ASX Release

11 August 2026

Company Announcements Office
ASX Limited
Level 27, 39 Martin Place
Sydney NSW 2000

2026 ANNUAL REPORT

SGH Ltd (ASX: SGH) attaches the Annual Report for the year ended 30 June 2026.

This announcement has been authorised for release to the ASX by the Board of SGH Ltd.

For investor information, please contact:
Daniel Levy – Head of IR and Communications
+61 28777 7106 | investorrelations@sghl.com.au

For media enquiries, please contact:
Robert Skeffington – FTI Consulting | +61 427 023 810
Robert.skeffington@fticonsulting.com; or

Shane Murphy – FTI Consulting | +61 420 945 291
Shane.murphy@fticonsulting.com

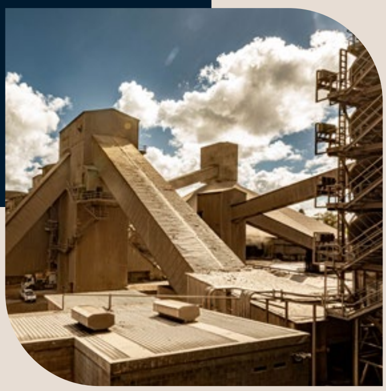
SGH Ltd (ASX: SGH) is an Australian diversified operating company, with market leading businesses across industrial services, energy, and media. SGH owns WesTrac, Boral and Coates. WesTrac is the sole authorised Caterpillar dealer in WA and NSW/ACT. Boral is Australia's leading integrated construction materials business. Coates is Australia's largest equipment hire business. SGH has a ~30% shareholding in Beach Energy, and wholly owns SGH Energy. SGH has a ~20% shareholding in Southern Cross Media Group.

Annual Report 2026

SGH

About Us

SGH is a leading Australian diversified operating company. Our market-leading industrial services and energy businesses are built on privileged assets and run through a single operating model, the SGH Way, measured across People, Operations, Assets and Financials. We are relentless operators, converting those positions into earnings that compound through cycles, growing returns for shareholders and supporting the sectors that power Australia's prosperity.



Contents

Compounding Excellence

The SGH Way is the framework through which we allocate capital, drive performance and hold ourselves accountable. It is supported by our performance flywheel that builds momentum by consistently pushing in one direction, with each rotation compounding on the last and lifting the base from which the next begins.

We are relentless operators of our assets and businesses, and performance improvement at SGH is continuous, not episodic; that is how excellence compounds.

Industrial Services EBIT

$1.5bn

↑ **4%**

Operating Cash Flow

$2.1bn

↑ **6%**

Performance Highlights

SGH delivered a strong FY26 result, with earnings growth, cash generation, and deleveraging supported by disciplined capital allocation and execution of the SGH Way operating model.

Revenue ($bn)
10.6
↓ 2%

EBITDA ($m)
2,084
↑ 2%

EBIT ($m)
1,554
↑ 1%

10-year EBIT CAGR
18%

FIVE YEAR RESULTS ($m)	FY26	FY25	FY24	FY23	FY22
Revenue	**10,563.9**	10,743.5	10,605.2	9,626.5	8,965.7
Underlying results[(a)]					
EBITDA	**2,083.7**	2,046.3	1,929.9	1,688.5	1,465.0
EBIT	**1,554.2**	1,537.4	1,419.2	1,186.5	987.1
Profit before tax	**1,255.4**	1,221.0	1,125.7	903.1	733.5
Underlying EPS ($)	**2.26**	2.27	2.31	1.80	1.52
Statutory results					
Profit before tax	**940.2**	811.0	765.8	855.3	773.5
Profit after tax	**692.2**	526.9	522.1	646.5	607.4
Reported EPS ($)	**1.69**	1.29	1.26	1.64	1.54
Operating cash flow per share[(b)] ($)	**3.67**	3.49	2.19	3.29	1.41
Free cash flow per share[(c)] ($)	**1.81**	1.70	0.47	1.73	(0.28)
Full year fully franked ordinary dividend paid per share ($)	**0.64**	0.60	0.46	0.46	0.46

(a) Underlying results comprise statutory results adjusted for significant items and are separately disclosed in Note 3: Significant items of the Financial Report to assist users in understanding the financial performance of SGH. Underlying results are reconciled to statutory performance on page 20. They are a non-IFRS measure and have not been audited or reviewed.

(b) Operating cash flow per share is calculated by dividing the operating cash flow of SGH by the weighted average number of ordinary shares outstanding during the year.

(c) Free cash flow per share is operating cash flow less net capital expenditure, divided by the weighted average number of ordinary shares outstanding during the year.

Chairman's Letter

The Board is confident in SGH's strategy, in the capability of the management team, and in the people across our businesses.

Dear SGH Shareholders,

It is a privilege to present the FY26 Annual Report as the Chairman of SGH. I assume the role following the retirement of Terry Davis, who joined the Board in 2010 and served as Chairman from 2021. Over that time SGH transformed from a small, closely held investment company with a collection of eclectic assets into one of Australia's leading industrial companies. That outcome was built on disciplined capital allocation, an engaged Board, and a management team that has consistently driven strong operational performance. On behalf of the Board and shareholders, I thank Terry for his stewardship. My focus as Chairman is to extend that capital discipline and governance, and to support the management team as they continue to lift both operational performance and the disciplined growth for which SGH is now known.

The consistency of SGH's performance over the past decade, through variable demand in mining, construction and energy, reflects more than the strength of its market positions. It reflects the work of a relentless operator, consistently driving hundreds of small gains across People, Operations, Assets and Financials. The evidence is clear, earnings have compounded through cycles, margins expanded again in FY26, and strong cash generation continued to fund growth and shareholder returns while making disciplined use of leverage. FY26 continued that record, with results delivered in line with guidance and our core Industrial Services businesses outperforming.

The Board's first measure of performance, however, is not earnings; it is the safety of our people. Injury frequency rates improved again in FY26, with LTIFR down 38% and TRIFR down 29%. Zero Harm is not an aspiration published once a year, it is the standard against which the Board holds management every shift, on every site.

Shareholders have benefitted from the Board's disciplined approach to capital allocation. The FY26 final dividend of 32 cents per share takes full-year dividends to 64 cents, fully franked, up 3% and extending more than a decade of stable or growing dividends. Over that same decade, SGH's total shareholder return has outperformed the ASX 200 Industrials index by more than 6 times.

The on-market buy-back of up to $500 million commencing in FY27 reflects the same tests the Board applies to any use of capital. SGH continues to trade at a discount to the ASX 200 Industrials index despite the consistency and quality of our earnings. At that discount, repurchasing our own shares is a sound investment. The buy-back is accretive to earnings per share, supportive of total shareholder returns, and funded comfortably from free cash flow. Importantly, it does not constrain our capacity to invest in the next leg of growth.

Capital returns remain an important part of SGH's approach. The Board is committed to a sustainable, fully franked dividend that is stable and growing over time, complemented by buy-backs when our shares trade below intrinsic value and repurchase represents the best use of surplus capital. Together, the dividend and the buy-back reflect the Board's confidence in the outlook for the business and its ability to generate cash through the cycle.

Capital allocation is the Board's central responsibility, and we approach it as a disciplined framework rather than a series of separate decisions. Our first call on capital is the safety, integrity and productivity of the businesses we already own. We then allocate capital to organic growth and disciplined acquisitions that meet our return tests. At the same time, we maintain a strong and appropriately geared balance sheet, with surplus capital returned to shareholders where that is the best use of capital. Every use of capital competes against the alternative of returning it to you, and each is measured against a clear hurdle: returns above our cost of capital, with SGH's ambition to deliver 15% return on capital employed.

A healthy balance sheet is what gives the Board the freedom to apply that framework. With leverage below two times adjusted net debt to EBITDA at year end and strong free cash flow, SGH is well positioned to both fund its next phase of growth and return capital to shareholders, without compromising the standards we apply to every investment decision.

Within that framework, the Board has also widened where it looks for growth. Australia remains our core focus and our first priority, and will continue to receive the greater share of our capital. But domestic productivity challenges, and a wider set of opportunities in comparable markets, have led us to open the aperture to selected developed economies where our operating model can be applied.

This changes one test, not the discipline behind it. Every opportunity, at home or offshore, must still meet the seven criteria the Board applies to any acquisition: an attractive, growing sector, a geography that fits our operating model, privileged and hard-to-replicate assets, sufficient scale, a price below intrinsic value, a clear opportunity to lift performance through our operating model, and a transaction we can execute and control. Offshore opportunities carry a higher return hurdle to reflect the added risk. The aperture has widened. The discipline has not.

The Board and executive leadership were deliberately renewed during the year. I thank Annabelle Chaplain, who retired in February 2026, for her outstanding service, including as Chair of the Audit and Risk Committee. Mark Johnson succeeded Annabelle as Chair of that Committee, while Vik Bansal joined the Board as Executive Director following his leadership of Boral, before transitioning to Non-Executive Director from 2 July 2026.

An effective Board must keep its composition aligned with the businesses it oversees. That means maintaining the right mix of operational, financial and capital allocation experience that SGH's interests in construction, mining production and energy require. The transition of the chairmanship from Terry Davis was planned and orderly, preserving continuity of judgement while bringing fresh perspective. The same discipline guides how the Board will approach its skills, independence and succession in the years ahead.

For the first time, this report is structured around the four pillars through which SGH manages its businesses: People, Operations, Assets and Financials. This reflects how SGH is run, with one operating model applied consistently across every business. Reporting through this lens gives shareholders a clearer view of the disciplines that drive performance over time. The pages that follow present WesTrac, Boral, Coates and Beach Energy as the product of a single system, rather than a collection of favourable outcomes.

The Board is confident in SGH's strategy, in the capability of the management team, and in the people across our businesses. On behalf of the Board, I thank our people for their commitment, the executive team for their leadership, and you, our shareholders, for your continued support.

Yours sincerely,

John Gillam
Chairman

Managing Director & CEO's Letter

Our businesses are built on privileged assets and market-leading positions, and the operating model is designed to maximise the returns they generate.

Dear SGH Shareholders,

FY26 was a year of strong delivery. The markets we serve have sound underlying fundamentals, from a growing infrastructure and construction pipeline, to steady mining production, and durable energy demand. Conditions were mixed through the year, and our result reflects the discipline of the operating model as much as the markets themselves.

Earnings grew in line with our guidance, EBIT margins expanded again, and cash conversion of 99% allowed us to increase returns to shareholders while still reducing leverage to 1.8 times adjusted net debt to EBITDA. Performance improvement at SGH is relentless and continuous. It is the outcome of hundreds of actions across the four pillars of SGH: People, Operations, Assets and Financials.

The SGH Way is our operating model. It is the single system through which we allocate capital, drive execution and hold ourselves accountable, applied consistently across WesTrac, Boral, Coates and our energy businesses. We are relentless operators, and the compounding of that discipline underpins SGH's performance.

People

The safety of our people is our highest priority. In FY26, SGH's LTIFR improved 38% to 0.5, and TRIFR improved 29% to 2.2. These outcomes reflect visible leadership and a commitment to safety across our workforce. Through the year, we strengthened our Life Saving Rules across each of our businesses and reinforced leadership accountability for safety.

Zero Harm is the first of our ambitions at SGH, and we remain committed to continuous improvement in safety outcomes across the business.

Beyond safety, FY26 demonstrated the leadership depth the businesses have built. The appointment of Matt McKenzie as Boral Chief Executive, through internal promotion, reflects a deliberate multi-year investment in succession. Leadership depth is central to our operating model, as accountability and execution discipline depend on it. There is more to do here, and succession remains a focus going forward. Below our leadership, the SGH Way continues to build capability across the business, giving our people a common language for how we operate and hold each other to account.

Operations

Operations are where value is created, at the frontline, on the customer site, and in the workshop. Each business demonstrated the operating model in action in FY26.

Boral delivered further earnings growth, with EBIT margins expanding for a fourth consecutive year, up 113 basis points to 14.1%. Its trajectory toward sustainable mid-teen margins remains on track, delivered through cost management and variabilisation, asset reliability, pricing discipline, technology adoption and stronger frontline accountability.

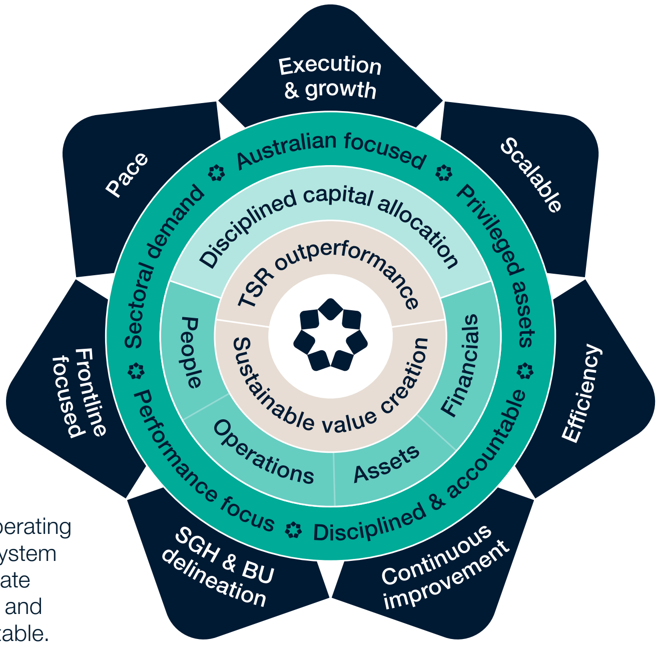
WesTrac grew earnings by 1% on the strength of product support, with a growing and ageing installed machine base driving record rebuild activity, higher technician productivity and a step change in parts availability.

Coates managed a dynamic infrastructure and construction market with discipline, lifting time utilisation by 160 basis points to 61%, reducing its cost base and improving customer service and sales execution. The financial result in FY26 was disappointing, and we are focused on driving actions to deliver on Coates' potential as the leading rental services company in Australia. With the infrastructure pipeline mobilising into FY27, including the South East Queensland program ahead of the Brisbane Olympics, the business is well positioned for the expected recovery in customer demand.

In Energy, the Crux LNG backfill project remains on track, with marketing of SGH's LNG share now underway. Beach delivered its production guidance, reaching nameplate capacity at Waitsia in April 2026, and is focused on how it can leverage its position as a leading, low-cost, returns-focused energy producer to grow its asset base.

This year we stepped up our focus on AI as an accelerator of our business and the SGH operating model. More than 45 use cases have been identified across SGH, with agents live in quoting, pricing, parts planning, condition monitoring and customer support. At Coates, an AI equipment specialist handled close to 4,000 customer enquiries. At WesTrac, advanced planning platforms lifted component availability and released more than $20 million of inventory. The opportunity is not headcount substitution; it is faster decisions, more effective pricing, and more time for our people to spend with customers.

The operating environment requires us to engage wherever policy settings affect the value of our businesses. In late June 2026 we lodged a submission on the Government's draft Domestic Gas Reservation Scheme. SGH has a distinct position as both a major producer and a large industrial consumer of gas, and we support the objective of a reliable, affordable and investible domestic gas market.



The SGH Way

The SGH Way is our operating model. It is the single system through which we allocate capital, drive execution and hold ourselves accountable.

However, as drafted, the scheme would fundamentally undermine the domestic gas sector without adding new supply, by weakening the investment case on which lasting affordability ultimately depends.

Assets

Our businesses are built on privileged assets and market-leading positions, and the operating model is designed to maximise the returns they generate. A strong balance sheet gives us the capacity to invest with discipline. Under our capital allocation framework, our first priority is to invest in our existing businesses to support their growth potential. These businesses generate strong cash flows, providing the capacity to reinvest, while also retaining sufficient surplus capital to pursue new opportunities. Every capital allocation decision must meet strict hurdle requirements, whether it is directed towards our existing businesses or new opportunities.

Boral's landholdings are a privileged asset in their own right, and we are focused on unlocking that value for shareholders. Ravenhall is the first step, through the Ravenhall Logistics Precinct partnership, with further sites to follow.

We have continued to invest to strengthen our asset base in FY26, including into Boral's network, with additional cement storage closer to market, the Marulan quarry upgrade, and bolt-on acquisitions securing long-life quarry reserves. It has also included fleet renewal at Coates, and capacity expansion at WesTrac, including the Karratha branch and warehouse automation. In Energy, our investment in Crux remains in the development phase, ahead of first production expected in the second half of calendar year 2027. These investments, together with the surplus property program, will support our next leg of growth.

Capital discipline, equally, means the willingness not to act. During the year we pursued BlueScope, a significant opportunity that met our strategic criteria, and demonstrated our capacity to act at scale. We held our discipline on price and value rather than move beyond it. An acquisition must create value for SGH shareholders at the price paid, and we will not compromise that test for the sake of growth.

We will continue to actively pursue adjacencies and inorganic opportunities in FY27 to support our growth ambitions. This is a core attribute of the SGH operating model.

Financials

Revenue of $10.6 billion generated underlying EBIT of $1.6 billion, up 1% on FY25 and in line with our guidance of low-to-mid single-digit growth. Operating cash flow of $2.1 billion was up 6% year on year, with EBITDA cash conversion across the Industrial Services businesses again above 90%. Leverage reduced 12% year on year. The Board declared a final dividend of 32 cents per share, fully franked, taking total FY26 dividends to 64 cents, up 3%, and approved an on-market buy-back of up to $500 million, the rationale for which the Chairman sets out in his letter. These returns build on a longer record. Over the five years to FY26, SGH has delivered total shareholder returns of 150%, 100% (absolute) ahead of the broader market.

That financial strength is what allows us to grow. Our capital allocation framework is unchanged. We invest where we see long-duration demand, privileged assets, meaningful scale and a clear performance or value disconnect the SGH Way can close, and only where a path to control is actionable.

As the SGH operating model matures, we are confident the SGH Way is portable to developed markets substantially similar to our own. Our bias remains firmly to Australia, and the great majority of your capital will continue to be invested here, where our scale and position are a competitive advantage.

During the year we set out our long-term ambition in five numbers: 0-1-10-15-30. **Zero** Harm across every business, site and shift. **One** SGH Way, a single operating model with a common language and accountability framework. **10**% EBIT and EPS CAGR over the medium-term. **15**% return on capital employed, the discipline applied to every capital decision. And a $**30** billion market capitalisation, which would place SGH in the ASX 50. The first two are the foundation, 10% growth is the engine, 15% ROCE is the discipline, and $30 billion is the aspiration. The ambition is deliberately demanding. It holds us to compounding improvement rather than periodic gains.

Our priorities for FY27 are clear, and they sit within the same four pillars. Operational execution, driving the SGH Way deeper into each business and to the frontline. Sales execution, lifting participation, win rates and price realisation. Operating leverage, holding cost bases flat while revenue grows so that margin continues to compound. And AI at scale, converting a proven pipeline of use cases into measurable earnings. These are not programs with an end date, they are permanent disciplines.

On behalf of the executive team, I thank our ~15,000 people for their commitment to our customers in FY26. I thank Terry Davis for his contribution over 16 years, and welcome John Gillam as Chairman. And I thank you, our shareholders, for your continued investment. We remain focused on delivering long-term value and rewarding your support with continued growth and TSR outperformance.

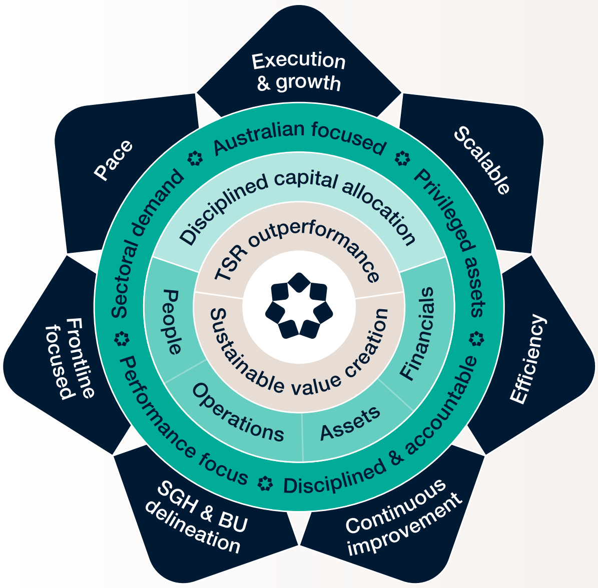
Yours sincerely,

Ryan Stokes AO
Managing Director & CEO

Our Strategy and Value Creation

SGH's strategy is to own and invest in businesses with privileged assets, and to drive their performance through the SGH Way, our operating model centred disciplined capital allocation, execution and accountability. It delivers long-term sustainable value creation and TSR outperformance through a clear, scalable framework aligned to our Purpose, Objectives and Values.

The SGH Way Operating Model



Compounding excellence

Relentless operator, focused on incremental gains.

SGH Way serves as scalable operating model.

Disciplined capital allocation supports earnings growth and durability of returns.

Frontline Focused, operators over administrators.

Performance Pillars

People

Leadership, culture, talent, safety and Owner's Mindset embedded at all levels.

Operations

Process efficiency, continuous improvement, cost-to-serve, BSC execution.

Assets

Privileged assets: fleet, plant, quarries and infrastructure supporting market-leading positions, with a focus on utilisation, condition and returns.

Financials

Margin, cash conversion, ROCE, capital efficiency.

4C Drivers

The SGH Way is underpinned by four drivers that shape our operating model and drive performance – the 4Cs.

Cadence
A disciplined operating rhythm and accountability model, anchored in our balanced scorecard and governance processes, to drive results.

Capital
A disciplined Capital Allocation Framework that guides how we reinvest in our businesses and pursue new opportunities, with a focus on target sectors and industries.

Culture
Shaped by our Purpose, Objectives and Values (POV), which provide clarity on why we exist and how we operate.

Capability
Delivery and performance across the four POAF pillars, ensuring the strength and scalability of our businesses.

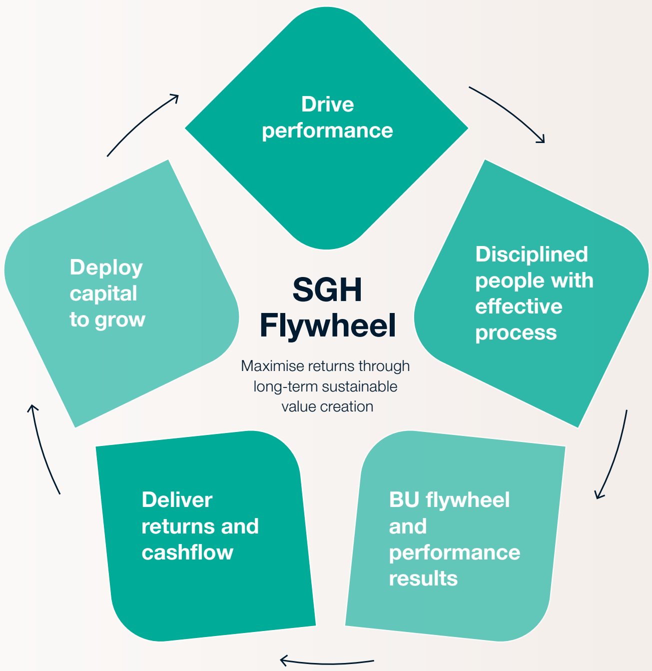
Five interconnected targets that calibrate what the SGH Way and Flywheel aims to deliver.

The SGH Flywheel

Portfolio investment drives business unit performance, and that performance compounds back into group returns.

The Performance Flywheel provides a clear framework for building performance and momentum across SGH. It defines the sequence of actions required for disciplined execution, growth, and delivery against our objectives. As momentum strengthens, the benefits compound, supporting stronger execution, sustained growth, and improved outcomes across SGH.

Sustained rotation of the flywheel is how SGH's long-term ambition is delivered.



For more information on our Business Unit performance, see pages 12–25.

Long-term ambition

0
Zero Harm

1
One SGH Way

10
% EBIT & EPS CAGR

15
% ROCE

30
$B Market cap & ASX 50

People

SGH employs approximately 15,000[1] people across WesTrac, Boral and Coates who are the foundation of every result SGH delivers. Every tonne of concrete poured, every Caterpillar machine returned to productive service, every piece of hire equipment deployed reflects the commitment of our people to the high-performance standards they set for themselves every day.

SGH's operating model, The SGH Way, is integral to SGH's performance delivery and is held together by two non-negotiable anchors: One SGH Way (1), a single operating model, common language and accountability framework across all three businesses; and Zero Harm (0), the safety standard that governs every site and every shift without exception. Both are the foundations of SGH's success. SGH's People report highlights the delivery against SGH's performance commitments, what it delivered, where it stretched and where the work continues.

1. 15,000 employees including contractors.

The SGH Way

SGH's operating model is built on a consistent operating cadence, a cascaded scorecard and an accountability framework that runs from the SGH Board to the frontline leader who opens a branch or runs a shift. Underpinning this model are SGH's ROCA values; Respect, Owner's Mindset, Courage and Agility, which shape the performance culture that makes the operating model work in practice.

In FY26, the model was refined through each business unit's leadership team, reinforced by aligned balanced scorecards and Key Performance Indicator (KPI) frameworks. The result is efficient, frontline-focused operations and disciplined people taking purposeful action to produce consistent results.

Workforce Overview

SGH's total workforce, including employees and contractors, reduced from 15,500 to 15,000 during FY26, reflecting disciplined cost optimisation and efficiency initiatives undertaken across WesTrac, Boral and Coates. Average turnover across the group increased slightly to 21.5 per cent (FY25: 20.8 per cent), driven primarily by continued competition for skilled trade and technical labour, alongside planned restructuring activity in some businesses. Female representation improved to 20.0 per cent (FY25: 19.0 per cent), with gains recorded across all three businesses. Approximately 85 per cent of SGH's workforce remains Frontline, directly engaged in the delivery of products and services to customers.

Enhancing workforce effectiveness remains central to SGH's productivity. Across each business, a more deliberate balance of permanent and flexible labour, stronger time and attendance practices and enhanced rostering oversight translated directly into improved labour productivity gains, consistent with the efficiency and continuous improvement traits of the SGH Way. These workforce performance metrics are measured and managed through SGH's balanced scorecard, alongside safety, retention and engagement, on a consistent cadence and with clear accountability at every level of leadership.

Workforce Stability and Turnover

Average turnover across SGH increased slightly to 21.5 per cent, from 20.8 per cent in FY25, reflecting continued competition for skilled trade and technical labour, together with disciplined management of headcount and variable labour costs. WesTrac remained broadly stable at 18.0 per cent, supported by targeted retention programs for its WA Service workforce, where experienced Caterpillar technicians remain highly sought after. Coates improved from 24.9 to 23.4 per cent, while Boral increased from 22.5 to 24.1 per cent, largely due to planned restructuring activity.

New-starter turnover remained elevated in FY26, reflecting continued competition for skilled trades and frontline roles. SGH is focused on the factors within its control, recognising the impact early attrition has on productivity, recruitment cost, supervisory capacity and team stability. A Group-wide review identified role fit, onboarding quality and early leadership engagement as the key levers for improvement.

These priorities are now embedded in the operating cadence across all businesses through stronger fit assessment at hire, milestone-based onboarding and structured leadership touchpoints at 30, 60 and 90 days. This approach is designed to improve early retention, accelerate productivity and strengthen leadership accountability for new-starter success.

Engagement and Performance Culture

Engaged employees remain longer, lift performance through discretionary effort and contribute to a positive culture that strengthens the businesses around them. Engagement is measured consistently across all businesses and reviewed through the balanced scorecard, with clear accountability held at every level of leadership. Each business translates its results into engagement action plans, ensuring frontline feedback is heard and acted on.

Boral achieved a 68 per cent engagement score from a record 97 per cent participation rate, a strong return on three years of deliberate cultural investment: leaders who know their people, a cadence that creates accountability without bureaucracy, and a 'Good to Great' program that has moved from initiative to identity.

WesTrac returned 62 per cent with strong participation rate of 87 per cent, a positive result to continue to build upon. Its engagement action plan is now embedded in the operating cadence, with leadership presence, recognition and career development the priority levers for FY27. Coates had an engagement score of 59 per cent. With a new five-year strategy, a refined operating model and leadership changes across parts of the network, Coates is well positioned to build on this result with the implementation of the Coates Way expected to further embed the consistency and accountability.

Industrial Workforce[1]

WesTrac
4,500
(Women 21.6%)

Coates
1,700
(Women 25.1%)

Boral
4,500
(Women 16.3%)

Contractors
4,300

1. Estimates as at 30 June 2026

A diverse workforce that believes in its business is SGH's strongest asset. Through FY27, each business will build on that belief, advancing toward a workforce that is consistently committed and high performing across SGH.

Talent and Succession

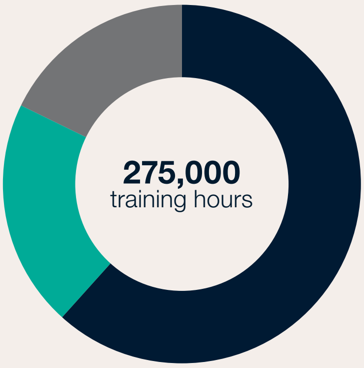
In FY26, each business refined its approach to talent by addressing skills shortages and strengthening development and career pathways to sustain performance through the cycle. Structured talent reviews across SGH, including CEOs and senior leadership teams in each business, improved succession coverage for critical roles, identified pathways for high-potential leaders and addressed capability gaps through targeted development opportunities.

Boral's FY26 CEO transition set the benchmark for developing succession potential under The SGH Way. A successor was identified and developed over time, the transition was executed with pace, commercial momentum was fully maintained, and the Executive team remained stable. That outcome reflects the talent review process embedded in the operating cadence over multiple years. Coates actioned key executive transitions in FY26 as part of a deliberate leadership reset supporting the performance turnaround, including two internal promotions into key roles. Investing in succession depth and capability across SGH remains a key priority for the year ahead.

People continued

FY26 training investment – 275,000 hours across SGH

Training hours by business



WesTrac
160,000 hrs

Boral
85,000 hrs

Coates
30,000 hrs

Apprentice and pipeline highlights

~500
apprentices, trades and technicians
In training / pipeline

94
trade graduates
WesTrac structured pathways FY26

10
Technician Academy graduates
100% female, WesTrac WA

#1
Caterpillar Dealer
Top Apprentice Program – 3rd year

50+
dual trades completed
WesTrac technical upgrades FY26

FY26 training investment — 275,000 hours across SGH, apprentice pipeline and program highlights.

Sales Capability and Commerciality

Lifting commercial effectiveness across the frontline workforce was a deliberate priority in FY26, reflecting the Owner's Mindset that sits at the heart of the SGH culture. Each business invested in sales capability and customer centricity programs designed to strengthen the link between workforce capability and customer and commercial outcomes. WesTrac's continued investment in technical, technology, commercial and sales capability reinforces the service differentiation that underpins its market position. Boral's performance culture and execution focus, anchored in The SGH Way, continued to translate frontline capability into commercial results. Coates' refreshed sales capability program and customer centricity training delivered improved commercial effectiveness across the national branch network.

Technical and Operational Frontline Capability

SGH delivered ~275,000 hours of technical and operational training in FY26, focused on frontline capability that drives safety, customer outcomes and business performance. This investment reflects The SGH Way in practice: building the skills, discipline and commercial capability required to perform consistently across cycle conditions.

WesTrac continued to strengthen technical, operational and sales capability, with investment focused on safety compliance, technology, electrification and customer-facing performance. Its electrification capability progressed in line with product releases and legislative requirements, supporting future workforce pathways in Power Generation and Electrified Mobile Plant. More than 300 apprentices were in training during the year, 94 graduates completed structured trade pathways, and 85 employees completed dual trades or technical upgrades. WesTrac WA also expanded its pipeline through the Caterpillar Technician Academy, producing 10 graduates, all female employees. WesTrac was recognised as first placed in the Caterpillar Dealer Top Apprentice Program for the third consecutive year.

Boral invested in frontline and leadership capability, with the Plant Operator and Asphalt Crew Programs creating dedicated entry pathways for women into operational roles across Victoria, Queensland and Western Australia. The Women Leading Program continued to build female leadership capability, while the Pathway to Allyship program equipped 60 senior leaders with practical inclusion skills. More than 320 employees completed Cross-Cultural Awareness Programs, and all quarry leaders completed cultural heritage training.

Coates commenced implementation of The Coates Way in FY26, embedding a consistent management cadence across leadership roles. Refreshed sales capability, customer centricity and onboarding programs strengthened commercial effectiveness across the branch network, while Transport Fundamentals and technical training supported safer, more consistent operational delivery.

Diversity and Inclusion

SGH's industrial businesses operate in sectors that have historically underrepresented women. Changing that is a commercial imperative. A more diverse workforce makes better decisions, retains talent more effectively and better reflects the communities in which SGH operates. SGH made progress in FY26, noting there is more work to be done.

Female representation across SGH increased to 20 per cent (FY25: 19 per cent), with every business unit advancing toward the SGH aspiration of 25 per cent. Coates reached 25.1 per cent, the first SGH business to surpass the target and proof that it is achievable in an industrial operating environment. WesTrac reached 21.6 per cent overall, with WesTrac WA at 24.1 per cent. Boral increased from 15.6 to 16.3 per cent; more significantly, female people leader representation improved from 10.1 to 12.4 per cent, reflecting the Women Leading Program's focus on building the pipeline into leadership rather than simply into the workforce.

Gender pay parity for like-for-like roles was maintained across all businesses. Further details on SGH's gender diversity measurable objectives are disclosed in the Corporate Governance Statement.

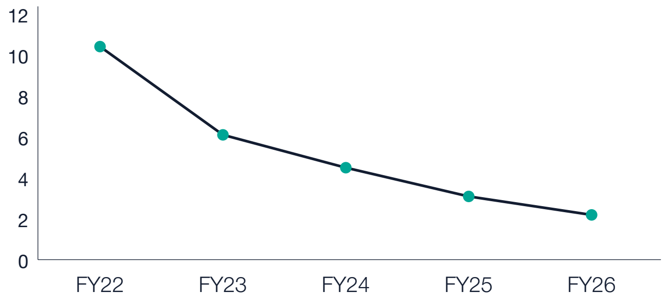
AI Fluency

Artificial Intelligence (AI) is a productivity and margin lever at SGH, evaluated and deployed with the same return discipline applied to every other capital decision. In FY26, SGH accelerated its adoption of AI through targeted use cases across frontline and support functions. Coates brought a Booking Agent, Fleet Optimisation model and Equipment Advisor into development.

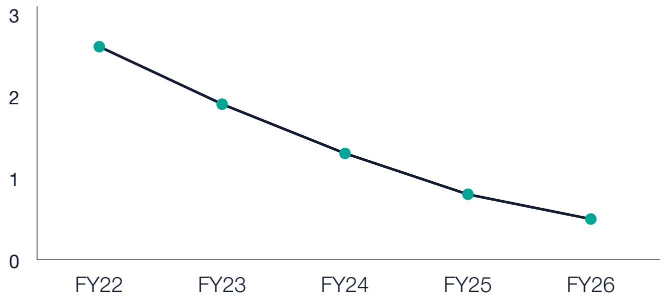
WesTrac is integrating predictive maintenance into its service operations, knowing a component is likely to fail before it fails means scheduling repairs around customer commitments, not around breakdowns, which is a direct EBIT improvement in a business where technician productivity is the primary margin driver. Boral has logistics routing and batch scheduling live, reducing cost per delivery and overtime in dispatch.

Safety Lag Indicators

Rolling 12 Month TRIFR



Rolling 12 Month LTIFR



	TRIFR[1] FY26	FY25	LTIFR[2] FY26	FY25
WesTrac	**3.1**	3.4	**0.1**	0.2
Boral	**1.9**	2.9	**0.8**	1.4
Coates	**1.4**	2.6	**0.4**	0.4
SGH Total	**2.2**	3.1	**0.5**	0.8

1. Total recordable injury frequency rate (TRIFR) = number of work-related recordable injuries per million hours worked.
2. Lost time injury frequency rate (LTIFR) = number of work-related injuries that resulted in time lost from work per million hours worked.

An AI Investment Board and business unit Centres of Excellence have been established to foster cross-business innovation and ensure the disciplined prioritisation of high-value AI applications that drive measurable productivity improvement, reduce cost-to-serve and enhance frontline capability, consistent with the efficiency and continuous improvement traits of The SGH Way. SGH will continue to evolve and deploy further AI use cases, ensuring people leaders are AI-fluent and AI agents are integrated and contributing to value creation.

Safety and Zero Harm Ambition

Zero Harm is the foundation of how SGH operates and the first measure of disciplined performance, a standard applied to every business, every site and every shift. Improving safety outcomes reflect progress towards that ambition. In FY26, SGH's industrial businesses achieved significant year-on-year improvement across key safety metrics, reducing the twelve-month rolling LTIFR by 38 per cent from 0.8 to 0.5, and TRIFR by 29 per cent from 3.1 to 2.2. Sustained investment in training, induction, data-driven safety campaigns and technology-enabled monitoring maintains visibility of critical risks across day-to-day operations. Rigorous adherence to refreshed Life Saving Rules, supported by active consequence management and disciplined critical risk controls, including contractor safety management, continues to drive measurable improvement across WesTrac, Boral and Coates.

SGH's approach gives equal weight to the severity of harm alongside the frequency of injury, with a deliberate focus on monitoring actual and potential serious harm incidents. Detailed analysis spanning Chain of Responsibility obligations and psychosocial incidents and hazards regularly surfaces critical learnings at site level, examining both the events themselves and the effectiveness of controls intended to prevent them. This drives timely corrective action, root cause remediation, and process improvements that strengthen serious harm prevention across SGH, reinforcing individual and collective accountability for safety at every level of the organisation.

WesTrac recorded zero lost time injuries in NSW/ACT. A Critical Risk and Serious Harm Prevention Campaign, delivered through two full business-wide stoppages attended by more than 95 per cent of the workforce, produced a 53 per cent increase in critical risk observation reporting. Boral reduced TRIFR by 34 per cent to 1.9 and LTIFR from 1.4 to 0.8. Boral maintains a structured approach to managing crystalline silica exposure, overseen by its dedicated Dust Management Steering Committee. The program includes engineering controls, dust suppression, respiratory protection, atmospheric monitoring and health surveillance. Coates reduced TRIFR by 46 per cent, driven by the Coates Safety Continuous Improvement Plan, refreshed Life Saving Rules and the Transport Fundamentals program implemented across its national branch network with branch-level verification audits ensuring the standard is met in practice. Across all three businesses, psychosocial health is managed as a formal WHS obligation, with the same root cause discipline, the same reporting cadence and the same Board visibility as physical safety events.

While injury frequency metrics improved across all three businesses, the Board and management remain clear that frequency rates alone do not define safety performance. SGH's focus continues to shift toward the prevention of serious harm, strengthening the identification, verification and effectiveness of critical risk controls rather than relying on lagging indicators alone. This is reflected in the continued deepening of critical risk verification across WesTrac, Boral and Coates, and an SGH-wide commitment to more rigorous investigation of control failures. Safety is treated as a continuous discipline rather than a fixed outcome, and the work to make SGH's controls more vigilant and more robust continues as a sustained priority.

FY27 People Priorities

FY27 is the next rotation of the flywheel. The focus is on deepening the operating model across all three businesses, lifting the quality and consistency of leadership, strengthening the workforce pipeline through better onboarding and succession, and accelerating the commercial and AI capability that turns The SGH Way from a framework into a competitive advantage. On safety, the work continues without pause. Improving frequency metrics and eliminating the conditions that produce serious harm is a priority. Each business enters FY27 with a specific safety program tailored to its highest-risk exposures, tighter verification of critical controls and a lead indicator framework that keeps the focus on what could happen and the prevention of serious harm towards SGH's Zero Harm ambition.

Operations

SGH's Operations pillar provides the framework to drive performance through a differentiated customer value proposition, sales execution, and a lean cost base delivering operating leverage. The SGH Way operating model is applied across WesTrac, Boral and Coates, adapted to each business' operating requirements and measured through a tailored balanced scorecard. Performance improvement at SGH is managed as a continuous operating discipline rather than a series of discrete programs. In FY26, the model delivered improved execution across the businesses, with incremental improvements aggregating into SGH's strong operational result.

SGH's operations run at a national scale. ~15,000 people, including contractors, served customers across mining, construction, infrastructure and energy in FY26.

WesTrac supported an installed base of more than 12,000 Caterpillar machines, sold more than 25 million parts, and rebuilt over 200 machines, with record technician productivity. Boral moved over 50 million tonnes of material through its integrated network, delivered 6.3 million cubic metres of concrete, laid over 4,000 kilometres of road surfacing and lifted deliveries on time to 88 per cent. Coates completed more than 250,000 hires at a DIFOT of 94 per cent, while holding repairs and maintenance as a percentage of sales consistent at 17.5 per cent. Together, the businesses served Australia's largest miners, contractors and manufacturers on the projects that matter most to the nation, including the South East Queensland infrastructure program, North East Link, Snowy 2.0 and Western Sydney Airport and surrounding growth precincts.

The SGH Way in operation

SGH's operating cadence comprises weekly financial reporting, monthly balanced scorecard reviews and quarterly business reviews with each business unit CEO, extending from the SGH Board through to operational management in each business. In FY26, 132 metrics were tracked at the SGH level through the balanced scorecard. Each metric was quantified, tracked against prior year, budget and forecast, and assigned to an accountable leader. Business unit scorecards now cascade multiple levels below each CEO, applying the same performance disciplines at the operational management level. Metrics are reviewed at least annually and recalibrated through the strategy and budgeting cycle. The scorecard evolves with business priorities and is used as an active management tool rather than a reporting document.

The model is also applied across businesses, with capability developed in one business transferred where relevant to others. Boral's scorecard and operating cadence, proven through its margin recovery, provided the template for the WesTrac Way and the Coates Way, both of which are now embedding. WesTrac's train-to-task methodology for optimising workshop and engineering tasks has been deployed at Boral and Coates. Coates' early work in AI-enabled knowledge retrieval and sales support is being leveraged by WesTrac and Boral. Four operational focus areas directed the year's work: operational execution, through cadence and scorecard depth; sales effectiveness, through share, win rates and price realisation; operating leverage, through cost variabilisation and overhead discipline; and innovation and AI, with use cases moving from testing into production.

Innovation and AI

In FY26, SGH moved from AI experimentation to deployment, applying the same return discipline to AI as to any other capital allocation decision. More than 45 use cases have been identified across SGH, with agents live in quoting, pricing, parts planning, condition monitoring and customer support. At Coates, an AI equipment specialist handled close to 4,000 customer enquiries. At WesTrac, advanced digital twin planning platforms lifted component availability and released more than $20 million of inventory. At Boral, AI-enabled logistics routing and batch scheduling are live, reducing cost per delivery and overtime in dispatch.

A newly established AI Investment Board and business unit Centres of Excellence govern the pipeline, prioritising use cases based on time, cost and capital returns, targeting material earnings benefits over the next three years. Proven use cases are transferred between businesses where the operating logic is similar. WesTrac's collaboration with Caterpillar's digital platforms further extends the available data set and improves the quality of equipment insights. The objective is faster decision-making, more effective pricing, improved asset utilisation and increased customer-facing time, rather than headcount substitution.

Operations continued

WesTrac

WesTrac's operating result was underpinned by strong aftermarket activity and continued operating efficiencies across two of Australia's premier resource territories. Higher services activity, improved technician and workshop productivity, and disciplined cost control drove earnings and margin expansion, partially offset by the previously announced normalisation of capital sales.

Services revenue of $4.1 billion grew 6 per cent and now represents more than two thirds of revenue, supported by parts volume growth of around 6 per cent, service rate gains and higher Parts Exchange activity. The installed base across WesTrac's territories grew a further 4 per cent in FY26 and continues to age as customers extend the life of existing fleet, driving record rebuild volumes through WesTrac's component rebuild and machine shop network, including multi-year run-life extension programs with tier-one mining customers.

Operational execution converted this demand into earnings. Parts on-time-in-full delivery was sustained above 90 per cent across both territories, directly supporting customer uptime and market share. Technician productivity improved through standardised work, planned scheduling and work-in-progress discipline. Inventory management was a key area of improvement; parts turns lifted and non-moving stock reduced, releasing working capital, while parts availability also improved. Service levels and capital discipline improved together as planning, inventory and execution were aligned.

The rebuild and remanufacturing model also supports customers' capital efficiency and emissions objectives, returning thousands of components to service each year, at lower cost and embodied carbon than new replacement. Capital sales of $1.6 billion normalised from the prior year's elevated deliveries, with a strong medium-term pipeline across replacement, fleet expansion and technology adoption.

AI-enabled condition monitoring is reducing manual analysis and turnaround times, and predictive maintenance increasingly allows repairs to be scheduled ahead of failure and around customer commitments. Both capabilities draw on equipment and operating data available only to the authorised Caterpillar dealer, supporting service levels and cost efficiency.

Boral

Boral delivered a fourth consecutive year of operational improvement and margin expansion, with volume growth across concrete, cement and quarries at improved selling prices underpinning the result. The performance uplift was operationally driven, through reliability, logistics and cost discipline across the integrated network.

The uplift was also broad-based, with earnings growth delivered across all regions. Concrete and quarry volumes traded above the prior year at improved selling prices, supported by an improved go-to-market approach, value-led pricing and disciplined recovery of volatile fuel and cartage costs. Recycling volumes built through the year as circular construction materials continued to gain share. Customer service improved alongside price realisation. Deliveries on time reached 88 per cent and grade of service reached 90 per cent, both improved on the prior year, demonstrating that reliability and pricing discipline can be delivered together. Costs were systematically variabilised, with labour and overtime reform, subcontractor cartage discipline and asset reliability reducing cost per unit as volumes grew. Overhead discipline continued, with SG&A as a per cent of revenue improving 30 basis points over the year.

Operational reliability became a direct margin lever. Quarry overall equipment effectiveness improved again in FY26. Concrete plant breakdowns fell, reducing cost, diversions and service disruption. Berrima's alternative fuel usage reached 48 per cent, reducing both energy cost and emissions intensity. Sales and operations planning is being standardised and automated across the network, improving inventory visibility and coordination across Boral's integrated upstream and downstream chain. That integrated network remains Boral's structural comparative advantage.
The Good to Great strategy, executed through the Boral Way and its PEMAF scorecard, is tracking ahead of its original plan. The margin gains are structurally embedded, with transport variabilisation, network optimisation and continued overhead leverage supporting the path to sustainable mid-teen EBIT margins.

Coates

Coates managed a variable engineering and non-residential construction market with discipline. Margins were protected through operational efficiency initiatives and decisive cost action, with the cost-out and network optimisation programs delivering to plan.

Operational execution improved through the cycle. Time utilisation rose 160 basis points to 61 per cent, above the high-performance industry benchmark, as fleet was redeployed to priority regions and idle equipment disposals were accelerated. Redline, being the fleet unavailable for hire, remained ahead of the sub-18 per cent target. This is a direct lever on utilisation and margin. Pricing discipline was supported by CRM guardrails, and the win rate lifted to approximately 34 per cent through value-based selling and refreshed sales capability.

Customer metrics improved: delivered in-full-on-time performance reached 94.2 per cent, net promoter score was 45, above the sector average, and more than 70 per cent of revenue came from contracts longer than twelve months. A transport management transformation now underway, integrating booking, telemetry and safety systems, is targeting delivery performance above 96 per cent. Specialist businesses in engineering solutions, site accommodation, power and HVAC, and traffic services generated revenue of more than $335 million, with the ability to supply these services alongside general hire reducing vendor coordination and compliance costs for customers and supporting longer contracts.

The launch of the Coates Way embedded the SGH operating model in a form tailored to equipment hire, with a flywheel linking fleet quality, service delivery, utilisation, pricing and disciplined reinvestment. Predictive, telemetry-driven maintenance is reducing reactive repair spend, and category economics is becoming the primary control system for improving returns. This means assessing pricing, deployment and capital at the level of each equipment category rather than the aggregate fleet. With the infrastructure pipeline mobilising into FY27, including the South East Queensland program ahead of the Brisbane 2032 Olympic Games, and growing demand from data centres and renewables, Coates is positioned for recovery with a lower cost base, a younger fleet and improved commercial execution. The business is positioned to convert incremental revenue into earnings as activity improves.

Energy

Beach Energy (SGH 30 per cent) achieved first gas from the Waitsia Gas Plant in December 2025, reaching nameplate capacity of 250 terajoules per day in April 2026. This was a defining milestone in Beach's history, completing the development of one of Australia's largest onshore gas resources and providing Beach's first exposure to LNG markets. Production of 19.4 mmboe reflected the Waitsia ramp-up and operations across the Cooper and Otway basins. The portfolio was optimised during the year, with the divestment of Artisan enabling the redirection of more than $500 million of near-term capital. New onshore acreage in the Taroom Trough and Cooper Basin extends the East Coast gas and liquids opportunity at low entry cost.

At SGH Energy, construction of the Crux LNG project materially advanced during the year with the topsides installed and now moving to testing and commissioning. The project remains on track for first gas in 2027. The asset is covered in more detail in the Assets section.

FY27 Operational Priorities

Safety remains the highest priority and the first measure of performance at SGH. The FY27 operational agenda comprises four further disciplines. Operational execution drives the SGH Way deeper into each business. Sales execution targets participation, win rates and price realisation. Operating leverage maintains cost discipline as revenue grows, supporting further margin improvement. And AI at scale converts the proven use-case pipeline into measurable earnings benefits. Applied together across the businesses, these disciplines support continued operational improvement and further progress toward SGH's 0-1-10-15-30 ambition.

WesTrac EBIT Margin

11.2%

up 76 basis points

Boral EBIT Margin

14.1%

up 113 basis points

Boral on-time deliveries

88%

up 300 basis points

Coates Time Utilisation

61%

up 160 basis points

Assets

SGH's businesses are built on privileged assets that can sustain returns above the cost of capital across cycles. These positions are supported by structural advantages, including scarcity and barriers to entry, established customer relationships with high switching costs, operating depth, network scale, future earnings optionality and resilience through downturns. WesTrac's dealership territories, Boral's integrated network, Coates' national fleet and branch footprint, and SGH's energy interests each have advantages that are difficult for competitors to replicate.

The Assets pillar is focused on making these positions perform by maximising utilisation and return on assets, managing lifecycle and maintenance rigorously, and maintaining working capital discipline. Performance is measured through the same balanced scorecard cadence as our operations, with overall equipment effectiveness and availability quantified and owned by accountable leaders. Capital is reinvested where returns are attractive and released where they are not, and every asset decision, whether fleet investment, network expansion, acquisition or disposal, is anchored by a focus on returns and long-term performance.

WesTrac

WesTrac is the sole authorised Caterpillar dealer in Western Australia and NSW/ACT, and has held those dealerships for more than 35 and 20 years respectively. Its physical network includes branches, workshops and 24/7 field service in two of Australia's major mining regions, purpose-built component rebuild and Parts Exchange facilities, and parts distribution operations processing more than 70,000 parts per day. The installed base of Caterpillar equipment on customer sites grew a further four per cent in FY26 and continues to age. This underpins long-term demand for parts, service and rebuilds.

In FY26, investment lifted the capacity of the existing network and selectively extended it. Warehouse automation was expanded, machine shop and hose shop capacity increased, regional branch acquisitions were completed and the Karratha expansion progressed. This capacity is already supporting earnings. Rebuild activity reached record levels, multi-year run-life extension programs for tier-one miners were delivered to schedule, and Parts Exchange turns improved.

Boral

Boral operates Australia's largest integrated construction materials network, with 360 sites moving around 50 million tonnes of material a year. The network includes more than 70 quarries, together with cement, concrete, asphalt and recycling operations, serving every major metropolitan and growth market. Long-life quarries and cement capacity located close to demand centres are difficult to replicate in the current complex planning environment. Integration is the key structural advantage. Around half of upstream volumes supply Boral's own downstream operations, and more than 90 per cent of downstream material requirements are sourced internally.

In FY26, Boral invested to strengthen the network. Cement storage was added closer to market to reduce stockouts and cartage. The Marulan quarry operation was upgraded, and renewal of heavy mobile equipment continued under the replacement program of more than $100 million. Bolt-on acquisitions fixed reserve positions at short-life quarries and secured long-life resources close to growth corridors. The SCROA asset management framework (safe, compliant, reliable, optimised) is embedded across the network, with first-order metrics established at every site. Improved reliability is reducing unit costs and supporting margin.

Coates

Coates holds Australia's largest hire fleet, with an original cost of approximately $1.89 billion. The fleet comprises more than one million pieces of equipment across 22 product categories, delivered through a 145-branch hub-and-spoke network. Fleet age of approximately six years is at historic lows following sustained investment, which is set to continue.

Capital investment in FY27 will be focused on Boral's network; Coates' fleet renewal to support the recovering infrastructure pipeline; WesTrac's capacity expansion within its existing footprint; and the continued development of Crux towards completion and first gas.

Assets continued

In FY26, the fleet was grown modestly, with the focus on lifting returns from the existing asset base. Fleet economics are now managed at the category level, where utilisation and returns vary most, rather than across the fleet in aggregate. Capital deployment moved to a portfolio basis, directing investment toward categories with the strongest demand, customer pipeline and utilisation. Lower-utilisation equipment was divested, and the fleet mix continued to shift toward higher-value and specialist categories. The branch network retains spare capacity, so recovering activity can be serviced without matching capital investment.

Energy

SGH's energy interests provide long-duration exposure to tightening gas and liquids markets through a 30 per cent shareholding in Beach Energy, SGH Energy's 15.5 per cent interest in the Crux LNG project, and 100 per cent interest in the Longtom gas field.

Beach's asset base spans the Perth, Cooper, Otway, Bowen, Bass and Taranaki basins. It is anchored by strategic processing infrastructure, including the 250 terajoules per day Waitsia Gas Plant in Western Australia and the 205 terajoules per day Otway Gas Plant serving the East Coast market. In the Cooper Basin, Beach holds an interest in the Santos-operated Moomba processing hub, including its carbon capture and storage project, and operates its own production and processing facilities on the Western Flank. This infrastructure underpins current production and provides a path to market for future volumes.

The Crux field, in the Browse Basin offshore Western Australia, is a backfill development for the Prelude floating LNG facility. The project comprises a not-normally-manned platform with five initial production wells and a 165km export pipeline to Prelude, where the gas will be processed and sold as LNG. The gross resource is approximately 1.6 tcfe. Construction passed major milestones in FY26, with the platform topsides installed on the substructure, and hook-up and commissioning now underway. The project remains on track for first gas in calendar year 2027.

SGH's property strategy is to develop each site for its highest and best use, with a pre-disposition to co-develop and lease as industrial or intermodal assets. The model is capital-light, with SGH contributing surplus land into a venture upfront, while development capex is funded by a strategic partner.

SGH Energy's 15.5 per cent interest represents a project investment of approximately $1-1.2 billion. Production is expected to ramp up over approximately two years to a net plateau of around 0.4 million tonnes of LNG per annum, equivalent to five to six cargoes annually, over a productive life of approximately 12 years. Marketing of SGH's offtake began during the year. Buyer interest is supported by the project's proximity to key Asian markets and flexible delivery terms, with agreements expected to be finalised as production approaches.

Longtom, in the Gippsland Basin offshore Victoria, is a 100 per cent owned gas resource independently verified at approximately 87 petajoules. Technical work with Amplitude Energy on restarting production through existing regional infrastructure continued during the year.

Property

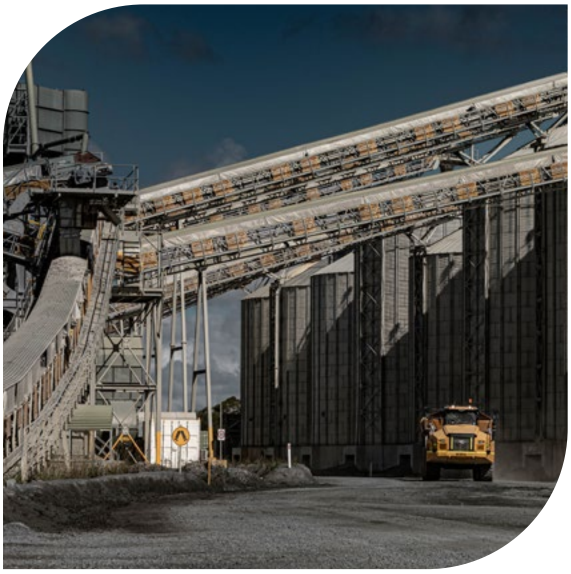
SGH holds approximately 3,700 hectares of surplus property, largely comprising Boral's former quarry and plant sites in and around Australia's major cities. SGH's property strategy is to develop each site for its highest and best use, with a pre-disposition to co-develop and lease as industrial or intermodal assets. The model is capital-light, with SGH contributing surplus land into a venture upfront, while development capex is funded by a strategic partner, and SGH retains an interest in the completed developments and their rental income.

Ravenhall, in Melbourne's west is the current development focus. The 630-hectare site sits 20 kilometres from the CBD in a key logistics corridor and carries potential lettable area of approximately 2.5 million square metres. In May 2026, Boral entered a 50/50 joint venture with Dexus to deliver the precinct. Boral will contribute the land, and Dexus brings capital and execution capability. Dexus is leading the rezoning, with preparatory work underway, and development will proceed through staged superlots, unlocking value progressively. Further surplus sites are at earlier stages of planning.

FY27 Asset Priorities

Capital investment in FY27 will be focused on four areas: Boral's continued network reinvestment across quarries, bitumen and recycling; Coates' fleet renewal to support the recovering infrastructure pipeline; WesTrac's capacity expansion within its existing footprint; and the continued development of Crux towards completion and first gas. Ravenhall will also progress under the capital-light joint venture with Dexus. Together, these investments will strengthen SGH's privileged asset positions, while maintaining discipline against the Group's Capital Allocation criteria.

Complementing our organic investment program, adjacent and inorganic M&A are a key pillar of SGH's growth ambition. The business will continue to pursue value-accretive opportunities, utilising its strong balance sheet, to support growth in FY27 and beyond.



Coates Fleet (OC)

$1.89bn

↑ 2%

WesTrac ROCE

24.6%

↑ up 186 basis points

Boral ROCE

19.5%

↑ up 61 basis points

Crux First Gas

→ 2H CY27 (P50)

Financials
Operating and Financial Review

SGH has delivered Industrial Services earnings and strategic progress, culminating in 99 per cent cash conversion.

Revenue
$10.6bn

UEBIT
$1,554.2m

Financial Performance

	Underlying trading performance[a]		Significant items[b]		Statutory results	
	2026 $m	2025 $m	2026 $m	2025 $m	2026 $m	2025 $m
Continuing operations						
Revenue	10,563.9	10,743.5	25.1	–	10,589.0	10,743.5
Other income	72.2	61.9	–	15.0	72.2	76.9
Share of results from equity accounted investees	143.9	183.2	(29.3)	(164.5)	114.6	18.7
Impairment of equity accounted investees	–	–	(273.4)	(266.9)	(273.4)	(266.9)
Expenses excluding depreciation and amortisation	(8,696.3)	(8,942.3)	(45.2)	(26.3)	(8,741.5)	(8,968.6)
Profit before depreciation, amortisation, net finance expense and income tax	**2,083.7**	**2,046.3**	**(322.8)**	**(442.7)**	**1,760.9**	**1,603.6**
Depreciation and amortisation	(529.5)	(508.9)	7.8	5.2	(521.7)	(503.7)
Profit before net finance expense and income tax	**1,554.2**	**1,537.4**	**(315.0)**	**(437.5)**	**1,239.2**	**1,099.9**
Net finance expense	(298.8)	(316.4)	(0.2)	(9.3)	(299.0)	(325.7)
Profit before income tax	**1,255.4**	**1,221.0**	**(315.2)**	**(446.8)**	**940.2**	**774.2**
Income tax (expense)/benefit	(332.3)	(293.3)	50.4	9.2	(281.9)	(284.1)
Profit for the year	**923.1**	**927.7**	**(264.8)**	**(437.6)**	**658.3**	**490.1**
Discontinued operations	**–**	**–**	**33.9**	**36.8**	**33.9**	**36.8**
Profit for the year – continuing and discontinued operations	**923.1**	**927.7**	**(230.9)**	**(400.8)**	**692.2**	**526.9**

(a) Underlying trading performance is comprised of reported results adjusted for significant items. This is separately disclosed and reconciled to statutory performance to assist users in understanding the financial performance of SGH. Underlying trading performance measures are non-IFRS Accounting Standards measures and have not been subject to audit or review.

(b) Detailed information regarding the composition of significant items is provided in Note 3: Significant items of the Financial Report.

SGH has delivered Underlying EBIT of $1,554.2 million for the year ended 30 June 2026, up 1.1 per cent on prior year, driven by the resilient performance of the Industrial Services businesses and improved margins delivered through the disciplined operating model.

Revenue was down 1.7 per cent to $10,563.9 million, reflecting the normalisation of exceptionally strong capital sales at WesTrac in the prior year offset by robust customer demand in mining, construction and infrastructure. EBIT margin expanded by 40 basis points to 14.7 per cent through the focus on operational excellence enhanced by continued refinement of the SGH Way.

SGH's strong operating cash flow has enabled deleverage throughout the year, whilst also supporting continued investment into the businesses and growth in the ordinary dividend. The Adjusted Net Debt to EBITDA ratio reduced to below 1.76 times, reflecting the disciplined approach to balance sheet management, and positions SGH to continue to pursue both organic and inorganic growth. Net capital expenditure of $756.6 million was deployed to drive future earnings growth, including Crux development ahead of first gas expected in CY27 and quarry and batch plant acquisitions in Boral.

Underlying net profit after tax of $923.1 million was down 0.5 per cent. Statutory net profit after tax of $692.2 million was up 31.4 per cent. Refer to page 20 for a reconciliation of statutory to underlying results.

The statutory result was impacted by significant items before tax of $315.2 million. This includes SGH's $22.0 million share of Beach Energy's significant items, primarily relating to Equinox unsuccessful campaign costs and tariffs and tolls related to unutilised processing capacity for Waitsia, and SGH's $7.3 million share of Southern Cross Media's significant items, primarily relating to transaction and restructuring costs. Impairment of SGH's investments in Beach Energy and Southern Cross Media were $233.2 million and $40.2 million respectively, based on mark-to-market to the relevant prevailing share prices.

SGH restructuring and redundancy costs of $15.7 million primarily relate to optimisation of the Coates branch network and restructuring of Boral's asphalt business in Victoria and cartage arrangements in NSW, and restructuring of overhead roles in WesTrac. Other significant items before interest and tax provide a net benefit of $3.4 million, including fair value adjustments on acquisition of Boral and other items.

Significant items in net finance expense total $0.2 million. Significant items related to tax provide a net benefit of $50.4 million. Significant items relating to discontinued operations provided a net benefit after tax of $33.9 million, mainly through the release of tax provisions relating to Boral's former US operations, resulting in total significant items expense of $230.9 million after tax.

The margin expansion delivered in FY26 and broadly stable outlook for core sector exposures supports an expectation of flat to low single-digit EBIT growth in FY27. This is underpinned by The SGH Way and disciplined capital allocation. The medium-term outlook is supported by long-duration demand across mining, infrastructure and construction, including a $1.7 trillion infrastructure pipeline and rapidly growing demand across our businesses from data centre projects.

All commentary below relates to underlying results from continuing operations unless otherwise stated.

Industrial Services

Industrial Services revenue of $10,563.9 million was down 1.7 per cent and EBIT of $1,453.1 million was up 4.1 per cent. Industrial Services represents 93.5 per cent of SGH EBIT, reinforcing SGH as one of Australia's leading diversified and best performing industrial businesses.

WesTrac EBIT of $647.4 million increased by 1.4 per cent. Revenue was down 5.5 per cent to $5,763.8 million, following the normalisation of elevated resource industry capital sales in the prior year. Notwithstanding this, customer demand for product support grew, particularly for parts and exchange components to enable the large and ageing installed base to deliver growing volumes. EBIT margin expanded by 76 basis points to 11.2 per cent, driven by the higher mix of product support sales, improved technician productivity and disciplined cost management.

In FY27, further normalisation of mining product sales are expected, whilst focus remains on market share growth, operating leverage, working capital discipline and optimisation of inventory levels to support ongoing customer demand. Opportunities are expected through service activity, rebuild activity and parts volume, although parts earnings will be impacted by currency-driven price reductions. WesTrac continues to work with Caterpillar and key customers to support the transition to electrification, including the extension of existing fleet life, ahead of fleet renewals into diesel-electric and battery-electric options. Growth in resource industry fleet sales is expected to support earnings from FY28.

