



Sustainability Report 2020

Extracted from the 2020 Viva Energy Group Limited Annual Report



Helping people reach their destination



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Title: Wa-ngal yalinguth, yalingbu, yiramboi
Created by: Dixon Patten, Yorta Yorta and Gunnai, Bayila Creative

Acknowledgement

Viva Energy acknowledges and pays respect to the past, present and future Traditional Custodians and Elders of this nation and the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples. We particularly pay respects to the Traditional Custodians of the land, across the nation where we conduct business.

We also acknowledge our gratitude that we share this land today, our sorrow for the costs of that sharing and our hope and belief that we can move to a place of equity, justice and partnership together.

Sustainability

2020 Highlights

TCFD climate
scenario analysis
and risk assessment
undertaken

Total Recordable Injury
Frequency Rate (TRIFR)*

3.61

FY2019: 4.55

Process Safety Events*

1 2

API Tier 1 Events API Tier 2 Events

FY2019: 0

FY2019: 2

70%

Employee engagement score

COVID-19 Safe
planning and risk
management

Geelong Energy Hub
launch setting out
a strategic vision to
support the evolving
energy mix

\$550K

Contributions to the national
bushfire relief

34%

Reduction in LOPCs>100kg*

41%

of senior leaders
are women

Developed and
launched Viva Ways
of Working

90%

RAP deliverables completed

Modern slavery risk
assessment completed
and first statement
issued in FY2021

* Excludes performance of Liberty Oil Holdings.

About us

Chairman and Chief
Executive Officer's report

Board of Directors

Executive
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financial review

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Directors' report

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declaration

Our approach to sustainability

Viva Energy is one of Australia's leading energy companies and supplies approximately a quarter of the country's liquid fuel requirements. We are the exclusive supplier of high-quality Shell fuels and lubricants in Australia through an extensive network of more than 1,300 service stations across the country. We own and operate the strategically located Geelong Refinery in Victoria, and operate bulk fuels, aviation, bitumen, marine, chemicals and lubricants businesses supported by 24 fuel import terminals, 22 depots and 55 airports and airfields.

Our Purpose is to help people reach their destination by supplying the energy our customers and business partners need to go about their daily lives or run their businesses, and providing rewarding and fulfilling roles for our employees. We aim to achieve this in a way that contributes to positive sustainability outcomes, and is aligned with our values: Integrity, Responsibility, Curiosity, Commitment and Respect.

The Health and Safety of our people, contractors, customers and community members is our number one priority, more so than ever as we navigate the unprecedented challenges arising from the COVID-19 pandemic. To help support our people through these difficult times, we implemented a mental health and wellbeing framework, we listened to our people and adapted the way we worked. We understand the benefits of a truly inclusive and diverse workplace and this remains a strong focus across our business.

We recognise that a transition to lower carbon energies is necessary to mitigate climate change impacts. We are committed to being part of the lower carbon energy future, and are actively pursuing opportunities in the energy transition such as the range of projects contemplated at our Geelong Energy Hub. At the same time, we are determined to maintain safe and reliable liquid fuel supply and local manufacturing capability, both essential to a prosperous Australian economy. We strive to do this with continued focus on energy efficiency and decarbonisation of our assets, where practical.

Our community programs and our environmental management systems support and protect the communities and environments we operate in, and our robust governance ensures we manage our risks and conduct our business in an ethical and transparent way.

Our Purpose is to help people reach their destination, including our employees, customers, business partners and investors.

Sustainability Framework

Our Sustainability Framework is guided by our values which determine how we approach safety, our environmental and community responsibilities, and our quest for new opportunities. They also guide our conduct, behaviours and the way we treat people.

Our sustainability focus areas are reviewed annually by completing a materiality assessment, ensuring we identify and focus on the environmental, social and governance (ESG) risks and opportunities facing our business now and in the future. Across the business, risks identified as having significant impact on the business performance are regularly reviewed through our Enterprise Risk Management Framework, which is further discussed on page 26. Our Group policies outline our commitments and approach which are implemented through our management systems. Where possible, we assign annual targets and tangible commitments to ensure we focus on what matters and strive for continuous improvement. This report provides an overview of the progress we made during FY2020.



Sustainability governance

To provide effective direction and oversight of our sustainability program and the work of the Board's Sustainability Committee we have established three Management Sustainability Committees in FY2021 covering Climate Change and Emissions; Health and Safety; and People and Culture with Executive team participation. Further detail on our sustainability governance, with a particular focus on climate change, is provided on page 41.



External assurance

PwC has conducted limited assurance over our key sustainability performance indicators including:

- Total Lost Time Injuries / Frequency Rate
- Total Recordable Injuries Frequency Rate
- Total Tier 1 / Tier 2 Process Safety Events
- Significant spills
- Total Employees
- Gender Split (Male / Female) (%)
- Senior Leadership Group (Male / Female) (%)
- Total greenhouse gas emissions (Scope 1 and 2)
- Total energy consumed

A copy of PwC's limited assurance statement is available on page 76.

About our reporting

This report sets out our sustainability focus areas and performance, covering assets owned and operated by the Viva Energy Group for the period 1 January to 31 December 2020 (unless otherwise stated). A summary of our sustainability performance data is included on pages 69 to 71 of this Annual Report.

This report has been prepared with reference to the Global Reporting Initiative Standards (GRI Standards) and supplementary Oil and Gas Sector disclosures. The GRI Standards define material topics as those that reflect significant economic, environmental and social impacts and/or substantively influence stakeholders' assessments of the organisation's sustainability performance in the reporting period. For a full list of the disclosures included in this report against GRI Standards, refer to the GRI content index on pages 72 to 75. In addition, we have mapped the UN Sustainable Development Goals (SDGs) that align with our focus areas throughout this report.

We have aligned our approach to climate change assessment and reporting with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In FY2020, we completed assessments in accordance with the *Australian Modern Slavery Act 2018* (Cth) and issued our inaugural annual Modern Slavery Statement in FY2021. We also report to the Workplace Gender Equality Agency (WGEA). Both reports can be found online at investor.vivaenergy.com.au/investor-centre.

We participate in third party sustainability performance benchmarking initiatives and assessments. These are selected based on applicability to our industry sector and recognition by our stakeholders. Throughout FY2020, we responded to or participated in ISS (Governance, Environmental & Social Disclosure Quality Score), MSCI, and Sustainabilitytics.

We also continued to respond to individual requests for information on our sustainability approach and performance from investors, proxy advisors, government agencies, and customers. We welcome engagement and feedback on our sustainability program and this report. Please visit the Contact Us page on our website to provide your feedback vivaenergy.com.au/contact-us.

Aligning with Sustainable Development Goals

To highlight how the Group is supporting the achievement of the UN Sustainable Development Goals (SDGs) we have mapped relevant goals with our sustainability focus areas throughout this report.

We believe that our business has the opportunity to contribute to these goals, either by enhancing our positive contributions or by avoiding or mitigating negative impacts. Overall, our business can contribute to sustainable development in a number of ways including providing access to affordable energy; opportunities for decent employment; business and skills development; investment in our communities; substantial tax contributions; improved energy and transport infrastructure; managing the impacts of our operations by emphasising environmental protection, health and safety, and human rights. We also recognise that our industry has contributed to some of the challenges that the SDGs seek to address such as climate change.



Our focus areas

Our key stakeholders are our shareholders and the wider investment community, our business partners, customers, employees and contractors, suppliers, regulators, non-government organisations, and the communities in which we operate.

In FY2020, we conducted a materiality assessment to identify and understand our stakeholders' perspectives on the most important sustainability issues associated with our operations and business strategy. We also reviewed the impacts and our response to emerging trends and challenges, including those related to the COVID-19 pandemic throughout FY2020 and the 2019/2020 Australian bushfires. Additionally, we have provided our position on relevant standards and regulatory requirements for the reporting year.

The material sustainability matters we identified through our assessment were grouped into sustainability focus areas, which we use in our approach and make up the sections of this report. These have been summarised on pages 33 to 34 including for each area, our key stakeholders and the progress we made in FY2020.

1. **Identify Issues of Significance**
We identified our internal and external stakeholders and the sustainability matters of concern.
2. **Identify Sustainability Matters**
We compiled a list of sustainability matters based on:
 - economic, environmental and social positive and negative impacts and the risks associated along our value chain;
 - current and emerging global trends in sustainability; and
 - future challenges for our sector.
3. **Prioritise the Sustainability Matters**
We then prioritised the sustainability matters based on how they:
 - substantively influence the assessments and decisions of stakeholders; and
 - reflect the Group's significant economic, environmental, and social impacts.
4. **Define Focus Areas**
We defined the key sustainability matters and mapped these to the GRI Standards and UN SDGs. We then clustered these priority topics into focus areas, which we use in our sustainability approach and reporting.

FY2020 focus areas and progress

Focus areas	Key matters	Description	Stakeholders	Key highlights FY2020
Health and safety	Personal safety Process safety Compliance Emergency response Health and wellness Community safety	The health, safety and wellbeing of our employees are fundamental to our business. Stakeholders expect consistent performance and the disclosures of any exceptions.	Employees Contractors Customers Communities Business partners Governments	Total Recordable Injury Frequency Rate (TRIFR) 3.61* Lost Time Injury Frequency Rate (LTIFR) 1.14* 34% reduction in loss of containment incidents greater than 100kg* Major Hazard Facility (MHF) Safety case update (NSW) COVID-19 Safe planning and risk management Keeping our people safe and well throughout the COVID-19 pandemic
Making the lower carbon energy transition	Climate risks and opportunities Greenhouse gas emissions Energy efficiency Future fuels and new energy Sustainability of our business model	Addressing the greenhouse gas and energy intensity of our own operations, supporting our customers achieving their carbon reduction aspirations, and positioning for the lower carbon energy transition.	Communities Employees Customers Governments Shareholders Business partners Industry associations NGOs	Announcement of plans to develop an Energy Hub at Geelong comprising a range of new energy projects that support the company's energy transition Agreement to install our first 350kW ultra-fast electric vehicle charging stations at selected retail service station sites Board strategy day to consider new energies opportunities and the evolution of the fuel and convenience sector, in the context of transition to lower carbon energy In early 2021, entered a strategic alliance with HYZON Motors to pursue hydrogen fuel for transport opportunities Climate scenario analysis and risk assessment aligned with the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations Founding member of the Climate Leaders Coalition Geelong Refinery Energy Masterplan development
Environment	Spill prevention Emissions Contaminated land management Waste and circular economy Water consumption Biodiversity	The protection of the natural environment and resources through continual improvement of our environmental performance.	Communities Shareholders Customers Employees Governments NGOs	Zero environmental non-compliance sanctions Progressive transition of firefighting foams and infrastructure in Queensland and South Australia Remediation of the former Clyde Refinery land in Sydney commenced Australian Packaging Covenant plan refreshed Awarded ecoBiz Star Partner for the Pinkenba Terminal in Brisbane
Our people	Flexible working Diversity and inclusion Engagement Training and development	Our ability to attract, motivate and develop high calibre people enables us to deliver outstanding business results today and into the future.	Employees Communities Customers Governments	70% Employee engagement score 41% of senior leaders are women Launched The Viva Way business values and behaviours Workplace Gender Equality Agency (WGEA) Employer of Choice for Gender Equality Enhanced the Family and Domestic Violence Support policy Developed and launched Viva Ways of Working

* Excludes performance of Liberty Oil Holdings.

Focus areas	Key matters	Description	Stakeholders	Key highlights FY2020
Our community	Local community engagement Licence to operate Community partnerships Indigenous participation and reconciliation Employee participation	Our community programs are dedicated to making positive social impact, and community engagement that reduces and manages any negative impacts from our operations.	Communities Employees Governments Customers NGOs	National bushfire relief effort and recovery including \$550K donations to charity and support services 90% of Reconciliation Action Plan deliverables completed Delivery of virtual National Reconciliation Week and NAIDOC Week engagements Launch of Cultural Awareness Training online eLearning module Team Fundraising contributing over \$261,847 to charity Re-awarded Low Aromatic Fuel (LAF) supply contract through to mid-2023
Ethical conduct and transparency	Human rights and modern slavery Responsible procurement Code of conduct Anti-corruption and bribery Governance Cyber security	Maintaining strong corporate governance and transparency and respecting human rights in accordance with our values and Code of Conduct. Being accountable to our stakeholders for our financial and sustainability performance.	Employees Customers Contractors Shareholders Governments Communities Business partners	Modern slavery risk assessment completed and first statement issued in FY2021 Human rights policy adopted Procurement policy revised to align with our commitment to human rights, gender diversity and RAP objectives
Economic contribution	Revenue and taxes paid Local wages and hiring Local manufacturing Energy security Business resilience	The significant economic contribution through the products we supply, the employment we generate, the local suppliers we support, the returns we provide to investors and the taxes we pay. We are a key contributor to Australia's energy security and underpin every sector of the economy.	Shareholders Employees Contractors Governments Communities	Maintained safe and reliable fuel supply during COVID-19 and bushfire impacts Working towards long-term fuel energy security Major maintenance completed at the Geelong Refinery \$5.07B tax contribution



Health and safety

We are committed to managing health, safety, security and environmental risks to so far as reasonably practicable (SFARP), and to seek continuous improvement in pursuit of our aspiration for Goal Zero.



In FY2020, the COVID-19 pandemic presented a significant health and safety challenge for our employees and operations. We were well prepared as our strategic planning for FY2020 already identified potential psychosocial risks across our organisation and targeted programs to foster improved mental health and wellbeing outcomes were in already place. We're proud of the way our people rose to this challenge and demonstrated an ability to lead, learn, adapt, deliver and care throughout the shifting challenge of continuing to operate our business safely during the pandemic.

2020 Highlights

- Total Recordable Injury Frequency Rate (TRIFR) 3.61*
- Lost Time Injury Frequency Rate (LTIFR) 1.14*
- Keeping our people safe and well throughout the COVID-19 pandemic

- 34% reduction in loss of containment incidents greater than 100kg*
- Major Hazard Facility Safety Case update (NSW)
- COVID-19 Safe planning and risk management

2021 Priorities

- Maintaining our mental health and wellbeing framework and support structures across the organisation
- Implement the Advanced Error Reduction Organisation (AERO) program at Geelong Refinery and the Goal Zero and Beyond program in our Supply Chain operations
- Implement Enhanced Loss Prevention Strategy at the Geelong Refinery to support asset integrity management and reduce loss of primary containment events

Our commitment to HSSE

Our commitment to Health, Safety, Security and Environment (HSSE Policy) sets out how we conduct our operations safely and responsibly. We also measure and assess our performance against established benchmarks, and study outcomes for continual improvement. View a copy of our HSSE Policy here vivaenergy.com.au/HSSE.

Our HSSE Management System

To help guide our people in meeting the objectives and expectations set out in our HSSE Policy, we have a comprehensive Health, Safety, Security, and Environment Management System (HSSE MS). The HSSE MS defines our approach and key controls for managing all HSSE risks across all our business operations, and applies to all employees, contractors and visitors alike. We review this annually to ensure continuous improvement.

To ensure the highest levels of integrity and transparency, a dedicated team that is independent of our business operations reports and tracks our performance across a range of industry specific leading and lagging indicators.

To strengthen our safety performance, we investigate incidents and near misses, implement corrective actions and verify effectiveness of controls. We continually aim to improve our performance by sharing lessons amongst our employees and contractors. Our senior executives and managers empower our employees and contractors to maintain safe, responsible and sustainable working environments and to perform their work without harm to ourselves, the environment, or others at all times.

Our HSSE strategy in FY2021 will focus on becoming more learning centred by further developing a culture where we learn through improved performance monitoring and investigation, and sharing these insights and improvements effectively. Further building our people's understanding of our risk management processes and the critical controls and critical activities will be fundamental to this strategy.

FY2020 employee engagement results



93%
of participating employees feel empowered to intervene on unsafe acts



95%
of participating employees agree their team is committed to always operating safely



98%
of participating employees understand the health and safety risks relevant to their roles

* Excludes performance of Liberty Oil Holdings.

Health and wellness

A significant challenge in our COVID-19 response was keeping up to date with the required new health protocols and communicating them to our employees. In January 2020, we updated our Pandemic Response Plan previously developed in response to the 2009 swine flu epidemic. We were able to adjust this to make it fit for purpose in anticipation that COVID-19 had the potential to escalate to pandemic status. Taking this prompt action allowed us to be thinking in crisis response mode and generate strategies to respond to the developing pandemic response.

In March 2020, significant work was undertaken to develop the required health management protocols relevant to the COVID-19 pandemic and in line with government directions, including isolation requirements, return to work protocols, workplace cleaning and disinfection protocols, visitor and travel restrictions. This required significant effort in a short period of time from in-house subject matter experts within our Health, Security and Safety teams, with support from key operational personnel.

Throughout FY2020, our Health team was critical in managing health assessments of returned travellers, particularly prior to the Australian Government closing borders and restricting travel. During April 2020, the team also delivered our annual flu vaccination program to 70% of our employees in operational roles.

Our office-based workforce responded and adapted quickly to the challenge of working from home. Our operations workforce also showed great commitment to pulling together and rapidly implementing the changes required to manage COVID-19 health risks. These changes included isolating designated workforce areas, changing workgroup interfaces and reducing opportunities for contamination, such as modifying work permit issuing and document sign off practices, and cleaning down shared equipment.

A priority was the proactive management of the psychosocial risks posed by having large tranches of our workforce suddenly working remotely (from home), whilst facing a range of work and personal life stressors presented by the pandemic. This was particularly important through the extended lockdown experienced by our Melbourne and Geelong based teams. In response, we held regular People Connect engagement sessions to support our employees and introduced an online mental health and wellbeing application called Uprise.

In FY2021 the mental health and wellbeing of our workforce will remain a focus for us, particularly with the ongoing impacts of the COVID-19 pandemic. Our overarching HSSE strategy continues to include a proactive approach to psychosocial risk identification and management through our existing framework and support structures.



Case study: UPRISE and People Connect

We sought out new and innovative ways to stay in touch with our workforce that had been thrust into remote working situations, with all the challenges this presented in terms of their ability to perform, feel engaged, connected and supported. We introduced a mental health and wellbeing application called Uprise, through which users can undertake wellness checks and complete simple modules aimed at building mental fitness and resilience. The release of this application was timed to coincide with a substantial proportion of our workforce being affected by the difficult Stage 4 restrictions imposed in Victoria. This was a time when there was concern that our people were feeling challenged by the demands of working virtually, or may have been experiencing other psychosocial stressors, such as concerns about job security, financial stress or COVID-19 related health impacts. The Uprise app provides content specifically aimed at providing users with tools to manage or cope with such stressors.

During this period the company also hosted virtual weekly 'People Connect' sessions, often featuring trained psychologists talking about coping with the stresses of COVID-19, changing workplaces and ways of working, home schooling and other lockdown related pressures. These sessions were very well attended across our workforce nationally and provided a platform for our employees to raise concerns, ask questions and receive trained and insightful support on how to maintain their mental health and wellbeing during this challenging time. The People Connect sessions are set to continue into FY2021 as we continue to navigate the ongoing challenges of COVID-19 for our people and our business.

