Board Tax Policy

Tax Corporate Governance Policy

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<th>Policy Title:</th>
<th>Tax Corporate Governance Policy</th>
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<td>Approved By:</td>
<td>CFO</td>
<td>Policy Contact: Tax Manager</td>
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**REVISION HISTORY**

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<th>Revision No.</th>
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<td>1.0</td>
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TAX CORPORATE GOVERNANCE

The overall tax strategy of Webster Limited ('Webster') is determined by the risk tolerance established by the Board of Directors. The Board of Directors maintains a robust system of governance with the aim to meet best practices in standards of corporate responsibility. The board of Directors has delegated this responsibility to the Audit and Risk Committee.

This Tax Corporate Governance Board Policy sets the tax strategy and outlines the framework by which the tax obligations of Webster (as the Head entity of a tax consolidated group and all its subsidiaries) are met from an operational and risk management perspective.

Management maintain a Tax Risk and Operational Tax Matters Policy, which is prepared in line with this Policy, and provides a day to day tax management framework.

TAX STRATEGY

Webster is committed to complying with all its tax obligations established by the Australian Taxation Office and any other regulatory authorities in Australia (eg Offices of State Revenue). Webster focuses on integrity in compliance, reporting, engaging with tax authorities and enhancing shareholder value. The Board of Directors does not sanction or support any activities which seek to aggressively structure the tax affairs of Webster or its subsidiaries.

PURPOSE

The purpose of the Tax Corporate Governance Policy is to formally document Webster’s approach to manage the risk of non-compliance with the obligations set out by the various tax authorities. It outlines the program implemented by Webster and its subsidiaries to maintain appropriate risk management within its systems, people and culture. This program comprises processes, structures and guidelines which assist Webster to identify, assess and monitor and manage the tax risk, including material changes to its risk profile.

SCOPE

This Policy applies to all entities in the Webster group including all subsidiaries, their employees and agents.

POLICY

Systems are to be put into place by management to ensure that all tax calculations, tax payments and tax provisions will be managed with the objective that all liabilities properly due under the law are correctly recorded, accounted for and paid on time.
Webster employees who are responsible for the determination and calculation of tax liabilities will adopt valid, and supportable positions and will maintain awareness of prevailing views and risks with respect to the tax liabilities. The level of certainty required for tax positions taken will vary depending on the nature and size of the underlying issue. These tax liabilities will be required to be reported to the Audit and Risk Committee on a regular basis.

The tax attributes of all significant transactions or events will be considered by the Tax Function. A significant transaction is one that markedly affects Webster’s compliance, operational, financial or strategic outcomes or processes. The Chief Financial Officer ('CFO') is responsible for ensuring that the Audit and Risk Committee is informed of all the tax aspects of the significant transactions.

The Tax Function as aided by management is responsible for managing relationships with all revenue authorities in relation to Tax. This will include the ATO, any relevant State Authorities and any overseas revenue authorities as the need arises.

External tax advisors will be engaged to review tax returns as deemed appropriate, to review the tax provision as part of the financial audit process and in consultation when deemed appropriate on transactions and events with potential and/or actual significant tax implications. The choice of external tax advisor will generally be at the discretion of the CFO with the Audit and Risk Committee notified of the tax advisors used.

Responsibilities of the Board of Directors

The ultimate responsibility for corporate governance and as such the establishment of a tax risk management framework is borne by the Board of Directors. The board has delegated this responsibility to the Audit and Risk Committee. The Audit and Risk Committee considers and actions the tax issues and tax risk management issues that are brought to the attention of the Committee.

Webster’s Management provides regular reporting of tax risks to the Audit and Risk Committee to enable the Audit and Risk Committee to manage the tax risk of Webster.

Responsibilities of Management

The responsibility for the review, approval and signing of all significant reporting obligations is that of Webster’s Public Officer. The Public Officer will be separate to the Tax Function of the group.

Webster’s management is responsible for designing and implementing risk management and internal controls relating to tax risk governance including:

• Testing of internal controls;
• Creating processes to comply with relevant tax compliance;
• Identifying, assessing and monitoring risks from significant transactions, systems and financial statement processes.
• Keeping up to date with any changes to tax laws.

Management is responsible for reporting any significant risks to the Public Officer and to the Audit and Risk Committee.
Management of key Tax Processes

The CFO is accountable for tax processes including tax risk assessments and ensuring appropriate controls are put into place to manage identified risks and to capture new risks.

The Tax Function, with the oversight of the CFO, is responsible for the development, implementation and maintenance of internal controls, as well as policy and procedures for major transactions, for tax strategies and for keeping up to date with changes in tax law.

Management is responsible for maintaining and retaining tax documentation consistent with regulatory requirements.

Tax Risk Reporting and Monitoring

The Board of Directors and the Audit and Risk Committee bear the ultimate responsibility to provide corporate governance and approve the tax risk framework for management to operate in. In order to assist in the achievement of these obligations, the following reports are to be prepared and presented to the Audit and Risk Committee:

1) Tax Risk Register Update – this will include any tax compliance or operational matters that pose a major risk to Webster – yearly to the Audit and Risk Committee.
2) General Tax reporting – this will highlight any key tax compliance issues that have arisen in the period – each Audit and Risk Committee.

A Finance report is also provided to the Board of Directors at every Board meeting which provides commentary on any pertinent tax issues as is required.