



2014 EDITION

## Extractive Industry Report

## Extractive Industry (NAICS 21)

### Region of Headquarters

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Table 1 highlights key findings about the Extractive Industry globally, as well as differences between various regions.

The first thing to note is the median score for the Extractive Industry as a whole beat the full sample median by 10.75 points, and in fact was the industry with the highest median score. Across the different Contextual Elements, the Extractive Industry was better than or equal to the full sample in nine out of 11 Elements, and was not far below the full sample median in the remaining two Elements, Philanthropy and Governance. The Extractive Industry's performance on the Assurance element was particularly strong – better than the full sample median by 5.75 points in a category worth 15 points total.

Most of the seven regions with reports from companies in the Extractive Industry had scores well above the full sample median. Only North American and East Asian Extractive companies scored (slightly) below the full sample median. Scores in these regions were notably below the full sample as well as the industry medians in the Environment, Supply Chain, and especially Assurance Elements. Scores for North American companies in general were low on the Assurance Element, especially compared to Western Europe (See the [CSR-S Monitor Full Report](#), page 37 for more information).

Only in the Philanthropy Element was no region able to outperform the full sample median. On the other hand, regional scores were uniformly stronger than the median in Bribery & Corruption and Labor Relations, and except East Asian companies in External Stakeholder Engagement and Codes of Conduct.

## Extractive Industry (NAICS 21)

### Table 1. Region of Headquarters

| Region of Headquarters<br>(Number Of Companies) | CSR-S Monitor Contextual Elements: Region Scores |                          |                           |  |                           |                              |                        |                                  |                          |                               |                        |                     |
|---|--|--------------------------|---------------------------|--|---------------------------|------------------------------|------------------------|----------------------------------|--------------------------|-------------------------------|------------------------|---------------------|
|   | Executive Message<br>(max. 5)                    | Environment<br>(max. 10) | Philanthropy<br>(max. 10) | External Stakeholder Engagement<br>(max. 10) | Supply Chain<br>(max. 10) | Labor Relations<br>(max. 10) | Governance<br>(max. 5) | Bribery & Corruption<br>(max. 5) | Human Rights<br>(max. 5) | Codes of Conduct<br>(max. 15) | Assurance<br>(max. 15) | Total<br>(max. 100) |
| North America (15)                              | 3.00   | 5.75                     | 6.50                      | 5.00   | 2.00                      | 5.50                         | 1.25                   | 3.00                             | 2.50                     | 7.25                          | 2.00                   | 44.75               |
| Western Europe (14)                             | 2.75   | 7.00                     | 5.25                      | 5.25   | 4.75                      | 6.50                         | 0.50                   | 4.25                             | 3.38                     | 9.00                          | 10.25                  | 58.88               |
| East Asia (6)                                   | 2.75   | 5.25                     | 5.50                      | 2.25   | 2.00                      | 6.00                         | 0.88                   | 4.13                             | 2.63                     | 5.63                          | 1.50                   | 43.25               |
| Oceania (4)                                     | 3.00   | 6.25                     | 7.00                      | 6.25   | 2.50                      | 5.25                         | 0.88                   | 3.00                             | 2.63                     | 8.63                          | 8.25                   | 54.50               |
| Eastern Europe & Central Asia (4)               | 1.88   | 7.00                     | 4.00                      | 5.25   | 2.50                      | 6.50                         | 3.25                   | 3.63                             | 2.75                     | 9.00                          | 8.25                   | 53.88               |
| Latin America & the Caribbean (3)               | 3.50   | 8.25                     | 5.00                      | 6.50   | 8.00                      | 8.50                         | 3.00                   | 5.00                             | 2.75                     | 8.50                          | 5.00                   | 62.75               |
| Sub-Saharan Africa (2)                          | 2.50   | 7.38                     | 5.50                      | 8.50   | 5.50                      | 9.00                         | 2.00                   | 5.00                             | 2.75                     | 10.13                         | 10.75                  | 69.00               |
| Extractive Industry (48)                        | 2.75   | 6.75                     | 6.00                      | 5.00   | 4.00                      | 6.50                         | 1.13                   | 3.88                             | 2.63                     | 8.38                          | 8.25                   | 57.25               |
| Full Sample (614)                               | 2.50   | 6.75                     | 7.00                      | 3.50   | 4.00                      | 5.00                         | 1.25                   | 2.50                             | 2.63                     | 7.00                          | 2.50                   | 46.50               |

