

# Netwealth Group Limited FY2024 Tax Transparency Report

ASX Release – 30 June 2025

## Statement from Chief Financial Officer

Netwealth Group Limited (NWL) is pleased to release our annual tax transparency report (Report) which demonstrates our commitment to adopting and applying the principles of the Australian Board of Taxation's Voluntary Tax Transparency Code (TTC), consistent with the Australian Government's efforts to promote Tax Transparency. NWL embraces openness and transparency and believes these attributes of our behaviour enhances our relationship with our community, customers, clients, shareholders and regulators. This Report provides an overview of NWL's approach to tax governance, compliance to tax law and tax contributions made in FY2024.

## Basis of preparation

This Report meets the requirements set out in the TTC and has been prepared in accordance with the Appendix to the Code issued by the Australian Accounting Standards Board.

This Report should be read in conjunction with the NWL Annual Report 2024. The Report is for the income year ended 30 June 2024 and the comparative period 30 June 2023. All figures have been rounded to the nearest thousand dollars and are presented in Australian dollars, unless otherwise stated.

The information in the Report is sourced from NWL's audited financial statements and information lodged with the Australian Taxation Office. The Report is prepared internally, reviewed by our external tax adviser and approved by the Board of NWL prior to publication.

## About Netwealth

NWL is a financial services company listed on the Australian Securities Exchange (ASX:NWL). NWL was created with an entrepreneurial spirit to challenge the conventions of Australia's financial services.

We are a technology company, a superannuation fund trustee, and an administration business. Above all we exist to inspire people to see wealth differently and discover a brighter future.

Founded in 1999, NWL is one of the fastest growing wealth management businesses in Australia.

Our financial products are:

- Superannuation including accumulation and retirement income products;
- Investor directed portfolio services for self-managed super and non-super investments;
- Managed Accounts;
- Managed Funds;
- Self-managed superannuation fund administration; and
- Non-custodial administration and reporting services.

NWL's digital platform supports how our financial products are delivered to market. Financial intermediaries and clients can invest and manage a wide array of domestic and international products through the platform.

The platform is created, developed, and maintained by our technology team. It is continuously enhanced based on feedback from financial intermediaries, clients and other users and is widely acknowledged for its industry-leading capabilities.

To ensure the effective operation of our financial products and technology platform, NWL invests heavily in its people and resources for support, custodial and non-custodial services, and risk and governance management.

### **NWL's approach to tax risk management and governance**

NWL manages its tax affairs in accordance with the Board approved Group Tax Risk Management and Governance Policy (Tax Policy). A comprehensive risk management framework applies to both overall business and tax-specific risks. This framework aims to reflect the principles outlined in the ATO's Tax Risk Management and Governance Review Guide. This framework, together with the Tax Policy, promotes tax positions that are appropriately identified and assessed at the relevant levels of management, including the Audit Committee and the Board.

Responsibilities and accountabilities for tax administration and decision-making are clearly defined, supported by robust controls and reviews that strengthens compliance and enhance confidence in tax outcomes. The framework also establishes clear tax objectives and fosters a culture of proactive risk management, with significant tax risks reviewed by internal and external stakeholders as required.

The underlying principles of our tax strategy are to:

- seek to comply with all relevant tax laws and their obligations, including that all tax lodgements, payments and reporting requirements are adhered to.
- commit to strong tax governance and maintain reasonable care to identify, assess, control and manage tax risks by embedding controls in business processes.
- adopt a conservative tax approach making certain all tax positions adopted are at least "more likely than not" and supportable under applicable tax law.
- endeavour to maintain an open and honest approach, engaging in good faith and on a proactive basis with tax authorities and other regulators.
- seek to resolve any ongoing or key tax matters flagged by Commissioner of Taxation and other revenue authorities as areas of potential concern.
- support tax data integrity, compliance, and reporting through document management, defined tax controls and processes, and governance over third-party data sources.

The Board is responsible for all taxation affairs of NWL and has delegated responsibility to the Audit Committee and Chief Financial Officer to implement the tax policy, oversee tax matters, manage tax risks and to keep the Board informed of significant tax matters. NWL's tax framework is reviewed at least biennially to ensure it remains relevant and complies with current tax legislations.

NWL and its subsidiaries carry out their operations in Australia as a tax consolidated group.

### NWL's tax risk appetite and engagement with the Australian Tax Office (ATO)

NWL adopts a conservative approach in relation to its tax strategy and does not sanction or support aggressive tax planning or the adoption of aggressive tax positions. Tax positions adopted are reviewed to ensure they are at least 'more likely than not' correct under applicable tax law based on all available evidence.

NWL will endeavour to engage in good faith, on a collaborative and proactive basis with tax authorities and other regulators. Early engagement with the ATO and external tax advisers is undertaken to fully comply with its tax obligations and operate in a low-risk tax environment.

### Income tax expense disclosed in the Annual Report

NWL's Effective Tax Rate (ETR) is calculated as income tax expense divided by net profit before income tax (NPBT). The income tax expense reconciliation is disclosed in Note 6 of the NWL's FY2023 and FY2024 Annual Financial Report. NWL calculates its income tax expense in the Annual Report using the applicable corporate income tax rate of 30% applied to accounting profit and adjusted for 'non-temporary' items. The income tax expense is recognised in the income statement, except to the extent 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 the total tax payable on profit for the current year. Deferred tax represents the timing differences where amounts recognised as income and expense in accordance with the Australian Accounting Standards do not correspond to an equivalent taxable or deductible amount under the Australian income tax legislation.

