

# Voluntary tax transparency report

## Australia 2024





#### Basis of preparation

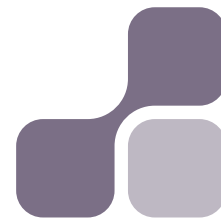
The disclosures made in this report are based on disclosures made in consolidated financial statements for Viterro Australia Holdings Pty Ltd and Viterro Holdings Pty Ltd for the years ended 31 December 2019 to 31 December 2023, which have been prepared in accordance with the relevant accounting standards and externally audited.

The consolidated financial statements for Viterro Australia Holdings Pty Ltd includes information relating to the group's subsidiary in New Zealand, Viterro New Zealand Limited, which constitutes a minor part of the consolidated disclosures for Viterro Australia Holdings Pty Ltd.

The tax contribution information has been prepared based on actual taxes paid during the year ended 31 December 2019 to 31 December 2023 (ie on a cash basis).

An internal review process of the information contained in this report has been performed by the finance function in Australia.

Amounts disclosed in this report are in Australian dollars unless otherwise stated.



## Viterrra Australia

**We are a world-leading, fully integrated agriculture network that connects Australian growers with domestic and international consumers to supply sustainable, traceable and quality-controlled agricultural products.**

We are backed by a strong global network.

We operate in 38 countries including marketing offices, storage and handling assets, processing facilities and port terminals. We have a global workforce of over 16,000 people with decades of experience and diverse capabilities.

We are a global leader in the origination, handling and marketing of wheat, barley, pulses, canola and soymeal. Across 2023, we marketed 127mMT of agricultural commodities through our supply chains.

With our talented people, decades of experience and diverse capabilities, we offer innovative solutions to open up pathways and create value for customers through our supply chains. As a responsible, long-term business, we will continue to invest in and develop our network, allowing us to meet the needs of a growing world.

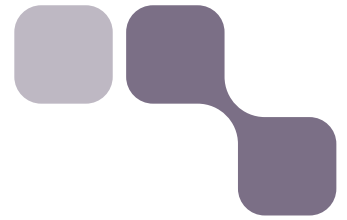
## Viterrra Australia – tax contribution

In addition to our contribution to the Australian agricultural industry, Viterrra Australia also pays corporate income tax, various payroll and employee taxes (federal and state) and other levies and duties to the ATO and State Revenue authorities.