|  |                          |  |                             |  |                          |
|--|--------------------------|--|-----------------------------|--|--------------------------|
|  | Above Full Sample median |  | Equal to Full Sample median |  | Below Full Sample median |
|--|--------------------------|--|-----------------------------|--|--------------------------|

## Extractive Industry (NAICS 21)

### Top 5 Scorers

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Table 2 examines the top five scoring Extractive companies, which include two of the top three overall scorers (Barrick Gold Corporation and Anglo American PLC).

Unsurprisingly, the Top 5 Extractive companies outperformed the full sample median in most Elements. Three of the Top 5 companies beat or tied the full sample median on every Contextual Element. Once again, scores on the Assurance Element were particularly strong compared to the full sample. In addition, scores were outstanding on the Codes of Conduct Element, with two companies scoring 15 out of 15 points and two companies close behind with 14.50. The scores on the Labor Relations Element were also very high, with three scores of 10 out of 10 points.

The companies in the Top 5 were geographically diverse, with four different countries and three different regions represented (and the three best companies all hailing from different regions). Interestingly, although the overall median for North American Extractive companies was not particularly strong, three of the Top 5 companies are from that region. These companies bucked the trend, especially on the Assurance Element, where they scored 10, 11, and 12 points higher than the North American regional median.

## Extractive Industry (NAICS 21)

**Table 2. Top 5 Scorers**

| Top 5 Companies<br>(3-digit NAICS Code)<br>(Headquarters) | CSR-S Monitor Contextual Elements: Top 5 Scorers |                          |                           |  |                           |                              |                        |                                  |                          |                               |                        |                           | Overall Rank |
|---|--|--------------------------|---------------------------|--|---------------------------|------------------------------|------------------------|----------------------------------|--------------------------|-------------------------------|------------------------|---------------------------|--------------|
|   | Executive Message<br>(max. 5)                    | Environment<br>(max. 10) | Philanthropy<br>(max. 10) | External Stakeholder Engagement<br>(max. 10) | Supply Chain<br>(max. 10) | Labor Relations<br>(max. 10) | Governance<br>(max. 5) | Bribery & Corruption<br>(max. 5) | Human Rights<br>(max. 5) | Codes of Conduct<br>(max. 15) | Assurance<br>(max. 15) | Total Score<br>(max. 100) |              |
| Barrick Gold Corporation (Canada)                         | 4.25   | 8.50                     | 7.50                      | 9.00   | 8.50                      | 10.00                        | 3.25                   | 5.00                             | 5.00                     | 14.50                         | 13.00                  | 88.50                     | 1            |
| Anglo American PLC (United Kingdom)                       | 4.50   | 9.25                     | 7.50                      | 6.00   | 9.00                      | 10.00                        | 1.50                   | 4.50                             | 5.00                     | 15.00                         | 11.50                  | 83.75                     | 3            |
| Gold Fields Limited (South Africa)                        | 3.00   | 7.00                     | 7.00                      | 7.50   | 4.50                      | 9.00                         | 3.00                   | 5.00                             | 2.50                     | 15.00                         | 11.50                  | 75.00                     | 14           |
| Newmont Mining Corporation (USA)                          | 2.25   | 6.75                     | 6.00                      | 5.50   | 6.00                      | 10.00                        | 1.25                   | 3.75                             | 1.75                     | 14.50                         | 14.00                  | 71.75                     | 26           |
| Exxon Mobil Corporation (USA)                             | 3.00   | 7.00                     | 9.50                      | 5.00   | 4.00                      | 8.00                         | 4.25                   | 2.50                             | 4.50                     | 10.00                         | 12.00                  | 69.75                     | 42           |
| Extractive Industry (48)                                  | 2.75   | 6.75                     | 6.00                      | 5.00   | 4.00                      | 6.50                         | 1.13                   | 3.88                             | 2.63                     | 8.38                          | 8.25                   | 57.25                     |              |
| Full Sample (614)   | 2.50   | 6.75                     | 7.00                      | 3.50   | 4.00                      | 5.00                         | 1.25                   | 2.50                             | 2.63                     | 7.00                          | 2.50                   | 46.50                     |              |