The following tables provides NWL's ETR over the past two years.

### Reconciliation of accounting profit to income tax expense

	FY2023	FY2024
	\$'000	\$'000
Net profit reported in financial statements from continuing operations	67,153	83,370
Income tax expense	29,861	37,079
<b>Profit before income tax</b>	<b>97,014</b>	<b>120,449</b>
Income tax expense calculated at 30%	29,102	36,135
<b>Increase/Decrease in income tax expense due to:</b>		
'Non-temporary' non-deductible/non-assessable items	759	944
<b>Income tax expense</b>	<b>29,861</b>	<b>37,079</b>
<b>Effective tax rate (ETR)</b>	<b>30.8%</b>	<b>30.8%</b>

## Reconciliation of income tax expense to income tax paid

	FY2023 \$'000	FY2024 \$'000
<b>Income tax expense</b>	<b>29,861</b>	<b>37,079</b>
Adjustments in the current year relating to prior year tax	11	(1)
<i>Permanent differences:</i>	(2)	(1)
<i>Temporary differences:</i>		
Expenditure deductible over 5 years	(67)	(30)
Provisions	371	370
PPE and intangible asset	1	347
Leases	93	126
Other temporary differences	214	23
<b>Income tax paid</b>	<b>30,482</b>	<b>37,913</b>

## ATO Corporate Tax Transparency Report

The ATO publishes an annual report of entity tax information which discloses total income, taxable income, and total tax payable by reportable entities.

The following table details NWL's published information for the 2022-23 income year. The ATO is yet to publish 2023-24 income year.

	FY2023 \$'000
Total income	214,749
Taxable income	101,612
<b>Income tax payable</b>	<b>30,482</b>

With regards to the above table:

- Total income consists of Platform Revenue and Other Income, recognised in accordance with Australian Accounting Standards;
- Taxable income is derived from accounting profit before tax, adjusted for temporary and permanent tax differences in accordance with Australian income tax legislation; and
- Income tax payable is calculated at the corporate income tax rate of 30%, reduced by any available tax offsets.

During the 2025 financial year, NWL finalised its claim for the Research and Development (R&D) tax offset relating to activities undertaken in the 2023 financial year. As a result, an amended income tax return for FY2023 was lodged in FY2025. The benefit from the R&D tax offset has been recognised in FY2025 and will be reflected in the FY2025 Annual Report and FY2025 Tax Transparency Report.

### International related party dealings

NWL did not enter into any international related party dealings during FY2023 to FY2024.

### Material tax risks or at-risk tax positions

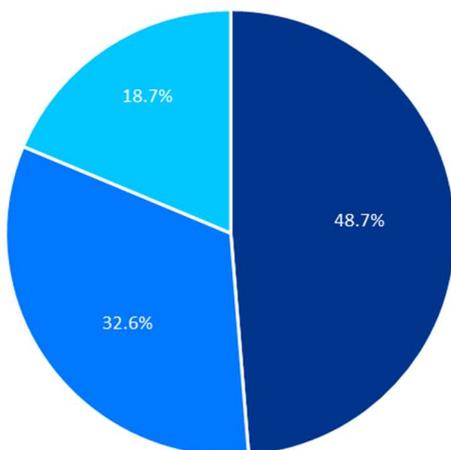
NWL has not identified any material tax risks or at-risk tax positions for FY2023 to FY2024.

### Summary of taxes paid

The charts below provide a summary of NWL's contribution to the Australian tax system for FY2023 and FY2024, and reflect the taxes paid based on the annual financial reports:

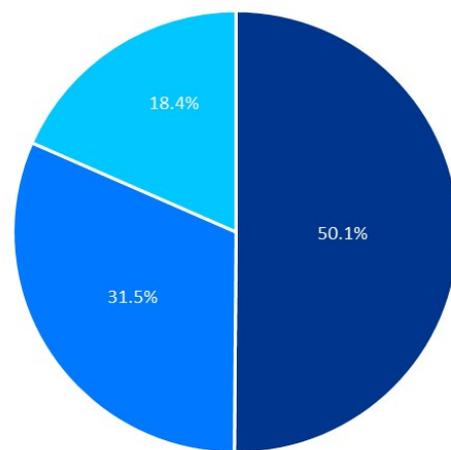
- Corporate tax – Income tax expense based on NWL's NPBT, including temporary differences adjustments.
- Employer taxes – Includes employee income tax remitted to the ATO based on remuneration paid by NWL to its employees, payroll tax paid on NWL's employment expenses and Fringe Benefits Tax on benefits provided to staff.
- GST – Net GST paid by NWL

Total Tax Contributions FY2023 - \$62.6m



■ Corporate taxes - \$30.5m ■ Employer taxes - \$20.4m ■ GST - \$11.7m

Total Tax Contributions FY2024 - \$75.6m



■ Corporate taxes - \$37.9m ■ Employer taxes - \$23.8m ■ GST - \$13.9m

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This document has been authorised for release by the Board of NWL.

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