

# Taxes Paid Report

Year ended 31 December 2022



# A statement from the Group Chief Financial Officer

On behalf of Ampol Limited (ACN 004 201 307), I am pleased to deliver our Taxes Paid Report for the year ended 31 December 2022 (FY2022).

Ampol understands the importance of tax transparency and its important role in building community confidence in our taxation systems. A fair and equitable tax system underpins our government and the sustainable delivery of needed infrastructure and services. Ampol has been reporting its taxes voluntarily every year since 2013 and we report our tax contribution in line with the Australian Government's Tax Transparency Code.

During FY2022, Ampol contributed almost A\$7.5 billion in taxes, comprising A\$5.2 billion in taxes paid (including fuel excise) and A\$2.3 billion in taxes collected on behalf of others (primarily GST and withholding of employee income tax). These amounts include almost A\$1 billion in taxes in New Zealand, following Ampol's acquisition of Z Energy in May 2022, making Ampol one of the largest taxpayers in Australia and New Zealand.

On 20 February 2023, Ampol announced that it had reached a settlement with the ATO in relation to the extent to which earnings by Ampol's Singaporean entities from transactions with Ampol's Australian entities should be subject to corporate income tax in Australia. Ampol first approached the ATO in 2014 in relation to its operations in Singapore, so we are pleased to have concluded this longstanding matter and to have certainty over the future tax treatment of our Singapore earnings. The impact of the settlement on Ampol's tax expense for FY2022 has been noted in the report.

In this report you will find a reconciliation of accounting profit to tax expense and tax paid or payable, details of taxes paid, our effective tax rate as well as our approach to related party dealings and governance. We disclose all taxes paid and collected by Ampol, for our operations both in Australia and overseas.

We hope you find this report useful.



Greg Barnes  
Group Chief Financial Officer  
August 2023



## How we report

At Ampol, our corporate reporting is undertaken via multiple reports which are available on our website.

The Taxes Paid Report should be read together with our other corporate reporting. The 2022 relevant corporate reporting comprises the following documents:

- [2022 Annual Report](#); and
- [2022 Sustainability Performance Report](#).

Together, these reports address all recommended aspects of the Australian Government's Tax Transparency Code for large businesses.

# About Ampol

Ampol is Australia and New Zealand's leading transport energy distributor and retailer.

Ampol is an independent Australian company and the nation's leader in transport fuels. Ampol Limited (previously Caltex Australia Limited) returned to its iconic Australian name following shareholder approval in May 2020.

We supply the country's largest branded petrol and convenience network, as well as refining, importing and marketing fuels and lubricants. We have a deep history spanning over 120 years, having grown to become the largest transport fuels company in Australia and New Zealand. We are also listed on the Australian Securities Exchange (ASX) and New Zealand's Exchange (NZX).

Our ability to service our broad customer base is supported by our 15 terminals, 6 major pipelines, 53 wet depots, 1,824 Ampol branded sites (including 645 company-controlled retail sites) and 1 refinery located in Lytton, Queensland. In New Zealand we have 9 terminals and 526 sites (includes Z Energy and Caltex branded sites). Our network is supported by over 9,300 people across Australia, New Zealand, Singapore and the United States of America (USA).

In July 2023, we released our 2023 Climate Report providing an overview of how Ampol is progressing on the delivery of its Future Energy and Decarbonisation strategies, set in May 2021. Our plan is to transition our business to future fuels and energy solutions, in line with customer demand and technology availability, with an ambition to achieve net zero emissions (Scope 1 and 2) across our Australian operations by 2040.