|  |                          |  |                             |  |                          |
|--|--------------------------|--|-----------------------------|--|--------------------------|
|  | Above Full Sample median |  | Equal to Full Sample median |  | Below Full Sample median |
|--|--------------------------|--|-----------------------------|--|--------------------------|

## Extractive Industry (NAICS 21)

### Table 3. Industry Subsectors

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Table 3 breaks down the companies in the Extractive Industry into three subsectors (by 3-digit NAICS codes). Note that in this case, companies are sorted based on their *primary* industry, as identified by LexisNexis' Corporate Affiliations database.

The greatest number of companies in the sample were primarily engaged in the Oil & Gas subsector, NAICS code 211. These companies did not outperform the full sample median scores by more than two points in any Contextual Element, and were below the full sample median scores in four Contextual Elements, though they did beat the overall median score by about three points in total.

The fewest number of companies were primarily engaged in the Support Activities for Mining subsector, NAICS code 213. Similarly to companies in the Oil & Gas subsector, these six companies did not significantly outperform the full sample median score in most cases, except with respect to the Assurance Element. Their total median score beat the full sample total median, but only barely.

The Mining (Except Oil & Gas) subsector, NAICS code 212, on the other hand, scored quite high. These companies outperformed the full sample median in 10 out of 11 Contextual Elements, often by multiple points. Their total median score of 63.00 was a remarkable 16.50 points above the full sample total median. Consistently high scores in this industry subsector are a major factor in why the Extractive sector as a whole performed so well, particularly in the Assurance, External Stakeholder Engagement, Codes of Conduct, Bribery and Corruption, and Labor Relations Elements. In fact, the Mining (Except Oil & Gas) subsector beat the other Extractive Industry subsectors on every single Contextual Element with the exception of a tie with Support Activities for Mining in the Philanthropy Element.

## Extractive Industry (NAICS 21)

**Table 3. Industry Subsectors**

| Industry Subsectors<br>(NAICS Code)<br>(Number of Companies) | CSR-S Monitor Contextual Elements: Industry Subsectors |                          |                           |  |                              |                                 |                        |                                     |                             |                                  |                        |                     |
|--|--|--------------------------|---------------------------|--|------------------------------|---------------------------------|------------------------|-------------------------------------|-----------------------------|----------------------------------|------------------------|---------------------|
|  | Executive<br>Message<br>(max. 5)                       | Environment<br>(max. 10) | Philanthropy<br>(max. 10) | External<br>Stakeholder<br>Engagement<br>(max. 10) | Supply<br>Chain<br>(max. 10) | Labor<br>Relations<br>(max. 10) | Governance<br>(max. 5) | Bribery &<br>Corruption<br>(max. 5) | Human<br>Rights<br>(max. 5) | Codes of<br>Conduct<br>(max. 15) | Assurance<br>(max. 15) | Total<br>(max. 100) |
| Oil & Gas Extraction<br>(NAICS 211)<br>(26)                  | 2.75   | 6.63                     | 5.50                      | 4.75   | 2.00                         | 6.50                            | 0.50                   | 3.75                                | 2.63                        | 8.13                             | 4.50                   | 49.38               |
| Mining<br>(Except Oil & Gas)<br>(NAICS 212)<br>(16)          | 3.13   | 7.00                     | 6.75                      | 6.25   | 4.25                         | 7.75                            | 1.38                   | 4.50                                | 2.88                        | 10.88                            | 10.00                  | 63.00               |
| Support Activities<br>for Mining<br>(NAICS 213)<br>(6)       | 2.75   | 5.38                     | 6.75                      | 3.75   | 3.75                         | 5.75                            | 1.25                   | 3.75                                | 2.50                        | 7.38                             | 8.00                   | 46.88               |
| Extractive Industry<br>(48)                                  | 2.75   | 6.75                     | 6.00                      | 5.00   | 4.00                         | 6.50                            | 1.13                   | 3.88                                | 2.63                        | 8.38                             | 8.25                   | 57.25               |
| Full Sample<br>(614)   | 2.50   | 6.75                     | 7.00                      | 3.50   | 4.00                         | 5.00                            | 1.25                   | 2.50                                | 2.63                        | 7.00                             | 2.50                   | 46.50               |

