



## **Wesfarmers Limited Shareholder Tax Information Guide**

### **Return of capital to occur during the income year ending 30 June 2026**

The purpose of this tax information guide is to assist Wesfarmers shareholders understand the tax implications of the return of capital undertaken by Wesfarmers during the income year ending 30 June 2026.

Please be aware that the information contained within this tax information guide is general in nature and should not be relied upon as advice. As the tax implications for each shareholder will depend on the circumstances of the particular shareholder, shareholders are encouraged to seek their own professional advice in relation to their tax position. Neither Wesfarmers nor any of its officers, employees or advisors assumes any liability or responsibility for advising shareholders about the tax consequences of the capital management initiative.

The tax implications of the return of capital may vary for Wesfarmers shareholders who hold their shares within the Wesfarmers employee share plans (the Plans). Wesfarmers will provide separate information to participants in the Plans regarding the tax implications arising from the return of capital.

#### **Australian Taxation Office (ATO) Class Ruling**

Wesfarmers has obtained a Class Ruling CR 2025/85 from the ATO which governs the Australian tax treatment of the return of capital to Wesfarmers shareholders who hold their shares on capital account. A copy of the Class Ruling is available from the Wesfarmers website ([www.wesfarmers.com.au](http://www.wesfarmers.com.au)). The Class Ruling does not apply to Wesfarmers shareholders who hold their shares on revenue account, or as trading stock, or for shareholders who have elected for the Taxation of Financial Arrangement provisions to apply in respect of their shares.

#### **Return of Capital**

Wesfarmers made a cash payment to shareholders of \$1.10 per share as a return of capital on Thursday 4 December 2025. The return of capital represents a total payment to shareholders of approximately \$1,249 million.

Wesfarmers shares purchased on or before Tuesday 4 November 2025 were eligible to receive the return of capital. Wesfarmers shares purchased on or after Wednesday 5 November 2025 were not eligible for the return of capital.

#### **Tax implications of the return of capital for Wesfarmers shareholders**

##### *Resident shareholders*

For those shareholders who are tax residents of Australia and held their shares on capital account at the time the return of capital was paid, no part of the return of capital should be treated as a dividend for income tax purposes. Also:

- the cost base for each share acquired after 19 September 1985 should be reduced by the return of capital amount (on a cents per share basis) for the purpose of calculating any capital gain or capital loss on the ultimate disposal of that share; and
- if the cost base (after taking into account any relevant adjustments for indexation, previous returns of capital, previous share consolidations or the Coles demerger) of a share acquired after 19 September 1985 is less than the return of capital amount (on a cents per share basis), then an immediate capital gain will arise for the difference. The capital gain will be a discount capital gain for shareholders that are an individual, trust or complying superannuation fund and acquired their shares at least 12 months before the payment date of Thursday 4 December 2025. The discount factor for resident individuals and trusts is one-half and for complying superannuation funds is one-third.



No capital gain or capital loss should arise in respect to a share acquired on or before 19 September 1985.

#### *Non-resident shareholders*

For those shareholders who are not tax residents of Australia and hold their shares on capital account, no Australian income tax implications should arise as a consequence of the return of capital. Non-resident shareholders should seek specific advice in relation to the tax consequences arising from the return of capital under the laws of their country of residence.

#### **Illustrative Examples: Adjustment to cost base for return of capital**

Set out below, are two illustrative examples of how a Wesfarmers shareholder would adjust the cost base of their shares for the return of capital. All information quoted below is in Australian dollars.

##### *Example 1: A Wesfarmers shareholder with one tranche of purchases in holdings*

<b>Adjusted cost base</b>			
Purchase date	Adjusted cost base <b>A</b>	Number of shares <b>B</b>	Adjusted cost base per share <b>C = A / B</b>
March 2007	\$2,500	100	\$25.00
<b>Capital Return</b>			
\$1.10 per share paid (100 shares x \$1.10 per share = \$110.00)			
<b>Calculation of reduced cost base</b>			
Purchase date	Reduced total cost base (Adjusted cost base less capital return) <b>D = A - (B x \$1.10)</b>	Number of shares <b>E</b>	Reduced cost base per share <b>F = D / E</b>
March 2007	\$2,390	100	\$23.90

##### *Example 2: A Wesfarmers shareholder with multiple tranches of purchases in holdings*

<b>Adjusted cost base</b>			
Purchase date	Adjusted cost base <b>A</b>	Number of shares <b>B</b>	Adjusted cost base per share <b>C = A / B</b>
June 2000	\$1,350	150	\$9.00
March 2004	\$4,000	200	\$20.00
March 2007	\$2,500	100	\$25.00
Total	\$7,850	450	
<b>Capital Return</b>			
\$1.10 per share paid (450 shares x \$1.10 per share = \$495.00)			
<b>Calculation of reduced cost base</b>			
Purchase date	Reduced total cost base (Adjusted cost base less capital return) <b>D = A - (B x \$1.10)</b>	Number of shares <b>E</b>	Reduced cost base per share <b>F = D / E</b>
June 2000	\$1,185	150	\$7.90
March 2004	\$3,780	200	\$18.90
March 2007	\$2,390	100	\$23.90
Total	\$7,355	450	

**Note:** The above cost base examples assume an adjusted cost base and number of shares that have already taken into account previous returns of capital, share consolidations and the Coles demerger.