

ExxonMobil Australia – Tax Facts



\$5.1 billion

in Australian taxes paid for 2023 in helping to fund roads, hospitals and schools across our nation:

- \$770m in Corporate Income Tax
- \$460m in Petroleum Resource Rent Tax
- \$3,860m in other taxes



More than

\$16 billion

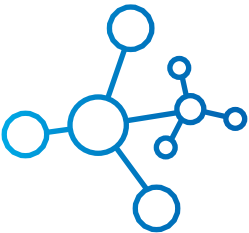
in Petroleum Resource Rent Tax since 1990



Gippsland Basin Joint Venture supplies

40%

of the Australian east coast gas market, powering Australian jobs, industry and the economy



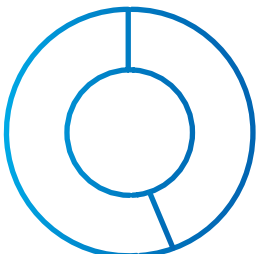
100%

of Gippsland gas is sold locally and taxed in Australia, with every single molecule produced going to Australian homes and businesses



\$41 billion

invested in Australia, including \$19 billion in recent projects, such as West Barracouta (2021), delivering critical domestic gas supplies



ExxonMobil Australia had an effective tax rate of

44%

for our Australian operations in 2023 and this helps Australian governments to fund essential services and infrastructure across our nation

Tax Strategy

In an average year, we pay approximately \$4 billion in total taxes. ExxonMobil Australia Pty Ltd and its affiliates (ExxonMobil Australia) paid approximately \$770 million in income tax for 2023.

As a large and high-profile taxpayer, ExxonMobil Australia holds a documented, longstanding reputation with tax authorities for integrity and professionalism, and we have an open and ongoing dialogue with the ATO and other revenue authorities. We file our returns in an accurate and timely manner and stand behind our return positions.

We are continually investing substantial capital in exploring, developing and producing oil and gas as well as distributing and marketing refined products. In addition, ExxonMobil Australia manages its operations by buying new assets and selling pieces of existing businesses that may be worth more to other parties. In each case, we will work to ensure that the correct amount of tax under the law is paid on each of those transactions.

International Related Party Dealings

The vast majority of our international related party dealings continue to be with affiliates in Singapore, the USA, and PNG. These dealings are predominately for the sale and purchase of refined product, raw materials and LNG, the provision or receipt of services, and the cost of financing.

Refined Product and Raw Materials

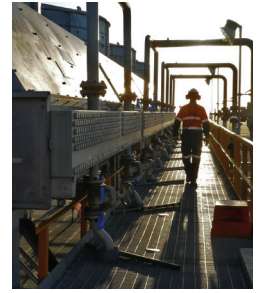
- ExxonMobil Australia continued to purchase refined product for sale in the Australian market from affiliated companies based in Singapore. These products are globally traded with transparent market prices, and the prices ExxonMobil Australia pays closely match what an independent purchaser would pay for the same products.
- ExxonMobil Australia sells crude oil, condensate and LPG through the same Singapore companies.
- ExxonMobil Australia purchased and sold a number of cargo's of LNG from the same Singapore related company during the year.
- ExxonMobil's pricing of inter-affiliate sales and purchases of crude oil and refined product is subject to intensive, ongoing scrutiny by revenue authorities around the world and historically, no adverse findings have been made.

Services

- The largest single dealing in services is with our affiliate in PNG, for whom ExxonMobil Australia has both provided services and contracted services, thereby bringing revenue into Australia for taxation purposes.
- While ExxonMobil Australia procures services from affiliates in other countries, this is done on an arm's-length commercial basis with prices at or below what could be achieved on the market.
- Further, the total expense incurred from ExxonMobil Australia procuring services is less than the revenue gained from ExxonMobil Australia providing services, creating a net tax revenue benefit for Australia.
- ExxonMobil believes that the global integration of its business lines and functional organisations allows it to capture significant value across the supply chain.

Finance

- ExxonMobil Australia has historically held very low levels of finance primarily for working capital purposes. We have required borrowings to fund our investments, including to support the \$19 billion invested in recent years.
- ExxonMobil Australia is financed by a mixture of shareholders equity, related party debt, and internal capital.
- The related party debt is predominately term debt denominated in Australian dollars and owed to US incorporated affiliates.
- While debt increased during a period of significant investment up to 2018, we also continued to inject billions of dollars of long-term equity into Australia, and because recent investments have started production we have already repaid billions of dollars of debt.
- Following a review of financing structures and related party loan pricing, the Australian Taxation Office issued amended income tax assessments to ExxonMobil Australia Pty Ltd for the 2010 and later income years. While we paid \$300 million to the ATO relating to this matter, we stand by the pricing of our loans. Resolution of the amended returns may require negotiations extending over a number of years.
- ExxonMobil Australia withholds and remits interest withholding tax at a rate of 10 per cent on interest accruing on these loans. Withholding tax is paid to the ATO at least quarterly.



Tax Reconciliations

Reconciliation of Accounting Profit to Income Tax Expense

(a) Numerical reconciliation of income tax expense to prima facie tax payable¹

2023

Profit / (loss) from continuing operations before tax	3,229
PRRT benefit / (expense)	(542)
Profit / (loss) after PRRT expense from operations	2,687
Tax at the Australia Tax Rate of 30%	807
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	-
Overseas tax differential	20
Sundry items	12
Income Tax Expense/(Benefit) charged to P/L	839
Under / (over) provision in prior years	(22)
Uncertain tax positions	-
Total income tax expense / (benefit)	817
PRRT expense / (benefit)	542
Total tax expense / (benefit)	1,359

Income Tax Expense to Income Tax Payable

(b) Numerical reconciliation of tax expense / (benefit) reported to tax payable (receivable)

	Income Tax \$M	PRRT \$M	TOTAL \$M
Total tax expense / (benefit) reported in ExxonMobil Australia (EMA) 2023 consolidated profit and loss statement	817	542	1,359
Global Effective Tax Rate ²	30%	12%	42%
Less: Tax expense / (benefit) recognised by entities in foreign tax jurisdictions	167		167
Tax expense / (benefit) relating to entities within ExxonMobil Australia tax group	650	542	1,192
Australian Effective Tax Rate ²	30%	14%	44%
Effects of permanent differences	43		43
Effects of temporary differences	91		91
PRRT (mainly arising from capital expenditure deductions)		(100)	(100)
Non-refundable carry forward tax offsets	(15)		(15)
Tax payable/(loss carried forward) arising from 2023³	769	443	1,211

¹ As Reported in 2023 EMA Consolidated Financial Statements, Note 6(b)

² Accounting income tax expense as a percentage of accounting profit / (loss) before tax, calculated in accordance with Australian accounting standard AASB 112 Income Taxes

³ Per EMA tax group 2023 consolidated corporate income tax return and PRRT returns