

# Best Annual Reports 2013

Report *Watch* by e.com

Seventeenth edition of the **Annual Report on Annual Reports**, the independent global survey on annual reporting practice.

## Report ranking

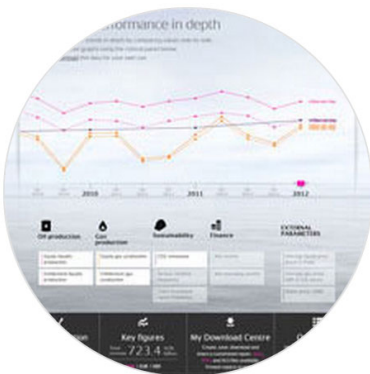
Top 400 annual reports

## A-Z list

Who ranks where?

## Best practice

Best practice in 15 areas



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## Annual report ratings



A+	★★★★★	First-rate
A	★★★★☆	Excellent
A-	★★★★☆	Very good
B+	★★★☆☆	Sound
B	★★★☆☆	Average
B-	★★★☆☆	Uneven
C+	★★☆☆☆	Common
C	★★☆☆☆	Substandard
C-	★★☆☆☆	Poor
D	★☆☆☆☆	Uncompetitive

## The annual report is still alive – check it out!

**Globalization** of markets, round-the-clock cross-border **investment** flows, internationalization of reporting **standards**, the increased complexity of reporting **requirements** have resulted in an overall improvement of reporting **practices** (a good aspect) and a larger degree of **homogenization** of annual reports (not always for the better) over the last decade. In addition, the **Net** and **mobile** communication tools have opened new **channels** to reach anyone anyplace at any time (with pros and cons, once again).

Mixed together, those trends make the reporting challenge more daunting, report makers' job more difficult, and evaluation or comparison more complicated. So much that since the launch of the *Annual Report on Annual Reports* we have heard regularly obituaries about the extinction of annual reports (see e.g. *"The death of the annual report"* by David Robinson, a professor at the Haas School of Business, in October 2007). More than fifty years since the creation of annual reports (probably pioneered by IBM), and seventeen years after our first survey, the annual report is still alive -with and without changes. How come?

- Publishing an annual report is **mandatory**. This probably explains why thousands of companies just stick to a legal format and simply go for reporting as a necessary evil or as (accounting) business as usual.
- If reporting annually is primarily done to meet legal and regulatory obligations, good reporting tends to depart from ready-to-wear forms and goes **beyond compliance**. As the then CEO of Canadian BMO bank once wrote in his annual report message: *"Reporting is not just about complying."* If only more report makers could walk that talk! A big frustration indeed is that too many reports now tend to look and sound like each other (a downside of globalization). Where is that differentiation, trumpeted by branding, advertising and other marketing specialists?
- The annual report remains (one of) the major place(s) to set out the company **strategy**, put it in perspective, check its execution -and problems faced. A recent survey conducted among buy-side investors worldwide by U.S.-based Rivel Research showed the *clarity of business strategy* and *growth potential* as the two major aspects considered for long-term investment. Where else can it be better explained than in an annual report?
- The average report reader (shareholder, investor, analyst, stakeholder...) spends indisputably less **time** reading annuals than in the past (some alarming reports talk about five minutes!). The report lifecycle is also probably shorter than it was (like for many things today). This doesn't make annuals irrelevant, but certainly implies making them more engaging and compelling, and even sometimes building and structuring them differently towards a better and quicker use.
- Annual reports have become more oriented towards broader **stakeholder** audiences than towards **shareholders** and stock **investors** only. That has increased readership. According to some recent surveys, one third of investment decisions are based on non-financial attributes. In the last decade, companies producing sustainability or responsibility reports have increased fifteenfold. *Balanced scorecard*, *triple bottom line* and *integrated reports* are no longer exceptions.

- “A report created annually that provides an analysis and assessment of the trends of the past year” is the neutral and traditional definition provided by an online accounting website. Today’s reporting should also **look forward**. Still, too many reports “do not reveal about how companies (will) create value over the long-term,” as Paul Druckman of the International Integrated Reporting Council recently pointed out. “Most annual reports actually say very little about how companies and corporate executives plan to get from point A to point B, or give other information required to gauge future performance,” says Shelley Taylor, a reporting expert.
- Reporting is increasingly happening **online** (and going mobile too), with many annuals reaching their audience via special online versions or websites. Things have moved so fast that the web format has almost turned commonplace in some areas. Is the medium the message? Not completely, and hopefully. Online is a channel, like prints still are. It serves as a vehicle for contents, which shouldn’t sacrifice substance to web gimmickry.

To keep up with trends and changes, and at the same time to maintain continuity, e.com as a report assessment consultancy and ReportWatch as a rating process have tried to strike a balance between keeping old reporting standards and updating/upgrading report evaluation tools (criteria have been grouped and condensed in 2013). Not always an easy job! In the first five years of the *Annual Report on Annual Reports* two-thirds of top 100 reports were rated B maximum or lower on key reporting areas. This year, 60 percent of top 300 reports have been rated B+ or higher. Despite a gap between lowest marked reports and top ones almost as big as a decade ago, in the 2013 edition there is a 25-mark difference between top 10 annuals and the ones ranked around 200-250. That is much, or a little, depending on the viewpoint. That probably also explains why there is a tie for the number one rank (among many ties -invisible, as marks are not public- in our scoring table), between two annuals picked for various reasons.

In its seventeenth edition, the *Annual Report on Annual Reports* is still made for report makers and advisers who commit themselves to doing a good job, who strive for higher/highest reporting standards, who aim at bringing and adding value for shareholders, investors and other stakeholders.

Check it out!



Mike Guillaume  
Co-Founder and Editor  
(Still reporting after all these years)

## Top 400 annual reports



### Sasol (No. 1)

An outstanding example of integrated reporting format packed in a simple but effective layout, and also mastering a large number of classic report ingredients and newer features: highlights, *business model and value chain*, KPIs, risk management, governance, use of charts (also in notes), economic and responsibility measures.

### Statoil (No. 1)

Showcases the web first approach. Choose the *Explore mode* to check performance before entering the online report, which is easy to navigate and never overloaded. *Statoil in brief* PDF makes a very good read too.



### Adidas (No. 3)

Well-run reporting exercise that delivers most strongly on an extensive strategy section, charted performance and financial analysis, outlook (including planned product launches), risk management. CEO interview pulls no punches.

### SCA (No. 10)

Packaging is functionally Swedish and paper is finely used: business reviews, risk policies, share data, sustainability, description of costs stand among the pluses.



Report rank	Company	Country	Report rating	Compare
1	SASOL	South Africa	A+	RELIANCE Industries
2	STATOIL	Norway	A+	TOTAL
3	ADIDAS	Germany	A+	NIKE
4	ELECTROLUX	Sweden	A+	WHIRLPOOL
5	BOLIDEN	Sweden	A+	AURUBIS
6	POTASHCORP	Canada	A+	AGRIUM
7	VOLVO	Sweden	A	DAIMLER
8	TELUS	Canada	A	BCE
9	SAS	Sweden	A	LUFTHANSA
10	SCA	Sweden	A	KIMBERLY-CLARK
11	WÄRTSILÄ	Finland	A	MAN
12	ATLAS COPCO	Sweden	A	SANDVIK
13	ALFA LAVAL	Sweden	A	TRELLEBORG
14	WIENERBERGER	Austria	A	BORAL
15	PHILIPS	Netherlands	A	GENERAL ELECTRIC
16	FORTUM	Finland	A	VATTENFALL
17	TRELLEBORG	Sweden	A	BRIDGESTONE
18	CLP	Hong Kong	A	POWER ASSETS
19	AKZONOBEL	Netherlands	A	DUPONT
20	ERICSSON	Sweden	A	ALCATEL-LUCENT
21	WOLTERS KLUWER	Netherlands	A	REED ELSEVIER
22	HEXAGON	Sweden	A	ZEISS (Carl Zeiss Meditec)
23	DAIWA HOUSE	Japan	A	SHIMIZU
24	LAND SECURITIES	UK	A	BRITISH LAND
25	NESTE OIL	Finland	A-	STATOIL
26	ASSA ABLOY	Sweden	A-	SECURITAS
27	SKANSKA	Sweden	A-	VINCI
28	M&S (Marks & Spencer)	UK	A-	H&M (Hennes & Mauritz)
29	AXFOOD	Sweden	A-	ICA
30	BAYER	Germany	A-	BASF
31	FUJITSU	Japan	A-	IBM
32	DANONE	France	A-	NESTLE
33	RANDSTAD	Netherlands	A-	ADECCO
34	INFINEON Technologies	Germany	A-	STMicroelectronics
35	JOHNSON MATTHEY	UK	A-	UMICORE
36	STORA ENSO	Finland	A-	UPM
37	BASF	Germany	A-	DOW Chemical
38	METSO	Finland	B+	ABB
39	LUFTHANSA	Germany	B+	AIR FRANCE-KLM
40	BILLERUDKORSNÄS	Sweden	B+	SCA
41	LINDAB	Sweden	B+	ROCKWOOL
42	NATIONAL GRID	UK	B+	SSE (Scottish and Southern Energy)
43	WOLSELEY	UK-Switzerland	B+	KINGFISHER
44	HOLMEN	Sweden	B+	NORSKE SKOG
45	REXAM	UK	B+	AMCOR
46	NOVO NORDISK	Denmark	B+	SANOFI
47	MICHELIN	France	B+	BRIDGESTONE
48	BRITISH AMERICAN TOBACCO	UK	B+	IMPERIAL TOBACCO
49	SKF	Sweden	B+	MINEBEA
50	HUSQVARNA	Sweden	B+	ELECTROLUX



### Wärtsilä (No. 11)

A powerful online version that leaves a *big impact* (though not on all) also through *slides* and *quick links*. Integrated contents deliver best e.g. on targets, sustainability measures, risk management, et al.

### AkzoNobel (No. 19)

Well-made interactive key figures. Good insights into the *company-wide analysis of end-user segments*. The construction is fine, yet might deserve a new coat of paint.



### Wolters Kluwer (No. 21)

Keeps it simple but does it *right*. Reader-friendly and extremely informative, both online and on paper: quick intro, highlighted words, tags, portraits, cross-references.

### Fujitsu (No. 31)

There are not so many examples of ICT companies setting out the strategy so clearly and reporting about business so comprehensively.





Report rank	Company	Country	Report rating	Compare
51	BOMBARDIER	Canada	B+	ALSTOM
52	DAIMLER	Germany	B+	VOLKSWAGEN
53	LEMMINKÄINEN	Finland	B+	JM
54	LANXESS	Germany	B+	ARKEMA
55	TECHNIP	France	B+	FLUOR
56	TORAY	Japan	B+	TEIJIN
57	BALFOUR BEATTY	UK	B+	AMEC
58	WPP	Jersey	B+	PUBLICIS
59	HEINEKEN	Netherlands	B+	CARLSBERG
60	SMITHS	UK	B+	EMERSON
61	CONCORDIA Maritime	Sweden	B+	MAERSK (A.P. Moller - Maersk)
62	SAPPI	South Africa	B+	STORA ENSO
63	SANDVIK	Sweden	B+	ATLAS COPCO
64	SWEDISH MATCH	Sweden	B+	IMPERIAL TOBACCO
65	METRO	Germany	B+	CARREFOUR
66	SECURITAS	Sweden	B+	G4S
67	STRAUMANN	Switzerland	B+	NOBEL BIO CARE
68	SUMITOMO	Japan	B+	MITSUBISHI
69	THYSSENKRUPP	Germany	B+	ARCELORMITTAL
70	ASTRAZENECA	UK	B+	GSK (GlaxoSmithKline)
71	PACIFIC BASIN	Hong Kong	B+	EVERGREEN
72	ANGLO AMERICAN	UK	B+	BHP BILLITON
73	AURUBIS	Germany	B+	BOLIDEN
74	CENTRICA	UK	B+	BG
75	ACCOR	France	B+	IHG (InterContinental Hotels)
76	NUTRECO	Netherlands	B+	CERMAQ
77	SAAB	Sweden	B+	BAE Systems
78	OUTOKUMPU	Finland	B+	ACERINOX
79	VODAFONE	UK	B+	CHINA MOBILE
80	TDC	Denmark	B+	TELIASONERA
81	BG	UK	B+	CENTRICA
82	HEIDELBERG	Germany	B+	BALDWIN Technology
83	SIEMENS	Germany	B+	ABB
84	CRAMO	Finland	B+	SPEEDY HIRE
85	TESCO	UK	B+	MORRISONS
86	MVV ENERGIE	Germany	B+	RWE
87	AHOLD	Netherlands	B+	DELHAIZE
88	ADARO Energy	Indonesia	B+	BUMI Resources
89	DIMO (Diesel & Motor Engineering)	Sri Lanka	B+	BARLOWORLD
90	STRABAG	Austria	B+	HOCHTIEF
91	AIR LIQUIDE	France	B+	LINDE
92	UPM	Finland	B+	STORA ENSO
93	ROCHE	Switzerland	B+	NOVARTIS
94	VATTENFALL	Sweden	B+	FORTUM
95	KESKO	Finland	B+	AXFOOD
96	HENKEL	Germany	B+	UNILEVER
97	JM	Sweden	B+	LEMMINKÄINEN
98	BRITISH LAND	UK	B+	LAND SECURITIES
99	EVN	Austria	B+	VATTENFALL
100	SABMILLER	UK	B+	ANHEUSER-BUSCH INBEV

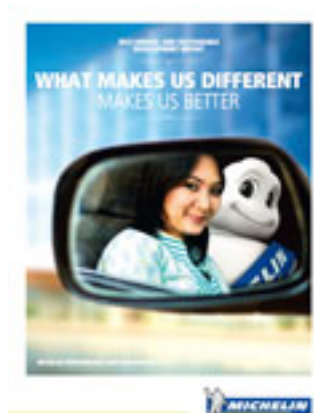


### Metso (No. 38)

Solid contents (business, markets, sustainability) a bit let down by a winding way throughout the online and the long PDF (without table of contents).

### Wolseley (No. 43)

Well-built online and strong reporting material on KPIs, business model, risk management and governance.



### Michelin (No. 47)

*Different and better* than many indeed, not least in successfully integrating strategic and sustainability issues.

### Bombardier (No. 51)

High-flying MD&A that transports readers swiftly through the economic environment, clear KPIs, free cash flows, risks, market indicators, et al.



Report rank	Company	Country	Report rating	Compare
101	SEMPERIT	Austria	B+	BD (Becton Dickinson)
102	CORIO	Netherlands	B+	UNIBAIL-RODAMCO
103	HALMA	UK	B+	HONEYWELL
104	UMICORE	Belgium	B+	JOHNSON MATTHEY
105	ANA (All Nippon Airways)	Japan	B+	SINGAPORE AIRLINES
106	WESSANEN	Netherlands	B+	BONDUELLE
107	SHANKS	UK	B+	WASTE MANAGEMENT
108	NOVARTIS	Switzerland	B+	ROCHE
109	BILFINGER	Germany	B+	HOCHTIEF
110	MORRISONS	UK	B+	TESCO
111	MITSUBISHI	Japan	B+	ITOCHU
112	SEB	France	B+	PHILIPS
113	TEIJIN	Japan	B+	TORAY
114	FUJIFILM	Japan	B+	KODAK (Eastman)
115	KEMIRA	Finland	B+	DOW Chemical
116	VOLKSWAGEN	Germany	B+	TOYOTA
117	AIR FRANCE-KLM	France	B+	LUFTHANSA
118	NYRSTAR	Belgium	B+	UMICORE
119	MARUBENI	Japan	B+	ITOCHU
120	ALLIANDER	Netherlands	B+	DONG Energy
121	NOBIA	Sweden	B+	HOME RETAIL
122	PUMA	Germany	B+	ADIDAS
123	AUTOLIV	Sweden	B+	DENSO
124	THOMSON REUTERS	U.S.-Canada	B+	McGRAW-HILL
125	LINDE	Germany	B+	AIR LIQUIDE
126	METSÄ BOARD	Finland	B+	STORA ENSO
127	DEUTSCHE POST DHL	Germany	B+	UPS
128	EDP (Energias de Portugal)	Portugal	B+	IBERDROLA
129	CONTINENTAL	Germany	B+	PIRELLI
130	HYDRO-QUEBEC	Canada	B+	TRANSALTA
131	GSK (GlaxoSmithKline)	UK	B+	PFIZER
132	ROYAL DUTCH SHELL	Netherlands-UK	B+	BP
133	TELEKOM AUSTRIA	Austria	B+	DEUTSCHE TELEKOM
134	SAINT-GOBAIN	France	B+	AGC (Asahi Glass)
135	JKH (John Keells)	Sri Lanka	B+	SWIRE PACIFIC
136	SYNGENTA	Switzerland	B+	MONSANTO
137	ENIRO	Sweden	B+	HIBU
138	NORSKE SKOG	Norway	B+	HOLMEN
139	CLARIANT	Switzerland	B+	BASF
140	NOVOZYMES	Denmark	B+	DSM
141	MACINTOSH Retail	Netherlands	B+	KESKO
142	ARKEMA	France	B+	LANXESS
143	HITACHI METALS	Japan	B+	MITSUBISHI
144	PANASONIC	Japan	B+	SONY
145	YARA	Norway	B+	POTASHCORP
146	IHG (InterContinental Hotels)	UK	B+	ACCOR
147	ROLLS-ROYCE	UK	B+	GENERAL ELECTRIC
148	RTL	Luxembourg	B+	NEWS Corporation
149	CHUGAI Pharmaceutical	Japan	B+	TAKEDA Pharmaceutical
150	NEXANS	France	B+	LEONI

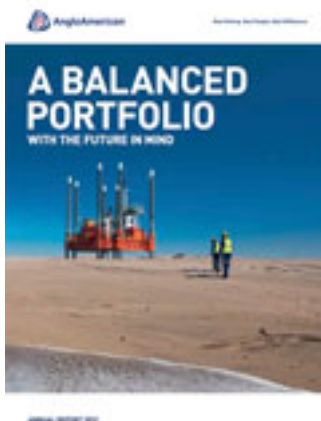


### Metro (No. 65)

Deutsche Struktur and solid content come at a price, i.e. a 330-page report.

### Straumann (No. 67)

An online report that is used to tell a story related to the core business and puts it lively. The printed version is more clinical.



### Anglo American (No. 72)

Not lacking in resources: *strategic elements* translated into performance measures, risk management well described, transparency over governance and reserves.

### TDC (No. 63)

Simply put but with high read appeal online and in print. Note the clear *bridge* charts for year-on-year revenue, EBITDA, equity free cash flow.



Report rank	Company	Country	Report rating	Compare
151	OMRON	Japan	B+	HONEYWELL
152	FAST RETAILING	Japan	B+	H&M (Hennes & Mauritz)
153	THOMAS COOK	UK	B+	TUI
154	PERNOD RICARD	France	B+	DIAGEO
155	DSM	Netherlands	B+	AKZONOBEL
156	MERCK KGaA	Germany	B+	BAYER
157	UNILEVER	Netherlands-UK	B+	PROCTER & GAMBLE
158	DEUTSCHE TELEKOM	Germany	B+	ORANGE
159	BT	UK	B+	VODAFONE
160	TATE & LYLE	UK	B+	ASSOCIATED BRITISH FOODS
161	HOCHTIEF	Germany	B+	ACS
162	CERMAQ	Norway	B+	NUTRECO
163	SCHNEIDER Electric	France	B+	ABB
164	TOYOTA	Japan	B+	HONDA
165	VALLOUREC	France	B+	TATA Steel
166	SHISEIDO	Japan	B+	KAO
167	HONDA	Japan	B+	TOYOTA
168	HAYS	UK	B+	RANDSTAD
169	IMPERIAL TOBACCO	UK	B+	BRITISH AMERICAN TOBACCO
170	HUGO BOSS	Germany	B+	H&M (Hennes & Mauritz)
171	TOSHIBA	Japan	B+	FUJITSU
172	POSTNORD	Sweden-Denmark	B+	POSTNL
173	ASSOCIATED BRITISH FOODS	UK	B+	TATE & LYLE
174	RENAULT	France	B+	PSA PEUGEOT CITROEN
175	UNIBAIL-RODAMCO	France	B+	LAND SECURITIES
176	DONG Energy	Denmark	B+	VATTENFALL
177	SUMITOMO Chemical	Japan	B+	mitsubishi Chemical
178	ASTELLAS Pharma	Japan	B+	TAKEDA Pharmaceutical
179	LUNDBECK	Denmark	B+	NOVO NORDISK
180	BERTELSMANN	Germany	B	RTL
181	KONICA MINOLTA	Japan	B	CANON
182	CASINO (Guichard-Perrachon)	France	B	AUCHAN
183	SODEXO	France	B	COMPASS
184	CATERPILLAR	U.S.	B	KOMATSU
185	BONDUELLE	France	B	WESSANEN
186	ACS	Spain	B	HOCHTIEF
187	JENOPTIK	Germany	B	ROFIN
188	TUI	Germany	B	THOMAS COOK
189	DELHAIZE	Belgium	B	AHOLD
190	HEIDELBERGCEMENT	Germany	B	HOLCIM
191	HOLCIM	Switzerland	B	LAFARGE
192	RWE	Germany	B	E.ON
193	L'OREAL	France	B	ESTEE LAUDER
194	INNERGEX	Canada	B	HYDRO-QUEBEC
195	SOLVAY	Belgium	B	UCB
196	NESTLE	Switzerland	B	DANONE
197	SAP	Germany	B	ORACLE
198	TELKOM INDONESIA	Indonesia	B	TM (Telekom Malaysia)
199	ZEISS (Carl Zeiss Meditec)	Germany	B	JENOPTIK
200	PEARSON	UK	B	McGRAW-HILL



### Dimo (Diesel & Motor Engineering) (No. 89)

A very diversified trading group from Sri Lanka achieves a well-controlled and finely designed integrated exercise.

### Roche (No. 93)

Design is a bit clinical, but *the value of innovation* is demonstrated through very good insights into the company purpose and therapeutic solutions.



### British Land (No. 98)

Well-set KPIs. *Risks and impacts* and *Key mitigants* made very clear. *Financial policies and principles* defined precisely.

### Umicore (No. 104)

*Offers a comprehensive and integrated view of... economic, financial, environmental and social performance*, write the report makers. The are right, and the piece is a nicely constructed.



Report rank	Company	Country	Report rating	Compare
201	AF	Sweden	B	SEMCON
202	BARLOWORLD	South Africa	B	KOMATSU
203	UCB	Belgium	B	SOLVAY
204	BAE Systems	UK	B	GENERAL DYNAMICS
205	REZIDOR Hotel	Belgium-Sweden	B	ACCOR
206	SEMCON	Sweden	B	AF
207	LONZA	Switzerland	B	DSM
208	INDRA	Spain	B	INFOSYS Technologies
209	CASCADES	Canada	B	DOMTAR
210	CENOVUS Energy	Canada	B	CANADIAN NATURAL Resources
211	VOSSLOH	Germany	B	SIEMENS
212	BMW	Germany	B	AUDI
213	MONDI	UK-South Africa	B	HOLMEN
214	SONY	Japan	B	PANASONIC
215	LEONI	Germany	B	NEXANS
216	SEVERN TRENT	UK	B	UNITED UTILITIES
217	KOMATSU	Japan	B	CATERPILLAR
218	ASAHI	Japan	B	SAPPORO
219	EVRAZ	UK-Russia	B	ARCELORMITTAL
220	TELE2	Sweden	B	TELIASONERA
221	BABCOCK	UK	B	ROLLS-ROYCE
222	ESSILOR	France	B	ALLERGAN
223	INDITEX	Spain	B	H&M (Hennes & Mauritz)
224	KPN	Netherlands	B	BELGACOM
225	COMPASS	UK	B	SODEXO
226	VEOLIA Environnement	France	B	GDF SUEZ
227	JX	Japan	B	COSMO Oil
228	GENERAL ELECTRIC	U.S.	B	SIEMENS
229	AUDI	Germany	B	BMW
230	NORILSK NICKEL	Russia	B	VALE
231	CARLSBERG	Denmark	B	HEINEKEN
232	ARCADIS	Netherlands	B	SNC-LAVALIN
233	CIC	Sri Lanka	B	SYNGENTA
234	TRANSALTA	Canada	B	HYDRO-QUEBEC
235	BP	UK	B	ROYAL DUTCH SHELL
236	ADECCO	Switzerland	B	RANDSTAD
237	REED ELSEVIER	UK-Netherlands	B	WOLTERS KLUWER
238	TAKEDA Pharmaceutical	Japan	B	ASTELLAS Pharma
239	VOESTALPINE	Austria	B	THYSSENKRUPP
240	BELGACOM	Belgium	B	KPN
241	SPEEDY HIRE	UK	B	CRAMO
242	RENTOKIL INITIAL	UK	B	G4S
243	RIO TINTO	Australia-UK	B	BHP BILLITON
244	VINCI	France	B	BOUYGUES
245	LUXOTTICA	Italy	B	ALLERGAN
246	OMV	Austria	B	MOL
247	LVMH	France	B	KERING
248	NOBEL BIOCARE	Switzerland	B	STRAUMANN
249	DR. REDDY'S Laboratories	India	B	DAIICHI SANKYO
250	HSH (Hongkong and Shanghai Hotels)	Hong Kong	B	SHANGRI-LA Asia



### Air France-KLM (No. 117)

The *Report* reads like an in-flight magazine, but the *Registration Document* is a heavy load.

