TRANSPARENCY INTERNATIONAL
the global coalition against corruption

TRANSPARENCY IN CORPORATE REPORTING

Assessing Emerging Market Multinationals

Transparency International is a global movement with one vision: a world in which government, business, civil society and the daily lives of people are free of corruption. With more than 100 chapters worldwide and an international secretariat in Berlin, we are leading the fight against corruption to turn this vision into reality.

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HOW TRANSPARENT ARE EMERGING MARKET MULTINATIONALS?

ACP ANTI-CORRUPTION PROGRAMMES
OT ORGANISATIONAL TRANSPARENCY
CBC COUNTRY-BY-COUNTRY REPORTING

HIGH **MIDDLE** **LOW TRANSPARENCY**

COMPANY	% ACP	OT	CBC	TOTAL
Bharti Airtel				7.3
Tata Communications				7.0
Mahindra & Mahindra				6.7
Tata Consultancy Services				6.5
Tata Global Beverages				6.5
Tata Motors				6.5
Tata Steel				6.5
Wipro				6.4
Petronas				6.3
Tata Chemicals				6.3
Falabella				6.2
MTN Group				5.9
ZTE				5.9
Dr. Reddy's Laboratories				5.8
Infosys Technologies				5.8
Suzlon Energy				5.8
Vedanta Resources				5.8
El Sewedy Electric				5.7
Embraer				5.6
Indorama Ventures				5.6
Thai Union Frozen Products				5.5
PTT				5.4
Evraz Group				5.2
Lupin Pharmaceuticals				5.1
Hindalco Industries				5.0
Norilsk Nickel				5.0
Sabanci Holding				4.9
Bumi Resources				4.8
Bajaj Auto				4.7
Natura				4.7
Femsa				4.6
Gedeon Richter				4.6
Koç Holding				4.6
Mexichem				4.6
LATAM (previously LAN)				4.5
BRF S.A. (former Brasil Foods)				4.4
Marcopolo				4.4
Bharat Forge				4.1
Sasol				4.1
Crompton Greaves				4.0
Li & Fung Group				3.9
Tenaris				3.9
Emirates				3.8
Gerdau				3.8
Votorantim Group				3.8
Bidvest Group				3.7
Grupo Bimbo				3.7
Larsen & Toubro				3.7
Lenovo Group				3.6
Odebrecht Group				3.6

Scale 0-10 where 0 is least transparent and 10 is most transparent. This Index is based on the unweighted average of results in all three categories.

Note: Companies covered in this report may provide support to Transparency International chapters worldwide.

COMPANY	% ACP	OT	CBC	TOTAL
Gruma				3.5
DP World				3.4
China Communications Construction Company (CCCC)				3.3
United Company Rusal				3.3
Huawei Technologies				3.1
JBS				3.1
Johnson Electric				3.1
China International Marine Containers Group (CIMC)				3.0
Sappi				3.0
WEG				3.0
Magnesita Refratarios				2.9
Etisalat				2.8
Grupo Alfa				2.8
BYD Group				2.7
Indofood Sukses Makmur				2.7
Mabe				2.6
Severstal				2.6
Alibaba Group				2.5
Sinohydro				2.4
Lukoil				2.2
Camargo Correa Group				2.1
China Railway Construction Corporation Ltd. (CRCC)				2.1
Yanzhou Coal Mining Company				2.1
Baosteel Group				2.0
Shanghai Electric Group				1.8
Aluminium Corporation of China (Chalco)				1.5
Tencent Holdings				1.5
Haier				1.3
LDK Solar				1.3
Zoomlion				1.3
China Shipping Group Company (China Shipping)				1.2
COSCO Group				1.2
Sinopec Group				1.2
China National Offshore Oil Company (CNOOC)				1.1
Coteminas				1.1
Sinochem				1.1
Shunfeng International Clean Energy				1.0
Anshan Iron and Steel Group (Anshan)				0.8
China Minmetals				0.8
Sinosteel				0.8
China National Chemical Corporation (CNCC)				0.7
China Shipbuilding Industry Corporation (CSIC)				0.7
Charoen Pokphand Group (Chia Thai Group, C.P. Group)				0.6
Sinomach				0.6
Chint Group				0.4
Geely International				0.4
China State Construction Engineering Corporation (CSCEC)				0.3
Chery Automobile				0.0
Galanz Group				0.0
Wanxiang Group				0.0

HIGHLIGHTS

1
company

Only Fallabella from Chile scores 50% or more in all dimensions

2
companies

Only Bharti Airtel and Petronas score full points in any of the three dimensions

75/100
companies

Score less than 5 out of 10 overall

1/37
company

ZTE is the only Chinese company that ranks in the top 25 companies overall

CITIZENS IN THE DARK

72/100 companies

disclose no information about tax payments in foreign countries

REGULATION MATTERS

all 19 Indian companies

score 75% or more in organisational transparency

SMALL BRIBES, BIG PROBLEM

81/100 companies

do not disclose an explicit policy prohibiting facilitation payments

WEAK SYSTEMS

41 companies

fail to report the existence of channels for employees to report suspected breaches of the company's anti-corruption policy

INTRODUCTION

Corruption scandals continue to make headlines around the world, and emerging economies have contributed their fair share.

Whether it is the Chinese government's anti-corruption campaign, Brazil's massive corruption scandal[1] or the allegations of misappropriation of funds involving Malaysia's prime minister,[2] the impact of corruption is seriously harming emerging economies at a time when they are also being buffeted by slowing growth.

Despite the challenges of an economic downturn and the destructive consequences of corruption scandals, emerging market multinationals continue to occupy an important place in regional and global markets. While there are bearish predictions on the short-term future of emerging markets, and the BRICS economies (Brazil, Russia, India, China and South Africa) in particular, these countries alone still account for approximately 30 per cent[3] of the world's output, and their most dynamic firms will continue to seek business opportunities at home and abroad. And, like other leading multinationals, they must play their role in fighting corruption and raising standards of integrity and transparency in business.

Well-run companies operating with high levels of integrity and transparency are more likely to maintain their edge in a global marketplace where unfair or opaque business practices are increasingly a threat to success. In Brazil, the fallout from the Petrobras scandal has cost the state-owned oil company not just its reputation but an estimated US$1.5 billion in lost profits.[4]

As Transparency International has repeatedly emphasised in this report series,[5] comprehensive public reporting is a key component of the measures companies must take to address corruption and provide the transparency that is the basis for robust and accountable governance. However, voluntary efforts can only go so far and – as this report shows – legal and regulatory requirements do indeed foster greater corporate transparency.

As a result of pressure in the European Union, the United States and elsewhere, new laws and regulations have been adopted. Their purpose is to create a new mandatory global transparency standard, primarily for the extractive industries but also for others such as the financial sector and the logging industry. In the European Union, there are proposals to expand these requirements to all sectors. These changes will affect major companies from developed economies, but many emerging market multinationals will not escape their impact. It is therefore in their self-interest to prepare for a new global era of transparency. Governments and regulators must also play their part in building consistent demand for corporate transparency.

ABOUT THIS REPORT

This report evaluates the disclosure practices of 100 major emerging market multinationals headquartered in 15 countries and active in 185 countries. The report is part of a series on corporate reporting published by Transparency International since 2008. Initially focused on the world's top multinationals, the series was expanded to include a first report on emerging market multinationals in 2013. To enhance comparability, the company sample for this report is primarily based on the 2013 edition of the Transparency in Corporate Reporting: Assessing Emerging Market Multinationals report.

This report assesses the public disclosure practices of emerging market multinationals based on three dimensions: first, the reporting of key elements of their anti-corruption programmes; second, the disclosure of their company structures and holdings; and, third, the disclosure of key financial information on a country-by-country basis. This information was gathered from corporate websites and other publicly available sources by a team of Transparency International researchers.

Public reporting by companies on their anti-corruption programmes cannot be equated with actual performance, but public reporting provides an opportunity for companies to focus on their practices, and drives improvement. Good public reporting supports and promotes good behaviour. Through engagement with companies in the course of compiling the Transparency in Corporate Reporting studies, including this latest report, several companies have improved the quality and extent of their anti-corruption measures as well as how they publicly report on them.

1 See "What is the Petrobras scandal that is engulfing Brazil?" Financial Times, 31 March 2016.
2 See "Corruption Allegations Continue to Build Against Malaysia's Prime Minister", Time, 2 March 2016.
3 See "Why the BRICS failed to meet lofty expectations", The Globe and Mail, 16 April 2016.

WEAK OVERALL RESULTS

Despite some scattered signs of improvement since 2013, the overall results of the assessed companies remain weak, a clear indication that emerging market multinationals still practise low standards of transparency. The overall average score for the 100 companies assessed in this report is 3.4 out of 10, a slightly weaker performance than in 2013 but almost on a par with the 3.8 overall score obtained in our 2014 report assessing the world's 124 largest multinationals.

It is disconcerting to observe that emerging market multinationals, with an average score of 48 per cent, have barely registered improvement in the disclosure of their anti-corruption programmes since 2013, when their average score was 46 per cent. Once again, they trail behind the top global publicly listed companies assessed in 2014.

Disappointingly, emerging market multinationals have also weakened with regard to the disclosure of their corporate structures. With an average result of 47 per cent, they have experienced a seven-point slide from the average result of 54 per cent in 2013, though this is in part attributable to the more demanding disclosure standard applied in this study.

In 2015, world leaders committed to the achievement by 2030 of ambitious sustainable development goals (SDGs). The findings of this report show that emerging market multinationals have work to do before they have in place the policies and programmes that are needed to help achieve the SDG target to reduce corruption and bribery.

REGULATION MATTERS

Emerging market multinationals score an average of 9 per cent in the third dimension, country-by-country reporting, which is roughly on a par with their performance in the last report. This result, however modest, is superior to the performance of global companies, which achieved only 6 per cent in 2014.

