Transparency in Corporate Reporting

Assessing Large Companies on Copenhagen Stock Exchange (2014)

TRANSPARENCY INTERNATIONAL
Danmark

Transparency International Denmark

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Transparency International is the global civil society organization leading the fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, we raise awareness of the damaging effects of corruption and work with partners in government, business and civil society to develop and implement effective measures to tackle it.

Transparency International's Danish chapter (TI Denmark) was founded in 1995 and has its office in Copenhagen.

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Transparency in corporate reporting

The table below shows the unweighted average of results in the 3 categories on a scale 0-10, where 0 is the least transparent and 10 the most transparent.
(e.g. Coloplast (96%+75%+0%)/3*10=5,7). The list is sorted by index.

ACP: Result for reporting on anti-corruption programmes

OT: Result for organisational transparency (subsidaries and ownership interests)

CBC: Result for country-by-country reporting of financial information

	Company	Index	ACP	OT	CBC
1	Coloplast *	5,7	96%	75%	0%
2	H Lundbeck	5,3	85%	75%	0%
3	Carlsberg Group	5,2	81%	75%	0%
4	Chr. Hansen Holding	5,2	81%	75%	0%
5	FLSmidth & Co.	5,2	81%	75%	0%
6	A.P. Møller - Mærsk	5,0	73%	75%	1%
7	Pandora	5,0	73%	75%	1%
8	Novo Nordisk	4,9	73%	75%	0%
9	DSV	4,9	73%	75%	0%
10	Vestas Wind Systems	4,6	81%	56%	0%
11	Novozymes	4,5	73%	63%	0%
12	Rockwool International	4,4	58%	75%	0%
13	William Demant Holding	4,2	50%	75%	0%
14	TDC	4,0	46%	75%	0%
15	DS Norden	4,0	46%	75%	0%
16	GN Store Nord	3,8	77%	38%	0%
17	Danske Bank	3,7	77%	25%	10%
18	Genmab	3,6	12%	75%	20%
19	Jyske Bank	2,5	0%	75%	0%
20	Tryg	2,2	35%	19%	13%

* Coloplast is a corporate member of Transparency International Danmark

Forord

De 4 CEMS-studerende, som udarbejdede analyserne, kommer fra Tyskland, Serbien og Norge. De har derfor skrevet rapporten på engelsk. Transparency International Danmark, som udgiver rapporten har valgt ikke at lave en oversættelse til dansk, men blot lave dette forord på dansk.

I 2012 lavede Transparency International (TI) den første omfattende undersøgelse af, hvorledes verdens største multinationale selskaber rapporterer om emner vedrørende transparens og anti-korruption. Undersøgelsen var baseret på en vurdering af indsamlet offentlig tilgængelig information fra disse firmaers hjemmesider om deres anti-korruptions-programmer, selskabsstruktur (datterselskaber og ejerforhold) samt land-for-land rapportering.

Efterfølgende har TI's nationale afdelinger i en række lande gennemført tilsvarende undersøgelser og lavet rapporter herom. Det gælder Argentina, Kuwait, Norge, Grækenland, Sverige og Litauen. Disse rapporter kan findes på TI's globale hjemmeside (www.transparency.org). Der er flere nationale studier på vej i andre lande.
Nærværende rapport er resultatet af en undersøgelse af store danske virksomheder. Undersøgelsen er gennemført af 4 udenlandske studerende på Copenhagen Business School (CBS) under CEMS programmet. Studiet er gennemført i perioden marts - juni 2014 som en akademisk semester opgave. Der vil derfor også blive lavet en akademisk rapport af disse studerende, som en afgangsprøve.

Bestyrelsen for Transparency International Danmark har godkendt indholdet af rapporten og vi et stolte over at kunne præsentere den i vores navn.
Vi håber at rapporten vil opmuntre danske virksomheder og deres interessenter til at fortsætte med at samarbejde om at fremme transparens i virksomhedernes rapportering.

Vil vi gerne takke alle, som har medvirket til rapportens tilblivelse, især CEMS-gruppen (Verena Röckl, Ines Strohm, Tomas Rosales og Vladimir Popovic) som har gennemført undersøgelsen og TI's sekretariat i Berlin, som har ydet metode-støtte. Endelig vil vi rette en stor tak til de personer i de undersøgte virksomheder, som har hjulpet med at rette fejl og mangler undervejs.

København Juni 2014
Transparency International Danmark

Preface

Markets rely on rules and laws, but those rules and laws in turn depend on truth and trust. Conceal truth or erode trust, and the game becomes so unreliable that no one will want to play. The markets will empty and share prices will collapse, as ordinary people find other places to put their money – into their houses, maybe, or under their beds

– Charles Handy (Handy, 2002: 49)

In 2012, Transparency International (TI) conducted the first comprehensive study on how the world's largest publicly listed multinational companies report on subjects relative to transparency and anti-corruption. The study was based on collecting and assessing publicly available information from the websites of the companies within the areas of their anti-corruption programme, organizational structure (subsidiaries and ownership interests), and country-by-country financial reporting.

Subsequently, other TI national chapters such as Argentina, Kuwait, Norway, Greece, Italy, Hungary, Belgium, Sweden and Lithuania have conducted the same type of study, and similar studies are currently being conducted by several additional chapters. This report is the result of a study of large Danish companies. Students of the CEMS Programme at Copenhagen Business School (CBS) performed the study from March to June 2014 as an academic semester assignment. The board of Transparency International Denmark Chapter (TI-DK) has reviewed the report and we are proud to publish the report in our name.

Transparency International Denmark hopes that this publication will encourage companies as well as their external stakeholders to continue to cooperate and collaborate closely to promote transparency in corporate reporting. In this respect we are proud to note, that 60% (12 out of 20) of the companies in the study took the opportunity to update their websites during the study to provide additional information.

We wish to thank everyone who helped us throughout the process of this study, specifically the CEMS team (Verena Röckl, Ines Strohm, Tomas Rosales and Vladimir Popovic) for performing the study and the Transparency International secretariat in Berlin for methodology support. Finally we want to thank the contacts at the companies in the study for their efforts in participating.

Copenhagen June 2014
Transparency International
Denmark Chapter

Introduction

Transparency International (TI) is the global coalition against corruption. TI defines corruption as "the abuse of entrusted power for private gain"[1], and works against corruption in all its forms. One of the ways to fight corruption is to promote transparency and integrity. This report is one of the means that contributes to the fight against corruption, by highlighting different practices in transparency in corporate reporting on anti-corruption issues.

Corruption is an activity not considered to be as widespread in our region of the world, and Denmark was recently the top ranked country in the Corruption Perception Index (CPI), an annual ranking of perceived corruption in the public sector of 177 countries[2]. It is tempting to assume, that in countries with a good ranking (i.e. low level of corruption) in CPI, private sector companies might also have a lower level of corrupt practices in private sector companies. Corrupt practices in private sector companies, at home or abroad, might have a huge impact both on the company itself and its stakeholders. Not only does the risk of legal consequences pose a threat; the operational, financial and not least reputational risks connected with corrupt practices may profoundly damage a company. Corruption can also damage society at large. By decreasing investment willingness, destroying entrepreneurship, diverting public resources to inefficient projects, and undermining economic and political stability, it can act as a toxic barrier to growth.

Transparency in corporate reporting can serve as a proxy for determining how companies and other entities deal with the issues of corruption. Measuring these factors can furthermore encourage companies to act against corruption by setting benchmarks and increasing the visibility of their activities.

This is the rationale behind the reports on Transparency in Corporate Reporting or TRAC reports developed by TI. As a part of this global effort, TI-DK has conducted a study of the 20 largest Danish companies that are listed on the OMX and have significant international operations. With business in over 150 countries and an aggregate market value of more than 1500 BN DKK (approx. 275 BN USD), these companies significantly affect all their stakeholders through their actions.

As one of the few countries in the world, Denmark requires companies to publish an annual report on their Corporate Social Responsibility (CSR) efforts. These reports must contain information on policies, implementation, result measuring and future expectations of CSR. If these efforts are non-existing, this must be explicitly stated. The reporting obviously encourages transparency in CSR programmes in general and anti-corruption practices specifically. The degree of detail in these reports is, however, still discretionary, with the result that different companies choosing different approaches to serve their stakeholders.

Although comprehensive and transparent reporting on anti-corruption does not assure that a company refrains from corrupt practices, it is certainly a strong indicator. Moreover, it serves as a signal of commitment and willingness to act against it, and can be used to detect and revise foul play.

With this report, TI-DK documents the current level of reporting on corporate anti-corruption in Denmark, and give suggestions on where improvements can be implemented.

1) http://www.transparency.org/whatwedo
2) http://cpi.transparency.org/cpi2013

Executive summary

As per the TRAC methodology, the study has focused on three main dimensions of transparency. The results show what the largest Danish companies report on their efforts of fighting against corruption. From an analysis of publicly available information on the English language websites of each company, 20 of Denmark's largest public companies with significant international operations have been rated along the following three dimensions:
1) Their *anti-corruption programme*
2) The *Organizational Transparency*
3) Their reporting of key financial figures on a *country-by-country* basis

Companies were chosen based on their market value on the Copenhagen OMX as of February 14th, 2014. Furthermore, companies without international operations were excluded, along with companies that did not have their main domicile in Denmark. As a result, 4 companies were excluded, and 4 new companies were included to reach 20 in total.

The analysis was based on a questionnaire (the 2014 TRAC Codebook) containing a number of questions on every dimension, with each company being scored according to the quality and availability of publicly available information. The information used was limited to any text, links or reports available through the English portion of the companies' websites. After an initial data collection process, the companies had 4 weeks to review their scores on each question, provide feedback or add information. Many companies exhibited active collaboration throughout the process.

The questions and results from the individual dimensions can be found in the different sections of this report, along with the overall results in Annex 5.

In 2014, the Codebook went through a number of changes, which tightened the requirements to score full points. The most prominent examples are: (1) a need to explicitly include directors in a range of policies, (2) a removal of the possibility of scoring half-a-point for several questions, and (3) the need to list *all* subsidiaries in the Organizational Transparency category, not just the *material* ones[3]. These changes significantly impact the score for many companies, and as such, direct comparisons with former reports may be misleading.