Personal safety

Personal safety focuses on the prevention of injuries to our employees, contractors and anyone who could be impacted by our operations. It involves maintaining safe workplaces, robust operating procedures and a strong safety culture.

Our leaders encourage their teams to maintain a safe workplace, assess jobs for potential risks before commencing and during tasks, intervene to stop unsafe practices, and innovate to improve safe working practices. This is supported by regular mandatory training for all our people across the business.

Our personal safety performance again demonstrated a marked improvement on the previous year, with a 20%* reduction in the recordable injury frequency from 4.55 in FY2019 to 3.61* in FY2020. We have also had a reduction in the lost time injury frequency rate compared to the previous year, with a rate of 1.14* in FY2020 compared to a rate of 1.41* in FY2019. We tracked the performance of Liberty Oil Holdings separately in FY2020, with the business experiencing six lost time injuries and a total of ten recordable injuries.

In some areas of our business, we experienced significantly less activity as a result of COVID-19 impacts, particularly in our Aviation operations, with a correlating reduction in safety incidents. However, the performance also materially improved in road transport and our Supply Chain business in general, with a 50% reduction in recordable injuries across these operations.

In FY2021, our personal safety improvement initiatives will be focused on learning from and improving our ways of working through the Advanced Error Reduction Organisation (AERO) program at Geelong Refinery and the Goal Zero and Beyond program in our Supply Chain operations.

Personal safety performance¹

	FY2020	FY2019
Viva Energy (excluding Liberty Oil Holdings)		
Total Exposure Hours (million)	5.27	6.38
Total Lost Time Injuries	6	9
Employees	3	5
Contractor	3	4
Total Lost Time Injury Frequency Rate (per million hours)	1.14	1.41
Total Recordable Injuries	19	29
Employee	7	13
Contractor	12	16
Total Recordable Injury Frequency Rate (per million hours)	3.61	4.55
Liberty Oil Holdings		
Total Lost Time Injuries	6	NR
Total Recordable Injuries	10	NR

1. Definitions for safety performance are included within the Sustainability Performance Data on pages 69 and 71.

* Excludes performance of Liberty Oil Holdings.

Viva Energy Life Saving Rules

We have 12 clear and simple Life Saving Rules that directly address dangerous and potentially fatal behaviours. These rules are clearly communicated and must be followed by our people and contractors. All breaches are investigated and tracked to identify trends and improvements. In FY2020, we rolled out our Life Saving Rules to both Liberty Oil Holdings and Westside Petroleum and will begin to track their performance in FY2021.



1 WORK WITH A PERMIT

Work with a valid work permit when required



2 CONDUCT GAS TESTS

Conduct gas tests when required



3 VERIFY ISOLATION

Verify isolation before work begins and use the specified life protecting equipment



4 CONFINED SPACE AUTHORISATION

Obtain authorisation before entering a confined space



5 DISABLING EQUIPMENT

Obtain authorisation before overriding or disabling safety equipment



6 WORKING AT HEIGHTS

Protect yourself against a fall when working at height



7 SUSPENDED LOADS

Do not walk under a suspended load



8 DO NOT SMOKE

Do not smoke outside designated smoking areas



9 NO ALCOHOL OR DRUGS

No alcohol or drugs while working or driving



10 NO PHONES OR SPEEDING

While driving, do not use your phone and do not exceed speed limits



11 WEAR YOUR SEATBELT

Wear your seatbelt



12 JOURNEY MANAGEMENT

Follow prescribed Journey Management Plan

Process safety

Process safety focuses on the safe storage, processing and transportation of hydrocarbon products to minimise the risk of leaks, spills and flammable conditions. Critical to reducing the potential for process safety incidents are our asset integrity programs and operating procedures, which we have in place for all of our facilities. To manage process safety, we apply the Hazards and Effects Management Process (HEMP) across all our operations. HEMP risk assessments identify Safety Critical Equipment (SCE) that acts as a barrier to prevent the uncontrolled release of a hazard, which may lead to high consequence incident scenarios with the potential to harm assets, people or the environment. Monthly management review of leading and lagging SCE performance indicators allows for the assessment of the effectiveness of SCE performance and completion of maintenance and inspection plans.

Process safety performance¹

	FY2020	FY2019
Viva Energy (excluding Liberty Oil Holdings)		
Tier 1 Process Safety Events	1	0
Tier 2 Process Safety Events	2	2
Liberty Oil Holdings		
Tier 1 Process Safety Events	0	0
Tier 2 Process Safety Events	0	0

1. Definitions for safety performance are included within the Sustainability Performance Data on pages 69 and 71.

Our larger facilities are classified by relevant safety regulators as Major Hazard Facilities (MHF) and are subject to operating licences which set out the parameters and conditions under which we are required to operate these facilities. Renewal of these licences typically follows a comprehensive review of the facility's Safety Case by the relevant regulator and also considers past performance and overall safety commitment of the Company. During FY2020, we updated the Safety Case at our Clyde Terminal in Sydney and submitted it to SafeWork NSW as part of our MHF licence renewal. This process will continue in early FY2021 when the re-issue of the site's MHF licence is due to occur.

Overall, in FY2020 we recorded a significant reduction in large spills and loss of containment events, with a 34% reduction in loss of containment incidents greater than 100kg for Viva Energy (excluding Liberty Oil Holdings) and a 40% reduction of these incidents for Liberty Oil Holdings, compared to FY2019. Disappointingly we experienced our first significant process safety incident in more than three years, with an API Tier 1* process safety event involving the loss of more than 1,000kg of alkylate from buried piping at our Geelong Refinery. In this event, the product released was contained in the surrounding soil and recovered to the extent practicable, with no injury or lasting environmental impact. We also experienced two API Tier 2* events at the Geelong Refinery, with no offsite or environmental impacts

Overall, in FY2020 we recorded a significant reduction in large spills and loss of containment events, with a 34% reduction in loss of containment incidents greater than 100kg for Viva Energy and a 40% reduction of these incidents for Liberty Oil Holdings, compared to FY2019.

resulting from these incidents. For more information on loss of containment events and spills, refer to the Environment section on page 52.

In FY2021 our focus will be on analysing and developing improved strategies to manage the integrity of our assets as effectively as possible and drive reductions in loss of containment events, given the process safety, environmental and reputational implications of such events. Whilst this is relevant to all our operations, we will concentrate our efforts at the Geelong Refinery through the implementation of an Enhanced Loss Prevention Strategy.

Emergency and crisis management preparedness

A timely and effective response to an incident, based on robust emergency planning, is the most important factor in limiting injury, potential impact to the environment, our assets, and our licence to operate. We regularly engage and consult with emergency services organisations, the local community and other stakeholders with respect to our emergency response planning, including by running practical exercises with their involvement. Our facilities have emergency response plans and resources in place, and all relevant personnel are trained in dealing with an emergency. Our transport contractors also have emergency response capability in place to cover any incidents that may occur when transporting our products.

Crisis management planning has been crucial to our effective response to the COVID-19 pandemic, and prior to that during the 2019/2020 bushfires that impacted New South Wales and Victoria. In FY2020 we successfully operated through the COVID-19 pandemic while ensuring the health and safety of our people, customers, suppliers and communities. For more information on our response to COVID-19 during FY2020, refer to www.vivaenergy.com.au/COVID19-response.

Throughout the 2019/2020 bushfires, we supported fuel deliveries into impacted areas and quarantine fuel at our service stations for emergency services. We also provided direct support to customers that were experiencing difficulties as a result of the disaster. For more information on our bushfire response, refer to the Our Community section on page 63.

* Tier 1 and Tier 2 Process Safety Events are defined as per API RP 754.

Case study: Communicating with our retail customers

To reach and engage with our retail customers, we maintain regular communications through a number of platforms including our customer database. This enables us to connect with our customers on latest offers, competitions, site updates, car maintenance and road trip related articles, and health and safety messages.

In FY2020, we used these platforms to communicate our COVID-19 safety messages across our Shell branded and Shell Coles Express service station network. This included reassurance to the community that essential services were being maintained by keeping our sites and our supply chain operational to ensure ongoing fuel supply. In line with the advice from Government and health experts, changes to work and cleaning practices were implemented by our partners Coles Express and Independent dealers to ensure the health and hygiene of our customers, their families and the thousands of team members who operate the sites. These measures ensured our sites remained safe and comfortable environments for everyone and in line with the COVID-19 guidelines provided by the Commonwealth Department of Health.

Case study: Viva Energy wins Best HSSE Program in Shell's Global Licensed Markets for fostering a mentally healthy workplace

Weipa Servicentre was the proud recipient of the award for Best HSSE Program in Shell's Global Licensed Markets in FY2020. Weipa is an isolated and remote mining town on the coast of Cape York in northern Queensland. Aboriginal and Torres Strait Islander people make up 19.5% of the population of approximately 3,900 people¹. Research reveals remote Australians die from suicide at twice the average rate of city-based people, yet are only able to access mental health services at a fifth of the rate of city-based people². It also identifies farmers and Aboriginal and Torres Strait Islander people as among those most at risk of suicide. The team at Weipa Servicentre tragically had personal experience with this, having lost two team members to suicide in recent years.



The team adopted a targeted approach to foster a mentally healthy workplace, including offering Mental Health First Aid training to staff, liaising with Weipa Community Health, and implementing check-ins with site staff and safe zones promoting cultural awareness and exchange. Three staff members also participated in the Conquer the Corrugations Cape York Mental Health Awareness Walk, a huge community event, supported by local businesses, including Weipa Servicentre. Participants in the event walked 42km over the course of two days to raise awareness of the issues surrounding life's 'corrugations' in Cape York, to support and remember those affected, and to remove the stigma that surrounds mental health.

"We wanted to share our story to inspire others to act and make mental illness a priority in their business."

— Maddison Reinhardt, Weipa Servicentre Site Manager

Case study: Crisis prevention exercise supporting the Australian Defence Force

In late 2019, Viva Energy was handed operational control of the HMAS Cairns Defence Fuel Installation (DFI) facility as part of a commercialisation project conducted under the Defence Fuel Transformation Program. The DFI is situated adjacent to the HMAS Cairns base, which the DFI services. Recognising the close links between the base and the DFI teams, Defence and Viva Energy undertook a major joint emergency response exercise in October 2020 that tested each party's capacity to manage a spill to water emergency, as well as the coordination between the two parties and with the responding agencies. The scenario tested on the day simulated a significant diesel spill from a failed ship's hose during discharge operations. Enacting the onsite response to this scenario included physically assembling spill response equipment and working with Ports North, Maritime Safety Queensland and Defence personnel on how the active response would be managed. This exercise served as an excellent opportunity to work together and identify improvement opportunities for lines of communication and escalations during a potential crisis.



1. According to 2016 Census undertaken by the Australian Bureau of Statistics (ABS).
2. Bishop, L., Ransom, A., Laverty, M., & Gale, L. (2017). Mental health in remote and rural communities. Canberra: Royal Flying Doctor Service of Australia.

Making the lower carbon energy transition

We recognise that human impacts are contributing to climate change, and we support policies and action that will help Australia meet its carbon reduction commitments in a sustainable way, including support for Australia's commitment to the Paris Agreement. We are equally committed to improving energy efficiency in our own company's operations, and supporting the development of lower carbon and renewable energies, as part of the wider energy transition.



FY2020 Highlights

- Geelong Energy Hub launch setting out a strategic vision to support the evolving energy mix
- Board strategy day to consider new energies opportunities and the evolution of the fuel and convenience sector, in the context of transition to lower carbon energy
- Agreement to install our first 350kW ultra-fast electric vehicle charging stations at selected retail service station sites
- In early 2021, entered into a strategic alliance with HYZON Motors to pursue hydrogen fuel for transport opportunities
- Climate scenario analysis and risk assessment aligned with the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations
- Founding member of the Climate Leaders Coalition
- Geelong Refinery Energy Masterplan development

FY2021 Priorities

- Progress Geelong Energy Hub energy transition initiatives, such as the Gas Terminal Project and Solar Energy Farm
- Launch our ultra-fast electric vehicle charging stations pilot to learn more about this technology and consumer uptake
- Progress our strategic alliance with HYZON Motors to pursue hydrogen fuel for transport opportunities
- Implement shadow carbon pricing as a risk assessment tool in our investment decision making
- Detailed feasibility assessment of energy projects at the Geelong Refinery for future capital investment planning
- Progress our TCFD adoption program
- Enhanced climate change and emissions focus through more dedicated roles, accountabilities and governance committees
- Actively participate and collaborate with industry peers on Climate Leaders Coalition initiatives

Lower carbon transition and business strategies

At Viva Energy, we proudly supply products and services that are vital to our economy. At its heart we supply the energy that keeps us moving, and our goal is to 'Help People Reach Their Destination'. As such, we have a unique position and opportunity to support the transition to a lower carbon energy future and expect to deliver this through a mix of traditional and emerging energies that will evolve over time.

Our business strategy is to remain focussed on the efficiency of our existing core business and outperform our competitors, to grow in adjacent and new businesses lines aligned with our traditional areas, while also capturing opportunities for new growth in emerging products, services, and new markets. We see opportunities that support the transition to a lower carbon economy, as well as growth opportunities in existing and adjacent businesses that we can pursue now and through an energy transition

In FY2020 we announced our vision to develop the site of the Geelong Refinery into an 'Energy Hub' to support the energy needs of south-east Australia and the transition to lower carbon energies. This leverages the benefits of this strategic location, positioning Geelong as a core element of energy supply for Victoria and the south-eastern states into the future. There are a number of proposals aligned to this concept, which are drawn out further in herein, and of which the Gas Terminal Project is an early priority. Differentiating the energy supply options at Geelong will help secure and grow operations at Geelong into the future.

In our Retail and Commercial fuels businesses, we continue to investigate and participate in new energies. We are commencing electric vehicle (EV) charging services at key retail fuel and convenience sites to build and understanding of this emerging and important part of our broader retail convenience offering. In addition, we are actively pursuing opportunities for the development of hydrogen within the heavy vehicle transport sector (busses and trucks) with the recent announcement of our strategic relationship with HYZON Motors. These opportunities, together with the provision of biofuels, are expanded on further below as part of the TCFD analysis of opportunities and provide potential transition pathways into the future.

3. For further discussion of these impacts, refer to page 17 of the Operating and financial review.

In both Retail and Commercial, we also see opportunities to develop and grow our non-fuels businesses. In our Retail channel, this includes the Convenience shopping retail business, both in our core Shell Coles Express offering, and through the Liberty Convenience joint venture. We expect to continue to grow and learn in the convenience business, and with developing shopping trends expect that the convenience business presents a significant future growth opportunity.

Emissions and energy efficiency strategy

We differentiate the emissions and energy profile of our existing core business into three categories: (i) Refining; (ii) Operations (non-Refining); (iii) Customers. Each category has a distinctly different profile that drives differing approaches.

Refining

We have been operating our refinery at Geelong since 1954, and it remains an asset of national importance to Australia's energy security. The refining process is inherently carbon and energy intensive, with Geelong representing 96% of our Group's overall greenhouse gas emissions, but is necessary to the production of usable fuels to the market whether that refinery is operated by us, elsewhere in Australia, or overseas.

Our approach is to operate Geelong Refinery as safely and reliably as possible, ensuring the most efficient use of energy, and mitigating greenhouse gas emissions within the constraints of the current facility configuration. We have identified opportunities to upgrade equipment and optimise processes to reduce energy use and emissions, but have not yet progressed these due to the uncertain outlook for refining in Australia. We will continue to assess these alongside other low carbon investment opportunities within our business.

Operations

Beyond the Geelong Refinery, we operate a nationwide infrastructure, import and storage network, through which we deliver our products to all parts of Australia. The energy and emissions profile of these operations is significantly less than that of our refining operations, and we see good opportunities for us to progress mitigation, reduction and offset strategies to reduce the energy and emissions footprint of this segment.

Customers

Our customers are also focussed on their energy efficiency and emissions reduction, and our products contribute to their footprint. Our goal is to provide commercial solutions and expertise to help them achieve energy efficiency outcomes. For many of our customers this is a journey, and we act as their trusted fuel partner in continuing to support their business.

Taskforce on Climate-related Financial Disclosures (TCFD) framework adoption

In FY2020, we progressed our work against the Taskforce on Climate-related Financial Disclosures (TCFD) framework and the results of this work are set out in the following section of the report. This framework is an important tool for us to assess and monitor the potential impacts of climate change on our Company and to identify emerging trends that influence our business strategy. The framework requires longer-term analysis and assessment, which necessarily requires broad assumptions into the future, however this is important analysis to ensure that we continue to maintain a critical eye to longer-term trends and that our current business model is capable of adaptation to emerging trends.

The Recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) is a voluntary framework for climate-related financial disclosures. It recommends that companies exposed to climate risk make assessments and disclose against the following core elements:

Governance: the organisation's governance around climate-related risks and opportunities.

Strategy: the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning.

Risk Management: the processes used by the organisation to identify, assess and manage climate-related risks.

Metrics and Targets: the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

The TCFD differentiates climate impacts as:

- **Transition** risks and opportunities associated with the expected shift to a lower carbon economy.
- **Physical** risks to assets, operations and supply chains arising from changes in the physical climate. These may include acute risks, such as intense weather events, or chronic risks arising from longer-term shifts such as changes in sea levels.



We know that it is critical for the sustainability of our business to understand the opportunities and risks associated with climate change and how to incorporate these into our business strategy. To help guide our approach to this and provide transparency to stakeholders we have adopted the Recommendations of the TCFD framework.

We made significant progress on adopting the recommendations of TCFD in FY2020, particularly in the areas of scenario analysis and risk assessment. Detail on our progress against each of the core TCFD elements is provided below.

Governance

Board level

The Board of Viva Energy Group Limited (Board) holds ultimate responsibility for reviewing and monitoring the systems of risk management in the business, including climate-related risks. On climate change related matters, the Board is primarily supported in this role by the Sustainability Committee, which assists in reviewing the Group's carbon and energy efficiency performance, priorities and governance.

Our Audit and Risk Committee (ARC) oversees the Group Enterprise Risk Management Framework, which governs the management of all risks within the business. Climate risks are incorporated into this framework, and accordingly the ARC serves an important role of ensuring a consistent and centralised management approach to all risks.

In FY2020 the Board, through the Sustainability Committee and the Audit and Risk Committee, was engaged on the following climate-related matters:

- Reviewing and discussing the Group's strategy, risks and opportunities
- Reviewing the Enterprise Risk Management Framework and whether the business is performing with due regard to the risk appetite set by the Board.
- Reviewing management's carbon and energy efficiency priorities for 2020 and receiving subsequent progress update reporting.
- Receiving briefings on management's TCFD climate scenario approach and risk assessment outcomes.
- Receiving updates on the Geelong Refinery's greenhouse gas (GHG) emissions and energy performance.
- Reviewing management's proposal to implement a shadow carbon price as part of the Group's capital allocation process.

