



Global adoption trends for the GRI Tax Standard

An analysis of the use of *GRI 207: Tax 2019* by the
1,000 largest public companies worldwide





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1. *GRI 207: Tax 2019* global research

1.1 Background and purpose of this research

In December 2019, The Global Reporting Initiative ('GRI') released the *GRI 207: Tax 2019* Standard, as part of its system of sustainability reporting standards. The development of this Standard was conducted in accordance with GRI's due process, in order to increase public and stakeholder confidence that the Standard is properly responsive to the public interest.

Applicable for reports or materials published after 1 January 2021, GRI 207 is relatively new, compared to GRI's other sustainability reporting Standards. The same goes for the topic of tax in sustainable development itself. Driven by the polycrisis of tax avoidance scandals, and recognition of the crucial role of tax in sustainable and equitable societies, the 'sustainable tax' topic has gained a lot of traction in recent years.

Through this research, GRI is looking into the global adoption and citation of *GRI 207: Tax 2019* by the global 1,000 largest public companies and by stakeholders, including policymakers, multilaterals, NGOs and others. The research provides high level insight in its adoption and mentioning, which can be used by stakeholders for the further development of the topic of tax in sustainability (reporting) context. It is however not a study into the (qualitative) content of reporting or use of the Standard. That may be the objective of future research.

This report covers key findings (section 1.2), recommendations (section 1.3), details on adoption by companies (section 2) and examples of adoption by various stakeholders (section 3). This is followed by a description of the methodology used (section 4) and information on the GRI Academy (section 5). Detailed background information on GRI 207 has been included in the appendices.

As various stakeholders use different names for the *GRI 207: Tax 2019* Standard, in this report this Standard is referred to in various ways, including 'GRI 207 Tax Standard', 'GRI 207', 'GRI 207 Tax', 'GRI Tax'.

1.2 Key findings

- 1.** Reporting by 26% of the largest 1,000 public companies mentions the GRI 207 Tax Standard.
- 2.** The mentioning of GRI 207 per disclosure (1,2,3,4) is relatively equal, at around 25%, with a high of 28% for 207-1 (Approach to tax) and a low of 22% for 207-4 (Public country-by-country reporting).
- 3.** Europe is the leading region for companies referencing GRI 207 in sustainability reports.
- 4.** Capital markets lead from a sector perspective with 58% mentioning GRI 207, well ahead of #2, industrial conglomerates at 44%.
- 5.** From a country perspective, Switzerland leads with 52% of companies mentioning GRI 207, well ahead of #2 Italy at 43%.
- 6.** The relevance and use of the GRI 207 Standard has been mentioned in key European Union sustainability regulations and related documents, including the Corporate Sustainability Reporting Directive (CSRD), and the EU Taxonomy Regulation.
- 7.** The use and mentioning of GRI 207 is diverse and widespread under a variety of stakeholders. This also reflects the multi stakeholder character of the Standard and the multi stakeholder due process applied by GRI to develop this Standard.
- 8.** Various research refers to the GRI 207 Tax Standard as the global benchmark.

1.3 Recommendations

We have summarized below key GRI 207 tax recommendations that can be considered when further developing sustainable tax approaches by reporting organizations and by other stakeholders.

► For reporting organizations

- 1.** When using the GRI 207 Standard, for example to comply with the European CSRD and/or EU Taxonomy Regulation, ensure your report meets all disclosure requirements. Incomplete tax reporting can be (perceived as) greenwashing. If reporting on a requirement is not possible, you can indicate the reasons for omission (see GRI 1, Section 3, requirement 6).
- 2.** Using GRI 207 will help to create a global baseline, reduce the compliance burden and help stakeholders to analyse universal and comparable tax information. If this is not possible, and a 'self-made' or a 'business-only' methodology is preferred, try to stay close to this standard and explain clearly the deviations, to make analysis as easy as possible. Remember that a 'self-made' or a 'business-only' reporting methodology often does not acknowledge the view of multiple stakeholders, which is an important condition to rebuild trust in tax.
- 3.** Consider using the GRI 207 Tax Standard in combination with other responsible tax initiatives such as the B-Team Principles or the Fair Tax Mark initiative. These can be used complementarily.
- 4.** Integrate your tax approach in due diligence processes. This is in line with the integration of other sustainability topics (such as human rights) and fits within the GRI Standards and the incoming European due diligence regulations.
- 5.** Consider asking for external assurance on your public GRI 207 tax reporting to provide comfort to your stakeholders. In the European CSRD/ESRS context, this will be mandatory.

► For (semi) policy makers, responsible tax initiatives and others

- 6** When developing hard or soft tax (reporting) regulations, accreditation and/or guidance, consider using GRI 207 as a basis for reporting requirements. This will help to create a global baseline, reduce the compliance burden and make reported information comparable for stakeholders.

2. Adoption by companies

2.1 Introduction

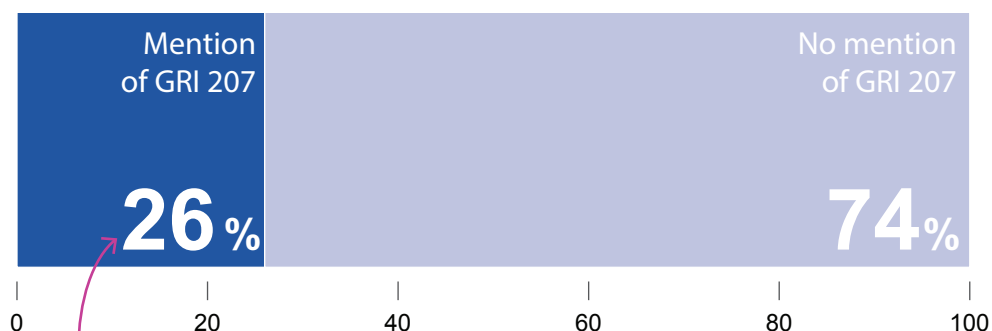
The visualizations in this section 2 are derived from an analysis of the global largest 1,000 public companies and their mentioning of GRI 207. For this research, the most recently published ESG document(s) from each company, as publicly available on the company website in July and August 2023 (the time period during which these documents were downloaded for this study), were selected for analysis.

For a description of the applied methodology, reference is made to section 4.

2.2 Overall view

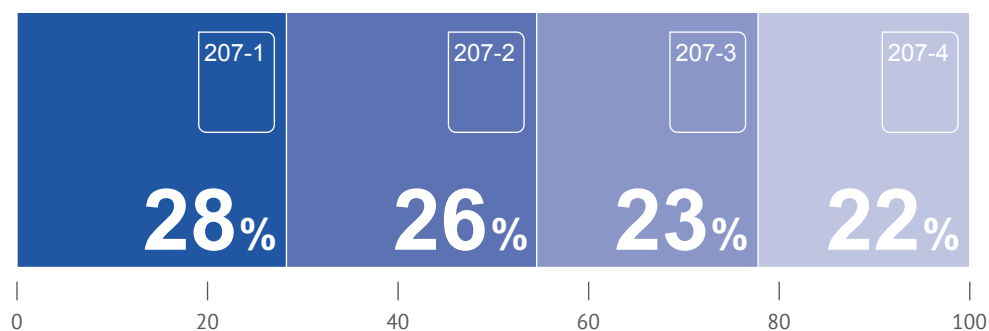
This section presents an overall view of the companies mentioning GRI 207 and its respective disclosures.

Mention of GRI 207



Reporting by 26% of the largest 1,000 public companies mentions the GRI 207 Tax Standard.

Mention of GRI 207 per disclosure

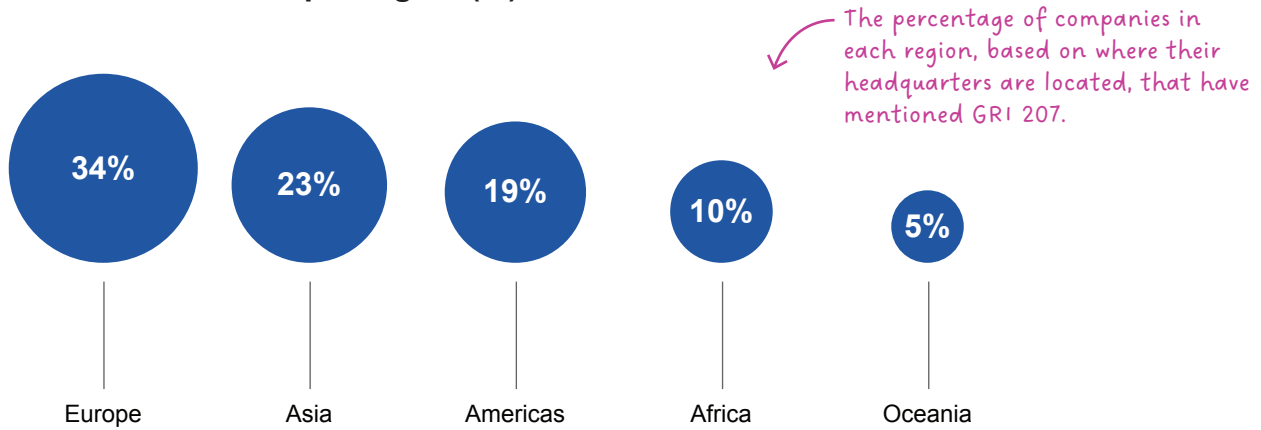


Mentions of GRI 207 per disclosure (1,2,3,4) is relatively equal, at around 25%, with a high of 28% for 207-1 (Approach to tax) and a low of 22% for 207-4 (Public country-by-country reporting).