In a significant finding, this report shows that high levels of transparency are achievable and that regulation enhances the transparency performance of emerging market multinationals. In India, for example, the Companies Act requires firms to disclose key financial information on all subsidiaries wherever they are located, resulting in Indian companies achieving the strongest score in this dimension.

This report is being published in the wake of the unprecedented leaks of the so-called Panama Papers, which have exposed the industrial-scale use of shell companies and offshore tax havens, often for illegal purposes such as tax evasion and money-laundering. These revelations have bolstered a public mood of outrage towards corporate secrecy that can only raise stakeholder demand for greater corporate transparency.

The Panama Papers and other recent scandals have put the spotlight on the urgent need to end corporate secrecy, and add to the momentum towards corporate transparency that is already under way. Emerging market multinationals will not be able to escape these trends, given their expanding business footprint. As this study shows, they must raise the bar on their transparency performance if they are to do business competitively in a global marketplace.

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4 See "Brazil's oil capital on its knees as paymaster battles embezzlement fraud investigation", Daily Telegraph, 2 May 2015.
5 See "Transparency in Corporate Reporting: Assessing the World's Largest Companies", Transparency International, 5 November 2014.
See also "Transparency in Corporate Reporting: Assessing Emerging Market Multinationals", Transparency International, 16 October 2013.

FINDINGS

Overall index result

average score **3.4/10**

- Emerging market multinationals continue to fall short of the corporate transparency standards that are expected of multinationals operating internationally.

- Publicly listed companies perform better in all dimensions than state-owned enterprises and privately held companies.

- Country-by-country reporting remains the weakest result for a majority of emerging market multinationals.

- The performance of Chinese companies continues to be disappointing overall, but there are a few notable exceptions, particularly with regard to the disclosure of anti-corruption programmes.

- Chinese entities have different standards of disclosure: levels of transparency for China-based state-owned parent companies are lower than those adopted for their publicly-listed foreign subsidiaries and associated entities.

Anti-corruption programmes

average score **48%**

- A solid majority of assessed companies (84/100) state publicly that they are committed to compliance with the law, including anti-corruption statutes. 67 companies publicly state their zero tolerance of corruption.

- At the other end of the spectrum, only 19 companies declare that they prohibit facilitation payments.

- Business relationships are a weak area of compliance for emerging market multinationals; only 34 companies state that their code applies to third parties such as agents.

- Only ten companies state that both employees and members of the board of directors have received training on the company's anti-corruption policy.

- Publicly listed companies achieve an average score of 56 per cent, well above the average for the sample as a whole.

- Companies in the technology sector achieve the highest score of all industry sectors, with an average of 74 per cent. This compares favourably to the 65 per cent achieved by 35 global telecommunications firms assessed in a special sectoral report published in 2015.

Organisational transparency

average score **47%**

- Bharti Airtel and Petronas achieve perfect scores in this dimension, while three other companies, including one from China, achieve 88 per cent, the second-best average score.

- At the bottom of the ranking, nine companies, eight of them Chinese, score zero.

- State-owned companies manage a weak but nevertheless higher score (18 per cent) than privately owned firms (14 per cent).

- The 19 Indian companies achieve the best score of any country in the sample, with an average of 77 per cent.

- Publicly listed emerging market multinationals perform significantly better than the publicly listed firms in the Transparency International 2014 report assessing the world's largest companies, with an average score of 59 per cent versus 39 per cent.[6]

Country-by-country reporting

average score **9%**

- Maintaining its 2013 leadership in the ranking, Chile's Falabella comes in first with a score of 60 per cent, registering a solid improvement of 10 percentage points over its 2013 score.

- At the bottom of the scale, 43 companies score zero. These include 26 Chinese firms and seven of the 12 Brazilian companies covered in the report.

- Publicly listed companies, with an average score of 12%, outperform privately owned firms and state-owned companies. State-owned companies achieve a paltry score of 0 per cent.

- With an average score of 9 per cent, emerging market multinationals achieve a higher average for country-by-country reporting than the world's largest multinationals evaluated in our 2014 report (which had an average of 6 per cent).

6 This is mainly because all the Indian companies score higher in the organisational transparency dimension. Legislation in India requires companies to disclose all their subsidiaries and the percentage ownership. Indian companies also do subsidiary-by-subsidiary financial reporting, which earns them higher scores on the country-by-country reporting dimension as well.

RECOMMENDATIONS

To emerging market companies

1 Step up efforts to become more transparent

As companies that are increasingly operating in the global marketplace, emerging market companies should recognise that they have an obligation to demonstrate more transparency to all their stakeholders, both at home and abroad. Unlisted companies and state-owned enterprises are subject to fewer mandatory reporting requirements. Consequently, their levels of transparency tend to be lower. Privately held and state-owned companies from emerging markets should recognise the importance of transparency and accountability in building confidence among stakeholders and strive to improve their disclosure practices. A transparent, informative and unrestricted corporate website, available in at least one international language, should be the standard communication tool for all large emerging market multinationals whether they are unlisted, state-owned or publicly listed.

2 Develop best-in-class anti-corruption programmes and make them publicly available

Emerging market companies should work to develop best-practice anti-corruption programmes to protect themselves against the risk of bribery and corruption. Furthermore, a best-in-class anti-corruption programme and a commitment to transparency can act as positive differentiators and provide a competitive advantage for firms vying for business, particularly in periods of economic downturn.

Emerging market companies, and especially unlisted and state-owned companies, still have much work to do to strengthen their anti-corruption policies and procedures. Making their anti-corruption programmes more robust and available for all to see will send a clear signal to stakeholders, including employees and business partners, regarding the company's stance towards corrupt practices.

3 Prohibit facilitation payments

Facilitation payments are bribes, and they should be treated as such. Facilitation payments are part of a cycle of bribery that corrodes public and business standards. Moreover, they contribute to a climate that is conducive to larger-scale public sector bribery and state theft. More and more, companies are recognising that facilitation payments may pose legal and reputational risks and have a cost that is not insignificant. As a result, these companies have adopted a zero-tolerance policy with respect to facilitation payments. Emerging market companies should follow suit.

4 Apply anti-corruption programme to agents and other intermediaries

Agents and other intermediaries acting on companies' behalf are frequent conduit for bribes, and as such they present high risk for firms. As recommended in Transparency International's Business Principles for Countering Bribery, enterprises should ensure that agents and other intermediaries acting on their behalf are contractually bound to comply with their anti-bribery programme and they should be provided with appropriate advice and documentation explaining this obligation.

5 Publish exhaustive lists of subsidiaries, affiliates, joint ventures and other related entities

Emerging market companies should emulate Indian companies and step up their disclosure practices by publishing information on all their related entities. Such lists of all holdings do not necessarily have to be included in annual reports, but they should be easily accessible from corporate websites in one form or another. They should include information on each company name, the percentage owned by the group, the place of incorporation and basic information on company operations, i.e. where it is located and the kind of business it conducts.

6 Publish financial accounts for each country of operation

While publishing individual financial accounts for each country represents a relatively small incremental effort for multinational companies, as the information is already available to them internally, it will have a big impact on the countries in which they operate. Although most companies declare their commitment to supporting local communities, they significantly hamper the monitoring of this commitment by failing to publish adequate detailed financial information on their local operations. Transparency of country-level activity and disclosure of key financial information are necessary preconditions for the effective monitoring of a company's impact on local economic development.

To governments and regulatory bodies

1 Implement strong anti-bribery laws and provide the necessary resources to enforce them

Legislation can effectively raise the bar for corporate anti-corruption practices. As a result of the United Kingdom's Bribery Act 2010, for example, many companies with a UK footprint have updated their programmes in order to comply with the law. Strong anti-bribery laws that are vigorously enforced are critical for incentivising companies to adopt stronger anti-bribery compliance measures.

2 Adopt rules for mandatory company reporting on anti-corruption measures

Most company reporting on anti-corruption programmes is still carried out on a voluntary basis. This is beginning to change, however. EU-based companies with more than 500 employees are now required to be more transparent about their efforts to combat corruption and bribery[7]. Governments in emerging markets should pass similar legislation making anti-corruption reporting mandatory.

3 Require companies to disclose their corporate structures

An exhaustive list of related entities for each multinational company should be publicly available. Such lists should include each entity's name, the group's ownership interest and the countries of incorporation and operation. This information is a necessary precondition to enable the monitoring of financial flows into and from countries. Nonetheless, most laws and regulations applying to publicly listed companies limit disclosure of holdings to material investments. This standard, although it provides a starting point for improved transparency, often results in limited disclosure and can lead to the omission of many group holdings.

Transparency International urges national regulators to impose higher standards of disclosure, which would provide much-needed information to civil society organisations and governments, enabling them to follow financial movements in and out of their countries and so allow for better detection of illicit money flows. Furthermore, governments should require much higher levels of transparency around who owns and controls companies registered in their territories, and establish central registries that publicly disclose beneficial ownership information.

4 Require all companies to publish financial accounts on a country-by-country basis

The primary purpose of country-by country reporting is to increase the accountability and transparency of companies. Country-by-country reporting is gaining momentum with legislation in place in a number of developed countries. National governments in emerging economies should follow this trend and adopt laws that promote the highest possible reporting standard requiring that companies in all industry sectors publish their financial accounts on a country-by-country basis.

To investors

1 **Demand more open and comprehensive reporting from emerging market companies and use this information in investment decisions**
Investors must evaluate all risks related to their investments. To identify a company's economic, political and reputational risks, they must know how the company is addressing the risks of corruption. Investors need a full understanding of a company's anti-corruption programme and its organisational structure, as well as key financial information on a country-by-country basis. Lack of transparency on this front is a serious risk factor, which in itself should be carefully considered by investors.

