



JUST Capital Ranking Methodology

November 2019

As of January 22, 2020

For the most up-to-date methodology, visit:
<https://com-justcapital-web-v2.s3.amazonaws.com/pdf/JUSTCapital2020RankingsMethodology.pdf>

ABOUT JUST CAPITAL

JUST Capital is the leading platform for measuring and improving corporate performance in the stakeholder economy. Our mission is to build an economy that works for all Americans by helping companies improve how they serve all their stakeholders – workers, customers, communities, the environment, and shareholders. We believe that business and markets can and must be a greater force for good, and that by shifting the resources of the \$19 trillion private sector, we can address systemic issues at scale, including income inequality and lack of opportunity. Guided by the priorities of the public, our research, rankings, indexes, and data-driven tools help measure and improve corporate performance in the stakeholder economy.

America's Most JUST Companies, including the groundbreaking *JUST 100*, is published annually in Forbes. To learn more about how data-driven insights are creating a more just future for capitalism, visit www.justcapital.com.

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JUST Capital's Research Advisory Council provides independent guidance on JUST Capital's research program and technical expertise on specific research matters. The Council helps ensure that JUST Capital appropriately captures the American public's views and that it accurately measures corporations on those issues important to the American public, with rigorous, unbiased and up-to-date methods.

The Council is comprised of researchers and thought leaders who are passionate about JUST Capital's mission and willing to provide experience and expertise to the research team, specifically related to one or more of the following:

- Capturing, analyzing, and accurately reflecting public opinion.
- Designing assessment metrics and identifying data to evaluate corporate performance.
- Developing statistical methods and models to fairly evaluate corporate behavior.
- Informing and improving JUST Capital's research and ranking methodologies.

The Council is divided into two specialized groups: one focused on Survey Research and the other on Corporate Performance and Ranking.

The composition of JUST Capital's Research Advisory Council is published on JUST Capital's website at www.justcapital.com.

SURVEY RESEARCH ADVISORY PANEL

JUST Capital believes it is critical to gather a wide range of expert reviews on the organization's approach throughout the research process, so we assembled a Survey Research Advisory Panel – an expert panel composed of select board members and other external experts – to assist in our survey research. In assembling this expert panel, we sought out individuals with diverse expertise related to the survey research process, a willingness to dedicate time and thought to that process, and an understanding of our mission and the challenges of surveying complex topics. We are very appreciative of our expert panel members' time and efforts.

The Survey Research Advisory Panel members include:

- Jeff Brazell, Chairman, The Modellers
- George Hazelrigg, NSF, retired
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- Ori Heffetz, Associate Professor, Samuel Curtis Johnson Graduate School of Management, Cornell SC Johnson College of Business
- Peter Georgescu, Chairman Emeritus, Young & Rubicam (JUST Capital Board Member)
- Michael Weinstein, Executive Director, Impact Matters & Former Chief Program Officer, Robin Hood Foundation (JUST Capital Board Member)

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EXECUTIVE SUMMARY

Every year, we ask the American public to identify what actions companies should take to be more just and to prioritize the issues that matter to them most. Those issues become the foundation by which we annually evaluate and track companies. This analysis powers everything we do to incentivize corporate change – from the Rankings of America’s Most JUST Companies and ongoing thematic analysis to products like the JUST Exchange-Traded Fund (ETF).

This document provides a detailed look at how JUST Capital calculated the Rankings of America’s Most JUST Companies in 2019. Since 2016, JUST Capital has ranked the largest, publicly traded U.S. corporations, producing a list that reflects how well each company measures up against the American public’s definition of just business behavior. JUST Capital released its inaugural industry-level ranking in 2016. In 2017, we released our first ever overall ranking of companies, comparing companies across different industries. Over the past two years, we have continued to build upon this foundation, bringing more data collection in house, refining our measures and methodologies, and engaging with more companies on their path to practicing more just corporate behavior.

As part of the development of this methodology and our annual rankings, we solicited input from both the American public and subject matter experts – such as academics, investment practitioners, and corporations – on our choice of measurements and our means of transforming the raw data to use in our ranking model. These checks and balances have been critical to ensuring that our work and our rankings remain as informed, objective, and accurate as possible.

To view the 2020 Rankings, visit <https://justcapital.com/rankings/>.

Our Process

To produce the annual Rankings of America’s Most JUST Companies, our methodology follows a four-step process:

1. **Survey Research:** JUST Capital conducts both qualitative focus groups and quantitative surveys of a representative sample of the American public on a regular basis in order to understand what issues represent just corporate behavior, how these issues should be defined, and what is their relative importance or *weight*.
2. **Company Evaluation:** In as fair, unbiased, and rigorous way as possible, JUST Capital develops metrics and collects data on how companies in the Russell 1000 Index – some of the largest, publicly traded U.S. companies – perform across these issues. These data are used in developing each company’s score and rank.
3. **Company Data Review:** After JUST Capital collects the data for each of the companies in the Russell 1000 universe, companies are given the opportunity to review the data and submit suggestions for revisions to the data before company scores and ranks are determined.
4. **Ranking:** As a final step, JUST Capital develops a ranking model that leverages our survey research and company evaluations to score and finally rank companies from the Russell

1000 Index. We generate an overall ranking of companies in the Russell 1000 universe as well as an industry-level ranking so that companies can be compared to their peers.

A high-level overview of each of the four steps can be found below.

Step 1: Survey Research

JUST Capital's survey research consists of both qualitative and quantitative work, in the form of focus groups and surveys, that have been conducted over the past four years in order to develop a framework for our ranking model. We have surveyed over 96,000 Americans – representative of the adult U.S. population – since 2015, adding more than 15,000 respondents in 2019 alone.

Our survey research begins with focus groups that are conducted each year across the country to get detailed, unfiltered input from Americans of all backgrounds on what business behaviors should look like at just companies. The findings from the focus groups are used to inform quantitative surveys that confirm the importance and relevance of these business behaviors and activities. The surveys use a MaxDiff technique, which asks respondents what business behaviors are most and least important to defining a just company and then assigns a weight to each business behavior based on the probability that a member of the American public would choose it as most important.

This year, our qualitative and quantitative survey research yielded 29 business behaviors, or **Issues**, and their relative importance to the American public. In previous years, these “Issues” were known as “Components.” The 29 Issues are grouped into five **Stakeholders**, or overarching topic areas, which we had previously referred to as “Issues” or “Drivers.” In order of importance to the American public, the 2019 Stakeholders and their related Issues are:

Workers

The **Workers** Stakeholder considers a company's performance on factors related to how it invests in its workforce, including (1) fair wages, (2) living wages, (3) benefits and work-life balance, (4) diversity, equity, and inclusion, (5) quality jobs, (6) career development, (7) safe workplace, (8) supportive workplace, and (9) CEO-to-worker pay.

Customers

The **Customers** Stakeholder considers a company's performance on factors related to how it treats its customers, including (1) non-harmful products, (2) quality products, (3) customer privacy, (4) fair pricing, (5) fair customer treatment, (6) advertising and labeling, and (7) customer experience.

Communities

The **Communities** Stakeholder considers a company's performance on factors related to how it supports its communities and operates its international supply chain, including (1) U.S. job

creation, (2) business with abusive countries, (3) jobs in communities, (4) fair taxes, (5) human rights, (6) community growth, and (7) charitable giving.

Environment

The **Environment** Stakeholder considers a company's performance on factors related to how it impacts the environment, including (1) pollution reduction, (2) environmental management, and (3) resource efficiency.

Shareholders

The **Shareholders** Stakeholder considers a company's performance on factors related to how it serves its shareholder through good governance, including (1) ethical leadership, (2) compliance with laws and regulations, and (3) investor return.

More details about JUST Capital's survey research methodology are described in the [Survey Research](#) section of this document. Further information about the Stakeholders and Issues can be found in the [Company Evaluation](#) section of this document.

Step 2: Company Evaluation

The Issues identified by the American public form the basis for JUST Capital's evaluation of companies. As a first step in evaluating companies, we develop **Metrics**, or conceptual measures of corporate performance on each of our 29 Issues.

In consultation with advisors and external experts, our analysts construct Metrics that:

- Best reflect the American public's definition of each Issue.
- Accurately measure company performance, managerial commitment, or transparency.
- Best reflect the measurement of company best practices.
- Require as few assumptions and as little subjective interpretation as possible.
- Can be assessed with clear units of measurement, binary outcomes, or scaled outcomes.
- Are broadly applicable to all companies in our universe, regardless of size, industry, or business model.

As a second step in JUST Capital's evaluation of companies, our analysts determine appropriate **Data Points** that can be used to calculate the Metrics on company performance. These Data Points are highly granular and each year, analysts collect them from a variety of reliable sources, such as:

- Company Filings and Other Public Documents
- Crowdsourced Data
- Third-Party Data Vendors
- Government Data
- Academic and Nonprofit Organizations

- In-House Survey Work

In 2019, JUST Capital collected over 148 Data Points – and many Sub-Data Points – to calculate the Metrics on companies’ just behaviors. Data Points are collected for our entire universe of ranked companies, which is roughly equivalent to the 1,000 largest, publicly traded U.S. companies as defined by the Russell 1000 Index. We specifically exclude companies that we cannot subject to common standards of measurement due to data unavailability and companies that have been acquired. As a result, we evaluated and ranked 922 companies from the Russell 1000 Index across 33 industries in 2019.

More details about JUST Capital’s company evaluation process are described in the [Company Evaluation](#) section of this document.

Step 3: Company Data Review

Once the Data Points have been collected, JUST Capital provides each ranked company with an opportunity to review its data and submit suggestions for revisions. Over the course of six weeks, representatives from each of the companies we rank are invited to review their data on the JUST Capital Corporate Portal, a secure, web-based comment platform. JUST Capital analysts assess each suggestion submitted by the companies to ensure that all data are accurate, relevant, and consistent with our metrics and methodology and are publicly disclosed.

More details about JUST Capital’s company data review process are described in the [Company Data Review](#) section of this document.

Step 4: Ranking

The fourth and final step of JUST Capital’s methodological approach is producing a cross-industry ordinal rank of each company in our universe.

To construct the rankings, JUST Capital calculates a series of Metric scores from Data Points and then, averages these Metrics to get scores at the Issue level. In select cases where companies do not have the underlying Data Points needed to compute a Metric Score, we apply a missing data treatment. Data Points are further normalized to account for variations in company size and scale. To account for other cases where a company’s Data Point value or Metric score appears to be an outlier, we *winsorize* or cap its Issue level score. A company’s overall score is then determined by calculating the sum of its scores across all Issues, weighted by each Issue’s importance as derived from the MaxDiff survey results. The overall score directly relates to a company’s rank, where a higher overall score results in a higher rank.

In addition to producing an ordinal rank of each company in our universe, JUST Capital also generates an industry-specific rank. A company’s industry-specific rank is obtained by comparing a company’s overall rank to other companies within its industry. Companies with a higher cross-industry rank are ranked higher in the industry-specific rankings.

More details about JUST Capital’s ranking calculation are described in the [Ranking](#) section of this document.

2019 Methodological Updates

Year to year, JUST Capital’s methodology to produce the Rankings of America’s Most JUST Companies remains largely the same to ensure consistency and track companies’ progress in practicing just business behaviors and activities. Generally, we make some changes to enhance in-house data collection, refine our measurement of each Metric, and improve our data transparency. This year, however, there were two methodological shifts in addition to these smaller-scale updates.

The first methodological shift was adopting a new “bottom-up” survey methodology, which yielded the survey weights first at the Issue level, whereas last year, we first obtained weight at the Stakeholder level. The second, methodological shift was aligning our overarching topic areas with emerging models of “stakeholder capitalism.” These changes, among others, are described in further detail below.