**2300+ retail sites**  
across Australia (1800+) and New Zealand (500+)



**9,300+**  
Employees across Australia, New Zealand, Singapore and USA



**24.3**  
billion litres of fuel sold (FY22)



**Infrastructure**  
24 terminals across Australia (15) and New Zealand (9) and a Refinery in Brisbane Australia



**34 AmpCharge bays**  
delivered in Australia  
**37 public bays**  
delivered in New Zealand



**25% market share**  
of transport fuels in Australia  
**46% market share**  
of transport fuels in New Zealand

# Our strategy

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




Strategic Pillar	Key Priorities	Current Status
<b>Enhance</b> the core business 	Final investment decision on Lytton Ultra Low Sulphur Fuels Project expected once Australian fuel standard changes are resolved	⊖ In progress
	Leverage rebrand to continue growth in retail channels	⊖ In progress
	Continue to derisk fixed price B2B diesel and aviation contracts in Australia and mitigate residual exposure with opportunistic term supply and price risk management	⊖ In progress
<b>Expand</b> from rejuvenated fuels platform 	Deliver Z Energy acquisition synergies target of NZ\$60–80 million (annualised run rate)	☑ Complete
	Continue to explore organic growth in F&I International by expanding across customers, products and regional markets	⊖ In progress
	Continue to develop strategic highway sites in Australia including Pheasants Nest and the M4 sites	⊖ In progress
	Conduct pilot of Quick Service Restaurant (QSR) strategy with Tier 1 fast food chain	⊖ In progress
<b>Evolve</b> energy offer for our customers 	Progress EV network roll out of ARENA and NSW Drive Electric co-funded programs	⊖ In progress
	Continue with test and learns for other Future Energy initiatives including integrated fuel and charging offers for customers	⊖ In progress
	Evaluate low carbon solutions for aviation and heavy haul tracking	⊖ In progress



Figure 1. Extract from Half Year Report 2023

## Ampol's major international operations

### Z Energy

Z Energy is the largest transport energy company in New Zealand. Acquired by the Ampol Group in May 2022, Z Energy owns a network of strategically located assets, including commercial refuelling stations, retail service stations and bulk fuel storage terminals across the country. The wholly-owned Z Energy group of companies is incorporated and tax resident in New Zealand. At 31 December 2022, Z Energy employed approximately 500 staff.

### Ampol Singapore

Ampol Singapore is the trading and shipping arm of the Ampol Group. Established in late 2013, Ampol Singapore plays a critical role in Ampol's integrated value chain. Its international market knowledge and strong trading, shipping and operational capability allows Ampol to access supply opportunities more rapidly as market conditions change. Sourcing refined products and crude oil from outside Australia and New Zealand is critical to support supply security while providing competitively priced fuel to our customers. The wholly-owned Ampol Singapore group of companies is incorporated and tax resident in Singapore. At 31 December 2022, Ampol Singapore employed over 100 staff.

### Ampol USA

Ampol Singapore is supported by Ampol USA, Ampol's trading and shipping office located in Houston, Texas. Established in early 2020, Ampol USA enables the Ampol Group to capture value in the Americas, with the office supporting growth in the purchase and sale of America-related cargoes. The wholly-owned Ampol USA group of companies is incorporated and tax resident in the USA. At 31 December 2022, Ampol USA employed 6 staff.

### Seaoil

Since 2018, Ampol has had a strategic partnership with Seaoil, the leading independent fuel company in the Philippines. This strategic partnership includes the holding of a 20% equity interest in Seaoil Philippines Inc, a company incorporated and tax resident in the Philippines.



## Ampol Australia's International Related Party Dealings

Ampol Australia's main international related party dealings are with Ampol Singapore. These dealings are undertaken on an arm's length basis, in accordance with OECD Guidelines and Australia and Singapore transfer pricing rules. During FY2022, the key transactions between the parties were as follow:

- Purchase of refined products and crude oil by Ampol Australia from Ampol Singapore
- Sale of refined products by Ampol Australia to Ampol Singapore; and
- Commodity derivatives.

During FY2022 there were no material transactions between Ampol Australia and its related parties in New Zealand, USA and the Philippines.



**97%**  
of related party transactions comprised purchases of refined product and crude oil and sale of refined product

# Corporate Governance and Tax Policy

The Board of Directors of Ampol is committed to high standard of corporate governance. An overview of Ampol's corporate governance is set out in our [2022 Corporate Governance Statement](#).



Figure 2. Ampol's risk oversight structure



The [Ampol Tax Policy](#) is part of the broader Ampol Risk Management Framework. It describes Ampol's principled approach to the management of its tax affairs. The objectives of the Ampol Tax Policy are aligned with the broader organisational goals and values of Ampol.