To civil society organisations

1 **Demand that companies be more transparent**
Civil society organisations in emerging economies should focus advocacy efforts on demanding greater transparency from multinational business. Citizens have a right to expect companies to uphold high anti-corruption standards and to know which companies are operating in their country, as well as the extent of their operations.

2 **Use, monitor, analyse and disseminate public corporate information**
Civil society organisations should use this information to engage with governments, regulators and companies with the objective of improving the standards of anti-bribery practice by companies and to counter corruption generally.

3 **Advocate for country-by-country reporting by companies**
Country-by-country reporting of key financial data is gaining momentum rapidly. Civil society should mobilise more broadly to ensure that governments and companies take the necessary measures to foster the transparency needed for greater accountability.

7 http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/intm/144945.pdf

METHODOLOGY

This report assessing the transparency of emerging market multinationals builds on Transparency International's existing work in combating corruption in the business sector. This 2016 edition follows the publication of a first report focusing on emerging market multinationals published in 2013.

The study, which was carried out by a Transparency International research team, assesses the transparency of corporate reporting by 100 large emerging market multinational companies drawn from the Boston Consulting Group's 2011 "Global Challengers" list.[8] The report is based on publicly available data collected in November and December 2015 and reviewed in January 2016. The reporting periods covered in these public documents may differ between the selected companies, however. It is possible that relevant information may have been published by companies after this period, but it could not be considered in this report.

Corporate reporting is measured on three dimensions that Transparency International considers key to achieving greater corporate transparency:

- Reporting on anti-corruption programmes
- Organisational transparency
- Country-by-country reporting

8 Boston Consulting Group, Companies on the Move: 2011 BCG Global Challengers (Boston: Boston Consulting Group, 2011).

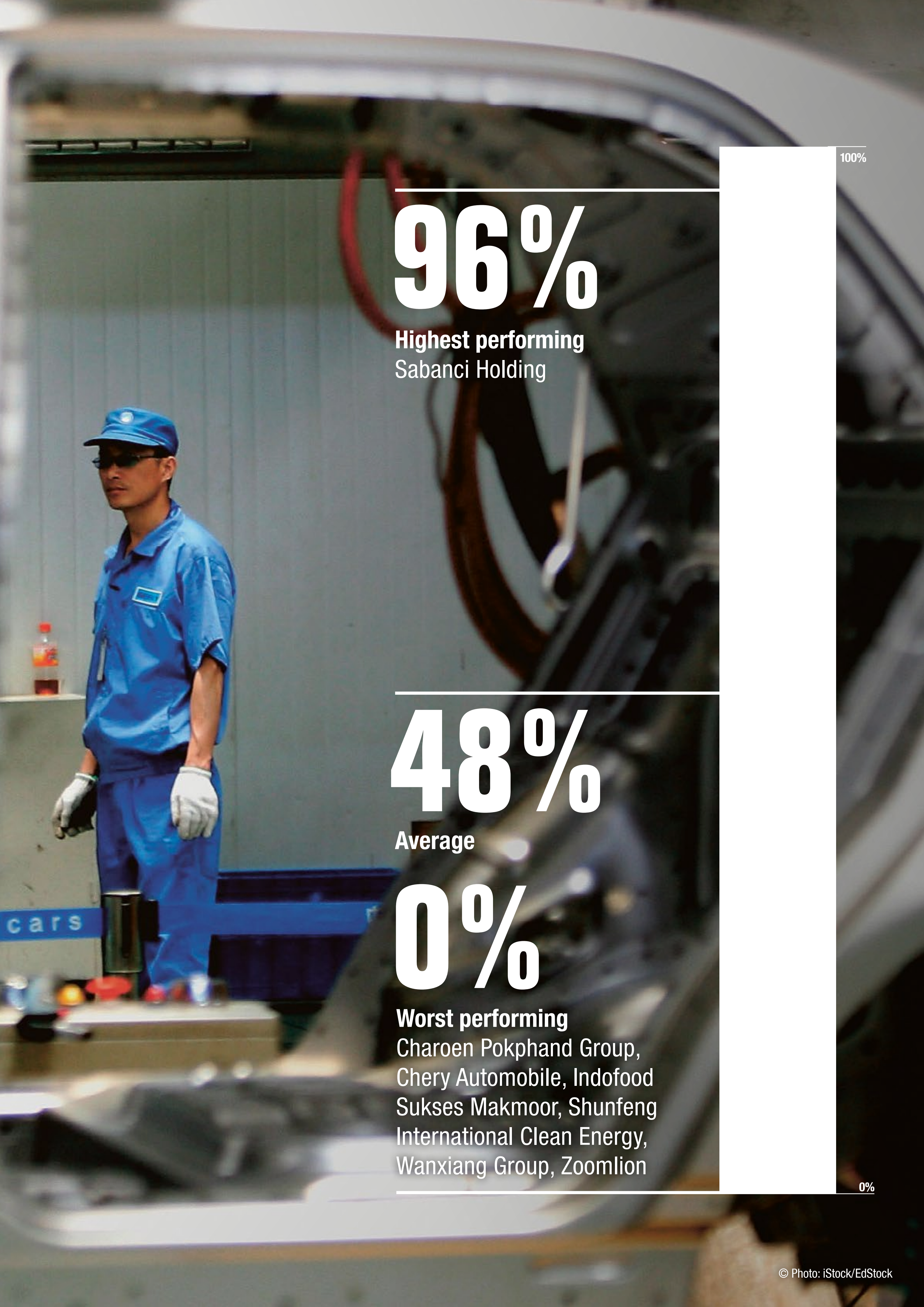
Since the first edition of *Transparency in Corporate Reporting – Assessing Emerging Market Multinationals* was published, some of the criteria against which the companies are being evaluated have been made more demanding, namely in the anti-corruption programmes and organisational transparency dimensions. For this reason, as well as some minor modifications in the sample, comparisons between the 2016 results and the 2013 scores have to be interpreted with care.

Transparency International has not attempted to verify whether information disclosed on company websites or in reports is complete or correct.
The methodology and data were shared with all the companies, and each company was given the opportunity to review its own data and provide feedback or propose corrections before the final scores were calculated. Of the 100 companies surveyed, 23 provided feedback. This input was validated and corrections were made if necessary.

For a more detailed discussion of the methodology, please refer to the Transparency International website:
www.transparency.org/corporate_reporting

1

REPORTING ON ANTI-CORRUPTION PROGRAMMES



100%

96%

Highest performing
Sabanci Holding

48%

Average

0%

Worst performing
Charoen Pokphand Group, Chery Automobile, Indofood Sukses Makmoor, Shunfeng International Clean Energy, Wanxiang Group, Zoomlion

0%

© Photo: iStock/EdStock

1

REPORTING ON ANTI-CORRUPTION PROGRAMMES

Anti-corruption programmes should be disclosed to the public as a feature of good governance and sign of responsible corporate citizenship.

Bribery and corruption constitute a high risk for international businesses. Thanks to their large scale, interconnections and economic power, multinational companies can be the agents of positive change, and they can constitute a central element in the global fight against corruption. In order to play this role, however, international businesses must recognise the threat of corruption to doing business and commit to follow ethical business practices that detect and prevent the occurrence of corruption. If they are not prepared to make such commitments, businesses can end up contributing to and furthering the effects of corruption. Eventually this may not only affect the company's revenue but also leave behind lasting reputational damage, which may be hard to overcome, as illustrated by the Petrobras case in Brazil.[9]

A responsible multinational company should make public its anti-corruption approach and back it by a comprehensive anti-corruption programme, reaching throughout all its global structures, its value chain and other stakeholders. Anti-corruption programmes should be disclosed to the public as a feature of good governance and sign of responsible corporate citizenship. Public commitment to an anti-corruption stance and the disclosure of relevant policies support integrity among employees and business partners, spread knowledge about ethical business standards and encourage positive trends in the societies in which they operate.

Company results

Average result **48%**

In this dimension, the 100 emerging market multinationals achieve an average score of 48 percent (6.2 points out of a possible 13). This result is a slight improvement over the previous emerging market report, when the sample average was 46 per cent. At first glance, the improvement seems very slight. Considering the more demanding criteria used for this study, however, and stronger average results for questions that were unchanged from 2013, we can observe genuine, albeit modest, progress. In total, the companies assessed for this study scored higher on eight out of the 13 questions when compared to the 2013 report, indicating increased levels of transparency among emerging market multinational companies.

BRICS companies
The emerging market multinationals assessed in this report include 77 BRICS-based companies.
Except for companies from China, those from the other four BRICS countries perform above average in this dimension. Companies from India and South Africa both scored 64 per cent, those from Russia 62 per cent and firms from Brazil, 55 per cent. Chinese companies have weak scores averaging 26 per cent. Still, there are positive results observed among the Chinese companies as some achieved high scores: ZTE, 88 per cent, Lenovo, 69 per cent, Li & Fung and Sinohydro, 65 per cent each.

As in the previous edition of the report, no company achieves the perfect score of 100 per cent. Nonetheless, Turkey's Sabanci Holding comes very close to the full score, with 96 per cent (12.5 out of 13 points). It is worth noting that 51 out of the 100 companies achieve 50 per cent or more, while seven companies score zero points for the whole section: Charoen Pokphand, Chery, Galanz, Indofood, Shunfeng, Wanxiang, and Zoomlion.

The anti-corruption programme reporting dimension includes 13 questions, each covering different elements of a robust anti-corruption programme. Average sample scores per question range from 0.19 to 0.84 points (1.0 is the maximum score for each question).