Adopting a “Bottom-Up” Survey Methodology

In 2019, to create a more robust, reliable model that accurately represents the priorities of the American public, we updated our survey methodology to understand what Issues are most important to them.

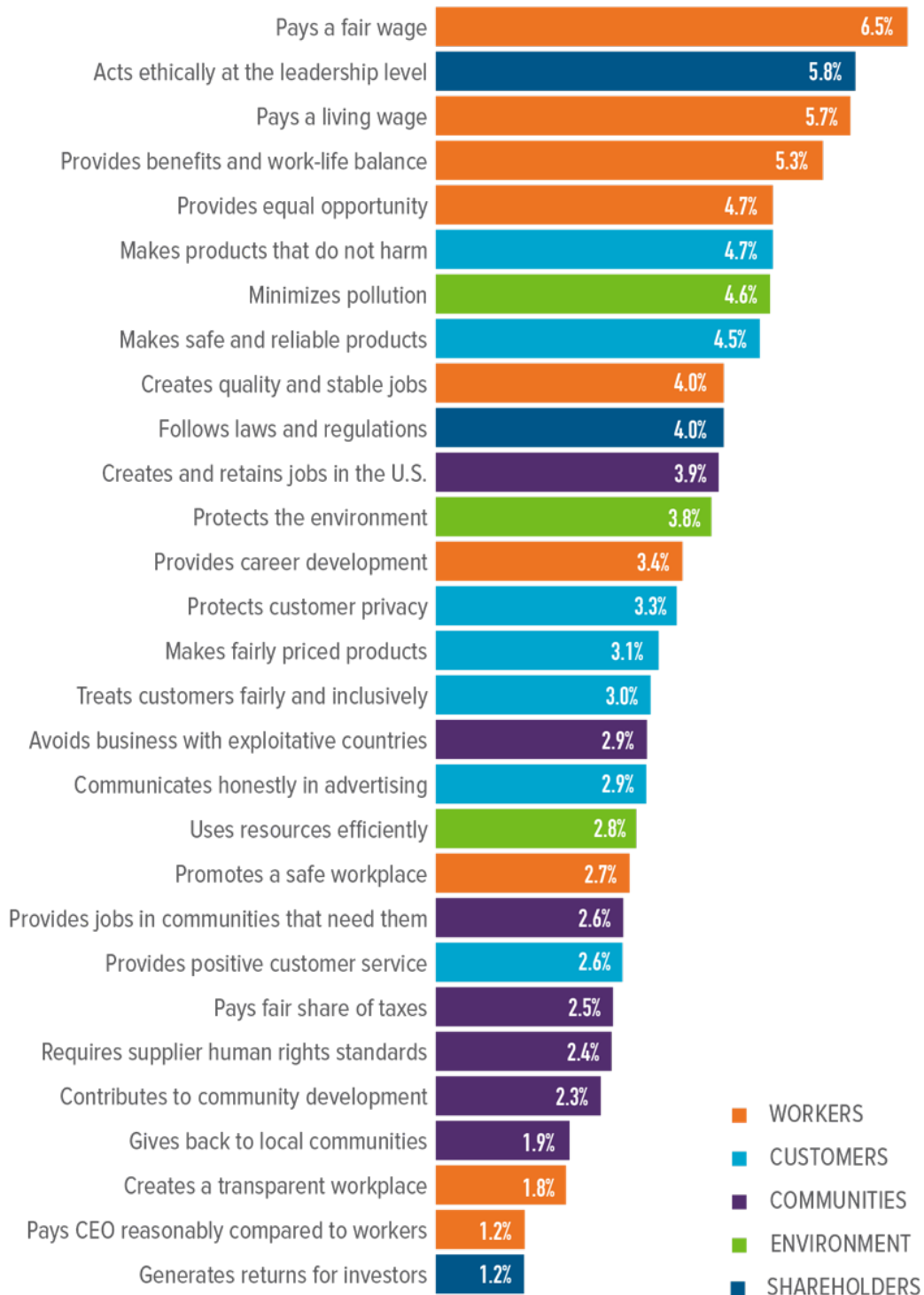
In previous years, our focus groups have identified the topics of importance for the American public, which we aggregated into the Stakeholder groups (then called “Issues” or “Drivers”). We then presented these to survey participants with these Stakeholders – using a MaxDiff exercise in our surveys — and asked them to select the broad Stakeholders (e.g. Workers, Customers, Communities, the Environment, or Shareholders) that were most and least important to them. Based on these results, we calculated weights at the Stakeholder level. Then, we asked respondents to identify the Issues (then called “Components”) that were most and least important to them through a second, independent MaxDiff exercise and, subsequently, calculated the Issue weights, this time constrained as a percentage of importance within its specific Stakeholder, as well as its impact on the overall model. We called this strategy a “top-down” approach, as all Issue weights are contingent on the Stakeholder weight.

This year, however, we employed on a “bottom-up” approach, which allowed us to calculate unconstrained weights for each Issue. Unlike previous years, the “bottom-up” approach first pitted each Issue against one another – for instance, comparing fair wages and pollution reduction – through the MaxDiff exercise, then calculated Issue-level weights. Then, the Issue weights were summed together to obtain the Stakeholder weights. Among other benefits, the “bottom-up” approach allowed us to directly identify the relative importance and impact each Issue has within our ranking model.

Through our focus groups and surveys, we identified 29 Issues that were assigned weights using the “bottom-up” approach. This marked a reduction in the number of Issues from the 36 that were identified by focus groups in 2018. The weights for each of these Issues can be found in Figure 1, color-coded by their respective Stakeholder. Please note that the percentages all sum to 100%, which means that as the importance of some Issues increase, the importance of other Issues decrease.

FIGURE 1 • The 2019 Prioritized Issues by Stakeholder

This figure displays the Issues – or just business behaviors and activities – identified by the American public in 2019 by their importance or weight.



Shifting to a New “Stakeholder” Model

Over the last two years, our ranking model was organized by seven key thematic “Issues” or “Drivers” of a just company: Workers, Customers, Products, Environment, Jobs, Communities, and Leadership & Shareholders. As we have previously mentioned, we have moved away from calling these broad thematic constructs “Issues” or “Drivers” and instead have adopted a “Stakeholder” nomenclature.

With businesses across the United States increasingly stepping up to address the nation’s most pressing problems, companies have faced greater pressure from the American public to function in a capitalist economy that equally meets the needs of a variety of different stakeholders. In fact, on August 19, 2019, 181 CEOs of the Business Roundtable recognized the evolving role of business in society, signing a new [Statement on the Purpose of a Corporation](#). As part of this statement, CEOs acknowledged that “while each of [their] individual companies [serve their] own corporate purpose, [they] share a fundamental commitment to all of [their] stakeholders,” pledging to deliver value to each one. The Business Roundtable statement is an example of a movement in corporate America away from an economy that embraced shareholder primacy towards one rooted in “stakeholder capitalism.”

To better align with the changing responsibility of businesses under “stakeholder capitalism,” we have shifted to a “Stakeholder” model that considers how companies serve and impact five key stakeholders: Workers, Customers, Communities, the Environment, and Shareholders. We believe this shift better enables JUST Capital to hold companies accountable for their role in “stakeholder capitalism.”

Improving our Data Collection, Measurements, and Transparency

In addition to the two larger shifts in our methodology, our smaller-scale updates were targeted at improving our company evaluation efforts and bringing greater transparency into our processes during the Company Data Review period.

Enhancements to In-House Data Collection

In 2019, we expanded our data collection efforts to include even more granular data on performance for a larger number of companies, which improved both our data quality and measurement accuracy. As an example of this, in previous years, we collected information on whether companies disclosed a supplier code of conduct. This year, in addition to measuring disclosure, we also collected details on the content of each companies’ supplier code of conduct, assessing whether there were references to child labor, forced labor, prison labor, human trafficking, and slavery.

As a result of collecting more granular data, we grew the total number of Metrics from 76 in 2018 to 88 in 2019. This, in turn, increased the total number of Data Points and Sub-Data Points collected across all companies from 110,00 in 2018 to 368,000 in 2019. What’s more, an even larger share of our data was collected in-house this year; in 2018, 51% of our data was collected by our in-house analysts compared to 62% in 2019.

Refinements to Measurements of Just Business Behaviors and Activities

The enhancements to our in-house data collection in 2019 were integral to being able to refine how we measure just business behaviors and activities. Generally, these refinements included updates to our in-house survey or modeling methodology, updates to our scoring framework, or additions of new Issues, Metrics, or Data Points. Many of these refinements have been summarized below, but additional details can be found in [Appendix C: Issues, Metrics, and Data Points](#).

WORKERS

- ***Living Wages:*** Updated our in-house living wage model to incorporate better data on wages, company locations, and employee counts.
- ***Diversity, Equity & Inclusion:*** Added a new Data Point to consider whether companies disclose their workplace demographics by gender and ethnicity; added a new Data Point assessing whether companies have a grievance mechanism for experiences with discrimination; added three new Data Points on workplace harassment, assessing whether companies have a harassment policy, grievance mechanisms for harassment, and harassment training; updated the scoring of the pay equity Data Point, now evaluating whether companies disclose both gender and ethnic pay gaps.
- ***Benefits & Work-Life Balance:*** Updated the scoring of the paid parental leave Data Point, now capturing disclosure and data on the length of leave for all parents.
- **NEW *Quality Jobs:*** Added a new Issue to this Stakeholder, evaluating whether the jobs provided by a company are stable and of high quality.
- **NEW *CEO-to-Worker Pay:*** Reclassified this Issue – under Shareholders last year – to this Stakeholder, evaluating how a company’s CEO is paid compared to its median worker.

CUSTOMERS

- ***Customer Privacy:*** Developed a comprehensive assessment model of customer privacy practices, adding 18 new Data Points that fit under the four broad themes of privacy governance, privacy policy details, privacy security, and user information.
- **NEW *Non-Harmful Products:*** Reclassified this Issue – under Products last year – to this Stakeholder; updated our survey for the product benefit and harm Data Point to include 58 products for more comprehensive coverage of products across industries and sectors.
- **NEW *Quality Products:*** Reclassified this Issue – under Products last year – to this Stakeholder; updated our methodology for the product recall Data Point to now also account for the severity of human impact.
- **NEW *Fair Pricing:*** Reclassified this Issue – under Products last year – to this Stakeholder.

COMMUNITIES

- **NEW *U.S. Job Creation:*** Reclassified this Issue – under Jobs last year – to this Stakeholder.

- **NEW *Jobs in Communities*:** Added a new Issue to this Stakeholder, assessing through an in-house model whether companies provide jobs that pay a living wage in communities with high unemployment and poverty rates.
- ***Community Growth*:** Added new Data Points assessing whether companies have a second chance policy to hire candidates with criminal records, offer U.S. apprenticeships, give to local education programs, have a diversity supplier policy, have a veteran supplier policy, have a veteran hiring policy, and whether companies – and their suppliers – refuse to use prison labor.
- **NEW *Fair Taxes*:** Reclassified this Issue – under Shareholders last year – to this Stakeholder.

ENVIRONMENT

- ***Pollution Reduction*:** Developed an in-house greenhouse gas emissions model; Added a new Data Point on Superfund sites to measure companies' role in pollution and remediation; collected emissions data on sulfur dioxide, nitrogen oxide, and particulate matter directly from companies instead of using the Environmental Protection Agency's database.
- ***Resource Efficiency*:** Updated an existing Data Point on total renewable energy and renewable energy percentage to better capture whether companies are maximizing use of renewable energy; added a new Data Point on total energy consumption; added a new Data Point assessing a company's efforts to reduce its lifecycle footprint; added a new Data Point on water withdrawal.