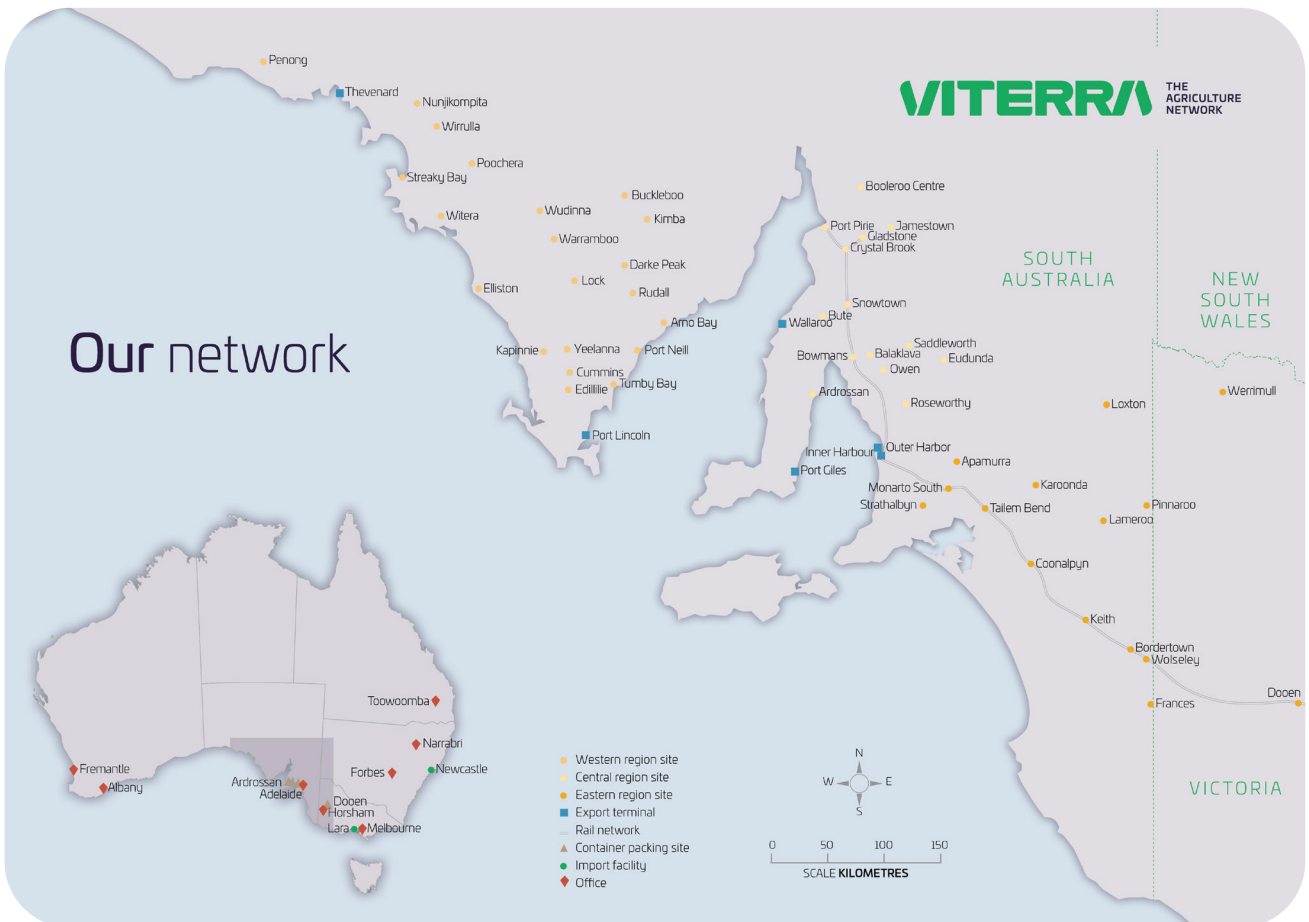
The table below displays the total taxes collected and paid for the period 2019 to 2023.

<b>Total taxes collected and paid</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Corporate income tax	288.9	8.61	32.75	52.39	86.37
Taxes and levies on land/property	6.96	3.19	4.43	4.55	4.99
Payroll tax	44	27.3	25.39	22.02	21.37
Stamp duty and other taxes	0.79	0.11	-0.07	0.01	0.89
<b>Total taxes paid</b>	<b>340.7</b>	<b>39.21</b>	<b>62.49</b>	<b>78.97</b>	<b>113.62</b>

Viterrra is a significant contributor to the agricultural industry in Australia, connecting agricultural commodities safely and efficiently between growers and customers at home and overseas. We source, handle, store, transport and market a range of agricultural commodities, including wheat, barley, oilseeds, pulses, sorghum, meals and cotton. In 2023, our origination and marketing/distribution business bought more than 7.3 million tonnes of agricultural commodities from growers across Australia to connect with domestic and overseas customers. Viterrra's storage and handling business received 7.3 million tonnes of grain in 2023, with 7.9 million tonnes shipped through our South Australian ports on behalf of 21 exporters.