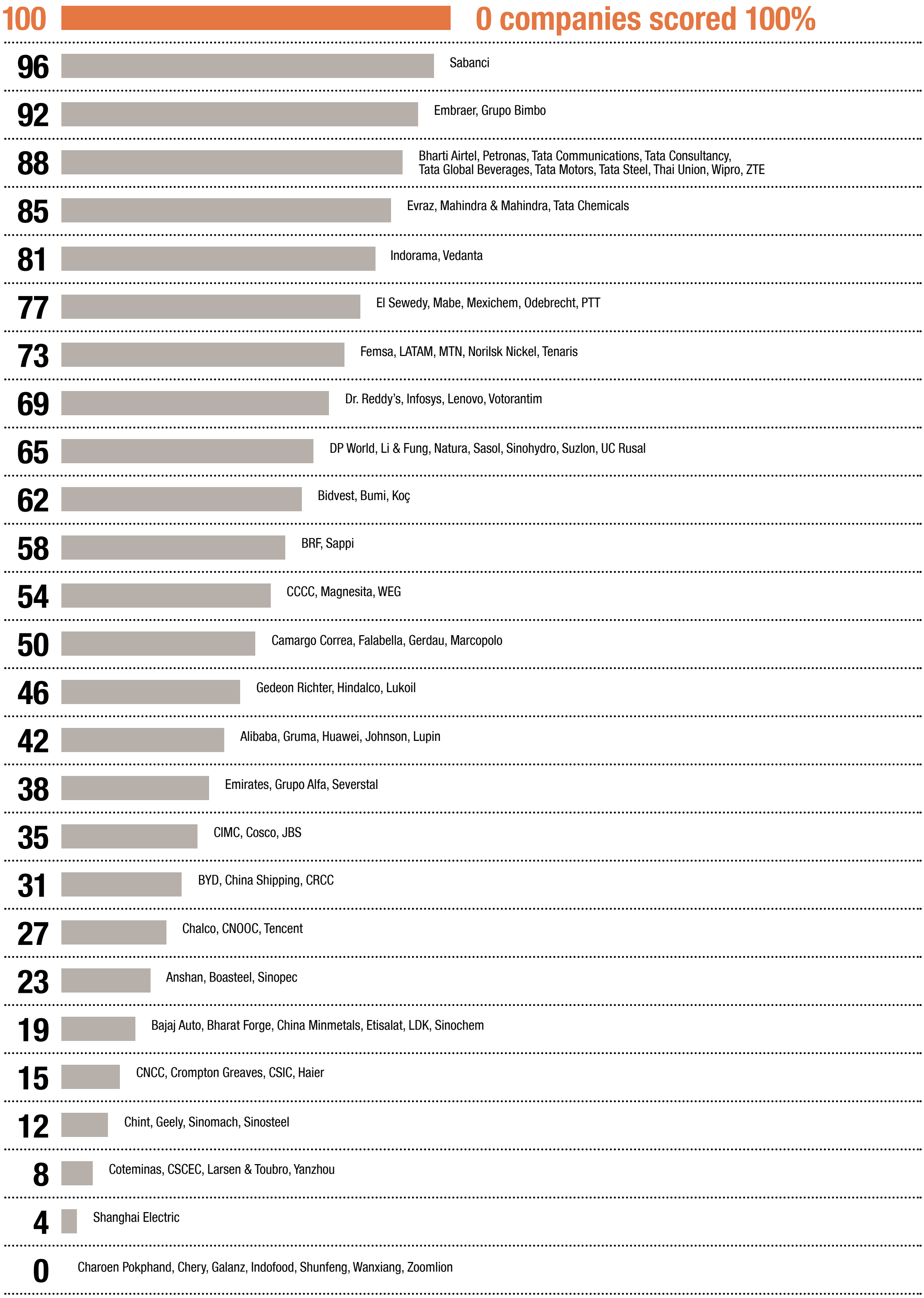
The worst-scoring question on the prohibition of facilitation payments is at the same time the one that has experienced the largest score improvement since 2013, albeit from a very low base. Only 19 out of 100 companies report prohibiting facilitation payments. This is an improvement over 2013, when only five companies received a full score on this question. The best-scoring question is about compliance with laws, including anti-corruption laws, with 84 out of the 100 companies receiving the full point.

9 See Big doesn't always mean safe: Petrobras corruption scandal, Lexis Nexis, 8 January 2016

FIGURE 1

Company ranking

% score, 100% means maximum score



Ownership structure

The evaluated sample includes 71 publicly listed, 11 privately owned and 18 state-owned companies. Publicly listed companies achieve the highest score in this dimension, with an average result of 56 per cent. This highlights the impact of regulatory disclosure requirements on listed companies in improving corporate transparency.

Contrary to the 2013 findings in this dimension, the privately owned companies assessed in this study score better on average than state-owned enterprises.

The improved result can be mainly attributed to two companies, Mabe and Odebrecht, which have disclosed their anti-corruption programmes to the public for the first time.

Among the 18 state-owned companies, 16 are owned by the Chinese state, one by Malaysia and one by the government of Dubai. Their low average score of 27 per cent strongly reflects the weak performance of Chinese state-owned companies. Petronas, a Malaysian state-owned company, scores 88 per cent, and sets a positive example for the other state-owned companies.

Commitment to comply with laws

Most disclosed

Prohibition of facilitation payments

Least disclosed

FIGURE 2

Analysis by question

100 companies in total

	1 point	0.5 points	0 points
Commitment to compliance with laws	84	0	16
Zero-tolerance statement	67	11	22
Code applies to all employees and directors	47	18	35
Gifts and hospitality policy	48	16	36
Confidential reporting channel	27	37	36
Anti-corruption training	10	52	38
Prohibition of retaliation for reporting	59	0	41
Code applies to suppliers	18	34	48
Regular programme monitoring	31	19	50
Leadership support	46	0	54
Disclosure of political contributions	40	0	60
Code applies to agents	34	0	66
Prohibition of facilitation payments	19	0	81

Comparing emerging market multinationals with the world's largest companies

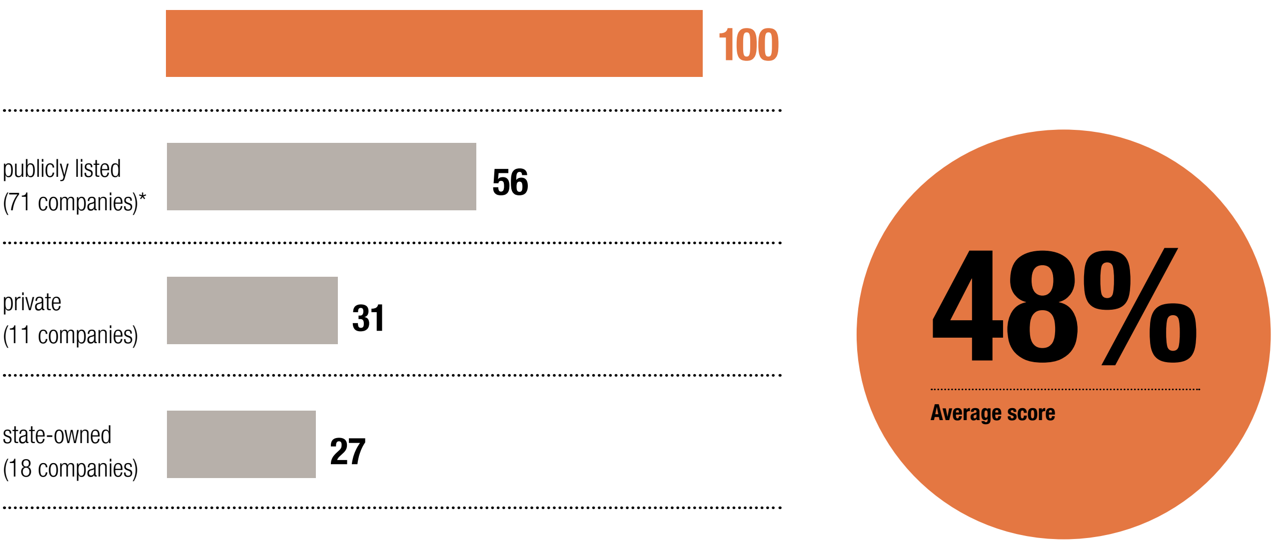
This report is the second cross-country study conducted by Transparency International since a number of the criteria have been made more stringent. The first study for which the current criteria was used was the 2014 global report Transparency in Corporate Reporting: Assessing the World's Largest Companies. Since both reports have used the same questionnaires and codebooks, their results are fully comparable.

In this dimension, the average result for the emerging market companies is considerably lower than the average result for the largest global companies: 48 per cent versus 70 per cent. The same is true for each of the 13 questions in this dimension, where the result for the emerging market sample was consistently weaker than for the global sample.

FIGURE 3

Average results by ownership category

100 companies in total, % score, 100% means maximum score



* among 71 publicly listed companies, 8 are controlled by the state and 9 by one private entity

2 ORGANISATIONAL TRANSPARENCY

100%

Highest performing
Bharti Airtel, Petronas

47%

Average

0%

Worst performing
Anshan Iron and Steel Group, Chery Automobile, Chint Group, Cosco Group, China State Construction Engineering Corporation, Galanz Group, Geely International, Mabe, Wanxiang Group

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2

ORGANISATIONAL TRANSPARENCY

Emerging market multinationals are more transparent than the top global companies in disclosing their subsidiaries and holdings.

Large multinational companies are usually organised as complex international networks of subsidiaries, associates and joint ventures, registered in numerous jurisdictions and operating globally. Knowledge of these global structures is a necessary condition for local stakeholders to understand the economic and social impact of multinational business in their societies and communities. Greater organisational transparency plays an important role in fostering a corruption-free environment in areas such as public procurement, governmental contracting or taxation. It allows citizens to follow the legal, organisational and financial connections between companies and, potentially, to help detect and prevent conflicts of interests, illicit financial flows or even illegal political involvement.