SHAREHOLDERS

- ***Ethical Leadership*:** Added a new Data Point evaluating whether companies disclose statistics on the gender diversity of their board of directors; added a new Data Point evaluating whether companies disclose statistics on the ethnic diversity of their board of directors; added a new Data Point tracking a company's controversies related to corruption, bribery, extortion, and fraud; reclassified Data Points on the disclosure and internal monitoring of business ethics policy or code of conduct – which were previously under *Compliance with Laws and Regulations* – to this Issue; added a new Metric measuring ethical action and integrity of leadership through an aggregated controversies score that takes into account all controversies across the five Stakeholders.

Increased Transparency for Company Data Review

As a direct result of collecting more granular data and refining our measurement of just business behaviors and activities, we were able to add more transparency to our model. This had a tangible effect on the way we engaged with companies around specific data points.

When companies reviewed their data during the [Company Data Review](#) period in previous years, they were able to see the information we collected at the Data Point level. This year, however, in addition to seeing Data Points, companies could also view even more granular Sub-Data Points in order to help them understand what data we collected, where we collected it from, and how we used it to calculate a Data Point score. Our Paid Parental Leave Policy Data Point, for

instance, receives a score of 0 (no disclosure), 3.33 (disclosure of paid parental leave policy), 6.66 (disclosure of details about the length of paid parental leave), or 10 (parity between the length of leave between all parents). To increase the transparency around how a company received its score at the Data Point level, we supplemented its score with Sub-Data Points that listed whether we found a paid parental leave policy and the specific length of parental leave for different caregivers.

STEP 1: SURVEY RESEARCH

The foundation of JUST Capital's rankings methodology is our annual survey research that captures the voice of the public and determines the benchmarks against which companies are evaluated. JUST Capital works with NORC at the University of Chicago, YouGov, Qualtrics, and our expert panel to achieve this goal. (See Box 1.)

BOX 1 Our Survey Research Vendors

Primary Research Partner: NORC at the University of Chicago has been JUST Capital's primary survey partner since 2016. NORC was chosen as a partner based on their technical expertise, experience, the high quality of their work, organizational capacity and abilities, and demonstrated understanding of and interest in the JUST Capital mission and its challenges.

JUST Capital works with NORC to conduct qualitative research and the quantitative weighting surveys described below. The quantitative surveys are done using NORC's AmeriSpeak panel, a nationally representative panel of households across the country that provides scientifically rigorous statistical surveys of the U.S. population. AmeriSpeak panelists can choose to answer surveys online or by telephone. Most participants choose to answer online, but roughly 10% to 15% answer over telephone. More information on NORC's survey methodology can be found in [Appendix D: Survey Methodology, Qualitative Report, and Weighting Survey Questionnaires](#).

Additional Survey Vendors: From April to September 2019, JUST Capital decided to supplement some of NORC's work with additional surveys to confirm and expand on its findings. As the work had not been budgeted for through NORC and the surveys could be developed in-house, JUST Capital opted to do this work with YouGov and Qualtrics, online survey companies. Both vendors are able to turn surveys around very quickly at a low cost, which was valuable for JUST Capital's supplemental research needs.

YouGov is a well-regarded online panel survey company, but a key distinction between YouGov and NORC is that YouGov's samples are nonprobability samples – meaning that not all Americans had an opportunity to be included. This means that the usual representativeness assumptions that apply to probability-based samples, such as NORC's AmeriSpeak panel, do not apply. YouGov, however, has a strong reputation for overcoming those difficulties and achieving reasonably representative survey results. According to a 2016 Pew Research study, one panel provider consistently outperformed all others in this regard. Although the report anonymized the providers, YouGov confirmed that they were the high-performing company. For this reason, JUST Capital chose to work with YouGov. More information on YouGov's methodology can be found in [Appendix D: Survey Methodology, Qualitative Report, and Weighting Survey Questionnaires](#).

Similarly, Qualtrics is an experience management software that allows users to create and field surveys using web-based panel providers through their platform. It also uses non-probability samples and thus faces similar challenges to YouGov. As such, any Qualtrics-fielded surveys were for internal use only, and their results were not reported on externally.

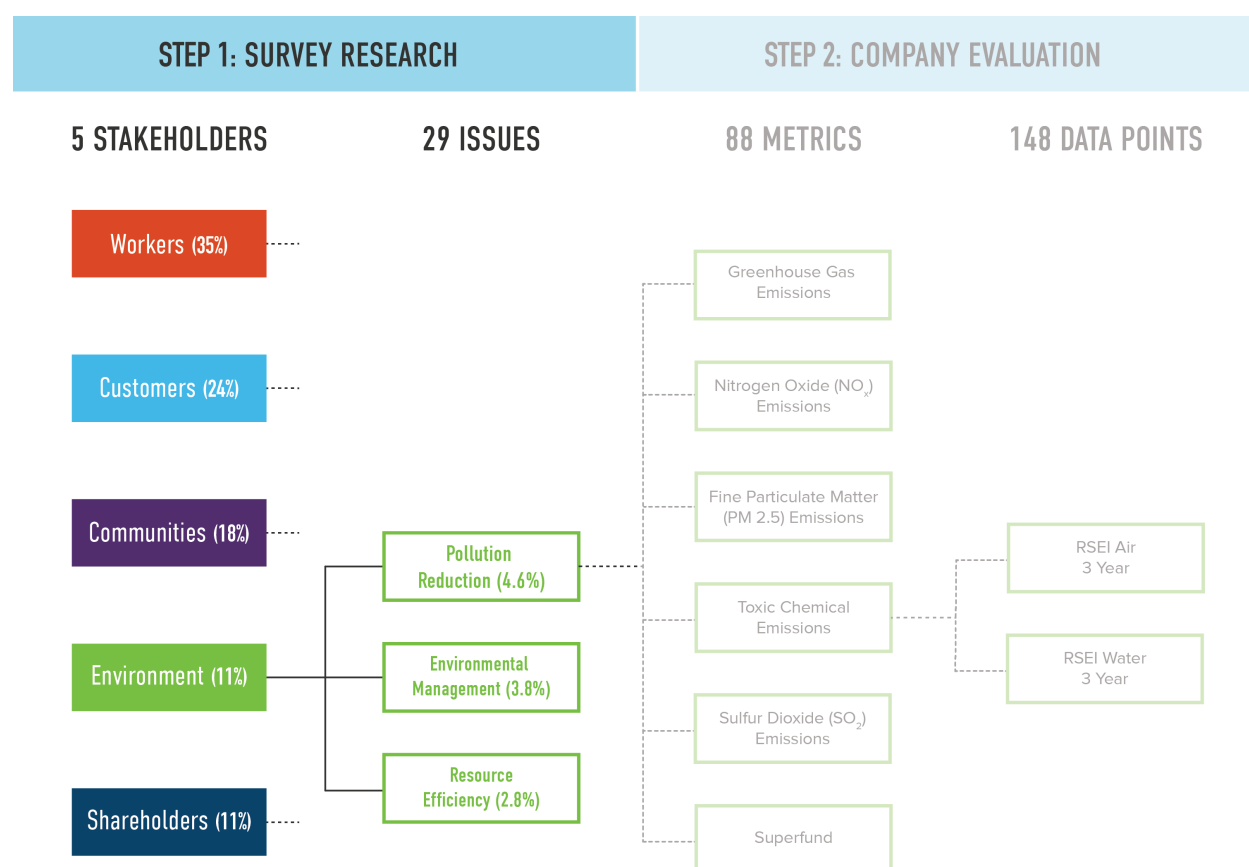
The Survey Research Process

Our survey research process includes both qualitative and quantitative work. We use focus groups during our exploratory, qualitative stage to understand what Americans think makes a company just and why, and then we use the quantitative surveys to calculate the probabilities of

the 29 Issues and derive weights for our ranking model. Our survey work helps establish measurable benchmarks against which we evaluate companies. These benchmarks are made up of the most important just business behaviors and activities according to the American public (which we call **Issues**) and the relative importance of each of these Issues (which we call **weights**). The Issues are then bundled together into conceptually similar groups which we call **Stakeholders**. Stakeholders are groups of people or overarching topic areas that are important to a corporation, its business, and its success. (See Figure 2.)

FIGURE 2 • Data Hierarchy, Part 1: Stakeholders and Issues

This figure displays an example of the conceptual relationship between Stakeholder and Issues.



Note: The short names associated with each of Issue presented in this figure were not shared with focus group participants or survey respondents. They reflect a shorthand used to easily refer to Issues in this methodology.

It is important to note that, JUST Capital shifted to a Stakeholder model in September 2019, which resulted in a change in nomenclature. In previous years, we termed the most important just business behaviors as determined by the American public “Components.” This year, “Components” have been renamed “Issues.” Additionally, prior to 2019, the overarching topic areas were known as “Issues” (or “Drivers” to focus group participants). Now, these have been consolidated from seven to five topic areas and renamed “Stakeholders” in an effort to align JUST Capital’s framework with the [emergence](#) of “stakeholder capitalism.” As a result, the

remainder of this Survey Methodology section will be using the terms **Issues** and **Stakeholders**, though focus group and survey participants were exposed to the older terminology. We believe this change in nomenclature has no impact on the results of our survey research process.

Qualitative Exploration Using Focus Groups

JUST Capital is founded on the belief that “the American people know what is best for themselves.” To this end, our qualitative research is designed to enable JUST Capital to capture what each Stakeholder means to the American public and incorporate the language used by the focus groups participants themselves, and thus co-construct the definitions of just business behaviors. Being able to actively do this alongside the American public, in turn, enriches the knowledge that we gain about just business behaviors.

Focus Group Structure and Content

From February 11 to March 4, 2019, NORC and JUST Capital conducted two focus groups each in seven U.S. cities, totaling 14 focus groups. These seven new locations – Salt Lake City, UT; Sacramento, CA; Washington D.C.; Jackson, MS; Miami, FL; Des Moines, IA; and Oklahoma City, OK – were chosen to offer the broadest possible representation of Americans’ perspectives. These cities ranged from small to large, liberal to conservative, and coastal to the middle of the country. Each focus group consisted of eight to 12 participants, who were each carefully recruited to be as representative of their regions as possible. Recruitment efforts targeted representation of gender, age, race or ethnicity, income, education level, and political beliefs. Where possible, participants were recruited from rural locations outside of each city.

The groups were assigned to one of two bundles: either Group A, discussing Workers and Company Leadership & Shareholders, or Group B, discussing Products, Customers, Environment, Communities, and Jobs. The objectives of 90-minute focus group sessions were to:

- **Objective 1:** Explore the opinions of the American public about corporate behavior broadly.
- **Objective 2:** Inform the Issues under each Stakeholder for the 2019 Ranking Model.
- **Objective 3:** Explore the American public’s opinions around the topic of harm and/or benefit of specific products.

To explore the opinions of the American public about corporate behaviors – **Objective 1** – we asked focus group attendees to participate in a warm-up exercise while participants waited in the lobby. Participants were asked to brainstorm and write down what behaviors and activities they would expect or want to see from a company that is “ethical, honest and fair” or one that “does the right thing.” Participants from Group A and B received either one of these definitions as part of an effort to counterbalance the presentations of what a just company is, as summarized by Figure 3, below.

They were also asked to note any specific “positive/good” behaviors and activities that they had “seen, read, or heard” and to list the specific companies. A similar task was asked for “negative/harmful” behaviors and activities.

