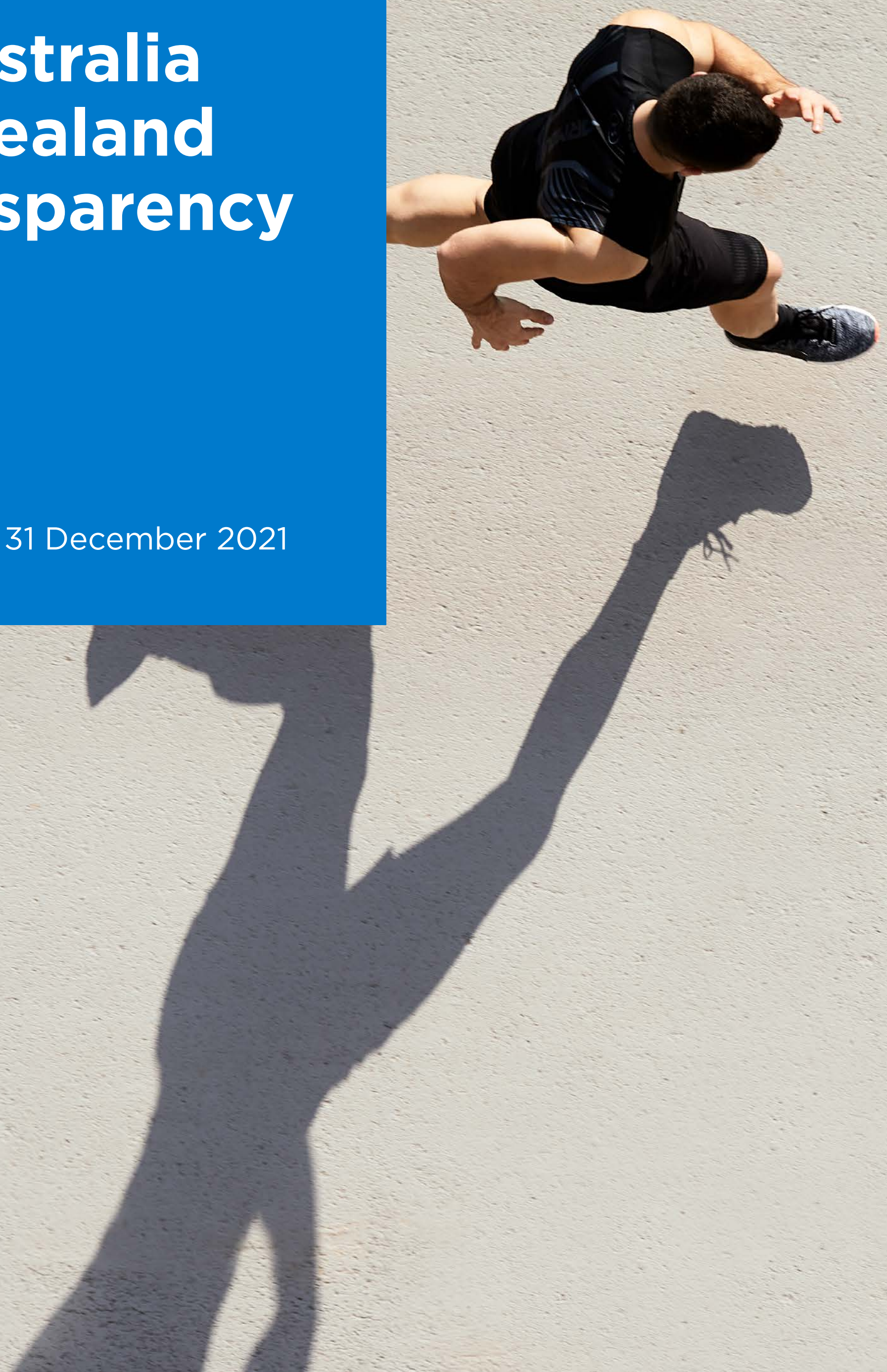
Bupa Australia & New Zealand Tax Transparency Report

For the year ended 31 December 2021



Foreword

It is our pleasure to present Bupa Australia & New Zealand's (**ANZ**) Tax Transparency Report for the year ending 31 December 2021. The report has been prepared in accordance with the Australian Voluntary Tax Transparency Code.

Bupa ANZ is part of a leading international healthcare group, with 18,000 employees and millions of customers in Australia and New Zealand. At Bupa, we are committed to helping our customers live longer, healthier, happier lives and making a better world.

