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TAX TRANSPARENCY REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

Introduction

The Board of ARB Corporation Limited (**ARB**) is committed to financial and regulatory compliance and is pleased to voluntarily provide additional disclosure of tax information as recommended by the Board of Taxation's Voluntary Tax Transparency Code (the **Code**).

The Code sets out the minimum standard of information to be disclosed in two parts:
- Part A applies to Large and Medium businesses; and
- Part B applies to Large businesses.

The Board believes in high standards of tax transparency and has adopted the more comprehensive disclosure recommendations prescribed in both Part A and Part B as recommended for businesses with Australian turnover of more than $500 million.

PART A

Reconciliation of accounting profit to income tax expense

The reconciliation of accounting profit to income tax expense contained in this report was previously published in the ARB 2026 Annual Report in Note 5(b) to the financial statements.

Consolidated	**2026 $'000**	**2025 $'000**
Profit before income tax expense	122,984	134,938
Income tax expense using the Australian corporate rate of 30%	**36,895**	**40,481**
Tax effect of non-temporary differences - taxable / (not taxable)		
Differences in tax rates	(5,508)	(3,414)
Research and development	(113)	(95)
Other items	(688)	545
(Over) / Under-provision from prior year	(16)	(106)
Income tax expense	**30,570**	**37,411**

Reconciliation from income tax expense to income tax paid

Consolidated	2026 $'000	2025 $'000
Income tax expense	**30,570**	**37,411**
Temporary differences *(note 5(a) of the Financial Report)*	4,573	2,384
Other	(1,774)	(312)
Current year tax instalments receivable / (payable) next year	(798)	(5,595)
Prior year tax instalments paid this year	5,595	5,973
Income tax paid	**38,166**	**39,861**

Effective company tax rates for Australian and global operations

Effective tax rate:	2026 %	2025 %
Australia	**28.9%**	**30.4%**
Consolidated Group	24.9%	27.7%

PART B

Tax policy, tax strategy and governance summary

The Board of ARB is committed to high standards of corporate governance and bears ultimate responsibility for the Company's tax policy, tax strategy and corporate governance.

The Board of ARB has established a Tax Risk Management and Governance Policy (**Tax Policy**) that specifically includes Board oversight of tax risk. The Tax Policy, together with the Tax Control Framework, enables the Board to monitor and manage tax policy, processes and risks.

ARB's Tax Policy sets out its tax strategy and outlines the internal framework by which its tax obligations are met in Australia and internationally from both an operational and risk management perspective. The tax strategy is principled, transparent and designed to be sustainable in the long term and is reviewed annually by the Board.

ARB adopts a low-risk strategy to ensure and maintain its reputation and risk profile with the Australian Taxation Office (**ATO**), regulatory authorities and other stakeholders. In conducting its activities, ARB will act professionally and ethically in compliance with tax laws at all times. ARB will not enter into any transaction or arrangement with the dominant purpose of paying less tax.

ARB uses Ernst and Young as its external advisor, in each of the jurisdictions in which it operates to assist with tax compliance.

ARB, together with its Australian subsidiary, has formed a tax consolidated group for Australian tax purposes with ARB Corporation Limited as the head company of the Australian tax consolidated group.

ARB's approach to engagement with the ATO is to be compliant with tax legislation and maintain open, responsive and honest dialogue to ensure efficient and collaborative hearing of tax matters.

ARB was previously subject to the ATO's Combined Assurance Review during the 2022 financial year and the ATO's Streamlined Assurance Review during the 2018 financial year. Both reviews included a focus on the Company's corporate income taxes and goods and services taxes. ARB participated cooperatively and constructively with the ATO during these Reviews.

ARB's financial statements are independently audited by Deloitte Touche Tohmatsu.

Australian tax contribution summary

The following table details the types of taxes paid and collected by ARB to and on behalf of Australian Federal and State governments relating to the 2026 and 2025 financial years:

Australia	**2026 $'000**	**2025 $'000**
Taxes paid by ARB		
Corporate income tax paid and payable	35,099	39,874
Payroll tax	6,615	6,414
Customs and excise duties	451	680
Property taxes	2,109	1,998
Fringe benefits tax	1,079	1,033
Total taxes paid by ARB	**45,353**	**49,999**
Taxes collected by ARB		
Net GST	27,358	29,420
PAYG – employees	24,266	23,028
Total taxes collected by ARB	**51,624**	**52,448**

International related party dealings summary

ARB's international operations are conducted through subsidiary legal entities established in the USA, Thailand, China, Africa, New Zealand, United Kingdom, the Czech Republic and the United Arab Emirates, all of whom are subject to local tax regimes. Details of the international subsidiary legal entities are disclosed in Note 26 of the financial statements and in the Consolidated Entity Disclosure Statement in ARB's 2026 Annual Report.

The key business dealings between ARB's Australian tax consolidated group and its international subsidiaries include:

- sales and purchases of trading stock to and from international subsidiaries; and
- provision of capital to international subsidiaries.

All international related party dealings are conducted in accordance with arm's length principles and methodologies as prescribed by the Australian transfer pricing laws and in accordance with the Organisation of Economic Cooperation and Development (OECD) guidelines.

Further information

Further information and publications about ARB and its operations are available at arb.com.au.