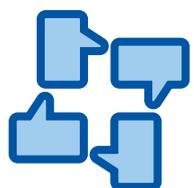


TRANSPARENCY IN PRIVATE SECTOR



Transparency in Reporting on Anti-Corruption -TRAC-

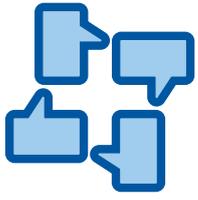
Waste Collection Companies



**Poder
Ciudadano**

Transparency International Chapter in Argentina

2013



Poder Ciudadano

Capítulo Argentino de Transparency International

Poder Ciudadano is a nonprofit organization founded in 1989 whose mission is to promote citizen participation, transparency and access to public information to strengthen the institutions of democracy through collective action.

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

Buenos Aires, October 2013

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Every effort has been made to avoid errors and to verify the accuracy of the information contained in this report. However, in a project that involves the interpretation of a series of documents, there will invariably be differences in regard to it. The research methodology designed to minimize them and the methodology for obtaining the final score took into account these issues to avoid aggravating the errors. Poder Ciudadano cannot accept responsibility for the consequences of its use for other purposes or in other contexts.

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Prologue

Poder Ciudadano understands that, fighting against corruption and encouraging transparency is essential to work and to raise awareness among all the actors involved and, in particular, private sector companies, due to their essential role in society.

The main ethic responsibility of a company towards its workers and the community should be the promotion of transparency and their struggle against corruption. On the one side, in order to do this, the commitment should come not only from top management but also from every member of the organization and on the other side; conditions must be generated so that the collaborators and customers of that company adapt their expectations and principles to those of the company.

Since ethics and transparency are intangible, most of the time, they do not receive the attention that they require. However, in each instance that an organization has contact with its surrounding and other lobbys, ethics and transparency are present and allow for people to somehow feel “identified” with the organization. Transparency is a required and unavoidable phenomenon towards a new social sensitivity, and it is the most effective tool to gain a certain company’s trust and certainty.

Given the social relevance of the private sector, one of the programmes that Poder Ciudadano has already been working on for some years is the “Contrataciones Públicas Transparentes” programme (Transparent Public Procurement). This programme’s objective is to promote the implementation of tools and standards of transparency for the procurements process that is carried out by the governments at different levels (national, provincial and municipal)

This report is written within this context and has as its objective elaborating a diagnostic testing of the policies and practices against corruption that exist, in particular, in the national companies sector which provides the public service of urban sanitazion in Argentina.

It is intended hereby to bring to light the state of the situation analyzing different components that will be detailed in this report, to create consciouness within the companies about the important role they play as actors in the war against corruption and as promoters of transparency in the market. Poder Ciudadano believes that the best way to fight corruption is through the consciouness and promotion of good practices.

The Study

A priority of Transparency International global work, in terms of the private sector, is the development of tools to facilitate the adoption and instrumentation of anti-bribery policies and practices within the companies.

The study “Transparency in Private Sector” (hereinafter referred as the “Study” or also “Report”) carried out by Poder Ciudadano is based on the methodology of the report “Transparency in Corporate Reporting: Assessing the World’s Largest Companies” first published by the secretariat of Transparency International in July 2012. The next edition of this global report will be published in spring 2014, and further editions may follow.

While the 2012 report was based on public information available in English only, the 2014 report will take into account public information on anti-corruption reporting of multi-national companies in the six official UN languages: Arabic, Chinese, English, French, Russian, and Spanish.

This Report of Poder Ciudadano considers public information available in Spanish. This fact may lead to deviations in company results between the global reports and the Report at hand if companies are covered in both reports and publish more or less information in one of the languages concerned. In addition, possible future changes to the methodology may lead to deviations in results.

Lastly, this Report was compiled with the support of the Transparency International Secretariat.

Methodology of the Study

TRAC aims to measure the level of transparency and access to information on private sector anti-corruption policies. The data collection instrument used in this case is a questionnaire (hereinafter the "Questionnaire") of 24 (twenty four) closed questions, which encompasses a broad spectrum of issues that affect corporate transparency.

Broadly, the methodology used was as follows:

1. Selection of the test sample
2. Research of the contact data of companies
3. Final adapting of the Questionnaire
4. Sending the Questionnaire to the companies
5. Data collection
6. Internal review of data
7. Feedback with companies regarding the data collected
8. Final review of the information
9. Development of recommendations
10. Writing of the Report

Chosen Private Sector Context

As mentioned previously, Poder Ciudadano has been developing for several years the “Contrataciones Públicas Transparentes” Programme (Transparent Public Procurements), from which it acts as an external observer in public tendering that are carried out by the governments. Most cases are tendering processes for contracting waste collection service and street sweeping.

This is no coincidence since usually those contracts are the most expensive that the local authorities have faced. On average, it is estimated that municipal waste collection services is between the 10 and 15 percent of the municipal budget and in the case of Buenos Aires city more than 20 percent. In turn, it cannot be ignored that the market is divided between few companies, which are monopolizers of very high profits.

From another perspective, it should be considered that public waste collection services generate a strong impact in the society, not only in economic terms but also in the quality of life of their neighbours and their environment. In this sense, the citizens are not only affected as mainly economic contributors to this public service, but also as recipients and final consumers of it.

As a consequence, Poder Ciudadano highlights that even though companies and governments involved in the management of this public service should provide complete accountability on the modality and quality of the of the provision of services on the one hand and the use of these public funds on the other, truth be told, the levels of transparency and access to information are extremely poor. Furthermore, the agencies of control at the local level are uneficient, so the sector has broad margins of discretion when it comes to stablishing the final amounts that the government should pay and the increases in prices during the execution of the contracts.

For the above mentioned reasons, Poder Ciudadano decided to apply the tool "Transparency in Reporting on Anti-Corruption" (hereinafter reffered as TRAC) exclusively in the scope of private companies providers of urban sanitation public service in Argentina, due to the fact that it considers that when applying that tool upon one of the most complex sectors in terms of public services it will be useful to make a diagnostic testing on the current situation of adoption and implementation of anti-corruption policies and practices.

The diagnostic test will serve as an important supply when discussing the standards of transparency in the waste collection sector. It will offer the basis to promote anti-corruption practices and will facilitate the design of tools for those who have the power to fight actively for transparency in the business arena. Poder Ciudadano is convinced that this Study will result in a product of high value for the local governments that are facing new processes of contracting this service.

Chosen Companies

Poder Ciudadano chose 18 (eighteen) companies as units of analysis of the Study, by following these criteria:

- They should be legally established companies in Argentina, and
- They should be providers or potential providers of services of collection, transportation, treatment and disposal of urban waste and/or hazardous waste.

The final selection was made completely at random¹, using an intentional sampling, which resulted in the selection of the following companies:

- Aesa Aseo y Ecología S.A.
- Agrotécnica Fuegoína S.A.C.I.yF.
- Ashira S.A.
- Cliba Ingeniería Ambiental S.A.
- Consorcio Trébol S.A.
- Covelia S.A.
- Ecociudad S.A.
- Ecohabitat S.A.
- Emepa S.A.
- Ersa Urbano S.A.²
- Garlik S.A.³
- Hábitat Ecológico S.A.⁴
- Industrias Metalúrgicas Pescarmona S.A.I.C.yF.
- Logística Urbana S.A.
- Martín y Martín S.A.
- Transportes Malvinas S.R.L.
- Transportes Olivos S.A.C.I.yF.
- Urbaser Argentina S.A.