In general, Danish companies ranked relatively high on their transparency. Although many have anti-corruption programmes and disclose parts of their organizational structure, there are various areas for improvement. No companies achieved full scores on neither the overall rating nor any individual dimension. 12 of the 20 companies scored above average, indicating that a few laggards kept the average down.

The findings in this report are relevant for all Danish companies, not just the ones included.

Anti-Corruption Programme transparency

Although most Danish companies report on several aspects of their anti-corruption programmes, there is still room for improvement. The most common drawback was a lack of reporting on training and monitoring of their anti-corruption programmes, where companies scored the lowest. However, the companies were strong at reporting concerning their commitment to comply with anti-corruption laws and stating non-tolerance for corruption.

3) For a complete list of the changes implemented, please see Annex 3

The study was conducted only based on publicly available information. It does not represent a true assessment of the companies' anti-corruption programmes, but only their reported strength. Furthermore, the need for information to be explicit and public led to many companies losing points, as implicit statements and assumptions did not count towards the rating.

Organizational Transparency – subsidiaries and other ownership interests

As mentioned, the criteria in this section was changed recently, going from only requiring a disclosed list of material subsidiaries, to a full list of subsidiaries and non-fully consolidated holdings in order to score a full point. Nevertheless, Danish companies performed well. The high scores were a result of most companies disclosing a full list of both fully and non-fully consolidated holdings, with ownership stake and country of incorporation included.

An important area of improvement for the future is the disclosure of countries of operations for all individual subsidiaries.

Country-by-Country reporting of key financial figures

This dimension showed the poorest results for all companies. With just three companies scoring anything above 1%, the overall results were rather disappointing. Most disclosed information seemed arbitrary chosen, and was usually limited to a few key countries. For this reason, the scoring on this dimension seems to be inversely related to the companies' number of countries of operations.

Several companies publish financial figures by region, which did not help them to yield points, but presents an important step towards total transparency in their country-by-country reporting.

Comparison with other Scandinavian reports

In general, Danish companies achieved similar results as the ones analyzed in Sweden and Norway. The overall Danish average was slightly lower, but most of the difference can be attributed to the change in the rating system as of 2014. The companies' poor performance in the dimension country-by-country reporting largely explains the remaining difference.

UN Global Compact

In this report we also wanted to assess the impact of a company being a signatory of the United Nations Global Compact agreement[4]. A full 15 of the 20 companies are signatories (a total of 259 Danish business entities out of 7000 globally). An analysis of the ratings revealed that the companies who signed the initiative do in fact score higher on average, specifically on the anti-corruption programme dimension.

Recommendations

To internationally operating companies

- Companies should make their anti-corruption programmes publicly available, including detailed information. They should improve the reporting on transparency and anti-corruption by providing information on all topics of the study
- For multinational companies, it should be standard to provide extensive information on their corporate website in at least one international language

4) For a full explanation, please see the part with a full analysis of Global Impact influence

- To increase Organizational Transparency, multinational companies should provide a complete list of their subsidiaries as well as all non-fully consolidated holdings, such as associates, joint-ventures and other ownership interests
- Companies should publish financial information for each country of operations
- To increase the effectiveness of anti-corruption programmes and the fight against corruption, companies should join the United Nations Global Compact

To the Danish government

- A continued focus on the reporting of CSR should be upheld, along with legal requirements of explicit statements on anti-corruption policies and programmes
- A specific focus should lie on mandating companies to disclose in which countries each of their subsidiaries operates
- A standardized framework for reporting key financial figures on country-by-country basis should be required. This should to a greater extent be mandatory

To investors and analysts

- Private and institutional investors should demand that companies provide information on anti-corruption programmes, Organizational Transparency as well as country-by-country reporting and make it publicly available
- Analyzing a company's transparency in terms of anti-corruption measurements, organizational structures and country-by-country reporting should be an essential part of risk ratings and corporate responsibility indices
- Accounting standards which require companies to ensure transparency in financial accounting and corporate social responsibility reporting should be established

To civil society organizations

- Civil society organizations should get more involved in monitoring multinational businesses which are located or operate in their respective countries
- Civil society organizations should require governments to request higher transparency and disclosure from multinational companies and businesses
- Through the specialization in specific areas and the formation of partnerships, civil society organizations should lobby other stakeholders with more direct interest to demand higher transparency

Rationale & methodology

The rationale of this TRAC report is to analyze a company's effort to be transparent, counter corruption, and publicly disclose financial and other flows to host governments as well as stakeholders.

The companies included in the study were chosen based on market value, international operations and domicile and headquarter within Denmark. The sample counts 20 Danish companies, which belong to the country's largest companies based on their market value on the Copenhagen OMX as of February 14th, 2014 (Source: Nasdaq OMX)[5]. Companies had to fulfill the following three criteria in order to be assessed:

1) Publicly-traded – largest companies by market value
2) Multinational – with significant operations outside of Denmark
3) Incorporated and headquartered in Denmark

These criteria lead to the exclusion of four companies from the sample. The remaining companies fulfilling all criteria were then included. Most of the analyzed companies have provided confirmation on the data that had been collected, thus presenting higher validity and authenticity to the data collection process.
While conducting the data collection, Transparency International did not test the validity of claims or completeness of the information published. No judgments were made about the integrity of information or practices disclosed. Furthermore, all data collected was revalidated by a second examiner, which helped to evaluate companies without bias, and led to a high level of objectivity in the study.

The methodology was distributed to companies before the study took place so that companies could prepare and review their public information at their own discretion. The results from the initial data collection were shared with each of the companies, giving them the opportunity to review their results, provide feedback, and adjust their public information. The CEMS team working on this report noted a high degree of cooperation by the companies.

The study measures three dimensions of corporate reporting:

- Their *Anti-Corruption Programme*, including top management involvement, their position on training and monitoring, bribery, facilitation payments, whistleblower reports and protection as well as political contributions
- The *Organizational Transparency* of the companies, namely the disclosure of all ownership interests in subsidiaries and non-fully consolidated holdings, as well as countries of incorporation and operations
- Their reporting of key financial figures on a *Country-by-Country* basis, including revenues, capital expenditures, taxes and community contributions

The study only accepted publicly disclosed information in English available on or through corporate websites. Furthermore, this information needed to be free and available to anybody without limitations. Collection of the data was guided by a questionnaire structured along the three dimensions of transparency of corporate reporting:

- 13 questions for Anti-Corruption Programmes,
- 8 questions for Organizational Transparency and
- 5 questions for Country-by-Country

Finally, the data was assessed and analyzed, thus leading to individual rankings for each dimension as well as an overall transparency index.

5) For the full list of companies and their market values see Annex 4

Reporting on Anti-Corruption Programmes

Reporting on Anti-Corruption Programmes

In the fight against corruption, anti-corruption programmes present important tools for companies. Especially firms operating in an international environment face a variety of unfamiliar situations that involve corruption in its different forms. Anti-corruption programs are therefore essential guidelines that companies can relate to. Full and transparent disclosure of such programmes shows a company's commitment to anti-corruption, and emphasizes ethical behavior among directors, managers, employees, suppliers, agents and other parties involved throughout the company's value chain.

The *Reporting Guidance on the 10th Principle against Corruption*[6], which was established by the UN Global Compact and Transparency International in 2009, includes clear recommendations on the aspects of a company's anti-corruption programmes, which should be publicly disclosed. This Reporting Guidance was derived from the *Business Principles for Countering Bribery*[7] and provides companies with structured and comprehensive information concerning thorough and consistent reporting.

Box 1: Is Reporting on Anti-Corruption Programmes meaningful?

As this study analyzes the reporting of anti-corruption programmes and not the actual compliance with individual elements, it might be argued that only the surface of a company is looked at. Although recognizing that reporting and compliance are not the same, there are important arguments that emphasize the importance of transparent reporting.

- Companies face immense legal and reputational risks if publishing false information
- Through public commitments, companies are accountable to all its stakeholders and the general public
- Transparency enables stakeholders and the general public to facilitate monitoring and detect possible discrepancies between reporting and compliance
- Emphasizing transparency in reporting supports and promotes good behavior
- International companies with transparent reporting of anti-corruption measurements set clear signs for employees worldwide as they communicate their attitude towards, and emphasize the importance of ethical behavior

Company results

Results for the companies' reporting on anti-corruption programmes are shown in Table 1. The average score in this dimension was 63%. Due to the questionnaire changes mentioned earlier, Danish results cannot be directly compared to the ones of the Global TRAC Report 2012. Since the questionnaire change made it more difficult for companies to achieve full score on some questions, however, Danish companies did relatively good compared to the companies included in the global report which achieved a just slightly higher average of 68%.

6) www.unglobalcompact.org/docs/issues_doc/Anti-Corruption/UNGC_AntiCorruptionReporting.pdf
7) www.transparency.org

Box 2: Changes in the dimension Reporting on Anti-Corruption Programmes

The questionnaire for all TRAC Reports carried out by Transparency International chapters has been changed as of 2014. Modifications concerning the dimension reporting on anti-corruption programmes which might significantly influence a company's score are summarized in the following*

- Question 4: A company's code of conduct now has to apply to all directors in addition to all employees.
- Question 5: Companies no longer get points if their agents and representatives are only encouraged to comply with the code of conduct, but 1 point is only awarded if they must comply with the code.
- Question 6: Companies still have to require contractors, subcontractors and suppliers to comply with their anti-corruption programme and carry out due diligence. However, now they also need to monitor these entities to get full score.
- Question 7: Anti-corruption training programmes do not only have to be in place for employees but also directors need to be trained accordingly.
- Question 11: A company's whistle-blower channel still has to be confidential but, on top of that, two-way communication needs to be ensured.
- Question 13: Companies no longer get points if political contributions are only disclosed for some but not all countries. Now companies explicitly need to prohibit or disclose these contributions for all their countries of operations to get a point.

**for the full list of questions please see Annex 2, and for a detailed overview of questionnaire changes please see Annex 3*

The company with the best score in this dimension, Coloplast, achieved 96% and was followed by Lundbeck with 85%. In total, 8 companies scored 77% or higher and 15 companies achieved 50% or more. At the bottom of the list is Jyske Bank, which has no publicly available information on its anti-corruption programme and therefore got a score of 0%.