2.3 Regional view

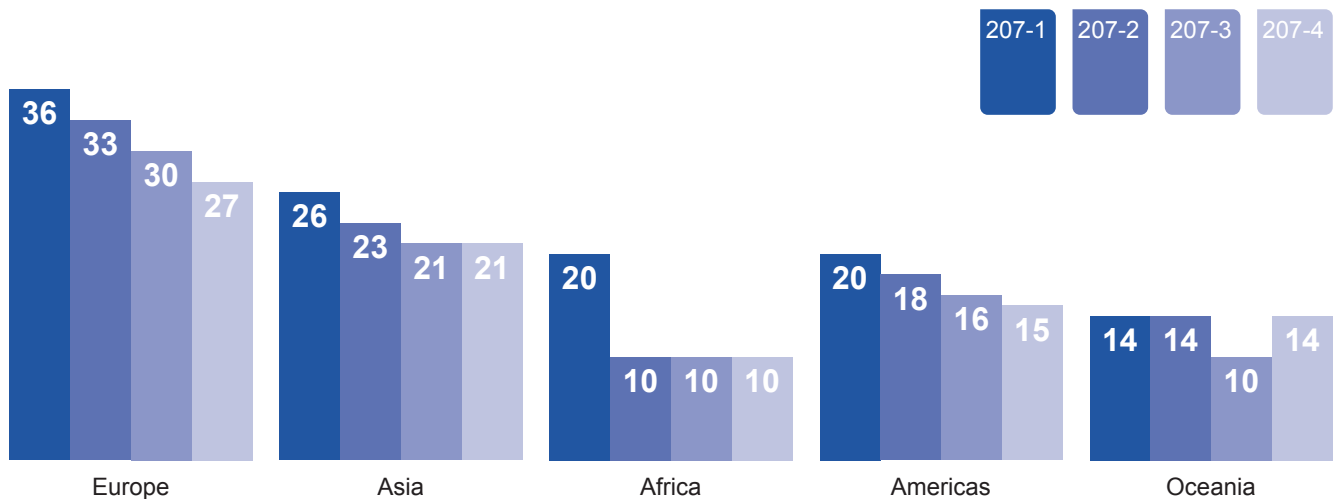
This section presents the regional view, demonstrating how mentions of GRI 207 and its disclosures are divided across five regions.

Mentions of GRI 207 per region (%)



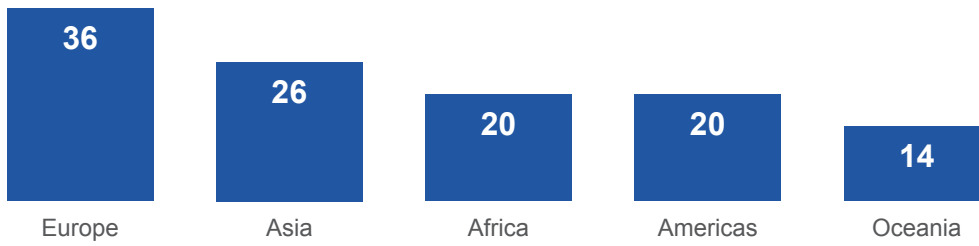
Mentions of GRI 207 per disclosure per region (%)

The below visual illustrates the percentage of companies in each region, based on where their headquarters are located, that have mentioned GRI 207 per disclosure. To provide a more detailed view, a breakdown of each disclosure is presented below. This allows a clear view of how the designation per disclosure is distributed across the regions.



Europe leads for the frequency of companies referring to GRI 207 disclosures

Mentions of GRI 207-1 Approach to tax per region (%)



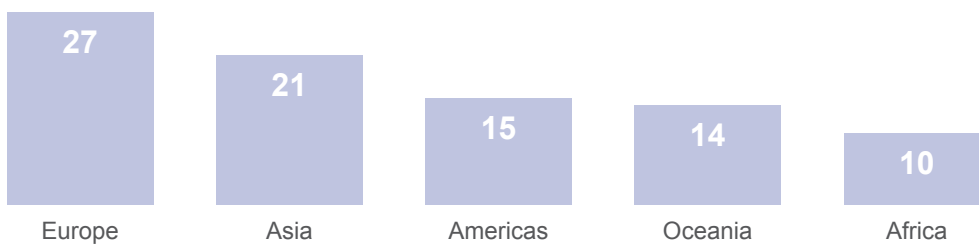
Mentions of GRI 207-2 Tax governance, control and risk management per region (%)



Mentions of GRI 207-3 Stakeholders engagement and management of concerns related to tax per region (%)



Mentions of GRI 207-4 Country-by-country reporting per region (%)



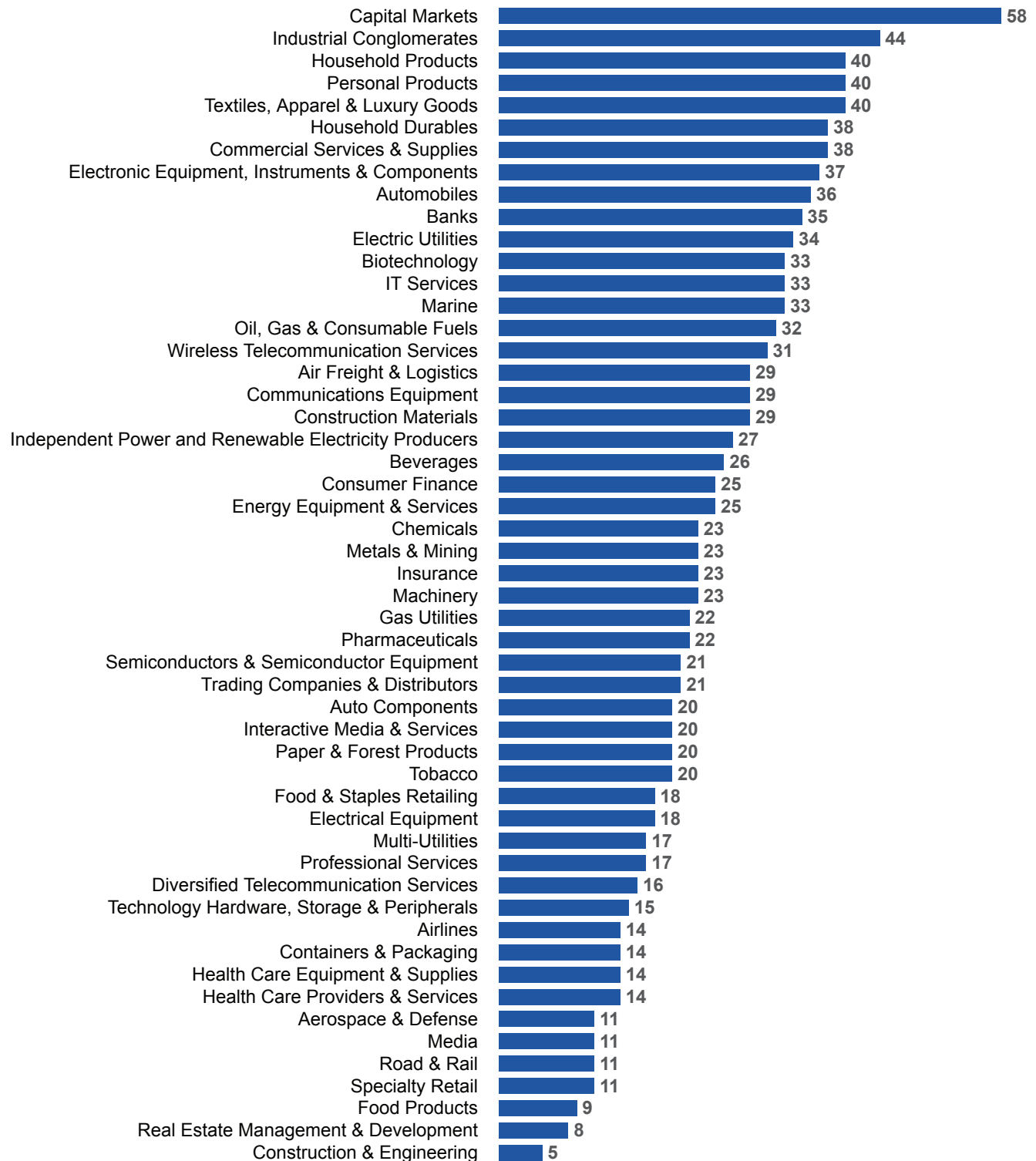
2.4 Sector view

This section presents a sector view, illustrating how the mention of GRI 207 and its disclosures are distributed across various sectors.