FIGURE 3 • Counterbalancing Definitions of a Just Company among Focus Group Participants

This figure displays what groups (Group A or Group B) received which bundle of Stakeholders and which definition of a just company.

		Definition of a Just Company	
		Ethical, honest and fair	Does the right thing
Stakeholder Bundle	Workers and Company Leadership & Shareholders	GROUP A ₁	GROUP A ₂
	Products, Customers, Environment, Communities, and Jobs	GROUP B ₁	GROUP B ₂

Note: These Stakeholder bundles reflect our legacy Stakeholder categories since the focus groups participants were exposed to the nomenclature from our old model. Our new “Stakeholder” model, however, does map to these broader themes as seen in Figure 5.

Next, the participants discussed the first part of the lobby exercise for roughly 25 minutes, sharing what behaviors and activities would constitute the two definitions of a just company. Facilitators wrote participants’ ideas on pieces of paper and taped them to the wall so that every idea was visible. Then, there was a brief discussion of what was either missing from or did not fit in the full definition of a just company, that has been defined as:

A company that is ethical, honest, and fair and behaves this way when it comes to its employees, customers, shareholders, and the environment, as well as the communities it impacts locally and around the world.

Following this lobby exercise, participants were presented with behaviors and activities, specific to their group’s (Group A or Group B) assigned Issues and were prompted with three questions: (1) What does this behavior or activity mean to you? (2) What would it look like for a company to display this behavior or activity? and (3) Does it belong on the list of just business behaviors and activities? Subsequently, they were given specific prompts relevant to each Issue which were designed to address **Objective 2**. For instance, public opinion was sought about paradoxes – “Can an unethical CEO be at the helm of/lead of a company that makes ethical products or services?” or “Can a company be just and profitable?” – and the best ways to measure certain Issues – “How can an Issue like ‘creating a responsive and transparent workplace culture’ be measured?” While this exercise took up the bulk of the time, it was formative to (1) understanding whether JUST Capital’s framework for the Issues was collectively exhaustive, or consistent with and covered the American public’s understanding of ideas about corporate behavior, (2) assessing which Issues were *mutually exhaustive*, or related and potentially overlapping, and (3) addressing which specific 2018 Issues were problematic.

Lastly, the group transitioned into a discussion about companies doing good and doing harm, which was designed to address **Objective 3**. The moderator guided participants back to the last two parts of the lobby exercise, which were used as a springboard to the final part of the session. Participants began with a conversation about the positive or good behaviors and activities then

the moderator moved them onto talking about the bad or negative. The participants' penultimate task was to consider and discuss situations where "the good" a company was doing would outweigh "the harm" they are inflicting, and the converse, when "the harm" outweighed "the good." Participants were then asked to identify behaviors and activities that would constitute each situation, as well as specific behaviors that would be "deal breakers" or "automatic disqualifiers" for "the harm" outweighing "the good" situation. Finally, the moderator presented them with the counter scenario, which asked them what a company would need to do to "redeem" itself and be restored back onto a hypothetical list of "just companies."

All focus groups ended with a debrief, which entailed thanking the participants for their time and giving them background information into how their contributions were being used for – JUST Capital's work to create a measurement of the most just companies in America.

Analytic Approach and Focus Group Results

In order to assess whether the participants' views expressed in the 2019 focus groups warranted adjusting the 2018 Issues, JUST Capital staff analyzed ideas from each focus groups' brainstorming section, using transcripts and photographs of the walls with ideas taped up. JUST Capital staff developed a coding process to categorize and analyze the 14 transcripts photographs then interpret the output. The process can be summarized in four key steps:

1. **Qualitative Coding:** Using NVivo – a qualitative analysis software tool-- we identified the smallest meaningful unit of text in the transcripts.
2. **Thematic Categorization:** We thematically categorized all relevant data based on common threads raised in discussions whilst also to ensuring adequate distinction and no overlaps among themes.
3. **Modification of Issues:** We identified emergent themes and examined and contrasted them with the 2018 Issues to determine which Issues needed modification. The themes were interpreted through the lens of America's socio-cultural context, considering political, geographic, and occupational trends or shifts across the nation.
4. **Finalization of Issues for Surveys:** We fed this into the survey questions on the Issues Testing Survey and Annual Weighting Survey.

The results, which represented the specific behaviors or activities that respondents associated with certain Issues, yielded relatively similar findings to previous years' qualitative work. Americans' views on what makes a company just are reasonably consistent, and most of the content covered by each Issue remained unchanged. There were, however, some updates made to the 36 Issues from 2018 and their definitions based on our analysis of focus groups. Those changes are detailed in the section about Stakeholders and Issues below. The qualitative report from NORC can be found in [Appendix D: Survey Methodology, Qualitative Report, and Weighting Survey Questionnaires](#).

Quantitative Measurement Using Surveys

JUST Capital's quantitative survey research work builds upon our findings from the qualitative focus groups, with the goal of identifying what Issues or just business behaviors matter most to the American public. An amalgamation of the survey findings helped shape the language we

used for the final Issues, as discussed in Box 2. The results of our survey work help us create a measurable benchmark against which companies can be evaluated. This benchmark is made up of the most important just business behaviors – what we call **Issues** – according to the American public and the relative importance – or **weight** – of each of these Issues. In 2019, JUST Capital conducted five surveys to help us construct the benchmark for company evaluation, of which three were the most notable and will be outlined in the following sections:

- **Issues Testing Survey:** Designed to assess whether potential Issues wording changes would be comprehensible to the American public and to ensure content validity. This was a nationally representative sample of 2,000 U.S. adults (age 18 or older) matched to the U.S. Census demographics of region, gender, age, education, and race and ethnicity.
- **Annual Weighting Survey:** Designed to calculate the probabilities then derive the weights – or relative importance – of the 2019 Issues and assess public opinion about behavioral trends in corporate America. This was a nationally representative sample of 4,000 U.S. adults (age 18 or older) matched to the U.S. Census demographics of region, gender, age, education, race/ethnicity, household income, political affiliation, ideology, and employment, among other demographic traits.
- **Product Benefit and Harm Survey:** Designed to assess a range of products and their benefit or harm to health, environment, or society. This was a nationally representative sample of 1500 U.S. adults (age 18 or older) matched to the U.S. Census demographics of region, gender, age, education, and race and ethnicity.

Issues Testing Survey

The Issues Testing Survey was the launching point for our annual review of the Issues, as defined by the American public. The purpose of this 10-minute survey, which was fielded with Qualtrics between April and May 2019, was to test out proposed changes based on insights from the focus groups and to make key recommendations prior to the annual NORC weighting survey. This resulted in the decision to move from a “top-down” Issue weighting approach to a [“bottom-up” approach](#).

Integral to being able to move to a bottom-up approach, this survey was designed with the goal of developing a single, shorter, and clearer statement for each Issue which would:

- Reduce the amount of information that the participant has to read
- Reduce the cognitive (i.e. comprehension and processing) burden
- Ensure the same level of specificity across Issues, while also being general enough to apply across all industries, all companies, and types of products or services
- Give us the opportunity to identify and resolve any concerns regarding comprehension and content validity before a final determination of Issue statements was made

Methods Used for the Issue Testing Survey

Respondents were asked to individually rate how important 30 different Issue statements were to the definition of a just company. Respondents were asked to react to each of the Issue statements using the following options: “Very important,” “Somewhat important,” “Not very

important,” “Not at all important,” “Statement is not clear,” and “Not sure.” The “Statement is not clear” and “Not sure” options were intentionally included to test whether items were unclear or confusing before they went into the Annual Weighting Survey. Respondents who gave an ordered importance rating (and did not select “Statement is not clear” or “Not sure”) were also asked to put the statement into their own words. These respondent-written statements were later analyzed to assess whether they aligned with JUST Capital’s conceptualization of each Issue. Those who chose “Statement is not clear” or “Not sure,” were asked what part of the statement was not clear or caused confusion. This, too, was analyzed to see how to improve statements.

Results from the Issues Testing Survey

In conjunction with the goal of moving to a bottom-up approach, the main outcomes from the Issues Testing Survey were:

- To create shorter, clearer statements needed for the Maximum Difference (MaxDiff) exercise used in the Annual Weighting Survey, meaning less screens for the respondent to read and the optimal number of items could be shown on a single screen
- To create pithier statements needed for communications purposes
- To combine Issue names and definitions, limiting them to about 20 words per statement
- To eliminate repetitive words between the Issue name and the definition

The 30 Issues originally tested through this survey were ultimately reduced to 29 Issues before being presented to respondents on the Annual Weighting Survey. For reference, there were 36 Issues used in the Annual Weighting Survey in 2018. (See Box 2.)

BOX 2 Updates and Changes Made to the Issue Statements in 2019

The key 2019 Issues did not drastically differ from those 2018 even amidst broader updates to our methodology. Between 2018 and 2019, we did reduce the total number of Issues from 36 to 29. We made minor wording or punctuation changes to Issues names in order to develop them into Issue statements. All of these changes were made based on focus group findings, Issues Testing Survey results, and specific domain knowledge from subject matter experts. The high-level changes to each Issue and their respective statements are catalogued below, grouped by Stakeholder.

WORKERS: 9 \Rightarrow 9 (-2 + 2)

- Combined “Does not discriminate in pay” and “Adheres to equal opportunity workplace policies” to become “Provides a diverse and inclusive workplace with equal opportunity, and pay without discrimination.” This was changed because this rewording more accurately captured how focus groups understood and talked about them.
- Combined “Provides workers with a good benefits package” and “Promotes a work-life balance” to become “Provides workers with a good benefits package and supports a work-life balance.” In 2018, this was made up of two separate Issues and was changed because this rewording more accurately captured how focus groups understood and talked about them.
- Added “Creates quality and stable jobs.” This was a new Issue added in 2019 to reflect an emerging topic that was discussed in focus groups.
- Moved “Pays CEO reasonably compared to Workers” from Company Leadership & Shareholders to Workers. This change was made because of the shift to the “Stakeholder” model.

CUSTOMERS: 4 ⇒ 4

- Combined “is accurate in labelling” with “is truthful in advertising” to become “Communicates honestly and transparently in its advertising, labelling, and public messaging.” This change was made for ease of communication and to align with focus groups’ understanding of these two concepts. The change was also made to align with the shift to the “Stakeholder model.”
- Moved “is accurate in labelling” from the Products to the Customers Stakeholder and combined with “is truthful in advertising.”
- Moved the three Issues – “Makes products and/or offers services that do not harm health, the environment, or society,” “Makes quality products that are reliable, safe, and durable,” and “Makes products and/or offers services that are priced fairly and are of good value” – from Products into Customers. They were moved because of the shift to the “Stakeholder” model.
- Reworded “Provides positive customer service and reward programs and stands behind its products and services” to now include language about customer reward programs, which was incorporated based on focus group discussions.

COMMUNITIES: 6 ↗ 7 (+1)

- Reworded “Does not do business with companies with abusive conditions” to “Avoids doing business with countries that exploit or abuse its people.” This wording was done for ease communication based on focus group discussions and the results from the testing survey.
- Combined “Does not cause or contribute to international conflicts” and “Does not work with governments or authorities that oppress people” to “Requires its suppliers to follow accepted workplace standards of basic human rights.” This wording was done for ease communication based on focus group discussions and the results from the testing survey.
- Combined “Maintains strong relationships with communities” and “uses local products and resources” to become “Contributes to the development of the communities where it operates and uses local products and resources.” This wording was done for ease communication based on focus group discussions and the results from the testing survey about the essence of this concept.
- Added “Provides jobs in the communities that need them.” This was a new Issue added in 2019 to reflect an emerging issue that was discussed in focus groups that extended beyond job creation, but specifically concerned opportunity and access for those in underserved communities. It most strongly impacted the Communities Stakeholder, which reflected focus groups’ understanding of how this business activity should be categorized.
- Moved “Pays its fair share of taxes” from Company Leadership & Shareholders to Workers. This change was made because of the shift to the “Stakeholder” model.
- Merged “Creates jobs in the US” and “Creates jobs globally” to become “Creates and retains jobs in the U.S.” This was also reworded slightly to include language about retention not just job creation. This was incorporated to reflect the opinions of focus groups participants about outsourcing of jobs. It was also moved from Jobs to the Workers Stakeholder. This Issue fell under Jobs in 2018 but Jobs is no longer a standalone Stakeholder because of the shift to the “Stakeholder” model.

