The Most Controversial Companies of 2013

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Summary

RepRisk released their analysis of documented negative incidents, criticism and controversies related to the 10 firms that received the highest Reputational Risk Index (RRI) in 2013. The report, ‘The Most Controversial Companies of 2013’ captured information from a wide range of third-party sources including online and print media, NGOs, government agencies, blogs and more.

Key findings

- The 10 Most Controversial Companies of 2013 were:
  1. International Federation of Association Football (FIFA)
  2. Punta Fa SL (Mango)
  3. Comigel SAS
4. HSBC Holdings PLC
5. Findus Group Ltd
6. Fonterra Co-operative Group Ltd
7. GlaxoSmithKline PLC
8. BNP Paribas SA
9. ICAP PLC
10. Samsung Group

- The 10 most controversial companies of 2013 are headquartered around the world and stem from a range of industries including banking, pharmaceutical and retail. The issues for which they were criticized spanned the spectrum of ESG issues including poor labor conditions, anti-competition breaches, human rights violations as well as fraud, bribery, and money laundering.

- The Federation Internationale de Football Association (FIFA) topped the list. FIFA was treated as a company according to RepRisk methodology. In Qatar the conditions of migrant workers has been likened to forced labor during the construction of the 2022 World Cup facilities. In the summer of 2013, FIFA came under fire in relation to the deaths of approximately 40 Nepalese workers under “suspicious circumstances”. The association has also experienced issues with corruption regarding the selection of Qatar, while in Brazil there have been a myriad of social issues as locals have been affected by the 2014 World Cup preparations.

- Retailer Punta Fa, otherwise known as Mango, suffered a blow to its reputation after the fatal factory collapse of Rana Plaza in Bangladesh.

- Food and beverage companies Comigel and Findus made the list due to their involvement in the horse meat scandal, while HSBC and ICAP’s reputations suffered after investigations into their role in the manipulation of interbank offered lending rates and foreign exchange rates.

- HSBC and BNP Paribas were also highlighted for issues related to money laundering, fraud and for financing controversial projects with negative environmental and social impacts.

- Dairy company Fonterra has suffered repeatedly due to allegations of contaminated products, while GlaxoSmithKline
was a target of criticism because of health issues associated with its medications as well as drug trials in developing countries, market manipulation and bribery.

- Finally, poor working conditions at Samsung’s factories and in its supply chain have left the company exposed to numerous health and safety issues with workers suffering severe injuries and illnesses, resulting in death in some cases.

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**Source**

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