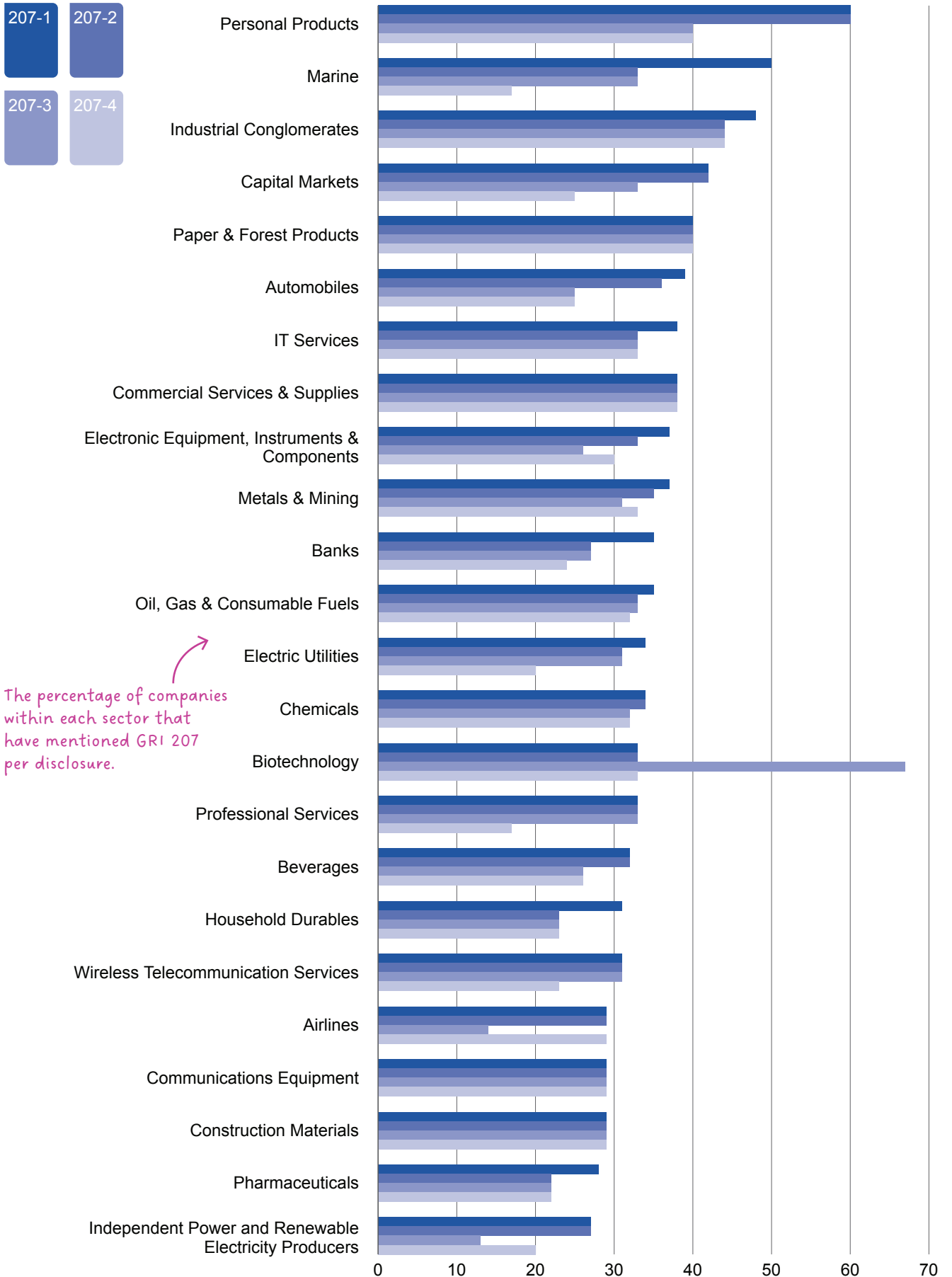
Mentions of GRI 207 per sector (%)

The below visual illustrates the percentage of companies within each sector that have mentioned GRI 207.

Capital markets lead from a sector perspective with 58% mentioning GRI 207, well ahead of #2, industrial conglomerates at 44%.



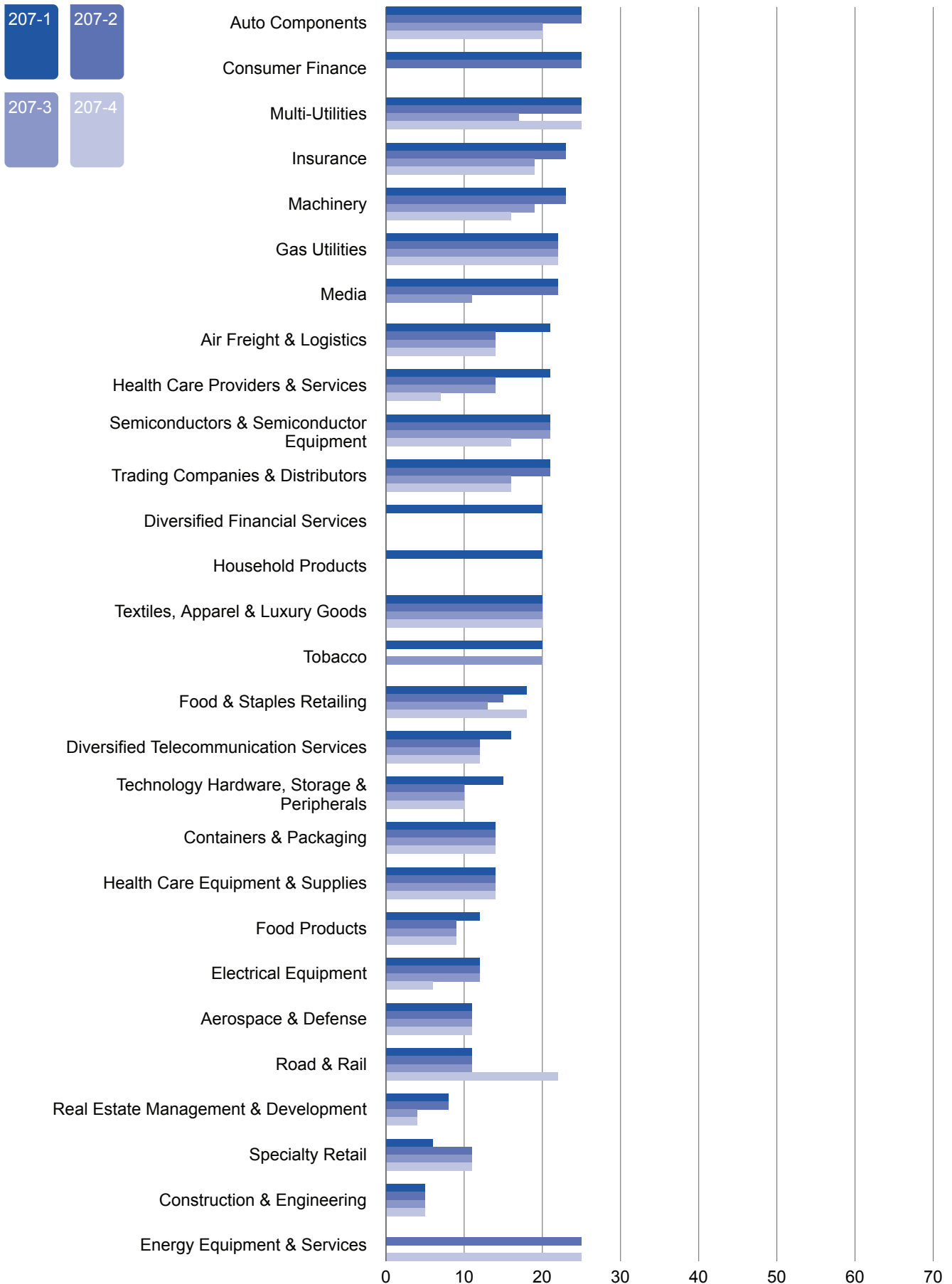
Mentions of GRI 207 per disclosure per sector (%)



The percentage of companies within each sector that have mentioned GRI 207 per disclosure.

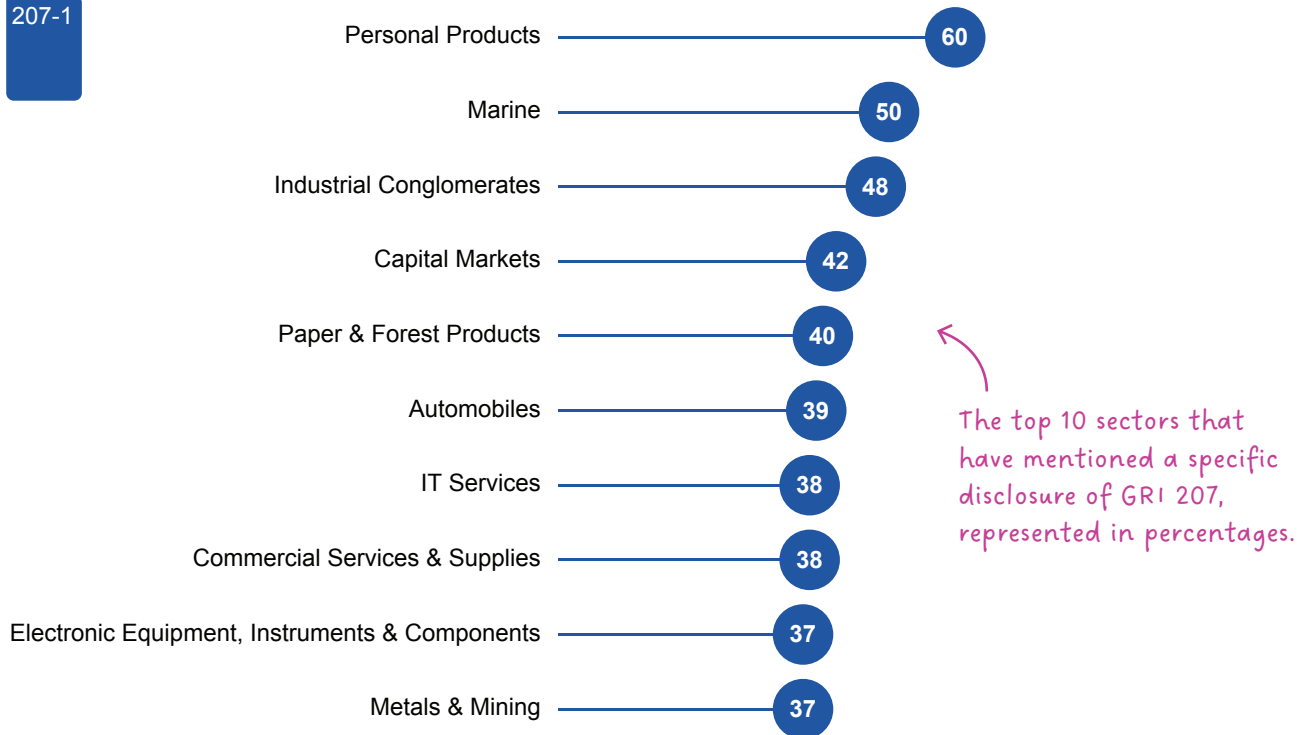
Continued

Mentions of GRI 207 per disclosure per sector (%)



