

# Tax Transparency Report

for the year ended 30 September 2024

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## Company Profile

### About Aristocrat

Aristocrat is a global entertainment and gaming content creation company powered by technology. Listed on the Australian Securities Exchange, Aristocrat's three reporting segments span regulated land-based gaming, mobile games publishing, and regulated online real money gaming. The principal activities of the Group during the financial year were the design, development and distribution of gaming content, platforms and systems, including electronic gaming machines, casino management systems, free-to-play mobile games and online real money games, including iLottery. Aristocrat's regulated gaming products are approved for use in more than 340 licensed jurisdictions. Around 8,500 people across the globe are united by our company mission to bring joy to life through the power of play. Aristocrat aims to create long-term sustainable value for stakeholders, and to lead our industries in responsible gameplay and governance standards.

For more information visit the Group's website at [www.aristocrat.com](http://www.aristocrat.com).

## Global Tax Strategy

### Overview

As a large multinational organisation with worldwide operations, Aristocrat's tax affairs are complex and, if managed incorrectly, can lead to material costs and potentially even reputational damage. It is therefore important for us to have a clearly defined tax strategy that is aligned to our corporate values and protects our reputation as a responsible business and a good corporate citizen.

Our tax strategy strives to achieve an appropriate balance between creating shareholder value and mitigating risk as we support the continued growth of the business. Our tax strategy applies consistently to all jurisdictions in which we operate, and consists of four key pillars:

- Our approach to risk management and governance
- Our attitude towards managing our tax affairs
- Our reputation as a responsible business and a good corporate citizen
- Our approach to dealing with tax authorities

### Our approach to risk management and governance

Given the size, geographic scope, and complexity of our operations, and at times, uncertainty regarding the application of tax laws, risk may arise in the determination of our tax liabilities. The identification and management of risk are central to creating long-term shareholder value.

Risk management is embedded in all our critical business activities, functions, processes, and systems through the following mechanisms:

- Risk assessments – we regularly assess known, new and emerging risks
- Risk controls – we put controls in place over material risks, and periodically assess the effectiveness of those controls
- Risk materiality and tolerability evaluation – we will tolerate a low level of risk, which is inherent in taxation matters given the complexity of the law

### Our attitude towards managing our tax affairs

We seek to have a tax charge that contributes to superior business performance and delivers long-term shareholder value. In this respect, our transactions have proper commercial purposes and economic rationale. We work with external advisors to ensure material and complex tax issues are well understood and considered, enabling informed decisions to be made by our business leaders. Accordingly, we do not engage in aggressive tax planning.

### Our reputation as a responsible business and a good corporate citizen

We take our commitment to corporate citizenship seriously. We adopt an open and transparent approach to our tax affairs, and Aristocrat is a proud signatory to Australia's Voluntary Tax Transparency Code.

The Aristocrat Board is responsible for corporate governance and tax risk management standards. Management is responsible for managing tax risk, in accordance with this tax strategy and the tax risk management standards set by the Aristocrat Board.

### Our approach to dealing with tax authorities

We act with integrity when engaging with tax authorities to support positive and sustainable relationships. Where possible, for the purposes of obtaining certainty of our tax positions, we engage with tax authorities on a real-time basis regarding the application of the tax law and to identify and resolve any disagreements on a timely basis.

For further information visit <https://ir.aristocrat.com/governance>

## Income taxes disclosed in FY24 Results Announcement

The income tax results disclosed in the Group's Results Announcement for the year ended 30 September 2024 (FY24) are calculated in accordance with Australian Accounting Standards which are consistent with International Financial Reporting Standards (IFRS). Differences may exist between income tax expense/(benefit) calculated in the Results Announcement and the total cash taxes paid in a relevant tax jurisdiction during the same income year. The differences can be due to various factors, including but not limited to, timing of corporate tax instalment payments, whether any tax losses are incurred or utilised, and other taxes being excluded such as Fringe Benefits Tax (FBT), payroll and/or employee taxes.

In accordance with the Voluntary Tax Transparency Code, the disclosures below have been made in respect of FY24.

### Reconciliation of accounting profit to income tax expense and income tax payable including temporary and non-temporary differences

Aristocrat Leisure Limited	FY24 \$'m	FY23 \$'m <sup>1</sup>
<b>Profit before tax</b>	<b>1,726.6</b>	<b>1,670.4</b>
Tax at the Australian tax rate of 30% (2023: 30%)	518.0	501.1
Net impact to tax expense due to internal reorganisation of the Group Structure	(56.8)	(217.3)
Impact of changes in tax rates and law	0.5	0.1
Non-deductible expenses	51.3	16.6
Research and development tax credit	(12.5)	(12.8)
Difference in overseas tax rates	(84.0)	(76.4)
Adjustment in respect of previous years income tax	6.7	5.0
<b>Income tax expense</b>	<b>423.2</b>	<b>216.3</b>
Current		
Adjustment for prior years	(6.7)	(5.0)
Deferred		
Temporary differences	50.6	220.2
<b>Current income tax payable</b>	<b>467.1</b>	<b>431.5</b>