<b>Storage and handling sites</b>	About 10 million tonnes total storage with sites ranging in capacity from 6,000 tonnes to over 600,000 tonnes		
<b>Commodities</b>	<ul style="list-style-type: none"> <li>wheat</li> <li>barley</li> <li>canola</li> <li>lentils</li> </ul>	<ul style="list-style-type: none"> <li>peas</li> <li>chickpeas</li> <li>fabo beans</li> <li>lupins</li> </ul>	<ul style="list-style-type: none"> <li>sorghum</li> <li>protein meals</li> <li>cotton</li> </ul>
<b>Corporate offices</b>	<ul style="list-style-type: none"> <li>Adelaide</li> </ul>	<ul style="list-style-type: none"> <li>Melbourne</li> </ul>	
<b>Grain accumulation offices</b>	<ul style="list-style-type: none"> <li>Fremantle</li> <li>Albany</li> </ul>	<ul style="list-style-type: none"> <li>Forbes</li> <li>Narrabri</li> </ul>	<ul style="list-style-type: none"> <li>Toowoomba</li> <li>Horsham</li> </ul>





## Approach to tax and transparency

**Viterrra is committed to high standards of corporate governance and tax transparency including compliance with all applicable tax laws, rules and regulations. Viterrra seeks to maintain long-term, open, transparent and cooperative relationships with tax authorities in all our host countries.**

As part of our commitment to Australian corporate tax transparency, Viterrra adopted the Australian Board of Taxation's voluntary Tax Transparency Code (the Code) from 2018 when it was part of Glencore Agriculture.

This Tax Transparency disclosure has been prepared to meet the requirements of the Code. The disclosure includes details of our tax policy, strategy and governance; and details of effective tax rate, taxes paid and international related party dealings as required under the Code.

### Tax governance and tax risk management

Viterrra's global tax strategy and governance focus is disclosed in our Group Tax Policy, which is available at [www.viterrra.com/Who-we-are/Governance](http://www.viterrra.com/Who-we-are/Governance).

Viterrra Australia espouses the principles of both the Global Code of Conduct and the Group Tax Policy.

At the foundation of this Tax Governance are the following Viterrra standards:

*"We are fully committed to comply with all applicable taxation laws including the relevant reporting requirements that may arise in the jurisdictions in which we operate.*

*We subscribe to a transparent approach with all our stakeholders. Our tax policy forms part of the Group's enterprise risk management policy and complies with all the values and principle so embedded in it.*

*The pricing of transactions between Viterrra companies must comply with the arm's length principle as defined in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and Article 9 of the OECD Model Tax Convention, which includes mandatory country-by-country reporting obligations.*

*We aim to ensure all tax returns and payments to governments are submitted accurately and payments are made on time."*

The pricing of transactions between Viterrra companies is based on fair market terms, whereby exchanges of goods, property and services are conducted on an arm's length basis.

### Transparency

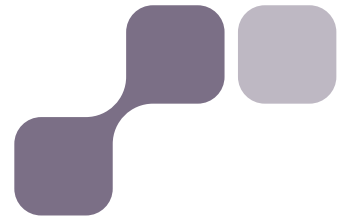
We welcome fiscal transparency as it encourages the responsible management of revenues from our activities. We believe that countries that transparently and effectively allocate natural resource wealth for the benefit of their communities have the potential to attract greater, more responsible, and longer-term business investment.

Our Board and Audit Committee engages with senior management to understand the potential tax exposures globally and the key estimates taken in determining the positions recorded, including the status of communications with local tax authorities and the carrying values of deferred tax assets.

### Intra-group transactions

Viterrra is comprised of numerous separate legal entities established across a large number of jurisdictions. Like many multinational enterprises, our business activities are coordinated (in terms of personnel, assets, and capital) on a worldwide basis.

International tax law and, in particular, the OECD Transfer Pricing Guidelines and Article 9 of the OECD Model Tax Convention governs the allocation of overall group profitability between jurisdictions. They require that individual entities within the group transact with each other at the same price that they would if they were independent parties and in due recognition of the true value to be accorded to the transaction.



