

# What contributes to the price of fuel?

Mobil is proud to deliver a reliable supply of high-quality fuel to Aotearoa New Zealand: we have been proudly serving the country for 125 years.

We supply fuel to our customers from safe, well-maintained facilities across the country, which meet extensive Government regulations, including stringent requirements for safety, health, and the environment.

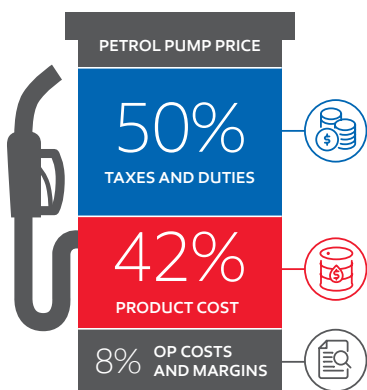
## Competition

Aotearoa has a highly competitive fuel market, with several major fuel suppliers, supermarkets, resellers, and smaller independent retailers all actively engaged in competing for customers.

Often there is intense local competition in market areas, which is why prices can differ within relatively short distances.

Where Mobil sets the price at service stations, we aim to ensure that our prices are as competitive as possible.

While Kiwis continue to receive competitive pricing on fuels, setting the prices at the pump is a balancing act between the immediate effects and influences of the market, weighed against the longer term outlook for business and the industry.



\* Based on a \$2.70 per litre pump price

**Mobil**<sup>™</sup>

An ExxonMobil Brand

# What factors make up the price you pay?



## Taxes and duties

The base cost of a litre of fuel includes a number of excise taxes and levies, including:

50%

- the National Land Transport Fund tax (**70cpl**)
- an Accident Compensation Corporation levy (**6cpl**)
- the Petroleum or Engine Fuel Monitoring Levy (**0.6cpl**)
- the Local Authorities Fuel Tax (**0.66cpl**), and in Auckland, the Auckland Regional Fuel Tax (**10cpl**)

All fuels are also subject to a Goods & Services Tax (15%), which is collected on the total price of fuel.

## New Zealand Emissions Trading Scheme (ETS)

Every fuel purchase made at Mobil contributes to the ETS, helping Aotearoa move to a low emissions future. The ETS comprises about 7% of Mobil's retail fuel price (for RON 91).



## Product costs

This is the cost of purchasing refined fuel, international and coastal transportation costs, and the cost of Mobil's Synergy additives.

42%

The cost of purchasing fuel is a significant expense, and represents a huge portion of Mobil's operating expenditure.

## International and coastal transport

We live in a remote island nation with a small population that is heavily reliant on shipping. This means that importing fuel is a significant expense, and this is reflected in retail fuel prices.

## Additives

Mobil introduces additives to create Mobil's Synergy family of fuels. All Mobil Synergy fuels are engineered to help improve your engine's overall performance, which can help improve fuel economy. For more information, visit [www.mobil.co.nz/en-nz/synergy-fuels](http://www.mobil.co.nz/en-nz/synergy-fuels)

## Exchange Rates

Refined fuel is traded in US dollars: fluctuations in the exchange rate can therefore influence fuel prices.



## Operating costs and margins

This includes all our operating expenses as a local business, including local (road) transportation, maintenance and investment in our service station network and storage facilities, marketing costs, and any returns for Mobil and our site operators.

8%

Mobil strives to offer competitive prices while generating earnings that make it possible for us to continue supplying the fuel Kiwis rely on.

## Discounts

Kiwi motorists often benefit from discounts off the advertised board price, through programmes like Mobil Smiles Driver Rewards™, and through local service station promotions.

\*Accurate at February 2022, based on retail price of RON 91. Includes ARFT as weighted average. Percentages may differ based on changes in product costs, taxes and other variables.