### Puma (No. 102)

*Stakeholder engagement* is the jumping-off point of an integrated report that shows tangible actions in sustainable practices.



### Deutsche Post DHL (No. 127)

Shanghaied. A good business report that doesn't travel lightest.

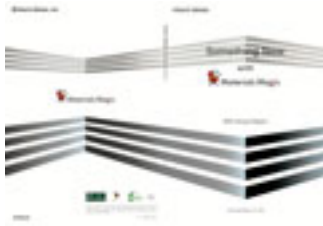
### Saint-Gobain (No. 134)

A rock-solid *Sustainable Development Report*, also easier to read than the *Registration Document*, which is nevertheless required to get the full picture.





Report rank	Company	Country	Report rating	Compare
251	RUSHYDRO	Russia	B	HYDRO-QUEBEC
252	TOTAL	France	B	BP
253	GIVAUDAN	Switzerland	B	IFF
254	VALEO	France	B	DENSO
255	SEVERSTAL	Russia	B	EVRAZ
256	DOCOMO (NTT Docomo)	Japan	B	NTT
257	DIAGEO	UK	B	PERNOD RICARD
258	MAN	Germany	B	DAIMLER
259	SWIRE PACIFIC	Hong Kong	B	HUTCHISON WHAMPOA
260	SMITH & NEPHEW	UK	B	ZIMMER
261	PTT	Thailand	B	PETRONAS
262	PSA PEUGEOT CITROEN	France	B	RENAULT
263	SHIRE	Ireland	B	UCB
264	ARLA	Denmark	B	DANONE
265	EADS	Netherlands	B	BOEING
266	BARRICK	Canada	B	ANGLOGOLD ASHANTI
267	XEROX	U.S.	B	CANON
268	ITOCHU	Japan	B	MITSUBISHI
269	REE	Spain	B	REN
270	PEPSICO	U.S.	B	COCA-COLA
271	mitsui	Japan	B	MARUBENI
272	TM (Telekom Malaysia)	Malaysia	B	TELKOM INDONESIA
273	EXXONMOBIL	U.S.	B	ROYAL DUTCH SHELL
274	FINNAIR	Finland	B	SAS
275	BEKAERT	Belgium	B	NHK Spring
276	SCHINDLER	Switzerland	B	KONE
277	ICA	Sweden	B	AXFOOD
278	KINGFISHER	UK	B	WOLSELEY
279	SALZGITTER	Germany	B	THYSSENKRUPP
280	LAFARGE	France	B	SAINT-GOBAIN
281	FLSMIDTH	Denmark	B	HOLCIM
282	J SAINSBURY	UK	B	TESCO
283	IAG (International Airlines)	UK-Spain	B	AIR FRANCE-KLM
284	HUSKY Energy	Canada	B	SUNCOR Energy
285	SAGE	UK	B	SAP
286	COCA-COLA	U.S.	B	PEPSICO
287	NTT	Japan	B	CHINA TELECOM
288	G4S	UK	B	SECURITAS
289	ESTEE LAUDER	U.S.	B	AVON Products
290	GORENJE	Slovenia	B	ARCELIK
291	INVENSYS	UK	B	HONEYWELL
292	ENCANA	Canada	B	CANADIAN NATURAL
293	UNITED TECHNOLOGIES	U.S.	B	GENERAL ELECTRIC
294	PETRONAS	Malaysia	B	SABIC
295	SANOFI	France	B	NOVARTIS
296	IOI	Malaysia	B	SIME DARBY
297	JERONIMO MARTINS	Portugal	B	SONAE
298	HUTCHISON WHAMPOA	Hong Kong	B-	JARDINE MATHESON
299	TNB (Tenaga Nasional)	Malaysia	B-	CLP
300	LUKOIL	Russia	B-	GAZPROM



### Hitachi Metals (No. 143)

A quick *Performance Overview* charts four major indicators over 12 years. Good start for a report made *material to help increase understanding of business*. But access to financial information is not easy.

### Rolls-Royce (No. 147)

Not a bad report, yet a search engine is needed to go beyond -or behind- the various *underlying* items. Design is a bit of routine British job.

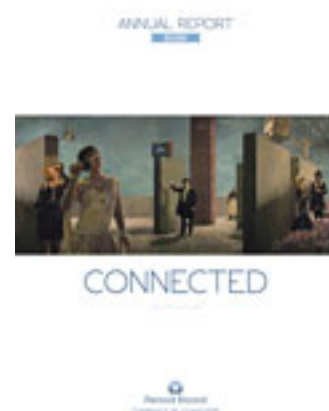


### Chugai Pharmaceutical (No. 149)

Strategy made very clear, well-charted business overview and *Research*, focus on *Proprietary Technologies*, overview of *diseases and treatment methods*.

### Pernod Ricard (No. 154)

For investors of age only. Access to annual report not easiest, despite its hackneyed *Connected* title. Key figures not within reach. Still, the review makes up a strongly branded brew.



Report rank	Company	Country	Report rating	Compare
301	AREVA	France	B-	GENERAL ELECTRIC
302	AGRIUM	Canada	B-	POTASHCORP
303	TIETO	Finland	B-	INVENSYS
304	INFOSYS	India	B-	TCS (Tata Consultancy Services)
305	FRESENIUS	Germany	B-	BAXTER
306	E.ON	Germany	B-	RWE
307	WIPRO	India	B-	INFOSYS
308	ROGERS Communications	Canada	B-	TELUS
309	GEA	Germany	B-	ALFA LAVAL
310	HINDALCO Industries	India	B-	RIO TINTO
311	KUEHNE + NAGEL	Switzerland	B-	DEUTSCHE POST DHL
312	BUMI Resources	Indonesia	B-	ADARO Energy
313	WOOLWORTHS	Australia	B-	WESFARMERS
314	SSE (Scottish and Southern Energy)	UK	B-	CENTRICA
315	DOW Chemical	U.S.	B-	DUPONT
316	BURBERRY	UK	B-	M&S (Marks & Spencer)
317	LOBLAW	Canada	B-	WOOLWORTHS
318	TATA Steel	India	B-	ARCELORMITTAL
319	ALSTOM	France	B-	SIEMENS
320	KAO	Japan	B-	SHISEIDO
321	REN	Portugal	B-	REE
322	MARIMEKKO	Finland	B-	KESKO
323	HOME RETAIL	UK	B-	NOBIA
324	BOSTON SCIENTIFIC	U.S.	B-	MEDTRONIC
325	CARREFOUR	France	B-	METRO
326	CANADIAN NATURAL	Canada	B-	ENCANA
327	JAPAN TOBACCO	Japan	B-	BRITISH AMERICAN TOBACCO
328	CHEVRON	U.S.	B-	EXXONMOBIL
329	ENI	Italy	B-	TOTAL
330	CONOCOPHILLIPS	U.S.	B-	CHEVRON
331	FLUOR	U.S.	B-	TECHNIP
332	TIM HORTONS	Canada	B-	STARBUCKS
333	COSMO Oil	Japan	B-	JX
334	ARCELIK	Turkey	B-	WHIRLPOOL
335	YAMAHA	Japan	B-	SONY
336	DENSO	Japan	B-	JOHNSON CONTROLS
337	MOL	Hungary	B-	OMV
338	TURKCELL	Turkey	B-	TELIASONERA
339	MANPOWER	U.S.	B-	RANDSTAD
340	COLGATE-PALMOLIVE	U.S.	B-	PROCTER & GAMBLE
341	RICOH	Japan	B-	CANON
342	TATA Motors	India	B-	SUZUKI
343	SWISSCOM	Switzerland	B-	TELECOM ITALIA
344	SIME DARBY	Malaysia	B-	IOI
345	LENOVO	Hong Kong	B-	ACER
346	LUPIN	India	B-	SUN PHARMA
347	ANGLOGOLD ASHANTI	South Africa	B-	BARRICK
348	TELIASONERA	Sweden	B-	TELENOR
349	HAYLEYS	Sri Lanka	B-	SIME DARBY
350	GDF SUEZ	France	B-	EDF



### Renault (No. 174)

The *Annual Report* goes for an animated compact platform (64 pages) based on *wishes* and makes a pleasant read. But a heavy 300-page *Registration Document* is required to know about the steering and the financial engine.

### Sumitomo Chemical (No. 177)

*Business Sector Highlights* do a very good job. An input-output diagram sets out clearly *Primary Environmental Performance*.



### Konica Minolta (No. 181)

Shows the limits of online-only: it takes more time to navigate and read through all sections than it would take with a PDF, for which only a summary is provided.

### Delhaize (No. 189)

An online version that is more static than it looks (deficit in hyperlinks, poor interface) and a financial review that isn't meaty. A pleasant read, though.



Report rank	Company	Country	Report rating	Compare
351	POWER ASSETS	Hong Kong	B-	CLP
352	UNITED UTILITIES	UK	B-	SEVERN TRENT
353	ENTERGY	U.S.	B-	EDISON
354	SONAE	Portugal	B-	JERONIMO MARTINS
355	AUCHAN	France	B-	CARREFOUR
356	ORANGE	France	B-	BT
357	CAMECO	Canada	B-	AREVA
358	FEDEX	U.S.	B-	UPS
359	ABBOTT	U.S.	B-	MERCK
360	XTEP	Hong Kong	B-	ADIDAS
361	NIPPON EXPRESS	Japan	B-	FEDEX
362	CLOROX	U.S.	B-	RECKITT BENCKISER
363	SHARP	Japan	B-	PANASONIC
364	ROSNEFT	Russia	B-	EXXONMOBIL
365	WHIRLPOOL	U.S.	B-	ELECTROLUX
366	ORLEN	Poland	B-	MOL
367	GENERAL MILLS	U.S.	B-	KELLOGG
368	NIPPON STEEL	Japan	B-	ARCELORMITTAL
369	ABB	Switzerland	B-	SIEMENS
370	BHP BILLITON	Australia-UK	B-	RIO TINTO
371	PFIZER	U.S.	B-	JOHNSON & JOHNSON
372	SPH (Singapore Press)	Singapore	B-	NEXT Media
373	GALP Energia	Portugal	B-	EDP (Energias de Portugal)
374	BOUYGUES	France	B-	VINCI
375	ANHEUSER-BUSCH INBEV	Belgium	B-	HEINEKEN
376	AMEC	UK	B-	BALFOUR BEATTY
377	WHITBREAD	UK	B-	ACCOR
378	CRH	Ireland	B-	HOLCIM
379	REPSOL	Spain	B-	TOTAL
380	SUNCOR Energy	Canada	B-	CANADIAN NATURAL
381	WEYERHAEUSER	U.S.	B-	INTERNATIONAL PAPER
382	TALISMAN Energy	Canada	B-	APACHE
383	KELLOGG	U.S.	B-	GENERAL MILLS
384	ESPRIT	Hong Kong-Bermuda	B-	INDITEX
385	AGC (Asahi Glass)	Japan	B-	SAINT-GOBAIN
386	EMERSON	U.S.	B-	GENERAL ELECTRIC
387	BORAL	Australia	B-	CRH
388	OMNITECH	India	B-	INFOSYS Technologies
389	YUM! Brands	U.S.	B-	McDONALD's
390	KONE	Finland	B-	SCHINDLER
391	ACTELION	Switzerland	B-	AMICUS Therapeutics
392	SNC-LAVALIN	Canada	B-	ARCADIS
393	AHLSTROM	Finland	B-	BEMIS
394	MM Karton (Mayr-Melnhof)	Austria	B-	METSÄ BOARD
395	SINGTEL	Singapore	B-	VODAFONE
396	GAZPROM	Russia	B-	LUKOIL
397	IBM	U.S.	B-	HP (Hewlett-Packard)
398	BARCO	Belgium	B-	PANASONIC
399	WESFARMERS	Australia	B-	WOOLWORTHS
400	PHILIP MORRIS	U.S.	B-	BRITISH AMERICAN TOBACCO

## Other reports compared and rated

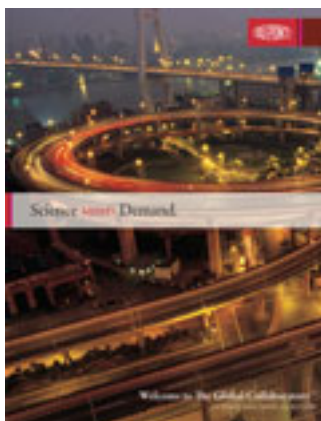


### Alcoa (N/R)

Substantiated Chairman and CEO message, followed by a flat-rolled 10-K not up to long-gone strong Alcoa annuals.

### ConAgra Foods (N/R)

The meat lies in the narrative. Then come a hundred pages of tasteless financials.



### DuPont (N/R)

Low report chemistry: the *Annual Review* is an-8 page advertorial of trademarks, the financials are another raw 10-K, and a dull *Data Book* is required for grasping the numbers.

Annual report	Country	Report rating	Compare
ACER	Taiwan	C-	LENOVO
ACERINOX	Spain	D	OUTOKUMPU
ACTIVE BIOTECH	Sweden	C+	IPSEN
ADM (Archer Daniels Midland)	U.S.	D	TATE & LYLE
AEON	Japan	C+	TESCO
AEP (American Electric Power)	U.S.	C	AES
AES	U.S.	C	AEP (American Electric Power)
ALCATEL-LUCENT	France	C-	CISCO Systems
ALCOA	U.S.	C+	CHALCO
ALLERGAN	U.S.	B-	ESSILOR
ALTRIA	U.S.	C+	BRITISH AMERICAN TOBACCO
AMCOR	Australia	B-	REXAM
AMER Sports	Finland	C+	ADIDAS
AMGEN	U.S.	C-	MYLAN
AMICUS Therapeutics	U.S.	C-	ACTELION
ANTAM	Indonesia	C+	ADARO Energy
APACHE	U.S.	C+	TALISMAN Energy
APPLE	U.S.	C-	MICROSOFT
ARCELORMITTAL	Luxembourg	C-	NIPPON STEEL
AVERY DENNISON	U.S.	C	BEMIS
AVON Products	U.S.	C-	ESTEE LAUDER
BALDWIN Technology	U.S.	C-	HEIDELBERG
BAXTER	U.S.	C+	MEDTRONIC
BCE	Canada	B-	TELUS
BD (Becton Dickinson)	U.S.	C	BAXTER
BEMIS	U.S.	B-	AVERY DENNISON
BHARAT PETROLEUM	India	C+	HINDUSTAN PETROLEUM
BHARTI AIRTEL	India	C+	RELIANCE Communications
BIOGEN IDEC	U.S.	B-	FOREST Laboratories
BLACKBERRY	Canada	C-	NOKIA
BOEING	U.S.	B-	EADS
BRIDGESTONE	Japan	C+	CONTINENTAL
BRISTOL-MYERS SQUIBB	U.S.	B-	LILLY (Eli Lilly)
BURGER KING	U.S.	C-	McDONALD's
CALPINE	U.S.	C-	AES
CAMPBELL SOUP	U.S.	C+	HEINZ
CANON	Japan	B-	XEROX
CATHAY PACIFIC	Hong Kong	B-	SINGAPORE AIRLINES
CELANESE	U.S.	C-	LANXESS
CENTERRA Gold	Canada	C+	ENTREE Gold
CEZ	Czech Republic	B-	MOL
CHALCO	China	C	ALCOA
CHINA MOBILE	Hong Kong	C+	VODAFONE
CHINA TELECOM	China	B-	CHINA MOBILE
CIPLA MEDPRO	South Africa	C+	DR. REDDY'S Laboratories
CISCO Systems	U.S.	C	ALCATEL-LUCENT
CITIZEN	Japan	D	SWATCH
CNOOC	Hong Kong	C+	PETROCHINA
COLOPLAST	Denmark	C	BD (Becton Dickinson)
CONAGRA FOODS	U.S.	B-	GENERAL MILLS

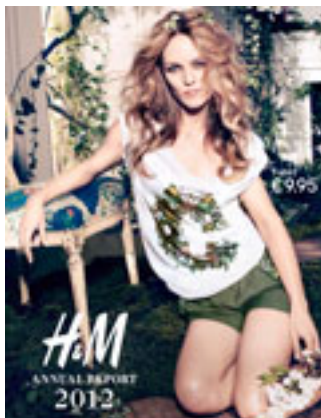


### Epson (N/R)

*Annual Reports are only available online. Why then not taking the trouble to produce a real online version and something else than a tedious PDF?*

### Fiat (N/R)

Slow motion. 350 pages built in a one-column chassis that makes for tedious reading and makes little showroom for cars.



### H&M (Hennes & Mauritz) (N/R)

Full of make-up (and a few tattoos), but lacks the financial (report) muscle.



Annual report	Country	Report rating	Compare
CONSOL Energy	U.S.	C-	PEABODY Energy
COVIDIEN	Ireland	C+	BD (Becton Dickinson)
DAIICHI SANKYO	Japan	C+	TAKEDA Pharmaceutical
DALMIA Bharat	India	B-	LAFARGE
DEERE	U.S.	B-	CATERPILLAR
DENTSU	Japan	B-	PUBLICIS
DOMTAR	Canada	B-	CASCADES
DPL (Dipped Products)	Sri Lanka	C+	HAYLEYS
DUKE ENERGY	U.S.	C+	EDISON
DUPONT	U.S.	C+	DOW Chemical
EDF	France	B-	GDF SUEZ
EDISON	U.S.	C+	ENTERGY
EGCO	Thailand	B-	CLP
ENEL	Italy	B-	EDF
ENTREE Gold	Canada	C-	CENTERRA Gold
EPSON (Seiko Epson)	Japan	C-	CANON
EVERGREEN	Taiwan	D	PACIFIC BASIN
EXELON	U.S.	B-	EDISON
FIAT	Italy	C+	PSA PEUGEOT CITROEN
FIVES	France	C	METSO
FMC	U.S.	B-	SUMITOMO Chemical
FORD	U.S.	C+	GENERAL MOTORS
FOREST Laboratories	U.S.	C-	BIOGEN IDEC
FORTUNE BRANDS	U.S.	C	NEWELL RUBBERMAID
GAS NATURAL FENOSA	Spain	C+	IBERDROLA
GENERAL DYNAMICS	U.S.	C-	BAE Systems
GENERAL MOTORS	U.S.	C+	TOYOTA
GILEAD Sciences	U.S.	C+	AMGEN
GOODYEAR	U.S.	C	BRIDGESTONE
GOOGLE	U.S.	D	MICROSOFT
H&M (Hennes & Mauritz)	Sweden	C+	INDITEX
HANESBRANDS	U.S.	C-	WOLFORD
HARLEY-DAVIDSON	U.S.	C+	HONDA
HEINZ	U.S.	C+	CAMPBELL SOUP
HIBU	UK	C+	ENIRO
HINDUSTAN PETROLEUM	India	C-	BHARAT PETROLEUM
HITACHI	Japan	B-	FUJITSU
HOME DEPOT	U.S.	C+	KINGFISHER
HONEYWELL	U.S.	C-	UNITED TECHNOLOGIES
HONG KONG AND CHINA GAS	Hong Kong	C+	HUANENG POWER
HP (Hewlett-Packard)	U.S.	C-	IBM
HT Media	India	C+	NEXT Media
HUANENG POWER	China	C+	CLP
HYUNDAI	South Korea	D	TOYOTA
IBERDROLA	Spain	B-	GAS NATURAL FENOSA
IFF	U.S.	C+	GIVAUDAN
INDIAN OIL	India	B-	HINDUSTAN PETROLEUM
INDUTRADE	Sweden	C+	MITSUBISHI
INGERSOLL RAND	Ireland	C+	ASSA ABLOY
INTEL	U.S.	C	SAMSUNG Electronics

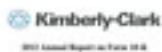


### Indian Oil (N/R)

Was the 53rd Annual Report made in 2012, really? The layout seems to come from a printing press before oil discovery.

### Johnson & Johnson (N/R)

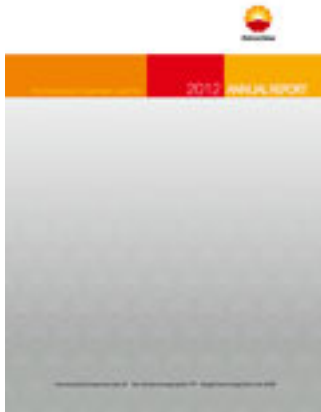
Reading this annual report -once ranked in top 50- produces the same effect as a sleeping pill.



### Kimberly-Clark (N/R)

What's the difference between a 10-K on paper and online? The latter is as insipid but doesn't have to be pulped.

Annual report	Country	Report rating	Compare
INTERNATIONAL PAPER	U.S.	C-	WEYERHAEUSER
IPG (Interpublic)	U.S.	C-	WPP
IPSEN	France	C+	ACTIVE BIOTECH
IRC	Hong Kong-Russia	C+	VALE
JARDINE MATHESON	Hong Kong	B-	HUTCHISON WHAMPOA
JOHNSON & JOHNSON	U.S.	C	PFIZER
JOHNSON CONTROLS	U.S.	C-	OMRON
KERING	France	C+	LVMH
KIA Motors	South Korea	C+	HYUNDAI
KIMBERLY-CLARK	U.S.	C-	SCA
KODAK (Eastman)	U.S.	D	FUJIFILM
KRAFT Foods	U.S.	C-	NESTLE
KYOCERA	Japan	C+	SHARP
LG Electronics	South Korea	B-	SAMSUNG Electronics
LILLY (Eli Lilly)	U.S.	C+	BRISTOL-MYERS SQUIBB
LOGITECH	Switzerland	C+	MICROSOFT
3M	U.S.	C-	DUPONT
MAERSK (A.P Moller - Maersk)	Denmark	C+	CONCORDIA Maritime
MARATHON OIL	U.S.	C-	VALERO Energy
MARRIOTT	U.S.	B-	ACCOR
MAZDA	Japan	C+	NISSAN
McDONALD's	U.S.	C	YUM! Brands
McGRAW-HILL FINANCIAL	U.S.	C	PEARSON
MEDTRONIC	U.S.	C	BAXTER
MERCK	U.S.	C-	ABBOTT
METHANEX	Canada	C+	SASOL
MICROSOFT	U.S.	C-	ORACLE
MINEBEA	Japan	C+	SKF
mitsubishi Chemical	Japan	C+	SUMITOMO Chemical
MOLEX	U.S.	C	TE Connectivity
MONSANTO	U.S.	C-	SYNGENTA
MOSAIC	U.S.	C+	POTASHCORP
MOTOROLA Solutions	U.S.	C-	SAMSUNG Electronics
MYLAN	U.S.	C-	RANBAXY Laboratories
NAVISTAR	U.S.	C+	VOLVO
NEC	Japan	B-	FUJITSU
NEW YORK TIMES	U.S.	C-	TIME WARNER
NEWELL RUBBERMAID	U.S.	C	FORTUNE BRANDS
NEWS Corporation	U.S.	C	TIME WARNER
NEXT Media	Hong Kong	B-	SPH (Singapore Press)
NHK Spring	Japan	C+	BEKAERT
NIKE	U.S.	C-	ADIDAS
NIKON	Japan	C+	CANON
NISSAN	Japan	C	MAZDA
NOBLE	Hong Kong	B-	MARUBENI
NOKIA	Finland	C+	SAMSUNG Electronics
NUCLEUS Software	India	C+	WIPRO
OMNICOM	U.S.	C-	WPP
ONGC	India	C+	INDIAN OIL
ORACLE	U.S.	D	MICROSOFT



### Petrochina (N/R)

The report as a necessary evil -or almost: basic layout, messy structure, insufficient contents.

### Pirelli (N/R)

Pumped up and tiresome: the full PDF is 440 pages long. Investors and other holders surely miss the calendar.



### Procter & Gamble (N/R)

P&G has now gone 10-K with just a bit of CEO soapbox before.

