

VOLUNTARY TAX TRANSPARENCY CODE



Computershare voluntarily publishes this information as part of its commitment to provide transparent and useful information on its tax affairs to assist in understanding Computershare's tax contribution and compliance with Australia's tax laws.

Information for the year ended 30 June 2023 is set out below.

OUR APPROACH TO TAX

Computershare is committed to meeting its tax obligations in all the countries in which it undertakes economic activity.

Computershare has a tax governance framework which has been approved by the Board. Tax falls under the oversight of the Risk and Audit Committee and tax risk is managed pursuant to documented policy. Tax expense forms part of our financial results which are reviewed regularly by management and the Board. Material tax risks are reviewed by management, Computershare's tax advisers, external auditors and the Risk and Audit Committee.

Tax is one of a broad range of commercial factors and consequences taken into account when Computershare assesses and undertakes any investment activity. Any tax planning is required to align with Computershare's commercial activities and the application of the framework and policy approved by the Board.

Computershare provides services to clients in over 22 countries. A key premise of operating share registry businesses is that public records and the maintenance of a share register ordinarily occur in the jurisdiction where Computershare's clients are registered or incorporated. Computershare's presence in particular countries is to enable the provision of our registry, custody, equity plan and related services to clients in those countries. Each revenue-generating subsidiary represents a substantial commercial presence, both in terms of physical premises and employees.

We have a strong history of compliance and of open engagement with the relevant tax authorities. This includes entering into Bilateral Advance Pricing Arrangements with the Canadian Revenue Authority (CRA), Her Majesty's Revenue and Customs (HMRC) and the Australian Taxation Office (ATO).

As an Australian headquartered company, we have created and maintained significant intellectual property in Australia which has been successfully deployed in our overseas expansion over time. Our engagement with tax authorities includes seeking to ensure that Australia receives a commercial return for the use of the intellectual property by our overseas businesses. These returns are taxable in Australia.

To the extent that Computershare generates income which is taxable in Australia, this generates franking credits which can be distributed to our shareholders. Profits from our operations overseas are taxable in the country in which they are generated. Under Australian tax law, these profits are not subject to further tax when repatriated to Australia and therefore do not generate franking credits. While unfranked dividends paid to Computershare's shareholders represent profits which have not been taxed to Computershare in Australia, they will be taxed in the hands of our shareholders when distributed, the majority of which are resident in Australia.

RECONCILIATION OF ACCOUNTING PROFIT TO INCOME TAX EXPENSE

Year ended 30 June 2023	Consolidated Global Group USD '000
Profit before income tax expense	617,691
Prima Facie tax at 30%	185,307
Variation in tax rates of foreign controlled entities	(23,808)
Withholding tax not creditable	7,617
Non-deductible asset impairments	3,440
Disposal of KCC business	(3,328)
Capital gain on internal reorganisation	2,581
US State Franchise tax	1,487
Prior year tax (over)/under provided	(1,486)
Effect of changes in tax rates and laws	455
Net other	708
Income tax expense recognised in profit or loss	172,973
Effective tax rates	
Global group effective tax rate	28%
Australian group effective tax rate	2%

The effective tax rate is calculated as accounting income tax expense as a percentage of accounting profit before income tax.

Australian group effective tax rate

As Computershare is an Australian headquartered group, it receives substantial dividends from its foreign subsidiaries. These foreign dividends are included in the Australian group's accounting profit before income tax but are not assessable under Australian tax law.

If foreign dividends (and related tax expense) are excluded, the Australian group's effective tax rate is 30%.

RECONCILIATION OF INCOME TAX EXPENSE TO INCOME TAX PAYABLE

Year ended 30 June 2023	Consolidated Global Group USD '000
Income tax expense recognised in profit or loss	172,973
Temporary differences	
Tax losses	5,133
Doubtful debts	(312)
Financial instruments and foreign exchange	85,537
Property, plant & equipment	(3,834)
Right-of-use assets	7,222
Share based remuneration	(216)
Goodwill	1,999
Intangible assets	36,040
Deferred revenue	843
Other creditors & accruals	(4,672)
Provisions	1,698
Employee benefits	2,855
Lease Liabilities	(8,187)
Mortgage servicing related liabilities	(8,148)
Foreign tax credits	(11,607)
Temporary differences charged/(credited) to equity	(73,846)
Other	(10,640)
Income tax payable for the current year	192,838
Income tax payable for the prior year (net of refunds)	17,533
Tax Paid during the year	(181,012)
Currency and other differences	(1,637) ¹
Income tax payable at year end (net of refunds)	27,722

The tax expense for the year differs from the tax payable due to the time at which tax consequences must be recognised for accounting purposes, which may be different to when the tax liability arises under tax laws.

¹ Tax obligations arise in different currencies in the various countries in which Computershare operates. These are translated into USD for reporting purposes. In the current year the net effect of currency movements is a general deterioration against the USD.

TAX CONTRIBUTIONS

Year ended 30 June 2023	USD '000
Taxes borne by Computershare	
Corporate income taxes	181,012
Employer related taxes (benefits, payroll, social security and pension contributions to governments and funds)	246,034
Property and stamp taxes	4,547
Withholding taxes	10,130
Other taxes	2,126
Taxes paid by the global group	443,849
Taxes remitted by Computershare	
Net indirect taxes collected	52,272
Taxes collected from employees and non-resident withholding	347,038
Total	843,159

ATO'S REPORT OF ENTITY TAX INFORMATION

On an annual basis, the ATO publishes its Report of entity tax information which discloses certain information (total income, taxable income and tax payable) regarding Computershare's Australian tax consolidated group. The information is generally released in the final quarter of the calendar year and sourced from Computershare's Australian income tax return.

The information to be disclosed by the ATO in late 2023 relates to the year ended 30 June 2022.

Reconciliation to Report of entity tax information Year ended 30 June 2022	AUD '000
Total income*	725,283
<i>less</i> Total expenses	(272,220)
Profit before tax	453,063
<i>Less</i> Dividends from foreign subsidiaries (not assessable under Australian tax law)	(405,796)
<i>add</i> Accounting for hedges and unrealised losses on loans	15,024
<i>add</i> Net impact of all other permanent and timing adjustments	10,802
Taxable income*	73,093
Tax @ 30%	21,928
<i>less</i> Foreign tax credits	(2,643)
Tax payable*	19,285

* Information disclosed by the ATO

BASIS OF PREPARATION

Computershare's accounting profit to income tax expense reconciliation is disclosed in Note 6 of the 2023 Annual Financial Report and has been externally audited. The income tax expense disclosed in the Annual Financial Report is calculated in accordance with Australian Accounting standards and represents the profit before income tax expense multiplied by the applicable corporate income tax rate of 30% adjusted for "permanent" differences. Permanent differences represent differences between income and expense recognition criteria under accounting principles and income tax legislation, including non-deductible expenses and non-assessable adjustments. Income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

The reconciliation of income tax expense to income tax payable has been prepared by Computershare in accordance with Australian Accounting standards.

Tax contribution information has been compiled using information on actual taxes paid or collected during the financial year (i.e. on a cash basis), rather than taxes paid or collected referable to the financial year. Computershare undertakes an internal review process through its finance function to verify the disclosures made.