabilities continued

For the year ended 31 December 2023

C6 Payables

Millions of dollars	2023	2022
Trade creditors unsecured	**2,829.7**	3,060.8
Other creditors and accrued expenses	**877.0**	785.8
Emissions Unit Obligation	**404.9**	512.4
Derivative liabilities	**153.1**	131.4
Total trade payables	**4,264.7**	4,490.4
Current	**4,225.1**	4,438.2
Non-current	**39.6**	52.2
Total trade payables	**4,264.7**	4,490.4

The Emissions Trading Scheme obligation of $404.9 million (2022: $512.4 million) is included within payables and is valued at the weighted average cost of units, where units have been acquired to settle the Group's obligation. Any shortfall in units needed to settle the obligation is measured at fair value. An emission obligation is recognised at the time that the Group incurs the obligation.

Other payables are recognised for amounts to be paid in the future for goods and services received, whether it is billed to the Group or not. Trade accounts payable are normally settled on between 30-day and 60-day terms.

Payables are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost.

C7 Provisions

Millions of dollars	Site remediation and dismantling	Other	Total ^Restated
Balance at 1 January 2023	**638.0**	**22.8**	**660.8**
Provisions made during the year	185.3	11.9	197.2
Provisions used during the year	(40.1)	(2.2)	(42.3)
Provisions released during the year	(27.0)	(16.2)	(43.2)
Inflationary movement	55.8	–	55.8
Discounting movement	(181.4)	–	(181.4)
Balance at 31 December 2023	**630.6**	**16.3**	**646.9**
Current	65.7	16.3	82.0
Non-current	564.9	–	564.9
Balance at 31 December 2023	**630.6**	**16.3**	**646.9**

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

A provision is recognised when there is a present legal or constructive obligation as a result of a past event that can be measured reliably and it is probable that a future sacrifice of economic benefits will be required to settle the obligation, the timing or amount of which is uncertain.

The provision is the best estimate of the present value of the expenditure to settle the obligation at the reporting date. These costs are reviewed and any changes are reflected in the provision at the end of the reporting period.

A provision is determined by discounting the expected future cash flows (adjusted for expected future risks) required to settle the obligation at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. Subsequent accretion to the amount of a provision due to unwinding of the discount is recognised as a financing cost.

In general, the further in the future that a cash outflow for a liability is expected to occur, the greater the degree of uncertainty around the amount and timing of that cash outflow. Examples are of cash outflows that are expected to occur a number of years in the future and, as a result, where there is uncertainty on the amounts involved, include asset decommissioning and restoration obligations.

Estimates of the amount of an obligation are based on current legal and constructive obligations, technology and price levels. Actual outflows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions and can be many years in the future. Factors such as climate change and energy transition, which are highly uncertain, could also change the timing of these works. The carrying amounts of provisions are regularly reviewed and adjusted to take account of any anticipated changes.

C7 Provisions continued

Site remediation and dismantling

Costs for future dismantling and removal of assets, and remediation of the site on which assets are located, are provided for and capitalised upon initial construction of the asset, where an obligation to incur such costs arises under regulatory requirements and/or the contractual terms of a lease. The present value of the expected future cash flows required to settle these obligations is capitalised and depreciated over the useful life of the asset or the lease term.

A change in estimate of the provision is added to or deducted from the cost of the related asset in the period of the change, to the extent that any amount deducted does not exceed the carrying amount of the asset. If an adjustment results in an addition to the cost of the related asset, consideration will be given to whether an indication of impairment exists and the impairment policy will be applied. An adjustment in circumstances where there is no such related asset is recognised in the Consolidated Income Statement immediately.

Remediation identified in the period resulting from ongoing or past operations, where a legal or constructive obligation exists and the amount can be reliably estimated is recognised as a provision with a corresponding expense to the Consolidated Income Statement.

In assessing the value of provisions the Group uses assumptions and estimates. These include the current legal, contractual or constructive obligations for remediation, technology, price levels, expected timings of settlements and amounts (based on past experience or third-party estimates of cost of asset removal, site assessment and additional soil remediation), discount rates and cost inflation rates.

Actual costs and timing of cash outflows can differ from current estimates because of changes in regulations, public expectations, prices, the availability of new information on site conditions and changes in technology. The timing and amount of future expenditures relating to site dismantling and remediation liabilities are reviewed annually, together with the interest rate used in discounting the cash flows. Changes in assumptions in relation to the Group's provisions can result in material changes to their carrying amounts.

Set out below are the key components of the site remediation and dismantling provision including, where relevant, a description of material changes to the estimates made during the year.

- The environmental remediation obligation associated with the Kurnell oil refinery following its conversion to an import terminal was reviewed by a third-party expert in November 2023. The outcome of this review was that the provision level remains appropriate. In the current reporting period, costs are being adjusted for revised inflation and discounting and there has been spend in the current period of approximately $13.5 million (2022: $12.8 million) on site works.
- During the year, restoration and remediation provisions for sites identified for divestment including the cost of restoration to a level of non-sensitive industrial use reduced as works were carried out in relation to the identified sites.
- The provision for dismantling and removal of assets from owned and leased operational sites has been increased by $9.7 million as a result of a review of current legal requirements and cost experience. Estimated assumptions include current legal, contractual or constructive obligations for dismantling assets and site restoration, expected timings of settlements, expenses based on past experience or third-party estimates of cost of asset removal, site assessment and additional soil remediation, as well as discount rates and inflation rates.
- The provision relating to remediation of site specific contamination has increased by $29.3 million during the year due to further information available through site testing and review. The estimated liability for these costs depends on the actions required to meet regulatory standards and other requirements.

Other

These provisions include legal and other provisions.

Notes to the Financial Statements – D Capital, funding and risk management

For the year ended 31 December 2023

This section focuses on the Group's capital structure and related financing costs. This section also describes how the Group manages the capital and the financial risks it is exposed to as a result of its operating and financing activities.

D1 Liquidity and interest-bearing liabilities

D1.1 Interest-bearing liabilities

Millions of dollars	2023	2022
Current		
Bank overdraft	–	22.5
Bank loans	–	251.9
Capital market borrowings	**116.4**	65.5
Total current interest-bearing liabilities	**116.4**	339.9
Non-current		
Bank loans	**357.4**	593.4
Capital market borrowings	**879.1**	411.9
Subordinated notes	**1,142.4**	1,139.7
Total non-current interest-bearing liabilities	**2,378.9**	2,145.0
Total interest-bearing liabilities	**2,495.3**	2,484.9

Bank loans

Bank loans of $366.5 million (2022: $855.3 million), less borrowing costs of $9.1 million (2022: $10.0 million), consists of:

- NZ$395.0 million equivalent to $366.5 million of drawn bank debt (2022: $524.8 million)
- All bank loans acquired with Z Energy have been paid using Group bank facilities (2022: $200.5 million)
- No other drawn bank debt (2022: $130.0 million).

Capital market borrowings

Capital market borrowings of $1,003.8 million (2022: $482.9 million), less borrowing cost of $6.1 million (2022: $0.8 million), and less fair value adjustment of $2.2 million (2022: $4.7 million), consists of:

- $300.0 million Australian medium-term notes (2022: $300.0 million), less borrowing costs of $0.4 million (2022: $0.7 million), less the fair value adjustment of $2.8 million (2022: $4.7 million) relating to the fair value hedge
- NZ$125.0 million equivalent to $116.0 million of Retail Bonds (2022: $182.9 million) less borrowing costs of $0.2 million (2022: $0.1 million), and add fair value adjustment $0.6 million (2022: $nil)
- US$275.0 million equivalent to $402.8 million and $185.0 million of US Private Placement Bonds (2022: $nil) issued on 7 September 2023, less borrowing costs of $5.5 million (2022: $nil).

Subordinated notes

Subordinated notes of $1,150.0 million (2022: $1,150 million), less borrowing cost of $7.6 million (2022: $10.3 million) are denominated in Australian dollars and are unlisted, consist of:

- notes issued on 9 December 2020 and have a maturity date of 9 December 2080, with the first optional redemption date on 9 March 2026 totalling $500.0 million, less borrowing costs of $2.8 million (2022: $4.1 million).
- notes issued on 2 December 2021 and have a maturity date of 2 December 2081, with the first optional redemption date on 19 March 2027 totalling $500.0 million, less borrowing costs of $3.4 million (2022: $4.5 million).
- notes issued on 21 June 2022 and have a maturity date of 21 June 2082, with the first optional redemption date on 21 June 2028 totalling $150 million, less borrowing costs of $1.4 million (2022: $1.7 million).

Interest-bearing liabilities (excluding lease liabilities) are initially recorded at fair value, less transaction costs. Subsequently, interest-bearing liabilities are measured at amortised cost, using the effective interest method. Any difference between proceeds received net of transaction costs and the amount payable at maturity is recognised over the term of the borrowing using the effective interest method.

Refer to note D2.6 for liquidity risk management.

D1 Liquidity and interest-bearing liabilities continued

D1.1 Interest-bearing liabilities

Significant funding transactions

On 2 August 2023, Ampol successfully established a committed sale of receivables program. The program was established to provide Ampol with additional financial flexibility and enable it to more efficiently fund its working capital position. Under the program, Ampol sells eligible receivables in exchange for cash, and these receivables are derecognised as an asset as substantially all the risk associated with the collection of these receivables is transferred to the purchaser. The amount funded under the program as at 31 December 2023 was $119.6 million (2022: $nil).

On 7 September 2023, Ampol successfully issued AUD equivalent $615.9 million of term fixed rate senior unsecured notes in the US Private Placement market. The notes were issued in a mix of USD and AUD denominated tranches ranging from 8.5 years to 15 years, with a weighted average tenor of 11 years. The transaction served to further diversify Ampol's funding sources and extend its debt maturity profile. The net proceeds from the issuance were used for general corporate purposes in line with Ampol's Capital Allocation Framework.

During 2023, the Group extended the tenor of its existing committed bank loans by AUD equivalent $1,764.9 million (2022: $1,053.7 million) and net downsized its committed bank loans by AUD equivalent $355.1 million (2022: downsized by $422.0 million).