Annual report	Country	Report rating	Compare
ORION	Finland	C+	LUNDBECK
PAPERLINX	Australia	C	MONDI
PARMALAT	Italy	C+	ARLA
PDVSA	Venezuela	D	PETROBRAS
PEABODY Energy	U.S.	B-	CONSOL Energy
PETROBRAS	Brazil	D	PDVSA
PETROCHINA	China	C	SINOPEC
PIONEER	Japan	C+	PANASONIC
PIRELLI	Italy	C	MICHELIN
POLO RALPH LAUREN	U.S.	C-	BURBERRY
PORSCHE	Germany	C+	VOLKSWAGEN
POSTNL	Netherlands	C+	DEUTSCHE POST DHL
PPG Industries	U.S.	C+	AKZONOBEL
PROCTER & GAMBLE	U.S.	C+	UNILEVER
PUBLICIS	France	C+	WPP
QANTAS	Australia	C+	SINGAPORE AIRLINES
QUALCOMM	U.S.	C-	NOKIA
RAPALA	Finland	C+	AMER Sports
RECKITT BENCKISER	UK	B-	HENKEL
RELIANCE Communications	India	C	BHARTI AIRTEL
RELIANCE Industries	India	C	SASOL
ROCKWOOL	Denmark	C	LINDAB
ROFIN	Germany-U.S.	C+	JENOPTIK
RYANAIR	Ireland	C	LUFTHANSA
SABIC	Saudi Arabia	C	PETRONAS
SAIC Motor	China	D	TOYOTA
SAMSUNG Electronics	South Korea	C+	PANASONIC
SAPPORO	Japan	B-	ASAHI
SEKISUI HOUSE	Japan	D	DAIWA HOUSE
SHANGRI-LA Asia	Bermuda-Hong Kong	C	HSH (Hongkong and Shanghai Hotels)
SHIMIZU	Japan	C+	DAIWA HOUSE
SINGAPORE AIRLINES	Singapore	B-	CATHAY PACIFIC
SINOPEC	China	C	PETROCHINA
SPECTRUM BRANDS	U.S.	C	ENERGIZER
STARBUCKS	U.S.	C-	TIM HORTONS
STEELCASE	U.S.	C-	NOBIA
STMicroelectronics	Switzerland	C-	TEXAS INSTRUMENTS
SUN PHARMA	India	C+	LUPIN
SUZLON Energy	India	C+	VESTAS Wind Systems
SUZUKI	Japan	C-	HONDA
SWATCH	Switzerland	C+	CITIZEN
TCS (Tata Consultancy Services)	India	C	INFOSYS
TE Connectivity	Switzerland-U.S.	C+	MOLEX
TELECOM ITALIA	Italy	C+	TELEFONICA
TELEFONICA	Spain	C	BT
TELENOR	Norway	C	TELIASONERA
TELSTRA	Australia	C+	SINGTEL
TEMBEC	Canada	C+	DOMTAR
TENNECO	U.S.	C	AUTOLIV
TERUMO	Japan	C	BD (Becton Dickinson)

## Who ranks where?



### **Innergex (No. 194)**

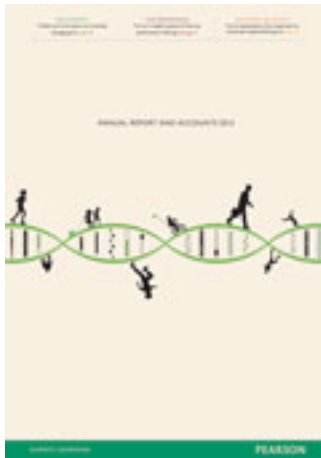
The narrative is gripping. A pity that report makers haven't invested more in making the financial part up to it.

### **Telkom Indonesia (No. 198)**

A good dashboard of *Financial, Operating, Stock and Bond Highlights*. Informative on business, risks and governance. Why making it so long? (Almost 400 pages.)



Annual report	Country	Rank	Rating	Compare
ABB	Switzerland	369	B-	SIEMENS
ABBOTT	U.S.	359	B-	MERCK
ACCOR	France	75	B+	IHG (InterContinental Hotels)
ACER	Taiwan	N/R	C-	LENOVO
ACERINOX	Spain	N/R	D	OUTOKUMPU
ACS	Spain	186	B	HOCHTIEF
ACTELION	Switzerland	391	B-	AMICUS Therapeutics
ACTIVE BIOTECH	Sweden	N/R	C+	IPSEN
ADARO Energy	Indonesia	88	B+	BUMI Resources
ADECCO	Switzerland	236	B	RANDSTAD
ADIDAS	Germany	3	A+	NIKE
ADM (Archer Daniels Midland)	U.S.	N/R	D	TATE & LYLE
AEON	Japan	N/R	C+	TESCO
AEP (American Electric Power)	U.S.	N/R	C	AES
AES	U.S.	N/R	C	AEP (American Electric Power)
AF	Sweden	201	B	SEMCON
AGC (Asahi Glass)	Japan	385	B-	SAINT-GOBAIN
AGRIUM	Canada	302	B-	POTASHCORP
AHLSTROM	Finland	393	B-	BEMIS
AHOLD	Netherlands	87	B+	DELHAIZE
AIR FRANCE-KLM	France	117	B+	LUFTHANSA
AIR LIQUIDE	France	91	B+	LINDE
AKZONOBEL	Netherlands	19	A	DUPONT
ALCATEL-LUCENT	France	N/R	C-	CISCO Systems
ALCOA	U.S.	N/R	C+	CHALCO
ALFA LAVAL	Sweden	13	A	TRELLEBORG
ALLERGAN	U.S.	N/R	B-	ESSILOR
ALLIANDER	Netherlands	120	B+	DONG Energy
ALSTOM	France	319	B-	SIEMENS
ALTRIA	U.S.	N/R	C+	BRITISH AMERICAN TOBACCO
AMCOR	Australia	N/R	B-	REXAM
AMEC	UK	376	B-	BALFOUR BEATTY
AMER Sports	Finland	N/R	C+	ADIDAS
AMGEN	U.S.	N/R	C-	MYLAN
AMICUS Therapeutics	U.S.	N/R	C-	ACTELION
ANA (All Nippon Airways)	Japan	105	B+	SINGAPORE AIRLINES
ANGLO AMERICAN	UK	72	B+	BHP BILLITON
ANGLOGOLD ASHANTI	South Africa	347	B-	BARRICK
ANHEUSER-BUSCH INBEV	Belgium	375	B-	HEINEKEN
ANTAM	Indonesia	N/R	C+	ADARO Energy
APACHE	U.S.	N/R	C+	TALISMAN Energy
APPLE	U.S.	N/R	C-	MICROSOFT
ARCADIS	Netherlands	232	B	SNC-LAVALIN
ARCELIK	Turkey	334	B-	WHIRLPOOL
ARCELORMITTAL	Luxembourg	N/R	C-	NIPPON STEEL
AREVA	France	301	B-	GENERAL ELECTRIC
ARKEMA	France	142	B+	LANXESS
ARLA	Denmark	264	B	DANONE
ASAHI	Japan	218	B	SAPPORO
ASSA ABLOY	Sweden	26	A-	SECURITAS



### Pearson (No. 200)

The new chief executive message is up to expectations and governance up to best practice. But financials, investor information and design disappoint.

### Inditex (No. 223)

A large number of ingredients still make it a top model in sustainability reporting. Other reporting features could be dressed up.





Annual report	Country	Rank	Rating	Compare
ASSOCIATED BRITISH FOODS	UK	173	B+	TATE & LYLE
ASTELLAS Pharma	Japan	178	B+	TAKEDA Pharmaceutical
ASTRAZENECA	UK	70	B+	GSK (GlaxoSmithKline)
ATLAS COPCO	Sweden	12	A	SANDVIK
AUCHAN	France	355	B-	CARREFOUR
AUDI	Germany	229	B	BMW
AURUBIS	Germany	73	B+	BOLIDEN
AUTOLIV	Sweden	123	B+	DENSO
AVERY DENNISON	U.S.	N/R	C	BEMIS
AVON Products	U.S.	N/R	C-	ESTEE LAUDER
AXFOOD	Sweden	29	A-	ICA
BABCOCK	UK	221	B	ROLLS-ROYCE
BAE Systems	UK	204	B	GENERAL DYNAMICS
BALDWIN Technology	U.S.	N/R	C-	HEIDELBERG
BALFOUR BEATTY	UK	57	B+	AMEC
BARCO	Belgium	398	B-	PANASONIC
BARLOWORLD	South Africa	202	B	KOMATSU
BARRICK	Canada	266	B	ANGLOGOLD ASHANTI
BASF	Germany	37	A-	DOW Chemical
BAXTER	U.S.	N/R	C+	MEDTRONIC
BAYER	Germany	30	A-	BASF
BCE	Canada	N/R	B-	TELUS
BD (Becton Dickinson)	U.S.	N/R	C	BAXTER
BEKAERT	Belgium	275	B	NHK Spring
BELGACOM	Belgium	240	B	KPN
BEMIS	U.S.	N/R	B-	AVERY DENNISON
BERTELSMANN	Germany	180	B	RTL
BG	UK	81	B+	CENTRICA
BHARAT PETROLEUM	India	N/R	C+	HINDUSTAN PETROLEUM
BHARTI AIRTEL	India	N/R	C+	RELIANCE Communications
BHP BILLITON	Australia-UK	370	B-	RIO TINTO
BILFINGER	Germany	109	B+	HOCHTIEF
BILLERUDKORSNÄS	Sweden	40	B+	SCA
BIOGEN IDEC	U.S.	N/R	B-	FOREST Laboratories
BLACKBERRY	Canada	N/R	C-	NOKIA
BMW	Germany	212	B	AUDI
BOEING	U.S.	N/R	B-	EADS
BOLIDEN	Sweden	5	A+	AURUBIS
BOMBARDIER	Canada	51	B+	ALSTOM
BONDUELLE	France	185	B	WESSANEN
BORAL	Australia	387	B-	CRH
BOSTON SCIENTIFIC	U.S.	324	B-	MEDTRONIC
BOUYGUES	France	374	B-	VINCI
BP	UK	235	B	ROYAL DUTCH SHELL
BRIDGESTONE	Japan	N/R	C+	CONTINENTAL
BRISTOL-MYERS SQUIBB	U.S.	N/R	B-	LILLY (Eli Lilly)
BRITISH AMERICAN TOBACCO	UK	48	B+	IMPERIAL TOBACCO
BRITISH LAND	UK	98	B+	LAND SECURITIES
BT	UK	159	B+	VODAFONE
BUMI Resources	Indonesia	312	B-	ADARO Energy



### General Electric (No. 228)

A more convincing *Letter to Shareowners* than in recent years, a well-illustrated snapshot of business areas, another iPadish online construction, and another unimaginative financial section.

### Carlsberg (No. 231)

*High risks* for last and next year are uncorked. Strategic *levers* are clear. But the whole is not that sparkling.



Annual report	Country	Rank	Rating	Compare
BURBERRY	UK	316	B-	M&S (Marks & Spencer)
BURGER KING	U.S.	N/R	C-	McDONALD's
CALPINE	U.S.	N/R	C-	AES
CAMECO	Canada	357	B-	AREVA
CAMPBELL SOUP	U.S.	N/R	C+	HEINZ
CANADIAN NATURAL	Canada	326	B-	ENCANA
CANON	Japan	N/R	B-	XEROX
CARLSBERG	Denmark	231	B	HEINEKEN
CARREFOUR	France	325	B-	METRO
CASCADES	Canada	209	B	DOMTAR
CASINO (Guichard-Perrachon)	France	182	B	AUCHAN
CATERPILLAR	U.S.	184	B	KOMATSU
CATHAY PACIFIC	Hong Kong	N/R	B-	SINGAPORE AIRLINES
CELANESE	U.S.	N/R	C-	LANXESS
CENOVUS Energy	Canada	210	B	CANADIAN NATURAL Resources
CENTERRA Gold	Canada	N/R	C+	ENTREE Gold
CENTRICA	UK	74	B+	BG
CERMAQ	Norway	162	B+	NUTRECO
CEZ	Czech Republic	N/R	B-	MOL
CHALCO	China	N/R	C	ALCOA
CHEVRON	U.S.	328	B-	EXXONMOBIL
CHINA MOBILE	Hong Kong	N/R	C+	VODAFONE
CHINA TELECOM	China	N/R	B-	CHINA MOBILE
CHUGAI Pharmaceutical	Japan	149	B+	TAKEDA Pharmaceutical
CIC	Sri Lanka	233	B	SYNGENTA
CIPLA MEDPRO	South Africa	N/R	C+	DR. REDDY'S Laboratories
CISCO Systems	U.S.	N/R	C	ALCATEL-LUCENT
CITIZEN	Japan	N/R	D	SWATCH
CLARIANT	Switzerland	139	B+	BASF
CLOROX	U.S.	362	B-	RECKITT BENCKISER
CLP	Hong Kong	18	A	POWER ASSETS
CNOOC	Hong Kong	N/R	C+	PETROCHINA
COCA-COLA	U.S.	286	B	PEPSICO
COLGATE-PALMOLIVE	U.S.	340	B-	PROCTER & GAMBLE
COLOPLAST	Denmark	N/R	C	BD (Becton Dickinson)
COMPASS	UK	225	B	SODEXO
CONAGRA FOODS	U.S.	N/R	B-	GENERAL MILLS
CONCORDIA Maritime	Sweden	61	B+	MAERSK (A.P. Moller - Maersk)
CONOCOPHILLIPS	U.S.	330	B-	CHEVRON
CONSOL Energy	U.S.	N/R	C-	PEABODY Energy
CONTINENTAL	Germany	129	B+	PIRELLI
CORIO	Netherlands	102	B+	UNIBAIL-RODAMCO
COSMO Oil	Japan	333	B-	JX
COVIDIEN	Ireland	N/R	C+	BD (Becton Dickinson)
CRAMO	Finland	84	B+	SPEEDY HIRE
CRH	Ireland	378	B-	HOLCIM
DAIICHI SANKYO	Japan	N/R	C+	TAKEDA Pharmaceutical
DAIMLER	Germany	52	B+	VOLKSWAGEN
DAIWA HOUSE	Japan	23	A	SHIMIZU
DALMIA Bharat	India	N/R	B-	LAFARGE



### Vinci (No. 244)

Not shortest (300-plus pages). Still, a commendable effort to build - and illustrate- a legal document for better readability.

### Total (No. 252)

*At a Glance* summary keeps most of the read appeal. Apart from this, readers have to dig deep to find the information in more than 450 pages of reporting spread across a few books (multi-books are now commonplace from Big Oil).



Annual report	Country	Rank	Rating	Compare
DANONE	France	32	A-	NESTLE
DEERE	U.S.	N/R	B-	CATERPILLAR
DELHAIZE	Belgium	189	B	AHOLD
DENSO	Japan	336	B-	JOHNSON CONTROLS
DENTSU	Japan	N/R	B-	PUBLICIS
DEUTSCHE POST DHL	Germany	127	B+	UPS
DEUTSCHE TELEKOM	Germany	158	B+	ORANGE
DIAGEO	UK	257	B	PERNOD RICARD
DIMO (Diesel & Motor Engineering)	Sri Lanka	89	B+	BARLOWORLD
DOCOMO (NTT Docomo)	Japan	256	B	NTT
DOMTAR	Canada	N/R	B-	CASCADES
DONG Energy	Denmark	176	B+	VATTENFALL
DOW Chemical	U.S.	315	B-	DUPONT
DPL (Dipped Products)	Sri Lanka	N/R	C+	HAYLEYS
DR. REDDY'S Laboratories	India	249	B	DAIICHI SANKYO
DSM	Netherlands	155	B+	AKZONOBEL
DUKE ENERGY	U.S.	N/R	C+	EDISON
DUPONT	U.S.	N/R	C+	DOW Chemical
E.ON	Germany	306	B-	RWE
EADS	Netherlands	265	B	BOEING
EDF	France	N/R	B-	GDF SUEZ
EDISON	U.S.	N/R	C+	ENTERGY
EDP (Energias de Portugal)	Portugal	128	B+	IBERDROLA
EGCO	Thailand	N/R	B-	CLP
ELECTROLUX	Sweden	4	A+	WHIRLPOOL
EMERSON	U.S.	386	B-	GENERAL ELECTRIC
ENCANA	Canada	292	B	CANADIAN NATURAL
ENEL	Italy	N/R	B-	EDF
ENI	Italy	329	B-	TOTAL
ENIRO	Sweden	137	B+	HIBU
ENTERGY	U.S.	353	B-	EDISON
ENTREE Gold	Canada	N/R	C-	CENTERRA Gold
EPSON (Seiko Epson)	Japan	N/R	C-	CANON
ERICSSON	Sweden	20	A	ALCATEL-LUCENT
ESPRIT	Hong Kong-Bermuda	384	B-	INDITEX
ESSILOR	France	222	B	ALLERGAN
ESTEE LAUDER	U.S.	289	B	AVON Products
EVERGREEN	Taiwan	N/R	D	PACIFIC BASIN
EVN	Austria	99	B+	VATTENFALL
EVRAZ	UK-Russia	219	B	ARCELORMITTAL
EXELON	U.S.	N/R	B-	EDISON
EXXONMOBIL	U.S.	273	B	ROYAL DUTCH SHELL
FAST RETAILING	Japan	152	B+	H&M (Hennes & Mauritz)
FEDEX	U.S.	358	B-	UPS
FIAT	Italy	N/R	C+	PSA PEUGEOT CITROEN
FINNAIR	Finland	274	B	SAS
FIVES	France	N/R	C	METSO
FLSMIDTH	Denmark	281	B	HOLCIM
FLUOR	U.S.	331	B-	TECHNIP
FMC	U.S.	N/R	B-	SUMITOMO Chemical



### TM (Telekom Malaysia) (No. 272)

With 428 pages, it could be cooler (business review comes late). However, it may connect on governance (where you can even find a *Business Continuity Report*) and other areas.

### IAG (International Airlines) (No. 283)

Estimable attempt to demonstrate the results of British Airways-Iberia merger (see e.g. *synergies*), diluted by the overuse of consulting buzzwords and business fads.



Annual report	Country	Rank	Rating	Compare
FORD	U.S.	N/R	C+	GENERAL MOTORS
FOREST Laboratories	U.S.	N/R	C-	BIOGEN IDEC
FORTUM	Finland	16	A	VATTENFALL
FORTUNE BRANDS	U.S.	N/R	C	NEWELL RUBBERMAID
FRESENIUS	Germany	305	B-	BAXTER
FUJIFILM	Japan	114	B+	KODAK (Eastman)
FUJITSU	Japan	31	A-	IBM
G4S	UK	288	B	SECURITAS
GALP Energia	Portugal	373	B-	EDP (Energias de Portugal)
GAS NATURAL FENOSA	Spain	N/R	C+	IBERDROLA
GAZPROM	Russia	396	B-	LUKOIL
GDF SUEZ	France	350	B-	EDF
GEA	Germany	309	B-	ALFA LAVAL
GENERAL DYNAMICS	U.S.	N/R	C-	BAE Systems
GENERAL ELECTRIC	U.S.	228	B	SIEMENS
GENERAL MILLS	U.S.	367	B-	KELLOGG
GENERAL MOTORS	U.S.	N/R	C+	TOYOTA
GILEAD Sciences	U.S.	N/R	C+	AMGEN
GIVAUDAN	Switzerland	253	B	IFF
GOODYEAR	U.S.	N/R	C	BRIDGESTONE
GOOGLE	U.S.	N/R	D	MICROSOFT
GORENJE	Slovenia	290	B	ARCELIK
GSK (GlaxoSmithKline)	UK	131	B+	PFIZER
H&M (Hennes & Mauritz)	Sweden	N/R	C+	INDITEX
HALMA	UK	103	B+	HONEYWELL
HANESBRANDS	U.S.	N/R	C-	WOLFORD
HARLEY-DAVIDSON	U.S.	N/R	C+	HONDA
HAYLEYS	Sri Lanka	349	B-	SIME DARBY
HAYS	UK	168	B+	RANDSTAD
HEIDELBERG	Germany	82	B+	BALDWIN Technology
HEIDELBERGCEMENT	Germany	190	B	HOLCIM
HEINEKEN	Netherlands	59	B+	CARLSBERG
HEINZ	U.S.	N/R	C+	CAMPBELL SOUP
HENKEL	Germany	96	B+	UNILEVER
HEXAGON	Sweden	22	A	ZEISS (Carl Zeiss Meditec)
HIBU	UK	N/R	C+	ENIRO
HINDALCO Industries	India	310	B-	RIO TINTO
HINDUSTAN PETROLEUM	India	N/R	C-	BHARAT PETROLEUM
HITACHI	Japan	N/R	B-	FUJITSU
HITACHI METALS	Japan	143	B+	MITSUBISHI
HOCHTIEF	Germany	161	B+	ACS
HOLCIM	Switzerland	191	B	LAFARGE
HOLMEN	Sweden	44	B+	NORSKE SKOG
HOME DEPOT	U.S.	N/R	C+	KINGFISHER
HOME RETAIL	UK	323	B-	NOBIA
HONDA	Japan	167	B+	TOYOTA
HONEYWELL	U.S.	N/R	C-	UNITED TECHNOLOGIES
HONG KONG AND CHINA GAS	Hong Kong	N/R	C+	HUANENG POWER
HP (Hewlett-Packard)	U.S.	N/R	C-	IBM
HSB (Hongkong and Shanghai Hotels)	Hong Kong	250	B	SHANGRI-LA Asia

**Coca-Cola (No. 286)**

Same old story in the *Review*. No flavor in the 10-K.

**Gorenje (No. 290)**

Restructuring plan, impact and strategy of the Slovenian appliance group clearly set forth. The rest (or the whole) lacks some substance.





Annual report	Country	Rank	Rating	Compare
HT Media	India	N/R	C+	NEXT Media
HUANENG POWER	China	N/R	C+	CLP
HUGO BOSS	Germany	170	B+	H&M (Hennes & Mauritz)
HUSKY Energy	Canada	284	B	SUNCOR Energy
HUSQVARNA	Sweden	50	B+	ELECTROLUX
HUTCHISON WHAMPOA	Hong Kong	298	B-	JARDINE MATHESON
HYDRO-QUEBEC	Canada	130	B+	TRANSALTA
HYUNDAI	South Korea	N/R	D	TOYOTA
IAG (International Airlines)	UK-Spain	283	B	AIR FRANCE-KLM
IBERDROLA	Spain	N/R	B-	GAS NATURAL FENOSA
IBM	U.S.	397	B-	HP (Hewlett-Packard)
ICA	Sweden	277	B	AXFOOD
IFF	U.S.	N/R	C+	GIVAUDAN
IHG (InterContinental Hotels)	UK	146	B+	ACCOR
IMPERIAL TOBACCO	UK	169	B+	BRITISH AMERICAN TOBACCO
INDIAN OIL	India	N/R	B-	HINDUSTAN PETROLEUM
INDITEX	Spain	223	B	H&M (Hennes & Mauritz)
INDRA	Spain	208	B	INFOSYS Technologies
INDUTRADE	Sweden	N/R	C+	MITSUBISHI
INFINEON Technologies	Germany	34	A-	STMicroelectronics
INFOSYS	India	304	B-	TCS (Tata Consultancy Services)
INGERSOLL RAND	Ireland	N/R	C+	ASSA ABLOY
INNERGEX	Canada	194	B	HYDRO-QUEBEC
INTEL	U.S.	N/R	C	SAMSUNG Electronics
INTERNATIONAL PAPER	U.S.	N/R	C-	WEYERHAEUSER
INVENSYS	UK	291	B	HONEYWELL
IOI	Malaysia	296	B	SIME DARBY
IPG (Interpublic)	U.S.	N/R	C-	WPP
IPSEN	France	N/R	C+	ACTIVE BIOTECH
IRC	Hong Kong-Russia	N/R	C+	VALE
ITOCHU	Japan	268	B	MITSUBISHI
J SAINSBURY	UK	282	B	TESCO
JAPAN TOBACCO	Japan	327	B-	BRITISH AMERICAN TOBACCO
JARDINE MATHESON	Hong Kong	N/R	B-	HUTCHISON WHAMPOA
JENOPTIK	Germany	187	B	ROFIN
JERONIMO MARTINS	Portugal	297	B	SONAE
JKH (John Keells)	Sri Lanka	135	B+	SWIRE PACIFIC
JM	Sweden	97	B+	LEMMINKÄINEN
JOHNSON & JOHNSON	U.S.	N/R	C	PFIZER
JOHNSON CONTROLS	U.S.	N/R	C-	OMRON
JOHNSON MATTHEY	UK	35	A-	UMICORE
JX	Japan	227	B	COSMO Oil
KAO	Japan	320	B-	SHISEIDO
KELLOGG	U.S.	383	B-	GENERAL MILLS
KEMIRA	Finland	115	B+	DOW Chemical
KERING	France	N/R	C+	LVMH
KESKO	Finland	95	B+	AXFOOD
KIA Motors	South Korea	N/R	C+	HYUNDAI
KIMBERLY-CLARK	U.S.	N/R	C-	SCA
KINGFISHER	UK	278	B	WOLSELEY

**Wipro (No. 307)**

Designed more stylishly than many Indian peers. Delivers more on governance and responsibility than on business.

