



Covalence EthicalQuote Criteria of Business Contribution to Human Development

Covalence has defined 45 criteria of business contribution to human development according to an international legal framework and sustainability reporting guidelines. The 45 criteria are classified into 4 groups: I. Working conditions; II. Impact of production; III. Impact of product; IV. Institutional impact. Covalence EthicalQuote Ranking combines the score calculated across criteria (measure of popularity) and the scores calculated in each criteria group (measure of diversified performance).

I. Working Conditions

		Global Reporting Initiative G3.1 Guidelines 2011	UN Millenium Declaration & Millenium Goals 2000	United Nations Global Compact 2000	Copenhagen Agreements on Social Development 1995	Rio Declaration on Environment and Development 1992	ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy 1977	OECD Guidelines for Multinational Enterprises 1976	Universal Declaration of Human Rights 1948
1. Labour standards	Criteria 1. Labour standards covers labour issues taking place within the company. It is inspired by the ILO Declaration on Fundamental Principles and Rights at Work, dealing with freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.	LA4, LA6, LA7, LA9, LA13, LA14, HR4, HR5, HR6, HR7	Millenium Goals No. 8	Principles 3, 4, 5, 6	Declaration 8		Paragraphs 8, 21, 36	II. General policies 1-5 ; IV Employment and Industrial Relations 1-5	Articles 4, 6, 20, 23.1, 23.3, 23.4, 24
2. Wages	Criteria 2. Wages looks at how the company manages the level of wages paid to employees and executives.	EC1, EC5	Millenium Goals No. 1	Principles 3, 4, 5, 6		Principle 3.	Paragraphs 3, 34	II. General policies 1	Articles 23. 1., 23.2

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3. Social benefits	Criteria 3. Social Benefits looks at measures taken internally or externally by the company regarding social benefits and advantages for employees and families.	EC3, LA3, LA15	Millenium Declaration III.19				II. General policies 1	Article 23.3	
4. Training and insertion	Criteria 4. Training and insertion looks at how the company takes measures regarding training employees, continued formation, stabilisation of jobs and social plans in case of lay-offs.	LA5, LA8, LA10, LA11, LA12, HR3	Millenium Goals No. 2	Programme of action 8		Paragraphs 24, 26, 30, 31	II. General policies 1, 4	Article 26	
5. Women	Criteria 5. Women describes working conditions for women and the coordination of professional and private life.	EC5, LA15, LA10, LA12, LA13, LA14	Millenium Declaration III.13	Declaration 7	Principle 2.	Paragraph 21	II. General policies 1	Article 23.1, 23.2	
6. External working conditions	Criteria 6. External working conditions, covers working conditions outside the analyzed company. It pertains to the working conditions of its suppliers, subcontractors and other professional partners, and the measures the company has taken to improve upon them.	HR5, HR6, HR7	Millenium Goals No. 8	Principles 3, 4, 5, 6	Declaration 8	Principle 3.	Paragraphs 8, 21, 36	I. Principles 2,4 ; II General Policies 1, 4, 5, 10 ; IV Employment and Industrial Relations 1-5	Articles 4, 6, 20, 23.1, 23.3, 23.4, 24

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II. Impact of Production		Global Reporting Initiative G3.1 Guidelines	UN Millenium Declaration & Millenium Goals 2000	United Nations Global Compact 2000	Copenhagen Agreements on Social Development	Rio Declaration on Environment and Development 1992	ILO Tripartite Declaration of Principles concerning	OECD Guidelines for Multinational Enterprises 1976	Universal Declaration of Human Rights 1948
7. Sales	Criteria 7. Sales describes where a company sells its products / services and how these sales benefit people and the environment.	EC1						II. General policies 1	
8. Official Development Assistance	Criteria 8. Official Development Assistance highlights when a company collaborates with, or benefits from, a governmental development aid program.	EC4, SO1	Millenium Declaration I.6 Millenium Goals No. 8		Programme of action 11 (h)				
9. Export risk guarantee	Criteria 9. Export risk guarantee describes a situation when a government covers the risks taken by a national company investing abroad.	EC4							
10. International presence	Criteria 10. International presence describes the impact of the company's foreign direct investments and related policies. More broadly, it deals with how the international presence of a company is perceived. When details are lacking, criteria 10 is used to express a general feeling, positive or negative, about a company's presence in foreign countries.			Principles 3, 4, 5, 6	Programme of action 9		Paragraphs 1, 10	II. General policies 1, 3	
11. Joint ventures	Criteria 11. Joint ventures receives information about multinational companies investing together with other companies to create a new company and the economic, social and environmental impacts of such joint ventures.	EC1	Millenium Declaration III.20 Millenium Goals No. 8		Programme of action 8, 12		Paragraph 1	II. General policies 1, 3, 5	