This report includes details of Bupa ANZ's approach to tax governance and tax risk management which is underpinned by a strong risk management culture that supports Bupa ANZ in achieving its purpose.

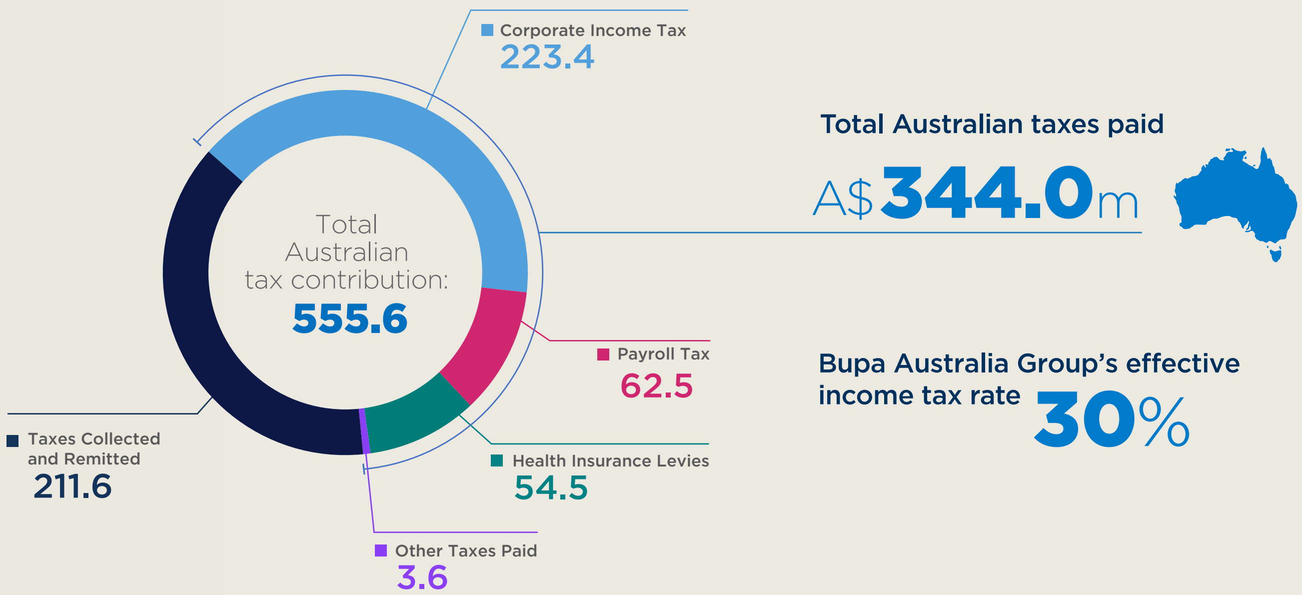
We believe it's important to be transparent with our tax affairs and we remain committed to complying with tax laws responsibly. We establish constructive relationships and transparently engage with the Australian Taxation Office (**ATO**) and other relevant tax authorities.

We are proud of the valuable economic contribution we made to Australia in 2021, which includes $344.0 million in taxes and levies paid and $211.6 million in taxes collected and remitted to Australian revenue authorities, resulting in a total tax contribution of $555.6 million.

We welcome the opportunity to once again voluntarily share this information with our stakeholders as part of our continuing commitment to transparency in our tax affairs.

Nick Stone,
Chief Financial Officer, Bupa Asia Pacific

Key Australian tax contribution for 2021 (A$'m)



Our business and operations

Bupa ANZ is part of the Bupa Group, an international healthcare group. The British United Provident Association Limited (**Bupa Parent**), the ultimate parent entity of the Bupa Group, is incorporated in England and Wales and is a company limited by guarantee without shareholders. The Bupa Group reinvests profits into providing more and better healthcare for the benefit of current and future customers around the world.

The Bupa Group entered the Australian market through the acquisition of HBA and Mutual Community in 2002 and MBF in 2008, which have origins reaching back to the 1930s and 1940s, respectively. Today Bupa ANZ employs 18,000 people across Australia and New Zealand within a diverse range of health and care businesses, which were as follows as at 31 December 2021:

Bupa Health Insurance, one of the leading health insurers in Australia, provided quality, affordable health insurance cover to more than 3.9 million Australian and international customers through our digital and online services, 65 retail stores and our customer call centre.

Bupa Health Insurance also distributed travel, home and contents, motor insurance products and international private medical insurance as an authorised representative of Insurance Australia Limited and pet insurance as an authorised representative of Petsure (Australia) Pty Ltd.

