



2023

Tax Transparency Report

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Acknowledgement of Country

We acknowledge the First Peoples of the lands on which Endeavour operates across Australia and New Zealand. We acknowledge the Aboriginal and Torres Strait Islander peoples as Traditional Custodians and First Nations of Australia. We pay respects to their Elders past and present, and recognise their unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to society. We acknowledge that their continuing care for Country and ancient soils since time immemorial has gifted us a uniquely Australian terroir. We also acknowledge and respect ngā iwi Māori and their unique role as tangata whenua of Aotearoa/New Zealand and as Treaty of Waitangi partners. We commit to listening to and learning from the voices, stories and cultures of First Peoples where we operate our businesses.

Aboriginal and Torres Strait Islander people are respectfully advised that this document may contain images and/or names of Aboriginal and Torres Strait Islander people who may be deceased.

Endeavour Group Limited
ACN 159 767 843

A positive imprint on the communities in which we operate

We care about creating a more sociable future together in a sustainable way.

We know our actions have a lasting imprint. We're strengthening our culture of responsibility and compliance: embedding frameworks and controls to better support our regulatory obligations.

Guided by our values, we act responsibly, inclusively, with care - with our people, our partners, our communities. We're creating our positive imprint together.

A message from our CFO

On behalf of the Board, I am very pleased to present Endeavour Group's Tax Transparency Report for the 2023 financial year.

Endeavour Group operates Australia's largest retail drinks network and the largest portfolio of licensed hotels. We care about creating a more sociable future in a sustainable way. Our sustainability strategy keeps us focused on the positive imprint we're creating for the communities we're a part of, the people we connect with and the planet we all share.

As the leading retail drinks and hotels business in Australia, we are pleased to report our \$2.4 billion of taxes paid to, and collected on behalf of, Australian Federal and State Governments in F23.

Endeavour Group pursues an approach to tax that is principled, transparent and sustainable in the long term. We are committed to ensuring that we maintain robust tax governance practices and full compliance with all statutory obligations.

In F23, we completed the first independent materiality assessment to identify topics that

matter most to our stakeholders and business, with the assessment confirming that tax transparency continues to be an important topic.

This report provides an overview of Endeavour Group's tax profile and approach to tax governance and risk management. The information contained in this report is released on a voluntary basis in accordance with the recommendations and guidelines contained in the Board of Taxation's Voluntary Tax Transparency Code.

The report should be read in conjunction with our 2023 Annual Report, which is available on our website at www.endeavourgroup.com.au.

Kate Beattie
Chief Financial Officer
Endeavour Group Limited



About Endeavour Group

Endeavour Group operates Australia's largest retail drinks network under the much-loved Dan Murphy's and BWS brands, and the largest portfolio of licensed hotels in communities across Australia. These have the support of the digital capabilities of endeavourX, the product and services capabilities of Pinnacle Drinks and other specialty drinks businesses.

We have a 30,000-strong team united by *our purpose* of 'creating a more sociable future together'. Guided by *our values* and *our ways of working*, we are passionate about bringing people together responsibly, inclusively and with care.

We are committed to building the business sustainably, acting responsibly and working in partnership to create a more sociable future for our shareholders, our customers, and the communities we serve. It is this culture that underpins and sustains the Group's ongoing success. We act through a lens of responsibility, knowing we are entrusted with leaving a positive imprint in creating memorable social occasions which bring people together.

Creating a more sociable future together

Our Values

We're real

We connect with authenticity and care.

We're inclusive

Everyone's welcome.

We're responsible

We take it seriously and do the right thing.

Our Ways of Working

We work with spirit

We share our passion, knowledge and enthusiasm for what we do. It impacts those around us positively every day.

We're team players

We collaborate, bringing the right people and perspectives together. We have open minds and speak up when something isn't right.

We endeavour for better

We give things a go, challenge each other, keep it simple and continually improve. We aim to lead our industry in responsibility.

Our approach to tax matters

Endeavour Group operates in an environment which is diverse, dynamic and continually evolving. It is exposed to various risks which must be effectively managed for the Group to live its purpose and pursue its strategic and business objectives. Endeavour Group is committed to maintaining the culture, framework and mechanisms required to manage its risks, including tax risk, in accordance with our compliance obligations and corporate governance principles and in line with our team, customer, community and shareholder expectations.

Endeavour Group's tax governance and risk management is guided by our Board approved Tax Governance Policy. This policy sets out our approach to managing tax risk and is subject to periodic review. The policy is aligned with Endeavour Group's Corporate Governance Framework and Risk Management Framework, which establishes clear lines of accountability, effective delegation, and adequate oversight.

Endeavour Group strives to adopt a low level of risk tolerance in relation to its taxation matters, by applying the following principles:

- We seek to comply with all applicable tax laws, regulations and disclosure requirements.
- We have implemented a robust tax risk management framework to identify, assess and manage tax risk, with escalation and reporting of tax issues to the Audit, Risk and Compliance Management Committee and the Board, where appropriate.
- Tax laws are inherently complex and subject to interpretation and change over time. Where a tax law or its interpretation is unclear, external advice is obtained to determine the appropriate tax treatment and, where practical and appropriate, we consult with the relevant tax authorities to proactively seek clarification.

- All material positions taken in the tax compliance process must be supportable in terms of documentation and legal interpretation.
- We do not participate in aggressive tax planning or tax avoidance arrangements.

