



MITSUI & CO.

MITSUI & CO. (AUSTRALIA) LTD.

Tax Transparency Report

FOR THE FINANCIAL YEAR ENDED
31 MARCH 2024

Message from the Chief Financial Officer

I am pleased to present the Tax Transparency Report for Mitsui & Co. (Australia) Ltd. ('MCA') Multiple Entry Consolidated ('MEC') group for the year ended 31 March 2024.

The information in this report is provided in response to the Board of Taxation's Voluntary Tax Transparency Code.

At Mitsui, our corporate mission — *to build brighter futures, everywhere* — continues to guide every aspect of our operations. This commitment drives us to pursue sustainable growth, create long-term value for our stakeholders, and act responsibly in the broader interests of society.

As one of Australia's Top 100 corporate taxpayers, we recognize the important role our tax contributions play in supporting the communities in which we operate. We remain committed to transparency and integrity in all our engagements with tax authorities, and we continue

to meet evolving compliance obligations with diligence. Our business dealings align with tax laws to ensure equitable contributions.

I am proud to announce that this marks the 7th consecutive year of publishing the Tax Transparency Report by Mitsui. In the year ended 31 March 2024, our collective tax contributions across the group amounted to \$1.7 billion, reflecting an Australian effective tax rate of 20.16 %.



Mr Masafumi Kikumoto
Chief Financial Officer
Mitsui & Co. (Australia) Ltd.



For a more comprehensive review, the report is accessible on the MCA
<https://www.mitsui.com/au/en/company/financial/index.html>



Our Australian Business

The former Mitsui & Co established¹ a presence in Australia in 1901 and has stood by Australia as a committed partner, investing in its growth and strengthening its future.

We are proud to have played a pioneering role in the nation's resource sector, where we helped form international consortiums to drive iron ore, metallurgical coal and LNG projects. Many of these projects continue today, with us as founding partners.

Today, we are a major investor in Australia and a significant exporter, collaborating closely with local and global companies. Our diverse business portfolio covers iron ore, coal, liquified and natural gas, transportation, construction and mining machinery, chemicals, steel products, woodchips, salt, food, and financial services.

With deep expertise in finance, marketing, logistics, and project management, we frequently collaborate

with leading Australian and global companies. The scale and reach of our global network give us a unique ability to forge strategic partnerships and deliver market insights that set us apart.

Mitsui is dedicated to achieving net zero emissions by 2050. This will be achieved with our roadmap which outlines a pathway to halve the impact of our greenhouse gas emissions by 2030. We believe that long-term economic growth and environmental sustainability are inextricably linked, and we are dedicated to advancing both through our investments in Australia and globally.

¹ From a legal perspective, there is no continuity between the former Mitsui & Co. and the present Mitsui & Co., and they are totally separate corporate entities.

Federal and State Taxes Paid by Mitsui

TAX PERIOD: 1 APRIL 2023 - 31 MARCH 2024

 **CORPORATE INCOME
TAX – AUSTRALIA**

\$807.6m

 **FRINGE BENEFITS
TAX**

\$2.4m

 **PAYROLL
TAX**

\$6.3m

 **GST PAID
AND CLAIMED**

\$111.7m

 **STAMP
DUTIES**

\$0.8m

 **MINING
ROYALTIES**

\$684.2m

 **PETROLEUM RESOURCE
RENT TAX**

(\$6.6m)

 **GST COLLECTED AND
REMITTED**

\$75.9m

 **OTHER**

\$12.4m

**TOTAL TAX
CONTRIBUTIONS - AUSTRALIA**

\$1,507.1m

**TOTAL GST PAID AND
COLLECTED - AUSTRALIA**

\$187.6m

Tax Transparency Report

MCA MEC Tax Group

The Mitsui Group maintains several investments and engages in joint ventures in Australia. This tax report specifically pertains to the MCA MEC Group. This group consists of entities that are entirely owned by Mitsui & Co., Ltd., the Japanese parent company of MCA. MCA, serving as the provisional head company of the MEC tax group, consolidates the income tax return on behalf of its wholly owned subsidiaries and other members within the MEC tax group. All financial figures within this report are presented in Australian Dollars, unless otherwise indicated. The content of this report adheres to the guidelines outlined in the Board of Taxation's Voluntary Tax Transparency Code.

Other Mitsui & Co., Ltd. majority-owned investments in Australia outside the MEC group who have adopted the Tax Transparency Code:

Mitsui-Itochu Iron Pty Ltd has released its own report for the year ended 31 March 2024, available via the following link or QR code below.