Bupa Health Services, a health provision business, comprised of:

- 197 dental clinics in Australia[1];
- 47 optical stores in Australia;
- Medical centres where we provided immigration health examinations to Australian visa applicants on behalf of the Australian Department of Home Affairs;
- The provision of an integrated health care system which provided end-to-end health care to support approximately 85,000 Australian Defence Force personnel; and
- The provision of quality clinical advisory services to the Australian Department of Veterans' Affairs.

Bupa Villages and Aged Care Australia provided residential aged care, respite and specialised dementia care services for approximately 5,300 residents in 59 homes and one retirement village in Australia.

Bupa Villages and Aged Care New Zealand provided care for approximately 3,300 residents in 49 care homes[2] and 2,200 residents in 37 independent living retirement villages.

Definitions

Bupa Parent	The British United Provident Association Limited
Bupa Group	Refers to Bupa Parent's wholly owned and controlled companies
Bupa ANZ	Refers to the Australian and New Zealand operations of the Bupa Group
Bupa Australia Group	Refers to Bupa's Australian multiple entry consolidated group comprised of all 100% owned Bupa Australian companies

1 In December 2021, Bupa announced the sale of its portfolio of 22 dental practices in New Zealand which completed in 2022.
2 In December 2021, Bupa announced the closure of three of our care homes which occurred in 2022.

Our approach to tax

Our approach to tax is based on six principles that help inform our decision making and uphold our commitment to transparency, fairness and robust governance. These principles are in line with the Bupa Group's values and *Code of Conduct*.

1 We only enter into commercial transactions and the tax positions we adopt are in accordance with applicable laws and practices. The Bupa ANZ Board is accountable for ensuring that our approach to tax is consistent with our principle of sustainable growth, within the Bupa Group's overall strategic framework.

2 In circumstances where tax legislation is unclear or subject to interpretation, we obtain independent external advice. We also engage tax advisors where specialist expertise is required on complex transactions, compliance obligations and to provide insight into industry practice.

3 We seek to establish constructive relationships and work positively with tax authorities – the ATO and State Revenue Offices in Australia and Inland Revenue in New Zealand. This is based on transparency and mutual respect, and we work with these tax authorities to minimise the extent of disputes. Where there are differences of opinion, we endeavour to work collaboratively with and seek clarity to resolve these differences in a satisfactory manner.

4 We price international related-party transactions on an arm's length basis in accordance with OECD principles and local tax laws and regulations, ensuring Bupa ANZ's transfer pricing reflects the commercial and economic substance of the transaction.

5 We approach our tax affairs in a manner that makes appropriate use of elections, deductions, and exemptions available in accordance with the tax legislation, as per the intent of the legislation.

6 We do not use contrived or artificial tax structures that are intended for tax avoidance or have limited commercial substance.

The Bupa Australia Group is part of the ATO's top 100 taxpayer justified trust program. To achieve justified trust, the ATO requires a taxpayer to provide objective evidence that would lead a reasonable person to conclude the taxpayer has paid the 'right' amount of tax, which is often achieved through the ATO's Pre-lodgement Compliance Review (PCR) process. The PCR process enables the ATO to understand the design and operation of Bupa Australia Group's tax control and governance framework, allows for transparency on tax treatments adopted and early engagement on material transactions.

The ATO's PCRs for the years ended 31 December 2018 and 2019 have been completed. The ATO obtained an overall high level of assurance for both years, meaning the ATO has obtained assurance that Bupa has paid the right amount of Australian income tax for these years, while also concluding that Bupa has achieved the highest income tax governance framework rating of Stage 3. The ATO's review of the Bupa Australia Group for the year ended 31 December 2020 is in progress. The Bupa Australia Group continues to work transparently and collaboratively with the ATO.

The ATO is also applying a 'partnering' approach to Bupa under the ATO's Action Differentiation Framework, which means that the ATO has confidence in Bupa's tax compliance and ongoing commitment to maintaining an open and transparent relationship.

Our approach to tax risk management

Bupa ANZ is committed to complying with tax laws responsibly and ensuring that tax is paid in the jurisdictions in which Bupa ANZ operates, based upon applicable laws and practices.

Maintaining a strong risk management culture is a strategic priority across Bupa ANZ. This culture helps us to foresee and adapt to the changing environments, evolving regulation and potential risks that could affect our customers and our business in the future.

The Bupa ANZ Board is accountable for Bupa ANZ's system of governance with responsibility for setting Bupa ANZ's risk appetite and approving the risk management framework, where we operate a three lines of defence model of governance.

