

5. Climate change framework and decarbonisation commitments

6. Our emissions profile

7. Climate scenarios, strategic planning and capital allocation

8. Our decarbonisation pathways and plans

9. Climate governance

10. Climate risk assessment and management

11. Task Force on Climate-related Financial Disclosures (TCFD) Index

7. Climate scenarios, strategic planning and capital allocation continued

Use of a shadow carbon price

Ampol uses an internal decision-making framework for reviewing and assessing material investments and business cases being considered by our Investment Committee. An element of this framework is the alignment with our Decarbonisation Strategy, which includes the potential impacts on operating costs arising from existing and future potential carbon pricing regulation. We assess these potential impacts (positive or negative) through an internal shadow carbon price for Scope 1 and 2 emissions by applying costs to the carbon emissions for significant capital investments, where applicable. Ampol's internal shadow carbon price is set with reference to external benchmarks and is reviewed on a quarterly basis.



Case study: Approach to sustainable financing

Ampol is continuously looking for new avenues to connect our decarbonisation commitments to our financing strategies. In June 2022, we executed \$150m of sustainability-linked hybrid notes with a first optional redemption date of 2028. The net proceeds from this issuance are being used for general corporate purposes in line with our Capital Allocation Framework. This is the second sustainable financing initiative undertaken by Ampol, with a sustainability-linked loan successfully issued in December 2021. These sustainable financing arrangements support Ampol's commitments to sustainability across our Australian business and are linked to our publicly disclosed Australian interim decarbonisation targets for 2025. In addition, the 2022 hybrid is also linked to the sustainability performance target of operating or controlling at least 500 AmpCharge or equivalent EV charging bays by December 2027.

The sustainability-linked hybrid debt instrument is an important aspect of our evolving capital structure.