ENVIRONMENT: 3 ⇒ 3

- Reworded “Uses environmental resources efficiently, maximizes use of renewable energy, and recycles” to elevate the language around recycling to the Issue level. In 2018, it was buried in the 2018 definition that accompanied it. This change was spurred by focus group discussions.

SHAREHOLDERS: 7 ↘ 3 (-4)

- Combined “Makes a profit over the long term” and “Provides investor return over the long term” to “Manages operations to generate profits and returns for investors over the long-term.” This change was made for ease of communication and to align with focus group discussions about these two concepts.
- Combined “Follows laws and regulations” and “Maintains integrity in financial reporting” to “Follows all applicable laws and regulations, and is honest and transparent in financial reporting.” This change was made for ease of communication.

Annual Weighting Survey

The results and key recommendations from the Issues Testing Survey fed directly into the Annual Weighting Survey. This purpose of the Annual Weighting Survey was to derive the relative importance, or weight, of each of the 29 Issues identified through the focus groups and Issue Testing Survey. We used a two-part approach to accomplish this goal. First, to derive these weights, we designed a 15-minute survey fielded with NORC, our primary research partner, that includes a MaxDiff exercise. Second, the same survey also asked some more general questions about Americans’ views on business, which we tracked over the past few years. The details about these two parts of the Annual Weighting Survey can be found below.

Deriving Issue Weights through a MaxDiff Exercise

At its core, Maximum Difference – better known as MaxDiff – is a survey method that asks respondents to indicate their preference using a best-worst scaling approach. Our unique application of this technique in the Annual Weighting Survey is done by presenting respondents with a survey question comprised of a set of items – in our case, a subset of the 29 Issues or just business behaviors – and asking them to choose which is most and least important. Then, we use these results to calculate the probabilities, or the rank utilities, of each of the 29 Issues, their associated weights and subsequently, the relative importance of each Stakeholder. This process is conducted in the following four steps:

1. **MaxDiff Exercise:** We present respondents with a random selection of five Issues, from which they are asked to identify which Issue is the most important and which Issue is the least important. We then repeat this exercise until the respondent has provided their most important and least important Issue, designed using the optimal number of each combination of the 29 Issues, totaling approximately 12 different sets.
2. **Issue Weight Calculation:** We use a Hierarchical Bayes modelling technique in the statistical software, Sawtooth, where we calculate for each Issue the probability that an individual would choose the Issue as most important to defining a just company. This resulted in 29 probabilities calculated from the 29 Issues. These probabilities can be referred to as “weights” and represent the relative importance of one Issue versus another.
3. **Aggregation of Issues into Stakeholders:** We organize the 29 Issues into five topical Stakeholder groups: Communities, Customers, the Environment, Shareholders, and

Workers. Specifically, we assigned each of the 29 Issues to the one (and only one) Stakeholder it most impacts.

4. **Stakeholder Weight Calculation:** We calculate the weights for each Stakeholder by summing all of its associated Issue weights.

This process represented what we call a “bottom-up” approach to weighting and is a shift in our methodology compared to previous years. Prior to 2019, JUST Capital employed what we termed a “top-down” approach to calculating weights from the MaxDiff results. The “top-down” approach used the Annual Weighting Survey to first ask respondents to identify the most important and least important Stakeholder and calculate weights at the Stakeholder level and, second, ask respondents to compare each Issue constrained as a percentage of importance within its specific Stakeholder. To provide a simple example, last year, the MaxDiff exercise determined that the Environment Stakeholder was 13% likely to be chosen as most important to defining a just company by the American public. The Environment Stakeholder includes three issues, which we will abbreviate as: (1) environmental management, (2) resource efficiency, and (3) pollution reduction. Constrained within that 13% for the Environment overall, the second MaxDiff exercise of Issues yielded weights of 36%, 35%, and 29% for the Issues of environmental management, resource efficiency, and pollution reduction, respectively. Thus, their weight overall (i.e. impact on the total rankings model) was 4.7%, 4.6% and 3.8%, respectively.

This year, the “bottom-up” approach allowed us to calculate unconstrained weights for each Issue. This process, unlike previous years, first pits the full set of 29 Issues against one another in order to derive the weights for each Issue and, second, sums those weights to obtain the higher-level, Stakeholder weights. Using this year’s “bottom-up” approach for the Environment example above, the Issue-level MaxDiff yielded weights of 4.6%, 3.8%, and 2.8% for pollution reduction, environmental management, and resource efficiency, respectively. Next, these weights for each Issue were summed up, adding 4.6 and 3.8 and 2.8, to get the 11%, the overall weight for the Environment Stakeholder.

We believe that this shift to “bottom-up” weighting has several benefits and ultimately more accurately reflects the priorities of the American public. From a methodological standpoint, the “bottom-up” approach allowed survey respondents to directly compare Issues instead of comparing the more abstract Stakeholder constructs. To illustrate this, concrete examples of behaviors or actions such as a company “paying its workers a fair wage based on job level, qualifications, and experience” are more easily understood compared to presenting respondents with a broad concept or category such as “Workers.” From an impact standpoint, because the absolute contribution of any given Issue to the final rankings is no longer dependent on the Stakeholder weight, we are better able to identify an Issue’s effect on the actual ranking model. This, in turn, provides the companies we rank with more clarity around how to prioritize Issues. As an added benefit, weights at the Issue level provide more flexibility in how the Stakeholder are defined to give room for changes in the public’s conception of what impacts a Stakeholder over time.

In order to validate the weights derived from this “bottom-up” MaxDiff exercise, we also asked respondents to individually rate how important a subset (typically seven) of the 29 different Issue statements were to the definition of a just company. Specifically, these importance rating questions asked respondents: “In your opinion, how important is this statement for defining a just company?” The response options included: “Very important,” “Somewhat important,” “Not very important,” “Not important at all,” “Statement not clear,” and “Not sure.” Each respondent was

shown a random selection of seven of the 29 Issue statements. Through this process, we confirmed that these results closely mirrored those of the MaxDiff exercise.

Capturing Public Opinion Trends on Corporate America

The second part of the Annual Weighting Survey was designed to assess public sentiment regarding corporate America. To this effect, we asked a series of questions that JUST Capital has tracked over the past three years. One example of these questions included whether companies are becoming more just or less just or haven't changed. Another asked whether companies are having a positive or negative or no impact on society. As a final example, we also asked respondents how effective people can be when they act together to try to change companies' behavior. For more information about how responses to these questions have trended over time, see ["A Roadmap for Stakeholder Capitalism: 2019 Survey Results,"](#) which documents some of the key results from this year's survey research work.

Results from the Annual Weighting Survey

The 15-minute Annual Weighting Survey yielded responses from 4,039 English- and Spanish-speaking U.S. adults, age 18 or above. A total of 3,654 participants responded online and 385 responded by telephone. The Margin of Error (MOE) was estimated to be +/- 2.1 percentage points.

Through the "bottom-up" MaxDiff exercise, we determined the weight for each Issue identified by our respondents, who were broadly representative of the American public. Each Issue-level weight for 2019 is summarized below in Figure 4, with the most importance overall placed on fair wages at 6.5% and the least importance tied between CEO compensation and investor return at 1.2%.

FIGURE 4 • The 2019 Issue Weights

This figure displays the weights for each of the 29 Issues identified as the most important business behaviors and activities by the American public.

2019 JUST ISSUES	Weights
Fair Wage: Pays workers a fair wage based on job level, qualifications, and experience	6.5%
Ethical Leadership: Acts ethically and with integrity at the leadership level and takes responsibility for company wrongdoings	5.8%
Living Wage: Pays workers a living wage that covers the local costs of basic needs	5.7%
Benefits & Work-Life Balance: Provides workers with a good benefits package and supports a work-life balance	5.3%
Diversity, Equity & Inclusion: Provides a diverse and inclusive workplace with equal opportunity and pay without discrimination	4.7%

Non-Harmful Products: Makes products and/or offers services that do not harm health, the environment, or society	4.7%
Pollution Reduction: Minimizes pollution, including harmful health impacts, and cleans up any environmental damage they cause	4.6%
Quality Products: Makes quality products that are reliable, safe, and durable	4.5%
Quality Jobs: Creates quality and stable jobs	4.0%
Compliance with Laws & Regulations: Follows all applicable laws and regulations and is honest and transparent in its financial reporting	4.0%
U.S. Job Creation: Creates and retains jobs in the U.S.	3.9%
Environmental Management: Follows all environmental laws and regulations and creates policies to protect the environment	3.8%
Career Development: Provides workers with skills training and opportunities for career development	3.4%
Customer Privacy: Protects customer privacy through secure information storage and transparent privacy policies	3.3%
Fair Pricing: Makes products and/or offers services that are priced fairly and are of good value	3.1%
Fair Customer Treatment: Treats customers in a fair and inclusive way, without bias or discrimination	3.0%
Advertising & Labeling: Communicates honestly and transparently in their advertising, labelling, and public messaging	2.9%
Business with Abusive Countries: Avoids doing business with countries that exploit or abuse its people	2.9%
Resource Efficiency: Uses environmental resources efficiently and maximizes use of renewable energy, and recycles	2.8%
Safe Workplace: Creates systems and policies that promote a safe workplace	2.7%
Customer Experience: Provides positive customer service, reward programs, and stands behind its products and services	2.6%
Jobs in Communities: Provides jobs in the communities that need them	2.6%
Fair Taxes: Pays its fair share of taxes	2.5%
Human Rights: Requires its suppliers to follow accepted workplace standards of basic human rights	2.4%
Community Growth: Contributes to the development of the communities where it operates and uses local products and resources	2.3%

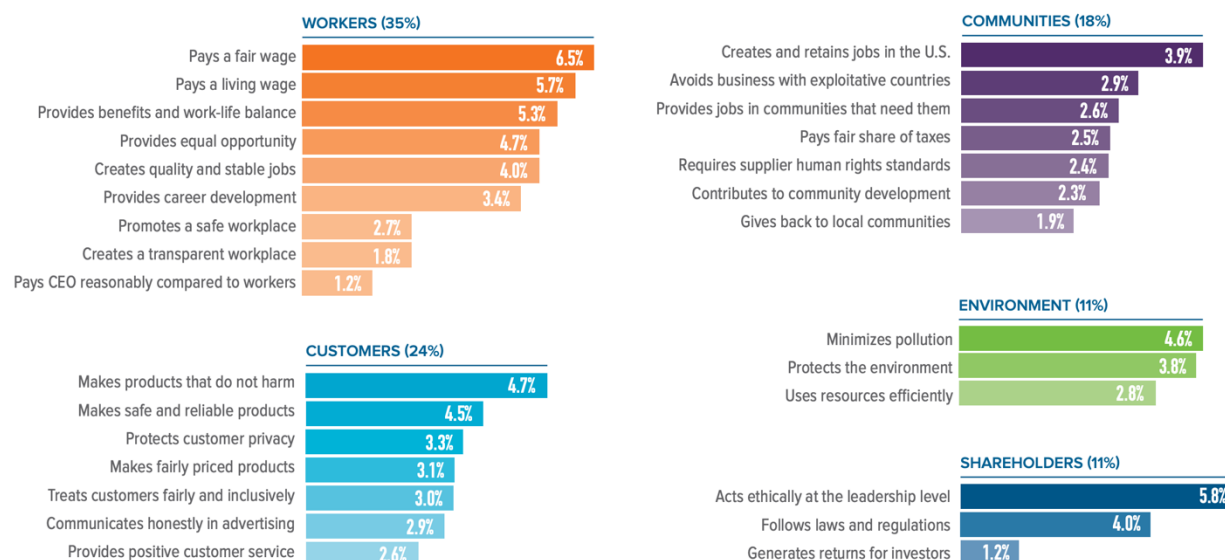
Charitable Giving: Gives back to local communities through charitable donations, volunteering, and community programs	1.9%
Supportive Workplace: Creates a transparent and supportive workplace culture with open communication	1.8%
CEO-to-Worker Pay: Pays CEO reasonably compared to its workers and based on the company financial performance	1.2%
Investor Return: Manages operations to generate profits and returns for investors over the long-term	1.2%

Note: The short names associated with each of the 29 Issues were not shared with focus group participants or survey respondents. They reflect a shorthand used to easily refer to Issues in this methodology.

