

UK TAX STRATEGY

1. Introduction

In accordance with paragraph 19(2), Schedule 19 of the Finance Act 2016, this document outlines the UK tax strategy.

2. Scope

The UK tax strategy is applicable to the UK subsidiaries (BMD UK) of the BMD Holdings Pty Ltd group (Group) for the year ending 30 June 2025. The UK tax strategy is consistent with the tax strategy for the Group.

3. Responsibilities

Overall responsibility for tax strategy rests with the Board.

The detailed policies for implementing tax strategy are set out in the Group's Tax Management Policy document. Responsibility for updating and implementing the Tax Management Policy rests with the General Manager Corporate Finance.

The Audit Committee monitors compliance with tax strategy and reports / makes recommendations to the Board accordingly.

4. Tax Principles & Strategy

The Group's corporate values define culture and serve as guideposts for daily actions. Central to values are building businesses ethically and safely, delivering on promises, and improving every day. Securing and maintaining the trust of all stakeholders, including tax authorities, is central to living these values. Consistent with these values, the Group aims to create long-term sustainable growth and to be a responsible taxpayer.

The UK tax strategy is:

1. to ensure BMD UK is fully compliant with its statutory, regulatory and reporting obligations - ensuring complete and accurate tax returns are filed and the correct amount of tax is paid on time;
2. to manage its tax costs by ensuring that tax is considered when BMD UK undertakes significant transactions or reorganizations, and that appropriate steps are implemented, which accords with the Group's long term business strategy and stakeholder expectations;
3. to ensure BMD UK utilises statutory tax reliefs that are available to businesses generally, giving due consideration to reputation and both corporate and social responsibilities in its decision making process;
4. to ensure tax risks are appropriately identified, assessed and managed;
5. to ensure stakeholders have a comprehensive understanding of the BMD UK's tax position; and
6. to work collaboratively with tax authorities to resolve any areas of disagreement while ensuring we defend our tax treatment when is considered to be correct and compliant with relevant tax legislation.

5. Compliance & Engagement with Tax Authorities

Where the application of tax law is unclear, BMD UK will obtain appropriate professional advice before determining the position taken in the relevant tax return.

BMD UK will develop effective working relationships and be fully open, honest and transparent in its dealings with tax authorities. BMD UK will cooperate fully with enquiries raised by tax authorities and will respond in a timely manner to requests for information.

6. Tax Planning

BMD UK will engage in tax planning when and if required to directly support its commercial activities. Thus, any tax planning undertaken will have commercial and economic substance and will have regard to the Group's wider vision and strategy. A key objective is to seek to minimize uncertainty, risk or disputes and to engage external advisors as appropriate to achieve this. As such, our appetite for tax risk is low in this regard. BMD UK aims to utilise those tax incentives and exemptions intentionally provided in law.

7. Risk Management

Tax risks will be managed in accordance with the Group's risk management framework and procedures. This includes the maintenance of a risk register which includes the material tax risks faced by BMD UK.

The tax implications of all major transactions (for example M&A transactions, corporate structure changes, and cross-border intra-group transactions) will be reviewed in advance by the Group tax team with appropriate support from external advisors.

BMD UK will ensure that all decisions are taken at the appropriate level with appropriate supporting documentation. As part of the decision-making process, due consideration will be given to the Group's reputation and corporate and social responsibilities.

BMD UK accepts that certainty of tax treatment cannot be achieved in all circumstances (in the context of both compliance and transactions). The precise amount of tax risk BMD UK is willing to bear will depend on the facts and circumstances relevant to the issue under consideration. The level of tax risk, which BMD UK is exposed to overall, is considered as part of the review of the risk register and the level of provisions for tax exposures in the financial statements.

8. Prevention of Facilitation of Tax Evasion

BMD UK does not tolerate tax evasion of any kind, including facilitation of tax evasion by any person employed or contracted to BMD UK or acting on BMD UK's behalf. Facilitation of tax evasion may expose the Group and associated persons to significant adverse consequences such as serious damage to the Group's reputation as well as civil and criminal liability. BMD UK is committed to adopting procedures which seek to prevent any such facilitation and will take appropriate action against any associated person who is found to have facilitated tax evasion of any kind.

9. Tax Resources

Any tax work should be prepared by personnel with an adequate technical understanding of local tax legislation and then reviewed by an experienced tax specialist. As a general / preferable rule, where possible, BMD UK seeks to perform this work in-house. Where the required expertise is not available in-house, external tax advisors will be used.