Bupa ANZ's management of tax risk is aligned with this approach and is set out in the Bupa ANZ Tax Policy which is approved by the Bupa ANZ Board. The Bupa ANZ Tax Director, the Bupa ANZ Chief Financial Officer and the Bupa ANZ Chief Risk Officer are accountable for ensuring that these policies and procedures are embedded throughout Bupa ANZ to ensure tax risk is appropriately managed.

Bupa ANZ divides tax risk into two categories and has controls in place for managing these separate risks.

Tax Compliance Risk

Tax risk explained

The risk of a financial, regulatory or reputational impact due to errors, omissions or process failings in the usual course of managing Bupa ANZ's tax affairs. This includes the impact of not identifying and/or appropriately embedding a change in tax legislation.

How Bupa ANZ manages this risk

We minimise tax compliance risk through the use of preventative and detective controls.

We act on any errors identified to ensure they are corrected and improve our processes to mitigate the risk of repeat occurrences.

Tax Judgement Risk

Tax risk explained

The risk of a financial, regulatory or reputational impact arising out of a tax authority challenge or negative public perception to a position taken by Bupa ANZ.

How Bupa ANZ manages this risk

We only enter into commercial transactions and the tax positions we adopt are in accordance with applicable laws and practices.

Bupa ANZ's three lines of defence model and tax

The Bupa ANZ Board is ultimately responsible for the system of governance, risk management framework and setting policies for Bupa ANZ.

Bupa ANZ's risk management framework is approved annually by the Bupa ANZ Board and is implemented through the three lines of defence model. An assessment of the effectiveness of Bupa ANZ's risk management framework is conducted annually with the results presented to the Bupa ANZ Board Risk Committee.

The Bupa ANZ Tax Function identifies, assesses and manages tax risks in accordance with the Bupa ANZ Tax Policy. The Bupa ANZ Tax Function regularly report on material tax risks and tax matters to the Bupa ANZ Board Audit Committee and the Bupa Group's Tax Function, including details of how tax risks are being monitored and managed. The Bupa ANZ Board Audit Committee assists the Bupa ANZ Board in its review and monitoring of tax matters and therefore provides an oversight role in respect of tax matters.

In addition, Bupa ANZ Internal Audit undertakes independent testing of the effectiveness of Bupa ANZ's processes and controls, including tax, and reports their findings and any recommendations to the Bupa ANZ Board Audit Committee.

Outlined below is the application of the three lines of defence model in the context of tax risks and the Bupa ANZ Tax Policy.

Bupa ANZ's Tax Function consists of qualified tax professionals with the appropriate skills and experience to implement our tax control framework and to stay up to date with changes in tax legislation. Bupa ANZ's Tax Function consists of individuals with a balance of both technical and business specific knowledge. This tax expertise ensures that domestic and cross border tax issues are managed appropriately and that the Bupa Group is able to comply with its tax obligations in ANZ.

Information flow

1st line Bupa ANZ Tax Function Identify, Manage & Report/Advise & Support/Monitor & Test	**Identify, manage and report** • Identifying, assessing, controlling and mitigating tax risks to Bupa ANZ's objectives. • Compliance with the Bupa ANZ Tax Policy and tax laws and regulations. • Identifying, escalating and learning from incidents. • Reporting of tax risk positions, weaknesses and incidents. **Advise and support** • Advise on the application of the Bupa ANZ Tax Policy and tax laws and regulations. • Provide advice on the design and testing of controls to support compliance. **Monitoring** • Monitor and test the effectiveness of controls and compliance with the Bupa ANZ Tax Policy and tax laws and regulations.
2nd line Bupa ANZ Risk & Compliance Advise & Support/Oversight & Challenge	**Oversight and challenge** • Independent oversight, assurance and challenge (including testing and monitoring) of risk governance and risk management practices conducted by the First Line of Defence (1LOD). • Form an independent view on the quality and sufficiency of Bupa ANZ's tax risk management activities and internal control environment. **Advise and support** • Setting the Bupa ANZ Risk Management Framework (RMF) through which the business manages risk. • Providing guidance and support to 1LOD on how to embed the RMF. • Aggregate risk information for analysis and onward reporting to the Bupa ANZ Board Risk Committee (and Bupa ANZ Board).
3rd line Internal Audit Independent Assurance	**Independent assurance** • Examine and evaluate the adequacy and effectiveness of Bupa ANZ's governance, risk management and internal control processes in relation to Bupa ANZ's defined goals and objectives. • Evaluate all Bupa ANZ processes ("audit universe") including governance processes and risk management processes.

