



**AMPOL**

# Energy Retail Compliance Policy

## 1. Introduction and definitions

1.1. This is the compliance policy of Ampol Energy (Retail) Pty Ltd (**'Ampol Energy Retail'**). It describes the compliance management system (**'CMS'**) which is or will be used by Ampol Energy Retail to ensure compliance with all applicable legislation, regulations, licence conditions, codes, guidelines, rules, and standards that impact (or have the potential to impact) Ampol Energy Retail's operations (together **"Applicable Law"**). For the purposes of this policy:

1.1.1. **'Ampol Group'** means Ampol Limited and its wholly owned subsidiaries, as well as those in our operated joint ventures.

1.1.2. **'Board'** means the board of Ampol Energy Retail.

1.1.3. **'Management'** means senior managers of Ampol Energy Retail.

1.2. Ampol Energy Retail is committed to an effective CMS designed in accordance with Compliance Standard AS ISO 19600–2015.

1.3. Ampol Energy Retail's CMS is modelled on the following schematic:

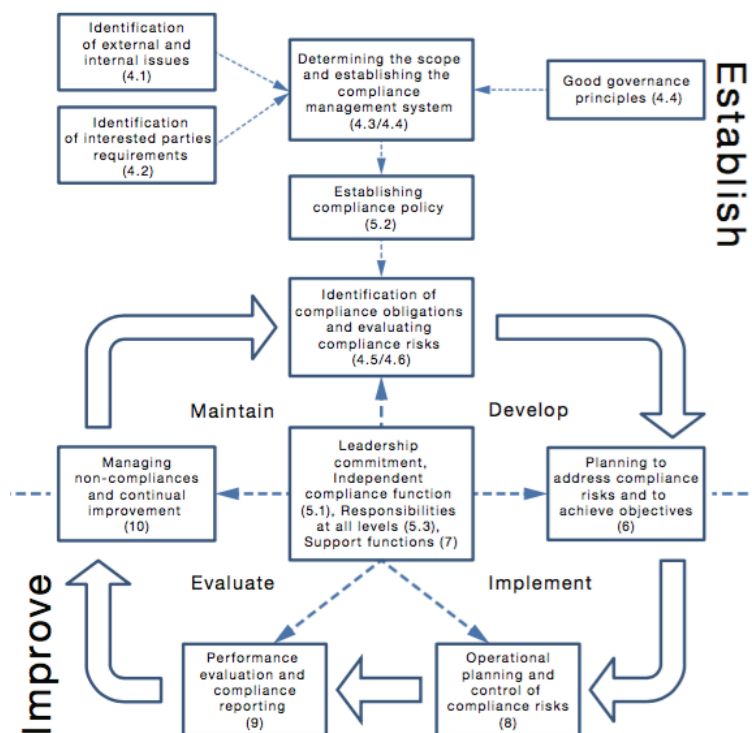


Figure 1 — Flowchart of a compliance management system

**Figure 1: Flowchart of a Compliance Management System (AS ISO 19600–2015)**

## 2. Purpose

- 2.1. The policy's primary purpose is to define the expectations of the business in the implementation of a CMS.
- 2.2. Our CMS is designed to ensure compliance with all applicable legislation, regulations, licence conditions, codes, guidelines, rules, and standards that impact (or have the potential to impact) Ampol Energy Retail's operations.
- 2.3. Ampol Energy Retail's statutory obligations include those under Energy Law (such as National Energy Retail Law, National Energy Retail Regulations, and State derogations), the *Telecommunications Act 1997*, the *Do Not Call Register Act 2006*, and Australian Consumer Law (as set out in Schedule 2 to the *Competition and Consumer Act 2010*).
- 2.4. The secondary purpose of the policy is to set out the procedures and strategies which will operate to ensure compliance standards and requirements are in accordance with the CMS.

## 3. Nature of the Compliance Policy

- 3.1. The policy represents Ampol Energy Retail's compliance philosophy, which is embedded in the CMS through its practices, operational policies, programs, and processes. In their entirety, they demonstrate Ampol Energy Retail's commitment to regulatory compliance, robust risk management approach and zero appetite for regulatory & compliance risk.
- 3.2. Ampol Energy Retail's operational processes provide the mechanisms required to implement its compliance policies and practices.

