



ORORA LIMITED TAX TRANSPARENCY REPORT

For the year ended 30 June 2023

Introduction

Orora Limited (Orora) is a global manufacturer and distributor of tailored packaging, products and visual communication solutions to customers all around the world, with key operations located in Australia, New Zealand and North America.

An ASX-listed public company with headquarters in Melbourne, Australia, Orora recorded revenue of over A\$4.29 billion in FY23, with approximately 95.6% of total revenues coming from the US (~\$3,066m), Australia (~\$875m) and New Zealand (~\$162m).

Orora supports the Voluntary Tax Transparency Code as part of our responsibility to pay the right amount of tax and comply with all tax laws. This tax transparency report sets out relevant tax information for the global group comprising Orora Limited and its controlled entities (Orora) for the year ended 30 June 2023 and complies with the standard of disclosure expected of 'large businesses' under the Voluntary Tax Transparency Code. This report is intended to assist the public in understanding Orora's compliance with tax laws in Australia and global markets in which we operate.

Our Approach to Tax Governance and Tax Strategy

Tax Governance & Strategy

Orora's approach to tax governance and tax strategy is guided by our strong commitment to risk management and corporate governance and adopts a group wide tax risk management policy developed by the Group's in-house tax team, approved by the Chief Financial Officer and endorsed by the Orora Audit, Risk & Compliance Committee. Updates on the Group's global tax position are regularly provided to the Orora Board.

Orora maintains a high standard of integrity and acts as a responsible taxpayer. The Group aims to pay all taxes that it is legally subject to on a timely basis, and to comply with all relevant tax laws.

The Australian wholly owned entities form an Australian tax consolidated group, where Orora Limited is the head entity.

Engagement with Tax Authorities

Orora engages with various regulators, tax authorities, industry groups and external advisors in a transparent and professional manner. Orora has built cooperative and amicable relationships with revenue authorities throughout FY23, including the completion of a Combined Assurance Review (CAR) with the Australian Tax Office (ATO) which resulted in no adverse outcomes or amended assessments. Orora also regularly engages with global tax authorities as part of its ongoing compliance and reporting obligations.

International Related Party Transactions

Orora's international related party transactions are conducted on an arm's length basis and adhere to Australian and international revenue authority requirements, including preparing contemporaneous documentation to support these dealings. The transactions undertaken in FY23 are as follows:

1. **Intragroup services / recharges** – management services provided by Orora in Australia to foreign subsidiaries for which Orora Australia is remunerated and the recharge of share-based payments by Orora Australia for shares granted to personnel employed by Orora's respective foreign subsidiaries.
2. **Sales / purchase can parts** – sale / purchase of can ends, beverage cans and can manufacturing tooling between Orora Australia and Orora New Zealand subsidiaries.

Orora's international related party transactions were reviewed as part of the CAR undertaken by the ATO in FY23. No transactions were identified as being high risk. Orora's FY23 international related party transactions remain consistent with prior years.

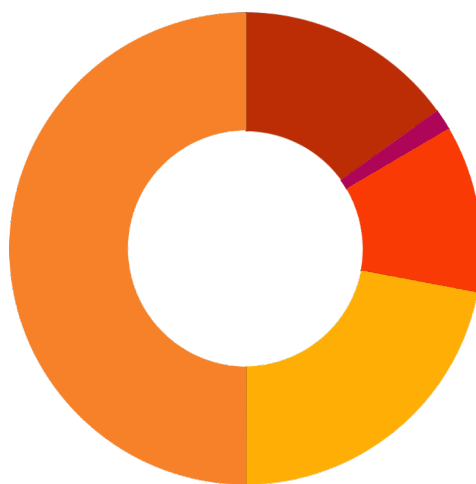
Tax paid analysis

The majority of Orora's taxes are paid in Australasia and North America, being the areas where most of Orora's business operations are located. In addition to company tax, Orora also pays various other Federal, State & local taxes including fringe benefits tax, company payroll tax, property tax, stamp duty etc. Orora collects and pays taxes on behalf of others including taxes on employee earnings, indirect taxes such as goods and services tax (GST) in Australasia and sales taxes in North America, withholding taxes etc.