Reconciliation of the Bupa Australia Group's accounting profit to income tax expense and income tax payable

As the Bupa Group has multiple entry points of investment into Australia, an Australian multiple entry consolidated group has been formed and is comprised of all 100% owned Bupa Australian companies (**Bupa Australia Group**). The Bupa Australia Group is treated as a single taxpayer for Australian income tax purposes and Bupa ANZ Group Pty Ltd (**BAG**), as the 'provisional head company', lodges one Australian consolidated income tax return on behalf of the Bupa Australia Group. Bupa ANZ's New Zealand companies do not form part of the Bupa Australia Group.

Outlined below is a reconciliation of the Bupa Australia Group's accounting profit to income tax expense (**ITE**), ITE to income tax payable and income tax payable to income tax paid for the year ended 31 December 2021 (with 2020 comparatives).

Reconciliation of accounting profit to income tax expense

The ITE of the Bupa Australia Group is calculated based on Australian accounting standards and represents accounting profit before tax multiplied by Australia's corporate tax rate of 30%, adjusted for non-temporary differences between the accounting and tax treatment of items (e.g. income and expenses which are non-assessable and non-deductible for tax purposes).

	2021	2020[3]
	A$'000	A$'000
Profit / (loss) before ITE of the Bupa Australia Group	**350,044**	**180,576**
income tax at the Australian corporate tax rate of 30%	**105,013**	**54,173**
Income tax effect of non-temporary differences:		
Non-assessable income	(6,107)	(546)
Non-deductible expenses	8,972	4,972
Utilisation of capital losses	-	(8,435)
Adjustment for prior years	573	(300)
Other items	(3,156)	486
Total ITE of the Bupa Australia Group	**105,295**	**50,350**

Reconciliation of income tax expense to income tax payable

In any year, there will be differences between the ITE of the Bupa Australia Group and the calculated amount of income tax payable by the Bupa Australia Group.

This is due to a number of temporary differences between the accounting and tax treatment of various items (e.g. amounts are assessable or deductible for tax at a different time to when they are recognised under accounting practices). Temporary differences will eventually reverse over time.

	2021	2020[3]
	A$'000	A$'000
Total ITE of the Bupa Australia Group	**105,295**	**50,350**
Less: Adjustment for prior years	**(573)**	**300**
ITE for the current year	**104,722**	**50,650**
Temporary differences between accounting and tax treatment		
Deferred claims liability[4]	397	90,755
Unexpired risk liability	10,725	-
Deferred acquisition costs	6,185	915
Give back provision[5]	31,113	-
Foreign exchange gains / losses	223	17,508
Employee benefits[6]	(14,991)	21,555
Property, plant and equipment	1,274	10,781
Bed licences	11,972	-
Other intangible assets	2,793	6,948
Financial investments	3,042	839
Other provisions and accruals	2,663	648
Other items	5,057	(3,399)
Income tax payable for the current year for Bupa Australia Group	**165,175**	**197,200**

3 In the Bupa Australia Group's financial statements for the year ended 31 December 2021, the results for the year ended 31 December 2020 were restated to reflect changes in accounting standards and interpretations as well as the remeasurement of accounting estimates relating to the Bupa Australia Group's pay compliance review.

4 Due to impacts of COVID-19 in 2020, the Bupa Health Insurance business recognised a deferred claims liability (DCL) provision of $302.5m as at 31 December 2020. The DCL provision was treated as non-deductible for income tax purposes in 2020 and gave rise to a temporary difference of $90.8m ($302.5m at 30%). The DCL provision increased to $303.8m as at 31 December 2021.

5 A customer give back provision of $103.7m was recognised as at 31 December 2021 that relates to the return of permanent COVID-19 savings to customers through a give back program announced on 6 October 2021. The provision was treated as non-deductible for income tax purposes in 2021 and gave rise to a temporary difference of $31.1m ($103.7m at 30%).

6 A self-initiated comprehensive proactive review of pay related systems and processes in Australia found both underpayments and overpayments relating to employee entitlements affecting some current and former employees during their employment with the Bupa Australia Group. A best estimate provision of $101.3m was recognised in the Bupa Australia Group's financial statements for the year ended 31 December 2021, with $22.2m relating to 2021 and the results for the year ended 31 December 2020 restated to reflect $16.7m relating to 2020 and $62.4m relating to 2019 and prior years. Employee remediation and associated interest amounts were treated as deductible for income tax purposes in 2021. The tax treatment of the pay compliance review amounts resulted in a temporary difference of ($22.4m) ($74.6m at 30%) in 2021.