## 4. Responsibilities

- 4.1. The Board has overall responsibility for this policy and the CMS, which includes selecting and overseeing the corporate governance and compliance strategies that are carried out, on a day-to-day basis, by Management and the compliance manager.
- 4.2. A compliance committee shall be formed by the Board, which committee shall be responsible for overseeing the implementation of the compliance program by reviewing existing controls, reviewing proposed and new regulation, and defining the scope of internal audit activities insofar as they relate to compliance, and shall include representatives from each of the Ampol Group legal and risk functions in addition to the compliance manager.
- 4.3. Management and the compliance manager are responsible for reporting compliance decisions and minutes of meetings of the compliance committee directly to the Board. They are also responsible for:
  - 4.3.1. Developing and implementing the CMS through the creation and operationalisation of policies, procedures and training programs;
  - 4.3.2. Identifying new regulatory obligations and changes to existing regulatory obligations, along with ensuring that Ampol Energy Retail, through its employees and contractors, complies with these obligations;
  - 4.3.3. Gathering information to investigate and resolve potential compliance breaches;
  - 4.3.4. Reporting potential compliance breaches to the compliance committee, Board and the Australian Energy Regulator ('AER'), in accordance with Ampol Energy Retail's CMS;

- 4.3.5. Reviewing, overseeing, and enforcing the CMS via auditing, monitoring, and training;
- 4.3.6. Directing the compliance manager to conduct compliance risk assessments as required, including audits, reviews, and remediation.

- 4.4. It is recognised that the Board owns the compliance policy and the CMS is to be developed and implemented by Management and the compliance manager.
- 4.5. The compliance manager assists Management in identifying compliance risks and implementing appropriate controls.
- 4.6. Each business unit manager ('**BM**') is accountable for compliance within their business unit. Each BM is responsible for ensuring that their unit staff understand the importance and relevance of the compliance program and are appropriately trained in procedures.

## 5. Commitment to Compliance

- 5.1. Ampol Energy Retail's staff are required to comply with the Ampol Group Code of Conduct, Ethical Business Practices Policy and all Applicable Law as a condition of employment.
- 5.2. To ensure staff compliance, training programs will be undertaken on induction and periodically to ensure that staff are aware of their obligations and are notified of any changes to these requirements.
- 5.3. External contracts with strategic partners and contractors shall also require compliance by such partners and contractors with all Applicable Law and the Ampol Supplier Code of Conduct.
- 5.4. Ampol Energy Retail also recognises the additional compliance risks when dealing with stakeholders such as regulators, government bodies, non-profit and community organisations, and the wider community.
- 5.5. Ampol Energy Retail is committed to ensuring that all staff, from the top down, operate to promote a culture of compliance at all times.

## 6. Resources

- 6.1. To ensure compliance with all Applicable Law, Ampol Energy Retail will provide adequate resources, which will be allocated as the need arises.
- 6.2. Resources currently used by Ampol Energy Retail include those described below.

## 7. Obligations Register

- 7.1. AS ISO 19600-2015 states that an organisation should systematically identify its compliance obligations and the implications of those on its activities, products and services. The extent to which an organisation documents its compliance obligations should be appropriate to its size, complexity, structure and the nature of its operations.
- 7.2. Ampol Energy Retail operates in a highly regulated environment. The compliance manager is responsible for identifying all relevant compliance obligations and recording those in an obligations register, forming part of the CMS ('**Obligations Register**').
- 7.3. The Obligations Register will be updated as and when required to reflect changes in the relevant Applicable Laws. The compliance manager will remain up-to-date with the changes in the Applicable Laws, including through:
  - 7.3.1. Subscribing on the mailing list of relevant regulators and monitoring updates on their websites;

- 7.3.2. Maintaining membership of industry bodies;
- 7.3.3. Subscribing to relevant information services;
- 7.3.4. Attending industry forums and seminars; and
- 7.3.5. Monitoring proposed new and amending legislation and regulations and relevant decisions of courts and tribunals.

