

Climate Change Position Statement

Introduction

As an organisation, we support the Paris Agreement's long-term goal of limiting the increase in the global average temperature to below 2°C above pre-industrial levels and we recognise the transport fuels industry will need to transform to achieve it.

Our Principles

We are committed to managing our business to support the Paris Agreement's overall long-term goal. This includes how we operate our assets, work with our customers to help them decarbonise and collaborate with our supply chain partners. The principles underpinning our approach to climate change include:

- An orderly, just transition to a net zero emissions economy is required to meet the Paris Agreement goals. Australia's economic prosperity and emissions reduction are complementary goals.
- Addressing climate change creates opportunities for our business. Leveraging our key strengths including our capabilities and assets, we will transition with our customers.
- Climate change risk has financial implications. As scientific knowledge, policy and technology continues to evolve we review and embed climate considerations into our financial and strategic planning processes.
- We work collectively with our customers, government and other industry parties to identify, enable and advocate for decarbonisation pathways.
- We are transparent about how we are addressing climate impacts across our business, together with how we are helping our customers to meet their energy transition commitments.

Our Approach

Our approach to climate change considers the risks and opportunities posed by a transition to a low carbon economy together with our strategic objective to deliver continued value to our customers and shareholders. Our approach also considers the physical and legal implications of climate change.

Building resilience for the long-term to both the transitional and physical risks posed by climate change

- We are using climate scenarios to explore uncertainties and better understand the business implications of climate change across possible short, medium and long-term future outcomes.
- We incorporate climate considerations into our financial and strategic planning processes, market analysis and investment decision making.
- We deliver awareness programs to develop climate risk understanding in targeted areas across the business.

Helping our customers respond to climate change

- We are actively engaging customers on energy transition.
- We allocate an investment pool and make disciplined investments towards in-market and commercially viable technologies to support our customer's future energy needs.

Reducing the carbon intensity of our operations

- We seek to optimise the use of energy by our assets through improved processes, demand management and energy efficient projects and technology.
- We continue to increase our use of renewable energy to support our power needs.
- We set business unit short and medium-term emission reduction targets and implement energy management plans and monitor and measure performance.
- Our Supplier Code of Conduct sets out minimum standards for sustainable sourcing including low carbon alternatives.

Undertaking external engagement and advocacy

- We engage with our stakeholders, including our shareholders, customers and the community to understand their expectations relating to climate change.
- We engage and are kept informed on the science, policy and technology developments and trends relevant to climate change.
- We support and participate in initiatives to progress collective action on climate change, including advocating for policies that support the long term goal of the Paris agreement and an orderly and just transition.

Improving transparency and reporting

- We keep our stakeholders informed of our progress through transparent disclosures in our corporate reporting.
- We publicly disclose decision relevant information on our climate risks and opportunities. We have adopted the Financial Services Board's Task Force on Climate-related Financial Disclosures (TCFD) recommendations as a framework for our climate-related disclosures. In New Zealand, our future reporting will meet mandatory Aotearoa New Zealand Climate Standards.

Governance

Our Board considers climate change a material strategic issue, and its management forms part of the Ampol risk management framework. At the management level, responsibility for the risk associated with climate change for Ampol has been assigned to the Managing Director and CEO.

The Board's Safety and Sustainability Committee oversees Ampol's climate change approach and performance on a quarterly basis. In addition, the Committee undertakes a deeper review and analysis of our climate change approach and performance on an annual basis. The Committee will:

- Review reports from management on the risks and opportunities posed by climate change, together with considering the results of scenario analysis undertaken.
- Review and recommend to the Board the approval of climate change disclosures in our corporate reports.
- Monitor performance against objectives and targets set including emission reduction efforts.
- Review progress against commitments made in the Climate Change Position Statement.

The Ampol Leadership Team has established a Strategic Risk Committee to oversee the identification and management of potential financial risk exposures for the business including those resulting from climate-related risk.

The Board has established a link between Ampol executive remuneration and climate change, representing 10% of the short-term incentive scorecard for Senior Executives including the Managing Director and Chief Executive Officer and select direct reports.

Review

The Safety and Sustainability Committee will review this position statement every two (2) years and recommend to the Board any amendment to the statement.

Publication

This statement will be made available on the Ampol website (www.ampol.com.au).

Document change history

Version number	Conducted by	Approved by	Date	Description of changes
1		Board	22/02/2019	
2	Secretariat	Board	14/05/2020	Update references from Caltex to Ampol
3	Head of Environment and Sustainability	Board	29/05/2021	Inclusion of principles
4	Head of Sustainability and Climate Change	Board	16/06/2023	Amendments to reflect current approach.