

Voluntary Tax Transparency Report

2023



GrainCorp

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About GrainCorp

GrainCorp is a leading diversified Australian agribusiness and processing company, with integrated operations across four continents and a proud history of delivering for customers for more than 100 years.

GrainCorp's integrated operating model includes origination and accumulation, storage and logistics, sales, marketing and export and value-added processing. GrainCorp has operations in Australasia, North America and the United Kingdom.

GrainCorp has two reporting segments:

- Agribusiness
- Processing

GrainCorp is committed to transparency and honest and open communication on all regulatory and financial disclosures.



Message from the Chief Financial Officer

I am pleased to present the GrainCorp Limited Voluntary Tax Transparency Report for the year ended 30 September 2023.

GrainCorp has a strong commitment to compliance with taxation laws and regulations, and ensuring we are paying the right amount of tax in all jurisdictions where we operate.

In this report you will find an overview of GrainCorp's approach to tax and the tax contributions made during FY23. The information in this report is disclosed voluntarily in line with the recommendations and guidelines contained in the Board of Taxation's Voluntary Tax Transparency Code.

This report continues to reflect our commitment to corporate tax transparency and open communication with our stakeholders.



Ian Morrison
Chief Financial Officer

GrainCorp's approach to tax

Tax Strategy

As a leading agriculture, nutrition and energy business, GrainCorp is committed to upholding its responsibilities to all stakeholders. Stakeholders include customers, employees, governments, communities and suppliers.

GrainCorp's primary focus on all tax matters is accurate compliance. GrainCorp adopts a conservative approach to tax risk. GrainCorp is committed to paying its fair share of tax and to have an effective governance framework to manage tax affairs.

GrainCorp is committed to conduct its tax affairs consistent with the following objectives, to:



1. Comply with all relevant laws, rules, regulations, and reporting and disclosure requirements, wherever we operate.



2. Apply professional diligence and care in the management of all risks associated with tax matters and ensure governance and assurance procedures are appropriate.



3. Foster constructive, professional and transparent relationships with tax authorities, based on the concepts of integrity, collaboration and mutual trust.

GrainCorp's approach to tax

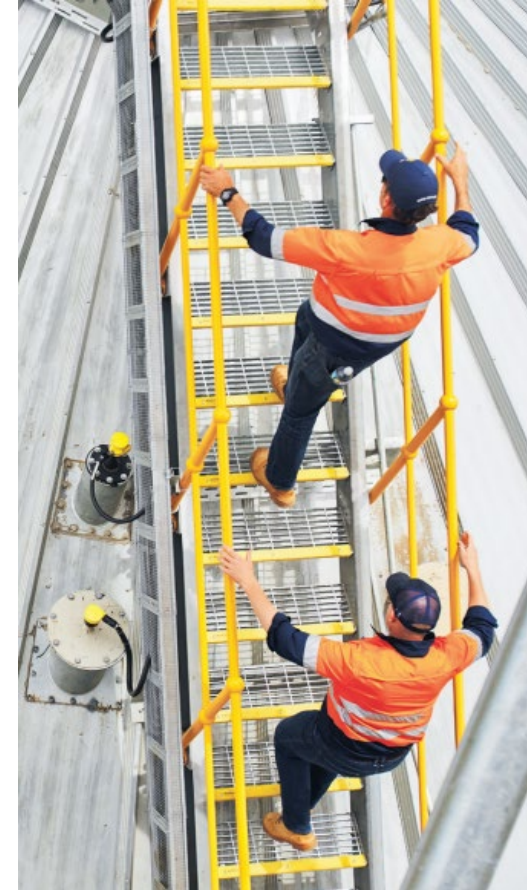
Tax Governance and Risk Management

GrainCorp is committed to complying with and observing all applicable rules and regulations in all jurisdictions in which it operates.

GrainCorp's Tax Governance is implemented through GrainCorp's Tax Strategy and Tax Risk Management Policy. Compliance with these policies is ultimately monitored by GrainCorp's Audit and Risk Committee.

The Board approved Tax Governance policies requires that:

1. Where there is uncertainty as to the application of tax law, appropriate advice should be taken from third party advisors.
2. Tax risks are communicated and escalated to appropriate personnel
3. Roles and responsibilities for tax matters are understood



International related party dealings

GrainCorp Limited, an Australian domiciled entity, is the head company of the GrainCorp group. GrainCorp's operations overseas are conducted through legal entities, all of whom are subject to local tax regimes. GrainCorp incorporates entities in jurisdictions where business activities are located.