¹ Except Ersa Urbano S.A. y Garlik S.A. companies (see notes 2 and 3).

² Ersa Urbano specializes in the service of urban transportation. Notwithstanding this it has been included in this Study because the company has been a bidder in the existing national and international public tender N° 977/2013 for contracting the waste collection service –wet waste- for Buenos Aires City, through a temporary union of companies formed with the company Logística Urbana S.A., both belonging to Ersa Group.

³ While Garlik SA does not include as its activities the provision of urban hygiene, it was included in the Study because it has been a bidder in the national and international public tender N° 977/2013 for contracting waste collection service -wet waste- for Buenos Aires City, through a temporary union of companies formed with the company Covelia S.A.

⁴ Beyond Hábitat Ecológico SA is a company which works in the collection, transportation, treatment and final disposition of waste which specializes in hazardous waste but not municipal solid waste, it was considered for the Study because of their skills of collecting waste, whichever the origin of these were.

Analyzed Dimensions

The complete Questionnaire is at the end of the present Report as Annex I.

Below there is a brief analysis of the dimensions in which it focused:

I. Anti-Corruption Programmes

This dimension emphasizes on the level of transparency regarding the implementation of the following tools to fight corruption: public declaration of fighting corruption made by the surveyed company and its leader, their commitment to comply with relevant standards in the field, applicability of the code of conduct and/or anti-corruption policy to all employees, agents and other intermediaries⁵ and contractors, subcontractors and suppliers⁶ of the company, an anti-corruption training programme for employees, policy of appropriate and inappropriate gifts and hospitality, policy forbidding facilitation payments⁷, prohibition of retaliation for reporting the violation of a policy, confidential reporting channels, regular monitoring of the programme and rules prohibiting political contributions made by the company or fully disclosure of them.

II. Organizational Transparency

The second dimension focuses on the transparency of the organizational structure of the company, more precisely in respect to: disclosure of fully consolidated subsidiaries or non-fully consolidated material holdings⁸ of the company, percentages owned in them and countries in which they are established and in which they operate.

III. Management Systems

While the TRAC tool from Transparency International provides one dimension of “Country by Country Reporting” for each country in which the company has operations, Poder ciudadano considered that the category should not be applied for this Study since the selected companies belonging to the sector that provides waste collection service -if not in totality, then certainly in its majority- are local companies.

As a consequence, the Questionnaire was adapted by removing that section and by adding a new one, concerning management systems. It analyzes the current situation of companies regarding the level of transparency of information on the implementation and / or certification of management systems and web publication of the respective certificates.

5 “Agents and other intermediaries” refer to agents, advisors and other authorised to act on behalf of, or to otherwise represent the company.

6 “Contractors, subcontractors and suppliers” generally refer to non-controlled persons or entities that provide goods or services under contract.

7 “Facilitation payments” are small, unofficial payments made to secure or expedite the performance of a routine or necessary action to which the company has legal or other entitlement.

8 “Non-fully consolidated material subsidiaries” include all non-fully consolidated entities, such as associated companies, joint-ventures, entities consolidated by equity method.

Score to Ponder

The Questionnaire consists of 24 (twenty four) multiple choice questions with the following score to ponder: "0" as the minimum, "0.5" as the intermediate (applicable only in some cases) and "1.0" as the maximum.

I. "Anti-Corruption Programmes" dimension score

Includes questions 1 to 13 and can generate a maximum score of 12 points if the company does not have a leader because in these cases question 3 would not apply; or 13 points if the business does have a leader and therefore question 3 does apply (notwithstanding what the option chosen in response is).

If it is unclear whether the company has or not a leader, question 3 will be included when calculating the score, so in these cases the maximum will be 13 points.

II. "Organizational Transparency" dimension score

Includes questions 14 to 21 and its maximum score could get to be 8 points.

However, Poder Ciudadano has decided to exclude this dimension in the adding of the final score and this because it has considered it would not be appropriate nor fair to rate them with "0.0" points if those companies do not have fully consolidated subsidiaries or non-fully consolidated material holdings and with "0.5" or "1.0" points to those that do have them and publicly report it. In the case of those that do not have subsidiaries they cannot be asked to disclose about their participation percentages or about the list of countries in which they are established or operating, etc. In this way they would always be obtaining a "0.0" score.

III. "Management Systems" dimension score

Poder Ciudadano granted the following score to questions 22 to 24,

- 22) Implementing of management systems without certification:
 - If they are implemented but not certified = 0.5
 - If they are not implemented = 0.0
- 23) Management systems' certification:
 - If they are certified = 0.5
 - If they are not certified = 0.0
- 24) Disclosure of the certificates:
 - If they are available = 1.0
 - If they are not available = 0.0

It should be clarified that in calculating the score of this dimension, they were considered the results of question 22 or question 23, but never at the same time. This means that:

- If the answer to question 22 was affirmative but negative to number 23, points were scored only by question 22,

- If the answer was affirmative in both questions 22 and 23, only the score of question 23 was considered because of the fact that if there is certification of management system, they are being implemented (question 23 includes question 22).

As a result, the maximum score that a company could obtain in this dimension was not 3, but 2 points, and this happened when the answers to questions 23 and 24 were affirmative.

Data Collection

The Study was carried out with compiled data from companies and they were acquired in two different ways:

- External - Data available on the official website

As a first step, Poder Ciudadano considered all the information available to the public on the company's official website, and from it a score was given to each of the questions in the Questionnaire afore mentioned.

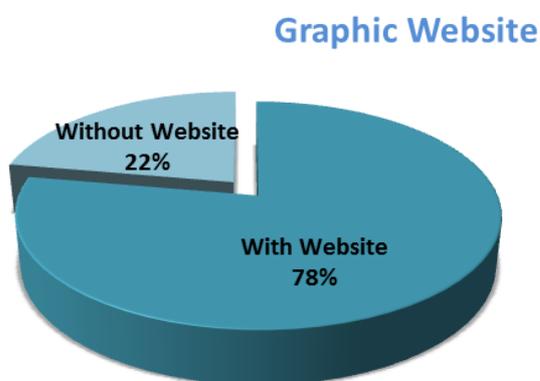
- Internal - Data obtained by written request

As a second step, Poder Ciudadano analyzed the information provided to the organization by a written request sent by standard mail to each company and to which the aforementioned Questionnaire was attached.

Data Available on the Official Website

This stage of the Study was oriented to determine the status of the companies regarding the three previously mentioned dimensions using the publicly available information on their websites, such as the latest sustainability report of the company, the financial statements, etc.

One of the first inferred results in the analysis done by Poder Ciudadano was that not all companies under analysis had a website. From the 18 chosen companies, 14 had a website while 4 did not.



