



# How fairly and sustainably are

# our smartphones and laptops produced?

ICT Brand Rating 2017

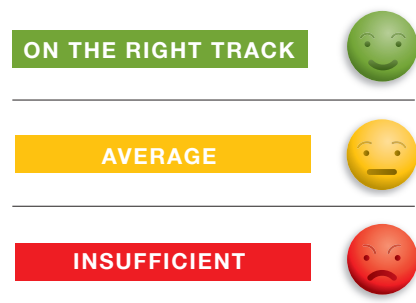
Bread for all and the Swiss Catholic Lenten Fund have rated the ten largest ICT firms in the Swiss market in 2017 for the third time, thoroughly examining their stands on labour rights, conflict minerals, and the environment.

	Labour Rights	Conflict Minerals	Environment
Apple			
Dell			
HP			
Lenovo			
Acer			
Samsung			
Sony			
Asus			
HTC			
Huawei			

## Methodology

How did the ten firms with the largest Swiss market share of mobile devices and computers fare? The companies – Apple, Samsung, Huawei, HTC, Sony, HP, Dell, Lenovo, Acer and Asus – were evaluated according to twenty-nine criteria, on a scale from 0 to 3 points.

The analysis included publicly available information such as company websites and Corporate Social Responsibility (CSR) reports. The results were then submitted to the firms for feedback. Eight of the ten companies – excluding Acer and Huawei – responded, and their input was taken into consideration in the final evaluation. Due to individual criteria having been adapted, and some of the companies being different from those previously examined, a one-to-one comparison with the 2014 evaluation it is not possible. But despite these differences, general trends are noticeable.



Further information as well as individual company evaluations can be found at: [www.IT-rating.ch](http://www.IT-rating.ch) (German and French).



“I work until late in the evening, exposed to toxic fumes, and at the end of the week have too little money to live.”

Factory worker from China

Still image from the documentary “Complicit” by Heather White and Lynn Zhan, on working conditions in Chinese electronics companies (2017).

## Conclusions

### Progress in dealing with conflict minerals, regression in working conditions

There has been slight progress overall, as well as a certain mainstreaming at the lower end of the scale. For example, some of the firms that lagged in the 2014 evaluation have made significant progress, especially Asus, but also Samsung and Lenovo. In addition, some of the companies rated average in 2014 have since turned into leaders, particularly Dell, and Apple. But at the upper end of the scale, progressive changes have stagnated. Moreover, as was also the case in 2014, there are still companies that greatly lack transparency in their communications and do not appear to attach any importance to the issues in question. This is particularly true of HTC and Huawei. Since 2014, the greatest improvements can be seen with regards to conflict minerals, and the least in labour rights.

Transparency with regards to **working conditions** in the supply chain is better overall than in 2014, but then as now, there are great discrepancies between the firms evaluated. Whereas companies that were previously rated average have in the meantime improved their supply chain management with respect to employment rights, previous leaders such as Apple and HP have regressed, scaling back or dissolving their commitments to multi-stakeholder initiatives. Positive steps towards promoting worker union organisations and on the issue of subsistence wages have also been reversed. Furthermore, all the companies evaluated have passed on the responsibility for observing la-

bour rights primarily to their suppliers, not acknowledging the responsibility they bear through their setting of price policy and obligatory production times.

Major strides have been made by industry in the procurement of so-called **conflict minerals**. Almost all the firms are transparent about their supply chains and work mainly with certified smelters. This is not least due to a European equivalent of the U.S. Dodd-Frank Act of 2010 being in place since 2016, which mandates transparency on the handling of raw materials from conflict areas such as the Democratic Republic of the Congo.

Regarding the **environment**, the 2017 evaluation focused mainly on greenhouse gas emissions and harmful substances within products such as PVC or phthalates. Many of the companies, particularly those that placed average in 2014, have made significant progress in reducing greenhouse gas emissions. Category leaders Apple and HP have in the meantime gone on to set the goal of using 100% renewable energies. Environmental reporting has also improved during this time. Conversely, progressive developments on the use of harmful substances within the products appear to have stagnated. This issue has garnered much less attention than in 2014. A number of companies have failed to update their goals and thereby demonstrate a long-term commitment in this area.

Since 2007, *Bread for all* and the *Swiss Catholic Lenten Fund* have been committed to educating Swiss consumers and the public sector to demand fair working conditions in the ICT industry. In China, *Bread for all* supports partners that are trying to improve the working conditions in ICT production.

[www.IT-rating.ch](http://www.IT-rating.ch)