|  |                          |                             |                          |
|--|--------------------------|-----------------------------|--------------------------|
|  | Above Full Sample median | Equal to Full Sample median | Below Full Sample median |
|--|--------------------------|-----------------------------|--------------------------|

## Extractive Industry (NAICS 21)

**Table 4. List of Companies**

|    | COMPANY                              | NAICS CODE | COUNTRY        | REGION                        | OVERALL SCORE | OVERALL RANK |
|----|--------------------------------------|------------|----------------|-------------------------------|---------------|--------------|
| 1  | Barrick Gold Corporation             | 212221     | Canada         | North America                 | 88.50         | 1            |
| 2  | Anglo American PLC                   | 212221     | United Kingdom | Western Europe                | 83.75         | 3            |
| 3  | Gold Fields Limited                  | 212221     | South Africa   | Sub-Saharan Africa            | 75.00         | 14           |
| 4  | Newmont Mining Corporation           | 212221     | USA            | North America                 | 71.75         | 26           |
| 5  | Exxon Mobil Corporation              | 211111     | USA            | North America                 | 69.75         | 42           |
| 6  | Repsol, S.A.                         | 211111     | Spain          | Western Europe                | 68.75         | 48           |
| 7  | MOL Magyar Olaj- és Gazipari Nyrt.   | 211111     | Hungary        | Eastern Europe & Central Asia | 68.50         | 52           |
| 8  | Hess Corporation                     | 213112     | USA            | North America                 | 67.50         | 62           |
| 9  | BHP Billiton Limited                 | 212210     | Australia      | Oceania                       | 67.50         | 63           |
| 10 | Teck Resources Limited               | 212231     | Canada         | North America                 | 66.75         | 68           |
| 11 | Ecopetrol S.A.                       | 211111     | Colombia       | Latin America & the Caribbean | 66.50         | 70           |
| 12 | Lonmin Plc                           | 212221     | United Kingdom | Western Europe                | 65.25         | 82           |
| 13 | China Petrochemical Corporation      | 211111     | China          | East Asia                     | 64.75         | 85           |
| 14 | Impala Platinum Holdings Limited     | 212234     | South Africa   | Sub-Saharan Africa            | 63.00         | 98           |
| 15 | Xstrata plc                          | 212299     | Switzerland    | Western Europe                | 63.00         | 98           |
| 16 | Petroleo Brasileiro S.A. - PETROBRAS | 211111     | Brazil         | Latin America & the Caribbean | 62.75         | 106          |
| 17 | Eni S.p.A.                           | 211111     | Italy          | Western Europe                | 62.00         | 112          |
| 18 | Woodside Petroleum Ltd.              | 211111     | Australia      | Oceania                       | 61.75         | 115          |
| 19 | Rio Tinto plc                        | 212210     | United Kingdom | Western Europe                | 59.75         | 138          |
| 20 | BG Group Plc                         | 211111     | United Kingdom | Western Europe                | 59.75         | 139          |
| 21 | PTT Public Company Limited           | 213112     | Thailand       | East Asia                     | 59.50         | 142          |
| 22 | Grupa LOTOS S.A.                     | 211112     | Poland         | Eastern Europe & Central Asia | 58.75         | 152          |
| 23 | BP plc                               | 211111     | United Kingdom | Western Europe                | 58.00         | 160          |
| 24 | De Beers Consolidated Mines Limited  | 212319     | Luxembourg     | Western Europe                | 57.50         | 171          |