Generally, there is no clear connection between the market value of a company and its ranking. Although 3 out the five companies with the lowest market value score within the lowest 25%, some smaller companies also compete within top ranks. FLSmidth, for example, shares rank 3 in the reporting on anti-corruption programmes even though it is only the 17th largest in terms of market value. Out of the five biggest companies, only Coloplast and Carlsberg are part of the top 6 performers.

Table 1: Reporting on Anti-Corruption Programmes

Reporting on Anti-Corruption Programmes: Company Ranking

Ranking	Company name	ACP %
1	Coloplast	96%
2	H Lundbeck	85%
3	Carlsberg Group	81%
3	FLSmidth & Co.	81%
3	Chr. Hansen Holding	81%
3	Vestas Wind Systems	81%
7	Danske Bank	77%
7	GN Store Nord	77%
9	Novo Nordisk	73%
9	DSV	73%
9	Pandora	73%
9	A.P. Møller – Mærsk	73%
9	Novozymes	73%
14	Rockwool International	58%
15	William Demant Holding	50%
16	DS Norden	46%
16	TDC	46%
18	Tryg	35%
19	Genmab	12%
20	Jyske Bank	0%

Taking a closer look at the results of individual questions[8], Table 2 shows that companies scored best on its commitment to comply with all relevant laws, including anti-corruption laws. Out of 20 companies, 17 made this statement. The question that scored second best within this dimension looked for a statement that shows a company's zero-tolerance towards corruption. Here 80% of the companies are publicly committed to anti-corruption.

Comparing the top ranked questions with the ones of the global TRAC report, the best performing questions are the same in both cases. However, the question, asking if the Code of Conduct applies to all employees, that ranked second best in the global report, scored rather poor among Danish companies. The reason for this is that the question got slightly changed for the latest series of TRAC reports. Now a company's Code of Conduct does not only have to apply to all employees but also to all directors. To show that companies are aware of the importance of ethical behavior, TI Denmark recommends that they should also publicly oblige directors to comply with their Code of Conduct.

As shown in Table 2, companies scored worst on anti-corruption training programmes for employees and directors. Only one company achieved full score. This question, as the one mentioned above, previously did not include directors, but only asked about employees. This alteration is the reason why results in the global report were better for this question. As it is important that the whole company knows how to fight and deal with corruption, TI Denmark advises companies to also train directors in anti-corruption issues, and to publicly disclose this information.

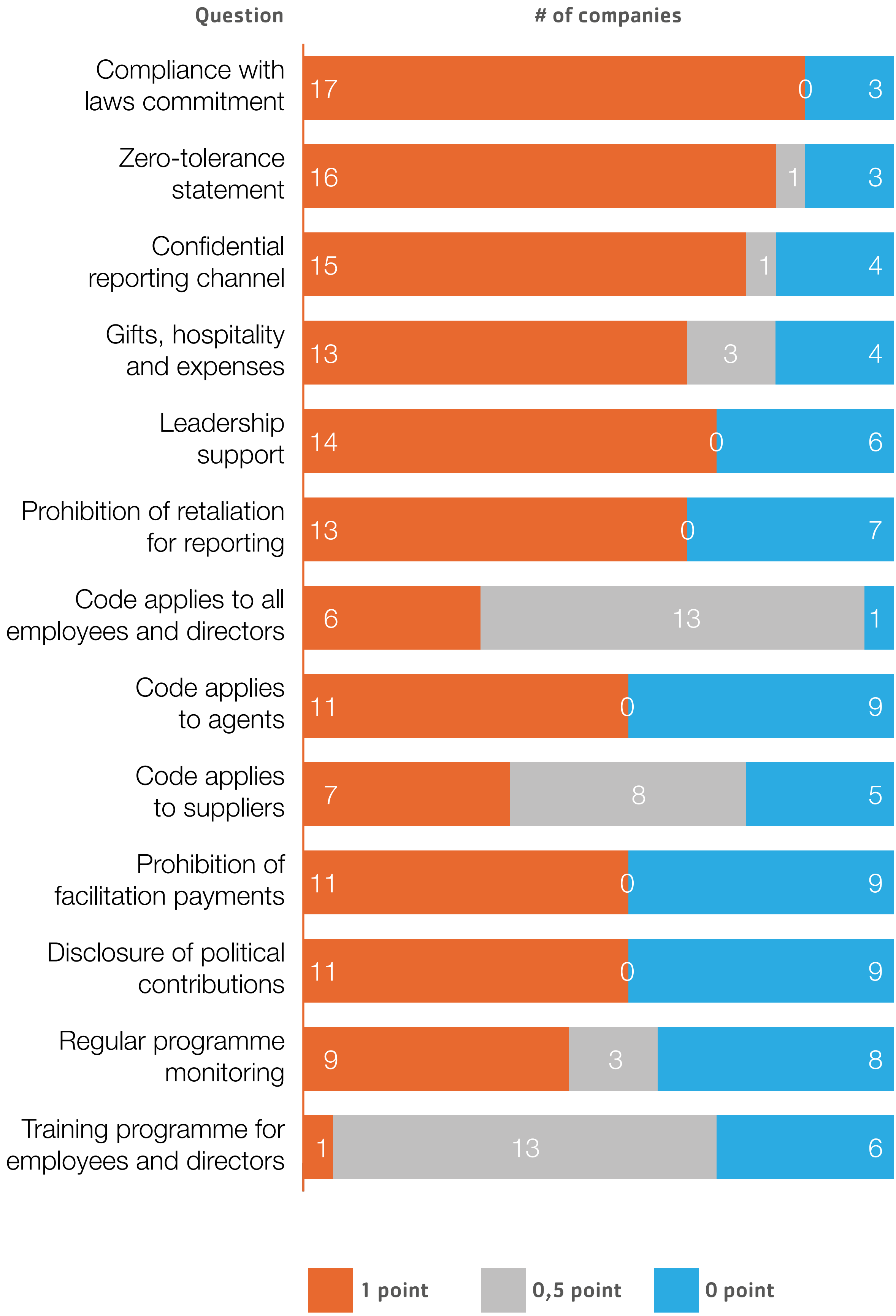
The question asking if non-controlled persons or entities that provide goods or services have to follow a Code of Conduct also accounted for rather poor results. Only 7 companies achieved full score while 8 companies scored 0.5 points as they just encouraged their suppliers to comply or did not fulfill all elements required such as due diligence and monitoring. By comparison, more than half of the companies in the global report scored one point for this question. Since creating a general awareness of the importance of ethical behavior and the threats presented by corruption, TI Denmark hopes for better results in future TRAC reports.

Within the 20 companies analyzed, 55% explicitly prohibit facilitation payments. Although there is still room for improvement, the Danish results for this question are much better than the ones from the global report as only 20% of the companies forbid such payments.

8) See Annex 2 for a full list of the questions asked

Table 2: ACP Analysis by Question

Reporting on Anti-Corruption Programs: Analysis by Question



Organizational Transparency (subsidiaries and ownership interests)

Organizational Transparency (subsidiaries and ownership interests)

Multinational companies typically have numerous subsidiaries in different countries and also other ownership interests such as associated companies, joint-ventures or other holdings. These entities usually are incorporated and operate in different jurisdictions.

The transparent reporting on this dimension helps the public to get an insight into the companies' controlling interests and responsibilities between companies. It is important for the public to know which international networks the local companies belong to and the interrelatedness of these companies and networks. Moreover, it reveals potential financial flows between the network of companies, intra-group transfers, and government payments such as taxes. Disclosing information about the interconnectedness of companies can further facilitate the process of finding out which parent company is responsible for the businesses in terms of ethical and corruption-free behavior.
Local stakeholders need to know which companies are operating in their territories, bidding for government licenses or contracts, or having applied for or obtained favorable tax treatment. Especially in the developing world, where the public and private sector often fail in being open and transparent, it can add to the level of information and education of the public and help it to fulfill its overseeing role.

This dimension assesses the amount of information companies disclose on their fully and non-fully consolidated holdings. For both fully consolidated and non-fully consolidated holdings, companies should disclose the name, the country of incorporation as well as countries of operations, and the percentage of ownership held in them. These elements are all covered in the questions for the Organizational Transparency (OT) dimension[9].

Box 3: Countries of incorporation versus countries of operations

Country of incorporation is the country of domicile, i.e. the country where the company has its legal address or registered office. It determines which law and tax system is applicable to the company and which rules of corporate governance it has to follow.

Country of operations refers to where the company conducts its activities and engages in business, i.e. holds assets, enters into contracts, maintains premises, generates revenues, employs people, and impacts the environment.
The headquarters of a company can be located in the country of incorporation, in the country of operations or even in a different country. This implies that country of incorporation does not necessarily mean it is also country of operations. This is especially the case, when companies are registered in so called tax havens such as Ireland, Luxembourg, Bermuda, Cayman Islands or others.

9) See Annex 2 for the full list of questions

In order to ensure full transparency, TI Denmark encourages Danish companies to disclose a full list of its holdings including both country of incorporation and country/-ies of operations. The information is important for various stakeholders, like investors, citizens or governments, as it clarifies the type and extent of the operations and activities of a company.

Company results

The average result for Danish companies was quite high with 66%. 15 out of 20 scored above the average with 75%. Only three companies scored below 50%. However, no company managed to get a full score. Most companies only provide a list of subsidiaries with country of incorporation and percentage of shares owned in their annual report. All companies fail to provide a list of countries of operations for their holdings. When asking for feedback from the companies, they all acknowledged that they do not state the country/-ies of operations, but also did not indicate that they intended to change this in future reporting. TI Denmark highly encourages the companies to improve their results on this dimension, disclosing country or countries of operations, and get full scores in the next TRAC report.

Table 3: Organizational Transparency

Reporting on Organizational Transparency: Company Ranking

Rank	Company name	ACP %
1	Genmab	75%
1	Novo Nordisk	75%
1	H Lundbeck	75%
1	Carlsberg Group	75%
1	Rockwool International	75%
1	Chr. Hansen Holding	75%
1	William Demant Holding	75%
1	Coloplast	75%
1	Jyske Bank	75%
1	DS Norden	75%
1	Pandora	75%
1	DSV	75%
1	TDC	75%
1	FLSmidth & Co.	75%
1	A.P. Møller – Mærsk	75%
2	Novozymes	63%
3	Vestas Wind Systems	56%
4	GN Store Nord	38%
5	Danske Bank	25%
6	Tryg	19%

Out of 20 Danish compa¬nies, no one scored any point for questions 17 and 21 (countries of operations). In the 2012 global survey these two questions were excluded from the score due to methodological incongrui¬ties in data collection, therefore the overall results for the second section did not reflect their performance on questions 17 and 21. Hence, no direct comparison between Danish and global performance is possible.

