

Focus on Viva Energy Group as Geopolitical Issues Dominate Energy

Company	Viva Energy Group Limited (VEA)
Date / Time	Thursday, 21 May 2026, 2:30pm (Melbourne time)
Location	Mallesons, Collins Arch, Level 27/447 Collins Street, Melbourne, Victoria 3000
Registry	MUFG Corporate Markets
Meeting Type	Full Hybrid with online questions and voting
Pre AGM	Not held
Monitor	Chris Lobb with assistance from Mike Muntisov

Monitor Shareholding: The individual(s) (or their associates) involved in the preparation of this voting intention do not have a shareholding in this company.

1. How we intend to vote

Res No	Description	ASA Vote
1	Discussion of the Financial Report, Sustainability Report, Directors' Report and Auditor's Report	No vote required
2	Adoption of the Remuneration Report	For
3a	Re-election of Director - Arnoud De Meyer	For
3b	Election of Director - John Joyce	For
3c	Election of Director - Alistair Bell	For
4	Grant of Performance Rights to Scott Wyatt under the Company's Long Term Incentive Plan	For

2. Summary of Issues

Viva Energy is a leading Australian energy company that refines, imports, and distributes about a quarter of Australia's total fuel requirements. It operates one of two oil refineries in Australia at Geelong Victoria and a network of over 1,500 retail service stations, supplying fuels, lubricants, and chemicals to motorists, aviation, marine, and industrial sectors.

Viva Energy reported a statutory loss of \$421.1 million for 2025, which was primarily caused by \$555.8 million in non-cash impairments of retail sites. The company's Convenience & Mobility (C&M) segment faced significant headwinds from higher operating costs and the impact of illicit tobacco sales on retail store traffic. Reflecting these challenges, the total dividend was reduced to 6.8 cents per share, down from 10.6 cents in the previous year.

Executive remuneration outcomes for the year were aligned with these results. CEO Scott Wyatt offered to forgo his entire 2025 Short Term Incentive (STI) award, and the 2023-2025 Long Term Incentive (LTI) resulted in zero vesting after the Board exercised downward discretion.

Matters Considered

Governance

The Board is currently undergoing a planned renewal. Robert Hill retired as Chair in March 2026, and Sarah Ryan has stepped into the role. While the company has successfully implemented new enterprise systems to unify its retail operations,

management noted that the integration of the OTR and Liberty Convenience businesses has been more complex than initially expected.

External auditor tenure is also a point of focus. PricewaterhouseCoopers (PwC) has served as the auditor since the company's listing in 2018. While the Board remains satisfied with their performance following a periodic review, the tenure is approaching the 10-year limit where ASA guidelines recommend a competitive tender process.

ESG

Safety performance showed improvement in 2025, with the Total Recordable Injuries Frequency Rate (TRIFR) declining to 7.01 from 7.62 in 2024. Despite this, the number of significant spills increased to five during the year. This included a high-impact environmental non-conformance involving a release of refinery fuel gas that caused significant community concern.

A recent fire at the Geelong refinery, which has reduced production levels significantly, is undergoing ongoing investigation. Return to full production is still some weeks away.

Climate-related initiatives progressed with the commissioning of the Ultra-Low Sulphur Gasoline (ULSG) plant at the Geelong Refinery, which positions the facility to meet new Australian fuel standards. Additionally, the company expanded its rooftop solar program to 320 sites and is nearing completion of its heavy vehicle hydrogen refuelling station. The Board also oversaw the preparation of Viva Energy's first mandatory climate report under AASB S2, which was published in February.

Board

The Board has been strengthened with the election of John Joyce and Alistair Bell as independent directors. John Joyce brings retail sector expertise from his time leading ALDI Australia and Rebel Group, which is important for the OTR integration strategy. Alistair Bell provides finance and risk management experience, having served as CFO for Metcash and GrainCorp.

Female representation on the Board is currently 13% (down from 29% following the resignation of Nicola Wakefield Evans on 30 April 2026). Viva Energy has committed to reaching at least 40% representation by 2030 to align with the HESTA 40:40 Vision and better reflect the diversity of its employees and customers. It has commenced a search to appoint a new Independent Non-Executive Director to ensure that the Board maintains a suitable composition.

3. Financial History Table

Year	2025	2024	2023	2022	2021
NPAT (/ \$m)	(421.1)	(76.3)	3.8	514.3	232.9
Underlying NPAT (/ \$m)	183.6	254.2	318.2	596.6	191.6
Share Price (/ \$)	2.05	2.63	3.49	2.73	2.35
Dividend (cents)	6.8	10.6	15.6	27.0	7.3
Simple TSR (%)	(19.5)	(21.6)	33.5	27.7	26.9
EPS (cents)	(26.4)	(4.8)	0.2	33.3	14.6
CEO Realised Rem (/ \$m)	1.64	4.78	5.93	4.57	3.11

4. Voting Rationales

Item 2: Adoption of the 2025 Remuneration Report

Vote: For. The 2025 remuneration outcomes demonstrate clear alignment with the shareholder experience. Following disappointing performance in the Convenience & Mobility business, the CEO forfeit his entire STI award. Additionally, the 2023-2025 LTI resulted in zero vesting after the Board exercised downward discretion, despite some thresholds being met.

While disclosure is generally high, the company continues to maintain that specific **Free Cash Flow (FCF) and ROCE targets** for incentives are "commercially sensitive" and only discloses them retrospectively.

Item 3a: Re-election of Director - Arnoud De Meyer

Vote: For. Arnoud De Meyer is an independent director with global experience in management and business.

His workload is high, with multiple external board and academic commitments in Singapore and Europe, though it remains within ASA guidelines.

3b: Election of Director - John Joyce

Vote: For. John Joyce brings retail sector expertise, having led ALDI Stores Australia and Rebel Group. This experience is important for the current integration of OTR and Coles Express.

A significant governance concern is the \$250,000 "Special Exertion Fee" paid to Mr. Joyce for advisory services to the C&M leadership team. ASA generally discourages such payments to Non-Executive Directors as they can blur the line between oversight and management, potentially impacting the perception of independence. In this case however, it addresses a specific leadership gap need during a transition period.

Item 3c: Election of Director - Alistair Bell

Vote: For. Mr. Bell is a finance and risk specialist with prior Group CFO experience at Metcash and GrainCorp, making him well-qualified to chair the Audit and Risk Committee.

Item 4: Grant of Performance Rights to the CEO, Scott Wyatt

Vote: For. The LTI structure uses face-value allocation and robust performance hurdles.

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Appendix 1: CEO Remuneration Framework table - 2025

Rem Component	Target \$m	% of Total	Max. Opp \$m	% of Total
Fixed	1.64	33.7%	1.64	25.3%
STI-Cash	0.62	12.6%	1.23	18.9%
STI-Equity	0.62	12.6%	1.23	18.9%
LTI-Performance	2.00	41.1%	2.40	36.9%
Total	4.88	100.0%	6.50	100.0%