Management level

In FY2020 the Chief Operating Officer oversaw the activities of central Environment and Sustainability, and HSSE Management and Assurance teams. These teams were both led by national managers covering environmental (including climate change) related compliance, operational support, systems management and assurance.

The Group's Executive General Manager (EGM) of Legal and External Affairs oversaw the governance function of the organisation, including the impacts of climate-related regulatory and policy changes.

At an operational level, environmental and sustainability matters are included in the accountabilities of asset managers across the business, including the Executive General Manager Refining, Supply Chain Operations Manager and other key operational staff.

Throughout FY2020, a Management Sustainability Working Group met on a monthly basis under the sponsorship of the EGM of Legal and External Affairs. The working group included key personnel from across all businesses and functions of the Group, and was involved in the development and support of the Group's carbon and energy priorities, and monitoring market, technology and government policy developments.

In FY2021, we have continued to enhance the Group's climate change and energy focus, through:

- Centralising responsibility for all sustainability matters to the Chief Business Development and Sustainability Officer⁴, providing executive responsibility and oversight of the Group's climate and broader Sustainability strategy, governance and engagement, and new energy strategy and developments.
- Establishing a dedicated team led by a Group Carbon and Sustainability Manager, reporting to the Chief Business Development and Sustainability Officer, to lead and coordinate our climate change and emissions strategy.
- Establishing a Climate Change and Emissions Management Committee (which will replace the Management Sustainability Working Group) comprising senior staff, including all members of the Executive Leadership Team, from across the organisation who are responsible for the monitoring of climate-related risks and opportunities, and implementation of the strategic priorities in response.

Additionally in FY2021, a shadow carbon price will be introduced into the Group's investment evaluation and capital allocation process, to provide Management and the Board with an indication of how investments may be impacted by future climate policy changes to guide business decision making.

Strategy

Scenario analysis

In FY2020, we undertook an assessment specifically focused on climate impacts, in order to deepen our understanding of climate transition pathways through the development of climate scenarios. In doing so, we evaluated the risks and opportunities associated with these scenarios, and we reviewed our business resilience and strategic response.

We developed three climate scenarios, designed to stress test the resilience of our business strategy under a range of plausible future states, using the following inputs and approaches:

- Intergovernmental Panel on Climate Change (IPCC) physical scenarios.⁵
- International Energy Agency (IEA) transitional scenarios.⁶
- Shared Socioeconomic Pathways (SSPs).⁷
- TCFD requirements for scenarios to be plausible, distinctive, consistent, relevant, and challenging.

The three climate scenarios adopted represent three distinct levels of global decarbonisation: **Limited Mitigation**; **Disorganised Mitigation**; and **Aggressive Mitigation**. The Aggressive Mitigation scenario represents a 'lower than 2°C' scenario specified by the TCFD and is oriented toward a 1.5°C climate outcome.

4. The Chief Business Development and Sustainability Officer, Lachlan Pfeiffer, was formerly the group's EGM Legal and External Affairs.

5. IPCC (2014): Fifth Assessment Report of the Intergovernmental Panel on Climate Change, <https://www.ipcc.ch/report/assessment-report/ar5>.

6. IEA (2020): World Energy Outlook 2020, IEA, Paris, <https://www.iea.org/reports/world-energy-outlook-2020>.

7. Riahi et al. (2017): The Shared Socioeconomic Pathways and their energy, land use, and greenhouse gas emissions implications: An overview, Global Environmental Change, Volume 42, Pages 153-168, <https://doi.org/10.1016/j.gloenvcha.2016.05.009>.

The climate scenarios we have selected represent plausible development paths to future climate states, as described by societal, technology and policy characteristics, and are backed by internationally recognised climate scenarios. It is important to note; however, that these scenarios are not forecasts of our business, nor are they intended to represent a comprehensive description of the future. Rather they are designed to highlight the potential impacts of, specifically,

climate change at different timeframes in the future. It is also noted that there are many other factors beyond climate change that could, and will, impact Viva Energy's business over time. These include impacts, risks and challenges that we face now, as well as those that may develop over time.

The key characteristics of each of the Viva Energy climate scenarios are summarised in the table below.

Viva Energy TCFD climate scenario	Global warming state	IPCC physical scenarios	IEA transition scenarios	Description
Limited Mitigation	> 4°C	RCP8.5	Not applicable as transition impacts not considered significant in this scenario	<ul style="list-style-type: none"> • 'Business as usual' approach to climate change with continued growth in GHG emissions. • Limited government intervention and industry-led initiatives. • UN Agreement Nationally Determined Contributions (NDCs) not achieved. • Significant physical risks, and much less prominent transition impacts.
Disorganised Mitigation	~ 3°C	RCP6 RCP4.5	Stated policies	<ul style="list-style-type: none"> • Gradual approach to reducing GHG emissions in the long term driven by technology with some support by policy. • Limited government intervention, with technocratic-driven leadership from business. • NDCs achieved. • Transition and physical impacts both prominent.
Aggressive Mitigation	< 2°C	RCP2.6	Sustainable development – Net Zero by 2050	<ul style="list-style-type: none"> • Progressive government policy that sets a pathway for a rapid and orderly transition. • Quicker response sees GHG emissions begin to reduce in the near term as governments and their communities embrace the vision of a decarbonised future. • NDCs exceeded. • Significant transition impacts, and some but far less prominent physical impacts.

The time horizons we adopted for our climate scenarios assessment and the bases for their selection include:

- **Short Term – 2023:** reflects near term policy and technology certainty, aligned with our business operational planning cycle.
- **Medium Term – 2030:** aligned with our strategic planning timeframe, and consistent with market approach.
- **Long Term – 2050:** consistent with industry practice, aligned with typical 'net zero' emissions target timeframes, and to more fully consider physical climate impacts.

Following scenario development, we undertook a process to identify climate-related risks and opportunities and assessed these against the selected climate scenarios and time horizons. The process we followed to identify climate-related risks involved our external advisor EY completing internal document and policy reviews, external desktop research and a peer benchmarking exercise. It also involved conducting interviews with key internal stakeholders to gain insights.

A series of workshops were then held with relevant internal stakeholders to validate the identified risks and opportunities and assess their rating across the various climate scenario and time horizon combinations. Note, transition risks and opportunities were assessed as unlikely to be significant for the Limited Mitigation scenario. Similarly, Physical risks are not expected to be significant in the Aggressive Mitigation scenario.

The risk assessment process was aligned with our Group Enterprise Risk Management Framework (ERM) in terms of consequence and likelihood scales, and these were combined to determine an overall risk rating using the Group's ERM risk matrix.

The risk analysis was conducted on a qualitative basis. While all reasonable care has been taken in its preparation, considering industry, market, societal and governmental changes over any length of time, particularly in the longer term, necessarily involves a high degree of uncertainty and the application of broad assumptions. Many of these assumptions are informed by the work and content of the underpinning scenarios, but these scenarios are typically compiled on global or regional bases, whereas our business depends on many local Australian factors.

Further, as we have noted above, these risks and opportunities relate only to matters directly related to the impacts of climate change (whether those are physical or transitional impacts). In order to understand the risks well, these risks are presented on an 'unmitigated' or 'inherent risk' basis before any strategies or risk treatment plans are applied which would or could reduce the severity or likelihood of the risk to a 'residual risk' basis.

The table below outlines the potentially significant climate-related risks and opportunities identified through this process, as well as the key strategies we are implementing in response.

Risk/ opportunity type	Description	Relevant scenarios and time horizons	Our strategic response
Transition Risk – Policy	Future climate policies that establish a price on carbon emissions or mandate emissions performance requirements – resulting in additional costs for our emission-intensive operations such as the Geelong Refinery.	Potential to be significant in the medium term in Aggressive Mitigation and, to a lesser degree, Disorderly Mitigation , with impact increasing in the longer term.	<ul style="list-style-type: none"> • We monitor Government climate policy developments, actively engage in policy consultation process, and evaluate how potential changes will affect us. • We advocate the importance of local refining capability for national fuel security, and for recognition of emissions-intensive trade exposed businesses in climate policy. • We have developed an Energy Masterplan for our Geelong Refinery to help reduce its GHG emissions intensity. • We will apply a shadow carbon price in our investment evaluation and capital allocation to assess potential future carbon price exposure. • We have announced our vision for the Geelong Energy Hub to diversify our refinery revenue streams to lower carbon energy transition opportunities.
Transition Risk – Policy/ Market/ Technology	Climate policies aimed at increasing electric vehicle (EV) or other low carbon alternative fuels uptake; technological improvements in internal combustion engine (ICE) energy efficiency; shifts in consumer mobility preferences and patterns away from privately owned ICE vehicles – resulting in reduced consumer fuel demand and lower revenue in our Retail business.	Potential to be significant in the medium term in Aggressive Mitigation and, to a lesser degree, Disorderly Mitigation , with impact increasing in the longer term.	<ul style="list-style-type: none"> • We monitor Government policy developments, technology advancements and consumer trends, and factor these into our future business planning. • We are partnering with new technology providers and introducing new technologies on a test-and-learn basis, such as the EV charger rollout at selected retail service sites with a third party. • We are involved in new technology forums and industry groups in order to continue our focus on these potential shifts. • Our business units also capture earnings not directly related to fuels, and we see opportunities to grow these over time in both our Commercial and Retail channels.
Transition Risk – Technology	Technology advancements leading to increased alternative/advanced fuel or renewable energy use in Commercial business segments (e.g. mining, aviation or others) – resulting in reduced revenue for our Commercial business.	Potential to be significant in the medium term in Aggressive Mitigation and Disorderly Mitigation , with impact increasing in the longer term, particularly in Aggressive Mitigation .	<p>We supply a diverse portfolio of products to a wide range of customer/industry segments which are expected to have different transition rates and pathways, reflecting a general resilience in our business.</p> <p>We are collaborating with others and piloting emerging alternative fuels and energies to position for adoption where feasible. This includes work in biofuels, hydrogen and other alternative fuels.</p> <p>We are working with our Commercial customers to understand their low carbon transition strategies, and how we can support these.</p>
Transition Risk – Market/ Reputation	Increased investor scrutiny, increased lender stigmatisation, shareholder resolutions and negative screening on emissions intensive industries due to increased uncertainty around future earnings.	Potential to be significant in the medium term in Aggressive Mitigation and Disorderly Mitigation , with impact increasing in the longer term, particularly in Aggressive Mitigation .	<p>We have adopted the TCFD recommendations for disclosure to provide transparency and demonstrate to stakeholders our understanding of climate risk and linkages to our business strategy.</p> <p>We conduct shareholder and proxy advisor engagements to exchange perspectives in relation to ESG matters, including climate change.</p>

Risk/ opportunity type	Description	Relevant scenarios and time horizons	Our strategic response
Transition Risk – Reputation	Inability to attract or retain talent due to increased reputational damage and volatility in emissions intensive industries.	Potential to be significant in the medium to long term in Aggressive Mitigation , and in the long term in Disorderly Mitigation .	<ul style="list-style-type: none"> We are positioning the Group to be an active participant in the transition to a lower carbon economy over time. Initiatives such as the Geelong Energy Hub will provide significant opportunities for our present and future employees, including the Gas Terminal Project, which is currently providing opportunities for highly skilled roles.
Physical Risk – Chronic	Increased frequency of flooding associated with rising sea levels at the Geelong Refinery and coastal fuel terminals – resulting in asset damage (increased costs) and disrupted operations (decreased revenue).	Potential to be significant for the refinery in the medium to long term in Limited Mitigation and Disorderly Mitigation , and in the longer term in Limited Mitigation for coastal terminals.	<ul style="list-style-type: none"> We have Emergency Response plans in place for each of our facilities, and Business Continuity Plans for our overall operations and supply chains. We continuously assess and renew our asset integrity programs, including to adapt to changed circumstance, to ensure reliable and continuous supply. We consider physical climate risks when developing significant projects such as the Gas Terminal project at Geelong.
Physical Risk – Acute	<p>Increase in frequency and severity of extreme weather events (storms, cyclones, floods, heatwaves) resulting in:</p> <ul style="list-style-type: none"> supply chain delays, power outages, asset damage; increased stormwater management requirements at the refinery and terminals; and increased employee health impacts and reduced accessibility to the workplace/customers. 	Potential to be significant for the refinery, and to a lesser extent our fuel terminals, in the short, medium and long term in Limited Mitigation and Disorderly Mitigation , with impact increasing in the longer term.	<ul style="list-style-type: none"> We undertake, review and assess our asset integrity programs to maintain their resilience to changing environment and circumstances. Where appropriate, we have redundancy and back-up systems to maintain continued operations. We periodically review our stormwater management procedures and the effectiveness of our stormwater management infrastructure, and implement upgrade projects where necessary.
Opportunity	Increased demand for infrastructure to distribute low emissions fuels such as EVs (via charging infrastructure) and hydrogen, and for grid stability systems in response to the uptake of small-scale renewables, creating new revenue streams for our Retail network.	Potential to be significant in the medium term in Aggressive Mitigation and Disorderly Mitigation , with opportunity increasing in the longer term.	<ul style="list-style-type: none"> We are involved in a pilot to install EV charging stations at selected retail sites, to gain experience in the logistical and commercial aspects of deploying EV charging technology, and insights into customer uptake trends and behaviours. We are involved in a number of hydrogen R&D and advocacy forums, including the Australian Hydrogen Council.

Risk/ opportunity type	Description	Relevant scenarios and time horizons	Our strategic response
Opportunity	Increased demand for low emission or advanced fuels such as biodiesel, hydrogen or sustainable aviation fuel (SAF) in our Commercial segments, creating new revenue streams.	Potential to be very significant in the medium to long term in Aggressive Mitigation and Disorderly Mitigation .	<ul style="list-style-type: none"> • We are closely monitoring developments across key future fuel areas, and maintaining a presence on energy forums, industry groups and peak advocacy bodies. • We have formed a strategic alliance with hydrogen fuel cell OEM HYZON Motors to collaborate in developing a complete hydrogen transport solution, focused on the heavy transport sector. • We have signed a Heads of Agreement with Gevo to collaborate on the technical and commercial feasibility of converting biomass into renewable hydrocarbons, including sustainable aviation fuel (SAF). • We continue to supply ethanol E10 blended fuel via our retail network where mandated and investigate options for the delivery of biodiesel or renewable diesel into the market.
Opportunity	Increased affordability of renewable electricity (self-generated or via PPA), and to a lesser extent increased affordability of energy efficient technology, for use in our refinery, resulting in reduced costs.	Potential to be significant in the medium to long term in Aggressive Mitigation and Disorderly Mitigation , with some opportunity in the short term for renewable electricity.	<ul style="list-style-type: none"> • In 2019, we commenced a Power Purchase Agreement (PPA) with Acciona, the operator of the Mt Gellibrand Wind Farm, 65km west of Geelong. The PPA is a financial arrangement that guarantees pricing of electricity representing approximately a third of the Geelong Refinery's annual electricity needs. • We are investigating the feasibility of a solar energy farm at the Geelong Refinery.
Opportunity	Increased demand for lower emissions energy sources resulting in potential growth opportunities for the Geelong Energy Hub, including specifically the planned gas terminal to import liquefied natural gas (LNG) as a transitional fuel.	Potential to be significant in the medium to long term in Aggressive Mitigation and Disorderly Mitigation , although less opportunity for LNG in Aggressive Mitigation .	<ul style="list-style-type: none"> • We have set out our strategic vision for the Geelong Energy Hub to support a lower carbon energy transition, while underpinning the future of the Geelong Refinery. • We are progressing the cornerstone Gas Terminal project through front-end design and approvals, with a target commissioning date of 2024 when south-east Australia is forecast to be short on gas.

Risk discussion

The primary transition risks identified in the assessment above relate to demand substitution for our existing product suite, whether that substitution is driven by government regulation, technological advancement or consumer preference. In the short term, none of these have been assessed to be significant. As we look out over extended time horizons, we do see the potential for increased impacts. The scale and speed of any substitution is expected to vary significantly between both product type and market sector. Accordingly, as we consider strategies to address these risks, we develop them in a manner that responds to the relevant product line, the rate of expected change, and our customers' needs.

Transition risks also give rise to the potential for increased operating costs arising from regulatory responses to reduce GHG emissions. These risks are likely to be relatively uniform for market participants, and to be sector-wide.

The physical risks identified most likely arise in the Limited Mitigation scenario, and to a lesser extent, over time in the Disorderly Mitigation scenario – that is, where less is achieved to address an increase in global temperatures, resulting in more frequent and severe weather event impacts on assets and facilities. In our retail network, this is less likely to be significant, given the large number and wide distribution of the service station network. In our supply chain and refining operations, the risks predominantly relate to unreliable supply driven by unplanned downtime, and increased costs in mitigating or responding to weather events. We operate substantial asset management and maintenance programs, including site-level Emergency Response Management Plans and Group-level Business Continuity Plans to mitigate these generally localised impacts, and these will need to adapt over time, should these risks eventuate.

Opportunities and strategic response

Correspondingly, we see opportunities from an energy transition to diversify our business revenue streams as demand for lower carbon energy and fuels increases, particularly in the Disorderly Mitigation and Aggressive Mitigation scenarios in the medium to long term.

Similarly with the time horizon for the associated risks, the opportunities for our business are more limited in the short-term time horizon. Again, mirroring the risk profile, the opportunities for alternative fuels will vary depending on product type and market segment. Many of the new technologies are in the nascent stage of technological development (e.g. sustainable aviation fuel (SAF)), currently have limited penetration in Australia (e.g. electric charging), or require reductions in their associated cost base to become commercially competitive (e.g. hydrogen mobility) – or a combination of all of these.

We see a key existing opportunity in LNG imports into the south-eastern Australian market through our Geelong facility. LNG is a well-understood and mature market supported by proven technology, and is a key transitional fuel in an energy transition. Accordingly, we have materially progressed our Gas Terminal Project and are currently working through the Front-End Engineering Design (FEED) stage to bring the project to a Final Investment Decision in 2022, with the opportunity for gas supply in 2024.

As we look to the medium and longer-term time horizons, alternative fuels provide materially positive opportunities. Accordingly, our strategy is to develop our businesses and capability in the early stages of these industries, in order to participate in the opportunities as they mature. Some more of these strategies are elaborated in the discussion below.

In FY2020, we announced our vision for the Geelong Energy Hub, a business and energy diversification strategy centred on our key asset in Geelong. Through this vision, we expect to explore opportunities for transition fuels (such as LNG imports), alternative fuels (e.g. biofuels and hydrogen) and energy and emission reduction projects (e.g. a solar energy farm). Further details on the Geelong Energy Hub can be found on page 50.

We see a key existing opportunity in LNG imports into the south-eastern Australian market through our Geelong facility. LNG is a well-understood and mature market supported by proven technology, and is a key transitional fuel in an energy transition.