In line with the 2014 TRAC Codebook, the Danish TRAC report required companies to provide a full list of both material and non-material holdings (see Box 4 for more information) due to the questionnaire change as of 2014. Despite this requirement, a greater percentage of Danish companies scored very high compared to the global report, indicating that they have already achieved a higher level of disclosure.

Box 4: Changes in the dimension Organisational Transparency – Materiality

Materiality is defined under IFRS23 as "Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor".

Compared to the global report, a significant change to scoring on the dimension organisational transparency has been made. The word "material" has been removed from all questions. Therefore, a company has to publish a full list of all subsidiaries, no matter if they are material or non-material in order to get a full score on this dimension. If only material subsidiaries are disclosed, companies score 0.5 points*. The report of 2012 already recommended that companies should report all their holdings, irrespective of materiality. This is because non-material holdings are frequently the ones in developing countries or tax havens. As information is otherwise unavailable, these holdings have to be disclosed as well.

**for the full list of questions please see Annex 2, and for a detailed overview of questionnaire changes please see Annex 3*

Country-by-Country reporting

Country-by-Country reporting

The driver behind the demand for country-by-country reporting is to expose the link between the parent company and the local jurisdiction in which it operates, making companies accountable. It provides a platform for comparison between companies operating in a particular country, making it possible for citizens to monitor the appropriateness of payments towards the governments. Furthermore, country-by-country reporting allows transparency on any special arrangements between governments and companies, resulting in greater accountability for both parties. It also ensures disclosure of all holdings, material and non-material.

The importance of country-by-country reporting was first advocated in the extractive sector where transparency was required to prevent the "resource curse" which afflicted many resource rich countries in the developing world. Most prominent among relevant legislative changes is the *2010 Dodd-Frank Wall Street Reform and Consumer Protection Act*[10] which requires extractive companies registered on the US stock exchange to do country-level reporting of all payments to governments (US and foreign). In the European Union, legislators recently adopted similar rules for European companies in the oil, gas, mining and logging industries.

However, this information would be useful in detecting corruption in all industries. Key financial data would give citizens the possibility to understand activities of a particular company in their country and to monitor the appropriateness of their payments towards governments.

Danish companies scored relatively low in the country-by-country section, which evaluates the country-by-country disclosure of international operations within the sample of 20 companies. An industry-neutral set of criteria was used to measure the financial reporting by country concerning revenues, capital expenditure, pre-tax income, income-tax and community contributions.

Box 5: Changes in the dimension Country By Country Reporting

The questionnaire for all TRAC Reports carried out by Transparency International chapters has been changed as of 2014. Modifications concerning the dimension country-by-country reporting which might influence a company's score are summarized in the following*

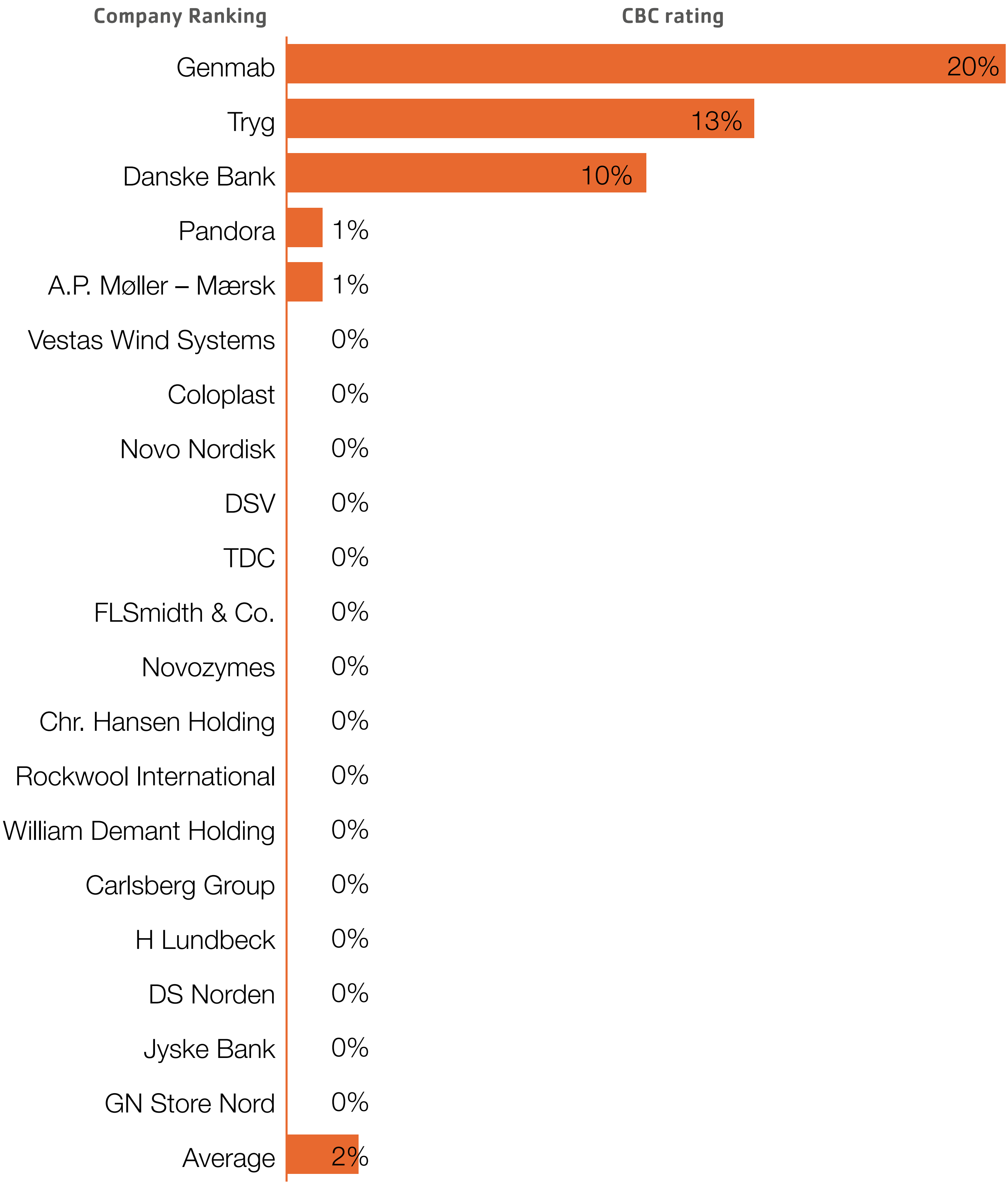
- Question 22: Another possibility of breaking down revenues by country is introduced for half a point.
- Question 26: Reporting the exact amount of contributions is now required even for half a point.

**for the full list of questions please see Annex 2, and for a detailed overview of questionnaire changes please see Annex 3*

10) http://www.banking.senate.gov/public/_files/070110_Dodd_Frank_Wall_Street_Reform_comprehensive_summary_Final.pdf

Company results

Table 4: Country-by-Country Reporting



As shown in Table 4, this is by far the weakest section. The company that performed best, Genmab, achieved a score of only 20%. In total, just 3 companies scored above 1% in this dimension, while the scores of the remaining companies are negligible or 0%. No clear connection can be found between the market value of a company and its ranking. However, there is a connection between the number of countries a company operates in and its score. All companies that scored above 1% operate in less than 15 countries in total. Genmab operates in 3 countries only. This goes in line with the argumentation many companies made regarding the tediousness and complexity of reporting on the different requirements of this dimension. Most companies simply choose to report on regions, business areas and/or major subsidiaries.

When taking a closer look at the companies that scored higher, it is noticeable that they mainly report on total revenues while mostly ignoring tax and contribution reporting. It is important to emphasize that there are a number of companies (such as TDC, H Lundbeck etc.), which publish some of this data broken down by regions or continents but not by countries. Although they did not get any points for this method of reporting, it presents an important step towards total transparency in their country-by-country reporting.

In total, companies included in this study show major weaknesses in their country-by-country reporting, which manly results from the companies actively choosing not to report financial figures for their individual countries of operations.

Comparison of Scandinavian TRAC reports

With the publication of this report, all Scandinavian chapters of Transparency International, namely TI Norway, TI Sweden and TI Denmark, have reported on the transparency in corporate reporting of their largest companies. As companies face similar business environments within these countries, it is interesting to see how their transparency in the dimensions anti-corruption programmes, organizational structure and country-by-country reporting resemble or differ. Therefore, the following section will compare the results of the latest versions of all three Scandinavian TRAC reports.

In 2009, TI Norway was the first Scandinavian chapter to analyze the transparency of anti-corruption programmes. The follow up study, which included the dimensions anti-corruption programmes, organizational structure as well as country-by-country reporting, was published in 2013 and investigated the 50 largest companies with international operations listed on Oslo Stock Exchange. In the same year, TI Sweden conducted a TRAC Report that analyzed Sweden's 20 largest firms. Both chapters analyzed the companies' publicly available information within the three dimensions mentioned using the 2012 TRAC Codebook. As mentioned earlier, the Danish study was carried in 2014 applying the 2014 TRAC Codebook which requires higher standards for some questions making it more difficult to achieve full score. Therefore, Danish results cannot be directly compared with the Norwegian and Danish ones for all questions. Possible differences in scores that result from the questionnaire change, however, will be clearly pointed out throughout the comparison.

Looking at the overall score for all three dimensions, Norwegian and Swedish companies show better results than the Danish ones. With 10 points indicating full transparency in all three dimensions, Norwegian companies ranged between 1.4 and 8.0 points, Swedish between 2.7 and 8.7 and Danish between 2.2 and 5.7. The big difference in terms of the maximum overall score mainly results from the questionnaire change mentioned as well as the Danish companies' poor performance in the country-by-country reporting dimension, which will be discussed later in this section.

Differences and Similarities in Reporting on Anti-Corruption Programmes

For the first dimension, transparency in anti-corruption programmes, the average score for Denmark was 63%, which means that it scored lower than Sweden with 85%. Although for some questions, requirements for a full score are more difficult to fulfill with the new questionnaire, Danish companies still scored higher in this dimension than those in Norway, which achieved an average score of 54%.

