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Company	Ampol Limited
Code	ALD
Meeting	AGM
Date	13 May 2021
Venue	Online
Monitor	Roger Ashley assisted by Don Adams

Number attendees at meeting	Not applicable
Number of holdings represented by ASA	74
Value of proxies	$3.2m
Number of shares represented by ASA	121,086
Market capitalisation	$6.2bn
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with Chairman Steven Gregg and Michael Abbott (Chief Governance and Risk Officer), Penny Barker (Head of Environment and Sustainability) and Dale Koenders – Head of Investor Relations

Key strategies still awaited

The Chairman and CEO addressed the meeting. The Chairman outlined the key financial indicators which were a net loss after tax of $485m impacted by a $360m inventory loss and a $337m loss in significant items. The inventory loss included in the statutory results reflect the difference between the purchase price of fuel and the cost of fuel at the point of sale which is not included in the underlying NPAT. Significant items (also excluded from the underlying results) included $80m for impairment for the Lytton refinery and $233m for the future dismantling, removal of assets and remediation of owned and leased sites.

Highlights for the year included the transition of outlets to the "Ampol" brand, sale of a 49% interest in 203 core freehold sites and the divestment of 25 sites for $136m, a $300m off-market share buyback, the Issuance of $500m subordinated notes and the completion of the CEO transition.

Convenience Retail shops was deemed to have “strong momentum” and “providing a platform from which we will continue to grow.” The promise shown by shop sales was part of a question raised by the ASA viz. “We note your positivity over the growth in convenience retail but, as we have expressed before, we cannot see this business plugging the hole that will ultimately arise from the demise of fossil fuels. We understood that an internal strategic review was in train to consider the future in which fossil fuels would play a diminishing part in the transport energy mix. Is there anything to report?” The answer was that the outcome of the strategic review would be available in a few weeks.

Questions raised by others also addressed the company’s strategy in the light of climate change and the related impact on the business. One called for climate goals to be quantified as part of the strategic review, another asked whether a range of sustainability scenarios would be considered and also on progress for providing EV charging facilities. The company is currently pilot testing EV charging stations at some seven sites.

In the Fuels and Infrastructure business, international operations increased their profit contribution and further expansion opportunities are possible. On the other hand, the company’s decision on the future of the Lytton refinery was determined, post AGM, on 17 May, with government assistance on offer until at least 2027. The Lytton refinery will be one of two refineries remaining in Australia.

The ASA voted in favour of the remuneration report due to changes from 2021 including a reduction in the short-term incentive opportunity with a new two-year deferral of 40% in the form of equity and a deferral of the long-term incentive for a year after vesting. We did however repeat our preference for a minimum four-year Long Term Incentive period.

All resolutions including the remuneration report, the election of three directors and the grant of performance rights to the CEO were passed with a majority in excess of 95%.