D1.2 Lease liabilities

Millions of dollars	2023	2022
Current	179.4	163.8
Non-current	1,020.3	965.7
Total lease liabilities	**1,199.7**	**1,129.5**

Lease liabilities are initially measured at the present value of the lease payments that are outstanding at commencement date of the lease discounted using the Group's incremental borrowing rate. The Group determines its incremental borrowing rate with reference to external market data, making certain adjustments to reflect the terms of the lease and the type of assets leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, less any lease incentive receivable;
- the exercise price under a purchase option that the Group is reasonably certain to exercise;
- the lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently increased by the interest cost on the lease liability (recognised in Finance costs in the Consolidated Income Statement) and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has elected not to recognise lease liabilities for leases of low-value assets and short-term leases, including motor vehicles and IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Amounts recognised in the Consolidated Cash Flow Statement

For the purposes of presentation in the Consolidated Cash Flow Statement, principal lease payments of $118.6 million (2022: $112.2 million) are presented within the financing activities and interest of $78.6 million (2022: $68.9 million) within operating activities. Lease payments of short-term leases and leases of low-value assets of $87.2 million (2022: $45.5 million) are included within operating activities. In addition to the disclosure in the Consolidated Cash Flow Statement, note D2.6 provides a maturity analysis of lease liabilities.

Extension options

Some leases contain extension options exercisable by the Group and not the lessor. The Group assesses at lease commencement date and each reporting date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

D2 Risk management

The Group currently finances its operations through a variety of financial instruments including bank loans, capital markets borrowings, subordinated notes and leasing transactions. Surplus funds are invested in cash and short-term deposits. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk, commodity price risk and electricity price risk), as well as credit and liquidity risk.

Group Treasury centrally manages foreign exchange risk, interest rate risk, liquidity risk, financial institutional credit risk, funding and capital management. Risk management activities with respect to customer credit risk are carried out by the Group's Credit Risk department, and risk management activities with respect to commodity price risk are carried out by Ampol Singapore.

The Group operates under policies approved by the Board of Directors. Group Treasury, Credit Risk and Ampol Singapore evaluate and monitor the financial risks in close co-operation with the Group's operating units.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to reduce potential adverse effects on financial performance. The Group uses a range of derivative financial instruments to hedge market exposures.

The Group enters into derivative transactions; principally, interest rate swaps, foreign exchange contracts, crude and finished product contracts and electricity contracts. The purpose is to manage the market risks arising from the Group's operations and its sources of finance.

Derivative financial instruments are recognised at fair value. The gain or loss on subsequent remeasurement is recognised immediately in the Consolidated Income Statement. However, where derivatives qualify for hedge accounting, recognition of any resulting gain or loss depends on the nature of the item being hedged.

The magnitude of each type of financial risk that has arisen over the year is discussed in notes D2.1 to D2.6 below.

Hedge accounting

There are three types of hedge accounting relationships that the Group may utilise:

Type of hedge	Objective	Hedging instruments	Accounting treatment
Cash flow hedges	To hedge the Group's exposure to variability in cash flows of an asset, liability or forecast transaction caused by interest rate or foreign currency movements.	Foreign exchange contracts. Interest rate swap contracts (floating-to-fixed).	The effective portion of changes in fair value of these financial instruments is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Income Statement. The cumulative gain or loss in equity is transferred to the Consolidated Income Statement in the period when the hedged item affects profit or loss. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss existing in equity at the time remains in equity and is recognised when the forecast transaction ultimately affects profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Consolidated Income Statement.
Fair value hedges	To hedge the Group's exposure to changes to the fair value of an asset or liability arising from interest rate movements.	Interest rate swap contracts (fixed-to-floating).	Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges are recorded in the Consolidated Income Statement, together with any changes in the fair value of the hedged asset or liability or firm commitment attributable to the hedged risk.
Net investment hedges	To hedge the Group's exposure to exchange rate differences arising from the translation of our foreign operations from their functional currency to Australian dollars.	Foreign currency borrowings.	Foreign exchange differences arising from the translation of the net investment in foreign operations, and of related hedges that are effective, are recognised in Consolidated Statement of Comprehensive Income and presented in the foreign currency translation reserve within equity. They may be released to the Consolidated Income Statement upon disposal of the foreign operation.

Notes to the Financial Statements – D Capital, funding and risk management continued

For the year ended 31 December 2023

D2 Risk management continued

D2.1 Interest rate risk

Interest rate risk is the risk that fluctuations in interest rates adversely impact the Group's results. Borrowings issued at variable interest rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

Interest rate risk exposure

The Group's exposure to interest rate risk (including the impact of hedging) for fixed rate and variable rate instruments are set out as follows:

Millions of dollars	2023	2022
Fixed rate instruments		
Financial assets	**300.6**	126.0
Financial liabilities (include lease liabilities)	**(2,195.2)**	(1,606.8)
	(1,894.6)	(1,480.8)
Effect of interest rate swaps	**(1,307.7)**	(976.4)
Total	**(3,202.3)**	(2,457.2)
Variable rate instruments		
Financial liabilities	**(1,499.8)**	(2,007.5)
Effect of interest rate swaps	**1,307.7**	976.4
Total	**(192.1)**	(1,031.2)

Management of interest rate risk

The Group manages interest rate risk by using a floating versus fixed rate debt framework. The relative mix of fixed and floating interest rate funding is managed by using interest rate swap contracts. Maturities of swap contracts are principally between one and six years.

The Group manages its cash flow interest rate risk by entering into floating-to-fixed interest rate swap contracts. At 31 December 2023, the fixed rates under these swap contracts varied from 0.5% to 5.3% per annum, at a weighted average rate of 3.4% per annum (2022: 0.5% to 4.8% per annum, at a weighted average rate of 2.7% per annum).

The Group manages its fair value interest rate risk by using fixed-to-floating interest rate swap contracts.

The net fair value of interest rate swap contracts at 31 December 2023 was a $18.3 million gain (2022: $42.8 million gain).

Interest rate sensitivity analysis

At 31 December 2023, if interest rates had changed by -/+1% from the year-end rates, with all other variables held constant, the impact on post-tax profit for the year for the Group and equity would have been:

	2023		2022	
Millions of dollars	After tax profit	Hedge reserve	After tax profit	Hedge reserve
Interest rates decrease by 1%	**27.5**	**(43.0)**	40.8	(34.2)
Interest rates increase by 1%	**(25.2)**	**41.7**	(40.6)	34.2

D2 Risk management continued

D2.2 Foreign exchange risk

Foreign exchange risk is the risk that fluctuations in exchange rates will adversely impact the Group's results. The Group is primarily exposed to foreign exchange transactional risk relating to the timing mismatches for the purchase and sale of oil commodities denominated in a foreign currency, as well as investments in foreign operations.

Foreign currency transactions are recorded on initial recognition in Australian dollars by applying the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at 31 December 2023 are translated to Australian dollars at the foreign exchange rate applicable for that date. Foreign exchange differences arising on translation are recognised in the Consolidated Income Statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Australian dollars at foreign exchange rates at the dates the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Australian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Australian dollars at the exchange rates at the date of the transactions. Foreign currency differences are recognised in the Consolidated Statement of Comprehensive Income and accumulated in the foreign currency translation reserve.

The Group's exposure to foreign exchange risk (both transactional and translational risks) are set out as follows:

Foreign exchange risk exposure

	2023			
Millions of dollars (Australian dollar equivalent amounts)	US dollar	NZ dollar	Australian dollar	Total
Bank loans	**–**	**(363.6)**	**6.2**	**(357.4)**
Cash and cash equivalents	**41.9**	**10.1**	**248.6**	**300.6**
Trade receivables	**482.3**	**419.7**	**1,485.4**	**2,387.4**
Trade payables	**(2,530.4)**	**(214.6)**	**(1,374.7)**	**(4,119.7)**
Forward exchange contracts	**(11.2)**	**(0.3)**	**–**	**(11.5)**
Crude and finished product contracts	**(36.3)**	**–**	**–**	**(36.3)**
Interest rate swap contracts	**–**	**(10.8)**	**–**	**(10.8)**
Electricity contracts	**–**	**55.2**	**–**	**55.2**

	2022			
Millions of dollars (Australian dollar equivalent amounts)	US dollar	NZ dollar	Australian dollar	Total
Bank loans	–	(725.0)	(120.3)	(845.3)
Cash and cash equivalents	39.1	60.6	26.3	126.0
Trade receivables	611.3	466.8	1,375.1	2,453.2
Trade payables	(2,474.7)	(26.0)	(1,858.3)	(4,359.0)
Forward exchange contracts	(6.2)	(0.5)	–	(6.7)
Crude and finished product contracts	0.3	–	–	0.3
Interest rate swap contracts	–	1.8	–	1.8
Electricity contracts	–	97.2	–	97.2

As at 31 December 2023, the total fair value of all outstanding foreign exchange contracts amounted to a $11.5 million loss (2022: $6.7 million loss).

Notes to the Financial Statements – D Capital, funding and risk management continued

For the year ended 31 December 2023

D2 Risk management continued

D2.2 Foreign exchange risk continued

Management of foreign exchange risk

In accordance with Group Treasury Policy, the Group's transactional and translational foreign currency exposures are managed as follows:

- transactional foreign currency exposure – foreign exchange instruments (forwards, swaps and options) are used to economically hedge transactional foreign currency exposure; and
- translational foreign currency exposure – foreign currency borrowings may be used to hedge the Group's exposure arising from the foreign currency translation risk from its net investment in foreign operations.

Foreign exchange rate sensitivity analysis

At 31 December 2023, had the Australian dollar strengthened/weakened by 10% against the following currencies respectively, with all other variables held constant, the impact on post-tax profit for the year for the Group and equity would have been:

	2023		2022	
Millions of dollars	After tax profit	Hedge reserve	After tax profit	Hedge reserve
AUD strengthens against US dollar by 10%	**17.0**	**–**	21.2	–
AUD weakens against US dollar by 10%	**(20.8)**	**–**	(25.9)	–
AUD strengthens against NZ Dollar 10%	**0.6**	**–**	12.3	–
AUD weakens against NZ Dollar 10%	**(0.7)**	**–**	(15.0)	–

D2.3 Commodity price risk

Commodity price risk is the risk that fluctuations in commodity prices will adversely impact the Group's results. The Group is exposed to the effect of changes in commodity prices on its trading & shipping operations when sourcing crude and finished products.

The Group utilises crude and finished product swap, option and futures contracts to manage the risk of price movements. The Enterprise Commodity Risk Management Policy seeks to minimise adverse price timing and basis risks brought about by purchase and sales transactions of crude and finished products.