Both Sweden and Norway include companies that achieved full score, meaning 100%, in the dimension reporting on anti-corruption programmes. With a score of 96%, however, the best Danish company scored just slightly below maximum. In Norway, six companies out of 50 did not publish any information on their anti-corruption programme, which led to a score of 0%. In the Danish study this happened only for one company. Furthermore, the Danish TRAC report lacks top performers. Only one company scored higher than 90% in the dimension transparency of anti-corruption programmes, while 16% did so in the Norwegian and as many as 65% of the companies scored higher than 90% in the Swedish study. Again the reason for this is the stricter questionnaire, which was introduced for TRAC reports as of

2014. Since various Danish companies score just slightly below 90%, these would have been likely to get a higher score if evaluated according to the former questionnaire. The share of Danish companies at the bottom of the list, however, is not as high as in Norway. A total of 25% of the Danish firms achieved a score of less than 50%, while 40% did so in Norway and 10% in Sweden.

TI Norway identified a connection between the size of a company and its score. In its latest TRAC report, 21 out of the 25 biggest companies were in the top half of the ranking. Although 3 out of the 5 smallest Danish companies also scored within the lowest 25%, a clear connection between size and score could not be found as, apart from that, results were rather mixed. The Swedish report does not mention data on the companies' size, which is why results cannot be compared in this case.

Concerning individual questions, similarities as well as differences can be found within the Scandinavian reports. The two questions that ranked best in the Danish TRAC report, which asked about a company's compliance with all laws and its commitment against corruption, also scored within the top four in the Norwegian and the Swedish study. However, the best performing question of Norway and Sweden, analyzing if the companies' Code of Conduct applies to all employees, ranked only moderately within Danish companies. The reason for this difference is the change in questionnaire, which was mentioned before. As of 2014, a company's Code of Conduct does not only have to apply to employees but also to directors. Since 13 Danish companies require their employees but not their directors to comply with the Code of Conduct, they only scored 0.5 points. If they had been part of the Norwegian or Swedish report, they would have been awarded a full point as those studies applied the old questionnaire.

The question asking about anti-corruption training programmes for employees and directors, which ranked worst in the Danish study, with only one company achieving full score, was also affected by the questionnaire adaptation. As the question previously did not include directors, results in the Norwegian and Swedish study were better.
Only 16% of the Norwegian companies achieved full score on the lowest-scoring question in the Norwegian report. The question asked about regular monitoring of the companies' anti-corruption programme. With 45% of the Danish companies, and as many as 90% of the Swedish companies achieving one full point on this question, it shows that the level of monitoring widely differs even between countries as similar as the Scandinavian ones.

In the Swedish report, the question that asked about the prohibition of facilitation payments was at the bottom of the list, as only 50% of the companies scored a full point. With a score of 55% in the Danish and 38% in the Norwegian TRAC report, other Scandinavian companies scored similarly. Comparing these results to the global report, where it was one of the worst performing questions with only 20% of the companies scoring one point, Scandinavia, however, still sends a stronger message in the fight against facilitation payments.

Differences and Similarities in Organizational Transparency

When investigating the similarities and differences of the second dimension, it is important to mention that the questionnaire changed as of 2014, meaning that the reports of Norway and Sweden had lower requirements to fulfill in order to get full points for the questions of this dimension (see Box 4). Until 2013, the companies got one point for the questions if they provided a list of fully and non-fully consolidated material subsidiaries. From 2014 onwards, the requirements have been extended to non-material subsidiaries as well, which implies that the Danish corporations had stricter demands to fulfill than the corporations in the other Scandinavian countries.

Although no Danish company obtained the full score, 75% of the companies scored at least 75%. In Norway, only 68% companies achieved more than 75%, whereas in Sweden 80% of the corporations reached the 75% level. Moreover, the percentage of companies attaining at least 50% of the scores is higher for Norway and Sweden. The reason for the differences probably lies in the varying requirements.

All in all, differences between the countries are not very big and Scandinavian countries are doing relatively well in Organizational Transparency. Nevertheless, there is still room for improvement and they could enhance their reporting by also providing lists of their countries of operations. Establishing legal or accounting requirements would further improve the scoring of the companies in this dimension and increase transparency.

Differences and Similarities in Country-by-Country Reporting

Country-by-country reporting is important for the stakeholders of a company to know where it conducts what kind of business and how it is engaged in and influences society. Moreover, it facilitates the monitoring of the company and increases its accountability. In all three Scandinavian countries, companies scored very low on this dimension. More than 50% did not obtain points at all in Norway. In Sweden, the percentage was at 60%, and Danish companies are at the bottom of the list with 75% of the companies not achieving any points on this dimension. When looking at the maximum score, Danish companies score lower than other countries. In Norway, one company scored 66% and three companies achieved a score above 50%. In Sweden, the best company obtained 70% and two companies got more than 50%. In Denmark, the highest score was 20% and only one company was able to score that high. Additionally, the average score is by far the lowest in Denmark, with only 2% compared to 8% in Norway and 14.5% in Sweden. Although the companies of all Scandinavian countries scored very low on this dimension, Danish companies have the lowest scores. Thus, country-by-country reporting seems not to be on the agenda of the majority of multinational companies despite its high relevance for all stakeholders. This notion is further strengthened by the lack of feedback from the companies on this dimension, compared to the extensive responses obtained for the other dimensions. As transparency on this dimension would facilitate the monitoring of companies and their impact, TI Denmark highly recommends an improvement on the transparency of country-by-country reporting.

The UN Global Compact and its influence on the ranking

The United Nations Global Compact is an initiative on strategic policies within the areas of human rights, labor, environment and anti-corruption[11]. The initiative strives to make businesses commit to a set of Ten Standard Principles that focus on the active fight against abuse within its core areas. The vision of the Global Compact is to make its principles mainstream in business strategies and operations around the globe.

In order to become and stay signatories, companies must adhere to a set of guidelines to demonstrate their continued commitment to the Ten Principles. A letter of support signed by the CEO is made available, and additional reporting is required. This is known as a Communication on Progress (COP) report, and ensures the transparency and accountability of the company in question.

The 10th principle is the principle related to anti-corruption, and states that *"businesses should work against corruption in all its forms, including extortion and bribery."*[12] As explained earlier in the part on methodology, the UN Global Compact and its reporting guidance on the 10th principle heavily influence the methodology and analysis in this study.

In this context, several additional data points can be constructed, to measure the effect the Global Compact has on its signatories in terms of anti-corruption. Out of the 20 companies surveyed, 15 were signatories of the UN Global Compact. This is a considerable amount, with 75% of the largest public companies choosing to comply with a voluntary initiative.

As shown in Table 5, the overall rating significantly differs between companies, with signatories scoring almost half a point higher. When looking into the sub-categories, it is clear that the difference in average stems from higher ratings in the dimension transparency of anti-corruption programme. The average for signatories was 69%, 6% points higher than the overall average, and 24% points higher than for non-signatories, which scored 45% on average.

The Organizational Transparency section, however, seems unaffected by a commitment to the UNGC. The lower average of signatories even implies that this dimension is not affected by the 10th principle at all.

Lastly, a breakdown of average scores of the individual questions shows that some are heavily affected by the company's status towards UNGC. Questions 3 and 11 show a particularly high difference in average scores. In other words, company leadership commitment to anti-corruption, as well as the existence of an anonymous, two-way whistle-blower hotline is highly affected by signing the UNGC.

From these indications, some firm, yet not surprising conclusions may be drawn. First and foremost, it seems as if companies that have committed to the Global Compact score higher in the overall rating, mainly stemming from their reporting on anti-corruption programmes. Certain questions are significantly higher rated among signatories, as a direct result of Communication on Progress reporting. Therefore, at least in Denmark, the UNGC helps for keeping the reporting standards at a certain level, and ensures a more transparent reporting process. It should be noted however that these conclusions are build on the evaluated sample, including just 5 non-signatories, and that the sample is too small to make any broader conclusions.

11) http://www.unglobalcompact.org/AboutTheGC
12) http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples

Table 5: UN Global Compact

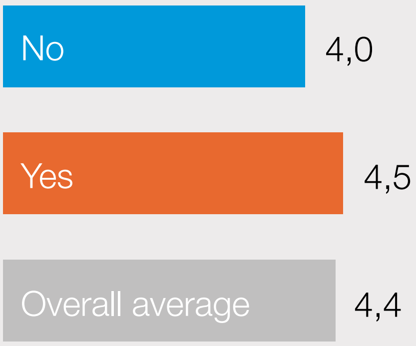
Global Compact signatories

Company name	Signed
H Lundbeck	Yes
TDC	Yes
Novozymes	Yes
Carlsberg Group	Yes
Vestas Wind Systems	Yes
Coloplast	Yes
Novo Nordisk	Yes
Danske Bank	Yes
Pandora	Yes
DS Norden	Yes
Tryg	Yes
DSV	Yes
William Demant Holding	Yes
A.P. Møller – Mærsk	Yes
GN Store Nord	Yes
Chr. Hansen Holding	No
Rockwool International	No
FLSmidth & Co.	No
Jyske Bank	No
Genmab	No

Yes No

Difference in overall rating (points)

Signatory Average



Scores for Global Compact

Signatories	Non-Signatories
15 (75%)	5 (25%)
Signatory avg. ACP	Non-signatory avg. ACP
69%	45%
Signatory OT avg.	Non-signatory OT avg.
63%	75%

Difference in question averages

Question	Average/signed		Difference
#	No	Yes	
Q1	0,60	0,90	0,30
Q2	0,80	0,87	0,07
Q3	0,20	0,87	0,67
Q4	0,60	0,63	0,03
Q5	0,40	0,60	0,20
Q6	0,30	0,63	0,33
Q7	0,30	0,40	0,10
Q8	0,60	0,77	0,17
Q9	0,60	0,53	-0,07
Q10	0,40	0,73	0,33
Q11	0,40	0,90	0,50
Q12	0,40	0,57	0,17
Q13	0,40	0,60	0,20

Recommendations

To Danish companies with international operations

- **Multinational companies should identify the risk of corruption and actively counteract it.**

Many multinational companies do business in countries were corruption is a common element of everyday life. Often the companies themselves are exposed to corruption, especially in procurement activities. However, corruption does not just distort markets and creates unfair competition but also increases costs, especially for the public. Private sector corruption contributes to environmental damage, health and safety problems, economic instability and human rights violations by diverting scarce financial and human resources.[13] Due to the huge influence companies often have on society, it is their responsibility to show a high standard of ethics, refuse to engage in corruptive actions and counteract corruption in all areas of their business.