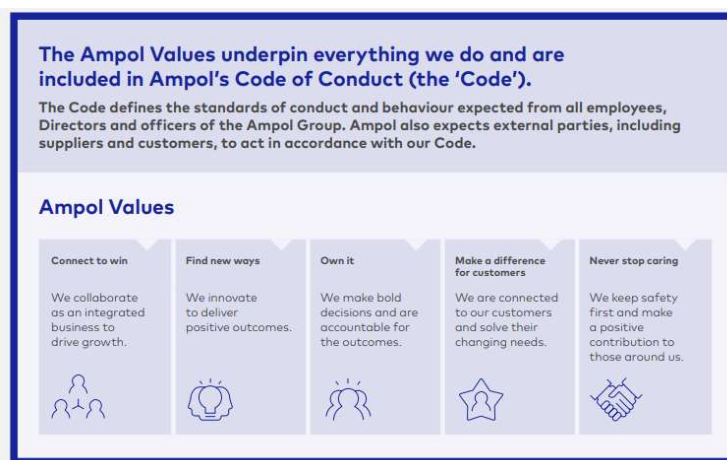


Figure 3. Ampol's Values

## Approach to engagement with revenue authorities

As part of the Ampol Risk Management Framework, Ampol has an established, strong, internal tax control framework to identify, manage and report tax risks.

In line with guiding principles set by the Ampol Tax Policy, Ampol strives toward maintaining a co-operative and open relationship with all tax authorities. Ampol has regular engagement with the Australian Taxation Office (ATO) through its participation in the pre-lodgement compliance review program and other products and channels available (e.g. private and class rulings). In addition, Ampol participates in industry forums.

Ampol's tax affairs are reviewed by the ATO and other tax authorities on an ongoing basis.

# Tax Contribution Summary

## How we report

Table 1 shows total taxes paid and collected by Ampol's wholly owned entities during FY2022<sup>1</sup>.

Amounts have been disclosed based on cash paid or received.

The amount of tax paid by Ampol year-on-year is influenced by several factors including:

- volume and price of petroleum products purchased, sold and used;
- financial performance;
- salary and wages paid;
- asset purchases; and,
- timing of tax instalment payment dates in the jurisdictions in which we operate.



Table 1. Total taxes for the year ended 31 December 2022

Millions of dollars (\$A)	Total	Australia	New Zealand <sup>1</sup>	Singapore	US
Income tax		100.5	115.0	21.2	4.9
Fuel taxes		4,060.2	521.2	-	0.0
Carbon taxes <sup>2</sup>		-	268.9	0.0	8.1
Other taxes and duties		46.8	0.9	1.9	0.0
<b>Total taxes paid</b>	<b>5,149.6</b>	<b>4,207.5</b>	<b>906.0</b>	<b>23.1</b>	<b>13.0</b>
GST/VAT		2,071.5	73.2	1.6	0.0
Withholding of employee income tax		138.8	17.5	-	0.1
Other withholding taxes		1.6	0.3	0.0	-
<b>Total taxes collected on behalf of others</b>	<b>2,304.6</b>	<b>2,211.8</b>	<b>91.0</b>	<b>1.7</b>	<b>0.1</b>
<b>Total taxes in each country</b>		<b>6,419.3</b>	<b>997.0</b>	<b>24.8</b>	<b>13.1</b>
<b>Total taxes contributed</b>	<b>7,454.2</b>				



**A\$7.5 billion**  
FY2022



**86%**  
contributed in  
Australia  
**13%**  
contributed in New  
Zealand



**+A\$36 billion**  
over 5 years



**+A\$275 million**  
in carbon taxes  
included

1. Includes taxes paid by Z Energy from 10 May 2022 and taxes paid by Gull New Zealand up to 26 July 2022  
 2. Includes carbon pricing in the form of carbon taxes as well as units/credits purchased under Emission Trading Systems such as New Zealand's Emission Trading Scheme (ETS) and the US Renewal Identification Number (RIN) market to settle carbon related obligations and offset emissions

# Reconciliation of accounting profit to income tax expense and tax paid or payable

## How we report

Table 2 provides a reconciliation of accounting profit to income tax expense for FY2022 for Ampol and its controlled entities<sup>3</sup> as disclosed in its 2022 Financial Report.

Table 3 provides a reconciliation of income tax expense to the total tax paid or payable by Ampol and its controlled entities<sup>3</sup> for FY2022 in Australia, New Zealand, Singapore and US. Due to the timing of tax instalment payment dates in the jurisdictions in which we operate some of this tax remained payable at 31 December 2022.