Each of these individual Issue weights were aggregated into one of our five Stakeholders that align with the Business Roundtable framework: Communities, Customers, the Environment, Shareholders, and Workers. This mapping from Issues to Stakeholder is described through Figure 5 below.

FIGURE 5 • Mapping Issues to Stakeholders

This figure displays how each of the 29 Issues were aggregated into one of the five Stakeholders.



Note: The shortened descriptions associated with each of the 29 Issues in this graphic were not shared with focus group participants or survey respondents. They reflect a shorthand used to easily refer to Issues in this methodology.

Through the process of summing Issue weights, the Workers Stakeholder was weighted the highest at 35 percent; Customers was 24 percent; Communities was 18 percent; and the Environment and Shareholders Stakeholders were tied for the lowest weight at 11 percent. Figure 6, below, shows the weights from the 2018 “top-down” approach alongside the weights from the 2019 “bottom-up” approach.

FIGURE 6 • 2018 versus 2019 Stakeholder Weights

This figure displays the Stakeholder weights in 2018 and those in 2019. In previous years, our model was organized by seven key themes. Due to our shift to better align with a model of “stakeholder” capitalism, this year, our model has five overarching themes.

2018 STAKEHOLDER WEIGHTS		2019 STAKEHOLDER WEIGHTS	
Workers	25%	Workers	35%
Customers	18%	Customers	24%
Products	14%	Communities	18%
Environment	13%	Environment	11%
Jobs	12%	Shareholders	11%
Communities	11%		
Company Leadership & Shareholders	8%		

Note: These weights cannot necessarily be compared at the Stakeholder-level due to the two different approaches to calculating Stakeholder weights. In 2018, a “top-down” approach was used, while in 2019, a “bottom-up” approach was used.

The results from the Annual Weighting Survey directly influence how we build a model to judge companies on their just business behaviors and activities and rank them, as explored in the following sections about [Company Evaluation](#) and [Rankings](#). To learn more about the Annual Weighting Survey, refer to the survey questionnaire, which can be found in [Appendix D: Survey Methodology, Qualitative Report, and Weighting Survey Questionnaires](#).

Product Benefit and Harm Survey

Unlike the other two survey detailed in this methodology, the Product Benefit and Harm Survey did not impact the Issues weights or Stakeholders weights. Rather, its purpose was to inform our evaluation of companies at the **Metric**-level. Specifically, the Product Benefit and Harm Survey was used to build the Beneficial and Non-Harmful Products Assessment Metric, an industry-specific assessment of products and services that are beneficial to health, the environment, or society. That Metric’s score is based on the results from the survey, assessing whether 33 different products and services contribute to product benefit or harm. Products were mapped to Industry Classification Benchmark (ICB) Subsectors and include tobacco, pharmaceuticals, food staples, military weapons, gasoline, and key parts of automobile, fast food, health insurance, renewable energy, and entertainment services. To arrive at the Beneficial and Non-Harmful Products Assessment Metric score – from a survey research perspective – we took the following steps:

1. **Polled the public using Mechanical Turk (restricted to U.S. adults, age 18 or older) on what products are beneficial and harmful.** We asked respondents to name up to three products or product categories that, in their opinion, are harmful to human health, the environment, or society. The same question was asked about beneficial products and product categories. There were 1,500 unique links sent out for the harms and the same number for the benefits over the course of three days.

2. **Coded the responses for clarity and collapsed into higher level categories, which align with the 33 ICB Subsectors.** This resulted in a consolidated product list which also included other beneficial and harmful products from industries not mentioned by MTurk respondents. The product list was then further curated to remove products that were covered by other metrics in the model, thus avoiding double counting. The final list comprised of 58 products and services.
3. **Designed a survey to rate each of the 58 items (using a branching question) from “extremely,” “moderately,” and “slightly” beneficial or harmful.** This was fielded with Qualtrics. The survey also included some open-ended questions about harmful behaviors or activities that would disqualify a company from being a just one as well as the converse about beneficial ones.

For more information about the Beneficial and Non-Harmful Products Assessment Metric, please see the following section on [Company Evaluation](#), which details how Metrics are defined, collected, and scored.

STEP 2: COMPANY EVALUATION

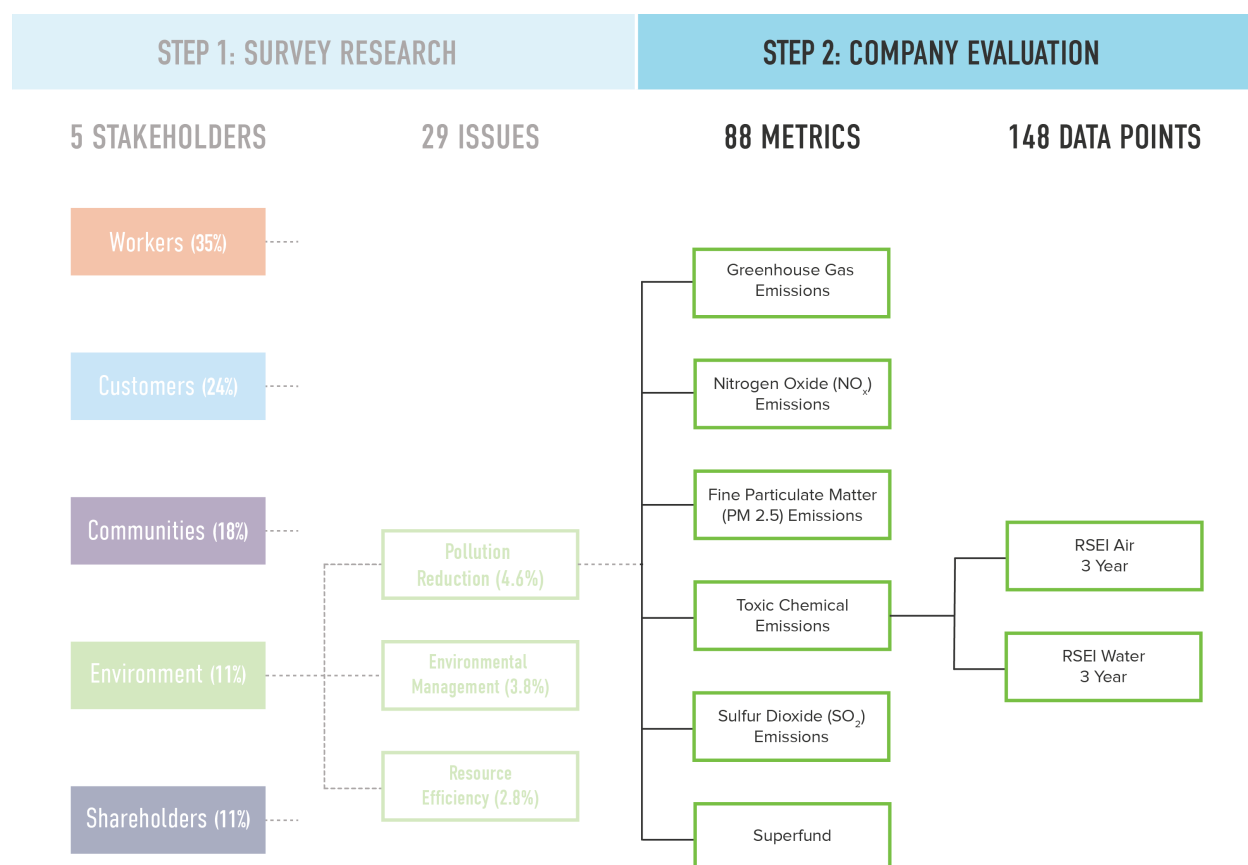
Building on the foundation laid by JUST Capital's survey research, our evaluation of companies forms one of the most critical inputs for our ranking model. Aided by internal and external experts and advisors, the company evaluation stage of our ranking methodology is centered around measurement and data.

The Company Evaluation Process

Our company evaluation process includes two key steps. We first develop conceptual measures of how well companies perform on just business behaviors and activities for each the 29 Issues identified through our survey research. We call these measures **Metrics**. Then, we identify, collect, and verify the granular information needed to calculate our Metrics on company performance from public sources. We call this granular information **Data Points**. (See Figure 7.)

FIGURE 7 • Data Hierarchy, Part 2: Metrics and Data Points

This figure displays an example of the conceptual relationship between Metrics and Data Points.



Prior to collecting the data or measuring company performance, however, we determine which companies to evaluate in the first place. JUST Capital's universe of ranked companies is a subset of the **Russell 1000 Index**, as explained below.

Our Universe of Ranked Companies

The companies evaluated by JUST Capital are part of the **Russell 1000 Index**, the 1,000 largest, publicly-traded companies in the U.S. by market capitalization. Each year, the Russell 1000 Index is reconstituted by FTSE Russell to accurately reflect changes in the U.S. equity market, which means that the companies in our model slightly change year-to-year as well. In 2019, the Russell 1000 Index was [reconstituted](#) on June 28, after which we finalized a list of **922 companies**.

The rebalanced list released on June 28, 2019, from which we excluded 79 companies that (1) do not file a Form 10-K with the Securities and Exchange Commission (SEC), (2) are duplicate securities of companies with multiple share classes in the Russell 1000 Index, (3) do not have any employees in the U.S., or (4) do not have sufficient data available in order to apply a common measurement standard. This fourth bucket of excluded companies comprises of holding companies and Real Estate Investment Trusts (REITs) that have fewer than 500 employees. REITs of 500 or more employees are included in our universe, categorized among Real Estate companies. Additionally, due to market developments throughout the course of the year – such as mergers – we continued to update our universe of companies through our data collection and measurement period, excluding those that had been acquired since the reconstitution. Figure 8 summarizes how we arrived at our final universe of 922 companies.

FIGURE 8 • Calculating the Universe of Companies in JUST Capital's Model

This figure illustrates how JUST Capital determined the total number of companies – a subset of the Russell 1000 Index – evaluated in 2019. See [Appendix A](#) for the list of excluded companies.

	Number of Companies
Russell 1000 Index	1,001
(minus) companies with no Form 10-K	-7
(minus) duplicate securities of companies with multiple share classes	-12
(minus) companies with no employees in the U.S.	-2
(minus) holding companies	-4
(minus) REITs with fewer than 500 employees	-45
(minus) companies acquired since June	-9
Total Number of Companies in the JUST Capital Universe	922

These 922 companies were grouped into industries, which JUST Capital defines as a collection of companies that have comparable business models or compete against each other for business within a market. Our industry classification impacts Metric development and, subsequently, the way in which we score companies as within-industry comparisons can be more appropriate in select cases.