- **Companies should make their anti-corruption programmes publicly available, including detailed information. They should improve the reporting on transparency and anti-corruption by providing information on all topics of the study.**

By publishing anti-corruption programmes that are in place, companies increase the transparency of their operations and activities. This will lead to greater credibility, accountability, and a better reputation of the companies helping them to attract talented employees, investors, and customers.
Although some companies scored well on this dimension, there is still much room for improvement. Often companies commented to have an extensive programme in place, which however, was not publicly available, but only for internal purposes. Yet there are no good reasons why companies should not publish details on their programmes. On the contrary, it is an easy way to increase transparency, which would send positive signals to stakeholders who increasingly ask for and consider company compliance when making, for example, an investment or buying decision.

- **For multinational companies, it should be standard to provide extensive information on their corporate website in at least one international language.**

Often public websites are regarded as a basic mean of communication between the company and its various stakeholders. However, much of the information is only available for registered investors, employees or other insiders. Multinational companies have operations in a great variety of countries around the world, leading to a diverse group of stakeholders and shareholders. In order to ensure the equal provision of information among all stakeholders, it is essential that corporate websites, including all financial and non-financial reports, are available in at least one international language. Preferably this should be English. Other relevant languages could be used in addition.

The advantages are numerous: All stakeholders can have access to extensive information, which will increase their understanding of the business and enable them to fulfill their oversight role. The company will benefit from an increase in investors and employees with a high level of moral and ethical standards.

13) http://www.transparency.org/topic/detail/private_sector

- **To increase Organizational Transparency, multinational companies should provide a complete list of their subsidiaries as well as all non-fully consolidated holdings, such as associates, joint-ventures and other ownership interests.**

Most of the Danish companies already provide a list of their subsidiaries, associates, and joint ventures. However, the list is not always exhaustive and especially individual countries of operations are not named in the majority of the cases. It is important to disclose this information to the public in order to give stakeholders the possibility to understand and evaluate tax structures and anti-corruption compliance of the company.

Each company should disclose information on the company names, the owned share in the company of the group, the country of incorporation, and information on the countries of operations (i.e., where it is and what kind of business it conducts). The lists can either be included in the annual report or published on the corporate website.

- **Companies should publish financial information for each country of operations.**

Most Danish multinational companies score very badly on this dimension, as they hardly publish financial data on each country they operate in and even if they do, the information is still very limited. However, for the respective country it can have a huge influence if information on revenues, capital expenditures, taxes, transfers, and community contributions is open to public. The availability of this data would facilitate monitoring of companies and their impact on local economic development. Some companies in other Scandinavian countries already practice this and Danish companies could learn from their example.
As companies already state their contribution to communities and usually have financial data available, it would be an easy step to disclose this information to the public. By doing so, an evaluation of the company's impact would be enabled and opportunities for corruption could be reduced.

- **To increase the effectiveness of anti-corruption programmes and the fight against corruption, companies should join the United Nations Global Compact.**

As stated above, the UN Global Compact is a strategic policy initiative that helps businesses to develop, implement, and disclose policies and practices of sustainability and corporate social responsibility. Companies are a main driver of globalization in the area and face many social, political, and economic challenges in the countries they operate in. Joining the UN Global Compact helps companies to find solutions for challenges, share best practices with other participants, and get access to UN Global Compact knowledge, management tools, and resources, and advance sustainable solutions in partnership with other stakeholders such as governments, UN agencies, and civil society.[14]
As companies that have already signed the UN Global Compact on average perform better on transparency than non-signatories, it is recommended to sign the Compact in order to increase performance on transparency and efficiency in the fight against corruption.

14) http://www.unglobalcompact.org/AboutTheGC/index.html

To the Danish Government

- **A continued focus on the reporting of CSR should be upheld, along with legal requirements of explicit statements on anti-corruption policies and programmes.**

Denmark is already one of the leading countries in terms of mandatory CSR reporting. By following the guidelines of the UN Global Compact introduced in 2008, mandatory CSR reporting has served as a major incentive to implement CSR policies. Since 2013 corporations are required by law to specifically report on their efforts on climate change and human rights[15]. It is the firm belief of Transparency International Denmark that policies on anti-corruption are equally important for the public, and that a respective law should also apply to this area.

- **A specific focus should lie on enforcing companies to disclose in which countries each of their subsidiaries operates. The reporting of subsidiaries and non-fully consolidated holdings should be standardized and include requirements on ownership and countries of incorporation and operation.**

In general, the legal disclosure of ownership interests is based on the accounting notion of materiality. The concept allows companies to select items for their reporting based on the relative significance for the overall business, measured in a percentage of revenues, profits etc. In terms of reporting this may inhibit the transparency of ownership structures, and, in the worst case, cause omission of many subsidiaries from being disclosed.

The general public should be provided with information on which companies have interest in which businesses through ownership, also for the accountability of corruption. This list should disclose all subsidiaries, non-fully consolidated holdings and joint-ventures as well as information on ownership stakes. Publishing countries in which these subsidiaries and joint-ventures operate is still a source of major improvement for Danish corporate reporting, and as such the government should require these lists to be extensive and include this information. By requiring standardized publication of organizational ownership structures, the government can increase transparency and contribute to full disclosure. The exhaustive list of related entities should preferably be available on corporate websites. This should, to a greater extent than today, also be regulated by law.

- **A standardized framework for reporting key financial figures on country-by-country basis should be required. A more specified overview of geographic financial information should be covered by law to a greater extent.**

In 2011, the *Dodd-Frank law* in the United States had a significant positive effect on the country-by-country reporting of key financials. Affecting only American companies, however, the Danish legislature still has a long way to go in order to ensure full transparency of this reporting.

As can be seen by the CBC part of the report, Danish companies are particularly weak in this area. Many actively choose not to disclose financial figures by country, but rather by region or business line. The actual reporting is therefore mostly on arbitrary financial figures for random countries. By setting stricter guidelines for what is required concerning the reporting on country-by-country financial figures, the Danish government can incentivize a large increase in the transparency of these numbers. The EU adopted a directive for CBC reporting for extractive companies in June of 2013. The directive will apply to Danish companies and the government should take this directive into consideration. However, these are only minimum requirements, and Danish standards should be more extensive and secure that all companies with international operations report on this dimension.

15) http://csrgov.dk/legislation

To Investors

- **Private and institutional investors should demand that companies provide information on anti-corruption programmes, Organizational Transparency as well as country-by-country reporting and make it publicly available. In the process of investment decisions, this data should be carefully considered by all investors.**

Companies should be required to supply investors with adequate information enabling them to make investment decisions that correspond with their ethical standards and guidelines. Transparency in these terms is very important for investors, as it is in their interest to get insight into the company and its business in order to reduce investment risks. Information on a company's anti-corruption measures, its organizational structures including all fully consolidated subsidiaries, joint-ventures and affiliates as well as its operations in different countries is essential for investors to identify possible political, economic and reputational risks. If access to this information is not permitted, a great threat is posed on investors.

- **Analyzing a company's transparency in terms of anti-corruption measurements, organizational structures and country-by-country reporting should be an essential part of risk ratings and corporate responsibility indices.**

Rating agencies, equity analysts, corporate responsibility analysts and all institutions that publish indices of corporate responsibility should take a company's transparency and its commitment to anti-corruption into account when doing their evaluations. As transparency is an important factor that helps to reduce the risk of corruption, it is decisive to screen companies in this respect. Ratings, analyses and indices which disregard a company's anti-corruption programme, its transparency in organizational structures as well as its country-by-country reporting ignore very important aspects and might therefore not only be incomplete but also unreliable.

- **Accounting standards that require companies to ensure transparency in financial accounting and corporate social responsibility reporting should be established.**

International accounting standards that provide transparency regarding organizational structures and country-by-country reporting should be adopted as not only investors but also companies, civil society and governments would profit from such a regulation. For investors these standards would allow a transparent view on a company's international operations, which would unveil possible investment risks. Additionally, competitive inequalities caused by country specific regulations would be eliminated.

To Civil Society Organizations

The civil society has an important role to assume in fostering greater transparency within private sector companies. There is a myriad of modalities through which civil society organizations could affect transparency in the private sector within their respective countries. Civil societies could exert influence and advocate for greater transparency in corporate reporting not only on multinational companies operating in their countries but also on all the other stakeholders by making sure they are aware how transparency benefits their interests.

- **Civil society organizations should get more involved in monitoring multinational businesses, which are located or operate in their respective countries.**

Monitoring or the notion of being monitored can coerce big multinational companies to be more transparent in order to protect their image. Denmark is one of the leading countries in low corruption and mandatory CSR reporting requirements. This can be used by civil organizations in different countries where Danish companies operate as a benchmarking tool for assessing anti-corruption measures and efforts.

- **Multinational companies should be required to improve both the depth and the scope of their transparency efforts as well as their level of country-by-country reporting.**

Civil society organizations can easily and without high costs check companies' transparency and help the companies pinpoint the weak spots hence jointly achieve greater transparency in reporting. Specifically with regards to country by country reporting, civil society organizations should push for greater disclosure by multinational companies.

- **Civil society organizations should require governments to request higher transparency and disclosure from multinational companies and businesses.**

Danish society scored pretty well within the overall transparency and government corruption. In order to cause companies to follow this trend, civil society organizations could lobby different government agencies and/or political institutions to transpose these values to private sector as well. By communicating how corruption contributes to environmental damage, health and safety problems, economic instability and human rights violations by diverting scarce financial and human resources, civil society organizations could mobilize the general public to demand the same degree of transparency and accountability from private sector as it has demanded from public sector so far.

- **Through the specialization in specific areas and the formation of partnerships, civil society organizations should lobby other stakeholders with more direct interest to demand higher transparency.**

Civil society organizations should specialize in their respective fields of expertise and subsequently interact with and elicit support from other stakeholders with higher power to demand higher transparency in corporate reporting, such as professional associations, legislators, accounting standards regulators, professional unions, and supplier associations on both national and supra-national level. Moreover, civil society organizations should form partnerships amongst themselves as well as with Transparency International and the monitored companies in order to promote transparency, disseminate best practices and work together on a unified strategy for combating corruption.