Reconciliation of income tax payable to income tax paid

There will also be differences between the calculated amount of income tax payable by the Bupa Australia Group for the year and the total income tax actually paid to tax authorities during the year. This is primarily due to the timing of the Bupa Australia Group's monthly income tax instalment payments and the timing of final tax payments or receipt of tax refunds relating to the Bupa Australia Group's income tax returns.

	2021	2020
	A$'000	A$'000
Income tax payable for the current year for Bupa Australia Group	**165,175**	**197,200**
Add:		
Opening balance of income tax payable/(receivable)	107,315	(23,473)
Adjustment for prior years	(4,010)	(157)
Subtract:		
Closing balance of income tax receivable/(payable)	(44,407)	(107,315)
Equals:		
Income taxes paid to the ATO	223,425	65,546
Income taxes paid to New Zealand Inland Revenue[7]	648	709
Total income taxes paid during the year by Bupa Australia Group	**224,073**	**66,255**

7 Relates to New Zealand interest withholding tax paid which is claimable as foreign income tax offsets for Australian income tax purposes.

Effective tax rate of the Bupa Australia Group and the Bupa Group

The Bupa Group calculates its effective tax rate (**ETR**) as ITE divided by accounting profit before ITE.

Bupa Australia Group

The Bupa Australia Group's ETR for 2021 was 30%, which is equal to the Australian corporate income tax rate of 30%.

The Bupa Australia Group's ETR for 2020 was 28% which was lower than the Bupa Australia Group's applicable corporate income tax rate of 30%. This was mainly due to the utilisation of carried forward capital losses for which no deferred tax asset had been previously recognised.

Bupa Group

The Bupa Group's ETR for 2021 was 15% which is lower than the United Kingdom (**UK**) corporate income tax rate of 19%. This is due to a prior year credit of £43m following a favourable court decision in Spain. If this exceptional item was removed, the Group's effective tax rate would be 25%, due mainly to profits arising in jurisdictions with a higher rate of corporate income tax than the UK, such as Australia.

The Bupa Group's ETR for 2020 was 44%. This was mainly due to a one-off deferred tax charge of £68m as a result of the change in the basis of recognition of the UK pension surplus. In addition, all other UK deferred tax balances were revalued as a result of the change in the enacted UK tax rate (from 17% to 19%) increasing the overall Bupa Group tax charge by a further £15m. If these exceptional items are removed the Bupa Group's ETR would be 24%, which is higher than the UK corporate income tax rate of 19% due to significant profits arising in overseas locations with a higher corporate income tax rate than the UK.

	Bupa Australia Group	Bupa Australia Group	Bupa Group	Bupa Group
	2021	2020[8]	2021	2020[9]
	A$'000	A$'000	£'000	£'000
Profit / (loss) before ITE	350,044	180,576	423,240	395,900
ITE / (benefit)	105,295	50,350	62,025	176,170
Effective tax rate	30%	28%	15%	44%

ATO corporate tax transparency disclosures

In accordance with the ATO's tax transparency measures, the ATO annually publishes income tax return information for certain large taxpayers.

The following income tax information has been published or is expected to be published by the ATO in respect of the Bupa Australia Group:

	31 December 2020	31 December 2019
Bupa ANZ Group Pty Ltd (ABN: 95608490455)	**A$'000**	**A$'000**
Total income	8,611,927	8,360,962
Taxable Income	643,966	279,067
Tax Payable	192,481	82,299

A reconciliation of these disclosures is provided below:

	31 December 2020	31 December 2019
Bupa ANZ Group Pty Ltd (ABN: 95608490455)	**A$'000**	**A$'000**
Total income	**8,611,927**	**8,360,962**
Total Expenses	(8,406,621)	(8,397,072)
Profit / (loss) before ITE[10]	205,306	(36,110)
Net tax adjustments	438,660[11]	315,177[12]
Taxable Income	**643,966**	**279,067**
Prima Facie Tax Payable @ 30%	193,190	83,720
Tax offsets	(709)	(1,421)
Tax Payable	**192,481**	**82,299**