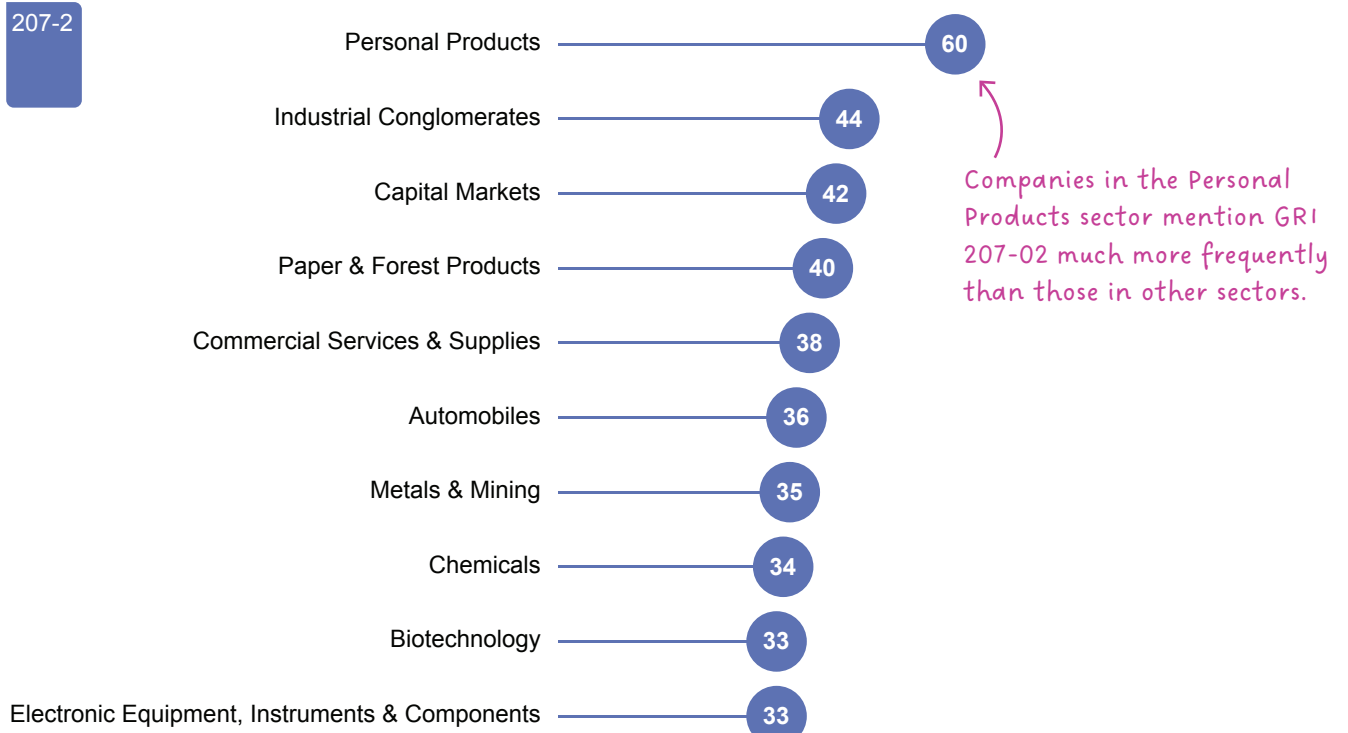
Top 10 mentions of GRI 207-1 Approach to tax per sector (%)

207-1



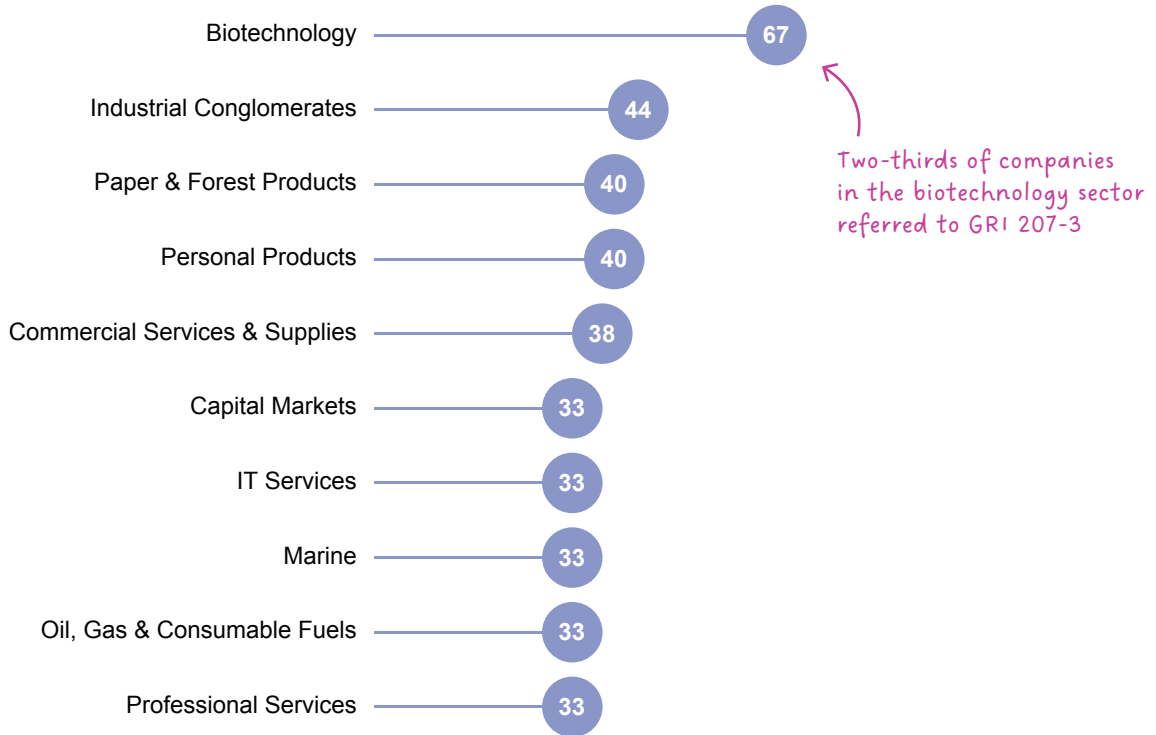
Top 10 mentions of GRI 207-2 Tax governance, control and risk management per sector (%)

207-2



Top 10 mentions of GRI 207-3 Stakeholder engagement and management of concerns related to tax per sector (%)

207-3



Top 10 mentions of GRI 207-4 Country-by-country reporting per sector (%)