Annex 1 – Methodology

Company Selection

Companies were chosen for the research based on market value, international character and headquarters in Denmark. The sample counts 20 Danish companies based on their market value on February 7th 2014 (Source: Nasdaq OMX). Companies had to be publicly-traded, multinational, and incorporated in Denmark, which led to the exclusion of four companies from the sample. Most of the analyzed companies confirmed the data collected thus providing higher validity to the data collection process.

The study disregarded industry and sector considerations in the process of company selection. All companies were contacted on March 1st 2014, informing them about the study that will take place and the methodology of the study.

Data collection and verification

All data was collected by desk research conducted between February 24th 2014 and March 14th 2014. The sources included corporate websites and the relevant links and documents directly accessible through the corporate websites. The research team recorded data, screenshots, and the exact sources (e.g. corporate documents with page numbers or websites with dates of when the data was downloaded). The research was based on the latest available documentation. All data points collected were independently validated by a second researcher and finally verified by TI management to ensure high degree of validity and objectivity.

The questionnaire covered a series of questions designed to determine commitment to transparency in corporate reporting. It covers issues divided along three dimensions:

1. Reporting on anti-corruption programmes
2. Organizational Transparency
3. Country-by-country reporting

The first dimension stems from the UN Global Compact Reporting Guidance on the 10th Principle against Corruption. It consists of 13 questions; each scored between 0 and 1. The maximum score for this dimension is 13 points. The final score for this dimension is expressed as percentage of the maximum possible score (between 0 and 100 percent).
The second dimension evaluates the level of disclosure among fully and non-fully consolidated entities and consists of 8 questions. For all subsidiaries and economic entities reporting on percentages owned by the parent company, countries of incorporation and countries of operations were assessed. Each question was awarded between 0 and 1 point.
The maximum score in Organizational Transparency is 8 points. Companies that do not have any non-fully consolidated entities were evaluated on their disclosure of fully consolidated entities only (max. 4 points).

The third dimension, country-by-country reporting, consists of 5 questions that aim to assess companies' willingness to disclose financial data in countries it operates in. The maximum score per country is 5. The full set of five questions is applied to each country of operations. Once all countries are rated for country-by-country reporting, a total score per country is calculated by adding up the scores received on each of the five questions.

The individual country scores are aggregated and then divided by the number of countries to receive the average score per country. The final result in country-by-country reporting is then expressed as a percentage of the maximum possible score (5 points per country).

Data sharing and verification

During the process of result reviews and feedback, a number of companies challenged the merits of disclosing this data. Many companies claimed that disclosing their data for a large number of counties they operate in would be too tedious and prohibitively expensive. However, even the countries with small number of operations did not disclose information on these matters. Some of the companies decided to publish the data broken down per major markets or per regions. We considered this to be a positive step towards a right direction and a signal of future compliance.

On March 14th 2014 the preliminary results were send out to the companies. Each company was given the opportunity to review its own data and to provide feedback, propose corrections or update their publicly available information. Feedback was accepted until 11 April 2014.
The companies were then asked to review the collected data in order to additionally layer of objectivity and accuracy as well to provide the opportunity for an update or dispute of data. Of the 20 companies, 17 (85%) used the opportunity to provide feedback. All requests for corrections and supplementation of publicly available data were analyzed and discussed by the research team with careful deliberation. This led to a series of data adjustments, which in turn led to improvement in the scores of 12 companies (60%).

Most of the times corrections occurred due to the:
- Publication of new corporate reports
- Changes or update of data on corporate websites and/or reports
- Disclosure of already existing reports that were not available for public before the study

Transparency International, Denmark chapter and the TRAC team from CEMS programme wishes to express the utmost appreciation for the collaboration of the companies, their CSR and compliance managers and their willingness to cooperate in order to ensure compliance and best practices in their disclosure policies wherever possible. As a result of this ongoing process, a better understanding of diverse reporting practices and standards was gained and the foundations for better cooperation toward transparent reporting were set.

Annex 2 – Questionnaire

I. Reporting on anti-corruption programs (ACP)

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 authorized 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 (whistle-blowing)?

12. Does the company carry out regular monitoring of its anti-corruption programme to review the programmer'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. Organizational Transparency (OT)

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?

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 (CBC)

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?

Annex 3 – Questionnaire changes

Reporting on Anti-Corruption

Question	Question for TRAC Reports carried out in 2012 and 2013	Question for TRAC Reports starting 2014	Comments
4	Does the company's code of conduct / anti-corruption policy explicitly apply to all employees?	Does the company's code of conduct / anti-corruption policy explicitly apply to all employees and directors?	The question was extended meaning that the company's code of company has to apply to directors in addition to employees. According to the former requirements, a company was awarded 1 point if its employees were required to comply with the company's code of conduct, while they now only score 0.5 points with this information. Companies only get 1 point if the code of conduct applies to all employees and directors.
5	Does the company's code of conduct / anti-corruption policy explicitly apply to all agents and other intermediaries?	Does the company's anti-corruption policy explicitly apply to persons who are not employees but are authorized to act on behalf of the company or represent it (for example: agents, advisors, representatives or intermediaries)?	The question itself still asks about the same information, but companies do not have the possibility to score 0.5 points any more. In the old questionnaire, companies that encouraged agents or representatives to comply with the policy were awarded 0.5 points. For 2014, the 0.5 score was eliminated and 1 point is only given if agents and representatives must comply with the policy.
6	Does the company's code of conduct / anti-corruption policy explicitly apply to contractors, subcontractors and suppliers?	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)?	The question itself still asks about the same information, but requirements for the different scores changed. For achieving 1 point in the old questionnaire, companies had to require contractors, subcontractors and suppliers to comply with the code of conduct and also screen these entities. For 2014, the companies additionally need to monitor non-controlled persons and entities to get one point.
7	Does the company have an anti-corruption training programme for its employees in place?	Does the company have in place an anti-corruption training programme for its employees and directors?	The question was extended meaning that companies need to have anti-corruption training programmes not only for its employees but also for its directors. Companies previously were awarded 1 point if they had in place anti-corruption programmes for its employees, while this practice only allows for 0.5 points in 2014. Companies only get 1 point if anti-corruption training programmes cover employees and directors.
8	Does the company have a policy defining appropriate/ inappropriate gifts, hospitality and travel expenses?	Does the company have a policy on gifts, hospitality and expenses?	The question itself still asks about the same information, but requirements for the different scores changed. For 1 point, the former questionnaire required a policy on the acceptance and offering of gifts, hospitality and travel expenses. For 2014, companies additionally need to publish a definition of thresholds (descriptive or quoted as amounts) for acceptable gifts, hospitality or expenses, as well as procedures and reporting requirements. Asking about expenses and not travel expenses, the question is more general than before.
9	Is there a policy that explicitly prohibits facilitation payments?	Is there a policy that explicitly forbids facilitation payments?	The question itself still asks about the same information, but companies do not have the possibility to score 0.5 points any more. The old requirements allowed 0.5 points if companies published a weak indirect statement, i.e. the expression "facilitation payments" was not mentioned but there was a description of a similar situation – still, there had to be an explicit prohibition. For 2014, companies can only achieve 1 point if there is an explicit prohibition of facilitation payments.
10	Does the company prohibit retaliation for reporting the violation of a policy?	Does the programme enable employees and others to raise concerns and report violations (of the programme) without risk of reprisal?	The question itself still asks about the same information, but companies do not have the possibility to score 0.5 points any more. Before 2014, companies were awarded 0.5 points if their whistle-blowing system and all related regulations apply to senior management only. Companies can now only get 1 point if their whistle-blowing system and all related regulations apply to the whole company.

11	Does the company provide channels through which employees can report potential violations of policy or seek advice (e.g. whistle-blowing) in confidence?	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 (whistle-blowing)?	The question itself still asks about the same information, but requirements for the different scores changed. As of 2014, companies must provide a channel, which is not only confidential but also allows for two-way communication with the whistle-blower to get 1 point. If two-way communication is not ensured, only 0.5 points are awarded in 2014. To get 0.5 points in the former reports, however, companies had various possibilities. First, not mentioning an explicit statement that the channel is confidential but having an “independent third party” which deals with this matter. Second, not explicitly mentioning the confidentiality of the channel but implying it by the form of the channel (e.g. hotline). Third, applying the whole system to senior management only.
13	Does the company have a policy prohibiting political contributions or if it does make such contributions, are they fully disclosed?	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?	The question itself still asks about the same information, but requirements for the different scores changed. Companies previously were awarded 0.5 points if political contributions were disclosed for some but not all countries, e.g. for a company’s home country. For 2014, this information would lead to zero points as companies either have to prohibit political contributions or disclose them for all countries of operations in order to get 1 point.

Reporting on Organizational Transparency

Question	Question for TRAC Reports carried out in 2012 and 2013	Question for TRAC Reports starting 2014	Comments
14-21	Consolidated material subsidiaries	All of its consolidated subsidiaries	All the questions on this dimension were changed significantly by removing the word “material” from the question. To fully score on this dimension, the company has to publish a list of all subsidiaries (holdings), not just its material ones. If only material subsidiaries are disclosed, companies score 0.5 points as of 2014.

Country By Country Reporting

Question	Question for TRAC Reports carried out in 2012 and 2013	Question for TRAC Reports starting 2014	Comments
22	Does the company disclose its revenues/ sales in country X?	Does the company disclose its revenues/ sales in country X?	The question is formulated in the same manner but scoring was changed in situations where a company splits its revenues by country of destination (location of customer) instead of country of origin. Previously such disclosure scored 1p. and in the new questionnaire only 0.5p.
26	Does the company disclose its community contribution in country X?	Does the company disclose its community contribution in country X?	Also while worded in the same manner this question changed slightly its grading policy. In opposition to previous one this change was inducing higher strictness. In the previous version of questionnaire the company could publish the amount of community contribution in a specific country OR a list of beneficiaries in order to receive 0.5 points for this question. For a full point both list and amount was needed. The new questionnaire however requires companies to publish the amount of contribution in a country to obtain 0.5 points on this question. Other criteria have not changed except for the amount of contribution being made mandatory for even half point.

