



**Tax Transparency
Report 2025**



Introduction



This report should be read in conjunction with Bapcor's 2025 Annual Report which can be found on the Bapcor website at: www.bapcor.com.au

This Report sets out Bapcor's tax activities for the year ended 30 June 2025 together with our approach to tax policy, strategy and governance.

Bapcor is Asia Pacific's leading provider of vehicle parts, accessories, equipment, service and solutions. From our origins as Burson Auto Parts in 1971, Bapcor has grown into a vertically integrated network servicing customers through specialist knowledge and expertise in Trade, Networks, Retail and New Zealand businesses. Our reach extends across more than 900 locations in Australia, New Zealand and Thailand. We employ approximately 5,100 team members across Australia and New Zealand.

Our Approach to Tax Policy, Strategy and Governance

Bapcor has a strong commitment to effective tax risk management and robust corporate governance.

Bapcor adopts a group-wide Tax Governance Policy (Policy) developed by the Head of Tax, recommended by the Chief Financial Officer (CFO), endorsed by the Audit and Risk Committee (ARC) and approved by the Bapcor Board of Directors (Board). The Policy establishes the framework through which tax risk is identified, assessed, managed, monitored and escalated across the Group.

Bapcor is committed to acting with integrity and acts as a responsible taxpayer in all jurisdictions in which it operates. In accordance with the Policy, the Board has approved the following tax principles and risk appetite:

- Bapcor has a low tolerance for tax risk.
- The Board does not sanction or support any activity that has as its principal function the avoidance of tax.
- Bapcor conducts its tax affairs in compliance with the laws of all jurisdictions in which it operates.
- Bapcor will not adopt tax positions where there is a material risk that applicable anti avoidance provisions will apply.
- Bapcor balances its low tax risk tolerance with maximising shareholder value by engaging in lawful tax planning that is legitimate and consistent with the intent of the law.
- Bapcor will manage its tax obligations to ensure that all tax liabilities are correctly recorded, paid and met by their due date.



Tax risk management and governance

The ARC provides oversight and advice to the Board on tax risk management and is ultimately responsible for directing Bapcor's approach to tax compliance through adoption of the Policy. Changes to the Policy require Board approval.

The Board has delegated authority to the CFO to manage tax risks, issues and transactions in line with the Policy and Bapcor's Risk Management Framework. The Head of Tax supports the CFO in the day-to-day management of tax compliance and tax risks.

The CFO and Head of Tax report to the ARC at least bi-annually, or more frequently as required, on matters including:

- the effectiveness of the tax governance framework;
- significant tax issues and tax risks;
- effective tax rate updates;
- revenue authority reviews;
- significant transactions;
- tax compliance matters;
- tax reform and legislative change; and
- ongoing internal projects and process improvements.

Culture, values and conduct

Bapcor's approach to tax governance is underpinned by a strong culture of accountability, transparency and ethical conduct. Team member engagement in tax risk management is embedded within Bapcor's broader corporate governance framework and reflects Bapcor's values.

All employees are expected to comply with applicable laws and internal policies and to escalate tax risks or issues to the Head of Tax in a timely manner.

Relationship with revenue authorities and external advisers

Bapcor aims to maintain proactive, responsive and professional relationships with revenue authorities to manage tax risk. Revenue authorities may conduct reviews or audits of Bapcor from time to time. Bapcor uses these interactions to build trust, improve their understanding of our business and resolve issues in a timely and commercial manner.

Where the application of tax law is uncertain or complex, Bapcor may engage with the revenue authorities (including through early engagement or rulings) and/or seek advice from appropriately qualified external tax advisers. The engagement of external advisers is approved by the CFO and managed by the Head of Tax, having regard to the level of risk, technical complexity and internal capability.

Our Values



We do the right thing.

We are open, honest and respectful. We do what we say and say what we do.



We give a damn.

We care about what we do and are proud of how we do it. We are passionate and make a difference.



We are in it together.

We're all part of the Bapcor family. We support each other, include everyone and have fun along the way.



We get it done.

We use our unique talents to find solutions and achieve common goals. We celebrate success and strive to win.

Bapcor Australian Group and International Related Party Dealings

Bapcor is an ASX-listed public company with headquarters in Melbourne, Australia, with gross revenue of \$2.0 billion in the 2025 year across the Group.

The Australian operations of the Group make up more than 91% of global revenues. The wholly owned Australian entities form an Australian income tax consolidated group, where Bapcor Limited is the head entity.

Outside of Australia, Bapcor conducts business activities through its wholly owned subsidiary group in New Zealand and its majority-owned joint venture in Thailand.

Bapcor's international related party dealings were sales and purchases of trading stock in the 2025 year. The gross value of international related party transactions in and out of Australia in the 2025 year represented less than 1% of total Australian revenues.