Read the Mitsui-Itochu Iron Pty Ltd report for year ended 31 March 2024.
https://www.mitsui.com/au/en/group/1226100_9223.html



Tax Transparency Report (cont'd)

WESTERN AUSTRALIA ENTITIES

1. AWE (Bass Gas) Pty Ltd
2. AWE Energy Holdings Pty Ltd
3. AWE Petroleum Pty Ltd
4. AWE Offshore Pty Limited
5. AWE Overseas Pty Limited
6. Bunbury Fibre Exports Pty Ltd
7. MEPAU A Pty Ltd
8. MEPAU Athena Gas Processing Pty Ltd
9. MEPAU Australia Pty Limited
10. MEPAU (Beharra Springs) Pty Ltd
11. MEPAU Finance Pty Limited
12. MEPAU Otway Basin Pty Ltd
13. MEPAU Perth Basin Pty Ltd
14. MEPAU Project Pty Ltd
15. MEPAU P2P Pty Ltd
16. MEPAU (WA) Investment Company Pty Ltd
17. Mitsui & Co Mineral Resources Development Pty Ltd
18. Mitsui & Co. Iron Ore Exploration & Mining Pty Ltd
19. Mitsui E&P Australia Holdings Pty Ltd
20. Mitsui E&P Australia Pty Ltd
21. Mitsui Iron Ore Corporation Pty Ltd
22. Mitsui Iron Ore Development Pty Ltd
23. Mittwell Energy Resources Pty Ltd
24. Onslow Salt Pty Ltd
25. Outback Carbon Pty Ltd
26. Shark Bay Resources Pty Ltd
27. Shark Bay Salt Pty Ltd

QUEENSLAND ENTITIES

1. Mitsui German Creek Investment Pty Ltd
2. Mitsui Kestrel Coal Investment Pty Ltd
3. Mitsui Moranbah North Investment Pty Ltd
4. Mitsui Moura Investment Pty Ltd
5. Mitsui Resources Pty Ltd

VICTORIA ENTITIES

1. Hazelwood Churchill Pty Ltd
2. Hazelwood Pacific Pty Ltd
3. Karugamo Energy Management Pty Ltd
4. Mitsui & Co Financial Services (Australia) Ltd
5. Mitsui & Co. (Australia) Ltd
6. Mitsui Bussan Woodchip Oceania Pty Ltd

Tax Transparency Report (cont'd)

Tax Policy, Risk Management and Governance

MCA's approach to taxation aligns with our business values. MCA has a well-developed and structured risk management framework to allow tax risks to be identified, evaluated, monitored and managed. Tax is managed within that corporate governance framework and aligns with the Mitsui & Co., Ltd global tax management policy.

MCA's Tax Corporate Governance Policy is outlined below:

"...In continuous striving for effective cost management we ensure all applicable tax regulations at the local level are considered. For example, to eliminate double taxation. We do not engage in artificial tax arrangements or structures as stated below:

- 1) Arrangements or structures without reasonable business purpose or commercial rationale other than the intention of tax avoidance.
- 2) Arrangements or structures which inappropriately erode the tax basis, or shift the attribution of profits from a state based on economic activities and value creation to a state in which to achieve tax avoidance..."

The MCA tax corporate governance framework was prepared in accordance with the ATO's Tax Risk Management and Governance Review Guide. The policy sets out MCA's approach to conducting its tax affairs and dealings with tax risks and is periodically reviewed by the MCA tax team. MCA has paid all its tax liabilities and all tax compliance obligations are up to date.



For more information read our Global Tax Management Policy
https://www.mitsui.com/jp/en/company/outline/governance/system/pdf/global_tax_policy_e.pdf

Tax Transparency Report (cont'd)

Australian Taxation Office ('ATO') Engagement

MCA values and is committed to maintaining an open, cooperative, and transparent relationship with tax authorities. We proactively engage with the Australian Taxation Office through the Pre-lodgement Compliance Review (PCR) program, which is designed for Australia's largest corporate taxpayers. This involves ongoing, real-time discussions with the ATO on significant transactions and the tax positions we adopt on key matters.

MCA continues to work closely with the ATO under its Justified Trust program, with the objective of achieving the highest level of assurance on all relevant issues. The ATO recognizes our efforts in maintaining strong compliance and acknowledges our commitment to transparent engagement aimed at mitigating tax risks. This

includes proactively seeking tax certainty for key transactions through mechanisms such as Private Binding Rulings and Bilateral Advance Pricing Arrangements, where appropriate.

Our approach to tax is guided by the interpretation of tax laws based on applicable guidance, and we engage with tax authorities to discuss these interpretations, assess potential risks, and minimise the likelihood of disputes. We are committed to full, timely, and accurate disclosure of information as required by law, whether through regular tax filings or during reviews and audits. In the event of any disputes, we maintain a constructive and collaborative approach with the aim of reaching mutually acceptable resolutions.



