

OPERATIONS REPORTS CONTINUED

NEW ZEALAND

One of New Zealand's leading transport energy companies, Z Energy continued to benefit from a reliable supply chain and ongoing business simplification.

— New Zealand delivered another strong underlying result in a market where consumers were under significant financial pressures for much of the year. Adjusting for the one-off benefit of the Government's reinstatement of the full fuel excise duty in 2023 (after the partial reduction in 2022), the New Zealand segment delivered a similar result to the year prior albeit in a more difficult economic environment.

The New Zealand business benefited from improved segmentation, with Z Energy's premium network being complemented by a clear offer in the discount end of the market. The latter benefited from an uptick in volume as consumers sought discount fuel offers in response to cost-of-living pressures.

The Z retail network continued to perform despite affordability pressures impacting shopping behaviour. Total shop sales grew 3.5% year on year, net of tobacco, including in key higher margin food and beverage categories.

Personal safety for Z Energy saw a TRIFR reduction from 2023's 3.8 to 3.1, in line with the near historical best levels of safety across the business.

MARKET SEGMENTATION

Z Energy executed on its retail strategy with the Z Energy store refresh program, which focuses on expanding fresh food and top-up grocery sales growth. 58 Z retail sites have now been renovated as part of this refresh with a further 25 stores planned to be completed in 2025.

The benefit of the strategy has been made clear through Z Energy's wholesale fuel supply relationship with Foodstuffs. Volume through this channel has been growing as more consumers shifted to discount offers in response to the challenging economic environment.

A NEW ERA FOR LOYALTY

The evolution of the Z service station means, along with providing fuel for customers, Z Energy is continuing to develop and expand its full suite of offerings.

With Loyalty NZ announcing the closure of Flybuys – a key partner in Z Energy's and Caltex's Pumped fuel discount program – the opportunity to revise Z Energy's loyalty scheme was accelerated.

2024 saw Z Energy prepare for the launch of Z Rewards as a new way to recognise loyal customers for purchases across most products, including at the pump with a fuel discount. Z Rewards is due to be available to customers in March 2025 and will be available via the Z app. Pumped will remain the exclusive loyalty program across the Caltex-branded network.

CALTEX UPDATE

Z Energy continues to license the Caltex brand in New Zealand and owns the Caltex-branded automated network. Additionally, it is the wholesale fuel supplier to the network of Caltex-branded service stations, which are primarily owned and operated by individual retailers.

JET FUEL STORAGE

Z Energy advanced its commitment to reinforcing Auckland's jet fuel supply chain in 2024, as it announced a deal with Channel Infrastructure – New Zealand's largest fuel storage terminal – to more than double Z Energy's private jet fuel storage at Marsden Point by the start of 2027. This will provide enough fuel for around 10,000 flights between Auckland and Wellington.

The additional jet storage will enable Z Energy to enhance overall security of supply for its customers, alongside the ongoing work with industry to deliver additional jet fuel resilience at the Wiri terminal in Auckland.



SUPPORTING CUSTOMER TRANSITIONS THROUGH EV CHARGING

Supporting customers and businesses in their own energy transitions through electric vehicle (EV) charging remains a key element of Z Energy's strategy.

In 2024, Z Energy progressed its rollout of public EV charging network with an additional 67 charging bays installed. As of 31 December 2024, Z Energy's EV charging network consists of 171 charging bays across 53 sites, surpassing its target of 150 bays in New Zealand by the end of 2024.

These sites provide increased coverage along some of New Zealand's major routes and offer more convenient and accessible charging options for EV owners. Leveraging technology to offer a seamless customer experience, Z Energy EV charger access and payment have now been integrated into the Z app.

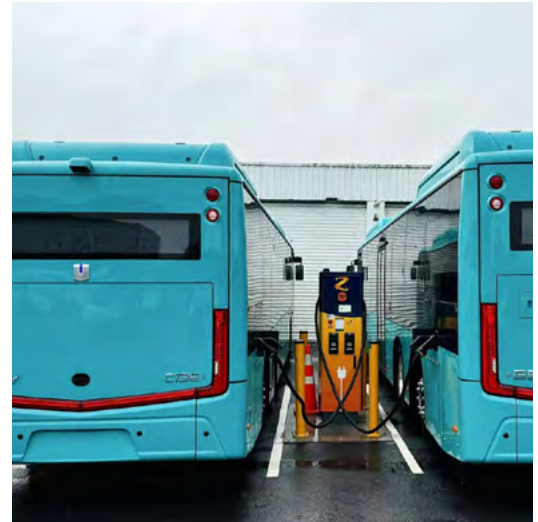
The Z Energy rollout of EV charging infrastructure is supporting businesses who are electrifying part, or all, of their fleet.

With a focus on making EV transitions practical and efficient, Z Energy continues to provide unique solutions to meet the needs of New Zealand companies of all sizes. This includes the delivery of flexible charging options based on the specific use case.

Likewise, Z Energy's fast and ultra-fast EV charging network has allowed business customers greater access to cost-effective charging, without needing to invest in any charging infrastructure themselves. Several Z sites also now have truck and other heavy transport drive-through EV charging lanes installed.

CASE STUDY

EV Charge Tags launched for business customers



As part of an ongoing effort to support the energy transition needs of its business EV customers, Z Energy launched its EV Charge Tags solution in 2024.

Powered by a tap-and-charge capability, the tags have enabled companies with electric fleets more efficient access to Z Energy's public EV charging network all while providing an improved billing process. Companies which opt into the EV Charge Tag initiative are charged via monthly bills.

JW Group – a New Zealand bus and coach company with fleets of diesel and electric buses – recognised installing fast-charging infrastructure at its own sites would be cost-prohibitive. Fortunately, Z Energy charging stations are located near JW Group's operational and maintenance facilities in Auckland and Christchurch.

Through the EV Charge Tags integrated offering, JW Group now has a reliable and convenient solution for their electric bus fleet while making their own reconciliation process easier.