As at 31 December 2023, the total fair value of all outstanding crude and finished product contracts amounted to a $36.3 million loss (2022: $0.3 million gain).

Commodity price sensitivity analysis

At 31 December 2023, if commodity prices had changed by -/+10% from the year-end prices, with all other variables held constant, the impact on post-tax profit for the year for the Group and equity would have been:

	2023		2022	
Millions of dollars	After tax profit	Hedge reserve	After tax profit	Hedge reserve
Commodity prices decrease by 10%	**16.5**	**–**	48.9	–
Commodity prices increase by 10%	**(16.5)**	**–**	(48.9)	–

D2.4 Electricity price risk

Electricity price risk is the risk that fluctuations in electricity prices will generate financial risk and volatility to the Group's results. The Group is primarily exposed to energy spot prices when electricity is purchased or sold from the National Electricity Market (NEM) in Australia or Electricity Authority in New Zealand, or when it enters into long-term supply contracts (e.g. PPAs); and purchases or surrenders environmental emissions certificates.

The Group manages the electricity risk exposure through the Enterprise Commodity Risk Management Framework; and fluctuations of electricity prices in the wholesale market are hedged using electricity derivative contracts (forwards, futures, options and settlement residue auctions).

As at 31 December 2023, the total fair value of all outstanding electricity derivative contracts amounted to a $51.5 million gain (2022: $98.3 million gain).

D2 Risk management continued

D2.4 Electricity price risk continued

Electricity price sensitivity analysis

At 31 December 2023, if electricity forward prices had changed by -/+10% from the year end prices, with all other variables held constant, the impact on post-tax profit for the year for the Group and equity would have been:

	2023		2022	
Millions of dollars	After tax profit	Hedge reserve	After tax profit	Hedge reserve
Electricity forward prices decrease by 10%	**(21.6)**	**(0.2)**	(17.1)	(0.8)
Electricity forward prices increase by 10%	**21.6**	**0.2**	17.1	0.8

D2.5 Credit risk

Customer credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets of the Group which have been recognised on the Consolidated Statement of Financial Position is the carrying amount of trade debtors and other receivables, net of allowances for impairment (see note C1).

The Group has a Board-approved Credit Policy and manual which provide the guidelines for the management and diversification of the credit risk to the Group. The guidelines provide the scope in which the credit risk of customers is assessed and the use of credit rating and other information in order to set appropriate limits of trade with customers. The credit quality of customers is consistently monitored in order to identify any potential adverse changes in the credit risk of the customers.

Expected customer credit losses are assessed on a portfolio basis between small and medium to large businesses.

The Group also minimises concentrations of credit risk by undertaking transactions with a large number of customers across a variety of industries and networks.

Security is required to be supplied by certain groups of Ampol customers to minimise risk. The security could be in the form of a registered personal property security interest over the customer's assets and/or mortgages over real property. Bank guarantees, other contingent instruments or insurance bonds are also provided in some cases.

Financial institution credit risk

Credit risk on cash, short-term deposits and derivative contracts is reduced by transacting with relationship banks which have acceptable credit ratings determined by a recognised ratings agency. Interest rate swaps, foreign exchange contracts, crude and finished product contracts, electricity contracts, bank guarantees, and other contingent instruments are subject to credit risk in relation to the relevant counterparties, which are principally large relationship banks. The maximum credit risk exposure on foreign exchange contracts, crude and finished product contracts, bank guarantees, and other contingent instruments is the fair value amount that the Group receives when settlement occurs, should the counterparty fail to pay the amount which it is committed to pay the Group. The credit risk on interest rate swaps is limited to the positive mark-to-market amount to be received from counterparties over the life of contracts.

D2.6 Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Due to the dynamic nature of the underlying business, the liquidity risk policy requires maintaining sufficient cash and an adequate amount of committed credit facilities to be held above the forecast requirements of the business. The Group manages liquidity risk centrally by monitoring cash flow forecasts and maintaining adequate cash reserves and debt facilities. The debt portfolio is periodically reviewed to ensure there is funding flexibility across an appropriate maturity profile.

The debt facility maturity profile of the Group as at 31 December 2023 is as follows:

Millions of dollars	2024	2025	2026	Beyond 2026	Funds available	Drawn	Undrawn
Bank loans – drawn(i)	–	–	–	366.5	366.5	366.5	–
Bank loans – undrawn	275.9	475.0	60.0	1,736.0	2,546.9	–	2,546.9
Capital market borrowings(ii)	116.0	300.0	–	587.8	1,003.8	1,003.8	–
Subordinated notes(iii)	–	–	500.0	650.0	1,150.0	1,150.0	–
Total	**391.9**	**775.0**	**560.0**	**3,340.3**	**5,067.2**	**2,520.3**	**2,546.9**

(i) Bank loans were partially drawn for the year ended 31 December 2023. Refer to note D1.1 annotation for the reconciliation back to $357.4 million (2022: $845.3 million), and no uncommitted drawn bank loans (2022: $nil).

(ii) Capital market borrowings were drawn for the year ended 31 December 2023. Refer to note D1.1 annotation for the reconciliation back to $995.5 million (2022: $477.4 million).

(iii) Subordinated notes were drawn for the year ended 31 December 2023. Refer to note D1.1 annotation for the reconciliation back to $1,142.4 million (2022: $1,139.7 million).

Notes to the Financial Statements – D Capital, funding and risk management continued

For the year ended 31 December 2023

D2 Risk management continued

D2.6 Liquidity risk management continued

The Group maintains a strong balance sheet and liquidity position by accessing diversified funding sources made up of committed and uncommitted bank debt facilities and bonds, with a weighted average debt maturity profile of 4.1 years.

At 31 December 2023, the total committed funds available was $4,967.2 million (2022: $5,138.0 million) and total uncommitted funds available was $100.0 million (2022: $80.0 million), with $2,546.9 million (2022: $2,730.0 million) in undrawn committed bank loans.

Sale of Receivables Program

The Group has entered into a contract for a limited recourse sale of trade receivables. The maximum amount sold under the program, at any point in time is $255.0 million. Ampol's proceeds from sales are being utilised as a source of working capital. See Note C1 for further details.

The tables below set out the contractual timing of undiscounted cash flows on derivative and non-derivative financial assets and liabilities at the reporting date, including drawn borrowings and interest.

	2023			2022		
Millions of dollars	Derivative financial liabilities	Derivative financial assets	Net derivative financial (liabilities)/ assets	Derivative financial liabilities	Derivative financial assets	Net derivative financial (liabilities)/ assets
Derivative financial instruments						
Less than one year	**(1,513.4)**	**1,521.4**	**8.0**	(1,971.8)	1,977.8	6.0
One to five years	**(201.4)**	**204.5**	**3.1**	(107.4)	141.6	34.2
Over five years	**(8.0)**	**7.8**	**(0.2)**	(9.1)	8.6	(0.5)
			10.9			39.7

Millions of dollars	2023	2022
Non-derivative financial instruments liabilities		
Less than one year	**(4,311.2)**	(4,725.0)
One to five years	**(2,170.7)**	(2,272.2)
Over five years	**(815.3)**	(231.4)
	(7,297.2)	(7,228.6)

Millions of dollars	2023	2022
Lease liabilities		
Within one year	**(179.4)**	(163.8)
Between one and five years	**(628.7)**	(777.5)
After five years	**(879.6)**	(531.4)
	(1,687.7)	(1,472.7)

D3 Capital management

The Group's primary objective when managing capital is to safeguard the ability to continue as a going concern, while delivering on strategic objectives.

The Group's Financial Framework is designed to support the strategic objective of sustainably delivering value and growth for our owners, people and customers. The Framework's key elements are to:

- maintain an optimal capital structure that delivers a competitive cost of capital by holding a level of net debt (including lease liabilities) relative to EBITDA that is consistent with a strong investment-grade credit rating;
- deliver Return on Capital Employed (ROCE) that exceeds the weighted average cost of capital; and
- make disciplined capital allocation decisions between investments, debt reduction and distribution of surplus capital to shareholders.

D3 Capital management continued

The Group's gearing ratio is calculated as net borrowings divided by total capital. Net debt is a non-statutory measure calculated as total interest-bearing liabilities less cash and cash equivalents. Total capital is calculated as equity as shown on the Statement of Financial Position plus net borrowings.

Millions of dollars	2023	2022
Interest-bearing liabilities[i]	**2,495.3**	2,484.9
Less: cash and cash equivalents	**(300.6)**	(126.0)
Net borrowings	**2,194.7**	2,358.9
Total equity	**3,975.9**	4,050.1
Total capital	**6,170.6**	6,409.0
Gearing ratio	**35.6%**	36.8%

(i) Interest-bearing liabilities excludes liabilities arising under AASB 16 Leases. Refer to note D1.2.

D4 Fair value of financial assets and liabilities

The Group's accounting policies and disclosures may require the measurement of fair values for both financial and non-financial assets and liabilities. The Group has an established framework for fair value measurement. When measuring the fair value of an asset or a liability, the Group uses market observable data where available.

Fair values are categorised into different levels in a fair value hierarchy based on the following valuation techniques:

- Level 1: The fair value of financial instruments traded in active markets (such as exchange-traded derivatives) is the quoted market price at the end of the reporting period.
- Level 2: The fair value of financial instruments that are not traded in an active market (such as over-the-counter derivatives) is determined using valuation techniques that maximise the use of observable market data. All significant inputs required to fair value an instrument are observable, either directly (as prices) or indirectly (derived from prices).
- Level 3: The fair value of financial instruments when one or more of the significant inputs required to fair value an instrument is not based on observable market data.

The fair value of cash, cash equivalents and non-interest-bearing financial assets and liabilities approximates their carrying value due to their short maturity.