Continuing with the Study Poder Ciudadano found that while 14 companies did have a domain (URL) in the web some of these had very peculiar situations:

- In one of the cases, the company site showed the text "undergoing maintenance" and a link that redirected the user to the website of the leader company to which it belongs. Thus, data were collected from that leader site.
- In another case, at the beginning of the investigation of this Study, the website of one company was "under construction", but during the course of it, this has been put into operation.
- In another website, the last news posted was dated 04/15/2011; therefore Poder Ciudadano assumed that the site was completely outdated.

Finally, taking this into consideration, Poder Ciudadano had to verify the contact details provided by each company on their websites.

As mentioned above, 4 of the 18 companies had no official website. For those who did have it, it was observed that some sites lacked of some contact information such as: address, phone number or email. Disregarding how important this could be if anyone wishing to contact the company could have several ways to do so.

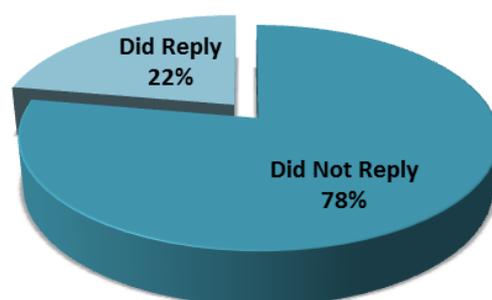
The full list of the companies and their websites can be found in the Anex II of this Report.

Data Obtained by Written Request

Despite of the lack of the official contact information of some of the companies chosen for the Study –since not all of have them on their official website- Poder Ciudadano sent the Questionnaire to those addresses and emails found by alternative data collection methods.

The aforementioned Questionnaire was then sent to the 18 companies listed at the beginning, along with a letter in which the purpose and the methodology of the Study were explained. Unfortunately, despite of the fact that companies had enough time to submit their answers, from the 18 companies, only 4 answered.

Graphic Reply to the Request



The companies that replied the request were:

- Agrotécnica Fuegoína S.A.C.I.yF.,
- Ashira S.A.,
- Transportes Olivos S.A.C.I.yF., y
- Urbaser Argentina S.A

Among these, the first 2 sent the Questionnaire filled in but without any attached documentation, and the last 2, Transportes Olivos y Urbaser Argentina -both belonging to the same bussines group of Spanish origin, GRUPO ACS⁹- limited themselves to send their General Conduct Code, and copies of some management systems certificates, without explicitly answering each of the questions from the Questionnaire.

After providing the feedback to the companies that replied to the request made by Poder Ciudadano, the organization has elaborated this Report, which condenses the relevant information about the behavior of companies providing waste collection services in Argentina, in the matter of fighting against corruption.

⁹ ACS Group. See: <http://www.grupoacs.com/>

Measured Transparency Index

Upcoming is the measured transparency index of the selected companies, with the results of the different dimensions surveyed: anti-corruption programmes, organizational transparency and management systems.

It is emphasized that the percentages calculated were made always considering that 100% is made up of the 18 companies chosen as the Study-sample. In spite of the fact that, as it was explained before:

- 14 companies had an official website, 4 did not.
- 4 companies replied the written request made by Poder Ciudadano, 14 did not.

The percentage of each dimension (between 0 and 100%) was calculated based on the maximum score for each section, that is:

I. Anti-Corruption Programmes

Maximum score of 12 points = 12 points is 100%

Maximum score of 13 points = 13 points is 100%

II. Organizational Transparency:

For the reasons developed earlier, this dimension was excluded from the final score.

III. Management Systems

Maximum score of 2 points = 2 points is 100%

This was the only section in which some companies not only got their scoring by the data available on the web (see WEB column) but also by the information provided to Poder Ciudadano from the written request sent to them by standard mail (see WR column).

Since both scores could not be summed (because it would be adding the same item twice), the score to be considered for the final total (measured transparency index) was calculated from the publicly available information on the web (WEB column).

Table I - Measured Transparency Index

COMPANIES	Anti-Corruption Programmes				Organizational Transparency				Management Systems				FINAL SCORE ¹⁰
	WEB		W.R.		WEB		W.R.		WEB		W.R.		
	S	%	S	%	S	%	P	%	S	%	S	%	
Transportes Olivos S.A.C.I.yF.	0	-	6	46.15 % ¹¹	N/A				2	100%	(1)	50 %	53.33 %
Urbaser Argentina S.A.	0	-	6	46.15 % ¹²	N/A				1	50 %	(1)	50 %	46.66 %
Agrotécnica Fuegoína S.A.C.I.yF.	0	-	6.5	54.16 % ¹³	N/A				0	-	(2)	100 %	46.42 %
Industrias Metalúrgicas Pescarmona S.A.I.C.yF.	4.5	37.50 % ¹⁴	0	-	N/A				1	50 %	0	-	39.28 %
Ashira S.A.	0	-	3	25 % ¹⁵	N/A				1	50 %	(2)	100 %	28.57 %
Consortio Trébol S.A.	0	-	0	-	N/A				2	100 %	0	-	13.33 %
Ecociudad S.A.	0	-	0	-	N/A				2	100 %	0	-	13.33 %
Transportes Malvinas S.R.L.	0	-	0	-	N/A				2	100%	0	-	13.33 %
Cliba Ingeniería Ambiental S.A.	0	-	0	-	N/A				1	50 %	0	-	6.66 %
Ersa Urbano S.A.	0	-	0	-	N/A				1	50 %	0	-	6.66 %
Logística Urbana S.A.	0	-	0	-	N/A				1	50 %	0	-	6.66 %
Martin y Martin S.A.	0	-	0	-	N/A				1	50 %	0	-	6.66 %
Aesa Aseo y Ecología S.A.	0	-	0	-	N/A				0	-	0	-	0 %
Covelia S.A.	0	-	0	-	N/A				0	-	0	-	0 %
Ecohabitat S.A.	0	-	0	-	N/A				0	-	0	-	0 %
Emepa S.A.	0	-	0	-	N/A				0	-	0	-	0 %
Garlik S.A.	0	-	0	-	N/A				0	-	0	-	0 %
Hábitat Ecológico S.A.	0	-	0	-	N/A				0	-	0	-	0 %

References:

WEB = Data available on the official Websites

W.R. = Data obtained by Written Request

S = Score

N/A = Not Applicable

10 Calculated on the maximum scores of the "Anti-Corruption Programmes" (12 points if the company has no leader or 13 points if it has it or if it is unknown whether it has it or not) and "Management Systems" dimensions (2 points).