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12. Economic impact	Criteria 12. Economic impact of production deals with how a company's investments influence local industries in terms of job creation, access to markets, competition, economic growth.	EC1 , EC9, LA1, SO7	Millenium Declaration III.11 Millenium Goals No. 1	Principle 1	Declaration 7, 9	Principle 3.	Paragraph 1, 40	II. General policies 1, 3 ; IX. Competition 1	Articles 22, 25
13. Social impact	Criteria 13. Social impact receives information on how the company's operations influence the implementation of local laws relating to social areas c.f. social protection, public health, employee relations or fiscal relations.	SO8	Declaration 9. Programme of Action 12 (i) Programme of Action. 8.		Declaration 9, PA 8, 12 (i)	Principle 3.		II. General policies 1, 3	Articles 7, 22
14. Job stability	Criteria 14. Job stability looks at the turn-over of the company's employees n the different countries / regions where it is active.	LA1, LA2					Paragraphs 13, 14	II. General policies 1, 4	
15. Local employees	Criteria 15. Local employees looks at the number and the proportion of local employees in the company in the different countries / regions where it is active.	EC1 , EC5, LA2	Millenium Goals No. 8 Millenium Goals No. 8				Paragraph 18	II. General policies 1, 4	Article 23.1
16. Local executives	Criteria 16. Local executives looks at the number and the proportion of local executives in the company in the different countries / regions where it is active.	EC7					Paragraph 18	II. General policies 1, 4	Article 23.1
17. Women employed	Criteria 17. Women employed looks at the proportion of women among the company's employees and among the company's executives.	LA1, LA13	Millenium Declaration I.5 Millenium Goals No. 3		Declaration 7		Paragraph 21	II. General policies 1, 4	Articles 23. 1., 23.2

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18. Downsizing	Criteria 18. Downsizing is used to code information that relates to factory closures, the transfer of production to another country, and measures taken to minimize negative social effects of such decisions.	LA5			Paragraphs 24, 26	II. General policies 1, 4 ; IV. Employment and Industrial Relations. 6	
19. Infrastructures	Criteria 19. Infrastructures describes when a company is (co-) financing public infrastructures in a country where it is investing.	EC8				II. General policies 1, 3	Article 22
20. Local sourcing	Criteria 20. Local sourcing highlights when a company is buying / sourcing directly to a local producer, farmer.	EC6	Millenium Declaration I.5		Paragraph 20	II. General policies 1, 3	Articles 22, 25
21. Stability of prices	Criteria 21. Stability of prices describes how a company manages prices of raw materials on international commodity markets (not direct sourcing).	EC9		Programme of action 11		II. General policies 1, 3	Articles 22, 25
22. Technical assistance	Criteria 22. Technical assistance highlights when a company transmits skills, knowledge, technologies to another company / partner.	EC9	Millenium Declaration I.5 Millenium Goals No. 8	PA 8, 9, 12	Paragraph 19	II. General policies 1, 3 ; VIII. Science and Technology 2, 3	Articles 22, 25, 26

