



ORORA LIMITED TAX TRANSPARENCY REPORT

For the year ended 30 June 2021

Introduction and strategy

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 gross revenue of over A\$3.5 billion in FY21, with circa 96% of global revenues coming from the US (≈\$2,558m), Australia (≈\$727m) and New Zealand (≈\$106m).

Orora has a 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. Orora's offshore related party dealings are immaterial in the context of the overall financial results of the group.

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 2021.

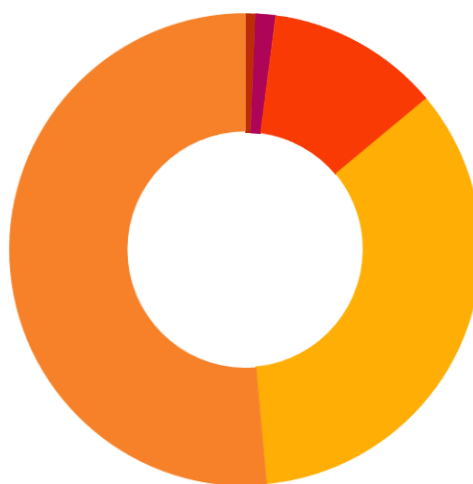
Tax paid analysis

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. In addition, 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 FY21 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	(20.3) ¹	6.0	11.9	0.9	(1.5)
Payroll tax ²	5.5	-	20.4	0.6	26.5
Other taxes ³	1.1	0.2	0.1	1.0	2.3
<i>On behalf of others</i>					
GST / Sales Tax ⁴	33.6	1.9	32.0	9.9	77.4
PAYGW ⁵	23.1	2.4	86.1	3.4	115.0
Other – Withholding taxes ⁶	0.6	-	0.1	-	0.7
Total	43.6	10.4	150.6	15.9	220.5

FY21 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 FY21 Australian company tax refund of \$20m resulted from an overpayment of Australian taxes from the FY20 corporate tax return.

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 of 27.0% for year ended 30 June 2021. 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	Continuing Operations
Profit before related income tax (expense) / benefit	177.7
Tax at the Australian tax rate of 30%	(53.3)
Adjustments in income tax expense due to:	
Net tax effect of amounts which are non-deductible/non-assessable for tax	(0.8)
Total income tax expense on current year profit	(54.1)
Income tax (under) / over in prior years	3.0
Foreign tax rate differential	3.1
Total income tax (expense) / benefit	(48.0)
Effective Tax Rate	27.0%
Reconciliation of income tax expense to cash tax paid	
Total income tax (expense)/ benefit	(48.0)
Timing differences and losses recognised in deferred tax	0.2
Current year tax payable next year	14.9
Prior period amendments and tax (payments) / refunds	34.4
Income tax received/(paid) per cash flow statement	1.5

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 material balances of tax losses or capital losses carried forward as at 30 June 2021.