



NORGES BANK
INVESTMENT MANAGEMENT

Director, International Tax Branch
Corporate and International Tax Division, Treasury
Langton Cres
Parkes ACT 2600
Australia

Date: 01.09.2022

Consultation on Multinational tax integrity and enhanced tax transparency

We refer to the Australian Government's public consultation on multinational tax integrity and enhanced tax transparency, running from 5 August 2022 to 2 September 2022. We welcome the opportunity to contribute an investor's perspective on Part 3 of the discussion paper, relating to multinational tax transparency.

Norges Bank Investment Management (NBIM) is the investment management division of the Norwegian Central Bank and is responsible for investing the Norwegian Government Pension Fund Global, with the objective of ensuring the highest possible return. NBIM is a globally diversified investment manager with AUD 27.3 billion invested in equities and AUD 10.8 billion in fixed income in Australia as of the end of 2021.

We have laid out our expectations of companies on tax and transparency¹, which rest on three main principles: first, that taxes should be paid where economic value is generated; second, that company tax arrangements are a board responsibility; and third, that public country-by-country reporting is a core element of transparent corporate tax disclosure. We expect companies to publish country-by-country breakdowns of how and where their business model generates economic value, where that value is taxed and the amount of tax paid as a result.

Institutional investors benefit from well-functioning, consistent, predictable, and transparent tax reporting frameworks. For tax-related information to support investment decisions, risk management processes and ownership activities across a diversified portfolio, it should be consistent and comparable across companies and over time. To promote harmonization and reduce uncertainty, we support international standards for the public disclosure of tax-related information by companies. Our position paper on corporate sustainability reporting accordingly expresses support for the use of industry specific SASB metrics to account for

¹ NBIM, [Tax and transparency, expectation towards companies](#). Our expectations are primarily directed at company boards and intended to serve as a starting point for our interaction with multinational enterprises on the topic of tax and transparency





financially material risks and opportunities and reliance on the Global Reporting Initiative (GRI) as the basis for a company's broader sustainability disclosures².

We support the Australian government's general objective to introduce targeted and balanced tax transparency initiatives directed at multinational companies, and we will welcome the additional tax-related information expected to be reported pursuant to such initiatives. We also support the approach taken by the Government in this consultation of basing its exploration of public country-by-country reporting requirements on existing global standards.

We appreciate your willingness to consider our perspective.

Yours sincerely,

Carine Smith Ihenacho
Chief Governance & Compliance Officer

Wilhelm Mohn
Global Head of Corporate Governance

² NBIM, [Corporate sustainability reporting](#).