As noted earlier, some of the more specific opportunities we are currently pursuing include:

- **Battery Electric Vehicle (BEV):** In FY2020 we signed contracts to install our first 350kW ultra-fast electric vehicle charging stations at selected retail service station sites with a third party. We look forward to the construction and launch of these sites in the first half of FY2021, with this pilot enabling us to further monitor and support the development of charging infrastructure and understand customer uptake trends and behaviour.
- **Biofuels:** We continue to blend up to 10% ethanol with ULP91 to make E10 and distribute this across our retail service station network in NSW (86% of retail sites) and Queensland (66% of retail sites) with additional sites planned for FY2021. In FY2020 we entered into a Heads of Agreement (HoA) with Gevo to work collaboratively on activities in Australia to establish the technical and commercial feasibility of converting biomass into SAF and renewable gasoline from regionally sourced renewable resources using Gevo's patented technology. We continue to investigate options for the delivery of biodiesel or renewable diesel into the Australian market despite availability and economic challenges.
- **Hydrogen:** We recently announced a strategic alliance with HYZON Motors, a global supplier of hydrogen fuel cell powered commercial vehicles. With an initial focus on leveraging the Geelong Energy Hub to offer hydrogen for transport, our alliance allows us to move past traditional roadblocks to establishing a hydrogen refuelling network, by working with an OEM to get hydrogen fuel cell vehicles on the road to create the demand.

Critical to securing opportunities that will enable us to have a key role in the future energy mix is in establishing and maintaining strong collaboration and partnerships across the entire value chain for a range of new energies. We are closely monitoring progress in all future fuel areas with a presence in Australian energy forums, industry groups and membership of peak advocacy bodies. We are members of Bioenergy Australia, Australian Industry Greenhouse Network (AIGN), continue both our membership and Board position on the Australian Hydrogen Council, and advise as an industry representative on Deakin University's Hycel's External Advisory Board. We participated in the Bioenergy Roadmap Review Reference Group, initiated by the Federal Government in 2020.

Risk management

Our Enterprise Risk Management (ERM) Framework and related risk management policies and procedures used to identify, assess, monitor and manage risk within our organisation are discussed in our Operating and Financial Review (refer to page 26). Under this Framework we maintain a Strategic Risk Register which captures risks that can affect the achievement of the Group's strategy and goals.

Climate risk was previously addressed in the 'Emerging Risks' section of our Strategic Risk Register. As a result of the significant climate scenario and risk assessment work undertaken in FY2020, we now have a separate Climate Risk Register supplementary to the Strategic Risk Register, which captures all transitional and physical climate change risks identified for monitoring over the longer term.

Climate risks are not duplicated in the Strategic Risk Register unless a specific risk meets the definition of a strategic risk, i.e., is assessed as having the capability of affecting the achievement of the Group's strategy and goals, in which case it would be escalated to the Strategic Risk Register.

Currently one climate-related strategic risk, collapse in fuel demand due to change in consumer mobility, is included in the Strategic Risk Register. However, changes in consumer mobility are also impacted by non-climate related matters, with the changes driven by COVID-19 being an example of this.

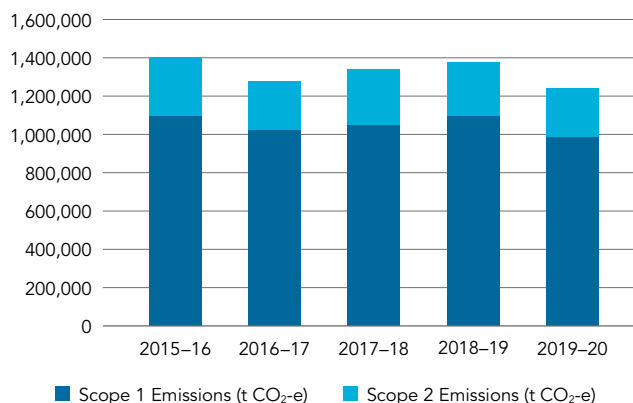
We identify and monitor our strategic risks through a twice annual process of consultation across each business unit and validation with the Group's Executive team, with reporting to the Board Audit and Risk Committee. As part of this process, the Climate Risk Register will be reviewed to determine if there are any material changes to climate risk ratings, including whether elevation of any climate risks to the Strategic Risk Register is warranted.

Metrics and targets

We report annually on our greenhouse gas (GHG) emissions, and energy consumption and production under the Australian Government's National Greenhouse and Energy Reporting (NGER) Scheme. The data we report is published each year on the Clean Energy Regulator website cleanenergyregulator.gov.au and includes:

- **Scope 1 (direct) emissions** arising from our operations such as from fuel combustion, fugitive emissions and other minor emission sources; and
- **Scope 2 (indirect) emissions** associated with the generation of electricity we purchase for our operations.

Viva Energy Group operational greenhouse gas emissions



Our emissions reported include the facilities and activities of all Viva Energy Group subsidiaries and contractors within our operational control and is reported for the 12 months ended 30 June.

For the 2019-20 NGER reporting period we reported Scope 1 emissions of 1,000,445 tonnes CO₂-e and Scope 2 emissions of 282,152 tonnes CO₂-e. Scope 1 and 2 emissions from the Geelong Refinery account for 96% of our total operational greenhouse gas emissions. The Geelong Refinery's Scope 1 emissions were well below the statutory Safeguard Mechanism emission baseline for the facility of 1,160,938 tonnes CO₂-e set by the Clean Energy Regulator.

Our overall Group operational GHG emissions in 2019-20 were 10.4% lower than the previous reporting period. This reduction is attributed to COVID-19 impacts on the Geelong Refinery in the final quarter of the NGER reporting period. Fuel demand reduction led to the shutdown of a major process unit for extended maintenance, and the refinery operating in a lower production 'hydro skimming' mode.

In FY2020, we developed our approach for implementing shadow carbon pricing into our financial planning and capital allocation process. This is intended to provide a risk assessment tool to evaluate investments, understand carbon price impact sensitivity, and guide investment decisions. The shadow carbon prices adopted are a low-case 'current day' price, and high-case price representative of a medium term 'Aggressive Mitigation' scenario. These carbon prices are derived from publicly available carbon price benchmarks and will be updated annually.



Case study: Climate Leaders Coalition

To support our strategy to pursue opportunities and contribute to Australia's transition to lower carbon energies, in FY2020 we joined with other leading businesses to become one of the founding members of the Climate Leaders Coalition (CLC), an initiative of the B Team Australasia. The B Team is an initiative co-founded by Sir Richard Branson, which brings together global leaders from business, civil society and government to catalyse better ways of doing business (a Plan B) that prioritises the wellbeing of people and the planet.

The CLC is focused on collaboration and joint problem solving in respect of decarbonisation challenges, with an aim to support Australia's low carbon future while also ensuring long-term economic sustainability. Other CLC Founding Members include the CEOs of some of Australia's largest resources and industrial companies, along with leading companies from the property, consumer goods, finance, technology, research, civil society and advisory sectors. CLC members support the Paris Agreement and Australia's commitment to it. For further information visit climateleaders.org.au.

"I am excited about the opportunity to work together with the CEOs of these companies to share learnings, collaborate on opportunities and potentially work together on specific projects. Many of these businesses are significant carbon emitters or are responsible for significant emissions through the products they sell, and therefore share many of the same challenges as we do. By working together, we believe that we can be more effective in developing our respective strategies to reduce emissions and demonstrate how business is committed to the transition towards a low carbon economy."

— Scott Wyatt, CEO

Geelong Refinery energy performance

Petroleum refining is inherently energy and GHG emission intensive. Notwithstanding this, we remain focused on improving and addressing the energy performance of the Geelong Refinery.

With the Geelong Refinery more energy efficient (and less energy intensive) when operating at high throughput and high unit utilisation, the shut-down of units and operational mode changes in FY2020 due to COVID-19 resulted in a significant reduction in refinery utilisation, which resulted in a significant increase in energy intensity to 123.9⁸ compared with 112.4 in FY2019.

Due to the financial impacts on refining in FY2020, capital allocation at the Geelong Refinery was prioritised to safety critical and asset integrity projects, with planned energy projects deferred. Despite this, the refinery's energy performance remained a focus through daily operational meetings and the implementation of new workflow processes to capture operational energy improvements. In FY2020 we progressed our Energy Masterplan including the detailed feasibility of a number of energy efficiency opportunities.

In FY2021 our focus will be on progressing the Energy Masterplan by further developing key energy projects to ensure they are ready to be executed once more favourable operational and capital conditions return.

Supply Chain energy efficiency program

Our two fuel terminals in Sydney, at Clyde and Gore Bay, are the highest energy consumers in our Supply Chain fuel storage and distribution network.

The energy consumption of the Clyde and Gore Bay facilities has reduced significantly in recent years, as we transitioned from refining operations into import terminal facilities. Operational consolidation has improved the energy efficiency of the Clyde facility, which has allowed for optimisation of product movements.

In FY2020, electricity sub-metering was installed across both the Clyde and Gore Bay facilities, and in FY2021 we will be assessing the data arising from this to identify operational optimisation opportunities and potential energy efficiency projects.

At the bitumen plant located at our Pinkenba terminal in Queensland, we transitioned operations to an import and blending facility, with limited processing. By limiting the processing of bitumen, we have significantly optimised the plant heating requirements and have a projected 20% saving on gas consumption. Additionally, the transition away from processing has reduced the air and water (from steam condensate) emissions. We will continue to complete additional energy optimisation trials at the bitumen plant throughout FY2021.

8. Using the Solomon Associates global refinery benchmarking Energy Intensity Index (EII) methodology.



Geelong Energy Hub

To support Australia's energy future, in June 2020 we shared our strategic vision for the Geelong Energy Hub. The Geelong Energy Hub looks to support the evolving energy mix while underpinning the future viability of our refinery, with several potential projects to support alternative energies such as renewables and hydrogen, generating new jobs and economic development for the region. Key to this vision is the plan to develop a gas terminal.

The Geelong Refinery will continue to play a significant role in liquid fuel manufacture and supply security – providing the fuels that Victoria needs in the transport, aviation, industrial and marine sectors. Even as technology and Australia's energy needs continue to evolve, refined fuels will still be needed for many years to come.

Our vision is to build a sustainable operation so that we can continue local manufacturing, provide employment and supply existing and future products to meet the needs of our customers and the economy.

Why is the Energy Hub important?



A Gas Terminal can cost effectively bring gas from where it is produced to where it is needed.



A Solar Energy Farm could help power the refinery – reducing our carbon footprint.



Support the development of alternative lower emission energy sources such as liquid fuels from lower carbon feedstocks, and hydrogen.



Diversifies the Geelong refinery site, protecting local jobs and generating new jobs and skills.

Gas Terminal Project

Viva Energy has plans to develop a Gas Terminal at the Geelong Refinery. The Gas Terminal would bring natural gas from various locations in Australia and overseas, to help meet the projected gas shortage in south-east Australia.

The Gas Terminal Project includes:

- Continuous mooring of a Floating Storage and Regasification Unit (FSRU) which stores and converts Liquefied Natural Gas (LNG) back into natural gas.
- A Refinery Pier extension. To accommodate the visiting LNG ships and house the floating vessel, the existing Refinery Pier will be extended by approximately 570m.
- Gas-blending facilities. Prior to supplying the market and to meet Australian specification standards, all the gas will be treated in a gas-blending facility within the refinery boundary.
- A pipeline approximately 6.5km will be constructed to get the gas to where it is needed. About 2.5km of the pipeline will be above ground and about 4km underground within existing pipeline corridors. About half of this pipeline will be on Viva Energy's land.

The Project is expected to provide 150+ jobs during the two-year construction period and create around 50–100 ongoing local jobs.

Solar energy farm

As part of the Energy Hub we are investigating a proposal to build a solar energy farm alongside the Geelong Refinery. A solar energy farm could power about 20% of the refinery's electricity needs and reduce our carbon footprint.

We own 41 hectares of vacant land immediately north of the refinery, which would allow the installation of enough photovoltaic (PV) panels with the capacity to generate around 25MW of clean energy.



The solar energy farm would complement Viva Energy's support for the renewables transition, following entering into a Power Purchase Agreement (PPA) with Acciona, which owns and runs the Mt Gellibrand wind farm near Colac. The PPA has secured pricing for Viva Energy on approximately 100GWh per annum of electricity, which represents around a third of our Geelong Refinery's annual electricity needs.

Strategic fuel supply and storage

Alongside the current refinery storage, the Energy Hub includes the potential to develop additional diesel storage to support the Federal Government's Fuel Security Package.

In September 2020, the Australian Federal Government released its Fuel Security Package, which included a plan to support the development of additional diesel storage. A Request for Tender process commenced in early 2021 and Viva Energy participated. For more information on the Fuel Security Package refer to page 67.

The Geelong site is well positioned to take advantage of any future strategic storage opportunities as and when these arise.

Hydrogen and alternative fuels

Our vision for the Energy Hub includes exploring alternative energy sources, and a natural next step for us is the hydrogen industry. The refinery is already a significant producer and consumer of hydrogen as part of existing processing activities. The opportunity exists for us to extend existing hydrogen production facilities into production of grey or green hydrogen for transport and other needs.

The Council of Australian Governments (COAG) Energy Council has established a working group to deliver on elements of the National Hydrogen Strategy supporting the development of a clean, innovative and competitive

hydrogen industry that will benefit all Australians. As a member of the Australian Hydrogen Council, we participated in the development of this strategy.

The flexibility of hydrogen to store energy in gas or liquid form, its high energy density and ability to be transported by trucks, ships or pipelines enables it to be used as a fuel for a variety of applications. This makes it a low emission energy source of great value, in particular for the heavy vehicle sector. There remain challenges in matching infrastructure requirements with vehicles, and our strategic alliance with HYZON Motors will help us to offer a refuelling, supply and vehicle solution for our customers and the industry. The alliance aligns with our collaborative approach, and fits with our intent to explore different energy options as part of the Energy Hub.

We see this and the development of other possible alternative energy sources as longer-term opportunities that we are keen to explore.

Community consultation and regulatory approvals

The Gas Terminal Project will require an Environmental Effects Statement (EES) under the *Environment Effects Act 1978*. The Project is also considered a 'controlled action' and will require assessment and approval under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The EES will be the accredited assessment process for the purpose of the EPBC Act under a Bilateral Assessment Agreement between the Commonwealth and Victorian governments.

Community engagement and consultation is an important part of our Project and we will be engaging with the community and key stakeholders throughout the Project seeking views, feedback and comments. Opportunities for comment include draft scoping requirements and the final EES. For the latest updates visit vivaenergy.com.au/gas-terminal.

Environment

We are committed to protecting the environment and minimising any potential environmental impacts arising from our operations or our products. Our HSSE Policy outlines our commitment to operating in an environmentally responsible manner. The environmental aspects of our operations are governed by environmental regulations, which are managed in accordance with our HSSE Management System (HSSE MS).

At the facility level, our operations have Environmental Management Manuals which underpin the HSSE MS and include important local controls to manage environmental risks and compliance. All environmental incidents and near misses are recorded and reported through our incident reporting system. A range of industry specific key performance indicators such as spills, environmental non-compliance records, emissions and waste metrics is used to measure the effectiveness of our management systems.

For our major facilities, including the Geelong Refinery and the Clyde and Gore Bay Terminals, we publicly report on our environmental licence compliance and performance monitoring results. For up-to-date information visit vivaenergy.com.au/environment.

In FY2020, we did not receive any environmental non-compliance sanctions. For a further overview on our FY2020 environmental performance, refer to page 104 of the Directors' Report.

FY2020 Highlights

- Progressive transition of firefighting foams and infrastructure throughout Queensland and South Australia
- Remediation of the former Clyde refinery land in Sydney commenced
- Australian Packaging Covenant (APC) plan refreshed
- Zero environmental non-compliance sanctions
- Awarded ecoBiz Star Partner at the Pinkenba Terminal in Brisbane

FY2021 Priorities

- Implement our foam transition program, with a focus on meeting Queensland and South Australian compliance obligations by 2022
- Complete remediation at the former Newcastle terminal and significantly progress remediation of the former Clyde refinery and the former North Fremantle terminal
- Implement our refreshed Australian Packaging Covenant plan

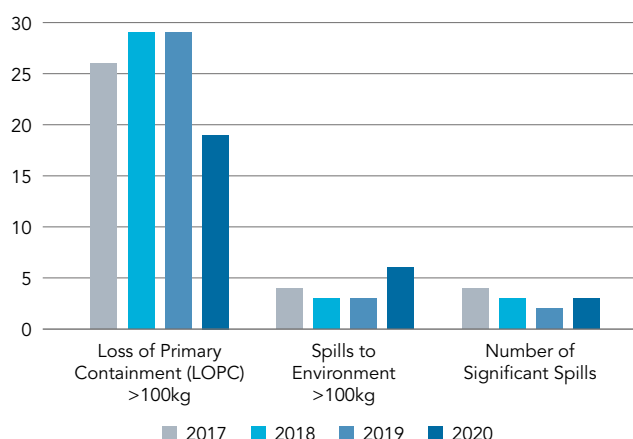


Spill prevention

Our aim is to ensure that we do not have any uncontrolled release of hydrocarbon products to the environment. We call this 'No Product to Ground' and we refreshed this message in FY2020. To meet this objective, we implement spill prevention and control measures across all our operations, including operational procedures, routine surveillance, risk-based inspection programs, and utilising leak detection technology. For marine spills, we work with the Australia Maritime Safety Authority (AMSA) to maintain a national spill contingency plan. We are also a significant participating member of Australian Marine Oil Spill Centre (AMOSC), for which we have responsibilities to contribute trained personnel and equipment under mutual aid arrangements and in accordance with the National Plan for Maritime Environmental Emergencies.

We measure our performance by tracking loss of primary containment (LOPC) incidents that occur within the operational boundary of our facilities and road transport operations. A LOPC means that hydrocarbon products have leaked or been spilled from the primary containment (tanks or pipes) that are designed to safely hold our products. In many cases we have secondary containment measures (such as tank bunds) to provide additional protection against the products entering the environment. Whilst the number of larger (100kg) LOPCs have reduced, we did have three significant spills (spills greater than 1000kg that reached the environment) in FY2020. Two of the incidents related to process safety incidents at the Geelong Refinery with the third relating to the loss of fuel from an underground storage tank at one of our retail service station sites in Victoria. All of these incidents have been investigated and remedial measures implemented.

No product to ground performance*



* Excludes performance of Liberty Oil Holdings.

Contaminated land remediation

Across our portfolio, we adopt a risk-based approach to contaminated land remediation which is consistent with national standards and undertaken in consultation with environmental regulators where required. In FY2020 we progressed the land remediation of several large, closed facilities, including the former Newcastle (Hamilton) terminal, the former Clyde refinery land, and the former North Fremantle terminal. These works are being overseen by a regulator-accredited Environmental Auditor who will prepare a site suitability statement or reclassification recommendation consistent with proposed future land use, for regulatory approval.

In FY2021 we plan to complete remediation at the former Newcastle terminal and significantly progress with remediation of the former Clyde refinery and the former North Fremantle terminal.