11 Assuming 13 points as 100%.

12 Assuming 13 points as 100%.

13 Assuming 12 points as 100%.

14 Assuming 12 points as 100%.

15 Assuming 12 points as 100%.

“Anti-Corruption Programmes” Dimension Results

Table II - “Anti-Corruption Programmes” Dimension Results

Q	Transparency on information about the existence of:	1.0		0.5		0.0	
		WEB	W.R.	WEB	W.R.	WEB	W.R.
1	Publicly stated commitment to anti-corruption	-	-	1	-	17	17
				5.55 %		94.44 %	94.44 %
2	Publicly commitment to be in compliance with all relevant laws, including anti-corruption laws	1	-	-	-	17	18
		5.55 %				94.44 %	100 %
3	A statement in a corporate report or in public pronouncements on integrity in which the leader demonstrates support the fight against corruption	-	2	-	-	18	16
			11.11 %			100 %	88.88 %
4	Applicability of code of conduct and anti-corruption policy to all employees, in a explicit way	1	3	-	-	17	15
		5.55 %	16.66 %			94.44 %	83.33 %
5	Applicability of code of conduct and anti-corruption policy to all agents and other intermediaries, in a explicit way	-	1	1	2	17	15
			5.55 %	5.55 %	11.11 %	94.44 %	83.33 %
6	Applicability of code of conduct and anti-corruption policy to contractors, subcontractors and suppliers, in a explicit way	-	2	1	2	17	14
			11.11 %	5.55 %	11.11 %	94.44 %	77.77 %
7	Anti-corruption training programme for its employees in place	-	-	-	-	18	18
						100 %	100 %
8	Policy defining appropriate/ inappropriate gifts, hospitality and travel expenses	-	3	-	1	18	14
			16.66 %		5.55 %	100 %	77.77 %
9	Policy that explicitly forbids facilitation payments	-	2	-	-	18	16
			11.11 %			100 %	88.88 %
10	Prohibition of retaliation for reporting a violation of the anti-corruption policy	-	1	-	-	18	17
			5.55 %			100 %	94.44 %
11	Channels through which employees can report potential violations of policy or seek advice in confidence	1	3	-	1	17	14
		5.55 %	16.66 %		5.55 %	94.44 %	77.77 %
12	Regular monitoring of its anti-corruption programme	-	-	-	1	18	17
					5.55 %	100 %	94.44 %
13	Policy prohibiting political contributions or if allowed, full disclosure of these	-	-	-	-	18	18
						100 %	100 %

References:

Q = Question from the Questionnaire

WEB = Data available on the official Websites

W.R. = Data obtained by Written Request

Each cell is divided into two and shows the following results:

- The total number of companies that got positive score.
- The percentage of that total number of companies regarding the 18 selected companies (18 companies = 100%).

Comments and Clarifications

Regarding the data available on the websites:

- It is highlighted that the only company that got a positive score with respect to certain items of this dimension was Industrias Metalurgicas Pescarmona, one of the few companies under analysis –if not the only one- that is the head company of a national business group with global presence.

The analyzed data came from the available information on the company website, particularly from the following documents:

- Sustainability Report of the 2010/2012 period¹⁶
- Financial Statements condensed up to 04/30/2011¹⁷ (the last Financial Statement published is dated at 06/30/2013 but is only available in English¹⁸)
- Report of the state of compliance¹⁹ with the principles and recommendations of the Code of Societary Governance of the Comisión Nacional de Valores²⁰

Regarding the data obtained by written request:

- While companies Agrotécnica Fuegoína, Transportes Olivos and Urbaser Argentina had a code of conduct that is not available on the respective websites. In the case of Transportes Olivos and Urbaser Argentina, the code is on the website of the leading company of which they are part, ACS Group of Spain²¹.
- Poder Ciudadano respected the score for each option chosen by the companies in the Questionnaire, without any analysis between the chosen option and the comments made at the end of each question, in the "Comments" section.

A clear example is the one regarding question 11, which explains the confidential ways to report a violation to anti-corruption policy. One of the companies chose the option: "The confidentiality of a channel is not explicit but implied by its form, i.e., there is a hotline" (0.5 points), and after that it added below in the "Comments" section that

16 <http://www.impsa.com/es/descargas/SitePages/Descargas.aspx>, or
<http://www.impsa.com/es/descargas/reporte%20de%20sustentabilidad/IMPSA%20-%20Reporte%20de%20Sustentabilidad%202010-12.pdf>

17 http://www.impsa.com/es/descargas/SitePages/Descargas_financieras.aspx

18 <http://www.impsa.com/es/ipo/SitePages/statements.aspx>, on the menu "Investor Information" and there in the option "Filings"

19 <http://www.impsa.com/es/ipo/SitePages/Investors%20Relations.aspx>

20 <http://www.cnv.gob.ar/regimenTransparencia.asp?Lang=0>

21 http://www.grupoacs.com/index.php/es/c/gobiernocorporativo_codigodeconducta/317

such channel is "Mrs. Director X". However, based on the comments made, the appropriate option would be: "A reporting channel is provided but it is not confidential" (0 points). Despite of this, the response and its corresponding score was considered as the choice made by the company, but not one that Poder Ciudadano could consider as the most appropriate.

“Organizational Transparency” Dimension Results

Table III - “Organizational Transparency” Dimension Results

Q	Disclosure of:	1.0		0.5		0.0	
		WEB	W.R.	WEB	W.R.	WEB	W.R.
14	Full list of its fully consolidated material subsidiaries	N/A	N/A	N/A	N/A	N/A	N/A
15	Percentages owned in its fully consolidated material subsidiaries	N/A	N/A	N/A	N/A	N/A	N/A
16	Countries of incorporation of its fully consolidated material subsidiaries	N/A	N/A	N/A	N/A	N/A	N/A
17	Countries of operations of its fully consolidated material subsidiaries	N/A	N/A	N/A	N/A	N/A	N/A
18	Full list of its non-fully consolidated material holdings	N/A	N/A	N/A	N/A	N/A	N/A
19	Percentages owned in its non-fully consolidated material holdings	N/A	N/A	N/A	N/A	N/A	N/A
20	Countries of incorporation of its non-fully consolidated material holdings	N/A	N/A	N/A	N/A	N/A	N/A
21	Countries of operations of its non-fully consolidated material holdings	N/A	N/A	N/A	N/A	N/A	N/A

References:

Q = Question from the Questionnaire
 WEB = Data available on the official Websites
 W.R. = Data obtained by Written Request
 N/A = Not Applicable

Comments and Clarifications

Notwithstanding the fact that Poder Ciudadano has not provided any sort of score to this dimension, it has made comments and clarifications of the data gathered on the matter.

Regarding the data available on the websites:

- In the websites of some companies it is stated that some of them operate in several locations, but it does not specify the legal and accounting person through which they conduct the service, that is, if it does it by means of a branch, a fully consolidated subsidiary or a non-fully consolidated material holding, a joint venture, etc. From data available on the sites is impossible to identify the nature of these entities.
- In most of the pages the places where the companies operate are not reported. And in this aspect the sites are outdated (and they do not clarify the date of their last update).
- The only company that discloses information regarding their fully consolidated subsidiaries and non-fully consolidated material holdings, the percentage of participation in them and the countries in which they are established and / or operate

these, is the Industrias Metalúrgicas Pescarmona Company²². If it were to be given score in this dimension, the company would have obtained a total of 7 points.

Regarding the data obtained by written request:

- Of the 2 companies that fully replied the Questionnaire, both Ashira as Agrotecnica Fueguina, stated that they do not have subsidiaries.
- Since the other 2 companies partially replied the request –Transportes Olivos and Urbaser Argentina- by sending the code of conduct of their leader company and a copy of the certificates of the management systems, rather than answering to the 24 questions of the Questionnaire, the information regarding this dimension does not come from the answer. Thus, the data that could be analyzed was the one available on their websites. However, as was stated above, they present difficulties when being interpreted.

