PART 1: Disclosure of anti-corruption programmes

1) Does the company have a publicly stated commitment to anti-corruption?
   1.0 point - if there is an explicit statement of “zero tolerance to corruption” or equivalent
   0.5 point – if there is no general anti-corruption statement, but only reference to public sector/governmental corruption, if there is no explicit commitment, but only a reference to i.e.: the US law, if there is a weak statement

2) Does the company publicly commit to be in compliance with all relevant laws, including anti-corruption laws?
   1.0 point - if there is an explicit statement of such commitment for all jurisdictions in which a company operates

3) Does the company leadership demonstrate support for anti-corruption? E.g., is there a statement in corporate citizenship report or in public pronouncements on integrity?
   1.0 point - if there is a relevant statement in a corporate document (i.e.: sustainability report) or on company’s webpage and it includes explicit reference to integrity/anti-corruption if there is a relevant statement in company’s code of conduct or equivalent
   0 points – if there is only a letter attached to the Sustainability Report or another corporate document, but it contains no reference to integrity/anti-corruption

4) Does the company’s code of conduct / anti-corruption policy explicitly apply to all employees?
   1.0 point - if the policy explicitly mentions that it applies to all employees, regardless of their position in corporate hierarchy; there can be no exceptions for any country of operations

5) Does the company’s code of conduct / anti-corruption policy explicitly apply to all agents and other intermediaries? “Agents and other intermediaries” refer to agents, advisors and other authorised to act on behalf of, or to otherwise represent the company.
   1.0 point - if agents must comply with the policy
   0.5 point – if agents are encouraged to comply with the policy
6) Does the company’s code of conduct / anti-corruption policy explicitly apply to contractors, subcontractors and suppliers? “Contractors, subcontractors and suppliers” generally refer to non-controlled persons or entities that provide goods or services under contract.

1,0 point - if contractors/ suppliers must comply with the policy
   If the company screens contractors/ suppliers in line with such policies

0,5 point – if contractors/ suppliers are encouraged to comply with the policy
   If the company applies such policy among contractors/ suppliers whenever possible

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

1,0 point - if there is public information that such programme is in place

0,5 point – if extensive training programme is recommended (i.e.: by the programme reviewers) but there is no information about the current status quo

8) Does the company have a policy defining appropriate/ inappropriate gifts, hospitality and travel expenses?

1,0 point - if a company’s policy covers acceptance and offering of one or more of gifts, hospitality and travel expenses – the definition can be anything between one-sentence and vast detailed description with amounts quoted

0,5 point – if only acceptance of appropriate/inappropriate gifts is defined, but no offering of gifts mentioned

9) Is there a policy that explicitly forbids facilitation payments? ‘Facilitation payments’ are small, unofficial payments made to secure or expedite the performance of a routine or necessary action to which the company has legal or other entitlement.

1,0 point - if there is explicit prohibition and not only simple discouragement of such payments (recognising that exceptions may be made for life or health threatening situations)

0,5 point - if there is a weak indirect statement, i.e.: the expression “facilitation payments” is not mentioned but there is a description of a similar situation – still, there must be explicit prohibition

0 points - if such payments are only discouraged or regulated

10) Does the company prohibit retaliation for reporting the violation of a policy?

1,0 point - if the policy publicly specifies that no employee will suffer demotion, penalty or other adverse consequence for reporting a violation of policy (whistle-blowing)

0,5 point – if company’s whistle-blowing system and all related regulations (i.e.: non-retaliation) apply to senior management only (i.e.: some Chinese companies have codes addressed to company’s management only)
11) Does the company provide channels through which employees can report potential violations of policy or seek advice (e.g., whistle-blowing) in confidence?

1.0 point - if there is public provision of such a channel in a form that assures full confidence

0.5 point – if some "independent third party" is in place but there is no explicit statement that the channel is confidential

if the whole system applies to senior management only (i.e.: some Chinese companies have codes addressed to company's management only)

12) Does the company carry out regular monitoring of its anti-corruption programme?

1.0 point - if there is public information on regular monitoring of the anti-corruption programme and not only on the overall audit of a sustainability report

0.5 point – if there is some information on such monitoring, but no information on its regularity

if there is information on monitoring of all sustainability issues and additionally some implicit information that anti-corruption issues should be included

13) Does the company have a policy prohibiting political contributions or if it does make such contributions, are they fully disclosed? ‘Political contributions’ refers to contributions of cash or in-kind support for a political party, cause or candidacy. Both direct and indirect contributions, i.e., through associations to which a company is a member will be considered.