## 8. Compliance Personnel

- 8.1. Compliance personnel are those staff or contractors designated by Management, who may be employees of Ampol Energy Retail or another member of the Ampol Group to be responsible for overseeing the day-to-day implementation and maintenance of the compliance policy and the CMS. Their activities include the following:
  - 8.1.1. Interaction with regulators and other bodies to ensure they understand the Applicable Law together with pending changes to the Applicable Law and the impact of such changes on the Ampol Energy Retail business;
  - 8.1.2. Training;
  - 8.1.3. Creating and updating policies, standards, procedures and processes to ensure continued compliance with Applicable Law and best practice;
  - 8.1.4. Engaging external consultants for advice or review where necessary;
  - 8.1.5. Reviewing marketing material, contracts and other documentation; and
  - 8.1.6. Planning compliance presentations to be included at Management meetings or Board meetings, as appropriate.
- 8.2. The Ampol Group also operates an internal audit function which shall operate as a third line of defence.

## 9. External Consultants

- 9.1. As part of its CMS, Ampol Energy Retail regularly obtains advice on compliance and legal issues from various external consultants including law firms, financial advisors and compliance professionals.
- 9.2. In addition, Ampol Energy Retail will procure at three-yearly intervals a third party audit of its compliance policy and CMS and conduct annual reviews of its legislative compliance. Outcomes are to be incorporated into Ampol Energy Retail's compliance policy, CMS, and compliance training program.

## 10. IT

- 10.1. Ampol Energy Retail's IT platform and services have been contracted and developed with regulatory compliance and organisational effect as core requirements.
- 10.2. Ampol Energy Retail's billing system will issue invoices and apply payments in accordance with relevant regulations.

## 11. Documentation

- 11.1. Ampol Energy Retail has or will develop policies, standards, procedures, and processes to ensure compliance with all Applicable Law. These documents, policies, standards, procedures and processes are provided to

employees to ensure the implementation of practices that are in accordance with the prescribed requirements.

11.2. Ampol Energy Retail’s onboarding system includes providing new staff with all current policies, standards, procedures, processes and training, which form part of the CMS.

11.3. Whenever a document has been changed or updated, the compliance manager will notify all staff of the update and provide training where necessary.

## 12. Compliance Risk Assessment

12.1. Ampol Energy Retail operates in a highly regulated environment. The compliance committee is responsible for ensuring the conduct of appropriate compliance risk assessments, audits, reviews, and implementing remediation strategies.

12.2. Risk assessments are conducted in accordance with the relevant standard AS ISO 19600–2015 and in accordance with section 9.2 above.

12.3. Compliance risks will be reassessed upon the occurrence of any of the following:

12.3.1. New or changed activities, products or services;

12.3.2. Material changes to the structure or strategy of Ampol Energy Retail;

12.3.3. Significant external changes, such as to financial-economic circumstances, market conditions, liabilities, and client relationships;

12.3.4. Changes to compliance obligations; and

12.3.5. Non-compliance.

12.4. An overview of the risk assessment process is shown in Figure 2 below. As the context is further defined, risks are identified, monitored, and controlled; it is intended to be a process of continual improvement.

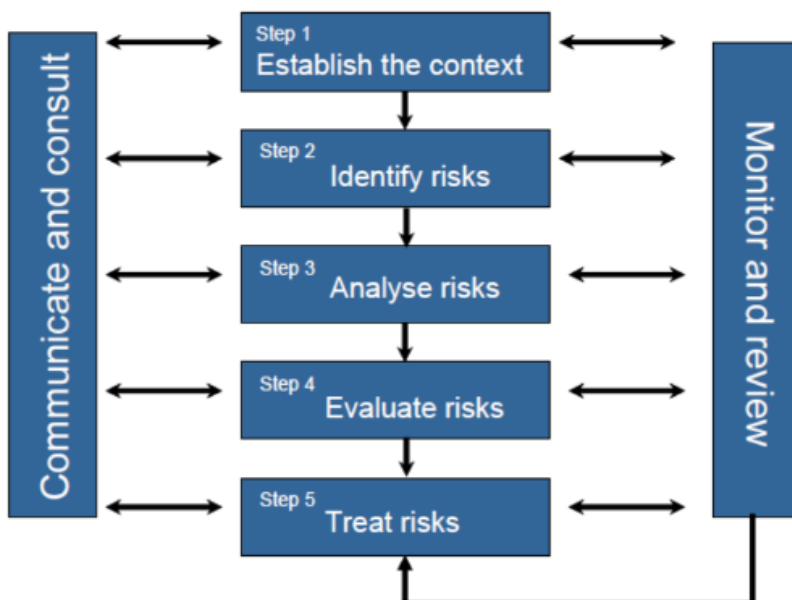


Figure 2: Risk Assessment Process

12.5. As a function of the compliance manager's risk management role, regular updates are provided to the compliance

committee and Board via Management.

