

Ratings Information

General Information

Although the Ethical Consumer database holds information going back to 1991, all ratings and Ethiscores are based only on information published in the last five years. It's also important to remember that while most corporate responsibility rating organisations 'rate' company groups as single organisations, Ethical Consumer structured to map complex company groups. The exception to this is under the policy categories: "Environmental Reporting", "Supply Chain Policy" and "Animal Testing Policy" categories, where ratings can refer to the specific subsidiary's environmental report or Supply Chain Policy if this is better. When one company buys another, the new company is deemed to have inherited the past record of the other, unless there is clear evidence that the take-over has seen a change in policy and practice.

Significant effort is made by Ethical Consumer to maintain the integrity and accuracy of information. Each company is assigned to its UHC (Ultimate Holding Company) but frequent global mergers, takeovers and acquisitions mean that company group information can be of an advisory nature only. Therefore, if a particular piece of information is to play a significant role in a campaigning or investment decision, we recommend making additional ownership checks or contacting us on 0161 226 2929 for a quote for a screening. Of course, accurate ownership information is of the utmost importance to us at Ethical Consumer, and we make every effort to monitor significant changes. If you discover information which you believe is incorrect, please contact us and we can make changes within 24 hours if necessary.

Where our information comes from

The Ethical Consumer database (available online as Corporate Critic) is compiled primarily from information already in the public domain. Our team of researchers regularly search through over 100 publications and summarise information on corporate activity into easy-to-read abstracts or 'stories'. Information on companies is taken from:

- Publications by environmental, animal rights and Third World campaigning NGOs such as Greenpeace, Friends of the Earth, Amnesty, WDM etc.
- Corporate communications such as Annual Reports and company websites for environmental reports, codes of conduct and animal testing policies.
- Commercial defence and nuclear industry directories
- Pollution and health & safety prosecution records
- A wide range of other international sources
- Daily news

Each abstract is fully referenced to a particular publication, permitting users to explore and follow up stories in more detail. Our researchers in Manchester add new stories to the database on a daily basis. These are uploaded onto Corporate Critic website and the Ethiscore website and so ratings are recalculated nightly. Because of the ongoing nature of this behaviour-monitoring process, we do not systematically check each story or rating with companies prior to publication. We encourage companies to contact us if they believe a story or rating is in error and we will always address the issues raised.

Ratings Key Full Circle (our worst rating) Clear Circle (our middle rating) No Circle (our best rating)

The Categories /ENVIRONMENT

Environmental Reporting

- The company or parent company:
 - i) did not respond to a request by ECRA for a copy of its environmental policy or report and did not display such a policy or report on its website, OR
 - ii) supplied to ECRA or displayed on its website an environmental policy or report which contained neither specific targets nor discussion of impacts specific to the company.
- The company or parent company supplied to ECRA or displayed on its website an environmental policy or report which contained at least two quantified targets and/or discussion of impacts but:
 - i) was not dated within the last two years, OR
 - ii) failed to demonstrate a reasonable understanding of the company's main impacts, OR
 - iii) was not independently verified.
- The company or parent company:
 - i) supplied to ECRA or displayed on its website an environmental policy or report which;
 - (a) contained at least two specific time and performance targets, AND
 - (b) which demonstrated a reasonable understanding of the company's main impacts, AND
 - (c) was dated within the last two years, AND
 - (d) was independently verified by an organisation named in the report.
 - ii) is a small business (turnover of less than £5 million per year) specialising in the supply of products with low environmental impacts or which are of environmental benefit or which offer other social benefits.

Nuclear Power

- The company is involved in:
 - i) design, construction, decommissioning, ownership or operation of nuclear power stations, AND/OR
 - ii) nuclear fuel and related equipment - the mining, processing or reprocessing of uranium; nuclear fuel fabrication; fuel rods etc, AND/OR
 - iii) nuclear reactor products and services - such as nuclear reactors, reactor cores, neutron detectors, control rods, steam generator, AND/OR
 - iv) the transport of waste from the nuclear industry, AND/OR
 - v) membership of a nuclear power industry association such as British Nuclear Industry Forum and World Nuclear Association.
- The company is involved in:
 - i) production of other nuclear related equipment for example monitoring and testing equipment; electricity and communications cabling, insulation, seals; temperature and pressure measurement devices; gas and water analysers; air coolers, compressors, pumps, valves and IT products, AND/OR
 - ii) the supply of radioactive waste services such as treatment, handling and storage.
- We have found no evidence for involvement in nuclear power for the company.