Air emissions

The manufacturing, storage, supply and use of our fuels cause air emissions such as Volatile Organic Compounds, greenhouse gases (GHG), sulphur oxides (SOx) and nitrogen oxides (NOx). We monitor the air emissions from our facilities according to each site's licence conditions and report annually to the National Pollutant Inventory (NPI). Refer to the NPI website for our latest data npi.gov.au/npi-data.

The main sulphur processing units at the Geelong Refinery continued to experience unreliable operation early in FY2020. With the substantial drop in demand for fuel during the COVID-19 restrictions in Victoria, many of the refinery's processing units, including the sulphur processing units, were shut down for major maintenance. With production rates significantly reduced through much of FY2020, air emissions were well below levels of previous years with the exception of SOx. Units were returned to service at the end of November FY2020 without any breach of our environmental licence conditions.

Fuel standards

We continue to support updates to fuels standards in Australia, including the requirement to reduce the sulphur limit in gasoline to 10ppm. Significant capital investment would be required to achieve these standards, which come into force from mid-2027. We will continue the planning and assessments on the capability and viability of manufacturing these fuels at the Geelong Refinery.

PFAS and firefighting foam

Per- and poly-fluoroalkyl substances (PFAS) are manufactured chemicals that have been used for more than 50 years in a range of products including firefighting foams, pesticides, waterproofing and stain repellents. Like all industries responsible for flammable fuel storage, we have a history of storing and using PFAS-containing firefighting foams as these have been the recommended best practice and most effective for combatting flammable fuel fires. While the health and ecological effects of PFAS compounds are the subject of ongoing research, we acknowledge the potential risk they pose and the precautionary approach to PFAS management adopted by environmental regulators across Australia.

For managing our existing firefighting foams and associated infrastructure, we follow a risk-based approach in determining foam system upgrade projects for transitioning our infrastructure to C6-purity compliant foams; and transitioning to fluorine free foam for shallow pool fires and fuel spills. However, the effectiveness of fluorine free foams is not yet demonstrated for the unlikely event of a large tank fire. In FY2020, we focused on progressing the transition of firefighting foams and infrastructure throughout our Queensland and South Australian facilities. We agreed transitional compliance plans with environmental regulators in these states and will continue to focus on meeting these obligations by 2022.

We continue to engage with foam suppliers and industry research and development organisations such as LASTFIRE to understand the capabilities and limitations of fluorine free foams. Whilst it is not currently widely accepted by industry, it is anticipated that a suitable fluorine free foam for large tank application will be identified over the next few years.

For managing legacy impacts of PFAS to soil and groundwater, we have a due diligence program which is aligned with the PFAS National Environmental Management Plan (NEMP) approach endorsed by all environmental regulators in Australia. As a result, we have progressed with the investigations of PFAS impact at several Queensland sites, Newport terminal and Geelong Refinery in Victoria, the former North Fremantle terminal in Western Australia and the Port Lincoln terminal in South Australia. We continue to work with our environmental regulators on further assessments and suitable mitigation or remediation where required.

Resource efficiency and engaging in the circular economy

The demand from our customers, industry and government for circular economy thinking to reduce waste continues to be an important area for us. We demonstrate our commitment to the circular economy in the following ways:

- Waste recovery practices at the Geelong Refinery ensure most of our wastes are reused onsite, recycled or reused in other industries.
- Continued signatory to the Australian Packaging Covenant.
- Exploring opportunities to develop, distribute and promote products that include repurposed waste materials.

The performance of our waste recovery practices at the Geelong Refinery remained strong in FY2020 with 90% of hazardous waste (excluding wastewater) diverted from landfill and 100% of wastewater sent to the Northern Water Plant (operated by Barwon Water) for recycling. The recycled water received back from the Northern Water Plant accounts for approximately 80% of the refinery's water consumption (excluding seawater).

The Australian Packaging Covenant ('the Covenant') is a national regulatory framework under the National Environment Protection (Used Packaging Materials) Measure 2011 (NEPM) that sets out how governments and businesses across Australia share the responsibility for managing the environmental impacts of packaging. We continue to be a

signatory to the Covenant and in late FY2020 we refreshed our action plan which focuses on our packaged and bulk lubricant products. The two key goals of our plan include:

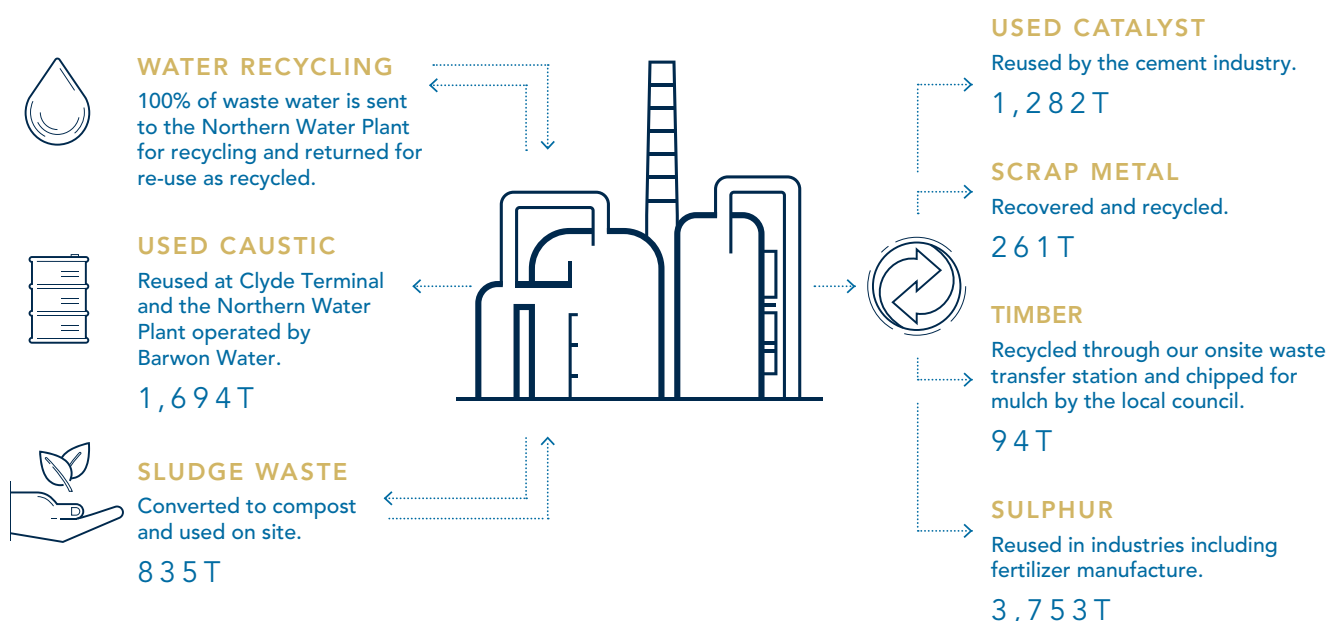
- optimising resource recovery in our supply chain; and
- minimise environmental impact of fugitive packaging through innovative solutions.

At our bulk lubricant facilities, we continue to review opportunities for optimising waste diversion and recycling with our waste recovery providers. For more on this, refer to our case study on Pinkenba – an ecoBiz star partner. For our packaged products, our ambition to collaborate with our retail and trade customers on promoting closed loop solutions for oily containers in FY2020 was unfortunately delayed due to COVID-19 restrictions. We remain committed to this initiative and will progress further in FY2021.

Our main supplier of lubricant products, Shell, has developed a global packaging strategy of 'Reduce. Reuse. Recycle'. Whilst a number of actions have already been implemented into our supply chain (including use of reconditioned IBCs), we continue to work with Shell on exploring innovative and sustainable packaging opportunities. This includes using post-consumer recycled plastic in packaging, and alternative packaging options including Eco Boxes which reduce landfill waste compared to equivalent rigid plastic packaging.

In FY2021, we will continue to work through the actions set out in our refreshed action plan. For our latest annual performance report, visit vivaenergy.com.au/environment.

Geelong Refinery waste recovery efforts in 2020*



* This data relates to 1 July 2019 – 30 June 2020.

Case study: Paving the way for recycled roads

As a major supplier of bitumen to the road transport industry, we continue to look for opportunities to improve the sustainability of our road-surfacing products. While the bitumen products we supply can be perpetually recycled, the industry is moving towards the promotion and facilitation of a circular economy through the use of other recycled materials in road construction. The use of crumbed rubber in roads is now well established in Australia. Crumbed rubber comes from recycling truck tyres, which have a naturally high rubber content. Opportunities for this rubber into roads continues to increase, particularly through Australian specifications and through our customers pursuing increased recycled content to meet their own sustainability targets.

Currently, our bitumen operations supply modified crumbed rubber binders to customers for spray sealing roads across the Australian east coast and South Australia. In addition to providing a solution to the mounting waste issue, the crumbed rubber enhances the road surface by improving its engineering properties and durability, meaning better performance and less maintenance.

We continue to work with the Australian Asphalt Pavement Association (AAPA) and industry partners on the expanded use of crumbed rubber in asphalt applications, and other recycled waste applications in bitumen blended pavements.



Case study: Continuous improvement at Clyde

Clyde Refinery in Western Sydney ceased operation in 2012 and since then the site has progressively been converted into a fuel import terminal. As part of the conversion of the site, several initiatives have been implemented in recent years to improve the environmental performance of the facility, including addressing water discharge quality, air emissions, energy efficiency and the biodiversity of the adjoining wetland.

The demolition of redundant refining infrastructure, the installation of quick flush tanks for the controlled drainage of fuel storage tanks, a program of drain and retention basin cleaning, and improvement in stormwater management practices have resulted in reduced flow and improved quality of water discharges.

A number of air emissions reduction initiatives have also been implemented, including maintenance on floating tank covers and associated vapour sealing systems for gasoline storage, resulting in reduced Volatile Organic Compound (VOC) emissions by 35% since 2016.

The facility has also been made more energy efficient by consolidating operations to the central part of the site, allowing for optimisation of product movement. In FY2020, electricity sub-metering was installed across the site and will be utilised to identify further operational optimisation and energy efficiency projects in FY2021.

As part of our ongoing efforts to protect the Green and Golden Bell Frog (classified as vulnerable under the Environment Protection and Biodiversity Act) we recently completed the construction of purpose designed breeding ponds. We continue to monitor the frogs and restore their habitat at our Clyde facility and surrounding wetland areas, with encouraging results from our ongoing surveillance.



Case study: Pinkenba – an ecoBiz star partner

We were recognised in FY2020 with an ecoBiz Star Partner award for our waste and energy reductions in 2019/2020 across our supply chain, lubricants and bitumen operations at our Pinkenba Terminal in Queensland. The ecoBiz Star Partnership accreditation is reserved for businesses that can demonstrate at least a 10% reduction in their resource intensity. Our terminal site and bitumen plant both achieved an impressive 13.1% reduction in energy intensity; and our lubricants warehouse achieved a reduction in waste to landfill and a 20.4% reduction in waste intensity. This was achieved through measures including specialised recycling of oil, oily filters, steel, cardboard, and hard and soft plastics. In addition, while hazardous waste intensity has reduced with improved oil extraction, the site continues to investigate alternative recovery opportunities for this type of waste.



Our people

Our ability to attract, motivate and develop high calibre people enables us to deliver outstanding business results today and into the future.



FY2020 Highlights

- 70% employee engagement score
- 41% of senior leaders are women
- Launched The Viva Way business values and behaviours
- WGEA Employer of Choice for Gender Equality
- Enhanced the Family and Domestic Violence Support policy
- Developed and launched Viva Ways of Working

FY2021 Priorities

- Advance our Diversity and Inclusion Strategy including a focus on reaching our gender diversity targets
- Embed the new Viva Ways of Working
- Organisation-wide family and domestic violence training

The Viva Way

In FY2020 we launched a new set of Company values – The Viva Way. The Viva Way connects our purpose, values and behaviours together to support our culture and create the 'way' we work. Our Values set the standard, guiding our actions and decision making. These Values reflect who we are today as well as who we aspire to be.

The Viva Way was created from the inside out, whereby a working group of senior leaders gathered input from team members across all areas of our business to ensure The Viva Way is uniquely and authentically ours. The Viva Way was launched in FY2020, followed by small group discussions about what it means for individuals and teams, and how they will bring it to life. In FY2021 we will continue to embed and promote The Viva Way across our business.

Diversity and inclusion

We are committed to ensuring we provide an inclusive and diverse workplace where our people feel valued, included, respected and able to develop and contribute to their full potential. In our experience, diversity and inclusion promotes different views and ways of doing things, enhanced decision making, improved safety outcomes, increased productivity, more effective teamwork and better wellbeing.

Our strategy is to continue to strengthen our diverse and inclusive workplace. This includes a strong focus on gender diversity, Indigenous employment and offering flexible work practices. To view our Diversity Policy, visit vivaenergy.com.au/diversity-inclusion.



Female representation in the Senior Leadership Group

2020	41%
2019	39%
2018	41%
Target	50%

Female new hires

2020	30%
2019	40%
2018	32%
Target	50%

Female representation on the Board

2020	29%
2019	29%
2018	29%
Target	40%

Overall female representation

2020	24%
2019	24%
2018	22%

Female promotions

2020	19%
2019	26%
2018	24%

In FY2021 we plan to advance our Diversity and Inclusion Strategy, with a focus on reaching our gender diversity targets through a number of initiatives including improving our employer brand, by externally promoting our leadership in diversity and flexibility. Additionally, we plan to work with our Senior Leadership Group to co-design and co-deliver inclusive leadership interventions. Complementing our current approach, these engagements will assist our senior leaders in accelerating their leadership commitment to creating a workplace environment where all employees feel comfortable, included, accepted, and supported. As part of advancing our Diversity and Inclusion strategy, we also plan to formalise and support a Pride Committee with sponsorship from our executive team.

Gender diversity

Our objective is to improve the representation of women in all roles and levels in our business and to ensure that they are paid equally with their male counterparts, as measured by total remuneration. We measure, track and report progress against gender diversity targets, and report to the Workplace Gender Equality Agency (WGEA) on an annual basis.

For the 2019-20 reporting year the WGEA Competitor Analysis Benchmark Report for Viva Energy demonstrates our performance against a number of gender equality metrics, as well as comparing our Company performance to that of our peers and Australian industry overall. This includes the total remuneration pay gap (expressed as a percentage) which measures the difference between the average earnings of women and men in the workforce. For the 2019-20 reporting year, the pay gap for the Group (excluding Westside Petroleum) was 7.6%. For all our latest and previously reported results, refer to wgea.gov.au.

Due to the challenges of COVID-19 in FY2020, there were fewer opportunities to progress our gender diversity initiatives. Overall, there were fewer external recruitment opportunities, including programs that have historically targeted women such as our Graduate program and female operator intakes. There was also less internal movement which has resulted in fewer opportunities to promote women across the business. We continued to support a Women in Leadership development program throughout the year, and plan to build and support our existing female leadership program alumni network.

To help us reach our gender targets in FY2021, we will be focusing on the following initiatives:

- Improve external female employee attraction through targeted review and promotion of our employer brand.
- Examine any bias that may exist in our internal recruitment selection processes and remove any biases.
- Continue to produce gender balanced shortlists for all management roles.
- A deep dive into non-traditional working environments and understanding how they can be improved to be more inclusive particularly for females in operational roles.
- Inclusive leadership training and development for all Senior Leadership Group members.
- Set gender recruitment targets for Senior Leadership Group members to help build collective accountability across the business.
- Increase the representation of females in non-traditional roles with a focus on attracting female operators within our recruitment campaign at the Geelong Refinery.
- Recommence the Graduate program for FY2022 with a target of 50% females.
- Continue to build, develop and embed our female leadership development alumni network.



Our commitment to gender equality has again been nationally recognised, with Viva Energy cited by the Workplace Gender Equality Agency (WGEA) as a 2019-20 Employer of Choice for Gender Equality.

Viva Ways of Working

While COVID-19 presented a unique set of challenges during FY2020, we were able to work in new ways to meet the needs of our customers, operations, teams and families. We were determined to learn everything we could from our collective experiences. We asked team members what they thought – we listened and responded. Together, using focus groups and pulse surveys we discovered how we could best succeed in a rapidly changing world, building on our strengths, addressing the areas where we can improve and ultimately transforming everyone's ways of working to enhance flexibility and productivity.

To build on this success, and to hold on to and accelerate the changes and improvements seen, we developed and launched – Viva Ways of Working. The underlying principle is that we trust our people and empower them to choose the way they want to work. The new Viva Ways of Working is all about harnessing the transformation we have seen in our ways of working during COVID-19 and taking those learnings into the future via three streams:

Viva Flex – providing even more flexibility in the way we work

Viva Flex is about embedding the broad definition of flexibility that Viva Energy supports. It is also about supporting more remote working and providing clear expectations to help team members strike the right balance between office and remote working. As a team, we discuss individual, team, stakeholder and customer needs and agree on what is needed to make working remotely work for everyone. Our leaders support and role model our flex practices.

Viva Connect – supporting inclusive and purposeful communication

We hold virtual town halls monthly to keep our team members updated on our business performance, key priorities, strategy updates and as a forum to ask live questions of our leaders.

Our ongoing 'People Connect' sessions, held on a regular basis, are curated to provide team members with support on health, wellness and leadership. Team members use these sessions to interact with leaders, external experts and colleagues from across our business.

Viva Tech – enabling new ways of working through technology

Viva Tech is all about enabling flexibility through technology. Viva Tech is about ensuring every team member has the technology and equipment needed to do their job. All team members are supported to fully leverage our leading-edge technology via webinar training sessions, and via our curated resources hub which includes videos, webinars and 'how to' guides.

In FY2021 we will focus on embedding our Viva Ways of Working and reviewing them regularly for improvement opportunities.

Case study: How flexibility works for us

"I've been in the truly fortunate position of being able to build a career in People & Culture at Viva Energy over a number of years while job sharing and working three days a week. I have been given many distinct roles and challenges, I have managed teams, worked on business-wide projects and I am a member of the Senior Leadership Group. Never have I felt that I missed out on opportunities because I work part time and it has allowed me to balance my family responsibilities. The most important part of making this a success has been the flexibility on both sides – I change my working days or work additional hours when the business needs it, and in return, I'm grateful that I've always had committed and trusting managers who have been open to diverse ways of working and have supported me 100% in making it work."

— Miranda Boddington, Organisational Development Manager

"After having our son, my wife and I both wanted to strike a balance between maintaining our careers and spending quality time with him as he grew up. We decided that each of us working four days a week was the ideal balance, and I'm grateful that Viva Energy supported my move to four days to achieve this. I now love that my Thursdays are dedicated to Father/Son time, but I also love that transitioning to a four-day work week didn't diminish the level of influence and responsibility I have in my work. I recognise that the work/life balance I currently enjoy is made possible through the right amount of give-and-take from both myself and my manager and given the dynamic environment in which we work this balance is regularly revisited. I often hope that the success I've had with going part time encourages others, and particularly men, to try it for themselves – I'm confident they won't regret it!"