207-4

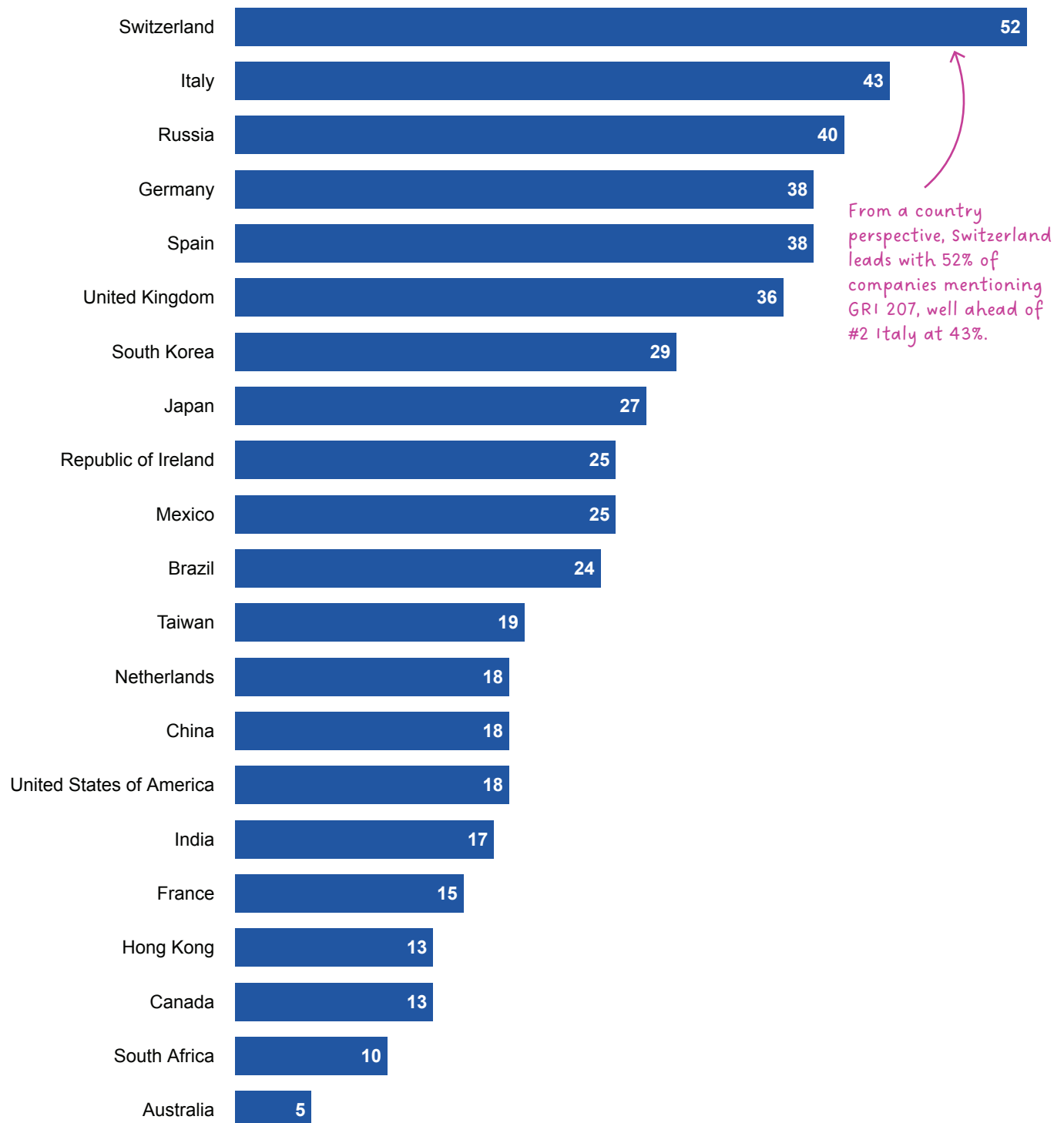


2.5 Country view

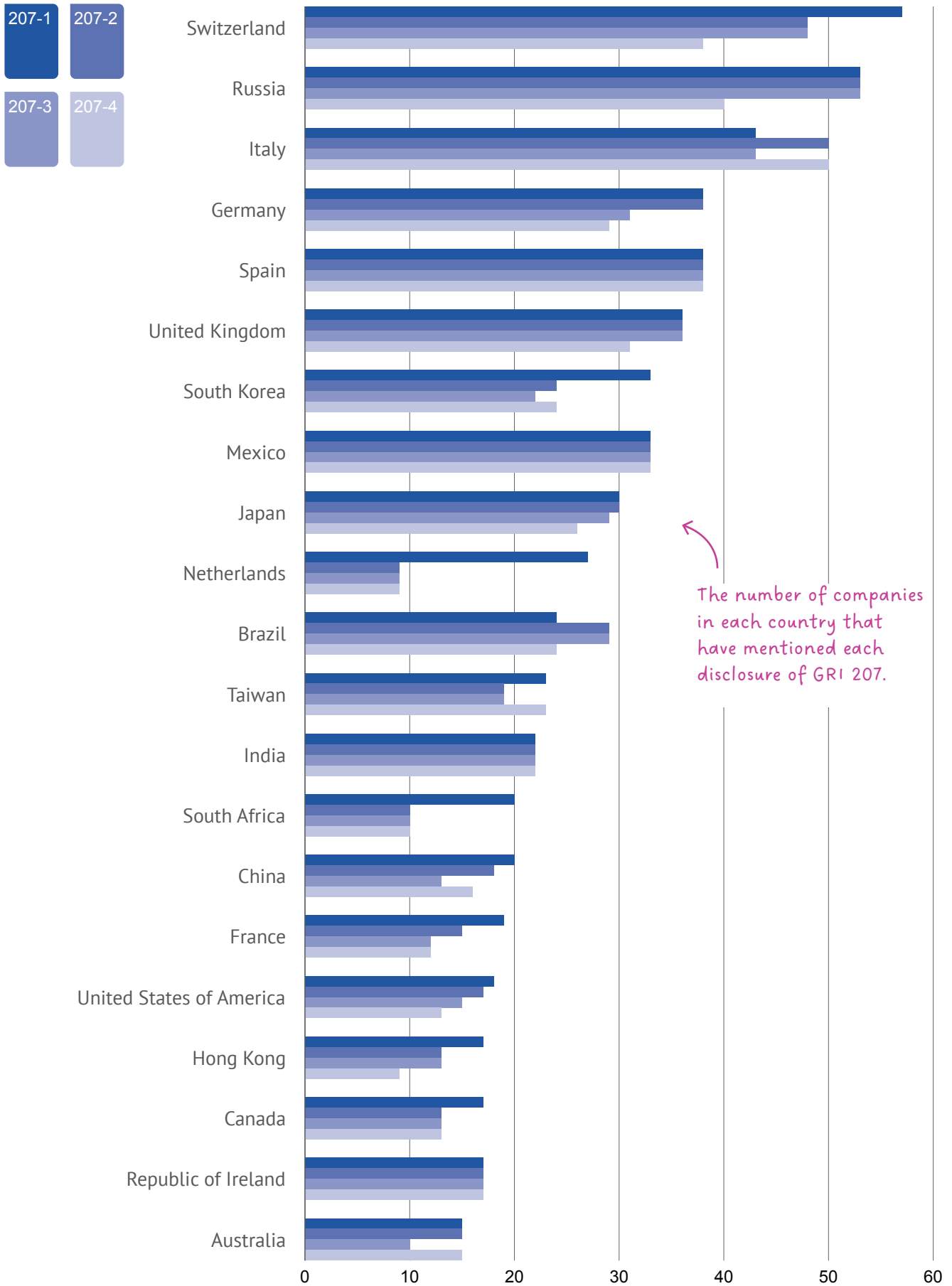
This section provides a country-based view, illustrating the mention of GRI 207 and its disclosures across countries. Countries with a minimum of 10 companies in the country population have been included.

Mentions of GRI 207 per country (%)

The visual illustrates what percentage of companies from each country, based on the location of their headquarters, have mentioned GRI 207.



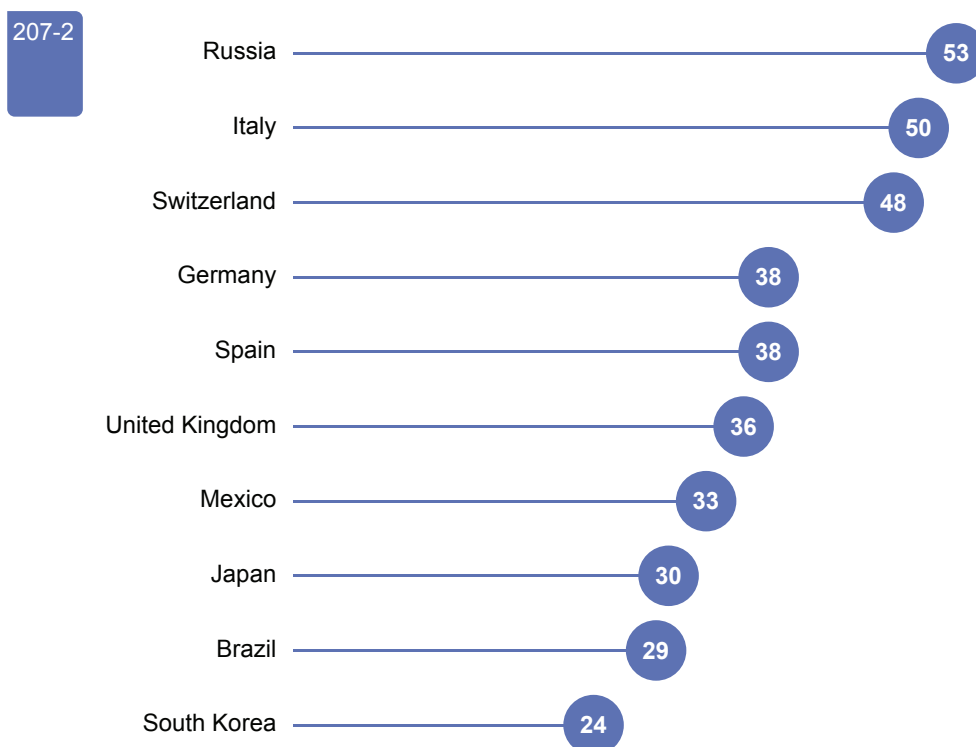
Mentions of GRI 207 per disclosure per country (%)



Top 10 mentions of GRI 207-1 Approach to tax per country (%)

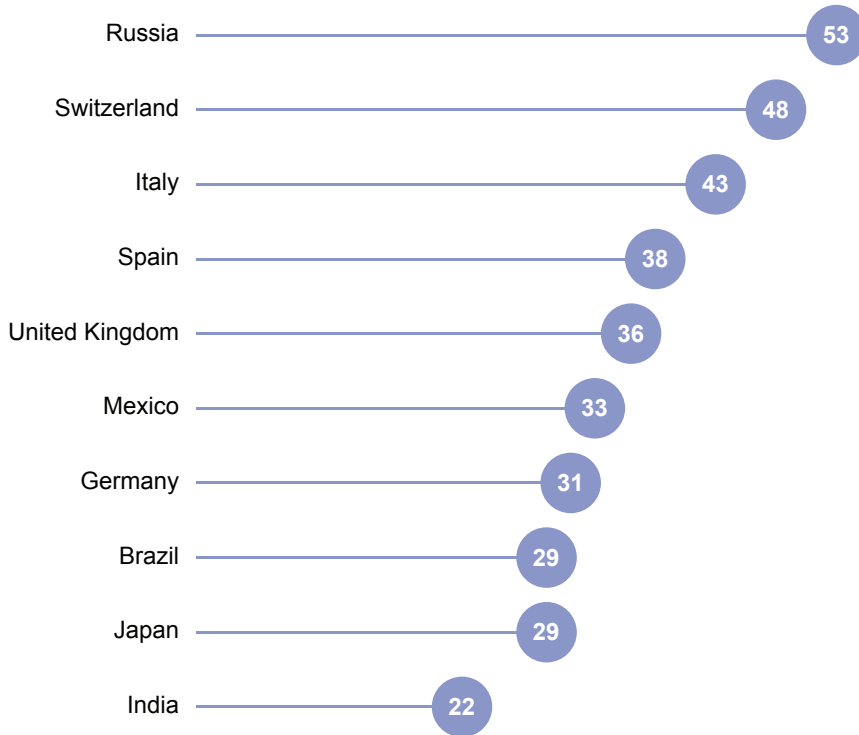


Top 10 mentions of GRI 207-2 Tax governance, control and risk management per country (%)