Boral EBIT of $535.4 million was up 14.3 per cent whilst EBIT margin expanded by 113 basis points to 14.1 per cent. Earnings growth was delivered through strong customer demand and market share growth in South East Queensland and metro markets in NSW and Victoria, combined with pricing discipline and operational efficiency. Revenue of $3,788.0 million was up 5.1 per cent, reflecting robust customer activity, particularly in engineering

Operating and Financial Review continued

and commercial construction. Strong concrete volume also drove upstream volume in quarries and cement through Boral's vertically integrated operations. In FY27, Boral will continue to benefit from robust demand from engineering and commercial projects, supported by sustained infrastructure activity and a favourable pricing environment. Focus will remain on strengthening sales effectiveness, improving customer service levels and maintaining market share, while maintaining price discipline and continuously managing costs.

Coates EBIT of $270.3 million was down 6.6 per cent on revenue of $1,012.1 million. EBIT margin declined by 111 basis points to 26.7 per cent, reflecting weaker trading combined with a highly competitive market. Project activity was slower than expected, particularly in Victoria. Cost discipline mitigated some of the impact of revenue shortfalls with actions including reduced R&M spending, headcount reduction, branch consolidation and tight control of discretionary spend. Activity momentum built through the year, with fourth quarter revenue ahead of the prior corresponding period. In FY27, Coates' focus will include developing specialist sales and delivery capability, cost reduction plans already in execution, and further network optimisation, supported by AI-led process improvement. Customer activity is expected to recover given the opportunities still present in the $1.7 trillion infrastructure and construction pipeline, with Coates remaining well placed with its $1.9 billion original cost fleet to meet customer demand.

Equity Accounted Investees

SGH's share of results from equity accounted investees of $143.9 million was down 21.5 per cent. Beach Energy's contribution of $106.5 million was down 21.2 per cent, driven by natural production decline, extensive flooding in the Cooper Basin and delay in Waitsia production coming online. In FY27, Beach expects production growth through a full year of Waitsia production, resulting in a range of 19.5 to 23.0 MMboe, whilst capital expenditure is expected to be $600 to $700 million, up to 35 per cent of which is growth, including Waitsia optimisation and expansion, Cooper Basin JV, and Victoria Otway nearshore campaign.

Southern Cross Media's contribution of $9.5 million was down 56.6 per cent, reflecting a weaker TV advertising market driven by lower consumer spending and sentiment. Notwithstanding the weaker market, Southern Cross Media's businesses have delivered strong audience outcomes and market leadership. In FY27, Southern Cross Media will be focused on executing its expanded cost reduction program, targeting annual run-rate benefits of $145 million, including merger synergy.

Revenue and Other Income

Revenue of $10,563.9 million was down 1.7 per cent from $10,743.5 million in the prior year, reflecting the mixed market conditions seen across the businesses. Normalisation of strong capital sales at WesTrac in the prior year and lower Coates sales was largely offset by revenue growth in Boral. This highlights the benefit of SGH's end-market diversification across the businesses, combined with their market leadership, high-quality asset base and differentiated customer value propositions.

WesTrac continues to see opportunities from the large installed base in WA and NSW through robust parts demand and the level of activity in rebuilds and parts exchange. Whilst overall mining fleet deliveries were lower than the prior year, there was strong demand for new machines from both mining and construction customers, particularly excavators, motor graders and articulated dump trucks. Total product sales of $1,675.5 million was down 25.3 per cent. Product support sales increased by 6.0 per cent to $4,088.3 million reflecting strong underlying parts volume and rebuild activity. Customer demand for parts exchange components remained strong and represented 15.2 per cent of WesTrac's revenue.

Boral has captured underlying volume growth in concrete, cement and quarry, reflecting strong customer activity in key markets in South East Queensland, NSW metro and Victoria metro. Pricing discipline was maintained through continued price realisation of 1 to 3 per cent (inclusive of fuel surcharge), achieved across all product lines. The overall growth in volumes was partly offset by weaker asphalt volumes. Building material sales of $3,429.4 million were up 6.4 per cent. The level of engineering and commercial activity is expected to continue, whilst the current level of dwelling approvals, higher than 12 months ago, is a positive sign for residential activity, with timing dependent on consumer sentiment improvement.

Coates generated equipment hire revenue of $1,009.9 million, down 2.7 per cent, reflecting challenging market conditions in most regions, particularly in Victoria. Slower activity on major projects has led to excess equipment in the market, resulting in increased price competition. Coates management has responded to the current market conditions through branch rationalisation, including closure or merger of four branches, in order to preserve margins whilst setting up for market recovery, particularly in the residential construction sector.

Other income of $72.2 million was up $10.3 million. Other income includes profit on sale of assets, primarily within Coates, and realised profits from investments in China Media.

Expenses

Total expenses excluding depreciation and amortisation decreased by 2.8 per cent to $8,696.3 million, reflecting both the revenue outcome and cost discipline. On a statutory basis, expenses totalled $8,741.5 million after including $45.2 million in Significant Items, including restructuring and redundancy costs, property holding costs, fair value adjustments relating to the Boral acquisition, and derivative movements.

Materials cost of inventory sold and used in product sales and support reduced by 6.6 per cent to $4,119.1 million. Materials cost of inventory sold and used in building materials, rendering of services and contracting by Boral increased by 1.7 per cent to $2,355.9 million, lower than the increase in revenue, reflecting ongoing cost variabilisation including subcontractor cartage, and discipline across other direct costs including labour, repairs and maintenance, and extraction.

The cost of repairs, maintenance and consumables used in equipment hire of $120.3 million was up 9.0 per cent. Whilst repairs and maintenace costs reduced

through ongoing efficiencies from Coates' hub and spoke transformation, higher costs were incurred on installation and hire damages, fully recovered through revenue.

Employee benefits expenditure reduced by 1.7 per cent to $1,196.6 million to support the earnings growth achieved during the year. Wage cost inflation was partly mitigated through improved productivity, reflecting the continuous focus of each business on process improvement and technology to deliver operational efficiencies. Voluntary staff turnover reduced during the year, further driving workforce productivity. On a statutory basis, employee benefits expenditure was $1,209.1 million, including redundancy costs related to restructuring in WesTrac, Boral and Coates.

Other expenses increased by 2.1 per cent to $904.4 million, reflecting a slight increase in SG&A expenses across Boral, WesTrac and Coates. On a statutory basis, other expenses were $937.1 million which includes costs relating to property sales, restructuring costs and fair value adjustments primarily relating to the initial Boral acquisition.

Depreciation and amortisation increased by 4.0 per cent to $529.5 million, partly reflecting depreciation of Boral's rail haulage right of use assets recognised during the year. Statutory depreciation and amortisation was up 3.6 per cent to $521.7 million.

Net finance expense reduced by 5.6 per cent to $298.8 million, reflecting the lower debt level during the year.

Statutory net finance expense was $299.0 million, after unwinding of discounts on provisions recognised on the acquisition of Boral and fair value movements in relation to cash-settled equity awards.

Statement of Financial Position

At 30 June 2026, SGH held $231.8 million in cash and cash equivalents, up from $176.6 million. The increase reflects strong operating cash flow through June. Throughout the year, each business has focused on optimisation of working capital and cash levels held across the businesses, combined with utilisation of surplus cash to repay debt facilities.

Current trade and other receivables including contract assets remained relatively stable, increasing by $40.2 million to $1,575.1 million. Provision for expected credit loss on trade receivables reduced by $2.2 million to $27.5 million. Whilst economic conditions have been variable across end markets, there were no material increases in overdue debtors or bad debts expense, reflecting the quality and diversification of SGH's customer base.

Current inventory reduced by $303.6 million to $1,557.8 million, including $237.3 million reduction in new machines, $108.0 million reduction in parts and $31.8 million increase in exchange components held by WesTrac. Whilst the reduction in machine inventory reflects the normalisation of machine deliveries, the reduction in parts is primarily driven by inventory optimisation through improved turn rates and predictive analysis. The increase in component inventory reflects the seeding of exchange components for new machine models entering into service.

Other current assets reduced by $4.1 million to $75.0 million, principally due to a reduction in WesTrac's machines in transit.

Assets classified as held for sale reduced by $0.3 million to $7.4 million. These assets relate to equipment held by Coates and approved for disposal.

Non-current inventory of $364.9 million relates to the fair value of non-current land development projects recognised via purchase price accounting on acquisition of Boral.

Investments accounted for using the equity method had a carrying value of $796.4 million at 30 June 2026, down by $229.4 million. The movement includes the impact of SGH's share of Beach and Southern Cross Media significant items, and impairment of SGH's carrying value of the investments in Beach and Southern Cross Media.

Operating and Financial Review continued

Other financial assets reduced by $42.5 million to $20.4 million through realisations and revaluations of the unlisted investment in China Media. Net mark-to-market movements in the unlisted investment portfolio and realised gain or loss has been recognised in the fair value reserve consistent with the requirements of AASB 9: Financial Instruments.

Property, plant and equipment increased by $155.7 million to $3,923.2 million. The increase includes $71.8 million in quarry and land acquisitions by Boral, combined with investment in heavy mobile equipment. WesTrac continues to invest in various capacity expansion, machining and robotics projects to drive operational efficiency and capacity. Coates had net additions to its rental fleet of $22.0 million, with original cost of its equipment of $1.9 billion. Right of use assets increased by $150.4 million to $851.3 million principally reflecting rail haulage contracts entered by Boral. These contracts were terminated by Boral on 15 July 2026.

Producing and development assets increased by $227.8 million to $1,110.1 million through the ongoing development of Crux, including installation of platform substructure and topside completed during the year. The carrying value of Crux increased to $993.1 million. The carrying value of Longtom is $117.0 million, noting that a portion of costs for restart activities underway with Amplitude Energy were capitalised during the year.

Intangible assets increased by $2.6 million to $2,220.4 million principally through capitalisation of software costs, partly offset by amortisation of capitalised software and R&D costs.

Current trade and other payables reduced by $17.2 million to $1,184.2 million.

Deferred income of $239.7 million reduced by $124.6 million, reflecting the level of new machine deliveries completed by WesTrac during the year.

Current provisions increased by $22.8 million to $175.0 million and non-current provisions increased by $4.1 million to $508.6 million. The non-current increase includes $31.4 million relating to SGH Energy, principally the recognition of a portion of future Crux abandonment, partly offset by movements in Longtom restoration and Boral rehabilitation and claims.

Net debt and capital management

Current and non-current interest bearing loans and borrowings totalling $3,898.8 million reduced by $460.1 million during the year. The current portion of interest bearing loans and borrowings reduced to $356.6 million, principally reflecting the repayment of US$300 million in maturing debt in Boral and WesTrac, partially offset by the transfer into current of US$241.0 million for debt maturing in the next 12 months.

Net debt at 30 June 2026 was $3,667.0 million, a reduction of $515.3 million during the year. SGH had access to cash and undrawn borrowing facilities of $2,031.8 million.

Approximately 68 per cent of SGH's drawn debt is fixed or effectively hedged, down from 69 per cent in the prior year. The average effective borrowing cost is 5.6 per cent, up from 5.4 per cent. The weighted average facility maturity is 4.6 years, down from 4.8 years for drawn facilities.

During the year, SGH refinanced the $600 million Asian Term Loan and a $578 million corporate facility tranche, extending tenor at lower rates. This provides a strong funding and liquidity position at reduced margins, with no corporate debt maturities until 2030.

The net amount of derivative financial instrument assets and liabilities of $2.6 million reduced by $91.6 million. The movement primarily relates to the expiry of in-the-money cross currency interest rate swaps corresponding to the US denominated debt tranches that matured during the year. The current asset balance of derivative financial instruments at 30 June 2026 of $64.8 million reflects in-the-money cross currency interest rate swaps and diesel hedging set to expire during FY27.

Contributed equity increased by $12.6 million to $5,032.3 million reflecting a reduction in treasury shares representing shares vested to employees, partly offset by on-market purchases to satisfy future executive share plan obligations.

Reserves of $2,906.2 million compare to $2,889.8 million in the prior year. The movement of $16.4 million includes $23.2 million in the cash flow hedge reserve, $0.8 million in the foreign currency translation reserve, $12.8 million in the equity benefits reserve and $26.6 million in the fair value through OCI reserve.

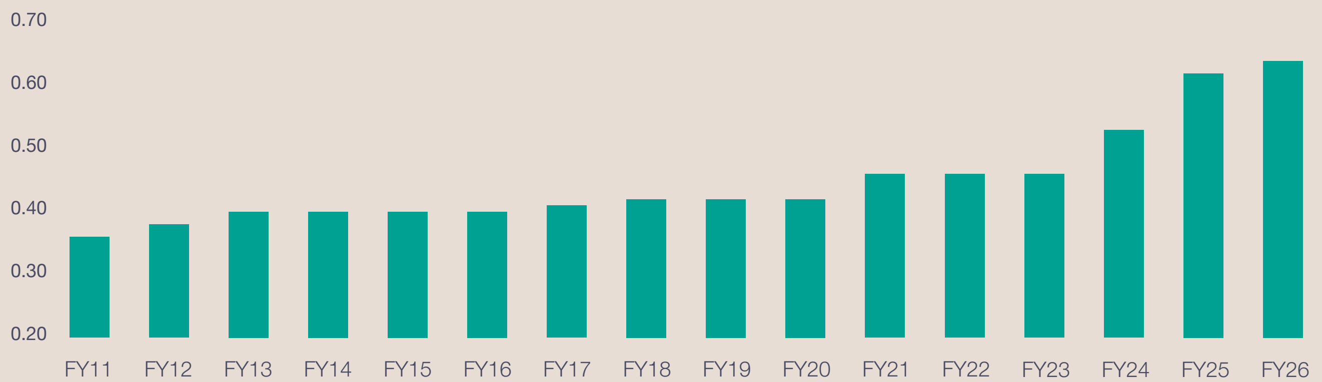
Non-controlling interests increased by $1.4 million to $31.3 million.

Cash Flow Statement

Operating cash flow of $1,491.4 million was maintained at a high level compared to $1,417.2 million in the prior year. Underlying operating cash flow conversion of 99.4 per cent (2025: 95.3 per cent) was broadly in line with historical average. Dividends and distributions of $87.0 million primarily included dividends from Beach, dividends received by WesTrac and Boral from their equity accounted investees and distributions from other investments.

Net interest and other costs of finance paid of $281.0 million reduced by $35.6 million, mainly reflecting the lower

Ordinary dividend per share history
$/share



average debt level enabled through the strong operating cash flow.

Income taxes paid of $291.8 million increased by $89.0 million, reflecting the higher earnings base and a greater proportion of the underlying earnings relating to the wholly-owned operating businesses rather than equity accounted investees.

Net capital expenditure (excluding intangibles) of $751.1 million increased by $28.9 million, mainly reflecting Crux development activity during the year, quarry acquisitions by Boral and increased fleet investment in selected product categories within Coates. Other investing cash inflow of $45.1 million includes $25.1 million in property sale proceeds from Kings Square in Perth and $9.3 million in capital distributions from China Media.

Net financing cash outflows of $724.9 million included $339.8 million in net repayment of borrowings and $260.5 million in SGH ordinary dividends paid.

Other financial cash flows included repayment of lease liabilities and purchase of treasury shares to meet employee incentive obligations.

Whilst SGH does not disclose a formal dividend policy, decisions regarding future dividend payout ratios and franking levels are made with reference to SGH's medium-term underlying profitability, Australian tax payable position, total number of ordinary shares on issue, capital management strategy and alternative investment opportunities available. Within these constraints, SGH aims to maintain dividends per share through the cycle with a view to increasing the dividend over the long-term. SGH paid an interim dividend of 32.0 cps during the year and a final dividend of 32.0 cps is proposed, both fully franked.

SGH has also announced an on-market buy-back of its ordinary shares of up to $500 million over the next 12 months. The buy-back reflects SGH's disciplined approach to capital management. Following a sustained period of strong operating cash flow and de-leveraging, SGH's leverage has reduced below its through-the-cycle target of 2.0x (Adjusted Net Debt to EBITDA).

The buy-back will not constrain SGH's ability to continue investing in its businesses or to pursue inorganic growth at scale. The program has been sized so that SGH retains substantial balance sheet capacity and the financial flexibility to fund organic investment and to act on material growth opportunities as they arise. The final amount of the buy-back and the exact timing of any trades made from time to time will depend on several factors including market conditions, SGH's prevailing share price, its future capital requirements and any unforeseen developments or circumstances that may arise in the course of the buy-back.

Risk Factors

The business activities of SGH are subject to various risk factors that may impact its future performance and financial position.

These risks are both specific to SGH's activities as well as general commercial and economic risks. Such risks, reflected through our POAF framework, may either individually or in combination, affect the future operating and financial performance of SGH and the value of its shares.

Risk Management Framework

The Board has established a risk management framework to actively identify, monitor and manage risks across SGH. The framework is administered by the Audit & Risk Committee (ARC), which is responsible for assisting the Board to identify and manage financial and non-financial risks. The Committee's responsibilities are set out under "Principle 7 – Recognise and Manage Risk" in the Corporate Governance Statement available on the Company's website.

The Committee maintains a Strategic Risk Assessment register at an SGH level, which are established in collaboration with subject matter experts throughout SGH's businesses who identify and assess the relevant risk factors. The Committee evaluates the potential consequence and likelihood of each risk occurring and ranks these accordingly. Risk controls including policies and procedures are established for each risk factor, and the responsibility to manage, monitor and report these risks is delegated to the CEO of each business and appropriately skilled senior management. External advisors are engaged to assist in this process where required.

Similar risk management processes are undertaken at WesTrac, Boral and Coates with each subsidiary presenting to the SGH ARC their consolidated risk register at least annually. The material issues are then also carried up into the SGH risk register with mitigation strategies and are reported to the ARC semi annually. Risks are also considered throughout the Board's strategic planning process annually, particularly as they relate to SGH's portfolio construction.

The composition of the Board has been specifically considered to ensure that relevant expertise is represented at the Board having regard to SGH's material risks. Page 38 sets out the relevant skills matrix.

Risks that are identified as material to SGH are summarised below. This information should not be regarded as an exhaustive list of all risks that affect SGH, furthermore, the items have not been prioritised.

Material Business Risks

People

Workplace Safety and Security

Employee safety is a fundamental principle in all SGH's activities and is committed to providing a safe work environment aiming for zero harm through a comprehensive risk management approach. However, the nature of SGH's operations involves a variety of risks which could result in accidents or environmental incidents, causing injuries or loss of life for its workforce, including staff and contractors, and the public, and could result in regulatory action, legal liability and damage to SGH's reputation. SGH has sought to mitigate these risks by assessing, understanding and mitigating the risk factors in each of its operating businesses by implementing safety rules and safety commitments which provide direction and guidance on these critical risks and by introducing engineering controls where practical and training staff to protect them whilst working.

SGH is committed to providing a safe workplace and maintains comprehensive workplace safety policies and systems which are overseen by health and safety specialists within the human resources departments and dedicated risk, safety and security teams within each business. SGH's commitment extends to psychological safety, promoting a culture of care and vigilance against physical and psychosocial hazards.

Chain of responsibility also extends SGH's obligations beyond existing operations to contractors and potentially their sub contractors, over whom SGH has less control. There are strategies to manage this risk within each operating business. Procedures relating to security at SGH's business sites are prioritised and are subject to review and continuous improvement.

Management and Personnel

Loss of key management and other personnel, including Board directors, may have a negative impact on SGH's businesses and SGH faces the risk that it cannot promptly or adequately replace key directors, management or personnel that leave SGH. Difficulties attracting and retaining skilled employees may also impair SGH's ability to conduct and grow its business.

A local or global shortage of suitably qualified and experienced technicians and operational staff could impact the ability of WesTrac, Boral and Coates to achieve their operational objectives and also result in an increase in operational costs through higher salaries required to attract and retain staff.

Many of SGH's employees, including permanent and casual employees, are covered by awards, enterprise bargaining agreements and other workplace agreements. These arrangements are complex and require interpretation, including in determining payments and accrual of employee benefits, are subject to change in interpretation, government regulation and periodically require renegotiation and renewal. These arrangements could result in issues which may lead to disruptions to operations and an increase in direct and indirect labour costs, which may have negative impacts on SGH and SGH's financial performance.

A more complex Industrial Relations environment may impact customer demand due to project or operational disruptions.

Operations

Government Policy

Changes in government, policies, taxation and other laws, and government intervention in domestic markets can influence the outlook for SGH. In this regard, SGH has a direct exposure to infrastructure investment, natural resources and environmental policy with greater sovereign intervention impacting SGH's ability to invest domestically.

In regard to the infrastructure investment, SGH is indirectly exposed to a variety of factors that may adversely affect its businesses or operations including regulation by various governmental authorities, service interruption due to environmental, operational or other mishaps; the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards; and general changes in market sentiment towards investing in infrastructure assets.

The environment is regulated in Australia by Local, State and Federal governments in relation to activities impacting the natural environment, including development conditions and approvals, restrictions on operations and amount of carbon emissions that may adversely impact SGH's businesses or operations or those of its customers.

The Government also continues to evolve low-carbon related policies; particularly the Clean Energy Regulator's Safeguard Mechanism which directly impacts Boral's Berrima Maldon facility and indirectly on Prelude processing via SGH's Crux production. Governments are also setting binding targets and increasing actions to achieve carbon reduction. This may result in a broader based price on carbon emissions, increasing the cost of production and negatively impacting earnings of SGH.

There is a risk that changes to applicable environmental regulations can have direct impact, such as potential changes to the Safeguard Mechanism and carbon emissions baseline and applicability of Trade Exposed Baselines Adjustments, or indirect impact, such as policy impacting the availability or cost of carbon offsets, on SGH's businesses that could adversely impact SGH's financial and business performance. Customers are increasingly looking to lower their greenhouse gas emissions. In mining, this may result in increased electrification or use of alternative fuels to power mining fleet, reducing future parts and service demand to support traditional diesel combustion engines. In construction, this may lead to use of alternative construction materials, reducing future demand for aggregates, cement and concrete.

The increased sovereign risk due to further government interventionist policies also has a direct effect on SGH's capital allocation model, with incremental sovereign risks being appropriately factored into domestic versus offshore investment decisions.

Mining Production

Parts of SGH's business, especially WesTrac, and to a lesser extent Coates, have an exposure to the Australian major miners who export significant quantities of both iron ore and coal and who represent a large portion of WesTrac's annual revenue. The medium to long term future of both iron ore and coal exports may be negatively impacted by changes in Asian markets that are the traditional importers of these products, as they potentially adjust their consumption and preferred suppliers over time. In addition to changes in economic growth and development in China, the possible changes to environmental policy and the impact on thermal coal imports may negatively impact coal prices, which could adversely impact the financial performance of SGH. Any increased political tensions between Australia and other foreign Governments could negatively impact export volumes and therefore SGH's financial performance.

Network Optimisation

Any deterioration across SGH in branch network quality due to outdated infrastructure, insufficient maintenance, increased scale and complexity or changing geographic coverage, may result in increased operational costs, longer response times, and diminished customer satisfaction. This may limit the ability to leverage fixed costs effectively across operations putting pressure on SGH's operating margin.

Project and Construction Activity

Australian infrastructure policy has long been the foundation for economic growth through the development of large scale projects, e.g. Sydney Metro. The current forecast for infrastructure and housing development across Australia is forecast to provide a significant stimulus to the economy over the next decade. WesTrac, Coates and Boral are exposed to infrastructure and construction activity and have factored the increases in activity into their strategic outlooks. Any material change in this outlook as a result of changes in Government policy could have an adverse effect on SGH's financial performance.

Competition

The markets in which SGH's industrial services businesses operate are competitive. In some instances, customers have alternative sources of supply, including imported supply, therefore requiring competitive pricing and high customer service levels to retain market share. The competitive environment can be significantly affected by local market forces, such as new entrants, production capacity, utilisation, disruptive product innovation, customer strategies, new energy trends and customer preferences, and changes in mining and construction methods and construction materials. This requires our businesses to continually evolve their product and service offerings.

Our businesses continue to invest in data, digital and e-commerce capabilities to enhance our understanding of customers and provide more timely, personalised and engaging experiences. We also monitor local and global trends and respond with relevant new customer propositions. An increase in competition could result in a loss of market share or decrease in prices that could impact SGH's future profitability.

Boral has specific competition risks in relation to customer concentration, production innovation and product substitution. Many of the products sold by Boral are commodities that face strong volume and price competition, with pricing impacted by macroeconomic conditions, the competitive environment, degree of utilisation of production capacity and the specifics of product demand, among other factors. In addition, competitors are increasingly innovative and cost competitive, and products may face competition from substitute products over time, including new products that Boral does not currently produce.

Any significant shift in demand preferences to these alternative products could adversely impact market share. Boral may also experience downward pricing pressure across its different markets and may not always be able to raise prices to offset increased operating expenses and inflationary pressures.

WesTrac and Coates face competition from both domestic and international competitors as it relates to their services and products offered. WesTrac has exposure to changes in customer behaviours and preferences for both new and emerging technology and competing products supplied by alternative OEMs. WesTrac has a reliance on Caterpillar technology and pricing to be competitive to maintain market share and volumes. Pricing pressure from competitors remains a key risk along with further potential impacts relating to international tariffs. WesTrac is also exposed to customers seeking to move maintenance activities in-house, or run fleets to failure rather than complete recommended servicing models. This requires WesTrac to continue to evolve and deliver efficiencies in its operations to remain competitive in order to enhance the value proposition and provide a competitive offering to customers.

Risk Factors continued

Reserve, Exploration and Production Risk

Quarry, oil and gas reserves and resources are estimated using subjective judgements and modelling based on available geological, technical, contractual, licence, permit and economic information. Estimates can change over time due to new information from drilling or production, changes in economic factors such as quarry product, oil and gas prices, technological improvements, regulation or other events.

Quarry, oil and gas reserves and resources are finite and are depleted on an ongoing basis through production, with replacement only possible via the discovery of new resources through successful exploration or the acquisition of resources. Exploration for quarry products and hydrocarbons is inherently risky and subject to geological interpretations and technological uncertainties. Failure to secure access to licences and permits and sub economic exploration results could lead to declining reserves and resources impacting long term growth.

SGH Energy holds production rights to a number of onshore and offshore oil and gas fields. Oil and gas facilities are exposed to the risk of loss of containment of hydrocarbons, which could result in disruption to production, loss of revenue and clean up costs. SGH Energy has insurance policies in place to minimise any losses incurred as a result of loss of containment.

Boral holds production rights to a number of quarries. Quarry production may result in disturbance to the environment, including ground stability, air quality, indigenous cultural artifacts and noise. Any quarry, oil or gas project may be exposed to production decline or stoppage, which may be the result of facility shut downs, mechanical or technical failure, climate related events and other unforeseeable events.

A significant failure to maintain production could result in lower production forecasts, loss of revenue and additional operational costs to restore production.

Reputational Risk

Reputational risk is the risk of failure to meet stakeholder expectations as a result of an event, behaviour, action or inaction, either by SGH itself, our employees or those with whom we are associated, that may cause stakeholders to form a negative view of SGH is fundamentally a by-product of another business risk such as decarbonisation, ethics, security or tax.

The governance of reputational risk is integrated into SGH's broader risk governance framework. The Business Units manage risk as an intrinsic part of their daily operations and are committed to conducting activities in a way that generates sustainable growth while enhancing the reputation of SGH.

There is an ongoing focus on continued investment in cyber security, ongoing investment in sustainable water sources, dust and wastewater management and meaningful focus on Indigenous employment.

There may also be reputational risks associated with exposure to fossil fuels and emissions intensive businesses or businesses which decarbonise slowly, which is potentially offset by the opportunity to build a more climate positive brand to better align with consumer preferences, while also engaging with customers on relevant concepts such as Boral's low carbon cement.

Supply Chain and Logistics

Key operational risks to SGH as a result of force majeure events include the potential closure of locations such as branches and workshops, disruption to field services, disruption to the supply chain (including rail infrastructure), closure of customer locations, and changes to government legislation and regulation. These risks may impact customer demand and the ability of WesTrac, Coates and Boral to schedule and complete the work required to provide equipment, services and products to customers on a timely basis. The ability of customers to pay for equipment, products and services within agreed terms may also be impacted, as may the solvency of a limited number of customers which would in turn impact the financial performance of SGH.

Should supply chains be impacted due to unforeseen events or inadequate planning and management, SGH may experience increased inventory levels in WesTrac, including increased orders of long lead time parts and new equipment where increased lead times necessitated going on risk to enable WesTrac to meet expected customer demands. Coates may also experience extended equipment delivery times and be required to slow its fleet disposals to ensure they have sufficient rental fleet to meet current customer demand.

Contract Risk

SGH is subject to the risk that material contracts with suppliers, customers and others are terminated, expire, are not renewed or are renegotiated on less favourable terms. This may have an adverse impact on SGH's financial performance and position. SGH is party to agreements with service providers for a number of ongoing services, which if terminated, might have significant financial and operational implications for SGH's businesses. SGH is also exposed to the risk that it does not manage, or that third party service providers do not manage, obligations in line with contractual or operational standards, which could result in financial losses.

In some instances, business projects may have work delivery challenges that manifest in actual costs increasing from earlier estimates. Coates' Engineering Solutions and Boral's contracting business have normal contractor's liability in relation to projects and may have normal design liability for projects where design is specifically contracted. These liabilities may include litigation against Coates or Boral. SGH may also provide performance guarantees and indemnities for projects and the value of these guarantees and indemnities are indeterminable in amount.

Customer Default

SGH's businesses have large and diversified customer bases and are not reliant on any single customer. However, there is the risk that customers may default due to bankruptcy or other reasons, including general economic downturn. Such risks have manifested across the building and construction sector due to the adverse impacts of inflation impacting builders who have taken on fixed price construction risk.

A customer's termination of, or default under, a contract could result in a loss of expected revenues and additional expenses. Accordingly, the termination of, or default under, a contract by any of SGH's customers could have an adverse effect on SGH's business, financial condition and results of operations.

Crime, Technology and Cyber Security

SGH is subject to risk of fraud, misappropriation of assets or information by individuals or organisations. SGH has controls in place to mitigate these risks, including system controls, segregation of duties, review procedures, bi-annual Financial and Corporate Governance Self-Assessment attestation process, whistleblower reporting, internal and external audit.

SGH's rental activities necessitate the transfer of physical control of assets, increasing the risk of misappropriation, mitigated where possible by identity checks and obtaining security deposits before hire and on certain high value serialised equipment

GPS tracking devices. SGH secures assets within its control at locations using a variety of physical measures including locks, alarms, fencing, closed circuit television and security guards.

SGH relies upon information technology systems and networks in connection with a variety of business activities. Information technology security threats from user error to cyber security attacks designed to gain unauthorised access to our systems, networks and data, are increasing in frequency and sophistication. SGH secures business and customer information using information technology security measures, including encryption, multi-factor authentication and independent security penetration testing.

SGH has experienced cyber security threats and vulnerabilities in its systems and those of third party providers, and has experienced viruses and attacks targeting information technology systems and networks. Such prior events, to date, have not had a material impact on SGH's financial condition, results of operations or liquidity. Potential consequences of a future material cyber security attack include reputational damage, litigation with third parties, government enforcement actions, penalties, disruption to systems, unauthorised release of confidential or otherwise protected information, corruption of data and increased cyber security protection and remediation costs, which in turn could adversely affect competitiveness, results of operations and financial condition.

Due to the evolving nature of such security threats, the potential impact of any future incident cannot be predicted. Further, the amount of insurance coverage SGH's businesses maintain may be inadequate to cover claims or liabilities relating to a cyber security attack. In addition, the data SGH collects, stores and processes is subject to a variety of laws and regulations which may carry significant potential penalties for noncompliance.

SGH's businesses are increasingly exposed to risks arising from failed cloud-based services, where providers fail to ensure continuity of services. Continuity plans are in place for critical systems but may not fully mitigate this risk.

Weather, Environment and Climate Change

Extreme weather is a risk for mining, quarry, oil and gas, construction and construction materials industries. Periods of extreme weather can interrupt SGH's production, operations, and ability to supply products to the market and limit customer's production and operations, postponing demand. Prolonged periods of wet weather can impact Boral's performance through lower productivity and loss of fixed cost recovery.

SGH operates in industries that may have a negative impact on the environment, including in respect of land, air, and water pollution and greenhouse gas emissions. SGH is investing in solutions to reduce its energy consumption and greenhouse gas emissions and is seeking to transition to a lower carbon economy including an aspiration to net zero emissions.

There are risks that new technologies are not developed or unviable, or changes in regulation may increase SGH's cost structure, including the cost of carbon offsets, or result in SGH being unable to satisfy future regulatory requirements relating to these matters. The factors may impact SGH's social licence to operate.

Strategic, regulatory and operational risks and opportunities associated with climate change are incorporated into SGH policy, strategy and risk management processes and practices. SGH actively monitors current and potential areas of climate change risk and takes actions to prevent and/or mitigate any impacts on its objectives and activities including setting of targets to reduce carbon emissions. Reduction of waste and emissions is an integral part of delivery of cost efficiencies and forms part of SGH's routine operations.

Assets

WesTrac Dependence on Caterpillar

WesTrac's predecessor companies have been associated with Caterpillar since the 1940s and WesTrac's association with Caterpillar has been since 1990. As is customary in dealer agreements with Caterpillar, the WesTrac dealer agreements with Caterpillar can be terminated by either party upon 90 day notice at any time. The dealer agreements also contain provisions for automatic or accelerated termination in certain circumstances, such as material breach, insolvency events, and changes in control without Caterpillar consent, and are not exclusive. The Caterpillar dealer agreements are not, however, subject to periodic renewal requirements and are perpetual in nature (subject to the termination right noted above).

In the event Caterpillar terminates or appoints another dealer or deals directly in the territories in which WesTrac operates, it would have a material adverse effect on WesTrac's business, financial condition and results of operations as well as trigger accelerated prepayments across SGH's key funding arrangements. In the event Caterpillar changes the scope of current or future activities able to be provided by WesTrac under the dealer agreements, it may have an adverse effect on WesTrac's business, financial condition and results of operations.

WesTrac is dependent on Caterpillar for timely supply of equipment and parts from their global manufacturing factories and distribution warehouses. During periods of intense demand or in the event of disruption to Caterpillar's business there may be delays in the supply of equipment and parts to WesTrac. In the event that Caterpillar is unable to supply its products in the quantities and timeframes required by WesTrac's customers, it may have a material adverse effect on WesTrac's business, financial condition and results of operations.

Manufacturing and Service Operations

WesTrac and Boral's manufacturing and service operations depend on critical plant and facilities. Any unanticipated failures, outages or force majeure events could lead to failure to meet financial performance that both businesses partially mitigate via business interruption insurance on key assets. Boral's performance is exposed to inflationary impacts from rising input costs, including energy. Disruption in the supply of raw materials or other critical inputs for manufacturing, as a result of force majeure type events, could impact Boral's ability to manufacture products and meet market demand. Specific business interruption risks for Boral include plant and systems failure, severe weather, access to future reserves and resource supply constraints.

Property Portfolio

SGH's property strategy involves managing a diverse portfolio of property. Fluctuations in property values due to economic cycles, interest rates, and general market dynamics may impact financial performance and asset management strategies across SGH. Regulatory changes, including zoning laws and environmental policies, may restrict strategic decision making and increase operational costs. Operational disruptions such as natural disasters or infrastructure failures could also damage properties, leading to downtime, repair costs, and potential insurance claims. SGH, in certain instances, also relies on third party developers to develop, sell and lease out properties across the portfolio, and as a result may be impacted by the performance and success of the developer.

Risk Factors continued

Investment Assessment

The future growth prospects of SGH may be affected by the recognition and availability of suitable investment opportunities coupled with the operating performance of the existing businesses to support this incremental deployment of capital. There is no guarantee that SGH will be able to identify and successfully implement future investment opportunities. Investment opportunities, and SGH's ability to divest its existing investment are subject to market conditions and other factors outside of the control of SGH. With the ongoing focus on growth, the next opportunity to significantly add to the current businesses controlled by SGH will carry additional risk due to the size and potentially the nature of those businesses. Given the complexity of any transaction undertaken, SGH faces risks in undertaking sufficient due diligence and reaching a level of assurance as to the merits of acquiring the potential target. Due diligence may not reveal all material issues, which could impact the returns from the investment. If SGH does undertake further investments in the future, there are risks associated with the integration of any business into SGH, including potential delays and costs in implementing necessary changes and integrating various operations, and failure to achieve potential synergy benefits.

Energy Assets

The development timetable of SGH's energy assets is subject to the decision making of controlling and operating partners in relation to factors such as environmental and regulatory approval, economic access to processing infrastructure, approval of drilling programs, finalisation of development concepts, development schedule and cost, operating costs, approach to carbon emissions reduction or offset, and weather.

Failure to secure and maintain access to processing infrastructure on reasonable terms, or events that result in a significant disruption to access, could result in the loss of revenue, delay in development timetable, loss of investment income or require additional costs to restore or find alternative access.

Contracts to access processing may involve take or pay arrangements that could also result in costs where production is either not supplied or not supplied in sufficient volumes.

Failure of SGH Energy's Joint Venture Partners to meet financial and other obligations may have an adverse impact on SGH Energy's business. SGH Energy works closely with its Joint Venture Partners to minimise joint venture misalignment.

In May 2026, the Australian Government announced the draft Domestic Gas Reservation Scheme (DGRS) which will directly impact SGH's investments in Crux, Longtom, Beach Energy and the long-term supply of gas for large industrial consumers like Boral. The increase in government intervention poses a significant sovereign risk to SGH with the economic cost of investing in Australia substantially increasing. The DGRS forms a major structural intervention in the gas export industry. SGH continues to assess the ongoing landscape of Australian policies and the cost of increasing government regulatory complexity as part of the capital allocation decision making process.

Minority Investments

SGH holds investments in a number of companies that it does not control, including listed, unlisted, and joint venture companies. Where SGH holds an investment and is limited in its ability to exert control over the investee entity, it may become subject to the operational control of others and the financial performance this may entail. Additionally, SGH will be exposed to the price, liquidity and other risks inherent in minority shareholdings, including the risk that distributions paid to security holders will be reduced. SGH may be unable to achieve an easy or profitable exit from its investments. This could lead to a reduction in the financial performance of SGH. Listed equity markets fluctuate over time, and the price of shares in SGH's portfolio may rise or fall due to numerous factors, which may affect the market performance of SGH. These include changes in Australian and international stock markets and investor sentiment, domestic and world economic conditions and outlook, inflation rates, interest rates, employment, taxation and changes to government policy, legislation or regulation.

Media Investments

SGH's investment in Southern Cross Media exposes it to the various risks facing the media industry. Southern Cross Media competes for audience share and advertising revenues with all forms of media such as free to air television, newspapers, magazines, radio, outdoor advertising, pay television, direct mail, cinema and the internet, including Subscription Video On Demand (SVOD), Transactional Video On Demand (TVOD), Advertising Video On Demand (AVOD), Broadcast Video On Demand (BVOD), short form video, social media and search.

The Australian media industry is highly concentrated and competitive, with several operators competing for market share and advertising revenue through the same or alternative products. The actions of an existing competitor, the entry of new competitors into the market, the introduction of new forms of media, or changes to Government regulation such as anti-syphoning, may result in audience fragmentation in television, BVOD and/or a reduction in newspaper readership, resulting in advertising revenue declines and lower profitability for Southern Cross Media. Third party appropriation of content and other intellectual property without compensation may also impact the financial performance of the business. Media reforms may provide an opportunity to mitigate these factors.

Southern Cross Media has implemented changes to its operating model and management structure to address cultural concerns, drive a performance focused organisation and help deliver on its refreshed strategy.

Remediation and Restoration Costs

SGH holds provisions for the future remediation and restoration costs of quarries and removal costs of offshore oil and gas production facilities and pipelines, which are at different stages of development, construction and economic life. Most of these restoration and decommissioning events are many years in the future and the precise requirements to be met when the restoration event occurs are uncertain. Differences in actual requirements to assumptions made may result in additional costs. Decommissioning technologies and costs are constantly changing, as are political, environmental, safety and public expectations. The timing and amounts of future obligations are subject to significant uncertainty and estimation is required in determining the amounts of provisions to be recognised. SGH maintains a provision for remediation and restoration obligations representing SGH's best estimate based on current industry practice, current regulations, technology, price levels and expected plans for end of life remediation. Changes to current industry practice could result in increased costs, which may have negative impacts on SGH's financial performance.

SGH and its operating businesses have Business Continuity Plans and material business interruption insurance and maintain a level of crisis liquidity for force majeure events. Failure to forecast, anticipate or react to material events in a timely manner may lead to loss of competitive position, inadequate fleet and inventory mix and impact SGH's financial performance.

Financials

Commodity Price Risk

SGH has an operating interest in oil and gas assets located in Australia. These investments expose SGH to commodity price risk from fluctuations in the prices of oil, natural gas and other condensates and natural gas liquids. SGH does not currently hedge its direct exposure to oil and gas commodity price risk. The prices of oil and natural gas can be volatile as a result of many factors outside of SGH's control, including global supply and demand, the level of economic activity in key markets, regional political developments and military conflicts in oil and gas producing regions, as seen with the impact of the Ukraine and Middle Eastern Conflicts and resulting sanctions.

A material and/or prolonged decline in the realised prices of oil and gas may have a material adverse impact on the financial results and future prospects of SGH and/or the ability to fund future exploration, appraisal and development activities. In addition, a prolonged decline in oil or gas prices may also negatively impact the carrying value of SGH's oil and gas investments, joint ventures and operations.

Boral is directly exposed to commodity price risk on coal and diesel fuel whilst also being indirectly exposed to commodity price risk from prices of coal and gas that impact energy costs, as inputs to lime, cement and asphalt manufacturing operations. Boral partially hedges its exposure to coal and diesel fuel commodity price risk and enters into derivative energy contracts to partially hedge exposure to energy costs including a solar generated power purchase agreement.

SGH is exposed to increase in oil price on fuels that impact transport costs, both as a direct cost of owned vehicles and as an input cost for transport contractors and manufactured products.

SGH is indirectly exposed to adverse movements in the prices of iron ore, gold, copper, lithium, thermal coal, nickel and other commodities through customers that operate in these sectors. The profitability of these customers, the majority of whom are in the lowest quartile of the global production cost curve, is a driver of the level of demand for the equipment, parts and service that is supplied by WesTrac and Coates.

Funding, Access to Capital Markets and Liquidity Risk

SGH utilises debt and debt like instruments to fund its business operations and enhance its return on equity. SGH and its subsidiaries will need to refinance debt and derivative facilities as they mature over time and is exposed to adverse changes in global equity or credit market conditions. There is a risk that SGH could have difficulty obtaining financing on commercially reasonable terms if there was a material deterioration in the cash generation of the business operations, which may negatively impact SGH's ability to implement strategy or undertake investments, as well as potentially increasing the cost of funding.

The ability to refinance can be impacted by many factors outside of SGH's control, including global supply of credit, level of economic activity and credit defaults, perceptions of carbon intensity and credit providers' assessment of aggregated credit risk to SGH and its investments.

Liquidity risk arises from the possibility that SGH may be unable to settle or meet its obligations as they fall due. Failure to meet applicable covenants or undertakings in its financing arrangements could adversely impact SGH by accelerating payment obligations or requiring the renegotiation of existing financing.

SGH manages this risk by maintaining sufficient cash balances, liquid securities and committed undrawn bank facilities from a variety of lenders to ensure these obligations can be met.

SGH also has policies in place to minimise and manage its exposure to counterparty credit and duration risk.

Inflation and Interest Risk

SGH is exposed to the risk of a significant increase in input costs, both direct and indirect, through the impact of periods of sustained high inflation. SGH seeks to recover increased input costs from inflation by prices charged to customers for goods and services and there is a risk some increased input costs are unable to be passed on, adversely impacting SGH's margins. Central bank measures to mitigate high inflation by increasing interest rates may result in reduction in economic activity and consumer demand that may adversely impact SGH's market outlook.

SGH is exposed to the risk of an increase in net interest costs through the impact of adverse changes in market interest rates on the cost of debt. SGH's policy is to hedge a portion of this risk by utilising a mixture of fixed and floating rate debt facilities and through the use of derivatives including interest rate swaps and options.

Foreign Exchange Risk

SGH is exposed to movements in foreign exchange rates. WesTrac, and to a lesser extent Boral, Coates and SGH Energy, are exposed to foreign exchange risk through the purchase of plant and equipment, inventory and products effectively denominated in foreign currency, principally US Dollars. As part of its pricing of parts and equipment globally, Caterpillar periodically resets pricing to reflect exchange rate movements, transport costs and underlying inflation, impacting the market value of inventory. Movements in the pricing of parts and equipment impacts WesTrac's revenue and may also affect the overall margin earned on the sale of inventory to customers which may be denominated in either Australian or US Dollars.

Boral is exposed to foreign exchange risk through imported products and acquisition of plant and equipment.

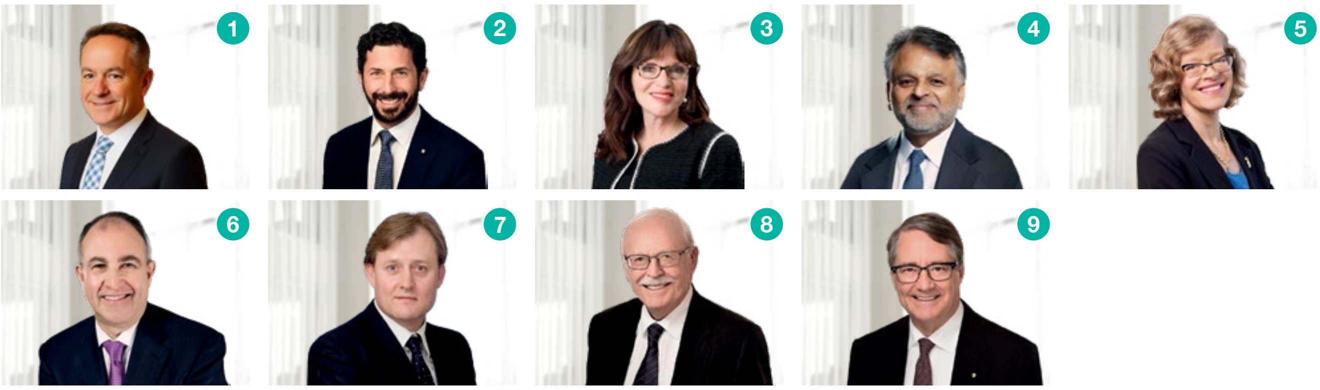
The revenue generated and capital development costs associated with SGH's energy assets is partly denominated in US Dollars. SGH does not currently hedge the expected revenues or capital development costs, resulting in the risk of lower earnings and/or higher costs for SGH upon conversion to Australian Dollars if there has been an adverse movement in the exchange rate.

Fluctuations in foreign exchange rates, including the AUD/USD exchange rate could have an adverse impact on SGH's business, financial condition and results of operations which are reported in Australian Dollars. SGH may from time to time hold cash and investments, including investments in overseas equity funds, denominated in US Dollars, exposing SGH to foreign exchange risk.

Tax Risks

SGH may be subject to reviews by taxation authorities from time to time in the ordinary course of business. These reviews may result in the taxation authorities taking a different view on the tax treatment of transactions from that of SGH, which could lead to additional tax liabilities.

Board of Directors



1. John Gillam

Chairman of SGH Limited - since 1 June 2026
Director of SGH Limited - since 1 February 2026

Member of the Remuneration & Nomination Committee and member of the Independent & Related Party Committee.

Mr John Gillam brings exceptional executive leadership across diversified industrials, retail, chemicals, agribusiness and infrastructure sectors. His 20-year career with Wesfarmers Limited, one of Australia’s largest diversified businesses culminated in senior executive roles across complex, multi-billion dollar business units. His breadth of experience at Wesfarmers included 12 years as Chief Executive Officer of Bunnings Group, Chief Financial Officer of Bunnings, Company Secretary of Wesfarmers Limited, and Managing Director of CSBP (chemicals and fertiliser).

Mr Gillam currently serves as Chairman of Lendlease Group (since 2024), Nufarm Limited (since 2020) and VetPartners Group (since 2024), and as Director of Clontarf Foundation (since 2017). He previously served as Chairman of CSR Limited (2018 to 2024), successfully guiding the company through significant strategic repositioning in the building products sector. He also served as Chairman of BlueFit Pty Limited (from 2018 until December 2025).

Mr Gillam holds a Bachelor of Commerce from the University of Western Australia and is a Member of the Australian Institute of Company Directors and Fellow of the Australian Institute of Management.

2. Ryan Stokes AO

Managing Director & Chief Executive Officer of SGH Limited - since 16 February 2010

Mr Ryan Stokes AO is Managing Director & Chief Executive Officer of SGH and has been an Executive Director since February 2010. He was previously Chief Operating Officer of SGH from August 2012 to June 2015.

Mr Stokes is Chairman of WesTrac, Chairman of Coates, Chairman of Boral and a Director of Southern Cross Media Group Limited since January 2026. He is Chairman of Beach Energy Limited and a Director since July 2016. He has extensive experience leading large private and public organisations, including experience with corporate transactions, operational discipline and performance.

Mr Stokes is Chief Executive Officer of Australian Capital Equity Pty Limited (ACE). ACE is a private company with its primary investment being an interest in SGH. Mr Stokes was appointed Chairman of the National Gallery of Australia in July 2018. He was a Director of Seven West Media Limited from 2012 to 2026. He was also a member of the IOC Olympic Education Commission from 2017 to 2021. Mr Stokes was Chairman of the National Library of Australia from 2012 to 2018. He was a member of the Prime Ministerial Advisory Council on Veteran’s Mental Health from 2014 to 2019.

Mr Stokes holds a BCom from Curtin University and is a Fellow of the Australian Institute of Management (FAIM). Mr Stokes was appointed an Officer in the General Division of the Order of Australia in the Queen’s Birthday honours on 8 June 2020.

3. Rachel Argaman (Herman) OAM

Director of SGH Limited - since 7 February 2022

Member of the Remuneration & Nomination Committee and member of the Independent & Related Party Committee.

Ms Argaman brings a wealth of operational experience and proven leadership skills and capability across a number of sectors. Ms Argaman has been the Chief Executive Officer of Opal HealthCare, Australia’s largest private residential aged care provider, since August 2018. Prior to this, she held executive roles at TFE Hotels, as Chief Executive Officer for 11 years, Charter Training Group and Imperial Car Rental.

As the Chief Executive Officer of Opal HealthCare, Ms Argaman has worked to create a customer and purpose led organisational culture that focuses on the delivery of strong social and commercial outcomes to enable the provision of the infrastructure to support Australia’s ageing population to live well. She has also led the business through its response to the COVID-19 pandemic and the Royal Commission into Aged Care, Quality and Safety.

Ms Argaman holds a Bachelor of Arts (Hons) and MBA in Services Industries Management from the University of the Witwatersrand.

4. Vik Bansal

Director of SGH Limited - since 1 April 2026

Member of the Audit & Risk Committee and member of the Remuneration & Nomination Committee.

Mr Bansal was Chief Executive of Boral from October 2022 to March 2026. Prior to joining Boral, Mr Bansal was CEO & MD of InfraBuild, Australia’s largest vertically integrated steel manufacturer servicing the construction and infrastructure segment. Mr Bansal is Chairman of Orica Limited. He is Chairman of LGI Pty Ltd, a clean energy company based in Brisbane.

He is also a Non-Executive Director of Brambles Limited and of Washington Soul Patts.

Mr Bansal was Group CEO & MD of Cleanaway waste management from 2015 to 2021. During his tenure, Cleanaway market cap increased five times, earnings more than doubled, and the company consistently delivered in the top quartile of TSR.

Mr Bansal is an Electrical Engineer and has an MBA and Advanced Management Programme from INSEAD and has completed a Master of Laws in Enterprise Governance.

5. Katherine Farrar

Director of SGH Limited - since 18 February 2019

Chair of the Remuneration & Nomination Committee, member of the Audit & Risk Committee and member of the Independent & Related Party Committee.

Ms Farrar is an experienced chief executive and director with over three decades of leadership across the finance and energy sectors. As Chief Executive Officer of Brighter Super, she has led a period of significant transformation and growth, increasing funds under management from $10 billion to $38 billion and membership from 70,000 to 380,000. This has been achieved through multiple mergers, an industry-first acquisition and a disciplined program of simplification. Under her leadership, Brighter Super has reduced member fees by 40%, delivered strong investment performance and built a multi-award-winning advice and retirement offering, while materially improving member and employee engagement.

Ms Farrar has previously held senior executive roles including Managing Director of QEnergy, Chief Operating Officer at Ergon Energy Retail, and leadership positions at Morgans Stockbroking, Barclays de Zoete Wedd and Suncorp Investment Management. Earlier in her career, she was a Junior Partner (equivalent) at McKinsey & Company.

She holds a Master's degree in Econometrics and Finance, has undertaken executive education at INSEAD and Stanford, and is a Fellow of the Australian Institute of Company Directors. She was named Women in Finance CEO of the Year and FEAL Superannuation Industry Executive of the Year in 2024.

6. Mark Johnson

Director of SGH Limited - since 26 September 2024

Chair of the Audit & Risk Committee and member of the Independent & Related Party Committee.

Mr Johnson is a Non-Executive Director of Goodman Group, Aurecon Limited, Orica Limited, Metcash Limited and Sydney Airport Limited. He is the Deputy Chancellor at UNSW Sydney (previously Councillor) and was the former Chairman of the Hospitals Contribution Fund of Australia.

Mr Johnson is a trained accountant and spent 30 years at PricewaterhouseCoopers (PwC) where he was CEO from 2008 to 2012 as well as holding positions as Asian Deputy-Chairman and as a member of PwC's global strategy council.

He was Chairman and a director of G8 Education Limited and was formerly an independent director of Coca-Cola Amatil Limited, Westfield Corporation Limited and Boral Limited (December 2021 to July 2024).

Mr Johnson holds a Bachelor of Commerce (UNSW) degree and is a Fellow of Chartered Accountants Australia and New Zealand, Certified Practicing Accountant Australia and Fellow of the Australian Institute of Company Directors.

7. Christopher Mackay

Director of SGH Limited - since 1 June 2010

Member of the Audit & Risk Committee and member of the Independent & Related Party Committee.

Mr Mackay was the Managing Director of MFF Capital Investments Limited from 1 October 2013 to 31 December 2025 and has been Executive Director Investments & Capital from January 2026. Mr Mackay is former Chairman and Chief Investment Officer of Magellan Financial Group Limited. Mr Mackay co-founded Magellan after retiring as Chairman of the investment bank UBS Australasia in 2006, having previously been its Chief Executive Officer.

Mr Mackay has considerable experience in business management, capital allocation, risk management and investment. He was a former investment banker and corporate and banking lawyer, with broad experience in the financial and corporate sectors over many years.

Mr Mackay was a Director of Consolidated Media Holdings Limited from March 2006 until November 2012, when the company was taken over by News Corporation. Mr Mackay was a member of the Federal Treasurer's Financial Sector Advisory Council and the Business Council of Australia, and a Director of the International Banks & Securities Association.

8. David McEvoy

Director of SGH Limited - since 27 May 2015

Member of the Audit & Risk Committee and member of the Independent & Related Party Committee.

Mr McEvoy has been engaged in the upstream oil and gas industry for over 40 years, in a variety of technical, senior executive and non-executive director roles. He was employed for almost 34 years with ExxonMobil concluding his executive career as Vice President, Business Development, ExxonMobil Exploration Company.

Mr McEvoy graduated from the University of New South Wales with a degree in Science and a graduate diploma in Applied Geophysics.

Mr McEvoy is a former Non-Executive Director of AWE Limited (2006 to 2018), Woodside Petroleum Limited (September 2005 to May 2017), Acer Energy (formerly Innamincka Petroleum Limited) and Po Valley Energy Ltd.

9. The Hon. Warwick Smith AO

Director of SGH Limited - since 12 September 2014

Member of the Audit & Risk Committee and member of the Remuneration & Nomination Committee.

Mr Smith has been Chairman of the Advisory Board of Australian Capital Equity since November 2006. Mr Smith also holds the position of Chairman at Ord Minnett; Wollar Solar Finance and Aqualand Group. Mr Smith is also a Director of Jemena Energy and Hive & Wellness (Capilano).

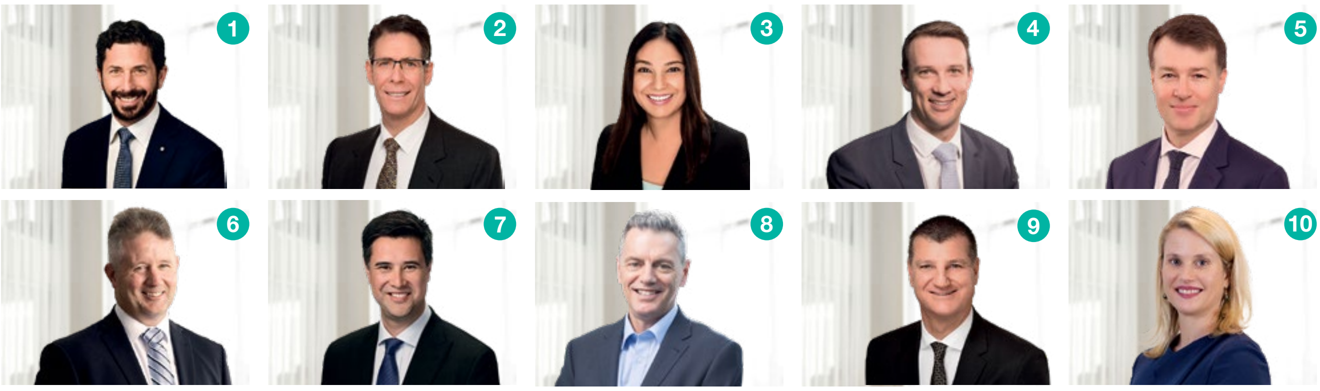
He was previously Chairman of the Australia-China Council and was the Founding Chair of the National Foundation of Australia-China Relations. He is a former Chairman of the Global Engagement Committee of the Business Council of Australia of which he is an Honorary Lifetime Member.

Mr Smith is a former Senior Managing Director of the Australia and New Zealand Banking Group Limited (ANZ), of which he was also Chairman of New South Wales & Australian Capital Territory, Chairman ANZ Thailand, Chairman and Director, ANZ Greater China and immediate past Chair of the National Museum of Australia.

Formerly Executive Director with Macquarie Bank, former Director of Estia Health Limited, former Director of Marinus Link Pty Ltd, former Chairman of E*TRADE Ltd and the Australian Sports Commission. Mr Smith was a Federal Government Minister with a parliamentary career spanning 15 years. He was also Australia's first Telecommunications Ombudsman.

Mr Smith has also received a Centenary Medal and was twice awarded the Order of Australia.

Executive Management



1. Ryan Stokes AO

Managing Director & Chief Executive Officer – SGH

B.Com, FAIM

Mr Ryan Stokes AO is Managing Director & Chief Executive Officer of SGH and has been an Executive Director of the Company since February 2010. He was previously Chief Operating Officer of SGH from August 2012 until June 2015.

Mr Stokes is Chairman of WesTrac, Chairman of Coates, Chairman of Boral, Chairman of Beach Energy and a Director of Southern Cross Media Group. He has extensive experience leading large private and public organisations, including experience with corporate transactions, operational discipline and performance.

Mr Stokes has been involved with WesTrac since 2000, has extensive experience in China with prior operations of WesTrac and other interests, was a Director of Seven Network Limited from 2005 and Executive Director and then Chairman of Pacific Magazines from 2004 until 2008. He was previously a Director of Yahoo7 from its inception in 2006 until 2013 and Seven West Media from 2012 to 2026.

Mr Stokes is Chief Executive Officer of Australian Capital Equity Pty Limited (ACE). ACE is a private company holding a major interest in SGH. Mr Stokes is Chairman of the National Gallery of Australia. Mr Stokes was Chairman of the National Library of Australia. He was a member of the Prime Ministerial Advisory Council on Veterans' Mental Health and was a member of the IOC Olympic Education Commission.

Mr Stokes holds a BCom from Curtin University and is a Fellow of the Australian Institute of Management (FAIM). Mr Stokes was appointed an Officer in the General Division of the Order of Australia in the Queen's Birthday honours on 8 June 2020.

2. Richard Richards

Chief Financial Officer – SGH

B.Com/Law (Hons), LLM (Hons), MAppFin (Hons), CA and Admitted Solicitor

Mr Richard Richards has been Chief Financial Officer of SGH since October 2013. He is a Director and Chair of the Audit and Risk Committee of WesTrac and Coates. He is a Director of Boral and is a member of their Audit and Risk and Safety Committees, he is also a Director of Beach and is a member of their Audit and Risk and Technical Committees and he is also a Director of Flagship Property Holdings. Mr Richards is also a Director of Chris O'Brien Lifehouse, a world class not-for-profit integrated cancer treatment hospital, and Chair of their Audit and Risk Committee.

Mr Richards joined SGH from the diverse industrial group, Downer EDI, where he was Deputy Chief Financial Officer responsible for group finance across the company for three years. Prior to joining Downer EDI, Mr Richards was CFO for the Family Operations of LFG, the private investment and philanthropic vehicle of the Lowy Family for two years. Prior to that, Mr Richards held senior finance roles at Qantas for over 10 years. Mr Richards is both a Chartered Accountant and admitted solicitor with over 30 years of experience in driving business performance and complex financial structures, corporate governance, risk management and audit.

3. Gitanjali Bhalla

Chief People Officer – SGH

BA, LL.B. (Hons), MIB, MAICD

Ms Gitanjali Bhalla joined SGH in October 2017 and is Chief People Officer leading human resources, culture and safety transformation while unlocking organisational performance through people. She serves as a Director of WesTrac, Boral and Coates.

With distinctive expertise spanning legal, tax, consulting and corporate services, Ms Bhalla brings a unique strategic perspective to large-scale strategic business transformation and operational excellence across diverse industries in Australia and internationally. She spent over twelve years at the professional services firms of Andersen and Ernst & Young before senior executive roles including Chief Administration Officer at UGL and global positions at Cushman & Wakefield.

Ms Bhalla also serves on the boards of Carriageworks and the Australian Cancer Research Foundation.

4. Robert Cotterill

Chief Operating Officer – SGH

B.Eng, M.Com

Mr Rob Cotterill joined SGH in March 2024 as Chief Operating Officer, working across the portfolio of industrial and energy businesses within SGH. He is also a Director of WesTrac, Boral and Coates.

Prior to SGH, Mr Cotterill held various positions within the CIMIC Group since 2007, overseeing numerous business strategies, M&A transactions and integrations of large organisations. His most recent position was the EGM Strategy, Mergers & Acquisitions at CIMIC from 2019 to March 2024, and was a member the CIMIC Group Executive Leadership Team.

During his time at CIMIC, Mr Cotterill held various board director roles overseeing the operational performance and strategic direction of subsidiary businesses, including Director roles at Ventia – ASX:VNT from 2015 to 2022, Thiess from 2020 to 2024, Nextgen from 2015 to 2016 and Metronode from 2015–2016.

He holds a Bachelor of Engineering (Hons) and Masters of Commerce from the University of NSW.

5. Warren Coatsworth

Company Secretary & Legal Counsel – SGH

BA, LLB (Hons), LLM, FCSA

Mr Warren Coatsworth has been Company Secretary & Legal Counsel of SGH since April 2010.

Mr Coatsworth is a solicitor holding a current practising certificate with degrees in Arts and Law (Hons) from the University of Sydney. He holds a Master of Laws in Media and Technology Law from the University of New South Wales as well as a Graduate Diploma in Applied Corporate Governance. He is a qualified Chartered Company Secretary and a Fellow and member of the Governance Institute of Australia.

He has an extensive experience as Legal and Corporate Counsel at the Seven Network advising broadly across the company; and was formerly a solicitor at Clayton Utz.

Mr Coatsworth has held the role of Company Secretary of Southern Cross Media Group since March 2026, where he is also Corporate Counsel, Seven West Media since April 2013 and Seven Network since 2005.

6. Jarvas Croome

Chief Executive Officer – WesTrac

B.Eng. (Mechanical) (Hons), B.Comm. (Management), CPEng

Mr Jarvas Croome has been Chief Executive Officer of WesTrac since March 2014. Mr Croome is a Director of WesTrac and Allight.

