Parent Company Information
Toxics Release Inventory (TRI)

May 17, 2011
TRI Parent Company Data

- Background
- Consistency
- Accuracy
- Continuous Improvement of Corporate Data
Parent Company is defined for TRI Program as:

- Highest level U.S. company that directly owns at least 50% of the voting stock of the company
- If owned by a foreign entity, facilities instructed to enter NA (not applicable)
- Owner as of December 31 of the reporting year
Background

- EPA uses parent company data in
  - Small business analyses
  - Enforcement and compliance cases
- Facilities required to report parent company data since inception of TRI Program
- In last several years, interest in corporate information expressed by financial, NGOs, environmental, and academic organizations
In 2008, EPA participated in a dialogue with financial sector representatives on how to make EPA data easier to use. A consistent message from the dialogue is that EPA’s facility-level data can be difficult to aggregate to the company level.

- Data may not be consistent
- Date may not be accurate
Consistency

• Facilities often submit names with small variations
  – The Dow Chemical Company vs. Dow Chemical Co
  – JR Simplot vs. J R Simplot
## Consistency

- **Submitted Parent Name (2008) # of Facilities**
  - G.E. CO 1
  - GE CO 35
  - GE CO. 79
  - GE, CO. 1
  - GENERAL ELECTRIC 1
  - GENERAL ELECTRIC CO 21
  - GENERAL ELECTRIC COR 1
  - NA 1

- **Standardized Parent Names (2008) # of Facilities**
  - GENERAL ELECTRIC CO (GE CO) 140
Consistency - ‘Standardization’ Rules Help to Eliminate Variability

• Eliminate All Periods and Commas
• Use all CAPITALS
• Replace commonly used acronyms and abbreviations such as:
  – Replace AND with &
  – Replace LIMITED with LTD
  – Replace CORPORATION with CORP
  – Replace ASSOCIATION with ASSOC
  – Replace LIMITED LIABILITY COMPANY with LLC
  – Replace COMPANY with CO
  – Replace LIMITED LIABILITY CO. with LLC
Consistency - ‘Standardization’ Rules Help to Eliminate Variability

• Corporate initials (Zurn Industries PLC vs Zurn Industries)
• Misspellings (Taiheiyo Cement vs Taihieyo Cement)
• Hyphenation (Trans-Matic vs TransMatic)
• Spacing (JR Simplot vs J R Simplot)
• Finally, companies involved in mergers and acquisitions are updated so the Parent Company list only includes the US domestic parent company.
Accuracy

• Accuracy
  – Facilities submit subsidiaries, divisions or trade names instead of ultimate US Parent Company
  – Facilities often submit ‘Not Applicable’ (NA) when there is a higher Parent Company
EPA is taking steps to improve accuracy:

- Starting with 2008, EPA performed annual research of Parent Company names
  - SEC 10-K Filings for Publicly Owned Facilities
  - Other publicly available information
- Researched, ‘standardized’ Parent Names inserted into TRI-MEweb reporting software
- Facilities still have the ability to ‘override’ EPA suggested Parent name
TRI Parent Company – Comparison of 2008 vs. 2009

Year-Over-Year Change In Parent Company Information

- # of TRI facilities with the Same Parent Company
  - YR 2008
  - YR 2009

- Number of Facilities
  - NA or Blank
  - 1
  - 2-4
  - 5-10
  - 11-50
  - 51-100
  - >100
TRI Parent Company Data – Wrap-up

- Section on Parent Companies was included in TRI National Analysis for Reporting Year 2009

- EPA is considering a change to TRI forms to help ensure that the Parent Company reported for TRI reporting purposes is correct (or is the highest level U.S. company)

- Coordinating the approach with EPA’s Facility Registry System (FRS) for broader Parent Company consistency and accuracy
Figure 30. Production-Related Waste Managed by Top 10 TRI Parent Companies, 2009 *

<table>
<thead>
<tr>
<th>Company</th>
<th>Recycled</th>
<th>Energy Recovery</th>
<th>Treated</th>
<th>Disposal of or Otherwise Released On- and Off-site</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Dow Chemical Co</td>
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<tr>
<td>Incobrasa Industries Ltd</td>
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<td>Teck American Inc</td>
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<td>Ineos USA LLC</td>
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<td>Honeywell International Inc</td>
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<td>Syngenta AG</td>
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<td>Koch Industries Inc</td>
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<td>Ascend Performance Materials LLC</td>
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<tr>
<td>E I DuPont de Nemours &amp; Co Inc</td>
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<tr>
<td>American Electric Power</td>
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</tbody>
</table>

* For Reporting Year 2009, EPA placed an added emphasis on the importance of improved data quality for parent company names. These rankings reflect the parent company information provided by facilities in Reporting Year 2009 and have not been independently verified. There was one facility, Incobrasa Industries Ltd, with a comparable quantity of production-related waste managed that does not have a parent company; it is also included.
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