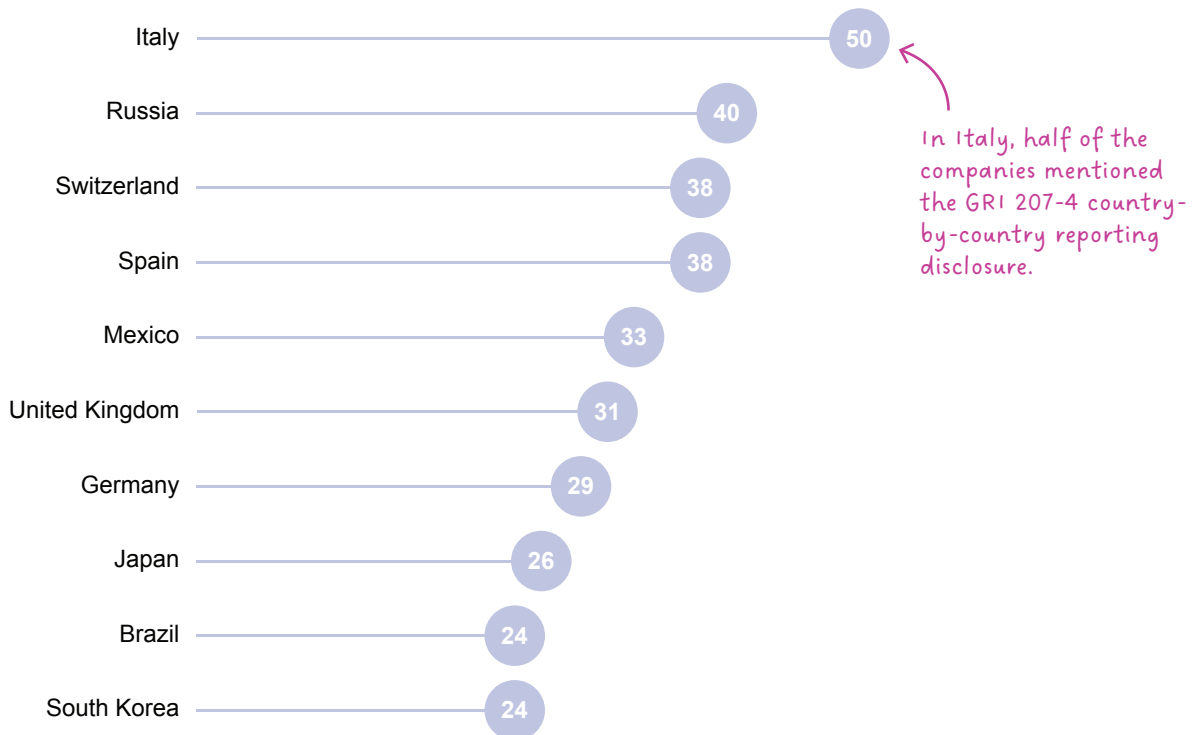
Top 10 mentions of GRI 207-3 Stakeholders engagement and management of concerns related to tax per country (%)

207-3



Top 10 mentions of GRI 207-4 Country-by-country reporting per country (%)

207-4



3. Adoption by stakeholders

3.1 Introduction

Various stakeholders, including policy makers, multilaterals, NGOs, business initiatives and researchers have adopted and/or mentioned the GRI 207 Tax Standard. In this section we have included a variety of examples. Links to source documentation or websites have been included.

3.2 (Semi) policy makers

3.2.1 Australian Government
Document name: <i>Exposure draft (19/12/2023). Treasury Laws Amendment Bill 2024: Multinational tax transparency – country by country reporting</i>
Essence: In this exposure draft the Australian government proposes to amend its previously proposed standards to more closely align with the GRI 207 tax standard: Disclosure GRI 207-1 which is about the Approach to tax, Disclosure GRI-4 which is about public country-by-country reporting and the private OECD country-by-country reporting requirements.
Page: 4
Link: <u>Exposure Draft - Treasury Laws Amendment Bill 2024: Multinational tax transparency – country by country reporting</u>
3.2.2 European Union – Corporate Sustainability Reporting Directive (CSRD) / European Sustainability Reporting Standards (ESRS)
Document name: <i>Official ESRS text</i>
Essence: For sustainability topics not covered by an ESRS, such as tax, the ESRS refer to the use of the GRI reporting Standards, including then GRI 207 Tax. (See also the EFRAG – GRI joint statement of interoperability in #3.2.3). The ESRS stress the importance for using international Standards to support comparability of entity information to the maximum extent possible.
Page: Articles ESRS 1 (§114) and Appendix A: Application Requirements, Entity specific disclosures, AR 4 (a)
Link: <u>https://www.efrag.org/Assets/Download?assetUrl=%2Fsites%2Fwebpublishing%2FSiteAssets%2FESRS%25201%2520Delegated-act-2023-5303-annex-1_en.pdf</u>
3.2.3 European Financial Reporting Advisory Group (EFRAG)
Document name: <i>EFRAG – GRI Joint statement of interoperability</i>
Essence: “...The ESRS allow entities to use the GRI Standards to report on additional material topics covered in GRI Standards that are not covered by the ESRS, such as tax. ESRS 1 (§114) and ESRS 2 (§15) allow the inclusion of disclosures from other standards, such as the GRI Standards, in the ESRS sustainability statements...”
Page: 1 (plus see official text of ESRS 1 and ESRS 2)
Link: <u>https://efrag.org/news/public-444/EFRAG-GRI-Joint-statement-of-interoperability-</u>

3.2.4 European Union Platform on Sustainable Finance

Document name: *Final Report on Minimum Safeguards*

Essence: In the EU Taxonomy Regulation, the topic of tax is considered a Minimum Safeguard that needs to be complied with. The report and Platform members describe that “...endorsement of standard *GRI 207: Tax 2019* is recommended as an indicator of an undertaking’s more ambitious understanding of tax fairness.”

Page: 23, 49 and 50

Link: https://finance.ec.europa.eu/system/files/2022-10/221011-sustainable-finance-platform-finance-report-minimum-safeguards_en.pdf

3.2.5 Eurodad (European Network on Debt and Development) - Global Alliance for Tax Justice

Document name: *Proposal for a United Nations Convention on Tax*

Essence: Part of the proposal is the requirement of public country by country reporting by large multinational corporations (article 7). In this regard, the reporting requirements draw heavily on a voluntary standard developed by GRI (e.g. GRI 207).

Page: 21, and footnote 57 and 58

Link: <https://assets.nationbuilder.com/eurodad/pages/2852/attachments/original/1654678410/un-tax-convention-final.pdf?1654678410>

3.2.6 Central Bank of Egypt

Document name: *Central Bank of Egypt’s Sustainable Finance Binding Regulations (NOVEMBER 2022)*

Essence: “Central Bank of Egypt’s Board of Directors decided in its meeting held on October 26, 2022 that it will issue binding regulations on sustainable finance in light of the Central Bank of Egypt’s direction towards achieving the sustainable development goals...the Central Bank of Egypt is committing the banking sector to the following:... 5. Banks are committed to prepare the following periodic reports and provide them to the Central Bank of Egypt’s Sustainability Department:... 5.3) Sustainability Report: This report is to be prepared on an annual basis, and should be approved by banks’ Board of Directors or its counterpart for branches of foreign banks. It should also be prepared in accordance to the Global Reporting Initiative (GRI)...”

Although GRI 207 is not mentioned separately, the mandatory requirement to prepare a sustainability report in accordance with the GRI Standards, means that if tax is a material topic, the GRI 207 Tax reporting Standard has to be applied.

Page: 1

Link: 688_Sustainable_Finance_Binding_Regulations_Egypt.pdf (sbfnetwork.org)

3.3 Investors and the Principles for Responsible Investment

3.3.1 Principles for Responsible Investment (PRI)

Document name: *Principles for Responsible Investment (PRI)*

How to consider tax in voting practices

Essence: In this report it is mentioned that “investors could signal in their policies clear criteria that would trigger support for a shareholder resolution e.g., resolutions requesting disclosures in line with the GRI Tax Standard 207 or asking the board to adopt a tax policy.”

Page: 8

Link: <https://www.unpri.org/tax-fairness/how-to-consider-tax-in-voting-practices/10905.article>

3.3.2 Principles for Responsible Investment (PRI)

Document name: *Advancing tax transparency. Outcomes from the PRI collaborative engagement*

Essence: In this report the GRI Tax standard is mentioned in step number 3 for working with companies when engaging on tax: “Consistent disclosure requests: Companies often struggle to balance additional disclosure requests with current reporting practices, particularly given the diversity of reporting frameworks and varied expectations around transparency from different stakeholders. Investors have a key role to play in supporting frameworks for disclosure that harmonise expectations from multiple stakeholders. One example is the new GRI standard on tax released in December 2019.”

Page: 20

Link: <https://www.unpri.org/governance-issues/advancing-tax-transparency-outcomes-from-the-pri-collaborative-engagement/5541.article>

3.3.3 International group of (institutional) investors

Document name: *Shareholder resolution*

Essence: Various (institutional) investors have included in their shareholder resolutions the request to issue a tax transparency report prepared in consideration of the indicators and guidelines set forth in the GRI Tax Standard.

Page: N/A. Via below link you can find examples of Tax shareholder resolutions. In the database filter ‘ESG sub-theme’ choose ‘Tax’.

Link: <https://collaborate.unpri.org/shareholder-resolution>

3.3.4 Norges Bank Investment Management (NBIM)

Document name: *Tax and transparency Expectations of companies*

Essence: In this document GRI 207 is mentioned as best practice principle and reporting standard with regard to tax disclosures to provide the tax information relevant to investors. “With the increasing use of taxes as policy instruments to drive sustainability, disclosures relating to those instruments will be increasingly valuable to investors and other stakeholders.”

Page: 4

Link: <https://www.nbim.no/contentassets/29f69f7ae81449f9adc88a32aa3de8c8/tax-and-transparency.pdf>

3.3.5 Forum pour l'investissement responsable (FIR)

Document name: *How does the CAC40 respond to investors? Engagement report – Season 3*

Essence: In its periodic responsible investment engagement report, the forum included a question on fiscal responsibility commitments of CAC40 companies and refers in this regard to the use of the GRI 207 tax reporting standard.

Page: 4 and 14, Question #8

Link: [HOW DOES THE CAC 40 RESPOND TO INVESTORS? \(frenchsif.org\)](https://www.frenchsif.org/en/2022/04/how-does-the-cac-40-respond-to-investors/)

3.4 NGOs, Research, Benchmarking and others

3.4.1 Sustainable Stock Exchange Initiative (UN Partnership Program of UNCTAD, UN Global Compact, UNEP Finance Initiative, PRI)

Document name: *ESG Disclosure Guidance Database*

Essence: Various stock exchanges worldwide provide sustainability or ESG reporting guidance to their listed companies. In this Sustainable Stock Exchanges Initiative database, 72 exchanges are included with ESG disclosure guidance. From these 72 Exchanges, 96% refer in their guidance to the GRI Standards (and then indirectly also to the use of the GRI 207 Tax reporting Standard).

