

 TAX RESPONSIBILITY AND TRANSPARENCY INDEX SCORECARD REPORT (WORKED EXAMPLE)					
PARENT COMPANY	WORKED EXAMPLE PLC				
FINANCIAL PERIOD ENDING	31/12/2022				
	Company Score	cf Mean Average Score (All)*	Index Rank (All)*	cf Mean Average Score (Country)**	cf Mean Average Score (Sector)**
POLICY & STRATEGY	13.0/15	11.7/15	Joint 2nd	11.7/15	13.0/15
MANAGEMENT & GOVERNANCE	14.0/20	13.1/20	3rd	14.7/20	12.8/20
STAKEHOLDER ENGAGEMENT	10.5/15	8.1/15	1st	9.2/15	9.4/15
TRANSPARENCY & REPORTING	20.0/25	14.6/25	Joint 1st	14.0/25	18.5/25
CONTRIBUTION & NARRATIVE	13.5/25	11.9/25	3rd	9.8/25	15.1/25
TOTAL	71/100	59.3/100	Joint 2nd	59.3/100	68.8/100

* At XX XX 20XX. Population = X

** Population = X

*** Population = X



AREA 1 - POLICY & STRATEGY				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
1	Public tax policy/strategy	Does the company publicly provide a description of its approach to tax ?	2.5/3	<p>Xxxxx's Tax Policy is available on the Group's website. (1%)</p> <p>It is clear that that the Tax Policy applies to all jurisdictions and to all subsidiaries (page 1): "XXXXXXXXXXXXXXXXXX." (1%)</p> <p>It is strongly implied that the Tax Policy covers all taxes, but this is not explicitly stated. (0.5%)</p>
2	Public tax policy/strategy	If your company discloses its tax principles, are they in line with international sustainability frameworks / guidelines / initiatives / standards ?	3/3	<p>Page x of the 2022 Annual Report ("AR") confirms: "We utilise GRI 207 when presenting" and "endorse the B Team Responsible Tax Principles."</p> <p>Xxxxx is also a Fair Tax Mark accredited business. (3%)</p>
3	Anti-avoidance commitments	Does the public tax policy explicitly embrace the following commitment: follow the spirit as well as the letter of the law ?	3/3	<p>Credit has been given for wording under the 'Compliance' sub-heading on page X of the Tax Policy: "XXXXXXXXXXXXXXXXXX" (3%)</p> <p>Page x of the Tax Policy commendably explains Xxxxxx's approach to utilising tax incentives.</p>
4	Anti-avoidance commitments	Does the public tax policy explicitly embrace the following commitment: seek to declare profits in the place where their economic substance arises ?	3/3	<p>Page x of the Tax Policy sets out: "XXXXXXXXXX" (3%)</p> <p>Accompanying paragraphs helpfully lay out Xxxxxx's transfer pricing and general tax planning principles: "XXXXXXXXXXXXXXXXXX."</p>

AREA 1 - POLICY & STRATEGY				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
5	Anti-avoidance commitments	Does the public tax policy explicitly embrace the following commitments: not use low tax jurisdictions artificially and for the purposes of tax reduction?	1.5/3	<p>Page x of the Tax Policy, the Group confirms: "Xxxxx." (1.5%)</p> <p>There is no public statement about Xxxxx's definition of a tax haven or secrecy jurisdiction. (i.e., which organisation's list is being considered? FTF, Oxfam, EU, TJN, other?)</p>
POLICY & STRATEGY SUB-TOTAL			13/15	

AREA 2 - MANAGEMENT & GOVERNANCE				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
1	Internal management, control and governance	Does the company disclose a description of its tax governance and control framework ?	2/3	<p>Index Submission notes no public disclosures. However, Tax Policy (pages x-x) and the 2022 AR (page xx) provide descriptions of Xxxxx's tax governance, and risk management and associated controls. (2%)</p> <p>It is implied but not explicitly stated that Tax Policy and descriptions apply to all taxes (for example, page xxx of the 2022 AR): "XXXXXXXXXXXX"</p>
2	Internal management, control and governance	Does the responsible governance body (e.g., board, audit committee, supervisory board) report on its oversight activities of the tax policy / strategy and confirm implementation and compliance ?	2/5	<p>Page x of the Tax Policy explains: "Tax is a core part of our CSR and governance and is overseen by the Board, within which the Chair of the Audit Committee is accountable for the tax policy, and the responsibility for tax risk management lies with the FD."</p> <p>The Chairperson of the Audit Committee can be identified as Xxxxxx (page xx of 2022 AR), while the CFO is Xxxxxx (page xx of 2022 AR). (2%)</p> <p>Annual compliance with the Tax Policy is not explicitly, publicly confirmed. Evidence of confirming implementation and compliance to the board internally has not been provided.</p>
3	Internal management, control and governance	Can the company evidence that its management of tax is responsible?	1/2	<p>Various examples, including the following, are explained in the Tax Policy and 2022 AR: "XXXXXXXXXX."</p> <p>Little solid, direct evidence discernible of ensuring that 'spirit of the law' is followed.</p>