Bapcor's Overall Tax Contribution

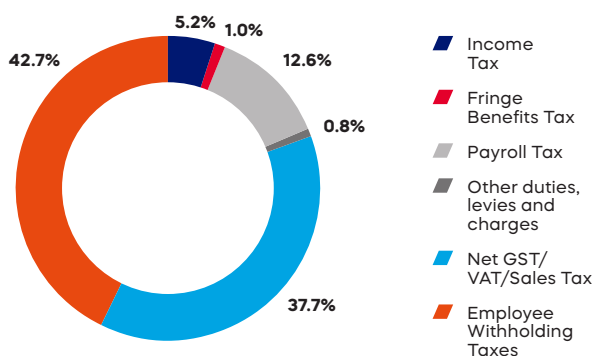
The majority of Bapcor's taxes are paid in Australia and New Zealand, being the areas where most of Bapcor's business operations are located. In addition to company tax, Bapcor also pays various other Federal, State & local taxes, including fringe benefits tax, payroll tax, stamp duty and customs duty.

Further, Bapcor collects and pays taxes on behalf of others including taxes on employee earnings (PAYG/PAYE withholding), indirect taxes such as goods and services tax (GST) in Australia and New Zealand and other withholding taxes.

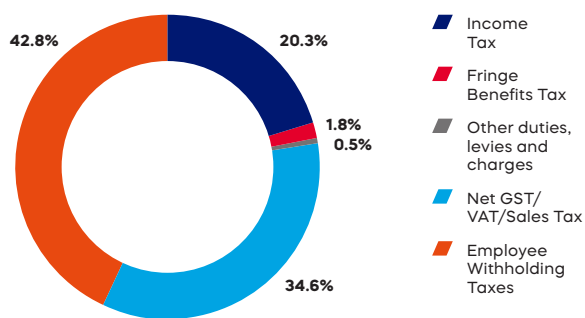
A summary of the taxes paid, collected and remitted by Bapcor in the 2025 year is presented below:

	\$'000 2025	\$'000 2025	\$'000 2025
	Australia	New Zealand and Thailand	Total
Taxes directly borne and paid			
Income Tax	9,514	5,502	15,016
Fringe Benefits Tax	1,831	478	2,309
Payroll Tax	22,982	-	22,982
Other duties, levies and charges	1,518	145	1,663
Total	35,844	6,125	41,970
Taxes collected and remitted on behalf of others			
Net GST/VAT/Sales Tax	69,072	9,398	78,470
Employee Withholding Taxes	78,074	11,635	89,708
Total	147,146	21,033	168,178
Overall Tax Contribution	182,990	27,158	210,148

Australia



New Zealand and Thailand



Effective Tax Rate and Reconciliation of Statutory Profit to Income Tax Expense and Income Tax Paid

Bapcor's Effective Tax Rate is reflective of taxes for the key regions in which Bapcor operates, primarily being Australia (30% corporate tax rate) and New Zealand (28% corporate tax rate). The table below provides details of Bapcor's global Effective Tax Rate of 30.9% for the year ended 30 June 2025.

Amounts in Australian dollars	Consolidated	
	2025 (Restated) \$'000	2024 (Restated) \$'000
(Loss)/Profit before income tax	32,972	(181,471)
Tax at the Australian tax rate of 30%	9,892	(54,441)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income		
Impairment of goodwill		43,832
Impairment of investments		1,050
Other	669	550
	10,561	(9,009)
Adjustments recognised for prior periods		(65)
Difference in overseas tax rates	(380)	(111)
Income tax (benefit)/expense	10,181	(9,185)
Less tax effect of permanent differences on non-cash accounting impairments		
Impairment of goodwill		(43,832)
Impairment of investments		(1,050)
Underlying income tax (benefit)/expense	10,181	(54,067)
Effective Tax Rate*	30.90%	29.80%
Reconciliation of income tax expense to income tax paid		
Income Tax (benefit)/expense	10,181	(9,185)
Timing differences in deferred tax balances	(23,027)	27,670
Current year tax refundable/(payable) next year	41,082	24,246
Prior year's tax payments/(refunds)	(16,080)	(15,205)
Income tax paid/(received) per cash flow statement	12,157	27,526

* Bapcor has calculated its Effective Tax Rate as underlying income tax expense/(benefit), which excludes the impact of permanent differences on non-cash accounting impairments, divided by profit/(loss) before income tax expense. Income tax expense is an accounting concept and reflects the amount of income tax applied for accounting purposes.

Income tax expense is calculated using the current applicable Australian tax rate of 30% and is recognised in the income statement, except to the extent that it relates to items recognised in 'other comprehensive income' or transactions recognised directly in equity. The income tax expense includes both current and deferred tax. Current tax represents tax payable on the profit for the current tax year and any adjustments identified in respect of tax recognised in prior periods. Deferred tax represents the timing difference between recognising income tax in the financial statements and the actual payment liability for income tax.