Mr Croome joined WesTrac from Woodside Energy (USA) where he was the President of the US organisation based in Houston TX. Prior to that time, he had held various executive management roles at Woodside Energy in Australia including Vice President Australian Business Unit and Vice President for Technical Services. Prior to Woodside, he had worked as a global Product and Sales manager for Shell Australia and a subsea engineer with Kvaerner RJ Brown.

He holds Chartered Professional Engineering (CPEng) status with Engineers Australia and has been previously registered on the National Professional Engineers Register. Mr Croome plays an active role in his local community and is on the board for Motivation Foundation, a not-for-profit organisation.

7. Adrian Howard

Chief Executive – WesTrac (NSW/ACT)

B.Comm, CA, GAICD

Mr Adrian Howard joined WesTrac in April 2015 and held a range of executive positions including Chief Operating Officer before being appointed Chief Executive of WesTrac NSW/ACT in July 2021. Mr Howard is a Director of WesTrac and the Chair of Energy Power Systems Australia. During Mr Howard's tenure he has also held the positions of the Chair of Sitech Solutions and the Chair of the Sykes Group.

Mr Howard has over 25 years experience working in various industries including finance, manufacturing, distribution and logistics. His previous experience includes senior leadership roles with Patrick and OneSteel Limited, occupying roles in general management, operations, strategy, business development and finance. Mr Howard has strong experience nationally and internationally across multiple industrial and commercial markets, with significant experience in operational excellence, strategic growth and leadership in complex environments.

Mr Howard is a Chartered Accountant and holds a Bachelor of Commerce from the University of Newcastle.

8. Matt McKenzie

Chief Executive Officer – Boral

B.Sc, MBA

Mr Matt McKenzie was appointed Chief Executive Officer of Boral Limited effective 1 April 2026.

Mr McKenzie brings more than 25 years of operational and executive leadership experience across construction materials, transportation, mining and waste services. He previously served as Chief Operating Officer of Boral from July 2025, and prior to that as Executive General Manager, Concrete and Quarries (South), where he held direct operational responsibility for Boral's core concrete and quarry businesses across southern Australia.

Before joining Boral, Mr McKenzie was the General Manager Solids Waste NSW at Cleanaway and has P&L leadership for the largest of Cleanaway's business units. He led a team of 1,300 and managed over 40 sites across the state. He spent 14 years at GE in a range of operational and executive leadership roles and also held senior leadership roles at Oracle Utilities.

9. Murray Vitlich

Chief Executive Officer – Coates

B.Bus. (Econ & Fin)

Mr Murray Vitlich joined SGH in June 2017 as Chief Operating Officer for the Group, working across the portfolio of industrial businesses within SGH. In July 2019, Mr Vitlich was appointed Acting Chief Executive Officer, Coates and was formally awarded the role of Chief Executive Officer, Coates. He is a Director of Coates and was formerly a Director of SGH Energy, WesTrac and AllightSykes.

Prior to joining SGH, Mr Vitlich held senior executive operational roles at Asciano Limited, where he was initially the Director, Business Development & Strategy before being made the Managing Director of Patrick Ltd, one of Australia's leading stevedoring and terminal operators with terminal operations in Australia's four largest ports, coupled with stevedoring and logistics operations across Australia and New Zealand.

From 2007 to 2008, Mr Vitlich was the Chief Operating Officer at UGL Limited and spent 15 years with Wesfarmers Limited, an Australian based diversified conglomerate where he worked in a variety of operational areas including railroads, forestry and hardware retailing, as well as spending time in Wesfarmers Business Development group covering corporate strategy and mergers & acquisitions.

10. Margaret Hall

Chief Executive Officer – SGH Energy

B.Eng. (Met) (Hons), GAICD, MIEAust, SPE

Ms Margaret Hall was appointed Chief Executive Officer of SGH Energy in September 2015 and is also a Director of SGH Energy.

The CEO role holds responsibility for delivering value from the SGH Energy oil and gas assets as well as driving growth of this business segment for the parent company.

Ms Hall has over 32 years of experience in the oil and gas industry, spanning both super-major and independent companies. From 2011 to 2014, she held senior management roles in Nexus Energy with responsibilities covering Development, Production Operations, Engineering, Exploration, Health, Safety and Environment. This was preceded by 19 years with ExxonMobil in Australia, across production and development in the Victorian Gippsland Basin and Joint Ventures across Australia.

Ms Hall was a Director of Beach from November 2021 to July 2023, and from then became an Alternate Director.

Corporate Governance Overview

For the year ended 30 June 2026

This Corporate Governance Overview outlines SGH's main corporate governance practices that were in place throughout the financial year.

SGH Limited's (the Company's or SGH's) full 2026 Corporate Governance Statement, which sets out SGH's compliance with the 4th edition of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations (ASX Recommendations), unless otherwise stated, is available in the "Corporate Governance" section of SGH's website at www.sghl.com.au/who-we-are/corporate-governance. Board and Committee Charters and a number of the corporate governance policies referred to in the 2026 Corporate Governance Statement are also available at the above link.

Role and Responsibilities of the Board

The Board is empowered to manage the business of SGH subject to the Corporations Act and SGH's Constitution. The Board is responsible for the overall corporate governance of SGH and has adopted a Board Charter, which is available on SGH's website. The Board Charter sets out the role and responsibilities of the Board as well as those functions delegated to Management.

Delegation to Management

Subject to oversight by the Board and the exercise by the Board of functions which it is required to carry out under SGH's Constitution, Board Charter and the law, it is the role of Management to carry out functions that are expressly delegated to Management by the Board, as well as those functions not specifically reserved to the Board, as it considers appropriate, including those functions and affairs which pertain to the day-to-day management of the operations and administration of SGH.

Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively, including information concerning SGH's compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the values or Code of Conduct of SGH.

Board Composition

SGH's Constitution provides for a minimum of three Directors and a maximum of 12 Directors on the Board. As at the date of this statement, the Board comprises nine Directors, including eight Non-Executive Directors, of whom six are Independent Directors and three are Non-Independent Directors.

The table below summarises the current Board composition, independence status, appointment date, and Committee membership, for ease of reference. Further detail on each Committee, including the basis for the assessment of each Director's independence, is set out later in this Overview.

The qualifications, experience, expertise and period in office of each Director of SGH at the date of this report are disclosed in the Board of Directors section of this Annual Report on pages 32 and 33.

Chairman

The roles of the Chairman and MD&CEO are separate.

Mr John Gillam is the Independent Non-Executive Chairman of SGH. The Chairman is responsible for leading the Board, facilitating the effective contribution of all Directors and promoting constructive and respectful relations between Directors and between the Board and Management.

Director	Independent	Appointed	Audit & Risk	Rem & Nom	IRPC
Mr John Gillam (Chairman)	Yes	February 2026	–	✓	Chair
Mr Ryan Stokes AO (MD&CEO)	No	February 2010	–	–	–
Ms Rachel Argaman (Herman) OAM	Yes	February 2022	–	✓	✓
Mr Vik Bansal	No	April 2026	✓	✓	–
Ms Kate Farrar	Yes	February 2019	✓	Chair	✓
Mr Mark Johnson	Yes	September 2024	Chair	–	✓
Mr Christopher Mackay	Yes	June 2010	✓	–	✓
Mr David McEvoy	Yes	May 2015	✓	–	✓
The Hon. Warwick Smith AO	No	September 2014	✓	✓	–

Ms Annabelle Chaplain AM retired as a Director on 28 February 2026. Mr Terry Davis retired as a Director (and as Board Chairman) on 1 June 2026. Mr John Gillam succeeded Mr Davis as Chairman with effect from that date.

Board Independence

The Board comprises a majority of Independent Directors with six Independent Directors and three Non-Independent Directors. In determining whether a Director is independent, the Board conducts regular assessments and has regard to whether a Director is considered to be one who:

- is a substantial shareholder of SGH or an officer of, or otherwise associated directly with, or represents or has been within the last three years an officer or employee of, a substantial shareholder of SGH;
- receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, SGH;
- is, or has previously been, employed in an executive capacity by SGH or another SGH entity, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- has within the last three years been a principal of a material professional advisor of, or a material consultant to, SGH or another SGH entity, or an employee materially associated with the service provider;
- is a material supplier or customer of SGH or other SGH entity, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has been a director of the entity for such a period that their independence from Management and substantial holders may have been compromised; or
- has a material contractual relationship with SGH or another SGH entity other than as a Director.

The Board determines the materiality of a relationship on the basis of fees paid or monies received or paid to either a Director or an entity which falls within the independence criteria above.

If an amount received or paid may impact the Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of SGH in the previous financial year by more than five per cent, then a relationship will be considered material.

Due to his position as Managing Director & Chief Executive Officer, Mr Ryan Stokes AO is not considered to be independent.

Mr Vik Bansal was formerly the Chief Executive Officer of Boral and is therefore not considered to be independent.

The Hon. Warwick Smith AO is not considered to be independent as he is the chairman of the advisory board of Australian Capital Equity Group of companies, the entities deemed to be controlled by Mr Kerry Stokes AC and which are associated with SGH's major shareholder.

In the Board's view, the Independent Directors referred to above are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Directors' ability to act with a view to the best interests of SGH.

The Board believes the management of SGH benefits from, and it is in the interests of shareholders for Directors on the Board to have a mix of tenures as currently represented by Directors on the Board, such that some Directors have served on the Board for a longer period and have a deeper understanding of SGH and its operations, and new Directors bring fresh ideas and perspectives.

While the Board does not consider that independence can be assessed with reference to an arbitrary and set period of time, the Board has specifically considered the independence of longer-serving Non-Executive Directors during the financial year. The Board determined that these Directors are independent and their periods of tenure do not interfere with the capacity of each of these Directors to bring independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole.

The Board also considers that given SGH has diverse operations within a diversified industrials business that have grown considerably over time, SGH's performance and shareholders benefit from having an appropriate number of longer-serving Directors with detailed knowledge of the history and experience of SGH's operations as part of the overall composition of Directors on the Board.

As part of succession planning on the Board, the Board's management of tenure of Directors on the Board also aims to achieve a period of knowledge transfer between longer-serving and more recently appointed Directors, prior to the rotation of longer-serving Non-Executive Directors from the Board.

Appointment of Directors

The policy and procedure for the selection and appointment of new Directors is set out in an attachment to the Board Charter. Appointed Directors receive a formal letter of appointment which set out the terms of their appointment. The date at which each Director was appointed to the Board is announced to the ASX and is provided in this Annual Report on pages 32 and 33.

Directors appointed to fill casual vacancies hold office until the next Annual General Meeting and are then eligible for election by shareholders. In addition, each Director must stand for re-election at the third Annual General Meeting of SGH since they were last elected. The Notice of Meeting for the Annual General Meeting discloses material information about Directors seeking election or re-election, including appropriate biographical details, qualifications and other key current directorships.

SGH's Purpose and Strategic Objective

The Board has approved SGH's purpose as "Recognising and serving exceptional businesses". SGH's purpose is an aspirational reason for being that inspires a call to action for our people, operating businesses and stakeholders.

"Recognising" refers to the potential of our assets and people, understanding the impact our actions and behaviours have, harnessing collective capability across SGH to realise future opportunities and ensuring operating businesses are accountable for delivering results. "Serving" refers to our individual and collective contributions, being valued by our people, customers and suppliers and facilitating problem solving opportunities across the business and outside SGH. "Exceptional businesses" applies to our investments, our substantive holdings and to our customers who are critical to SGH's success.

The Board and Management believe that fulfilling SGH's purpose will create more value for SGH's operating businesses and will achieve SGH's strategic objective which is "Maximising returns to stakeholders through long-term sustainable value creation." SGH will deliver its strategic objective and create stakeholder value through successful execution across the following four key pillars: People, Operations, Assets and Financial.

Delivery of SGH's strategic objective is supported by The SGH Way, SGH's codified operating model through which capital is allocated, execution is driven, performance is measured, and accountability is maintained across SGH Limited and its operating businesses.

SGH's operating model and cadence support how SGH drives and delivers performance, setting clear expectations for our people and leaders through key performance measures and processes to hold the business to account on that performance from the top to the frontline. SGH's operating model also emphasises the requirement for discipline and accountable execution, providing clear delineation of Business Unit and SGH responsibilities, with decision-making frontline focused, avoiding top-heavy structures wherever possible.

Corporate Governance Overview continued

Board Skills Matrix

The Board has developed a Board Skills Matrix set out below which is reviewed and updated each year to reflect the desired skills and experience required to be able to deliver the strategic objective of SGH. The Board believes that these skills and experiences are well represented by its current composition which provides a mix of Directors with specialised knowledge relating to particular industries in which SGH's businesses operate as well as general corporate, executive and Director experience which are appropriate for SGH. The table also outlines percentage of current Directors possessing those skills and experience on a weighted average basis.

Skills and Experience	Percentage
Executive leadership Significant operational business experience and success at a senior executive level.	100%
Financial analysis, risk management and reporting Senior executive or equivalent experience in financial accounting and reporting, corporate finance, and internal financial controls, with the ability to probe the adequacy of financial and risk controls.	90%
Industrial services Senior executive or Board level experience in the industrial services industry, including mining, infrastructure, and construction/building materials, with in-depth knowledge of the relevant legislative and regulatory framework.	80%
Portfolio and Corporate activity Senior Executive level experience leading successful corporate activity and accretive M&A to support growth, including identification, execution, and implementation of acquisitions and successful divestments.	100%
Energy, oil and gas Senior executive or Board level experience in the energy, oil and gas industry, with in-depth knowledge of the relevant legislative and regulatory framework.	80%
Information technology and cyber security Senior executive or Board level experience in the strategic use and governance of information management, information technology, cyber security and artificial intelligence, as well as the oversight of implementation of major technology projects.	80%
Strategy and business optimisation Track record in identifying, developing, and implementing successful strategy to support organic growth, including probing and challenging management on strategic delivery and developing assets or investments over the long-term.	100%
Corporate governance, regulatory, sustainability and community engagement Commitment to corporate governance and senior executive or Board experience in a rigorous regulatory environment. Includes an understanding of climate transition risk and oversight of climate-related financial disclosures, with familiarity with mandatory climate reporting frameworks applicable to SGH's businesses.	97%
People, culture and safety Board remuneration committee membership or Executive experience relating to human resource management, workplace health and safety, including incentive arrangements and the legislative framework governing employees and remuneration.	93%
Customer value proposition Experience in entities where the profitability and success are driven to a large degree, by the strong customer experience, effective pricing and price realisation, and superior customer value proposition.	93%

Board Committees

The Board is assisted in carrying out its responsibilities by the Audit & Risk Committee, the Remuneration & Nomination Committee and the Independent & Related Party Committee.

Each Committee has its own written Charter which is reviewed on an annual basis. The Charter of each Committee is available on SGH's website.

Attendance at Committee meetings by Management is at the invitation of the Committee. Directors who are non-Committee members may also attend any meeting of the Committee by invitation. The Chair of each of those Committees reports to the Board on the Committee's considerations and recommendations.

The Directors' Report on page 45 sets out the number of Board and Committee meetings held during the 2026 financial year under the heading "Meetings of Directors" as well as the attendance of Directors at those meetings.

Audit & Risk Committee

The Audit & Risk Committee comprises the following members, all of whom are Independent Directors except for Mr Vik Bansal and The Hon. Warwick Smith AO:

- Mr Mark Johnson (Chair);
- Mr Vik Bansal;
- Ms Kate Farrar;
- Mr Chris Mackay;
- Mr David McEvoy; and
- The Hon. Warwick Smith AO.

Ms Annabelle Chaplain AM was a member and Chair of the Committee until her retirement as a Director on 28 February 2026. Effective from Ms Chaplain's retirement, Mr Mark Johnson became Chair of the Committee. Mr Vik Bansal was appointed to the Committee on 1 April 2026.

Mr Johnson is a trained accountant and spent 30 years at PricewaterhouseCoopers (PwC) where he was CEO from 2008 to 2012 as well as holding positions as Asian Deputy-Chairman and as a member of PwC's global strategy council. Mr Johnson holds a Bachelor of Commerce (UNSW) degree and is a Fellow of Chartered Accountants Australia and New Zealand and Certified Practicing Accountant Australia. Mr Bansal brings strong financial and accounting oversight capability to the Committee, drawn from his current role on the Audit & Risk Committee of an ASX-listed company and his extensive leadership experience across ASX-listed major industrial businesses where he was directly accountable for financial reporting integrity, internal controls, and enterprise risk management. Ms Farrar brings significant finance, investment and management and board experience to the Committee. Mr Mackay, a former investment banker and corporate and banking lawyer, has financial expertise and considerable experience in business management, capital allocation, risk management and investment. Mr McEvoy brings significant board experience and expertise in accounting matters and operations, including relating to the oil and gas industries as well as extensive risk management experience. Over the course of a highly distinguished career, Mr Smith AO has held a variety of senior roles in finance, banking and government and is considered to possess financial expertise. For further details, see the biographical details of the Committee members at pages 32 and 33.

Having regard to the experience of the Committee members, including the accounting skills and qualifications of Mr Johnson as Committee Chair, the Board is confident of the Committee's Chairman's and Committee's strong capability to perceptively review financial statements and engage constructively with SGH's External and Internal Auditors to ensure compliance with relevant reporting obligations and for the Committee to together satisfy any guidelines concerning audit and financial expertise on the Committee.

Remuneration & Nomination Committee

The Remuneration & Nomination Committee comprises the following members, all of whom are Independent Directors except for Mr Vik Bansal and The Hon. Warwick Smith AO:

- Ms Kate Farrar (Chair);
- Ms Rachel Argaman (Herman) OAM;
- Mr Vik Bansal;
- Mr John Gillam; and
- The Hon. Warwick Smith AO.

Ms Annabelle Chaplain AM was a member of the Committee until her retirement as a Director on 28 February 2026. Mr Terry Davis was a member of the Committee until his retirement as a Director on 1 June 2026. Mr John Gillam was appointed to the Committee on 1 February 2026. Mr Vik Bansal was appointed to the Committee on 1 April 2026.

Independent & Related Party Committee

The Independent Directors identified on page 36 are members of the Independent & Related Party Committee (IRPC), which has Mr John Gillam as its Chair. Mr John Gillam was appointed to the Committee on 1 February 2026. Mr Terry Davis was Chair and member of the Committee until his retirement as a Director on 1 June 2026. Effective from Mr Davis' retirement, Mr Gillam became Chair of the Committee.

The Committee provides a forum for the review of material transactions between SGH and its related parties, including transactions with Australian Capital Equity Pty Limited and interests associated with Mr Kerry Stokes AC.

Review of related party transactions by the Committee occurs without Non-Independent Directors present.

During the year, the IRPC reviewed the Committee's function and SGH's governance requirements with regards to interests associated with entities controlled by Mr Kerry Stokes AC, noting that:

- Since SGH's inception the IRPC has overseen the majority of SGH's complex related party transactions, being collapsed or externalised to unrelated third parties, with only a number of branch and residential property leases, on arm's length terms, with entities controlled by Mr Kerry Stokes AC remaining. This has principally involved the conclusion of legacy service arrangements or the transfer of property interests and leases relating to several key business sites to third parties.
- The IRPC was established when SGH's Executive Chairman of the Board was Mr Kerry Stokes AC, a non-independent Director. Following the retirement of Mr Kerry Stokes AC from the Board in November 2021, the Board has had an Independent Chairman. The Board has strong majority Independent representation and is compliant with the recommendations of ASX Corporate Governance Principles with regard to the composition of the Board and appointment of an Independent Chair.
- The Board has in place a SGH Related Party Transaction Policy (RPT Policy) which sets out processes and procedures for considering related party transactions whereby any such proposed transaction with interests associated with SGH's major shareholder is referred to the Committee for consideration.

Having regard to the foregoing matters, meetings of IRPC are convened from time to time, as required, to review any proposed related party transactions with interests associated with SGH's major shareholder in accordance with the RPT Policy.

It is also noted that as a result of securities issued by SGH as consideration for the acquisition of Boral Limited shares and securities issued by SGH pursuant to the conversion of convertible securities, the interests associated with Mr Kerry Stokes AC have been diluted to 50.93 per cent.(1)

In view of the expected infrequency of such transactions, the IRPC and the Board decided that from August 2022 IRPC members do not receive separate IRPC fees.

Board, Committee and Director Performance Evaluation

During the financial year, Directors completed a Board Evaluation questionnaire concerning Board, Committee and Director, including Chairman, performance from which aggregated data and responses were provided to the Chairman and then presented to the Board for discussion and feedback.

The aggregated questionnaire results also provide the basis of individual discussions between Directors and the Chairman. The Chairman and each Board member consider the performance of that Board member in relation to the expectations for that Board member and consider any opportunities for enhancing future performance.

During the reporting period, performance evaluations of the Board, its Committees and individual Directors were carried out in accordance with this process.

Assessment of Management Performance

The performance of the MD&CEO is formally reviewed by the Board against the achievement of strategic and budgetary objectives in respect of SGH's operations and investments whilst also having regard for his personal performance in the leadership of SGH. The Board's review is carried out annually in regard to certain goals against which he is assessed, and throughout the year in regard to others, and forms the basis of the determination of the MD&CEO's performance-based remuneration.

The performance of SGH's senior executives are reviewed on an annual basis in a formal and documented interview process with either the MD&CEO or the particular executive's immediate supervisor, who evaluates performance against agreed performance goals and assessment criteria in relation to the senior executive's duties and material areas of responsibility, including management of relevant Business Units within budget, motivation and development of staff and achievement of, and contribution to, SGH's objectives. A performance evaluation of the MD&CEO and other senior executives took place during the year in accordance with this process.

Governance and SGH Subsidiary Operating Businesses

SGH's key operating businesses (subsidiaries), WesTrac, Boral, Coates and SGH Energy are each subject to the additional oversight of separate management committees which function as subsidiary 'boards' with the rigour and formality of a board structure involving regular meetings and reporting.

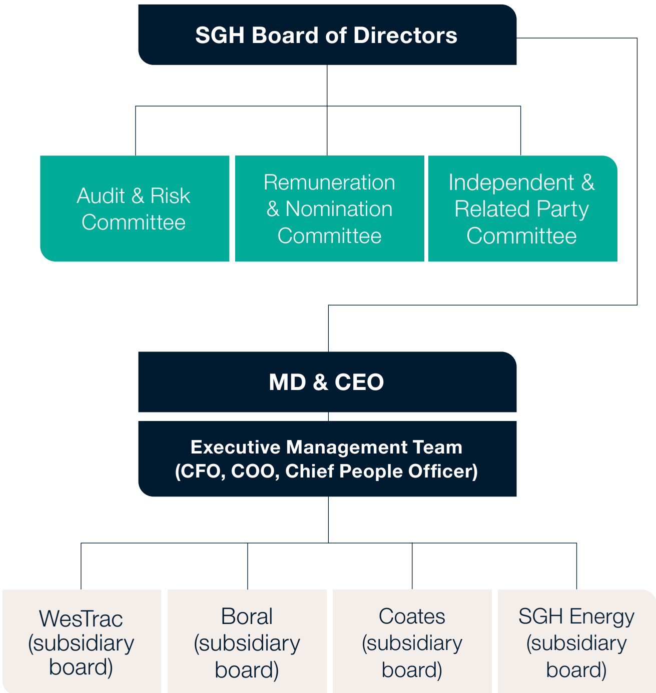
These 'boards' each consist of SGH Executives, including the MD&CEO, CFO, COO, Chief People Officer and the subsidiary Chief Executive and provide a forum to review the operations of the business and to hold each subsidiary accountable.

(1) See Notice of Change of Interests of Substantial Holder lodged with the ASX on 4 July 2024.

Corporate Governance Overview continued

The subsidiary business Chief Executive has overall operational accountability for their individual businesses including performance and day-to-day management, while SGH's corporate office resources provide central oversight of strategy, finance and accounting, legal and human resources.

The subsidiary operating business 'boards' are supplemented by specialised operating business committees which assist in relation to the oversight of key aspects of the business, such as finance, health and safety, remuneration and/or project management, as required.



Each of SGH's key operating businesses reports to SGH's Board through regular comprehensive 'vertical' business board reports as well as through aggregated 'horizontal' Group-level reviews, including finance, health and safety, risk, human capital management, strategy, technology and customer relations. This management structure enables SGH to set minimum SGH standards, disseminate and reinforce SGH culture, implement compliance controls and procedures across SGH and ensure SGH's businesses maintain focus on shareholder returns. It also appropriately safeguards and reinforces SGH's processes in relation to integrity in corporate reporting, management of SGH's disclosure obligations and SGH's ability to manage risk.

Core Values

In accordance with its Charter, the Board has reviewed and approved SGH's core values below which function as guiding principles and expectations for behaviour and the culture the Board and Management are seeking to embed across all of SGH.

- Respect
- Owner's Mindset
- Courage
- Agility

Diversity and Inclusion

The Board is committed to supporting open and inclusive workplaces that embrace and promote diversity and equal opportunity. SGH is an Equal Opportunity employer and actively invests in programs to build capability and foster a positive and inclusive culture. The Board values diversity, including in relation to age, gender, cultural background and ethnicity and recognises the benefits it can bring to the organisation.

Throughout FY26, the SGH Board was comprised of 33 per cent female Directors until Ms Annabelle Chaplain's retirement on 28 February 2026. The Board currently comprises 22 per cent female Directors. The Board expects to achieve a gender diversity target of 33 per cent at the Board level in coming years. The Board recognises the benefits of a Board comprising directors with a broad range of skills, experiences and perspectives to execute its responsibilities. The Board will continue to review its composition as it manages succession on the Board and focusses on ensuring it has the appropriate mix of Non-Executive Director skills to support SGH's strategic and operational requirements.

The key accountabilities for the Board and Executive team to support this agenda are outlined below:

Board

- Sets objective and works to ensure that organisational behaviour is consistent with an inclusive workplace that embraces diversity.

Management

- Sets objectives and demonstrates behaviour consistent with an inclusive workplace that embraces diversity.
- Adheres to the minimum standards of behaviour outlined in the Code of Conduct and Diversity and Equal Employment Opportunity Policy.
- Reports unacceptable behaviour and appropriately deals with any complaints made.

SGH's Workplace Gender Equality Act Public Reports for 2025–2026 are available on its website, which contains SGH's Gender Equality Indicators, in the 'Corporate Governance' section of its website.

Measurable Objectives

The Board has adopted the following measurable objectives for gender diversity and reports FY26 progress below.

Objective	Scope	FY26 Target/Timeframe	FY26 Outcome
Board gender diversity	Board of Directors	Minimum 30% of directors of each gender (ASX 300 threshold); SGH aspiration ≥33%	22.2% (2 of 9 directors). Declined from 33.3% (FY25) following the retirement of Ms Annabelle Chaplain. SGH is committed to Board diversity and will consider gender balance as part of future Board appointments.
Senior management gender diversity	Senior Managers and Managers	Progress year-on-year toward 25% female representation	18.5% (190 of 1,027). Broadly steady year-on-year (FY25: 18.7%). Female people leadership improving at Boral (12.4%, from 10.1%) and WesTrac (14.8%).
Workforce gender diversity	Whole of organisation	Progress year-on-year toward 25% female representation aspiration across all business units	20.0% (FY25: 19.0%). Every business unit advanced. Coates became the first SGH business to surpass the 25% aspiration at 25.1%.
Gender pay equity	All employees, like-for-like roles	Maintain 0% gender pay gap for like-for-like roles; annual pay equity review with corrective action where gaps identified	Gender pay parity maintained for like-for-like roles across all business units. Pay equity reviews conducted. No unexplained gaps identified.
Attraction and retention of female talent	Recruitment pipelines, onboarding, flexible work	Increase female representation in shortlists and application pipelines; maintain and develop structured entry pathways and flexible working arrangements	Formalised gender shortlist tracking embedded across all BUs. Structured entry pathways expanded: WesTrac Caterpillar Technician Academy (75% female graduates), Girls Can Too program, Boral Plant Operator and Asphalt Crew Programs, school-based traineeships.
Career development and progression	Female employees across all levels	Expand mentoring, sponsorship and leadership development programs targeting female talent; develop succession pipelines with female representation at executive and senior levels	Coates LEAP program continued with strong promotion outcomes (~30% of participants promoted prior to program completion). Boral Women Leading Program lifted female people leader representation to 12.4%. WesTrac Women's Career Immersion Day and Empowering Her Pathways program continued. Mentoring programs active across all three business units.
Inclusive culture and workplace behaviour	All employees	Maintain and develop inclusion programs; ensure compliance training on Code of Conduct, discrimination and bullying is current and completed; implement Positive Duty obligations	Positive Duty, pay equity and psychosocial risk managed as standing governance priorities. Acceptable workplace behaviour training current across all business units. Cross-Cultural Awareness Programs completed by 320+ Boral employees. All quarry leaders completed cultural heritage training.

SGH is a relevant employer under the *Workplace Gender Equality Act 2012* (WGEA). SGH's most recent Gender Equality Indicators, as submitted to and published by WGEA, are available at www.wgea.gov.au. The WGEA disclosure complements the measurable objectives reported above and should be read in conjunction with this section.

Gender Composition – FY26

The table below reports the gender composition of the Board, senior management and the whole of organisation.

Level	Number of Women FY26	Proportion FY26	Number of Women FY25	Proportion FY25
Board	2 of 9	22.2%	3 of 9	33.3%
Senior Managers/Managers[1]	190 of 1,027	18.5%	183 of 979	18.7%
Whole of organisation[2]	2,119 of 10,607	20.0%	2,091 of 11,006	19.0%

1. Senior Managers/Managers includes Executive Directors of SGH Limited and its subsidiaries as well as other Managers as defined by the Workplace Gender Equality Agency (WGEA).
2. Diversity numbers based on information reported to WGEA as of 31 March 2026.

Corporate Governance Overview continued

Diversity and Inclusion Policy

SGH's Diversity and Inclusion Policy is available on SGH's website at www.sghl.com.au. The Policy sets out SGH's commitment to attracting, retaining and developing talent across all dimensions of diversity, with gender diversity as a primary area of focus given the traditionally male-dominated nature of SGH's industrial operations.

Further detail on SGH's diversity and inclusion programs and FY26 outcomes, including business unit-level female representation data, training and development programs, is reported in the People section on pages 8 to 11 of this Annual Report.

Code of Conduct and other SGH Policies

The Board regularly reviews and approves the Code of Conduct, including for Directors, available on SGH's website, which establishes guidelines for their conduct in matters such as ethical standards and the disclosure and management of conflicts of interests.

The Board has implemented a number of other policies and procedures to maintain confidence in SGH's integrity and promote ethical behaviour and responsible decision-making, including the following policies which are available on SGH's website:

- Continuous Disclosure policy;
- Share Trading policy;
- Whistleblower policy;
- Fraud and Corruption policy;
- Modern Slavery statement;
- Diversity and Inclusion policy; and
- Workplace Health and Safety policy.

Communications with Security Holders

As disclosed in the Continuous Disclosure policy and Communications policy, which are available on SGH's website, the Board aims to ensure that security holders are informed of all major developments affecting SGH's state of affairs and that there is effective two-way communication with security holders. Shareholders are encouraged to participate in general meetings and are invited to put questions to the Chairman of the Board in that forum.

Security holders are given the option to receive communications from, and to send communications to, SGH and SGH's Share Registry electronically, to the extent possible. It is SGH's policy that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

SGH's website www.sghl.com.au provides various information about SGH.

Risk Oversight and Management

The Board requires Management to design and implement a risk management and internal control system to manage SGH's material business risks and report to it on the management of those risks. During the reporting period, Management reported to the Board as to the effectiveness of SGH's management of its material business risks.

Internal Control Framework and Risk Management Policy

Throughout the financial year, SGH's Internal Audit and Process Improvement function evaluated the effectiveness of SGH's governance, risk management and internal control processes by conducting detailed reviews in the areas of accounting, technology, information and business processes and operations. The Audit & Risk Committee reviewed and approved the Internal Audit plan, its resourcing and monitored its independence and performance.

The Board has approved an Internal Audit Charter which is available on SGH's website.

External Internal Audit specialists have been appointed to conduct SGH's Internal Audit reviews under in-house oversight. The Board considers that this appointment provides an enhanced level of capability and technical depth which serves to embed a stronger risk and compliance culture across the organisation, whilst drawing on best practice and knowledge across operational and emerging issues. Additionally, efficiencies are gained by the externally resourced Internal Audit function working closely with SGH's external auditor, Deloitte, to ensure audit efforts are not duplicated and Internal Audit work can be relied upon.

SGH's Risk Management Policy is available on SGH's website.

Material Risks

Under the risk framework described above, SGH has identified investment, financial, operational, environmental and social risks which it manages and mitigates. Each of the foregoing material business risks is monitored and managed by appropriate senior management within SGH who are delegated responsibility to manage or escalate issues to SGH's senior executive team. Where appropriate, external advisers are engaged to assist in managing the risk. More detail concerning these risks, and how SGH manages these risks is set out in the Operating and Financial Review and Risk Factors of this Annual Report on pages 20 to 31 and SGH's sustainability commentary on pages 141 to 163 and human capital related initiatives on pages 8 to 11 of this Annual Report.

Environment and Sustainability

SGH is mindful of climate change and managing the environmental impact of its operations. Environmental risks are considered as part of SGH's risk assessment processes. During the year, the Board reviewed and approved SGH's governance framework for oversight of climate-related risks and opportunities and reporting. Refer to pages 141 to 163 of this Annual Report for SGH's sustainability and climate change-related commentary, including information on SGH's environmental practices and efforts to minimise the environmental footprint of its businesses.

External Audit Function

The Audit & Risk Committee meets periodically with the External Auditor without Management being present. Each reporting period, the External Auditor provides an independence declaration in relation to the audit. Additionally, the Audit & Risk Committee provides advice to the Board in respect of whether the provision of non-audit services by the External Auditor are compatible with the general standard of independence of auditors imposed by the Corporations Act.

SGH's External Auditor attends all Annual General Meetings and is available to answer shareholders' questions about the conduct of the audit and the preparation and content of the Auditor's report.

Declarations by the MD&CEO and CFO

Before the Board approves the financial statements for each of the half-year and full year, it receives from the MD&CEO and the CFO a written declaration that, in their opinion, the financial records of SGH have been properly maintained and the financial statements are prepared in accordance with the relevant accounting standards and present a true and fair view of the financial position and performance of the consolidated group. These declarations also confirm that these opinions have been formed on the basis of a sound system of risk management and internal compliance and control which is operating effectively.

The required declarations from the Chief Executive Officer and Chief Financial Officer have been given to the Board for the half-year ended 31 December 2025 and financial year ended 30 June 2026.

Verification of Integrity of Periodic Corporate Reports

Corporate reports which are not audited or reviewed by the external auditor are prepared by Executive Management by reference to company records and systems, with external professional assistance where appropriate. Such reports, as are included in the non-audited sections of this Annual Report, are submitted to a Committee or the Board for consideration.

Remuneration

The Directors consider that the attraction, retention and motivation of its Directors and senior executives is of critical importance in securing the future growth of SGH, its profits, share price and shareholder returns. The aggregate remuneration for Non-Executive Directors is approved by shareholders. Fees for Directors are set out in the Remuneration Report on pages 47 to 71.

The objective of the remuneration process for Executive Directors and senior executives is to ensure that remuneration packages properly reflect the duties and responsibilities of employees and that remuneration is at an appropriate but competitive market rate which enables SGH to attract, retain and motivate people of the highest quality and best skills from the industries in which SGH operates.

This policy provides for the MD&CEO to consider the remuneration packages paid within the industry and the impact these people are expected to have on the operational and financial performance of SGH.

Remuneration matters concerning WesTrac, Boral and Coates Executives who are Key Management Personnel (KMP) of SGH are brought to the Remuneration & Nomination Committee for its consideration. Otherwise, WesTrac, Boral and Coates' remuneration arrangements and approvals are generally overseen by their respective Subsidiary Boards and Executive Committees within a budget approved by the Board and reported to the Remuneration & Nomination Committee.

Hedging Policy

SGH's Share Trading policy prohibits employees, Directors and KMP from dealing in SGH's securities, if the dealing is prohibited under the Corporations Act. Therefore, in accordance with this policy, all KMP are prohibited from entering into arrangements which operate to limit the executives' economic risk in connection with SGH securities which are unvested or remain subject to a holding lock. The ability to deal with unvested rights is restricted in the Employee Share Option Plan and LTI Plan rules, which apply to any options over shares in SGH which may be granted from time to time.

This Corporate Governance Overview and the Corporate Governance Statement, which is available on SGH's ASX platform and the "Corporate Governance" section of SGH's website at www.sghl.com.au/who-we-are/corporate-governance, have been approved by the Board and are current as at 11 August 2026.

Directors' Report

For the year ended 30 June 2026

The Directors present their report together with the consolidated financial statements of SGH, consisting of SGH Limited and the entities it controlled at the end of, or during, the year ended 30 June 2026 and the auditor's report thereon.

Board

The following persons were Board members of SGH Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- John Charles Gillam (Chairman, appointed as a Director 1 February 2026 and Chairman on 1 June 2026)
- Ryan Kerry Stokes AO (Managing Director & Chief Executive Officer)
- Rachel Helen Argaman (Herman) OAM
- Vik Bansal (appointed 1 April 2026)
- Katherine Leigh Farrar
- Mark Graham Johnson
- Christopher John Mackay
- David Ian McEvoy
- The Hon. Warwick Leslie Smith AO
- Sally Annabelle Chaplain AM (retired 28 February 2026)
- Terry James Davis (retired 1 June 2026)

Particulars of their qualifications, experience, special responsibilities and any directorships of other listed companies held within the last three years are set out in this Annual Report under the headings "Board of Directors" and "Corporate Governance Overview" on pages 32 to 33 and from page 36 and form part of this report.

Mr Warren Walter Coatsworth has been Company Secretary of SGH since 28 April 2010 and has been Company Secretary of Seven West Media Limited since April 2013 and Southern Cross Media Group Limited since March 2026. Mr Coatsworth is a solicitor holding a current practising certificate with degrees in Arts and Law (Hons) from the University of Sydney. He holds a Masters of Law in Media and Technology Law from the University of New South Wales as well as a Graduate Diploma in Applied Corporate Governance. He is a qualified Chartered Company Secretary and a Fellow and member of the Governance Institute of Australia.
Mr Coatsworth has extensive experience as Corporate Counsel at the Seven Network advising broadly across the company and was formerly a solicitor at Clayton Utz.

Principal Activities

The principal activities of SGH during the financial year were those of a diversified operating and investment group; with interests in heavy equipment sales and service, equipment hire, construction materials, media, broadcasting and energy assets.

Business Strategies, Prospects and Likely Developments

Information on SGH's operations and the results of those operations, financial position, business strategies and prospects for future financial years has been included in the Operating and Financial Review (OFR) on pages 20 to 25.

The OFR also refers to likely developments in SGH's operations in future financial years and the expected results of those operations. Information in the OFR is provided to enable shareholders to make an informed assessment about the operations, financial position, business strategies and prospects for future financial years of SGH.

Significant Changes in the State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of SGH that occurred during the financial year.

Matters Subsequent to the End of the Financial Year

On 4 July 2026, a rail incident occurred in the Southern Highlands, NSW on a service operated by Boral's rail services provider.
The service was carrying Boral cement. The Office of the National Rail Safety Regulator (ONRSR) subsequently suspended the accreditation of the rail services provider. On 15 July 2026, Boral terminated contracts with the rail services provider. Termination of contracts will result in derecognition of right of use assets of approximately $177.0 million and lease liabilities of approximately $180.0 million in the year ended 30 June 2027. Boral has exercised options and subsequently acquired wagons and a refueling facility from the rail services provider. Alternative rail and road transport solutions have been implemented in the interim as Boral completes a tender to secure a replacement rail services provider.

As announced on 22 June 2026, the Company intends to undertake an on-market buy-back of its ordinary shares of up to $500.0 million over a 12 month period. The buy-back is expected to commence on or around 11 August 2026, subsequent to balance date.

Subsequent to year end, there has been movement in the share prices of listed investments. The value of SGH's investments has varied from what is presented in this financial report. Refer to Note 28: Events subsequent to balance date for further detail.

Except for the above, in the opinion of the Directors no other matters or circumstances have arisen since 30 June 2026 that have significantly affected or may significantly affect:

(a) SGH's operations in future financial years; or

(b) the results of those operations in future financial years; or

(c) SGH's state of affairs in future financial years.

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2026, and the number of those meetings attended by each Director, were:

	Board		Audit & Risk		Remuneration & Nomination		Independent & Related Party	
Director	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
John Charles Gillam[c]	4	3	3	3	1	1	–	–
Ryan Kerry Stokes AO	9	9	8	8	4	4	–	–
Rachel Helen Argaman (Herman) OAM	9	9	5	5	4	3	1	1
Vik Bansal[d]	3	3	2	2	1	1	–	–
Katherine Leigh Farrar	9	9	8	8	4	4	1	1
Mark Graham Johnson	9	9	8	8	–	–	–	–
Christopher John Mackay	9	8	8	7	–	–	1	1
David Ian McEvoy	9	6	8	6	–	–	1	1
The Hon. Warwick Leslie Smith AO	9	9	8	8	4	4	–	–
Sally Annabelle Chaplain AM[e]	6	6	6	6	2	2	1	1
Terry James Davis[f]	8	8	5	5	3	3	1	1

(a) The number of meetings held during the year when the person was a Board or Committee member.
(b) The number of meetings attended. Please note Directors may attend meetings of Committees of which they are not a formal member, and in these instances, their attendance is also included in the above. A Director may also have been absent from a meeting, or part thereof, if there was a conflict of interest.
(c) Mr Gillam was appointed on 1 February 2026.
(d) Mr Bansal was appointed on 1 April 2026.
(e) Ms Chaplain AM retired on 28 February 2026.
(f) Mr Davis retired on 1 June 2026.

Dividends – Ordinary Shares

Since the start of the financial year, a final fully franked dividend for the 2025 financial period of 32.0 cents per share, amounting to $130.2 million, was paid on 10 October 2025.

Since the start of the financial year, an interim fully franked dividend for the 2026 financial year of 32.0 cents per share, amounting to $130.3 million, was paid on 9 April 2026.

A final fully franked dividend for the 2026 financial year of 32.0 cents per share, amounting to $130.2 million will be paid on 9 October 2026, based on the number of issued shares at the date of this report.

Environmental Disclosure

In respect of the environmental regulations under any laws of the States, Territories and Commonwealth of Australia, the significant regulations that apply to the media operations of the entities the Company holds investments in are those guidelines and standards issued by the Australian Communications and Media Authority.

It is the Directors' understanding that SGH is fully compliant with the provisions of these guidelines and standards. Various State Environmental Protection Authorities have issued licenses to the Company under the laws of the respective States. All requirements and conditions of these licenses have been complied with to the satisfaction of the issuing authority.

The Company assesses SGH as part of its compliance with the National Greenhouse and Energy Reporting Act and will be reporting relevant emissions and energy usage and production for SGH for the financial year to the Clean Energy Regulator.

SGH is also subject to significant environmental regulations in respect of resources exploration, development and production activities. SGH is committed to undertaking all of its exploration, development and production activities in an environmentally responsible manner. The Board believes that SGH has adequate systems in place for the management of its environmental requirements and is not aware of any significant breach of those environmental requirements as they apply to the resources operations of SGH.

There are no other particular and significant environmental regulations under a law of the Commonwealth or of a State or Territory applying to SGH.

Directors' Report continued

Directors' Interests in Securities

The relevant interest of each Director in ordinary shares, options, performance rights or share rights issued by the companies within SGH at the date of this report is as follows:

Directors' holdings of SGH Limited securities

	Ordinary Shares	Options over Ordinary Shares	Performance Rights	Share Rights
John Charles Gillam	Nil	Nil	Nil	Nil
Ryan Kerry Stokes AO	708,087	Nil	Nil	18,922
Rachel Helen Argaman (Herman) OAM	47,500	Nil	Nil	Nil
Vik Bansal	165,369	Nil	Nil	188,265
Katherine Leigh Farrar	17,587	Nil	Nil	Nil
Mark Graham Johnson	5,000	Nil	Nil	Nil
Christopher John Mackay	11,521	Nil	Nil	Nil
David Ian McEvoy	32,860	Nil	Nil	Nil
The Hon. Warwick Leslie Smith AO	57,417	Nil	Nil	Nil
Sally Annabelle Chaplain AM[a]	35,860	Nil	Nil	Nil
Terry James Davis[b]	104,000	Nil	Nil	Nil

(a) Ms Chaplain retired on 28 February 2026. Ordinary shares held at date of retirement.
(b) Mr Davis retired on 1 June 2026. Ordinary shares held at date of retirement.

Options or Performance Rights granted over Ordinary Shares in SGH

Award	Grant date	Expiry	Number
2024 LTI Plan[a]	1 Jul 23	1 Sep 26	329,155
2024 Equity LTI Plan[a]	4 Jun 24	1 Sep 26	79,559
2024 Equity LTI Plan[a]	28 Jun 24	1 Sep 26	38,495
2025 LTI Plan	1 Jul 24	1 Sep 27	474,038
2026 LTI Plan	1 Jul 25	1 Sep 28	342,529
Total			**1,263,776**

(a) All performance rights granted under the 2024 LTI Plan and 2024 Equity LTI Plan will vest following testing of the performance hurdle.

These rights do not carry an entitlement to participate in any share issue. Rights were granted for nil consideration. No other options or rights have vested or been exercised during or since the end of the financial year, nor have they expired.

Remuneration Report

For the year ended 30 June 2026

Message from the Chair of the Remuneration & Nomination Committee

Dear Shareholders,

On behalf of the Board and the Remuneration & Nomination Committee (RNC or the Committee), I am pleased to present the Remuneration Report for the financial year ended 30 June 2026 (FY26). This report outlines SGH's remuneration framework and provides insight into the policies, practices, and outcomes for our Key Management Personnel (KMP) Executives and Non-Executive Directors (NEDs).

FY26 marks a year of strong performance momentum. Boral's contribution to SGH's industrial portfolio has delivered another year of significant financial benefits and new long-term strategic options through an enhanced property strategy. SGH's synergies and operating discipline are reflected in SGH's financial and operating results presented in this report. SGH achieved another record year, with underlying EBIT rising to $1.554 billion and earnings growth across our industrial services, energy, and building materials businesses. Prudent capital management lowered Adjusted Net Debt to EBITDA to below 1.8 times, and Return on Capital Employed (ROCE) remained above target at 15.1%. This strong performance is a direct result of disciplined execution against our strategic priorities, delivering value, driving cost efficiency, and maintaining capital discipline.

Governance and Shareholder Engagement

The safety and wellbeing of our people is our absolute priority. We remain deeply committed to continuous improvement in safety practices. SGH's overall safety performance improved materially, with Lost Time Injury Frequency Rate (LTIFR) reducing 38 per cent from 0.8 to 0.5 and Total Reportable Injury Frequency Rate (TRIFR) reducing 29 per cent from 3.1 to 2.2. This outcome reflects the sustained focus on critical risk management, Life Saving Rules compliance and safety culture across all business units. During the year, the Board resolved to introduce a Safety Modifier where a minimum 10% STI impact is applied in the event of a serious workplace incident/fatality, with the Board retaining discretion to make further adjustments depending on the facts and circumstances of any incident. This structural change reinforces the critical importance of safety in our executive accountability framework and ensures a direct and transparent link between safety outcomes and remuneration. Further details are provided in Section 4 of this report. As we look ahead to FY27, we remain focused on maintaining a remuneration framework that attracts, motivates, and retains the exceptional leadership required to deliver on SGH's strategic objectives while creating sustainable value for all stakeholders. We will continue to evolve our practices in response to regulatory developments, market conditions, and shareholder feedback, ensuring our approach remains aligned with contemporary governance standards and our commercial objectives.

FY26 Remuneration Outcomes

Under the FY26 Short-Term Incentive (STI) plan, overall Executive KMP outcomes ranged between 27 per cent and 110 per cent rounded of their target STI. These outcomes represent the differentiated performance for SGH and individual business units and the alignment with our pay-for-performance remuneration principles. The outcomes also reflect delivery against the key People, Operations, Assets and Financial (POAF) operating model targets and other strategic measures. The FY24 Long Term Incentive (LTI) award vested in full, reflecting strong performance against both hurdles tested at the conclusion of the three-year performance period on 30 June 2026. The FY24 LTI was the first award subject to dual performance conditions, combining the established Relative Total Shareholder Return (rTSR) measure with a new Earnings Per Share (EPS) hurdle introduced from FY24. On the rTSR measure, SGH ranked in the 89.5th percentile of the relevant comparator group of ASX100 companies (excluding Financial Services) over the three-year performance period, a top-quartile result that underscores the strength of SGH's long-term shareholder value creation. On the EPS measure, the Company's aggregate underlying EPS across the three-year period of $7.03 exceeded the aggregate Stretch EPS threshold, resulting in full vesting of the EPS component. Detailed disclosures on performance and remuneration outcomes under the STI and LTI are provided in Sections 3, 4 and 6.

Finally, on behalf of the Board, I would like to recognise the outstanding contributions of Mr Terry Davis and Ms Annabelle Chaplain AM, who both retired from the SGH Board during FY26. Terry served as Non-Executive Director and Chairman for 16 years, providing exceptional leadership through a periasxod of significant strategic change for SGH. Annabelle served as a NED for 10 years and as Chair of the Audit & Risk Committee (ARC), bringing rigorous financial and governance expertise to the Board. The Board thanks them both sincerely for their service and commitment to SGH. We warmly welcome Mr John Gillam as Board Chairman and Mr Vik Bansal as a Board Director. Mr Gillam brings deep industrial and governance experience to the role, and Mr Bansal's first-hand knowledge of SGH's portfolio, having led Boral as its Managing Director and CEO, significantly strengthens the Board's operational oversight capability.

Kate Farrar
RNC Chair

Remuneration Report continued

Remuneration Report – Audited

The Remuneration Report for the year ended 30 June 2026 (FY26) outlines the remuneration arrangements of the Company and SGH in accordance with the *Corporations Act 2001* (Cth) (Corporations Act). This information has been audited as required by section 308(3C) of the Corporations Act.

The Remuneration Report is presented under the following main headings:

1. **Introduction**
2. **Remuneration Governance**
3. **Summary of SGH Performance and FY26 Incentive Outcomes**
4. **FY26 KMP Executive Remuneration Framework**
5. **Chairman and NED Remuneration Framework**
6. **Link Between Remuneration and SGH Performance**
7. **Summary of Executive Contracts**
8. **KMP Equity Holdings**
9. **KMP Related Party Transactions**
10. **Remuneration in Detail**

1. Introduction

The Remuneration Report outlines key aspects of SGH's remuneration policy and framework and provides details of remuneration awarded to KMP during FY26.

KMP includes Executive Directors, NEDs and certain senior executives of SGH who have authority and responsibility for planning, directing and controlling the activities of SGH (SGH Executives). Executive Directors and SGH Executives are hereafter collectively referred to in this report as KMP Executives.

SGH's KMP for FY26 are listed in the table below.

KMP	Title	FY26 Status	KMP Status
Executive Director			
Ryan Kerry Stokes AO	SGH Managing Director & Chief Executive Officer (MD&CEO)	Full Year	Current
Non-Executive Directors			
John Charles Gillam[1]	Non-Executive Chairman / Director	Part Year	Current
Rachel Helen Argaman (Herman) OAM	Director	Full Year	Current
Katherine Leigh Farrar	Director	Full Year	Current
Mark Graham Johnson[2]	Director	Full Year	Current
Christopher John Mackay	Director	Full Year	Current
David Ian McEvoy	Director	Full Year	Current
Warwick Leslie Smith AO	Director	Full Year	Current
SGH Executives			
Vik Bansal[3]	Boral Managing Director and Chief Executive Officer (Boral MD&CEO), Executive Director	Full Year	Current
Gitanjali Bhalla	Chief People Officer	Full Year	Current
Robert Brian Cotterill	Chief Operating Officer	Full Year	Current
Jarvas Ernest Croome	Chief Executive Officer, WesTrac	Full Year	Current
Matt John McKenzie[4]	Chief Executive Officer, Boral	Part Year	Current
Richard Joseph Richards	Chief Financial Officer (CFO)	Full Year	Current
Murray John Vitlich	Chief Executive Officer, Coates	Full Year	Current
Former KMP			
Terry James Davis[1]	Non-Executive Chairman/Director	Part Year	Former
Sally Annabelle Chaplain AM[2]	Director	Part Year	Former

1. Mr John Gillam was appointed NED from 1 February 2026 and transitioned to Board Chairman with effect from 1 June 2026, following the retirement of Mr Terry James Davis on 1 June 2026.
2. Mr Mark Johnson was appointed Chair of the ARC effective 1 March 2026 following Ms Annabelle Chaplain AM's retirement from the Board on 28 February 2026.
3. Mr Vik Bansal was Boral MD&CEO until 31 March 2026. He was appointed to the SGH Board as an Executive Director effective 1 April 2026 to support the Boral CEO transition and transitioned to a NED role effective 2 July 2026. For purposes of the remuneration report he is disclosed as an SGH Executive unless otherwise stated.
4. Mr Matt McKenzie was appointed as Boral CEO effective 1 April 2026.

2. Remuneration Governance

Role of the Remuneration & Nomination Committee

The role and responsibilities of the RNC are explained in detail in the Corporate Governance Statement available on the Company's website at www.sghl.com.au. The key responsibilities of the RNC are summarised below and include the following:

- To make recommendations to the Board in relation to the remuneration of the MD&CEO and NEDs, as necessary, or as requested by the Board;
- Assist the Board on its composition and the mix of skills, experience and diversity reflected in the Board skills matrix, including the criteria for Board membership and the identification and re-election of Directors;
- Review and make recommendations on succession planning for the Board, including the Board Chair, Committee Chairs and the MD&CEO;
- Review and make recommendations to the Board on all proposed equity offers and grants made pursuant to the Company's equity plans and the overall functioning of the equity plans; and
- Review and advise on senior management remuneration, diversity and inclusion strategies, succession planning and employee development policies, as requested by the Board or the MD&CEO.

Engagement of remuneration advisors

During FY26, no remuneration advisors were engaged by the Company to make any remuneration recommendations relating to KMP as defined by the Corporations Act.

Remuneration Report approval at the 2025 Annual General Meeting

The FY25 Remuneration Report received positive shareholder support at the 2025 AGM, with 80.19 per cent of votes in favour of adoption.

3. Summary of SGH Performance and FY26 Incentive Outcomes

SGH delivered a strong FY26 financial result driven by the disciplined execution and delivery of our strategy, and profit growth from our Industrial Services businesses and sustained customer focus. Targets set at the commencement of the period were met, and exceeded in some cases, opening the STI gateway with differentiated incentives being awarded to KMP Executives and other senior managers across SGH and its business units based on business unit and individual performance. Performance was assessed across all four pillars of SGH's POAF framework, reinforcing alignment with our strategic priorities and strengthening accountability at both collective and individual levels.

Key Highlights

Financial Performance

- Revenue of $10.6 billion for FY26, with continued customer engagement across all business units.
- UEBIT of $1,554 million, 1 per cent above FY25 with Industrial Services EBIT of $1,453 million up 4.0 per cent on FY25.
- EBIT margin of 14.7 per cent up 40bp.
- Operating cash flow of $2.1 billion at 99 per cent EBITDA cash conversion.
- Fully franked ordinary dividend of 64 cents per share up 3 per cent.
- Total Shareholder Return of 25.6 per cent per annum over three years.
- Leverage of 1.8x Net Debt to EBITDA, below target range and improved 12%.
- Boral realising above target growth from synergies and strong execution focus, with EBIT of $535 million, up 14 per cent and the key driver of Industrial Services segment growth.

Operational Excellence and Customer Focus

- Market share gains from deliberate focus and investment in improved sales capability and customer experience across WesTrac and Boral, with Coates managing market headwinds through disciplined fleet and cost management.
- EBIT margins continue to grow across industrial businesses through a mixture of optimal product mix and pricing discipline.
- Customer centricity at the heart of operating model design and improvements, including to systems and processes, with customer service KPIs embedded across all business units through the Balanced Scorecard (BSC) process.
- Sustained focus on operational performance and overhead cost optimisation across all business units, with productivity initiatives, including overtime and annual leave management, timecard compliance and labour variabilisation, supporting disciplined cost management and EBIT margin growth.
- AI and innovation initiatives underway across all business units, with acceptable use policies and governance in place and an SGH Innovation & Technology Nerve Centre established to accelerate cross-business prioritisation and implementation.

People, Safety and Sustainability

- SGH's LTIFR improved from 0.8 to 0.5, and TRIFR from 3.1 to 2.2 reflecting sustained focus on critical risk management and Life Saving Rules compliance. Boral delivered the most significant improvement, reducing TRIFR from 2.9 to 1.9.
- The Boral CEO transition was managed with minimal disruption to operating momentum demonstrating the strength of internal succession capability, with Mr Matt McKenzie appointed effective 1 April 2026 and Boral delivering its strongest EBIT result to date, 14% above FY25.
- Female participation increased across SGH to 20%, with WesTrac at 21.6%, Boral at 16.3% and Coates at 25.1% all improving with no pay gap maintained across all like-for-like roles.
- Key programs enhancing cost optimisation, sales capability, execution and customer focus delivering measurable improvements, reinforcing operational discipline and supporting performance into FY27.
- ESG targets set with initiatives delivering positive results, including Boral achieving 48% alternative fuel substitution at Berrima and solar roll-out programs progressing at WesTrac and Coates.

Remuneration Report continued

Portfolio and Capital Allocation

- Disciplined capital allocation maintained with leverage below target range at 1.8x Net Debt to EBITDA, improved 12% since year-end FY25.
- Maintained a disciplined approach to exploring growth opportunities, including the BlueScope takeover bid.
- Boral property strategy execution continuing, with Ravenhall development partner negotiations near finalisation representing a key value opportunity, alongside a pipeline of organic and inorganic adjacent growth initiatives.
- SGH Energy advancing the Crux backfill LNG project for Shell-operated Prelude FLNG, with substructure installation complete and a decision to enter FEED for the Longtom restart expected in the second half of 2026.

These results, underpinned by disciplined capital management, highlight the resilience of SGH's operating businesses and the strength of its leadership team in sustaining momentum and delivering strong, sustainable, and commercially focused returns.

Linking FY26 Incentive Outcomes to SGH Performance

A significant proportion of KMP executive remuneration is tied to measurable financial and strategic outcomes. STI awards are adjusted for SGH and Business Unit performance and differentiated by individual using the BSC process. All KPIs are Board-approved and directly aligned to the SGH Way operating model.

Performance Measure	STI	LTI	POAF pillar	Strategic rationale
UEBIT Underlying earnings	✓	–	Financials	Measures underlying profitability and the effectiveness of operational execution across the group and Business Units.
Operating cash flow Cash generation	✓	–	Financials	Measures SGH's capacity to fund organic and acquisitive growth and sustain progressive returns to shareholders through dividends and buybacks.
ROCE Return on capital employed	✓	–	Assets Financials	Measures value creation through disciplined capital allocation and return on investment — directly aligned to SGH's 15% ROCE ambition target.
rTSR Relative total shareholder return	–	✓	Financials	Measures shareholder returns relative to the market across a full business cycle, reinforcing long-term TSR outperformance as the group objective.
EPS Earnings per share	–	✓	Financials	Underlying adjusted EPS measures after-tax earnings attributable to shareholders, adjusted for items not reflective of ongoing earnings quality, directly aligned to SGH's EPS growth target.
Strategic objectives SGH & BU level	✓	–	Operations	Drives focus on specific short- and medium-term strategic priorities at the SGH and Business Unit level that build the foundation for sustained long-term performance.
People Performance, engagement & talent	✓	–	People	People capability is the engine of the SGH Way. Performance, engagement, retention and diversity outcomes drive throughput, safety and cost discipline, while effective succession planning derisks business performance against key person dependency. Progress against these measures is a leading indicator of operational and financial performance.
Safety & sustainability Zero Harm & ESG	✓	–	People Operations	Safety and sustainability objectives drive progress against SGH's Zero Harm ambition and the Material Issues in the SGH Sustainability Strategy, establishing the cultural and operational foundation that enables every other performance measure to be pursued with integrity and pace.

Incentive Outcomes

FY26 STI

SGH met the EBIT gateway threshold set by the Board at the beginning of the performance period, enabling the STI pool to open across the Group. STI outcomes were differentiated by business unit performance, with Boral executives achieving above target entitlements reflecting strong financial results, while Coates received a reduced award consistent with the challenging market and performance conditions experienced during the year. Individual awards were further moderated by each executive's performance against their KPIs under the POAF framework. Incentive outcomes for KMP Executives ranged from 27% to 110% of target. Further details on STI outcomes are included at Section 6.

FY24 LTI Vesting

The FY24 LTI award is the first year in which SGH's LTI plan incorporated two equally weighted performance hurdles, rTSR and adjusted underlying EPS. The FY24 LTI performance period is from 1 July 2023 to 30 June 2026, with testing completed following the end of the financial year. Both hurdles were tested and met, resulting in full vesting of the award as set out below:

rTSR hurdle outcome (50% of award): SGH's rTSR was ranked at the 89.5th percentile of the S&P/ASX100 comparator group (excluding financial services companies) over the three-year performance period, resulting in 100% vesting of the rTSR component.

EPS hurdle outcome (50% of award): Aggregate underlying EPS was measured across FY24, FY25 and FY26 against aggregate annual Threshold and Stretch targets set by the Board at the commencement of each financial year, in advance and in conjunction with SGH's annual operating and strategic planning cycle. Stretch represented a 5% premium to Threshold in each year. Aggregate underlying EPS of $7.03 over three years exceeded the aggregate Stretch target by approximately 10%, resulting in full vesting of the EPS component.

Other Incentive Awards

CFO Retention Award

During FY26, the Board granted an Equity Retention Award to Mr Richard Richards, CFO, following an assessment of executive retention risk across SGH's leadership team. The Board determined that the CFO role presents a specific and material retention risk at this time, given Mr Richards' depth of institutional knowledge, his central role in SGH's capital management and portfolio activities, and the sustained demand for CFO-calibre talent from comparable ASX-listed groups. The quantum and structure of the award were determined by the Board having regard to retention instruments offered by ASX peer companies.

The award comprises 37,193 Equity Retention Rights (ERRs) granted at the commencement of the retention period, with vesting across five tranches from August 2026 to August 2028, subject to Mr Richards' continued employment, with no notice of separation by either party. Under the grant, each ERR converts to one fully paid SGH ordinary share on the respective tranche vesting date. The initial tranche of 18,597 ERRs vests in August 2026, followed by four equal tranches of 4,649 ERRs vesting progressively every six months thereafter through to August 2028. The rights do not carry dividend or voting rights prior to vesting.

Treatment of Former Boral MD&CEO Equity Awards

Mr Vik Bansal concluded his tenure as Boral MD&CEO on 31 March 2026 and transitioned to Executive Director effective 1 April 2026 to support incoming Boral CEO Mr Matt McKenzie through an orderly transition of executive leadership. Mr Bansal also attended and participated in meetings of the SGH Board and its Committees and provided strategic counsel to the Board and the Company's operating businesses, consistent with the Board's transition and continuity objectives. Remuneration for this period was determined by reference to relevant market benchmarks and prevailing director fees. Mr Bansal transitioned to a NED of the SGH Board on 2 July 2026.

The Board determined the treatment of Mr Bansal's outstanding equity awards having regard to the circumstances of his transition, his contribution during his tenure, and the applicable plan rules and grant terms. Awards vesting on 1 July 2026 vested in accordance with their original terms. The FY25 and FY26 LTI Awards remain on foot in accordance with the terms of those awards, subject to their original performance conditions of rTSR and EPS, to be tested at the end of their respective performance periods.

Award	Rights Retained	Performance Period End	Treatment
FY25 Deferred STI	19,752	1 Jul 2026	Vested in accordance with plan rules
FY25 Equity/Make Whole Award	28,028	1 Jul 2026	Vested in accordance with plan rules
FY24 LTI Award	38,495	1 Jul 2026	Vested in accordance with plan rules
FY25 LTI Award	42,824	30 Jun 2027	Remains on foot, subject to original performance conditions
FY26 LTI Award	29,094	30 Jun 2028	Remains on foot, subject to original performance conditions
Special Equity Retention Award	60,144	1 Jul 2027	50% lapsed effective 2 July 2026, 50% remains on foot, subject to original performance conditions

Treatment of Special Equity Retention Award

Mr Bansal was granted a Special Equity Retention Award on 1 July 2024, to secure his ongoing employment with the Group through to 1 July 2027. Under the plan rules, the award would ordinarily lapse upon cessation of employment unless the Board determines otherwise.