AREA 2 - MANAGEMENT & GOVERNANCE				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
4	Internal management, control and governance	Does the company communicate its tax policy and governance internally with vigour, and promote channels for identifying breaches?	2/3	<p>Tax Policy and 2022 AR are made publicly available online for staff (and it is confirmed in Index Submission that these are primary tools for internal communication). (1%)</p> <p>Whistle Blower Hotline/channel and general code of conduct are also freely accessible, though neither explicitly mentions 'tax'. (1%)</p> <p>No substantive examples of broad internal communication provided. Whistle Blower channel and codes of conduct do not specifically mention or discuss 'tax'.</p>
5	Internal management, control and governance	Is the country of residence of board directors discernible?	1/1	Board directors' countries of residence are shown online at Xxxxxx's Central Business Register. (1%)
6	Beneficial ownership disclosure	Are the beneficial owners of shareholdings of 15% and above in the ultimate parent company disclosed?	5/5	<p>Page xx of the 2022 ARA and Xxxxxx's website provide overviews of the Group's shareholders, and these summaries make clear that the majority stockholder is Xxxxx with Xx%.</p> <p>Page xx of the AR extends further by disclosing a table of shareholders with ownership interests and voting shares of at least 5%. (5%)</p>
7	Tax & CSR / ESG / Sustainability	Does the company identify and manage tax as a material ESG / sustainability issue ?	1/1	Tax is identified as an ESG indicator on page x of the 2022 ESG Report, with reference made to the UNSDGs (1%)
MANAGEMENT & GOVERNANCE SUB-TOTAL			14/20	

AREA 3 - STAKEHOLDER ENGAGEMENT				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
1	Stakeholder policy / engagement	Does the company disclose a description of its approach to stakeholder engagement and management of stakeholder concerns related to tax?	2/2	<p>The Tax Policy gives an overview of Xxxxx's approach to stakeholder engagement on page x.</p> <p>Page xx of the 2022 AR and page xx of the 2022 Sustainability Report provide informative detail about specific instances of stakeholder dialogue and engagements. (2%)</p>
2	Stakeholder policy / engagement	Does the company encourage significant business partners and suppliers to pursue responsible tax conduct?	1/2	<p>Tax Policy contains a clearly worded statement about expecting joint venture partners to adhere to Xxxxx's principles (page x): "Xxxxxxxx." (1%)</p> <p>There is no statement about encouraging suppliers to pursue responsible tax conduct, while the 'Code of conduct for business partners' available online does not specifically mention tax.</p> <p>Evidence or examples of encouraging responsible tax conduct needed for full points to be scored.</p>
3	Building a cooperative relationship with tax authorities	Does the company disclose a description of a constructive and open approach to engagement with tax authorities ?	2/3	<p>Page x of the Tax Policy explains Xxxxx's approach to engaging with tax authorities. (2%)</p> <p>Commitments could be clearer about the Group's willingness to engage in cooperative compliance agreements. More could be done to describe or evidence specific examples of participating in cooperative compliance agreements.</p>

AREA 3 - STAKEHOLDER ENGAGEMENT				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
4	Responsible advocacy	Does the company disclose a description of its approach to public policy advocacy , lobbying, and political engagement on tax matters?	1.5/4	<p>Page x of the Tax Policy outlines Xxxxx's approach to public policy advocacy and lobbying. (0.5%)</p> <p>The Group publicly discloses a list of advocacy memberships online (see link in cell note) and provides further detail about lobbying activity on page xx of the 2022 AR and page xx of the Sustainability Report. (1%)</p> <p>More specific details on positions taken could be given (e.g., what input was given to US policymakers about the IRA?).</p> <p>Additional public statements still merited about key matters such as alignment of public and private advocacy positions, reconciliation of points of difference within trade bodies, and governance and controls over lobbying.</p>
5	Contribution to development programmes	Does the company pro-actively contribute to the development of programmes advancing responsible tax conduct and tax transparency?	4/4	<p>Index Submission notes:</p> <ul style="list-style-type: none"> - "We are very active on that agenda, both in respect of the OECD, EU, national governments and speaking at various conferences." (1%) <p>Assessor also aware of:</p> <ul style="list-style-type: none"> - Fair Tax Mark accreditation - Participating in CSR Europe / Fair Tax Foundation Index - Multiple conference speaking engagements (3%)
STAKEHOLDER ENGAGEMENT SUB-TOTAL			10.5/15	