12.6. A number of compliance risks cannot be controlled, including human error. Therefore, Ampol Energy Retail actively seeks to identify and reduce the likelihood of residual risks and monitor remaining risks.

12.7. Residual risks that are identified in the compliance risk assessment must be reported to Management and the Board, as appropriate.

## 13. Training and Assessment

13.1. The aim of compliance training and assessment is to reinforce the understanding that regulatory compliance is core to Ampol Energy Retail's operations.

13.2. All employees, including Management, will receive routine and periodic training on regulatory compliance, including obligations under the Competition and Consumer Act, National Energy Retail Law and National Energy Retail Rules.

13.3. Routine and periodic training on the Code of Conduct, Ethical Business Practices Policy (which covers matters such as conflict of interest, briber and corruption) and other applicable policies will also be provided for all employees, including Management.

13.4. BMs shall also provide training opportunities for their staff to address initial, continual, and unique requirements.

13.5. Training will be developed by the compliance manager, following the identification of a training need from either the compliance risk assessment report, the implementation of new laws, codes, or guidelines, or upon request from Management or the Board.

13.6. External training providers will be utilised where appropriate.

13.7. All training records will be kept for the purpose of organisation and accountability.

13.8. Compliance retraining will be undertaken where determined appropriate by the compliance manager, including where there has been:

13.8.1. Material change of position or responsibilities – affected staff only;

13.8.2. Material changes in internal policies, procedures or processes – all staff;

13.8.3. Material changes in organisational structure, where this change results in new policies or reporting lines – affected staff only;

13.8.4. Changes in the compliance obligations – all staff;

13.8.5. Changes in activities, products, or services – affected staff only; and

13.8.6. Whenever a breach is identified – relevant team or teams.

## 14. Employing Qualified Staff

14.1. Ampol Energy Retail will ensure that all of its officers and staff have the qualifications and experience necessary to be competent in their roles, as well as a commitment to compliance.

14.2. Consistent with the Code of Conduct and the Board's risk appetite, compliance with all Applicable Law is a key requirement for all Ampol Energy Retail employees.

## 15. Third-party Management

- 15.1. Third-party consultants and other service providers may be engaged from time to time to assist in the operations of the business. Ampol Energy Retail will carry out appropriate due diligence on proposed third-party service providers prior to their engagement with a view to ensuring that Ampol Energy Retail is comfortable they will comply with the Ampol Supplier Code of Conduct and have adequate controls in place to comply with the Applicable Laws to the extent that they apply.
- 15.2. An obligation to comply with applicable legislative requirements will be included in contracts with all third-party service providers. Where a third-party service provider is engaged in an activity that may give rise to a breach of Applicable Law which is required to be reported to a regulator, that third-party service provider will be required to report any actual and potential breaches to Ampol Energy Retail.
- 15.3. Ampol Energy Retail will carry out reviews of the performance of third-party service providers from time to time and such reviews will also examine the compliance history of the third-party service provider.

## 16. Monitoring Performance and Reporting Breaches

- 16.1. Ampol Energy Retail will develop performance and compliance criteria based on the requirements and definitions provided by applicable regulators.
- 16.2. In the avoidance of doubt, any potential breaches are reported upon, irrespective of risk rating.
- 16.3. Ampol Energy Retail will implement reporting procedures (and, where authorised by applicable law, anonymous reporting) for actual or suspected breaches of applicable law.
- 16.4. All staff must use the Breach Notification template (see Schedule A) and include a complete description of the breach, including suspected potential breaches, and any corrective action to date. The Breach Notification form must be sent to the compliance manager on the date the breach or suspected breach is identified or otherwise as soon as practicable in accordance with applicable law.
- 16.5. Staff may prefer to make an anonymous breach report under Ampol Group's Whistleblower Policy.
- 16.6. Ampol Energy Retail will implement appropriate procedures for investigating any such report and providing related reports to Management or the Board, as appropriate.
- 16.7. Specifically, all staff are required to report actual or suspected compliance breaches to the compliance manager, who will, upon investigation, escalate confirmed breaches to Management.
- 16.8. Management, in consultation with the compliance manager, will then conduct a review of the breach that has been brought to its attention and determine if:
  - 16.8.1. It needs to be reported to a regulatory body;
  - 16.8.2. It needs to be reported to the Board; and
  - 16.8.3. Further remediation action is required.
- 16.9. In addition to compliance reporting, complaints management and review are an essential part of compliance monitoring and quality improvement. Complaints provide insight into the various issues faced by customers and the areas that need to be addressed.
- 16.10. On a quarterly basis, Ampol Energy Retail has an obligation to report on the number and categories of complaints received to the relevant jurisdictional regulators as set out in the AER's Compliance Procedures and Guidelines and the Essential Service Commissions' ('ESC') Compliance and Performance Reporting Guideline.