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23. Intellectual propriety rights	Criteria 23. Intellectual property rights describes how a company manages its own intellectual propriety rights vis-à-vis other companies and countries. Has the company taken measures that promote human and economic development, the protection of biodiversity, respect of traditional knowledge and local natural resources, for example through research & development, voluntary licenses, agreements, cooperation with research institutes and local communities?	EC1 , EC9	Millenium Goals No.	Programme of action 9	II. General policies 1, 3 ; VIII. Science and Technology 2, 4	Articles 17, 25, 27.2	
24. Local innovation	Criteria 24. Local innovation highlights when a company helps another company to develop a new product.	EC9	Millenium Goals No. 8		II. General policies 1, 3 ; VIII. Science and Technology 3, 5	Articles 22, 25	
25. Fiscal contributions	Criteria 25. Fiscal contributions looks at the following questions: Does the company pay taxes ? Where ? How much? What can the company say about its fiscal relations policy ? How can the company assess the impact of its fiscal contributions to local economic and social development ?	EC1, EC4	Millenium Declaration I.5	Programme of action 9	II. General policies 1, 3, 5 ; X. Taxation.	Articles 22, 25	
26. Environmental impact of production	Criteria 26. Environmental impact of production is used to categorize information that relates to how a company's production activities are impacting the environment, nature, animals and biodiversity.	EC2, EN1, EN2, EN3, EN4, EN5, EN7, EN8, EN9, EN10, EN11, EN12, EN13, EN14, EN15, EN16.	Millenium Declaration I.5 Millenium Goals No. 7	Principle 8	Declaration 6	Principle 4, 10.	II. General policies 1, 5 ; V. Environment.

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III. Impact of Product

		Global Reporting Initiative G3.1 Guidelines 2011	UN Millenium Declaration & Millenium Goals 2000	United Nations Global Compact 2000	Copenhagen Agreements on Social Development 1995	Rio Declaration on Environment and Development 1992	ILO Tripartite Declaration of Principles concerning Multinational Enterprises and	OECD Guidelines for Multinational Enterprises 1976	Universal Declaration of Human Rights 1948
27. Product human risk	Criteria 27. Product human risk describes when a product or service is perceived to be risky to man or nature and when a company reduces such risks.	PR1, PR2, PR9						II. General policies 1, 5 ; VII. Consumer Interests.	Articles 3, 25
28. Product social utility	Criteria 28. Product Social Utility serves to describe when a company offers, or is being asked to provide, products or services that respond to needs related to human, social and economic development.	PR1, PR3, PR5			Declaration 9			II. General policies 1 ; VII. Consumer Interests ; VIII. Science and Technology	Articles 22, 25
29. Product relation to culture	Criteria 29. Product relation to culture describes the relation between a product and a culture: how a product values culture and traditions?	EN12, SO1, PR9	Millenium Declaration I.5		Programme of action 8	Principle 22.		II. General policies 1 ; VII. Consumer Interests.	Articles 22, 26, 27
30. Socially innovative product	Criteria 30. Socially innovative product reflect communications regarding the research & development (R&D) of products or services that present a particular interest for responding to human needs and contributing to economic and social development.	PR1, PR3						II. General policies 1 ; VII. Consumer Interests ; VIII. Science and Technology	Articles 22, 25
31. Product environmental risk	Criteria 31. Product Environmental Risk reflects communications found about a product or service described to be risky to nature, animals, the environment and biodiversity by itself or by its implications. It also reflects measures taken by companies to minimize such risks.	EN6, EN12, EN26, EN27, EN28	Millenium Declaration I.5	Principle 7	Declaration 9	Principle 4, 10.		II. General policies 1, 5 ; V. Environment; VII. Consumer Interests ; VIII. Science and Technology	Article 3