AREA 4 - TRANSPARENCY & REPORTING				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
1	Financial transparency	Does the company make freely available, on an annual basis, a set of financial statements (specifically an income statement, balance sheet and statement of cash flows)?	2/2	Yes, detailed financial statements available on website. (2%)
2	Financial transparency	Is the company's tax reporting in line with international sustainability frameworks / guidelines / initiatives / standards?	2/2	Country-by-country CIT data is reported on page xx of the 2022 AR. TTC is reported on pages xx and xx of the 2022 AR. Consolidated tax charge and tax reconciliation are presented on pages xx-xx of the 2022 AR. Submission notes alignment with GRI 207, as does page 111 of the 2022 AR, and Xxxxx is also Fair Tax Mark accredited. (2%)
3	Public CBCR	Does the company disclose detailed information about countries in which it operates, a list of subsidiary companies and non-fully consolidated holdings including associates and joint ventures?	0.5/2	A list of subsidiaries, associates, joint operations and joint ventures, and non-consolidated entities - with 'significant activities' - is included in the 2022 AR (page xx). (0.5%) A comprehensive list of all xxx of Xxxx's connected companies is also available online. However, principal business activities and tax residences of subsidiaries are not explicitly stated.

AREA 4 - TRANSPARENCY & REPORTING				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
4	Public CBCR	Does the company disclose for each tax jurisdiction total revenues, with a breakdown of third-party sales and intra-group sales / transactions?	2/2	'Revenue from third-party sales' and 'Revenue from intra-group transactions with other tax jurisdictions' are provided as part of the country-by-country data analysis on page xx of the 2022 AR. (2%)
5	Public CBCR	Does the company disclose for each tax jurisdiction profit/loss before tax?	2/2	A country-by-country split of profit/loss before tax is disclosed on page xx of the 2022 AR. The value attributed to 'Other countries' is sufficiently small (< 1% of total) for full credit to be awarded. (2%)
6	Public CBCR	Does the company disclose the total tax charge, current tax charge, deferred tax charge and cash taxes paid for each tax jurisdiction in which it operates?	3/4	A complete breakdown of corporate income taxes paid (across all jurisdictions) is shown on page xx of the 2022 AR. (2%) Current tax charge is also analysed in a similar fashion. (1%) Further explanations/analyses about other constituent parts of the total tax charge would be required to score full points.
7	Public CBCR	Does the company disclose for each tax jurisdiction a number of employees , and their aggregate gross remuneration, and the basis of calculation?	2/2	Number of employees (full-time equivalents at 31 December 2023: see page xx of AR) and gross remuneration of employees (including capitalised remuneration costs) are provided as part of the country-by-country data analysis on page xx of the 2022 AR. 'Other countries' is so small (< 1% of total) that full credit has been given in both cases. (2%)
8	Public CBCR	Does the company disclose for each tax jurisdiction information about tangible assets other than cash and cash equivalents?	2/2	A split of 'Property plant, and equipment, and inventory' is provided as part of the country-by-country analysis on page xx of the 2022 AR. The value attributed to 'Other countries' is sufficiently small (< 1% of total) for full credit to be awarded. (2%)

AREA 4 - TRANSPARENCY & REPORTING				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
9	Financial transparency	Does the company provide a numerical tax reconciliation of its actual current tax charge to the amount determined by applying the headline corporate tax rate to the profits of the company in the reporting period?	0/2	The numerical reconciliation provided in the 2022 AR (page xx) is for total/effective tax charge on profit for the year and not current tax charge (or rate). (0%)
10	Other taxes	Does the company report on other taxes paid (i.e., in addition to CIT) at a) a global level, b) on a country-by-country basis?	1.5/2	TTC data is provided in the 2022 AR (page xx) on a country-by-country level, and also separately by reference to profit, planet, people and property tax types. (1.5%) Enhanced level of detail about specific types of property, consumption, personnel-related and ESG taxes could still be provided. In addition, country-by-country TTC data could be split by tax type (currently only analysed on a taxes borne vs. taxes collected basis).
11	Third-party verification / assurance	Does the company secure external assurance on the disclosed financial and non-financial tax information?	3/3	All reporting is commendably included in the audited 2022 AR, which is subject to reasonable assurance. This is further augmented by Fair Tax Mark accreditation. (3%)
TRANSPARENCY & REPORTING SUB-TOTAL			20/25	

