GRI STANDARDS

The global standards for sustainability reporting

GRI

NEW REPORTING STANDARD

GRI 207: TAX 2019

A NEW GLOBAL STANDARD FOR PUBLIC REPORTING ON TAX

According to the United Nations, taxes play a vital role in achieving the Sustainable Development Goals. They are a key mechanism by which organizations contribute to the economies of the countries in which they operate.

GRI's new reporting standard on tax enables organizations to better understand and communicate information about their tax practices publicly. It is part of the GRI Standard – the most widely adopted standards for sustainability reporting.

The Standard was developed by an expert multi-stakeholder technical committee under the oversight of the Global Sustainability Standards Board (GSSB) with input from over 250 stakeholders from multiple constituencies.

KEY FEATURES OF GRI 207: TAX 2019

- Enables organizations to report on tax practices as part of their sustainability reporting.
- Includes disclosures on tax strategy, governance and risk management that meets different stakeholder expectations of reporting.
- Introduces public country-by-country reporting of business activities, revenues, profit and tax.
- Promotes disclosure of the reasons for difference between corporate income tax accrued and the tax due if the statutory tax rate is applied to profit/loss before tax.

GRI STANDARDS

GRI

GRI 207: TAX 2019

The Standard contains three management approach disclosures and one topic specific disclosure on country-by-country reporting. The combination of management approach disclosures and country-by-country reporting gives insight into an organization's tax practices in different jurisdictions.

Management approach disclosures require a narrative explanation of how organizations manages tax.

Disclosure 207-1 Approach to tax
Disclosure 207-2 Tax governance, control and risk management
Disclosure 207-3 Stakeholder engagement and management concerns related to tax

Country-by-country reporting requires reporting of financial, economic, and tax-related information for each jurisdiction in which the organization operates.

Disclosure 207-4 Country-by-country reporting

WHY SHOULD ORGANIZATIONS PUBLICLY REPORT ON TAX?

- To show the contribution that they make to the countries in which they operate.
- To promote confidence and credibility in the tax practices of organizations and in tax systems.
- To enable stakeholders to make informed judgments about an organization's tax practices.
- To help inform public debate and support the development of socially desirable tax policy.

Download *GRI 207: Tax 2019* here

The GRI Standards are available for all organizations as a free public good at www.globalreporting.org. With the GRI Standards, organizations of all sizes can report publicly on their economic, environmental and social impacts – and show how they contribute to sustainable development. 93% of the world's largest 250 corporations report on their economic, environmental and social impacts, and 75% of them use the GRI Standards

KPMG Survey of Corporate Responsibility Reporting 2017