8 In the Bupa Australia Group's financial statements for the year ended 31 December 2021, the results for the year ended 31 December 2020 were restated to reflect changes in accounting standards and interpretations as well as the remeasurement of accounting estimates relating to the Bupa Australia Group's pay compliance review.
9 In the Bupa Group's financial statements for the year ended 31 December 2021, the results for the year ended 31 December 2020 were restated to reflect changes in accounting standards and interpretations as well as the remeasurement of accounting estimates relating to the Bupa Australia Group's pay compliance review.
10 Accounting profit/(loss) before tax in the income tax return differs immaterially from the accounting profit/(loss) before tax in the financial statements, as the finalised accounting profit/(loss) before tax for the Bupa Australia Group's dental business is reflected in the income tax return.
11 Primarily relates to the provision for deferred claims liability (DCL) provision of $302.5m recognised in the Bupa Health Insurance business due to the impacts of COVID-19 in 2020. The DCL provision was treated as non-deductible for income tax purposes.
12 Primarily relates to the impairment of the goodwill of the Bupa Villages and Aged Care Australia business of $319.6m, which was non-deductible for income tax purposes, and other differences between the accounting and tax treatment of various items.

Our Australian tax contribution

The Bupa Australia Group pays taxes directly to tax authorities in Australia and collects taxes on behalf of those authorities from our customers, employees and payments to Bupa Group related parties. Together this equates to our total Australian tax contribution.

The Bupa Australia Group's total Australian tax contribution was A$555.6m in 2021 (A$382.3m in 2020).

Australian taxes paid includes direct taxes such as corporate income tax, payroll tax, health insurance levies, non-recoverable goods and services tax (**GST**), fringe benefits tax (**FBT**), stamp duty and other withholding taxes.

Australian taxes collected include those in relation to Pay As You Go (**PAYG**) salary withholding, net GST remitted/(refunded) and other withholding taxes.

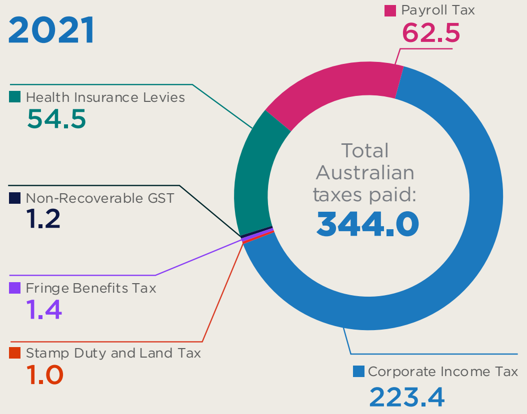
The following represents the Australian taxes we have paid or collected on behalf of others in the years ended 31 December 2021 and 2020:

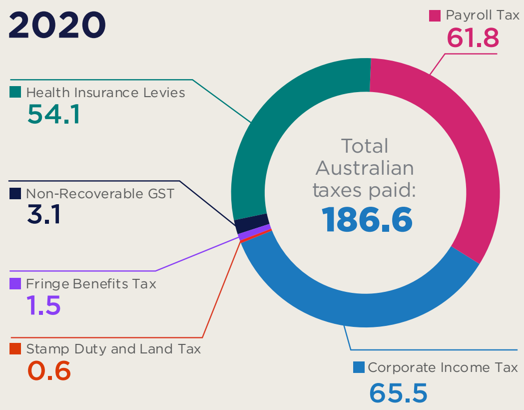
Total Australian tax contribution data

	Total Australian taxes paid		Total Australian taxes collected		Total Australian taxes contribution
2021	A$ **344.0m**	+	A$ **211.6m**	=	A$ **555.6m**
2020	A$ **186.6m**	+	A$ **195.7m**	=	A$ **382.3m**

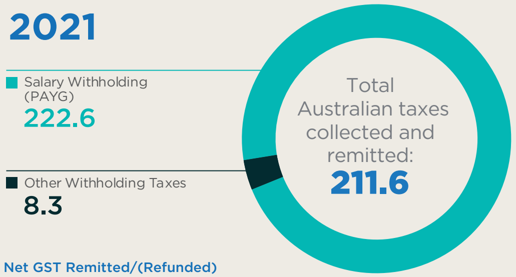
Australian taxes we contribute (A$'m)

Australian Taxes Paid

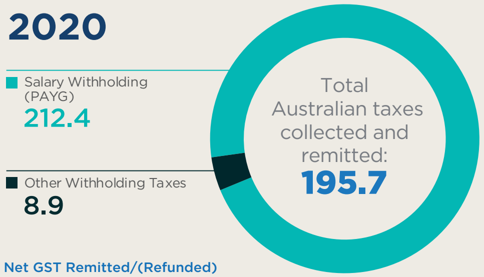




Australian Taxes Collected and Remitted



Net GST Remitted/(Refunded)
(19.3)



Net GST Remitted/(Refunded)
(25.6)

International related party dealings

As Bupa ANZ operates in two jurisdictions, Australia and New Zealand, and forms part of the Bupa Group, Bupa ANZ has a number of international related party dealings between its Australian and New Zealand subsidiaries, as well as with Bupa Group entities in the UK.