AREA 5 - CONTRIBUTION & NARRATIVE				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
1	Level of tax paid assessed	Does the company exhibit a positive corporate tax contribution , and if so what is the business' average tax rate (in terms of cash taxes paid) over the last five years?	4/5	<p>Average current tax rate over 2018-2022 is 19.7%, while average cash taxes paid rate over the same period is 14.7%.</p> <p>As the current tax rate is in the range of 16.1%-20.0%, four points have been awarded. (4%)</p>
2	Narrative on corporate tax contribution	Does the company provide a narrative explanation as to why its a) effective tax rate (ETR), b) current tax charge and c) cash tax contribution differs from the provisions that might be expected if the headline tax rate in the parent entity's local jurisdiction were to be applied to the business's accounting profits?	2.5/5	<p>Most narrative focuses on the effective/total tax rate rather than current or cash tax rates. A total/effective tax rate reconciliation is provided in the 2022 AR (page xx), and credit has been given for accompanying narrative explaining about xxxx, xxxx and xxxx (1%)</p> <p>There is a general note about lower than expected current tax rates on page xx of the AR, plus brief commentary about early-investment cash tax rates on page xx. (0.5%)</p> <p>Additional credit has also been given for informative - but non-specific - narrative about xxxx on page xx of the AR. (1%)</p> <p>Still scope for more varied, and expanded narrative. There are no explanations about why the current tax charge for FY2022 differs substantially from the charge expected on profits.</p> <p>There are no explanations about why the five-year current tax rate (xx%) or the five-year cash taxes paid rate (xx%) vary from Xxxxx's headline tax rate of xx%.</p>

AREA 5 - CONTRIBUTION & NARRATIVE				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
3	Narrative on corporate tax contribution	Does the company provide a deferred tax note that explains the deferred tax assets and / or liabilities on its balance sheet with significant precision such that the cause of at least 75% of the underlying items are clearly described?	1.5/3	<p>A numerical table explaining consolidated deferred tax balances is shown on page xx of the 2022 AR. (1%)</p> <p>Additional credit has been given for narrative explanations about significant in-year deferred tax movements (page xx of the 2022 AR) and how incentives often defer taxes due during the life cycle of a typical xxxx (page xx). (0.5%)</p> <p>More narrative could be included to explain how and why various material deferred tax categories have arisen (e.g., 'Current liabilities', 'Other non-current liabilities'), as well as how and when deferred tax balances are likely to unfold and impact cash tax bills.</p>
4	Narrative on tax controversies	Does the company provide commentary on recent tax controversies and / or any significant uncertain tax positions ?	2.5/4	<p>Excellent descriptions of tax disputes and uncertain tax positions are included on page xx of the 2022 AR. Page xx of the 2022 AR helpfully confirms the accounting policy for measuring and recognising UTPs, while page xx explains how any provisions are estimated. (2%)</p> <p>Page xx explains the tax value assessed as due from a transfer pricing adjustment by xxxx, which remains under appeal. (0.5%)</p> <p>There are no explanations or disclosures about the exact value of uncertain tax provisions held on the consolidated balance sheet as at 31 December 2022 (only the in-year movement is shown on page xx of the AR).</p>

AREA 5 - CONTRIBUTION & NARRATIVE				
	CATEGORY	QUESTION	SCORE	NOTES FROM ASSESSOR
5	Narrative on corporate tax contribution	Does the company provide narrative explanations and commentary to its public CIT CBCR reporting , paying particular attention to activity in low tax and secrecy jurisdictions ?	1.5/5	<p>Credit has been given for notes about local corporate taxes paid on page xx of the 2022 AR, as well as short narrative paragraphs accompanying numerical country-by-country key figures on page xx. (1.5%)</p> <p>Submission notes that little narrative is given. There are few explanations about current and cash tax rates, or other trends, in individual jurisdictions. More comprehensive and concentrated narrative required to score further points.</p>
6	Narrative on other taxes	Does the company provide narrative explanations and commentary on other taxes paid (ie in addition to CIT) at a) a global level, b) on a country-by-country basis?	1.5/3	<p>Global and (some - but not full) country-by-country TTC data is provided in the 2022 AR (pages xx-xx). Credit has been given for general explanatory narrative about the concept of taxes paid and taxes collected and Profit/Planet/People taxes (1.5%)</p> <p>There is no focused supporting narrative about global or individual country-by-country trends in other taxes paid.</p>
CONTRIBUTION & NARRATIVE SUB-TOTAL			13.5/25	

The TR&T Index Assessment Criteria and example TR&T Index Scorecard Report were first released in September 2024