Set out below is a summary of the FY23 taxes paid, collected and remitted by Orora.

\$million	Australia	New Zealand	United States	Rest of the World	Total
Tax Type					
<i>On own behalf</i>					
Company tax	(1.7) ¹	9.3	30.0	2.7	40.3
Payroll tax ²	5.4	0.0	24.1	1.1	30.6
Other taxes ³	1.1	0.1	0.3	1.8	3.3
<i>On behalf of others</i>					
GST / Sales Tax ⁴	25.6	(3.6)	32.1	4.8	58.9
PAYGW ⁵	28.3	3.0	96.7	5.7	133.7
Other – Withholding taxes ⁶	0.6	0.0	0.1	0.0	0.7
Total	59.3	8.8	183.3	16.1	267.5

FY23 global taxes paid



■ Company tax ■ Other taxes* ■ Payroll tax ■ GST / Sales Tax ■ PAYGW

* Other taxes include fringe benefit tax, land tax, stamp duty and withholding taxes.

¹ The FY23 Australian company tax refund of \$1.7m resulted from an overpayment of Australian taxes from the FY22 corporate tax return. No Australian company tax was payable in FY23 due to Orora's eligibility in claiming deductions of the temporary full expensing on eligible new depreciating assets.

² Payroll tax – paid on employment costs.

³ Other taxes – includes fringe benefits tax, land tax, stamp duty etc.

⁴ GST (net Goods & Services Taxes collected) and Sales taxes.

⁵ Employee taxes (PAYGW) – personal income tax remitted on remuneration paid to employees.

⁶ Withholding taxes - paid on dividends, interest, royalties etc.

Reconciliation of statutory profit to income tax expense and income tax payable

Orora calculates its Effective Tax Rate (ETR) as income tax expense divided by profit before income tax expense. Income tax expense is an accounting concept and reflects the amount of income tax applied for accounting purposes.

Income tax expense is calculated using the current applicable Australian tax rate of 30% and is recognised in the income statement except to the extent that it relates to items recognised in 'other comprehensive income' or transactions recognised directly in equity. The income tax expense includes both current and deferred tax. Current tax represents tax payable on the profit for the current tax year and any adjustments identified in respect of tax recognised in prior periods. Deferred tax represents the timing difference between recognising the tax in the financial statements and the actual payment of tax.

The table below provides details of Orora's global ETR for years ending 30 June 2023 and 30 June 2022. This ETR is reflective of taxes for the key regions in which Orora operates, being Australia (30% statutory corporate tax rate), New Zealand (28% tax rate) and the US (27% tax rate including US State taxes) net of R&D tax credits.

\$million	2023	2022
Profit before related income tax (expense) / benefit	247.0	258.8
Tax at the Australian tax rate of 30%	(74.1)	(77.6)
Adjustments in income tax expense due to:		
Net tax effect of amounts which are non-deductible/non-assessable for tax	3.6	(0.1)
Net tax credits and tax loss utilisation	0.6	0.7
Total income tax expense on current year profit	(69.9)	(77.0)
Income tax (under) / over in prior years	1.6	1.3
Foreign tax rate differential	6.1	4.0
Total income tax (expense) / benefit	(62.2)	(71.7)
Effective Tax Rate	25.2%	27.7%
Reconciliation of income tax expense to cash tax paid		
Total income tax (expense) / benefit	(62.2)	(71.7)
Timing differences and losses recognised in deferred tax	21.9	14.7
Current year tax payable next year	3.5	14.2
Prior period amendments and tax (payments) / refunds	(3.4)	(12.6)
Income tax received/(paid) per cash flow statement	(40.3)	(55.4)

Recognition and measurement

Current and deferred tax is recognised as an expense in the statement of financial performance except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from an initial accounting for a business acquisition, in which case it is taken into account in the determination of goodwill.

The Orora global group did not have capital losses carried forward as at 30 June 2023, and the amount of tax losses carried forward for years ending 30 June 2023 and 30 June 2022 are set out below:

\$million	2023	2022
Tax losses carried forward	20.2	-