



Tax Risk Governance Policy

Decmil is subject to taxation and reporting obligations established by Federal and State taxation authorities within Australia. The purpose of this Tax Risk Governance Policy is to formally document the Group's approach to taxation and to ensure compliance with these requirements.

Decmil exercises strong governance over its tax affairs and has a low risk tolerance to tax matters, having due regard to the spirit and intention of Australian tax laws. The Group seeks to be a responsible corporate taxpayer by maintaining open, co-operative and transparent relationships with the Australian Taxation Office and other State based authorities. Decmil is committed to transparently complying with all regulatory requirements. Specifically, Decmil lodges all required lodgements by the due date, settles any tax payable as and when they are due and only applies carried forward tax losses where tax legislation enables Decmil to do so.

The Board does not sanction or support any activities which seek to aggressively structure the tax affairs of the Group. Accordingly, Decmil will not participate in any activity which directly or indirectly promotes, facilitates, or enables the evasion or deliberate avoidance of tax by its customers or clients, employees, contractors, suppliers or other associated parties with whom it does business.

This low tax risk approach requires Decmil to seek clarity within the law and evaluate potential tax outcomes of operations and corporate group activities. Where tax risks are identified, mitigation to achieve a low tax risk outcome is implemented and reporting is established to monitor compliance.

This Tax Risk Governance Policy is endorsed by the Decmil Board which has oversight of this policy. The Board has delegated responsibility for reviewing the tax strategy and management

of tax risk to the Audit and Risk Committee, whose responsibilities are set out in the Audit and Risk Committee Charter. In delegating this Policy, the Board has requested the Audit and Risk Committee also monitor compliance with this Policy.

Responsibility for the signing and approval of all significant tax reporting obligations is that of Decmil's Public Officer. Decmil's management is responsible for designing and implementing risk management and internal controls relating to tax risk governance, including:

- a. testing of internal controls;
- b. identifying, assessing and monitoring tax risks from significant transactions, systems, tax compliance and financial statement processes; and
- c. changes to tax law.

Decmil's management includes qualified tax professionals and, with the assistance of external tax advisors, are responsible for preparing and reviewing tax filings, advising on strategic tax matters, updating processes for new tax legislation and ensuring compliance with all taxation requirements.



All significant tax risks are reported to the Public Officer in the first instance. These tax risks are escalated to the Audit and Risk Committee if they have the potential to have a material impact on the profitability or reputation of the Group.

This Policy was approved by the Decmil Group Limited Board on 27 April 2021.

Andrew Barclay
Chair of the Board