The Categories /ENVIRONMENT (CONTINUED)

Climate Change

Negative ratings in this category indicate that the company has been criticised for involvement in sectors considered by Ethical Consumer to contribute significantly to climate change, such as fossil fuels, aviation, cars or cement, or that it has been criticised for having high levels of contribution to climate change emissions, by direct emissions, through its products, or by making misleading claims about climate change.

- Involvement in areas deemed by us to be a higher contributor to climate change (such as fossil fuels) OR involvement in more than one areas deemed to be less significant (for example; cars, aviation, lobbying)
- Involvement in one of the above areas deemed as less significant.
- No criticisms have been found under this category for the company in question.

Pollution & Toxics

Negative ratings in this category indicate that a company has been prosecuted or criticised by government or campaign groups for emissions of toxic or damaging substances into the environment, AND/OR a company is involved in the manufacture or sale of chemicals or products containing chemicals which are a cause of concern because of their impacts on human and animal health and the environment (eg toxic or bioaccumulative chemicals, ozone depleting chemicals or pesticides and herbicides.)

- The company has either received one major criticism (such as a major pollution incident) or a number of minor criticisms (ie involvement in nanotechnology, unsustainable packaging, small fines for pollution).
- The company has received one or two minor criticisms in this area.
- No criticisms have been found under this category for the company in question.

Habitats and Resources

Negative ratings in this category indicate that a company has been criticised for activities which: destroy or damage the environment through unsustainable resource extraction and mining, or detrimental land use, OR destruction of specific habitats, depleting biodiversity and reducing the ability of ecosystems to renew themselves, including unsustainable fishing and forestry or impacting severely on the habitats and lives of endangered species.

- The company has either received one (or more) major criticism OR more than two minor criticisms.
- The company has received one or two minor criticisms in this area.
- No criticisms have been found under this category for the company in question.

The Categories /ANIMALS

Animal Testing

- The company:
 - i) conducts or commissions tests on animals for non-medical products or ingredients, OR
 - ii) conducts or commissions tests on animals for medical products or ingredients, OR
 - iii) sells animal-tested cosmetics, toiletries or household products, OR
 - iiii) operates in a sector where animal testing is common and has no written animal testing policy statement, or did not reply to our request for a copy of one, or sent us a policy with standards less stringent than those required for a middle rating.
- The company operates in a sector where animal testing is common and has a policy of not testing products or ingredients on animals, and of not commissioning such tests but does not have a fixed cut-off date (i.e. a specific date set by the company after which it will not use any new ingredients tested on animals).
- The company EITHER does not operate in a sector where animal testing is common OR operates in a sector where animal testing is common and has a fixed cut-off date policy.

Factory Farming

- The company:
 - i) is a factory farmer of meat, poultry (broilers and eggs), fish or fur, OR
 - ii) manufactures or supplies intensive farming equipment such as battery cages, beak trimmers, pig crates, OR
 - iii) supplies breeding stock, OR
 - iv) sells or processes meat, poultry (broilers and eggs) or fur that is not labelled as free range or organic.

- The company has an investment relationship with a company criticised in this category.

Animal Rights

- The company is:
 - i) a farmer of non-intensive or free range meat, poultry or fish
 - ii) sells or processes factory farmed meat, poultry or fish
 - iii) involved in the production, supply or retail of fur
 - iv) a slaughterhouse owner or user of slaughterhouse by-products such as leather and gelatine
- The company is:
 - i) a supplier of animal feedstuffs, OR
 - ii) is a dairy farmer or egg producer, OR
 - iii) involved in the sale or processing of free range meat, poultry or fish,
 - iv) is involved other activities which lead to the suffering of animals such as zoos and circuses and the production of musk and civet. OR
 - v) a company or employee has been accused of cruelty to animals.