Full disclosure of a company's holdings is therefore an important and necessary element of corporate transparency. Companies should disclose all their subsidiaries, associates and joint ventures, including information about the percentages owned by the parent company, the countries of their incorporation and the countries in which they conduct their business. Only companies making full disclosure of all subsidiaries are awarded perfect scores in this study.

Experience has shown that partial disclosure of subsidiaries based on materiality criteria leads to limited disclosure of corporate structures. We urge regulators to mandate companies to disclose all their consolidated entities regardless of materiality, as already required in India and, more recently, Germany.

Company results

Average result

47%

Emerging market multinationals achieve a 47 per cent score for organisational transparency. This compares unfavourably to the 54 per cent achieved in 2013, although the deterioration is mostly attributable to the stricter evaluation criteria.

Two companies achieve perfect scores of 100 per cent: Bharti Airtel of India and Petronas of Malaysia. Nine companies (eight from China and one from Mexico) were awarded the lowest possible score of 0 per cent. Fifty-four out of the 100 companies score above average (50 per cent or more).

The organisational transparency section consists of eight questions, four focusing on fully consolidated subsidiaries and the other four on associates and joint ventures.

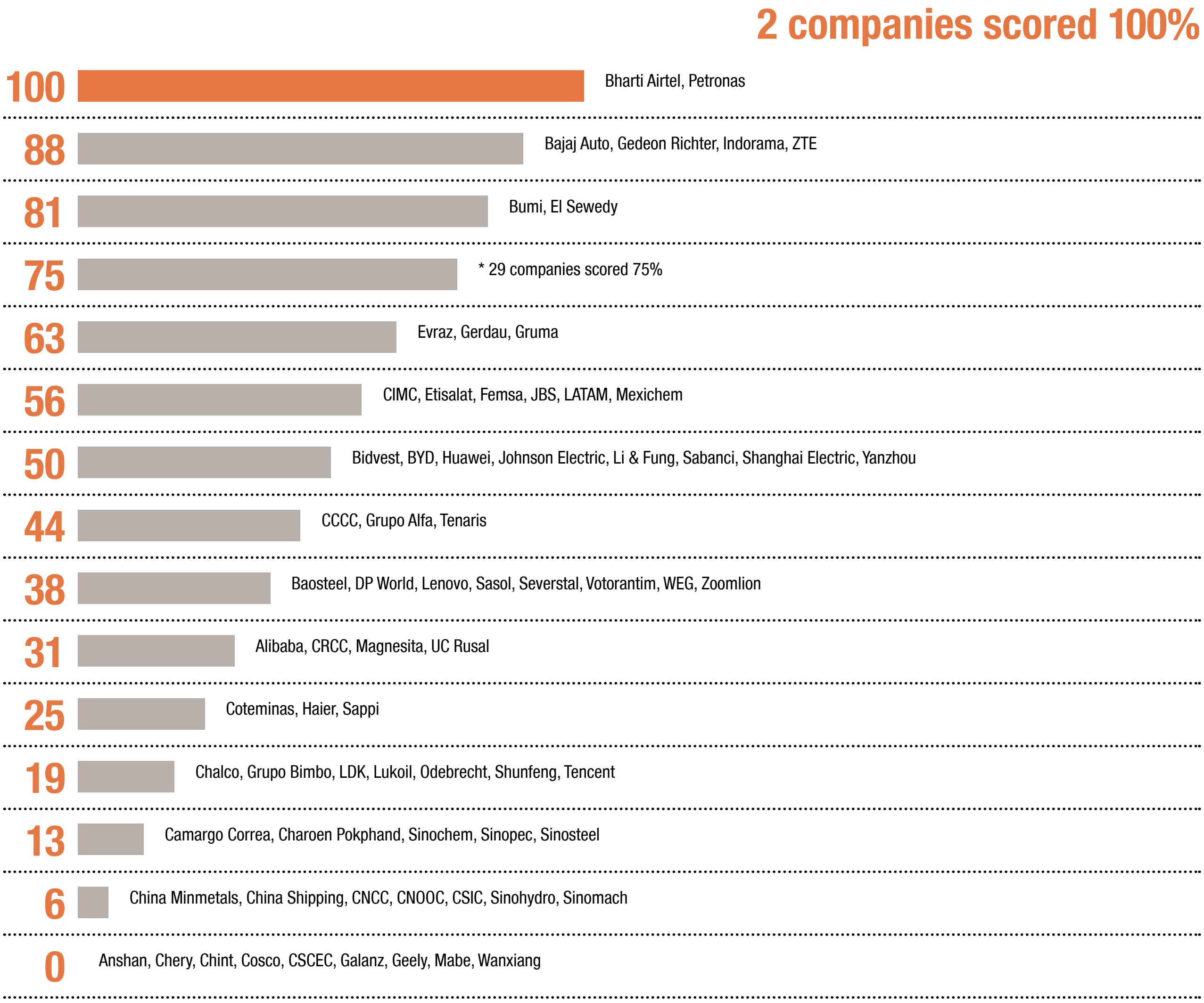
The most common data point disclosed by companies is a list of their fully consolidated subsidiaries, with 42 companies disclosing all their subsidiaries and 49 disclosing significant or principal subsidiaries.

The least frequently disclosed data point concerns the countries of operation of associates and joint ventures. Only three companies, Bharti Airtel, Petronas and ZTE, disclose this information for all relevant entities, another ten doing so for significant entities.

FIGURE 4

Company ranking

% score, 100% means maximum score



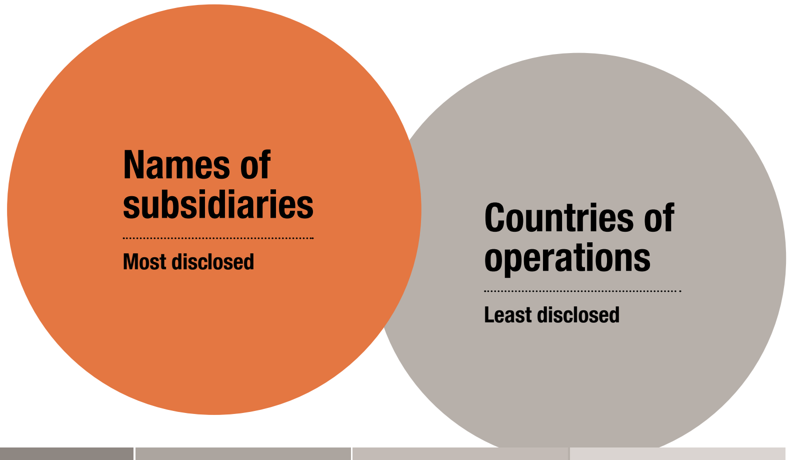
* 29 companies scored 75%

Bharat Forge, BRF, Crompton Greaves, Dr.Reddy's, Embraer, Emirates, Falabella, Hindalco, Indofood, Infosys, Koç, Larsen & Toubro, Lupin, Mahindra & Mahindra, Marcopolo, MTN, Natura, Norilsk Nickel, PTT, Suzlon, Tata Chemicals, Tata Communications, Tata Consultanacy, Tata Global Beverages, Tata Motors, Tata Steel, Thai Union, Vedanta, Wipro

FIGURE 5

Analysis by question

100 companies in total



	1 point	0.5 points	N/V	0 points
Names of subsidiaries	42	49	0	9
Countries of incorporation of subsidiaries	38	40	0	22
% owned in subsidiaries	40	37	0	23
Names of non-fully consolidated entities	45	25	2	28
% owned in non-fully consolidated entities	44	21	2	33
Countries of incorporation of non-fully consolidated entities	42	15	2	41
Countries of operation of subsidiaries	5	22	0	73
Countries of operation of non-fully consolidated entities	3	10	2	85

Comparing emerging market multinationals with the world's largest companies

In this dimension, emerging market multinationals score considerably better than companies from the 2014 sample of the top global companies, achieving an average score of 47 per cent versus 39 per cent. Furthermore, if we compare publicly listed companies from emerging markets with the 124 companies in the 2014 global report (all of which are public), the difference is much more striking, at 59 per cent versus 39 per cent. This is mainly due to the performance of the 19 firms from India, which boosts the score of emerging market multinationals in this dimension. The high average score of 77 per cent among Indian companies increases the overall average. In addition, 54 out of the 100 firms in this report score higher than 50 per cent in this dimension, while, among the companies in the global 2014 report, only 34 out of 124 score over 50 per cent. This suggests that emerging market multinationals, when subject to legal requirements, are more open about their corporate structures than global multinationals.

Ownership structure

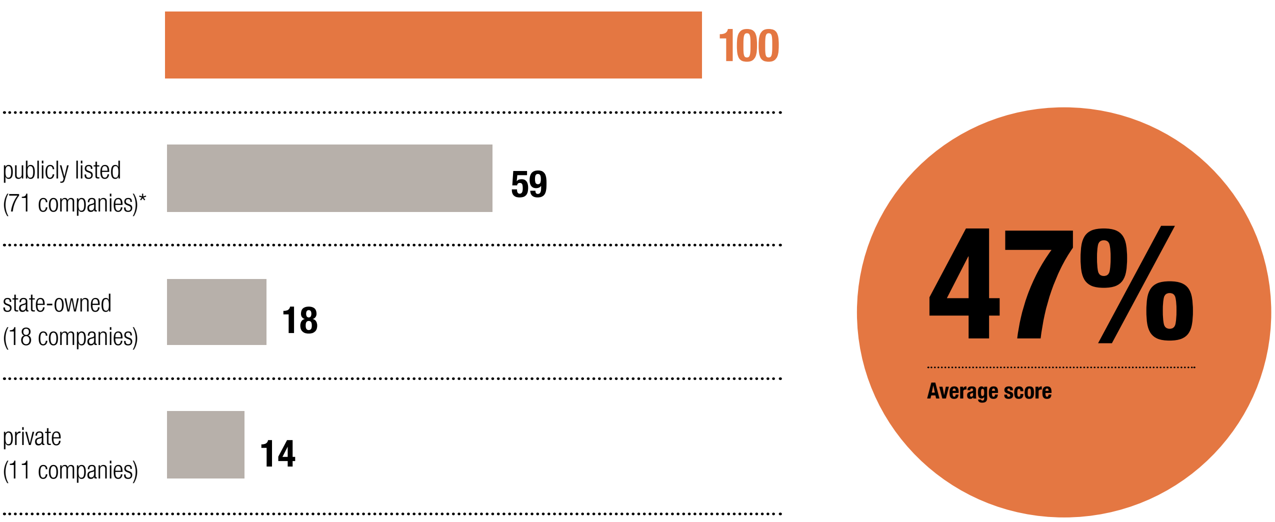
Publicly listed multinationals have the highest score with an average of 59 per cent. The top-scoring company in this group is Bharti Airtel, with 100 per cent, while the Chinese energy firm Shunfeng has the lowest score with 13 per cent.