Mr Bansal served as Boral MD&CEO until 31 March 2026, was appointed Executive Director of SGH from 1 April 2026, and transitioned to NED of SGH on 2 July 2026. In considering the treatment of the award, the Board had regard to the following: the award was granted to secure Mr Bansal's commitment through a critical period of operational transformation at Boral, which he delivered and that the service condition had been substantially met at the date of transition, with Mr Bansal having served for approximately two years of the three year vesting period. Mr Bansal's continued connection to SGH in a Board capacity means the retention objective is in part preserved.

Having regard to these factors, the Board exercised its discretion during the year ended 30 June 2026 so that 50% of the award (30,072 rights) lapses with effect from his appointment to the SGH Board on 2 July 2026, with the remaining 50% staying on foot in accordance with the original terms of the award until 1 July 2027.

Remuneration Report continued

4. FY26 KMP Executive Remuneration Framework

SGH's executive remuneration structure is designed to attract and retain high performing individuals and align executive reward to SGH's business objectives, creating long-term value. SGH seeks to operate a reward framework where the majority of pay is at risk, reflecting the commitment to pay for sustainable performance and value creation to shareholders.

Remuneration Principles

Delivering a compelling strategy that aligns with shareholders

Market competitive
Enables SGH to attract, retain and motivate the best leadership talent.

Shareholder alignment
Structures tied to shareholder value through strategy execution and delivery of results.

Performance driven
Targeted goals that drive high performance with a clear link between pay and outcomes.

Balanced horizon
Appropriately balances short-term delivery with long-term sustainability.

Remuneration Framework

SGH's executive remuneration framework combines fixed and variable components, with the majority of reward contingent on financial and non-financial performance. This design ensures executives are rewarded commensurate with their role, responsibilities and outcomes, directly aligning their interests with those of shareholders.

FY26 KMP REMUNERATION

	Guaranteed Remuneration	Performance Assessed Remuneration	
	Fixed Annual Remuneration (FAR)	**STI**	**LTI**
MD&CEO	$1,900,000	$2,850,000 Maximum 150% of FAR	$2,850,000 Maximum 150% of FAR
% of total reward at maximum	25%	37.5%	37.5%
Other SGH Executives	$725,000–$1,500,000 Market benchmarked and aligned	$964,250–$2,250,000 Maximum 133–150% of FAR	$725,000–$1,500,000 100% of FAR
Average % of total reward at maximum	30%	40%	30%
Delivery	Cash and superannuation	50% cash/50% deferred equity vesting after one year	100% performance equity rights measured over three years

Structure and Design

Fixed annual remuneration

Base salary, superannuation and salary-sacrificed benefits.

Set by reference to role scope, individual capability, internal relativities and external market data.

Benchmarked: against Australian listed peers of comparable market capitalisation, portfolio complexity and sector breadth.

Short-term incentive

Gateway: 90% of EBIT. **Target opportunity 100% of FAR for all executives.**

KPIs set at year-start across the POAF framework, spanning near-term financial delivery and longer-term capabilities.

Safety Modifier (FY26): minimum 10% STI forfeited for a fatality, having regard to the relevant factors and circumstances, with Board discretion to reduce further.

Long-term incentive

Maximum 150% of FAR for MD&CEO; 100% of FAR for other executives.

Performance equity rights issued at the commencement of the performance year, tested over three years against two equal measures: relative TSR and EPS growth.

FY26: marks the first vesting test under the dual-measure design, applied to the FY24 award.

Minimum shareholding guidelines:
Executive KMP are required to accumulate equity equivalent to 100% of FAR over five years, further aligning executive and shareholder interests over the long term.

Remuneration mix

Pay structure reinforces a performance-first culture

The ratio between fixed and variable pay is designed to focus KMP executives on both short and long-term performance. In reviewing the remuneration mix, the Board has remained cognisant of shareholder feedback and peer company structures, with a deliberate emphasis on at-risk reward that creates a direct link between KMP outcomes and shareholder experience.

75%
MD&CEO remuneration performance-based at maximum

~70%
Average performance-based pay for other SGH executives

>70%
Of performance reward delivered in equity, aligning executive and shareholder interests

Total remuneration mix — fixed vs at risk

Role	At target (fixed/at risk)	At maximum (fixed/at risk)
MD & CEO	29%/**71%**	25%/**75%**
CFO and former Boral MD&CEO	33%/**67%**	29%/**71%**
Other SGH executives	33%/**67%**	30%/**70%**

Cash vs equity mix — at-risk remuneration (STI and LTI)

The charts below illustrate the strong equity weighting across the at-risk pay mix, reinforcing long-term alignment between executive and shareholder interests.

MD & CEO

	Cash	Equity
At target	20% cash	80% equity
At maximum	25% cash	75% equity

Other SGH Executives (average)

	Cash	Equity
At target	25% cash	75% equity
At maximum	30% cash	70% equity

● Cash ● Equity

Remuneration timing

When remuneration outcomes are delivered

Amounts earned by executive KMP in one financial year may not become available until a later date, subject to continued employment and additional performance conditions. STI equity awards are deferred for one year; LTI awards carry a three-year performance period. A significant portion of executive reward is therefore deferred, reinforcing the link between sustained performance and remuneration outcomes.

Element	Performance year	Year 2	Year 3	Year 4
Fixed pay Attracts and retains high-quality KMP talent; rewards ongoing contribution and delivery.	– Base salary and superannuation paid annually			
Short-term incentive Rewards achievement of financial and non-financial measures that deliver SGH's growth strategy.	– Measurement period △	– 50% cash paid – 50% equity deferred	– Deferred equity vests at the beginning of year three	
Long-term incentive Dual measures aligning KMP reward with SGH's long-term strategy of sustainable earnings growth and shareholder value creation.	– Performance rights allocated – Measurement period begins	– Measurement continues	– Measurement continues through to end of year three △	– Shares allocated on vesting – Benefit received by KMP at beginning of year four

■ Paid during year ■ Measurement period ■ LTI rights/equity △ Performance tested

Remuneration Report continued

STI and LTI Plans

The Board reviews the design of SGH's STI and LTI plans annually to ensure they remain effective and aligned with SGH's performance and reward objectives. The following sets out the key features, performance measures and mechanics of each plan.

Short-term incentive plan

The STI plan provides executive KMP with the opportunity to earn an annual incentive under a balanced scorecard aligned to SGH's POAF framework comprising measures across safety, people and sustainability objectives, strategic and operational measures, and financial targets. The plan differentiates outcomes based on individual performance and delivers 50% of any award as deferred equity, strengthening alignment with shareholder interests and providing a claw-back mechanism in the event of serious misconduct.

Financial gateway

Before any STI award accrues, SGH must achieve a minimum level of underlying EBIT performance. This gateway aligns executive and shareholder interests by limiting awards where minimum financial performance is not met. The Board retains discretion over outcomes where the gateway is not achieved.

MD & CEO, SGH CFO and former Boral MD&CEO

% of SGH EBIT achieved	<90%	90–<95%	95–<100%	100–120%	120%+
Potential % of on-target STI	0%	25–50%	50–100%	100–150%	150%

Other executive KMP

% of SGH EBIT achieved	<90%	90–<95%	95–<100%	100–120%	120%+
Potential % of on-target STI	0%	25–50%	50–100%	100–133%	133%

Safety modifier – effective FY26

- In the event of a workplace fatality, the safety-related STI component will be forfeited, with a minimum of 10% of the total STI forfeited.
- The Board retains discretion to apply further reductions to STI outcomes, including to other scorecard components, depending on the facts and circumstances of any safety incident.

STI KPIs – POAF framework

KPIs are set at the commencement of each financial year using a BSC aligned to SGH's POAF operating model. KPIs are reviewed by the RNC and approved at the beginning of the year. They are designed to be challenging, measurable and directly linked to SGH's strategic priorities.

P

People

- Leadership effectiveness and cultural alignment
- Critical skills and workforce planning
- Employee engagement and culture
- Diversity and inclusion
- Safety
- Sustainability

O

Operations

- BU EBIT and revenue delivery
- Operating efficiency and productivity
- Sales and customer engagement
- Digital and transformation delivery
- Operational improvement execution

A

Assets

- Property strategy progress
- Strategic growth projects
- Capital management
- Portfolio development
- Inorganic growth opportunities

F

Financials

- Underlying EBIT
- Free cash flow
- ROCE
- Return on investment
- Board-approved budget alignment
- Revenue growth

Performance assessment

The RNC assesses the MD&CEO's performance and makes a recommendation to the Board for approval. The MD&CEO assesses other KMP executives against targets and recommends awards to the RNC. STI awards are calibrated based on individual contribution and delivery of strategic priorities. No award is made where individual performance is unsatisfactory or the financial gateway is not met. The Board retains discretion to adjust outcomes based on overall performance of the KMP, conduct, risk management and demonstration of behaviours aligned to SGH's values. The STI is delivered as 50% cash with a further 50% delivered in SGH deferred equity/share rights that convert to shares after one year or for purposes of a good leaver, settled as a cash equivalent payment at the end of the deferred period.

STI deferred equity – key terms

Who participates?	All KMP Executives will have 50% of their STI award deferred into share rights
What is granted?	Subject to the achievement of KPIs for the relevant financial year, 50% of STI awards will be delivered as share rights which will be granted for nil consideration. For SGH Executives, each right entitles the participant to one ordinary share in the Company after a one-year deferral period.
How are rights quantified?	The number of share rights granted to each participating KMP Executive in FY26 is equivalent to 50% of their STI award divided by the five-day SGH VWAP (Volume Weighted Average Price) to 30 June prior to the commencement of the vesting period. The SGH VWAP is adjusted for the value of expected dividends foregone over the vesting period.
Vesting condition and period?	The share rights granted under the STI plan are subject to continuous employment up to and including 30 June 2027 (with respect to the FY26 award). Rights vest and convert in August 2027 following SGH's FY27 results release to the market.
Dividend and voting rights?	Share rights do not carry dividend or voting rights prior to vesting.
Change of control?	In the event of a change of control of the Company, any unvested deferred share rights will vest. The Board will have discretion to determine whether, and the extent to which, another treatment for some or all of the awards to lapse or vest, occurs.
Cessation of employment?	If the participant ceases employment with the Company due to termination for cause or gross misconduct, or other reasons determined by the Board all unvested share rights will lapse. If the participant ceases employment other than for the reasons outlined above the share rights may not lapse, unless the Board determines otherwise.
Good leaver Provision?	For a good leaver, the deferred share component is cash settled at the end of the deferral period.

Long-term incentive plan

LTI plan overview

The purpose of the LTI plan is to drive sustained performance and long-term shareholder value creation, encourage retention of KMP Executives, and ensure alignment of executive remuneration outcomes with shareholder interests. LTI awards are structured as rights to acquire ordinary shares in the Company at no cost to the participant and are subject to two equally weighted performance hurdles namely a rTSR hurdle measured against S&P/ASX100 companies (excluding Financial Services companies) and an adjusted underlying EPS hurdle. Once granted, awards only vest if the performance hurdles over a three-year performance period are met. For the FY26 award, the three-year performance period commenced on 1 July 2025 and will conclude on 30 June 2028. Any vested awards will be converted to ordinary shares following SGH's FY28 Results release to the market (on or around 15 August 2028).

Equally weighted rTSR and EPS performance hurdles

Two equally weighted performance hurdles, rTSR and EPS will continue to be applied. Having two LTI measures provides a strong alignment with SGH's strategy to drive sustainable shareholder value and earnings growth over the long-term. EPS hurdles are determined with reference to the Board approved annual business plan incorporating commensurate levels of stretch. Performance is assessed based on the aggregate EPS performance, adjusted for significant and other non-recurring items as determined by the Board (for example material changes to accounting standards, changes in tax rates, acquisitions, divestments, fair value adjustments not already captured in significant items, or changes to shares on issue), over three years and compared to aggregate target EPS performance for the three-year performance period. In setting the annual EPS targets, the Board considers a range of factors, including prevailing market conditions, calibrating targets to be robust yet sufficiently stretching to promote innovation, disciplined risk taking and superior performance delivery, while remaining genuinely motivating for plan participants.

LTI performance rights – key terms

What is granted?	Performance rights are granted for nil consideration. Each right entitles the participant to one ordinary share in the Company, with vesting subject to the achievement of the performance hurdles. Performance rights do not carry dividend or voting rights prior to vesting.
How many performance rights will be granted?	The value of LTI granted annually is: MD&CEO – 150% of FAR, Other KMP Executives – 100% of FAR. The number of performance rights granted to each KMP Executive is equivalent to the value of the LTI grant divided by the five-day VWAP to 30 June prior to the commencement of the performance period. SGH awards are adjusted for dividends foregone over the performance period.
What will be the vesting performance Hurdles?	50% of the performance rights granted under the LTI plan will be dependent on a rTSR measure and the other 50% are subject to an EPS measure.

Remuneration Report continued

Why was the TSR performance hurdle chosen, and how is performance measured?	***50% rTSR Hurdle*** rTSR provides an indicator of shareholder value creation by comparing the Company's return to shareholders relative to other companies of similar size. TSR provides an external, market-based hurdle and creates alignment of executive remuneration outcomes to shareholder returns. Participants will not derive any benefit from this portion of the grant unless the Company's performance is at or above the 51st percentile of the comparator group. The comparator group chosen for assessing the Company's rTSR consists of constituents of the S&P/ASX100 (excluding financial services companies). This comparator group was selected as it represents a broad base of companies against which investors may benchmark their investment. The comparator group is defined at the start of the performance period. The composition of the comparator group may change as a result of corporate events, such as mergers, acquisitions, de-listings etc. The Board has agreed guidelines for adjusting the comparator group following such events and has the discretion to determine any adjustment to the comparator group. The percentage of TSR performance rights that vest (if any) at the end of the performance period will be based on the following schedule:

SGH TSR ranking vs comparator group	% of TSR rights that vest
At or above 75th percentile	100%
Between 51st and 75th percentile	50% vesting on a straight-line basis to 100%
Below 51st percentile	Nil

Why was the EPS performance hurdle chosen, and how is performance measured?	***50% EPS Hurdle*** EPS reflects after-tax earnings attributable to shareholders, adjusted to exclude Significant Items that do not represent the ongoing earnings potential of the Company. It is calculated by dividing the underlying net profit or loss (excluding Significant Items) attributable to the Company by the adjusted weighted average number of ordinary shares on issue during the reporting period. The Board retains discretion to make further adjustments for abnormal or non-recurring items where appropriate. For each year of the three-year Performance Period, the Board will determine EPS performance hurdles: – Threshold EPS is based on the Board-approved Budgeted EPS for the relevant year. – Stretch EPS is set at Threshold EPS plus 5%, or as otherwise determined by the Board. The EPS targets are established at the beginning of each year to reflect the Board's expectations for performance. At the end of the three-year period, vesting of EPS Performance Rights (if any) will be based on the Company's aggregate EPS across the Performance Period (i.e. Year 1 + Year 2 + Year 3) measured against the aggregate Threshold and Stretch EPS targets.

Aggregate EPS outcome vs targets	% of EPS rights that vest
At or above aggregate Stretch EPS	100%
Between aggregate Threshold and Stretch EPS	Straight-line vesting: 50% to 100%
At aggregate Threshold EPS	50%
Below aggregate Threshold EPS	Nil

When will performance be tested?	Awards are subject to a three-year performance period, commencing at the start of the financial year to which the award relates. For the FY26 award, the performance period runs from 1 July 2025 to 30 June 2028. Following the finalisation of SGH's FY28 results in August 2028, the Board will assess performance outcomes to determine the extent to which awards vest. Upon vesting, the Board retains discretion to either issue new shares or acquire shares on-market. Any performance rights that do not vest at the conclusion of the performance period will lapse, with no opportunity for retesting. For Mr Ryan Stokes AO, who holds a relevant interest exceeding 10% of the Company's issued share capital any vested LTI awards will be cash-settled in accordance with governance protocols.
What happens in the event of a change in control?	In the event of a change of control of the Company the Board will have discretion to determine whether, and the extent to which, unvested performance rights vest. The Board will consider when making its decision the extent to which performance hurdles have been achieved to the date of the event.
What happens if the participant leaves employment?	The LTI will only deliver benefits to participants if the performance measures are achieved. If the participant ceases employment with the Group due to termination for cause or gross misconduct, or other reasons determined by the Board all unvested performance rights will lapse. If the participant ceases employment other than for the reasons outlined above the performance rights will not lapse, unless the Board determines otherwise.
Accounting Treatment	Although awards may not vest (as performance hurdles are not achieved), accounting standards require the expense relating to equity instruments (such as the performance rights allocated under the LTI plan) to be reflected over the performance period, notwithstanding executives may never receive any actual value from such a grant.

Prior LTI grants

Performance rights awarded at the commencement of the period to eligible KMP for prior years.

Grant	Performance measures	Performance period	Vest date	Outcome
FY24	50% rTSR and 50% EPS	1 Jul 2023 – 30 Jun 2026	2026	100% vested
FY25	50% rTSR and 50% EPS	1 Jul 2024 – 30 Jun 2027	2027	In progress
FY26	50% rTSR and 50% EPS	1 Jul 2025 – 30 Jun 2028	2028	In progress

SGH MD&CEO Remuneration Arrangements

For FY26, there were no changes to the MD&CEO's FAR of $1,900,000. The MD&CEO's Maximum STI Opportunity is 150% of FAR and his LTI Opportunity is 150% of FAR. The MD&CEO's remuneration is aligned with SGH's benchmarking approach, which positions total reward for KMP Executives principally within a competitive range of S&P/ASX100 companies, reflecting SGH's size, market capitalisation, and the complexity, diversity, and breadth of the sectors in which it operates.

Although the MD&CEO participates in the LTI plan on the same terms and conditions as the other KMP Executives, his award is cash-settled. This is because tax deferral on equity incentive plans is not permitted where an executive has an interest in shares in the Company which represents more than 10% of the Company's issued share capital. As such, an approach to achieving an equivalent outcome to other executives participating in the plan is to cash-settle the rights using the same terms and conditions as for the performance rights that are equity-settled under the LTI plan. As Mr Ryan Stokes AO has an interest in shares in the Company, which represents more than 10% of the Company's issued share capital, should the LTI award rights vest, they will be cash-settled.

Impact of accounting for cash-settled awards

Accounting Standard AASB 2: Share-based Payment requires the fair value of cash-settled equity plans to be re-measured each year, unlike equity-settled plans where the fair value is calculated at the start of the performance period. The fair value is re-measured taking into consideration a number of inputs including share price from date of grant. The re-measurement of the fair value of the cash-settled equity for Mr Ryan Stokes AO has resulted in a decrease of $893,945 over the year due to the decrease in share price in FY26 from $54.07 at 1 July 2025 to $46.64 at 30 June 2026. If the awards had been equity-settled, the total remuneration reflected in the remuneration tables at 10.B would have been $5,937,140 as compared to $5,043,195 as currently stated in the table.

Minimum Shareholding Guidelines for KMP Executives

To drive a stronger alignment of executive interests with those of shareholders, and to foster an increased focus on building long-term shareholder value, SGH has in place minimum shareholding requirements for KMP Executives. KMP Executives are required to hold a minimum level of shareholding such that after five years, executives are required to hold 100% of their FAR in SGH equity. As of 30 June 2026, all KMP Executives were in compliance given time in role. Shareholding details for each KMP are included at Section 8.

5. Chairman and NED Remuneration Framework

NED Fee Pool

The current NED fee pool of $3.0 million per annum was approved by shareholders at the 2025 AGM.

Chairman and NED fees

The Chairman receives a fixed Director's fee which is paid in the form of cash and statutory superannuation contributions. The Chairman does not receive any additional fees for being a member of a Board Committee.

NEDs receive a fixed fee which includes a base fee and additional fees for being the Chair or member of a Board Committee. Board and Committee fees are paid in the form of salary and statutory superannuation contributions. For FY26, the Chairman and the NEDs did not receive any variable remuneration or other performance related incentives such as options or rights to shares, and no retirement benefits are provided.

For FY26, NED fees were benchmarked against ASX-listed entities with similar revenues and market capitalisation, with the methodology also reflecting the complexity of SGH's diversified structure and the breadth of industry sectors in which we operate. This benchmarking was updated to reflect SGH's significant growth in market capitalisation (from approximately $9 billion at the end of FY23 to approximately $19 billion at the end of FY26). Based on the results, the Board approved an inflationary increase to base NED fees, with larger adjustments to the Board Chairman, RNC Chair and RNC Committee fees to better align these with benchmark peers commensurate with SGH's increase in market capitalisation over the period. The table below sets out the annualised base and committee fee structure, inclusive of superannuation, as it applied in FY26.

	Base Fee		Committee Chair Fees		Committee Member Fees	
Role	2026	2025	2026	2025	2026	2025
Chairman	$650,000	$523,688	–	–	–	–
Non-Executive Director	$209,000	$198,450	–	–	–	–
Audit & Risk	–	–	$80,000	$80,000	$40,000	$40,000
Remuneration & Nomination	–	–	$50,000	$44,000	$25,000	$20,000
Independent & Related Party[1]	–	–	–	–	–	–

1. Effective 1 September 2022, fees paid to the IRPC committee were discontinued following the reduction of significant related party transactions and consequently meetings held.

Remuneration Report continued

6. Link Between Remuneration and SGH Performance

The Remuneration Framework of SGH is designed to reward superior performance including returns to shareholders. The table below shows SGH's performance in key areas for the last five financial years.

	2026	2025	2024	2023	2022
Statutory NPAT ($m)[1]	$692.2	$526.9	$522.1	$646.5	$607.4
NPAT (excluding significant items) ($m)[1,2]	$923.1	$927.7	$914.1	$702.9	$686.1
Significant items ($m)[1]	$(230.9)	$(400.8)	$(392.0)	$(56.4)	$(78.7)
Profit before significant items, net finance expense and income tax (SGH underlying EBIT) ($m)	$1,554.2	$1,537.4	$1,419.2	$1,186.5	$987.1
Dividends declared per ordinary share	$0.64	$0.62	$0.53	$0.46	$0.46
Share price at financial year end	$46.64	$54.07	$37.68	$24.65	$16.61
Statutory basic EPS[1]	$1.69	$1.29	$1.26	$1.64	$1.54
EPS (excluding significant items)[1]	$2.26	$2.27	$2.31	$1.80	$1.73
Diluted EPS (excluding significant items)[1]	$2.25	$2.26	$2.26	$1.78	$1.73
One year Total Shareholder Return	(12.0)%	46.3%	56.1%	53.2%	(15.8)%
One year Relative Total Shareholder Return	(17.6)%	37.9%	42.4%	38.9%	(10.1)%
KMP STI achievement against target (Average)	89.9%	99.5%	118.5%	110.7%	95.7%

1. 2026, 2025, 2023 and 2022 figures are for continuing and discontinued operations.
2. NPAT (excluding significant items) is a non-IFRS measure. This measure is applied consistently year-on-year and used internally by Management to assess the performance of the business and hence is provided to enable an assessment of remuneration compared to SGH's performance. Refer to the Operating and Financial Review for a reconciliation to statutory net profit after tax.

STI Plan – KPI Summary

SGH's KPI framework is the primary mechanism through which the Board aligns executive accountability with the delivery of SGH's financial and strategic objectives. KPIs are derived directly from the Board-approved operating and strategic plan, ensuring that what executives are paid to achieve is aligned with what the Board has determined the business must deliver for shareholders.

For FY26, KPIs for the MD&CEO and all KMP Executives were established through SGH's annual budget and strategic planning process, which includes an in-depth Board review of the Company's strategic priorities, market conditions, the economic environment and shareholder expectations. This process is designed to be rigorous and forward-looking, with targets set to be genuinely challenging. Where performance falls short of targets, executives receive no benefit from the relevant variable remuneration component. The Board also considers conduct risk and behavioural alignment with SGH's Respect, Owner's Mindset, Courage, Agility (ROCA) values as part of its overall assessment, reflecting the principle that how results are achieved matters as much as the results themselves.

Each KMP Executive's performance is assessed against an individually tailored balanced scorecard structured around SGH's POAF operating model framework. KPI weightings are calibrated to reflect the scope and strategic focus of each role, ensuring that executive incentives span both near-term financial delivery and the longer-term organisational and operational capabilities that underpin sustained performance.

- **People KPIs** assess the organisational capability that underpins long-term performance. Ensuring critical roles are matched with the right capability, and delivering strong performance, engagement, and diversity outcomes, are key priorities that drive throughput, safety, and cost discipline, including effective management of employee relations. Effective succession planning further protects business continuity against key person dependency. Cultural alignment is fundamental, determining whether SGH's Owner's Mindset culture compounds across business cycles, with progress against these measures a leading indicator of sustained operational performance.
- **Operations KPIs** target the operational performance, cost discipline, and customer focus that convert strategic intent into day-to-day competitive advantage. They span business unit operational metrics, sales effectiveness and customer engagement, operating efficiency and productivity, and the delivery of digital transformation and improvement programs. For Business Unit CEOs, KPIs are tailored to the specific priorities of WesTrac, Boral and Coates and tethered to the SGH and Business Unit BSC metrics, integral to ensuring operating model effectiveness.
- **Assets KPIs** focus on portfolio value creation, capital allocation discipline, and strategic asset management. They include progress on the Boral property strategy, strategic growth projects, capital management, and the advancement of organic and inorganic portfolio opportunities aligned with SGH's long-term strategic direction. For SGH Executives, objectives focus on growing and optimising the SGH portfolio and pursuing value-accretive opportunities.
- **Financials KPIs** measure core value creation and capital discipline, derived from the SGH Board-approved operating plan. Key metrics include revenue, underlying EBIT growth, free cash flow, ROCE, and balance sheet management. Financials KPIs carry the greatest weighting in each scorecard, reflecting their primacy in aligning executive incentives with shareholder value delivery.

Sustainability: ESG and sustainability performance is embedded across the People and Operations pillars, with targets tailored to each executive's responsibilities and derived from SGH's sustainability strategy Material Issues. This includes emissions intensity, alternative fuel sourcing, lower-carbon product development, and site rehabilitation progress.

FY26 STI Scorecard Structure and Outcomes

SGH's Balanced Scorecard assesses executive performance across four POAF pillars, with the Financials pillar carrying the greatest weighting (40–50%) reflecting the primacy of financial returns to shareholders. Each KMP Executive's scorecard is individually tailored to their role, with KPIs approved by the Board at the commencement of the financial year.

Executive KPI and performance outcomes are differentiated based on SGH and business unit financial performance in addition to performance against individual KPIs using a POAF balanced scorecard approach. Each executive scorecard is assessed across the POAF pillars, with outperformance applied based on SGH or business unit financial performance. SGH exceeded its financial targets for FY26, although business unit outcomes were differentiated. KPIs were met across the Group.

Overall assessment outcomes vs. targets

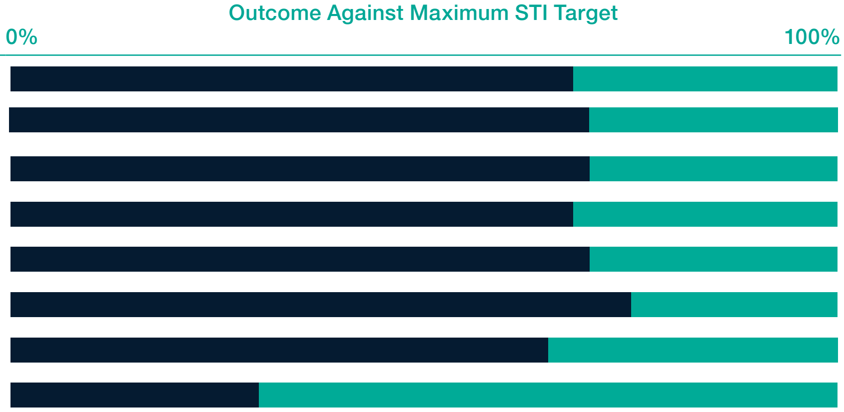
Financial Gateway – **Met** – The STI gateway was satisfied and STI awards were available to all KMP Executives for FY26.

Category	MD&CEO/SGH Execs Weighting & outcome	Business unit CEOs Weighting & outcome	Key FY26 Outcomes
People	10%–20% **At target**	20% **At target**	Deliberate investment in culture, capability and workforce optimisation drove strong employee engagement and success in attracting and retaining skilled labour, with female representation increasing to 20.0%. More than 15,000 people were supported through 275,000 hours of technical and operational training, and leadership renewal continued, including the appointment of Boral's CEO. ESG initiatives advanced, including greater alternative fuel use and lower-carbon products. Safety strengthened across every business unit, with LTIFR improving 38% (0.8 to 0.5) and TRIFR 29% (3.1 to 2.2).
Operations	20%–30% **At target**	20%–30% **At target**	The Boral growth strategies advanced ahead of plan, delivering above-target EBIT and synergies. Sustained cost and efficiency initiatives underpinned margin growth, while property optimisation unlocked value and positioned assets for future earnings.
Assets	10% **At target**	10%–20% **At target**	Disciplined capital and portfolio management supported the delivery of the property strategy, alongside progress on broader strategic growth projects, strengthening the asset base and positioning the portfolio for long-term value creation.
Financials	50% **Above target**	40% **Above target: WesTrac, Boral** *At/below target: Coates*	A strong financial result, with underlying EBIT surpassing target. Underlying Industrial Services EBIT of $1,453 million grew by 4% on FY25, driven by operational efficiency and disciplined cost control. ROCE exceeded target and Adjusted Net Debt to EBITDA strengthened to 1.8x, below the 2.0x threshold, reflecting financial discipline and balance sheet strength.

Executive KMP STI Outcomes for FY26

The table below provides details of the level of performance achieved against balanced scorecard KPIs and the resulting STI outcome awarded for FY26. In the table, a clear link is demonstrated between individual KMP Executive performance and STI outcomes.

KMP Executive	Percentage of Target STI Awarded	Percentage of Maximum STI Forfeited
RK Stokes AO	98.4%	34.4%
V Bansal	109.8%	26.8%
G Bhalla	95.6%	28.1%
RB Cotterill	89.5%	32.7%
JE Croome	96.2%	27.7%
MJ McKenzie	104.0%	21.8%
RJ Richards	98.4%	34.4%
MJ Vitlich	27.0%	79.7%



Actual STI   Max STI Forfeited

Remuneration Report continued

MD & CEO & SGH Executive Performance against FY26 KPIs

Scorecard Measure | **Weighting/Performance**

People

Weighting: **10%–20% / At target**

Target

People KPIs reinforced safety as the foremost priority while building the leadership, culture and capability needed to sustain long-term performance. Safety is tracked through lag metrics, TRIFR and LTIFR, supported by lead indicators including Potential and Actual Serious Harm Incidents, awareness campaigns, and initiatives to prevent physical and psychosocial injuries. The people goals focus on employee engagement, leadership succession and pipeline development, a performance-driven culture, and workforce transformation to optimise capability.

The FY26 People measures comprised:
– **Safety performance** (LTIFR, TRIFR and lead indicators);
– **Leadership succession** and pipeline development;
– **Employee engagement and culture**; and
– **Diversity, inclusion and sustainability** targets.

- SGH LTIFR improved 38% (0.8 to 0.5) and TRIFR 29% (3.1 to 2.2), both ahead of Board targets.
- Executive succession delivered, including the internal Boral CEO appointment
- Attraction and retention strategies deployed to address critical skills shortages.
- SGH-wide AI and innovation governance established, including business unit AI Centres of Excellence and the SGH Innovation & Technology Nerve Centre
- Employee engagement participation improved year-on-year, gender representation increased to 20.0% (from 19.0%).
- Substantial progress made against sustainability and emission intensity targets across business units.

Operations

Weighting: 20% / **At target**

Target

Operations KPIs focus on day-to-day business performance, cost discipline, and customer outcomes. For FY26, key operational measures included:

- **Business unit operational performance** including revenue delivery, margin management and cost discipline across SGH businesses.
- **Sales effectiveness and customer engagement** including customer service metrics, market share initiatives and key account management.
- **Digital transformation and productivity improvements** supporting operational efficiency and scalable growth.
- **Operating cost management** including overhead discipline, workforce productivity and overhead cost reduction initiatives.

- SGH EBIT margin expanded with 99% EBITDA cash conversion, reflecting operating discipline across every business.
- Cost optimisation delivered across all operating units, including labour productivity programs and targeted organisational restructures.
- Boral delivered a fourth consecutive year of earnings growth; WesTrac grew product support; Coates protected industry-leading margins.
- WesTrac recognised among the leading Caterpillar dealers in the Asia-Pacific region.
- Coates delivered cost action, with time utilisation and win rate improvements.
- Sales effectiveness and customer service measures embedded across business units. Delivery-on-time and grade-of-service improvement targets met.

Assets

10%–20% / **At target**

Target

Assets KPIs focus on portfolio value creation, capital allocation, and strategic asset management. For FY26, key assets measures included:

- **Boral property strategy** execution including Ravenhall development and land optimisation.
- **Group portfolio and capital optimisation** to enhance returns and inform investment decisions.
- **Strategic growth initiatives** advancing organic and inorganic opportunities aligned with SGH's long-term direction.
- **SGH Energy project advancement** including Crux and Longtom development milestones.

- Boral synergies and growth strategy advanced successfully, delivering above-target EBIT.
- The Boral surplus property program advanced.
- WesTrac scaled capacity targets met including warehouse automation.
- Crux remained on track for first gas in H2 CY2027 with topsides installed. LNG offtake marketing commenced.
- Strategic growth initiatives progressing.

Scorecard Measure	Weighting/Performance
Financials	Weighting: 50% / **Above target** Target

Financials KPIs carry the greatest weighting, derived from the Board-approved plans. Underlying EBIT reflects cost discipline and performance efficiency. Free cash flow measures earnings conversion. Debt management maintains balance sheet strength, and ROCE ensures capital generates appropriate long-term returns.

For FY26, the Financial measures were:

- Underlying EBIT growth
- Free Cash Flow
- SGH debt management (Adjusted Net Debt/ EBITDA)
- ROCE

- Underlying EBIT, EBIT margin and ROCE above target.
- Operating cash flow above target, 99% EBITDA cash conversion.
- Adjusted Net debt of 1.8x, below the target range.
- Facilities refinanced at improved margins and extended tenor.
- Full-year dividends up 3% to 64 cents.

Business Unit CEO Performance against FY26 KPIs

Scorecard Measure	Weighting/Performance
People	Weighting: 20% **/ At target** Target

For FY26, the People measures included:

- **Safety performance** Zero Harm, (LTIFR, TRIFR and lead indicators)
- Succession and talent development
- **Employee engagement and culture**, including new starter turnover and retention
- **Female representation and diversity targets**

These measures drive the people and safety accountability that underpins sustainable business performance across each business unit.

WesTrac

- TRIFR and LTIFR improvement targets met
- Attraction and retention programs reducing critical skills gap.
- Engagement and diversity targets on track, female representation increased to 21.6% (from 21.0%).
- CO2 emissions intensity reduced year-on-year with solar installations delivered at key sites.

Boral

- TRIFR and LTIFR improvement targets met
- Engagement participation and outcomes ahead of target. Female participation grew to 16.3% (from 15.6%).
- ESG progress to support transition to lower-carbon operations.

Coates

- TRIFR and LTIFR improvement targets met. Safety Continuous Improvement Plan on track.
- Engagement and people cost percentage targets not met. Female participation exceeded 25% aspiration at 25.1%.
- Cost optimisation and workforce productivity improvements delivered.
- Substantial progress made against ESG intensity target.

Remuneration Report continued

Scorecard Measure	Weighting/Performance
Operations	20%–30% **/ At target** Target
Operations KPIs focus on day-to-day business performance, cost discipline, and customer outcomes. For FY26, key operational measures for business unit CEOs included: – **Business unit operational metrics** including revenue delivery, margin improvement and cost discipline. – **Sales effectiveness and customer engagement** including customer service metrics, market share, and key account management. – **Digital transformation and operational improvement** programs delivering measurable productivity and efficiency gains. – **Operating cost management** including overhead discipline, workforce productivity and targeted cost reduction initiatives. – **Business operating effectiveness** and efficiency including business development, sales execution and effectiveness and focus on customer outcomes.	**WesTrac** – Product support revenue up 6% to $4.0bn on a growing, ageing Caterpillar base (+4%). – Cost base lowered through workforce, supply chain and warehouse optimisation – Digital and systems investment (Palantir, IDS) delivering material productivity gains. **Boral** – Customer, margin and volume targets all met. – Digital operations, fleet telemetry and truck productivity lifting output. – Sales effectiveness, key site developments and resource extension realising significant value. **Coates** – Customer fulfilment targets achieved. – Hub & Spoke network driving scale efficiencies through branch consolidation and cost rationalisation.
Assets	10%–20% **/ At target** *(Below target: Coates)* Target
Assets KPIs focus on portfolio value creation, capital discipline, and strategic asset management. For FY26, key assets measures for business unit CEOs included: – **Strategic projects and capital management** including key site developments, ROCE, and asset utilisation. – **Property and portfolio optimisation** including land use, site rehabilitation, and value realisation from non-core assets. – **Organic and inorganic growth** including strategic growth project milestones and adjacent opportunity development.	**WesTrac** – Scaled capacity within the existing footprint via warehouse automation, expanded machine and hose shop capacity, regional branch acquisitions and the Karratha expansion; parts availability up from 77% to 93%. – Digital investment (Palantir, IDS) delivering significant productivity gains; solar rollout progressing at key sites. **Boral** – Network strengthened with capacity increases closer to market – Property strategy advancing, development pipeline progressing. – Alternative fuel substitution at Berrima achieving 48% in FY26. **Coates** – EBIT margin delivered through cost action; time utilisation up 160bp to 61% and win rate lifted to ~34% on value-based selling. – Hire fleet up 2% to $1.89bn with age at historic lows; capital directed to highest-demand, highest-utilisation categories and low-utilisation equipment disposed to optimise returns.
Financials	40% **/ Above target: WesTrac and Boral** *(Below target: Coates)* Target
For FY26, the Financials measure included: – Business Unit EBIT and revenue growth – Operating Cash Flow and Working Capital Ratios – ROCE These measures demonstrate disciplined focus on growing the business while maintaining cost control, operational output, and performance efficiency.	**WesTrac** – EBIT, services revenue and ROCE targets met. – Operating cash flow and working capital above target. **Boral** – EBIT, ROCE, price realisation, concrete and quarry volume growth targets met. – Strong above-target underlying cash generation and cash conversion. **Coates** – EBIT, ROCE and operating cash flow below target. – Disciplined capex and cost control measures implemented.

LTI Outcomes

The FY24 LTI award was the first grant under SGH's LTI plan to incorporate two equally weighted performance hurdles (rTSR and EPS), each applying to 50% of the award and measured over the three-year performance period from 1 July 2023 to 30 June 2026. Both hurdles were tested following the end of the performance period, with performance exceeding the Stretch level under each measure. Accordingly, 100% of the FY24 LTI award vested, as set out below:

rTSR hurdle outcome (50% of award)

SGH delivered a total shareholder return of 25.6% per annum over the three-year performance period, compared with 10.6% per annum for the S&P/ASX 100 index. This performance ranked SGH at the 89.5th percentile of the comparator group (the S&P/ASX 100 as at the commencement of the performance period, excluding Financial Services companies), placing SGH ninth of the 77 constituents tested and resulting in 100% vesting of the rTSR component.

SGH's share price increased 89.2% over the performance period, from $24.65 to $46.64, compared with a 35.4% increase in the S&P/ASX 100 index. This sustained outperformance reflects SGH's disciplined operating models and consistent record of delivery and execution, with strong margin growth across the operating businesses, continued improvement in return on invested capital and a sustained focus on cost efficiency, positioning SGH to benefit from a robust infrastructure and construction pipeline. The following graph shows SGH's share price relative to the performance of the S&P/ASX 100 over the performance period.

SGH Share price vs S&P/ASX100

EPS hurdle outcome (50% of award)

The EPS component was tested against aggregate Threshold and Stretch targets over the three-year performance period, with annual targets set by the Board at the commencement of each financial year by reference to the Board-approved budget. SGH delivered cumulative underlying EPS of $7.03 over the performance period, exceeding the aggregate Stretch target, with underlying EPS also exceeding the Stretch target in each individual year. The annual underlying EPS outcomes are set out below:

Underlying EPS ($)	FY24	FY25	FY26	Aggregate	Result
Actual[1]	2.48	2.28	2.27	Above	Above Stretch

1. Actual Underlying EPS for LTI testing purposes excludes Significant Items and reflects Board-approved adjustments. In FY24, this included an adjustment for the non-controlling interest share of Boral's earnings consistent with the economic substance of the Boral acquisition which completed in July 2024.

The EPS component would have vested in full on both an adjusted and unadjusted basis.

Remuneration Report continued

7. Summary of Executive Contracts

The key terms of the KMP Executives' contracts including the term of the contract, the period of notice required to terminate the contract (by either SGH or the Executive) and any contractual termination payments are set out below.

KMP Executive	Contract Term	Notice period required by the Company	Notice period required by the Executive	Contractual termination payments
RK Stokes AO	On-going	6 months	6 months	No contractual termination payments
G Bhalla	On-going	6 months	6 months	No contractual termination payments
RB Cotterill	On-going	6 months	6 months	No contractual termination payments
JE Croome	On-going	6 months	6 months	No contractual termination payments
MJ McKenzie	On-going	6 months	6 months	No contractual termination payments
RJ Richards	On-going	6 months	6 months	No contractual termination payments
MJ Vitlich	On-going	6 months	6 months	No contractual termination payments

From 1 April 2026, Vik Bansal was appointed as a Director of the SGH Board. His fixed remuneration was adjusted accordingly with the adjusted amount disclosed in the remuneration table on page 69. His Boral employment concluded on 2 July 2026, on which date he transitioned from Executive Director to NED of the SGH Board.

NEDs

There are no formal employment contracts for NEDs that provide notice provisions or contractual termination payments. Each NED has a formal appointment letter agreed with the Company which confirms their appointment in accordance with the Constitution of the Company and provides information in relation to the structure and practices of the Board and the Company.

Hedging policy

The Company's Share Trading Policy prohibits employees (including KMP) from dealing in SGH shares, if the dealing is prohibited under the *Corporations Act 2001*. Therefore, in accordance with this policy, all KMP are prohibited from entering into arrangements in connection with SGH Limited shares which operate to limit the executives' economic risk under any equity-based incentive schemes.

The ability to deal with unvested rights is restricted in the relevant equity plan rules which apply to the options over shares in the Company which have been granted. The Company will continue to monitor the appropriateness of this approach.

Clawback and malus provisions

The Company maintains Clawback and malus provisions within the variable pay plans. If in the Board's opinion, an employee:

- acts fraudulently or dishonestly;
- is in breach of their obligations to the Company or another SGH company; or
- received awards based on financial accounts which are later restated;

the Board may determine that unvested performance rights lapse and deem that any vested but unexercised performance share rights also lapse.

8. KMP Equity Holdings

Equity granted as remuneration

Deferred share rights granted as remuneration

SGH offered certain KMP Executives the opportunity to participate in SGH's deferred STI share rights plan in respect of last years performance and awarded KMP Executives deferred share rights that vest after one year. Deferred Share Rights and Equity Retention Rights were also issued to certain KMP Executives that vest between two and three years. These rights are generally settled through an on-market purchase of SGH shares at the time of vesting.

Details of the vesting profile of the deferred share rights held by KMP Executives during FY26 under the STI and Retention plans are detailed below.

Deferred share rights

KMP	Grant date	Vesting date	Fair value per share at grant date	Held at 1 July 2025	Granted	Forfeited	Vested	Held at 30 June 2026
RK Stokes AO	1 Jul 25	18 Aug 26	$53.54	–	18,922	–	–	18,922
	1 Jul 24	1 Jul 25	$36.58	31,240	–	–	(31,240)	–
				31,240	**18,922**	**–**	**(31,240)**	**18,922**
V Bansal[1]	1 Jul 25	18 Aug 26	$53.54	–	19,752	–	–	19,752
	1 Jul 24	1 Jul 27	$37.41	60,144	–	–	–	60,144
	1 Jul 24	1 Jul 25	$36.58	30,752	–	–	(30,752)	–
	28 Jun 24	18 Aug 26	$35.88	28,028	–	–	–	28,028
				118,924	**19,752**	**–**	**(30,752)**	**107,924**
G Bhalla	1 Jul 25	18 Aug 26	$53.54	–	6,518	–	–	6,518
	1 Jul 24	1 Jul 25	$36.58	8,544	–	–	(8,544)	–
				8,544	**6,518**	**–**	**(8,544)**	**6,518**
RB Cotterill	1 Jul 25	18 Aug 26	$53.54	–	5,450	–	–	5,450
	1 Jul 24	1 Jul 25	$36.58	2,024	–	–	(2,024)	–
				2,024	**5,450**	**–**	**(2,024)**	**5,450**
JE Croome	1 Jul 25	18 Aug 26	$53.54	–	12,448			12,448
	1 Jul 24	1 Jul 25	$36.58	15,417		–	(15,417)	–
				15,417	**12,448**	**–**	**(15,417)**	**12,448**
MJ McKenzie[2]	1 Jul 25	18 Aug 26	$53.54		2,613	–	–	2,613
	1 Jul 24	1 Jul 25	$36.58	3,712	–	–	(3,712)	–
				3,712	**2,613**	**–**	**(3,712)**	**2,613**
RJ Richards	3 Oct 25	14 Aug 28	$47.45	–	4,649	–	–	4,649
	3 Oct 25	14 Feb 28	$47.94	–	4,649	–	–	4,649
	3 Oct 25	14 Aug 27	$48.46	–	4,649	–	–	4,649
	3 Oct 25	14 Feb 27	$48.97	–	4,649	–	–	4,649
	3 Oct 25	18 Aug 26	$49.44	–	18,597	–	–	18,597
	1 Jul 25	18 Aug 26	$53.54	–	11,951	–	–	11,951
	1 Jul 24	1 Jul 25	$36.58	14,798	–	–	(14,798)	–
				14,798	**49,144**	**–**	**(14,798)**	**49,144**
MJ Vitlich	1 Jul 25	18 Aug 26	$53.54	–	4,203	–	–	4,203
	1 Jul 24	1 Jul 25	$36.58	9,123	–	–	(9,123)	–
				9,123	**4,203**	**–**	**(9,123)**	**4,203**

1. Following the compulsory acquisition of Boral, a special equity retention award equivalent of 150% of the Boral MD&CEO's FAR was awarded in July 2024. The Board resolved for 50% of this award to lapse with effect from his transition to a NED on 2 July 2026, with the remaining 50% of the award staying on foot in accordance with the original terms of the award until 1 July 2027.
2. Relates to performance periods prior to becoming a KMP.

Remuneration Report continued

Performance rights granted as remuneration

SGH offered certain KMP Executives the opportunity to participate in SGH's LTI. A summary of the LTI plans is provided below.

SGH LTI awards

Grant	Performance Measure	Performance Period	Vest Date	Vesting Outcome
FY24	50% rTSR and 50% EPS	1 Jul 23 to 30 Jun 26	2026 (3 years)	100%
FY25	50% rTSR and 50% EPS	1 Jul 24 to 30 Jun 27	2027 (3 years)	In progress
FY26	50% rTSR and 50% EPS	1 Jul 25 to 30 Jun 28	2028 (3 years)	In progress

LTI awards are structured as rights to acquire ordinary shares in the Company at no cost or a cash-settled equivalent to the executive. Details of the vesting profiles of the performance rights held by KMP Executives during FY26 under the LTI plan are provided below.

Performance rights

			Fair Value per right at grant date*						
KMP	Grant Date	Expiry Date	TSR Component	EPS Component	Held at 1 July 2025	Granted	Forfeited	Vested	Held at 30 June 2026
V Bansal	1 Jul 25	1 Sep 28	$27.88	$50.51	–	29,094	–	–	29,094
	1 Jul 24	1 Sep 27	$21.14	$35.71	42,824	–	–	–	42,824
	28 Jun 24	1 Jul 26	$33.47	$36.64	38,495	–	–	–	38,495
					81,319	**29,094**	**–**	**–**	**110,413**
G Bhalla	1 Jul 25	1 Sep 28	$27.88	$50.51	–	15,517	–	–	15,517
	1 Jul 24	1 Sep 27	$21.14	$35.71	20,698	–	–	–	20,698
	1 Jul 23	1 Sep 26	$13.73	$23.13	23,627	–	–	–	23,627
	1 Jul 22	1 Sep 25	$8.62	–	35,788	–	–	(35,788)	–
					80,113	**15,517**	**–**	**(35,788)**	**59,842**
RB Cotterill	1 Jul 25	1 Sep 28	$27.88	$50.51	–	14,062	–	–	14,062
	1 Jul 24	1 Sep 27	$21.14	$35.71	18,557	–	–	–	18,557
	16 Apr 24	1 Sep 26	$35.13	$38.14	10,970	–	–	–	10,970
					29,527	**14,062**	**–**	**–**	**43,589**
JE Croome	1 Jul 25	1 Sep 28	$27.88	$50.51	–	23,275	–	–	23,275
	1 Jul 24	1 Sep 27	$21.14	$35.71	34,259	–	–	–	34,259
	1 Jul 23	1 Sep 26	$13.73	$23.13	40,503	–	–	–	40,503
	1 Jul 22	1 Sep 25	$8.62	–	61,348	–	–	(61,348)	–
					136,110	**23,275**	**–**	**(61,348)**	**98,037**
MJ McKenzie	1 Jul 25[1]	1 Sep 28	$27.88	$50.51	–	6,788	–	–	6,788
	1 Jul 24[1]	1 Sep 27	$21.14	$35.71	8,208	–	–	–	8,208
					8,208	**6,788**	**–**	**–**	**14,996**
RJ Richards	1 Jul 25	1 Sep 28	$27.88	$50.51	–	25,214	–	–	25,214
	1 Jul 24	1 Sep 27	$21.14	$35.71	34,259	–	–	–	34,259
	1 Jul 23	1 Sep 26	$13.73	$23.13	48,604	–	–	–	48,604
	1 Jul 22	1 Sep 25	$8.62	–	73,617	–	–	(73,617)	–
					156,480	**25,214**	**–**	**(73,617)**	**108,077**
MJ Vitlich	1 Jul 25	1 Sep 28	$27.88	$50.51	–	19,396	–	–	19,396
	1 Jul 24	1 Sep 27	$21.14	$35.71	28,549	–	–	–	28,549
	1 Jul 23	1 Sep 26	$13.73	$23.13	33,753	–	–	–	33,753
	1 Jul 22	1 Sep 25	$8.62	–	51,123	–	–	(51,123)	–
					113,425	**19,396**	**–**	**(51,123)**	**81,698**
Performance rights (cash settled)									
RK Stokes AO	1 Jul 25	1 Sep 28	$27.88	$50.51	–	55,278	–	–	55,278
	1 Jul 24	1 Sep 27	$21.14	$35.71	81,366	–	–	–	81,366
	1 Jul 23	1 Sep 26	$13.73	$23.13	85,507	–	–	–	85,507
	1 Jul 22	1 Sep 25	$8.62	–	129,512	–	–	(129,512)	–
					296,385	**55,278**	**–**	**(129,512)**	**222,151**

* Fair value per right is determined in accordance with AASB 2 Share-based Payment.

1. Relates to performance periods prior to becoming a KMP.

Equity granted as remuneration affecting future periods

The fair value of equity granted as remuneration is amortised over the service period and therefore remuneration in respect of equity grants may be reported in future years. The following table summarises the maximum value of these grants that will be reported in the remuneration tables in future years, assuming all vesting conditions are met. The minimum value of the grant is nil should vesting conditions not be satisfied.

Equity settled

KMP	2027 $	2028 $	2029 $
RK Stokes AO	2,080,672	815,276	–
V Bansal	1,532,976	429,098	–
G Bhalla	621,158	228,870	–
RB Cotterill	549,674	207,396	–
JE Croome	967,954	343,281	–
MJ McKenzie	375,213	88,686	–
RJ Richards	1,815,774	515,691	6,487
MJ Vitlich	633,569	286,065	–

Shareholdings and transactions

Movements in the holdings of ordinary shares and by KMP held directly, indirectly, beneficially and including their personally related entities are set out in the tables below.

Ordinary Shares

KMP	Held at 1 July 2025	Purchases and other changes during the year	Shares granted as remuneration during the year	Rights converted to shares during the year	Held at 30 June 2026
RH Argaman OAM	47,500	–	–	–	47,500
KL Farrar	17,587	–	–	–	17,587
JC Gillam	–	–	–	–	–
MG Johnson	5,000	–	–	–	5,000
CJ Mackay	11,521	–	–	–	11,521
DI McEvoy	32,860	–	–	–	32,860
WL Smith AO	55,109	2,308	–	–	57,417
KMP Executive					
RK Stokes AO	676,847	–	–	31,240	708,087
V Bansal	134,604	–	–	30,752	165,356
G Bhalla	45,462	(74,538)	–	44,332	15,256
RB Cotterill	–	–	–	2,024	2,024
JE Croome	186,109	(39,945)	–	76,765	222,929
MJ McKenzie	–	–	–	3,712	3,712 [1]
RJ Richards	259,902	–	–	88,415	348,317
MJ Vitlich	143,664	(77,924)	–	60,246	125,986
Former KMP					
TJ Davis	104,000	–	–	–	104,000 [2]
SA Chaplain AM	35,860	–	–	–	35,860 [2]

1. Mr Matt McKenzie was appointed as Boral CEO effective 1 April 2026. Balance reflects his total shareholding at 30 June 2026.
2. Reflects shareholding at time of cessation of KMP being 1 June 2026 for Mr Terry Davis and 28 February 2026 for Ms Annabelle Chaplain.

Remuneration Report continued

9. KMP Related Party Transactions

A number of KMP, or their personally related entities, hold positions in other entities that can result in them having control or significant influence over those entities. A number of these entities transacted with the Company or its subsidiaries during the year.

SGH transacted with entities of which the Directors of the Company, were Directors or Officers (excluding equity accounted investees, which are disclosed in Note 32: Related party disclosures of the Financial Report) or otherwise had an interest.

The aggregate value of the related party transactions with Director and Director related entities was as follows:

	2026 $	2025 $
Revenue		
Equipment sales and hire	344,568	105,836
Total revenue	**344,568**	**105,836**
Expenses		
Lease of premises and related outgoings	3,170,846	4,024,688
Total expenses	**3,170,846**	**4,024,688**

Loans and other transactions with KMP

During the year ended 30 June 2026, Mr Ryan Stokes AO was a director on the Board of Southern Cross Media (ASX:SXL) (formerly Seven West Media) and Beach Energy Limited (ASX:BPT), representing SGH Limited. Mr Ryan Stokes AO received director's fees from Southern Cross Media Group for services. Under a consultancy agreement between SGH and Beach, SGH will nominate a company representative to act as a non-executive director. The SGH representative is currently Mr Ryan Stokes AO. Fees in respect of services provided by Mr Ryan Stokes AO in FY26 of $325,000 (2025: $271,926) are payable directly to SGH pursuant to this consultancy agreement.
Mr Ryan Stokes AO does not receive any director fees or superannuation for his services as a director to Beach Energy Limited.
Mr Richard Richards receives director's fees for his services provided to Beach Energy Limited. As the amounts are not paid or payable by SGH Limited, they have not been included in the remuneration disclosures.

Other director fees (SGH Appointed)

	2026 $	2025 $
RK Stokes AO	164,053	151,068
RJ Richards	174,721	165,563

Other transactions with SGH

A number of Directors hold directorships in other entities. Several of these entities transacted with SGH on terms and conditions not more favourable than those available on an arm's-length basis.

10. Remuneration in Detail

A. Remuneration earned by KMP Executives in FY26 (non-statutory disclosures)

The remuneration detailed in this table is aligned to the current performance periods and therefore is particularly useful in assessing pay received in the current year and its alignment with long-term performance. The values in this table will not reconcile with those provided in the statutory disclosures in table 10.B. For example, table 10.B discloses the value of equity grants which may or may not vest in future years, whereas this table discloses the value of grants from previous years which vested in FY26.

KMP Executive	Year	Fixed Remuneration $[1]	STI Cash Bonus $[2]	STI Vesting $[3]	LTI Vesting $[4,5]	Total $
RK Stokes AO MD & CEO	**2026**	**1,900,000**	**934,800**	**1,494,309**	**11,321,090**	**15,650,199**
	2025	1,900,000	1,013,057	3,851,808	3,385,987	10,150,852
V Bansal[6] Executive Director, Former Boral MD&CEO	**2026**	**1,193,500**	**617,768**	**1,470,967**	**–**	**3,282,235**
	2025	1,500,000	1,057,500	–	–	2,557,500
G Bhalla CPO	**2026**	**800,000**	**382,267**	**408,687**	**2,933,993**	**4,524,947**
	2025	725,000	348,973	994,846	857,081	2,925,900
RB Cotterill COO	**2026**	**725,000**	**324,317**	**96,814**	**–**	**1,146,131**
	2025	650,000	291,780	–	–	941,780
JE Croome CE, WesTrac	**2026**	**1,200,000**	**577,344**	**737,444**	**5,048,268**	**7,563,056**
	2025	1,200,000	666,460	3,670,571	1,745,896	7,282,927
MJ McKenzie CE, Boral	**2026**	**1,000,000[7]**	**245,110**	**177,557**	**–**	**1,422,667**
	2025	–	–	–	–	–
RJ Richards CFO	**2026**	**1,300,000**	**639,600**	**707,836**	**6,288,487**	**8,935,923**
	2025	1,200,000	639,825	1,826,835	1,904,641	5,571,301
MJ Vitlich CE, Coates	**2026**	**1,000,000**	**135,000**	**436,382**	**4,174,834**	**5,746,216**
	2025	1,000,000	225,000	1,616,922	1,428,443	4,270,365
Total Current KMP Executives	**2026**	**9,118,500**	**3,856,206**	**5,529,996**	**29,766,672**	**48,271,374**
	2025	8,175,000	4,242,595	11,960,982	9,322,048	33,700,625

1. Fixed Remuneration is the annual contracted remuneration that includes base salary, superannuation and any amounts salary sacrificed unless otherwise stated.
2. The STI Cash Bonus is for the year it has been earned, which is paid in the following year.
3. STI vesting in FY26 is for the vesting FY25 deferred share rights that converted to SGH shares on 13 August 2025 (share price of $47.83).
4. LTI vesting in FY26 was for the FY22 LTI plan that vested at 100% with a one year holding restriction and FY23 LTI plan that vested at 100% and rights converted to SGH shares on 13 August 2025 (share price of $47.83). From the FY23 LTI plan, a one-year holding lock requirement no longer applies.
5. The MD&CEO's vested LTI is cash-settled, using the same terms and conditions as for the performance rights that are equity-settled under the LTI plan. Refer Section 4 for further details.
6. Mr Vik Bansal FY26 fixed remuneration reflects 75% of the year as MD&CEO of Boral and 25% of the year in the role of Executive Director.
7. Mr Matt McKenzie was appointed as Boral CEO on 1 April 2026 and became a SGH KMP from this date. His Fixed Remuneration reflects his annual equivalent as Boral CEO, with STI outcomes based on his full year performance including time prior to becoming a KMP.

Remuneration Report continued

B. Remuneration earned by KMP Executives in FY26 (statutory disclosures)

The following table sets out the audited remuneration details for the KMP Executives for the year ended 30 June 2026, calculated in accordance with statutory accounting requirements.

KMP Executive	Year	Salary & fees $	STI cash bonus $	Non-monetary benefits[1] $	Super-annuation benefits $	Termi-nation Benefits $	Long service & annual leave $	Perfor-mance rights $	Deferred shares/ share rights $	Cash settled equity – employee expense $[2]	Cash settled equity – re-fair value $[3]	Total $	Perfor-mance related rem %
RK Stokes AO	**2026**	**1,892,500**	**934,800**	**23,872**	**7,500**	**–**	**25,044**	**–**	**973,945**	**2,079,479**	**(893,945)**	**5,043,195**	**61%**
MD&CEO	2025	1,900,000	1,013,057	23,872	–	–	(26,110)	–	1,077,948	1,631,727	7,094,726	12,715,220	85%
V Bansal[3]	**2026**	**1,140,324**	**617,768**	**736**	**52,440**	**375,000**	**1,920**	**1,447,364**	**1,713,353**	**308,884**	**–**	**5,657,789**	**72%**
Executive Director, Former Boral MD&CEO	2025	1,447,467	1,057,500	–	52,533	–	111,024	981,499	2,303,767	–	–	5,953,790	73%
G Bhalla	**2026**	**770,000**	**382,267**	**13,492**	**30,000**	**–**	**28,299**	**535,720**	**365,617**	**–**	**–**	**2,125,395**	**60%**
CPO	2025	690,081	348,973	18,479	29,932	–	48,092	417,848	327,514	–	–	1,880,919	58%
RB Cotterill	**2026**	**695,000**	**324,317**	**13,492**	**30,000**	**–**	**912**	**525,723**	**308,009**	**–**	**–**	**1,897,453**	**61%**
COO	2025	620,068	291,780	13,492	29,932	–	21,240	321,029	205,126	–	–	1,502,667	54%
JE Croome	**2026**	**1,167,526**	**577,344**	**14,718**	**30,000**	**–**	**(745)**	**869,965**	**621,902**	**–**	**–**	**3,280,710**	**63%**
CE, WesTrac	2025	1,164,094	666,460	23,705	29,932	–	83,794	706,538	713,451	–	–	3,387,974	62%
MJ McKenzie[4]	**2026**	**237,680**	**129,938**	**4,820**	**7,500**	**–**	**23,330**	**67,561**	**71,270**	**–**	**–**	**542,099**	**50%**
CE, Boral	2025	–	–	–	–	–	–	–	–	–	–	–	–
RJ Richards	**2026**	**1,270,000**	**639,600**	**13,492**	**30,000**	**–**	**87,635**	**947,229**	**1,514,835**	**–**	**–**	**4,502,791**	**69%**
CFO	2025	1,170,068	639,825	13,492	29,932	–	61,971	793,123	590,589	–	–	3,299,000	61%
MJ Vitlich	**2026**	**970,000**	**135,000**	**21,450**	**30,000**	**–**	**(2,307)**	**724,972**	**180,027**	**–**	**–**	**2,059,142**	**51%**
CE, Coates	2025	970,068	225,000	25,698	29,932	–	(29,615)	588,785	279,369	–	–	2,089,237	52%
Total Current	**2026**	**8,143,030**	**3,741,034**	**106,072**	**217,440**	**375,000**	**164,088**	**5,118,534**	**5,748,958**	**2,388,363**	**(893,945)**	**25,108,574**	
KMP Executives	2025	7,961,846	4,242,595	118,738	202,193	–	270,396	3,808,822	5,497,764	1,631,727	7,094,726	30,828,807	

1. Non-monetary benefits include costs such as parking benefits or costs relating to Company events and the associated fringe benefits tax.
2. These values have been calculated under accounting standards. The values may not represent the future value that the KMP Executive will receive, as the vesting of the performance rights and cash-settled equity is subject to the Company achieving pre-defined performance hurdles.
3. Mr Vik Bansal was the former Boral MD&CEO until 31 March 2026. From 1 April 2026 until 2 July 2026, he held an interim Executive Director position during the Boral CEO transition period, transitioning to a NED effective 2 July 2026. His FAR includes $1,125,000 as Boral MD&CEO from 1 July 2025 to 31 March 2026 and $68,500 as Executive Director from 1 April 2026 to 30 June 2026. His STI cash bonus, Performance rights, Deferred share rights and cash settled equity employee expense reflect his entitlements and remuneration in his capacity as Boral MD&CEO. His termination benefits reflect the accounting impact of the 50% lapsing of his special equity retention award. Mr Bansal's FY26 Deferred STI will be cash-settled on 1 July 2027.
4. Mr Matt McKenzie was appointed as Boral CEO effective 1 April 2026 and became a KMP from that date. His remuneration reflects his earnings from the date he became a KMP.

C. Remuneration for Non-Executive Directors in FY26

The following table sets out the audited remuneration details for the Non-Executive Directors for the year ended 30 June 2026, calculated in accordance with statutory accounting requirements.