Table 2. Reconciliation of accounting profit to income tax expense

Millions of dollars (A\$)	2022
Profit before income tax	936.5
Income tax (expense) using the domestic corporate tax rate of 30%	(280.9)
Effect of tax rates in foreign jurisdictions	137.9
Change in income tax (expense)/benefit due to:	
Share of net profit of associated entities	3.3
Tax on minority interest portion of flow through entity profits	12.3
Current tax expense associated with depreciable assets in flow through entity	(8.0)
Income subject to attribution under controlled foreign company regime	(118.7)
Release of tax liability following agreement with ATO on taxation of Singapore entities (see page 9)	110.2
Other	(11.1)
Income tax over/ (under) provided in prior years	(2.9)
<b>Total income tax (expense)</b>	<b>(157.9)</b>

Table 3. Reconciliation of income tax expense to tax paid or payable

Millions of dollars (A\$)	2022
Total income tax (expense)	(157.9)
Remove impact of amounts relating to prior years:	
Release of tax liability following agreement with ATO on taxation of Singapore entities (see page 9)	(110.2)
Income tax over/ (under) provided in prior years	2.9
Temporary differences	(82.2)
<b>Tax paid or payable</b>	<b>(347.4)</b>

3. Consistent with Ampol's 2022 Financial Report these disclosures exclude amounts relating to Gull New Zealand, which for FY2022 was separately disclosed as Discontinued Operations



# ATO Settlement

## How we report

As disclosed in Table 2, Ampol released an amount of A\$110.2 million from its current tax liability at 31 December 2022, after reaching a settlement with the ATO on its tax affairs for FY2014 to FY2022.



## Overview of settlement reached between Ampol and the ATO

On 20 February 2023, Ampol announced that it had reached a settlement with the ATO in relation to the extent to which earnings by Ampol's Singaporean entities from transactions with Ampol's Australian entities should be subject to corporate income tax in Australia. The settlement covered FY2014 to FY2022, as well as an agreement on future earnings.

As a result of the settlement:

- In April 2023 Ampol paid a further A\$5.6 million in Australian tax on earnings from FY2014 to FY2021, and \$0.1m in interest. This is in addition to the A\$104.1m of tax already paid on Ampol Singapore earnings, in relation to these matters, on lodgement of the tax returns for the affected years;
- In June 2023 Ampol paid A\$48.2 million in Australian tax on Ampol Singapore earnings in FY2022, reflecting the agreed position on these matters, in line with normal tax payment dates;
- Ampol has written back excess current tax liabilities and deferred tax assets recognised between FY2014 and FY2022 in accounting for the full amount in dispute, with this write-back resulting in a one-off benefit to corporate tax expense in FY2022 of A\$110.2 million, recognised as a significant item; and,
- No penalties have been imposed on Ampol, and the ATO has not applied any anti-avoidance provisions.

With effect from 1 January 2023, Ampol has reorganised the functions performed by each of its Singaporean entities, resulting in the majority of earnings by Ampol Singapore from transactions with Ampol Australia being subject to corporate income tax in Australia at an overall rate of 30%. This is consistent with how the earnings have been treated historically for accounting purposes and therefore will not have a material impact on Ampol's effective tax rate.

# Effective tax rate

## How we report

Ampol calculates its effective tax rate (ETR) as income tax expense divided by accounting profit.

Table 4 shows the calculation of ETR for Ampol and its controlled entities. For FY2022 this was below Ampol's regular ETR due to the one-off impact of the ATO settlement