State-owned companies are ahead of privately owned firms, scoring 18 per cent versus 14 per cent. Among state-owned companies, the top-performing is Petronas, with a score of 100 per cent, while four from China score zero. Huawei of China does best among the privately owned companies, with a score of 50 per cent. Five of the 11 privately owned companies score zero.

FIGURE 6

Average results by ownership category

100 companies in total, % score, 100% means maximum score



* among 71 publicly listed companies, 8 are controlled by the state and 9 by one private entity

3

COUNTRY-BY-COUNTRY REPORTING

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3

COUNTRY-BY-COUNTRY REPORTING

A transparency requirement that is gathering momentum.

Most large companies today are global entities with operations spanning many countries. The multinationals in this report operate on average in 26 countries each, and in aggregate they operate in 185 countries.

As a consequence, multinational companies operate across diverse jurisdictions, including at the national, subnational and local levels. They contribute financially to the communities in which they operate through taxes, investment and community contributions. Most public reporting for multinational companies is limited to consolidated statements across multiple jurisdictions and territories, however, without much disclosure of details on country-level operations and payments. This provides local stakeholders with little information about company activities in their own country, thereby making it difficult to assess the local footprint and impact of multinational companies. This problem was first noticed in the extractive sector, where such issues as licensing, national property, royalties, environmental impact or special tax arrangements were often tainted by fraud, abuse and corruption, leading in its extreme form to the so-called "resource curse".

As a result of global transparency initiatives and growing cooperation among civil society, government and business, new laws have been introduced to enhance the transparency of payments to governments, particularly in the extractive, resource and financial sectors. The need for similar transparency across all industries is increasingly being recognised.

This section evaluates the transparency of emerging market multinationals regarding their country-level operations. They are assessed on the disclosure of five industry-neutral financial indicators: revenues, capital expenditure, income before taxation, income tax and community contributions. This information, if disclosed, can provide an overview of a company's operations in a given country and of its direct contribution to the local economy.

Scores are based on disclosure of foreign operations only. Information on domestic operations has, however, been collected, and the results are presented separately.

Company results

Average result

9%

The average company score for country-by-country reporting is 9 per cent, unchanged from 2013. The best-performing company is Falabella of Chile, with a score of 60 per cent. Falabella came out on top in the 2013 study, and has in fact improved its score by ten percentage points since then. At the very bottom of the ranking are 49 companies that score zero. Among them are 26 Chinese and seven Brazilian companies. All 19 Indian companies score above average.

The highest level of country-level transparency is measured for revenues: 49 out of the 100 companies disclose some type of country-level data regarding

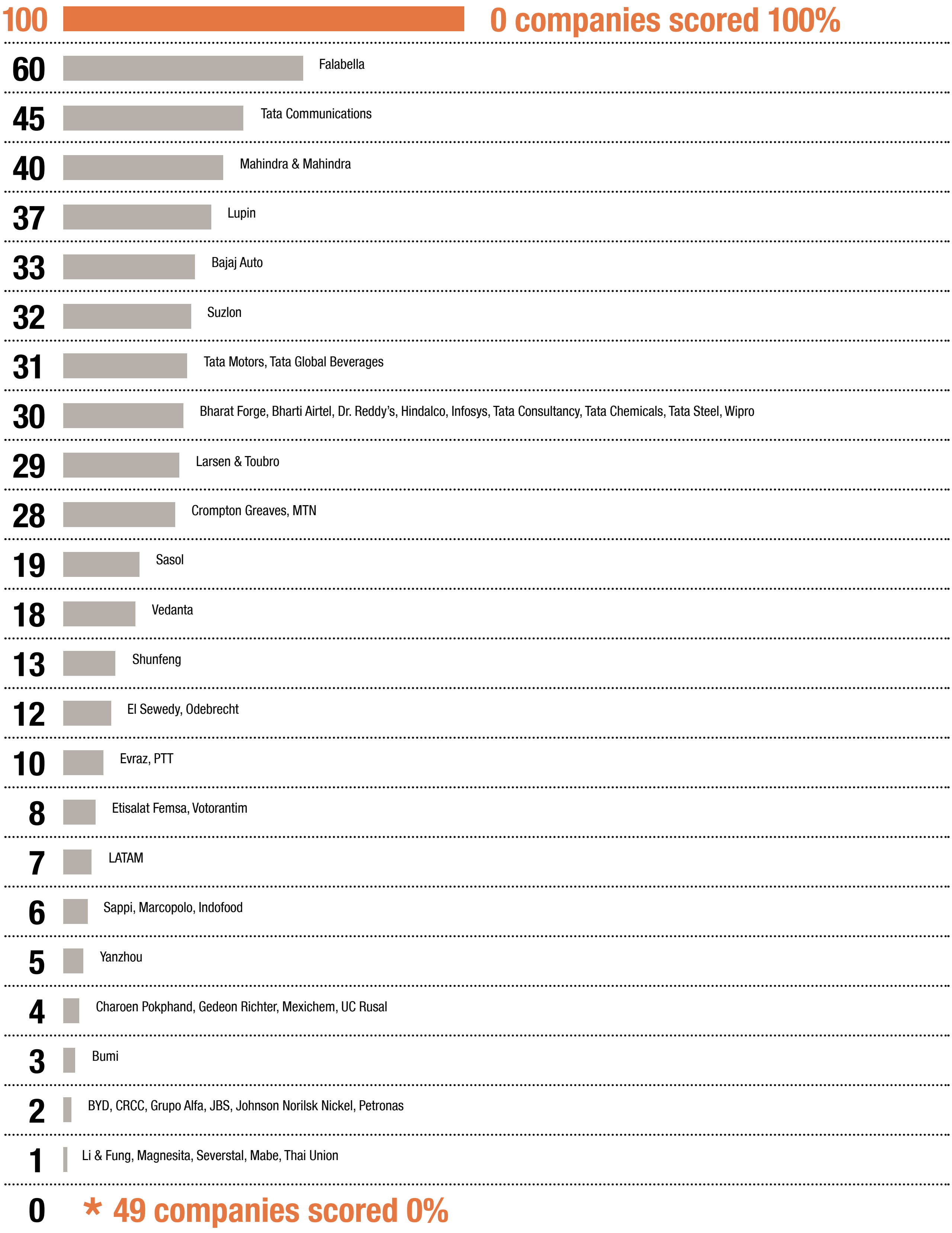
* 49 companies scored 0%

Alibaba, Anshan, Baosteel, Bidvest, BRF, Camargo Correa, CCCC, Chalco, Chery, China Shipping, China Minmetals, Chint, CIMC, CNCC, CNOOC, Cosco, Coteminas, CSCEC, CSIC, DP World, Embraer, Emirates, Galanz, Geely, Gerdau, Gruma, Grupo Bimbo, Haier, Huawei, Indorama, Koç, LDK, Lenovo, Lukoil, Natura, Sabanci, Shanghai Electric, Sinochem, Sinohydro, Sinomach, Sinopec, Sinosteel, Tenaris, Tencent, Wanxiang, WEG, ZTE, Zoomlion

FIGURE 7

Company ranking

% score, 100% means maximum score



their revenues, though only two disclose full revenue data by country. The least-disclosed item is community contributions, for which only five companies provide some country-level financial data.

Ownership structure

As in the first and second dimensions, publicly listed companies outperform all others. The average result for the publicly listed companies is 12 per cent, compared to 2 per cent for privately owned companies and 0 per cent for state-owned companies.

Comparing emerging market multinationals with the world's largest companies

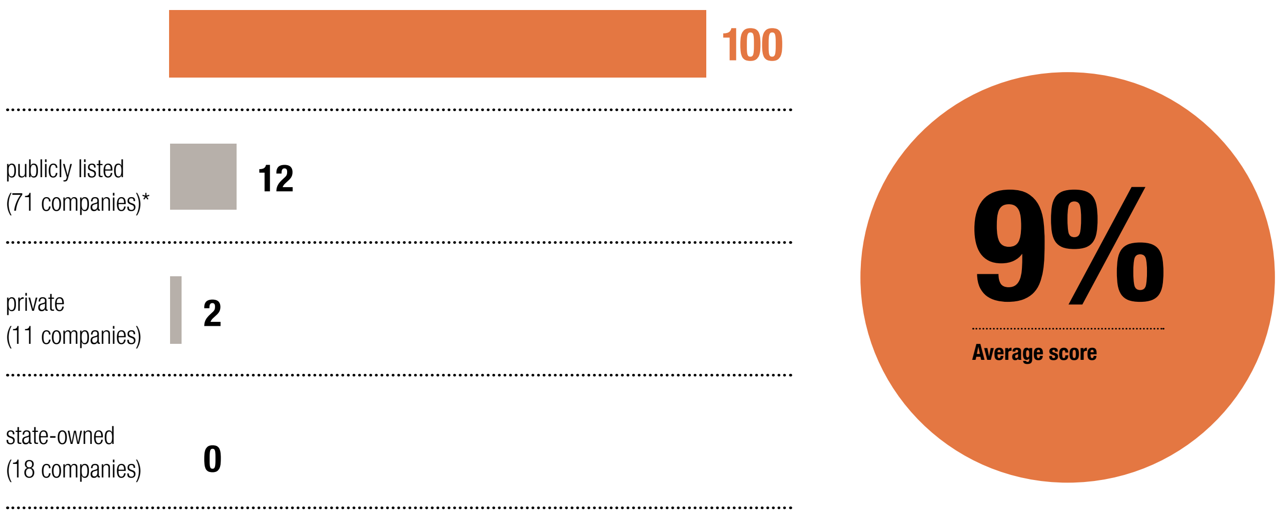
Emerging market companies achieve a higher average result than companies evaluated in the latest global report: 9 per cent versus 6 per cent. Moreover, publicly listed emerging market companies score on average 12 per cent, which is more than double the score of publicly listed global companies (all the companies from the global sample were publicly listed).

