

# 2014 GLOBAL CSR REPTRAK® 100

ANNUAL CORPORATE SOCIAL RESPONSIBILITY (CSR) REPUTATION RANKING

December, 2014



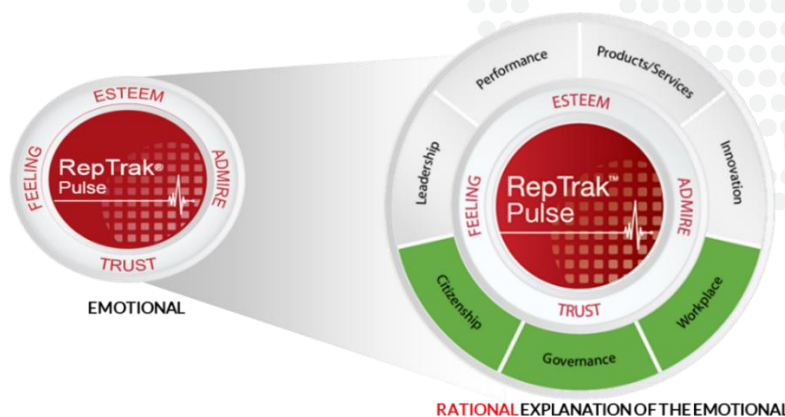
**This brief introduces the 2014 Global CSR RepTrak® ranking based on the Reputation Institute's annual RepTrak® Pulse study of reputation across fifteen countries. The study ranks 100 most reputable companies based on their CSR reputation.**

The RepTrak® model developed by Reputation Institute measures both the emotional perceptions and the rational explanations of a company's reputation (see sidebar on the next page for details). Rational explanations are captured within the seven dimensions (drivers) of reputation (Figure 1). CSR RepTrak® awards scores based on companies' performance in three of the seven reputation dimensions: Citizenship, Governance and Workplace.

# 72.7

The highest score in the 2014 Global CSR RepTrak® Ranking, earned by Google.

**Figure 1. Global RepTrak® and CSR RepTrak® Methodology**



**CSR RepTrak® Score reflects performance in Citizenship, Governance and Workplace dimensions of reputation**

Source: Reputation Institute, December 2014



## A Business Case for CSR

### The RepTrak® Model

Reputation Institute's RepTrak® model for reputation measurement is structured around four core themes and seven dimensions of reputation. Together, these elements explain a company's reputation.

#### 1. Corporate Reputation

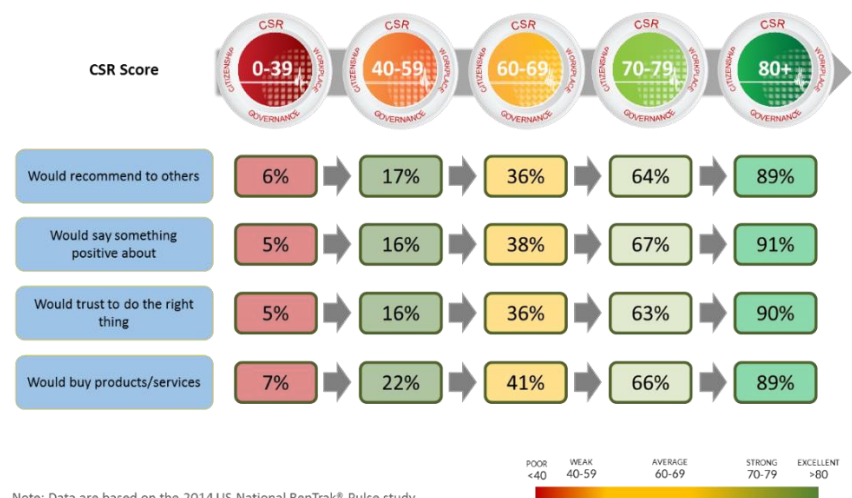
RepTrak® Pulse is the core of a company's reputation. It measures the strength of the emotional bond between the company and the public.