The Categories /PEOPLE

Human Rights

- Involvement in one or more of the following:
 - i) operations in six or more oppressive regimes taken from the list below.
 - ii) human rights abuses, through any of the following:
 - a) the use of its equipment, staff or facilities in perpetrating human rights abuses
 - b) human rights abuses perpetrated by security forces associated with a company's operations
 - c) involvement in projects that have proven links with human rights abuses
 - d) collaboration with a government AND/OR military in perpetrating human rights abuses
 - e) allegations of human rights abuses by company staff
 - iii) land rights abuses; specific instances where indigenous peoples have been or may be removed from their land, or whose livelihoods may be threatened, to facilitate corporate operations (either extant or planned)
- A company will receive our middle rating, a clear circle, if it has operations in two or more of the following regimes on our 2006 list of Oppressive Regimes: Belarus, Burma, Burundi, Cameroon, Chad, China, Cote D'Ivoire, Cuba, Democratic Republic of Congo, Egypt, Equatorial Guinea, Eritrea, Guatemala, Haiti, Indonesia, Iran, Iraq, Kazakhstan, Kuwait, Laos, Lebanon, Libya, North Korea, Pakistan, Philippines, Russia, Saudi Arabia, Sudan, Swaziland, Syria, Tajikistan, Thailand, Togo, UAE, USA, Uzbekistan, Vietnam, Zimbabwe. A company will not receive a mark in this column if all its products sourced from these regimes are marketed as fair trade. Our Oppressive Regimes listing has been compiled from different human rights and workers' rights reports.
- Our best rating indicates that we have not received any criticisms under this category for the company in question.

Workers' Rights

- A full circle or clear circle represents criticism of the company or its suppliers for infringement of workers' rights, which includes:
 - intimidation of workers by management; use of forced or slave labour; payment of wages below a level which is adequate to live on; a working week of over 48 hours; forced and/or excessive overtime; exploitative use of child labour; denial of the right to associate, form unions or bargain collectively; discrimination on the grounds of race, sex, sexuality or creed; the provision of inadequate or dangerous working conditions.
- No criticisms have been found under this category for the company in question.

Supply Chain Policy

In industries where supply chains commonly stretch into low wage economies we expect companies to have developed a publicly available supply chain policy addressing workers' rights at supplier companies. We look for the following elements in each policy:

- 1) no use of forced labour
- 2) freedom of association
- 3) payment of a living wage
- 4) working week limited to 48 hours and 12 hours overtime
- 5) eliminations of child labour (under 15 years old, or under 14 if country has ILO exemption)
- 6) no discrimination by race, sex etc
- 7) independent monitoring

Codes with all 7 clauses will receive the best rating. Companies which manufacture products that are labelled and certified as Fairtrade, or smaller companies (turnover of less than £5 million) which can show an effective, if not necessarily explicit, policy addressing workers' rights at supplier companies will also receive a best rating. As will companies that operate in sectors where ECRA considers supply chain policies unnecessary. 4-6 clauses get a middle rating (half circle). 0-3 clauses or no code at all receive a worst rating (whole circle).

Irresponsible Marketing

- Marketing of products in a way that has been criticised for causing severe physical harm. The manufacture or sale of tobacco products automatically receives a worst rating in this category as does the infringement of the International Code of Marketing of Breastmilk Substitutes. Our lowest rating could also indicate several minor criticisms in this area.
- Marketing of products in a way that has been criticised as being detrimental to health or likely to cause injury. This includes the use of excessively thin or childlike models in fashion advertising.
- No criticisms have been found under this category for the company in question.

Arms & Military Supply

- Involvement in the manufacture or supply of nuclear or conventional weapons including: ships, tanks, armoured vehicles and aircraft; weapons systems components; systems aiding the launch, guidance, delivery or deployment of missiles; fuel; computing; communications services.
- A clear circle (middle rating) represents the manufacture or supply of non-strategic parts for the military, not including food and drink.
- No criticisms have been found under this category for the company in question.

The Categories /POLITICS

Political Activity

- The company has made a donation of £50,000 or more to a political party, either direct or indirect or in 'soft money,' in the last five years, or has membership of 3 or more lobby groups, or has directly lobbied governments or supranational institutions on trade liberalisation issues.
- Membership of 2 or less lobby groups, or a donation of less than £50,000 to political parties in the last 5 years, or secondment of staff to political parties, governments or supranational institutions.

