Ampol reporting suggests SLP target miss

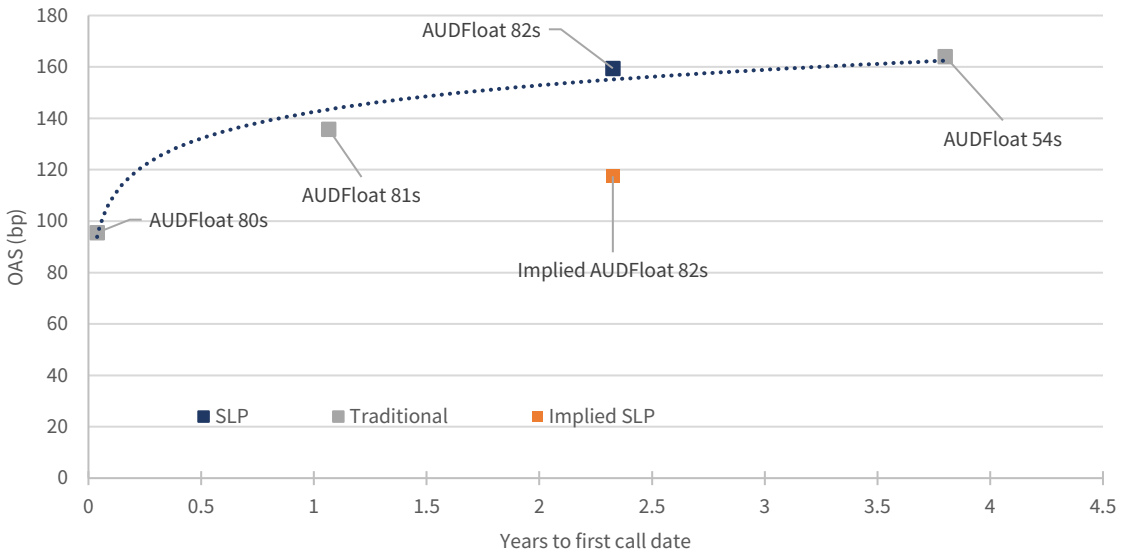
Josephine Richardson (*), Emiel Loh

Ampol Limited (ticker ALDAU) has one AUD-denominated Sustainability-Linked Bond (SLB) outstanding, which is a hybrid security with final maturity 2082 however it is callable in Jun 2028. We have been interested in the bond as it is the only Sustainability-Linked Perpetual that we are aware of which received equity treatment from a major rating agency; the bond was assigned 50% equity treatment by Moody's.[1,2] The bond references four targets, three of which have observation date Jun 2025, which is the company's year-end.

On 23 February 2026 Ampol released its annual report confirming that the emissions from its Lytton refinery were 3.5% above target.[3] In its associated presentation the company confirms this will lead to an 1% increase in the call price of the security, or a 2% discount to VWAP if the bond is converted to shares.[4] **If the bond is called, we estimate this increased redemption to be worth 42bp running.**

Figure 1 gives current pricing of Ampol's bonds, the hybrids are shown to first call. The potential pricing with the increased redemption price is included as an indication.

Figure 1. ALDAU bond spreads, hybrid bonds are shown to first call. Source: Bloomberg Finance L.P., AFII, accessed 23 Feb 2026.



[1] "AMPOL'S SUSTAINABILITY-LINKED HYBRID ISSUE", Ampol, 15 Jun 2022.
[2] For our earlier analysis please see "Ampol Sustainability-Linked Perpetual may miss a target", AFII, 22 Jan 2026.
[3] Pg 65 of 2025 Annual Report accessed from "Reports and Presentations", Ampol, accessed 23 Feb 2026.
[4] Pg 19 of 2025 Full Year Results Presentation accessed from "Reports and Presentations", Ampol, accessed 23 Feb 2026.

Not investment advice. First published 23 Feb 2026. Important disclaimers at end of the document.
(*) Anthropocene Fixed Income Institute (www.anthropocenefii.org). Author for contacts: jor@anthropocenefii.org

IMPORTANT DISCLAIMER:

This report is for information and educational purposes only. The Anthropocene Fixed Income Institute ('AFII') does not provide tax, legal, investment, accounting, or any regulatory or regulated advice or services. This report is not intended to provide, and should not be relied on for, tax, legal, investment, accounting, or regulatory or regulated advice or services. Nothing in this report is intended (i) as investment advice, as an offer or solicitation of an offer to buy or sell, or as a recommendation, endorsement, or sponsorship of any security, company, issuer, or fund or (ii) to express a particular investment proposal in respect of a financial instrument or an issuer, or (iii) to propose a particular investment decision in respect of a financial instrument or an opinion as to the present or future value or price of any financial instrument or (iv) to recommend or suggest any investment strategy.

AFII is not responsible for any investment decision made by you. You are responsible for your own investment research and investment decisions. This report is not meant as a general guide to investing, nor as a source of any specific investment recommendation. Unless attributed to others, any opinions expressed are our current opinions only. AFII does not take into account your own circumstances or assets and AFII assumes no direct or indirect responsibility or liability for any investment decisions you make, and you remain fully responsible for your own research, legal and regulatory compliance, and decisions.

Certain information presented may have been sourced from third parties. AFII believes that such third-party information is reliable, and has checked public records to verify it wherever possible, but does not guarantee its accuracy, timeliness or completeness; and it is subject to change without notice.

Any reference to an issuer's creditworthiness or likelihood of positive or negative performance in the current or future market is purely observational and should not be taken as a recommendation, endorsement or advice in relation to such issuer or its securities.

AFII is a non-profit organisation that provides fixed income investors with the insights and tools they need to align their portfolios with ambitious climate and nature targets. For more information about the Institute, please visit www.anthropocenefii.org.