— Tom Curry, Geelong Refinery Crude Scheduler

Supporting those experiencing family and domestic violence

In FY2020 we relaunched our Family and Domestic Violence Support policy to provide significantly more support to any of our team members experiencing family and domestic violence. Under this policy we offer 10 days of paid leave, direct financial assistance of up to \$2,500 to help with costs, as well as supporting changes of hours of work and work location as needed.

In support of our refreshed policy, we plan to rollout organisation-wide family and domestic violence training to all employees in FY2021.

Parental leave

At Viva Energy, we recognise the importance of supporting our employees when raising a family. We offer an online, on demand support program for our employees as they transition through pregnancy, parental leave and return to work. Our paid 'Keeping in Touch' program also ensures that employees who are on extended parental leave can maintain their connection with the business.

We also provide paid primary and secondary parental leave in addition to any Government funded leave employees may be eligible for. Additionally, we make full-time 12% superannuation payment for employees (male and female) on parental leave and during part-time work periods, for up to five years from the child's birth. This revolutionary initiative has been widely supported by our employees and implemented by other businesses since it was introduced in 2017.

Development and retention

We recognise that our success in the delivery of our strategic goals depends on our employees having the necessary skills, experiences, capabilities and opportunities to undertake their roles. We support people and their development in many ways to ensure we have the right people in the right

roles with the right skills. Our employees are required to complete mandatory training to ensure their competency for their roles, and we provide a range of personal development opportunities. We measure our people development and retention progress through individual development plans, regular coaching and annual performance reviews.

For more information on the array of benefits offered to our employees visit the careers section of our website vivaenergy.com.au/careers.

Employee engagement

We regularly seek feedback from our employees as to what we are doing well and what can be improved. This is done through both structured surveys and informal engagement, where employees are encouraged to contribute their thoughts and insights at all levels of the organisation and provide honest feedback on how we are performing across a range of key areas. In FY2020 we ran an engagement survey, with 86% of our people from across our business participating. The overall engagement score for this survey was 70%. The survey again showed us that the highest scoring areas are – Safety (91%), Diversity & Inclusion (83%), and our Values (79%). We work hard to address the valuable feedback we receive, to help drive a culture where people can be their best.

Case study: Leading a high-performance team to create value for transport customers

Ash Backman joined Viva Energy in 2016 as Business Development Manager for the transport sector. Today, as Viva Energy's National Sales Manager for Transport, Ash leads a large sales team dedicated to delivering tangible benefits for Rail, Truck, Bus, Construction and Commercial Fleet customers.

"It's really dynamic," he says. "It's a great challenge. Every day is different, which brings new and exciting opportunities."

In his current role, Ash works closely with some of Australia's largest businesses and understands the value and importance of building customer partnerships that are mutually beneficial. *"Helping our customers do great things is central to our strategy," he says. "For example, we've worked closely with customers to trial and implement Shell Diesel Extra, which offers improved engine efficiency compared to standard diesel. By trialling the product in our customers' equipment, we've been able to demonstrate that Shell Diesel Extra drives tangible value for their business by lowering fuel consumption. Improving fuel efficiency for our customers is an achievement we're really proud of."*

Ash loves the customer-obsessed culture that's embedded across Viva Energy's business. *"We're empowered to create value for our customers and partners, which is an aspect of my role I find really exciting," he says.*

"My team spends a huge amount of time working closely with our customers to create true partnerships. This includes ensuring our supply arrangements are optimised for our customers, exploring innovation and continuous improvement opportunities, and ensuring we're as closely aligned with our customers' objectives as we can possibly be. We seek a thorough understanding of our customers' operations, because that depth of knowledge provides crucial insights that allow us to identify beneficial opportunities."



Our community

We are committed to building strong relationships and making a positive difference in local communities across our national operating footprint. We believe this is important for employee attraction and engagement, and from a broader community, stakeholder, customer and investor perspective.



In FY2020 most of our community engagements were conducted virtually due to COVID-19 related challenges. Despite this, we adapted our program to ensure the health and safety of our partners, local communities and our employees.

FY2020 Highlights

- National bushfire relief effort and recovery including \$550K donations to charity and support services
- Successful completion of the first year of our inaugural Reconciliation Action Plan with 90% deliverables completed
- Delivery of virtual National Reconciliation Week and NAIDOC Week employee engagements
- Launch of Cultural Awareness Training online eLearning module
- Team Fundraising events contributing over \$261,847 to charity
- Re-awarded Low Aromatic Fuel (LAF) supply contract through to mid-2023
- Virtual community meetings held for our major facilities

FY2021 Priorities

- Refresh our Community Program including review of our community partnerships for implementation in FY2022
- Continued implementation of our inaugural Reconciliation Action Plan and refresh plan for implementation from FY2022
- Community consultation for the Gas Terminal Project

Local community engagement

We strive to be a good neighbour and member of the local communities where we operate. We recognise that our operations have the potential to impact local communities, and that regular dialogue and engagement with our community stakeholders are essential to maintaining our social licence to operate and for when we need to deliver new projects. We maintain active and regular community engagements for our larger facilities, with specific community engagement activities and information on our website for Geelong Refinery, and our terminals at Newport, Clyde and Parramatta, Gore Bay and Pinkenba. Visit here for latest information and updates: vivaenergy.com.au/about-us/community-program.

We recognise that our operations have the potential to impact local communities, and that regular dialogue and engagement with our community stakeholders are essential to maintaining our social licence to operate and for when we need to deliver new projects.

In FY2020 we announced our vision to establish the Geelong Energy Hub at our refinery site and commenced community engagement and consultation on the Gas Terminal Project. This is an exciting project to diversify the use and earnings of the refinery site, provide a new gas supply for south-east Victoria and present opportunities for new energy projects while still retaining the vital role the refinery plays in Australia's energy security. For the latest information on our local community engagement for this project visit vivaenergy.com.au/gas-terminal.

Our Geelong community

The Geelong Refinery is our largest operational site, employing more than 700 people and supplying more than half of the fuel needed for Victoria. Our refinery and associated operations have been part of the local Geelong community since 1954 and inject more than \$200M each year into the local economy through wages and services. We have partnerships with a range of local community organisations in Geelong including Northern Futures as well as a partnership with the Geelong Football Club – sponsoring their inaugural AFLW (women's) team, and their Next Generation Academy (NGA). We also engage social enterprise Gen U to run the refinery cafeteria and provide gardening services.

Sport plays a significant role in the Geelong region with AFL, soccer, netball and cricket being the highest participation sports. As a result, we support 10 local clubs to assist people (particularly children) participate in sport and connect them with their local community. Due to COVID-19 restrictions, we postponed our Club Legends Award in FY2020. This program celebrates the unsung sporting volunteers in the greater Geelong region.

Community program

Our community goal is to be valued by our people, local communities and customers for our genuine efforts towards positive social impact. We are committed to giving back to our local communities and in doing so, helping them reach their destination. FY2020 has provided an opportunity to review our community program and work has commenced to establish the direction for the program from 2022 onwards when our existing community partnerships conclude.

We continue to proudly partner with a range of organisations such as the Cathy Freeman Foundation (CFF), National Aboriginal Sporting Chance Academy (NASCA), Koorie Heritage Trust (KHT) and Council for Aboriginal Alcohol Program Services (CAAPS), which deliver a range of programs across the country primarily targeted at supporting young Indigenous people and improving cultural awareness and identity. Support for these programs also helps us deliver on the commitments as outlined in our RAP. While our opportunities for engagement and support were impacted due to COVID-19 restrictions across our program, we still managed to adapt and make positive progress.

Highlights for 2020



576 Good Deeds
Good Deeds completed by our employees.



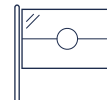
Our employees raised \$435,570
through Double My Donation and Team Fundraising (includes Viva Energy matching).



Third year sponsoring
the Geelong Football Club's AFLW team.



437 young people
supported by Viva Energy programs.



Strong delivery of our Reconciliation Action Plan
which aims to foster reconciliation with Indigenous peoples through our activities, services and programs.



\$550K+ donated
donated to support the efforts and recovery from the devastating bushfires in early 2020.

Our people

We create simple and inspiring ways for our employees to contribute to positive social impact

Double My Donation to community partners

221 employees have donated \$173,723 including Viva Energy's contribution.

Employee led

34 Community Ambassadors across the organisation to deliver our community program and offer participation opportunities for employees.

Team fundraising

\$261,847 raised through team fundraising activities, including Viva Energy's contribution.

Improving Cultural Awareness

Employees were involved in a series of virtual activities to celebrate NAIDOC and National Reconciliation week and to deepen our cultural awareness and competency.

Disaster recovery

Viva Energy contributed \$300K to RuralAid and \$100K to BlazeAid to help with bushfire recovery as well as tripling employee donations of \$43K to a range of bushfire related charities.

Role model and Indigenous grants

Grants to the value of \$90,000 were issued to 10 local community organisations and two Indigenous programs – Shooting Stars and Indigenous Literacy Foundation.

Good deeds

Despite our restrictions on volunteering this year, our employees still found good deed opportunities to participate in. These included including knitting blankets for St Kilda Mums, donating blood, writing letters to farmers, and packing food hampers.

Our communities

We support local projects that foster positive role models to address significant community challenges

Cathy Freeman Foundation (CFF)

Viva Energy has a four year partnership with CFF. This year, the partnership has supported young Indigenous people to attend 'in community' Horizons camps designed to increase confidence and goal setting skills. Our employees produced videos explaining their work and study to show CFF students what is possible.

National Aboriginal Sporting Chance Academy (NASCA)

NASCA delivered 210 hours of activities, supporting 58 students in western Sydney with the support of Viva Energy's partnership.

Council for Aboriginal Alcohol Program Services (CAAPS)

The CAAPS numeracy and literacy program has supported 29 school aged residents recovering from substance misuse issues. This involved over 184 sessions of numeracy and literacy support.

Koorie Heritage Trust (KHT)

Viva Energy's funding supported the recording of oral histories, delivery of virtual school holiday programs and annual events including the Koorie Art Show and Koorie Krismas.

Northern Futures

Annual funding of \$40,000 has removed some of the barriers to completing further study and getting into employment. Of the 12 students supported, seven students have completed their study, with five having moved into employment.

Support for Geelong and grass roots sports

Premier partner of the Geelong Cats AFLW side and Next Generation Academy as well as sponsorship for 10 local Geelong sports clubs.

Our business

We use our business capabilities to help create long-term positive change

Indigenous community projects

As part of our contract to supply Low Aromatic Fuel into northern Australia (renewed until at least 2023), we are committed to helping to reduce petrol sniffing and supporting Indigenous community projects.

Member of Supply Nation

Our membership provides options to support Indigenous businesses with more than \$2.5M spent on Indigenous owned and led organisations.

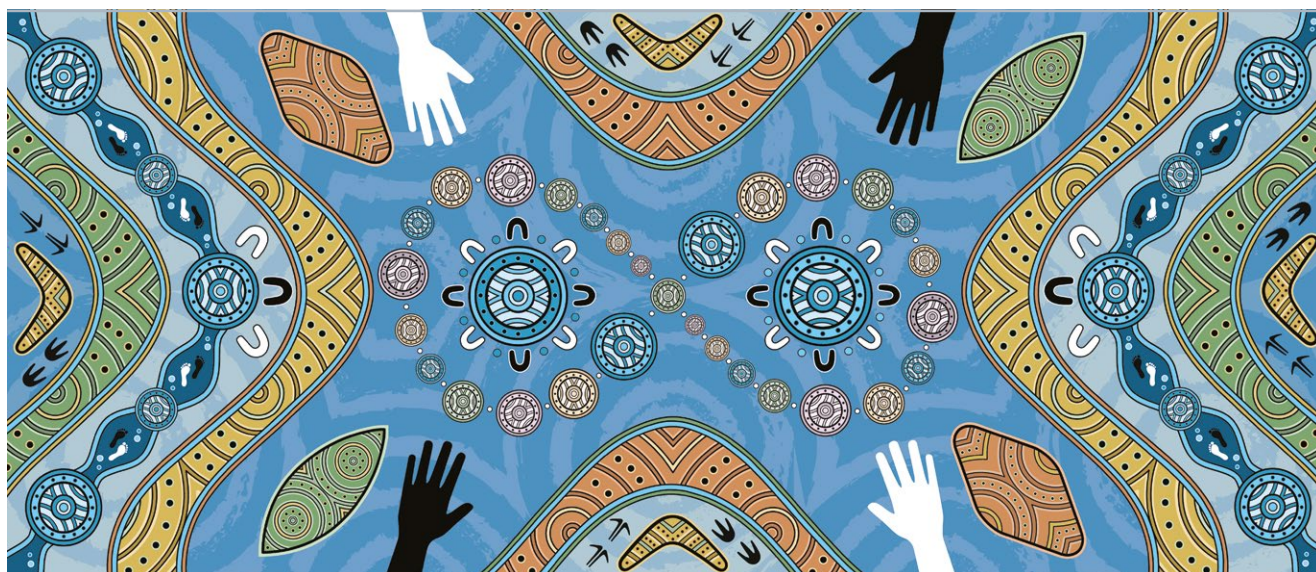
Indigenous employment

Developed an Indigenous employment and retention strategy which was endorsed by Reconciliation Australia.

Customers

Working collaboratively with our customers to support local communities where we both operate.





RAP update

Since launching our inaugural Reconciliation Action Plan (RAP) in late FY2019 we have made considerable progress, with over 90% of our first-year commitments achieved. In FY2020, we enhanced our Cultural Awareness training accessibility by launching an eLearning module, with many of our employees already completing the module. Additionally, we had 1,342 employees involved in activities to deepen cultural awareness and competency throughout the year. Our team developed an Indigenous Employment Strategy which includes initiatives to support our Indigenous employees and target recruitment to these groups. In late FY2020, we also reviewed and updated our Procurement Policy to consider Indigenous or Torres Strait Island owned or operated businesses and this will be managed through our RAP Hub, a dedicated intranet page. Despite a challenging year due to COVID-19, our Indigenous community partners were able to adapt and deliver programs in a different or virtual way. In FY2021 we will continue to implement our RAP commitments and work to review and refresh our RAP from FY2022.

The RAP includes the use of artwork titled 'Wa-ngal yalinguth, yalingbu, yirramboi' (Woi-wurrung language), created by artist Dixon Patten (of Bayila Creative), a proud Yorta Yorta and Gunnai man who was born and raised in Melbourne. This artwork has been endorsed by Kulin elders.

Low Aromatic Fuel

In partnership with the Australian Government National Indigenous Australians Agency, Viva Energy supplies around 35 million litres per annum of Low Aromatic Fuel (LAF) to Northern Australia. In FY2020 we were re-awarded the supply contract which will see us continue supply through to at least mid-2023.

The supply of Low Aromatic Fuel has helped to reduce petrol sniffing in regional and remote areas, with independent research⁹ showing that since the introduction of low aromatic fuel, there has been a 95.2% reduction in petrol sniffing in communities that stock low aromatic fuel and that have been studied since 2007. Low Aromatic Fuel is a specially designed 91 octane unleaded petrol that complies with the Australian Fuel Quality Standards Act and can be used in all petrol engines that use regular 91 octane fuel. We proudly manufacture LAF at our Geelong Refinery.

91 Low Aromatic Supply zone



9. <https://ministers.pmc.gov.au/wyatt/2020/low-aromatic-fuel-supplies-secured-2023>.

Case study: Responding to the bushfires

When several communities in which we operate were devastated by the Australian bushfire crisis during the summer of 2019-20, we provided urgent support to our customers and emergency services, and ongoing support to the devastated communities.

Throughout the disaster, we worked hard to support fuel deliveries into impacted areas and quarantine fuel at our service stations for emergency services. We also supported the Defence response and provided direct support to customers that were experiencing difficulties because of the disaster. This industry wide effort was complicated by disruptions to roads and heavy traffic and was a challenging task but working closely with our carriers, service station operators and response agencies we maintained fuel supplies to where it was most needed.

The bushfire conditions also caused potential risks to health, particularly for those who may have pre-existing respiratory conditions. We responded to this by implementing controls to mitigate any health risks to our employees and contractors, which were not limited to the physical effects, but also the mental health effects.

We are proud of our people who came together during and after this period to organise successful events and donations to support the bushfire appeal. Contributions were made to the national bushfire relief effort and recovery including monetary donations to the value of \$550K. These included donations of \$100K and \$300K made to BlazeAid and Rural Aid respectively, and \$130,114 was also donated to a range of charities by way of Viva Energy tripling employee contributions. In addition, \$20,500 of in-kind support was provided in the form of fuel for aerial firefighting. As part of our broader volunteer programs, Viva Energy provides paid leave to all employees who volunteer to support firefighting and relief efforts.



Case study: Supporting the Woorabinda Horizons Camp 2020

The Cathy Freeman Foundation aims to broaden the horizons and support Indigenous students to experience their full potential in school. We are proud sponsors of the Foundation, particularly the Horizons program, which gives students a once in a lifetime opportunity to join their peers from partner communities to experience life and work in one of our major cities. This helps to broaden their 'horizons' and encourage them to continue education and engage in employment on their return. Working together with the Foundation we help build hope and aspiration.

The restrictions in place to manage COVID-19 made it difficult to run the Horizons program in FY2020, so the program was adapted to being run directly in the local community. Some of our employees created short videos where they talked about their roles at Viva Energy and their work experiences to bring some of the experience into the community in a virtual way.

"At first, when I attended the Horizon Camp at my local high school I was like, ahh yeah, just another normal day at school but with the activities and deadly music. To be honest though, it was so much fun! I have not laughed and enjoyed myself in such a long time. The reason why I haven't enjoyed myself in a while was because I recently joined the school, and I didn't feel comfortable with everyone around me because I didn't know them, and they didn't know me.

After attending the Horizon Camp, however, I got to know everyone: their name and favourite hobbies, favourite sports, colours... you name it. And till this day I am still friends with everyone. I successfully graduated with my new two best friends Jeff¹⁰ and Barry¹⁰. With positivity in my mind, what this camp taught me, I can do anything I put my mind to. It all starts with education. The best thing about the camp is that CFF provided us with a view towards some career pathways. The Viva Energy videos showed me employment opportunities, local young Indigenous role models like Ivy Yoren (CFF coordinator) led the way showing us that anything was possible and that there was support within the community. I loved this. This program impacted me greatly because I was able to recognise my worth and how precious and important I am."

— Josie¹⁰, student at the Woorabinda Horizons Camp 2020.

In FY2021 we will look to further develop a program with CFF called the Viva Energy Experience, which will aim to provide opportunities for students to spend more time in our business and provide opportunities for more significant engagement.



10. Student name changed.

Ethical conduct and transparency

We are committed to observing the highest standard of corporate practice. Our Values: Integrity, Responsibility, Curiosity, Commitment and Respect, reflect what Viva Energy stands for and underpin our business principles and behaviours.