**Burberry (No. 316)**

Top models but skinny highlights. Well-branded strategy, but there could be much more in store as regards financials.



Annual report	Country	Rank	Rating	Compare
KODAK (Eastman)	U.S.	N/R	D	FUJIFILM
KOMATSU	Japan	217	B	CATERPILLAR
KONE	Finland	390	B-	SCHINDLER
KONICA MINOLTA	Japan	181	B	CANON
KPN	Netherlands	224	B	BELGACOM
KRAFT Foods	U.S.	N/R	C-	NESTLE
KUEHNE + NAGEL	Switzerland	311	B-	DEUTSCHE POST DHL
KYOCERA	Japan	N/R	C+	SHARP
LAFARGE	France	280	B	SAINT-GOBAIN
LAND SECURITIES	UK	24	A	BRITISH LAND
LANXESS	Germany	54	B+	ARKEMA
LEMMINKÄINEN	Finland	53	B+	JM
LENOVO	Hong Kong	345	B-	ACER
LEONI	Germany	215	B	NEXANS
LG Electronics	South Korea	N/R	B-	SAMSUNG Electronics
LILLY (Eli Lilly)	U.S.	N/R	C+	BRISTOL-MYERS SQUIBB
LINDAB	Sweden	41	B+	ROCKWOOL
LINDE	Germany	125	B+	AIR LIQUIDE
LOBLAW	Canada	317	B-	WOOLWORTHS
LOGITECH	Switzerland	N/R	C+	MICROSOFT
LONZA	Switzerland	207	B	DSM
L'OREAL	France	193	B	ESTEE LAUDER
LUFTHANSA	Germany	39	B+	AIR FRANCE-KLM
LUKOIL	Russia	300	B-	GAZPROM
LUNDBECK	Denmark	179	B+	NOVO NORDISK
LUPIN	India	346	B-	SUN PHARMA
LUXOTTICA	Italy	245	B	ALLERGAN
LVMH	France	247	B	KERING
3M	U.S.	N/R	C-	DUPONT
M&S (Marks & Spencer)	UK	28	A-	H&M (Hennes & Mauritz)
MACINTOSH Retail	Netherlands	141	B+	KESKO
MAERSK (A.P Moller - Maersk)	Denmark	N/R	C+	CONCORDIA Maritime
MAN	Germany	258	B	DAIMLER
MANPOWER	U.S.	339	B-	RANDSTAD
MARATHON OIL	U.S.	N/R	C-	VALERO Energy
MARIMEKKO	Finland	322	B-	KESKO
MARRIOTT	U.S.	N/R	B-	ACCOR
MARUBENI	Japan	119	B+	ITOCHU
MAZDA	Japan	N/R	C+	NISSAN
McDONALD's	U.S.	N/R	C	YUM! Brands
McGRAW-HILL FINANCIAL	U.S.	N/R	C	PEARSON
MEDTRONIC	U.S.	N/R	C	BAXTER
MERCK	U.S.	N/R	C-	ABBOTT
MERCK KGaA	Germany	156	B+	BAYER
METHANEX	Canada	N/R	C+	SASOL
METRO	Germany	65	B+	CARREFOUR
METSÄ BOARD	Finland	126	B+	STORA ENSO
METSO	Finland	38	B+	ABB
MICHELIN	France	47	B+	BRIDGESTONE
MICROSOFT	U.S.	N/R	C-	ORACLE



### Tata Steel (No. 318)

*The cornerstones of sustainability* are not really sustained inside and lack combined reporting measures to substantiate.

### Mol (No. 337)

Good integration of sustainability figures and performance analysis. Clear *Status of exploration and appraisal wells*. But it should dig deeper.



Annual report	Country	Rank	Rating	Compare
MINEBEA	Japan	N/R	C+	SKF
MITSUBISHI	Japan	111	B+	ITOCHU
MITSUBISHI Chemical	Japan	N/R	C+	SUMITOMO Chemical
MITSUI	Japan	271	B	MARUBENI
MM Karton (Mayr-Melnhof)	Austria	394	B-	METSÄ BOARD
MOL	Hungary	337	B-	OMV
MOLEX	U.S.	N/R	C	TE Connectivity
MONDI	UK-South Africa	213	B	HOLMEN
MONSANTO	U.S.	N/R	C-	SYNGENTA
MORRISONS	UK	110	B+	TESCO
MOSAIC	U.S.	N/R	C+	POTASHCORP
MOTOROLA Solutions	U.S.	N/R	C-	SAMSUNG Electronics
MVV ENERGIE	Germany	86	B+	RWE
MYLAN	U.S.	N/R	C-	RANBAXY Laboratories
NATIONAL GRID	UK	42	B+	SSE (Scottish and Southern Energy)
NAVISTAR	U.S.	N/R	C+	VOLVO
NEC	Japan	N/R	B-	FUJITSU
NESTE OIL	Finland	25	A-	STATOIL
NESTLE	Switzerland	196	B	DANONE
NEW YORK TIMES	U.S.	N/R	C-	TIME WARNER
NEWELL RUBBERMAID	U.S.	N/R	C	FORTUNE BRANDS
NEWS Corporation	U.S.	N/R	C	TIME WARNER
NEXANS	France	150	B+	LEONI
NEXT Media	Hong Kong	N/R	B-	SPH (Singapore Press)
NHK Spring	Japan	N/R	C+	BEKAERT
NIKE	U.S.	N/R	C-	ADIDAS
NIKON	Japan	N/R	C+	CANON
NIPPON EXPRESS	Japan	361	B-	FEDEX
NIPPON STEEL	Japan	368	B-	ARCELORMITTAL
NISSAN	Japan	N/R	C	MAZDA
NOBEL BIOCARE	Switzerland	248	B	STRAUMANN
NOBIA	Sweden	121	B+	HOME RETAIL
NOBLE	Hong Kong	N/R	B-	MARUBENI
NOKIA	Finland	N/R	C+	SAMSUNG Electronics
NORILSK NICKEL	Russia	230	B	VALE
NORSKE SKOG	Norway	138	B+	HOLMEN
NOVARTIS	Switzerland	108	B+	ROCHE
NOVO NORDISK	Denmark	46	B+	SANOFI
NOVOZYMES	Denmark	140	B+	DSM
NTT	Japan	287	B	CHINA TELECOM
NUCLEUS Software	India	N/R	C+	WIPRO
NUTRECO	Netherlands	76	B+	CERMAQ
NYRSTAR	Belgium	118	B+	UMICORE
OMNICOM	U.S.	N/R	C-	WPP
OMNITECH	India	388	B-	INFOSYS Technologies
OMRON	Japan	151	B+	HONEYWELL
OMV	Austria	246	B	MOL
ONGC	India	N/R	C+	INDIAN OIL
ORACLE	U.S.	N/R	D	MICROSOFT
ORANGE	France	356	B-	BT



### Tata Motors (No. 342)

The maker of Pixel cars and buyer of Jaguar has improved the reporting vehicle (especially the MD&A and risks), yet the business review is short on fuel.

### FedEx (No. 358)

*To stay ahead, we go beyond*, states the cover. Content- and style-wise, it transports backward.



Annual report	Country	Rank	Rating	Compare
ORION	Finland	N/R	C+	LUNDBECK
ORLEN	Poland	366	B-	MOL
OUTOKUMPU	Finland	78	B+	ACERINOX
PACIFIC BASIN	Hong Kong	71	B+	EVERGREEN
PANASONIC	Japan	144	B+	SONY
PAPERLINX	Australia	N/R	C	MONDI
PARMALAT	Italy	N/R	C+	ARLA
PDVSA	Venezuela	N/R	D	PETROBRAS
PEABODY Energy	U.S.	N/R	B-	CONSOL Energy
PEARSON	UK	200	B	McGRAW-HILL
PEPSICO	U.S.	270	B	COCA-COLA
PERNOD RICARD	France	154	B+	DIAGEO
PETROBRAS	Brazil	N/R	D	PDVSA
PETROCHINA	China	N/R	C	SINOPEC
PETRONAS	Malaysia	294	B	SABIC
PFIZER	U.S.	371	B-	JOHNSON & JOHNSON
PHILIP MORRIS	U.S.	400	B-	BRITISH AMERICAN TOBACCO
PHILIPS	Netherlands	15	A	GENERAL ELECTRIC
PIONEER	Japan	N/R	C+	PANASONIC
PIRELLI	Italy	N/R	C	MICHELIN
POLO RALPH LAUREN	U.S.	N/R	C-	BURBERRY
PORSCHE	Germany	N/R	C+	VOLKSWAGEN
POSTNL	Netherlands	N/R	C+	DEUTSCHE POST DHL
POSTNORD	Sweden-Denmark	172	B+	POSTNL
POTASHCORP	Canada	6	A+	AGRIUM
POWER ASSETS	Hong Kong	351	B-	CLP
PPG Industries	U.S.	N/R	C+	AKZONOBEL
PROCTER & GAMBLE	U.S.	N/R	C+	UNILEVER
PSA PEUGEOT CITROEN	France	262	B	RENAULT
PTT	Thailand	261	B	PETRONAS
PUBLICIS	France	N/R	C+	WPP
PUMA	Germany	122	B+	ADIDAS
QANTAS	Australia	N/R	C+	SINGAPORE AIRLINES
QUALCOMM	U.S.	N/R	C-	NOKIA
RANDSTAD	Netherlands	33	A-	ADECCO
RAPALA	Finland	N/R	C+	AMER Sports
RECKITT BENCKISER	UK	N/R	B-	HENKEL
REE	Spain	269	B	REN
REED ELSEVIER	UK-Netherlands	237	B	WOLTERS KLUWER
RELIANCE Communications	India	N/R	C	BHARTI AIRTEL
RELIANCE Industries	India	N/R	C	SASOL
REN	Portugal	321	B-	REE
RENAULT	France	174	B+	PSA PEUGEOT CITROEN
RENTOKIL INITIAL	UK	242	B	G4S
REPSOL	Spain	379	B-	TOTAL
REXAM	UK	45	B+	AMCOR
REZIDOR Hotel	Belgium-Sweden	205	B	ACCOR
RICOH	Japan	341	B-	CANON
RIO TINTO	Australia-UK	243	B	BHP BILLITON
ROCHE	Switzerland	93	B+	NOVARTIS



### Abbott (No. 359)

A lively narrative -yet a bit self-indulgent. Why pushing the financial review so late?

### Kellogg (No. 383)

The HTML version is supposed to be *recommended*? Really? If the *Letter to Shareowners* is no waffle, the business overview shows brands without much food, and financials are as indigestible online as in print.





Annual report	Country	Rank	Rating	Compare
ROCKWOOL	Denmark	N/R	C	LINDAB
ROFIN	Germany-U.S.	N/R	C+	JENOPTIK
ROGERS Communications	Canada	308	B-	TELUS
ROLLS-ROYCE	UK	147	B+	GENERAL ELECTRIC
ROSNEFT	Russia	364	B-	EXXONMOBIL
ROYAL DUTCH SHELL	Netherlands-UK	132	B+	BP
RTL	Luxembourg	148	B+	NEWS Corporation
RUSHYDRO	Russia	251	B	HYDRO-QUEBEC
RWE	Germany	192	B	E.ON
RYANAIR	Ireland	N/R	C	LUFTHANSA
SAAB	Sweden	77	B+	BAE Systems
SABIC	Saudi Arabia	N/R	C	PETRONAS
SABMILLER	UK	100	B+	ANHEUSER-BUSCH INBEV
SAGE	UK	285	B	SAP
SAIC Motor	China	N/R	D	TOYOTA
SAINT-GOBAIN	France	134	B+	AGC (Asahi Glass)
SALZGITTER	Germany	279	B	THYSSENKRUPP
SAMSUNG Electronics	South Korea	N/R	C+	PANASONIC
SANDVIK	Sweden	63	B+	ATLAS COPCO
SANOFI	France	295	B	NOVARTIS
SAP	Germany	197	B	ORACLE
SAPPI	South Africa	62	B+	STORA ENSO
SAPPORO	Japan	N/R	B-	ASAHI
SAS	Sweden	9	A	LUFTHANSA
SASOL	South Africa	1	A+	RELIANCE Industries
SCA	Sweden	10	A	KIMBERLY-CLARK
SCHINDLER	Switzerland	276	B	KONE
SCHNEIDER Electric	France	163	B+	ABB
SEB	France	112	B+	PHILIPS
SECURITAS	Sweden	66	B+	G4S
SEKISUI HOUSE	Japan	N/R	D	DAIWA HOUSE
SEMCON	Sweden	206	B	AF
SEMPERIT	Austria	101	B+	BD (Becton Dickinson)
SEVERN TRENT	UK	216	B	UNITED UTILITIES
SEVERSTAL	Russia	255	B	EVRAZ
SHANGRI-LA Asia	Bermuda-Hong Kong	N/R	C	HSH (Hongkong and Shanghai Hotels)
SHANKS	UK	107	B+	WASTE MANAGEMENT
SHARP	Japan	363	B-	PANASONIC
SHIMIZU	Japan	N/R	C+	DAIWA HOUSE
SHIRE	Ireland	263	B	UCB
SHISEIDO	Japan	166	B+	KAO
SIEMENS	Germany	83	B+	ABB
SIME DARBY	Malaysia	344	B-	IOI
SINGAPORE AIRLINES	Singapore	N/R	B-	CATHAY PACIFIC
SINGTEL	Singapore	395	B-	VODAFONE
SINOPEC	China	N/R	C	PETROCHINA
SKANSKA	Sweden	27	A-	VINCI
SKF	Sweden	49	B+	MINEBEA
SMITH & NEPHEW	UK	260	B	ZIMMER
SMITHS	UK	60	B+	EMERSON



### **Time Warner (N/R)**

The cover story doesn't last long. CEO message is not in Warner's style, and financials are a silent movie.

### **Wolford (N/R)**

No stocking stuffer. Or how to show leggy creatures (except on a dull cover) and have no legs (no real meat in the management report).



Annual report	Country	Rank	Rating	Compare
SNC-LAVALIN	Canada	392	B-	ARCADIS
SODEXO	France	183	B	COMPASS
SOLVAY	Belgium	195	B	UCB
SONAE	Portugal	354	B-	JERONIMO MARTINS
SONY	Japan	214	B	PANASONIC
SPECTRUM BRANDS	U.S.	N/R	C	ENERGIZER
SPEEDY HIRE	UK	241	B	CRAMO
SPH (Singapore Press)	Singapore	372	B-	NEXT Media
SSE (Scottish and Southern Energy)	UK	314	B-	CENTRICA
STARBUCKS	U.S.	N/R	C-	TIM HORTONS
STATOIL	Norway	1	A+	TOTAL
STEELCASE	U.S.	N/R	C-	NOBIA
STMicroelectronics	Switzerland	N/R	C-	TEXAS INSTRUMENTS
STORA ENSO	Finland	36	A-	UPM
STRABAG	Austria	90	B+	HOCHTIEF
STRAUMANN	Switzerland	67	B+	NOBEL BIOCARE
SUMITOMO	Japan	68	B+	mitsubishi
SUMITOMO Chemical	Japan	177	B+	MITSUBISHI Chemical
SUN PHARMA	India	N/R	C+	LUPIN
SUNCOR Energy	Canada	380	B-	CANADIAN NATURAL
SUZLON Energy	India	N/R	C+	VESTAS Wind Systems
SUZUKI	Japan	N/R	C-	HONDA
SWATCH	Switzerland	N/R	C+	CITIZEN
SWEDISH MATCH	Sweden	64	B+	IMPERIAL TOBACCO
SWIRE PACIFIC	Hong Kong	259	B	HUTCHISON WHAMPOA
SWISSCOM	Switzerland	343	B-	TELECOM ITALIA
SYNGENTA	Switzerland	136	B+	MONSANTO
TAKEDA Pharmaceutical	Japan	238	B	ASTELLAS Pharma
TALISMAN Energy	Canada	382	B-	APACHE
TATA Motors	India	342	B-	SUZUKI
TATA Steel	India	318	B-	ARCELORMITTAL
TATE & LYLE	UK	160	B+	ASSOCIATED BRITISH FOODS
TCS (Tata Consultancy Services)	India	N/R	C	INFOSYS
TDC	Denmark	80	B+	TELIASONERA
TE Connectivity	Switzerland-U.S.	N/R	C+	MOLEX
TECHNIP	France	55	B+	FLUOR
TEIJIN	Japan	113	B+	TORAY
TELE2	Sweden	220	B	TELIASONERA
TELECOM ITALIA	Italy	N/R	C+	TELEFONICA
TELEFONICA	Spain	N/R	C	BT
TELEKOM AUSTRIA	Austria	133	B+	DEUTSCHE TELEKOM
TELENOR	Norway	N/R	C	TELIASONERA
TELIASONERA	Sweden	348	B-	TELENOR
TELKOM INDONESIA	Indonesia	198	B	TM (Telekom Malaysia)
TELSTRA	Australia	N/R	C+	SINGTEL
TELUS	Canada	8	A	BCE
TEMBEC	Canada	N/R	C+	DOMTAR
TENNECO	U.S.	N/R	C	AUTOLIV
TERUMO	Japan	N/R	C	BD (Becton Dickinson)
TESCO	UK	85	B+	MORRISONS

TEVA Pharmaceuticals	Israel	N/R	D	DR. REDDY'S Laboratories
TEXAS INSTRUMENTS	U.S.	N/R	C	STMicroelectronics
THOMAS COOK	UK	153	B+	TUI
THOMSON REUTERS	U.S.-Canada	124	B+	McGRAW-HILL
THYSSENKRUPP	Germany	69	B+	ARCELORMITTAL
TIETO	Finland	303	B-	INVENSYS
TIM HORTONS	Canada	332	B-	STARBUCKS
TIME WARNER	U.S.	N/R	C+	NEWS Corporation
TM (Telekom Malaysia)	Malaysia	272	B	TELKOM INDONESIA
TNB (Tenaga Nasional)	Malaysia	299	B-	CLP
TNT Express	Netherlands	N/R	C+	DEUTSCHE POST DHL
TORAY	Japan	56	B+	TEIJIN
TOSHIBA	Japan	171	B+	FUJITSU
TOTAL	France	252	B	BP
TOYOTA	Japan	164	B+	HONDA
TRANSALTA	Canada	234	B	HYDRO-QUEBEC
TRELLEBORG	Sweden	17	A	BRIDGESTONE
TRIVENI	India	N/R	C+	JKH (John Keells)
TRW	U.S.	N/R	C-	AUTOLIV
TUI	Germany	188	B	THOMAS COOK
TURKCELL	Turkey	338	B-	TELIASONERA
TYCO	Switzerland-U.S.	N/R	C-	EMERSON
UCB	Belgium	203	B	SOLVAY
UMICORE	Belgium	104	B+	JOHNSON MATTHEY
UNIBAIL-RODAMCO	France	175	B+	LAND SECURITIES
UNILEVER	Netherlands-UK	157	B+	PROCTER & GAMBLE
UNITED TECHNOLOGIES	U.S.	293	B	GENERAL ELECTRIC
UNITED UTILITIES	UK	352	B-	SEVERN TRENT
UPM	Finland	92	B+	STORA ENSO
UPS	U.S.	N/R	C+	FEDEX
USG PEOPLE	Netherlands	N/R	B-	RANDSTAD
VALE	Brazil	N/R	C	RIO TINTO
VALEO	France	254	B	DENSO
VALERO Energy	U.S.	N/R	C	MARATHON OIL
VALLOUREC	France	165	B+	TATA Steel
VATTENFALL	Sweden	94	B+	FORTUM
VECTURA	UK	N/R	C	SHIRE
VEOLIA Environnement	France	226	B	GDF SUEZ
VESTAS Wind Systems	Denmark	N/R	C+	SUZLON Energy
VINCI	France	244	B	BOUYGUES
VODAFONE	UK	79	B+	CHINA MOBILE
VOESTALPINE	Austria	239	B	THYSSENKRUPP
VOLKSWAGEN	Germany	116	B+	TOYOTA
VOLVO	Sweden	7	A	DAIMLER
VOSSLOH	Germany	211	B	SIEMENS
WALMART	U.S.	N/R	B-	CARREFOUR
WALT DISNEY	U.S.	N/R	C	NEWS Corporation
WÄRTSILÄ	Finland	11	A	MAN
WASTE MANAGEMENT	U.S.	N/R	C-	VEOLIA Environnement
WENDY'S	U.S.	N/R	C-	McDONALD's
WESFARMERS	Australia	399	B-	WOOLWORTHS

WESSANEN	Netherlands	106	B+	BONDUELLE
WEYERHAEUSER	U.S.	381	B-	INTERNATIONAL PAPER
WHIRLPOOL	U.S.	365	B-	ELECTROLUX
WHITBREAD	UK	377	B-	ACCOR
WIENERBERGER	Austria	14	A	BORAL
WIPRO	India	307	B-	INFOSYS
WOLFORD	Austria	N/R	C	HANESBRANDS
WOLSELEY	UK-Switzerland	43	B+	KINGFISHER
WOLTERS KLUWER	Netherlands	21	A	REED ELSEVIER
WOOLWORTHS	Australia	313	B-	WESFARMERS
WPP	Jersey	58	B+	PUBLICIS
XEROX	U.S.	267	B	CANON
XTEP	Hong Kong	360	B-	ADIDAS
YAMAHA	Japan	335	B-	SONY
YARA	Norway	145	B+	POTASHCORP
YTL	Malaysia	N/R	C+	TNB (Tenaga Nasional)
YUM! Brands	U.S.	389	B-	MCDONALD's
ZEISS (Carl Zeiss Meditec)	Germany	199	B	JENOPTIK
ZIMMER	U.S.	N/R	C	SMITH & NEPHEW

# Best practice for 15 report attributes

What are the most important attributes in an annual report -on paper or online?

There are many, but we have chosen 15. For each of them, about 25 annuals that deliver better or best practice examples have been selected. Names are not ranked but listed in alphabetical order.

## Cover – Homepage – Message – Branding



BUILT TO GROW

# LUPIN

## Business overview



## Key figures



## CEO/Chairman message



## Business model – Strategy – Growth drivers



## Key performance indicators



Investor proposition - Share information



Financial review - Management discussion and analysis



Goals - Targets - Outlook



Risk factors, control and management

Leadership, governance and compensation

Corporate responsibility - Sustainability



Historical data, charts, ratios

Online reporting

Style - Design - Layout



**Cover – Homepage – Message – Branding**

Accor

Adaro Energy

Adidas

ANA (All Nippon Airways)

AstraZeneca

Audi

Belgacom

Colgate-Palmolive

Compass

ConAgra Foods

General Electric

Halma

Lupin

Manpower

Nippon Steel

Novartis

Pernod Ricard

Puma

RTL

Sappi

Semperit

Technip

Telekom Austria

Time Warner

United Technologies



Cover – Homepage – Message – Branding



BUILT TO GROW

# LUPIN

Lupin

## Business overview

Alfa Laval

Arcadis

Arkema

Atlas Copco

Cramo

Danone

Electrolux

Hexagon

Hitachi Metals

Husqvarna

JX

Lemminkäinen

Lindab

Michelin

Mitsubishi

Pacific Basin

Rexam

SABMiller

SCA

Shanks

Skanska

Smiths

Sumitomo Chemical

Technip

UPM

WPP

# Business overview

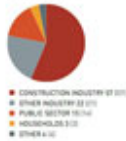
## CRAMO - TOTAL SOLUTION PROVIDER

Cramo is a service company specialising in equipment rental services and the rental of modular space solutions. Equipment rental services comprise construction machinery and equipment rental and rental-related services such as construction site and installation services. Cramo is one of the industry's leading service providers in the Nordic countries and in Central and Eastern Europe. Through a network of 376 depots, with the total number of rental items over 200,000, Cramo's 2,555 employees served over 150,000 customers in 14 countries in 2012. The company has been listed on the NASDAQ OMX Helsinki since 1988 and on its main list since 1998.

