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GRI Response- Treasury Laws Amendment (Measures 4 for Future Bills) Bill 2023: Multinational 5 tax transparency - Tax changes: Public country-by-country reporting

GRI commends the Australian Treasury for your efforts in advancing tax transparency and for the multi stakeholder engagements through public consultations. We would like to emphasize our support for the proposed legislation and appreciate that the Treasury has adopted large parts of the existing tax country-by-country reporting frameworks of GRI and the OECD as a baseline, whilst also addressing local expectations through additional disclosures. GRI also welcomes the requirement to publish the group's approach to tax in line with [GRI 207: Tax 2019](#), requirement 207-1, as this requirement provides stakeholders with further insight, in combination with reported country-by-country (tax) data using 207-4.

In our view, the proposed reporting requirements could be further strengthened, when tax governance requirements are also addressed. Tax governance and risk management is an important 'middle step', needed to manage the group's approach to tax, ensure accountability at board level, and show how the country-by-country reporting data is managed to safeguard quality and completeness. Tax governance and risk management is key in preventing (perceived) tax greenwashing. Such tax governance and risk management regulations and/or guidelines may already exist in the Australian context (e.g. Australian Tax Office guidance), but GRI believes it is valuable for reporting organizations and stakeholders to explicitly include or reference this in the proposed legislation. Within GRI 207: Tax 2019, Tax governance, control, and risk management is included as this 'middle step', as requirement 207-2.

Global baseline

Leveraging from GRI and the OECD tax frameworks, in our view, helps to adopt a global baseline for tax transparency reporting. This baseline is valuable as it facilitates reporting organizations to efficiently meet global requirements across multiple jurisdictions, and enables investors, regulators, civil society, supervisory bodies, and other stakeholders to access comparable information for their analysis and decision making. As providers of the world's most widely used sustainability standards for impact reporting, GRI strongly believes in the value of international alignment of reporting standards, which is why GRI is continuously working alongside the International Sustainability Standards Board (ISSB), the European Financial Reporting Advisory Group (EFRAG), national policy makers and others.





Investor expectations

Last but not least, we would like to mention that the proposed legislation is also in line with (institutional) investor expectations, as also reflected in previous and current shareholder resolutions requesting for [Cisco](#), [Microsoft](#), [Amazon](#), [ConocoPhillips](#), [Amazon.com Inc](#), [Chevron Corporation](#) and [Exxon Mobil Corporation](#) to become publicly transparent on their tax approach and country-by-country reporting data, using the GRI 207: Tax 2019 standard.

We would like to reiterate our support to the Treasury in its initiatives and emphasize that GRI is always happy to engage.

Sincerely,

Peter Paul van de Wijs

Chief Policy Officer, Global Reporting Initiative