From the UK, the Bupa Group provides some central support and oversight to Bupa ANZ (and other Bupa Group markets) to ensure that the Bupa Group's governance and risk management frameworks are consistent across the Bupa Group and are sufficient to protect and grow the Bupa Group's businesses.

Bupa ANZ had the following key types of dealings with its international related parties during the 31 December 2021 year:

Type	Description
Financing	The Bupa Australia Group receives debt financing from its immediate parent company, Bupa Investments Overseas Limited, which, as agreed with the ATO, falls within the 'low risk' or 'green zone' rating in accordance with the risk framework set out in the ATO's Practice Compliance Guideline PCG 2017/4. The Bupa Australia Group also provides debt financing to Bupa ANZ's New Zealand operations.
Management and administrative services	Management and administrative services (for example, legal, clinical, risk and finance support and oversight services) provided by the Bupa Group from the UK to the Bupa Australia Group and by the Bupa Australia Group to its wholly owned New Zealand subsidiaries.
Investment management services	Investment management services provided to the Bupa Australia Group by the Bupa Group from the UK.
Cost recharges	Third party costs paid by an entity may be recharged to another entity that is the intended recipient/beneficiary of those third party costs. Cost recharges occur between members of the Bupa Group, the Bupa Australia Group and the New Zealand subsidiaries.

We price international related-party transactions on an arm's length basis in accordance with OECD principles and ANZ tax laws and regulations, ensuring Bupa ANZ's transfer pricing reflects the commercial and economic substance of the transaction. Appropriate transfer pricing documentation is procured each year to support the pricing adopted.

The Bupa Australia Group complies with Australia's country-by-country reporting requirements which provides the ATO with information relating to the Bupa Australia Group's international related party transactions and the Bupa Group.

Basis of preparation

This report covers the year ended 31 December 2021 and comparative period 31 December 2020 and provides an overview of the Australian tax contribution made by the Bupa Australia Group and further information in relation to our tax risk and governance profile.

This report has been prepared in accordance with the Australian Board of Taxation's Voluntary Tax Transparency Code.

Bupa Australia Group's income tax reconciliations and effective tax rate: The profit/loss before income tax expense, income tax expense, income tax payable, income tax paid and effective tax rate data for the Bupa Australia Group has been prepared by aggregating the relevant data from the financial statements of Bupa ANZ Healthcare Holdings Pty Ltd, Bupa ANZ Insurance Pty Ltd and Bupa ANZ Group Pty Ltd for the year ended 31 December 2021, which were externally audited and prepared in accordance with the requirements of the Corporations Act 2001 (Cth), Australian and International accounting standards and interpretations issued by the Australian Accounting Standards Board and the International Accounting Standards Board, with necessary elimination adjustments made. The effective tax rate of the Bupa Australia Group has been calculated as the income tax expense of the Bupa Australia Group divided by the profit/loss before income tax expense of the Bupa Australia Group.

Effective Tax Rate of the Bupa Group: The effective tax rate of the Bupa Group has been calculated as the income tax expense of the Bupa Group divided by the profit/loss before income tax expense of the Bupa Group, which have been sourced from the Bupa Group's financial statements for the year ended 31 December 2021.

Currency: Unless specifically noted otherwise, all amounts contained within this report have been disclosed in Australian Dollars.

Taxes paid and collected: Data that relates to taxes paid and taxes collected has been compiled using information on actual taxes paid or tax collected, net of refunds received, during the financial year (i.e. on a cash paid basis), rather than taxes paid or collected referable to the financial year. Taxes paid and taxes collected by non-controlled entities of the Bupa Australia Group are excluded.

ATO tax transparency disclosures: ATO tax transparency disclosures have been sourced from the Bupa Australia Group's income tax returns for the years ended 31 December 2019 and 31 December 2020 submitted to the ATO.

This report was approved by the Board of Directors for Bupa ANZ Healthcare Holdings Pty Ltd ACN 126 737 308, Bupa ANZ Insurance Pty Ltd ACN 098 309 025 and Bupa ANZ Group Pty Ltd ACN 608 490 455 in June 2022.

Bupa ANZ Group Pty Ltd
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