Non-Executive Director	Year	Salary & fees $	Non-monetary benefits $	Superannuation benefits $	Total $
JC Gillam[1] Chairman	**2026**	**121,310**	**–**	**11,679**	**132,989**
	2025	–	–	–	–
RH Argaman OAM Non-Executive Director	**2026**	**208,929**	**–**	**25,071**	**234,000**
	2025	195,919	–	22,531	218,450
KL Farrar Non-Executive Director	**2026**	**269,000**	**–**	**30,000**	**299,000**
	2025	253,318	–	29,132	282,450
MG Johnson[2] Non-Executive Director	**2026**	**234,548**	**–**	**27,876**	**262,424**
	2025	162,938	–	18,738	181,676
CJ Mackay Non-Executive Director	**2026**	**249,000**	**–**	**–**	**249,000**
	2025	238,450	–	–	238,450
DI McEvoy Non-Executive Director	**2026**	**222,321**	**–**	**26,679**	**249,000**
	2025	213,857	–	24,593	238,450
WL Smith AO Non-Executive Director	**2026**	**244,643**	**–**	**29,357**	**274,000**
	2025	231,794	–	26,656	258,450
Total Non-Executive Directors	**2026**	**1,549,751**	**–**	**150,662**	**1,700,413**
	2025	1,296,276	–	121,650	1,417,926
Former Non-Executive Directors					
TJ Davis[1] Chairman	**2026**	**570,682**	**6,291**	**30,000**	**606,973**
	2025	493,756	–	29,932	523,688
SA Chaplain AM[2] Non-Executive Director	**2026**	**189,333**	**2,102**	**20,680**	**212,115**
	2025	298,450	–	–	298,450
Total Former Non-Executive Directors	**2026**	**760,015**	**8,393**	**50,680**	**819,088**
	2025	792,206	–	29,932	822,138

1. Mr John Gillam was appointed as a NED from 1 February 2026 and transitioned to Board Chairman with effect from 1 June 2026, following the retirement of Mr Terry Davis on 1 June 2026.
2. Mr Mark Johnson was appointed Chair of the Audit & Risk Committee effective 1 March 2026 following Ms Annabelle Chaplain AM's retirement from the Board on 28 February 2026.

End of audited Remuneration Report

Directors' Report continued

Indemnity

The Constitution of the Company provides an indemnity to any current or former Director and secretary of the Company against any liabilities incurred by that person, or arising out of, the discharge of duties as an officer of the Company or the conduct of the business of the Company, including associated legal costs defending any proceedings relating to that person's position with the Company in specified circumstances.

As permitted by the Constitution of the Company, the Company has entered into deeds of access, insurance and indemnity with each Director as at the end of the financial year.

No amounts were paid and no actions taken pursuant to these indemnities during the year.

Insurance Premiums

The Company has paid insurance premiums in respect of a directors' and officers' liability insurance contract insuring against certain liabilities (subject to exclusions) of all current and former officers of the Company and its subsidiaries, including all Directors named in this report, the Company Secretary and all persons concerned in, or taking part in the management of, the Company and its controlled entities, and former Directors and officers who have retired or relinquished their positions.

The insurance policies prohibit disclosure of the premiums paid in respect of those policies and the nature of the liabilities insured by the policies.

Non-Audit Services

During the year Deloitte Touche Tohmatsu, the Company's auditor, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and, in accordance with the advice received from the Audit & Risk Committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Board in terms of the Company's formal Auditor Independence Policy to ensure that they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 73.

Amounts paid or payable by SGH to the auditor, Deloitte Touche Tohmatsu, for non-audit services provided during the year are set out in Note 33: Auditor's remuneration of the Financial Report.

Rounding Off

The Company is of a kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 and in accordance with that Instrument, amounts in the Directors' Report and consolidated financial statements have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars.

Signed for and on behalf of the Board of Directors and in accordance with a resolution of the Directors.

John Charles Gillam
Chairman

Mark Graham Johnson
Chair of the Audit & Risk Committee

Sydney
11 August 2026

Auditor's Independence Declaration

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Quay Quarter Tower
50 Bridge Street
Sydney, NSW, 2000
Australia

Phone: +61 2 9322 7000

www.deloitte.com.au

11 August 2026

The Board of Directors
SGH Limited
Level 30, 175 Liverpool Street
Sydney NSW 2000

Dear Board Members

Auditor's Independence Declaration to SGH Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of SGH Limited.

As lead audit partner for the audit of the financial report of SGH Limited for the financial year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

H Fortescue
Partner
Chartered Accountants

Financial Report

Primary Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2026

CONTINUING OPERATIONS	Note	2026 $m	2025 $m
Revenue	4	10,589.0	10,743.5
Other income		72.2	76.9
Share of results from equity accounted investees	11	114.6	18.7
Impairment of equity accounted investees	3	(273.4)	(266.9)
Expenses excluding depreciation and amortisation	4	(8,741.5)	(8,968.6)
Profit before depreciation, amortisation, net finance expense and income tax		**1,760.9**	**1,603.6**
Depreciation and amortisation		(521.7)	(503.7)
Profit before net finance expense and income tax		**1,239.2**	**1,099.9**
Finance income	5	9.0	17.7
Finance expense	5	(308.0)	(343.4)
Net finance expense		**(299.0)**	**(325.7)**
Profit before income tax		**940.2**	**774.2**
Income tax expense	6	(281.9)	(284.1)
Profit for the year from continuing operations		**658.3**	**490.1**
Profit for the year from discontinued operations	31	33.9	36.8
Profit for the year		**692.2**	**526.9**
Profit for the year attributable to:			
Equity holders of the Company		689.2	522.9
Non-controlling interest		3.0	4.0
Profit for the year		**692.2**	**526.9**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Net change in fair value of financial assets at fair value through other comprehensive income	24	(37.1)	7.8
Income tax relating to items that will not be reclassified subsequently to profit or loss	24	10.5	(3.1)
Total items that will not be reclassified subsequently to profit or loss		**(26.6)**	**4.7**
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges: effective portion of changes in fair value	24	32.8	(22.8)
Foreign currency differences for foreign operations	24	0.8	0.1
Income tax relating to items that may be reclassified subsequently to profit or loss	24	(9.6)	6.8
Total items that may be reclassified subsequently to profit or loss		**24.0**	**(15.9)**
Total comprehensive income for the year		**689.6**	**515.7**
Total comprehensive income for the year attributable to:			
Equity holders of the Company		686.6	511.7
Non-controlling interest		3.0	4.0
Total comprehensive income for the year		**689.6**	**515.7**

Statutory earnings per share (EPS)		$	$
From continuing operations			
Basic earnings per share	7	1.61	1.20
Diluted earnings per share	7	1.61	1.19
From continuing and discontinued operations			
Basic earnings per share	7	1.69	1.29
Diluted earnings per share	7	1.69	1.28

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

Primary Statements

Consolidated Statement of Financial Position
As at 30 June 2026

	Note	2026 $m	2025 $m
Current assets			
Cash and cash equivalents	18	231.8	176.6
Trade and other receivables	8	1,290.8	1,295.5
Contract assets	8	284.3	239.4
Inventories	10	1,557.8	1,861.4
Other current assets		75.0	79.1
Derivative financial instruments	22	64.8	60.9
Assets classified as held for sale		7.4	7.7
Total current assets		**3,511.9**	**3,720.6**
Non-current assets			
Other receivables	8	1.0	2.5
Inventories	10	364.9	386.9
Investments accounted for using the equity method	11	796.4	1,025.8
Other financial assets		20.4	62.9
Right of use assets	12	851.3	700.9
Property, plant and equipment	13	3,923.2	3,767.5
Producing and development assets	14	1,110.1	882.3
Intangible assets	15	2,220.4	2,217.8
Deferred tax assets	6	0.3	0.2
Other non-current assets		74.4	59.7
Derivative financial instruments	22	24.1	102.9
Total non-current assets		**9,386.5**	**9,209.4**
Total assets		**12,898.4**	**12,930.0**
Current liabilities			
Trade and other payables	9	1,184.2	1,201.4
Lease liabilities	12	92.5	81.2
Interest bearing loans and borrowings	20	356.6	458.2
Deferred income	4	239.7	364.3
Current tax liability		110.9	86.3
Provisions	16	175.0	152.2
Employee benefits	17	181.0	181.5
Derivative financial instruments	22	13.1	8.5
Total current liabilities		**2,353.0**	**2,533.6**
Non-current liabilities			
Other payables		2.4	4.0
Lease liabilities	12	1,064.5	926.5
Interest bearing loans and borrowings	20	3,542.2	3,900.7
Deferred tax liabilities	6	102.8	174.5
Provisions	16	508.6	504.5
Employee benefits	17	18.0	17.7
Derivative financial instruments	22	73.2	61.1
Total non-current liabilities		**5,311.7**	**5,589.0**
Total liabilities		**7,664.7**	**8,122.6**
Net assets		**5,233.7**	**4,807.4**
Equity			
Contributed equity	23	5,032.3	5,019.7
Reserves	24	(2,906.2)	(2,889.8)
Retained earnings		3,076.3	2,647.6
Total equity attributable to equity holders of the Company		**5,202.4**	**4,777.5**
Non-controlling interest		31.3	29.9
Total equity		**5,233.7**	**4,807.4**

The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity
For the year ended 30 June 2026

YEAR ENDED 30 JUNE 2026	Note	Contributed equity $m	Reserves $m	Retained earnings $m	Total $m	Non-controlling interest $m	Total equity $m
Balance as at 1 July 2025		**5,019.7**	**(2,889.8)**	**2,647.6**	**4,777.5**	**29.9**	**4,807.4**
Profit for the year		–	–	689.2	689.2	3.0	692.2
Net change in fair value of financial assets measured at fair value through OCI	24	–	(37.1)	–	(37.1)	–	(37.1)
Cash flow hedges: effective portion of changes in fair value	24	–	32.8	–	32.8	–	32.8
Foreign currency differences for foreign operations	24	–	0.8	–	0.8	–	0.8
Income tax on items of OCI	24	–	0.9	–	0.9	–	0.9
Total comprehensive income for the year		**–**	**(2.6)**	**689.2**	**686.6**	**3.0**	**689.6**
Transactions with owners recognised directly in equity							
Ordinary dividends paid	25	–	–	(260.5)	(260.5)	(1.6)	(262.1)
Acquisition of non-controlling interest	24	–	(1.0)	–	(1.0)	–	(1.0)
Treasury shares acquired	23	(17.9)	–	–	(17.9)	–	(17.9)
Shares vested and transferred to employees	23	30.5	(30.5)	–	–	–	–
Share based payments	24	–	17.7	–	17.7	–	17.7
Total contributions by and distributions to owners		**12.6**	**(13.8)**	**(260.5)**	**(261.7)**	**(1.6)**	**(263.3)**
Total movement in equity for the year		**12.6**	**(16.4)**	**428.7**	**424.9**	**1.4**	**426.3**
Balance as at 30 June 2026		**5,032.3**	**(2,906.2)**	**3,076.3**	**5,202.4**	**31.3**	**5,233.7**

YEAR ENDED 30 JUNE 2025	Note	Contributed equity $m	Reserves $m	Retained earnings $m	Total $m	Non-controlling interest $m	Total equity $m
Balance as at 1 July 2024		**4,762.4**	**(3,031.3)**	**2,368.9**	**4,100.0**	**28.4**	**4,128.4**
Profit for the year		–	–	522.9	522.9	4.0	526.9
Net change in fair value of financial assets measured at fair value through OCI	24	–	7.8	–	7.8	–	7.8
Cash flow hedges: effective portion of changes in fair value	24	–	(22.8)	–	(22.8)	–	(22.8)
Foreign currency differences for foreign operations	24	–	0.1	–	0.1	–	0.1
Income tax on items of OCI	24	–	3.7	–	3.7	–	3.7
Total comprehensive income for the year		**–**	**(11.2)**	**522.9**	**511.7**	**4.0**	**515.7**
Transactions with owners recognised directly in equity							
Ordinary dividends paid	25	–	–	(244.2)	(244.2)	(2.5)	(246.7)
Shares issued	23	248.0	–	–	248.0	–	248.0
Acquisition of non-controlling interest		–	172.6	–	172.6	–	172.6
Treasury shares acquired	23	(24.8)	–	–	(24.8)	–	(24.8)
Shares vested and transferred to employees	23	34.1	(34.1)	–	–	–	–
Share based payments	24	–	14.2	–	14.2	–	14.2
Total contributions by and distributions to owners		**257.3**	**152.7**	**(244.2)**	**165.8**	**(2.5)**	**163.3**
Total movement in equity for the year		**257.3**	**141.5**	**278.7**	**677.5**	**1.5**	**679.0**
Balance as at 30 June 2025		**5,019.7**	**(2,889.8)**	**2,647.6**	**4,777.5**	**29.9**	**4,807.4**

The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

Primary Statements

Consolidated Cash Flow Statement
For the year ended 30 June 2026

	Note	2026 $m	2025 $m
Cash flows related to operating activities			
Receipts from customers		11,386.9	11,552.2
Payments to suppliers and employees		(9,402.4)	(9,670.4)
Dividends and distributions received from equity accounted investees	11	67.4	50.0
Other dividends received		19.6	19.2
Interest and other items of a similar nature received		11.7	15.9
Interest and other costs of finance paid		(292.7)	(332.5)
Income taxes paid		(291.8)	(202.8)
Restructure and transaction costs paid		(7.3)	(14.4)
Net operating cash flows	19	**1,491.4**	**1,417.2**
Cash flows related to investing activities			
Payments for purchases of property, plant and equipment		(584.7)	(526.1)
Proceeds from sale of property, plant and equipment		31.6	42.1
Government grant funding received		10.2	–
Payments for purchase of intangible assets		(5.5)	(4.2)
Proceeds from sale of producing and development assets, net of transaction costs		–	2.3
Payments for producing and development assets		(198.0)	(238.2)
Payments for other investments		(1.8)	(1.6)
Proceeds from sale of other financial assets		36.7	15.2
Proceeds from sale of other non-current assets		5.5	2.7
Proceeds from disposal of controlled entities, net of cash disposed and transaction costs	31	–	30.4
Loan repayment from equity accounted investee		–	0.3
Acquisition of controlled entities, net of cash acquired		–	(0.6)
Net investing cash flows		**(706.0)**	**(677.7)**
Cash flows related to financing activities			
Ordinary dividends paid	25	(260.5)	(244.2)
Acquisition of non-controlling interest	31	(8.9)	(181.6)
Dividend paid to non-controlling interests		(1.6)	(2.5)
Proceeds from borrowings		2,757.7	2,202.3
Repayment of borrowings		(3,097.5)	(2,879.5)
Repayment of lease liabilities		(96.2)	(87.0)
Purchase of treasury shares	23	(17.9)	(24.8)
Net financing cash flows		**(724.9)**	**(1,217.3)**
Net increase/(decrease) in cash and cash equivalents		**60.5**	**(477.8)**
Cash and cash equivalents at beginning of the year		176.6	654.3
Effect of exchange rate changes on cash and cash equivalents		(5.3)	0.1
Cash and cash equivalents at end of the year	18	**231.8**	**176.6**

The Consolidated Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

Basis of Preparation

1. Basis of Preparation

SGH Limited (the Company) is a for-profit company limited by shares and the shares are publicly traded on the Australian Securities Exchange (ASX). The Company is domiciled in Australia.

These consolidated financial statements are in respect of the year ended 30 June 2026 and comprise the Company and its subsidiaries (together referred to as SGH) and SGH's interest in equity accounted investees.

The financial report was authorised for issue in accordance with a resolution of the Directors on 11 August 2026.

The financial report is a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial report of SGH complies with IFRS Accounting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

The financial report is prepared on the historical cost basis except for the following items:

– financial instruments that are measured at amortised cost or fair value through other comprehensive income;
– derivative financial instruments are measured at fair value through profit or loss; and
– liabilities for cash-settled share based payments are measured at fair value through profit or loss.

The Company is of a kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, issued by the Australian Securities and Investments Commission. In accordance with that Instrument, amounts in the Directors' Report and consolidated financial statements have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars unless otherwise stated.

Certain comparative amounts in this financial report have been reclassified to conform to the current year's presentation or to correct a misstatement.

(A) Material accounting policies

Note 1 sets out SGH's material accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates. This note also outlines new accounting policies and the expected impact on the financial position and performance of SGH.

The accounting policies set out in this financial report have been consistently applied by group entities and equity accounted investees.

(B) Critical accounting estimates and judgements

The preparation of financial statements requires that management make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that may have a financial impact on SGH and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are incorporated and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are outlined in the relevant note.

(C) Functional and presentation currency

Items included in the financial statements of each of SGH's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial report is presented in Australian Dollars, which is the Company's functional and presentation currency.

(D) New or amended accounting policies

A number of new standards, amendments to standards and interpretations were effective for the current reporting period.

i) AASB 2023-5 – Amendments to Australian Accounting Standards – Lack of Exchangeability (amending AASB 121: The Effects of Changes in Foreign Exchange Rates)

This amendment introduces requirements for estimating a spot exchange rate when a currency is not exchangeable into another currency, together with related disclosures where this affects SGH's financial position, performance or cash flows. SGH has assessed its foreign currency exposures and determined that all currencies in which it transacts are exchangeable. Accordingly, this Amendment has not had an impact on SGH's financial statements.

ii) AASB 2026-1 – Amendments to Australian Accounting Standards - Disclosures about Uncertainties in the Financial Statements

This amendment adds illustrative guidance on disclosing the effects of uncertainty, including climate-related uncertainty, in impairment assessments and provisions, without changing recognition or measurement requirements. SGH has considered this Amendment in the context of its impairment assessments and provisioning during the year, including key assumptions and sensitivities disclosed in Note 14: Producing and development assets and Note 16: Provisions, for judgements and estimates.

(E) New accounting standards

Amendments to Australian Accounting Standards

A number of new standards, amendments to standards and interpretations are effective for future reporting periods. These have not been applied in preparing this financial report. Those which may be relevant to SGH are set out below. SGH does not plan to adopt these standards early, however, they are not expected to materially impact SGH's results.

Several other amendments to standards and interpretations will apply on or after 1 July 2026, and have not yet been applied, however they are not expected to materially impact SGH's results. While these Amendments introduce new disclosure requirements, they do not materially affect SGH's accounting policies or any of the amounts recognised in the financial statements.

i) AASB 18: Presentation and Disclosure in Financial Statements (replacing AASB 101: Presentation of Financial Statements)

AASB 18: Presentation and Disclosure in Financial Statements introduces required categories and defined subtotals in the statement of profit or loss (operating, investing, financing), disclosure requirements for management-defined performance measures, and enhanced principles on aggregation and disaggregation of information.

SGH is currently assessing the impact of AASB 18 on the presentation of its financial statements, including the effect on the statement of profit or loss and disclosure of any non-IFRS or management-defined performance measures.

ii) AASB 2025-4: Amendments to Australian Accounting Standards - Translation to a Hyperinflationary Presentation Currency

As none of SGH's controlled entities operate in, or translate results into, a hyperinflationary economy or presentation currency, this Amendment is not relevant to SGH.

Results for the Year

2. Operating segments

Recognition and measurement

Identification of reportable segments

SGH has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision maker) in assessing performance and in determining the allocation of resources.

An operating segment is a component of SGH that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of SGH's other components. All operating segments' operating results are regularly reviewed by SGH's executive management team and Board to make decisions about resources to be allocated to the segment and to assess its performance.

Segment results that are reported to the executive management team and Board include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and head office expenses. Cash and cash equivalents, derivatives, interest bearing loans and borrowings and income tax assets and liabilities are also unallocated.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, producing and development assets and intangible assets other than goodwill.

The operating segments are identified by management based on the manner in which products are sold, the nature of services provided and country of origin.

WesTrac	WesTrac is the authorised Caterpillar dealer in Western Australia, New South Wales and the Australian Capital Territory, providing heavy equipment sales and support to customers. Allight is a market leader in designing, manufacturing assembly, distribution and support of mobile lighting towers, distribution of FG Wilson generators and Perkins engines. Allight reports into WesTrac management.
Boral	Boral is Australia's largest integrated construction materials company, producing and selling a broad range of materials, including quarry materials, cement, concrete, asphalt and recycled materials. Boral has operations in all Australian States and Territories.
Coates	Coates is Australia's largest general equipment hire company and provides a full range of general and specialist equipment to a wide variety of markets including engineering, building construction and maintenance, mining and resources, manufacturing, government and events.
Energy	Energy relates to SGH's wholly-owned interest in SGH Energy Pty Limited and SGH's equity accounted investment in Beach Energy Limited (Beach Energy). In the prior year, it also included SGH's joint operation in the Bivins Ranch basin in Texas USA until its divestment in November 2024.
Media investments	Media investments relate to investments in listed and unlisted media organisations, including Southern Cross Media Group Limited and private equity investments in China. In the prior year, and until 7 January 2026, this included SGH's investment in Seven West Media Limited (refer to Note 11: Investments Accounted for Using the Equity Method for further detail.)
Other investments	Other investments incorporates property and other investments.

SGH is domiciled in Australia and operates predominantly in Australia. Further details of other countries in which SGH operates is provided in this Note. Segment revenues are allocated based on the country in which the customer is located. Segment assets are allocated to countries based on where the assets are located.

CONTINUING OPERATIONS	WesTrac[a] 2026 $m	WesTrac[a] 2025 $m	Boral[a] 2026 $m	Boral[a] 2025 $m	Coates[a] 2026 $m	Coates[a] 2025 $m	Energy 2026 $m	Energy 2025 $m	Media investments[b] 2026 $m	Media investments[b] 2025 $m	Other investments[a] 2026 $m	Other investments[a] 2025 $m	Total 2026 $m	Total 2025 $m
Segment revenue														
Building material sales	–	–	3,429.4	3,222.2	–	–	–	–	–	–	–	–	3,429.4	3,222.2
Product sales	1,647.4	2,214.2	–	–	0.7	0.7	–	–	–	–	–	–	1,648.1	2,214.9
Product support	4,088.3	3,856.7	-	–	1.5	1.7	–	–	–	–	–	–	4,089.8	3,858.4
Hire of equipment	28.1	28.7	-	–	1,009.9	1,038.3	–	–	–	–	–	–	1,038.0	1,067.0
Rendering of services	–	–	106.2	102.1	–	–	–	–	–	–	–	–	106.2	102.1
Contracting businesses	–	–	252.4	278.2	–	–	–	–	–	–	–	–	252.4	278.2
Oil, gas and condensate sales	–	–	–	–	–	–	–	0.7	–	–	–	–	-	0.7
Other	–	–	–	–	–	–	–	–	–	–	25.1	–	25.1	–
Sales to external customers	**5,763.8**	**6,099.6**	**3,788.0**	**3,602.5**	**1,012.1**	**1,040.7**	**–**	**0.7**	**–**	**–**	**25.1**	**–**	**10,589.0**	**10,743.5**
by geographic segment														
Australia	5,763.8	6,099.6	3,788.0	3,602.5	1,012.1	1,040.7	–	–	–	–	25.1	–	10,589.0	10,742.8
International	–	–	–	–	–	–	–	0.7	–	–	–	–	–	0.7
Segment result														
Segment EBITDA excluding Significant items[c]	735.1	727.0	777.5	691.9	469.1	485.7	103.7	131.9	29.6	42.1	(0.8)	(1.0)	2,114.2	2,077.6
Depreciation and amortisation	(87.7)	(88.4)	(242.1)	(223.6)	(198.8)	(196.2)	–	–	–	–	–	–	(528.6)	(508.2)
Segment EBIT excluding Significant items[d]	**647.4**	**638.6**	**535.4**	**468.3**	**270.3**	**289.5**	**103.7**	**131.9**	**29.6**	**42.1**	**(0.8)**	**(1.0)**	**1,585.6**	**1,569.4**
Other segment information														
Share of results of equity accounted investees included in segment EBIT	3.5	5.4	24.4	20.8	–	–	106.5	135.2	9.5	21.9	–	(0.1)	143.9	183.2
Significant items														
Impairment of assets	–	–	–	–	–	–	(233.2)	(240.3)	(40.2)	(23.9)	–	–	(273.4)	(264.2)
Transformation and restructure costs	(1.5)	–	(7.3)	(6.0)	(6.9)	(12.1)	–	(2.7)	–	–	–	–	(15.7)	(20.8)
Share of equity accounted significant items	–	–	–	–	–	–	(22.0)	(148.3)	(7.3)	(16.2)	–	–	(29.3)	(164.5)
Fair value adjustments	–	–	7.8	11.9	–	–	–	–	(2.8)	–	–	–	5.0	11.9
Property EBIT	–	–	(3.5)	(9.8)	–	–	–	–	–	–	3.2	–	(0.3)	(9.8)
Cleanaway lease option	–	–	–	15.0	–	–	–	–	–	–	–	–	–	15.0
FV movement of power purchase agreement	–	–	(1.3)	(5.1)	–	–	–	–	–	–	–	–	(1.3)	(5.1)
Capital expenditure	**(36.9)**	**(35.9)**	**(344.0)**	**(326.4)**	**(177.6)**	**(125.9)**	**(198.0)**	**(238.2)**	**–**	**–**	**–**	**–**	**(756.5)**	**(726.4)**
Equity accounted investments	49.3	46.6	110.8	103.6	–	–	582.1	780.7	49.0	89.7	5.2	5.2	796.4	1,025.8
Other segment assets	3,222.7	3,544.1	4,785.0	4,490.2	2,618.2	2,564.4	1,110.1	882.0	19.4	62.9	10.0	17.8	11,765.4	11,561.4
Segment assets[e]	**3,272.0**	**3,590.7**	**4,895.8**	**4,593.8**	**2,618.2**	**2,564.4**	**1,692.2**	**1,662.7**	**68.4**	**152.6**	**15.2**	**23.0**	**12,561.8**	**12,587.2**
Segment liabilities	**(1,362.0)**	**(1,551.8)**	**(1,401.0)**	**(1,208.6)**	**(453.1)**	**(447.7)**	**(147.1)**	**(114.6)**	**(2.8)**	**–**	**–**	**(1.3)**	**(3,366.0)**	**(3,324.0)**

Refer to Note 3: Significant items for further detail on Significant items.

(a) Segment results above have been reduced in relation to the elimination of sales between SGH entities.
(b) Media investments comprise investments accounted for using the equity method and financial assets fair valued through other comprehensive income.
(c) Segment EBITDA comprises profit before depreciation and amortisation, net finance expense, income tax and significant items. Segment EBIT comprises profit before net finance expense, income tax and significant items.
(d) Segment EBITDA, EBIT and share of results of equity accounted investees excludes the share of results from equity accounted investees attributable to significant items.
(e) Coates segment assets includes assets classified as held for sale of $7.4 million (2025: $7.7 million) which relate to hire fleet assets available for immediate sale and are expected to be disposed of within 12 months.

Results for the Year continued

2. Operating segments (continued)

Analysis by geographical area

Revenue and non-current assets by geographical area	Segment revenue 2026 $m	Segment revenue 2025 $m	Non-current assets[a] 2026 $m	Non-current assets[a] 2025 $m
Australia	10,589.0	10,742.8	8,545.3	8,017.6
United States of America	–	0.7	–	–
Total revenue and non-current assets	**10,589.0**	**10,743.5**	**8,545.3**	**8,017.6**

(a) Non-current assets excluding other financial assets, derivative financial instruments, investments accounted for using the equity method and deferred tax assets.

Major customer

SGH did not derive revenue greater than 10 per cent of total revenue from a single major customer in either the current or prior year.

Segment reconciliations

Reconciliation of segment EBIT to profit before income tax per Consolidated Statement of Profit or Loss	2026 $m	2025 $m
Segment net operating profit before net finance expense and income tax (EBIT)	1,585.6	1,569.4
Corporate operating costs	(31.4)	(32.0)
Share of significant items relating to results from equity accounted investees	(29.3)	(164.5)
Impairment of equity accounted investees	(273.4)	(266.9)
Property EBIT	(0.3)	(9.8)
Cleanaway lease option	–	15.0
Producing and development asset impairment reversal	–	2.7
Remediation costs provided for non-current assets	–	(8.7)
Transformation and restructure costs	(15.7)	(12.1)
Fair value adjustments	5.0	11.9
Fair value movement of power purchase agreement	(1.3)	(5.1)
Net finance expense	(299.0)	(325.7)
Profit before income tax per consolidated statement of profit or loss	**940.2**	**774.2**
Reconciliation of segment operating assets to total assets per Consolidated Statement of Financial Position		
Segment operating assets	12,561.8	12,587.2
Cash holdings	231.8	176.6
Deferred tax assets	0.3	0.2
Derivative financial instruments	88.9	163.8
Assets held at corporate level	15.6	2.2
Total assets per consolidated statement of financial position	**12,898.4**	**12,930.0**
Reconciliation of segment operating liabilities to total liabilities per Consolidated Statement of Financial Position		
Segment operating liabilities	(3,366.0)	(3,324.0)
Interest bearing loans and borrowings – current	(356.6)	(458.2)
Interest bearing loans and borrowings – non-current	(3,542.2)	(3,900.7)
Current tax liability	(110.9)	(86.3)
Deferred tax liabilities	(102.8)	(174.5)
Derivative financial instruments	(86.3)	(69.6)
Liabilities held at corporate level	(99.9)	(109.3)
Total liabilities per consolidated statement of financial position	**(7,664.7)**	**(8,122.6)**

3. Significant items

Profit before income tax includes the following income and expenses for which disclosure is relevant in explaining the underlying financial performance of SGH.

CONTINUING OPERATIONS	Note	2026 $m	2025 $m
Share of results from equity accounted investees attributable to significant items		(29.3)	(164.5)
Impairment of equity accounted investees	11	(273.4)	(266.9)
Producing and development asset impairment reversal	14	–	2.7
Remediation costs provided for non-current assets		–	(8.7)
Property EBIT		(0.3)	(9.8)
Transformation and restructure costs		(15.7)	(12.1)
Fair value adjustments		5.0	11.9
Fair value movement of power purchase agreement		(1.3)	(5.1)
Cleanaway lease option		–	15.0
Total significant items before net finance expense and income tax – continuing operations		**(315.0)**	**(437.5)**
Significant items in net finance expense		(0.2)	(9.3)
Total significant items before income tax – continuing operations		**(315.2)**	**(446.8)**
Income tax benefit on significant items		50.4	9.2
Total significant items – continuing operations		**(264.8)**	**(437.6)**
DISCONTINUED OPERATIONS			
Previously disposed businesses	31	33.9	36.8
Total significant items – discontinued operations		**33.9**	**36.8**

Share of results from equity accounted investees attributable to significant items relates to SGH's share of significant items included in the results of equity accounted investees. In the current year, this mainly relates to Seven West Media and Southern Cross Media's IT implementation costs and fair value adjustments relating to investments, redundancy and restructuring costs and provision for onerous contracts. It also includes SGH's share of Beach Energy's significant items including unsuccessful exploration expenses, tolls and tariffs related to unutilised North West Shelf capacity and legal costs and flood mitigation costs, offset by insurance recoveries. In the prior year, it also included impairments recognised by Beach as well as Seven West Media's IT implementation costs and fair value adjustments relating to investments.

Impairment of equity accounted investees relates to the impairment of SGH's investment in the ordinary equity of Beach Energy, Seven West Media and Southern Cross Media. In the prior year, it related to the impairment of Seven West Media and Beach Energy. Refer also to Note 11: Investments accounted for using the equity method.

Property EBIT relates to the partial divestment of SGH's investment of Kings Square, offset by property holding costs and liabilities associated with various properties. These amounts are included in the Other Investments and Boral property segments. SGH does not consider this income stream to form part of its underlying operations.

Transformation and restructure costs relate to the restructuring and transformation program undertaken by WesTrac, Boral and Coates in the current year, and Coates in the prior year.

Fair value adjustments relates to significant and non-recurring fair value adjustments on investments and the unwind of fair value purchase price accounting differences arising from SGH's initial recognition of its control of Boral.

Fair value movement of power purchase agreement relates to a mark-to-market movement in a power purchase agreement derivative contract in Boral.

Significant items in net finance expense includes the expense relating to the unwind of the discount on provisions recognised on the acquisition of Boral and fair value movement from remeasurement of cash-settled equity awards.

In the prior year, Producing and development asset impairment reversal related to the partial reversal of an impairment previously recognised on Bivins Ranch. The amount of reversal reflects the proceeds (net of transaction costs) received from the sale. Remediation costs provided for non-current assets related to significant and non-recurring costs which SGH has incurred or which it has a constructive obligation to pay in relation to non-current assets with the Boral and Energy segments. Cleanaway lease option related to funds received by Boral in consideration for an option to lease additional land at Deer Park.

Discontinued operations relates to the release of Boral's tax provision in relation to its previously divested North American operations. In the prior year, it related to a gain arising from completion settlements and other matters for Boral's divested operations. Refer to Note 31: Acquisition and disposal of businesses for further detail.

Results for the Year continued

4. Revenue and expenditure

Accounting policy

Revenue from contracts with customers

Revenue from building material sales	Revenue from the sale of goods is recognised at the point in time the customer obtains control of the goods, which is typically at the time of delivery to the customer. Revenue earned from asphalt and spray seal services is recognised progressively over the period of time that the performance obligation is satisfied and the customer obtains control of the goods being provided in the contract, with SGH having a right to payment for performance to date. SGH predominantly uses the output method, based on volumes delivered, to determine the amount of revenue to recognise in a given period.
Revenue from product sales	Revenue associated with the sale of goods is recognised at the point in time when each performance obligation of the sale has been fulfilled and control of the goods has passed to the customer. Product and service warranties and training provided on new product sales are distinct performance obligations and part of the sale consideration is deferred and recognised over time as the performance obligation is met.
Revenue from product support	Revenue from product support is recognised in the accounting period in which the services are rendered. Revenue from contracts is recognised when distinct performance obligations under the contract are met. For maintenance and repair contracts (MARCs), an assessment is made on a contract by contract basis, except where a portfolio approach is adopted. The portfolio approach is applied to a group of contracts (or performance obligations) with similar characteristics where it is reasonably expected that the effects on the financial results are not materially different to the effects of applying the standard on a contract by contract basis. Under the portfolio approach, the MARCs have been deemed as a distinct performance obligation to continuously make available a fleet of machinery to a customer. WesTrac's MARCs are assessed to consider whether modifications or extensions create a separate contract for services. These obligations are recognised in deferred income and taken to revenue as the future service is provided.
Revenue from hire of equipment	The recognition of hire of equipment revenue commences on receipt of equipment by the customer which is when control passes. Revenue is recognised over the period of the hire agreement, which in the majority of cases is on a daily basis.
Revenue from rendering of services	Revenue from the rendering of logistics and lab services is allocated across each service or performance obligation based on their stand-alone selling price, and is recognised as the service or performance obligation is performed.
Contracting businesses	Revenue from concrete placing and asphalt businesses is recognised progressively over the period of time the performance obligation is satisfied and the customer obtains control of the goods being provided in the contract, with SGH having a right to payment for performance to date. The business predominantly uses the output method based on volumes delivered, to determine the amount of revenue to recognise in a given period. When estimating the transaction price, variable consideration is considered, which typically relates to claims or variations submitted in connection with the performance of a contract. Assumptions are made in order to determine the amount of variable consideration that can be recognised, including assessing whether the variable consideration is constrained. Claims and variations are included to the extent they are approved. Contracts with customers, particularly in concrete and asphalt, may contain revenue items for ancillary services such as mobilisation and demobilisation of plant, concrete testing and other related services. These services are typically combined into the core performance obligation of delivering concrete, or the supply and lay of asphalt. On occasion, ancillary services may be deemed to have a stand-alone value to the customer, and are accounted for as a separate performance obligation.
Revenue from sale of oil, gas and condensate	Revenue is derived from the sale of oil, gas and condensate and is recognised based on volumes sold under contracts with customers at the point in time where performance obligations are considered to be met. Generally, the performance obligation will be met when the product is delivered to a specified measurement point (gas) or point of loading/unloading (liquids).
Other revenue	Other revenue is recognised at the point in time that all performance obligations have been met. In the case of property sales, it is on completion of the contract and transfer of title.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Revenue recognition – Contracting businesses and MARCs

Contract revenues and expenses are recognised over time for each identified component of the contract. In determining revenue and expense, management uses judgement and makes assumptions and estimates regarding the work performed to date as a percentage of the total work to be performed and estimated revenues and expenses over the life of the contract. Contract variations are accounted for as modifications when they have been approved by the customer. Depending on the nature of the modification they are treated as either a separate performance obligation or a modification of an existing performance obligation. Determining the amount of variable consideration requires an estimate based on either the 'expected value' or the 'most likely amount'. The estimate of variable consideration can only be recognised to the extent it is highly probable that a significant revenue reversal will not occur in future.

CONTINUING OPERATIONS	2026 $m	2025 $m
REVENUE FROM CONTRACTS WITH CUSTOMERS		
Building material sales	3,429.4	3,222.2
Product sales	1,648.1	2,214.9
Product support	4,089.8	3,858.4
Hire of equipment	1,038.0	1,067.0
Rendering of services	106.2	102.1
Contracting business	252.4	278.2
Oil, gas and condensate	–	0.7
Other	25.1	–
Total revenue	**10,589.0**	**10,743.5**
EXPENDITURE EXCLUDING DEPRECIATION AND AMORTISATION		
Materials cost of inventory sold and used in product sales and product support	(4,119.1)	(4,412.4)
Materials cost of inventory sold and used in building materials, rendering of services and contracting	(2,355.9)	(2,316.1)
Repairs, maintenance and consumables used on equipment hire	(120.3)	(110.4)
Employee benefits	(1,209.1)	(1,221.3)
Other expenses	(937.1)	(908.4)
Total expenses excluding depreciation and amortisation	**(8,741.5)**	**(8,968.6)**

SGH disaggregates revenue by operating segment. Disaggregation of sales by geographic area is based on customer location. Refer to Note 2: Operating segments for revenue by operating segment and geographical split. As at 30 June 2026, SGH has remaining performance obligations to be recognised on MARCs with a duration of more than 12 months. SGH will recognise this revenue when the performance obligations are satisfied. The aggregate amount of the transaction price allocated to the remaining performance obligations is $509.4 million (2025: $368.1 million). Approximately 18 per cent (2025: 19 per cent) of remaining performance obligations are expected to occur within the next 12 months, with the remaining expected to occur over a period of up to eight years (2025: nine years).

Other expenses includes $6.2 million (2025: $8.8 million) in relation to the impairment loss on trade receivables. Refer to Note 21: Financial risk management for further detail.

Deferred income includes amounts relating to MARCs, customer deposits for advance payments for major machine deliveries and slot fees.

Results for the Year continued

5. Net finance expense

Accounting policy

Interest income includes interest on funds invested and is recognised in profit or loss as the income accrues.

Finance expense comprises interest payable on borrowings and lease liabilities calculated using the effective interest method, including borrowing costs, unwinding of discount on provisions and deferred consideration. Interest expense also includes the net fair value adjustment for cash-settled share-based payments.

CONTINUING OPERATIONS	2026 $m	2025 $m
FINANCE INCOME		
Interest income on bank deposits	8.9	14.2
Other	0.1	3.5
Total finance income	**9.0**	**17.7**
FINANCE EXPENSE		
Interest expense	(223.1)	(264.9)
Interest expense on lease liabilities	(68.8)	(62.5)
Amortisation of capitalised borrowing costs	(5.0)	(5.6)
Unwind of discount on provisions	(11.1)	(10.4)
Total finance expense	**(308.0)**	**(343.4)**
Net finance expense	**(299.0)**	**(325.7)**

Other finance income includes interest income received on swaps. Interest expense includes a $0.9 million benefit (2025: $7.1 million expense) in relation to the fair value movement for cash-settled share-based payments. Interest of $nil (2025: $nil) was paid to other parties and capitalised in respect of qualifying assets.

6. Income tax

Accounting policy

Tax exposures

In determining the amount of current and deferred tax SGH takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes SGH to change its judgement regarding the adequacy of existing tax liabilities that will impact tax expense in the period if such a determination is made.

The Company and its wholly-owned Australian resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is SGH Limited.

SGH is within the scope of the OECD's Pillar Two global minimum tax rules. SGH has assessed its Pillar Two position for the year ended 30 June 2026, including its operations in the United States, Thailand, South Africa, New Zealand and Indonesia, and no current tax expense arose in relation to Pillar Two income taxes during the year.

SGH Limited is the ultimate parent entity and is not controlled by any other entity. As Australia has enacted a qualifying Income Inclusion Rule and Domestic Minimum Top-up Tax effective for SGH from 1 July 2024 and the Undertaxed Profits Rule (UTPR) effective for SGH from 1 July 2025, SGH does not expect exposure to the UTPR in current or future reporting periods.

SGH has applied the mandatory temporary exception to recognising and disclosing information about deferred tax assets and liabilities that arise from Pillar Two income taxes.

CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

SGH is subject to income taxes in Australia and jurisdictions where it has foreign operations. Judgement is required in determining the provision for income taxes and the tax cost base of assets and liabilities.

Management judgement is also applied in assessing the recoverability of revenue and capital losses recognised as deferred tax assets by SGH. Deferred tax assets have been recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities and joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and/or it is probable that the differences will not reverse in the foreseeable future.

Assumptions are made about the application of income tax legislation. These assumptions are subject to risk and uncertainty and there is a possibility that changes in circumstances will alter expectations which may impact the amount of deferred tax assets, liabilities and provision for income taxes recorded in the Consolidated Statement of Financial Position.

CONTINUING OPERATIONS	2026 $m	2025 $m
INCOME TAX EXPENSE		
Current tax expense	(346.0)	(249.3)
Deferred tax benefit/(expense)	67.9	(51.8)
Adjustment for prior years	(3.8)	17.0
Total income tax expense – continuing operations	**(281.9)**	**(284.1)**
RECONCILIATION BETWEEN TAX EXPENSE AND PRE-TAX STATUTORY PROFIT:		
Income tax using the domestic corporation tax rate 30%	(282.1)	(232.3)
Share of equity accounted investee's net profit/(loss)	32.6	4.3
Non-assessable income	11.9	2.0
Non-deductible expenses	(4.0)	(1.7)
Fair value gain on acquisition of Boral Limited	–	0.3
Impairment of equity accounted investees	(39.4)	(80.1)
Recognition of deferred tax assets on revenue losses	0.3	3.5
Other	1.4	–
Current year losses not tax effected	1.0	2.4
Adjustment for prior years	(3.8)	17.0
Difference in overseas tax rates	0.2	0.5
Total income tax expense – continuing operations	**(281.9)**	**(284.1)**
DEFERRED INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME		
Relating to financial assets at fair value through other comprehensive income	10.5	(3.1)
Relating to cash flow hedge reserve	(9.6)	6.8
Total deferred income tax recognised in OCI	**0.9**	**3.7**
DISCONTINUED OPERATIONS		
INCOME TAX		
Income tax benefit	33.9	–
Total income tax – discontinued operations	**33.9**	**–**
RECONCILIATION BETWEEN TAX AND PRE-TAX STATUTORY PROFIT:		
Income tax using the domestic corporation tax rate 30%	–	(11.0)
Current year losses not tax effected	–	9.6
Resolution of position relating to historical US tax credits	33.9	–
Difference in overseas tax rates	–	1.4
Total income tax – discontinued operations	**33.9**	**–**

Results for the Year continued

6. Income tax (continued)

YEAR ENDED 30 JUNE 2026	Opening balance $m	Recognised in profit $m	Recognised in OCI or equity $m	Acquisitions and other $m	Closing balance $m
DEFERRED TAX ASSETS AND LIABILITIES					
Investments	(76.6)	43.4	10.5	–	(22.7)
Derivative financial instruments	2.7	14.7	(9.6)	–	7.8
Inventories and receivables	(44.3)	(4.2)	–	–	(48.5)
Property, plant and equipment	(229.8)	(67.6)	–	–	(297.4)
Intangible assets	(166.5)	–	–	–	(166.5)
Trade and other payables	53.4	(0.7)	–	–	52.7
Provisions	239.7	14.3	–	–	254.0
Interest bearing loans and borrowings	117.4	48.8	–	–	166.2
Transaction costs deducted over five years	1.1	(0.3)	–	–	0.8
Unrealised foreign exchange	2.5	(16.1)	–	–	(13.6)
Other	(73.9)	35.6	–	3.0	(35.3)
Net deferred tax liability	**(174.3)**	**67.9**	**0.9**	**3.0**	**(102.5)**
Deferred tax asset					0.3
Deferred tax liability					(102.8)
Net deferred tax liability					**(102.5)**

YEAR ENDED 30 JUNE 2025	Opening balance $m	Recognised in profit $m	Recognised in OCI or equity $m	Acquisitions and other $m	Closing balance $m
DEFERRED TAX ASSETS AND LIABILITIES					
Investments	(73.3)	(0.2)	(3.1)	–	(76.6)
Derivative financial instruments	–	(2.5)	6.8	(1.6)	2.7
Inventories and receivables	(127.3)	(33.5)	–	116.5	(44.3)
Property, plant and equipment	(373.7)	(30.3)	–	174.2	(229.8)
Intangible assets	(166.5)	–	–	–	(166.5)
Trade and other payables	32.2	21.2	–	–	53.4
Provisions	248.5	(8.8)	–	–	239.7
Interest bearing loans and borrowings	110.4	7.0	–	–	117.4
Transaction costs deducted over five years	1.3	(0.2)	–	–	1.1
Unrealised foreign exchange	25.7	3.8	–	(27.0)	2.5
Other	(65.2)	(8.3)	–	(0.4)	(73.9)
Net deferred tax liability	**(387.9)**	**(51.8)**	**3.7**	**261.7**	**(174.3)**
Deferred tax asset					0.2
Deferred tax liability					(174.5)
Net deferred tax liability					**(174.3)**

In the prior year, SGH completed its acquisition of all outstanding shares in Boral and Boral became part of SGH's tax-consolidated group. This resulted in the cost base of certain assets in Boral being reset for tax purposes. The reset of tax cost bases resulted in a net change of $262.1 million in the associated deferred tax assets and liabilities for the year ended 30 June 2025.

There are no uncertain tax positions as at 30 June 2026.

As at 30 June 2026, SGH had not recognised:

- deferred tax assets of $597.9 million (2025: $773.7 million) for deductible temporary differences relating to unrealised tax benefits as it is not probable that future gains will be realised against which it could utilise the benefits;
- deferred tax asset of $1,017.7 million (2025: $882.0 million) for deductible temporary differences relating to Petroleum Resource Rent Tax credits;
- deferred tax assets of $268.3 million (2025: $102.7 million) for tax losses where recovery is not virtually certain; and
- deferred tax liabilities of $9.7 million (2025: $8.9 million) in respect of assessable temporary differences in relation to investments where management controls the timing of the reversal of the temporary difference and the temporary difference is not expected to reverse in the foreseeable future.

7. Earnings per share

Accounting policy

Underlying earnings per share is statutory earnings per share adjusted for significant items. The weighted average number of shares used to calculate underlying earnings per share is the same as the weighted average number of shares used to calculate statutory earnings per share.

	Basic		Diluted	
	2026 $	2025 $	2026 $	2025 $
STATUTORY EARNINGS PER SHARE				
From continuing operations	1.61	1.20	1.61	1.19
From discontinued operations	0.08	0.09	0.08	0.09
Statutory earnings per share – total	**1.69**	**1.29**	**1.69**	**1.28**

	2026 $m	2025 $m
EARNINGS RECONCILIATION BY CATEGORY OF SHARE – ORDINARY SHARES		
Net profit attributable to equity holders of the Company – continuing operations	655.3	486.1
Net profit attributable to equity holders of the Company – discontinued operations	33.9	36.8
Net profit attributable to equity holders of the Company – continuing and discontinued operations	**689.2**	**522.9**

	Note	2026 Million	2025 Million
WEIGHTED AVERAGE NUMBER OF SHARES			
Ordinary shares for basic earnings per share			
Issued shares as at 1 July		407.0	400.4
Shares issued – Boral takeover		–	6.6
Issued shares as at 30 June	23	**407.0**	**407.0**
Weighted average number of shares (basic) as at 30 June		406.7	406.6
Weighted average number of shares (diluted) as at 30 June[a]		408.2	408.4

(a) Weighted average number of shares adjusted for effect of share rights issued under employee share plans. At 30 June 2026, there were 1.6 million potential ordinary shares that were dilutive (2025: 1.8 million).

	Basic		Diluted	
	2026 $	2025 $	2026 $	2025 $
UNDERLYING EARNINGS PER SHARE (NON-IFRS MEASURE)				
From continuing operations	2.26	2.27	2.25	2.26
Underlying earnings per share – total	**2.26**	**2.27**	**2.25**	**2.26**

Underlying earnings per share is a non-IFRS measure and is reconciled to statutory profit or loss as follows:

	2026 $m	2025 $m
UNDERLYING EARNINGS RECONCILIATION BY CATEGORY OF SHARE – ORDINARY SHARES		
Net profit attributable to equity holders of the Company	689.2	522.9
Significant items attributable to equity holders of the Company	230.9	400.8
Net underlying profit attributable to equity holders of the Company – continuing and discontinued operations	**920.1**	**923.7**

Operating Assets and Liabilities

8. Trade and other receivables and Contract assets

Accounting policy

Trade receivables are initially recognised at the fair value of the invoice sent to the customer and subsequently at the amounts considered recoverable less provision for expected credit loss allowance (amortised cost). Trade receivables are generally due for settlement no more than 30 to 60 days from the date of recognition with the exception of certain customers with alternative settlement terms.

SGH has an established credit policy under which new customers are analysed individually for creditworthiness before SGH's standard payment, delivery terms and conditions are offered. SGH's review includes external ratings, when available. Purchase limits are established for each customer and these limits are reviewed annually or upon request. Customers that fail to meet SGH's benchmark creditworthiness may transact with SGH upon lodging of a bank guarantee as a security document or on a strictly pre-paid (cleared funds) only basis.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. Under the expected credit loss model, an impairment provision for receivables is established based on the expected credit losses over the lifetime of the financial asset. The calculation of expected credit loss considers the impact of past events and current and future economic conditions. The amount of the loss allowance is recognised in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

	2026 $m	2025 $m
CURRENT		
Trade receivables	1,249.1	1,246.1
Other receivables	69.2	79.1
Loss allowance	(27.5)	(29.7)
Total trade and other receivables – current	**1,290.8**	**1,295.5**
Contract assets	285.0	239.6
Loss allowance	(0.7)	(0.2)
Total contract assets – current	**284.3**	**239.4**
NON-CURRENT		
Other receivables	1.0	2.5
Total other receivables – non-current	**1.0**	**2.5**

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The creation and release of the allowance for expected credit loss has been included in other expenses in profit or loss. For further detail on SGH's expected exposure to credit risk refer to Note 21: Financial risk management. Other receivables also includes amounts owing by associated entities, of which $9.9 million is current and $0.1 million is non-current (2025: $7.2 million and $1.4 million respectively).

Contract assets relate to revenue earned from ongoing service contracts in WesTrac and Boral. As such, the balances of this account vary and depend on the number of ongoing refurbishment services at the end of the year.

9. Trade and other payables

	2026 $m	2025 $m
CURRENT		
Trade payables	547.7	554.5
Other payables	215.4	174.2
Other payables – cash settled share based payments	4.0	12.5
Accruals	417.1	460.2
Total trade and other payables – current	**1,184.2**	**1,201.4**

SGH's trade payables and other payables are due to mature within one year. Due to the short term nature of these payables their carrying value is assumed to approximate their fair value. Payments received in advance of services being rendered by Boral are recognised as contract liabilities within trade payables of $59.2 million (2025: $33.8 million), with the majority expected to be recognised as revenue in the next financial year.

The Company has entered into a Deed of Cross Guarantee with certain subsidiaries as described in Note 30: Controlled entities. Under the terms of the Deed, the Company has guaranteed the repayment of all current and future creditors in the event that any of the entities party to the Deed are wound up. Details of the consolidated financial position of the Company and parties to the Deed are set out in Note 30.

10. Inventories

Accounting policy

Inventories are measured at the lower of cost and net realisable value. Cost is based on the actual costs, with the exception of exchange component inventory and parts inventory for which cost is based on weighted average cost, and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location. Net realisable value is determined on the basis of SGH's normal selling pattern. Expenses for marketing, selling and distribution to customers are estimated and are deducted to establish net realisable value.

For land development projects, cost includes the cost of acquisition, development and holding costs during development. Costs incurred after completion of development are expensed as incurred.

CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

Management is required to make judgements regarding writedowns to determine the net realisable value of inventory. These writedowns consider factors such as the age and condition of goods, machine population in service for parts as well as recent market data and rights to return parts to original equipment manufacturers, to assess the estimated future demand for the goods.

	2026 $m	2025 $m
CURRENT		
Raw materials – at cost	104.2	100.9
Work-in-progress – at cost	22.2	237.4
Finished goods		
– at cost	1,420.7	1,505.9
– at net realisable value	10.7	17.2
Total finished goods	1,431.4	1,523.1
Total inventories – current	**1,557.8**	**1,861.4**
NON-CURRENT		
Land development projects	364.9	386.9
Total inventories – non-current	**364.9**	**386.9**

Land development projects includes $0.9 million (2025: $3.2 million) of development costs capitalised during the year.

11. Investments accounted for using the equity method

Accounting policy

Investments accounted for using the equity method comprise investments in associates and joint ventures (equity accounted investees).

Under the equity method, where SGH has in substance an ownership interest as a result of transactions giving access to returns associated with ownership, such as equity settled swaps, SGH takes into account eventual exercise of potential voting rights in determining ownership interest.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Control, joint control or significant influence

Significant judgement and assumptions are made in determining whether an entity has control, joint control or significant influence over another entity and the type of the joint arrangement. In considering the classification, management considers whether control, significant influence or joint control exists, the nature and structure of the relationship and other facts and circumstances.

Beach Energy Limited (Beach Energy)

SGH holds a 30.0 per cent (2025: 30.0 per cent) interest in Beach Energy and has two representative directors on the Beach Energy board, one of whom is the Chairman of Beach Energy. SGH continues to classify its investment as an associate. SGH has the ability to significantly influence, but not control or jointly control, the financial and operating decisions through its investment and board representation.

Southern Cross Media Group Limited (Southern Cross Media)

SGH holds a 20.1 per cent interest in Southern Cross and has one representative director on the Southern Cross board. In the prior year, and until 7 January 2026, SGH held a 40.2 per cent interest in Seven West Media Limited and one representative director.
On 7 January 2026, Seven West Media Limited merged with Southern Cross Media. SGH continues to classify its investment as an associate. SGH has the ability to significantly influence, but not control or jointly control, the financial and operating decisions through its investment and board representation.

Impairment of investments accounted for using the equity method

In accordance with AASB 136: Impairment of Assets, the recoverable amount of assets is the greater of its value in use (VIU) and its fair value less cost of disposal (FVLCD). In determining the amount of impairment for equity accounted investees that are listed, the fair value being below the carrying value is a prima facie indicator of impairment. An asset's VIU is calculated by estimating the present value of future cash flows that are in line with past performance and realistic budgets using an asset specific discount rate.
These calculations also require the use of assumptions regarding profit margins, growth rates, discount rates and terminal value. Where sufficient reliable and contemporaneous information is available to support a VIU assessment any impairment will be calculated against this VIU compared to the current carrying value. Where no such information is currently available, SGH will rely upon the listed observable price as its FVLCD.

Operating Assets and Liabilities continued

11. Investments accounted for using the equity method (continued)

Investee	Principal activities	Country of incorporation	Balance date	OWNERSHIP INTEREST 2026 %	2025 %
ASSOCIATES					
Beach Energy Limited	Oil and gas exploration, development, production	Australia	30 Jun	30.0	30.0
Bitumen Importers Australia Pty Limited	Bitumen importer	Australia	30 Jun	50.0	50.0
ConnectSydney Pty Ltd	Road maintenance	Australia	30 Jun	38.5	38.5
Energy Power Systems Australia Pty Ltd	Distribution and rental of Cat engine products	Australia	30 Jun	40.0	40.0
Flyash Australia Pty Ltd	Fly ash collection	Australia	31 Dec	50.0	50.0
Mo's Mobiles Pty Limited	Mobile phone retailer	Australia	30 Jun	25.0	25.0
Penrith Lakes Development Corporation Limited	Property development	Australia	30 Jun	40.0	40.0
Seven West Media Limited[a]	Media	Australia	30 Jun	–	40.2
South East Asphalt Pty Limited	Asphalt road maintenance	Australia	30 Jun	50.0	50.0
Southern Cross Media Group Limited[a]	Media	Australia	30 Jun	20.1	–
Sunstate Cement Limited	Cement manufacturer	Australia	30 Jun	50.0	50.0
JOINT VENTURES					
Flagship Property Holdings Pty Limited	Property management	Australia	31 Dec	46.6	46.6
Kings Square Pty Ltd	Property development	Australia	30 Jun	50.0	50.0
Kings Square No. 4 Unit Trust	Property development	Australia	30 Jun	50.0	50.0

(a) On 7 January 2026, the merger of Seven West Media Limited with Southern Cross Media Group Limited was completed. SGH holds a 20.1 per cent interest in the merged entity.

The country of incorporation of the above associates and joint ventures is also their principal place of business.

	2026 $m	2025^ $m
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
Investments in associates		
Beach Energy Limited	582.1	780.7
Individually immaterial associates	209.1	239.9
Investments in joint ventures		
Individually immaterial joint ventures	5.2	5.2
Total investments accounted for using the equity method	**796.4**	**1,025.8**

^ Comparative has been restated to align with current year presentation.

Beach Energy is a listed oil and gas exploration, development and production company based in Australia with investments in the resource industry. SGH's investment in Beach Energy is held for strategic purposes and is disclosed within the Energy segment.

	2026 $m	2025^ $m
SHARE OF RESULTS FROM EQUITY ACCOUNTED INVESTEES		
Investments in associates		
Beach Energy Limited	84.5	(13.1)
Individually immaterial associates	30.1	31.9
Investments in joint ventures		
Individually immaterial joint ventures	–	(0.1)
Total share of results from equity accounted investees	**114.6**	**18.7**

^ Comparative has been restated to align with current year presentation.

	2026 $m	2025 $m
MARKET VALUES OF LISTED INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
Beach Energy Limited		
Book value	582.1	780.7
Market value	582.1	903.9
Seven West Media Limited		
Book value	–	89.7
Market value	–	89.7
Southern Cross Media Group Limited		
Book value	49.0	–
Market value	49.0	–

An impairment of $233.2 million (2025: $243.0 million) relating to SGH's investment in Beach Energy has been recognised during the year. In addition, a combined impairment of $40.2 million relating to SGH's investment in Southern Cross Media and Seven West Media was recognised in profit or loss during the year. In the prior year, $23.9 million was recognised for the impairment of SGH's investment in Seven West Media. These amounts are disclosed within Significant items.

During the year, SGH received cash dividends and distributions from equity accounted investees of $67.4 million (2025: $50.0 million).

The summarised financial information for SGH's material associate is detailed below. The information disclosed reflects the amounts presented in the financial statements of the relevant associate and not SGH's share of those amounts.

	ASSOCIATE BEACH ENERGY	
	2026 $m	2025 $m
SUMMARISED FINANCIAL INFORMATION OF INVESTEE (100%)		
Summarised Statement of Financial Position		
Current assets		
Cash and cash equivalents	213.0	172.2
Other current assets	614.4	502.1
Total current assets	827.4	674.3
Non-current assets		
Intangible assets	7.3	16.6
Other non-current assets	4,573.1	4,590.8
Total non-current assets	4,580.4	4,607.4
Current liabilities		
Financial liabilities[(a)]	12.2	329.6
Other current liabilities	595.0	634.3
Total current liabilities	607.2	963.9
Non-current liabilities		
Financial liabilities[(a)]	620.1	241.9
Other non-current liabilities	906.3	916.0
Total non-current liabilities	1,526.4	1,157.9
Net assets	**3,274.2**	**3,159.9**
SGH's share (%)	30.02%	30.02%
SGH's share of net assets	982.9	948.6
Change in ownership interest	73.3	73.3
Impairment	(476.2)	(243.0)
Other	2.1	1.8
Carrying amount	**582.1**	**780.7**
Summarised Statement of Comprehensive Income		
Revenue	1,921.2	2,106.0
Depreciation and amortisation	(481.6)	(452.3)
Net interest expense	(51.5)	(39.1)
Income tax benefit/(expense)	(121.3)	15.1
Profit/(loss) for the year	281.4	(43.8)
Other comprehensive income	(9.6)	0.9
Total comprehensive income for the year	**271.8**	**(42.9)**
Dividends received by SGH	**47.9**	**34.2**

(a) Financial liabilities excluding trade and other payables and provisions.

Operating Assets and Liabilities continued

12. Right of use assets and Lease liabilities

Accounting policy

SGH assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether the contract is dependent on an identified asset, whether SGH obtains substantially all the economic benefits from the use of that asset, and whether SGH has the right to direct the use of the asset.

SGH as a lessee

SGH recognises a right of use asset and a lease liability at the lease commencement date which is the date that the underlying asset is available for use by the lessee.

The right of use asset is initially measured at cost, comprising the initial lease liability, any lease payments already made less lease incentives received, initial direct costs and any dilapidation or restoration costs. The right of use asset is subsequently depreciated on a straight line basis over the shorter of the lease term or the useful life of the underlying asset. The right of use asset is tested for impairment if there are any indicators of impairment.

The lease liability is measured at the present value of the lease payments using an appropriate discount rate. Lease payments can include fixed payments, variable payments that depend on a specified rate or index, extension option payments or purchase options if SGH is reasonably certain to exercise the option and termination payments if the lease term reflects SGH exercising a break option.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured with a corresponding adjustment to the right of use asset when there is a change in future lease payments resulting from a rent review, a change in an index or rate such as inflation, or a change in SGH's assessment of whether it is reasonably certain to exercise a purchase or extension option or not exercise a break option.

Leases of low value assets and short term leases of 12 months or less are expensed to the profit or loss, as are variable payments dependent on performance or usage, 'out of contract' payments and non-lease service components.

SGH as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Where SGH is an intermediate lessor, the sub-lease classification is assessed with reference to the head lease right of use asset. Amounts due from lessees under finance leases are recorded as receivables at the amount of SGH's net investment into the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on SGH's net investment in the lease. Rental income from operating leases is recognised on a straight line basis over the term of the lease.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Management exercises judgement in determining the likelihood of exercising break or extension options in determining the lease term. Break and extension options are included to provide operational flexibility should the economic outlook for an asset be different to expectations. At commencement of the lease, break or extension options are not normally considered reasonably certain to be exercised, unless there is a valid business reason otherwise.

Movement in right of use assets

YEAR ENDED 30 JUNE 2026	Land and buildings $m	Plant and equipment $m	Hire fleet $m	Motor vehicles $m	Total $m
Carrying amount at beginning of the year	**589.5**	**22.5**	**2.2**	**86.7**	**700.9**
Additions	26.8	186.3	–	23.5	236.6
Modifications	26.4	2.4	0.8	2.2	31.8
Impairment	(3.2)	–	–	(0.1)	(3.3)
Disposals	(5.0)	–	–	(0.2)	(5.2)
Depreciation	(64.2)	(11.9)	(1.9)	(31.2)	(109.2)
Transfers	–	(0.3)	–	–	(0.3)
Carrying amount at end of the year	**570.3**	**199.0**	**1.1**	**80.9**	**851.3**
At cost	1,142.6	228.8	9.2	199.1	1,579.7
Accumulated depreciation	(572.3)	(29.8)	(8.1)	(118.2)	(728.4)
Total right of use assets	**570.3**	**199.0**	**1.1**	**80.9**	**851.3**
YEAR ENDED 30 JUNE 2025					
Carrying amount at beginning of the year	**598.6**	**30.0**	**2.8**	**75.3**	**706.7**
Additions	8.6	0.2	0.7	34.9	44.4
Modifications	54.0	0.2	2.3	8.4	64.9
Impairment	(4.7)	–	–	(0.2)	(4.9)
Disposals	(0.3)	(0.2)	(0.4)	(0.7)	(1.6)
Depreciation	(66.7)	(5.2)	(3.2)	(31.0)	(106.1)
Transfers	–	(2.5)	–	–	(2.5)
Carrying amount at end of the year	**589.5**	**22.5**	**2.2**	**86.7**	**700.9**
At cost	1,122.9	40.3	19.0	191.7	1,373.9
Accumulated depreciation	(533.4)	(17.8)	(16.8)	(105.0)	(673.0)
Total right of use assets	**589.5**	**22.5**	**2.2**	**86.7**	**700.9**

	Note	2026 $m	2025 $m
Amounts recognised in profit or loss			
Depreciation expense on right of use assets		109.2	106.1
Interest expense on lease liabilities	5	68.8	62.5
Expense relating to short-term leases		69.3	68.2
Expense relating to leases of low value assets		12.1	20.3
Total amounts recognised in profit or loss		**259.4**	**257.1**
Lease liabilities			
Amounts due for settlement within 12 months (shown under current liabilities)		92.5	81.2
Amounts due for settlement after 12 months (shown under non-current liabilities)		1,064.5	926.5
Total lease liabilities		**1,157.0**	**1,007.7**
Lease liabilities (undiscounted) maturity analysis:			
Not later than one year		158.5	143.7
Later than one year but not later than two years		146.8	128.0
Later than two years but not later than five years		366.7	315.1
Later than five years but not later than 10 years		473.8	390.8
Later than 10 years but not later than 20 years		575.3	581.1
Later than 20 years		54.6	46.9
Total undiscounted lease liabilities		**1,775.7**	**1,605.6**

Operating Assets and Liabilities continued

13. Property, plant and equipment

Accounting policy

Property, plant and equipment is measured at historical cost less accumulated depreciation and impairment losses.