Fair values of recognised financial assets and liabilities with their carrying amounts shown in the Statement of Financial Position are as follows:

Millions of dollars		Asset/(Liability)			
2023	Carrying amount	Fair value total	Quoted market price (Level 1)	Observable inputs (Level 2)	Non-market observable inputs (Level 3)
Interest-bearing liabilities					
Bank loans	(357.4)	(355.5)	–	(355.5)	–
Capital market borrowings	(995.5)	(1,136.9)	–	(1,136.9)	–
Subordinated notes	(1,142.4)	(1,263.1)	–	(1,263.1)	–
Derivatives					
Interest rate swap contracts	18.3	18.3	–	18.3	–
Foreign exchange contracts	(11.5)	(11.5)	–	(11.5)	–
Crude and finished product contracts	(36.3)	(36.3)	(36.3)	–	–
Electricity contracts	51.5	51.5	(3.9)	(0.5)	55.9
Investments					
Channel infrastructure	64.6	64.6	64.6	–	–
Total	(2,408.7)	(2,668.9)	24.4	(2,749.2)	55.9

Notes to the Financial Statements – D Capital, funding and risk management continued

For the year ended 31 December 2023

D4 Fair value of financial assets and liabilities continued

Millions of dollars		Asset/(Liability)			
2022	Carrying amount	Fair value total	Quoted market price (Level 1)	Observable inputs (Level 2)	Non-market observable inputs (Level 3)
Interest-bearing liabilities					
Bank loans	(845.3)	(842.6)	–	(842.6)	–
Capital market borrowings	(477.4)	(479.4)	–	(479.4)	–
Subordinated notes	(1,139.7)	(1,299.2)	–	(1,299.2)	–
Derivatives					–
Interest rate swap contracts	42.8	42.8	–	42.8	–
Foreign exchange contracts	(6.8)	(6.8)	–	(6.8)	–
Crude and finished product contracts	0.3	0.3	0.3	–	–
Electricity contracts	98.3	98.3	1.0	90.3	7.0
Investments					
Channel infrastructure	64.3	64.3	64.3	–	–
Total	(2,263.5)	(2,422.3)	65.6	(2,494.9)	7.0

Fair Value Methodology

Interest-bearing liabilities

Bank loans

Present value of future cash flows using the applicable market rate.

Capital market borrowings and subordinated notes

Present value of future contractual cash flows.

Derivatives

Interest rate swap contracts

Present value of expected future cash flows based on observable yield curves and forward exchange rates at reporting date.

Foreign exchange contracts

Present value of future cash flows based on observable forward exchange rates as at reporting date.

Crude and finished product contracts

The fair value of crude and product swap contracts is calculated by reference to market prices for contracts with similar maturity profiles at reporting date. The fair value of crude and product option and futures contracts is determined by quoted market prices.

Electricity contracts

The fair value of electricity derivatives is determined as the present value of future contracted cash flows. Cash flows are discounted using standard valuation techniques at applicable market yield having regard to timing of cash flows.

Investments

Channel Infrastructure

The fair value of listed investments is determined by quoted market prices.

D5 Master netting or similar agreements

The Group enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a net amount payable by one party to the other.

The Group purchases and sells petroleum products with a number of counterparties with contractual offsetting arrangements, referred to as "buy sell arrangements".

The following table presents the recognised amounts that are netted, or subject to master netting arrangements but not offset, as at reporting date. The column "Net amount" shows the impact on the Group's Consolidated Statement of Financial Position if all set-off rights were exercised.

Millions of dollars	Gross amount	Amount offset in the Statement of Financial Position	Amount in the Statement of Financial Position	Related amount not offset	Net amount
2023					
Derivative financial assets	668.4	(493.3)	175.1	(105.5)	69.6
Buy sell arrangements	393.7	(246.8)	146.9	–	146.9
Total financial assets	**1,062.1**	**(740.1)**	**322.0**	**(105.5)**	**216.5**
Derivative financial liabilities	(646.4)	493.3	(153.1)	105.5	(47.6)
Buy sell arrangements	(272.7)	246.8	(25.9)	–	(25.9)
Total financial liabilities	**(919.1)**	**740.1**	**(179.0)**	**105.5**	**(73.5)**
2022					
Derivative financial assets	706.4	(440.4)	266.0	(127.0)	139.0
Buy sell arrangements	409.4	(349.4)	60.0	–	60.0
Total financial assets	**1,115.8**	**(789.8)**	**326.0**	**(127.0)**	**199.0**
Derivative financial liabilities	(571.8)	440.4	(131.4)	127.0	(4.4)
Buy sell arrangements	(410.1)	349.4	(60.7)	–	(60.7)
Total financial liabilities	**(981.9)**	**789.8**	**(192.1)**	**127.0**	**(65.1)**

D6 Issued capital

Millions of dollars	2023	2022
Ordinary shares		
Shares on issue at beginning of period – fully paid	**479.7**	479.7
Shares on issue at end of period – fully paid	**479.7**	479.7

In the event of the winding up of the Group, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation. The Group grants performance rights to Senior Executives; see the Ampol Limited 2023 Remuneration Report forming part of the Directors' Report for further details. For each right that vests, the Group intends to purchase shares on-market following vesting.

Notes to the Financial Statements – D Capital, funding and risk management continued

For the year ended 31 December 2023

D7 Reserves

Millions of dollars	2023	2022
Foreign currency translation reserve		
Balance at beginning of reporting period	**150.9**	71.4
Included in other comprehensive income	**(13.6)**	87.3
Transfer to retained earnings	**–**	(1.6)
(Losses) reclassified to profit or loss on disposal of subsidiary	**–**	(8.8)
Tax included in other comprehensive income	**–**	2.6
Balance at reporting date	**137.3**	150.9
Hedging reserve		
Balance at beginning of reporting period	**29.6**	7.4
Included in other comprehensive income	**(27.9)**	34.4
Tax included in other comprehensive income	**6.7**	(12.2)
Balance at reporting date	**8.4**	29.6
Equity reserve		
Balance at beginning of reporting period	**3.5**	3.5
Balance at reporting date	**3.5**	3.5
Equity compensation reserve		
Balance at beginning of reporting period	**10.0**	(16.8)
Transfer to retained earnings	**(0.9)**	32.2
Included in statement of profit or loss	**13.0**	6.0
Tax included in other comprehensive income	**(3.3)**	(11.4)
Balance at reporting date	**18.8**	10.0
Investment revaluation reserve		
Balance at beginning of reporting period	**15.1**	–
Included in other comprehensive income	**1.0**	15.1
Balance at reporting date	**16.1**	15.1
Total reserves at reporting date	**184.1**	209.1

Nature and purpose of reserves

Foreign currency translation reserve

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of operations where their functional currency is different to the presentation currency of the Group, as well as from the translation of liabilities that hedge the Group's net investment in foreign operations.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments relating to future transactions.

Equity reserve

The equity reserve accounts for the differences between the fair value of, and the amounts paid or received for, equity transactions with non-controlling interests.

Equity compensation reserve

The equity compensation reserve is used to recognise the fair value of share-based payments issued to employees over the vesting period, and to recognise the value attributable to the share-based payments during the reporting period.

Investment revaluation reserve

The investment revaluation reserve is used to recognise the fair value change in investment in Channel Infrastructure NZ Limited (formerly The New Zealand Refining Company Limited (Refining NZ)) during the reporting period.

Notes to the Financial Statements – E Taxation

For the year ended 31 December 2023

This section provides details of the Group's income tax expense, current tax provision and deferred tax balances and the Group's tax accounting policies.

Details of the Group's income tax expense, current tax provision and deferred tax balances and the Group's tax accounting policies for the year ended 31 December 2023 are presented below.

E1 Income tax expense

E1.1 Recognised in the Consolidated Income Statement

Millions of dollars	2023	2022
Current tax expense		
Current year	(185.4)	(347.6)
Adjustments for prior years	77.4	83.8
Total current tax (expense)	(108.0)	(263.8)
Deferred tax (expense)/benefit		
Origination and reversal of temporary differences	7.3	82.4
Utilisation of tax loss	(6.4)	–
Adjustments for prior years	(44.4)	23.5
Total deferred tax (expense)/benefit	(43.5)	105.9
Total income tax (expense)	(151.5)	(157.9)

E1.2 Reconciliation between income tax expense and profit before income tax expense

Millions of dollars	2023	2022
Profit before income tax	751.6	936.5
Income tax (expense) using the domestic corporate tax rate of 30% (2022: 30%)	(225.5)	(280.9)
Effect of tax rates in foreign jurisdictions	100.7	137.9
Change in income tax (expense) due to:		
Dividend received	(0.7)	–
Share of net (loss)/profit of associated entities	(0.9)	3.3
Tax on non-controlling interests portion of flow through entity profits	13.0	12.3
Current tax (benefit) associated with depreciable assets in flow through entity	(4.3)	(8.0)
Income subject to attribution under controlled foreign company regime	(61.9)	(118.7)
Release of tax liability following agreement with ATO on taxation of Singapore entities	–	110.2
Other	(4.9)	(11.1)
Income tax over/(under) provided in prior years	33.0	(2.9)
Total income tax (expense)	(151.5)	(157.9)

Income tax expense comprises current tax expense and deferred tax expense. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted at 31 December 2023, and any adjustments to tax payable in respect of previous years. Deferred tax expense represents the changes in temporary differences between the carrying amount of an asset or liability in the Consolidated Statement of Financial Position and its tax base.

Notes to the Financial Statements – E Taxation continued

For the year ended 31 December 2023

E1 Income tax expense continued

Taxation of Singaporean entities

On 17 February 2023, the Australian Tax Office finalised its position in relation to the extent to which the earnings of the Group's Singaporean entities, from transactions with the Group's Australian entities, are taxable. As a result of the settlement in December 2022, Ampol has written back current tax liabilities ($113.6 million) and deferred tax assets ($3.4 million) recognised between 1 January 2014 and 31 December 2022, with this write-back resulting in a one-off benefit to corporate tax expense in 2022 of $110.2 million. The Group has no remaining current tax liability at 31 December 2023 in relation to the final settlement (2022: $53.8 million).

Future tax developments

The Group continues to monitor and evaluate the Organisation for Economic Co-operation and Development's (OECD) Two Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy. Pillar Two of those proposals seeks to apply a global minimum top-up tax (15%). The Group is in the process of evaluating the cash tax implications of the global minimum tax rules and will include disclosures related to expected impacts, if any, once legislation has been substantially enacted. No new legislation implementing the top-up tax was enacted or substantively enacted at 31 December 2023 in any jurisdiction in which the Group operates.