22 Pages 7 to 12 and 15 to 18 of the condensed final statements up to 04/30/2011. See: http://www.impsa.com/es/descargas/SitePages/Descargas_financieras.aspx

“Management Systems” Dimension Results

Table IV - “Management Systems” Dimension Results

Q	Transparency on information about the existence of:	1.0		0.5		0.0	
		WEB	W.R.	WEB	W.R.	WEB	W.R.
22	Implementing management systems without certification ²³	N/A	N/A	-	-	18 100% ²⁴	-
23	Certification IRAM (Instituto Argentino de Normalización y Certificación or Argentine Normalization and Certification Institute ²⁵) or of some other institution enabled for those purposes ²⁶	11	4	N/A	N/A	7	14
		61.11 %	22.22%			38.88 %	77.77 %
24	Certificates (IRAM or others) available on the website	4	2	N/A	N/A	14	16
		22.22 %	11.11 %			77.77 %	88.88%

References:

Q = Question from the Questionnaire
 WEB = Data available on the official Websites
 W.R. = Data obtained by Written Request
 N/A = Not Applicable

Each cell is splitted into two and shows the following values:

- The number of companies that got scored for that matter, and
- The percentage that involves the number of companies considering 18 companies as 100%

Comments and Clarifications

Regarding the data available on the websites:

- Poder Ciudadano unknown whether certificates available on the websites are all or only some of the certificates that companies have regarding of management systems.
- Most of the certificates published -if not all- certify the service in a specific jurisdiction. Therefore, it can not be concluded that the service has been certified individually in each and every one of the places in which the company operates, neither that the service has been certified in all its phases and in general.

²³ Text incorporated in this Report

²⁴ Whether the company has not implemented management systems as if by contrast it has certificated or if the situation is unknown about it, in all cases the score is "0.0".

²⁵ <http://www.iram.org.ar/seccion.php?ID=3&IDS=21>

²⁶ This clarification is hereby incorporated in this Report since several companies have certificated of management systems from other institutions authorized for such purposes and not only from the Argentine Normalization and Certification Institute -IRAM-.

- There was one case of a company that does not publish its certificates on its own website but in the site of another company of the same corporate group. Nevertheless, since the certificates are not published on its official website, the score given for this item was "0.0".

Regarding the data obtained by written request:

- Of the four companies that replied to the request, as it has been mentioned above, 2 of them sent their Code of Conduct and copies of certificates of management systems but did not answer the Questionnaire. Since they did not explicitly answer any questions, the score given to both companies respect of this dimension was "0.0".
- The other 2 companies -of the referred 4- reported having certificates of management systems, but 1 of them does not report this on its website. Nevertheless they were given a score of "1.0".
- Finally, regarding these 2 companies that fully reply the Questionnaire, it is noted that both stated they were disclosing the certificates in their sites, but in fact they are not. Nonetheless, as was done in other cases, it was considered the company's answers and therefore it was given the score "1.0" to each of these.

Conclusions

Throughout the Study were revealed corporate actions and policies regarding the implementations of practices fighting corruption. The results rendered certain common patterns detailed below.

Taking into account that from the 18 companies chosen for this Study, only 1 publishes on its website information about its anti-corruption programme and of the existence of its fully consolidated subsidiaries or non-fully consolidated material holdings on the one hand and, that only 4 replied to the written request on the other, Poder Ciudadano concludes that the results can be considered representative of the low standards of transparency regarding information about anticorruption measures in the private sector. More specifically, in companies which hold contracts with governments to provide waste public services in the Republic of Argentina.

The lack of a website of some of the companies, the lack of information on those who actually have one, the zero or little publication of relevant corporate documents, added to the attitude of not responding to the request made by Poder Ciudadano, gives clear evidence of the level of null or little will -and reluctance- to make available to any interested person the information related to their companies.

Additionally, it is perceived that some companies may consider as unnecessary the disclosure of this data and documents. A clear example of this is the case of several companies that state in their website to have certified their services, nonetheless, do not publish the documentation supporting such sayings, ie the pertinent certificates.

The corporate sector is a sector where significant inconsistencies can be found between "what is said and what is done," making it very difficult reading information directly. If a company wants to be transparent and send clear signs of it, necessarily must begin making available its information, not only for shareholders, but also, and especially, for the consumers and the community, since they are the ultimate beneficiaries of its services.

Thus, the concept of corporate transparency can be defined as the policy of a company aimed at informing the society about its business and financial activities, about the products or services they offer and its contribution to the community (corporate social responsibility), among other things, in an open and proactive manner.

The duty of providing as much information as possible is both inward and outward the organization. Inward means being transparent in the finances and accounting of the company, as well as internal processes and decision-making, while outward concerns show how the company deals their data, their relationships with intermediaries, etc. This gives security to investor, confidence for the market and consolidates society in general.

Transparency also means that information should be clear, reliable, plenty and quality. It has to be disclosed through publicly available media, in a permanent and updated way and without obstacles or requirements. Thereby, it enables the review and analysis of it and the detection

of possible anomalies, thus, it the review and analysis of the same and the detection of possible anomalies and allows shut doors to malpractice.

Increasing corruption cases of national and international companies on the one hand, and the empowerment of users and civil society organizations on the other, further deepen this need.

The equation is clear: the greater and better information, the less space for corruption. In order to be transparent one must first want to be.

Poder Ciudadano wishes that this report becomes a trigger and serves as a tool to generate awareness of the importance of an active participation of the private sector in the fight against corruption.

Recommendations

Fighting corruption is a challenge for all of us. To solve the most severe problems it will be needed not only a huge political will of national governments and international agencies, but also the will of the private sector and the civil society as a whole.

Poder Ciudadano carries out in this section some recommendations aimed towards Argentinian companies and locals, provincials and national government.

For Companies

Most companies lack a comprehensive corruption prevention programme. This institutional weakness is found not only in small and medium enterprises, but also in large corporations.

Among the mechanisms that companies should implement to prevent corruption there are two groups, depending on the purpose of the actions:

- Actions aimed to enforce the company's internal controls at preventing corruption
- Actions or sanctions that are carried out in situations of possible corruption by a member of the company.

All organizations that somehow are related to society and whose actions have implications upon it, should adopt corporate transparency tools in an active way.

The size of a company shall never justify the absence of these policies. The monetary costs thereof do not endanger the life of the organization. On the contrary, they are precisely the ones that ensure its strength. The spasmodic, the precariousness and the uncertainty generate distrust and suspicion and weaken interpersonal bonds.

Even though the benefits of a policy of zero tolerance to corruption in a company are difficult to quantify, those are one of the factors that most influence the company's reputation. The company will receive benefits such as: lower absenteeism, lower employee turnover, increased motivation and productivity, among others.

Because of this, the company will have higher profits and will increase its attractiveness for investment and doing business, raising its market value. Not finding on the website of a company its contact details, the services it provides, the management systems implemented, etc. could lead to losing the opportunity to generate new clients and projects.

Next, Poder Ciudadano recommends some actions it considers that any company could implement short and medium term.