Page: See link which refers to various stock exchanges with ESG guidance with GRI reference

Link: <https://sseinitiative.org/esg-guidance-database/>

3.4.2 Fair Tax Mark

Document name: *Fair Tax Global Multinational Business Standard*

Essence: The Standard has been aligned with the emerging best practice of institutional investors and asset managers (i.e. the UN PRI) and corporate sustainability reporting frameworks (i.e., the GRI)

Page: 9

Link: [Global MNC standard criteria - print version \(fairtaxmark.net\)](https://www.fairtaxmark.net/global-mnc-standard-criteria-print-version)

3.4.3 Fair Tax Mark

Document name: *Seven magnificent reasons to pursue Fair Tax Mark accreditation*

Essence: Section 2: for an 'ESG' strategy to be credible, it must now explicitly tackle 'tax conduct'. GRI 207 Tax is mentioned as one of the global emerging initiatives.

Section 4: In a low trust world, stakeholders value independent third-party verification', it is mentioned that the Fair Tax Mark satisfies the key reporting recommendations of GRI 207.

Page: 4 and 6

Link: [Seven-magnificent-reasons-to-pursue-Fair-Tax-Mark-accreditation.pdf \(fairtaxmark.net\)](https://www.fairtaxmark.net/seven-magnificent-reasons-to-pursue-fair-tax-mark-accreditation.pdf)

# 3.4.4	Tax Justice Network
	Document name: <i>Beyond20 Strategic Framework</i>
	Essence: As part of Tax Justice Beyond20 Strategic Framework, the GRI 207 Tax reporting Standard is referred to in the section on country-by-country reporting.
	Page: 18
	Link: https://taxjustice.net/wp-content/uploads/2023/05/Tax-Justice-Network-beyond20-Strategic-Framework-May-2023.pdf
# 3.4.5	Tax Justice Network
	Document name: <i>Corporate Tax Haven Index methodology (indicator 10)</i>
	Essence: As part of the Corporate Tax Haven Index 2021, Haven Indicator 10: Country by country reporting, the GRI 207 Tax reporting Standard is referred to.
	Page: 8 (Haven Indicator 10)
	Link: HI-10.pdf (taxjustice.net)
# 3.4.6	EU Tax Observatory
	Document name: <i>Benchmarking Country-by-Country Reports</i>
	Essence: The GRI 207 tax Standard is referenced and included in the public country-by-country reporting research and datasets.
	Page: Various
	Link: EUTO_WP17_Benchmarking_CbCRs_May2023pdf (taxobservatory.eu)
# 3.4.7	European Association for Investors in Non-Listed Real Estate Vehicles (INREV)
	Document name: <i>INREV Code of Tax Conduct</i>
	Essence: This Code from the European Association for Investors in Non-Listed Real Estate Vehicles, comprises a set of tax-related best practices designed to be applied across the lifecycle of a real estate investment vehicle. The GRI 207 Tax Standard is mentioned as one of the guidance and standards to be taken into account when drafting a tax policy and reporting.
	Page: 15, 18 and 20
	Link: https://www.inrev.org/guidelines/module/code-of-tax-conduct#inrev-guidelines
# 3.4.8	Financial Accountability & Corporate Transparency (FACT) Coalition
	Document name: <i>A Material Concern: The Investor Case for Public Country-by-Country Tax Reporting</i>
	Essence: GRI 207 is referred to as the “gold standard” to be used for voluntary country-by-country reporting on tax.
	Page: 11
	Link: https://thefactcoalition.org/wp-content/uploads/2022/07/FACT-Report-Final-Final--Reduced.pdf

3.4.9 Faúndez-Ugalde, Antonio; Toledo-Zúñiga, Patricia; Castro-Rodríguez, Pedro

Document name: *Tax Sustainability: Tax Transparency in Latin America and the Chilean Case*

Essence: Page 3 and 4: “As of 2020, it is observed that Latin American countries capitalize more than 30,000 million USD in the stock market, only 37.5% have at least one sustainability report, that is, 286 out of 762 companies in Argentina, Chile, Colombia, Mexico and Peru. Of these, 73.1% have sustainability reports based on the GRI normative”.

Page 5: “As it can be seen in Figure 2, out of 30 companies, 37% provide sustainability reports under disclosure GRI; 40% present integrated annual memories under GRI disclosure, and 23% do not present any sustainability reports.” [2020 period].

Page 14: [2020 period]. “The results show that the compliance of disclosures GRI 207-4 has a significantly different performance compared to disclosures GRI 207-1, 207-2, and 207-3. This higher level of compliance of disclosure GRI 207-4 is the result of the information provided by the financial state which forces the companies, following the international accounting regulations, to consolidate its results of abroad investments. On the contrary, in the case of disclosures GRI 207-1, 207-2, and 207-3, the focus is on divulging, in a transversal way, the tax strategy which is seen on a smaller scale. In addition, when comparing disclosures GRI 207-1, 207-2 y 207-3, and GRI 207-3, significantly lower levels of compliance are found compared to GRI 207-1. However, the main impact is seen on the sub-standard “1.3. Reports Commitment in Tax Compliance”, which demands to describe if the organization tries to comply with the letter and spirit of the law. This situation implies a declaration of principles, different from the amount of evidence required by disclosure GRI 207-3 in terms of the participation with the groups of interest. However, in the case of GRI 207-3.1.1, a higher proportion of compliance is observed where companies participate in cooperative compliance agreements with the Chilean tax authority (such as the Social Responsibility Program with SMEs).”

Page: 3, 4, 5 and 14

Link: <https://www.mdpi.com/2071-1050/14/4/2107>

3.4.10 Faúndez-Ugalde, Antonio

Document name: *Sostenibilidad Tributaria*

Essence (translated from Spanish): Page: [2020 period]. In the last paragraph he points out: “Although there are other cooperation mechanisms between taxpayers and the tax administration such as the Advance Pricing Agreement (APA) aimed at avoiding any transfer pricing dispute, and the Pre-filing Agreement Program (PFA) designed for taxpayers to request the consideration of an issue avoiding possible disputes and controversies in an inspection process, in contrast, there is a need for policymakers in Latin American countries to introduce at the regulatory level mechanisms for integrated cooperation of tax transparency between tax administrations and regulated companies , in a context of tax sustainability [GRI].”

Page: Last paragraph

Link: <https://taxlatam.com/noticias/sostenibilidad-tributaria/>

3.4.11 Faúndez-Ugalde, Antonio; Toledo-Zúñiga, Patricia; Toso-Milos, Angela

Document name: *Reporte de Sostenibilidad Tributaria en empresas chilenas*

Essence (translated from Spanish): The conclusions indicate the following in relation to the 2021 period: “The results for the 2021 period reveal that fifteen Chilean companies registered in the IPSA have more than an 80% degree of compliance in the GRI 207-1 Dimension, that is, disclosing their tax strategies, representing an increase compared to the year 2020 that on average reached nine companies. However, challenges still remain pending in the other dimensions related to governance to comply with the reported fiscal strategy, greater participation with interest groups and improve the delivery of information for investments abroad. Finally, it is important to highlight that the Global Ranking (Table 6) reveals that the first ten places correspond to companies that have a good degree of compliance with sustainability standards, being a positive trend that increased from 2020 to 2021.”

Page: Last paragraph (4. Conclusiones)

Link: <https://taxlatam.com/noticias/reportes-de-sostenibilidad-tributaria-en-empresas-chilenas/>

3.4.12 Diario Financiero (26 de mayo de 2023)

Document name: *El SII mira con atención: empresas del IPSA avanzan en transparentar su estrategia de pago de impuestos*

Essence (translated from Spanish): “In 2019, the GRI updated its criteria including the topic of taxes in its index. In this way, companies must report matters such as their “tax management” approach, and thematic content of country-by-country reports. A study, prepared by academics Antonio Faúndez, Ángela Toso (both from the Pontificia Universidad Católica de Valparaíso, PUCV) and Patricia Toledo (from the Universidad Austral de Chile, UACH), analyzes the level of compliance with these transparency standards by the 30 companies listed in the Selective Stock Price Index (IPSA), the main stock market indicator in the country.”

“The main objective of this research project is to require information on tax matters from local IPSA companies, who have assumed the commitment to communicate their impacts on issues related to sustainability in tax matters. This input is closely watched by the Internal Revenue Service (SII), which is preparing to sign an agreement with the Catholic University of Valparaíso to provide sustainability indicators for large companies, within the framework of an issue that is defined as a priority for both institutions.”

Page: N/A

Link: <https://www.df.cl/economia-y-politica/df-tax/el-sii-mira-con-atencion-empresas-del-ipsa-avanzan-en-transparentar-su>

3.4.13 Deloitte

Document name: *10th Global Tax Policy Survey*

Essence: Based on this survey 24% of companies expect their group to align its external communication in relation to its tax performance with the GRI 207 Tax Standard (with 46% ‘No standard’, 10% ‘WEF’, 20% ‘Other’)

Page: 36 (full report)

Link: <https://www.deloitte.com/global/en/services/tax/research/beps-global-survey.html>

3.4.14 KPMG

Document name: *The state of tax transparency in the Nordics (2023)*
A KPMG study and GRI 207 benchmark

Essence: GRI 207 is used as a benchmark to assess the tax disclosures of in scope companies. From the summary: ‘...While some companies have not started yet, we see the results from this year’s benchmark as clearly indicating that tax transparency is the new norm, and we expect the number of Nordic companies that publish tax reports to continue to grow year after year....’.