The only question on which the global sample performed better was the question on community contributions.

FIGURE 8

Average results by ownership category

100 companies in total, % score, 100% means maximum score



* among 71 publicly listed companies, 8 are controlled by the state and 9 by one private entity

FIGURE 9

Analysis by question

100 companies in total

	1 point	>1 and ≥0.5 points	0.5> and ≥0.25	0.25> and ≥0	N/A	0 points
Revenues	2	20	8	19	0	51
Tax	0	15	6	7	0	72
Income before tax	0	17	2	1	0	80
Capital expenditure	0	4	3	7	0	86
Community contributions	0	2	0	3	1	94

Domestic reporting

It is interesting to observe how much information companies disclose on their domestic operations. Our findings show that this level of disclosure differs strongly from the level of disclosure for foreign operations. On average, the emerging market multinationals disclose 30 per cent of the information assessed about their domestic operations, which is considerably higher than the 9 per cent transparency score for foreign operations. Twenty-two companies disclose no relevant information for their domestic operations. The top-performing company, Gruma from Mexico, discloses all five assessed data points and achieves a score of 100 per cent for its domestic reporting, yet scores zero for its reporting on foreign operations. If companies can make full domestic disclosure, this level of transparency should be achievable for all countries where they operate.

FIGURE 10

Reporting on domestic operations

% score, 100% means maximum score

1 company scored 100%

Score	Companies
100	Gruma
90	Petronas
80	Lukoil, Lupin, Mahindra & Mahindra, Sasol, Tata Communications, Tata Motors, Tata Steel
75	Suzlon
70	Falabella
60	Bajaj Auto, Gedeon Richter, Hindalco, Infosys, Tata Consultancy, Tata Global Beverages
50	Alibaba, Bharat Forge, Bharti Airtel, Crompton Greaves, Dr. Reddy's, Larsen & Toubro, Severstal, Tata Chemicals, Vedanta, Wipro
40	BRF, Bumi, CNOOC, CRCC, El Sewedy, Etisalat, Indorama, JBS, Lenovo, Marcopolo, MTN, Natura, Sappi, WEG, Zoomlion, ZTE
38	Shunfeng
30	CCCC, Cosco, LATAM, Votorantim
20	Charoen Pokphand, China Shipping, CSCEC, Embraer, Emirates, Evraz, Femsa, Grupo Alfa, Grupo Bimbo, Huawei, LDK, Mexichem, Sabanci, Shanghai Electric, Tencent, UC Rusal, Yanzhou
10	Baosteel, BYD, CIMC, Gerdau, Indofood, Johnson, Mabe, Norilsk Nickel, Odebrecht, PTT, Sinochem, Sinosteel, Thai Union
0	Anshan, Bidvest, Camargo Correa, Chalco, Chery, China Minmetals, Chint, CNCC, Coteminas, CSIC, DP World, Galanz, Geely, Haier, Koç, Li & Fung, Magnesita, Sinohydro, Sinomach, Sinopec, Tenaris, Wanxiang

QUESTIONNAIRE

I. REPORTING ON ANTI-CORRUPTION PROGRAMMES

1 Does the company have a publicly stated commitment to anti-corruption?

2 Does the company publicly commit to be in compliance with all relevant laws, including anti-corruption laws?

3 Does the company leadership (senior member of management or board) demonstrate support for anti-corruption?

4 Does the company's code of conduct/anti-corruption policy explicitly apply to all employees and directors?

5 Does the company's anti-corruption policy explicitly apply to persons who are not employees but are authorised to act on behalf of the company or represent it (for example: agents, advisors, representatives or intermediaries)?

6 Does the company's anti-corruption programme apply to non-controlled persons or entities that provide goods or services under contract (for example: contractors, subcontractors, suppliers)?

7 Does the company have in place an anti-corruption training programme for its employees and directors?

8 Does the company have a policy on gifts, hospitality and expenses?

9 Is there a policy that explicitly prohibits facilitation payments?

10 Does the programme enable employees and others to raise concerns and report violations (of the programme) without risk of reprisal?

11 Does the company provide a channel through which employees can report suspected breaches of anti-corruption policies, and does the channel allow for confidential and/or anonymous reporting (whistleblowing)?

12 Does the company carry out regular monitoring of its anti-corruption programme to review the programme's suitability, adequacy and effectiveness, and implement improvements as appropriate?

13 Does the company have a policy on political contributions that either prohibits such contributions or, if it does not, requires such contributions to be publicly disclosed?

II. ORGANISATIONAL TRANSPARENCY

14 Does the company disclose all of its fully consolidated subsidiaries?

15 Does the company disclose percentages owned in each of its fully consolidated subsidiaries?

16 Does the company disclose countries of incorporation for each of its fully consolidated subsidiaries?

17 Does the company disclose countries of operations for each of its fully consolidated subsidiaries?

18 Does the company disclose all of its non-fully consolidated holdings (associates, joint-ventures)?

19 Does the company disclose percentages owned in each of its non-fully consolidated holdings?

20 Does the company disclose countries of incorporation for each of its non-fully consolidated holdings?

21 Does the company disclose countries of operations for each of its non-fully consolidated holdings?

III. COUNTRY-BY-COUNTRY REPORTING

22 Does the company disclose its revenues/sales in country X?

23 Does the company disclose its capital expenditure in country X?

24 Does the company disclose its pre-tax income in country X?

25 Does the company disclose its income tax in country X?

26 Does the company disclose its community contribution in country X?

ACP ANTI-CORRUPTION PROGRAMMES **OT** ORGANISATIONAL TRANSPARENCY **CBC** COUNTRY-BY-COUNTRY REPORTING

#	COMPANY	ABBREVIATION	COUNTRY	INDUSTRY	OWNERSHIP	INDEX	ACP	OT	CBC	FEED-BACK
1	Alibaba Group	Alibaba	China	Consumer services	publicly listed	2.5	42%	31%	0%	
2	Aluminium Corporation of China (Chalco)	Chalco	China	Basic materials	state-owned	1.5	27%	19%	0%	
3	Anshan Iron and Steel Group	Anshan	China	Basic materials	state-owned	0.8	23%	0%	0%	
4	Bajaj Auto	Bajaj Auto	India	Consumer goods	publicly listed	4.7	19%	88%	33%	
5	Baosteel Group	Baosteel	China	Basic materials	state-owned	2.0	23%	38%	0%	
6	Bharat Forge	Bharat Forge	India	Industrials	publicly listed	4.1	19%	75%	30%	
7	Bharti Airtel	Bharti Airtel	India	Telecommunication	publicly listed	7.3	88%	100%	30%	
8	Bidvest Group	Bidvest	South Africa	Consumer services	publicly listed	3.7	62%	50%	0%	
9	BRF SA (former Brasil Foods)	BRF	Brazil	Consumer goods	publicly listed	4.4	58%	75%	0%	
10	Bumi Resources	Bumi	Indonesia	Basic materials	publicly listed	4.8	62%	81%	3%	
11	BYD Group	BYD	China	Consumer goods	publicly listed	2.7	31%	50%	2%	
12	Camargo Correa Group	Camargo Correa	Brazil	Industrials	private	2.1	50%	13%	0%	YES
13	Charoen Pokphand Group (Chia Thai Group, C.P. Group)	C.P. Group	Thailand	Consumer services	private	0.6	0%	13%	4%	
14	Chery Automobile	Chery	China	Consumer goods	state-owned	0.0	0%	0%	0%	
15	China Communications Construction Company	CCCC	China	Industrials	publicly listed*	3.3	54%	44%	0%	
16	China International Marine Containers Group	CIMC	China	Industrials	publicly listed	3.0	35%	56%	0%	
17	China Minmetals	China Minmetals	China	Basic materials	state-owned	0.8	19%	6%	0%	
18	China National Chemical Corporation	CNCC	China	Basic materials	state-owned	0.7	15%	6%	0%	
19	China National Offshore Oil Company	CNOOC	China	Oil, gas & energy	state-owned	1.1	27%	6%	0%	
20	China Railway Construction Company	CRCC	China	Industrials	publicly listed*	2.1	31%	31%	2%	
21	China Shipbuilding Industry Corporation	CSIC	China	Industrials	state-owned	0.7	15%	6%	0%	
22	China Shipping Group	China Shipping	China	Industrials	state-owned	1.2	31%	6%	0%	
23	China State Construction Engineering Corporation	CSCEC	China	Industrials	state-owned	0.3	8%	0%	0%	
24	Chint Group	Chint	China	Utilities	private	0.4	12%	0%	0%	
25	Cosco Group	Cosco	China	Industrials	state-owned	1.2	35%	0%	0%	
26	Coteminas	Coteminas	Brazil	Consumer goods	private	1.1	8%	25%	0%	
27	Crompton Greaves	Crompton Greaves	India	Industrials	publicly listed	4.0	15%	75%	28%	
28	DP World	DP World	UAE	Industrials	publicly listed*	3.4	65%	38%	0%	
29	Dr. Reddy's Laboratories	Dr. Reddy's	India	Health care	publicly listed	5.8	69%	75%	30%	
30	El Sewedy Electric	El Sewedy	Egypt	Industrials	publicly listed**	5.7	77%	81%	12%	
31	Embraer	Embraer	Brazil	Industrials	publicly listed	5.6	92%	75%	0%	
32	Emirates Airlines	Emirates	UAE	Consumer services	state-owned	3.8	38%	75%	0%	YES
33	Etisalat	Etisalat	UAE	Telecommunication	publicly listed*	2.8	19%	56%	8%	
34	Evraz Group	Evraz	Russia	Basic materials	publicly listed**	5.2	85%	63%	10%	
35	Falabella	Falabella	Chile	Consumer Services	publicly listed	6.2	50%	75%	60%	YES
36	Femsa	Femsa	Mexico	Consumer Goods	publicly listed	4.6	73%	56%	8%	
37	Galanz Group	Galanz	China	Consumer Goods	private	0.0	0%	0%	0%	
38	Gedeon Richter	Gedeon Richter	Hungary	Health Care	publicly listed	4.6	46%	88%	4%	YES
39	Geely International (Zhejiang Geely Holding Group)	Geely	China	Consumer Goods	private	0.4	12%	0%	0%	
40	Gerdau	Gerdau	Brazil	Basic Materials	publicly listed	3.8	50%	63%	0%	YES
41	Gruma	Gruma	Mexico	Consumer Goods	publicly listed	3.5	42%	63%	0%	
42	Grupo Alfa	Grupo Alfa	Mexico	Basic Materials	publicly listed	2.8	38%	44%	2%	
43	Grupo Bimbo	Grupo Bimbo	Mexico	Consumer Goods	publicly listed	3.7	92%	19%	0%	YES
44	Haier	Haier	China	Consumer Goods	publicly listed*	1.3	15%	25%	0%	
45	Hindalco Industries	Hindalco	India	Basic Materials	publicly listed	5.0	46%	75%	30%	