The purpose of this allocation and of the Guidelines is twofold: for the fair division of Group profit to enable the levying of tax according to where it is earned; and to ensure that the same profit is taxed once and only once. The Group tax policies commit us to not engineer structures or transactions that exploit transfer pricing rules by artificially 'transferring' profit into lower tax jurisdictions. We can and do trace all intragroup transactions to value adding commercial activities.

Given the complexity of the Group's operations, our transfer pricing can, and should be, subject to careful scrutiny.

## Marketing business

Viterra's marketing activities source a diversified range of commodity products from third party growers, third party marketers and its asset-owning companies (processing plants, storage facilities such as silos and grain elevators, and certain port infrastructure including terminals). Viterra also provides value added services such as freight, third party insurance coordination, financing and/or storage, to a broad range of consumers and industrial commodity end users.

Our integrated marketing and network of asset-owning companies work side-by-side to give us presence across the entire supply chain, delivering in-depth knowledge of market supply and demand dynamics and an ability to rapidly adjust to market conditions.

All marketing arrangements within the group are priced using the "arm's length" principle in line with guidelines issued by the OECD and in accordance with local jurisdiction transfer pricing legislation.

## Low tax jurisdictions

In recent years, governments, the media and the public at large have raised legitimate questions in connection with the alleged diversion of business profits by multinational enterprises into low tax jurisdictions mainly in order to avoid paying local taxes.

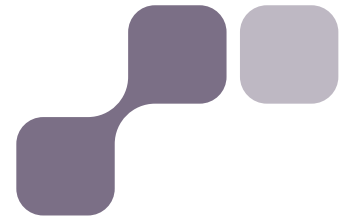
We do not undertake any such activity. Both the Group tax policies and our adherence to the OECD Transfer Pricing Guidelines forbid the allocation of profit to jurisdictions that do not provide value-adding activities and do not have any real commercial substance.

## Approach to dealings with tax authorities

Viterra recognises the important role of all tax authorities in the various jurisdictions in which the Group operates, confirming them as stakeholders in our business.

It is Viterra's policy to be transparent and proactive in all interactions with tax authorities.

In Australia, we have constructive relationships with the tax authorities and regularly engage with the ATO throughout the year to provide assurance over our tax governance practices and to ensure that tax calculations and payments accord with tax law. Nevertheless, we recognise that on occasion there will be areas in which our legal interpretation may differ from that of the ATO and where the tax treatment of activities and transactions is uncertain. In such cases, Viterra will engage in proactive discussions with the ATO with a view to bringing matters to a reasonable conclusion as rapidly and equitably as possible.



## Reconciliation of accounting profit to income tax payable

The Viterra companies in Australia are members of a Multiple Entry Consolidated (MEC) group for income tax purposes. The provisional head entity of the MEC group is Viterra Australia Holdings Pty Ltd (VAHPL). All the entities in the MEC group are wholly owned. The entities include our grain trading business based in Melbourne headed by Viterra Australia Pty Ltd and our Viterra storage and handling business based in Adelaide headed by Viterra Operations Pty Ltd. The two business groups are reported separately for financial reporting purposes and prepare separate General Purpose Financial Statements in accordance with both Australian Accounting Standards and International Financial Reporting Standards.

This report sets out the aggregated tax balances of the two business groups mentioned above for the year ended 31 December 2023.

	AU\$ million
Viterra Australia Holdings Pty Ltd and its controlled entities	265.6
Viterra Holdings Pty Ltd and its controlled entities	222.1
<b>Accounting profit for Australian group</b>	<b>487.7</b>
Income tax expense calculated at 30%	146.31
Tax effects of:	
Non-deductible items	0.53
Other	
<b>Income tax expense</b>	<b>146.84</b>
<i>Temporary differences</i>	
Fixed assets	74.3
Other financial assets/liabilities	(5.62)
Section 40-880 costs	25.0
Inventory	(2.87)
Employee and other provisions	31.4
Other	(3.9)
<b>Income tax payable for the current year</b>	
Income tax payable at start of the current year (restated)	(232.7)
Other	(140.2)
Income tax paid in the current year	288.9
<b>Income tax payable at year end</b>	<b>(84.0)</b>

Tax payable is based on taxable income at the prevailing jurisdictional tax rate.