E2 Deferred tax

Deferred tax is recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at 31 December 2023.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

E2.1 Movement in deferred tax

Millions of dollars Asset/(Liability)	Net as at 1 January 2023	Income	Equity	Net as at 31 December 2023	Deferred tax assets	Deferred tax liabilities
Cash and receivables	**2.4**	(8.3)	(0.2)	(6.1)	0.2	(6.3)
Inventories	**(14.2)**	0.7	1.8	(11.7)	–	(11.7)
Property, plant and equipment and intangibles	**(144.3)**	(55.1)	4.2	(195.2)	–	(195.2)
Payables	**33.7**	(30.3)	7.0	10.4	15.6	(5.2)
Interest-bearing liabilities	**(7.1)**	(6.7)	–	(13.8)	0.4	(14.2)
Provisions	**226.6**	5.6	(5.4)	226.8	226.8	–
Lease liabilities	**208.7**	21.0	(1.0)	228.7	288.2	(59.5)
Tax asset recognised on tax losses	**11.3**	(7.8)	0.6	4.1	4.1	–
Other	**(33.5)**	37.4	(1.7)	2.2	2.2	–
Net deferred tax asset before set-off	**283.6**	**(43.5)**	**5.3**	**245.4**	**537.5**	**(292.1)**
Set-off tax				–	(229.4)	229.4
Net deferred tax asset				**245.4**	**308.1**	**(62.7)**

E2 **Deferred tax** continued

E2.1 Movement in deferred tax continued

Millions of dollars Asset/(Liability)	Net as at 1 January 2022	Acquired from business combination	Discontinued operations	Income	Equity	Net as at 31 December 2022	Deferred tax assets	Deferred tax liabilities ^Restated
Cash and receivables	8.7	(6.8)	–	(1.7)	2.2	2.4	7.4	(5.0)
Inventories	(15.0)	(38.9)	–	39.7	–	(14.2)	(6.4)	(7.8)
Property, plant and equipment and intangibles	(191.4)	(120.4)	29.7	151.0	(13.2)	(144.3)	(75.0)	(69.3)
Payables	20.2	73.5	–	(38.3)	(21.7)	33.7	3.5	30.2
Interest-bearing liabilities	1.6	(8.4)	–	–	(0.3)	(7.1)	–	(7.1)
Provisions	210.8	30.3	(1.2)	(3.9)	(9.4)	226.6	190.3	36.3
Lease liabilities	298.1	(71.9)	(17.9)	(19.9)	20.3	208.7	261.8	(53.1)
Tax asset recognised on tax losses	1.8	–	–	8.7	0.8	11.3	11.3	–
Other	(11.6)	0.5	–	(29.8)	7.4	(33.5)	(26.8)	(6.7)
Net deferred tax asset before set-off	**323.2**	**(142.1)**	**10.6**	**105.8**	**(13.9)**	**283.6**	**540.8**	**(257.2)**
Set-off tax						–	(174.7)	174.7
Net deferred tax asset						**283.6**	**366.1**	**(82.5)**

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

E2.2 Deferred tax recognised directly in equity

Millions of dollars	2023	2022 ^Restated
Related to derivatives	**–**	(0.6)
Related to change in fair value of net investment hedges	**8.2**	11.9
Related to change in fair value of assets	**2.2**	–
Related to foreign operations – foreign currency translation differences	**(0.1)**	(0.3)
Related to share-based payments	**(5.0)**	11.4
Ampol Property Trust – Divestment of Non-controlling interest	**–**	(2.9)
Acquired from business combination	**–**	98.1
	5.3	117.6

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

E3 Tax consolidation

Ampol Limited recognises all current tax balances relating to its wholly owned Australian resident entities included in the tax consolidated group (TCG). Ampol Limited, in conjunction with the other members of the TCG, has entered into a tax funding arrangement which sets out the funding obligations of members of the TCG in respect of tax amounts.

Notes to the Financial Statements – F Group structure

For the year ended 31 December 2023

This section provides information on the Group's structure and how this impacts the results of the Group as a whole, including details of joint arrangements, controlled entities, transactions with non-controlling interests and changes made to the structure during the year.

F1 Controlled entities

Controlled entities are those entities controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns from its involvement with the entity and through its power over the entity.

The following entities were controlled during 2023:

		% Interest	
Name	Note	2023	2022
Companies	(i)		
ALD NZ Property Holding Limited		100	100
AmpCharge Pty Ltd	(iii)(xi)	100	100
Ampol Australia Custodians Pty Ltd	(iii)	100	100
Ampol Australia Energy Pty Ltd	(iii)	100	100
Ampol Australia Management Pty Ltd	(iii)	100	100
Ampol Australia Petroleum Pty Ltd	(iii)	100	100
Ampol Aviation Pty Ltd		100	100
Ampol Convenience PropCo Pty Ltd	(iii)	100	100
Ampol Connect Pty Ltd	(iii)(xviii)	100	–
Ampol Energy Pty Ltd	(iii)	100	100
Ampol Energy (Retail) Pty Ltd	(iii)	100	100
Ampol Energy Services Pty Ltd	(iii)	100	100
Ampol Energy (Wholesale) Pty Ltd	(iii)	100	100
Ampol Energy (Wholesale Trading) Pty Ltd	(iii)(x)	100	100
Ampol Fuel Services Pty Ltd	(iii)	100	100
Ampol Holdings NZ Limited		100	100
Ampol Hydrogen Pty Ltd	(iii)	100	100
Ampol International Holdings Pte. Ltd.	(ii)	100	100
Ampol LPG Pty Ltd		100	100
Ampol Lubricating Oil Refinery Pty Ltd	(iii)	100	100
Ampol Management Services Pte. Ltd.	(ii)	100	100
Ampol Petroleum (Qld) Pty Ltd	(iii)	100	100
Ampol Petroleum (Victoria) Pty Ltd	(iii)	100	100
Ampol Petroleum Distributors Pty Ltd	(iii)	100	100
Ampol Petroleum Pty Ltd	(iii)	100	100
Ampol Property (Holdings) Pty Ltd	(iii)	100	100
Ampol Property Manager Pty Ltd		100	100
Ampol Property Manager 2 Pty Ltd		100	100
Ampol QSR Pty Ltd	(iii)(viii)	100	100
Ampol Refineries (NSW) Pty Ltd	(iii)	100	100
Ampol Refineries (Qld) Pty Ltd	(iii)	100	100
Ampol Retail Pty Ltd	(iii)	100	100
Ampol Shipping and Logistics Pte. Ltd.	(ii)	100	100
Ampol Singapore Trading Pte. Ltd.	(ii)	100	100
Ampol US Holdings LLC	(v)	100	100
Ampol US Management Services LLC	(v)	100	100
Ampol US Trading LLC	(v)	100	100
B & S Distributors Pty Ltd		100	100
Centipede Holdings Pty Ltd		100	100

F1 Controlled entities continued

		% Interest	
Name	Note	2023	2022
Cocks Petroleum Pty Ltd	(xiv)	–	100
Cooper & Dysart Pty Ltd		**100**	100
Flick Energy Ltd	(ix)(xvii)	**100**	95
Graham Bailey Pty Ltd	(iii)	**100**	100
Hanietee Pty Ltd	(iii)	**100**	100
Hunter Pipe Line Company Pty Ltd	(iii)	**100**	100
Jet Fuels Petroleum Distributors Pty Ltd	(iii)	**100**	100
Kurnell Energy Pty Ltd	(xix)	**100**	–
Link Energy Pty Ltd		**100**	100
Manworth Pty Ltd		**100**	100
Newcastle Pipe Line Company Pty Ltd	(iii)	**100**	100
Northern Marketing Management Pty Ltd	(xvi)	–	100
Northern Marketing Pty Ltd	(iii)	**100**	100
Octane Insurance Pte Ltd	(ii)	**100**	100
Pilbara Fuels Pty Ltd		**100**	100
R & T Lubricants Pty Ltd	(xvi)	–	100
Real FF Pty Ltd	(iii)	**100**	100
Sky Consolidated Property Pty Ltd		**100**	100
Solo Oil Australia Pty Limited		**100**	100
Solo Oil Investments Pty Ltd	(iii)	**100**	100
Solo Oil Pty Ltd	(iii)	**100**	100
South East Queensland Fuels Pty Ltd		**100**	100
Sydney Metropolitan Pipeline Pty Ltd		**60**	60
Teraco Pty Ltd	(iii)	**100**	100
Votraint No. 370 Pty Ltd		**100**	100
Western Fuel Distributors Pty Ltd	(xvi)	–	100
Zeal Achiever Ltd	(vi)	**100**	100
Z Energy Limited	(ix)	**100**	100
Z Energy 2015 Limited	(ix)	**100**	100
Z Energy ESPP Trustee Limited	(ix)	**100**	100
Z Energy LTI Trustee Limited	(ix)	**100**	100
Z Partner Limited	(xii)	**100**	100
Z Property Manager Limited	(xii)	**100**	100
Z General Partner Limited	(xii)(xv)	**51**	51
Z Property Limited Partnership	(xiii)	**51**	51
Ampol Property Trust	(iv)	**51**	51
Ampol Property Trust 2 (formerly known as Ampol Convenience REIT)	(vii)	**51**	51
The Eden Equity Unit Trust		**100**	100
Petroleum Leasing Unit Trust		**100**	100
Petroleum Properties Unit Trust		**100**	100
South East Queensland Fuels Unit Trust		**100**	100

Notes to the Financial Statements – F Group structure continued

For the year ended 31 December 2023

F1 Controlled entities continued

(i) All companies are incorporated in Australia, except where noted otherwise.

(ii) Incorporated in Singapore.

(iii) These companies are parties to a Deed of Cross Guarantee dated 22 December 1992 as amended, varied and restated with Ampol and each other.

(iv) On 20 November 2020, a Charter Hall and GIC consortium acquired a 49% interest of Ampol Property Trust.

(v) Incorporated in Delaware, United States of America.

(vi) Australian tax resident incorporated in the British Virgin Islands.

(vii) On 2 March 2022, a Charter Hall and GIC consortium acquired a 49% interest of Ampol Property Trust 2.

(viii) On 21 March 2022, this company was incorporated.

(ix) On 10 May 2022, this entity was acquired. Incorporated in New Zealand.

(x) On 8 June 2022, this company was incorporated.

(xi) On 24 August 2022, this company was incorporated.

(xii) On 12 August 2022, this company was incorporated in New Zealand.

(xiii) On 19 August 2022, this partnership was registered.

(xiv) On 4 October 2023, this company was deregistered with ASIC.