#### 2. Seven Dimensions of Reputation

RI evaluates stakeholders' perceptions of company performance across seven reputation dimensions. The individual dimensions mean different things to people and are perceived differently in terms of weighted

Reputation Institute's data provide a strong business case for embedding CSR and sustainability principles into corporate strategy and operations. Firms with better CSR reputation have a much higher ability to foster desired supportive behaviors among consumers, including buying their products, recommending their company, or trusting the company to do the right thing when faced with difficulties or disruptions (Figure 2).

Figure 2. Higher CSR Scores Drive Supportive Behaviors



Source: Reputation Institute, December 2014

## How to Use Reputation Institute's CSR RepTrak® Ranking

Over the past decade, multiple standards, rankings and performance measurement systems have been developed to measure both actual and perceived CSR/ sustainability performance of companies. Reputation Institute's CSR RepTrak® ranking occupies a unique place in among CSR/sustainability focused rankings and assessments.

Reputation Institute's CSR RepTrak® Ranking is used by companies across industries as an instrument to measure the gap between their actual CSR performance and what the general public thinks about it. Reputation Institute's CSR RepTrak® Ranking:

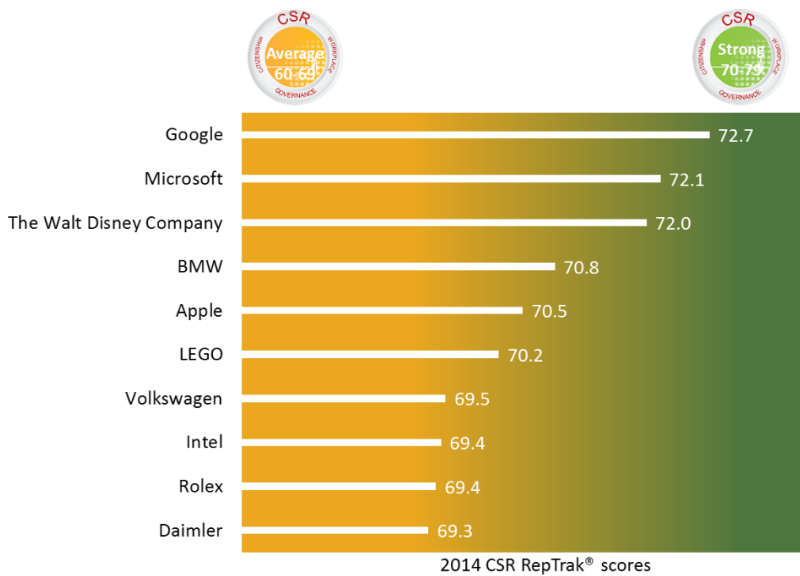
- Measures general public’s perceptions of companies’ CSR performance
- Encompasses a broad range of issues covered by various CSR and sustainability definitions, including environmental, social, workplace and governance issues
- Is consistent year-over-year, enabling historic comparisons
- Is based on research from 15 markets globally (Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Mexico, Russia, South Korea, Spain, UK, USA).

## 2014 Global CSR Reputation Winners

Google, Microsoft, The Walt Disney Company and BMW have been at the top of the Global CSR RepTrak® ranking for the past four years.

The top companies based on their CSR reputation come from the IT, automotive, consumer goods and media/ entertainment industries. The new entrant in the top 10 this year is LEGO, while Nestle is no longer in the top 10 list.

Figure 3. 2014 Global CSR Reputation Winners



Source: Reputation Institute, December 2014

### Interpreting CSR RepTrak® scores

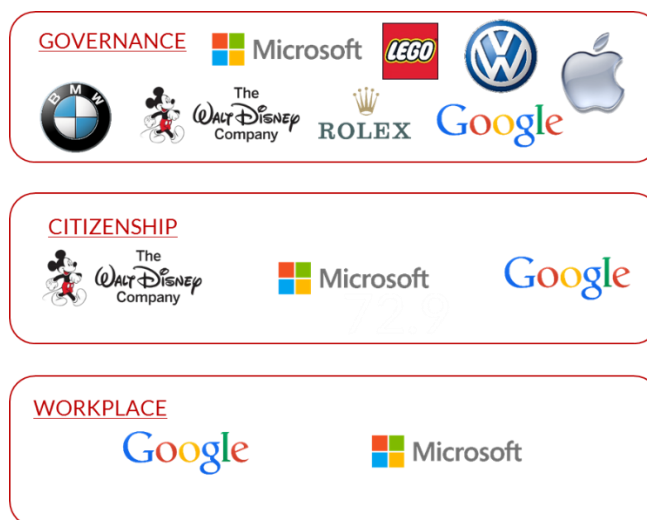
When interpreting the CSR RepTrak® scores, the following methodology points need to be considered:

- CSR RepTrak® score is a score reflecting a company’s performance in Citizenship, Governance and Workplace dimensions driving reputation, on a scale from 0-100.
- The difference between two scores in this year's Global CSR RepTrak® ranking must be at least 0.9 points to be considered statistically significant.