As a result of the questionnaire changes, a decrease of the average score on each dimension, and thus, overall score, is expected. To illustrate this decrease, we have compared the scores of a fictional company that just barely cleared the old requirements, with the scores it would get with the new requirements.

ACP: A company that scored 100% in 2012 could score between 80 and 100% in 2014

OT: A company that scored 100% in 2012 could score between 50 and 100% in 2014

CBC: A company that scored 100% in 2012 could score100% in 2014

Annex 4 – List of companies and market capitalizations[16]

Company	Headquarter	Industry	Market cap (mDKK)
A.P. Møller – Mærsk	Denmark	Shipping	277 142,58
Carlsberg Group	Denmark	Beverages	85 475,99
Chr. Hansen Holding	Denmark	Chemicals, Biotechnology	29 442,04
Coloplast	Denmark	Health care	84 314,80
Danske Bank	Denmark	Financial Services	139 996,46
DS Norden	Denmark	Shipping	11 588,50
DSV	Denmark	Transport	30 348,00
FLSmidth & Co.	Denmark	Engineering	14 906,64
Genmab	Denmark	Pharmacy	13 091,43
GN Store Nord	Denmark	Electronics	23 555,42
H Lundbeck	Denmark	Pharmceutical	27 761,88
Jyske Bank	Denmark	Financial Services	21 326,98
Novo Nordisk	Denmark	Pharmacy	529 466,57
Novozymes	Denmark	Health care	65 159,32
Pandora	Denmark	Personal & Household Goods	42 140,39
Rockwool International	Denmark	Building materials	23 306,12
TDC	Denmark	Telecommunications	41 330,80
Tryg	Denmark	Insurance	31 915,03
Vestas Wind Systems	Denmark	Oil & gas	44 344,35
William Demant Holding	Denmark	Health care	29 775,69

16) Market capitalization based on numbers from www.nasdaqomxnordic.com as of February 14th, 2014. In the cases of A.P Møller-Mærsk, Carlsberg and Rockwool International, the aggregated value of A and B shares has been used

Annex 5 – Data tables

Below is each company's score in each dimension. The list is sorted according to market value. An "M" indicates that the company provided feedback on the methodology and a "D", on the data[17].

Company	Headquarter	Industry	Index	Reporting on Anti-corruption Programmes	Organizational Transparency	Country-by-Country Reporting	Feedback	
Novo Nordisk	Denmark	Pharmacy	4,94	73%	75%	0%		D
A.P. Møller – Mærsk	Denmark	Shipping	4,96	73%	75%	1%	M	D
Danske Bank	Denmark	Financial Services	3,73	77%	25%	10%		D
Carlsberg Group	Denmark	Beverages	5,19	81%	75%	0%		D
Coloplast	Denmark	Health care	5,71	96%	75%	0%		D
Novozymes	Denmark	Health care	4,52	73%	63%	0%		D
Vestas Wind Systems	Denmark	Oil & gas	4,58	81%	56%	0%		D
Pandora	Denmark	Personal & Household Goods	4,96	73%	75%	1%	M	D
TDC	Denmark	Telecommunications	4,04	46%	75%	0%		D
Tryg	Denmark	Insurance	2,22	35%	19%	13%		
DSV	Denmark	Transport	4,94	73%	75%	0%		D
William Demant Holding	Denmark	Health care	4,17	50%	75%	0%		
Chr. Hansen Holding	Denmark	Chemicals, Biotechnology	5,19	81%	75%	0%		D
H Lundbeck	Denmark	Pharmaceuticals	5,32	85%	75%	0%		D
GN Store Nord	Denmark	Electronics	3,81	77%	38%	0%		D
Jyske Bank	Denmark	Financial Services	2,50	0%	75%	0%		
FLSmidth & Co.	Denmark	Engineering	5,19	81%	75%	0%		D
Genmab	Denmark	Pharmaceuticals	3,55	12%	75%	20%		D
Rockwool International	Denmark	Building materials	4,42	58%	75%	0%	M	D
DS Norden	Denmark	Shipping	4,04	46%	75%	0%		D

17) We have defined feedback as the companies that communicated with TI and had suggestions for actual changes to scores or questions

Annex 6 – Comparison with other TRAC reports

ACP results

Criteria	Denmark	Norway	Sweden	Global
TRAC Codebook	2014	2012	2012	2012
Average	63%	54%	85%	68%
Min	0%	0%	15%	0%
Companies with min score	1 = 5%	6 = 12%	1 = 5%	3 = 3%
Max	96%	100%	100%	100%
Companies with max score	1 = 5%	2 = 4%	5 =25%	3 = 3%
> 90%	1 = 5%	8 = 16%	13 = 65%	14 = 13%
>=77%	8 = 40%	17 = 34%	17 = 85%	54 = 51%
>=50%	15 = 75%	30 = 60%	18 = 90%	83 = 79%
< 50%	5 = 25%	20 = 40%	2 = 10%	22= 21%
Question with highest score avg.	2. Compliance with all laws	4. Anti-corruption policy applies to all employees	4. Anti-corruption policy applies to all employees and 1. Commitment against corruption	2. Compliance with all laws
Companies with full score	17 = 85%	40 = 80%	Both 20 = 100%	97 = 92%
Question with second highest score avg.	1. Commitment against corruption	8. Policy on gifts, hospitality and travel expenses	2. Compliance with all laws	4. Anti-corruption policy applies to all employees
Companies with full score	16 = 80%	38 = 76%	19 = 95%	94 = 90%
Question with lowest score avg.	7. Anti-corruption training programme for all employees and directors	12. Regular monitoring of anti-corruption programme	9. Prohibition of facilitation payments	9. Prohibition of facilitation payments
Companies with full score	1 = 5%	8 =16%	10 = 50%	21 = 20%

Comparison: Individual scores by country and questions

ACP Questions[18]	**Denmark**			**Norway**			**Sweden**			**Worldwide**		
	1	0,5	0	1	0,5	0	1	0,5	0	1	0,5	0
1: commitment against corruption	16	1	3	36	2	12	20	0	0	75	4	26
	80%	5%	15%	72%	4%	24%	100%	0%	0%	71%	4%	25%
2: compliance with all laws	17		3	36		14	19		1	97		8
	85%		15%	72%		28%	95%		5%	92%		8%
3: Leadership support for anti-corruption	14		6	27		23	17		3	86		19
	70%		30%	54%		46%	85%		15%	82%		18%
4: Code of conduct applies to all employees and (directors)[19]	6	13	1	40		10	20	0	0	94	1	10
	30%	65%	5%	80%	0%	20%	100%	0%	0%	90%	1%	10%
5: Code of conduct applies to agents and other intermediaries[20]	11	N/A	9	20	2	28	18	0	2	55	0	50
	55%	N/A	45%	40%	4%	56%	90%	0%	10%	52%	0%	48%
6: Code of conduct applies to suppliers[21]	7	8	5	15	6	29	18	0	2	61	1	43
	35%	40%	25%	30%	12%	58%	90%	0%	10%	58%	1%	41%

18) For a detailed list of questionnaire changes please see Appendix 3
19) Requirements are stricter as of 2014
20) The score of 0.5 points got eliminated as of 2014

7: Anti-corruption training programme for employees and (directors)[22]	1	13	6	18	0	32	14	1	5	80	1	24
	5%	65%	30%	36%	0%	64%	70%	5%	25%	76%	1%	23%
8: Policy on gifts hospitality and (travel) expenses[23]	13	3	4	38	0	12	16	3	1	82	3	20
	65%	15%	20%	76%	0%	24%	80%	15%	5%	78%	3%	19%
9: Prohibition of facilitation payments[24]	11	N/A	9	19	0	31	10	9	1	21	2	82
	55%	N/A	45%	38%	0%	62%	50%	45%	5%	20%	2%	78%
10: Prohibition of retaliation against whistleblower[25]	13	N/A	7	28	0	22	17	0	3	84	1	20
	65%	N/A	35%	56%	0%	44%	85%	0%	15%	80%	1%	19%
11: Confidential whistle-blower channel	15	1	4	32	0	18	16	0	4	85	4	16
	75%	5%	20%	64%	0%	36%	80%	0%	20%	81%	4%	15%
12: Regular monitoring of anti-corruption programme	9	3	8	8	6	36	18	0	2	56	3	46
	45%	15%	40%	16%	12%	72%	90%	0%	10%	53%	3%	44%
13: Prohibition or disclosure of political contributions[26]	11	N/A	9	25	1	24	14	1	5	26	23	56
	55%	N/A	45%	50%	2%	48%	70%	5%	25%	25%	22%	53%

OT results[27]

	Denmark	Norway	Sweden	Worldwide
Average	66%	67%	91,7%	72%
Min	19%	0%	50%	25%
% of companies	1 = 5%	1 = 2%	2 = 10%	1 = 1%
Max	75%	100%	100%	100%
% of companies	15 = 75%	1 = 2%	16 = 80%	45 = 43%
>90%	0%	1 = 2%	16 = 80%	45= 43%
>=75%	15=75%	34 = 68%	16= 80%	53 = 51%
>=50%	17=85%	44 = 88%	20 = 100%	83 = 79%
< 50%	3=15%	6 = 12%	0%	22 = 21%

CBC results

	Denmark	Norway	Sweden	Worldwide
Average	2%	8%	14,5%	4%
Min	0%	0%	0%	0%
% of companies	15=75%	26 = 52%	12 = 60%	49 = 47%
Max	20%	66%	70%	50%
% of companies	1 = 5%	1 = 2%	1 = 5%	1 = 1%
>90%	0%	0%	0%	0%
>=75%	0%	0%	0%	0%
>=50%	0%	3 = 6%	2 = 10%	1 = 1%
< 50%	20 = 100%	47 = 94%	18 = 90%	104 = 99%
<10%	17 = 85%	39 = 78%	12 = 60%	94 = 90%
<5%	17 = 85%	34 = 68%	12 = 60%	83 = 79%

21) Requirements are stricter as of 2014
22) Requirements are stricter as of 2014
23) Requirements changed as of 2014
24) The score of 0.5 points got eliminated as of 2014
25) The score of 0.5 points got eliminated as of 2014
26) The score of 0.5 points got eliminated as of 2014
27) Requirements are stricter as of 2014

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