Freehold land is not depreciated. The cost of improvements to or on leasehold properties is amortised over the shorter of the unexpired period of the lease or the estimated useful life of the improvement to SGH.

Depreciation on the following assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	10 – 100 years
Leasehold improvements	1 – 25 years
Hire fleet	3 – 13 years
Plant and equipment	2 – 20 years

Mineral reserves, licences and quarry stripping assets are depreciated over the expected life of the identified resources, having regard to existing licence term, using the units of production method.

Mineral reserves, licences and quarry stripping	1 – 100+ years

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimation of useful lives of assets has been based on historical experience. In addition, the condition of assets is assessed at least annually and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Movement in property, plant and equipment

YEAR ENDED 30 JUNE 2026	Freehold land and buildings $m	Leasehold improve-ments $m	Mineral reserves, licences and quarry stripping $m	Hire fleet $m	Plant and equipment $m	Total $m
Carrying amount at beginning of the year	**1,107.3**	**68.6**	**396.7**	**1,013.4**	**1,181.5**	**3,767.5**
Additions	15.0	8.8	13.4	196.8	361.6	595.6
Transfer	76.3	–	43.5	–	(119.8)	–
Disposals	(6.5)	(2.8)	–	(20.1)	(2.4)	(31.8)
Depreciation	(25.2)	(8.5)	(35.6)	(171.4)	(168.0)	(408.7)
Other[(a)]	4.7	6.0	(14.0)	3.5	0.4	0.6
Carrying amount at end of the year	**1,171.6**	**72.1**	**404.0**	**1,022.2**	**1,253.3**	**3,923.2**
At cost	1,450.2	167.6	776.1	2,055.3	4,064.8	8,514.0
Accumulated depreciation	(278.6)	(95.5)	(372.1)	(1,033.1)	(2,811.5)	(4,590.8)
Total property, plant and equipment	**1,171.6**	**72.1**	**404.0**	**1,022.2**	**1,253.3**	**3,923.2**

(a) Other includes net transfer from inventory, impairments or reclassifications.

YEAR ENDED 30 JUNE 2025	Freehold land and buildings $m	Leasehold improve-ments $m	Mineral reserves, licences and quarry stripping $m	Hire fleet $m	Plant and equipment $m	Total $m
Carrying amount at beginning of the year	**1,091.6**	**62.6**	**353.0**	**1,026.0**	**1,108.9**	**3,642.1**
Additions	19.2	9.2	62.8	149.6	281.9	522.7
Transfer	21.7	4.3	17.6	34.0	(54.0)	23.6
Disposals	(1.1)	(0.2)	–	(27.3)	(1.0)	(29.6)
Depreciation	(24.1)	(7.3)	(36.7)	(168.9)	(154.3)	(391.3)
Carrying amount at end of the year	**1,107.3**	**68.6**	**396.7**	**1,013.4**	**1,181.5**	**3,767.5**
At cost	1,362.3	158.6	747.1	2,017.8	3,898.4	8,184.2
Accumulated depreciation	(255.0)	(90.0)	(350.4)	(1,004.4)	(2,716.9)	(4,416.7)
Total property, plant and equipment	**1,107.3**	**68.6**	**396.7**	**1,013.4**	**1,181.5**	**3,767.5**

14. Producing and development assets

Accounting policy

Producing and development assets are carried at historical cost less accumulated depreciation.

Development costs

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including any unsuccessful development or delineation wells, is capitalised within development assets.

Depreciation/amortisation

Producing oil and gas assets are depreciated/amortised on a unit of production basis over the total proved developed and undeveloped reserves of the field concerned, except in the case of assets whose useful life is shorter than the lifetime of the field, in which case the straight-line method is applied.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Assessment of recoverable amount and key assumptions used

Producing and development asset valuations are based on the expected production profile of reserves and resources and various estimates and assumptions. Where an indicator of impairment is identified, for the purposes of assessing impairment the recoverable amount of an asset or cash generating unit (CGU) is based on the greater of its FVLCD and its VIU, using a discount rate specific to the asset. Where the carrying value exceeds the recoverable amount, an impairment loss is recognised in the profit or loss.

The estimated future cash flows for the VIU calculation are based on various estimates, the most significant of which are reserves, future production profiles, commodity prices, operating costs and any future development costs necessary to produce the resources.

The cash flow projections for Longtom reflect the expected production profile of reserves and resources, processing and tolling costs, assumed capital expenditure required to bring Longtom back into production and maintain the asset, and a long-term gas price assumption. The post-tax discount rate applied to the forecast cash flows is based on the weighted average cost of capital adjusted for risks where appropriate.

The cash flow projections for the Crux Joint Operation (Crux JO) include assumptions on the expected production profile of reserves and resources, expected tolling revenue referable to third party processing of their reserves via Crux infrastructure, facility design, project development cost (including input price escalation), a long-term oil price assumption and discount rate. A slope to Brent oil price is used to estimate a long-term LNG price and post-tax discount rate applied to the estimated future cash flows based on the weighted average cost of capital adjusted for risks where appropriate.

Project development costs

Estimates of project development costs are integral to cash flow projections. SGH's best estimate of project development costs is made with reference to internally derived cost estimates or joint venture project development budgets. These estimates and budgets require assumptions to be made regarding cost of construction and installation of surface and subsurface assets, including design, engineering, procurement and input price escalation, labour and vessel availability and the project schedule. The project schedule may require modification for items including, but not limited to, task dependencies, changes in scope, seasonable weather factors and timing of regulatory approvals. Cash flow projections include a level of cost contingency to account for project uncertainty. An adverse change to SGH's estimates of project development costs, if it were to occur, may require an adjustment to the carrying amount of producing and development assets.

Operating Assets and Liabilities continued

14. Producing and development assets (continued)

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Estimates of quantity and quality of reserves and resources

The estimated quantity and quality of reserves and resources are integral to the calculation of amortisation expense and the assessment of the recoverable amount of assets. Estimated reserve and resource quantities and quality is based on interpretations of geological and geophysical models and assessments of technical feasibility and commercial viability of future production. These estimates require assumptions to be made regarding future development and production costs, commodity prices and exchange rates. The estimates of reserves and resources may change from period to period, and as additional geological data is generated or obtained from the operator during the course of the operations. Reserves and resource estimates are prepared in accordance with relevant guidelines, including SPE-PRMS guidelines prepared by the Society of Petroleum Engineers.

Pipeline and gas processing availability

The Longtom gas and condensate field is connected to the Patricia Baleen pipeline and the Orbost Gas Plant. The estimated cash flows are predicated on achieving contractual access to this infrastructure in order to transport and process gas and condensate produced by the field. Joint third party technical studies and related commercial discussions in respect of securing access to these facilities are ongoing, and should this not be secured, it is reasonably possible that an adjustment to the carrying amount of the Longtom asset of $117.0 million (2025: $119.6 million) could be required.

Estimation of commodity prices

SGH's best estimate of future commodity prices is made with reference to internally derived forecast data, current spot prices, external market analyst forecasts, forward curves including consideration of the impact of a potential introduction of a Domestic Gas Reservation Scheme (DGRS). Future commodity price assumptions impact the recoverability of carrying values and are reviewed at least annually.

Climate change

Current climate change legislation is considered in estimating future cash flows including the impact of current climate change legislation, including the Safeguard Mechanism. Climate change risks may result in a proportion of reserves becoming incapable of economic extraction, demand for hydrocarbons decreasing due to policy, regulation including carbon pricing, legal, technological, market or societal responses to climate change and physical aspects related to extreme weather events or climate change. SGH continues to monitor climate related policy and its impact on the Financial Report.

Domestic Gas Reservation Scheme

In May 2026, the Australian Government announced the draft Domestic Gas Reservation Scheme (DGRS) design framework, which proposes to mandate LNG exporters to supply 20 per cent of their export volumes to the domestic market. As the scheme remains in draft form, many of the key design parameters including the reservation percentage, review mechanism, the operational aspects of how exporters would be captured or comply with the obligations, the market dynamics of meeting these requirements and the considerations used to determine each facility or exporters obligation under the scheme have not yet been finalised. This creates significant uncertainty in forecasting future production allocation, achievable pricing and cash flows across the Crux and Longtom assets. As drafted, the mandated reservation would redistribute existing produced volumes between the export and domestic markets without creating additional supply. Wood Mackenzie, in its study of the expected impacts of DGRS concluded that it was likely to place downward pressure on East Coast wholesale gas prices in the short term, while the associated increase in regulatory risk and market price decline may discourage the future investment required to bring new gas supply into production. SGH considers it reasonably possible that, if the DGRS is legislated in its current draft form, long-term East Coast gas prices could settle materially below the $11/GJ (2025: $15/GJ) long-term price assumption in the 30 June 2026 Longtom VIU model, potentially approaching the sub ~$8/GJ levels. Such an outcome would sit below established cost benchmarks such as the Federal Government's own Gas Market Code which set a reasonable price of $12/GJ, and independent long-run cost modelling which indicates that approximately 80 per cent of East Coast gas resources carry full-cycle break-even costs of $11–12/GJ. Accordingly, SGH is not currently able to reliably estimate the ultimate financial impact of the DGRS, and no adjustment has been made to the carrying value of Longtom or Crux at 30 June 2026 in respect of the potential introduction of the DGRS.

Movement in producing and development assets

	2026 $m	2025 $m
Carrying amount at beginning of the year	**882.3**	**627.7**
Additions	227.8	254.6
Carrying amount at end of the year	**1,110.1**	**882.3**
At cost	1,118.4	890.6
Accumulated depreciation	(8.3)	(8.3)
Total producing and development assets	**1,110.1**	**882.3**

SGH's operating interests in producing and development assets are held through SGH's wholly-owned subsidiaries, with the Longtom VIC/L29 gas and condensate field located in the Gippsland Basin off the coast of Victoria through SGH Energy VICP54 Pty Limited and the Crux AC/L10 gas and condensate project located in the Browse Basin off the coast of Western Australia through SGH Energy WA Pty Limited.

In November 2024, SGH divested its investment in the Bivins Ranch oil and gas asset located in the Texas Panhandle region of the United States. The Bivins Ranch asset was previously fully impaired. An impairment reversal of $2.7 million was recognised on disposal in the prior year, reflecting the proceeds (net of transaction costs) received from the sale.

		UNINCORPORATED INTEREST	
Asset	Operator of joint operation	2026 %	2025 %
Crux AC/L10	Shell Australia Pty Ltd	15.5	15.5

The Crux AC/L10 natural gas and condensate field is off the coast of Western Australia. The Crux asset is a primary source of back fill gas supply to the Shell Operated Prelude floating LNG facility (Prelude) with which Crux has a documented processing agreement. Both the Prelude and Crux projects are operated by Shell Australia.

Impairment assessment

As at 30 June 2026, SGH performed a review for indicators of impairment of its producing and development assets in accordance with AASB 136: Impairment of Assets. The review concluded that the Government's announcement in May 2026 of the draft DGRS, and the associated risk that a mandated domestic reservation policy could result in a long-term gas price assumption below the pricing assumptions used in the VIU model, was considered an indicator of impairment for the Longtom and Crux assets.

SGH Energy has extended the Memorandum of Understanding (MOU) with the infrastructure owner to potentially bring Longtom back into production. Whilst the MOU is progressing against key milestones, the lack of a binding agreement to date on access to third party facilities to transport and process gas and condensate in relation to the Longtom asset was also considered an indicator of impairment.

Accordingly, a full impairment test was also conducted, with the recoverable amount of Crux and Longtom assessed utilising a VIU discounted cash flow model. The estimated future cash flows for the VIU calculation for both Crux and Longtom are based on various estimates, the most significant of which are resources, production profiles, commodity prices, operating costs, tolling and processing arrangements, any future development costs necessary to produce the reserves, the capital cost of bringing the asset into production and timing of production.

The estimated Longtom cash flows are predicated on achieving contractual access to infrastructure to transport and process gas and condensate produced by the field with discussions ongoing with the relevant counterparty. Contracted agreements are already in place with Prelude JV for the processing of Crux JO volumes at the Prelude FLNG facility. The value of future cash flows was estimated using the assumptions below which have regard to observable market data including forward curves, external market forecasts and specific target market supply/demand dynamics. The following assumptions were used in the assessment of the recoverable amount for the year:

- Brent linked LNG forecast in CY27, which equates to an average LNG price for the Crux JO of US$9.72/MMBtu, indexed at 2.5 per cent;
- uncontracted long-term East Coast gas price assumption of $11/GJ indexed at 2.5 per cent for the Longtom asset;
- Brent oil price of US$72/bbl;
- AUD/USD exchange rate of A$/US$0.70;
- tolling revenue will be received by the Crux JO to allow the processing of third-party volumes via Crux infrastructure;
- Australian Carbon Credit Unit pricing assumption of US$40/tonne, escalated by 2.5 per cent;
- post-tax discount rate of 8.00 per cent (2025: 8.02 per cent) for Crux JO and Longtom; and
- commencement of production in FY28 for Crux JO and restart of production in Quarter 4 of FY29 for Longtom.

The recoverable amounts of the Crux and Longtom assets have been assessed using these updated estimates and, based on this assessment, there is no impairment to the carrying amounts of these assets as at 30 June 2026.

Operating Assets and Liabilities continued

14. Producing and development assets (continued)

Longtom sensitivity analysis

In the event circumstances vary from the assumptions used in the impairment assessment, the recoverable amount of the Longtom asset could change and result in adjustment to the carrying amount of the asset. Sensitivity analysis has been performed applying the following reasonably possible changes in key assumptions:

- Reserves – 10 per cent decrease in reserves;
- Gas and oil price assumptions – 10 per cent decrease in oil and gas pricing assumption;
- Post-tax discount rate – one per cent increase in post-tax discount rate;
- DGRS East Coast gas price scenario reduction to $8/GJ as a result of legislation of the DGRS; and
- Deferred restart of Longtom production by four years.

Based on sensitivity analysis performed, no reasonably possible change in the key assumptions above, other than the DGRS East Coast gas price scenario, would give rise to an impairment of the Longtom asset at 30 June 2026. Should infrastructure access not ultimately be secured by ~2043, it is reasonably possible that an adjustment to the carrying amount of the Longtom asset would be required. Holding all other assumptions constant, the DGRS East Coast gas price scenario would be expected to result in an impairment of up to the full carrying amount of the Longtom asset at 30 June 2026. As the DGRS remains in draft, pre-legislative form, this scenario has not been reflected in the recoverable amount of Longtom at 30 June 2026 and will be reassessed as the legislative process progresses.

Crux sensitivity analysis

In the event circumstances vary from the assumptions used in the impairment assessment, the recoverable amount of the Crux asset could change and result in adjustment to the carrying amount of the asset. Sensitivity analysis has been performed applying the following reasonably possible changes in key assumptions:

- LNG pricing assumption – 10 per cent decrease in LNG pricing;
- Oil price assumption – 10 per cent decrease in Brent oil pricing;
- Post-tax discount rate – one per cent increase in post-tax discount rate;
- Crux capital expenditure – 15 per cent increase in forecast capital expenditure;
- Carbon price increase by US$10 per ACCU; and
- DGRS East Coast gas price scenario – reduction to $8/GJ as a result of legislation of the DGRS

Based on sensitivity analysis performed, no reasonably possible change in the key assumptions above, would give rise to an impairment of the Crux asset as at 30 June 2026.

The Crux asset will supply backfill gas to the Shell-operated Prelude Floating LNG facility (Prelude FLNG) and has no physical connection to the Australian domestic gas market. Any reservation obligation applied to Crux would not reduce export volumes, but would instead be satisfied through alternative commercial arrangements under which gas is supplied to the domestic market at prices below LNG export parity.
The resulting reduction in realised revenue would adversely impact Crux's forecast cash flows and, in turn, its recoverable amount and carrying value.

Should the DGRS be legislated as drafted, requiring Crux to supply 20 per cent of its export LNG volumes to the domestic market resulting in a reduction in the long-term East Coast gas price assumption from $11/GJ to $8/GJ, while no impairment is currently expected, SGH estimates the potential reduction in the Crux asset valuation to be $82 million at 30 June 2026.

Contingent liabilities in respect of joint venture operations are detailed in Note 26: Contingent liabilities and development expenditure commitments and capital commitments in respect of joint venture operations are detailed in Note 27: Commitments.

15. Intangible assets

Accounting policy

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of SGH's share of the net identifiable assets of the acquired subsidiary/equity accounted investee at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill is not amortised, but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to CGUs (or groups of CGUs) for the purpose of impairment testing.

Distribution networks

The distribution networks of SGH are considered by the Directors to be identifiable intangible assets.

The Directors are of the opinion that the distribution networks have an indefinite useful life, and as such the distribution networks are not subject to amortisation but rather are tested annually for impairment or more frequently if events or changes in circumstances indicate impairment. The basis for the classification of indefinite life is that the dealership agreements do not require specific renewal over set intervals thus the distribution rights continue uninterrupted unless a cause to terminate is triggered.

Brand names

Brand names have been assessed as having an indefinite useful life and as a result are not amortised. Instead, brand names are tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and are carried at cost less accumulated impairment losses.

Impairment of intangible assets

Goodwill and intangible assets that have an indefinite life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its FVLCD and its VIU. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Non-financial assets other than goodwill that have been impaired are reviewed for possible reversal of the impairment at each reporting date. Impairment losses are recognised in profit or loss unless the asset has previously been revalued, in which case the impairment is recognised as a reversal to the extent of that previous revaluation with any excess recognised in profit or loss.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Dependency on key suppliers

WesTrac is dependent on Caterpillar to maintain its authorisation as an authorised dealer of Caterpillar equipment and parts in Western Australia and New South Wales/Australian Capital Territory. WesTrac has maintained a strong relationship with Caterpillar and although WesTrac expects this relationship to continue, as is customary in dealer agreements with Caterpillar, the dealer agreement can be terminated by either party upon 90 days notice at any time.

WesTrac is dependent on Caterpillar for timely supply of equipment and parts from their global manufacturing factories and distribution warehouses. During periods of intense demand or in the event of disruption to Caterpillar's business there may be delays in the supply of equipment and parts to WesTrac. This has not in the past proven to be an impediment to WesTrac.

Management judgement is required to estimate the impact of the loss of key suppliers on future earnings, supporting existing goodwill and intangible assets.

Impairment of intangible assets

In accordance with AASB 136: Impairment of Assets, the recoverable amount of an asset or CGU is the greater of its FVLCD and its VIU. In the absence of quoted market prices, an asset's or CGU's FVLCD or VIU is calculated by estimating the present value of future cash flows using an asset specific discount rate. These calculations also require the use of assumptions regarding profit margins, growth rates, discount rates and terminal value.

Operating Assets and Liabilities continued

15. Intangible assets (continued)

Movement in intangible assets

YEAR ENDED 30 JUNE 2026	Goodwill $m	Distribution network $m	Brand names $m	Other[a] $m	Total $m
Carrying amount at beginning of the year	**1,656.7**	**328.8**	**207.6**	**24.7**	**2,217.8**
Additions	–	–	–	6.2	6.2
Disposals	–	–	–	(0.1)	(0.1)
Amortisation	–	–	–	(3.8)	(3.8)
Transfers	–	–	–	0.3	0.3
Carrying amount at end of the year	**1,656.7**	**328.8**	**207.6**	**27.3**	**2,220.4**
At cost	2,385.1	328.8	207.6	106.7	3,028.2
Accumulated impairment	(728.4)	–	–	(0.7)	(729.1)
Accumulated amortisation	–	–	–	(78.7)	(78.7)
Total intangible assets	**1,656.7**	**328.8**	**207.6**	**27.3**	**2,220.4**
YEAR ENDED 30 JUNE 2025					
Carrying amount at beginning of the year	**1,656.7**	**328.8**	**207.6**	**27.3**	**2,220.4**
Additions	–	–	–	4.0	4.0
Amortisation	–	–	–	(6.3)	(6.3)
Impairment	–	–	–	(0.7)	(0.7)
Transfers	–	–	–	0.4	0.4
Carrying amount at end of the year	**1,656.7**	**328.8**	**207.6**	**24.7**	**2,217.8**
At cost	2,385.1	328.8	207.6	100.3	3,021.8
Accumulated impairment	(728.4)	–	–	(0.7)	(729.1)
Accumulated amortisation	–	–	–	(74.9)	(74.9)
Total intangible assets	**1,656.7**	**328.8**	**207.6**	**24.7**	**2,217.8**

(a) Other includes the following finite lived intangibles; intellectual property, contracts from acquisition (useful life 5 years) and software (useful life 4–10 years).

Impairment of intangible assets

Impairment tests for goodwill, distribution network and brand names

Goodwill, distribution network and brand name costs are allocated to SGH's CGUs identified according to the appropriate operating segment. A segment level summary of the allocation is presented below.

YEAR ENDED 30 JUNE 2026	Goodwill $m	Distribution network $m	Brand names $m	Total $m
WesTrac	98.2	326.8	–	425.0
Boral	504.3	–	81.2	585.5
Coates	1,054.2	2.0	126.4	1,182.6
Total goodwill, distribution network and brand names	**1,656.7**	**328.8**	**207.6**	**2,193.1**
YEAR ENDED 30 JUNE 2025				
WesTrac	98.2	326.8	–	425.0
Boral	504.3	–	81.2	585.5
Coates	1,054.2	2.0	126.4	1,182.6
Total goodwill, distribution network and brand names	**1,656.7**	**328.8**	**207.6**	**2,193.1**

Goodwill, distribution network and brand names

The carrying amount of goodwill and other indefinite life intangibles is tested for impairment annually at 30 June and whenever there is an indicator that the asset or CGU may be impaired. Where an asset or CGU is deemed to be impaired, it is written down to its recoverable amount. The recoverable amount is based on value-in-use calculations. These recoverable amount calculations use discounted cash flow projections based on financial budgets and forecasts approved by management. Cash flow projections utilised for value-in-use financial budgets cover a five year period with a growth rate used to extrapolate cash flow projections for subsequent years.

Key assumptions used for value-in-use calculations

	2026 Growth rate[(a)] %	2026 Discount rate (pre-tax) %	2025 Growth rate[(a)] %	2025 Discount rate (pre-tax) %
WesTrac	2.0	12.7	2.0	11.5
Boral	2.5	12.7	2.5	12.5
Coates	2.0	12.7	2.0	13.0

(a) The weighted average growth rate used to extrapolate cash flows beyond the budget or forecast period.

Growth rate assumptions have been determined with reference to historical company experience and expectations of long-term operating conditions. The growth rates do not exceed long-term industry growth rates for the industry in which the business operates. Discount rate assumptions above reflect SGH's estimate of the time value of money and specific risks to the relevant segments and the countries in which they operate. In determining appropriate discount rates, consideration has been given to the estimated Weighted Average Cost of Capital for SGH, adjusted for business specific risks to the CGU.

Sensitivity analysis

Based on sensitivity analysis performed no reasonable change in the key assumptions above would give rise to an impairment for WesTrac, Boral or Coates.

16. Provisions

Accounting policy

Provisions are recognised when SGH has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required on settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities assumed in a business combination where the fair value of contingent liabilities of the acquiree are present obligations arising from a past event and the fair values can be reliably estimated, even if it is not probable that an outflow of resources will occur, are included in provisions.

Restoration and environmental rehabilitation	A provision for restoration or decommissioning is recognised when there is a legal or constructive obligation to do so. A corresponding restoration or decommissioning asset is created equivalent to the amount of the provision. The amount recognised is the estimated cost of restoration, discounted to its net present value. This is reassessed each year in accordance with local conditions and requirements. The restoration and environmental rehabilitation provision comprises mainly: – rehabilitation obligations for decommissioning, removal and repair of site and restoration of quarries; – remediation obligations for any identified environmental contamination of sites owned by SGH, or contamination that SGH has caused, to enable ongoing use of the land as an industrial property or future development; – makegood provisions included in the lease agreements for which SGH has a legal or constructive obligation; and restoration and decommissioning costs associated with environmental obligations.
Claims	A provision is raised for liabilities arising from the ordinary course of business in relation to claims against SGH, including self-insurance, workers compensation insurance, legal and other claims. Where recoveries are considered virtually certain in respect of such claims, these are included in other receivables.
Other	Other provisions includes provisions for: – rationalisation and restructuring which are recognised when steps have been taken to implement a detailed plan, including discussions with affected personnel, with employee related costs recognised over the period of any required future service; – onerous contracts in which the unavoidable cost of meeting the obligations under the contract exceeds the economic benefit expected to be received; and – unfavourable contracts acquired in a business combination where the fair value of contracts are unfavourable when compared with current market terms.

Operating Assets and Liabilities continued

16. Provisions (continued)

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Restoration and environmental rehabilitation

Management is required to make judgements regarding the extent of disturbance, remaining asset life, removal method, future legislation, reclamation activities required, engineering estimating methodologies, future removal technologies and discount rates to determine the present value of the cash flows. Most of these decommissioning events are many years in the future and the precise requirements that have to be met when the removal event occurs are uncertain. Changes in the estimates of restoration cost are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to the restoration asset. Where a decrease in the provision exceeds the carrying amount of the related restoration asset, or the change relates to a site no longer in use, the adjustment is recognised in the profit or loss. The unwinding of the discount on the provision is recognised as a finance expense.

Oil and gas

SGH holds provisions for the future removal costs of oil and gas production facilities and pipelines at different stages of the development, construction and end of their economic lives. The provision covers the estimated costs of plugging and abandoning wells, removing production facilities, and remediating and monitoring affected sites. These activities are expected to be undertaken progressively as fields reach the end of their economic lives. In estimating the provision, the following considerations apply:

- the basis of the restoration provision for assets, including those with approved decommissioning plans or general directions issued by the regulator can differ from the judgements outlined above. Whilst the provisions reflect SGH's best estimate based on current knowledge and information, further studies and detailed analysis of the restoration activities for individual assets will be performed near the end of their operational life and/or when detailed decommissioning plans are required to be submitted to the relevant regulatory authorities. Elements composed of steel, or steel and concrete, with hydrocarbons removed such as sub-sea pipelines and other infrastructure have previously been accepted in other international offshore jurisdictions (i.e. North Sea and the Gulf of Mexico) to be decommissioned in-situ where it has been demonstrated there is an acceptable impact to the environment and to current and future marine users (i.e. fishing, shipping and other activities). Actual costs and cash outflows can materially differ from the current estimate as a result of changes in laws and regulations and/or their application, prices, discovery and analysis of site conditions, public expectations, further studies, timing of and time taken to complete restoration and changes in removal technology.
  If in-situ decommissioning were not accepted by the relevant regulatory authorities and full removal were required, SGH estimates the additional cost would lead to an increase in the provision of approximately $26.7 million (2025: $35.0 million).
- In May 2026, the Australian Government published guidance for the removal of oil and gas property and sea dumping of infrastructure in Commonwealth waters. While full removal of all property from a title area remains the default requirement under the Offshore Petroleum and Greenhouse Gas Storage Act 2006, the guidance confirms that, in limited circumstances, NOPSEMA may consider proposals to leave property and infrastructure in place where the proposal demonstrates that environmental impacts and risks will be reduced to as low as reasonably practicable, are of an acceptable level, are consistent with the principles of ecologically sustainable development and deliver beneficial environmental outcomes. SGH's decommissioning plans contemplate leaving certain sub-sea pipelines in situ, and the restoration provision reflects Management's best estimate of those plans. Should regulatory approvals not support these plans, full removal of all sub-sea pipelines would increase the restoration provision by approximately $26.7 million (2025: $35.0 million).
- these uncertainties may result in actual costs and cash outflows differing from amounts included in the provision recognised as at 30 June 2026. The timing and amount of future costs relating to decommissioning and environmental liabilities are reviewed annually, together with the inflation and discount rates.
- for non-operated joint venture assets, the provision recorded represents SGH's share of the relevant Joint Venture operator estimate as responsibility for the restoration will reside with the operator who has the best knowledge and understanding of the assets. SGH regularly assesses the operator estimates with the assistance of experts appointed by SGH.

Actual costs and cash outflows can materially differ from the current estimate as a result of changes in laws and regulations and their application, prices, analysis of site conditions, further studies, timing of restoration, achievability of restoration efficiencies (such as joint campaigning or use of vessels in the vicinity) and changes in removal technology.

The discount rate used to determine the present value of future cash flows was 4.9 per cent (2025: 4.0 per cent), based on applicable government bonds with a tenure aligned to the tenure of the liability. If the discount rate was decreased by 0.5 per cent, it would lead to an increase in the provision of approximately $11.0 million (2025: $8.5 million). Estimated future cash flows are inflated to expected settlement dates and risk-adjusted before being discounted. No reimbursements are expected in respect of these provisions.

Quarries

SGH holds provisions for the future rehabilitation costs of quarries. SGH's provision includes cost of demolition of quarry plant and equipment and rehabilitation of pits.

Alternate end-use outcomes, such as earth exchange or landfill, is considered in the calculation of the rehabilitation provision. This is based on a range of factors, including whether a current approval for earth exchange or landfill is in place, the location of the quarry, ABS data supporting expected long-term urban development, and underlying demand for earth exchange or landfill over a time period. Whilst SGH believe that the mitigation of outflows is probable, in the event that the expected earth exchange or landfill mitigation of outflows are not fully realised or available, SGH estimates this would lead to an increase to the provision of approximately $75.8 million (2025: $80.0 million).

Actual costs and cash outflows can materially differ from the current estimate as a result of changes in regulations and their application, prices, analysis of site conditions, further studies, timing of demolition and restoration, potential for site for earth exchange or landfill and changes in removal or restoration technology. The discount rate used to determine the present value of future cash flows was 5.0 per cent (2025: 4.0 per cent), based on applicable government bonds with a tenure aligned to the tenure of the liability. If the discount rate was decreased by 0.5 per cent it would lead to an increase to the provision of approximately $13.3 million (2025: $12.5 million).

Movement in provisions

YEAR ENDED 30 JUNE 2026	Restoration and environmental rehabilitation $m	Claims $m	Other $m	Total $m
Balance at beginning of the year	**301.1**	**66.6**	**289.0**	**656.7**
Amounts provided for	39.6	6.8	11.2	57.6
Amounts used	(5.3)	(9.5)	(8.0)	(22.8)
Release of provision	–	–	(9.8)	(9.8)
Exchange differences	(0.5)	(0.4)	–	(0.9)
Other[(a)]	(8.3)	25.0	(25.0)	(8.3)
Unwind of discount	10.0	–	1.1	11.1
Balance at end of the year	**336.6**	**88.5**	**258.5**	**683.6**
Current	5.3	39.0	130.7	175.0
Non-current	331.3	49.5	127.8	508.6
Total provisions	**336.6**	**88.5**	**258.5**	**683.6**

(a) Other includes transfers and re-assessments.

YEAR ENDED 30 JUNE 2025				
Balance at beginning of the year	**298.9**	**77.3**	**250.8**	**627.0**
Amounts provided for	18.9	4.2	112.7	135.8
Amounts used	(8.9)	(14.9)	(75.8)	(99.6)
Release of provision	(16.4)	–	(0.9)	(17.3)
Exchange differences	0.4	–	–	0.4
Unwind of discount	8.2	–	2.2	10.4
Balance at end of the year	**301.1**	**66.6**	**289.0**	**656.7**
Current	2.9	40.4	108.9	152.2
Non-current	298.2	26.2	180.1	504.5
Total provisions	**301.1**	**66.6**	**289.0**	**656.7**

17. Employee benefits

Accounting policy

Employee benefits

Employee benefits include provisions for annual leave and long service leave and their associated on-costs.

The current provision for long service leave includes all unconditional entitlements where employees have completed the required service period and those where employees are entitled to pro-rata payments in certain circumstances. The majority of the amount is presented as current, since SGH does not have an unconditional right to defer settlement. However, based on past experience, SGH does not expect all employees to take the full amount of accrued long service leave or require payment within the next 12 months.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms of maturity and currency that match, as closely as possible, the estimated future cash outflows.

Operating Assets and Liabilities continued

17. Employee benefits (continued)

	2026 $m	2025 $m
CURRENT		
Annual leave	95.0	94.1
Long service leave	86.0	86.8
Other employee benefits	–	0.6
Total employee benefits – current	**181.0**	**181.5**
NON-CURRENT		
Long service leave	18.0	17.7
Total employee benefits – non-current	**18.0**	**17.7**

Superannuation contributions

SGH makes contributions on behalf of employees to defined contribution superannuation funds. The amount recognised as an expense was $152.4 million (2025: $145.6 million) for the year.

Share based payments

The fair value of options granted under the Company's cash-settled option plan is recognised as an employee benefit expense with a corresponding increase in liability. The expense and the liability incurred are measured at the fair value of the liability. The liability is recorded within Other payables.

The fair value at grant date is independently determined using Black-Scholes and Binomial option pricing models that take into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity remeasures the fair value of the options, with any changes in value recognised in the profit or loss as a finance expense.

The fair value of equity-based entitlements settled in equity instruments is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is estimated at grant date and recognised over the period during which the employees become unconditionally entitled to the equity instrument.

The amount recognised as an expense is adjusted to reflect the actual number of entitlements that vest, except where forfeiture is only due to share prices not achieving the threshold for vesting.

The amounts recognised as an expense for equity-settled share-based payments during the year was $17.7 million (2025: $14.2 million) and is included within Employee benefits expense. A further $2.1 million (2025: $1.6 million) was recognised in relation to cash-settled share-based payments and is included within Employee benefits expense and Other payables.

For further detail on the deferred shares under SGH's Short-Term Incentive (STI) plan and the performance rights under SGH's Long-Term Incentive (LTI) plan refer pages 54 to 56 of the Remuneration Report, and in the table on the following page.

YEAR ENDED 30 JUNE 2026

Plan	Grant date	Expiry/ Vesting date	Fair value	Balance at start of year	Granted	Forfeited	Vested	Balance at end of year
Deferred shares								
CFO Retention	3 Oct 25	14 Aug 28	$47.45	–	4,649	–	–	4,649
CFO Retention	3 Oct 25	14 Feb 28	$47.94	–	4,649	–	–	4,649
CFO Retention	3 Oct 25	14 Aug 27	$48.46	–	4,649	–	–	4,649
CFO Retention	3 Oct 25	14 Feb 27	$48.97	–	4,649	–	–	4,649
CFO Retention	3 Oct 25	14 Aug 26	$49.44	–	18,597	–	–	18,597
FY25 STI	1 Jul 25	18 Aug 26	$53.54	–	132,954	(1,818)	–	131,136
Operations Supervisor 1B	1 Apr 25	1 Oct 26	$50.12	1,150	–	(97)	–	1,053
Operations Supervisor 1A	1 Apr 25	1 Oct 25	$50.12	765	–	–	(765)	–
Operations Supervisor 1B	1 Jul 24	1 Oct 26	$36.58	15,488	–	(2,217)	–	13,271
Operations Supervisor 1A	1 Jul 24	1 Oct 25	$36.58	15,488	–	(3,036)	(12,452)	–
Boral CEO Retention[(a)]	1 Jul 24	1 Jul 27	$37.41	60,144	–	–	–	60,144
FY24 STI	1 Jul 24	1 Jul 25	$36.58	182,222	–	–	(182,222)	–
FY25 SGH Equity Retention	28 Jun 24	1 Jul 26	$35.88	28,028	–	–	–	28,028
FY25 SGH Equity Retention	4 Jun 24	1 Jul 26	$37.53	59,525	–	(11,885)	–	47,640
Retention Plan	22 Dec 23	22 Dec 25	$34.23	4,761	–	–	(4,761)	–
Total				**367,571**	**170,147**	**(19,053)**	**(200,200)**	**318,465**
Performance rights								
FY26 LTI – TSR	1 Jul 25	1 Sep 28	$27.88	–	177,123	(4,268)	–	172,855
FY26 LTI – EPS	1 Jul 25	1 Sep 28	$50.51	–	177,123	(4,269)	–	172,854
FY25 LTI – TSR	18 Feb 25	1 Sep 27	$44.91	9,450	–	(1,456)	–	7,994
FY25 LTI – EPS	18 Feb 25	1 Sep 27	$52.68	9,450	–	(1,456)	–	7,994
FY25 LTI – TSR	1 Jul 24	1 Sep 27	$21.14	247,689	–	(18,664)	–	229,025
FY25 LTI – EPS	1 Jul 24	1 Sep 27	$35.71	247,688	–	(18,663)	–	229,025
FY24 SGH Equity LTI	28 Jun 24	1 Sep 26	$33.47	19,248	–	–	–	19,248
FY24 SGH Equity LTI	28 Jun 24	1 Sep 26	$36.64	19,247	–	–	–	19,247
FY24 SGH Equity LTI	4 Jun 24	1 Sep 26	$34.74	45,668	–	(5,557)	–	40,111
FY24 SGH Equity LTI	4 Jun 24	1 Sep 26	$37.86	45,667	–	(5,556)	–	40,111
FY24 LTI – TSR	18 Mar 24	1 Sep 26	$35.13	5,485	–	–	–	5,485
FY24 LTI – EPS	18 Mar 24	1 Sep 26	$38.14	5,485	–	–	–	5,485
FY24 LTI – TSR	1 Jul 23	1 Sep 26	$13.73	163,856	–	(4,763)	–	159,093
FY24 LTI – EPS	1 Jul 23	1 Sep 26	$23.13	163,857	–	(4,765)	–	159,092
FY23 LTI	1 Jul 22	1 Sep 25	$8.62	483,574	–	–	(483,574)	–
Total				**1,466,364**	**354,246**	**(69,417)**	**(483,574)**	**1,267,619**

(a) Subsequent to year-end, 30,072 deferred shares were cancelled. Refer to page 51 of the Remuneration Report for further detail.

Operating Assets and Liabilities continued

17. Employee benefits (continued)

YEAR ENDED 30 JUNE 2025

Plan	Grant date	Expiry/ Vesting date	Fair value	Balance at start of year	Granted	Forfeited	Vested	Balance at end of year
Deferred shares								
Operations Supervisor 1B	1 Apr 25	1 Oct 26	$50.12	–	1,265	(115)	–	1,150
Operations Supervisor 1A	1 Apr 25	1 Oct 25	$50.12	–	842	(77)	–	765
Operations Supervisor 1B	1 Jul 24	1 Oct 26	$36.58	–	17,130	(1,642)	–	15,488
Operations Supervisor 1A	1 Jul 24	1 Oct 25	$36.58	–	17,130	(1,642)	–	15,488
Boral CEO Retention	1 Jul 24	1 Jul 27	$37.41	–	60,144	–	–	60,144
FY24 STI	1 Jul 24	1 Jul 25	$36.58	–	193,630	(11,408)	–	182,222
FY25 SGH Equity Retention	28 Jun 24	1 Jul 26	$35.88	28,028	–	–	–	28,028
FY25 SGH Equity Retention	4 Jun 24	1 Jul 26	$37.53	110,538	–	(51,013)	–	59,525
Retention Plan	22 Dec 23	22 Dec 25	$34.23	4,761	–	–	–	4,761
FY23 STI	1 Jul 23	1 Jul 24	$23.83	180,272	–	–	(180,272)	–
Retention Plan	14 Oct 22	14 Oct 24	$16.74	55,655	–	–	(55,655)	–
FY22 STI	1 Jul 22	1 Jul 24	$15.34	241,176	–	–	(241,176)	–
Total				**620,430**	**290,141**	**(65,897)**	**(477,103)**	**367,571**
Performance rights								
FY25 LTI – TSR	18 Feb 25	1 Sep 27	$44.91	–	9,450	–	–	9,450
FY25 LTI – EPS	18 Feb 25	1 Sep 27	$52.68	–	9,450	–	–	9,450
FY25 LTI – TSR	1 Jul 24	1 Sep 27	$21.14	–	269,753	(22,064)	–	247,689
FY25 LTI – EPS	1 Jul 24	1 Sep 27	$35.71	–	269,752	(22,064)	–	247,688
FY24 SGH Equity LTI	28 Jun 24	1 Sep 26	$33.47	19,248	–	–	–	19,248
FY24 SGH Equity LTI	28 Jun 24	1 Sep 26	$36.64	19,247	–	–	–	19,247
FY24 SGH Equity LTI	4 Jun 24	1 Sep 26	$34.74	68,038	–	(22,370)	–	45,668
FY24 SGH Equity LTI	4 Jun 24	1 Sep 26	$37.86	68,037	–	(22,370)	–	45,667
FY24 LTI – TSR	18 Mar 24	1 Sep 26	$35.13	5,485	–	–	–	5,485
FY24 LTI – EPS	18 Mar 24	1 Sep 26	$38.14	5,485	–	–	–	5,485
FY24 LTI – TSR	1 Jul 23	1 Sep 26	$13.73	169,710	–	(5,854)	–	163,856
FY24 LTI – EPS	1 Jul 23	1 Sep 26	$23.13	169,710	–	(5,853)	–	163,857
FY23 LTI	1 Jul 22	1 Sep 25	$8.62	497,069	–	(13,495)	–	483,574
FY22 LTI	1 Jul 21	1 Sep 24	$10.86	373,029	–	–	(373,029)	–
Total				**1,395,058**	**558,405**	**(114,070)**	**(373,029)**	**1,466,364**

Plan	Grant date	Vesting date	Balance at start of year	Granted	Forfeited	Vested	Balance at end of year
Boral equity							
TSR[(a)]	30 Jun 22	1 Sep 24	137,464	–	–	(137,464)	–
TSR[(a)]	1 Sep 21	1 Sep 24	188,777	–	–	(188,777)	–
Total			**326,241**	**–**	**–**	**(326,241)**	**–**

(a) Includes the vesting of performance rights approved by SGH shareholders at the Annual General Meeting on 14 November 2024, as required by the Corporations Act 2001.

Pursuant to SGH's compulsory acquisition of Boral, the Boral Board considered and resolved to vest all of the deferred share rights issued under Boral's FY23 STI plan and vest a pro-rata number of Boral's unvested performance rights issued under Boral's FY23 and FY24 LTI plans respectively. The Board considered time served and performance to date when determining the LTI vesting outcomes that resulted in two thirds of the FY23 Boral LTI to vest and one third of the FY24 Boral LTI to vest. The remaining rights lapsed and are dealt with as part of the SGH make whole awards included in the SGH Bidders statement for the acquisition of Boral. In addition to vesting of the deferred STI and partial vesting of the LTI, the Boral CEO's Sign-on retention award vested in full in line with his contractual arrangements that provided for full vesting in the event of a change in control and delisting event and the Boral CEO no longer reports to the Board.

Cash Management

18. Cash and cash equivalents

Accounting policy

Bank balances includes cash on hand and deposits held at call with financial institutions. Call deposits include other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2026 $m	2025 $m
Bank balances	226.7	167.9
Call deposits	5.1	8.7
Cash and cash equivalents	**231.8**	**176.6**

19. Notes to the cash flow statement

	2026 $m	2025 $m
Reconciliation of profit for the year to net cash flows related to operating activities		
Profit for the year	**692.2**	**526.9**
Income tax expense	248.0	284.1
Income taxes paid	(291.8)	(202.8)
Depreciation and amortisation:		
Right of use assets	109.2	106.1
Property, plant and equipment	408.7	391.3
Intangible assets	3.8	6.3
Capitalised borrowing costs amortised	5.0	5.6
Employee share movements in equity	17.7	14.2
Gain on sale of property, plant and equipment	(31.9)	(15.9)
Gain on disposal of discontinued operations	–	(30.4)
Impairment of equity accounted investees	273.4	266.9
Share of results from equity accounted investees	(114.6)	(18.7)
Dividends and distributions received from equity accounted investees	67.4	50.0
Lease re-assessment	(13.9)	–
Accrual for Boral share purchases through compulsory share acquisition	–	334.8
Accrued investing flows for property, plant and equipment and other investments	(43.1)	(25.6)
Other	1.7	2.8
Movement in:		
Trade and other receivables	(38.7)	(12.7)
Inventories	325.6	89.6
Other assets	(10.6)	49.4
Trade and other payables and deferred income[a]	(143.4)	(417.2)
Provisions and employee benefits	26.7	12.5
Net operating cash flows	**1,491.4**	**1,417.2**

(a) The movement in Trade and other payables in the prior year contains a decrease in liabilities in relation to the completion of Boral share purchases through compulsory share acquisition.

Cash Management continued

20. Interest bearing loans and borrowings

Accounting policy

Borrowings are classified as current liabilities unless SGH has a right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

	2026 $m	2025 $m
CURRENT		
Interest bearing liabilities	6.1	0.2
Fixed term US dollar notes and bonds	350.9	458.0
Less: capitalised borrowing costs net of accumulated amortisation	(0.4)	–
Total interest bearing loans and borrowings – current	**356.6**	**458.2**
NON-CURRENT		
Interest bearing liabilities	1,351.3	1,291.6
Fixed term US dollar notes and bonds	2,235.0	2,660.5
Fair value adjustment – cross currency swaps	(28.8)	(33.5)
Less: capitalised borrowing costs net of accumulated amortisation	(15.3)	(17.9)
Total interest bearing loans and borrowings – non-current	**3,542.2**	**3,900.7**

At 30 June 2026, SGH had available undrawn borrowing facilities of $1,800.0 million (2025: $1,715.7 million). SGH's interest bearing liabilities (including derivatives) as at 30 June 2026 had a weighted average interest rate of 5.6 per cent (2025: 5.2 per cent) including margins and unused line fees.

Details of the fair values of each of the borrowings as well as SGH's exposure to interest rate, foreign currency and liquidity risk related to interest bearing loans and borrowings is disclosed in Note 21: Financial risk management.

Interest bearing liabilities

Current interest bearing liabilities include WesTrac and Boral's US Private Placement (USPP) tranches due in July 2026 and May 2027 respectively, and SGH's short-term working capital facilities. In the prior year, it included Boral and WesTrac's USPP tranches due which matured in April 2026 and June 2026 respectively.

Non-current interest bearing liabilities include amounts drawn from SGH's revolving syndicated loan facility and subsidiary debt issued as USPP and 144A notes.

Syndicated loan facility

The syndicated loan facility comprises four tranches. The facility is unsecured and is supported by guarantees by the Company and certain subsidiaries within SGH.

Tranche A – provides a $578.0 million limit and its maturity was extended during the year from September 2028 to December 2030;
Tranche B – provides a $1,010.0 million limit until February 2030;
Tranche C – provides a $300.0 million limit until February 2032; and
Tranche D – provides a limit of $600.0 million and its maturity was extended during the year from July 2030 to December 2032.

Fixed term US dollar notes

The Private Placement notes are unsecured and issued in US Dollar and Australian Dollar. The US144A notes are issued in US Dollars. Principal and coupon payments for the US Dollar denominated notes issued by WesTrac, Boral and Coates are hedged by cross currency interest rate swaps. SGH has issued USPP notes denominated in US currency of US $853.0 million (2025: US$1,153.0 million) and A$1,052.8 million (2025: A$1,052.8 million) with maturities ranging from July 2026 to July 2041. US144A notes total US$200.0 million (2025: US$200.0 million), maturing in May 2028. Interest is payable half yearly in arrears.

The amount and maturity of the notes, including the effective hedge position, is summarised below.

Notes	Agreement	2026 Amount US$m	2026 Spot amount A$m	2025 Amount US$m	2025 Spot amount A$m	2026 Hedge amount A$m	Interest rate (incl. margin) %	Maturity date
US$ private placement notes								
WesTrac Series C	2011	–	–	75.0	114.5	–	–	7 Jun 26
WesTrac Series D	2011	100.0	145.6	100.0	152.7	97.4	6.65%	7 Jul 26
WesTrac Series A	2020	75.0	109.2	75.0	114.5	115.2	7.99%	7 Jul 27
WesTrac Series B	2020	75.0	109.2	75.0	114.5	115.2	8.17%	7 Jul 32
WesTrac Series C	2024	71.0	103.4	71.0	108.4	112.0	7.85%	7 Jan 36
Boral Series A	2018	41.0	59.7	41.0	62.7	59.9	4.45%	5 May 27
Boral Series B	2018	24.0	34.9	24.0	36.6	35.1	5.06%	17 Mar 30
Boral Series C	2018	–	–	225.0	343.5	–	–	16 Apr 26
Boral Series B	2020	100.0	145.6	100.0	152.7	146.3	4.85%	28 May 27
Coates Series A	2022	125.0	182.0	125.0	190.8	171.9	3.84%	12 Jan 29
Coates Series B	2022	108.0	157.2	108.0	164.9	148.5	4.17%	12 Jan 32
Coates Series C	2022	134.0	195.1	134.0	204.6	184.2	4.38%	12 Jan 34
US$ 144A notes								
Boral Series B	2017	200.0	291.2	200.0	305.3	296.3	5.18%	1 May 28
Total US$ Notes		**1,053.0**	**1,533.1**	**1,353.0**	**2,065.7**	**1,482.0**	**5.51%**	
A$ private placement notes								
WesTrac Series E	2011	–	48.8	–	48.8	48.8	7.96%	7 Jul 41
WesTrac Series C	2020	–	230.0	–	230.0	230.0	4.27%	7 Jul 30
WesTrac Series A	2021	–	75.0	–	75.0	75.0	3.12%	23 Aug 31
WesTrac Series A	2024	–	178.0	–	178.0	178.0	7.24%	7 Jan 31
WesTrac Series B	2024	–	121.0	–	121.0	121.0	7.73%	7 Jan 36
Coates Series D	2022	–	140.0	–	140.0	140.0	3.76%	12 Jan 29
Coates Series E	2022	–	130.0	–	130.0	130.0	4.09%	12 Jan 32
Coates Series F	2022	–	130.0	–	130.0	130.0	4.30%	12 Jan 34
Total A$ Notes		**–**	**1,052.8**	**–**	**1,052.8**	**1,052.8**	**5.17%**	

Reconciliation of liabilities arising from financing activities

Changes in SGH's liabilities arising from financing activities, including both cash and non-cash changes, are detailed below. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in SGH's consolidated cash flow statement from financing activities.

	2025 $m	Financing cash flows $m	Effect of exchange rates $m	Other[(a)] $m	2026 $m
INTEREST BEARING LOANS AND BORROWINGS					
Interest bearing liabilities	1,291.8	65.5	–	0.1	1,357.4
Fixed term US dollar notes and bonds	3,118.5	(402.5)	(130.1)	–	2,585.9
Capitalised borrowing costs	(17.9)	(2.8)	–	5.0	(15.7)
Fair value adjustment	(33.5)	–	–	4.7	(28.8)
Total interest bearing loans and borrowings	**4,358.9**	**(339.8)**	**(130.1)**	**9.8**	**3,898.8**
LEASE LIABILITIES					
Lease liabilities	1,007.7	(96.2)	–	245.5	1,157.0
Total lease liabilities	**1,007.7**	**(96.2)**	**–**	**245.5**	**1,157.0**
Total	**5,366.6**	**(436.0)**	**(130.1)**	**255.3**	**5,055.8**

(a) Other includes non-cash fair value adjustment on cross currency swaps. Refer to Note 12: Right of use assets and lease liabilities for further detail on leases.

Financial Assets and Liabilities

21. Financial risk management

Overview

Risk management policies are established to identify and demonstrate that SGH understands and manages risk and seeks to ensure that there is consistency to the methods used in assessing, monitoring and communicating risks so that risk management efforts are aligned with SGH's strategic and business objectives.

SGH has exposure to the following risks through the normal course of its operations and from its use of financial instruments:

(a) Market risk
(b) Liquidity risk
(c) Credit risk

The following presents information, both qualitative and quantitative, about SGH's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Accounting policy

SGH classifies its investments in the following categories: financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income (FVTOCI) and amortised cost financial assets. The classification depends on SGH's business model for managing the financial asset as well as its contractual cash flow characteristics. Management determines the classification of its investments at initial recognition. In the case of financial assets classified as FVTOCI, this designation is irrevocable.

Financial assets at fair value through other comprehensive income

SGH's existing listed and unlisted equity securities have been designated as financial assets at fair value through OCI.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either financial assets held for trading which are acquired principally for the purpose of selling with the intention of making a profit or financial assets that are managed and have their performance regularly evaluated by management and the Directors on a fair value basis. Derivatives are also categorised as held for trading unless they are designated as hedges.

Recognition and de-recognition

Regular purchases and sales of investments are recognised on trade date – the date on which SGH commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and SGH has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Financial assets at fair value through profit or loss and financial assets at FVTOCI are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category, are presented in the profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets is recognised in the profit or loss as other income.

Gains or losses arising from changes in the value of financial assets at FVTOCI category are taken to the fair value through OCI reserve. In accordance with AASB 9, any gains or losses realised on the sale of these assets remain in the fair value reserve rather than being transferred to the profit or loss.

At the reporting date SGH held the following financial instruments:

	Note	2026 $m	2025 $m
Financial assets/(liabilities)			
Cash and cash equivalents	18	231.8	176.6
Financial assets/(liabilities) carried at amortised cost			
Trade and other receivables and Contract assets	8	1,576.1	1,537.4
Other financial assets		1.0	–
Trade and other payables (excluding accruals)		(769.5)	(745.2)
Fixed term US dollar notes	20	(2,585.9)	(3,118.5)
Fair value adjustment relating to US dollar notes	20	28.8	33.5
Interest bearing loans and borrowings	20	(1,357.4)	(1,291.8)
Financial assets carried at fair value through other comprehensive income			
Unlisted equity securities		19.4	62.9
Derivative financial instruments designated and effective and carried at fair value through profit or loss			
Derivative financial assets	22	88.9	163.8
Derivative financial liabilities	22	(86.3)	(69.6)
Total financial assets and financial liabilities		**(2,853.1)**	**(3,250.9)**

(a) Market risk

SGH is exposed to market risk through foreign exchange, interest rate, equity price, commodity price and energy price risk.

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

SGH is exposed to fluctuations in foreign currency, predominantly in United States Dollar (USD).

SGH will seek to minimise exposure to foreign exchange risk by initially seeking contracts effectively denominated in AUD where possible. Where this is not possible SGH will manage foreign exchange risk as follows:

- in certain circumstances SGH invoices customers in USD. Where SGH invoices in USD it may seek to match the USD receipt with USD denominated vendor payments. As a result, an economic hedge is created by minimising exposure to changes in the AUD/USD exchange rate. Payments and receipts are made from and to SGH's USD denominated bank account.
- external forward contracts and options are used to manage foreign exchange risk. Contracts are entered into on a transaction by transaction basis to hedge specific purchases, sales and borrowings.

SGH's foreign exchange risk from recognised assets and liabilities arises primarily from long-term USD denominated borrowings (refer to Note 20: Interest bearing loans and borrowings). SGH effectively hedges its long-term foreign denominated borrowings using a combination of designated forward exchange contracts and cross currency swaps. At times, the Company may choose to hold cash positions in USD to hedge against anticipated weakening in the AUD.

The financial statements for foreign group companies that have a functional currency different from Australian Dollars are translated into Australian Dollars on consolidation. Exchange differences arising from the translation are taken to reserves and as such the individual account balances of the SGH companies are excluded from the table below.

Excluding assets and liabilities for SGH's foreign entities translated, SGH's exposure to foreign currency risk was as follows, based on notional amounts other than derivative financial instruments which are shown at fair value:

FOREIGN CURRENCY RISK	2026 US$m	2025 US$m
Cash and cash equivalents	77.4	17.8
Trade and other receivables	51.6	63.6
Trade and other payables	(66.7)	(64.5)
Borrowings	(1,057.0)	(1,353.0)
Unlisted equity securities	14.0	41.2
Derivative financial instruments	18.5	46.2
Closing exchange rates[a]	0.6869	0.6550

(a) Closing rate per the Reserve Bank of Australia at 4pm (AEST) on 30 June.

Financial Assets and Liabilities continued

21. Financial risk management (continued)

As at 30 June 2026, the closing AUD/USD exchange rate was 0.6869 (2025: 0.6550) as reported by the Reserve Bank of Australia. A foreign currency sensitivity of +/- five per cent has been selected and is considered reasonable given the historical AUD/USD exchange rates prevailing in the year ended 30 June 2026. During the year, the average AUD/USD exchange rate was 0.6785 (2025: 0.6482) and traded within a range of 0.6417 to 0.7258 (2025: 0.5975 to 0.6932).

At 30 June 2026, had the AUD/USD exchange rate moved by five per cent, with all other variables held constant, post tax profit/(loss) and equity would have been affected as illustrated in the table below:

JUDGEMENT OF REASONABLY POSSIBLE MOVEMENTS	2026 Profit/(loss) $m	2026 Equity $m	2025 Profit/(loss) $m	2025 Equity $m
AUD to USD +5%	(1.0)	(14.9)	2.3	(10.0)
AUD to USD -5%	1.1	17.4	(2.6)	13.3

Adverse versus favourable movements are determined relative to the net underlying exposure. An adverse movement in exchange rates implies an increase in SGH's foreign currency exposure leading to deterioration in SGH's financial position. A favourable movement in exchange rates implies a decrease in SGH's foreign currency exposure and an improvement in SGH's financial position.

SGH's exposure to other foreign exchange movements is not material.

(ii) Interest rate risk

SGH's exposure to interest rate risk arises from AUD cash deposits and short to medium term borrowings which are at variable interest rates in AUD. Generally, long-term fixed rate borrowings are obtained in the USA and Australia, while shorter term variable borrowings are denominated in Australian currency and expose SGH to interest rate risk. SGH manages this risk by using derivative financial instruments including interest rate swaps and collars to hedge interest rate exposure.

As at 30 June 2026, 68 per cent (2025: 69 per cent) of SGH's total borrowings were subject to fixed interest rates or were effectively hedged with derivative financial instruments.

At 30 June 2026, SGH had the following mix of financial assets and liabilities exposed to Australian and United States variable interest rate risk.

	2026 $m	2025^ $m
Financial assets		
Cash and cash equivalents	231.8	173.0
	231.8	**173.0**
Financial liabilities		
Interest bearing liabilities	(1,259.5)	(1,332.9)
	(1,259.5)	**(1,332.9)**

^ Comparative has been restated to align with current year presentation.

The following table shows the annualised impact on profit or loss and equity of interest bearing assets and liabilities if floating interest rates at balance date had been one per cent (100 basis points) higher or lower for the year, with all other variables held constant.

	2026 Profit/(loss) $m	2026 Equity $m	2025 Profit/(loss) $m	2025 Equity $m
If interest rates were 1% (100 basis points) higher with all other variables held constant – increase/(decrease)	(16.2)	(4.3)	(27.1)	(3.5)
If interest rates were 1% (100 basis points) lower with all other variables held constant – increase/(decrease)	16.2	4.8	27.2	3.9

(iii) Commodity and energy price risk

Commodity price risk is the risk that SGH is exposed to fluctuations in commodity prices. SGH has an operating interest in oil and gas assets located in Australia. These investments expose SGH to commodity price risk from fluctuations in the prices of oil, natural gas and other condensates and natural gas liquids (NGLs). SGH does not currently hedge its exposure to energy price risk relating to the future sale of these energy products. SGH is exposed to price risk relating to the purchase of electricity, diesel, natural gas, coal, clinker and other oil and gas based products. SGH hedges a portion of these exposures using fixed price contracts, swaps and options.

The following table shows the impact on the profit or loss and equity of SGH if commodity prices at balance date had been 10.0 per cent higher or lower, with all other variables held constant (2025: 10.0 per cent). A sensitivity of 10.0 per cent is considered a reasonable estimate of a short-term commodity price dislocation.

	2026 Profit/(loss) $m	2026 Equity $m	2025 Profit/(loss) $m	2025 Equity $m
If commodity prices were 10% higher with all other variables held constant – increase/(decrease)	–	10.9	–	12.0
If commodity prices were 10% lower with all other variables held constant – increase/(decrease)	–	(11.3)	–	(13.7)

(b) Liquidity risk

Liquidity risk refers to the risk that SGH is unable to meet its financial commitments as and when they fall due.

SGH employs a prudent liquidity risk management approach. This involves maintaining a large amount of liquid reserves (cash deposits, listed shares and available credit lines) that can be drawn or sold at short notice to meet SGH's financial commitments. Management monitors SGH's ongoing cash flow requirements on a daily basis. Due to the dynamic nature of the underlying businesses, SGH aims to maintain flexibility in funding by keeping credit lines committed and available.

Financing arrangements

SGH had access to the following undrawn committed borrowing facilities at the reporting date. In addition to the below, uncommitted facility capacity of $575.0 million (2025:$440 million) is available across SGH comprising the CFAL Inventory Facility and stock lending limits.

FLOATING RATE	2026 $m	2025^ $m
Expiring within one year	86.0	270.1
Expiring beyond one year	1,139.0	1,005.6
	1,225.0	**1,275.7**
ADDITIONAL LIQUIDITY		
Cash and cash equivalents	231.8	176.6
Unutilised short dated lines of credit	127.9	59.8
	359.7	**236.4**

^ Comparative has been restated to align with current year presentation.

Maturities of financial liabilities

The table below analyses SGH's financial liabilities (including derivative financial instruments) into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. Gross cash flows include principal, coupon and premium (on put options) payments at contracted rates. The amounts disclosed are the contracted undiscounted cash flows.

Subject to continued compliance with facility terms, the facilities may be drawn at any time. The average maturity for drawn facilities is 4.6 years (2025: 4.8 years) and 3.1 years (2025: 3.2 years) for undrawn facilities.

YEAR ENDED 30 JUNE 2026	Within 1 year $m	Between 1 and 2 years $m	Between 2 and 5 years $m	Over 5 years $m	Total contractual cash flows $m	Carrying amount^ $m
Trade and other payables (excluding accruals)	767.1	2.4	–	–	769.5	769.5
Borrowings – variable rate						
– principal (including derivative)	97.4	265.9	750.0	715.2	1,828.5	1,259.5
– coupon interest and derivative	106.4	96.7	217.6	67.1	487.8	–
Borrowings – fixed rate						
– principal (including derivative)	206.3	145.6	755.0	949.5	2,056.4	2,639.3
– coupon interest and derivative	111.9	91.7	226.7	185.2	615.5	–
	1,289.1	**602.3**	**1,949.3**	**1,917.0**	**5,757.7**	**4,668.3**
YEAR ENDED 30 JUNE 2025						
Trade and other payables (excluding accruals)	741.2	4.0	–	–	745.2	745.2
Borrowings – variable rate						
– principal (including derivative)	74.5	97.9	949.9	715.2	1,837.5	1,332.9
– coupon interest and derivative	80.3	94.4	247.6	32.1	454.4	–
Borrowings – fixed rate						
– principal (including derivative)	329.0	206.3	499.6	1,357.5	2,392.4	3,026.0
– coupon interest and derivative	141.8	106.7	251.4	252.5	752.4	–
	1,366.8	**509.3**	**1,948.5**	**2,357.3**	**6,181.9**	**5,104.1**

^ Comparative has been restated.

Financial Assets and Liabilities continued

21. Financial risk management (continued)

(c) Credit risk

Credit risk is the risk of financial loss to SGH if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from SGH's receivables, cash and cash equivalents and investment securities.

SGH's maximum exposure to credit risk at the reporting date was:

	Note	2026 $m	2025 $m
Cash and cash equivalents	18	231.8	176.6
Trade and other receivables and Contract assets	8	1,576.1	1,537.4
Derivative financial instruments	22	88.9	163.8
		1,896.8	**1,877.8**

SGH's and the Company's exposure to credit risk is predominately in Australia.

Expected credit loss and ageing – trade receivables

SGH's exposure to expected credit loss and ageing analysis in relation to trade receivables is outlined below.