(xv) On 21 October 2022, Bieson Pty Ltd ATF CQR Z Holding Trust acquired a 49% interest of Z General Partner Limited.

(xvi) On 21 August 2023, this company was deregistered with ASIC.

(xvii) On 18 April 2023, Z Energy Limited's shareholding increased from 95% to 100% in Flick Energy Limited.

(xviii) On 28 April 2023, this company was incorporated.

(xix) On 10 August 2023, this company was incorporated.

F1 Controlled entities continued

F1.1 Deed of Cross Guarantee

The parent entity has entered into a Deed of Cross Guarantee through which the Group guarantees the debts of certain controlled entities. The controlled entities that are party to the deed are shown in note F1.

Consolidated Income Statement for entities covered by the Deed of Cross Guarantee

Millions of dollars	2023	2022
Revenue	**21,582.7**	27,350.0
Cost of goods sold	**(19,752.9)**	(25,292.9)
Gross profit	**1,829.8**	2,057.1
Other income	**4.7**	107.9
Other expense	**(0.6)**	(22.6)
Selling, distribution and general and administration expenses	**(1,467.5)**	(1,498.0)
Profit from operating activities	**366.4**	644.4
Finance costs	**(152.3)**	(88.9)
Finance income	**2.0**	0.9
Net finance costs	**(150.3)**	(88.0)
Share of net (loss)/profit of investments accounted for using the equity method	**(2.1)**	9.2
Profit before income tax (expense)	**214.0**	565.6
Income tax (expense)	**(136.5)**	(151.1)
Net profit	**77.5**	414.5
Items that will not be reclassified to profit or loss	**1.1**	(1.3)
Items that may be reclassified subsequently to profit or loss	**(24.5)**	17.0
Other comprehensive (loss)/income for the period, net of income tax	**(23.4)**	15.7
Total comprehensive income for the period	**54.1**	430.2
Retained earnings at the beginning of the year	**2,209.6**	2,219.8
Current year earnings	**77.5**	414.5
Movement in reserves	**(45.7)**	(41.1)
Dividends provided for or paid	**(595.6)**	(383.6)
Retained earnings at the end of the year	**1,645.8**	2,209.6

On 19 May 2023, Ampol Connect Pty Ltd became a party to the Deed by virtue of a Deed of Assumption.

Notes to the Financial Statements – F Group structure continued

For the year ended 31 December 2023

F1 Controlled entities continued

F1.1 Deed of Cross Guarantee continued

Consolidated Statement of Financial Position for entities covered by the Deed of Cross Guarantee

Millions of dollars	2023	2022
Current assets		
Cash and cash equivalents	**234.6**	84.2
Trade receivables and other assets	**1,159.9**	1,290.3
Inventories	**1,339.1**	1,596.1
Current tax assets	**41.1**	–
Total current assets	**2,774.7**	2,970.6
Non-current assets		
Trade receivables and other assets	**114.1**	945.6
Investments accounted for using the equity method	**241.1**	241.1
Ampol Property Trust investment	**793.4**	793.4
Property, plant and equipment	**2,208.8**	2,078.3
Right-of-use assets	**981.6**	784.1
Intangibles	**263.5**	250.1
Deferred tax assets	**310.8**	373.0
Employee benefits	**3.4**	3.7
Total non-current assets	**4,916.7**	5,469.3
Total assets	**7,691.4**	8,439.9
Current liabilities		
Payables	**1,838.8**	2,189.9
Interest-bearing liabilities	**1.2**	252.2
Lease liabilities	**159.2**	146.0
Current tax liabilities	**–**	171.9
Employee benefits	**131.5**	128.1
Provisions	**63.1**	63.2
Total current liabilities	**2,193.8**	2,951.3
Non-current liabilities		
Payables	**38.7**	46.5
Interest-bearing liabilities	**2,014.1**	1,502.9
Lease liabilities	**776.3**	714.2
Deferred tax liabilities	**5.2**	14.1
Employee benefits	**6.1**	5.3
Provisions	**507.9**	480.4
Total non-current liabilities	**3,348.3**	2,763.4
Total liabilities	**5,542.1**	5,714.7
Net assets	**2,149.3**	2,725.2
Equity		
Issued capital	**479.7**	479.7
Treasury stock	**(5.4)**	(2.8)
Reserves	**29.2**	38.7
Retained earnings	**1,645.8**	2,209.6
Total equity	**2,149.3**	2,725.2

F2 Business combinations

On 10 May 2022, Ampol Holdings NZ Limited, a wholly owned subsidiary of Ampol Limited, acquired 100% of the issued capital of Z Energy Limited (Z Energy). Z Energy is the largest fuel distributor in New Zealand, supplying fuel to retail customers and large commercial customers (airlines, trucking companies, shipping companies and vehicle fleet operators). The acquisition of Z Energy enhances Ampol's core business, expands the international portfolio and provides a stronger platform for Ampol to evolve the future energy offer for its customers. The acquisition has been accounted for as a Business Combination under AASB 3.

The Consolidated Financial Statements for year ended 31 December 2022 included provisional fair values for assets and liabilities acquired in the business combination. Accounting for the business combination is now complete, and the 31 December 2022 comparative information has been restated retrospectively to decrease the fair value of net assets acquired by $10.7 million at the acquisition date and increase goodwill by $10.7 million.

The fair values of the identifiable assets and liabilities acquired are as follows:

Millions of dollars	Opening balances at 31 December 2022	Adjustment	Opening balances at 31 December 2023
Cash and cash equivalents	**111.1**	–	111.1
Trade receivables and other assets	**530.8**	(1.5)	529.3
Inventories	**778.7**	–	778.7
Investments accounted for using the equity method	**82.3**	–	82.3
Intangibles	**245.7**	–	245.7
Emission Trading Units	**889.5**	–	889.5
Property, plant and equipment	**1,147.4**	(2.1)	1,145.3
Payables	**(685.1)**	–	(685.1)
Emission Trading Obligation	**(632.6)**	–	(632.6)
Lease liabilities	**(267.1)**	–	(267.1)
Current tax liabilities	**(108.4)**	–	(108.4)
Provisions	**(99.4)**	(12.8)	(112.2)
Interest-bearing liabilities	**(543.2)**	–	(543.2)
Deferred tax liabilities	**(142.1)**	5.7	(136.4)
Net assets acquired	**1,307.6**	(10.7)	**1,296.9**
Goodwill	**477.5**	10.7	488.2
Acquisition-date fair value of the total consideration transferred	**1,785.1**	–	**1,785.1**
Cash used to acquire business:			
Acquisition-date fair value of the total consideration transferred	**1,785.1**	–	1,785.1
Net cash used	**1,674.0**	–	1,674.0

The Group incurred acquisition-related costs of $29.1 million relating to external legal fees and due diligence costs. These costs have been included in general and administration expenses in the Consolidated Income Statement in the prior period. No further costs were incurred in 2023.

Notes to the Financial Statements – F Group structure continued

For the year ended 31 December 2023

F3 Discontinued operations and assets classified as held for sale

F3.1 Discontinued operations

On 27 July 2022, the Group sold its Gull business in New Zealand (Gull) to GNZ Energy Bidco Limited, a transaction vehicle entity of Allegro Funds Pty Ltd (Allegro) for a consideration of $470.9 million and realised a gain on sale of $46.6 million and incurred transaction costs of $8.0 million. There are no discontinued operations in the current period.

The results of the discontinued operation included in the profit for the year ended 31 December 2022 is set out below.

Discontinued operations (millions of dollars)	Note	27 July 2022
Revenue		616.7
Expenses		(570.3)
Net finance costs		(5.0)
Profit before tax before gain on sale of discontinued operations	B3.2	**41.4**
Gain on sale of discontinued operations		**38.6**
Profit before tax		**80.0**
Income tax (expense) from sale of discontinued operations		(11.6)
Income tax (expense) on gain on sale of discontinued operations		–
Net profit from discontinued operations		**68.4**

Reconciliation of gain on sale is as follow:

Millions of dollars	27 July 2022
Total consideration	470.9
Transaction costs	(8.0)
Net assets disposed	(415.5)
Reserves reclassified to profit and loss on disposal	(8.8)
Gain on sale before income tax expense	**38.6**

Net assets disposed are as follows:

Millions of dollars	27 July 2022
Cash and cash equivalents	4.5
Trade receivables and other assets	13.3
Inventories	132.4
Intangibles	244.3
Property, plant and equipment	169.0
Payables	(76.5)
Lease liabilities	(51.3)
Current tax liabilities	(5.6)
Deferred tax liabilities	(10.1)
Provisions	(4.5)
Net assets of disposal group	**415.5**

F4 Investments accounted for in other comprehensive income

Channel Infrastructure NZ Limited (formerly The New Zealand Refining Company Limited (Refining NZ)) is an import fuel terminal.

The investment was acquired when the Group acquired Z Energy limited in May 2022 and is recognised at fair value, the NZX listed share price at 31 December 2022 with changes to fair value accounted for in other comprehensive income. The carrying amount at 31 December 2023 is $64.6 million (2022: $64.3 million) with $1.0 million (2022: $15.1 million) of fair value gain recognised in Other Comprehensive Income.

		% Interest	
Name	Country of incorporation	2023	2022
Channel Infrastructure NZ Limited	New Zealand	13	13

F5 Investments accounted for using the equity method

Associates are those entities over whose financial and operating policies the Group has significant influence, but not control. Joint ventures are those entities whose financial and operating policies the Group has joint control over and where the Group has rights to the net assets of the entity.

The Consolidated Financial Statements include the Group's share of the total recognised gains and losses of associates and joint ventures on an equity-accounted basis, from the date that significant influence or joint control commences until the date that it ceases. When the Group's share of losses exceeds the carrying amount of the associate or joint venture, the carrying amount is reduced to nil and recognition of future losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Other movements in reserves are recognised directly in the consolidated reserves.