## Extractive Industry (NAICS 21)

### Table 4. List of Companies continued...

|    | COMPANY                             | NAICS CODE | COUNTRY        | REGION                        | OVERALL SCORE | OVERALL RANK |
|----|-------------------------------------|------------|----------------|-------------------------------|---------------|--------------|
| 25 | Vale S.A.                           | 212210     | Brazil         | Latin America & the Caribbean | 57.00         | 178          |
| 26 | OMV Aktiengesellschaft              | 213112     | Austria        | Western Europe                | 56.50         | 182          |
| 27 | GDF Suez SA                         | 211111     | France         | Western Europe                | 50.50         | 252          |
| 28 | Royal Dutch Shell plc               | 211111     | Netherlands    | Western Europe                | 49.75         | 261          |
| 29 | AngloGold Ashanti Limited           | 212221     | United Kingdom | Western Europe                | 49.50         | 264          |
| 30 | OAQ Rosneft Oil Company             | 211111     | Russia         | Eastern Europe & Central Asia | 49.00         | 270          |
| 31 | JX Holdings, Inc.                   | 211111     | Japan          | East Asia                     | 48.75         | 271          |
| 32 | Freeport-McMoRan Copper & Gold Inc. | 212234     | USA            | North America                 | 48.00         | 283          |
| 33 | OZ Minerals Limited                 | 212231     | Australia      | Oceania                       | 47.25         | 295          |
| 34 | Occidental Petroleum Corporation    | 211111     | USA            | North America                 | 47.00         | 303          |
| 35 | Total S.A.                          | 211111     | France         | Western Europe                | 45.75         | 316          |
| 36 | EnCana Corp.                        | 211111     | Canada         | North America                 | 44.75         | 327          |
| 37 | Peabody Energy Corporation          | 212111     | USA            | North America                 | 41.25         | 369          |
| 38 | Sinochem Corporation                | 211111     | China          | East Asia                     | 37.75         | 409          |
| 39 | Halliburton Company                 | 213111     | USA            | North America                 | 37.25         | 420          |
| 40 | OAQ Gazprom                         | 211111     | Russia         | Eastern Europe & Central Asia | 36.00         | 433          |
| 41 | Apache Corporation                  | 211112     | USA            | North America                 | 35.50         | 436          |
| 42 | Contact Energy Limited              | 213112     | New Zealand    | Oceania                       | 35.00         | 440          |
| 43 | Chesapeake Energy Corporation       | 211111     | USA            | North America                 | 32.25         | 481          |
| 44 | Petroliaam Nasional Berhad          | 213112     | Malaysia       | East Asia                     | 29.00         | 517          |
| 45 | China National Offshore Oil Corp.   | 211111     | China          | East Asia                     | 28.75         | 519          |
| 46 | Husky Energy, Inc.                  | 211111     | Canada         | North America                 | 27.50         | 533          |
| 47 | Devon Energy Corporation            | 211111     | USA            | North America                 | 25.75         | 554          |
| 48 | Anadarko Petroleum Corporation      | 211111     | USA            | North America                 | 25.25         | 557          |

## The CSR-Sustainability Monitor

### Project Description

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In order to improve comparability of corporate social responsibility reports, and thus enhance transparency, researchers at the Weissman Center for International Business at Baruch College have developed a content analysis–based system that allows for individual company corporate social responsibility (CSR) reports to be analyzed based on a set of common components. The system is called the CSR-Sustainability Monitor (or the CSR-S Monitor or just the Monitor).

CSR disclosure has emerged to complement financial disclosure and thereby provide a more complete picture of corporate performance. A growing number of companies report on environmental and social risks and opportunities associated with their businesses. While this increases the information available, wide variation in the scope and quality of CSR reports poses significant challenges to analysts, investors and other interested parties.

The [Corporate Social Responsibility-Sustainability \(CSR-S\) Monitor®](#) aims to address this variation in CSR reporting and offers a content-based framework for the analysis of CSR reports. The 2014 edition of the Monitor provides a comprehensive CSR report database containing systematic evaluations of 614 reports published by the world’s largest companies. Scores reflect the quality of information disclosed based on a set of the 11 most common areas of corporate responsibility covered in these reports.



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