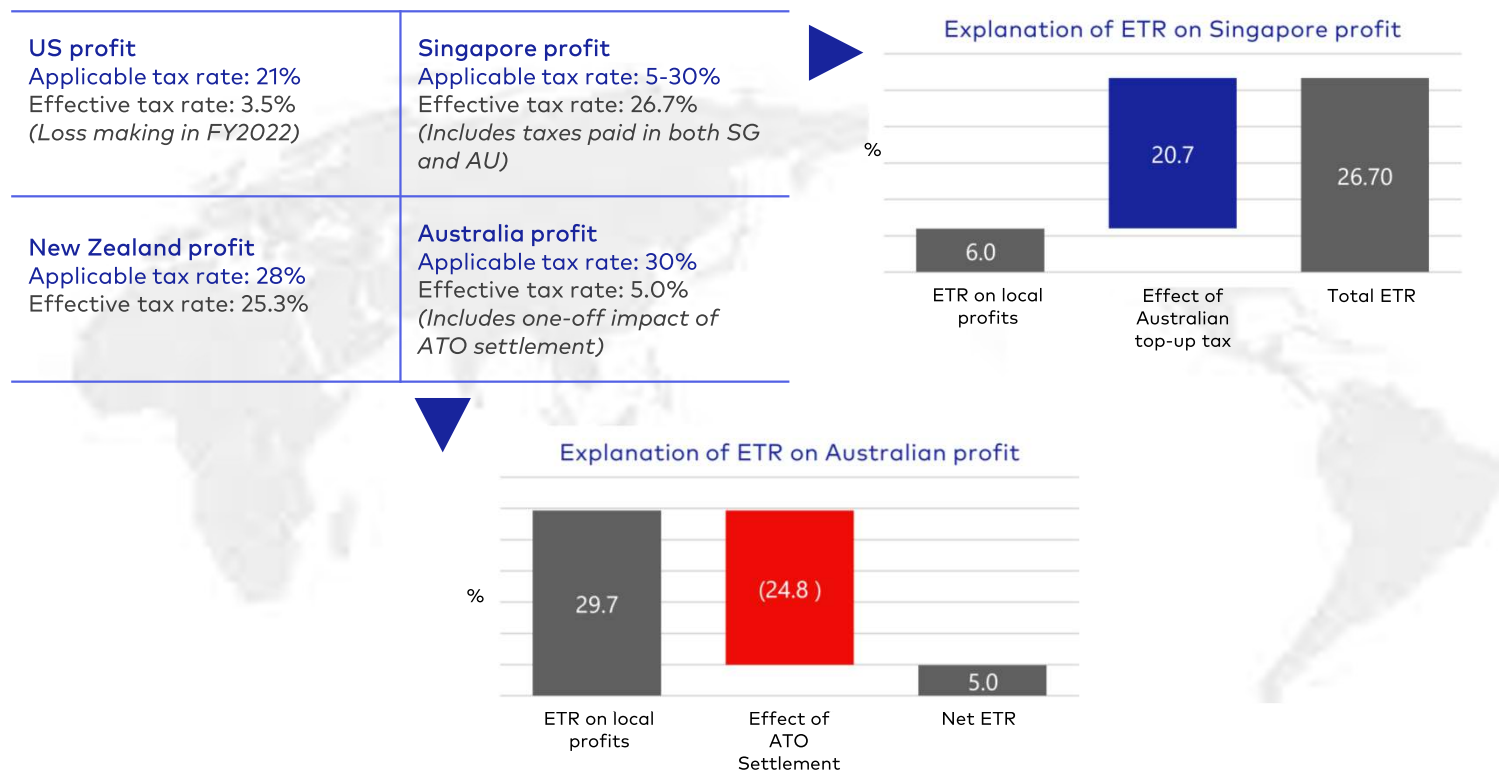
Figure 4 shows the calculation of ETR on Ampol's profit by jurisdiction for FY2022.



Table 4. Effective tax rate of Ampol

Millions of dollars (\$A)	2022
Total income tax (expense)	157.9
Profit before income tax	936.5
Effective tax rate	16.9%

Figure 4. Effective tax rate on profits by jurisdiction



# Expected ATO public disclosure

## How we report

Each year the ATO publishes its Corporate Tax Transparency Report, which publicly discloses information about large companies including Ampol.

Table 5 outlines the expected ATO disclosures to be published in the second half of 2024, as reported by Ampol in its Australian tax return for FY2022.

*Total income* and *Total expenses* include fuel excise collected by Ampol Australia in FY2022 of A\$4.1 billion.

*Total accounting profit* includes dividends received by Ampol Australia from Z Energy and Ampol Singapore. These dividends are not included in taxable income. The profits out of which these dividends are paid are subject to tax in New Zealand and Singapore.



Table 5. Expected disclosures by ATO for FY2022 (2022-23 income year)

Millions of dollars (\$A)	Total
Income tax year	2022-23
ABN	40 004 201 307
Total income	34,203.9
Total expenses	33,006.4
Total accounting profit	1,197.5
Taxable income	720.7
Income tax payable	192.6

Information required to be disclosed by the ATO



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