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32. Waste management	Criteria 32. Waste management describes action / lack of action in waste management. Has the company taken particular measures relatively to the management of waste due to its products and production?	EN22, EN24, EN26, EN27, EN30	Millenium Declaration I.5 Millenium Goals No. 7		Programme of action 8	Principle 4, 10.	II. General policies 1, 5 ; V. Environment.
33. Eco-innovative product	Criteria 33. Eco-innovative product covers information regarding new products or services offered by the company that are friendly to nature, animals, the environment and biodiversity.	EN6, EN12, EN26, EN27, EN28, EN30	Millenium Goals No. 7	Principle 9	Declaration 6, PA 8	Principle 4, 10.	II. General policies 1, 5 ; V. Environment
34. Information to consumer	Criteria 34. Information to consumer looks at how companies are, or aren't, providing the public and consumers with information regarding product or services, the impact of production, working conditions or institutional impact.	PR3, PR4, PR5, PR6, PR7, PR8	Millenium Declaration V.25		Declaration 9		II. General policies 1 ; VII. Consumer Interests. Articles 3, 25
35. Pricing / needs	Criteria 35. Pricing / needs looks at which price does a company sell its products considering their social utility and capacity to respond to essential human needs.	EC9	Millenium Declaration I.5 Millenium Goals No. 1			Principle 5, 6.	II. General policies 1 ; IX. Competition. Articles 3, 25
36. Cause related marketing	Criteria 36. Cause related marketing highlights when the support to social / environmental projects is linked to the selling of a product.	PR6, PR7	Millenium Declaration I.5				

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IV. Institutional Impact

		Global Reporting Initiative G3.1 Guidelines 2011	UN Millenium Declaration & Millenium Goals 2000	United Nations Global Compact 2000	Copenhagen Agreements on Social Development 1995	Rio Declaration on Environment and Development 1992	ILO Tripartite Declaration of Principles concerning Multinational Enterorises and	OECD Guidelines for Multinational Enterprises 1976	Universal Declaration of Human Rights 1948
37. Social sponsorship	Criteria 37. Social sponsorship pertains to information about a company's donation of money or goods to an external organization in the pursuit of social or environmental objectives.	EC1, EN30, SO1, PR6, PR7	Millenium Declaration I.5						
38. Anti-corruption policy	Criteria 38. Anti-corruption policy covers material presenting how companies are acting, or failing to act, against corruption.	SO2, SO3, SO4	Millenium Declaration II.9 Millenium -	Principle 10	Declaration 4, PA 11, 13			II. General policies 1, 2, 5 ; VI. Combating Bribery.	Articles 22, 25
39. Humanitarian policy	Criteria 39. Humanitarian policy describes how a company behaves in and about emergency situations such as wars, civil wars and natural disasters.	EC1 , SO1	Millenium Declaration I.5		Declaration 5	Principle 23, 24, 25.		II. General policies 1, 2.	Articles 3, 28
40. Human rights policy	Criteria 40. Human Rights Policy is used to code information that pertains to how a company deals, or should deal, with the respect for, and promotion of human rights, internally and externally. In addition, it is used to code information that relates to how the company deals, or should deal, with governments and their individual human rihts	HR1, HR2, HR3, HR8, HR9, HR10, HR11	Millenium Declaration I.2	Principles 1, 2		Principle 23.		II. General policies 1, 2.	Articles 3, 5, 9, 19
41. United Nations policy	Criteria 41. United Nations policy describes how a company discusses and collaborates with programmes or agencies of the United Nations, or UN-supported projects, such as the Global Compact, UNEP, UNDP, the Global Reporting Initiative, etc.	SO1, SO5	Millenium Declaration I.3	Principles 1-9					

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42. Boycott policy	Criteria 42. Boycott Policy describes how a company deals with calls to boycott certain countries and governments because of the human rights situation.	HR1, HR2	Millenium Declaration I.5		II. General policies 1, 2.	
43. Social stability	Criteria 43. Social stability describes when a company helps, or fails to help, promote local social stability in a community where it is active. A company may do this by offering training, subsidies, or by engaging in some other means of direct involvement in matters related to education, health, the environment, security.	SO1, SO9, SO10	MilleniumDeclaration I.4	Programme of action 8		Articles 25, 26
44. Support to political actors	Criteria 44. Support to Politicians compiles information describing relations of a company with political actors, such as financial support.	SO6	Millenium Declaration I.5		II. General policies 1, 5, 6, 11	
45. Lobbying practices	Criteria 45. Lobbying Practices covers material describing lobbying activities of companies: activities aiming at influencing decisions taken by governments at the national and international levels.	SO5	Millenium Declaration III.13	Principle 1	Principle 27.	II. General policies 1, 5, 6, 7, 8, 9, 11 Article 30