## Effective tax rates

Australian operations	30%
Global operations	35%

The accounting effective tax rate is calculated as the income tax expense divided by accounting profit as per AASB112.

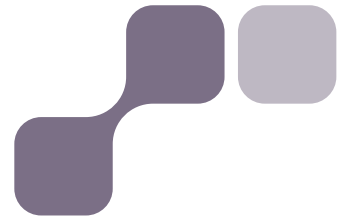
## International related party dealings

Our Australian business has dealings with related parties which are conducted on an arm's length principle in line with OECD guidelines and the Australian transfer pricing legislation. International related party commodity and service transactions occur primarily between Australian and the group's main trading offices in the Netherlands and Singapore, and to a lesser extent with Viterra's subsidiaries in other jurisdictions.

During 2023, international related party dealings comprised predominately of sales and purchases of commodities, and financing. We disclose all international related party dealings to the Australian Taxation Office through the lodgement of our tax returns and other cooperative compliance activities such as the Pre-lodgement Compliance Review (PCR) arrangement, Country-by-Country reporting and the Master and Local Files. The principal type of dealings between the Viterra MEC group and our international related parties are described at a high level below:

Key international related party dealings	Description	Significant jurisdictions
Purchases and sales of commodities	<p>Australian entities sell various commodities and also purchase commodities for sale to the Australian (domestic) market from the trading offices in the Netherlands and Singapore.</p> <p>Agricultural commodity trading occurs in an active global market which provides a deep and standard pricing methodology from the transparent market prices. Accordingly, the prices the Viterra Australian entities pay or receive closely match what third party customers would pay for the same commodities. This is in line with the arm's length principle in accordance with the OECD Transfer Pricing guidelines and Australian domestic transfer pricing legislation.</p>	<p>Netherlands</p> <p>Singapore</p>
Financing	<p>As a large business, our Australian operations are financed by a mixture of shareholders equity, external debt, related party debt, and internal capital.</p> <p>Where interest is charged on related party debt, the pricing is on an arm's length basis and benchmarked according to the OECD Transfer Pricing Guidelines and transfer pricing for the relevant jurisdictions.</p> <p>The Australian entities withhold and remit applicable interest withholding tax.</p>	<p>Netherlands</p>





## ATO tax transparency disclosures in December 2023

In October 2024, the ATO released the Corporate Tax Transparency Report for 2022-23. This report contains the total income, taxable income and tax payable for the 2023 income year for all public Australian companies with total income in excess of AU\$100m.

This information is published on the Australian Government Data website.

The tax data published for Viterra MEC Group will be in respect of the calendar year ended 31 December 2022 is as follows:

<b>ATO corporate tax transparency disclosures</b>		-
2022-23 information for the Australian MEC group headed by VAHPL		
		AU\$ million
Total income		6,245.7
Taxable income		812.86
Income tax payable		243.86
<b>Reconciliation to ATO corporate tax transparency disclosures</b>		
		AU\$ million
<i>Total income</i>		6,245.7
<i>Total expenses</i>		(5,684.8)
Total profit/(loss) <sup>1</sup>		560.9
Tax adjustments (net) <sup>2</sup>		251.9
Tax losses utilised		0.0
Taxable income		812.8
Tax @ 30%		243.8
Tax offsets		0.0
Income tax payable		243.8
Income tax paid		(244.9)
Income tax refund		1.1
Outstanding income tax liability for year ended 31 December 2022		0.0

1 Represents profit for the aggregated Viterra MEC group for the year ended 31 December 2023.

2 Represents differences between income and expense recognition for accounting and tax purposes.



[vterra.com.au](https://vterra.com.au)