FY2020 Highlights

- Modern slavery risk assessment completed and first statement issued in FY2021
- Human Rights Policy adopted
- Procurement policy revised to align with our commitment to human rights, gender diversity and RAP objectives

Viva Energy has long-standing Business Principles that reflect our core values and guide the conduct and operations of our Company. We also have a Code of Conduct, which outlines how we expect our employees, officers and Directors to behave and conduct themselves in the workplace. Our Code of Conduct is supported by the following policies:

- Anti-Bribery and Corruption Policy
- Whistleblower Policy
- Securities Trading Policy
- Diversity Policy
- Disclosure Policy
- Shareholder Communications Policy

In FY2020, we adopted a Human Rights Policy based on the UN Guiding Principles on Business and Human Rights. Together with our Business Principles and Code of Conduct, this policy guides Viva Energy's commitment to conduct business in a way that contributes to sustainable development by respecting the human rights of all people, including our employees, the communities in which we operate, and customers and suppliers in our supply chains.

All employees are required to complete awareness training on these policies, with more advanced training provided depending on their role within the organisation. For more information, including copies of our policies, visit investor.vivaenergy.com.au/corporate-governance.

Modern slavery

Viva Energy supports fundamental human rights and the prevention of modern slavery and human trafficking. During FY2020, we assessed, and commenced the process of mitigating, our risks in this area and we will continue to build on this work in FY2021. We issued our inaugural statement prepared in accordance with the *Australian Modern Slavery Act 2018*. This report is available online at investor.vivaenergy.com.au/company-reports.



During FY2020, Viva Energy adopted a Human Rights Policy and we built awareness across our business of the potential risks of modern slavery. We did this through targeted briefings to our procurement teams, along with the implementation of our modern slavery training program mandated for both our senior leaders, and staff who have responsibility for managing external supplier procurement. This analysis did not identify any actual instances of modern slavery within the direct supply chains of Viva Energy, or any modern slavery allegations against any supplier.

Procurement Policy

Our Procurement Policy sets out the policy for employees, contractors, and agents engaging in any form of procurement activity on behalf of Viva Energy. Decisions relating to the purchase of goods and services are based on guiding principles which must be followed when conducting any purchasing activity. One of those guiding principles requires that all Viva Energy dealings must be fair, transparent and ethical, which therefore requires our suppliers to also adhere to high ethical standards and fairness in their own business. In FY2020 we revised this guiding principle in line with our newly adopted Human Rights Policy. This means that we actively seek to select suppliers that align with our human rights commitments by seeking suppliers that:

- do not promote discrimination on any grounds, or occurrences of modern slavery; and
- do promote fair living wages, freedom of association, equitable working conditions, employee health and safety, and working within the relevant laws of their country.

In support of our gender diversity policy and Reconciliation Action Plan (RAP) objectives, we also amended our guiding principles to:

- actively consider Indigenous or Torres Strait Island owned or operated businesses wherever they are available, and their offering meets our industry needs and is cost competitive; and
- engage suppliers who demonstrate a commitment to gender equity.

Cyber security

Cyber security is the protection of information assets by addressing threats to information processed, stored, and transported by internetworked information systems.

In FY2020, the public profile and importance of cyber security increased as a result of a number of high-profile cyber-attacks that affected government agencies and private sector companies globally and within Australia. The Australian Government also released its Cyber Security Strategy which proposed changes that saw the Government taking on a more prominent role in the oversight of critical infrastructure assets and systems of national significance. The Australian Government's critical infrastructure reform means we expect to see potential cyber security related changes that will add to the current state regulatory framework. We continue to engage with the relevant state and federal agencies that oversee critical infrastructure in this regard.

In FY2020, the public profile and importance of cyber security increased as a result of a number of high-profile cyber-attacks that affected government agencies and private sector companies globally and within Australia.

The use of information systems and operational technology is important to Viva Energy's ability to efficiently produce and distribute products to our customers. We also need to protect sensitive business and personal data related to our customers and employees. We recognise our responsibility in the supply chain and work closely with our partners, critical asset owners and customers to maintain confidentiality, integrity and availability of information. We are highly focused on ensuring that effective cyber security measures are implemented and followed to minimise any disruption to business activities and to ensure we maintain our customers' trust to help them reach their destination.

We take our obligations around cyber security seriously, operating an Information Security Management System aligned with global best practices and ensuring a continual cycle of review and improvement of our cyber security risks and controls. Our Audit and Risk Committee has oversight of the related progress, risks and governance with cyber security being a standing agenda item.

Improvements in FY2020 occurred across people, process and technology with a focus on increasing visibility of threat activity, risk management, resilience and improving user's ability to identify and handle cyber related threats. Notable enhancements included the deployment of application whitelisting, improved user awareness training and phishing testing significantly reducing the risk to our environment from malicious applications and other cyber threats. No notifiable data breaches occurred during FY2020.

We will continue to maintain and further enhance cyber security measures across the business and our supply chain in FY2021.

Economic contribution

We support the Australian economy through the national scope of our operations, the products we supply, the employment we generate, the local suppliers we support, the returns we provide to investors and the taxes we pay. We aim to maximise the benefits and minimise any negative impacts of our business operations.



FY2020 Highlights

- Maintained safe and reliable fuel supply during COVID-19 and bushfire impacts
- Worked on long-term fuel energy security
- Major maintenance completed at the Geelong Refinery
- \$5.07B tax contribution

We own and operate the Geelong Refinery, which in 2021 will become one of only two refineries remaining in Australia. It supplies over 10% of Australia's fuel, and more than 50% of all the fuel used in Victoria. Employing almost 800 people and injecting more than \$200M into the local economy through wages and services, the Geelong Refinery is a vital part of Australia's energy solution. The critical investments and improvements we continue to make in major maintenance,

Supporting Australia's economy

\$1.3B
invested in local wages and services.

Network of **46** fuel import terminals and depots³ and **55** airports and airfields across Australia.

\$5.07B
Total tax contribution.

1.2B
litres of storage capacity.

Over **1,419** strong Australian workforce **41%** based in regional areas.

Leading supplier
for lubricants and diesel in the resources market.

Viva Energy supplies:

Approximately **1/4** of Australia's fuel needs.

On average, we re-fuel **1.74M¹** trucks, buses, cars and motorcycles every week across the Alliance network

National network of **1,339** retail service stations

Approximately **40%** of the marine fuel oil market.

Approximately **35%** of jet fuel nationally.

Geelong Energy Hub

Proudly supporting local manufacturing at the Geelong Refinery – **1 of 2² refineries** in Australia.

Major manufacturer in Australia of Avgas and bitumen, and major supplier of solvents

avgas solvents bitumen

Manufactures Low Aromatic Fuel for supply into NT, QLD and WA.

789+ people (employees and contractors) work at the Refinery and **286** additional contractors during major maintenance.

Supplies **90%** of marine fuels for Victorian commercial shipping and Spirit of Tasmania.

50%+ of the Port of Geelong's trade.

1. FY2019 figures used due to FY2020 figures impacted by COVID-19.

2. In October 2020, BP announced the shutdown of the Kwinana refinery in WA; and in February 2021, ExxonMobil announced the planned shutdown of the Altona refinery in Victoria.

3. Includes 24 fuel import terminals and 22 active depots (including 17 Liberty Oil depots).

Employing almost 800 people and injecting more than \$200M into the local economy through wages and services, the Geelong Refinery is a vital part of Australia's energy solution.

reliability and safety improvements, the potential to increase storage capacity along with the Federal Government's Fuel Security Package, and diversification of energy products with the launch of the Geelong Energy Hub aim to ensure our Refinery continues to provide energy security and be an important part of local manufacturing for years to come.

With the significant footprint of our operations and infrastructure, including the Refinery, our terminals and pipelines, and our supply business, we are a key contributor to the energy security position of Australia, and particularly in liquid fuels and lubricants. This security underpins every sector of the Australian economy, and we take our role in delivering a safe and reliable supply seriously.

Fuel Security Package

In late FY2020, the Federal Government announced a Temporary Refinery Production Payment of a minimum one cent per litre on production to support Australia's domestic refineries to continue operations through to the end of June 2021 while a longer-term Fuel Security Package is designed and implemented.

The proposed Fuel Security Package consists of three key elements, including a long-term Refinery Production Payment, Minimum Stockholding Obligation on petrol, diesel and jet fuel, and a \$200M grants program to support the establishment of up to 780 million litres of additional diesel storage in Australia. This program is designed to bolster the country's energy security by preserving refining capacity and increasing fuel stocks for times of disruption. In addition to stocks held overseas, these measures will also help Australia meet its obligations under the International Energy Agency (IEA) Treaty.

By working to secure the long-term viability of Australian refineries, we safeguard the capability to store and process domestic crude, which provides a level of self-sufficiency, contributes significantly to the level of oil stocks held in Australia, enables us to make a range of products which are important to our unique requirements such as Avgas and Low Aromatic Fuels, and directly supports a range of other industries that rely on the products we make.

We are working closely with the Department of Industry, Science, Energy and Resources to provide input into the development of the Fuel Security Package, and we remain hopeful that this will secure the outlook for refining in Australia and in turn the long-term sustainability of the Geelong Refinery.

In addition to the Temporary Refinery Production Payment, the Federal Government has now also sought proposals as part of Boosting Australia's Diesel Storage Program, which provides up to \$200M for the construction of additional diesel storage. We have submitted opportunities at our Geelong Refinery and other locations around the country to participate in this program to improve our supply chains and refining flexibility.

While the full details of the Fuel Security Package are yet to be determined, these early programs are encouraging, with other elements being progressed in early FY2021.

Tax transparency

We are committed to delivering transparency and providing communities with a clear understanding of the tax contributions we make and collect for the Australian economy. In 2016, Viva Energy adopted the Voluntary Tax Transparency Code, under which we make public disclosures of our tax position, in addition to the requirements under our financial statements. Due to the impact of the COVID-19 pandemic, taxes calculated by reference to revenue and profits were lower in FY2020. This included income tax for which no net payment was made during the year. For further information, refer to our FY2020 Taxes Paid Report available here investor.vivaenergy.com.au/company-reports.

Total tax contribution	A\$M
Income tax	-
Fuel excise	4,102.2
Customs duties	19.8
Payroll tax	10.4
Fringe benefits tax	0.8
Land tax	22.9
GST	852.0
PAYG withholding	60.3
Total tax contribution	5,068.4

Case study: How the Geelong Refinery manufactures solvents to help Australian industry

While people naturally associate refineries with the production of fuels and bitumen, solvents that are required for the manufacture of a variety of everyday products are also produced at the Geelong Refinery. Senior Associate Technologist with Viva Energy's Specialties team, Andrew Duthie, explains the valuable role that solvents play in supporting Australian industries.

Responsible for quality control across all the hydrocarbon solvents that Viva Energy supplies, Andrew Duthie plays a vital role given that the solvents manufactured at the refinery are used in a diverse range of applications and products.

Andrew sees these products all around us and knows the contribution they make to a multitude of Australian industries. *"If you go down to your local hardware store, almost every aisle you walk down will contain a product made with one of our solvents,"* he says. *"That's because we supply chemicals to such a wide range of industries, from adhesives and coatings to the mining, agriculture chemistry, pharmaceutical, timber treatment and cleaning sectors."*

Paints and varnishes do more than enhance appearance. They improve durability and extend the life of the material's use. Metal components of cars and structures would rust without their protective coatings. Timber would rot without protective treatment. Our solvents are also used to produce the copper piping that carries our water supply, and the nickel and cobalt used to make rechargeable batteries. They're vital for the manufacture of many different products that we rely on every day."

Providing technical support

Andrew and his team have a strong focus on the needs of their customers. For a product manufactured with a solvent to be effective, the solvent used must have specific properties. The team at the Geelong Refinery has the resources, technical capability and skill to ensure the chemicals they manufacture and supply are fit for purpose and on-grade.

Andrew's team helps develop formulations for new applications that customers might be pursuing, and performs tests to help customers monitor their production processes. They also analyse customer product samples. This level of technical support is only possible because of the laboratory at the Geelong Refinery. *"We're set up to really analyse products in-depth, which is a huge benefit for our customers – and a major point of difference for us."*

Applying professional expertise

Andrew is driven to supply the best quality chemical products possible, and so he is meticulous when it comes to quality control at the source of manufacture.

"At the end of the day it comes back to product quality. Producing and supplying high-quality products that meet the requirements of our customers is ultimately how Viva Energy makes a positive difference to their businesses."

Andrew believes that his team's determination to find new products that meet changing customer demands will stand Viva Energy in good stead for years to come. *"In the last few years, we've seen a general transition to lower aromatic solvents, especially in wood treatment products. We've taken up that challenge and now supply VivaSol D80 for use in low odour timber treatment products."*

"I'm extremely proud of the Specialties team, but also of Viva Energy as a whole. It's great to see everyone in the company helping our customers to achieve their goals, with whatever products they're manufacturing and supplying, and succeeding in that."



Sustainability performance data*

	FY2017	FY2018	FY2019	FY2020	FY2019/ 2020 Δ#
Health and safety¹					
Personal safety²					
Viva Energy (excluding Liberty Oil Holdings)					
Total Exposure Hours (million)	5.55	6.24	6.38	5.27	-1.11
Total Fatalities and Permanent Disability	0	1	0	0	0
Total Lost Time Injuries / Frequency Rate (per million hours)	5 / 0.9	7 / 1.12	9 / 1.41	6 / 1.14	-3 / -0.27
Employees	4	4	5	3	-2
Contractor	1	3	4	3	-1
Total Recordable Injuries ³ / Frequency Rate (per million hours)	25 / 4.51	36 / 5.77	29 / 4.55	19 ¹⁰ / 3.61	-10 / -0.94
Employee	12	14	13	7	-6
Contractor	13	22	16	12	-4
Total High Potential Near Miss Incidents ⁴	69	87	89	87	-2
Reported Total Life Saving Rule Breaches	28	32	37	17	-20
Liberty Oil Holdings					
Total Exposure Hours (million)	NR	NR	NR	0.33	-
Total Fatalities and Permanent Disability	NR	NR	NR	0	-
Total Lost Time Injuries / Frequency Rate (per million hours)	NR	NR	NR	6 / 18.24	-
Total Recordable Injuries ³ / Frequency Rate (per million hours)	NR	NR	NR	10 / 30.40	-
Total High Potential Near Miss Incidents ⁴	NR	NR	NR	0	-
Process safety⁵					
Viva Energy (excluding Liberty Oil Holdings)					
Total Tier 1 / Tier 2 Process Safety Events	0 / 3	0 / 4	0 / 2	1 / 2	+1 / 0
Liberty Oil Holdings					
Total Tier 1 / Tier 2 Process Safety Events	NR	NR	NR	0 / 0	-
Environment					
Environmental Non-compliance Sanctions ⁶	2	0	0	0	0
Spills					
Viva Energy (excluding Liberty Oil Holdings)					
Loss of Primary Containment (LOPC) > 100kg ⁷	26	29	29	1,910	-10
Spills to Environment >100kg ⁸	4	3	3	6	+3
Significant Spills ⁹	4	3	2	3	+1
Liberty Oil Holdings					
Loss of Primary Containment (LOPC) > 100kg ⁷	NR	NR	NR	3	-
Spills to Environment >100kg ⁸	NR	NR	NR	2	-
Significant Spills ⁹	NR	NR	NR	0	-
Significant air emissions – Geelong Refinery¹¹					
Volatile Organic Compounds (kg)	679,438	632,076	565,700	195,900	-65.4%
NOx (kg)	546,251	542,949	472,172	304,434	-35.5%
SOx (kg)	1,685,843	1,702,719	3,164,355	3,680,140	+16.3%

	FY2017	FY2018	FY2019	FY2020	FY2019/ 2020 Δ [#]
Water consumption – Geelong Refinery¹¹					
Potable water consumption (ML)	592	366	241	261	+8.3%
Sea water consumption (ML)	100,076	118,192	107,299	85,296	-20.5%
Recycled water consumption (ML)	1,191	1,179	1,197	1,053	-12.0%
Waste – Geelong Refinery¹¹					
Total Hazardous Waste generated (Tonnes)	463,817	589,439	550,969	566,885	+2.9%
Hazardous Waste diverted from landfill (Tonnes)	463,331	588,576	550,066	566,436	+2.9%
Total Non-hazardous Waste generated (Tonnes)	1,693	2,495	680	612	-10.0%
Non-hazardous Waste diverted from landfill (Tonnes)	1,504	2,232	500	378	-24.4%
Climate change and energy					
Greenhouse Gas (GHG) Emissions¹²					
Total GHG emissions (Scope 1 and 2) (tCO ₂ e)	1,328,985	1,392,568	1,430,837	1,282,597	-10.4%
Total Scope 1 (tCO ₂ e)	1,032,422	1,061,632	1,113,911	1,000,445	-10.2%
Refining (tCO ₂ e)	1,020,905	1,050,846	1,101,920	985,025	-10.6%
Other (tCO ₂ e)	11,517	10,786	11,991	15,420	+28.6%
Total Scope 2 (tCO ₂ e)	296,563	330,936	317,082	282,152	-11.0%
Refining (tCO ₂ e)	258,586	290,158	276,423	246,632	-10.8%
Other (tCO ₂ e)	37,977	40,778	40,659	35,520	-12.6%
Energy¹²					
Total Energy consumed (GJ)	252,921,300	257,597,649	273,422,163	253,053,218	-7.5%
Refining	252,546,619	257,229,974	273,059,170	252,652,818	-7.5%
Other	374,681	367,675	362,993	400,400	+10.3%
Energy Intensity Index ¹³ – Geelong Refinery	NR	NR	112.4	123.9	+11.5
Our people¹⁴					
Total Employees	NR	1,273	1,320	1419	+99
Gender Split (Male / Female) (%)	NR	78 / 22	76 / 24	76 / 24	0 / 0
Total Employees in permanent full-time roles	NR	1,126	1,139	1227	+88
Employees in permanent full-time roles (Male / Female) (%)	NR	81 / 19	81 / 19	80 / 20	-1 / +1
Total Employees in permanent part-time roles (Male / Female)	NR	100	111	116	+5
Employees in permanent part-time roles (Male / Female) (%)	NR	35 / 65	38 / 62	41 / 59	+3 / -3
Total Employees in full-time fixed term contracts	NR	22	35	27	-8
Employees in full-time fixed term contracts (Male / Female) (%)	NR	86 / 14	69 / 31	48 / 52	-21 / +21
Total Employees in part-time fixed term contracts	NR	1	13	4	-9
Employees in part-time fixed term contracts (Male / Female) (%)	NR	0 / 100	0 / 100	0 / 100	0 / 0
Total Employees as casuals	NR	24	22	45	+23
Employees as casuals (Male / Female) (%)	NR	100 / 0	100 / 0	91 / 9	-9 / +9
Voluntary Employee turnover (%)	NR	5	6	5	-1
Voluntary Employee turnover (Male / Female) (%)	NR	74 / 26	67 / 33	70 / 30	+3 / -3
Board of Directors (Male / Female) (%)	NR	71 / 29	71 / 29	71 / 29	0 / 0

	FY2017	FY2018	FY2019	FY2020	FY2019/ 2020 Δ [#]
Senior Leadership Group (Male / Female) (%) ¹⁵	NR	59 / 41	61 / 39	59 / 41	-2 / +2
New Hires (Male / Female) (%)	NR	68 / 32	60 / 40	70 / 30	+10 / -10
Internal Promotions (Male / Female) (%)	NR	76 / 24	74 / 26	81 / 19	+7 / -7
Total Employees who took Primary Parental Leave (Male / Female)	NR	NR	NR	24 / 28	-
Total Employees who took Secondary Parental Leave (Male / Female)	NR	NR	NR	32 / 0	-
Total Employees who did not return to work after Primary Parental Leave (Male / Female) ¹⁶	NR	NR	NR	0 / 1	-
WGEA Pay Gap (%) ¹⁷	NR	NR	NR	7.6	-
Total Employees (Westside Petroleum only)	NR	NR	NR	12	-
Gender Split (Westside Petroleum only) (Male / Female) (%)	NR	NR	NR	58 / 42	-
Our community					
Good Deeds Completed	NR	1054	1018	576	-43%

* All data prior to FY2020 excludes Liberty Oil Holdings and Westside Petroleum.