16.11. Reports prepared pursuant to the AER's Compliance Procedures and Guidelines and the ESC's Compliance and Performance Reporting Guideline will be reviewed by the compliance manager. The compliance manager may develop recommendations to Management resulting from such review including, for example, to strengthen compliance controls in relation to a specific area identified within a complaint.

## 17. Document Retention

17.1. Document retention is essential for ensuring compliance and customer support. Accordingly, all documents will be retained in compliance with the relevant guidelines and legislation. Generally, documentation will be retained for a period equal to the duration a customer is current plus seven years. These records will be stored electronically and will be accessible for inspection.

17.2. Personal information collected and held by Ampol Energy Retail is subject to the *Privacy Act 1988*, the *Spam Act 2003*, and the Ampol Group's Privacy Policy, which can be found [here](#).

## 18. Remedial Action and Controls

18.1. Remedial actions taken in response to individual incidents, including compliance breaches, will be recorded and reported in the compliance reporting software. Remedial actions taken in response to systemic or serious breaches will be reported to the Board, as determined by Management, in consultation with the compliance manager.

18.2. In consultation with the compliance committee, the compliance manager will establish controls to reduce the likelihood of breaches, which include, for example, training and guidance materials; compliance controls will also be built into third-party contracts as necessary

18.3. Where risk cannot be minimised to a sufficient degree using a control, the risk may be transferred to a third party by a standard contract or contract of insurance. Despite the existence of external contracts, in cases where Ampol Energy Retail has the obligation for compliance, it assumes ultimate responsibility.

18.4. The compliance manager will review existing controls on an ongoing basis to ensure their continuing effectiveness and relevance.

## 19. Provision of Updates and Advice

19.1. The compliance manager is responsible for notifying relevant staff of new or updated compliance requirements and delivering appropriate training programs when significant changes are introduced. The methods of delivery must be appropriate to the nature and complexity of the update.

19.2. Compliance obligations are reviewed on an ongoing basis. Through its compliance manager, Ampol Energy Retail subscribes to a number of regulatory newsfeeds, including those offered by third parties, including, for example, law firms, and applicable regulators.

19.3. Ampol Energy Retail's staff will play an active role in developing new compliance obligations by attending and participating in industry events and regulator consultations, as well as periodically reviewing online information for updated regulations.

## 20. Review



The Board will review this policy at least every two (2) years.

## 21. Publication

This policy is not published and is available internally only.

### Document change history

Version number	Conducted by	Approved by	Date	Description of changes
1	Adam Lourey		20/05/2022	

Schedule A: Breach Notification Template

All staff are required to report suspected or actual breaches of the obligations articulated under Australian Energy Law and other applicable law, as well as the company’s internal policies and procedures, to the Compliance Manager as soon as practicable.

Staff may prefer to make an anonymous Breach report in accordance with Ampol’s Whistleblower Policy..

Breach Notification Form

<b>Name</b>		<b>Date</b>	
<b>Manager</b>		<b>Date of Breach</b>	
<b>Compliance Manager</b>		<b>Date Resolved</b>	
<b>How and when was the breach or potential breach first brought to your attention?</b>			

<b>Which obligations may have been breached?</b>	
Please complete below	<b>ESC, NERR, NERL Reference</b> (Compliance Manager to complete)
<i>State foreseen impact of the suggested changes.</i>	

**What steps have been taken to resolve the breach?**

Description	Completed?	Date Required	Resource Required
1.			
2.			
3.			
4.			
5.			

*If the breach has not been resolved, this section must be completed with the assistance of compliance.*

**Who has been notified?**

Manager

Compliance Manager

Board

AER/ESC

Justifications

**Signed by Individual Lodging Report:** .....

**Signed by Compliance Manager:** .....

**Signed by Management Representative:** .....