The list of recommendations is merely illustrative and is directed not only to medium and large-sized companies, but also to everyone who develop productive, trading or service activities. The sum of each and every one of the behaviors is of great transcendence and allows sustainable progress of business and of the society, on an ethical foundation.

International Standards:

Companies must adhere to the UN Global Compact, providing an annual report in order to promote transparency and exchange of corporate practices.

Publicly Available Data:

It is essential that companies have a policy of transparency that allows the common citizen - beneficiary of some of the services provided by these corporations- know how operates in the market, whether it respects the rules of business and fair competition and if its management generates benefits or harm to the community.

Therefore, companies should apply the following measures:

- Have a website that runs consistently and correctly. The page should list all the contact details of the company. It should report on contracts signed, jurisdictions in which the company operates, etc.
- Fighting tax evasion, by publishing financial statements, external audit information, financial and trade statistics, among others.
- Report on their economic flows of any kind with governments and political parties, both direct and indirect flows, or adopt a policy prohibiting such contributions.

Anti-Corruption Programme:

The anti-corruption programme of a company is a set of rules of procedure, which aims to prevent bribery and, if it occurs, apply sanctions.

To do this, standards and controls must be really intended to discourage any attempt of corruption, both because they increase the probability of being caught as because they establish the inability of remaining unpunished.

The results obtained by using TRAC tool reveal a very low or zero level of institutionalization of these programmes and due to this, Poder Ciudadano recommends to companies to expressly adopt an anti-corruption policy or code of conduct that takes into consideration the following:

- The policy and management of a company should be based on respect for fundamental rights.
- It should be explicitly prohibited the use of any illegal practices to gain competitive advantage and any corruption and bribery when dealing with public entities.
- Training regarding anti-bribery practices should be guaranteed to the employees. It is important to highlight that the companies evaluate not all potential forms of bribery in the same way. Many times, while certain practices are associated as "corrupt" as is the case of payment to expedite proceedings or political contributions, others, such as making donations and sponsorships are not identified as such.

- Mechanisms to facilitate the identification of the noncompliance of the code should be established in each area of the organization. It also should provide information regarding confidential channels to make a complaint and protection against being punished for it.
- It should continually refresh the content code and incorporate guidance on anti-bribery practices, through training and internal communications.

Requirements to Third Parties:

Unfortunately, the trend of companies is to privilege the business logic over any other. So, the less profitability is affected by actions of bribery the less mechanisms are implemented to prevent them.

The emphasis is on the verification of the suitability of contractors and suppliers and that the fees and commissions paid to sales representatives be proportionate to the service provided.

Nonetheless, a responsible company in its management should imbue all staff and the community beyond, demanding criteria according to its guidelines to its entire production chain as well as the transparent exchange of information, technology and ideas.

This will generate a multiplier effect on those with which it has business relationship, positively affecting the overall production chain. The result is a mutual benefit both for the company as well as for the entire community.

The proposals for all this to happen are:

- Including in the sales representatives' contract the explicit termination of the labor relationship in case of acceptance or offering of a bribe.
- Having a mechanism to ensure transparent transactions with contractors and suppliers. Requiring them by explicit rules the compliance with their fiscal requirements, environmental regulations and laws against child labor, forced labor, money laundering and unfair competition.
- Incorporating purchasing policies that benefit suppliers that are certified by international organizations (ISO, OHSAS, etc.) And that these in turn have the same criteria with their own suppliers.
- Adopting criteria for verifying the origin of the goods the company buys to ensure that they are not fake, counterfeit, smuggled or stolen.

Controls and Sanctions:

Today, the formal mechanisms of control that companies have are few or nonexistent. Therefore, it is considered that a company committed to the fight against corruption should be at least:

- Appointing an area or person responsible for monitoring and punishing if there were a violation of the code of conduct or anti-corruption policy.

- Establishing specific penalties for employees (including dismissal) and informing them that of the possibility of being sanctioned in case of corrupt practices.
- Having a system to ensure the accuracy and reliability of the accounting records and internal controls to check that payments and receipts have been duly authorized and have an audit committee to monitor the effectiveness of those controls.

For Governments

Since, fighting against corruption and improving governance can give a significant boost to a developing country, municipal, provincial and national governments should:

- Negotiate regional or global trade and economic agreements. It is crucial to redouble international efforts, but these will not be successful without leadership and determination from within the country.
- Increase and strengthen actions to prevent bribery and promote systemic policy and institutional reforms and incentives for good governance and fighting corruption.
- Encourage the use of measures that contribute to transparency, such as laws on freedom of access to information, public disclosure of assets of high public officials and transparent access to the voting records of legislators.
- Ensure free and fair competition in the private sector and prevent monopoly interests.
- To be able to carry out the reforms, national political leaders should be willing to resist pressures from members of the public and private sectors who put obstacles to the reforms.
- Promoting citizen participation. The fight against corruption cannot be won only at the request of the government. Civilians should fully participate and express their opinion efficiently.

Final Considerations

Given the disturbing reality of the magnitude of corruption, we should think again about how to approach it. Repeated offenses of fraud and corporate corruption which had been occurring locally and internationally have highlighted the vulnerability of the private sector, and they have begun to realize that corruption is a serious risk to the reputation, sustainability and competitiveness of their business.

An interesting aspect that hopefully can be channeled through future researchs is that upon the causes of the persistence of corruption, on one hand, and the obstacles and incentives facing companies in the implementation of transparency tools and fight corruption, on the other.

Broadly speaking, the perception of the companies that contract with governments about corruption and the actual practices they carry out are guided by different logics. While the perceptions and opinions about corrupt practices are condemned with ethical logic, this does not correspond with their actual practices regarding bribery.

The lack or weakness of institutionalized mechanisms for prevention and control of corruption seem to respond to a commercial logic in which bribery can be considered a rational resource in a context that it is perceived as widespread. Many companies want to contribute to the fight against corruption by an ethical sense, but some feel that the market does not recognize their efforts due to the lack of commitment of the sector to implement policies against bribery and others do not want to incur in additional costs.

“Between the lines of the interpretation can be seen a common Argentine phenomenon, that of, placing the blame at someone else’s feet. In this case, the others tend to be the State, already corrupt, and the competitors willing to do whatever is necessary to get the contract. However, when it comes to asking each [company] the way in which it is prepared to prevent corruption in its own sphere, the answers usually leave a lot to be desired. As a rule the mechanisms are very weak or nonexistent. When there do exist, the employees do not necessarily know them, and if they do not know them, it is difficult for them to be useful in preventing a bribe being offered, or in reporting someone who has done it.

And although it is true that the Argentine state increases bureaucracy which makes business difficult and provokes payments of backhanders (or bribes), it is not always true that the responsibility lies on the other side.”²⁷

In this regard, Poder Ciudadano considers that it will be necessary to work incorporating practices that involve not only the public sector but also the private sector. This doesn’t mean kicking the ball to the other side of the field.