## CSR Practices Perceived Most Favorably by the General Public

Figure 4 lists the most reputable firms within each of the three CSR dimensions of reputation:

Figure 4. 2014 Reputation Leaders in CSR Dimensions



Source: Reputation Institute, December 2014

Each group in Figure 4 includes companies with similar reputation in a specified dimension. Firms that are most reputable for their CSR and sustainability have adopted an array of practices to boost their performance. Two examples are highlighted below.

### *Citizenship Best Practices: Google*

Google's environmental sustainability strategy is well integrated with the company's core business. The company incorporates CSR and sustainability principles into its own operations and designs products/services in a way to enable customers to reduce their own environmental impact:



- Google's CSR score: 72.7
- Google's Citizenship score: 70.9
- Average Citizenship score of the Top 100: 64.6
- Google's data centers use 50% less energy than the typical data center\*
- Google committed over \$1 billion to renewable energy projects\*

- A business using Gmail decreases its environmental impact\*

\*Self-reported by Google

### Governance Best Practices: Volkswagen

Volkswagen adheres to “responsible, transparent and value-enhancing corporate governance” principles through:

- Practicing “preventive approach to compliance”\*
- Adhering to the recommendations and suggestions of the German Corporate Governance Code\*
- Following an internally developed Code of Conduct - a Group-wide guideline that applies to all of employees and members of executive bodies\*

\*Self-reported by Volkswagen

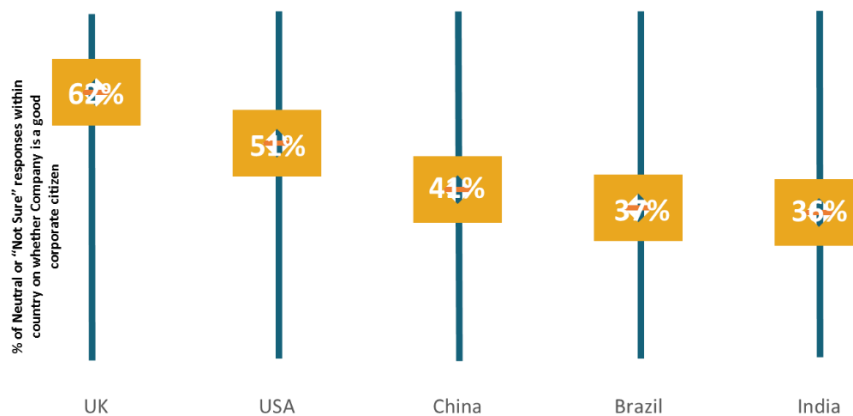


- Volkswagen's CSR score: 69.5
- Volkswagen's Governance score: 70.8
- Average Governance score of the Top 100: 66.8

## Many Firms Are Not Effective in Communicating their CSR Performance

Despite the growing interest in CSR among global stakeholders, most firms still struggle to find the best way of communicating with the general public on the topic of CSR:

Figure 5. Companies Struggle to Communicate their CSR Performance



Source: Reputation Institute, December 2014

As Figure 5 shows, consumers across countries remain highly uncertain about corporate performance in the Citizenship dimension - one of the three dimensions comprising the CSR score. Increasing public awareness of company's CSR performance is key to maximizing the return on investment (ROI) in CSR and sustainability.

## Conclusion

In today's competitive global economy, business reputation of companies has a stronger than ever impact on their financial performance. Reputation is a critically important asset that can impact revenue, make or break new product launches, and contribute to the long-term business success of a firm.