	2026 $m	2025 $m
Past due 1–30 days	139.9	127.1
Past due 31–60 days	22.2	28.9
Past due 61–90 days	12.7	11.2
> 91 days	22.8	20.3
Total trade receivables past due	**197.6**	**187.5**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2026 $m	2025 $m
Balance at beginning of the year	29.7	30.6
Impairment loss recognised in profit or loss	6.2	8.8
Impairment loss reversed in profit or loss	(2.4)	(4.0)
Receivables expensed as uncollectable during the year	(6.0)	(5.7)
Balance at end of the year	**27.5**	**29.7**

In certain circumstances SGH enters into guarantees as part of ordinary trading operations. These guarantees are included within financial guarantees in Note 26: Contingent liabilities.

(d) Fair value measurements

Financial instruments measured at fair value

The fair value of:

- financial instruments traded in active markets are based on quoted market prices at the reporting date. The quoted market prices used for financial assets held by SGH are the closing bid prices for the assets. SGH has elected that the fair value adjustments on SGH's listed and unlisted equity securities are recorded in other comprehensive income and not subsequently reclassified to profit or loss.
- forward foreign exchange contracts are determined using quoted forward exchange rates at the reporting date.
- interest rate swaps and collars and cross currency interest rate swaps are calculated using the present value of the estimated future cash flows of these instruments.
- commodity and energy derivatives are determined using quoted commodity prices and forward rates at the reporting date.
- equity derivatives are calculated based on the closing bid price of the underlying equities.

Financial instruments not measured at fair value

The interest rates used to discount estimated cash flows relating to the fixed term US dollar notes were 4.8 to 5.6 per cent (2025: 4.0 to 5.8 per cent) and are based on the government yield curve at the reporting date plus an adequate credit spread.

SGH uses various methods in estimating the fair value of a financial instrument. The methods comprise:

- Level 1 – fair value is estimated using quoted prices in active markets.
- Level 2 – fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).
- Level 3 – fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The methods used in estimating fair value of financial assets and liabilities are disclosed on the following page.

	Note	Level in fair value hierarchy	2026 Carrying amount $m	2025 Carrying amount $m
Financial assets measured at fair value				
Unlisted equity securities		3	19.4	62.9
Forward foreign exchange contracts	22	2	5.3	5.4
Commodity swaps and options	22	2/3	17.4	8.0
Interest rate swaps	22	–	1.2	–
Cross currency interest rate swaps	22	2	65.0	150.4
			108.3	**226.7**
Financial assets not measured at fair value				
Cash and cash equivalents	18	–	231.8	176.6
Trade and other receivables and Contract assets	8	–	1,576.1	1,537.4
Other financial assets		–	1.0	–
			1,808.9	**1,714.0**
Financial liabilities measured at fair value				
Forward foreign exchange contracts	22	2	8.2	4.1
Commodity swaps and options	22	2	14.8	14.1
Cross currency interest rate swaps	22	2	58.3	42.5
Interest rate swaps	22	–	5.0	8.9
			86.3	**69.6**
Financial liabilities not measured at fair value				
Trade and other payables (excluding accruals)		–	769.5	745.2
Fixed term US dollar notes	20	2	2,585.9	3,118.5
Fair value adjustment relating to US dollar notes	20	–	(28.8)	(33.5)
Other borrowings	20	2	1,357.4	1,291.8
			4,684.0	**5,122.0**

The carrying amount approximates fair value except for the fixed term US dollar notes where the fair value was $2,625.0 million (2025: $3,142.9 million).

There were no transfers between the fair value hierarchy levels during the year.

Valuation techniques – Level 3

Unlisted equity securities

Unlisted equity securities comprise SGH's investment in an unlisted investment fund (investment fund), which is accounted for as a financial asset measured at fair value through other comprehensive income. Whilst this investment fund invests in both foreign listed and unlisted equity securities, the investment is not quoted in an active market and accordingly the fair value of this investment is included within Level 3 of the hierarchy.

Reconciliation – Level 3

The following table shows a reconciliation of movements in the fair value of unlisted equity securities categorised within Level 3.

	2026 $m	2025 $m
Balance at the beginning of the year	62.9	66.1
Contributions, net of capital returns	(9.3)	(13.6)
Net fair value (loss)/gain	(34.2)	10.4
Balance at the end of the year	**19.4**	**62.9**

(e) Capital management

SGH manages its capital to safeguard SGH's ability to continue as a going concern and to maintain an optimal capital structure while maximising shareholder value. As such, the Board regularly reviews SGH's capital structure in order to take advantage of favourable costs of capital and returns on assets. SGH maintains a diversified capital base with a mixture of equity and debt funding. Equity funding comprises ordinary shares.

SGH's dividend policy is to distribute cash from operating activities after financing costs, subject to the retention of adequate cash reserves to capitalise on investment opportunities. Dividends are franked to the greatest extent possible.

Refer to Note 25: Dividends for details of dividends paid and proposed but not provided for during the year.

Financial Assets and Liabilities continued

22. Derivative financial instruments

Accounting policy

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

SGH designates certain derivatives as either:

– hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges); or
– hedges of the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

SGH documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. SGH also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months. It is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in profit or loss within interest expense, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in the profit or loss within other income or other expenses.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity using a recalculated effective interest rate.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other income or other expenses.

Amounts accumulated in other comprehensive income are recycled in the profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within interest expense.

The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in profit or loss within sales. However, when the forecast transaction that is hedged results in the recognition of a non financial asset (for example, inventory or property, plant and equipment), the gains and losses previously deferred in other comprehensive income are transferred from other comprehensive income and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as a cost of goods sold in the case of inventory, or as depreciation in the case of property, plant and equipment.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately transferred to profit or loss.

Interest rate swaps

SGH's policy is to hedge a portion of its interest bearing liabilities from exposure to changes in interest rates. The gain or loss from remeasuring the hedging instruments to fair value is deferred in equity in the hedge reserve and reclassified into profit or loss when the hedged interest expense is recognised. To the extent that the hedge is ineffective or undesignated, the fair value movement is recognised as fair value through profit or loss.

Forward foreign exchange contracts

SGH has entered into forward foreign currency exchange contracts to hedge USD denominated debt in conjunction with cross currency swaps. From time to time SGH also enters into forward foreign exchange contracts to hedge certain known trading commitments and capital expenditure predominantly denominated in US Dollars. The terms of these commitments are generally shorter than one year.

Commodity swaps

SGH uses commodity futures, swaps and options to hedge a component of exposure to commodity and energy price risk. The maximum permitted term for a hedge transaction is three years.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments may not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

	2026 $m	2025 $m
CURRENT ASSETS		
Cross currency interest rate swaps	48.2	54.1
Interest rate swaps	1.2	–
Forward foreign exchange contracts	4.5	4.9
Commodity swaps and options	10.9	1.9
	64.8	**60.9**
NON-CURRENT ASSETS		
Cross currency interest rate swaps	16.8	96.3
Forward foreign exchange contracts	0.8	0.5
Commodity swaps and options	6.5	6.1
	24.1	**102.9**
CURRENT LIABILITIES		
Cross currency interest rate swaps	(0.5)	–
Forward foreign exchange contracts	(6.6)	(3.2)
Commodity swaps and options	(6.0)	(5.3)
	(13.1)	**(8.5)**
NON-CURRENT LIABILITIES		
Cross currency interest rate swaps	(57.8)	(42.5)
Interest rate swaps	(5.0)	(8.9)
Forward foreign exchange contracts	(1.6)	(0.9)
Commodity swaps and options	(8.8)	(8.8)
	(73.2)	**(61.1)**
Net derivative financial instruments	**2.6**	**94.2**

SGH is a party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest rates, foreign exchange rates, commodity and energy prices in accordance with SGH's financial risk management policies. SGH also enters into equity derivatives from time to time to hedge the value of listed investments or to gain exposure to certain market sectors. Refer to Note 21: Financial risk management for further details.

Cross currency swaps

SGH has obligations to repay the principal and interest relating to USD denominated debt. SGH enters into cross currency swap contracts to hedge these obligations. At 30 June 2026, SGH held various types of derivative financial instruments that were designated as cash flow hedges of future forecast transactions. These were hedging of:

- future foreign currency operational payments by forward exchange contracts;
- future foreign currency principal and coupon payments by forward exchange contracts;
- future commodity payments by forward exchange contracts;
- future foreign currency capital expenditure by forward exchange contracts; and
- future interest payments by interest rate derivative contracts.

HEDGE ACCOUNTING 30 JUNE 2026	Notional amount of hedging instrument & hedged item	Hedge rates	CARRYING AMOUNT Assets $m	CARRYING AMOUNT Liabilities $m	CHANGE IN VALUE Hedging instrument $m	CHANGE IN VALUE Hedged item $m
Cash flow hedges						
Foreign exchange contracts	AUD 436.6	AUD/USD 0.63-0.73	5.5	(8.2)	(2.8)	2.8
Cross currency and interest rate swaps	AUD 2,075.7	AUD/USD 0.64–1.03 3.12%–7.96%	66.2	(35.2)	9.0	(11.4)
USD diesel costs – commodity swaps	AUD 68.2	USD/Barrel 79–114	11.9	(1.0)	14.5	(14.5)
USD coal costs – commodity swaps	AUD 3.1	USD/MT 136–137	–	(0.1)	0.6	(0.6)
Electricity costs – commodity swaps and options	AUD 34.2	AUD/MWh 41–132	1.2	(4.8)	(5.1)	5.1
Fair value hedges						
Cross currency interest rate swaps	AUD 327.8	AUD/USD 1.03	–	(23.1)	4.6	(2.4)
Interest on USD borrowings – interest rate swaps	AUD 145.6	5.55%–5.57%	–	(5.0)	0.6	(0.6)

Capital Structure

23. Capital

Accounting policy

Contributed equity

Ordinary shares, convertible notes and other equity securities are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in other comprehensive income and presented as contributed equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs is recognised as a deduction from equity.

Treasury shares

Treasury shares consist of shares held in trust for SGH's executives in relation to employee equity benefits.

	2026 $m	2025 $m
CONTRIBUTED EQUITY		
406,998,167 ordinary shares, fully paid (2025: 406,998,167)	5,050.6	5,050.6
409,139 treasury shares, fully paid (2025: 692,913)	(18.3)	(30.9)
Balance at end of the year	**5,032.3**	**5,019.7**
MOVEMENT IN ORDINARY SHARES		
Balance at beginning of the year	5,050.6	4,802.6
Shares issued during the year – Boral takeover – nil (2025: 6,654,512)	–	248.0
Balance at end of the year	**5,050.6**	**5,050.6**
MOVEMENT IN TREASURY SHARES		
Balance at beginning of the year	(30.9)	(40.2)
Shares vested and transferred to employees	30.5	34.1
On-market share acquisition	(17.9)	(24.8)
Balance at end of the year	**(18.3)**	**(30.9)**

The Company does not have authorised share capital or par value in respect of its issued shares. All issued shares are fully paid. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds on liquidation.

On 22 June 2026, the Company announced an on-market buy-back of its ordinary shares of up to $500.0 million over a 12 month period. The buy-back is expected to commence on or around 11 August 2026.

Ordinary shares

In the prior year, the Company issued 6,654,512 SGH shares as a result of the completion of the acquisition of Boral. No shares were issued in the current year.

Treasury shares

The Company acquired 400,000 shares on market for $17.9 million (2025: 542,000 shares on market for $24.8 million) to satisfy employee share scheme obligations in future periods.

24. Reserves

Nature and purpose of reserves

Acquisitions reserve	The acquisitions reserve is used to record the difference between the fair value of consideration paid for the non-controlling interest, as well as costs which are directly attributable to the acquisition of non-controlling interests, of subsidiaries and the book value of those subsidiaries' share of net assets at date of acquisition.
Equity benefits reserve	The equity benefits reserve is used to record the value of equity benefits provided to employees as part of their remuneration.
Common control reserve	The acquisition of WesTrac Group by the Company during the period ended 30 June 2010 was accounted for as a common control transaction. As a consequence, the difference between the fair value of the consideration paid and the existing book values of assets and liabilities of the WesTrac Group was debited to a common control reserve. Upon disposal of all interests in WesTrac Group by SGH this reserve would be transferred to retained earnings.
Hedge reserve	The hedge reserve records the effective portion of the cumulative net change in fair value of hedging instruments related to cash flow hedged transactions that have not yet occurred.
Fair value through OCI reserve	SGH has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income under AASB 9. The net change in the fair value of financial assets measured at fair value through other comprehensive income (FVTOCI) will be shown in this reserve and not be subsequently reclassified to profit or loss.
Foreign currency translation reserve	The foreign currency (FX) translation reserve records the foreign currency differences arising from the translation of the financial statements of foreign operations.
Equity reserve	The equity reserve records the difference arising on the Exchangeable bond embedded option to convert the liability into equity.

YEAR ENDED 30 JUNE 2026	Acquisitions reserve $m	Equity benefits reserve $m	Common control reserve $m	Hedge reserve $m	Fair value through OCI reserve $m	FX translation reserve $m	Equity reserve $m	Total $m
As at 1 July 2025	**(2,268.0)**	**(54.2)**	**(642.6)**	**(29.2)**	**92.5**	**(10.8)**	**22.5**	**(2,889.8)**
Fair value movement on financial assets measured at FVTOCI	–	–	–	–	(35.2)	–	–	(35.2)
Deferred tax effect of net loss on financial asset measured at FVTOCI	–	–	–	–	10.5	–	–	10.5
Net gain on cash flow hedges	–	–	–	32.8	–	–	–	32.8
Tax effect of net gain on cash flow hedges	–	–	–	(9.6)	–	–	–	(9.6)
Movement in reserves of equity accounted investees	–	–	–	–	(1.9)	(2.9)	–	(4.8)
Acquisition of non-controlling interest	(1.0)	–	–	–	–	–	–	(1.0)
Currency translation differences	–	–	–	–	–	3.7	–	3.7
Share based payments	–	17.7	–	–	–	–	–	17.7
Share based payments vested	–	(30.5)	–	–	–	–	–	(30.5)
As at 30 June 2026	**(2,269.0)**	**(67.0)**	**(642.6)**	**(6.0)**	**65.9**	**(10.0)**	**22.5**	**(2,906.2)**

YEAR ENDED 30 JUNE 2025	Acquisitions reserve $m	Equity benefits reserve $m	Common control reserve $m	Hedge reserve $m	Fair value through OCI reserve $m	FX translation reserve $m	Equity reserve $m	Total $m
As at 1 July 2024	**(2,440.6)**	**(34.3)**	**(642.6)**	**(13.2)**	**87.8**	**(10.9)**	**22.5**	**(3,031.3)**
Fair value movement on financial assets measured at FVTOCI	–	–	–	–	10.3	–	–	10.3
Deferred tax effect of net gain on financial asset measured at FVTOCI	–	–	–	–	(3.1)	–	–	(3.1)
Net loss on cash flow hedges	–	–	–	(22.8)	–	–	–	(22.8)
Tax effect of net loss on cash flow hedges	–	–	–	6.8	–	–	–	6.8
Movement in reserves of equity accounted investees	–	–	–	–	(2.5)	0.4	–	(2.1)
Acquisition of non-controlling interest	172.6	–	–	–	–	–	–	172.6
Currency translation differences	–	–	–	–	–	(0.3)	–	(0.3)
Share based payments	–	14.2	–	–	–	–	–	14.2
Share based payments vested	–	(34.1)	–	–	–	–	–	(34.1)
As at 30 June 2025	**(2,268.0)**	**(54.2)**	**(642.6)**	**(29.2)**	**92.5**	**(10.8)**	**22.5**	**(2,889.8)**

Capital Structure continued

25. Dividends

YEAR ENDED 30 JUNE 2026	Date of payment	Franked/ unfranked	Amount per share	Total $m
DIVIDENDS PAID				
Ordinary shares				
Final dividend in respect of 2025 year	10 Oct 25	Franked	$0.32	130.2
Interim dividend	9 Apr 26	Franked	$0.32	130.3
				260.5
Subsequent event				
Current period final dividend on ordinary shares proposed but not provided for				
Ordinary shares				
Final dividend in respect of 2026 year	9 Oct 26	Franked	$0.32	130.3
Balance of franking account at 30%				**801.9**

YEAR ENDED 30 JUNE 2025				
DIVIDENDS PAID				
Ordinary shares				
Final dividend in respect of 2024 year	2 Sep 24	Franked	$0.30	122.1
Interim dividend	10 Apr 25	Franked	$0.30	122.1
				244.2
Ordinary shares				
Final dividend in respect of 2025 year	10 Oct 25	Franked	$0.32	130.2
Balance of franking account at 30%				**597.5**

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. The impact on the dividend franking account of dividends proposed after the balance sheet date but not recognised as a liability is to reduce it by $55.8 million (2025: $55.8 million).

Unrecognised Items

26. Contingent liabilities

The nature of SGH's and equity accounted investees' activities are such that, from time to time, claims are received or made by SGH. The Directors are of the opinion that no claims are expected to have a material adverse effect on the financial statements of SGH and as such do not require disclosure as a contingent liability.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Environmental risk and regulation

SGH and the industries in which it operates are subject to a broad range of environmental laws, regulations and standards (including certain licensing requirements) including air, soil and water quality, waste handling and disposal. This could expose SGH to legal liabilities or place limitations on the development of its operations. In addition, there is a risk that property utilised by SGH from time to time may be contaminated by materials harmful to human health (such as hazardous chemicals). In these situations SGH may be required to undertake remedial works on contaminated sites and may be exposed to third party compensation claims and other environmental liabilities. Management judgement is therefore required to estimate the impact of such factors on future earnings supporting existing goodwill and intangible assets.

Performance guarantees

Performance guarantees of $109.2 million (2025: $114.5 million) relate to guarantees provided to customers in support of equipment and contract performance.

Financial guarantees

SGH has issued a number of financial guarantees to third parties for various operational and financing purposes, totalling $18.4 million (2025: $21.1 million). To the extent that the Directors expect these third party guarantees to be called upon, a provision has been recorded in the Consolidated Statement of Financial Position as at 30 June 2026.

SGH has entered into a number of financial guarantees in relation to subsidiary debt facilities and other financing arrangements.

Bank guarantees

SGH has granted indemnities to banks to cover bank guarantees given on behalf of controlled entities to a maximum exposure of $29.6 million (2025: $48.4 million).

Indemnities

The Company has provided a limited indemnity in relation to potential claims on Directors of acquired subsidiaries prior to them becoming part of SGH. This obligation has been partially insured.

Environmental contingent liabilities

SGH's activities involve the extraction of resources as well as the processing and subsequent handling of materials that could contaminate the environment. As a consequence of these activities, SGH has incurred and may continue to incur costs associated with closure, remediation, aftercare and monitoring. Provisions have been recognised for the sites where obligations are known to exist, and the cost can be reliably measured. However, additional costs may be incurred due to factors outside SGH's current knowledge or control, such as changes in the laws and regulations that govern land use and environmental protection across the various jurisdictions in which SGH operates.

Boral shareholder class action

Boral continues to defend two shareholder class action proceedings filed against it in the Federal Court of Australia by Maurice Blackburn and Phi Finney McDonald, which are currently being case-managed together. It is not possible to determine the ultimate impact, if any, of the proceedings on Boral. Boral, in conjunction with its insurer, continues to vigorously defend the proceedings.

Unrecognised Items continued

27. Commitments

	2026 $m	2025 $m
Capital expenditure commitments		
Payable:		
Not later than one year	168.5	154.0
Later than one year but not later than five years	15.2	1.4
	183.7	**155.4**
Leasing commitments		
Payable:		
Not later than one year	–	12.8
Later than one year but not later than five years	–	78.4
More than five years	–	147.3
	–	**238.5**
Development and exploration expenditure commitments		
Payable:		
Not later than one year	65.9	117.3
Later than one year but not later than five years	17.3	32.9
	83.2	**150.2**
The above commitments include development and exploration expenditure commitments relating to joint venture operations in relation to Crux:		
Not later than one year	65.9	98.6
Later than one year but not later than five years	17.3	32.9
	83.2	**131.5**
Other commitments		
Payable:		
Not later than one year	1.1	1.2
	1.1	**1.2**

In the prior year, Leasing commitments related to the purchase of plant and equipment and equipment leasing commitments for an arrangement with Southern Shorthaul Railroad for the delivery of rail services to Boral which commenced from August 2025.

Development commitments relate to joint operations for Crux. Exploration expenditure commitments relate to exploration permits WA-377P (cancelled 22 December 2020). Estimates for future development and exploration expenditure commitments are based on joint venture estimated contracted development costs and estimated exploration costs determined in current dollars translated into Australian dollars on an undiscounted basis. The exploration obligations may vary significantly as a result of renegotiations with relevant parties, including regulators in relation to any Good Standing agreement on expired or cancelled permits.

Other commitments includes SGH's commitment to invest in an unlisted investment fund.

28. Events subsequent to balance date

Other than as outlined below, there has not arisen in the interval between 30 June 2026 and the date of this Report any other event that would have had a material effect on the Financial Statements as at 30 June 2026.

On 4 July 2026, a rail incident occurred in the Southern Highlands, NSW on a service operated by Boral's rail services provider. The service was carrying Boral cement. The Office of the National Rail Safety Regulator (ONRSR) subsequently suspended the accreditation of the rail services provider. On 15 July 2026, Boral terminated contracts with the rail services provider. Termination of contracts will result in derecognition of right of use assets of approximately $177.0 million and lease liabilities of approximately $180.0 million in the year ended 30 June 2027. Boral has exercised options and subsequently acquired wagons and a refueling facility from the rail services provider. Alternative rail and road transport solutions have been implemented in the interim as Boral completes a tender to secure a replacement rail services provider.

As announced on 22 June 2026, the Company intends to undertake an on-market buy-back of its ordinary shares of up to $500.0 million over a 12 month period. The buy-back is expected to commence on or around 11 August 2026, subsequent to balance date.

Group Structure

Movement in share prices of listed investments

Subsequent to year end, there has been movement in the share prices of listed investments and as a result, the value of SGH's investments has varied from what is presented in this financial report. The market value of listed investments at 10 August 2026 compared to their market value at 30 June 2026 is outlined below.

	MARKET VALUE	
	10 August 2026 $m	30 June 2026 $m
Listed investments accounted for using the equity method	616.3	631.1

29. Parent entity disclosures

As at and throughout the year ended 30 June 2026 the parent company was SGH Limited. The individual financial statements for the parent entity show the following aggregate amounts.

	COMPANY	
	2026 $m	2025 $m
Financial position of parent entity at end of the year		
Current assets	2,887.9	2,818.5
Total assets	5,919.1	5,849.7
Current liabilities	117.6	112.1
Total liabilities	133.3	123.8
Total equity of the parent entity comprising of:		
Contributed equity	5,032.3	5,019.7
Reserves	(1.3)	5.8
Retained earnings	754.8	700.4
Total shareholders equity	**5,785.8**	**5,725.9**
Result of the parent entity		
Profit for the year	314.9	300.7
Total comprehensive income for the year	**314.9**	**300.7**
Other information		
Contingent liabilities of the parent entity[a]	127.6	135.7

(a) Relates to financial guarantees provided to third parties by the parent entity for subsidiary debt facilities and other financing arrangements. These facilities are held by entities that are outside of the Deed of Cross Guarantee disclosed in Note 30: Controlled entities.

Parent entity guarantees in respect of debts of its subsidiaries

The parent entity has entered into a Deed of Cross Guarantee with the effect that the Company guarantees debts with certain subsidiaries. Further details of the Deed of Cross Guarantee and the subsidiaries subject to the Deed are disclosed in Note 30: Controlled entities.

In addition to the contingent liabilities shown above, the parent entity guarantees a number of debt facilities held by various controlled entities who are part of the Deed of Cross Guarantee.

Group Structure continued

30. Controlled entities

	Notes	Country of incorporation	OWNERSHIP INTEREST 2026 %	2025 %
PARENT ENTITY				
SGH Limited	(a)	Australia		
SUBSIDIARIES				
All Hire Pty Limited		Australia	100	100
Allen's Asphalt Pty Ltd		Australia	100	100
Allight Holdings Pty Limited	(a)	Australia	100	100
Allight Pty Limited	(a)	Australia	100	100
AllightSykes SA (Proprietary) Limited		South Africa	100	100
Allplant Services Pty Limited		Australia	100	100
Alsafe Premix Concrete Pty Ltd		Australia	100	100
Australian Highway Plant Services Pty Limited		Australia	100	100
Barnu Pty Ltd.		Australia	100	100
Bayview Pty Limited		Australia	100	100
Bayview Quarries Pty Limited		Australia	100	100
Bitumax Pty. Limited		Australia	100	100
Bitupave Ltd		Australia	100	100
Boral Bricks Pty Ltd		Australia	100	100
Boral Bricks Western Australia Pty Ltd		Australia	100	100
Boral Building Materials Pty Limited		Australia	100	100
Boral Building Products Limited		Australia	100	100
Boral Cement Limited		Australia	100	100
Boral Concrete (1992) Limited		Thailand	100	100
Boral Construction Materials Group Ltd		Australia	100	100
Boral Construction Materials Ltd		Australia	100	100
Boral Construction Related Businesses Pty Ltd		Australia	100	100
Boral Contracting Pty Ltd		Australia	100	100
Boral Corporate Services Pty Limited		Australia	100	100
Boral Finance Pty Limited		Australia	100	100
Boral Holdings Inc.		USA	100	100
Boral Insurance Pty Limited	(b)	Australia	–	100
Boral International Pty Limited		Australia	100	100
Boral Investments Pty Limited		Australia	100	100
Boral IP Holdings (Australia) Pty Limited		Australia	100	100
Boral Limited		Australia	100	100
Boral Masonry Ltd		Australia	100	100
Boral Precast Holdings Pty Ltd		Australia	100	100
Boral Recycling Pty Limited		Australia	100	100
Boral Resources (Country) Pty. Limited		Australia	100	100
Boral Resources (NSW) Pty Ltd		Australia	100	100
Boral Resources (QLD) Pty. Limited		Australia	100	100
Boral Resources (SA) Limited		Australia	100	100
Boral Resources (VIC.) Pty. Limited		Australia	100	100
Boral Resources (W.A.) Ltd		Australia	100	100
Boral Shared Business Services Pty Ltd		Australia	100	100
Boral Transport Limited		Australia	100	100
C7 Pty Limited	(a)	Australia	100	100
Coates Fleet Pty Limited		Australia	100	100
Coates Group Holdings Pty Limited		Australia	100	100
Coates Group Pty Limited		Australia	100	100
Coates Hire (NZ) Limited		New Zealand	100	100
Coates Hire Access SPV Pty Limited		Australia	100	100
Coates Hire Holdco SPV Pty Limited		Australia	100	100
Coates Hire Limited		Australia	100	100

	Notes	Country of incorporation	OWNERSHIP INTEREST 2026 %	2025 %
Coates Hire Operations Pty Limited		Australia	100	100
Coates Hire Overseas Investments Pty Limited		Australia	100	100
Coates Hire Traffic Solutions Pty Limited		Australia	100	100
Concrite Pty Ltd		Australia	100	100
Dandenong Quarries Pty. Limited		Australia	100	100
Davegale Pty Limited		Australia	100	100
De Martin & Gasparini Contractors Pty Limited		Australia	100	100
De Martin & Gasparini Pty Limited		Australia	100	100
De Martin & Gasparini Pumping Pty Limited		Australia	100	100
De Martin & Gasparini Queensland Pty Limited		Australia	100	100
Direct Target Access Pty Limited	(a)	Australia	100	100
Dunmore Sand & Soil Pty. Limited		Australia	100	100
DWB (NH) Pty Limited		Australia	100	100
FGW Pacific Pty Limited		Australia	100	100
Flexi Industrial Services Pty Limited		Australia	100	100
Found Concrete Pty Ltd		Australia	100	100
Hebburn Pty Limited		Australia	100	100
Industrial Investment Holdings Pty Limited		Australia	100	100
Kimlin Holdings Pty Limited		Australia	100	100
Manooka Holdings Pty Limited	(a)	Australia	100	100
Miltonstar Pty Limited	(a)	Australia	100	100
Nahi Pty Limited		Australia	100	100
National Hire Equipment Pty Limited		Australia	100	100
National Hire Facilitation Pty Limited	(a)	Australia	100	100
National Hire Finance Pty Limited		Australia	100	100
National Hire Group Limited	(a)	Australia	100	100
National Hire Operations Pty Limited		Australia	100	100
National Hire Properties Pty Limited		Australia	100	100
National Hire Trading Pty Limited		Australia	100	100
Ned Finco Pty Limited		Australia	100	100
Network Investment Holdings Pty Limited	(a)	Australia	100	100
Point Pty Limited	(a)	Australia	100	100
PT AllightSykes		Indonesia	100	100
Pump Rentals Pty Limited	(a)	Australia	100	100
Q-Crete Premix Pty Ltd		Australia	100	100
Realtime Reporters Pty Limited		Australia	100	100
Road Surfaces Group Pty. Ltd.		Australia	100	100
Sand Supplies Newco Pty Ltd		Australia	100	100
Seven (National) Pty Limited	(a)	Australia	100	100
Seven (WAN) Pty Limited		Australia	100	100
Seven Broadcast Properties Trust		–	100	100
Seven Custodians Pty Limited	(a)	Australia	100	100
Seven Entertainment Pty Limited		Australia	100	100
Seven Media Group Pty Limited	(a)	Australia	100	100
Seven Network (United States) Inc		USA	100	100
Seven Network International Limited	(a)	Australia	100	100
Seven Network Investments Pty Limited	(a)	Australia	100	100
Seven Network Limited	(a)	Australia	100	100
Seven Network Nominees Pty Limited	(a)	Australia	100	100
Seven Resources Pty Limited	(a)	Australia	100	100
SGH Communications Pty Limited		Australia	100	100
SGH Energy (No 1) Pty Limited		Australia	100	100
SGH Energy (No 2) Pty Limited		Australia	100	100
SGH Energy Aust. Pty Limited		Australia	100	100

Group Structure continued

30. Controlled entities (continued)

	Notes	Country of incorporation	OWNERSHIP INTEREST 2026 %	2025 %
SGH Energy NTP66 Pty Ltd		Australia	100	100
SGH Energy Pty Ltd		Australia	100	100
SGH Energy VICP54 Pty Ltd		Australia	100	100
SGH Energy VICP56 Pty Ltd		Australia	100	100
SGH Energy WA Pty Ltd		Australia	100	100
SGH Energy WA377P Pty Ltd		Australia	100	100
SGH Equity Incentive Trust		–	100	100
SGH Productions Pty Limited	(a)	Australia	100	100
Sitech (WA) Pty Limited		Australia	51	51
Sitech Solutions Pty Limited		Australia	51	51
SmartTech USA, Inc		USA	51	51
SMG Executives Pty Limited		Australia	100	100
SMG FINCO Pty Limited	(a)	Australia	100	100
SNZ Pty Limited	(a)	Australia	100	100
Specialised Investments Pty Limited		Australia	100	100
Tallglen Pty Limited	(a)	Australia	100	100
The DWB Trust		–	100	100
Tru Blu Hire Australia Pty Limited		Australia	100	100
WA Regional Asset Holdings Pty Limited		Australia	100	100
Warrah Engineering Pty Limited		Australia	100	100
WesTrac Holdings Pty Limited	(a)	Australia	100	100
WesTrac Pty Limited		Australia	100	100

(a) Pursuant to ASIC Corporations (Wholly-Owned Companies) Instrument 2016/785 these controlled entities are relieved from the *Corporations Act 2001* requirements for the preparation, audit and lodgement of financial reports.

(b) This company was divested on 10 March 2026.

Deed of Cross Guarantee

Pursuant to ASIC Corporations (Wholly-Owned Companies) Instrument 2016/785 (Instrument) the wholly-owned controlled entities marked (a) in the preceding table are relieved from the *Corporations Act 2001* requirements for preparation, audit and lodgement of financial reports and Directors' reports.

It is a condition of the Instrument that the Company and each of the wholly-owned controlled entities (marked (a)) enter into a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the parties to the Deed under certain provisions of the *Corporations Act 2001*. If a winding up occurs under other provisions of the *Corporations Act 2001*, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that the Company is wound up.

A combined statement of comprehensive income and combined statement of financial position, comprising the Company and controlled entities which are a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, are set out below.

	COMBINED	
	2026 $m	2025 $m
STATEMENT OF COMPREHENSIVE INCOME		
Revenue	71.8	55.2
Other income	689.8	537.1
Share of results from equity accounted investees	86.7	(7.5)
Impairment of equity accounted investees	(273.4)	(266.9)
Expenses excluding depreciation and amortisation	(90.6)	(72.7)
Depreciation and amortisation	(2.8)	(2.8)
Profit before net finance expense and income tax	**481.5**	**242.4**
Net finance expense	(101.6)	(133.4)
Profit before income tax	**379.9**	**109.0**
Income tax benefit	73.4	38.4
Profit for the year	**453.3**	**147.4**
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net change in fair value of financial assets at fair value through other comprehensive income	(1.8)	(7.3)
Income tax relating to items that will not be reclassified subsequently to profit or loss	–	1.5
Total items that will not be reclassified subsequently to profit or loss	**(1.8)**	**(5.8)**
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges: effective portion of changes in fair value	5.3	–
Foreign currency differences for foreign operations	(2.9)	0.5
Income tax relating to items that may be reclassified subsequently to profit or loss	(1.6)	–
Total items that may be reclassified subsequently to profit or loss	**0.8**	**0.5**
Total comprehensive income for the year	**452.3**	**142.1**
MOVEMENT IN RETAINED EARNINGS		
Retained earnings at beginning of the year	1,208.8	1,305.6
Profit for the year	453.3	147.4
Dividends paid during the year	(260.5)	(244.2)
Retained earnings at end of the year	**1,401.6**	**1,208.8**

Group Structure continued

30. Controlled entities (continued)

	COMBINED	
	2026 $m	2025 $m
STATEMENT OF FINANCIAL POSITION		
Current assets		
Cash and cash equivalents	118.6	18.9
Trade and other receivables	11.0	9.1
Inventories	27.3	11.1
Other current assets	4.4	2.1
Derivative financial instruments	1.4	–
Total current assets	**162.7**	**41.2**
Non-current assets		
Investments in controlled entities	6,717.5	6,716.5
Investments accounted for using the equity method	636.2	875.5
Right of use assets	4.9	6.7
Property, plant and equipment	0.9	0.8
Intangible assets	0.1	0.2
Total non-current assets	**7,359.6**	**7,599.7**
Total assets	**7,522.3**	**7,640.9**
Current liabilities		
Trade and other payables	40.0	55.1
Lease liabilities	2.3	2.1
Interest bearing loans and liabilities	6.1	–
Loans from related parties	718.5	1,104.4
Derivative financial instruments	0.2	0.7
Current tax liability	110.9	46.0
Provisions	57.8	57.1
Total current liabilities	**935.8**	**1,265.4**
Non-current liabilities		
Other payables	2.4	4.0
Interest bearing loans and borrowings	1,338.7	1,278.2
Deferred tax liabilities	21.6	56.1
Derivative financial instruments	–	3.3
Lease liabilities	3.1	5.1
Provisions	8.5	8.2
Total non-current liabilities	**1,374.3**	**1,354.9**
Total liabilities	**2,310.1**	**2,620.3**
Net assets	**5,212.2**	**5,020.6**
Equity		
Contributed equity	5,032.3	5,019.7
Reserves	(1,221.7)	(1,207.9)
Retained earnings	1,401.6	1,208.8
Total equity	**5,212.2**	**5,020.6**

31. Acquisition and disposal of businesses

Discontinued operations – Boral's divested businesses

During the year, SGH released its tax provision for US tax credits in relation to Boral's previously divested businesses. In the prior year, deferred consideration and tax settlements were received and additional liabilities recorded in relation to Boral's previously divested businesses.

	2026 $m	2025 $m
Profit for the year from discontinued operations		
Profit before income tax	–	36.8
Income tax benefit	33.9	–
Profit for the year from discontinued operations	**33.9**	**36.8**
Profit for the year from discontinued operations attributable to:		
Equity holders of the Company	33.9	36.8
Profit for the year from discontinued operations	**33.9**	**36.8**
Cash flows from discontinued operations		
Net operating cash flows[a]	(0.1)	21.5
Net investing cash flows	–	30.4
Net financing cash flows	–	–
Net cash flows from discontinued operations	**(0.1)**	**51.9**

(a) In the prior year, net operating cash flows relates to the receipt of US Federal taxes from Boral's previously discontinued operations.

Completion of compulsory acquisition of Boral

In the prior year, SGH via its controlled entity Network Investment Holdings Pty Limited, completed its acquisition of all outstanding ordinary shares in Boral Limited on 4 July 2024. As a result, 6,654,512 SGH shares were issued and cash consideration of $85.9 million was paid for the remaining Boral shares not already owned. In addition, transaction related costs of $95.7 million were paid.

During the year, net cash outflows of $8.9 million relate to the Boral acquisition and are comprised of stamp duty and other transaction related costs. These outflows are included within Cash flows related to financing activities in the Consolidated Cash Flow Statement.

Other

32. Related party disclosures

Key Management Personnel compensation

Detailed remuneration disclosures, including movements in equity holdings for Key Management Personnel, are disclosed in the Remuneration Report section of the Director's Report. The aggregate compensation made to SGH's Key Management Personnel is set out below:

	2026 $000	2025 $000
Short-term employee benefits	14,308	14,490
Post-employment benefits	419	362
Termination benefits	375	–
Other long-term employee benefits	164	270
Share-based payments (equity-settled and cash-settled)	12,362	18,033
Total key management personnel compensation	**27,628**	**33,155**

Director related party transactions

Details of related party transactions with director related entities are outlined on page 68. No Director has entered into a material contract with SGH in the current or prior year other than those disclosed in the Remuneration Report or this note.

Other transactions with related parties

A number of Directors and KMP of the Company hold directorships in other entities. Several of these entities transacted with SGH on terms and conditions no more favourable than those available on an arm's length basis. Consulting fees of $475,000 (2025: $475,000) were paid to a related party, Mr KM Stokes AC, for strategic consulting advice.

Subsidiaries

Interests in subsidiaries are set out in Note 30: Controlled entities.

Other related party transactions

The aggregate value of transactions between SGH and its equity accounted investees is outlined below.

	2026 $m	2025 $m
Revenue – Associates	91.2	57.0
Other income – Associates	0.3	0.3
Other expenses – Associates	(150.8)	(133.7)
Outstanding balances arising from transactions with equity accounted investees:		
Trade and other receivables – Associates	10.0	8.6
Trade and other payables – Associates	(2.2)	(2.8)
Interest bearing loans and borrowings – Joint venture	(6.1)	(6.1)
Contingent liabilities at year end, arising from transactions with equity accounted investees:		
Financial guarantees (refer to Note 26: Contingent liabilities)	–	–

33. Auditor's remuneration

The Company's external auditor is Deloitte Touche Tohmatsu (Deloitte). The external auditor is only appointed to assignments additional to their statutory audit duties where they are able to maintain their audit independence. All amounts payable to the auditors of the Company were paid by SGH subsidiaries.

Amounts received or due and receivable by auditors of the Company are set out below.

	2026 $000	2025 $000
Deloitte and related network firms		
Audit or review of financial reports	1,750	1,725
Audit or review of sustainability report	170	–
Other assurance and agreed-upon procedures under other legislation or contractual arrangements	12	30
Other services:		
Taxation services	152	11
Total auditor's remuneration	**2,084**	**1,766**

Consolidated Entity Disclosure Statement

Entity	Entity type	BODY CORPORATES Place formed or incorporated	BODY CORPORATES % held	TAX RESIDENCY Australian resident	TAX RESIDENCY Foreign jurisdiction for tax purposes[a]
PARENT ENTITY					
SGH Limited	Body corporate	Australia	–	Australian	–
SUBSIDIARIES					
All Hire Pty Limited	Body corporate	Australia	100	Australian	–
Allen's Asphalt Pty Ltd	Body corporate	Australia	100	Australian	–
Allight Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Allight Pty Limited	Body corporate	Australia	100	Australian	–
AllightSykes SA (Proprietary) Limited	Body corporate	South Africa	100	No	South Africa
Allplant Services Pty Limited	Body corporate	Australia	100	Australian	–
Alsafe Premix Concrete Pty Ltd	Body corporate	Australia	100	Australian	–
Australian Highway Plant Services Pty Limited	Body corporate	Australia	100	Australian	–
Barnu Pty Ltd.	Body corporate	Australia	100	Australian	–
Bayview Pty Limited	Body corporate	Australia	100	Australian	–
Bayview Quarries Pty Limited	Body corporate	Australia	100	Australian	–
Bitumax Pty. Limited	Body corporate	Australia	100	Australian	–
Bitupave Ltd	Body corporate	Australia	100	Australian	–
Boral Bricks Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Bricks Western Australia Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Building Materials Pty Limited	Body corporate	Australia	100	Australian	–
Boral Building Products Limited	Body corporate	Australia	100	Australian	–
Boral Cement Limited	Body corporate	Australia	100	Australian	–
Boral Concrete (1992) Limited	Body corporate	Thailand	100	No	Thailand
Boral Construction Materials Group Ltd	Body corporate	Australia	100	Australian	–
Boral Construction Materials Ltd	Body corporate	Australia	100	Australian	–
Boral Construction Related Businesses Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Contracting Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Corporate Services Pty Limited[b]	Body corporate	Australia	100	Australian	–
Boral Finance Pty Limited	Body corporate	Australia	100	Australian	–
Boral Holdings Inc.	Body corporate	USA	100	No	USA
Boral International Pty Limited	Body corporate	Australia	100	Australian	–
Boral Investments Pty Limited	Body corporate	Australia	100	Australian	–
Boral IP Holdings (Australia) Pty Limited	Body corporate	Australia	100	Australian	–
Boral Limited	Body corporate	Australia	100	Australian	–
Boral Masonry Ltd	Body corporate	Australia	100	Australian	–
Boral Precast Holdings Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Recycling Pty Limited	Body corporate	Australia	100	Australian	–
Boral Resources (Country) Pty. Limited	Body corporate	Australia	100	Australian	–
Boral Resources (NSW) Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Resources (QLD) Pty. Limited[c]	Body corporate	Australia	100	Australian	–
Boral Resources (SA) Limited	Body corporate	Australia	100	Australian	–
Boral Resources (VIC.) Pty. Limited[d]	Body corporate	Australia	100	Australian	–
Boral Resources (W.A.) Ltd	Body corporate	Australia	100	Australian	–
Boral Shared Business Services Pty Ltd	Body corporate	Australia	100	Australian	–
Boral Transport Limited	Body corporate	Australia	100	Australian	–
C7 Pty Limited	Body corporate	Australia	100	Australian	–
Coates Fleet Pty Limited	Body corporate	Australia	100	Australian	–
Coates Group Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Coates Group Pty Limited	Body corporate	Australia	100	Australian	–
Coates Hire (NZ) Limited	Body corporate	New Zealand	100	No	New Zealand
Coates Hire Access SPV Pty Limited	Body corporate	Australia	100	Australian	–
Coates Hire Holdco SPV Pty Limited	Body corporate	Australia	100	Australian	–

Consolidated Entity Disclosure Statement continued

Entity	Entity type	BODY CORPORATES Place formed or incorporated	% held	TAX RESIDENCY Australian resident	Foreign jurisdiction for tax purposes[a]
Coates Hire Limited	Body corporate	Australia	100	Australian	–
Coates Hire Overseas Investments Pty Limited	Body corporate	Australia	100	Australian	–
Coates Hire Operations Pty Limited	Body corporate	Australia	100	Australian	–
Coates Hire Traffic Solutions Pty Limited	Body corporate	Australia	100	Australian	–
Concrite Pty Ltd	Body corporate	Australia	100	Australian	–
Dandenong Quarries Pty. Limited	Body corporate	Australia	100	Australian	–
Davegale Pty Limited	Body corporate	Australia	100	Australian	–
De Martin & Gasparini Contractors Pty Limited	Body corporate	Australia	100	Australian	–
De Martin & Gasparini Pty Limited	Body corporate	Australia	100	Australian	–
De Martin & Gasparini Pumping Pty Limited	Body corporate	Australia	100	Australian	–
De Martin & Gasparini Queensland Pty Limited	Body corporate	Australia	100	Australian	–
Direct Target Access Pty Limited	Body corporate	Australia	100	Australian	–
Dunmore Sand & Soil Pty. Limited	Body corporate	Australia	100	Australian	–
DWB (NH) Pty Limited	Body corporate	Australia	100	Australian	–
FGW Pacific Pty Limited	Body corporate	Australia	100	Australian	–
Flexi Industrial Services Pty Limited	Body corporate	Australia	100	Australian	–
Found Concrete Pty Ltd	Body corporate	Australia	100	Australian	–
Hebburn Pty Limited	Body corporate	Australia	100	Australian	–
Industrial Investment Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Kimlin Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Manooka Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Miltonstar Pty Limited	Body corporate	Australia	100	Australian	–
Nahi Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Equipment Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Facilitation Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Finance Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Group Limited	Body corporate	Australia	100	Australian	–
National Hire Operations Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Properties Pty Limited	Body corporate	Australia	100	Australian	–
National Hire Trading Pty Limited	Body corporate	Australia	100	Australian	–
Ned Finco Pty Limited	Body corporate	Australia	100	Australian	–
Network Investment Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Point Pty Limited	Body corporate	Australia	100	Australian	–
PT AllightSykes	Body corporate	Indonesia	100	No	Indonesia
Pump Rentals Pty Limited	Body corporate	Australia	100	Australian	–
Q-Crete Premix Pty Ltd	Body corporate	Australia	100	Australian	–
Realtime Reporters Pty Limited	Body corporate	Australia	100	Australian	–
Road Surfaces Group Pty. Ltd.	Body corporate	Australia	100	Australian	–
Sand Supplies Newco Pty Ltd	Body corporate	Australia	100	Australian	–
Seven (National) Pty Limited	Body corporate	Australia	100	Australian	–
Seven (WAN) Pty Limited	Body corporate	Australia	100	Australian	–
Seven Broadcast Properties Trust	Trust	Australia	–	Australian	–
Seven Custodians Pty Limited	Body corporate	Australia	100	Australian	–
Seven Entertainment Pty Limited	Body corporate	Australia	100	Australian	–
Seven Media Group Pty Limited	Body corporate	Australia	100	Australian	–
Seven Network (United States) Inc	Body corporate	USA	100	No	USA
Seven Network International Limited	Body corporate	Australia	100	Australian	–
Seven Network Investments Pty Limited	Body corporate	Australia	100	Australian	–
Seven Network Limited	Body corporate	Australia	100	Australian	–
Seven Network Nominees Pty Limited	Body corporate	Australia	100	Australian	–
Seven Resources Pty Limited	Body corporate	Australia	100	Australian	–
SGH Communications Pty Limited	Body corporate	Australia	100	Australian	–

		BODY CORPORATES		TAX RESIDENCY	
Entity	Entity type	Place formed or incorporated	% held	Australian resident	Foreign jurisdiction for tax purposes[a]
SGH Energy (No 1) Pty Limited	Body corporate	Australia	100	Australian	–
SGH Energy (No 2) Pty Limited	Body corporate	Australia	100	Australian	–
SGH Energy Aust. Pty Limited	Body corporate	Australia	100	Australian	–
SGH Energy NTP66 Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy VICP54 Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy VICP56 Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy WA Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Energy WA377P Pty Ltd	Body corporate	Australia	100	Australian	–
SGH Equity Incentive Trust	Trust	Australia	–	Australian	–
SGH Productions Pty Limited	Body corporate	Australia	100	Australian	–
Sitech (WA) Pty Limited	Body corporate	Australia	51	Australian	–
Sitech Solutions Pty Limited	Body corporate	Australia	51	Australian	–
SmartTech USA, Inc	Body corporate	USA	51	No	USA
SMG Executives Pty Limited	Body corporate	Australia	100	Australian	–
SMG FINCO Pty Limited	Body corporate	Australia	100	Australian	–
SNZ Pty Limited	Body corporate	Australia	100	Australian	–
Specialised Investments Pty Limited	Body corporate	Australia	100	Australian	–
Tallglen Pty Limited	Body corporate	Australia	100	Australian	–
The DWB Trust	Trust	Australia	–	Australian	–
Tru Blu Hire Australia Pty Limited	Body corporate	Australia	100	Australian	–
WA Regional Asset Holdings Pty Limited	Body corporate	Australia	100	Australian	–
Warrah Engineering Pty Limited	Body corporate	Australia	100	Australian	–
WesTrac Holdings Pty Limited	Body corporate	Australia	100	Australian	–
WesTrac Pty Limited	Body corporate	Australia	100	Australian	–

Boral Insurance Pty Limited was divested on 10 March 2026.

(a) Foreign jurisdiction for tax purposes outlines the foreign jurisdiction in which the entity is a resident for tax purposes where applicable.
(b) Boral Corporate Services Pty Ltd is the Trustee for Boral Executive Share Plan and the Boral Employee Share Scheme trusts.
(c) Boral Resources (QLD) Pty Ltd is a participant in the Lytton joint venture which is proportionately consolidated.
(d) Boral Resources (VIC) Pty Ltd is a participant in the Heatherton and Delta joint ventures which are proportionately consolidated.

Directors' Declaration

For the year ended 30 June 2026

1. In the opinion of the Directors of SGH Limited (the Company):

   (a) the consolidated financial statements and notes that are set out on pages 75 to 132 are in accordance with the *Corporations Act 2001*, including:

      (i) giving a true and fair view of SGH's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

      (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. As at the date of this declaration, there are reasonable grounds to believe that the Company and the group entities identified in Note 30 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to the ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.
3. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Managing Director & Chief Executive Officer and the Chief Financial Officer for the financial year ended 30 June 2026.
4. In the opinion of the Directors, the attached Consolidated Entity Disclosure Statement is true and correct.
5. The Directors draw attention to Note 1 to the consolidated financial statements, which includes a statement of compliance with IFRS Accounting Standards.

Signed in accordance with a resolution of the Directors:

John Charles Gillam
Chairman

Mark Graham Johnson
Chair of the Audit & Risk Committee

Sydney

11 August 2026

Independent Auditor's Report

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Quay Quarter Tower
50 Bridge Street
Sydney, NSW, 2000
Australia

Phone: +61 2 9322 7000
www.deloitte.com.au

Independent Auditor's Report to the Members of SGH Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of SGH Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report continued

Deloitte.

<table>
<tr><th>Key Audit Matter</th><th>How the scope of our audit responded to the Key Audit Matter</th></tr>
<tr><td>

Recoverability of producing and development assets

As disclosed in Note 14, the Group has producing and development assets of $1,110.1 million, comprising the carrying amount of the Longtom asset and the Crux Joint Operation.

Management has identified an indicator of impairment in respect of both the Longtom asset and the Crux Joint Operation in the current year and, as a result, has carried out impairment testing to assess the respective recoverable amounts at 30 June 2026.

Where an indicator of impairment is identified, management is required to exercise significant judgement in determining the assumptions to be utilised when assessing the recoverable amount of producing and development assets, including:

- Commercial operating assumptions including production profile of expected reserves and resources, facility design, project development cost (including price escalation) and pipeline and gas processing availability ;
- Future commodity prices, including the impact to market demand and pricing resulting from the potential implementation of a Domestic Gas Reservation Scheme ("DGRS");
- Climate change related risk and the impact this may have on asset useful lives and future capital expenditure and carbon offset requirements; and
- Discount rates applied to forecast cash flows to estimate the recoverable amount of the assets.

</td><td>

Our procedures performed included, but were not limited to:

- Critically evaluating management's assessment in accordance with the specific requirements of AASB 136 *Impairment of Assets* for each producing and development asset as at 30 June 2026 including:
    - Evaluating management's process to assess for indicators of impairment of producing and development assets, including testing design and implementation of the relevant controls;
    - Reviewing minutes of meetings of those charged with governance;
    - Performing inquiries with executive management to understand the basis for the commercial operating assumptions and agreeing to supporting documentation including the Memorandum of Understanding with the infrastructure owner for the Longtom asset and technical studies where relevant;
    - Obtaining an understanding of the DGRS and inspecting the updated market forecasts for both the Longtom asset and the Crux Joint Operation as a consequence of the Scheme.
    - Challenging key inputs and assumptions used in valuation models with reference to any impact of current economic, regulatory and industry factors, including climate change related risk and comparing management's forecast future commodity prices, inflation and discount rates to market observable assumptions and third-party reports;
    - Challenging the appropriateness of management's sensitivity analysis and completeness of consideration of reasonable possible changes in key assumptions;
    - Agreeing forecast cash flows, including estimated capital expenditure, to Operator and Board approved forecasts for each producing and development asset; and
    - Performing sensitivity analyses in respect of key assumptions.
- Assessing the adequacy and appropriateness of the related disclosures in the notes to the financial statements, including relevant sensitivities.

</td></tr>
</table>

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. The other information includes the sustainability report upon which we have performed a review of specified sustainability disclosures and issued a separate auditor's review report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report continued

Deloitte.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2026. In our opinion, the Remuneration Report of SGH Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

H Fortescue
Partner
Chartered Accountants

Sydney, 11 August 2026

Sustainability Report

Sustainability Report continued

1. Basis of Preparation

SGH Limited (SGH) is an Australian diversified operating company, with operations in all Australian states and territories. SGH is listed on the Australian Securities Exchange (ASX).

This Sustainability Report's purpose is to provide stakeholders, including current and potential investors, lenders and creditors of SGH, with insight into SGH's climate-related risks and opportunities, their current and anticipated effects on SGH's financial position, performance and cash flows across the short, medium and long-term. It has been prepared in line with the mandatory climate-related financial disclosure obligations set out in the Australian Sustainability Reporting Standards (ASRS), specifically AASB S2: Climate-related Disclosures (AASB S2), and the *Corporations Act 2001*. This Sustainability Report is presented in Australian Dollars for monetary amounts, unless otherwise stated.

For SGH, the assessment of climate-related risks and opportunities is embedded within its broader strategy, operations, and long-term value creation agenda. Across its diversified portfolio of industrial businesses, SGH is actively navigating the energy transition and managing climate-related impacts. The Sustainability Report sets out how SGH is tracking its emission reduction commitments and ambitions, embedding climate resilience into its business model, and playing an active role in the transition to a lower-emissions economy in our operating sectors.

All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, and are subject to variation. All forward-looking statements reflect the current expectations concerning future results and events. Any forward-looking statements contained or implied involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from the anticipated results, performance or achievements, expressed, projected or implied by any forward-looking statements. Management guidance, estimates, targets and forecasts are based on views held only at the date of this Report, and actual events and results may be materially different from them.

The Sustainability Report was authorised for issue in accordance with a resolution of the Directors on 11 August 2026, which is the same time as SGH's financial statements. No transactions, other events or conditions have occurred since the end of the reporting period, 30 June 2026, and up to the date of authorisation of this Sustainability Report which are required to be disclosed.

1.1 First time adoption and Transitional relief

SGH is applying AASB S2 to its Sustainability Report for the first time for the year ended 30 June 2026. On initial adoption, SGH has elected to apply the transitional relief available under AASB S2. Accordingly, this Sustainability Report does not include comparative information for the prior reporting period or Scope 3 Greenhouse Gas (GHG) emissions disclosures. SGH has applied jurisdictional relief as permitted by the AASB. SGH will comply with AASB S2 requirements regarding Scope 3 emissions in the reporting period in which disclosure becomes mandatory following the expiry of the transitional relief.

1.2 Reporting boundary

For the purposes of sustainability reporting, SGH has applied the operational control approach to determine the boundary to account for GHG emissions. Under this approach, SGH consolidates 100 per cent of the GHG emissions from operations over which it has operational control, being those operations where SGH or its controlled entities have the full authority to introduce and implement operating policies.

SGH has adopted the operational control approach as it aligns the emissions boundary with the operations SGH directly manages and with its existing NGER reporting obligations, supporting consistency and comparability across its Australian regulatory and financial reporting.

Operations in which SGH holds an ownership interest but does not exercise operational control are excluded from the emissions boundary. We have performed an assessment of our equity accounted investments, including associates, joint ventures and joint operations, and have not identified any in which we would have operational control. As such, these have been excluded from the operational control boundary and SGH's reported GHG emissions. SGH's material equity accounted investee, being Beach Energy Limited, prepares and publishes its own Sustainability Report, which is available as part of Beach's Annual Report.

SGH's non-operated interests include SGH Energy's 15.5 per cent interest in the Crux gas and condensate project, which is operated by Shell. As SGH does not hold operational control of Crux, its emissions are excluded from SGH's Scope 1 and Scope 2 inventory. The transition risk associated with Crux, including SGH's share of carbon offset obligations under the Safeguard Mechanism, has been considered within the climate-related risk assessment in Section 3.2. Crux is excluded from the emissions inventory, but included in the financial impact assessment because SGH bears its share of Safeguard Mechanism offset obligations.

1.3 Materiality assessment

SGH's Audit & Risk Committee (ARC), under delegation from the Board, is responsible for performing the materiality assessment to determine which climate-related risks and opportunities could reasonably affect SGH's prospects and should therefore be addressed in this Report. For the purposes of this Report, information is considered material where SGH reasonably expects that its disclosure or omission could influence the decisions of the primary users of SGH's general purpose financial reports.

Identifying and assessing material risks and opportunities

In determining which information is material, the ARC considered both quantitative and qualitative criteria and applied judgement across the following areas:

- external sources of information, including industry reports and sustainability disclosures from comparable entities, to identify relevant disclosure topics;
- internal sources of information, including senior management and Board reports on risk identification, mitigation activities and internal scenario impact assessment in the ordinary course of these risk assessments;
- the scope of SGH's value chain, including the identification of significant suppliers and customers;
- climate-related risks and opportunities within the value chain, based on SGH's understanding of its suppliers' operations and sourcing practices, and the expected use of SGH's products and services by customers; and
- the effect of current and anticipated laws and regulations on SGH's operations, including the likelihood and potential impact of future regulatory change.

Quantitative threshold – a risk or opportunity is considered material if it could, over the relevant time horizons, result in a financial impact considering the following threshold criteria and an assessment based on the mitigated risk holistically:

- a reduction in SGH net assets exceeding five per cent, reflecting the asset-intensive nature of SGH's operations and the exposure of long-lived physical assets to climate-related physical and transition risks;
- an impairment or write-down of a major asset class exceeding five per cent of that asset class's carrying value; or
- a requirement for unplanned capital expenditure exceeding $50 million.

SGH has adopted net assets as the primary quantitative benchmark, rather than an earnings-based measure due to the nature of SGH's physical asset base, which includes heavy equipment, plant, property, and infrastructure. Net assets provide a more stable and representative benchmark than earnings, due to the long dated assets and impacts of variation impacting SGH's operating businesses in the ordinary course. This approach ensures that climate-related risks with the potential to affect asset carrying values, impairment assessments, or the useful lives of long-lived assets are captured within the materiality framework, even where near-term earnings impacts may be difficult to quantify or would otherwise be immaterial.

Qualitative threshold – a risk or opportunity is considered material if it is assessed as having a "Major" or "Catastrophic" consequence rating in the SGH Risk Matrix (refer Section 4), regardless of whether its financial impact meets the quantitative threshold above. This captures risks that could have a severe non-financial or long-term financial impact, including those that threaten the continued effective functioning of SGH, such as significant reputational damage, loss of licence to operate, or material regulatory action.

Board approval and review cycle

The Board considered and approved the climate-related risks and opportunities determined to be material by the ARC, together with the associated disclosures. The Board will review the materiality assessment annually, or upon the occurrence of a significant event or material change in circumstance.

1.4 Measurement uncertainty

The preparation of this Sustainability Report involves inherent measurement uncertainty, which is most significant in the quantification of GHG emissions and estimating impacts from future climate scenarios. Emissions data is derived from activity data inputs, including fuel consumption records, electricity invoices and process emissions in different categories that are then multiplied by applicable emissions factors sourced from the NGER Determination. Where primary measurement data is not directly available, estimation techniques also sourced from NGER are then applied in accordance with the NGER methodology.

For Boral, additional complexity arises from the measurement of process emissions associated with the calcination process in clinker manufacturing, where the relationship between raw material inputs and CO_2 output is subject to variability in feed composition. For WesTrac and Coates, Scope 1 emissions are derived predominantly from fleet fuel consumption data sourced from fuel cards, supplier delivery reports and fleet management software, which are subject to timing differences and data completeness risk. Scope 2 emissions are estimated using a location-based methodology applying state-based grid emission intensity factors published by the Clean Energy Regulator, which are themselves updated annually and subject to changes in grid fuel mix.

The emissions data presented in Section 5 of this Report has been prepared on this basis, and users should have regard to this measurement uncertainty when considering the reported figures.

1.5 Significant judgments

Management are required to exercise judgement and apply estimates and assumptions that affect the amounts and disclosures reported within this Sustainability Report. The areas involving the most significant judgements, estimates and assumptions are summarised below.

Climate scenario analysis – the selection of climate scenarios (SSP1-1.9 and SSP5-8.5), the determination of relevant time horizons, and the identification and assessment of the potential effects of climate-related risks and opportunities under each scenario involve significant judgement. The scenario narratives and assumptions applied are described in Section 3.1. Outputs from scenario analysis are inherently uncertain and may differ materially from actual outcomes, particularly over longer time horizons.

Identification and classification of Climate-related Risks and Opportunities (CRROs) – the identification of material CRROs, including the assessment of likelihood of occurrence, magnitude of potential financial effect and the time horizon over which impacts may materialise, requires the exercise of significant judgement. The materiality framework applied, including the quantitative threshold of a five per cent reduction in SGH net assets and the qualitative threshold based on the SGH Risk Matrix consequence rating is itself subject to judgement in application, as described in Section 1.3.

Financial effects of CRROs – where the anticipated financial effects of transition or physical risks have been estimated, those estimates reflect scenario assumptions, internal cost modelling and externally sourced climate hazard data. Where quantification is not practicable, in particular for longer-horizon physical risks, qualitative descriptions have been provided.

GHG emissions measurement – as described in Section 1.4 and Section 5.2, the measurement of Scope 1 and Scope 2 emissions involves estimation techniques, emissions factors and activity data subject to measurement uncertainty. Judgement is applied in determining the operational control boundary, the treatment of partial-ownership entities, and the selection of appropriate NGER emissions factors and methodology.

Emissions intensity targets – the FY30 emissions intensity reduction targets for WesTrac, Coates and Boral involve assumptions about future production volumes, revenue, technology adoption rates and the commercial viability and timing of planned abatement measures. Actual outcomes will depend on factors not wholly within SGH's control, including regulatory settings, the decarbonisation of the electricity network, OEM technology development timelines and the pace of customer demand for lower-carbon products and services.

Connectivity with financial statements – the climate-related assumptions and assessments contained in this Report have been prepared consistently with the assumptions used in SGH's consolidated financial statements for the year ended 30 June 2026. In preparing those financial statements, Management considered the potential financial effects of climate-related risks and opportunities in the application of key accounting judgements, including the assessment of indicators of impairment and recoverable amount of non-current assets (including the assumed cost of carbon offset obligations in the value-in-use assessment of SGH Energy's interest in Crux), the estimated useful lives of property, plant and equipment and producing and development assets, and the recognition and measurement of provisions. No adjustments to asset carrying values or recognition of additional provisions were considered necessary as a result of climate-related factors for the year ended 30 June 2026.

Sustainability Report continued

2. Governance

SGH's core elements of recommended climate-related disclosures are outlined below.

Core Elements of Recommended Climate-Related Disclosures

Governance
The organisation's governance around climate-related risks and opportunities.

Strategy
The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

Risk Management
The processes used by the organisation to identify, assess, and manage climate-related risks.

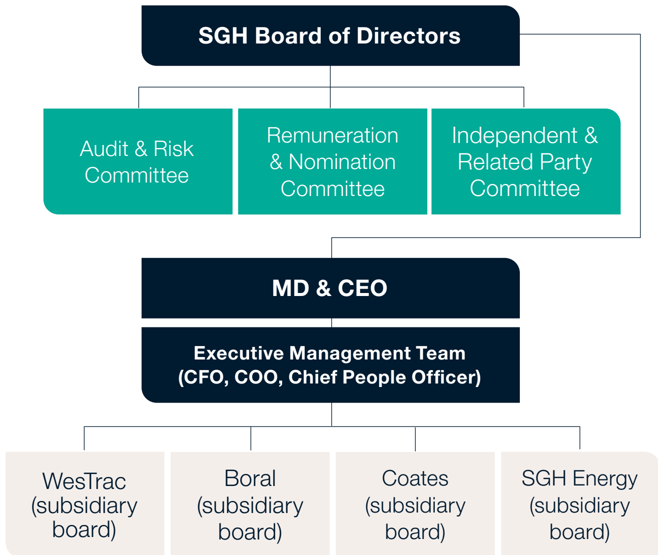
Metrics and Targets
The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

2.1 Board and Management's role in governance

The governance bodies responsible for overseeing climate-related risks and opportunities, and their respective responsibilities, are set out on the following page.