Unrealised gains arising from transactions with associates and joint ventures are eliminated to the extent of the Group's interest in the entity. Unrealised losses arising from transactions with associates and joint ventures are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

F5.1 Investments

		% Interest	
Name	Country of incorporation	2023	2022
Investments in associates			
Bonney Energy Group Pty Ltd	Australia	**50**	50
Coastal Oil Logistics Limited(i)	New Zealand	**–**	50
Endua Pty Ltd	Australia	**20**	20
EVOS Technology Pty Ltd (ii)	Australia	**30.2**	30.4
Geraldton Fuel Company Pty Ltd	Australia	**50**	50
Seaoil Philippines Inc.	Philippines	**20**	20
Drylandcarbon One Limited Partnership(iii)	New Zealand	**37**	37
Mevo Limited(iii)(iv)	New Zealand	**–**	32
Loyalty NZ Limited(iii)	New Zealand	**25**	25
Wiri Oil Services Limited (WOSL)(iii)	New Zealand	**44**	44
Forest Partners Limited Partnership(iii)	New Zealand	**21**	21
Investments in joint ventures			
Airport Fuel Services Pty Limited (vi)	Australia	**40**	40
Australasian Lubricants Manufacturing Company Pty Ltd(v)	Australia	**50**	50
Cairns Airport Refuelling Service Pty Ltd (vii)	Australia	**33.3**	33.3

(i) On 15 March 2023, Coastal Oil Logistics Limited was deregistered with the New Zealand Companies Office.

(ii) On 10 March 2023, Ampol's Energy Pty Ltd shareholdings in EVOS Technology Pty Ltd change from 30.4% to 30.2%.

(iii) On 10 May 2022, the Group acquired Z Energy Limited and its corresponding investments.

(iv) On 7 December 2023, Z Energy Limited's shareholding changed from 32% to 0% in Mevo Limited.

(v) Australasian Lubricants Manufacturing Company Pty Ltd ceased joint venture operations on 17 April 2015 and had a nil carrying value at 31 December 2023.

(vi) On 29 June 2021, a liquidator was appointed to this company.

(vii) On 18 April 2023, a liquidator was appointed to this company.

Notes to the Financial Statements – F Group structure continued

For the year ended 31 December 2023

F5 Investments accounted for using the equity method continued

F5.2 Investments in associates

Millions of dollars	Revenue (100%)	(Loss)/Profit (100%)	Share of associates' net (loss)/profit recognised	Net assets as reported by associates (100%)	Share of associates net assets equity accounted	Elimination of unrealised loss in inventories	Goodwill	Other movements	Total share of associates' net assets equity accounted
2023	**3,826.3**	**(32.8)**	**(3.1)**	**1,340.6**	**787.0**	**(0.2)**	**114.4**	**(16.0)**	**245.1**
2022	4,043.4	34.1	14.5	499.5	141.4	(0.3)	114.3	(15.1)	240.3

F5.3 Investments in joint ventures

Millions of dollars	Revenue (100%)	Profit (100%)	Share of joint ventures' net profit recognised	Total assets (100%)	Total liabilities (100%)	Net assets as reported by joint venture (100%)	Share of joint ventures' net assets equity accounted
2023	**–**	**–**	**–**	**2.6**	**1.1**	**1.4**	**0.8**
2022	0.4	(0.1)	–	1.5	–	1.5	0.8

F6 Joint operations

Joint operations are those entities over whose financial and operating policies the Group has joint control, and where the Group has rights to the assets and obligations for the liabilities of the entity.

The interests of the Group in unincorporated joint operations are brought to account by recognising in its Consolidated Financial Statements the assets it controls and the liabilities it incurs, and the revenue and expenses it incurs and share of income it earns from the sale of goods or services by the joint operation.

The Group has joint interests in multiple Joint User Hydrant Installations (JUHIs), which are based at airports across Australia. The Group's interest in the JUHIs ranges from 20% to 50%. The principal activity of the JUHIs is refuelling aircraft at the airports.

For the year ended 31 December 2023 the contribution of the JUHIs to the operating profit of the Group was $nil (2022: $nil). Included in the assets and liabilities of the Group are the Group's interests in the assets and liabilities employed in the joint operation.

Millions of dollars	2023	2022
Non-current assets		
Plant and equipment	**80.0**	78.7
Less: accumulated depreciation	**(33.4)**	(30.1)
Total non-current assets	**46.6**	48.6
Total assets	**46.6**	48.6

F7 Parent entity disclosures

As at and throughout the financial year ended 31 December 2023, the parent entity of the Group was Ampol Limited.

Millions of dollars	2023	2022^
Result of the parent entity		
Profit for the period	**103.7**	939.4
Other comprehensive (loss)/income	**(37.0)**	105.7
Total comprehensive income for the period	**66.7**	1,045.1
Financial position of parent entity at year end		
Current assets	**82.0**	62.5
Total assets	**5,412.3**	4,649.0
Current liabilities	**34.7**	198.3
Total liabilities	**4,814.5**	3,828.6
Total equity of the parent entity comprising		
Issued capital	**479.7**	479.7
Treasury stock	**(5.4)**	(2.8)
Reserves	**26.2**	39.3
Retained earnings	**97.3**	304.2
Total equity	**597.8**	820.4

^The comparative period includes a restatement between total assets, total liabilities and retained earnings in the parent entity. This has no bearing on the Group consolidated financial statements in either the current or any prior period.

Parent entity guarantees in respect of the debts of its subsidiaries

The parent entity has entered into a Deed of Cross Guarantee with the effect that each company agrees to guarantee all of the debts (in full) of all companies that are parties to the deed subject to, and in accordance with, the terms set out in the deed.

Further details of the Deed of Cross Guarantee and the subsidiaries subject to the deed are disclosed in note F1.

The bank guarantee and letter of credit arrangements provided by the parent entity are consistent with those held by the Group as disclosed in note G2.

Notes to the Financial Statements – F Group structure continued

For the year ended 31 December 2023

F8 Non-controlling interest disclosures

Presented below is the financial information of the Group relating to subsidiaries of the Group that have non-controlling interests (NCI) which are material to the Group. The information below is before the elimination of intercompany transactions with the exception of the fair value adjustment that the subsidiaries recorded in relation to the investment property trusts acquired. This fair value adjustment is not recognised in the Consolidated Group accounts and is therefore not reflected in the Net assets attributable to NCI shown in the Consolidated Financial Statements.

Millions of dollars	Profit attributable to NCI	
	2023	2022
Ampol Property Trust	**40.9**	37.9
Ampol Property Trust 2	**2.7**	0.3
Z Property Limited Partnership	**6.3**	1.3
Flick Energy Limited	**(0.9)**	8.6
Other non-controlling interests	**2.0**	3.0
Total profit attributable to NCI	**51.0**	51.1

Millions of dollars	Ampol Property Trust		Ampol Property Trust 2	
	2023	2022	2023	2022
NCI percentage	**49%**	49%	**49%**	49%
Statement of Financial Position				
Current assets	**0.9**	0.9	**0.1**	0.1
Non-current assets	**483.0**	497.7	**48.3**	49.9
Current liabilities	**(0.9)**	(0.9)	**(0.1)**	(0.1)
Non-current liabilities	**–**	–	**–**	–
Net assets attributable to unit holders	**483.0**	497.7	**48.3**	49.9
Net assets attributable to NCI	**236.7**	243.9	**23.7**	24.5
Income Statement				
Revenue	**98.5**	93.2	**6.7**	5.4
Expenses	**(15.1)**	(15.9)	**(1.2)**	(4.7)
Total comprehensive income for the year	**83.4**	77.3	**5.5**	0.7
Profit attributable to NCI	**40.9**	37.9	**2.7**	0.3
Statement of cash flows				
Cash flows from operating activities	**83.5**	79.6	**5.5**	4.3
Cash flows from investing activities	**–**	–	**–**	(61.0)
Cash flows from financing activities	**(83.5)**	(79.5)	**(5.5)**	56.9
Net increase in cash held	**–**	0.1	**–**	0.2
Transactions with non-controlling interests				
Profit attributable to NCI	**40.9**	37.9	**2.7**	0.3
Distributions paid	**(40.9)**	(39.0)	**(2.7)**	(2.1)
Purchase of units in Ampol Property Trust	**–**	–	**–**	55.1
Changes in equity attributable to NCI	**–**	(1.1)	**–**	53.3

F8 Non-controlling interest disclosures continued

Millions of dollars	Z Property Limited Partnership		Flick Energy Limited	
	2023	2022	2023	2022
NCI percentage	**49%**	49%	**0%**	5%
Statement of Financial Position				
Current assets	**–**	–	**32.5**	36.5
Non-current assets	**252.4**	252.1	**44.5**	75.9
Current liabilities	**–**	–	**(8.3)**	(5.6)
Non-current liabilities	**–**	–	**(26.0)**	(28.1)
Net assets attributable to unit holders	**252.4**	252.1	**42.7**	78.7
Net assets attributable to NCI	**123.7**	123.5	**–**	3.9
Income Statement				
Revenue	**12.9**	3.6	**74.5**	106.7
Expenses	**–**	(0.9)	**(108.5)**	(59.6)
Total comprehensive income for the year	**12.9**	2.7	**(34.0)**	47.1
Profit attributable to NCI	**6.3**	1.3	**(0.9)**	8.6
Statement of cash flows				
Cash flows from operating activities	**13.9**	2.7	**(1.8)**	(5.3)
Cash flows from investing activities	**–**	(121.9)	**(1.8)**	(0.7)
Cash flows from financing activities	**(13.9)**	119.4	**–**	9.3
Net increase in cash held	**–**	0.2	**(3.6)**	3.3
Transactions with non-controlling interests				
Profit attributable to NCI	**6.3**	1.3	**(0.9)**	8.6
Distributions paid	**(6.6)**	(1.2)	**–**	–
Purchase of units in Z Property Limited Partnership	**–**	119.5	**–**	–
Changes in equity attributable to NCI	**(0.3)**	119.6	**(0.9)**	8.6

Millions of dollars	Other non-controlling interests	
	2023	2022
Profit attributable to NCI	**2.0**	3.0
Distributions paid	**–**	(1.6)
Changes in equity attributable to other NCI	**2.0**	1.4

Notes to the Financial Statements – G Other information

For the year ended 31 December 2023

This section includes other information to assist in understanding the financial performance and position of the Group, or items to be disclosed to comply with accounting standards and other pronouncements.

G1 Commitments

Capital expenditure

Millions of dollars	2023	2022
Capital expenditure contracted but not provided for in the Consolidated Financial Statements and payable	**253.8**	164.9

G2 Contingent liabilities

Discussed below are items where either it is not probable that the Group will have to make future payments, or the amounts of the future payments are not able to be reliably measured.