“Corruption is a problem which runs through all of society (government and political members, [judiciary, business men, trade unions] and citizens) and whose result has an effect on people’s quality of life.”²⁸

27 Book "Corruption Logics", Poder Ciudadano, 2007, page 93.

28 Book "Corruption Logics ", Poder Ciudadano, 2007, page 95.

Many times the emphasis has been put on issues such as political campaigns monitoring and indicators of corruption in the country. However, the business sector has not yet received the attention that corresponds to their level of incidence. There is therefore a growing need to increase the knowledge of the role played by this sector with regard to corruption.

It should also be noted that, for the community, ethics and transparency of a company generates an added value that goes far beyond its sales rankings. The more information a company provides to society and the more transparent it is, the trustworthier it becomes. This means that, in business, be transparent is a very good business strategy.

While companies often present themselves being aware of how ethically wrong is to incur in bribery practices, this moral and ethical awareness does not translate into comprehensive and coherent actions.

This Report aims to sensitize the private sector about the need for and benefits of adopting transparent practices in its sphere of influence. It aims to be a tool for the spreading of the various initiatives to fight corruption that can be applied by companies both outside and within them.

Annex I. Questionnaire

Clarifications:

- The Questionnaire was sent to the companies without the score it would be given to each response. The Questionnaire below exposes that score.
- Below each question -and its options- from the Questionnaire sent to each company there was a blank space provided for observations, which have been excluded from this Annex, due to its lack of relevance to the effects of this report, and to avoid using innessesary space in the same.

I. Anti-Corruption Programmes

- 1) Does the company have a publicly stated commitment to anti-corruption?**
 - 1.0 There is an explicit statement of “zero tolerance to corruption” or equivalent
 - 0.5 There is no general anti-corruption statement, but only reference to public sector / governmental corruption
 - 0.5 There is a weak statement
 - 0.0 There is no explicit statement / commitment, even if relevant policies are there
- 2) Does the company publicly commit to be in compliance with all relevant laws, including anti-corruption laws?**
 - 1.0 There is an explicit statement of such commitment for all jurisdictions in which a company operates
 - 0.0 There is no explicit reference to laws
- 3) Does the company leadership demonstrate support for anti-corruption? E.g. is there a statement in corporate citizenship report or in public pronouncements on integrity?**
 - 1.0 There is a relevant statement in a corporate document (i.e.: sustainability report) or on company’s webpage and it includes explicit reference to integrity / anti-corruption
 - 1.0 There is a relevant statement in company’s code of conduct or equivalent
 - 0.0 There is only a letter attached to the Sustainability Report or another corporate document, but it contains no reference to integrity / anti-corruption
 - 0.0 There is no document that demonstrates support for anti-corruption
- 4) Does the company’s code of conduct / anti-corruption policy explicitly apply to all employees?**
 - 1.0 The policy explicitly mentions that it applies to all employees, regardless of their position in corporate hierarchy, there can be no exceptions for any country of operations
 - 0.0 Policies apply to a group of employees only, i.e., to managers
 - 0.0 There is no explicit statement that relevant policies apply to all employees
 - 0.0 The company lacks of a code of conduct / anti-corruption policy

- 5) Does the company's code of conduct / anti-corruption policy explicitly apply to all agents and other intermediaries?**
- 1.0 Agents / intermediaries must comply with the policy
 - 0.5 Agents / intermediaries are encouraged to comply with the policy
 - 0.0 There is no reference to agents / intermediaries
- 6) Does the company's code of conduct / anti-corruption policy explicitly apply to contractors, subcontractors and suppliers?**
- 1.0 Contractors / suppliers must comply with the policy
 - 1.0 The company screens contractors / suppliers in line with such policies
 - 0.5 Contractors / suppliers are encouraged to comply with the policy
 - 0.5 The company applies such policy among contractors / suppliers whenever possible
 - 0.0 There is no reference to contractors / suppliers
- 7) Does the company have an anti-corruption training programme for its employees in place?**
- 1.0 There is public information that such programme is in place
 - 0.5 Extensive training programme is recommended (i.e.: by the programme reviewers) but there is no information about the current status quo
 - 0.0 There is no public reference to such programme
- 8) Does the company have a policy defining appropriate / inappropriate gifts, hospitality and travel expenses?**
- 1.0 A company's policy covers acceptance and offering of one or more of gifts, hospitality and travel expenses – the definition can be anything between one-sentence and vast detailed description with amounts quoted
 - 0.5 Only acceptance of appropriate/inappropriate gifts is defined, but no offering of gifts mentioned
 - 0.0 The company does not disclose such policy
 - 0.0 The company lacks of such policy
- 9) Is there a policy that explicitly forbids facilitation payments?**
- 1.0 There is explicit prohibition and not only simple discouragement of such payments (recognising that exceptions may be made for life or health threatening situations)
 - 0.5 There is a weak indirect statement, i.e.: the expression "facilitation payments" is not mentioned but there is a description of a similar situation –still, there must be explicit prohibition
 - 0.0 Such payments are only discouraged or regulated
 - 0.0 There is no reference to facilitation payments
- 10) Does the company prohibit retaliation for reporting the violation of a policy?**
- 1.0 The policy publicly specifies that no employee will suffer demotion, penalty or other adverse consequence for reporting a violation of policy (whistle-blowing)
 - 0.5 Company's whistle-blowing system and all related regulations (i.e.: non-retaliation) apply to senior management only
 - 0.0 There is no explicit statement prohibiting such retaliation
- 11) Does the company provide channels through which employees can report potential violations of policy or seek advice (e.g. whistle-blowing) in confidence?**
- 1.0 There is public provision of such a channel in a form that assures full confidence
 - 0.5 Some "independent third party" is in place but there is no explicit statement that the channel is confidential
 - 0.5 Confidentiality of a channel is not explicit but implied by its form, i.e., there is a hotline

- 0.5 The whole system applies to senior management only
 - 0.0 A reporting channel is provided but it is not confidential
 - 0.0 There is no such channel
- 12) Does the company carry out regular monitoring of its anti-corruption programme?**
- 1.0 There is public information on regular monitoring of the anti-corruption programme and not only on the overall audit of a sustainability report
 - 0.5 There is some information on such monitoring, but no information on its regularity
 - 0.5 There is information on regular monitoring of all sustainability issues and additionally some implicit information that company's anti-corruption programme should be included
 - 0.0 There is only compliance-related monitoring in place
 - 0.0 No monitoring is publicly mentioned
 - 0.0 There is no monitoring
- 13) Does the company have a policy prohibiting political contributions or if it does make such contributions, are they fully disclosed?**
- 1.0 The company either has a policy not to make political contributions or it publicly discloses all such contributions in all its countries of operations
 - 0.5 The company discloses all political contributions for its major country(-ies), i.e.: for its home country
 - 0.0 Political contributions are regulated but not disclosed or prohibited
 - 0.0 Political contributions are not regulated

