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Lego Clinches Top Spot in Corporate Responsibility Rankings, Passes Google and Disney

By Maria Armental

Lego Group knocked Alphabet Inc.'s Google from the top spot in an annual ranking of corporate responsibility, an increasingly important performance measure that looks at a company's treatment of workers and broader world impact as well as how it resonates with consumers.

The report, released Tuesday by data-insights company Reputation Institute, shows the Danish toy maker whizzed past Google and Walt Disney Co., last year's respective No. 1 and 2, while Brazil's Natura Cosméticos SA and Microsoft Corp. rose to No. 2 and 3, respectively. Google took the No. 4 spot, and Disney No. 5.

Alpargatas SA's Havaianas sandals company, Intel Corp. and Italian coffee roaster Luigi Lavazza S.p.A. joined the top 10, pushing out imaging company Canon Inc. and tire maker Michelin.

Starbucks Corp., which had faced accusations of racial bias and backlash over a campaign that sought to stimulate discussions around race, made it back to the list, closing the Global CR RepTrak 100 ranking.

The rankings measure the reputation of 100 companies in 15 countries, among them the U.S., Australia, Germany, Russia, Brazil, Japan and China.

The latest rankings show

consumers are paying closer attention to workplace issues, such as equal pay, and show a direct link between a company's ranking and public support. A five-point corporate-responsibility increase translated into an 8% increase in purchase intent, said Stephen Hahn-Griffiths, Reputation Institute's chief reputation officer. A five-point corporate-responsibility increase boosted trust by 6%.

"In today's world, success and being a purpose-driven organization are inextricably linked," said Kasper Nielsen, Reputation Institute's chief strategy officer.

"To put it simply," Mr. Hahn-Griffiths said, "corporate responsibility is no longer just a measure of goodwill, it's a measure of being a good business."

Corporate responsibility, he said, drives about 40.5% of a company's reputation, while financial performance accounts for about 12.7%.

With investors' growing focus on so-called values-based or impact investment, sustainable investing assets have surged to more than \$30 trillion at the start of 2018 in the five major markets: Europe, the U.S., Japan, Canada and Australia/New Zealand, according to a biennial report from the Global Sustainable Investment Alliance. www.gsi-alliance.org/

[wp-content/uploads/2019/06/GSIR_Review2018F.pdf](#)

That's larger than the U.S. gross domestic product, the broadest measure of the nation's output of goods and services, which stood at about \$21.34 trillion in the second quarter, according to the Commerce Department. www.wsj.com/articles/economic-growth-revised-to-2-in-second-quarter-11567081908

Energy companies such as Exxon Mobil Corp., Chevron Corp. and Royal Dutch Shell PLC showed strong gains, though they didn't make the cut.

Another company that would make the cut next year is ride-sharing company Uber Technologies Inc., which had been hard-hit by accusations of a workplace culture permissive of sexual harassment and sexism but saw "drastic improvement governance metrics" under the direction of Chief Executive Dara Khosrowshahi.

On the other hand, Google, which last year was the only company with a strong workplace score, faced a slight reputational erosion in the most recent ranking. The tech giant faced scrutiny over data protection and privacy and Google workers staged mass walkouts to protest a workplace culture that they said promoted and protected sexual harassment perpetrators.