#	COMPANY	ABBREVIATION	COUNTRY	INDUSTRY	OWNERSHIP	INDEX	ACP	OT	CBC	FEED-BACK
46	Huawei Technologies	Huawei	China	Technology	private	3.1	42%	50%	0%	
47	Indofood Sukses Makmur	Indofood	Indonesia	Consumer Goods	publicly listed	2.7	0%	75%	6%	
48	Indorama Ventures	Indorama	Thailand	Basic Materials	publicly listed	5.6	81%	88%	0%	YES
49	Infosys Technologies	Infosys	India	Technology	publicly listed	5.8	69%	75%	30%	
50	JBS	JBS	Brazil	Consumer Goods	publicly listed	3.1	35%	56%	2%	
51	Johnson Electric	Johnson	China	Industrials	publicly listed	3.1	42%	50%	2%	YES
52	Koç Holding	Koç	Turkey	Industrials	publicly listed**	4.6	62%	75%	0%	
53	Larsen & Toubro	Larsen & Toubro	India	Industrials	publicly listed	3.7	8%	75%	29%	
54	LATAM (previously LAN)	LATAM	Chile	Consumer Services	publicly listed	4.5	73%	56%	7%	
55	LDK Solar	LDK	China	Oil, gas & energy	publicly listed	1.3	19%	19%	0%	
56	Lenovo Group	Lenovo	China	Technology	publicly listed	3.6	69%	38%	0%	YES
57	Li & Fung Group	Li & Fung	China	Consumer services	publicly listed	3.9	65%	50%	1%	
58	Lukoil	Lukoil	Russia	Oil, gas & energy	publicly listed	2.2	46%	19%	0%	
59	Lupin Pharmaceuticals	Lupin	India	Health care	publicly listed	5.1	42%	75%	37%	
60	Mabe	Mabe	Mexico	Consumer goods	private	2.6	77%	0%	1%	YES
61	Magnesita Refratarios	Magnesita	Brazil	Basic materials	publicly listed	2.9	54%	31%	1%	
62	Mahindra & Mahindra	Mahindra & Mahindra	India	Consumer goods	publicly listed	6.7	85%	75%	40%	
63	Marcopolo	Marcopolo	Brazil	Industrials	publicly listed	4.4	50%	75%	6%	
64	Mexichem	Mexichem	Mexico	Basic Materials	publicly listed**	4.6	77%	56%	4%	YES
65	MTN Group	MTN	South Africa	Telecommunication	publicly listed	5.9	73%	75%	28%	YES
66	Natura	Natura	Brazil	Consumer Goods	publicly listed	4.7	65%	75%	0%	
67	Norilsk Nickel	Norilsk Nickel	Russia	Basic Materials	publicly listed	5.0	73%	75%	2%	
68	Odebrecht Group	Odebrecht	Brazil	Industrials	private	3.6	77%	19%	12%	YES
69	Petronas	Petronas	Malaysia	Oil, gas & energy	state-owned	6.3	88%	100%	2%	YES
70	PTT	PTT	Thailand	Oil, gas & energy	publicly listed*	5.4	77%	75%	10%	
71	Sabanci Holding	Sabanci	Turkey	Industrials	publicly listed**	4.9	96%	50%	0%	
72	Sappi	Sappi	South Africa	Basic materials	publicly listed	3.0	58%	25%	6%	
73	Sasol	Sasol	South Africa	Basic materials	publicly listed	4.1	65%	38%	19%	YES
74	Severstal	Severstal	Russia	Basic materials	publicly listed**	2.6	38%	38%	1%	
75	Shanghai Electric Group	Shanghai Electric	China	Industrials	publicly listed*	1.8	4%	50%	0%	
76	Shunfeng International Clean Energy	Shunfeng	China	Oil, gas & energy	publicly listed	1.0	0%	19%	13%	
77	Sinochem	Sinochem	China	Basic materials	state-owned	1.1	19%	13%	0%	
78	Sinohydro	Sinohydro	China	Industrials	state-owned	2.4	65%	6%	0%	YES
79	Sinomach	Sinomach	China	Industrials	state-owned	0.6	12%	6%	0%	
80	Sinopec Group	Sinopec	China	Oil, gas & energy	state-owned	1.2	23%	13%	0%	
81	Sinosteel	Sinosteel	China	Basic materials	state-owned	0.8	12%	13%	0%	
82	Suzlon Energy	Suzlon	India	Oil, gas & energy	publicly listed	5.8	65%	75%	32%	
83	Tata Chemicals	Tata Chemicals	India	Basic Materials	publicly listed	6.3	85%	75%	30%	
84	Tata Communications	Tata Communications	India	Telecommunication	publicly listed	7.0	88%	75%	45%	YES
85	Tata Consultancy Services	Tata Consultancy	India	Technology	publicly listed	6.5	88%	75%	30%	YES
86	Tata Global Beverages	Tata Global Beverages	India	Consumer Goods	publicly listed	6.5	88%	75%	31%	
87	Tata Motors	Tata Motors	India	Consumer Goods	publicly listed	6.5	88%	75%	31%	
88	Tata Steel	Tata Steel	India	Basic Materials	publicly listed	6.4	88%	75%	30%	
89	Tenaris	Tenaris	Argentina	Industrials	publicly listed**	3.9	73%	44%	0%	
90	Tencent Holdings	Tencent	China	Telecommunication	publicly listed**	1.5	27%	19%	0%	
91	Thai Union Frozen Products	Thai Union	Thailand	Consumer goods	publicly listed	5.5	88%	75%	1%	YES
92	United Company Rusal	UC Rusal	Russia	Basic Materials	publicly listed	3.3	65%	31%	4%	
93	Vedanta Resources	Vedanta	India	Basic Materials	publicly listed**	5.8	81%	75%	18%	

#	COMPANY	ABBREVIATION	COUNTRY	INDUSTRY	OWNERSHIP	INDEX	ACP	OT	CBC	FEED-BACK
94	Votorantim Group	Votorantim	Brazil	Basic Materials	private	3.8	69%	38%	8%	YES
95	Wanxiang Group	Wanxiang	China	Consumer goods	private	0.0	0%	0%	0%	
96	WEG	WEG	Brazil	Industrials	publicly listed	3.0	54%	38%	0%	YES
97	Wipro	Wipro	India	Technology	publicly listed	6.4	88%	75%	30%	YES
98	Yanzhou Coal Mining Company	Yanzhou	China	Basic Materials	publicly listed*	2.1	8%	50%	5%	
99	Zoomlion	Zoomlion	China	Industrials	publicly listed	1.3	0%	38%	0%	
100	ZTE	ZTE	China	Technology	publicly listed	5.9	88%	88%	0%	YES

*a publicly listed company controlled by the state

**a publicly listed company controlled by one private entity

BY COUNTRY OF INCORPORATION

	COUNTRY	COMPANIES
1	Argentina	1
2	Brazil	12
3	Chile	2
4	China	37
5	Egypt	1
6	Hungary	1
7	India	19
8	Indonesia	2
9	Malaysia	1
10	Mexico	6
11	Russia	5
12	South Africa	4
13	Thailand	4
14	Turkey	2
15	UAE	3
	total	100

BY INDUSTRY

	INDUSTRY	COMPANIES
1	Basic Materials	25
2	Consumer Goods	20
3	Consumer Services	7
4	Healthcare	3
5	Industrials	25
6	Oil, gas & energy	8
7	Technology	6
8	Telecommunications	5
9	Utilities	1

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