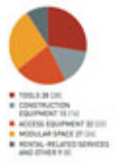
GROUP SALES +1.3%  
**688.4** MEUR

GROUP EBITA +7.8%  
**78.0** MEUR

GROUP SALES BY CUSTOMER SEGMENT 2012 (2011)



GROUP SALES BY PRODUCT GROUP 2012 (2011)



BUSINESS SEGMENTS IN 2012

	FINLAND	SWEDEN	NORWAY	DENMARK	CENTRAL EUROPE*	EASTERN EUROPE†
SERVICE NETWORK	55 (55) depots, of which 59 franchise Hub structure in place	124 (128) depots, of which 28 franchise Hub structure in place	31 (34) depots, of which 1 franchise Hub structure in place	7 (20) depots, no franchise Hub structure in place	88 (76) depots, no franchise Hub structure initiated, parity in place	71 (76) depots, of which 51 franchise Hub structure nearly in place
RENTAL MARKET SIZE, MEUR‡	445 (441)	1,372 (1,428)	808 (796)	427 (406)	3,800* (3,746)	1,100† (1,066)
EQUIPMENT RENTAL FORECAST 2013‡	Decline of 1.0%	Growth of 2.5%	Growth of 4.0%	Growth of 2.8%	Growth of 3.0%, driven by Germany	Growth of 7% in the Baltic area, 7-10% in Russia, decline of 4.5% in Poland, growth of 1% in the Czech Republic, decline of 2% in Slovakia
CONSTRUCTION MARKET ESTIMATE 2013‡	Decline of 2.3% as a result of contraction of 2-4% in both residential and non-residential construction	Growth of 0.2%, slightly negative trend in civil engineering and non-residential construction is expected to be offset by moderately growing residential construction	3.6%, growth is expected to be driven by all construction subsectors	2.2%, growth is expected to be driven by all construction subsectors	Growth of 2.5% in Germany, with a growth of 2.4% in civil engineering, moderate growth of 1.6% in Austria and 0.9% in Hungary	Growth of 2% in Estonia, 4% in Latvia, 3% in Lithuania, 4% in Russia, decline of 3.4% in Poland, 1.5% in the Czech Republic and 1% in Slovakia
MARKET POSITION ESTIMATE	Strong #2 in equipment rental, #1 in modular space	Strong #1 in both equipment rental and modular space	#3 in equipment rental, #1 in modular space	#2 in equipment rental, #2 in modular space	#2 in Germany and #1 in Austria	#1 in the Baltic countries, #2 in Russia and Poland, in the Czech Republic and in Slovakia #1 in access equipment and #3 in general rental
SHARE OF GROUP SALES, %	16.2 (16.4)	44.4 (44.4)	11.7 (11.6)	6.1 (5.8)	5.4 (5.3)	9.6 (9.6)
COMPETITIVE LANDSCAPE	Two strong players with a number of local and specialist competitors. Modular space product area dominated by a few strong players.	Two strong players with a number of local and specialist competitors. Modular space product area dominated by a few strong players.	Three strong players with a number of local and specialist competitors. New local entrants as a result of relatively good market environment. A few players in modular space product area.	Fragmented markets waiting for consolidation. A few small players in modular space product area.	Fragmented markets under consolidation; four stronger players in Germany with a number of smaller local and specialist competitors.	Mainly smaller national and local players with a few Western European competitors. One Western European player exited the Baltic countries. Markets in early phase in modular space market area.
SHARE OF GROUP EMPLOYEES (FTE), %	19.2 (19.2)	30.2 (30.2)	8.3 (8.1)	4.6 (4.6)	11.7 (11.7)	23.4 (21.8)

\* Finland, Sweden, Norway and Denmark. † EU European Rental Industry 2012 Report. Austria 2012 and equipment rental forecast 2013 for Poland. ‡ December 2012. § Central and Eastern Europe. †† EU, Cramo management estimate. ††† Luxembourg, Austria report, November 2012, see Baltic countries and Russia. †††† December 2012. ††††† Germany, Austria and Hungary. Approximate operations in Switzerland were terminated during Q4 2012. †††††† Estonia, Latvia, Lithuania, Russia, Poland, the Czech Republic and Slovakia. Russian rental market size estimates does not include rental market with apartment.

## Key figures

ACS

Adaro Energy

Astellas Pharma

Atlas Copco

Chugai Pharmaceutical

Cosmo Oil

Danone

EDP (Energias de Portugal)

Eni

Fujitsu

Hutchison Whampoa

Indra

IOI

Itochu

JKH (John Keells)

JX

Lanxess

Mol

Neste Oil

Nutreco

Omron

Rosneft

Strabag

TDC

Telkom Indonesia

# Key figures

Business Model: **Performance** | Business Focus: | Business of Operations: | Corporate Governance: | Financial Factors: | National & Global: | Share Information: | Securities Data:

CONSOLIDATED FINANCIAL HIGHLIGHTS

## Consolidated Financial Highlights

	Millions of yen					Percent of U.S. dollar
	FY2008	FY2007	FY2006	FY2010	FY2011	
<b>For the Year:</b>						
Net sales	¥ 3,082,744	¥ 3,523,087	¥ 3,428,211	¥ 2,812,141	¥ 2,771,520	¥ 3,109,748
Operating income (loss)	89,842	82,767	(127,288)	34,227	104,000	63,570
Inventory valuation gain (loss)	7,800	49,000	(180,100)	42,000	22,300	26,200
Operating income (loss) excluding the impact of inventory valuation	82,042	33,767	(145,388)	(8,773)	81,700	37,370
Net income (loss)	28,536	36,150	(82,430)	(10,741)	28,920	(9,984)
Capital expenditures	36,127	48,858	57,225	87,677	64,389	27,833
Depreciation and amortization	37,788	42,779	41,432	42,746	57,098	50,801
Cash flows from operating activities	25,035	(4,211)	82,136	2,262	26,297	43,818
Cash flows from investing activities	(25,808)	(32,800)	(55,828)	(83,306)	(72,128)	(25,800)
Cash flows from financing activities	80,023	5,229	(7,864)	158,322	(80,677)	11,808
Cash and cash equivalents at end of year	126,136	82,675	159,820	228,908	94,343	132,431
<b>At Year-End:</b>						
Total assets	¥ 1,579,156	¥ 1,627,904	¥ 1,440,396	¥ 1,645,048	¥ 1,579,428	¥ 1,675,610
Net assets excluding minority interests	329,701	442,912	328,434	315,747	332,730	316,931
Interest-bearing debt	609,680	521,606	598,659	777,738	300,131	721,263
					Net	U.S. dollar
<b>Amounts per Share:</b>						
Net income (loss)	¥ 39.54	¥ 48.72	¥ (108.11)	¥ (13.88)	¥ 34.18	¥ (18.72)
Net assets	526.15	522.94	387.71	372.74	382.82	374.15
Cash dividends	8.00	8.00	8.00	8.00	8.00	8.00
<b>Ratios:</b>						
Return on assets (ROA) (%)	1.7	2.2	(8.0)	(0.7)	1.8	(0.6)
Return on equity (ROE) (%)	8.0	8.0	(24.0)	(3.3)	8.9	(2.8)
Debt-to-equity ratio (times)	1.8	1.2	1.8	2.5	2.1	2.3
Payout ratio (%)	25.32	13.28	—	—	22.42	—

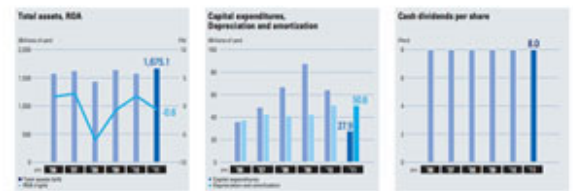
Notes: 1. U.S. dollar amounts are translated from Japanese yen, at the conversion rate of 100 yen to 1 U.S. dollar, as of the end of each reporting period. 2. Reported inventory valuation gains (losses) from FY2008 through FY2011 are based on the periodic average method of inventory valuation, whereas reported inventory valuation gains (losses) from FY2009 are based on the lower of cost or market method as stated by NRI's Accounting Standards Board of Japan's Statement No. 9, "Accounting Standard for Measurement of Inventories." 3. Depreciation and amortization include amounts of recoverable amounts under production sharing from FY2008 through FY2011. In FY2011, depreciation and amortization includes amounts of recovering accounts under production sharing as well as depreciation applicable to fixed assets (due to the fire at the Chiba Refinery caused by the Great East Japan Earthquake). 4. Oil and including FY2009, ROE is calculated as net income divided by net assets excluding minority interests. 5. U.S. and including FY2009, ROE was calculated as net income divided by net assets excluding minority interests. 6. U.S. and FY2009, the figure has been rounded up or down to the nearest million. The figure has been rounded off to the nearest billion.

**>Net sales**  
 Net sales totaled **¥3,109.7 billion**, an increase of **¥338.2 billion** from the previous fiscal year.  
 ▲ Product prices rose in tandem with the rise in the purchase price of crude oil (full-year average).  
 ▲ Higher capacity utilization rates of thermal power plants accompanying the shutting down of Japan's nuclear power plants led to an increase in sales volume of heavy fuel oil C used for electric power generation.  
 ▼ Sales volumes declined for gasoline, kerosene, naphtha, jet fuel, and heavy fuel oil A owing to the structural factors of improving fuel efficiency and the conversion to alternative fuels as well as the slow pace of economic recovery.  
 ▼ The export volume of middle distillates (diesel fuel and jet fuel) declined due to the shutdown of the Chiba Refinery and the priority on domestic supply.

**>Operating income excluding the impact of inventory valuation**  
 Operating income amounted to **¥63.6 billion**, a decline of **¥40.5 billion** from the previous fiscal year.  
 Operating income excluding the impact of inventory valuation (see page 6) amounted to **¥38.4 billion**, a decline of **¥43.4 billion** from the previous fiscal year.  
 ▲ Oil exploration and production business earnings increased with support from rising crude oil prices.  
 ▼ Petroleum business earnings declined as a result of the narrowing margins as the supply and demand balance eased and the cost burden of securing alternative supply owing to the Chiba Refinery shutdown.  
 ▲ Petrochemical business earnings increased as market conditions recovered and margins improved.

**>Net loss**  
 Net income declined **¥38.0 billion** from the previous fiscal year to represent a net loss of **¥9.1 billion**.  
 ▼ The Great East Japan Earthquake incurred extraordinary losses of ¥22.7 billion. Fixed costs of the assets rendered unusable at the Chiba Refinery accounted for ¥16.2 billion of the loss.  
 ▼ Tax system revisions led to a partial reversal of deferred tax assets.

**>ROA and ROE**  
 The **¥9.1 billion** net loss resulted in negative figures for ROA and ROE.  
 ▼ The shareholders' equity ratio declined 2.2 percentage points, from 21.1% to 18.9%.  
 ▼ The debt-to-equity ratio was 2.3 times, a deterioration of 0.2 point from 2.1 times at the end of the previous fiscal year.



06

07

Cosmo Oil

## CEO/Chairman message

Alcoa

Assa Abloy

Centrica

Chugai Pharmaceutical

ConocoPhillips

Cosmo Oil

Daiwa House

Danone

Duke Energy

Fujitsu

General Electric

Hitachi Metals

Komatsu

M&S (Marks & Spencer)

Manpower

Mitsui

Novozymes

Pearson

PotashCorp

Shiseido

Telus

UPS

Vodafone

Wienerberger

WPP

Xerox

# CEO/Chairman message

Interview with FRANCK RIBOUD

## NEW ISSUES, NEW REGIONS, AND THE OUTLOOK FOR EUROPE

Interview

Danone Chairman and CEO Franck Riboud looks back at 2012 and reflects on its lessons. It was a year when markets outside Europe—now 60% of total sales—came into their own.

### 2012 was a year of contrasts in many ways. Looking back, how would you describe it?

**Franck Riboud:** For Danone, it was a very good year overall—true, there were contrasts from region to region, and the overall environment was complex. But 2012 also brought a major milestone as our total sales moved past the €20 billion mark for the very first time. Over the past fifteen years, we've made sweeping changes in our business lines. But despite sales, disposals and acquisitions, we've continued to grow, both organically and through our acquisitions, which we've successfully integrated. Our sales now total over €20 billion and we've doubled our free cash flow in five years. That's quite an achievement, and it's an indisputable sign of good health. We were aiming for €2 billion in free cash flow and managed to reach €2.09 billion. So 2012 really was a good year for Danone.

**FR:** Yet as you say, there were contrasts.

**FR:** Our geographical profile is now completely transformed, and that's what will shape our future in the years ahead. Today, 40% of our sales are generated in Europe, not counting the CIS, while 60% come from emerging and/or high-growth markets. Now, that can be seen as a very good sign since it means our numbers will automatically improve—they can't help but grow: emerging markets are now expanding by 12%, and that trend is snowballing. And given the trends in mature markets, where growth is weaker and even slightly negative in some cases, you might conclude that they'll gradually become less important to our business, relatively speaking. We could simply accept this and view the difficulties we're encountering in Europe as accelerating our transformation and helping to shift our center of gravity. But abandoning Europe is not an option; I'll say more about that in a minute.

### How do you explain your good results outside Europe?

**FR:** To be honest, it's easier to turn in a strong performance when overall conditions are good. And what are "good overall conditions" when you sell consumer products? Rising disposable income, an emerging middle class, higher sales volumes, dynamic local players and a growing economy. Which is essentially what we've got today in the emerging world.

### In France, in Europe, and internationally, what's fueling Danone's growth?

**FR:** We've moved from getting 60% of sales almost exclusively from four Western European countries to our current situation, where 60% come from markets outside Europe. That's a minor revolution for our teams. And



### SALES BY BUSINESS LINE

€20.9 bn in sales

56% Fresh Dairy Products  
23% Baby Nutrition  
18% Waters  
6% Medical Nutrition

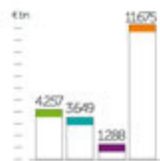


THE ADVENTURE IS JUST BEGINNING. DANONE KNOWS WHERE TO PICK UP THE PACE, AND SO DO OUR TEAMS. 2012 IS JUST ONE MORE EXAMPLE OF THAT.

—Franck Riboud

WE HAVE A RESPONSIBILITY TO STAY ACTIVE IN EUROPE—FOR JOBS, FOR OUR BUSINESS, AND TO KEEP OUR PRODUCTS ON STORE SHELVES.

—Franck Riboud



### SALES AND GROWTH IN 2012 BY BUSINESS LINE\*

11.6% Baby Nutrition  
5.9% Waters  
2.0% Medical Nutrition  
12.8% Fresh Dairy Products

\* Like for like



we're very happy about it: in these new countries, demand is strong and populations are growing, which means our product categories are a perfect match. The good fit between Danone products and consumers in these new markets is particularly evident in our two newest business lines—Baby Nutrition and Medical Nutrition. The second explanation for this very strong growth in emerging economies is the massive energy that our teams have contributed. It's clear that these countries offer huge promise for food companies, and our people have done a great job. They're eager to grow, win market share and reach ever larger critical mass. Their energy and entrepreneurial spirit played a crucial role in accelerating both our sales growth and our profitability.

### What lessons do you draw from this shift?

**FR:** The main lesson goes back to our decision to stay with the strategy we adopted more than fifteen years ago. Because our two fundamental priorities—strong brands and clearly defined geographical choices—have never wavered. Here 2012 is a perfect illustration of Danone's geographical transformation, driven by local brands that are new on their way to becoming the most important in our group. We're continuing to gain market share with brands like Evian, now sold in 120 countries, and Activia, on sale in 72. But now other strong brands are competing with them for a share of total sales. Aquas leads the market for bottled water in Indonesia. Mizone has captured an impressive share of the flavored water market in China and is off to a strong start in Indonesia, and we've just rolled it out in India under the name Ifree. In the United States, Oikos has been a key player in the booming Greek yogurt market, and our relaunch of Protonikvashino in Russia gave the local market a boost. Danone is fantastically popular with mothers in China,

Bonafont—the no. 1 bottled water in Mexico—is now market leader in Brazil. Nutricia is Europe's benchmark brand for medical nutrition, and its strong debut in China, Brazil and Turkey shows that it is expanding its borders. It's all of these brands that are building the Danone of tomorrow. In that sense, 2012 marks the beginning of an adventure that we've been working toward for years. So despite difficulties in some countries, on the whole our foundations are extremely solid and have been since 2008. And it looks to me as though our business model will prove to be a lasting one.

### Fresh Dairy Products aren't doing quite as well, though...

**FR:** Fresh Dairy Products (FDP) account for 56% of our sales, or nearly €11.7 billion. Those two figures give some idea of the sheer scale of the business. But it's true that the division is growing more slowly than our other business lines, even in emerging countries. One reason for that is our history. When we expanded—when we got our start in Spain, France and Italy—our business focus was fresh dairy products. Historically, this is a European business. Per capita figures say it all: when it comes to consumption of fresh dairy products, no country anywhere in the world is in the same league as Europe, which averages about 30-35 kg per person per year. But there's also immense potential out there—not just in huge countries like Brazil and Mexico, where our dairy products have been market leaders for years, but also in countries like Russia, with per capita yogurt consumption of just 16 kg, and the United States, with only 6 kg a year. Compare that with 30 kg in Spain. Obviously, Fresh Dairy Products has an older business model than our other business lines. It may not be quite as fast-moving. But it's clearly changing now—and in strategic markets to boot.

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Two thousand twelve edition — DANONE — 5

**Business model – Strategy – Growth drivers**

Ahold

Arla

Aurubis

Axfood

Balfour Beatty

BG

Boliden

British American Tobacco

Concordia Maritime

Cramo

Electrolux

Fujitsu

Indra

Johnson Matthey

Lindab

Metso

Morrisons

Pacific Basin

PotashCorp

Randstad

Rexam

Saint-Gobain

Sasol

Strabag

Teijin

Wolseley

Yara



## Business model – Strategy – Growth drivers

OPERATIONS | MARKET

# How the metals market works

The metals market can be said to comprise two subsidiary markets: the market for concentrates (raw materials), where mines and smelters are the market players, and the market for finished metals, where smelters and metal consumers are the market players.

### The metals market's income components

#### From metal...

The market for metal concentrates – the mines' end product – is a global one. The bases for the mines' income are the base metal prices that are set daily on the London Metal Exchange (LME) and the precious metal prices that are set by the London Bullion Market Association (LBMA). These prices are controlled by the global supply of and demand for base and precious metals. The increased demand for metals from China and other populous countries has resulted in increases in base metal prices in recent years. The metal price trend is also affected by the supply of metal concentrates from the world's

mines, and if mines are to be willing to invest in future production, they need prices that compensate for their investments in exploration, the risk associated with growth investments, and increased production costs. When metal prices fall, mines invest less in growth which, in turn, reduces the concentrate supply in the medium term.

A number of factors affect a mine's income. Concentrates with a higher payable metal content and only smaller amounts of impurities yield higher income. A high percentage of valuable by-products, such as gold and silver, also has a positive effect on income and competitiveness.

Treatment and refining charges (TC/RC)\*, i.e. the payment received by the smelters for refining the raw material into finished metals, also have an effect. For a given metal price, lower TC/RC means that the mine's income increases because TC/RC comprise a deduction from the metal price and hence define the purchase prices paid by the smelters.

\* Refining charges (RC) refer to the final stage in the copper smelters' refining of copper, gold and silver metals. The zinc smelters' processes do not include a corresponding refining stage and RC is consequently not a component of the zinc smelters' income.

### How the metal value is divided between mines and smelters (not to scale)



#### ...to sales

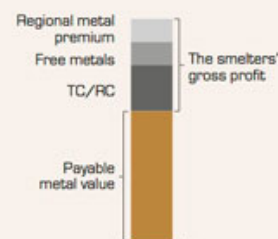
The smelters sell the finished metal at the LME price plus a regional metal premium. The smelters also receive remuneration in the form of treatment and refining charges (TC/RC)\* for processing the metal concentrate. TC/RC are paid by the mines by means of a deduction from the concentrate price. The zinc smelters' income is also affected by price-sharing clauses, which means that changes in the metals' market prices are shared between the mines and the smelters. TC/RC and price sharing clause levels are determined by the global balance between mined production and the smelters' demand for raw materials.

The smelters' income is also, in addition to TC/RC and price sharing terms,

affected by the volume of free metals produced, i.e. the metal production that occurs over and above the payable metal in the raw material. Just as with the price sharing terms, it is the current metal prices that determine the value of free metals. The metal premiums are negotiated on an individual customer basis and are affected by the regional balance between metal supply and demand.

\* Refining charges (RC) refer to the final stage in the copper smelters' refining of copper, gold and silver metals. The zinc smelters' processes do not include a corresponding refining stage and RC is consequently not a component of the zinc smelters' income.

#### Smelters' gross profits, excl. by-products\*\* (not to scale)



\*\* Smelters in general, and copper smelters in particular, also produce a number of by-products such as sulphuric acid, aluminium fluoride, sulphur dioxide and palladium concentrate.

## Key performance indicators

Adidas

AstraZeneca

Bombardier

British American Tobacco

British Land

Halma

IOI

IRC

Johnson Matthey

Loblaw

M&S (Marks & Spencer)

Morrisons

National Grid

PotashCorp

Randstad

Rexam

Rio Tinto

Rolls-Royce

Saab

Sasol

Securitas

Tesco

TransAlta

Vodafone

Wolseley

## Key performance indicators

Business Review

### Delivering our strategy

### Measuring performance – our KPIs

#### Financial KPIs

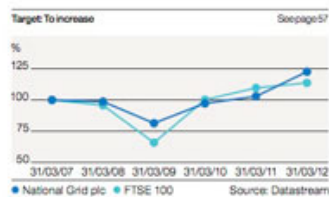
Strategic element*	Measuring performance for	KPI	Definition
All:	Financial outperformance	Total shareholder return	Average of the closing daily TSR levels for the 30 day period up to and including that date, assuming dividends have been reinvested
		Adjusted earnings per share	Adjusted earnings* divided by the weighted average number of shares
		Group return on equity	Adjusted earnings* with certain regulatory based adjustments divided by equity
		Regulated controllable operating costs	Regulated controllable operating costs, excluding bad debts, as a proportion of regulated assets

We measure the achievement of our objectives, make operational and investment decisions and reward our employees through the use of qualitative assessments and through the monitoring of quantitative indicators. To provide a full and rounded view of our business, we use non-financial as well as financial measures. Although all these measures are important, some are considered to be of more significance than others, and these more significant measures are designated as KPIs.

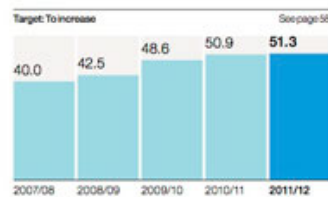
KPIs are used to measure our progress on strategic priorities, aligning with those activities that combine to deliver our strategy. Non-financial KPIs are often leading indicators of future financial performance as improvements in these measures build our competitive advantage, for example through attractive regulatory arrangements and in competition for future growth opportunities. Financial KPIs are trailing indicators of the success of past initiatives and specific programmes. They also highlight areas for further improvement and allow us to ensure our actions are culminating in sustainable long-term growth in shareholder value.

Commentary on our overall financial results can be found on pages 56 to 63, and information on the performance and financial results of each line of business is set out on pages 64 to 71.

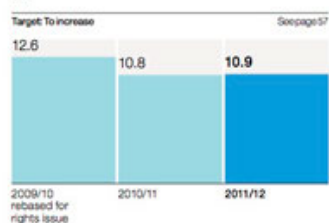
#### Total shareholder return (TSR)



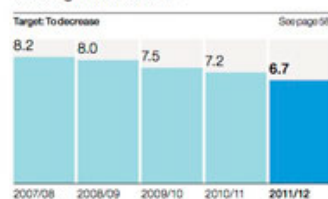
#### Adjusted earnings per share pence\*\*†



#### Group return on equity %‡



#### Regulated controllable operating costs % of regulated assets<sup>§</sup> ^



- # Refers to the four elements of our strategy: operational excellence; innovation & efficiency; engaging externally; and disciplined investment
- \* Adjusted earnings exclude exceptional items, remeasurements and stranded cost recoveries
- + 2007/08 data include continuing operations acquired with KeySpan for the period from 24 August 2007 to 31 March 2008 or as at 31 March 2008
- † Comparative data have been restated for the effect of the bonus element of the rights issue and the scrip dividend issues
- ^ 2007/08 results include KeySpan operations on a pro forma financial performance basis assuming the acquisition occurred on 1 April 2007
- ‡ Prior years restated for consistency. See page 57 for more information
- § Prior years have been restated on a constant currency basis

**Financial review – Management discussion and analysis**

Adidas

Bombardier

Cameco

Canadian Natural

Cenovus Energy

CLP

Daimler

Heidelberg

Hindalco Industries

Husky Energy

Infineon Technologies

Innergex

Itochu

Lanxess

Lufthansa

Philips

Rogers Communications

Sappi

Siemens

SNC-Lavalin

Suncor Energy

Tata Motors

Telus

Thomson Reuters

TransAlta

Weyerhaeuser

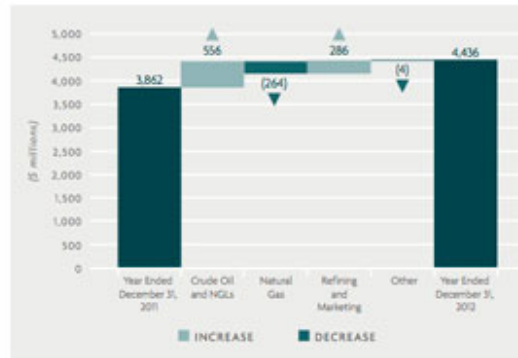
## Financial review – Management discussion and analysis

### Operating Cash Flow Variance for the Year Ended December 31, 2012 compared to December 31, 2011

Overall, operating cash flow increased \$574 million or 15 percent as operating cash flow from crude oil and NGLs and Refining and Marketing increased 27 percent and 29 percent, respectively.