Legal and other claims

In the ordinary course of business, the Group is involved as a plaintiff or defendant in legal proceedings. Where appropriate, Ampol takes legal advice. The Group does not consider that the outcome of any current proceedings is likely to have a material effect on its operations or financial position.

A liability has been recognised for any known losses expected to be incurred where such losses are capable of reliable measurement.

Bank guarantees

The Group has entered into letters of credit in the normal course of business to support crude and product purchase commitments and other arrangements entered into with third parties. In addition, the Group has granted indemnities to banks to cover bank guarantees given on behalf of controlled entities. The probability of having to make a payment under these arrangements is remote.

Deed of Cross Guarantee and class order relief

Details of the Deed of Cross Guarantee are disclosed in note F1.1.

G3 Related party disclosures

Associates

Associate related party transactions are as follows:

Thousands of dollars	2023	2022
Income Statement		
Sale of goods and services, net of excise	**2,241,713**	2,684,942
Rental income	**1,418**	7,131
Purchase of goods and services	**(63,717)**	(105,475)
Dividend and disbursements	**4,205**	2,753
Total Income Statement impact	**2,183,619**	2,589,351
Statement of Financial Position		
Receivables	**94,185**	134,782
Total Statement of Financial Position impact	**94,185**	134,782

The Group has interests in associates primarily for the marketing, sale and distribution of fuel products. Details of the Group's interests are set out in note F5.

Joint venture and joint operations

The Group has interests in joint arrangements primarily for the marketing, sale and distribution of fuel products.

There were no other material related party transactions with the Group's joint arrangements entities during 2023 (2022: $nil). Details of the Group's interests are set out in notes F5 and F6.

G4 Key Management Personnel

The aggregate remuneration of key management personnel of the Group during 2023 and 2022 were:

Key Management Personnel compensation

Thousands of dollars	2023	2022
Short-term benefits	**11,955.8**	12,384.8
Other long-term benefits	**126.2**	124.4
Retirement benefits	**748.8**	861.3
Post-employment benefits	**411.8**	481.3
Retention payments	**–**	842.3
Share-based payments	**6,366.3**	3,994.4
Total key management personnel compensation	**19,608.9**	18,688.5

Information regarding Directors' and Executives' compensation and some equity instrument disclosures is provided in the Remuneration Report section of the Directors' Report.

Notes to the Financial Statements – G Other information continued

For the year ended 31 December 2023

G5 Notes to the cash flow statement

G5.1 Reconciliation of cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call deposits with a maturity of three months or less. Bank overdrafts that are repayable on demand and which form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Consolidated Cash Flow Statement.

For the purposes of the Consolidated Cash Flow Statement, cash and cash equivalents includes:

Millions of dollars	2023	2022
Cash at bank	**276.4**	106.7
Cash on hand	**20.2**	21.3
Cash in-transit	**4.0**	(2.0)
Total cash and cash equivalents	**300.6**	126.0
Bank overdraft	**–**	(22.5)
Net cash and cash equivalents	**300.6**	103.5

G5.2 Reconciliation of net profit to net operating cash flows

Millions of dollars	2023	2022
Net profit	**600.1**	847.0
Adjustments for:		
(Gain) on sale of property, plant and equipment	**(5.8)**	(51.9)
Increase in asset restoration obligation provision	**–**	26.7
Impairment of non-current assets	**4.1**	10.8
Impairment reversal of fixed assets	**–**	(21.8)
(Gain) on lease disposal	**(4.7)**	–
Finance charges on leases	**78.6**	68.9
Amortisation of finance costs	**8.5**	10.4
Depreciation of property, plant and equipment and right-of-use assets	**416.3**	411.1
Amortisation of intangibles	**42.6**	38.3
Share based payment and treasury stock reserve movements net of (income)/expense	**3.3**	25.6
Share of associates' and joint ventures' net loss/(profit)	**3.1**	(14.5)
Decrease/(Increase) in receivables	**239.5**	(546.7)
Decrease/(Increase) in investments	**7.8**	(39.1)
Decrease/(Increase) in inventories	**607.0**	(882.8)
Decrease in intangibles	**41.1**	103.2
(Decrease)/Increase in payables	**(175.8)**	1,389.6
(Decrease)/Increase in current tax balances	**295.8**	33.6
Decrease/(Increase) in net deferred tax assets	**32.5**	(27.0)
(Increase) in provisions	**(1.1)**	(21.7)
Finance cost paid	**(188.1)**	(137.3)
Lease interest paid	**(78.6)**	(68.9)
Income taxes paid	**(414.4)**	(244.3)
Net operating cash inflows	**1,511.8**	909.2

G5 Notes to the cash flow statement continued

G5.3 Reconciliation of liabilities arising from financing activities

Interest bearing loans and financial liabilities

Millions of dollars	1 January 2023	Cash flows	Amortisation of borrowing costs	Foreign exchange and other movement	31 December 2023
Interest bearing loans	2,484.9	(15.5)	8.5	17.4	2,495.3

Lease liabilities

Millions of dollars	1 January 2023	Cash flows	Additions/ acquisitions	Interest charged	Disposals	Foreign exchange and other movement	31 December 2023
Lease liabilities	1,129.5	(197.2)	208.8	78.6	(17.1)	(2.9)	1,199.7

G6 Auditor remuneration

Thousands of dollars	2023	2022
Audit and review services		
Auditors of the Group – KPMG		
Audit and review of financial statements – Group	1,630.0	1,467.0
Audit and review of financial statements – controlled entities	859.0	785.0
	2,489.0	2,252.0
Assurance services		
Auditors of the Group – KPMG		
Regulatory assurance services	85.0	100.0
Other assurance services	195.0	119.0
	280.0	219.0
Other services		
Auditors of the Group – KPMG		
Other services	96.0	5.0
	96.0	5.0

G7 Net tangible assets per share

Dollars	2023	2022
Net tangible assets per share	8.96	8.53

Net tangible assets are net assets attributable to members of the Group less intangible assets. The number of ordinary shares used in the calculation of net tangible assets per share was 238.3 million (2022: 238.3 million).

G8 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2024, and have not been applied in preparing these Consolidated Financial Statements. In October 2023 AASB released the exposure draft on Australian Sustainability Reporting Standards: ASRS 1, ASRS 2 and ASRS 101.

The impact is likely to be significant with additional disclosures and assurance required. A number of other standards and interpretations have been assessed and none of these are expected to have a significant effect on the Consolidated Financial Statements of the Group.

Notes to the Financial Statements – G Other information continued

For the year ended 31 December 2023

G9 Events subsequent to the reporting date

Dividend

On 19 February 2024, the Directors declared fully franked final and special dividends. Refer to note B5 for further information.

Other

There were no other items, transactions or events of a material or unusual nature that, in the opinion of the Board, are likely to significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group that have arisen in the period from 31 December 2023 to the date of this report.

Shareholder Information

As at 26 January 2024

Share capital

There are 238,302,099 fully paid ordinary shares on issue, held by 31,835 holders.

Holders with less than a marketable parcel

426 shareholders hold less than a marketable parcel of $500 based on a share price of $35.92 per share.

Shares purchased on-market

From 1 January 2023, 26,175 fully paid ordinary shares were purchased on-market at an average cost of $31.60 per share for the purpose of the Ampol Limited Employee Share Plan.

From 1 January 2023, 192,896 fully paid ordinary shares were purchased on-market at an average cost of $32.08 per share for the purpose of the Ampol Limited Equity Incentive Plan.

Substantial shareholders

Substantial shareholder	Number of shares held	% of issued capital
Australian Super	30,091,097	12.63
State Street Corporation	20,466,369	8.59
BlackRock Inc	17,056,835	7.15
Vanguard Group	12,110,687	5.08
Australian Retirement Trust	11,999,448	5.04

Substantial shareholders and the number of shares held are based on their last substantial holder notice.

Shareholder distribution

Range	Total holders	Units	% of issued capital
1 – 1,000	25,063	8,715,685	3.66
1,001 – 5,000	6,025	12,836,821	5.39
5,001 – 10,000	494	3,574,738	1.50
10,001 – 100,000	223	5,408,047	2.27
Over 100,001	30	207,766,808	87.19
Total	**31,835**	**238,302,099**	**100.00**

Shareholder Information continued

As at 26 January 2024

Top 20 shareholders

Details of the 20 largest shareholders of Ampol Limited are listed in the table below.

Rank	Substantial shareholder	Number of shares held	% of issued capital
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	87,050,474	36.53
2	J.P. MORGAN NOMINEES AUSTRALIA PTY LIMITED	62,691,804	26.31
3	CITICORP NOMINEES PTY LIMITED	34,437,971	14.45
4	NATIONAL NOMINEES LIMITED	7,058,973	2.96
5	BNP PARIBAS NOMS PTY LTD	3,481,061	1.46
6	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	3,052,754	1.28
7	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	1,853,668	0.78
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	1,416,641	0.59
9	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	1,052,104	0.44
10	CITICORP NOMINEES PTY LIMITED <CITIBANK NY ADR DEP A/C>	616,588	0.26
11	MUTUAL TRUST PTY LTD	604,026	0.25
12	BNP PARIBAS NOMS (NZ) LTD	546,103	0.23
13	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	483,432	0.20
14	BNPP NOMS PTY LTD HUB24 CUSTODIAL SERV LTD	359,498	0.15
15	BKI INVESTMENT COMPANY LIMITED	320,000	0.13
16	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	307,759	0.13
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	248,256	0.10
18	BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS>	241,097	0.10
19	PACIFIC CUSTODIANS PTY LIMITED <EMPLOYEE SHARE PLAN TST A/C>	222,488	0.09
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	206,319	0.09
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**206,251,016**	**86.55**
Total remaining holders balance		**32,051,083**	**13.45**

Voting rights

Shareholders in Ampol Limited have a right to attend and vote at all general meetings in accordance with the company's Constitution, the Corporations Act 2001 (Cth) and the ASX Listing Rules.

Corporate Governance Statement

A copy of the Corporate Governance Statement can be found on the Ampol website.

Australian Securities Exchange and New Zealand Exchange

The company's fully paid ordinary shares (ASX/NZX:ALD) are listed on the Australian Securities Exchange and the New Zealand Exchange.

Company secretary

Faith Taylor and Yvonne Chong are each appointed as a Company Secretary of Ampol Limited.

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