GrainCorp undertakes a comprehensive analysis of each related party transaction to ensure it is conducted on an arm's length basis as set by the Organisation for Economic Co-operation and Development (OECD). GrainCorp operates in the following countries:

Country	Nature of Activities
Australia	Active operations – Global trading activities, bulk storage, port operations and manufacturing facilities
New Zealand	Active operations - bulk storage and manufacturing facilities
Canada	Support global trading activities and grain supply chain storage and services
United Kingdom	Seed, grain and organic trading business to connect farmers with domestic and global markets
China	Support activities
Singapore	Support global trading activities
Ukraine	Support global trading activities
India	Support activities



Reconciliation of accounting profit to income tax expense

The reconciliation below outlines the relationship between accounting profit and income tax expense and the income tax payable for the years ended 30 September 2022 and 2023

	2023		2022	
	Group \$M	Australia \$M	Group \$M	Australia \$M
Profit / (loss) from continuing operations before equity accounted investments	394.1	408.1	562.8	554.6
Share of results of investments accounted for using the equity method	(23.4)	(1.3)	(12.7)	0.0
Profit / (loss) before tax	370.7	406.8	550.1	554.6
Income tax expense / (benefit) calculated at 30%	111.2	122.0	165.0	166.4
<i>Tax effect of amounts which are not deductible / (taxable)</i>				
Non-deductible / non-assessable items	1.1	0.1	(0.6)	(0.5)
Recognition of previously unrecognised tax losses	0.0	0.0	0.0	0.0
Under / (Over) provision in prior years	1.2	0.9	1.7	1.3
Difference in overseas tax rates	0.5	0.0	(0.3)	0.0
Income tax expense / (benefit)	121.1	123.4	169.7	167.2
Accounting effective tax rate¹	30.7%	30.3%	30.1%	30.1%
<i>Temporary differences</i>				
Provisions / accruals	4.7	3.8	6.4	9.9
Tax losses	0.2	0.0	(3.9)	(5.0)
Property, plant and equipment / intangible assets / leases	(4.1)	(6.1)	0.3	1.0
Deferred revenue	(3.5)	(3.5)	4.3	4.8
Unrealised gains / (losses) on derivative contracts	28.4	30.7	(25.4)	(25.1)
Other	(14.1)	(15.5)	8.5	8.9
<i>Income tax payable / (refundable)</i>	132.7	132.8	159.9	161.7

1. Effective tax rate is calculated as the income tax expense divided by profit subject to tax (excluding equity accounted profit / loss).



Australian tax contributions

GrainCorp pays corporate income tax, salary and wage withholding tax, fringe benefits tax (FBT), withholding tax and other duties and levies to Federal and State Revenue Authorities in Australia.

The total tax collected and paid to Revenue Authorities is illustrated in the table below.

Total taxes collected and paid during the year	FY23 \$M	FY22 \$M
Tax withheld from salary and wages	83.25	72.28
Corporate income tax ¹	201.23	47.26
Payroll tax	14.35	14.01
Fringe benefits tax	0.82	0.71
Other withholding taxes, duties and levies	2.15	2.19
Total taxes collected and paid	301.80	136.45



1. GrainCorp's corporate income tax paid in FY23 is above the expected FY23 payable (shown on slide 8) due to timing of FY22 tax payments occurring in FY23.

ATO tax transparency disclosure for 2022

In December each year, the ATO releases the prior year details for the GrainCorp Limited Australian tax consolidated group income tax return. The most recent information released is for FY22.

Details of information released for the 2022 and 2021 year:

GrainCorp Limited ATO tax information	2022	2021
	A \$M	A \$M
Total Income ¹	8,153	6,043
Taxable / Net Income ²	541	4
Total tax payable ³	161	0

1. Total Income – This relates to total sales revenue earned by the GrainCorp Australia Group. This number does not include expenses incurred in making sales – such as the cost of purchasing grain.

2. Taxable / Net Income – This is GrainCorp’s Australian income less expenses. The income and expenses are adjusted for permanent and timing differences between tax and accounting. Due to drought conditions during 2018-2020 GrainCorp generated tax losses which were brought forward and reduced the taxable income.

3. Total tax payable – This is taxable income, less withholding taxes, Research and development (R&D) franking credits – multiplied by 30%. Due to the availability of tax losses, GrainCorp did not pay tax in FY21.





GrainCorp