Implementing a company-wide CSR strategy is one of the leading ways to boost business reputation globally. Top firms across industries have adopted formal strategies and budgets for CSR as a way to improve their citizenship, governance and workplace conditions and introduce responsibility principles into the core of their operations.

Companies need to find a balance between informing the public about their CSR performance through external communications, employees, third-parties, as well as by engaging in the types of CSR/sustainability activities that spur information sharing by "word of mouth" among the general public.

### ABOUT THE AUTHOR

Viktoria Sadlovska  
Research Director,  
CSR & Reputation Risk Management

[vsadlovska@reputationinstitute.com](mailto:vsadlovska@reputationinstitute.com)

# 2014 Global CSR RepTrak® Ranking 1-50

CSR Rank	Company	CSR Score
1	Google	72.7
2	Microsoft	72.1
3	The Walt Disney Company	72.0
4	BMW	70.8
5	Apple	70.5
6	LEGO	70.2
7	Volkswagen	69.5
8	Intel	69.4
8	Rolex	69.4
10	Daimler	69.3
11	Sony	69.2
12	Rolls-Royce Aerospace	69.0
13	Canon	68.6
13	Johnson & Johnson	68.6
13	Philips Electronics	68.6
16	Toyota	68.3
16	Samsung Electronics	68.3
16	adidas	68.3
19	IBM	68.2
19	Robert Bosch	68.2
21	Nestlé	68.0
22	Michelin	67.9
23	BBC	67.5
23	3M	67.5
23	Colgate-Palmolive	67.5

CSR Rank	Company	CSR Score
26	Kellogg's	67.4
26	IKEA	67.4
28	Honda Motor	67.3
28	The Coca-Cola Company	67.3
30	Marriott International	67.2
31	Procter & Gamble	67.1
32	Danone	67.0
33	Bridgestone	66.9
34	Visa	66.8
34	Ferrero	66.8
34	Volvo Group	66.8
34	Nintendo	66.8
38	Deutsche Lufthansa	66.7
39	Siemens	66.6
39	Swatch Group	66.6
41	Hershey Company	66.5
41	Caterpillar	66.5
43	Goodyear	66.4
44	Giorgio Armani	66.3
45	Abbott Laboratories	66.2
45	Cisco Systems	66.2
47	Toshiba	66.1
47	Pirelli	66.1
49	Deere & Co.	65.9
49	Scandinavian Airlines (SAS)	65.9

## 2014 Global CSR RepTrak® Ranking 51 - 101

CSR Rank	Company	CSR Score
49	Hewlett-Packard	65.9
49	L'Oréal	65.9
49	Whirlpool	65.9
54	Oracle	65.8
54	Xerox	65.8
56	Amazon.com	65.7
57	Bayer	65.6
57	HJ Heinz	65.6
59	Panasonic - Formerly Matsushita Electric Industrial	65.5
60	Lavazza	65.4
61	General Mills	65.2
61	Campbell Soup Company	65.2
61	Nike	65.2
64	Virgin Group	65.1
65	Boeing	65.0
66	Singapore Airlines	64.9
67	LG Corporation	64.8
67	FedEx	64.8
67	DuPont	64.8
70	Airbus	64.7
70	Hugo Boss	64.7
70	LVMH Group (Moët Hennessy - Louis Vuitton)	64.7
73	Barilla	64.6
74	Hilton Worldwide	64.5
74	General Electric	64.5

CSR Rank	Company	CSR Score
76	Fujifilm	64.4
76	Benetton	64.4
78	Dell	64.3
79	Qantas Airways	64.1
79	Marks & Spencer	64.1
79	Heineken	64.1
79	Unilever	64.1
83	Nissan Motor	64.0
84	ACER INC	63.8
84	Suzuki Motor	63.8
86	British Airways	63.7
87	UPS	63.6
87	Ford	63.6
89	Carlsberg	63.5
89	PepsiCo	63.5
91	eBay	63.4
92	Air France-KLM	63.3
92	Electrolux	63.3
94	Sharp	63.0
94	Mondelēz International (Kraft Foods Inc.)	63.0
96	PSA Peugeot-Citroën	62.8
97	Starbucks	62.7
97	Lenovo Group	62.7
99	Bacardi	62.4
99	Fujitsu	62.4
101	Zara (Inditex)	61.8

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