The increase in operating cash flow from crude oil and NGLs was driven by increased production volumes, partially offset by lower average crude oil sales prices and higher operating costs. Operating cash flow from natural gas declined \$264 million (34 percent), as a result of lower average sales prices combined with reduced production volumes from expected natural declines and the divestiture of a non-core natural gas property in the first quarter of 2012. Refining and Marketing operating cash flow rose on improved refinery output, feedstock costs and crack spreads, partially offset by higher operating costs for planned turnarounds.

Additional details explaining the changes in operating cash flow can be found in the Reportable Segments section of this MD&A.



### CASH FLOW

Cash flow is a non-GAAP measure commonly used in the oil and gas industry to assist in measuring a company's ability to finance its capital programs and meet its financial obligations. Cash flow is defined as cash from operating activities excluding net change in other assets and liabilities and net change in non-cash working capital.

(\$ millions)	2012	2011	2010
<b>Cash From Operating Activities</b>	<b>3,420</b>	3,273	2,591
(Add Back) Deduct:			
Net Change in Other Assets and Liabilities	(113)	(82)	(55)
Net Change in Non-Cash Working Capital	(110)	79	234
<b>Cash Flow</b>	<b>3,643</b>	3,276	2,412

### Cash Flow Variance for the Year Ended December 31, 2012 compared to December 31, 2011

In 2012, our cash flow increased \$367 million or 11 percent primarily due to:

- A 25 percent increase in our crude oil and NGLs sales volumes;
- An increase in operating cash flow from Refining and Marketing of \$286 million due to improved refinery output, feedstock costs and crack spreads, partially offset by higher operating costs for planned turnarounds;

- Realized risk management gains before tax, excluding Refining and Marketing, of \$332 million compared to gains of \$82 million in 2011; and
- A decrease in royalties of \$102 million primarily as a result of increased capital investment at Foster Creek and Pelican Lake. In 2011, inclusion of the Foster Creek expansion phases F, G and H capital investment was approved as part of the Foster Creek royalty calculation, resulting in a \$65 million reduction in royalties in 2011.

## Goals – Targets – Outlook

Adidas

Alfa Laval

Arkema

Aurubis

BG

Bilfinger

Deutsche Post DHL

EDP (Energias de Portugal)

Hexagon

Infineon Technologies

Leoni

Lufthansa

Merck KGaA

Metso

MVV Energie

Novozymes

Panasonic

PotashCorp

RWE

Sapporo

SAS

Teijin

Telus

Toray

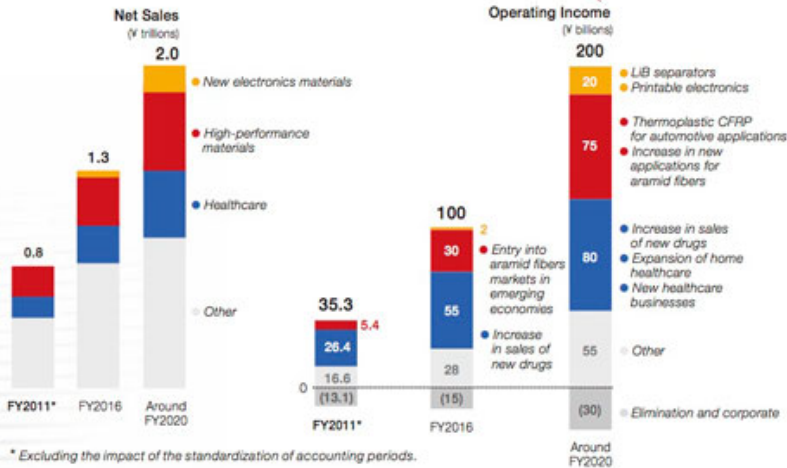
TUI

Vossloh

Zeiss (Carl Zeiss Meditec)

# Goals – Targets – Outlook

*Expanding operating income in the high-performance materials and healthcare businesses through fiscal 2020*



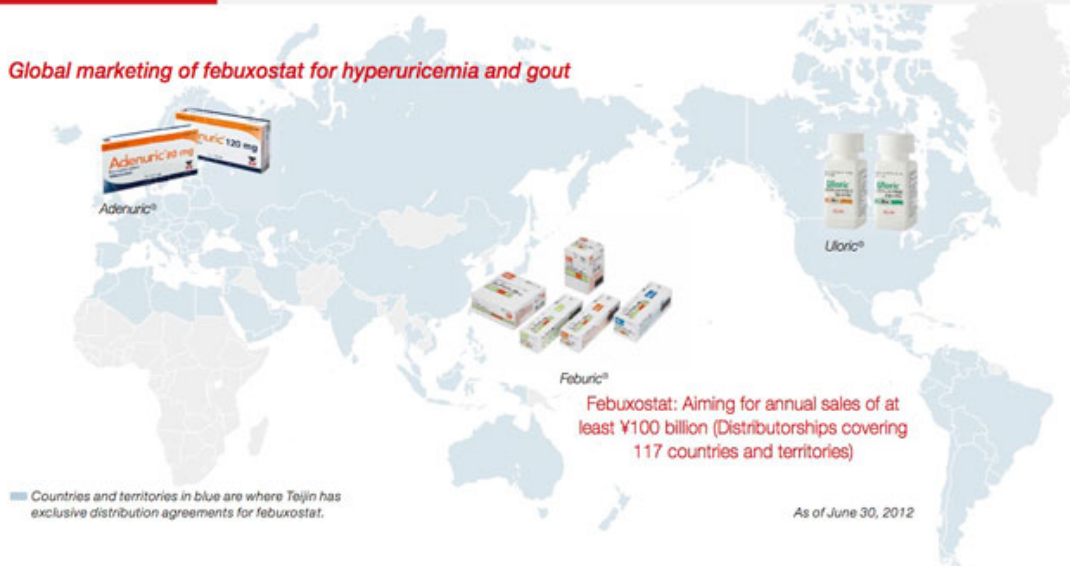
## Key Aspect 3 Growth drivers

Growth between now and fiscal 2016 will be driven by the expansion of our lineup of new pharmaceuticals and of advanced fibers. From fiscal 2016 on, our results will also be powered by thermoplastic composites for automotive applications, new electronics materials and new healthcare businesses, among others.

Novel gout and hyperuricemia treatment febuxostat is currently sold in more than 20 markets, including Japan, North America and several European countries. With recognition of the drug's efficacy growing, we are continuing to build a global network and have already signed exclusive distributorships for the drug covering 117 countries and territories. We are now preparing for launch in several new markets, including the People's Republic of China (PRC), Turkey and Mexico, and anticipate annual sales of the drug will eventually peak at over ¥100 billion.

Our aramid fibers business continues to see solid growth. The elimination of bottlenecks is facilitating continuous increases in production capacity. With sales expected to strengthen, particularly for automotive applications, ballistic protection products and fiber optic cables, we are currently considering expanding our production facilities in emerging economies and Asia.

### Global marketing of febuxostat for hyperuricemia and gout



## Risk factors, control and management

Adidas

Alfa Laval

Anglo American

Arla

AstraZeneca

CLP

IHG (InterContinental Hotels)

Johnson Matthey

M&S (Marks & Spencer)

National Grid

Philips

Rexam

RWE

Sandvik

Sasol

SCA

Smiths

Statoil

Sumitomo

TDC

Technip

Telkom Indonesia

Telus

Tesco

Trelleborg

Wärtsilä

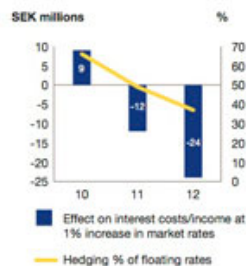
Wolseley



## Risk factors, control and management

### 90 Financial statements

#### INTEREST SENSITIVITY ANALYSIS VERSUS HEDGING % OF FLOATING RATES



The reason for the positive effect during 2010 is the size of cash, bank and current deposits relative to the un-hedged part of total debt. Due to the increased loans in 2011 and 2012 the effect becomes negative.

In total this means that the Group has a comparably low interest risk.

#### Market risk

Market risk is defined as the risk for changes in the value of a financial instrument due to changed market prices. This applies only to financial instruments that are listed or otherwise traded, which for Alfa Laval concern bonds and other securities and other long-term securities totalling SEK 140 (118) million. The market risk for these is perceived as low. For other financial instruments, the price risk only consists of currency risk and interest risk.

#### Liquidity risk and refinancing risk

Liquidity risk is defined as the risk that the Group would incur increased costs due to lack of liquid funds.

Refinancing risk is defined as the risk that the refinancing of maturing loans becomes difficult or costly. The loans of the Group are mainly long term and only mature when the agreed loan period expires. This means that the Group during the foreseeable future does not need to refinance maturing loans. Since the maturity of the loans is distributed over time the refinancing risk is reduced.

In 2006 Alfa Laval made a private placement in the U.S. The offer was over-subscribed and was closed at USD 110 million, corresponding to SEK 714 million. The loan matures in April 2016.

In connection with the acquisition of Tranter Alfa Laval signed a bilateral term loan with SHB of EUR 25 million, corresponding to SEK 215 million. The loan matures in December 2013.

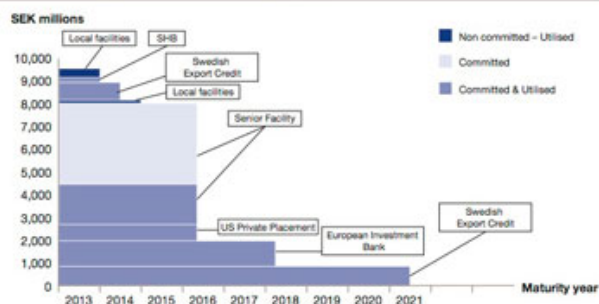
Alfa Laval has a senior credit facility of EUR 301 million and USD 420 million, corresponding to SEK 5,324 million with a banking syndicate. At December 31, 2012 SEK 1,784 million of the facility was utilised. The facility matures in April 2016, with a one-year extension option.

Alfa Laval has a bilateral term loan from Swedish Export Credit split on one loan of EUR 100 million that matures in 2014 and one loan of EUR 100 million that matures in 2021, corresponding to SEK 1,723 million in total.

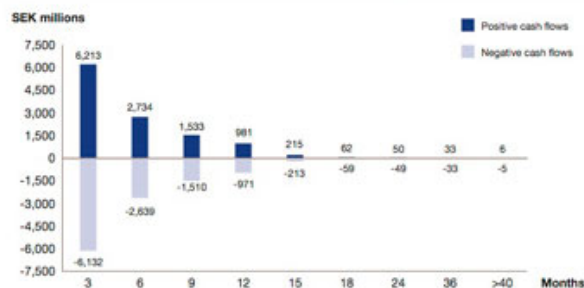
Alfa Laval also has a bilateral term loan from the European Investment Bank of EUR 130 million, corresponding to SEK 1,120 million. The loan matures in 2018.

In summary the maturity structure of the loans and the loan facilities is as follows:

#### MATURITY STRUCTURE OF GROUP FUNDING



#### MATURITY STRUCTURE OF FINANCIAL DERIVATIVES



#### Cash flow risk

Cash flow risk is defined as the risk that the size of future cash flows linked to financial instruments is fluctuating. This risk is mostly linked to changed interest and currency rates. To the extent that this is perceived as a problem, different derivative instruments are used to fix rates. See description of exposure and hedging measures under interest risk. See the maturity structure of financial derivatives above.

#### Counterparty risks

Financial instruments that potentially subject the Group to significant concentrations of credit risk consist principally of cash, deposits and derivatives.

The Group maintains cash and bank and short and long-term investments with various financial institutions approved by the Group. These financial institutions are located in major countries throughout the

world and the Group's policy is designed to limit exposures to any one institution. The risk for a counterparty not fulfilling its commitments is limited through the selection of financially solid counterparties and by limiting the engagement per counterparty. The Group performs periodic evaluations of the relative credit standing of those financial institutions that are considered in its investment strategy. The Group does not require collateral on these financial instruments.

The Group is exposed to credit risk in the event of non-performance by counterparties to derivative instruments. The Group limits this exposure by diversifying among counterparties with high credit ratings and by limiting the volume of transactions with each counterparty.

In total it is the Group's opinion that the counterparty risks are limited and that there is no concentration of risk in these financial instruments.

## Leadership, governance and compensation

Anglo American

Associated British Foods

AstraZeneca

Balfour Beatty

BP

BT

Centrica

Diageo

EGCO

Ericsson

GSK (GlaxoSmithKline)

Halma

IHG (InterContinental Hotels)

J Sainsbury

M&S (Marks & Spencer)

Morrisons

PTT

Reed Elsevier

SABMiller

Shanks

Sime Darby

Tesco

Unilever

Vodafone

Whitbread

Wolseley

WPP

# Leadership, governance and compensation

Governance

Marks and Spencer Group plc

Annual report and financial statements 2012 41



**Martha Lane Fox**  
Non-executive director

Appointed in June 2007, Martha's considerable expertise in e-commerce and experience in the successful operation of online and consumer-facing businesses is helping to develop and challenge our multi-channel strategy. Martha is the UK's Digital Champion and Chair of Go ON UK. She chairs the Government's Digital Advisory Board and is a non-executive director of MyDeco.com. She was a non-executive director of Channel 4 Television until January 2012. Martha is well-known as one of the co-founders of lastminute.com, which she took public in 2000. She is the founder and Chair of LuckyVoice.com and of her own grant-giving foundation, Antigone.org.

**Member of the Audit and Nomination Committees**  
Independent



**Jan du Plessis**  
Senior Independent Director

Appointed as a non-executive director in November 2008 and Senior Independent Director on 1 March 2012. Jan has considerable business and brand experience, having sat on the boards of a number of leading companies across a variety of industries. Jan is Chairman of Rio Tinto plc. He was formerly Chairman of British American Tobacco plc and RHM plc and a non-executive director of Lloyds Banking Group. He was also Group Finance Director of the Swiss luxury goods group Richemont until 2004.

**Member of the Audit, Nomination and Remuneration Committees**  
Independent



**Miranda Curtis**  
Non-executive director

Appointed on 1 February 2012, Miranda has considerable experience within the international consumer and technology sectors and extensive experience of the global broadband cable industry. In her 20-year career with Liberty, Miranda led the company's investments in digital distribution and content operations across Continental Europe and Asia-Pacific, most notably in Japan. Miranda is Chairman of Waterstones, a non-executive director of Liberty Global Inc and was a non-executive director of National Express Group plc until 11 May 2012.

**Member of the Nomination and Remuneration Committees**  
Independent



**Vindi Banga**  
Non-executive director

Appointed on 1 September 2011, Vindi has extensive consumer brand knowledge and global business experience, acquired over 30 years in a number of senior roles within the consumer goods industry at Unilever plc, including President of the Global Foods, Home and Personal Care businesses, and as a member of the Unilever Executive Board. Vindi is a partner at private equity investment firm Clayton Dubilier & Rice and a non-executive director of Thomson Reuters and Maruti Suzuki India Ltd.

**Member of the Nomination and Remuneration Committees**  
Independent

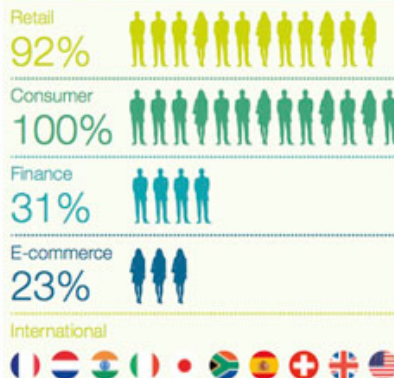


**Amanda Mellor**  
Group Secretary and Head of Corporate Governance

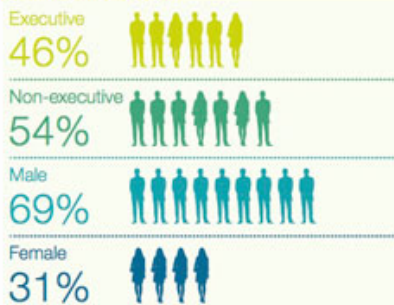
Appointed in July 2009, Amanda was appointed a non-executive director of Kier Group on 1 December 2011.

## Board diversity

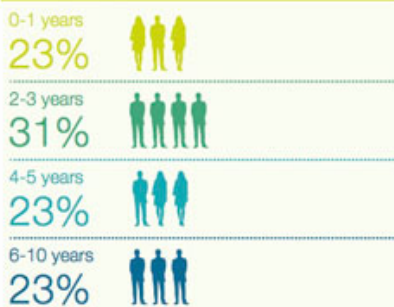
### Board experience



### Board composition



### Board tenure



Overview

Strategic review

Financial review

Governance

Financial statements and other information

## Corporate responsibility – Sustainability

Accor

Air Liquide

AkzoNobel

Casino

Danone

Fortum

Holmen

Iberdrola

Inditex

Kesko

Kyocera

Michelin

Novo Nordisk

Omron

Puma

REN

Ricoh

Saint-Gobain

Sodexo

Stora Enso

Technip

Teijin

Toray

Umicore

Vattenfall

Wärtsilä

Wipro

## Corporate responsibility – Sustainability

158

Social statements

Annual report 2012  
Umicore

## S3 People development



## Group data

	unit	2008	2009	2010	2011	2012
Sites having a development plan in place for people development	% of total sites	-	-	-	59.60	70.10
Employees having a yearly appraisal	% of workforce (fully consolidated)	-	-	-	87.16	91.80
Average number of training hours per employee	hours/employee	51.21	44.05	43.30	51.94	50.72
Average number of training hours per employee – Men	hours/employee	-	-	-	53.20	51.75
Average number of training hours per employee – Women	hours/employee	-	-	-	47.37	46.04
Average number of training hours per employee – Managers	hours/employee	-	-	-	61.84	64.15
Average number of training hours per employee – Other employee categories	hours/employee	-	-	-	48.55	45.57

Training hours: Average number of training hours per employee, including all types of training (formal, training on the job, E-learning, etc.) in which the company provides support and which are relevant to the business unit or the company. The total number of training hours is divided by the total workforce of fully consolidated companies.



## 2012 regional data

	unit	Europe	North America	South America	Asia-Pacific	Africa	Umicore Group
Average number of training hours per employee	hours/employee	46.56	37.75	76.29	60.27	65.41	50.72
Employees having a yearly appraisal	% of workforce (fully consolidated)	93.58	87.33	100.00	81.74	100.00	91.80

## 2012 business group data

	unit	Catalysis	Energy Materials	Performance Materials	Recycling	Corporate	Umicore Group
Average number of training hours per employee	hours/employee	72.92	47.29	40.18	52.29	40.03	50.72
Employees having a yearly appraisal	% of workforce (fully consolidated)	87.73	91.79	90.50	96.07	93.32	91.80

Umicore

## Historical data, charts, ratios

Adidas

Daiwa House

Docomo (NTT Docomo)

EDP (Energias de Portugal)

Electrolux

Gorenje

Hindalco Industries

Husqvarna

Indutrade

IOI

JX

Lukoil

MVV Energie

Neste Oil

ONGC

Philips

PTT

Puma

Sappi

SAS

Sasol

Skanska

TDC

Telekom Austria

TransAlta

Volvo

Wärtsilä

## Historical data, charts, ratios

Share capital by shareholder category



- Swedish companies and institutions, 43%
- Shareholders abroad, 23%
- Private individuals in Sweden, 17%
- Public sector, 3%
- Other shareholders in Sweden, 10%
- Relief and interest organizations, 4%

Source: Euroclear

Share capital by size of holdings



- 1-500, 3%
- 501-1,000, 3%
- 1,001-5,000, 8%
- 5,001-10,000, 3%
- 10,001-15,000, 1%
- 15,001-20,000, 1%
- 20,001-, 81%

Source: Euroclear

The largest shareholders in Skanska AB, ranked by voting power, December 31, 2012

Shareholders, excluding Skanska's own holdings	Series A shares	Series B shares	% of votes	% of capital
Industrivärden AB	12,667,500	22,329,795	24.9	8.3
Lundbergs	6,037,376	9,050,000	11.6	3.6
Alecta	0	34,535,000	5.8	8.2
AMF Insurance & Funds	0	17,679,600	2.9	4.2
Swedbank Robur Funds	0	17,435,956	2.9	4.2
Nordea Funds	0	14,356,201	2.4	3.4
SEB Funds & Trygg Life Insurance	0	6,712,308	1.1	1.6
Didner & Gerge Funds	0	6,500,000	1.1	1.5
SHB Funds & Life Insurance	0	6,201,122	1.0	1.5
Carnegie Funds	0	6,100,000	1.0	1.5
<b>10 largest shareholders in Sweden</b>	<b>18,704,876</b>	<b>140,899,982</b>	<b>54.7</b>	<b>38.0</b>
Other shareholders in Sweden	1,220,139	162,713,312	29.2	39.0
<b>Total in Sweden</b>	<b>19,925,015</b>	<b>303,613,294</b>	<b>83.9</b>	<b>77.1</b>
Shareholders abroad	22,628	96,342,135	16.1	22.9
<b>Total</b>	<b>19,947,643</b>	<b>399,955,429</b>	<b>100.0</b>	<b>100.0</b>

Sources: S5 Ågärservice.



The Skanska Employee Ownership Program has about 9,900 participating employees worldwide. Through the SEOP, they are collectively the third largest shareholder in Skanska.

Equity and adjusted equity

SEK bn	Dec 31 2012	Dec 31 2011	Dec 31 2010
Equity attributable to equity holders	19.2	19.4	20.7
Unrealized surplus land value, Residential Development	1.0	1.0	1.0
Unrealized Commercial Property Development gains <sup>1</sup>	4.1	4.4	3.5
Unrealized Infrastructure Development gains	3.3	2.8	6.8
Less standard corporate tax on surplus values <sup>2</sup>	-0.7	-0.8	-0.6
<b>Adjusted equity</b>	<b>26.9</b>	<b>26.8</b>	<b>31.4</b>
Equity per share, SEK <sup>3</sup>	46.59	47.17	50.27
Adjusted equity per share, SEK <sup>4</sup>	65.32	65.10	76.30

<sup>1</sup> Market value upon completion.<sup>2</sup> Standard tax on surplus values was 10%.<sup>3</sup> Equity attributable to equity holders divided by the number of shares outstanding at year end.<sup>4</sup> Adjusted equity divided by the number of shares outstanding at year end.

Shares by category at December 31, 2012

Share type	Number of shares	% of capital	% of votes
Series A	19,947,643	4.8	33.3
Series B	399,955,429	95.2	66.7
<b>Total</b>	<b>419,903,072</b>	<b>100.0</b>	<b>100.0</b>

Changes in number of shares (millions) and share capital

Year and event	Reduction	Bonus Issue	New share issue	Number of shares	Share capital, SEK M
2001 cancellation of repurchased shares	-9.2	-	-	104.7	1,255.7
2001 split 4:1	-	314.0	-	418.6	1,255.7
2006 new share issue, Series D shares	-	-	4.5	423.1	1,269.2
2011 redemption of series D shares	-3.2	-	-	419.9	1,259.7

Skanska Annual Report 2012

Share data 27

Skanska

## Online reporting

AkzoNobel

Audi

BASF

Ericsson

Home Depot

Indra

Johnson Matthey

Konica Minolta

Land Securities

Nutreco

Outokumpu

Philips

PotashCorp

Rexam

Royal Dutch Shell

Shire

Smiths

Statoil

Straumann

TDC

Tesco

Thomson Reuters

Veolia Environnement

Wärtsilä

Wolseley

Wolters Kluwer



## Online reporting

2012 ANNUAL REPORT

Letter to Shareholders  
Financial Performance  
Our Leadership  
Change Into Opportunity



# Turning Change Into Opportunity

Seeing the bigger picture of change can be challenging – but the right information and tools can transform change into insight and new ideas. And opportunity.

At Thomson Reuters, we're in the business of turning change into opportunity.