1.0 point - if a company either has a policy not to make political contributions or it publicly discloses all such contributions in all its countries of operations

0.5 point – if a company discloses all political contributions for its major country(ies), i.e.: for its home country (it's often the case of the US-based companies)
PART 2: Organisational disclosure

14) **Does the company disclose the full list of its fully consolidated material subsidiaries?**
   
   1,0 point - if there is a full list of such subsidiaries
   - If there is a list of significant or principal subsidiaries and the term "significant" (principal) is clearly defined, i.e. "all remaining subsidiaries counted together would not constitute one significant subsidiary"
   
   0,5 point – if there is a list of significant or principal subsidiaries but the choice of companies seems arbitrary and the term "significant" (principal) is not explained
   - If there is only a list of main/ major/ chosen subsidiaries
   
   0 points - if there is only a list of tier-one subsidiaries
   - If there is only a list of domestic subsidiaries

15) **Does the company disclose percentages owned in its fully consolidated material subsidiaries?**
   
   # of points - see guidance for question 14

16) **Does the company disclose countries of incorporation of its fully consolidated material subsidiaries?**
   
   # of points - see guidance for question 14

17) **Does the company disclose countries of operations of its fully consolidated material subsidiaries?**
   
   # of points - see guidance for question 14

18) **Does the company disclose the full list of its non-fully consolidated material subsidiaries?** ‘Non-fully consolidated material subsidiaries’ include associated companies, joint-ventures, entities consolidated by equity method. Standard industry-specific terminology will be applied (for questions 18-21).
   
   1,0 point - if there is a full list of such companies
   - If there is a list of significant or principal companies
   
   0,5 point – if there is only a list of main/ major/ chosen companies

19) **Does the company disclose percentages owned in its non-fully consolidated material subsidiaries?**
   
   # of points - see guidance for question 18

20) **Does the company disclose countries of incorporation of its non-fully consolidated material subsidiaries?**
   
   # of points - see guidance for question 18
21) Does the company disclose countries of operations of its non-fully consolidated material subsidiaries?

   # of points - see guidance for question 18

For questions 18-21: if a company does not have any non-fully consolidated material subsidiaries, it will score N/A for these questions and its overall score for the section will be calculated as % performance for questions 14-17 only. I.e.: if a company scores 4 points for questions 14-17 and N/A for questions 18-21, its score for this section will be 100%.
PART 3: Country by country disclosure

In our study "countries of operations" are those countries, in which a company is present either directly or through its consolidated subsidiaries and in which it has to report to the local tax authorities. The relevant list of countries of operations will be based on company's own reporting.

For each country of the company's operations the following set of questions will be asked:

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

1,0 point - if a company discloses its gross/net sales/revenues for country X

If country-split is by origin - revenues include goods/services produced in country X and then sold locally or exported

If country-split is by destination - revenues include all sales to customers located in country X, products may be either local or imported. Such split can be meaningful for certain industries (especially for some kinds of service companies), however as it includes both local operations and imports from other countries of operations, it is not always meaningful for tax reasons (it might be even misleading for some industries).

0,5 point – if there is split by subsidiary and subsidiaries' domiciles are also disclosed. This is a very good and transparent type of disclosure, however country-wise it does not take into consideration that certain subsidiaries may operate in more than one country - their accounts are often also cross-border consolidated.

If there is country-level split only for a certain (but considerable) part of business (i.e., for oil and gas upstream production in extractive business). Such kind of information is often disclosed by oil and gas producers, however most of them are vertically integrated companies and oil and gas production constitutes only one of several business segments.

**Warning:** there might be considerable scoring differences between PRT and TRAC for some companies evaluated in both studies, because PRT evaluated disclosure for upstream production only and TRAC evaluates disclosure for the whole business. The companies which disclose data for their upstream operations only, received full scores in PRT and half-scores in TRAC.

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

1,0 point - if a company discloses its capital expenditure for country X

0,5 point – see guidance for question 22

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

1,0 point - if a company discloses its pre-tax income for country X

If a company discloses its net income and income tax for country X (pre-tax income can be calculated as a simple sum of the two)

0,5 point – see guidance for question 22
25) **Does the company disclose its income tax in country X?**

1,0 point - if a company discloses its income tax for country X

0,5 point – see guidance for question 22

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

1,0 point - if there is both the amount of community contributions in country X and the list of the recipients/beneficiaries

   If there is both the amount of community contributions in country X and the exact description of all projects

0,5 point – If there is either the amount of community contributions in country X or the list of recipients/beneficiaries

   If there is either the amount of community contributions in country X or the exact description of all projects

   see also guidance for question 22

*For informative reasons, we will additionally check country-level disclosure of other significant P&L elements (i.e., operating income, EBITDA).*

*Separate scores will be calculated for domestic and for foreign operations. Because of the different numbers of foreign countries in which companies operate, cross-country averages for each question will be calculated.*

*The standard industry-specific terminology will be applied in questions 22-25, whenever applicable (i.e.: for bank revenues)*.