For selected Environment and Greenhouse Gas and Energy metrics, variation in performance between FY2019 and FY2020 is expressed as a percentage to facilitate the comparison of data.

1. All data for Viva Energy FY2020 includes Westside Petroleum for the period post acquisition (September 2020 onwards). Totals used include both employees and contractors. Liberty Oil Holdings is reported separately for FY2020.
2. Personal Safety criteria definitions used are in line with US OSHA guidelines.
3. Incidents that include Medical Treatment Case, Restricted Work Case, Lost Time Injuries and Fatalities.
4. Incidents that can result in injury, illness, damage to assets, the environment or company reputation, or it can be a near miss. This can also include Life Saving Rule breaches where the potential consequence of major injury or greater was highly likely, or First Aid Cases that could have been a Total Recordable Injury in slightly different conditions.
5. Tier 1 and Tier 2 Process Safety Events are defined as per API RP 754.
6. Number of environmental non-compliance sanctions, which occurred in the reporting year and resulted in the issue of a fine, prosecution, enforceable undertaking or impact on licence to operate. This number does not include any pending proceedings.
7. Incidents resulting in the uncontrolled or unplanned release of material from a process or storage that serves as primary containment. This number also includes Spills to the environment > 100kg, and Significant Spills.
8. Number of incidents resulting in the release of material to the environment without secondary containment. All spills are also counted as LOPC incidents.
9. Number of incidents for the uncontrolled or unplanned release of material greater than 1,000kg to the natural environment without secondary containment.
10. One of the 19 reported incidents occurred in late 2019; however, due to further assessment this incident was classified in FY2020 and is therefore included in FY2020 data.
11. Geelong Refinery accounts for the majority of our significant environmental emissions for the Group. The data is aligned with the NPI reporting period 1 July – 30 June for the reported year. All emission data for the Group is submitted to the National Pollutant Inventory and available at npi.gov.au/npi-data.
12. Scope 1 and Scope 2 GHG emission and Total Energy Consumed estimates are prepared in accordance with the National Greenhouse and Energy Report Act (NGER) for the reporting period 1 July – 30 June. 'Other' includes data for all non-refining operations including Commercial, Retail Fuels and Marketing, Supply, Corporate Functions and Overheads. The reporting period excludes Westside Petroleum due to the full acquisition of the business completed outside of the NGER reporting period.
13. Based on the Solomon Associates global refinery benchmarking Energy Intensity Index (EII) methodology. This data relates to the calendar year ended 31st December 2020.
14. All data excludes Westside Petroleum unless otherwise stated.
15. The Senior Leader Group is selected senior, critical roles as defined by the executive team, and excludes members of the executive team.
16. Number of employees who did not return to work after primary parental leave (i.e. due to voluntary or involuntary termination).
17. The WGEA reported gender pay gap measures the difference between the average earnings of women and men in the workforce. The total remuneration pay gap (expressed as a percentage) represents the total remuneration pay gap for the Group (excluding Westside Petroleum due to the full acquisition of the business completed outside of the WGEA reporting period) for the 2019/2020 WGEA reporting period.

GRI content index

GRI Standard	Disclosure	Reference
General disclosures		
Organisational profile		
102-1	Name of the organisation	Viva Energy Group Limited
102-2	Activities, brands, products, and services	Operating and financial review – Annual Report (page 12)
102-3	Location of headquarters	Level 16, 720 Bourke Street, Docklands Vic 3008
102-4	Location of operations	About us – Annual Report (page 4)
102-5	Ownership and legal form	About us – Annual Report (page 3)
102-6	Markets served	About us – Annual Report (page 4)
102-7	Scale of the organisation	About us – Annual Report (page 4)
102-8	Information on employees and other workers	Our people – Annual Report (page 56) Sustainability performance data – Annual Report (pages 69 to 71)
102-9	Supply chain	About us – Annual Report (page 4)
102-10	Significant changes to the organisation and its supply chain	Operating and financial review – Annual Report (page 12)
102-11	Precautionary Principle or approach	2020 Corporate Governance Statement – investor.vivaenergy.com.au/investor-centre
102-12	External initiatives	Viva Energy has used the Global Reporting Initiative Reporting framework for sustainability reporting guidance
102-13	Membership of associations	Viva Energy participates in and engages with a number of local, national and global organisations including Reconciliation Australia, Workplace Gender Equality Agency, Australian Hydrogen Council, Bioenergy Australia, Australian Industry Greenhouse Network, Australian Institute of Petroleum, Cooperative Research Centre Care, LastFire, Maritime Industry Australia Limited, Climate Leaders Coalition, IChemE
Strategy		
102-14	Statement from senior decision-maker	Chairman and CEO's report – Annual Report (pages 6 to 7)
Governance		
102-16	Values, principles, standards, and norms of behaviour	Our approach to sustainability – Annual Report (page 30) 2020 Corporate Governance Statement – investor.vivaenergy.com.au/investor-centre
102-18	Governance structure	Our approach to sustainability – Annual Report (page 30) 2020 Corporate Governance Statement – investor.vivaenergy.com.au/investor-centre
Stakeholder engagement		
102-40	List of stakeholder groups	Our approach to sustainability – Annual Report (page 30)
102-42	Identifying and selecting stakeholders	Our approach to sustainability – Annual Report (page 30)
102-43	Approach to stakeholder engagement	Our approach to sustainability – Annual Report (page 30)
102-44	Key topics and concerns raised	Our approach to sustainability – Annual Report (page 30)
102-45	Entities included in the consolidated financial statements	Our approach to sustainability – Annual Report (page 30)
102-46	Defining report content and topic Boundaries	Our approach to sustainability – Annual Report (page 30)
102-47	List of material topics	Our approach to sustainability – Annual Report (pages 33 to 34)

GRI Standard		Disclosure	Reference
102-48		Restatements of information	The FY2019 non-hazardous waste volume for the Geelong Refinery has been revised based on reassessment of waste classifications. This change has been reflected in the Sustainability performance data (on page 70)
102-49		Changes in reporting	About our reporting – Annual Report (page 31)
102-50		Reporting period	Unless otherwise indicated, all disclosures are for 1 January 2020 to 31 December 2020
102-51		Date of most recent report	18 March 2020
102-52		Reporting cycle	Annual
102-53		Contact point for questions regarding the report	Corporate directory – Annual Report (page 177)
102-54		Claims of reporting in accordance with the GRI Standards	About our reporting – Annual Report (page 31)
102-55		GRI content index	GRI content index - Annual Report (page 72)
102-56		External assurance	Limited assurance statement – Annual Report (page 76)
Standard disclosures			
Health and safety			
GRI 103: Management Approach	103-1	General management approach	Health and safety – Annual Report (page 35)
	103-2		
	103-3		
GRI 403: Occupational Health and Safety (2018)	403-1	Occupational health and safety management system	Health and safety – Annual Report (page 35)
	403-2	Hazard identification, risk assessment, and incident investigation	Health and safety – Annual Report (page 35)
	403-3	Occupational health services	Health and safety – Annual Report (page 35)
	403-4	Worker participation, consultation, and communication on occupational health and safety	Health and safety – Annual Report (page 35)
	403-5	Worker training on occupational health and safety	Health and safety – Annual Report (page 35)
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety – Annual Report (page 35)
	403-8	Workers covered by an occupational health and safety management system	Health and safety – Annual Report (page 35)
	403-9	Work-related injuries	Health and safety – Annual Report (page 37); Sustainability performance data – Annual Report (pages 69 to 71)
Sector specific disclosures	G4-OG13	Number of process safety events by business activity	Health and safety – Annual Report (page 38); Sustainability performance data – Annual Report (pages 69 to 71)
	G4-DMA	Emergency Preparedness	Health and safety – Annual Report (page 38)

GRI Standard		Disclosures	Reference
Lower carbon energy transition			
GRI 103: Management Approach	103-1	General management approach	Making the lower carbon transition – Annual Report (page 40)
	103-2		
	103-3		
GRI 302: Energy	302-1	Energy consumption within the organisation	Making the lower carbon transition – Annual Report (page 40); Sustainability performance data – Annual Report (pages 69 to 71)
GRI 305: Emissions (2016)	305-1	Direct (Scope 1) GHG emissions	Making the lower carbon transition – Annual Report (page 40); Sustainability performance data – Annual Report (pages 69 to 71)
	305-2	Energy indirect (Scope 2) GHG emissions	Making the lower carbon transition – Annual Report (page 40); Sustainability performance data – Annual Report (pages 69 to 71)
Environment			
GRI 103: Management Approach	103-1	General management approach	Environment – Annual Report (page 52);
	103-2		
	103-3		
GRI 303: Water and effluents (2018)	303-1	Water withdrawal by source	Environment – Annual Report (page 54); Sustainability performance data – Annual Report (pages 69 to 71)
	303-2	Water sources significantly affected by withdrawal of water	Environment – Annual Report (page 54); Sustainability performance data – Annual Report (pages 69 to 71)
	303-3	Water recycled and reused	Environment – Annual Report (page 54); Sustainability performance data – Annual Report (pages 69 to 71)
GRI 304: Biodiversity (2016)	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Environment – Annual Report (page 55);
GRI 305: Emissions (2016)	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environment – Annual Report (page 53); Sustainability performance data – Annual Report (pages 69 to 71)
GRI 306: Waste (2020)	306-2	Management of waste-related impacts	Environment – Annual Report (page 54); Sustainability performance data – Annual Report (pages 69 to 71)
	306-3	Waste generated	Environment – Annual Report (page 54); Sustainability performance data – Annual Report (pages 69 to 71)
	306-4	Waste diverted from disposal	Environment – Annual Report (page 54); Sustainability performance data – Annual Report (pages 69 to 71)
	306-5	Waste directed to disposal	Environment – Annual Report (page 54); Sustainability performance data – Annual Report (pages 69 to 71)
Sector specific disclosure	G4-EN24	Significant spills	Environment – Annual Report (page 52); Sustainability performance data – Annual Report (pages 69 to 71)
GRI 307: Environmental compliance (2016)	307-1	Non-compliance with environmental laws and regulations	Environment – Annual Report (page 52); Sustainability performance data – Annual Report (pages 69 to 71) Directors' report – Annual Report (page 104)

GRI Standard		Disclosures	Reference
Our people			
GRI 103: Management Approach	103-1 103-2 103-3	General management approach	Our people – Annual Report (page 56)
GRI 401: Employment (2016)	401-1	New employee hires and employee turnover	Our people – Annual Report (page 56); Sustainability performance data – Annual Report (pages 69 to 71)
	401-3	Parental leave	Our people – Annual Report (page 59); Sustainability performance data – Annual Report (pages 69 to 71)
GRI 404: Training and education (2016)	404-2	Programs for upgrading employee skills and transition assistance programs	Our people – Annual Report (page 59)
GRI 405: Diversity and equal opportunity (2016)	405-1	Diversity of governance bodies and employees	Our people – Annual Report (page 57); Sustainability performance data – Annual Report (pages 69 to 71)
	405-2	Ration of basic salary and remuneration of women to men	Our people – Annual Report (page 57); Sustainability performance data – Annual Report (pages 69 to 71)
Our community			
GRI 103: Management Approach	103-1 103-2 103-3	General management approach	Our community – Annual Report (page 60)
GRI 413: Local Communities (2016)	413-1	Operations with local community engagement, impact assessments, and development programs	Our community – Annual Report (page 60)
Economic contribution			
GRI 103: Management approach	GRI 103-1 GRI 103-2 GRI 103-3	General management approach	Economic contribution – Annual Report (page 66)
GRI 201: Economic Performance (2016)	201-1	Direct economic value generated and distributed	Operating and financial review – Annual Report (pages 12 to 28)
	201-2	Financial implications and other risks and opportunities due to climate change	Making the lower carbon transition – Annual Report (page 41)
GRI 204: Procurement practices (2016)	204-1	Proportion of spending on local suppliers	Economic contribution – Annual Report (page 66)
GRI 207: Tax (2019)	207-1	Tax reporting	Economic contribution – Annual Report (page 67) Taxes paid report – investor.vivaenergy.com.au/investor-centre
Ethical conduct and transparency			
GRI 103: Management Approach	GRI 103-1 GRI 103-2 GRI 103-3	General management approach	Ethical conduct and transparency – Annual Report (page 64) Corporate Governance Statement – investor.vivaenergy.com.au/investor-centre
GRI 205: Anti-corruption (2016)	205-2	Communication and training about anti-corruption policies and procedures	Ethical conduct and transparency – Annual Report (page 64) Corporate Governance Statement – investor.vivaenergy.com.au/investor-centre
GRI 412: Human rights assessment (2016)	412-2	Policy and employee training on human rights	Ethical conduct and transparency – Annual Report (page 64) Corporate Governance Statement – investor.vivaenergy.com.au/investor-centre

Independent assurance statement

Independent Limited Assurance Report to the Directors of Viva Energy Group Limited

What we found

Based on the work described below, nothing has come to our attention that causes us to believe that the selected subject matter within the Viva Energy Australia Annual Report 2020 has not been prepared, in all material respects, in accordance with the Reporting Criteria. This conclusion is to be read in the context of what we say in the remainder of our report.

What we did

Viva Energy Group Limited (the Company) and its controlled entities (together the Group) engaged us to perform a limited assurance engagement on the selected subject matter within the Viva Energy Australia Annual Report 2020.

Subject matter

The scope of our work was limited to assurance over the selected subject matter within the Viva Energy Australia Annual Report 2020. The selected subject matter and the reporting criteria against which it was assessed is summarised below. Our assurance does not extend to information in respect of earlier periods or to any other information included in the Viva Energy Australia Annual Report 2020.

Entity (consolidated)	Performance Indicator (for the year ended 31 December 2020 unless otherwise stated)
Viva Energy Group Limited	<ul style="list-style-type: none"> Total Employees Gender Split (Male / Female) (%) Senior Leadership Group (Male / Female) (%) Total Greenhouse Gas (GHG) Emissions (Scope 1 and 2) for the year ended 30 June 2020 Total energy consumed for the year ended 30 June 2020
Viva Energy Group Limited (excluding Liberty Oil Holdings Pty Limited)	<ul style="list-style-type: none"> Total Lost Time Injuries Total Lost Time Injuries Frequency Rate (per million hours) Total Recordable Injuries Frequency Rate (per million hours) Tier 1 Process Safety Events Tier 2 Process Safety Events Significant spills
Liberty Oil Holdings Pty Limited	<ul style="list-style-type: none"> Total Lost Time Injuries Total Lost Time Injuries Frequency Rate (per million hours) Total Recordable Injuries Frequency Rate (per million hours) Tier 1 Process Safety Events Tier 2 Process Safety Events Significant spills

Reporting Criteria

The Selected subject matter needs to be read and understood together with the Reporting Criteria, being the boundaries, definitions and methodologies disclosed within the Viva Energy Australia Annual Report 2020, which the Group is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Our Independence and Quality Control

We have complied with relevant ethical requirements related to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities

PricewaterhouseCoopers

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected subject matter is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Viva Energy Group Limited.

Viva Energy Group Limited

The Group's management are responsible for:

- preparing the Selected subject matter as well as the Viva Energy Australia Annual Report 2020 in its entirety;
- the prevention and detection of fraud and error in relation to the Selected subject matter;
- the design and operation of controls to ensure the completeness and accuracy of information within the Viva Energy Australia Annual Report 2020, including but not limited to the Selected subject matter; and
- Determining suitable reporting criteria for reporting the Selected subject matter within the Viva Energy Australia Annual Report 2020 and publishing those criteria such that they are available to expected users of the report.

What our work involved

We conducted our work in accordance with the *Australian Standard on Assurance Engagements (ASAE) 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information (Revised)* and *ASAE 3410 Assurance Engagements on Greenhouse Gas Statements*. These Standards require that we comply with independence and ethical requirements and plan the engagement so that it will be performed effectively.

Main procedures performed

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected subject matter. In doing so, we:

- Enquiring of relevant management of the Group regarding the processes and controls for capturing, collating, calculating and reporting the Selected subject matter, and evaluating the design and operational effectiveness of selected controls;
- Testing the classification of incidents included within the calculation of the Selected subject matter, on a sample basis, to relevant underlying records including incident reports;
- Testing the exposure hours used within the calculation of the Selected subject matter, on a sample basis, to relevant underlying contractor and swipe card data;
- Testing the arithmetic accuracy of a sample of calculations of the Selected subject matter;
- Assessing the appropriateness of the greenhouse gas emission factors and methodologies applied in calculating the Selected subject matter;
- Agreeing the Selected subject matter to underlying data sources and calculations; and
- Undertaking analytical procedures over the performance data utilised within the calculations and preparation of the Selected subject matter.

We believe that the information we have obtained is sufficient and appropriate to provide a basis for our conclusion.

John Tomac PricewaterhouseCoopers

John Tomac
Partner
15 March 2021

PricewaterhouseCoopers
Sydney



Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. Therefore fraud, error or non-compliance may occur and not be detected. Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data.

Restriction on use

This report, including our conclusions, has been prepared solely for the Board of Directors of the Group in accordance with the agreement between us, to assist the Directors in reporting the Group's sustainability performance and activities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors and the Group for our work or this report except where terms are expressly agreed between us in writing.

We permit this report to be disclosed in the Viva Energy Australia Annual Report 2020 to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected subject matter.

Limited assurance

This engagement is aimed at obtaining limited assurance for our conclusions. As a limited assurance engagement is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than that undertaken for a reasonable assurance

engagement, the level of assurance is lower than would be obtained in a reasonable assurance engagement.

Professional standards require us to use negative wording in the conclusion of a limited assurance report

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