[WHAT DOES OPPORTUNITY LOOK LIKE? →](#)

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### Thomson Reuters

**Note:** Online annual reports are considered here, not corporate or IR websites.

## Style – Design – Layout

Ahold

Air France-KLM

Associated British Foods

CIC

Clariant

Danone

Electrolux

Innergex

Jeronimo Martins

Johnson Matthey

Land Securities

Lemminkäinen

Michelin

Noble

Pernod Ricard

Qantas

REE

Sanofi

Seb

Stora Enso

Technip

Toray

Unibail-Rodamco

Whirlpool

Wienerberger

Wolters Kluwer

Style – Design – Layout

48 |  
Annual Report 2012 | 6. Committed to employees

# 6

## A QUALIFIED, MOTIVATED, COMMITTED AND INNOVATIVE TEAM

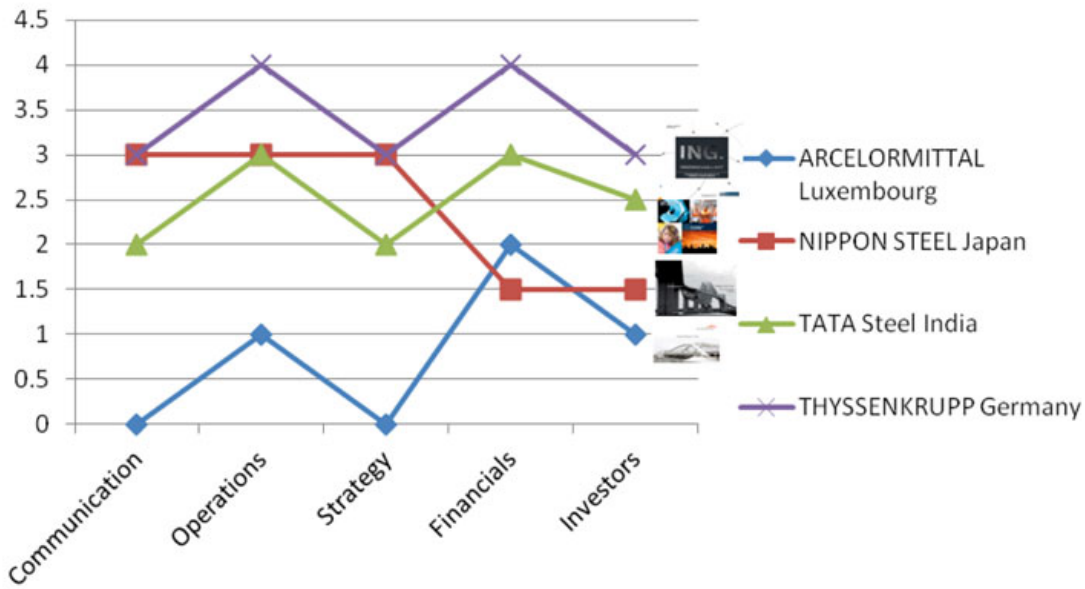
We foster talent, equality,  
security, and stable and  
quality employment

The image is a vertical graphic with a solid pink background. On the right side, there is a black silhouette of a person wearing a hard hat and safety harness, climbing a vertical metal tower. At the bottom of the image, there are silhouettes of several wind turbines and a large electrical transmission tower. The overall design is clean and modern, using high contrast between the black silhouettes and the pink background.

REE

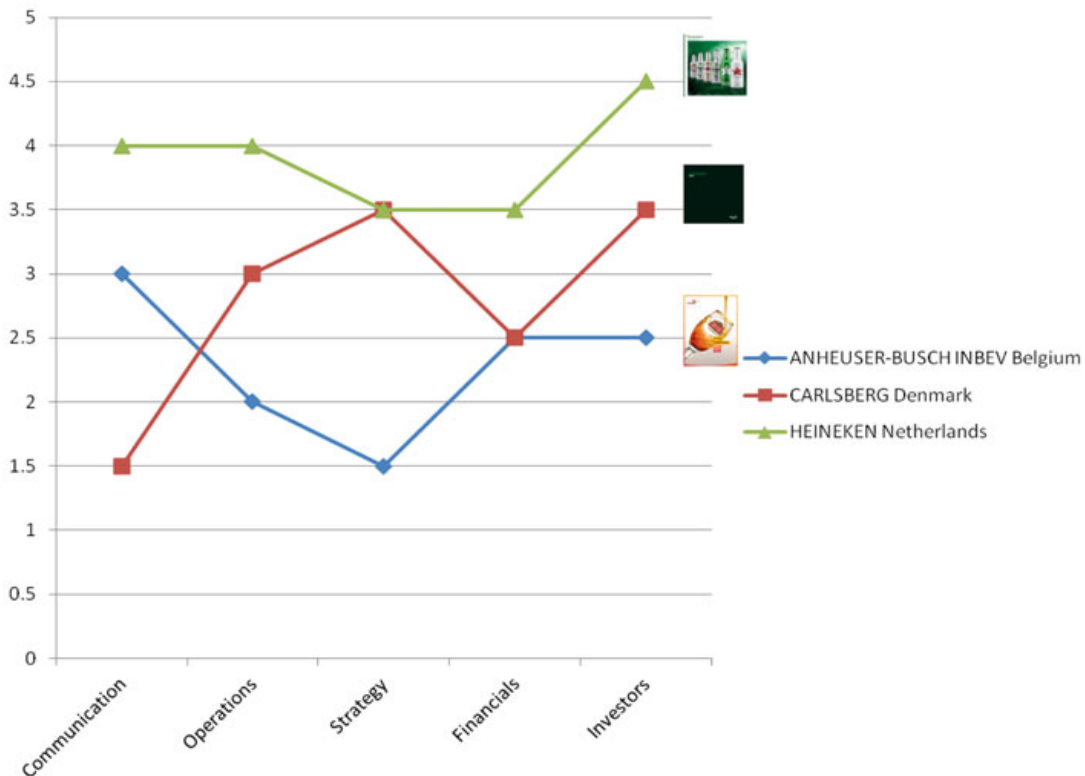
# Industry report benchmarking

## Steel and metals



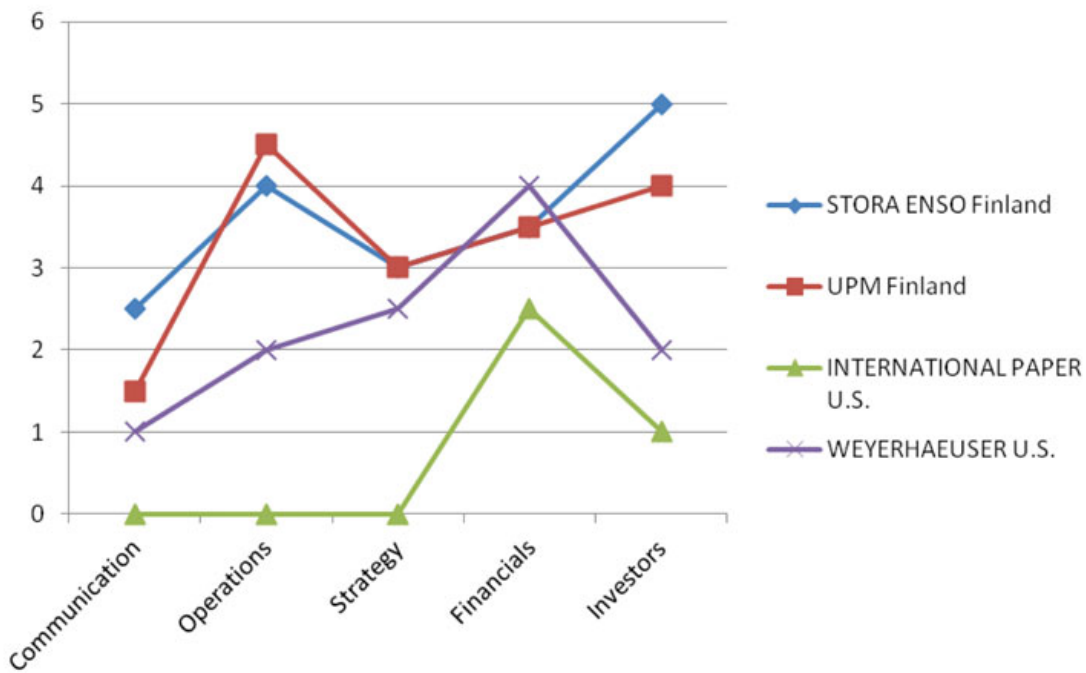
Note: Operations include sustainability. Investors include governance.

## Beer



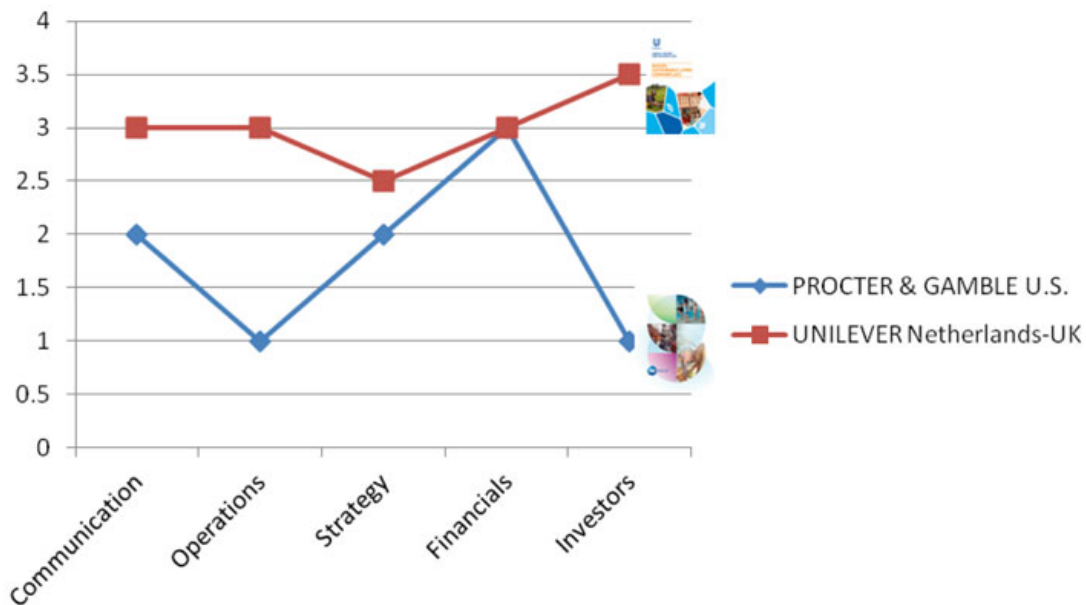
Note: Operations include sustainability. Investors include governance.

## Paper



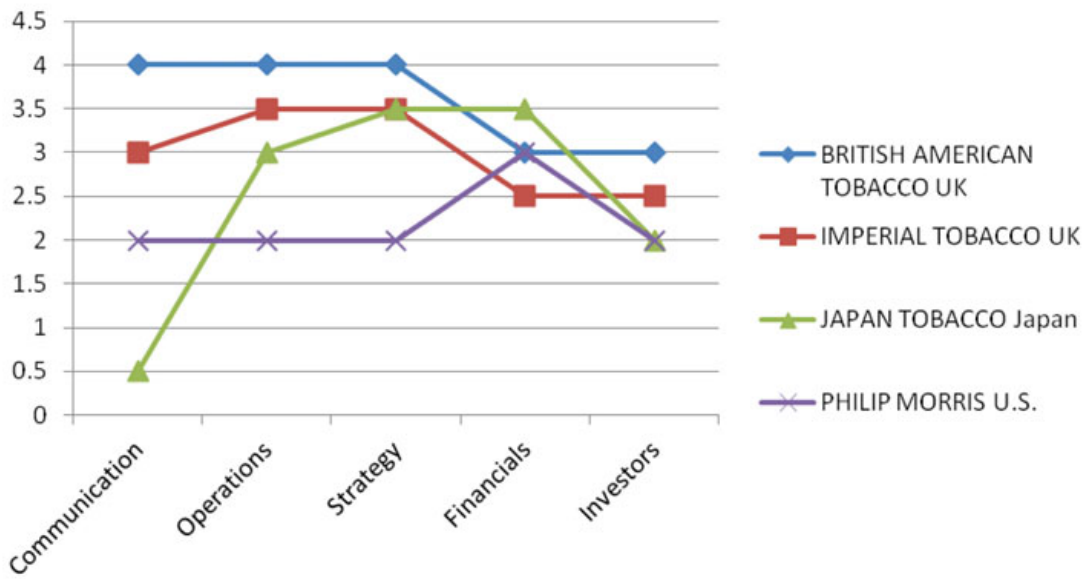
Note: Operations include sustainability. Investors include governance.

## Procter & Gamble vs. Unilever



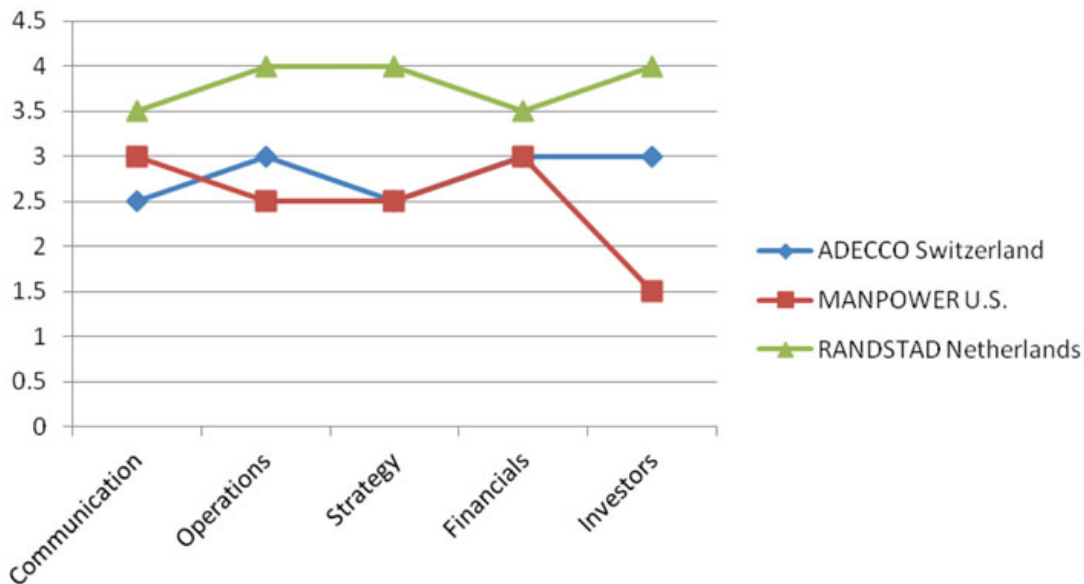
Note: Operations include sustainability. Investors include governance.

## Tobacco



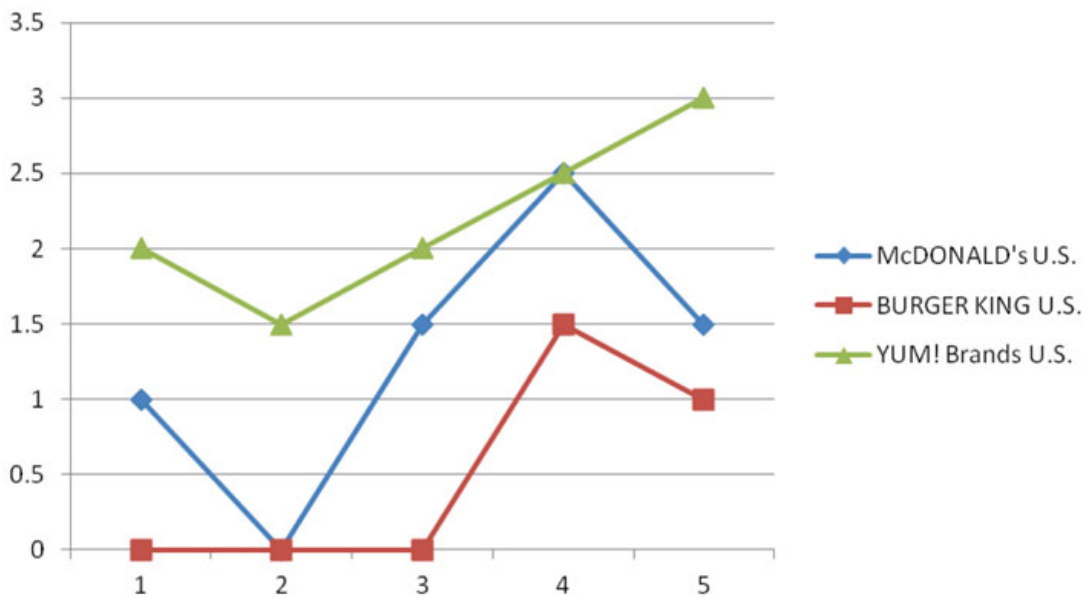
Note: Operations include sustainability. Investors include governance.

## Staffing services



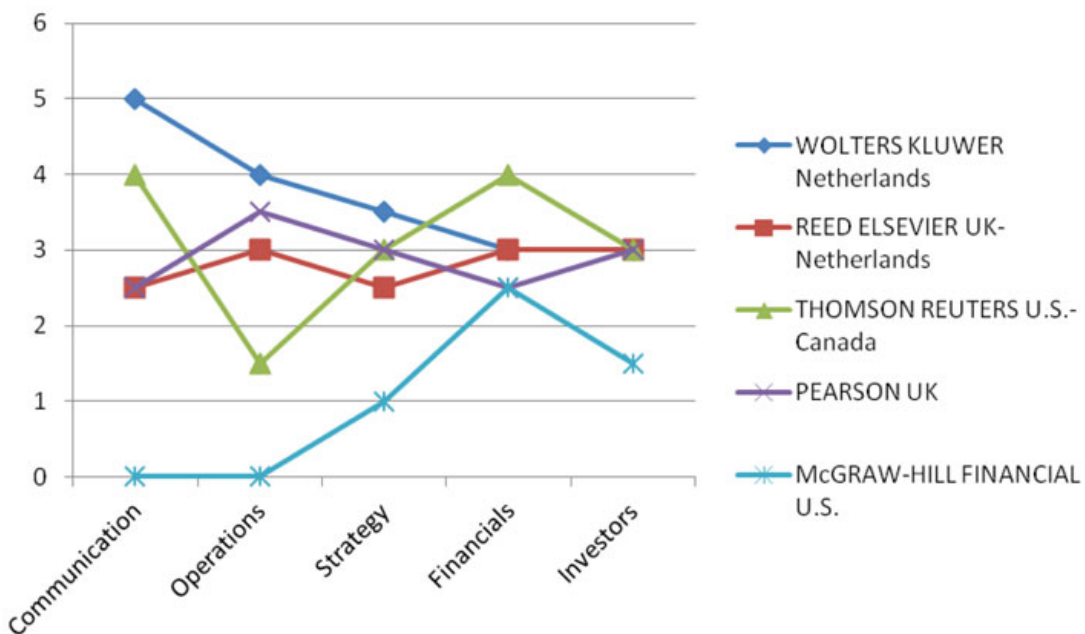
Note: Operations include sustainability. Investors include governance.

### Fast food



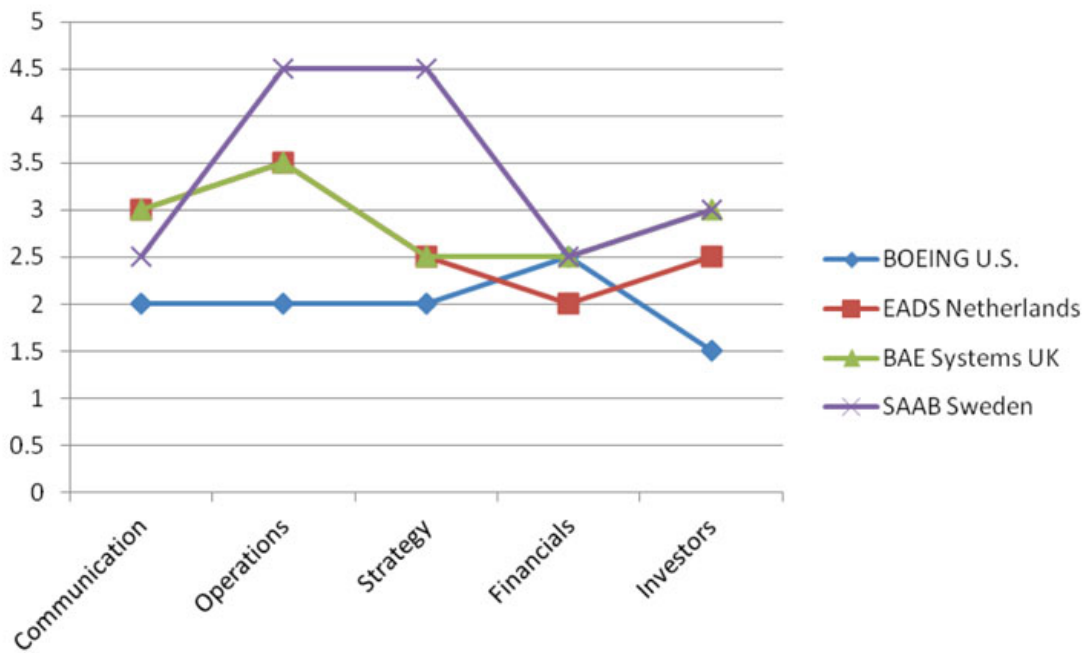
Note: Operations include sustainability. Investors include governance.

### Publishing and information services



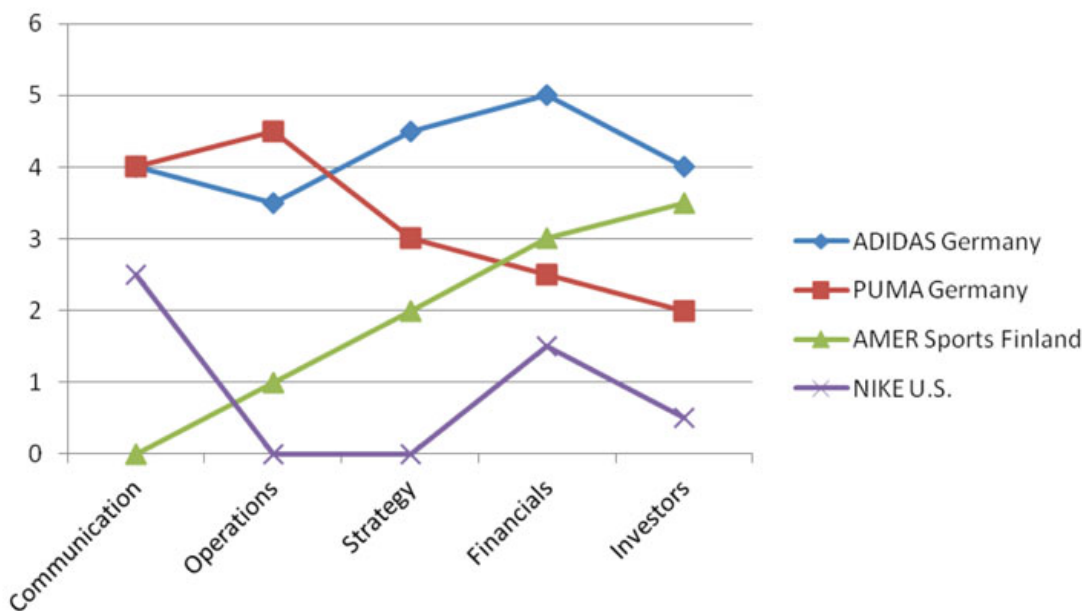
Note: Operations include sustainability. Investors include governance.

## Aerospace



Note: Operations include sustainability. Investors include governance.

## Sports equipment and apparel



Note: Operations include sustainability. Investors include governance.



## How the survey is conducted

### What is the purpose of the Annual Report on Annual Reports?

The *Annual Report on Annual Reports* was created in 1996 at the Enterprise Group, a small Brussels-based international management consultancy which had set up a reporting unit (spun off into e.com in 1999) to advise companies (mainly yet not only in the financial sector) on their annual reporting process and content. Now in its 17th year, the main purpose has not changed: surveying and benchmarking best reporting practice in order to strive for higher standards in financial reporting, investor relations, stakeholder information, and corporate communication. With higher report value for shareholders, richer report content, better access to company information for all stakeholders, increased investor confidence, and decreased cost of capital as subsequent results.

### What is ReportWatch?

ReportWatch is the denominator, trademark and website for the report monitoring, scanning, scoring and rating process that results in the *Annual Report on Annual Reports*, which is posted online yearly in August. Based both on e.com's internal desk research and an external panel of reporting specialists, this survey of annual reports' best practice is often regarded as the most comprehensive, international and authoritative survey on annual reports (see <http://www.reportwatch.net/uploads/files/what-readers-and-users-think.pdf> for readers' comments and <http://www.reportwatch.net/best-annual-reports/media/> for corporate and other financial and business media coverage).