The Board and Committee responsibilities are reflected in their respective Charters, which are reviewed annually. The Board Charter sets out the governance structures and accountabilities relevant to SGH's approach to climate-related risks and opportunities. The Audit & Risk Committee Charter outlines that the ARC is responsible for reviewing Sustainability metrics and disclosure processes.

More information about the Board and its Committees can be found in the Corporate Governance Overview from page 36 and the Directors' Report on pages 44 to 45.



Board of Directors

The SGH Board of Directors holds ultimate responsibility for the oversight of climate-related matters, including their impact on SGH's strategy, risk profile, and external reporting. The Board delegates day-to-day responsibility for executing strategy, including climate-related matters, to the MD&CEO. The Board's responsibilities include:

- approving SGH's overarching risk management policy and overseeing SGH's strategy, including consideration of climate-related risks and opportunities in major transactions;
- overseeing the setting of climate-related targets, including the FY30 emissions intensity reduction targets for Boral, WesTrac and Coates, and monitoring progress against those targets; and
- approving the Sustainability Report and the climate-related disclosures contained within it, on recommendation from the ARC.

The Board is informed on climate-related performance, targets and risks through reporting from Management and the ARC, at least annually. The Board reviewed and approved SGH's climate-related transitional relief elections and material sustainability disclosures for the year ended 30 June 2026.

Audit & Risk Committee (ARC)

The ARC is the primary Committee responsible for supporting the Board in its oversight of climate-related risks and opportunities.

The ARC's responsibilities include:

- satisfying itself that a sound system of risk oversight and management exists, and that internal controls are effective, in relation to climate change risks;
- endorsing the materiality assessment to determine which climate-related risks and opportunities could reasonably affect SGH's prospects and should be addressed in this Report;
- reviewing and recommending to the Board the appropriate level of financial and non-financial risk, including climate-related risk, that SGH should be prepared to accept in executing its strategic objectives;
- recommending to the Board the level of assurance over climate-related disclosures; and
- reviewing climate-related disclosures prepared in accordance with AASB S2 and recommending them to the Board for approval.

The ARC met eight times during the year, with updates from Management presented at meetings in relation to reporting on climate-related risks, opportunities and sustainability reporting requirements where relevant. The SGH risk register is discussed twice a year, and each operating business risk register is discussed annually on a rotational basis. These discussions include climate related risks and opportunities where relevant for that business when considering the top risks identified.

Remuneration & Nomination Committee (RNC)

The RNC makes recommendations to the Board in relation to the remuneration of the MD&CEO and Non-Executive Directors, and reviews and advises on senior executive remuneration, including the integration of sustainability-related performance measures into executive incentive frameworks.

The RNC met four times during the year.

Operating Business Boards and Management

Management is responsible for reviewing, monitoring and reporting to the SGH Board on:

- SGH's performance in relation to sustainability and climate-related matters, assessed against agreed targets and measures;
- the effectiveness of SGH's policies, systems and governance structures in identifying and managing sustainability and climate-related risks that are material to SGH;
- the coordination and review of climate-related risks, strategy and reporting;
- the development of targets and implementation of initiatives in relation to SGH's material sustainability issues, including emissions reduction; and
- compliance with applicable legal and regulatory requirements associated with sustainability and climate-related matters.

Management is supported in performing this role by the internal boards of SGH's key operating businesses, being WesTrac, Boral and Coates, which are comprised primarily of members of the SGH Executive Management team and the business unit's CEO, CFO and Company Secretary. Each operating business board (BU Board) is responsible for satisfying itself that a sound system of risk oversight and management exists, and that internal controls are effective, in relation to business risks, with the assessment considering climate risks in the ordinary course.
The BU Boards meet monthly and receive annual reporting on business-wide risks and five-year rolling business strategy, that considers business risks and opportunities, with CRROs as part of this assessment. Climate-related risk and opportunity considerations have been incorporated into the BU Board's strategic considerations. This means when pursuing new initiatives, the BU Board is informed of the alignment with long-term sustainability goals and the risk of future climate-related changes as part of the broader strategic process.

Sustainability Report continued

2.2 Controls and procedures

SGH has internal processes, plans and controls for preparing climate-related information for inclusion in this Sustainability Report. The process defines roles and responsibilities across key activities including risk and opportunity identification, scenario analysis, financial impact assessment, and the measurement and reporting of GHG emissions.

Management has established the following controls and procedures to support the accuracy and reliability of climate-related information included in this Report:

- annual review of management reporting provided to the ARC and the Board, including oversight of key climate-related metrics, risks, opportunities and targets;
- cross-functional review of climate-related disclosures, drawing on subject matter expertise across SGH’s corporate functions and operating businesses including WesTrac, Coates and Boral;
- review of the measurement and estimation of GHG emissions, including verification of activity data and the application of appropriate emissions factors, to support monitoring of progress against SGH’s emissions targets; and
- internal review of the financial impacts of climate-related risks and opportunities to support connectivity between this Report and SGH’s consolidated financial statements.

SGH’s Environmental Management Policy reflects the commitment to minimising environmental impact, managing climate-related risks and opportunities, and embedding sustainability considerations across its strategy and operations.

In overseeing SGH’s strategy and its decisions on major transactions, the Board considers climate-related risks and opportunities as an element considered as part of the overall assessment. Climate-related and ESG factors are embedded in SGH’s standard due diligence framework, used to assess material transactions, including transition risks such as the Safeguard Mechanism implications where appropriate. ESG considerations are weighed alongside commercial, financial and operational considerations and any trade-offs are made transparent to the approving body.

2.3 Climate-related skills and experience

SGH’s Directors undertake an annual self-assessment of their individual skills and experience, with the process overseen by the Remuneration & Nomination Committee. The Board Skills Matrix is reviewed and assessed annually to reflect the skills and experience required to deliver SGH’s strategic objectives, including in relation to sustainability and climate change. Included within the matrix is the competency of “Corporate governance, regulatory, sustainability and community engagement”, with the Board self-assessing a weighted average rating of 97 per cent for this skill set. The Board Skills Matrix is set out on page 38 of the Corporate Governance Overview.

2.4 Remuneration

SGH’s remuneration structure is designed to attract and retain high-performing individuals and align executive reward with SGH’s business objectives, creating long-term shareholder value. No part of a Non-Executive Director’s remuneration is linked to climate-related considerations. Executive remuneration consists of a mix of fixed and variable components. Key performance indicators include financial, strategic, people, sustainability and safety related measures, which are used to determine the level of performance-based remuneration. Sustainability-related targets include initiatives such as increasing alternate fuel sourcing and the development of lower-carbon product offerings across SGH’s operating businesses. For the year ended 30 June 2026, approximately three per cent of KMP Executive’s variable maximum Short-Term Incentive was tied to climate-related objectives.

3. Strategy

SGH's operating model and diverse portfolio allows us to be flexible and agile to redeploy assets as markets change, to mitigate and manage our exposure to climate risks, and to maximise any business opportunities that climate change presents.

3.1 Climate Scenario Analysis and Key Assumptions

SGH has primarily used the Intergovernmental Panel on Climate Change (IPCC) Shared Socio-economic Pathways (SSP) as the scenario framework while also considering other relevant local and regional sources as the basis of the assessment. The IPCC's five 'Shared Socio-economic Pathways' (SSP1 to SSP5) provide a range of anticipated challenges associated with climate change. SGH has used this framework to inform its assessment of climate impacts, risk and adaptation, with the SSPs providing different scenarios and impacts when considering the potential exposure, vulnerability and challenges in achieving these pathways.

In accordance with AASB S2, SGH has undertaken a climate risk assessment for both low and high global warming scenarios, using the SSP:

Global Warming Scenarios	SSP	Overview
Low	SSP1-1.9: 1.5°C	**Fast Action**
High	SSP5-8.5: >4°C	**Hotter World**

Scenario analysis is used to stress-test SGH's strategy and business model against divergent climate futures, framed by the extremes of plausible transition and physical pathways using the SSP framework. Reflecting this, SGH has adopted a balanced strategic posture, one that preserves flexibility in our mitigation and adaptation responses as climate-related risks and opportunities evolve.

Under each scenario tested, SGH assesses how its strategy and business model may be positively or negatively impacted by transition and physical uncertainties across the short, medium and long-term.

Additional climate scenario sources used to inform this assessment include, but are not limited to:

- Intergovernmental Panel on Climate Change Sixth Assessment Report (IPCC);
- the Network for Greening the Financial System (NGFS);
- the Department of Climate Change, Energy and the Environment and Water Australia (DCCEEW);
- the International Energy Agency (IEA);
- the Australian Energy Market Operator (AEMO) 2025 Gas Statement of Opportunities issued by the Australian Energy Market Operator;
- Katestone Climate Change Risk Screening – Coates and WesTrac 2022; and
- South Pole Physical assessment - Boral 2021.

These sources are applied at the level most relevant to the exposure being assessed: global and national references (IPCC, NGFS, DCCEEW, IEA and AEMO) inform SGH level transition and physical risk pathways, while external business unit-specific assessments (such as the Katestone and South Pole reports) provide asset and location level physical risk inputs that are aggregated into the SGH view to ensure consistency of methodology across the portfolio.

SGH has identified that its operations may be exposed to both physical and transition risks in the transition to a lower-carbon economy, however this transition may also present business opportunities in certain circumstances. Management has considered the risks and opportunities of climate-related impacts over the short, medium or long-term horizon. The time horizons used are aligned to SGH's normal business practices and the strategic planning process. For this Report, the following time horizons have been used as part of our risk and resilience assessment.

Horizon	Rationale
Short-term FY27	Alignment with the period over which short-term impacts are expected to arise and SGH's annual budgeting process.
Medium-term FY28 – FY31	Alignment with the period over which medium-term impacts are expected to arise and aligns with SGH's five-year strategic planning process.
Long-term FY32 – FY50	Beyond the current strategic planning process and towards SGH's long-term ambitions.

Sustainability Report continued

An overview of the scenarios adopted and their relevancy to SGH are summarised below:

	Fast Action 1.5°C	Hotter World > 4°C
IPCC Shared Socio-economic Pathway (SSP)	SSP 1-1.9	SSP 5-8.5
Scenario narratives and assumptions	– Government policy and corporate objectives result in a pace of change that goes beyond existing climate policy, setting emissions reduction targets and rapid investment in renewable energy infrastructure consistent with limiting the global temperature rise. – Over the medium to long-term, Australia may accelerate emission targets. – A lower level of physical risk (in terms of frequency and severity of extreme weather events) compared to the hotter world.	– Australia broadly maintains their current climate policies, but the global transition is delayed and divergent. This leads to reduced demand for lower carbon solutions. – Physical impacts of climate change are anticipated to be more extreme and regular. The impact anticipated is primarily focused on assessing resilience against the anticipated acute and chronic physical risks eventuating from this outcome.
Relevance to SGH	– Opportunities to support energy transition are expected to accelerate. – Emission reduction policy results in an acceleration of low-carbon product demand, and reduced demand or higher costs impacts for more carbon-intensive products for end users. May impact Boral's cement operations or demand for fleet mix at WesTrac. – Customers are likely to accelerate more decarbonisation initiatives or actions. – The more severe physical impacts in relation to frequency and severity may be avoided, resulting in reduced operational disruptions, with impacts likely to remain intermittent and manageable.	– The construction of renewable infrastructure and customers' climate transition projects could be delayed or cancelled, reducing demand for low-carbon solutions and the value of Australian Carbon Credit Units (ACCU) used to support Boral's investment in decarbonisation projects. – Physical climate stresses in this scenario may force reactive investment in energy systems and transport infrastructure to improve reliability and or support disaster recovery. – Increased frequency of physical disruptions may adversely impact productivity and personnel safety when working within hazardous environments, while also increasing the demand for building materials that are more durable to extreme heat, fire or flood.
Physical Risk	Impact of physical risks and weather events and overall climatic conditions broadly consistent with current settings.	More extreme and frequent physical risks and weather events.
Transition Risk	To meet this pathway, an accelerated transition would be required, likely increasing the risks associated in managing this accelerated transition in relation to demand and cost of operations for products and supply chain.	Reduced policy pressure for private enterprise to invest in transition technology or alter product requirements.

3.2 Climate-related Risks and Opportunities

Transition Risk	3.2.1 Climate Risk 1: Government Policy, Legal and Regulation changes
Description	SGH is exposed to climate-related transition risks that may evolve over time in response to changes in Government policy and or legal settings such as the introduction or expansion of carbon pricing mechanisms and shifting customer and stakeholder expectations. More stringent climate-related regulation, including expansion of the Safeguard Mechanism and the potential future introduction of a Carbon Border Adjustment Mechanism, could increase operating costs in carbon-intensive activities. Government intervention and policy targeting domestic gas reservation heavily intersect with climate policy and carbon transition risks to businesses in this changing dynamic. SGH's cement clinker production at Boral, a globally recognised hard-to-abate process, is exposed to changes in these settings or requirements that may impact the cost of production. The risk to SGH is that policy settings in Australia fail to mitigate the different settings globally in relation to embedded carbon and carbon pricing boundary conditions, leading to decreasing competitiveness of locally manufactured cement. SGH Energy holds a 15.5 per cent non-operated interest in the Crux gas and condensate project, which supplies the Prelude Floating LNG facility. Prelude is a covered facility under the Safeguard Mechanism and SGH Energy bears its share of offset obligations. The cost of these obligations is sensitive to the future design or reviews of the Safeguard Mechanism. SGH will continue to monitor the Safeguard Mechanism review and the cost of compliance, including any impact on the carrying value of its investment in Crux.
Financial Impact	The main items potentially impacted in the financial statements will be revenue, operating costs, property plant and equipment, producing and development assets, carbon credit inventory, emissions liabilities, operating cash flows and investing cash flows.
Current Impact	SGH has not identified any material current impact on EBITDA, cash flow or net assets caused by climate transition risk in FY26.

3.2.1 continued

Anticipated Financial Impact

Short-term FY27

Medium-term FY28 – FY31

Approximately 28 per cent of the Berrima Maldon facility's Scope 1 emissions originate from fuel combustion, while the remaining 72 per cent are process emissions due to the calcination process; where limestone decomposes into calcium oxide and CO_2 during clinker manufacturing. The Boral BU Board approved to invest in decarbonisation initiatives to reduce both Scope 1 and 2 emissions through investing in research and development and the execution in both alternative fuels and alternative raw materials to reduce emissions.

SGH has not identified any material current impact on EBITDA, cash flow or net assets caused by climate transition risk in Horizons 1 and 2.

In line with the Government's Carbon Leakage Review by the Department of Climate Change, Energy, the Environment and Water, we have assumed that Australia adopts a Border Carbon Adjustment policy akin to the EU's Carbon Border Adjustment Mechanism. The Carbon Leakage Review specifically noted that cement and clinker production should be covered during Phase 1. A deviation from this assumption would negatively impact the cost competitiveness of Boral cement and clinker produced in NSW against cement and clinker imported from countries without equivalent carbon constraints.

SGH Energy's 15.5 per cent share of Crux Safeguard Mechanism offset costs are reflected in the Crux value-in-use assessment and are not expected to be material in these horizons.

Long-term FY32 – FY50

The transition risk is expected to increase as Australia works towards net zero emissions. If achieved, certain traditional products and equipment provided by SGH will largely be phased out, such as fossil-fuel-related products and replaced with lower-emissions products.

Boral's Berrima Maldon facility is subject to an emissions reduction profile under the Safeguard Mechanism to 2030. The absence of clarity on post-2030 requirements creates a heightened risk that additional capital investment would be needed beyond this period to meet potentially tighter emissions baselines, higher carbon costs or new abatement requirements could be poorly timed or stranded.

Investments into low-carbon concrete, alternative kiln fuels, carbon capture pilots will help Boral comply with relevant transition policies current glidepath and represent an opportunity to generate ACCUs through capital investments in lower-carbon technologies.

Due to this uncertainty over future Safeguard Mechanism requirements, we cannot quantify the impact of this risk but will continue to monitor the outcome of the ongoing review of the policy. There is no firm legislated Safeguard Mechanism target beyond 2030 with the results of the ongoing review of the Safeguard Mechanism anticipated to be released in early 2027. Based on our projected emissions reductions glidepath and the current Safeguard Mechanism emissions requirements for Berrima Maldon, SGH has not identified any material impacts on EBITDA, cash flow or net assets.

The cost of Crux offset obligations beyond 2030 is similarly dependent on the outcome of the Safeguard Mechanism review.

Sensitivity to Climate Scenarios

Fast Action 1.5°C

Policy settings, carbon pricing and customer requirements could tighten more rapidly than under current trajectories during the 2030s. This could include changes to the Safeguard Mechanism or policy settings that impact the cost of carbon and capital expenditure requirements to accelerate a reduction in emissions-intensive activities.

Tighter settings would also increase the cost of meeting Crux Safeguard Mechanism offset obligations.

Hotter World > 4°C

By the 2030s, SGH may face less urgency to transition away from carbon-intensive sectors with slower rollout of customer transition requirements, reducing the risk of diminishing volume in this sector. However, this scenario may subsequently lead to a disorderly transition, one that is sudden and uncoordinated. This could manifest as more reactive market shifts in the 2050 timeframe. We do not view this as having a material impact on SGH's business or the financial results with SGH closely monitoring any changes to the Safeguard Mechanism and adjusting our strategy accordingly.

Weaker policy would reduce the cost of Crux offset obligations.

Effects on business model, value chain, strategy and decision-making

SGH strategy sets out its growth ambitions with a focus on sectors and products expected to remain resilient and essential in a lower-carbon, climate-changed future, such as lower-carbon concrete. Climate-related risk and opportunity considerations have been incorporated into the SGH's strategic considerations. This means when SGH is pursuing new initiatives, it is informed of the alignment with long-term sustainability goals and the risk of future climate-related changes.

Sustainability Report continued

Mitigation and adaptation, transition planning efforts	SGH actively engages with governments and regulatory bodies to advocate for balanced policy outcomes that consider the interests of its stakeholders. In 2025, Boral obtained \$24.5 million in Government grants to increase the use of alternative materials in its cement kiln as part of the Federal Government's Powering the Regions Fund. The project is expected to be fully operational during Horizon 2 and could reduce CO_2 emissions by up to 100,000 tonnes per year. Boral has also obtained a \$25.5 million NSW Government High Emitting Industries Grant for alternative fuel transition products with the aim of replacing coal with lower-carbon alternative fuels for kiln thermal energy with a target of 60 per cent fuel substitution saving 1.6 million tonnes of Scope 1 CO_2 emission over the project life and diverting 73,000 tonnes of waste from landfill annually. The alternative fuel project is expected to be fully operational during Horizon 2. SGH's capital allocation policies are designed to be adaptive to climate policy, regulatory and wider market signposts and changes. The ARC and BU Board reviews strategic signposts and climate-related policy developments are reviewed as part of ongoing risk management processes including reviews of the risk registers and mitigating efforts and investments required. SGH has a climate transition ambition that outlines its carbon intensity reduction aims and alignment with climate policy. Executing our strategy to achieve this target to reduce SGH's direct and indirect emissions helps to mitigate risk by enabling compliance with emerging regulations and demonstrating alignment with customers' climate goals. See Section 5: Metrics and Targets for more detail.

Transition Risk	3.2.2 Climate Risk 2: Technology
Description	The pace at which lower-carbon technologies, equipment and materials become commercially viable across SGH's industrial markets is uncertain. If the development, availability or cost-competitiveness of these technologies lags customer expectations or regulatory settings, SGH's businesses may face increased pressure to accelerate capital investment, modify product and service offerings, or absorb cost differentials in order to maintain market position. Conversely, faster-than-anticipated adoption could create competitive advantage for businesses that have invested ahead of the curve. This risk is anticipated to manifest across the medium- and long-term horizons, with the rate and direction of technology change being the principal source of uncertainty.
Financial Impact	The financial statement line items potentially affected over the medium to long-term include property, plant and equipment, inventories (specification and obsolescence risk), research and development and capital expenditure, cost of sales (input and energy cost differentials), and revenue (where customer specifications shift toward lower-carbon products and services).
Current Impact	Customers are progressively embedding climate performance criteria into procurement, tender and supply chain decisions. To date, this has not had a material financial impact on SGH's operations. However, the prevalence of climate-related criteria in customer negotiations and tender requirements is increasing, and Management is monitoring this trend through the strategic planning cycle.

3.2.2 continued

Anticipated Financial Impact	**Short-term** FY27 **Medium-term** FY28 – FY31 SGH has not identified a material impact on EBITDA, cash flow or net assets in the short-term horizon arising from technology transition risk. Management monitors customer tender activity, OEM technology roadmaps and regulatory developments through the strategic planning cycle.	**Medium-term** FY28 – FY31 **Long-term** FY32 – FY50 For Boral, the continued reliance on conventional clinker production methods, in a sector that is globally recognised as hard-to-abate, means that significant and sustained investment in lower-carbon concrete technologies is required to remain competitive amid increasingly stringent procurement requirements. For WesTrac, the pace of commercialisation, reliability and service capacity of electrified, hybrid and lower-carbon heavy equipment will increasingly influence customer purchasing decisions, particularly among mining customers. WesTrac, working alongside Caterpillar, is focused on the introduction, technical support and aftermarket servicing of next-generation products. Coates actively manages its fleet composition as part of the capital allocation decision framework and is embedded into capital decisions and strategic planning. As customers adopt lower-emission equipment requirements based on government policy, internal targets and commercialisation, the fleet composition within Coates becomes a key determinant for customer demand and asset utilisation. Active management and communication with customers and suppliers is ongoing to protect against fleet under-utilisation and obsolescence. Due to the uncertainty of customers' demand for lower-carbon technologies, SGH has not been able to quantify the financial impact. As part of our risk mitigation efforts, we continue to plan with our customers and suppliers across our value chain to ensure our products are technologically advanced and in line with demand.
Sensitivity to Climate Scenarios	**Fast Action 1.5°C** Tightening regulatory settings and a more rapid shift in market expectations accelerate the pace of technology adoption across SGH's markets. Increased investment in new technology and fleet renewal from our customers would rely on the technology being available and competitive. SGH would also be required to keep pace with customer specifications as they evolve through product availability and pricing.	**Hotter World > 4°C** In the absence of sustained customer demand for lower-carbon products and services, the commercial case for accelerated investment in emerging decarbonisation technologies is diminished. Where customers do not differentiate suppliers on climate credentials or embed sustainability requirements into procurement, deploying capital into early-stage or higher-cost low-emission solutions becomes harder to justify against competing priorities.
Effects on business model, value chain, strategy and decision-making	For all three Industrial Services business units, strategy and decision-making is purposefully customer-centric and demand-led with optionality to be flexible as risks evolve over time. Boral's innovative concrete product design enables a curated product for each customer, providing flexibility to meet customer requirements to balance carbon reduction and other design optimisation criteria including strength, durability and cost. WesTrac and Caterpillar are aligned in adapting the products sold and serviced to end-customers that are cost competitive, reliable and positioned to improve operational efficiency. Coates' fleet investment cycle with average age of ~six years enables replacement capital expenditure investment decisions to be aligned to the short- and medium-term requirements from customers.	

Sustainability Report continued

Mitigation and adaptation, transition planning efforts	Boral's cement decarbonisation program is anchored in two projects targeting the principal sources of clinker production emissions, with the Berrima Cement production contributing to 62 per cent of Scope 1 and 2 emissions for SGH. The Alternative Fuels Project substitutes thermal coal in the kiln with alternative fuels including construction and demolition wood waste, tyre-derived fuel and high-biomass refuse-derived fuel, with the substitution rate progressing from 9 per cent in FY19 to 48 per cent in FY26 and an ambition of 60 per cent. The Alternative Raw Materials Project substitutes a portion of limestone in the kiln raw meal with industrial by-products and waste streams, targeting an increase from the current 9 to 23 per cent. Together, these projects attracted approximately $50 million in grant funding secured in 2025, with Boral committed to invest the balance of $68 million. WesTrac's response is anchored in its dealer relationship with Caterpillar and Caterpillar's long-cycle investment in low-emission product development, machine reliability and technology that supports customers' productivity. WesTrac is integrating new products and technology into the sales, service, parts offering, ensuring customer fleets can be renewed with lower-emission options that are both sustainable and commercially viable. This strategy protects against technology obsolescence without exposing customers to unproven or uneconomic solutions. Recent examples include the Australian assembly of two Caterpillar 793XE battery-electric mining trucks and Caterpillar's Dynamic Energy Transfer system, with workforce capability supported through the WesTrac Institute and Technology Training Centre. Coates introduces lower-emission equipment into its hire fleet through its ongoing capital allocation cycle as products become commercially viable and customer demand develops. Insufficient investment in the technologies, capabilities and infrastructure required to support customer transition would expose SGH to loss of market share to faster-moving competitors, increased compliance costs as carbon pricing mechanisms tighten, and constraints on its ability to secure and retain contracts where climate credentials are required by public and private sector customers.

Physical Risks	3.2.3 Climate Risk 3: Acute and Chronic Risks
Description	SGH's operations are geographically distributed across Australia and include Boral's cement, concrete, asphalt and quarry operations, WesTrac's dealership branches, workshops and parts facilities, and Coates' hire branches and fleet depots. These operations, together with the road and rail logistics networks that support them, are exposed to acute physical climate hazards including extreme heat, severe storms, bushfires and floods. More frequent or severe events may damage facilities, plant and equipment, restrict site access for employees and contractors, create unsafe working conditions, and disrupt inbound supply of inputs and outbound delivery of products and services. Although individual physical acute and chronic risks are distinct in nature, they are not individually material risks to SGH due to the disaggregated network of locations across Australia and therefore have been considered in aggregate as a climate-related risk.
Financial Impact	The financial statement line items potentially affected by acute physical climate events over the short, medium and long-term include property, plant and equipment (physical damage from acute events), inventories (damage), cost of sales (repair and remediation costs, contingency logistics, premium freight and additional labour), revenue (lost output during periods of disruption and deferred customer deliveries), insurance and risk transfer (higher premiums, increased deductibles and potentially reduced cover for high-risk locations), and provisions (rehabilitation obligations and business interruption arrangements).
Current Impact	The direct financial impact of physical climate risks on SGH's overall business performance has remained limited to date. However, SGH's operations are not immune to acute physical climate events. Periods of extreme heat, severe storms, bushfires, flooding and cyclones have had isolated impacts to FY26's operations across SGH's nationally dispersed footprint, whether through temporary site shutdowns, supply chain interruptions, damage to equipment and infrastructure, or reduced productivity during prolonged adverse weather conditions. These disruptions have to date been manageable within the normal course of operations and have not materially affected SGH's financial position or profitability with the ability to increase output after the acute physical risk disruptions.

3.2.3 continued

Anticipated Financial Impact	**Short-term** FY27 SGH does not anticipate material impacts on EBITDA, net assets or cash flow from physical climate disruptions over Horizon 1. Weather-related disruption is expected to remain manageable within existing business continuity, insurance and operational risk frameworks.	**Medium-term** FY28 – FY31 The frequency and severity of acute weather events is expected to increase progressively, including more frequent extreme heat days, intensifying rainfall, and heightened cyclone and bushfire risk in exposed regions. This may translate into increased operating and capital expenditure to maintain operational resilience, including asset hardening, enhanced workforce safety controls and revised logistics contingencies. Site selection and capital deployment decisions will continue to incorporate climate exposure as an explicit input. SGH does not anticipate material financial impacts on financial position or cash flow from physical risks across Horizon 2 with materially similar climate-related impacts to the current impact.	**Long-term** FY32 – FY50 Australia's National Climate Risk Assessment projects a continued increase in extreme weather event frequency and severity through to 2050, including projecting approximately five additional severe or extreme heatwave days per annum by 2050, and flooding events impacting logistics and supply chains. Cumulative financial exposure is expected to increase progressively, however uncertainty in projection ranges, event timing, location and severity increases materially over Horizon 3 and SGH is unable to provide a meaningful quantitative range at this stage.
Sensitivity to Climate Scenarios	**Fast Action 1.5°C** Successful global mitigation moderates the rate at which acute physical climate hazards intensify. While extreme weather frequency and severity continue to increase relative to historical baselines, reflecting warming already locked in, the more gradual rate of change provides greater lead time to adapt facilities, fleet, supply chains and workforce practices. Acute physical climate risk is expected to remain manageable under this scenario.	**Hotter World > 4°C** Expectation of more frequent and severe acute physical hazards. SGH's nationally distributed operations would face increased disruption from extreme heat, severe storms, bushfires, floods and cyclones, with corresponding effects on site availability, workforce safety, supply chain reliability and asset condition. Insurance availability and affordability for high-exposure locations could also become more constrained or cost prohibitive. This scenario carries the highest physical risk exposure for SGH.	
Effects on business model, value chain, strategy and decision-making	SGH's strategy and decision-making is customer-centric and demand-led, with operational flexibility to respond as climate-related disruptions emerge. Geographic distribution moderates physical climate exposure, with no single event likely to affect SGH's national footprint in its entirety. Boral's network of more than 320 sites and integrated supply chains across cement, aggregates, concrete and asphalt allows production and delivery to be re-routed across the network where individual sites are affected. WesTrac's dealer model and Caterpillar's global parts and service network provide redundancy in critical equipment, parts and technical support. Climate resilience is being progressively incorporated into capital deployment, engineering standards, site selection and insurance arrangements.		
Mitigation and adaptation, transition planning efforts	Boral manages weather sensitivity in concrete and asphalt placement through a combination of scheduling, mix design and customer engagement. Concrete placement is particularly sensitive to extreme temperatures and rainfall, with potential impacts on working time, surface finish and long-term strength. Pours are scheduled to cooler parts of the day, deferred during extreme conditions, and mix designs adapted (including aggregate pre-wetting) to manage hot weather placement. These are established industry practices that become increasingly critical as the frequency of extreme heat days rises. WesTrac technicians follow heat management protocols including mandatory hydration, scheduled rest breaks and monitoring for heat-related illness. Where conditions are severe, physically intensive maintenance may be rescheduled to night shifts or cooler periods, with critical servicing prioritised for climate-controlled workshop environments. WesTrac also leverages remote diagnostics and condition monitoring through Caterpillar's digital platforms, reducing the frequency and duration of on-site visits and limiting technician exposure to extreme conditions while maintaining equipment availability. For Coates, increasing frequency of acute weather events may generate offsetting demand for disaster preparedness and recovery equipment, including dewatering and pumping equipment, temporary power generation, portable lighting, traffic management, fencing and temporary structures. Construction and infrastructure rebuild activity following major events typically generates a corresponding uplift in broader equipment hire demand. Coates' vast national branch network positions the business to mobilise equipment rapidly in the event of major climate events, supporting both customer resilience and broader community recovery efforts.		

Sustainability Report continued

Physical Risks	3.2.4 Climate Opportunity 1: Supporting customers' decarbonisation
Description	SGH has identified a climate-related opportunity to develop and provide products and services that support customers' decarbonisation goals across its three operating businesses. As Australia's regulatory environment tightens and customer sustainability commitments accelerate, demand is growing for lower-carbon construction materials, lower-emission hire equipment, and electrified mining and earthmoving machinery.
Financial Impact	The main items potentially impacted in the Financial Statements will be revenue, operating costs, non-current assets, operating cash flows or investing cash flows.
Current Impact	The opportunity is already generating measurable commercial impact across SGH's business units: Boral's low carbon concrete currently represents approximately 29 per cent of total FY26 concrete volumes (~$476 million in FY26), supporting both sustainability outcomes and financial performance of customers. Boral has also completed development of a low-carbon concrete product incorporating locally sourced calcined clay, positioning it as the first Australian company to reach this milestone. Boral currently works to replace coal to heat the Berrima kiln through using alternative fuels such as wood waste, tyre waste and high biomass refuse-derived fuel which has diverted 122,000 tonnes from landfills at an alternative fuel usage percentage of 48 per cent. Boral also looks to use alternative kiln feed as a substitute to limestone through using by-products and waste from other industrial processes and currently use nine per cent of alternative materials as raw meal. WesTrac is actively supporting Caterpillar's electrification trials in the Pilbara WA, serving as the designated logistics and technical support partner for BHP and Rio Tinto's battery-electric haul truck deployments. WesTrac is investing in technician capability and branch infrastructure to support next-generation equipment. There is currently no revenue as the project is in the trial phase. In FY26, WesTrac spent $2 million on electrification training curriculum development, high-voltage tooling and test equipment. Coates' lower emissions fleet range launched in June 2022 with the current fleet comprising over 2,000 lower carbon solutions including hybrid and battery-electric access equipment, electric forklifts, solar and hybrid lighting towers, and battery-powered hand tools. Coates' current lower-carbon equipment fleet represents five per cent of total fleet value at cost (~$90 million at cost) at year end. Coates' low and zero-emissions range allows customers to reduce their environmental impact without compromising performance. For example, Coates' 2.5t Electric Forklift has zero tailpipe emissions during operation. During a 50-hour week it uses significantly less energy and costs less to run than a diesel equivalent. This equipment also achieves a significant emissions reduction, producing 176kg CO_2e- compared to 434kg CO_2e- for an equivalent diesel forklift.
Anticipated Financial Impact	**Short-term** FY27 **Medium-term** FY28 – FY31 Customers, especially working on Government tenders, are expected to increase investment in proactive resilience, which presents an opportunity for SGH to secure further revenue associated with supporting critical infrastructure, developing emergency response plans, sustainability consulting and reactive recovery work. Over the short and medium-term, SGH expects an immaterial impact on EBITDA, cash flow, or net assets from this opportunity that is incremental to the business strategy that organically pivots to meet customers' demand leads. Through investment, Boral is aiming to increase alternative fuels percentage from 48 per cent currently to 60 per cent. Further, Boral is working to increase the alternative raw materials from 9 per cent currently to 23 per cent as part of the initiative. Boral's investment in these projects and other initiatives, continue to position Boral as a leader in low-carbon concrete. Coates and WesTrac are focused on partnering with customers and OEMs to deliver products sold and rented to satisfy the evolving customer demand in an efficient and commercial setting while supporting their decarbonisation ambitions. **Long-term** FY32 – FY50 The long-term outlook carries significant uncertainty but generally signals an expanding opportunity. SGH continues to build out the product capabilities across each one of the Industrial Services businesses to be able to support customer demand.

3.2.4 continued

Sensitivity to Climate Scenarios	**Fast Action 1.5°C** Stricter climate policy accelerates demand for lower-carbon products across all three business units. Carbon pricing would be expected to rise materially. The introduction of a Carbon Border Adjustment Mechanism style border adjustments would be required to ensure high embedded carbon imports are not favoured over locally manufactured products due to boundary condition and geography of the carbon emissions.	**Hotter World > 4°C** Transition policy is weaker and more inconsistent. The opportunity still exists but develops more slowly and unevenly: For Boral, customers may choose to reduce the demand for low carbon concrete without the policy or cost pressure in some circumstances. However, physical climate impacts (heat stress, extreme weather, flooding) may increase demand for more durable concrete formulations, which Boral's low carbon range (particularly ENVISIA®) can deliver. For WesTrac, mining electrification timelines are likely to extend. Major miners may defer fleet replacement or modifications where current diesel-powered drive trains remain the most commercially compelling and reliable. However, even in this scenario, long-term technology advancements, improving commercial value of technology and corporate or investors commitment to net-zero may result in a slower transition and opportunity to transition fleet for WesTrac, albeit at a slower pace. For Coates, the pace for lower-emission equipment would be weighted more to the commercial than the policy settings, potentially resulting in slower adoption. Customer willingness to pay a commercial premium would be reduced without other political or policy settings. The opportunity would then be focused on voluntary corporate sustainability commitments and commercial viability for project-specific requirements.
Effects on business model, value chain, strategy and decision-making	This opportunity reinforces SGH's existing business model rather than requiring fundamental transformation. Each business unit is a market leader in their respective industries, and through adapting new technology and focusing on commercial pathways, we continue to consolidate our established market position and customer value proposition. For Boral, the shift toward low carbon cement and concrete is an extension of Boral's vertically integrated materials manufacturing model. Investment in alternative fuels, supplementary cementitious materials and next-generation binders enhances Boral's product range while leveraging existing production assets. Boral's supply chain for supplementary cementitious materials (fly ash, slag, calcined clay) is evolving as coal-fired power generation is in decline across Australia, reducing traditional fly ash supply. Boral's investment in calcined clay and alternative binder research positions it to diversify raw material sources while focusing on strong commercial fundamentals in meeting customer requirements. WesTrac continues to focus on meeting customer requirements for productive, reliable and commercially viable solutions to support their operations. Through the ongoing support of the evolution of Caterpillar equipment to include lower carbon and electrification options, WesTrac's role is to support customers through leading sales, parts and service delivery. The core business model of selling and supporting reliable Caterpillar equipment in mining and construction remains unchanged, with leading technical capability required (high-voltage systems, battery management, energy infrastructure) which represents a significant capability investment. Coates continues to invest in fleet, deploy nationally, and provide hire and solutions to construction, infrastructure and industrial customers. The fleet mix make-up is a function of available technology, customer demand and commercial viability of solutions offered. Coates is well positioned to manage an evolving market through deep customer relationships, extensive product and service support offered through the leading national branch network.	

Sustainability Report continued

3.3 Climate Resilience Assessment

SGH's identification and assessment of CRROs drew on scenario analysis carried out during FY26, detailed below, which also supported its evaluation of climate resilience. As part of this process, SGH considered relevant cross-industry inputs to inform its corporate strategy, such as climate-related guidance for the engineering and construction sector, insights from industry peers, and disclosures from parties across its value chain, including customers and suppliers.

As part of SGH's annual strategic planning process, each business reviews and renews its assessment of business risks including the potential impacts of climate change on our businesses SGH's approach is focused on our wholly owned and operated businesses, with material transition risks from our non-operated interests such as Crux also considered and designed to deliver long-term value for our customers, people, shareholders and the communities in which we operate.

3.3.1 Physical Risks Assessment

We have assessed the climate related risks across all SGH's locations and assessed their importance using a range of qualitative and quantitative factors including the revenue and number of employees at each location and the key physical risks. Given their strategic importance to the group, three key locations were identified due to the critical importance and unique nature of the facilities, being:

- Berrima (Cement Facility, Boral NSW);
- Guildford (Parts Distribution Centre and Component Re-Build Centre, WesTrac WA); and
- Tomago (Parts Distribution Centre and Component Re-build Centre, WesTrac NSW).

To assess the potential financial effects associated with the relevant CRROs, climate-related hazard data was collected for all sites and the relationship of the potential direct and indirect impacts against a materiality threshold including the individual and cumulative impact of each acute and chronic risk.

3.3.2 Transition Risk Assessment

SGH has reviewed transition CRROs across the businesses we operate and its material non-operated interests assessing potential growth and demand under different climate scenarios under the climate-related risks and opportunities to SGH.

SGH's value chain and business model includes its upstream supply chain of suppliers and distribution together with its downstream customers and investors. This assessment was used to inform which CRROs have been disclosed in Section 3.2.

3.3.3 Resilience Assessment

Climate-related risks and opportunities are considered within SGH's existing strategy and business planning processes. SGH has assessed the resilience of our strategy and business model through the scenario analysis described in Section 3.2, using climate scenarios commensurate with SGH's circumstances. That assessment confirms that the CRROs relevant to SGH are already addressed through the strategic and operational decisions taken in the ordinary course of business. Based on currently available information, SGH considers our strategy resilient over the short to medium term, while acknowledging uncertainty over longer horizons.

Our diversified national footprint, flexibility in our operating model and strategic planning cycle, provide the capacity to adapt as risks and opportunities emerge. SGH will continue to monitor and mature this assessment, recognising the inherent uncertainties, particularly over the longer-term horizons that are beyond our five-year planning horizon.

Key areas of significant uncertainty considered in this assessment include:

- Operational assumptions: Scenario analysis reflects current operations and planning assumptions which will evolve over time to meet market dynamics and operational priorities.
- Physical risk variability: outcomes will vary by jurisdiction to different levels, with the observed impact of global warming, timing, location and severity of extreme weather events across Australia and the planning and resilience being built by both government and private sector to harden this resilience.
- Policy pathways: future climate policies and carbon pricing settings continue to evolve and are likely to further diverge over time from current trajectories.

Notwithstanding these uncertainties and limitations, the diversity of our network, services and products provide SGH the capacity and ability to adapt our strategies over time.

4. Risk Management

4.1 Risk Management Framework

SGH's Risk Management Framework connects our Governance structure and management practices to provide clear and consistent identification, assessment, control and reporting of risks.

SGH's comprehensive risk management approach considers climate-related risks along with market, technological, operational, regulatory, social and geopolitical as one of the fundamental categories of risk that could impact our financial position. Risks are identified through structured interviews and workshops with key stakeholders, with an assessment of likelihood and risk consequences to determine the risk level for each risk in a five-by-five matrix.

Likelihood (Probability)

Consequence	**Rare** <10%	**Unlikely** 10%–19%	**Possible** 20%–49%	**Likely** 50%–80%	**Almost Certain** >80%
Catastrophic					
Major					
Moderate					
Minor					
Insignificant					

Climate related risks are identified through this framework, as part of a "whole of enterprise" risk management approach, with climate related risks identified and included where relevant in the top 20 risks. Risk registers are maintained by each operating business and reviewed by the relevant operating business board, with the ARC reviewing these registers annually.

SGH also maintains a Top 20 risks register for the whole of SGH, which is presented to the ARC every six months. Management reports key operational matters to the SGH Board through regular board reporting or out-of-cycle updates as required. These registers and reporting to the ARC may include risks in relation to climate where relevant.

4.2 Identification of Climate-Related Risks and Opportunities

At SGH, sustainability considerations are embedded in our business strategy, risk management, and culture. Business risks and opportunities, including specifically CRROs, are identified as part of the top-down and bottom-up reviews and the business planning cycle, with a focus on the material items that are likely to impact our business over the short, medium and longer term horizons.

The objective of the risk assessment process is to identify and assess the material risks that could affect the achievement of SGH's strategic objectives, and the controls that are, or need to be put in place to manage the risks. The assessment is carried out in the context of the environment in which SGH operates and the materiality of the risk or opportunity on SGH's financial position.

5. Metrics and Targets

5.1 GHG Emissions (Scope 1 and 2) – NGER Methodology

SGH continues to play our part in each of our sectors in meeting the Paris Agreement's goal to limit global temperature rises to below 2°C by the end of this century.

The SGH framework for reducing GHG emissions is based on the following principles:

- Ensure alignment of business unit targets with commercially viable decarbonisation pathways relative to their operations;
- Re-aligning targets and tracking progress against a measure of carbon reduction against a unit of production/economic activity, with dollar revenue a better reflection of the progress and growth ambitions of our operations;
- Consideration of the recently introduced mandatory sustainability reporting and disclosure legislative and regulatory requirements for Australian corporations.
- Our belief is that for sustainability to be truly effective and lasting, it must be considered across three dimensions; environmental, social, and commercial. We assess each initiative and option based on this assessment and believe that to truly deliver sustainable outcomes, it must deliver across all three areas.

Business units refreshed their decarbonisation roadmaps during FY25. Considerations included performance to date against the original roadmaps and outlook based on the latest available information and technology. We also considered the risk and additional opportunities that may be considered over time with technological advancement but have not factored this into our base assumptions.

Sustainability Report continued

5.2 Emissions Measurement Methodology

Scope 1 emissions represent direct emissions from fuel and energy sources used in vehicles, assets and facilities owned or controlled by SGH. These emissions are calculated using activity data inputs, such as transport fuel consumption, and multiplied by the applicable NGER emissions factors. For FY26, NGER Determination Number 18, Schedule 1 has been used as the relevant NGER emission factors and methodology. Due to the timing of the receipt of information, a component of SGH's emissions for the final one to two months may be estimated using the best, readily available information for some components of Scope 1 and Scope 2 emissions.

For Boral, emissions are subcategorised into fuel combustion emissions and process emissions. The fuel-combustion emissions relate to emissions incurred during combustion of fuel to support various operations and are classified as transport and non-transport operations. Process emissions relate to the calcination process in clinker manufacturing processes. Coates and WesTrac's Scope 1 emissions are predominantly fuel consumption related whereby fuel cards, supplier delivery reports and fleet management software is used to track consumption.

Scope 2 emissions cover indirect emissions associated with purchased electricity, including electricity associated with cooling, heating and steam. Emissions are calculated using supplier invoices, including those from electricity retailers, property owners and embedded networks, multiplied by the relevant emissions factors. Scope 2 emissions are estimated using a location-based methodology where state-based grid emission intensity factors published by the Clean Energy Regulator are used to estimate Scope 2 emissions. This approach calculates Scope 1 and Scope 2 emissions in accordance with the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (the Determination), a legislative instrument administered by the Clean Energy Regulator under the NGER Act 2007.

5.3 Targets

The following FY30 targets were announced at the 2024 SGH Annual General Meeting:

Operating Business	Reduction in carbon intensity as a function of revenue
Boral	30% by FY30 on FY20 Scope 1 and Scope 2 emissions
WesTrac	40% by FY30 on FY20 Scope 1 and Scope 2 emissions
Coates	40% by FY30 on FY20 Scope 1 and Scope 2 emissions

Businesses also factored in our customers' current and future requirements in shaping our business strategy, risk and opportunities. SGH has made substantial progress in each of our businesses against their FY30 carbon intensity reduction targets. There are no interim targets or milestones for FY26. There has been no revision to the targets since announced in the 2024 AGM. The targets have not been externally validated and there are no carbon credits or offsets planned to be used to achieve the targets stated.

Material current and anticipated capital expenditure in relation to achieving these targets primarily relates to Boral's Alternative Fuel project of $56 million ($31 million net of government funding) and Alternative Raw Materials project of $62 million ($37 million net of government funding). Both projects have been approved by the Boral Board and are due to be spent between FY26 and FY28. Capital expenditure by WesTrac and Coates is primarily on the installation of solar panels at major sites and transitioning the light vehicle fleet to lower carbon alternatives where feasible.

Capital decisions also include judgment associated with the demand for, and requirements around, lower carbon concrete at Boral, fleet decisions at Coates and the support and timing of the electrification journey in the mining industry for WesTrac.

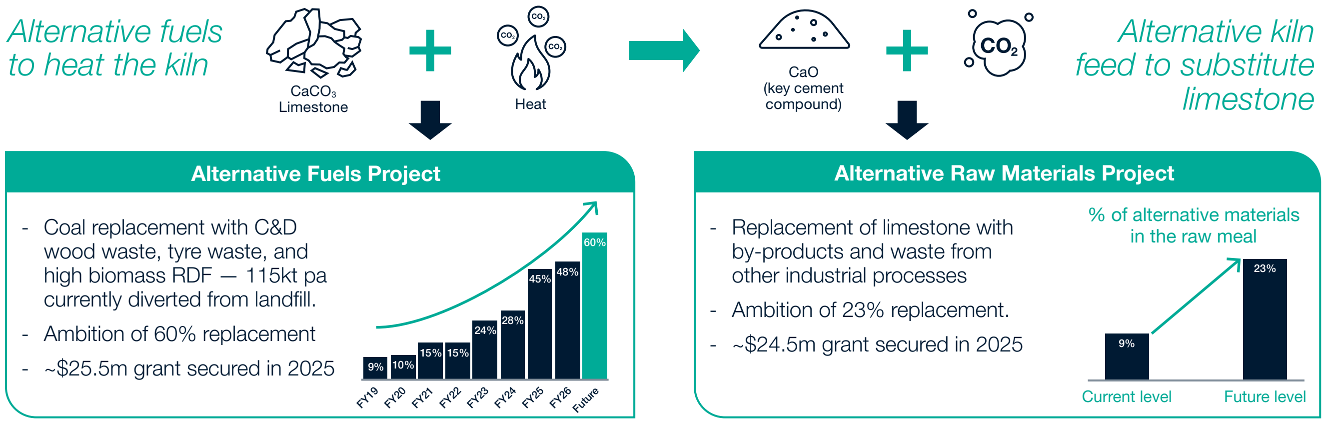
Boral's Berrima Maldon Facility is subject to the Safeguard Mechanism, a legally mandated emissions reduction scheme administered by the Clean Energy Regulator. The Safeguard Mechanism applies to all industrial facilities with Scope 1 emissions at or above 100,000 tonnes of CO_2 equivalent per financial year. The Berrima Maldon Facility represents approximately 77 per cent of Boral's Scope 1 emissions and 76 per cent of all SGH Scope 1 emissions, making it the single most critical site for SGH. SGH also has an indirect exposure to the Safeguard Mechanism through SGH Energy's interest in the Crux gas and condensate project, which supplies the Prelude facility. This exposure is addressed as a transition risk in Section 3.2.1.

Under the original Safeguard Mechanism, Australia's largest emitters were required to measure and manage their emissions baselines and purchase ACCUs if emissions exceeded limits, or baselines were breached. The Safeguard Mechanism reforms require the covered facilities to reduce their net Scope 1 emissions (i.e. their baselines) by up to 4.9 per cent each year until 2030. The baseline is set using a hybrid approach, initially weighted towards facility-specific emissions intensity values, and transitioning to default emissions intensity values by 2030. In FY26, hybrid baselines follow a 30:70 ratio between default and facility-specific emissions intensities, with this ratio increasing year on year to 40:60, 60:40, and 80:20 from FY27 to FY29, respectively, before transitioning to 100:0 in FY30. The baseline target for 2027 to 2030 is subject to variations based on clinker, cement, and supplementary cementitious materials production volumes in the reporting year. Beyond 2030, there is no firm legislated Safeguard Mechanism target, with Safeguard Mechanism review anticipated to be released in early 2027 to consider the future requirements beyond 2030.

To date, Boral has not been required to purchase any ACCUs and has successfully maintained the Scope 1 emissions of its Berrima Maldon Safeguard facility below its Safeguard Mechanism baseline. The FY26 Safeguard Mechanism baseline target for the Berrima Maldon facility is estimated at approximately 948,854t CO_2e, against which 885,376t CO_2e of Scope 1 emissions were generated at the facility.

To deliver against the Safeguard Mechanism obligations, Boral is investing in technology, updating our processes and delivering capital projects that support this obligation. An overview of how the production of cementitious material releases greenhouse gases and the two key capital projects that are being progressed as part of the decarbonisation strategy are illustrated below.

Cement Alternative Fuels and Alternative Raw Materials programs are key to meeting our target



In addition to the voluntary and legislative targets above, SGH also stated the following ambitions at the 2024 Annual General Meeting:

– Net Zero by 2050; and
– Play our part across each of our sectors in meeting the Paris Agreement's goal to limit global temperature rises to below 2°C.

These ambitions are aspirational for SGH but are not dedicated targets.

5.4 Greenhouse Gas Emissions (Scope 1 and Scope 2)

FY26 Emissions – Location-based

Greenhouse gas emission – Metric tonnes of CO_2e	FY26
Scope 1 emissions	1,166,178
Scope 2 emissions	256,970
Total Scope 1 and Scope 2 emissions	**1,423,148**

5.5 Other Cross Industry Metrics

Vulnerability of assets and business activities to climate-related risks

SGH has assessed operating locations that may be vulnerable to climate-related hazards, where vulnerable means a rating of Very High or High exposure to climate-related hazards such as flood, flash flood, bushfire, storm and cyclone. Each hazard includes relevant definitions of a Very High and High rating based on readily available physical climate related information sources.

As at 30 June 2026, the number of locations judged to be Very High (2) or High (35) risk was 37 out of the 522 locations (7 per cent) which were located in the Pilbara (14 locations) due to exposure to extreme heat and cyclones, Tropical Northern Territory/WA (5 locations) due to exposure to cyclones and monsoons, Hunter Valley (6 locations) due to exposure of flooding, Southern Highlands (2 locations) due to bushfires, North Queensland (5 locations) due to cyclones and flood exposure and remote inland Australia (5 locations) due to extreme heat. Physical risks management and mitigation plans have been established with immaterial capital expenditure spent annually to improve resiliency including vegetation management, cooling systems, flood protection and site hardening. The total number of employees at these locations represents two per cent of SGH's total workforce.

Approximately 20 per cent of SGH's revenue was assessed as being vulnerable to transition risk, representing revenue contribution in relation to capital sales at WesTrac and mechanical fleet rental revenue at Coates. WesTrac actively works with Caterpillar to develop and deploy high-technology, low-emission fleet to support market demand for mining equipment and through Coates' ongoing replacement investments in the mechanical fleet with capital expenditure of over $200 million in FY26. Although risk of obsolescence is actively monitored, SGH does not consider the vulnerability to be material based on the current anticipated changes and current business process which manage the risk of obsolescence in the ordinary course.

Alignment of asset and business activities with climate-related opportunities

Approximately five per cent of SGH's FY26 revenue was assessed to be aligned with identified climate-related opportunities, representing revenue contribution from Boral's low carbon concrete.

Internal Carbon price

SGH does not have an internal carbon price mandated to be used across all investment decisions. Consideration of carbon-related pricing inputs such as Safeguard Mechanism Credits pricing are factored into investment decisions as part of overarching sensitivity analysis under different scenarios and when assessing the impairment of assets.

Capital deployment

In FY26, the total amount of capital expenditure deployed towards climate related risks and opportunities was $6.3 million, representing $4.7 million on Boral's Alternative Raw Materials and Alternative Fuels Projects, $1.4 million on WesTrac's solar installation project and $0.2 million on Coates' solar installation projects.

Sustainability Report continued

6. Directors' Declaration

In the opinion of the Directors of SGH Limited (the Company), the Directors declare that the Company has taken reasonable steps to ensure the substantive provisions of the Sustainability Report are in accordance with the *Corporations Act 2001*, including:

(a) complying with Australian Sustainability Reporting Standard AASB S2: Climate-related Disclosures; and

(b) making the climate statement disclosures required by Section 296D of the Corporations Act.

Signed in accordance with a resolution of the Directors:

John Gillam
Chairman

Mark Johnson
Chair of the Audit & Risk Committee

Sydney
11 August 2026

Independent Auditor's Sustainability Report

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000
Australia

Tel: +61 2 9322 7000
www.deloitte.com.au

Independent Auditor's Review Report to the Members of SGH Limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of SGH Limited (the "Company") and its subsidiaries (the "Group") for the year ended 30 June 2026 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* ("ASSA 5010") issued by the Auditing and Assurance Standards Board ("AUASB"):

Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* ("AASB S2") (including related general disclosures required by Appendix D)	Location in the Sustainability Report
Governance	Paragraph 6	Section 2 'Governance' on pages 144 to 146
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Descriptions of the climate-related risks and opportunities provided within Section 3.2 'Climate-related Risks and Opportunities' on pages 148 to 155
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Section 5.4 'Greenhouse Gas Emissions (Scope 1 and Scope 2)' on page 159

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the "Act").

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* ("ASSA 5000") issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the '*Summary of the Work Performed'* section of our report below.

Independent Auditor’s Sustainability Report continued

Deloitte.

Our responsibilities under ASSA 5000 are further described in the ‘*Auditor’s Responsibilities’* section of this report.

We are independent of the Group in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024 (the “Code”), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2026 but does not include the specified Sustainability Disclosures and our auditor’s report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. The other information includes the financial report and remuneration report upon which we have performed an audit and issued a separate auditor’s report.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the Specified Sustainability Disclosures

The Directors of the Company are responsible for:

a) The preparation of the specified Sustainability Disclosures in accordance with the Act; and
b) Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations in Preparing the Specified Sustainability Disclosures

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

The specified Sustainability Disclosures include judgements and assumptions about future events and circumstances. Actual outcomes may differ from those described and, accordingly, the disclosures are subject to a higher level of inherent uncertainty.

Auditor’s Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity’s internal control.

Deloitte.

- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed
A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Performed inquiries and walkthroughs to obtain an understanding of the reporting process for preparing the specified Sustainability Disclosures, including the identification of individuals involved and an understanding of key systems used.
- With respect to Governance disclosures:
  - Inquired with management and personnel responsible for the oversight of climate-related risk and opportunities to obtain an understanding of the Group's processes, controls and procedures to monitor, manage and oversee its climate-related risks and opportunities; and
  - Performed walkthroughs and inspected the Group's internal information (e.g. Board meeting minutes, terms of reference, committee charters and internal policies).
- With respect to Strategy (risk and opportunities) disclosures:
  - Obtained an understanding of the Group's process for identifying and assessing its climate-related risks and opportunities across its reporting boundary, including management's materiality assessment process, by performing inquiries to understand the sources of the information used by management (e.g. value chain mapping, strategy documents, stakeholder engagement, peer benchmarking) and inspecting the Group's internal documentation of this process; and
  - Assessed whether the climate-related risks and opportunities disclosed are appropriate and complete, based on management's process and judgements, and whether they have been accurately described and classified.
- With respect to Scope 1 and 2 emissions disclosures:
  - Obtained an understanding of the measurement approach, inputs and assumptions used to measure the Group's greenhouse gas emissions through inquiries, walkthroughs and inspection of process flow documentation, calculations and underlying support;
  - Performed analytical procedures (e.g. trend analysis or ratio analysis or independent expectations);
  - Agreed a sample of the underlying emissions data to supporting documentation and checked the mathematical accuracy of management's calculations;
  - Assessed the relevance and reliability of emissions factors used by management; and
  - Evaluated whether management has appropriately applied the requirements of AASB S2 and the GHG Protocol and NGER Scheme legislation in developing estimates used to report emissions, and whether the methods for developing such estimates are appropriate and have been applied consistently.
- Reconciled the specified Sustainability disclosures in the sustainability report to underlying supporting calculations and/or testing.
- Evaluated the overall presentation of the specified Sustainability Disclosures in the sustainability report and considered whether the specified Sustainability Disclosures as a whole are disclosed in accordance with the relevant requirements of AASB S2.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

H Fortescue
Partner
Chartered Accountants

Sydney, 11 August 2026

Shareholder Information

The Shareholder Information set out below was applicable at 22 July 2026.

Substantial Shareholders – Ordinary Shares

The number of ordinary shares held by the Substantial Shareholders based on the most recent notifications contained in SGH's Register of Substantial Shareholders as at 22 July 2026 are as follows:

Shareholder	Number of Shares	% Held*
KM Stokes; North Aston Pty Limited, Wroxby Pty Limited, Tiberius (Seven Investments) Pty Limited and Ashblue Holdings Pty Limited; Tiberius Pty Limited, Redlake Pty Limited and Tiberius group entities; Australian Capital Equity Pty Limited, Clabon Pty Limited and Australian Capital Equity Pty Limited group entities**	207,304,349	50.93
AustralianSuper Pty Ltd***	20,375,267	5.01

* Based on the number of ordinary shares on issue at 22 July 2026.
** Based on number of shares disclosed in the Notice of Change of Interests of Substantial Holder given to ASX on 4 July 2024.
*** Based on number of shares disclosed in the Notice of Initial Substantial Holder given to ASX on 11 August 2024.

Distribution of Ordinary Shares

Category (Number of shares)	Ordinary Shareholders
1 – 1,000	42,933
1,001 – 5,000	6,620
5,001 – 10,000	729
10,001 – 100,000	355
100,001 – and over	41
Total Number of Holders	50,678
Number of Holdings less than a Marketable Parcel	970

Twenty Largest Ordinary Shareholders

Name of Shareholder	Number of Shares	% Held
North Aston Pty Limited	137,841,807	33.87
Ashblue Holdings Pty Limited	69,462,342	17.07
HSBC Custody Nominees (Australia) Limited	58,098,785	14.28
J P Morgan Nominees Australia Pty Limited	57,588,610	14.15
Citicorp Nominees Pty Limited	26,773,953	6.58
BNP Paribas Noms Pty Ltd	5,993,798	1.47
BNP Paribas Nominees Pty Ltd <Agency Lending A/C>	3,297,458	0.81
HSBC Custody Nominees (Australia) Limited <NT-Comnwlth Super Corp A/C>	1,610,978	0.40
BNP Paribas Nominees Pty Ltd <Hub24 Custodial Serv Ltd>	1,046,760	0.26
Netwealth Investments Limited <Wrap Services A/C>	847,354	0.21
BNP Paribas Noms (NZ) Ltd	584,023	0.14
Mutual Trust Pty Ltd	511,440	0.13
HSBC Custody Nominees (Australia) Limited	508,627	0.13
Certane CT Pty Ltd <Seven GP Eq In Alloc A/C>	452,279	0.11
Certane CT Pty Ltd <Seven GP Eq In Unalloc A/C>	409,139	0.10
Ryan Kerry Stokes	308,174	0.08
Netwealth Investments Limited <Super Services A/C>	305,753	0.08
Mr Barry Martin Lambert	300,000	0.07
Uechtritz Foundation Pty Ltd <L & R Uechtritz Found A/C>	273,069	0.07
Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	255,491	0.06
Total Twenty Largest Ordinary Shareholders	**366,469,840**	**90.04**

Voting Rights

Ordinary Shares

Each ordinary shareholder present at a general meeting (whether in person or by proxy or representative) is entitled to one vote on a show of hands or, on a poll, one vote for each fully paid ordinary share held.

It is SGH Limited's policy that all resolutions at a meeting of security holders are decided by a poll rather than a show of hands.

Stock Exchange Listing

SGH is listed with the Australian Securities Exchange Limited and the home exchange is Sydney.

Investor Information

Shareholder Inquiries

Investors seeking information regarding their shareholding or dividends or wishing to advise of a change of address should contact the Share Registry at:

Boardroom Pty Limited
Level 8
210 George Street
Sydney NSW 2000

GPO Box 3993
Sydney NSW 2001

Telephone:
Within Australia – 1300 020 235
From Overseas – (+61 2) 8016 2850
General enquiries – (02) 9290 9600

Email: sghinvestors@boardroomlimited.com.au

Alternatively, visit the online service at boardroomlimited.com.au.

Boardroom Pty Limited has an online service for investors called InvestorServe. This enables investors to make online changes, view balances and transaction history, as well as obtain information about recent dividend payments and download various forms to assist in the management of their holding. To use this service, visit the Boardroom Pty Limited website or www.investorserve.com.au.

For other general inquiries visit the website at www.sghl.com.au.

Tax File Number Information

SGH is obliged to record Tax File Numbers or exemption details provided by shareholders. While it is not compulsory for shareholders to provide a Tax File Number or exemption details, SGH Limited is obliged to deduct tax from unfranked dividends paid to investors resident in Australia who have not supplied such information. Forms are available upon request from the Share Registry or shareholders can submit their Tax File Number via the Boardroom website.

The CHESS System

SGH Limited operates under CHESS – Clearing House Electronic Subregister System – an Australian Securities Exchange system which permits the electronic transfer and registration of shares. Under CHESS, SGH issues a Statement of Holdings to investors, instead of share certificates, and the statement will quote the Holder Identification Number (HIN). The HIN number should be quoted on any correspondence investors have with the Share Registry.

SGH will maintain investors' holdings in an Issuer Sponsored facility, which enables investors to maintain their holding without the need to be tied to any particular stockbroker.

Company Information

Company Secretary

Warren Walter Coatsworth

Share Registry

Boardroom Pty Limited
Level 8
210 George Street
Sydney NSW 2000

Auditor

Deloitte Touche Tohmatsu
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

Legal Advisors

Herbert Smith Freehills
ANZ Tower
161 Castlereagh Street
Sydney NSW 2000

SGH

Corporate Directory

Head Office and Registered Office

SGH Limited
ABN: 46 142 003 469

Level 30, 175 Liverpool Street
Sydney NSW 2000
02 8777 7574

Key Operating Businesses

WesTrac WA
128–136 Great Eastern Highway
South Guildford WA 6055
08 9377 9444

WesTrac NSW
1 WesTrac Drive
Tomago NSW 2322
02 4964 5000

WesTrac ACT
78 Sheppard Street
Hume ACT 2620
02 6290 4500

Allight
12 Hoskins Road
Landsdale WA 6065
08 9302 7000

Boral
Level 3, Triniti 2
39 Delhi Road
North Ryde NSW 2113
02 9220 6300

Coates – Head Office
Level 1, 201 Coward Street
Mascot NSW 2020
13 15 52

Coates – East Business Unit
6 Greenhills Avenue
Moorebank NSW 2170
13 15 52

Coates – South Business Unit
120 South Gippsland Highway
Dandenong VIC 3175
13 15 52

Coates – North Business Unit
56–61 Meakin Road
Meadowbrook QLD 4131
13 15 52

Coates – West Business Unit
18 Wheeler Street
Belmont WA 6104
13 15 52

SGH Energy
Level 15, Suite 3
390 St Kilda Road
Melbourne VIC 3004
03 7053 1149