II. Organisational Transparency (disclosure of subsidiaries)

- 14) Does the company disclose the full list of its fully consolidated material subsidiaries?**
- 1.0 There is a full list of such subsidiaries
 - 1.0 There is a list of significant, principal or material subsidiaries, consistent with relevant accounting standards (i.e., based on materiality tests)
 - 0.5 There is only a list of main / major / chosen subsidiaries and no selection criteria based on relevant accounting standards
 - 0.0 There is only a list of domestic subsidiaries
 - 0.0 There is no list of subsidiaries
 - 0.0 The company does not have fully consolidated material subsidiaries
- 15) Does the company disclose percentages owned in its fully consolidated material subsidiaries?**
- 1.0 It discloses the percentages owned in all of its fully consolidated material subsidiaries
 - 1.0 It discloses the percentages owned in its significant, principal or material subsidiaries, consistent with relevant accounting standards (i.e., based on materiality tests)
 - 0.5 It discloses only the percentages owned in its main / major / chosen subsidiaries and no selection criteria based on relevant accounting standards
 - 0.0 It discloses only the percentages owned in its domestic subsidiaries
 - 0.0 It does not disclose the percentages owned in its subsidiaries
 - 0.0 The company does not have fully consolidated material subsidiaries
- 16) Does the company disclose countries of incorporation of its fully consolidated material subsidiaries?**
- 1.0 There is a full list of the countries of incorporation of its fully consolidated material subsidiaries

- 1.0 There is a list of the countries of incorporation of its significant, principal or material subsidiaries, consistent with relevant accounting standards (i.e., based on materiality tests)
 - 0.5 There is only a list of the countries of incorporation of its main / major / chosen subsidiaries and no selection criteria based on relevant accounting standards
 - 0.0 There is no list of the countries of incorporation of its subsidiaries
 - 0.0 The company does not have fully consolidated material subsidiaries
- 17) Does the company disclose countries of operations of its fully consolidated material subsidiaries?**
- 1.0 There is a full list of the countries of operations of its fully consolidated material subsidiaries
 - 1.0 There is a list of the countries of operations of its significant, principal or material subsidiaries, consistent with relevant accounting standards (i.e., based on materiality tests)
 - 0.5 There is only a list of the countries of operations of its main / major / chosen subsidiaries and no selection criteria based on relevant accounting standards
 - 0.0 There is no list of the countries of operations of its subsidiaries
 - 0.0 The company does not have fully consolidated material subsidiaries
- 18) Does the company disclose the full list of its non-fully consolidated material holdings?**
- 1.0 There is a full list of its non-fully consolidated material holdings
 - 1.0 There is a list of its material, significant or principal non-fully consolidated material holdings
 - 0.5 There is only a list of its main / major/ chosen non-fully consolidated material holdings
 - 0.0 There is only a list of its domestic on-fully consolidated material holdings
 - 0.0 There is no list of its non-fully consolidated material holdings
 - 0.0 The company does not have non-fully consolidated material holdings
- 19) Does the company disclose percentages owned in its non-fully consolidated material holdings?**
- 1.0 It discloses the percentages owned in all of its non-fully consolidated material holdings
 - 1.0 It discloses the percentages owned in its significant, principal or material non-fully consolidated material holdings, consistent with relevant accounting standards (i.e., based on materiality tests)
 - 0.5 It discloses only the percentages owned in its main / major / chosen non-fully consolidated material holdings and no selection criteria based on relevant accounting standards
 - 0.0 It discloses only the percentages owned in its domestic non-fully consolidated material holdings
 - 0.0 It does not disclose the percentages owned in its non-fully consolidated material holdings
 - 0.0 The company does not have fully consolidated material subsidiaries
- 20) Does the company disclose countries of incorporation of its non-fully consolidated material holdings?**
- 1.0 There is a full list of the countries of incorporation of its non-fully consolidated material holdings
 - 1.0 There is a list of the countries of incorporation of its significant, principal or material non-fully consolidated material holdings, consistent with relevant accounting standards (i.e., based on materiality tests)
 - 0.5 There is only a list of the countries of incorporation of its main / major / chosen non-fully consolidated material holdings and no selection criteria based on relevant accounting standards
 - 0.0 There is no list of the countries of incorporation of its non-fully consolidated material holdings
 - 0.0 The company does not have non-fully consolidated material holdings

21) Does the company disclose countries of operations of its non-fully consolidated material holdings?

- 1.0 There is a full list of the countries of operations of its non-fully consolidated material holdings
- 1.0 There is a list of the countries of operations of its significant, principal or material non-fully consolidated material holdings, consistent with relevant accounting standards (i.e., based on materiality tests)
- 0.5 There is only a list of the countries of operations of its main / major / chosen non-fully consolidated material holdings and no selection criteria based on relevant accounting standards
- 0.0 There is no list of the countries of operations of its non-fully consolidated material holdings
- 0.0 The company does not have non-fully consolidated material holdings

III. Management Systems

22) Does the company implement management systems such as the international norms for certification ISO, OHSAS, etc? If yes, which one/s?

- 1.0 The company does implement management systems
- 0.0 The company does not implement management systems

23) Does the company have an IRAM certification (Instituto Argentino de Normalización y Certificación or Argentine Normalization and Certification Institute) of any kind of management system? If yes, which one?

- 1.0 The company has IRAM certification
- 0.0 The company does not have IRAM certification

24) Does the company publish on its website the IRAM certificate(s) of management systems?

- 1.0 The company uploads all IRAM certificates
- 0.5 The company uploads some IRAM certificates
- 0.0 The company does not upload IRAM certificates
- 0.0 The company does not have any IRAM certificates

Annex II. Companies' Websites

COMPANY	WEBSITE
Aesa Aseo y Ecología S.A.	<u>Note</u> : It does not have a website
Agrotécnica Fueguina S.A.C.I.yF.	http://www.afueguina.com.ar/
Ashira S.A.	http://ashira-sa.com.ar/
Cliba Ingeniería Ambiental S.A.	http://www.cliba.com.ar/ , <u>Note</u> : The site is "undergoing maintenance" but has the link to the website of its leader, Benito Roggio Ambiental: http://www.bra.com.ar/Spanish/AreasNegocio/Pages/HigieneLaEmpresa.aspx
Consortio Trébol S.A.	http://www.consorciotrebol.com.ar/
Covelia S.A.	http://www.covelia.com.ar/ <u>Note</u> : It is highlighted that the last news posted was dated 04/15/2011
Ecociudad S.A.	http://www.ecociudadsa.com/
Ecohabitat S.A.	<u>Note</u> : It does not have a website
Emepa S.A.	<u>Note</u> : It does not have a website
Ersa Urbano S.A.	http://ersaurbano.com/ersa-web/
Garlik S.A.	<u>Note</u> : It does not have a website
Hábitat Ecológico S.A.	http://www.habitat-ecologico.com.ar/index.php
Industrias Metalúrgicas Pescarmona S.A.I.C.yF.	http://www.impsa-ambiental.com.ar/inicio.htm
Logística Urbana S.A.	http://www.logisticaurbanasa.com/nuestra-empresa/
Martin y Martin S.A.	http://www.martiny martin.com.ar/index.htm
Transportes Malvinas S.R.L.	http://tmalvinas.com.ar/
Transportes Olivos S.A.C.I.yF.	http://www.transportesolivos.com.ar/index.php
Urbaser Argentina S.A.	http://www.urbaser.com.ar/ <u>Note</u> : At the start of the Study the site was "under construction", but during the course of it, this has been put into operation.