### How are companies selected?

The ReportWatch monitoring process starts with the selection of a sample -from 250 to 500 when the survey was launched to about 1,500-2,000 for last years' surveys- of listed companies. Our sources for selection include published international and local rankings as well as internal desk research based on company position in their industry, peer groups, and past report records. Many of the large(st) companies are therefore part of the primary selection yet a significant number disappears later due to insufficient report quality. These last years, we have also recorded an increasing number of spontaneous applications from company report makers who want to benchmark their report against best practice.

Though imperfectly -owing to various factors such as lower reporting standards, emerging reporting practices, less developed IR policies, or the lack of report applications- our list of companies and their reports is a relatively representative cross section which reflects the industrial, geographical and stock market diversity upstream, and best reporting practice downstream. The fact that a majority of reports rated and ranked come from Western and Japanese origins is thus not entirely our responsibility. Still, following the shift in the global economy, the number of reports from other areas has increased, though not as fast as expected.

Our main goal is to be selective and representative rather than comprehensive. Although striving for a sample as representative and large as possible, we easily admit to cover a small portion of the worldwide quantity of listed companies, now estimated at more than 40,000. A survey of all of them would probably be a mission impossible to accomplish.

A ranking is competitive in nature. ReportWatch has toughened up the competitive dimension by going for a direct comparative approach. Every report scanned is immediately compared with a peer. As a result, some industries, companies and reports are left out, while some reports are left in just because they are compared to higher ranked peers.

Of course that penalizes hundreds of (un)known companies whose annuals might certainly deserve a good rating.

**Note.** The name of the company that appears in the *Annual Report on Annual Reports* is the one as referred to on the covers or as written or abbreviated in key report sections (profile, message). For legibility reasons, legal forms or words such as corporation, company, group, holding, etc. are not reproduced. Except for clarity and communication, names do not take into account mergers, acquisitions or brand identity changes that might have occurred and been approved after the fiscal year-end or the report release.

## Why focusing on listed companies...

Was the annual report invented first for listed corporations to report to their shareholders? The answer is not certain, yet is most probably positive. There are hundreds of thousands or millions of institutions in the world releasing yearly reports, and some of these can be very exciting (some even much more than dull or puff pieces from the private sector). The fact is that *"in 1959, IBM hired Paul Rand, a prominent book designer, to create its annual report. As a result, the high-concept annual report was born."* (Addison Annual Report Handbook 2005). As for any survey, a scope has to be defined. Since its inception the *Annual Report on Annual Reports* has therefore focused on reports from listed firms. (°) These can be compared more easily, and this is even more the case due to the effects of globalization, permanent access to information channels (and internet), and the application of international accounting and reporting standards.

Though the selection and the evaluation criteria remain primarily based on stock-listed companies we leave the doors open to any company who wants to submit its annuals for rating.

That explains why the readers find an increasing number of less known (yet) companies, including privately or government-owned companies (small or larger) in our ranking -some of them producing annuals that rival with, and sometimes outstrip listed firms' documents.

(°) Note. As a consultancy, e.com regularly advises privately owned and publicly (or government) controlled institutions.

## ... and not including the following?

Reports for a fiscal year ending any time in the year 2012 (January 2013 at the latest) were considered. Were not considered for selection in the *Annual Report on Annual Reports*:

- Reports for a fiscal year before or after 2012 or interim/quarterly reports.
- Financial sector companies (banks, insurance, investment funds, financial holdings) (see below);
- Privately owned companies (except those electing to compete);
- Purely government-owned companies (except those electing to compete or those compared with);
- Wholly-owned subsidiaries (except those electing to compete);
- Investment, income, mutual or real estate funds and trusts;
- Listed stock exchanges;
- Central banks;
- Development or reconstruction banks and similar financial institutions;
- Public agencies;
- Non-profit organizations from any sector.

A line has to be drawn somewhere. The above are not included in our survey due to the inapplicability of a significant part of report evaluation criteria based on listed companies, as well as to various comparability and consistency reasons (apples and oranges).

## Why are reports from the financial sector no longer rated?

For consistency, comparability and credibility reasons, it was decided in 2009 not to select financial sector institutions for the *Annual Report on Annual Reports*, i.e. annuals for annus horribilis 2008 (a sinking feeling: the page for risk reporting examples was already “*intentionally left blank*” for 2007 reports in the previous year survey). The large number of repeated incidents, crises and malpractices in the banking and insurance industries these last years question the input and output of reporting -and would make difficult -and risky!- its subsequent evaluation.

That does not imply that there are not (very) good and even improved reports in the sector, such as some who ranked (some of them high) in past competitions. Outside ReportWatch, with its solid track record in the assessment and benchmarking of reports in the financial sector, e.com keeps on providing evaluation services to some financial institutions that keep on striving for higher reporting standards and best practice -and there are still some.

## What is judged –the company or the report?

The scoring, rating and ranking are based on an evaluation of the company report and output and cannot be interpreted as such as an assessment -and even less a rating!- of the company that releases the report. Put plainly, ReportWatch scans the how and, to some extent, the what is reported and not as such the who and the why. As our cautionary statement goes, the *Annual Report on Annual Reports* does not represent directly (what about indirectly?) an offer to buy, sell, hold or trade the securities to which the reports cited or ranked in this survey are related. That said, investors, especially long-term ones and other stakeholders, might infer some opinions and decisions based on report content for last year and consistency in reporting over a period of time. (°) *“The key point (in a report) is to get as much of the information that management uses when making its decisions out there, so investors can understand it,”* explains Ken Lever, formerly in charge of Tomkins annual report.

After all, shouldn't a company who treats its current shareholders, potential investors and other stakeholder audiences well, not least through good reporting practice, deserve more market confidence than others?

Even though a relationship may sometimes be found between company, report and (shareholder) value, talking of a correlation would be excessive. Reflect on the following:

- Before the late-2000s financial crisis, some of the financial sector institutions that later showcased malpractice stood out among report good or best practice.
- Good performance does not necessarily translate into good reports. In the middle of the worst financial crisis in decades (see: *Annual Report on Annual Reports 2009*), almost 60 percent of annual reports rated A were made by companies making (much) decreased profits or losses.
- Likewise, company size or reputation does not mean good reports per se. All over the years some among world-famous companies have never been capable of publishing high-quality annuals (take Apple and Microsoft among many examples). While others, especially in North America, have moved from good quality annuals to pure compliance exercises resulting in illegible or very poor reports (the list of bad examples would be too long).

(°) For tracking historical annual report performance, use our ranking index available at <http://www.reportwatch.net/best-annual-reports/a-z-ranking-index/>.

## Is report entry free?

Bar the above-mentioned restrictions, any company may submit its annuals at any time.

Participation in the survey is entirely free of charge, except of course for mailing, downloading, copying or printing costs incurred.

Naturally, a report submission does not automatically guarantee rating and ranking.

The use of e.com report evaluation services is no prerequisite to -and no guarantee for- being selected, rated and ranked and is independent of the ReportWatch process and the results as published in the *Annual Report on Annual Reports*. We view that as a guarantee of neutrality.

## Which documents are assessed?

Documents named, linked to and referred to as “*Annual Reports*” are assessed, as well as summary versions (reviews, overviews...). Corporate social responsibility (CSR) and sustainability reports are assessed, either in printed, PDF or online format, not as a whole but as a component of annual reporting. Proxy forms or separate governance documents are considered when provided.

Reports simply made up of a legal file (e.g. 10-K, 20-F or other similar GAAP and proxy forms) are only considered as eligible -even if they fail to match a significant number of our evaluation criteria- when they are compared to more elaborate reports. That explains why a number of well-known blue chips who stick to purely legal reporting forms do not qualify for being rated and do not appear in the ranking.

## Printed or online reports?

The sharply increasing use of the Web as a corporate communication and investor relations channel is reckoned with. Most of the ReportWatch process is now based on HTML reports or PDF versions downloaded from corporate websites. However, connecting the dots from an online report can be a difficult exercise. Printed copies, PDFs, printouts or effective (!) e-books are still preferred when it comes to in-depth report screening. When an online report is judged as optimized for reading, the scoring and rating is based on it. In other situations, and these still constitute a very large majority, PDF, e-book or printed versions are scanned.

The ReportWatch criteria are based on report content and apply whether published on paper or on screen. The investor, analyst, stakeholder and any reader should find the information required by regulatory bodies as well as what the company makes available beyond compliance whatever the mode of communication. Except for communication and a few specific aspects, all evaluation criteria (see below) apply in both printed (or PDF) and web (or HTML) contexts.

Does that imply that an online report should simply be a copy-and-paste of a printed one (the so-called “interactive” 10-K being the most laughable example) or, in the future, vice versa? Certainly not. Corporate and investor websites can be used to (re)format, (re)structure, (re)build annual and other reports, and, in best practice, to add value by providing extra features and contents for stakeholders. These aspects are taken into account in our scoring and rating job.

## Which evaluation criteria are used to score the reports?

Report scanning and scoring is the first stage of the ReportWatch assessment process. It is carried out by e.com report analysts (financial analysts, investor relations specialists, corporate communication advisers, accountants, economists, copywriters, at senior or junior levels) and provides a basis for final ratings by the rating panel. Finally, it results in the report ranking published in the *Annual Report on Annual Reports*.

Globalization of markets, round-the-clock cross-border investment flows, internationalization of reporting standards and their implementation, and the increased complexity of reporting requirements have resulted in an overall improvement of reporting practices around the world and a larger degree of homogenization of annual reports over the last decade.

Those trends have made the ReportWatch evaluation and scoring job more difficult. In the first five years of the *Annual Report on Annual Reports* two-thirds of top 100 reports were rated B or lower on key reporting areas. These last years, 60 percent of top 300 reports have been rated B+ or higher. Despite a gap between lowest marked reports and top ones almost as big as a decade ago, this year there is a 25-mark difference between top 10 annuals and the ones ranked around 200-250. That is much, or a little, depending on the viewpoint.

Report evaluation criteria have to cope with trends and challenges. As a result, they have evolved and are updated and upgraded regularly. Modifications in evaluation criteria may sometimes impact on report score, rating and ranking. Though e.com-ReportWatch emphasis has always been placed on financial and performance reporting and investor indicators, report assessment criteria have consistently been based on a well-balanced perspective blending financial and business analysis; short- and long-term performance aspects; strategy and operations; visual and textual elements; share- and broader stake-holders issues; information content and communication style -whether in print or online.

In 2013, we have gone for a major overhaul, by making the scanning process more condensed (25 attributes and reporting areas) and to the point.

The report evaluation criteria comprise:

Online navigation - Introduction - Profile/Overview - Key figures - Message - Identity and branding - Key performance indicators - Strategy - Outlook and targets - Business report - Financial review and discussion - Risks - Investor information - Share items - Sustainability - Social and environmental impact - Leadership - Governance - Compensation - Statements and notes - Charts - Style and design.

The scoring process is the first stage of the ReportWatch assessment. It is carried out by e.com report analysts (financial analysts, investor relations specialists, corporate communication advisers, accountants, economists, copywriters, at senior or junior levels) and it provides a basis for final ratings by the rating panel and results in the report ranking published in the *Annual Report on Annual Reports*.

## Are the report marks made public?

Only the ratings are made public. In line with our tradition since the launch of this survey, the total score or its breakdown is never publicly disclosed. It may be obtained by companies or via their advisers/agencies through an order for a Report Scan (an edited output of e.com's internal desk research for the *Annual Report on Annual Reports*). (°) The revenues generated through scans and other evaluation services help us produce the *Annual Report on Annual Reports* -and keep it independent.

(°) Scans are among the numerous evaluation services that enable e.com to publish a self-financed survey based on independent research. Go to <http://www.reportwatch.net/e-com/making-reports-pay-off/> for more information.

## How are reports rated? What is role of the rating panel?

Based on the marks resulting from e.com's scanning job, an internal rating is given to reports. The primary role of the independent rating panel is then to cross-check top reports scored by e.com and to help move from a very quantitative and "dry" scoring to a more qualitative rating, based both on intrinsic report value and communication towards various investor and stakeholder audiences. As a result, some reports are upgraded while others are marked down, from slightly to significantly.

Up to one third of top 100 reports moves up or down in the ranking after the rating panel's intervention. Because of rising reporting standards -from 2002 to 2013, the number of reports rated B+ and above has increased by more than 50%-, better practices and increased homogeneity in requirements, and like for the scoring job (see above), the rating task is more difficult than in the past.

Panel members are appointed for their experience and expert knowledge in corporate reporting, financial communication, investor and public relations, and any matter related to report publication and content (see separate section for panelists' profiles). ReportWatch works with all-round and specialist panelists. The ReportWatch rating panel has always been characterized by its diversity (see <http://www.reportwatch.net/best-annual-reports/report-rating/>).

Panel members have to judge independently of their own interests. Individual votes are not publicly disclosed. The final ratings and ranking as published in the *Annual Report on Annual Reports* are the sole responsibility of e.com - ReportWatch.

Ratings and rating agencies have drawn a lot of criticism these last years, mainly due to the use and misuse of measurements, questionable accuracy, misjudgments, etc. It is worth reminding that, even when based on objective assessment criteria -what we are trying to achieve with our methodology- ratings are also often made up of more subjective judgments and perceptions, and cannot completely exclude bias. Our report ratings should therefore be seen as indicative and not be considered as an opinion about the companies/stocks/investments' past and future performance.

## Report scan?



### How is your report doing?

What is your report rating? How does it score -in total and on all evaluation criteria used for the *Annual Report on Annual Reports*? Order a REPORT SCAN. An edited output (°) of desk research done by e.com report analysts, it provides your company (or advisers) with the score breakdown for 25 report items and a summary of pluses and minuses for each of them.

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(°) For copywriting and editing reasons allow a few weeks for Scan delivery.

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# Report rating panel -and picks

## The report rating panel



## Reg Pauffley



Reg Pauffley is widely regarded as one of the most experienced figures in global corporate communications. Reg's credentials stem largely from his experience as the founder of what is now Further, a major UK corporate design consultancy. Under Reg's direction (1984 to 2001), Pauffley became a reference in both corporate brand development and global reporting and communications. Clients included a number of global blue chips and FT European top 300 companies. After having been in charge of business development at Merchant and having acted as chairman at Likemind, he now spends a great deal of his time mentoring small to medium size creative firms with their business development. Reg is the longest-serving external member on ReportWatch's rating panel.

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## Kaevan Gazdar



Kaevan Gazdar is responsible for corporate reporting at HypoVereinsbank, one of Germany's largest banks, now part of the Italian-based Unicredit Group. The bank was awarded many times in German report rating competitions. Kaevan is co-author of the annual report book "*Geschäftsbericht ohne Fehl und Tadel*" and also published books on corporate citizenship and corporate communication (including "*Unternehmerische Wohltaten: Last oder Lust?*"). He is a member of the jury of the Good Company ranking, the author of "*Reporting Nonfinancials*", and has held seminars and talks at various venues, including FT Knowledge, MCE and Ethical Corporation.

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## Vero Escarmelle



A marketing and communications manager at RICS Europe (pan-European office of the UK-based property professionals' body), Vero previously worked in marcom positions at Research International (a WPP company), for a U.S. firm and at The Enterprise Group (e.g. in marketing and communication activities in Southeast Asian markets). She was the co-founder and marketing manager of the reporting unit (spun off into e.com in 1999) and of the Annual Report on Annual Reports. She worked on the annual report coordination (of communication, design and content areas) for a few financial institutions and has stayed an adviser and panel member to the ReportWatch team ever since.

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## Jakob Ivarsson



Jakob is a highly respected communication consultant with a rich experience acquired through the production of several annual reports for some of the largest Swedish companies. He contributes with strategy, structure and contents in order to clarify the company's message and the report as a vehicle towards stakeholders. Jakob runs the Stakeholder Communication company in Gothenburg. Prior to his present occupation he held a position as senior advisor and partner at Solberg, one of Sweden's leading corporate communication consultancies on financial reporting. He is also a deputy board member of the Swedish IR Association.

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## Robert Berick



Now the Managing Director of Falls Communications, for more than 20 years, Rob Berick has provided senior counsel to management teams and their boards of directors on various capital market, communications, and governance matters. Throughout his career, Rob has worked with public and private companies across a wide range of market sectors - including energy, consumer products and industrial manufacturing - to enhance valuation and engage investors. Similarly, he has specialized expertise in managing the flow of information during such special situations as leadership transitions, M&A activity, initial public offerings, as well as shareholder activism campaigns and proxy fights.

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## Pravin Ujjain



Pravin K Ujjain keeps a close watch on global best practices in corporate reporting and boasts of his personal collection of over 750 great Annual Reports from across the globe. An avid annual report enthusiast, he is the CEO of AR Insight, an annual report consulting firm in India that has shaped more than 100 annual reports for 50 companies. AR Insight is aggressively promoting the cause of enhanced reporting standards amongst Indian companies through a dedicated online journal 'ReportInsights.com' and an Annual Symposia 'AR Conclave' that was organized in three leading Indian cities (Mumbai, New Delhi and Bengaluru) in 2012.

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## Dennis Larsen



Dennis is a management consultant specialising in reputation and CSR. His clients include large multinationals and small and medium sized companies. With degrees in Economics and Corporate Communications (with honours), Dennis continues to teach at BI Norwegian Business School and Rotterdam School of Management executive MBA programmes. When not immersed in corporate communications and reputation management work, he can be found on remote Norwegian mountains in winter and running around London parks in marathon training the rest of the year.

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## Mike Guillaume



Mike is the co-founder and managing director of e.com-ReportWatch, a London-based firm that specializes in report assessment and benchmarking. Recognized as a leading international expert on corporate and financial reporting, he has reviewed thousands of reports and consulted for 100-plus international companies, and is the co-founder and editor of the Annual Report on Annual Reports. Prior to that, as an executive director of The Enterprise Group, his track record includes an extensive entrepreneurial and global management consulting experience in Europe, North America and Southeast Asia. An economist, financial analyst and investor relations specialist, Mike is also the author of "*The Seven Deadly Sins of Capitalism*" (new edition 2013).

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### Some panel's picks





### Adaro Energy (No. 88)

Report makers are trying very hard -and achieving- to tell the story in an engaging manner and in a great amount of detail, not least on the investor proposition.



### Novo Nordisk (No. 46)

A highly informative and insightful report. It pulls you into the story and really provides an understanding of what the company does, its purpose and potential. It's also very well written and designed.



### Concordia Maritime (No. 61)

This book made me want to learn more about the company. I can think of no higher praise.



OMV  
Moving more. Moving the future. OMV

### OMV (No. 246)

Nicely done report, surprisingly readable despite being so copy heavy. Does a nice job of realistically outlining where the company has been and where it is heading.



### Stora Enso (No. 36)

The magazine is not wasted paper and is very engaging to the reader. The responsibility report is substantial.



### Xerox (No. 267)

*There is more to Xerox than what comes to mind* message established quite emphatically. A succinct and purposeful message that sells CEO's vision of the company convincingly.



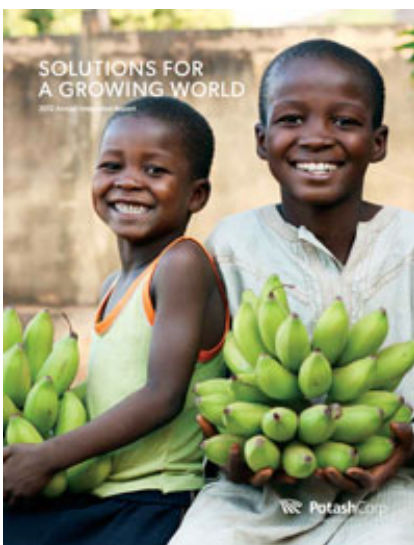
## Trelleborg (No. 17)

Among the most extensive risk sections, very welcome for a complex business. Comments and graphs conveniently placed. A poster is used to depict *the world of Trelleborg*.



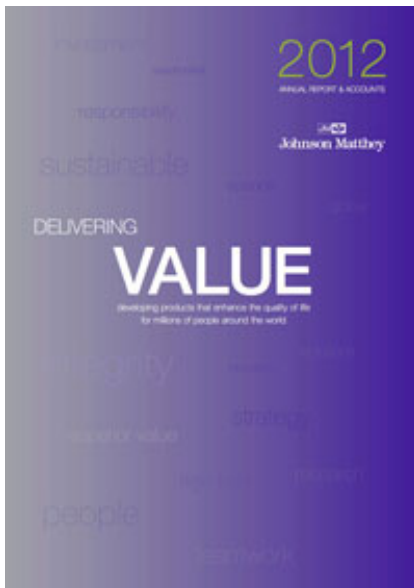
## SAS (No. 9)

Lots of excellent charts. Key messages are conveyed and rightly highlighted in a difficult context.



## PotashCorp (No. 6)

A very well-structured piece sustaining its value reporting theme throughout, appealing yet in a no frills layout. Good example of coherent integrated reporting. Highly relevant charts too, that can be downloaded separately.



## Johnson Matthey (No. 35)

*Global Drivers Impacting the Chemical Industry* are mapped, KPIs are well defined, *Risks and Uncertainties* are made clear, the operating review is paced with case studies, both in PDF and a user-friendly HTML format.

## How is your report doing? Two scanning options

### The Report Scan



What is your report rating? How does it score -in total and on all evaluation criteria used for the *Annual Report on Annual Reports*?

Order a REPORT SCAN. An edited output (°) of desk research done by e.com report analysts, it provides your company (or advisers) with the score breakdown for 25 report items and a summary of pluses and minuses for each of them.

The price? € 990 or US\$ 1,300 or £ 850.

(°) For copywriting and editing reasons allow a few weeks for Scan delivery.

E-mail your order to: [e.com@reportwatch.net](mailto:e.com@reportwatch.net)

### The Quick Scan



What are the major plus and minus points in your annual report?

Order the QUICK SCAN. A brief rundown of strong and weak points of the PDF or HTML report. An affordable way to have a glance at report pluses and minuses (e.g. for non-listed companies, IPOs, agencies, first-time users).

The Quick Scan is provided via email only.

The price? € 330 or US\$ 450 or £ 280.

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## Making reports pay off



### Report evaluation and benchmarking services by e.com

e.com provides report evaluation tools and reporting assessment services to help companies report better or best, on paper and online.

The bottom lines:

- Mirror company value
- Show investor value
- Enhance report value
- Increase stakeholder value

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**Q: What are the major plus and minus points in the annual report?**



**A:** A *Quick Scan* answers.

**Benefit:** A brief rundown of strong and weak points of the PDF or HTML report (sent via email only).

**Q: What are the strengths and weaknesses of the latest annual report?**



**A:** A Report Scan sums up.

**Benefit:** A scan of how report items match the 25 evaluation criteria used for the *Annual Report on Annual Reports*.

**Q: How does the report compare with a major competitor's one?**



**A:** A Report Match compares.

**Benefit:** Compares, scores and comments on how two peers' reports stack up on 25 report items.

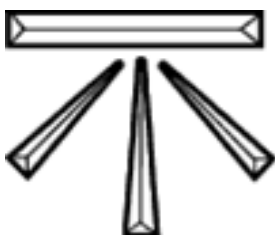
**Q: How does the company report on 40 report items and reporting areas?**



**A:** A thorough Annual Report Screening answers.

**Benefit:** Screens and marks 40 reporting areas and items (online or in print) re. online features, financials, strategy, segments, share, risk, sustainability, theme, message, visuals...

**Q: How does the report compare with industry peers, best practice, or investment alternatives?**



**A:** A Peer Group Benchmarking gauges.

**Benefit:** Benchmarks and rates a report against a peer group on all major report areas and indicators -with an aggregate scorecard and tips.

## e.com – Reportwatch



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## ReportWatch

### enterprise.com

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Our goal is to help our customers improve their “reporting bottom lines”, by reflecting company value, enhancing report value, showing investor value, and finally increasing stakeholder value.

e.com has developed an international, independent, integrated, content-based and competitive approach to assess and compare annual reports -in print and online- as well as other investor information instruments and corporate/market communication tools.

Our founders, staff and network have operated in 30 countries and consulted for 160 companies on more than 400 reporting operations and reviews; from Amsterdam to Tokyo, Stockholm to Vancouver, Hong Kong to Illinois. Our direct customers are CFOs, IR officers, CC managers, report teams of listed blue chips. Our clientele also includes spin-offs, IPOs, consultants, analysts, communication/PR/IR and design agencies...

A spin-off from The Enterprise Group (est. 1986, inc. 1990, liq. 1999), e.com is now a U.S.-U.K. venture. The company is independent and not affiliated with any bank, government, accounting, auditing or rating institution or professional organization.

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Created in 1996, and now in its seventeenth edition, based both on e.com’s internal desk research and an external panel of reporting specialists, the survey of annual reports’ best practice is often regarded as the most comprehensive, international, independent and authoritative survey on annual reporting.

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