



TREASURY WINE ESTATES

8 December 2021

Australian tax transparency measures **Treasury Wine Estates' Australian tax contribution in fiscal 2020**

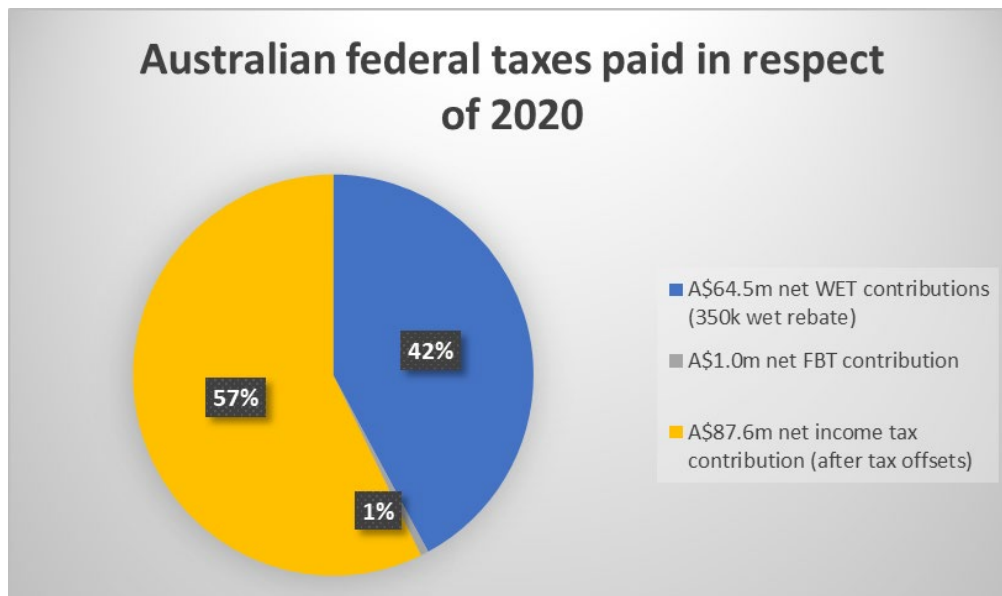
Introduction

In line with global initiatives to improve corporate tax transparency, the Australian Tax Office (ATO) will again publish information on the tax returns of public Australian companies that report a total income of A\$100 million or more in their fiscal 2020 tax return. The details to be published by the ATO are the corporate tax entity's name, Australian Business Number, total income, taxable income and income tax payable.

Treasury Wine Estates' Australian federal tax contribution for fiscal 2020

Treasury Wine Estates (TWE) paid a net amount of A\$148.9 million in Australian federal taxes for the fiscal 2020 period.

The Australian federal taxes paid by TWE for fiscal 2020 included income tax, Wine Equalisation Tax (WET), Goods and Services Tax¹ (GST) and Fringe Benefits Tax (FBT). The chart below depicts TWE's total Australian federal tax contribution in respect of fiscal 2020, split by type.



¹ TWE received a net refund of GST for the 2020 income year. The refund is largely due to taxable sales declining while purchases remained relatively consistent with the prior year. The net receivable is not depicted in the graph above.

In addition to TWE's Australian federal tax contribution shown in the chart above, TWE contributes to Australian state taxes, including payroll tax, land tax and stamp duties.

TWE's fiscal 2020 Australian tax return information

Key numbers from TWE's fiscal 2020 Australian income tax return¹ include:

	(A\$ million)
Total income ¹	1,526
Profit/(loss) before tax	270
Taxable income ²	298
Tax on taxable income	90
Tax offsets applied	(2)
Income tax payable after tax offsets	88

1. Total Australian income includes net sales revenue and all other revenue and excludes expenses (e.g. COGS, interest, employee costs, depreciation, etc.).
2. Taxable income is assessable income derived from all sources less allowable deductions incurred in gaining that income.

TWE's position on tax transparency

TWE places significant importance on maintaining high standards of tax governance and compliance, and fully supports the work on tax transparency by the ATO, the Organisation for Economic Co-operation and Development (OECD), the Group of Twenty (G20) and other organisations.

TWE has published a tax report adhering to the principles and details of the [voluntary tax transparency code](#) outlined by the Board of Taxation for the financial year ended 30 June 2020. In addition, TWE released details of its Australian federal tax contribution and Australian tax return information for the fiscal years 2014 through to 2019 in previous years.

TWE considers the greater transparency of corporate tax affairs to be an opportunity to share relevant information with stakeholders that is above and beyond what the ATO will publish later this year.

TWE's tax profile

Treasury Wine Estates Limited (TWEL) is an Australian company listed on the Australian Securities Exchange. TWEL is the ultimate global parent company of the TWE group.

TWEL has many wholly-owned subsidiaries in Australia. TWEL and its Australian wholly-owned subsidiaries are taxed in Australia as a consolidated group for income tax purposes.

Currently, TWEL has wholly-owned subsidiaries operating in our four key market segments: Australia and New Zealand, the Americas, Asia and Europe. Each of these subsidiaries is subject to the taxation regime of their respective jurisdiction.

TWE has a Tax Governance policy which has been reviewed and approved by the Board. The core guiding principles of this policy include:

- a. Comply with all tax laws in the countries in which TWE operates
- b. Maintain effective relationships with revenue authorities in countries in which TWE operates
- c. Adhere to the Board approved tax risk framework.

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