The Categories /POLITICS (CONTINUED)

A lobby group is defined as a corporate lobby group which lobbies for free trade at the expense of the environment, animal welfare, human rights or health protection. A current list of such groups includes:

■ American Chamber of Commerce/AMCHAM-EU
■ Bilderberg Group ■ Business Action for Sustainable Development ■ Business Round Table ■ European Round Table of Industrialists ■ European Services Forum ■ International Chamber of Commerce ■ Transatlantic Business Dialogue ■ Trilateral Commission ■ US Coalition of Service Industries ■ World Business Council for Sustainable Development ■ World Economic Forum

Boycott Call

● A boycott of the brand name featured in the report has been called somewhere in the world or a boycott of the entire company group has been called.

○ A boycott of one of the parent company's subsidiaries or brands has been called somewhere in the world.

Genetic Engineering

● Involvement in:
i) the non-medical genetic modification of plants or animals, and/or
ii) gene patenting, and/or
iii) xenotransplantation.

○ Involvement in:
i) the manufacture or sale of non-medical products involving or containing genetically modified organisms (GMOs), and/or

ii) the manufacture or sale of non-medical products likely to contain GMOs and the lack of a clear company group-wide GMO free policy, and/or

iii) public statements in favour of the use of GMOs in non-medical products.

iv) the development or marketing of medical procedures or products involving genetic modification, which have been criticised on ethical grounds.

Anti-Social Finance

Ratings are based on criticisms for activities which are likely to impact negatively on the economic well-being of the societies that companies operate in. Such criticisms include: tax evasion and use of tax havens; bribery and corruption, insider share dealing, involvement in Third World debt, price fixing, irresponsible marketing of financial products, excessive directors' remuneration.

Company Ethos

This category is intended to draw the attention of consumers to companies who, by structural innovation or clear product policies, demonstrate an ethos committed to sustainability. We understand sustainability to include environmental, social justice and animal rights elements.

★ A full star may indicate a policy to only sell fairtrade products, organic products, vegan products or BUAV approved products or a combination of these. A large star may also indicate a formalised not-for-profit trading structure.

☆ A clear star indicates a policy to only sell innovative environmental alternatives

The Categories /PRODUCT SUSTAINABILITY

Organic Product

1 point indicates that the product is certified organic.

Fairly Traded Product

1 point indicates that the product is labelled with the Fairtrade Mark (UK) or equivalent FLOI symbol.

Half a point indicates that the product is marketed as fair trade.

Positive Environmental Features

1 point indicates that the product has been recommended by an independent environmental organisation, or that the product has received the TCO environmental label.

Half a point indicates that the product has received either an A+ (or

better) EU Energy Label, the Blue Angel Label of the Nordic Swan label.

Other Sustainability Features

1 point indicates that the product embodies other significant sustainability feature.

Half a point indicates that the product embodies other less significant sustainability features.

Animal Welfare Features

1 point indicates that the product is certified by the Vegan or Vegetarian Society.

Half a point indicates that the product is marketed as vegan or vegetarian.

The Categories /ETHISCORE

The Ethiscore is a numerical ethical rating designed to help users quickly differentiate companies which have attracted significant levels of criticism from those which have attracted less attention. Excellent for benchmarking companies within product or market sectors, the Ethiscore is also a superb tool for monitoring corporate ethical improvements.

The are two types of ethiscore

A company Ethiscore of 0 to 15 points.

15 is the best Ethiscore and 0 worst. The company Ethiscore is based on the subtraction of all the corporate responsibility categories in which the database holds current criticisms from a baseline number of 14.

Therefore if a company has received criticisms in the Animal Testing (1 point) and Workers Rights (1point) categories, its ethiscore will be 12.

[14 (baseline) minus 2 categories = 12].

If the company had a lesser criticism under, say, Workers Rights (0.5 points) then its Ethiscore would be 14 minus 1.5 = 12.5

The fifteenth point is for 'Company Sustainability' - a positive Corporate Responsibility category - which gives an additional point to companies who, for example, only sell organic products.

A product Ethiscore of 0 to 20 points.

20 is the best Ethiscore and 0 worst.

This Ethiscore is a score for products and is made up by combining a company Ethiscore with a rating for product sustainability, and is based on five positive attributes which a product may have. Therefore if a 12 point company is listed as selling an organic (1 point) and fairtrade (1 point) tea, then the tea would receive an ethiscore of 12+2 = 14.