Tax Transparency Report (cont'd)

Reconciliation of Profit before Tax to Income Tax Expense and Income Tax Payable

	Note	FY2024 AUD ('Mil)	FY2023 AUD ('Mil)
MCA MEC Group Income		9,650.9	10,842.7
MCA MEC Group Expense		5,564.4	6,034.0
Profit before tax (per MCA MEC group tax return)		4,086.5	4,808.7
Tax @ 30%		1,225.9	1,442.6
Non-Temporary Differences			
Share of profits - equity accounting		(465.9)	(366.9)
Non-deductible expenses (and other items)	1	98.8	66.6
Under /(Over) income tax provision (prior year)		(34.9)	(1.0)
Income tax expense		823.9	1,141.3
Franking credits		464.5	452.9
Other temporary (provisions, accruals)		(39.7)	(119.8)
Under /(Over) income tax provision (current year)		3.6	(2.5)
Other Items		25.6	-
Income tax payable		1,278.1	1,471.9
Less: franking credits		(464.6)	(452.9)
Less: foreign tax credit / R&D credits		(5.9)	(7.1)
Income tax paid		807.6	1,011.9
MCA Effective Tax Rate ("ETR")	2	20.16%	23.7%
Mitsui ETR	3	17%	17.3%

1. Comprising mainly of dividends received from majority-owned investments outside the MEC group.
2. The key driver for the difference between MCA's ETR of 20.16% and the statutory Australian corporate tax rate of 30% is the receipt of the franked dividend from MCA's other Australian investments. This receipt entitles MCA to a tax offset when calculating its Australian Income tax liability.
3. Refer to page 187 of the 'Annual Securities Report' located here: https://www.mitsui.com/jp/en/ir/library/securities/_icsFiles/afieldfile/2024/06/19/en_105yuho.pdf Mitsui's ETR is determined by considering its global operations in multiple jurisdictions, each subject to differing corporate tax rates. This calculation involves dividing Income Tax Expense (JPY221.9B) by Profit Before Tax (JPY1,302.4B) for the financial year ended 31 March 2024.

Tax Transparency Report (cont'd)

Total Tax Contributions

	Note	FY2024 AUD ('Mil)	FY2023 AUD ('Mil)
Corporate Income Tax – Australia		807.6	1,011.9
Fringe Benefits Tax		2.4	2.2
Payroll Tax		6.3	5.3
Stamp Duties		0.8	0.6
Mining Royalties		684.2	789.9
Petroleum Resources Rent Tax	4	(6.6)	169.6
Other		12.4	7.3
Total		1,507.1	1,986.8

4. Decrease in Petroleum Resource Rent Tax due to the floating production storage and offloading vessels in a project being off station combined with high decommissioning costs.

Australia Tax Return Information Published by the ATO

ABN 64 004 349 795

	2022-23
Total Income	10,842.7
Taxable/Net Income	4,906.1
Tax Payable	1,011.9

GST Paid and Claimed/Collected and Remitted – Australia

	FY2024 AUD ('Mil)	FY2023 AUD ('Mil)
GST Paid and Claimed	111.7	181.5
GST Collected and Remitted	75.9	64.6
Total	187.6	246.1

Tax Transparency Report (cont'd)

International Related Party Dealings

The parent company of MCA, Mitsui & Co., Ltd is located in Japan, with 125 offices in 61 countries/ regions globally, including Australia. The Australian operations are part of Mitsui's global business and inherently involve substantial number of related party dealings.

For the year ended 31 March 2024, MCA's significant related party dealings were with Mitsui entities located in Japan, Singapore and China.

Each year, MCA discloses its related party transactions in the International Dealings Schedule, which forms part of its income tax return, as well as submission of the Australian Local File as part of the Country-by-Country reporting requirements. MCA seeks to conduct its international related party dealings at arm's length and prepares contemporaneous transfer pricing documentation to support these positions, which is shared with the ATO.

The significant business dealings between MCA and overseas related parties are highlighted as follows:

- Service fees paid to and received from Mitsui entities in Japan and Singapore by MCA
- Trading business transactions between MCA and Mitsui entities in Japan, Singapore and China
- MCA operates as an in-house bank as part of the "Mitsui Global Cash Management System" for efficient use of Mitsui global funds which transacts with Mitsui entities in Japan, United Kingdom and Singapore
- New share capital injection from MBK to the MEC Group
- MCA enters into Bilateral Advance Pricing Agreements (BAPA) to agree on prices charged between significant related party transactions between Japan and Australia to reduce the risk of disputes.

Tax Transparency Report (cont'd)

Basis of Preparation

This report has been prepared in accordance with the Board of Taxation Tax Transparency Code guidelines.

i. Entities

This report includes all amounts paid and received by MCA MEC group corporate entities which are 100% owned. Other entities which are not wholly owned by Mitsui & Co., Ltd. have not been included in this report as disclosed in MCA MEC Group.

ii. Reporting Currency

All payments are reported in Australian dollars unless otherwise stated.

iii. Source of Information

Information has been sourced from submitted tax returns and audited financial statements.

iv. Approach to Materiality

Materiality for disclosures has been set at the nearest million dollars.

v. AASB Guidance

The group prepares general purpose financial statements and follows Australian Accounting Standards Board (AASB). Deloitte are the auditors of the Mitsui & Co., Ltd. Group.

vi. Reporting Period

The report has been prepared for MCA MEC group's financial year from 1 April 2023 to 31 March 2024.

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