Note: see also the KPMG 2022 study for Nordics adoption information.

Page: Various

Link: <https://assets.kpmg.com/content/dam/kpmg/dk/pdf/Acor/2023/the-state-of-tax-transparency-in-the-Nordics-a-kpmg-study-and-gri-207-benchmark.pdf>

3.4.15 KPMG

Document name: *The path to tax transparency in the Benelux December 2022*
A KPMG study and GRI 207 Benchmark

Essence: GRI 207 is used as a benchmark to assess the tax disclosures of in scope companies. The report mentions in its conclusion: “Finally, while we decided in this report to benchmark companies’ tax disclosures against GRI 207, it might be argued that doing so did not do justice to some of the valuable but not GRI-aligned disclosures published by a number of the companies we assessed. However, we found that using this standard as a benchmark allowed us to conduct an objective comparison – which is one of the objectives and values of standards, and why some large investors are specifically demanding that companies report in line with GRI 207. Furthermore, with the new EU Directive on public CbCR, the EU Directive’s limited scope compared to GRI 207 will become the minimum requirement for large MNEs, while GRI 207’s wider scope might become what companies need to comply with to differentiate themselves from those limiting their disclosures to legal compliance.”

Page: Various

Link: https://meijburg.nl/sites/default/files/2022-12/the-path-to-tax-transparency-in-the-benelux-vb_update_0.pdf

3.4.16 PWC

Document name: *Tax transparency and sustainability reporting in 2023 (Austria, Brazil, Germany, Ireland, South Africa, Spain, Switzerland and the United Kingdom)*

Essence: The study reveals that “The *GRI 207: Tax 2019* standard and the S&P Global Corporate Sustainability Assessment are the most widely used frameworks”.

Page: Various

Link: <https://www.pwc.com/gx/en/services/tax/esg-tax/tax-transparency-and-sustainability-reporting-in-2023.html>

3.4.17 Various GRI 207 Tax related research

Document name: *Various research documents*

Essence: Via the link below various research can be found that includes research of and referencing to the (use of the) GRI 207 Tax reporting Standard.

Page: N/A

Link: [GRI 207 tax - Google Scholar](#)

4. Methodology

GRI has developed and applied the following methodology for this research:

- First a sample dataset of 19,290 large companies – by revenue – was analysed on the use of the GRI Standards (Y/N);
- From these companies using GRI (Y), the global largest 1,000 companies – by revenue – were evaluated on the use of *GRI 207: Tax 2019* (Y/N);
- The mention of GRI is considered an indication for reporting using GRI. This can range from a full report accompanied by a GRI index to instances where GRI is only mentioned as part of the materiality determination process;
- Publicly available ESG documents (i.e. content indexes and/or reports) from these companies were used for analysis;
- The most recently published ESG document(s) from each company, as publicly available on the company website in July and August 2023 (the time period during which these documents were downloaded for this study), were selected for analysis;
- The mention of GRI 207 reflects a positive answer to at least one of the following questions:
 - Is the Standard title GRI 207 mentioned?
 - Is disclosure 207-1 mentioned?
 - Is disclosure 207-2 mentioned?
 - Is disclosure 207-3 mentioned?
 - Is disclosure 207-4 mentioned?
- Refinitiv provided data regarding total revenue per company.
- A 100% success rate regarding latest available ESG documents, and regarding the mentioning of GRI 207, is not guaranteed.

5. GRI Academy

GRI Academy – Online course on the GRI 207 Tax reporting standard

On GRI's dedicated learning platform, sustainability and other professionals can access the latest online curriculum on reporting with the GRI Standards. Our online course 'Mastery of Transparent Tax Reporting' provides information and background on the GRI 207 Tax Standard.

Course description

The *GRI 207: Tax 2019* Standard is the first global public reporting Standard for tax transparency. It enables organizations to better understand and communicate information about their tax practices publicly. This Standard combines management approach disclosures on tax strategy and public country-by-country reporting on business activities, revenues, profit, and tax.

This course explains some tax-related concepts and clarifies why tax is a sustainability issue. It discusses tax-related impacts and presents the stakeholder groups asking for tax-related information. The course also explains the *GRI 207: Tax 2019* disclosures and how to use this Standard in the context of sustainability reporting based on the GRI Standard.

GRI Academy links

Information: <https://www.globalreporting.org/reporting-support/gri-academy/other-courses/>

Access: <https://griacademy.globalreporting.org/learn/signin>

Appendix

A. GRI 207: Tax 2019 content

For a full description, background and per disclosure guidance of the GRI 207 Tax Standard we refer to the Standard document itself, which can be downloaded on the GRI website (<https://www.globalreporting.org/standards/standards-development/topic-standard-for-tax/>). For the purpose of this report we summarize in this paragraph the content of this Standard.

FULL NAME	
GRI 207: Tax 2019	
EFFECTIVE DATE	This Standard is effective for reports or other materials published on or after 1 January 2021
Disclosure 207-1 Approach to tax	
REQUIREMENTS	<p>The reporting organization shall report the following information:</p> <ol style="list-style-type: none"> a. A description of the approach to tax, including: <ol style="list-style-type: none"> i. whether the organization has a tax strategy and, if so, a link to this strategy if publicly available; ii. the governance body or executive-level position within the organization that formally reviews and approves the tax strategy, and the frequency of this review; iii. the approach to regulatory compliance; iv. how the approach to tax is linked to the business and sustainable development strategies of the organization.
Disclosure 207-2 Tax governance, control, and risk management	
REQUIREMENTS	<p>The reporting organization shall report the following information:</p> <ol style="list-style-type: none"> a. A description of the tax governance and control framework, including: <ol style="list-style-type: none"> i. the governance body or executive-level position within the organization accountable for compliance with the tax strategy; ii. how the approach to tax is embedded within the organization; iii. the approach to tax risks, including how risks are identified, managed, and monitored; iv. how compliance with the tax governance and control framework is evaluated. b. A description of the mechanisms to raise concerns about the organization's business conduct and the organization's integrity in relation to tax. c. A description of the assurance process for disclosures on tax including, if applicable, a link or reference to the external assurance report(s) or assurance statement(s).
Disclosure 207-3 Stakeholder engagement and management of concerns related to tax	
REQUIREMENTS	<p>The reporting organization shall report the following information:</p> <ol style="list-style-type: none"> a. A description of the approach to stakeholder engagement and management of stakeholder concerns related to tax, including: <ol style="list-style-type: none"> i. the approach to engagement with tax authorities; ii. the approach to public policy advocacy on tax; iii. the processes for collecting and considering the views and concerns of stakeholders, including external stakeholders.

Disclosure 207-4 Country-by-country reporting

REQUIREMENTS	<p>The reporting organization shall report the following information:</p> <ul style="list-style-type: none"> a. All tax jurisdictions where the entities included in the organization's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes. b. For each tax jurisdiction reported in Disclosure 207-4-a: <ul style="list-style-type: none"> i. Names of the resident entities; ii. Primary activities of the organization; iii. Number of employees, and the basis of calculation of this number; iv. Revenues from third-party sales; v. Revenues from intra-group transactions with other tax jurisdictions; vi. Profit/loss before tax; vii. Tangible assets other than cash and cash equivalents; viii. Corporate income tax paid on a cash basis; ix. Corporate income tax accrued on profit/loss; x. Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax. c. The time period covered by the information reported in Disclosure 207-4. <p>Compilation requirements (see the Standard for all details).</p>
RECOMMENDATIONS	<p>The reporting organization should report the following additional information for each tax jurisdiction reported in Disclosure 207-4-a:</p> <ul style="list-style-type: none"> 2.3.1 Total employee remuneration; 2.3.2 Taxes withheld and paid on behalf of employees; 2.3.3 Taxes collected from customers on behalf of a tax authority; 2.3.4 Industry-related and other taxes or payments to governments; 2.3.5 Significant uncertain tax positions; 2.3.6 Balance of intra-company debt held by entities in the tax jurisdiction, and the basis of calculation of the interest rate paid on the debt.

B. Tax in other GRI reporting standards

The GRI 207 Tax Standard is not the only GRI Standard that includes the topic of tax. Below we have summarized other GRI Standards (Topic and Sector) that are relevant for Tax. Details can be found in the mentioned Standards, which can be downloaded on the GRI website.

GRI STANDARD NAME	DISCLOSURE / TOPIC	DISCLOSURE
<i>GRI 201: Economic Performance 2016</i>	201-1. a. ii.	a. (ii) Economic value distributed: ...employee wages...payments to government by country...
<i>GRI 201: Economic Performance 2016</i>	201-4. a. i. and ii and iii	a. (i) Tax relief and tax credits (ii) subsidies (iii) investment grants, research and development grants, and other relevant types of grant
<i>GRI 11: Oil and Gas Sector 2021</i>	Topic 11.14 Economic impacts	201-1 (see above)
	Topic 11.21 Payments to governments	201-1 (see above) 207-1, -2, -3 and -4
<i>GRI 12: Coal Sector 2022</i>	Topic 12.8 Economic impacts	201-1 (see above)
	Topic 11.21 Payments to governments	201-1 Payments to governments 207-1, -2, -3 and -4

C. Official GRI translations of *GRI 207: Tax 2019*

The Standard is available in the following languages:

- Arabic
- Bahasa Indonesian
- English
- French
- German
- Italian
- Japanese
- Portuguese
- Simplified Chinese
- Spanish
- Traditional Chinese

Link to the above translations: <https://www.globalreporting.org/search/?query=gri+207>

D. Official GRI documentation related to *GRI 207: Tax 2019*

The following official GRI documentation is available:

- *GRI 207: Tax 2019* Standard
- GSSB basis for conclusions for *GRI 207: Tax 2019*
- *GRI 207: Tax 2019* Factsheet
- Comparison *GRI 207: Tax 2019* OECD BEPS

Link to the above documents: <https://www.globalreporting.org/search/?query=gri+207>



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