JUST Capital categorizes companies into industries according to the [Industry Classification Benchmark \(ICB\)](#). The ICB is a globally-recognized classification standard that is operated and managed by the FTSE Russell for categorizing companies and securities according to the nature of their business. FTSE Russell assigns each company to a single industry according to its principal business activity as determined by the source of the majority of its revenue. In addition to 11 Industry groupings, ICB further assigns companies a Supesector, Sector, and Subsector. As of 2019, ICB recorded 20 Supersectors, 45 Sectors, and 173 Subsectors.

Using a combination of ICB's 20 Supersectors and 45 Sectors, JUST Capital derives 33 industry groupings of our own. These groupings are roughly similar in size, based on their number of constituents. Figure 9 lists all of the 33 industries identified by JUST Capital. A more detailed table illustrating the mapping of ICB's taxonomy to JUST Capital's 33 industries can be found in [Appendix B: Mapping ICB to JUST Capital Industries](#).

FIGURE 9 • JUST Capital Industries

This figure displays the 33 industries derived from the Industry Classification Benchmark (ICB) Supersectors and Sectors and the number of companies in our universe in each one.

JUST CAPITAL INDUSTRY	Number of Companies
Aerospace & Defense	16
Automobiles & Parts	13
Banks	47
Basic Resources	11
Building Materials & Packaging	26
Capital Markets	33
Chemicals	28
Commercial Support Services	38
Commercial Vehicles & Machinery	27
Computer Services	17
Consumer & Diversified Finance	22
Energy Equipment & Services	14
Food & Drug Retailers	9
Food, Beverage & Tobacco	34
Health Care Equipment & Services	32
Health Care Providers	15
Household Goods & Apparel	36
Industrial Goods	40
Insurance	44
Internet	11

Media	29
Oil & Gas	32
Personal Products	10
Pharmaceuticals & Biotech	43
Real Estate	45
Restaurants & Leisure	35
Retail	50
Semiconductors & Equipment	25
Software	52
Technology Hardware	19
Telecommunications	8
Transportation	25
Utilities	36
Total Across All Industries	922

Metric Development

In order to evaluate companies on their performance on just business behaviors and activities, JUST Capital develops a series of conceptual measures, or **Metrics**, for each of the 29 Issues identified by the American public. These Metrics are constructed to:

- Best reflect the American public's definition of each Issue
- Accurately measure company performance, managerial commitment, or transparency
- Best reflect the measurement of company best practices
- Require as few assumptions and as little subjective interpretation as possible
- Be assessed with clear units of measurement, binary outcomes, or scaled outcomes
- Be broadly applicable to all companies in our universe, regardless of size, industry, or business model

Given the range and diversity of companies in our universe, however, it is challenging to assemble a set of Metrics that apply equally to all companies and industries because of industry-specific risks, varying management practices, and data unavailability. To ensure that companies across all industries are reasonably evaluated, we have created 88 Metrics – with input from the public, advisors, and internal and external experts – a majority of which are relevant to every company we evaluate. These 88 Metrics are listed and explained in detail in [Appendix C: Issues, Metrics, and Data Points](#).

Our Metrics generally fall under one of five broader categories: (1) performance, (2) managerial commitments, (3) crowdsourced, (4) controversies, and (5) fines.

Performance Metrics are those that conceptually measure a company's performance on specific Issues. The Metric on Percentage Change in U.S. Workforce, for example, measures how well a company performs on creating domestic jobs. Managerial commitments are those that capture whether companies have set up policies, programs, or systems or even signed on to a pledge. Our Metric on Commitment to Promoting Employment Equity is an example of this, assessing whether companies have committed to conducting a pay equity analysis and have released the results.

Both performance and managerial commitment Metrics are, in part, meant to evaluate a company's own transparency around Issues. Crowdsourced, controversy and fine Metrics, however, are based on external assessments and data not reported directly by the company. Crowdsourced Metrics are built from reviews and salary disclosures from current and former employees and customers of the companies in the JUST Capital universe. For instance, our Metric on Career Opportunities uses ratings from employees on crowdsourced review platforms to score the availability of career opportunities at each company. Controversy Metrics – such as the Metric on Violation of National Legislation Controversies – come from controversies reported by influential media, stakeholder, and third-party sources. Finally, fines Metrics aggregate the total dollars owed in fines levied by regulatory authorities. Our Metric on Environmental Fines, for example, sums the fines from the Environmental Protection Agency, Energy Department Office of Enforcement, and Bureau of Safety and Environmental Enforcement, among many other agencies.

Data Point Selection, Collection, and Verification

Once Metrics have been constructed, JUST Capital identifies, collects, and verifies the information needed to calculate each measure of just business behavior or activity. We call this underlying information **Data Points**.

Data Point Selection

We use three criteria to help us select 148 Data Points – and several **Sub-Data Points** – that we used to calculate our 2019 Metrics:

1. Data Points must be derived from sources deemed credible by JUST Capital's research staff, the Research Committee of the Board of Directors, and the Research Advisory Council.
2. Selected Data Points should accurately reflect the type of Metric – performance, managerial commitments, crowdsourced, controversies, or fines – being measured.
3. Data Points should be verified, where possible, by JUST Capital's network of external advisors, experts, and consultants and are subject to continual review, validation, and improvement.

In addition to these three criteria, JUST Capital also places importance on timeliness of data. In order to maintain the most up-to-date rankings, we select the most recent data available. In some cases, however, self-reported company data and external assessment data may not be updated on a regular or predictable basis. For this reason, we generally use data as long as it has been published or released within the last three years. The data used for controversies and fines

Metrics covers a three-year window. Data for our fair pay, living wage, and financial Metrics that measure companies' ability to generate return for their investors are constructed from five years of data, when available, in order to accurately capture company performance over the course of a typical business cycle. While our Data Points are selected from the most recent data available for each company, there are instances where data within and across Metrics may correspond with different years.

Data Point Collection

The selection criteria guide JUST Capital's Data Point collection process. JUST Capital analysts are responsible for collecting data for each of company in our universe from a variety of different reliable sources. These sources include:

- **Company Filings and Other Public Documents:** These documents are produced and made publicly available by companies themselves. They include audited company filings and annual reports (such as Form 10-K and Form DEF 14A), Corporate Social Responsibility reports, Sustainability reports, Diversity and Inclusion reports, integrated reports, company presentations, company websites and investor relations pages, company press releases, and other publicly available content produced by the company.
- **Crowdsourced Data:** Crowdsourced data refers to data from company review websites or platforms. These data are derived from reviews by current and former employees of companies on matters such as salary, benefits, management or reviews from customers on their customer service experience. See Box 3 for more details on crowdsourced data.
- **Third-Party Data Vendors:** Third-party data vendors are companies that collect and distribute data – both financial and non-financial – including those focused on environmental, social, and governance issues. JUST Capital uses such vendors to source a wide range of data, including controversies. See Box 3 for more details on the vendor data used for controversies.
- **Government Data:** This data comes from information released on a regular basis from U.S. governmental agencies, such as the Environmental Protection Agency and the Bureau of Labor Statistics.
- **Academic and Nonprofit Organizations:** Data sourced from non-governmental organizations and nonprofits – such as academic institutions or research centers – helps unpack company performance on business behaviors and activities in certain areas. Our fines data, as explained in Box 3, comes from sources like these.
- **In-House Survey Work:** JUST Capital conducts original survey research around Product Benefit and Harm to inform our Metric (and Data Point) on Beneficial and Non-Harmful Products Assessment. For more information about this work, see the earlier section on [Product Benefit and Harm Survey](#).

BOX 3 An In-Depth Look into JUST Capital's Sources for Crowdsourced Data, Controversies, and Fines

A subset of JUST Capital's Metrics and Data Points are sourced from external vendors and organizations that systematically collect data on companies. These data are often beyond the scope of what we are able to collect through our in-house processes, but they are critical to our Data Point modeling efforts and add richness to our measurement of just behaviors and activities.

CROWDSOURCED DATA

Crowdsourced data is derived from reviews submitted anonymously by current and former employees of ranked companies on matters such as salary, benefits, and management. We also rely on crowdsourced data to measure customer service ratings.

JUST Capital uses crowdsourced data in cases when it most accurately reflects the views of a relevant stakeholder. In many instances, crowdsourced data can provide internal perspectives of companies that are otherwise impossible to ascertain. Crowdsourced data from employee review sites, for example, are central to understanding workers' perspectives. Since companies do not disclose wage data, crowdsourced salary reviews provide unique insights into companies' compensation practices. Similarly, crowdsourced data can help us understand customers' experiences with companies in our universe. In these ways, crowdsourced data help us build a more comprehensive picture of corporate performance. Our methodology for using crowdsourced data for Metrics and Data Points is explained in detail in [Appendix C: Issues, Metrics, and Data Points](#).

JUST Capital is aware that crowdsourced data presents a range of public perceptions and that it can be biased and of uneven quality. We have conducted thorough quantitative assessments and qualitative reviews of all the crowdsourced data used in our models and are confident in the data's integrity and accuracy. In instances where coverage is inadequate or sample sizes are small, JUST Capital has restricted its use of this data. The sources from which we are using crowdsourced data are thoroughly screened. We only accept data from organizations with strict policies and guidelines preventing companies from altering or biasing their reviews.

CONTROVERSY DATA

Controversies reported by media sources or elsewhere in the public domain can be a useful and timely but largely unstructured source of information on companies. Controversy data can also ensure that our model remains alert to capturing real world events and stakeholder sentiments that otherwise may not be represented in more traditional company data sets. That said, controversy data must be judged carefully and used purposefully to ensure the Rankings remain as unbiased, accurate, and data-driven as possible.

We examine controversy data from [RepRisk](#) – a reputable online platform that tracks companies' environmental, social, and governance risks – to inform our measurement of company performance when conventional performance data is unavailable or when incidents related to a Metric are rare, unique, or geographically or geopolitically disparate. We specifically take into account companies' severe controversies deemed major scandals or systematic risk incidents by RepRisk between August 27, 2016 and August 27, 2019. In many cases, JUST Capital has paired controversy data with other Metrics assessing company management practices to mitigate the risks associated with media-based sources. Despite these risks, feedback from a variety of stakeholders has confirmed that controversies – especially those that reveal behavioral patterns and potential or recurring management problems – are useful in evaluating business behaviors and activities.

A detailed description of the controversies we measure can be found in [Appendix C: Issues, Metrics, and Data Points](#).

FINES DATA

Financial penalties levied by U.S. federal regulatory bodies in relation to corporate misconduct are a rich source of information on company performance. JUST Capital sources all of its fines data from the [Violation Tracker](#) produced by the Corporate Research Project of Good Jobs First.

Fines data used by JUST Capital include penalty amounts reported in agency enforcement records and in settlement announcements (adjusted to avoid double counting) relating to criminal and civil cases brought by regulatory agencies and the Department of Justice. The data refer only to instances where the company was listed as a defendant and therefore does not include cases against individual executives) or lawsuits brought by individual plaintiffs, including class actions. The threshold for the penalty amount is \$5,000; penalties with no dollar amount are excluded. This applies to the U.S. Food and Drug Administration (FDA) penalties which generally do not involve a dollar amount but instead require that the product be removed from the market. All penalties reflect final judgments, taking into account any reductions negotiated between companies and regulators. For cases brought by the Environmental Protection Agency, penalties include any amounts companies were required to pay to state or local government agencies as well as the stated costs of any supplementary environmental projects undertaken as part of a settlement.