### Accounting effective company tax rates for Australian and global operations (pursuant to AASB guidance)

Effective tax rate (%)	FY24	FY23
<b>Global operations (Statutory)<sup>2</sup></b>	<b>24.5%</b>	12.9%
<b>Australian operations</b>	<b>34.4%</b>	31.0%

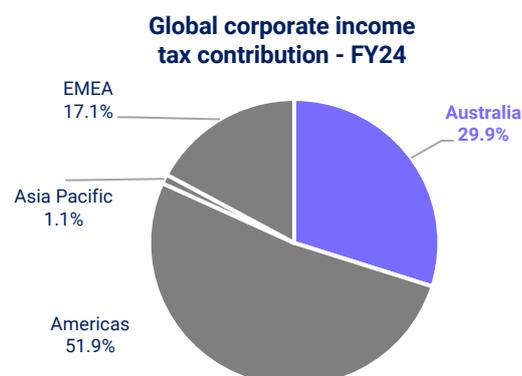
<sup>1</sup> Re-allocations were made to the FY23 comparable figures disclosed in the FY24 Results Announcement; however the total income tax expense and current income tax payable figures did not change from what was disclosed in FY23. The figures in the below column have been adjusted to be consistent with the re-allocations disclosed in the FY24 Results Announcement.

<sup>2</sup> When reporting annual results to the market, typically adjustments are made to exclude items that are non-recurring in nature. When adjusted for these items, the Group Global operations effective tax rate was 24.9% in FY24 (25.0% in FY23).

## Tax Contribution Summary

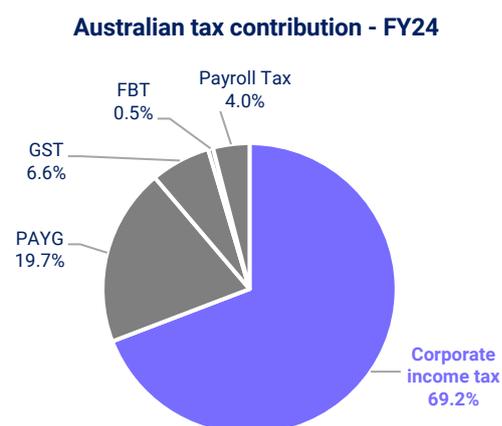
Aristocrat paid a total of \$553.6m in global corporate income taxes in FY24 (\$384.8m in FY23). Payments to tax authorities in the Australian and Americas regions continue to represent over 80% of the Group's global corporate income tax contribution.

	FY24 \$'m	FY23 \$'m
<b>Global corporate income tax contribution</b>		
Australia	165.5	79.5
Americas	287.4	277.2
Asia Pacific	5.9	6.6
EMEA	94.8	21.5
<b>Total Group income tax paid</b>	<b>553.6</b>	<b>384.8</b>



The corporate income tax of \$165.5m paid in Australia (\$79.5m in FY23), represents 29.9% of the Global corporate income tax contribution of the Group (20.7% in FY23) and 69.2% of the total Australian tax contribution (48.5% in FY23).

<b>Australian tax contribution summary</b>	FY24 \$'m	FY23 \$'m
Corporate Income Tax	165.5	79.5
PAYG Withholding <sup>3</sup>	47.1	48.3
Net GST remitted	15.8	25.2
Fringe Benefits Tax	1.3	1.2
Payroll Tax	9.6	9.6
<b>Total Australian taxes paid</b>	<b>239.3</b>	<b>163.8</b>



<sup>3</sup> PAYG Withholding includes withholding from employee salaries and royalties.

## International related party dealings

Given the size and complexity of Aristocrat's business operations, international transfer pricing is a significant area of tax risk for the Group. In order to manage this risk, Aristocrat prices its cross border related party transactions and arrangements having regard to the Group's global value chain, taking into account where value is created and where significant economic activities occur, in compliance with the OECD's Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (OECD Guidelines) and based on the arm's length principle.

Aristocrat enters into formal legal agreements with international related parties and prepares transfer pricing documentation to ensure related party transactions are documented and contemporaneous records are prepared and maintained to support the appropriateness of the arm's length pricing methodologies adopted, in accordance with the OECD Guidelines and local tax laws.

Where appropriate and possible, Aristocrat also enters into Advanced Pricing Arrangements with tax authorities to increase the certainty of tax outcomes relating to the Group's international related party transactions.

Aristocrat's key international related party dealings are summarised below:

- Licensing of intellectual property
- Contract design and development (D&D) services
- Sales and marketing services (including distribution services for the Aristocrat Gaming business)
- Group and business segment support services

Aristocrat also complies with the Country-by-Country Reporting requirements in each of the countries in which it operates.