Engagement with Revenue Authorities

Endeavour Group aims to maintain transparent and collaborative relationships with all tax authorities through regular communication, in particular engaging proactively on significant tax issues. We engage appropriately on the development of tax laws, either directly or through trade associations and other similar bodies.

Endeavour Group is subject to regular tax reviews and interacts with tax authorities on a range of issues as part of the ongoing engagement by these tax authorities. The Australian Taxation Office (ATO) has determined that Endeavour Group is a "Top 100" public taxpayer based on its size relative to other taxpayers. As part of the ATO's "Top 100 Justified Trust Program", a GST assurance review of the group is currently in progress for the 2022 financial year and the ATO has notified Endeavour Group that it will also commence an income tax review in relation to the 2022 financial year.

Income taxes

The following income tax disclosures were previously published in Endeavour Group's 2023 Annual Report in Note 3.7 to the 2023 Financial Report. These disclosures were prepared in accordance with the relevant Australian Accounting Standards Interpretations. The 2023 Financial Report reflects the 52-week period ended 25 June 2023 (F23) and comprises Endeavour and its controlled entities.

Income tax expense in the Consolidated Statement of Profit or Loss for the financial year presented comprises current and deferred tax. Income tax expense is recognised in the Consolidated Statement of Profit or Loss except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the income tax expense is also

recognised in other comprehensive income, or directly in equity, respectively.

Current tax represents the amount expected to be paid to taxation authorities on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is calculated using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting and taxation purposes. Deferred tax is measured at the rates that are expected to apply in the year in which the liability is settled, or asset realised, based on tax rates enacted or substantively enacted at the reporting date.

Reconciliation of accounting profit to income tax expense

	2023 \$M	2022 \$M
Profit before income tax	773	719
Income tax expense using the Australian corporate tax of 30%	232	216
<i>Tax effect of amounts which are not (taxable)/deductible in calculating taxable income:</i>		
Non-deductible expenses	10	7
Other	2	1
Income tax expense	244	224

Reconciliation of income tax expense to current year income tax payable

	2023 \$M	2022 \$M
Income tax expense recognised in the Consolidated Statement of Profit or Loss	244	224
Deferred tax relating to the origination and reversal of temporary differences	1	29
Current tax expense	245	253
Other adjustments ¹	2	18
Current year income tax payable	247	271

Effective company tax rates

Effective tax rate is calculated as income tax expense divided by profit before income tax.

	2023 \$M	2022 \$M
Effective tax rate for Australian and global operations²	31.6%	31.2%

¹ Other Adjustments for F23 includes prior year adjustments recognised in F23 income tax expense that do not impact current year income tax payable (F22 includes the capital gains tax payable on the sale of ALE Property Group recognised in Total comprehensive income and prior year adjustments recognised in the F22 income tax expense that do not impact the current year income tax payable).

² The Group operates primarily in Australia with some operations in New Zealand, which are immaterial to the Group.

Australian tax contribution summary

Endeavour Group's economic contribution to the Australian economy in F23 was \$2.4 billion of taxes paid to, and collected on behalf of, Australian government authorities. Endeavour Group is subject to Federal and State government taxes including income tax and other taxes such as payroll taxes, gaming taxes and fringe benefits tax.

Total taxes paid and collected

\$2,436m

Taxes paid by Endeavour Group and its controlled entities ¹

	2023 \$M
Corporate Income tax ²	393
Other taxes	
Gaming tax ³	822
Payroll tax	87
Customs and excise duties	285
Other (including fringe benefits tax)	11
Total taxes paid	1,598

Percentage of taxes paid by Endeavour Group and its controlled entities¹



1 Represents payments made by Endeavour Group and its controlled entities during F23 in relation to Australian taxes.

2 Corporate Income tax paid includes payments made during F23 for prior year instalments and final payments and F23 income tax instalments.

3 Represents gaming taxes payable on gaming revenue for F23 and excludes payments for Victorian gaming entitlements, which are recognised as intangible assets. On 16 August 2022, in the ordinary course of business, \$310 million in additions to intangibles were recognised for Victorian gaming entitlements renewing Endeavour's right to operate electronic gaming machines in its hotels in Victoria. The useful economic life of these gaming entitlements is 10 years.

International dealings

Endeavour Group Limited has a wholly owned subsidiary, Endeavour Group International (NZ) Limited, that actively trades as a grape grower and winery in New Zealand. The F23 results of this NZ subsidiary were immaterial to the Group. During F23, the dealings between Endeavour Group's Australian operations and this subsidiary included the purchase and sale of wine, based on normal commercial terms and conditions.

Taxes collected by Endeavour Group and its controlled entities¹

	2023 \$M
Net GST ²	409
Wine equalisation tax ³	118
PAYG withholding from employee salary and wages	311
Total taxes collected	838

Percentage of taxes collected by Endeavour Group and its controlled entities¹



1 Represents taxes collected and remitted by Endeavour Group and its controlled entities during F23 in relation to Australian taxes.

2 Net GST represents GST collected on Australian sales less input tax credits claimed on supplies.

3 Wine Equalisation tax is imposed on wine made, imported or sold wholesale in Australia.

Further information

Further information about Endeavour Group's operations is available on our website www.endeavourgroup.com.au