It is important to note that financial penalties are often imposed long after a violation occurred – in many cases, several years later. This delay reflects the nature of the civil or criminal proceedings that precede the imposition of any formal penalty. While JUST Capital regards financial penalties levied by federal regulators as reliable and robust sources of company performance data, we also acknowledge that the lag intrinsic to these data means that our model is not immediately responsive to recent occurrences of corporate misconduct. We compensate for this lag by including Controversy data, where appropriate.

A detailed description of the fines we measure can be found in [Appendix C: Issues, Metrics, and Data Points](#).

The Data Points collected from each of these sources come in one of three forms:

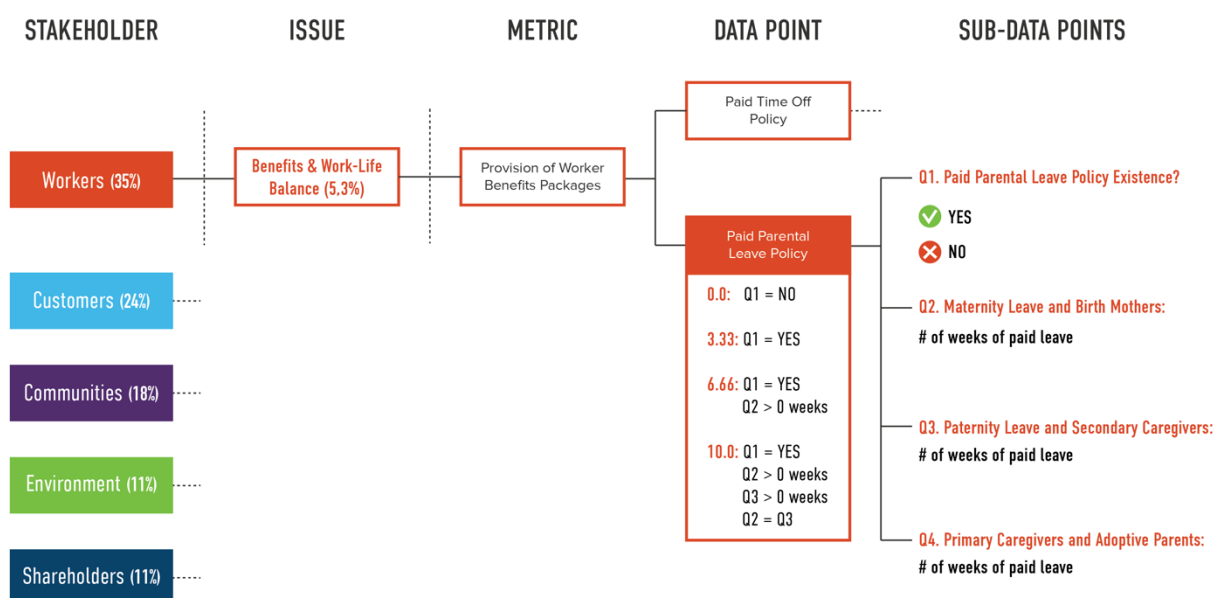
- **Continuous:** Continuous Data Points are expressed as a continuous number based on a company's actual performance. As an example of these quantitative data, our Charitable Giving Ratio Metric is calculated using two Data Points on the Total Corporate Giving and a company's Pre-Tax Profits in a given year, both of which are dollar amounts reported by the company.
- **Categorical:** Categorical Data Points are expressed as a categorical score number based on our assessment of a given policy, program, or system. Our Paid Time Off Policy Data Point, for example, assesses each company's disclosure of paid time off benefits on a scale of 0 to 10. Companies receive a 0 for providing no disclosure, a 5 for publicly disclosing they have a paid time off policy, or a 10 if they disclose the amount of paid time off available to employees.
- **Binary:** Binary Data Points are expressed as either Yes/No or True/False based on whether a company has certain policies, programs, or systems or meets specified performance thresholds. Our Disclosure of Board Racial/Ethnic Diversity Data Point, for instance, evaluates whether a company publicly discloses the ethnic diversity of members on the Board of Directors with the possible answers of True or False.

We make a concerted effort to collect highly granular data to minimize subjectivity and increase our transparency when assigning categorical scores for Data Points. In many cases, this requires collecting data at an even lower level. This year, we specifically collected **Sub-Data Points**, which were either raw data provided by each company or a binary evaluation on the content included in a company's policy, program, or system. These Sub-Data Points are aggregated – using logic statements or calculations – into Data Points.

Figure 10 illustrates an example of how Sub-Data Points used in calculating our Paid Parental Leave Policy Data Point. To increase the transparency and consistency around how a company received its score at the Data Point level, we supplemented each company's Data Point score with Sub-Data Points that listed whether we found a paid parental leave policy and the specific length of parental leave for different caregivers. Using logic statements, these Sub-Data Points helped determine whether a company should receive a score of 0 (no disclosure), 3.33 (disclosure of paid parental leave policy), 6.66 (disclosure of details about the length of paid parental leave), or 10 (parity between the length of leave between all parents).

FIGURE 10 • Calculating Data Points from Sub-Data Points

This figure illustrates how JUST Capital collects highly granular data (Sub-Data Points) that are used to calculate Data Point values with the least subjectivity and highest transparency possible.



Data Verification, Quality Assurance, and Quality Control

Before, during, and after Data Points (and their relevant Sub-Data Points) have been collected, JUST Capital research staff undertake a rigorous data verification, quality assurance, and quality control process on data from all our sources.

The primary objective of JUST Capital's verification, quality assurance, quality control processes are to ensure our data, whether collected and analyzed in house or sourced from third parties, is accurate and complete prior to giving companies the opportunity to review it during the [Company Data Review](#) period.

For data collected in-house, quality assurance and control begin even before Data Points are collected. We develop robust research and data collection protocols that guide each analysts'

data collection efforts. Throughout the process, analysts investigate data irregularities and conduct a more quantitative analysis to assess Data Point outliers. Data from external sources – including our crowdsourced data, third-party data, and data sourced from academic or nonprofit organizations – goes through a quality assurance process, as well. We first engage in a thorough dialogue with each source about their own quality assurance and control processes and second, perform our own checks through random sampling, outlier analysis, and desktop research.

For more detailed information about the sources, types, and calculations used for the 148 Data Points used in our model, see [Appendix C: Issues, Metrics, and Data Points](#). Appendix C also documents in detail how these Metrics, and Data Points have changed between this year and last.

STEP 3: COMPANY DATA REVIEW

As part of a broader process to ensure the accuracy and validity of our data, JUST Capital provides each company in our universe with an opportunity to review and submit revisions to the Data Points and Sub-Data Points collected during our [Company Evaluation](#) process. On an annual basis, representatives from each company are invited to participate in our Company Data Review period. During this period, these representatives can access their company's data via the [JUST Capital Corporate Portal](#), a secure online platform.

As part of the data review process, JUST Capital analysts assess all the data and comments submitted companies against our research and data collection protocols to ensure accuracy, relevance, and consistency. JUST Capital uses a series of reference points for these assessments: the current data on hand, supporting evidence provided by companies, historical data, and other relevant sources. We only consider supporting evidence that is publicly disclosed. Subject to these assessments, JUST Capital makes all reasonable efforts to incorporate company data submissions into annual ranking calculations, without guaranteeing that the submitted data will affect companies' rankings or scores, materially or otherwise.

In 2019, the window for companies to review and submit data was six weeks, from July to August. This year, 392 companies registered for the Corporate Portal, compared with 309 in 2018 and 146 in 2017. JUST Capital received 15,779 comments through this platform in 2019, almost double the number of submissions received in 2018.

BOX 4 Company Liaison Disclaimer

Our Company Data Review period marks one part of our engagement with the companies in our universe. JUST Capital undertakes a year-round corporate engagement effort to ensure that every company has the opportunity to understand JUST Capital's mission, methodology, data, and analysis. We have reached out to the CEO of every constituent in our universe of companies as well as marketing, sustainability, and investor relations teams, as appropriate.

JUST Capital is committed to creating an independent and unbiased analysis of all our Ranked Companies. JUST Capital is not a "pay-to-play" or "opt-in" organization and does not take money from ranked companies. We expend an equivalent amount of time and resources in our attempts to reach out to and engage with each company. Under no circumstances have any donations or any other sources of money had an impact on the rankings or analysis of companies.

STEP 4: RANKING

The Company Data Review period helps, in part, finalize the data collected through our evaluation of companies in preparation for the fourth and final step of our methodology: building the Rankings of America's Most JUST Companies.

The Rankings Process

To construct the rankings, JUST Capital first identifies the cases in which companies do not have the underlying Data Points needed to calculate a Metric-level score and, subsequently, an Issue-level score. In select circumstances, we apply one of two missing data treatments to impute the value of a Data Point for a given company. To account for variations in company size and scale, we normalize certain Data Points, primarily using company revenue as a scaling factor. After missing data have been treated and Data Points have been normalized, the 148 Data Points are aggregated into 88 Metric-level scores for each company. These calculations are explained in detail in [Appendix C: Issues, Metrics, and Data Points](#).

After the Data Points and Metric scores have been prepared, we compute each company's Issue-level score for the 29 just business behaviors and activities by taking an average of the standardized Metric scores within each Issue. To account for cases in which a company's Data Point values or Metric-level scores appear to be outliers, we winsorize – or cap – scores at the Issue-level. Issue scores are also standardized and multiplied by the Issue weights derived from the MaxDiff exercise in the Annual Weighting Survey. Finally, each company's Stakeholder score is calculated as the weighted sum of the Issue scores within that Stakeholder, while a company's final score is the weighted sum of all of the Issue scores.

The final rankings are produced by comparing each company's final score to that of other companies such that higher overall scores result in a higher rank position. In addition to producing a ranking of all companies, JUST Capital also produces 33 industry-specific rankings by comparing a company's overall score to that of other companies in its industry.

The details of each step to get from Data Points to the final Rankings of America's Most Just Companies is explained in the sections below.

Missing Data Treatment

Given the diversity of Issues measured within our model and the breadth of companies and industries covered, there can be challenges in finding the credible information needed for certain Data Points. There are typically three situations that give rise to missing values for Data Points during our company evaluation process:

- A company does not disclose the data publicly

- A company discloses partial data or processes data differently than other companies, which, in part, may be due to the absence of standardized disclosure requirements
- No Data Points for a specific Metric are disclosed by a company either because the Metric in question is considered less relevant to that company's industry or because the data has not been compiled yet by our crowdsourced, third-party, government, or organizational data providers

Data Points are first transformed into a numeric format. As an example of this, a Data Point that has values of “True” or “False” could be converted to 1 for “Yes” and 0 for “No.” Then, we use data imputation methods to fill in missing numerical values at the Data Point level in select cases. JUST Capital’s approach to handling missing data has been informed by stakeholder feedback on our draft methodology, survey work conducted in 2016, and the input from our Research Advisory Council. One of the guiding principles established was that missing data should not unduly disadvantage a company or set of companies, especially where the availability of that data is beyond the control of the company or companies in question. With this in mind, we typically treat missing values for Data Points (prior to any transformations) using one of two methods, described below: (1) zero value or (2) industry average.

Method 1: Zero Value

In several instances, the absence of data is not the same as having missing data. This is because certain values are not really “missing” in the statistical sense. That is, the data are not required to exist or the company has not engaged in behavior or activity that would cause the data to exist. This is true of Data Points under management Metrics (where the absence of data means there was no evidence of a relevant policy), controversies (where the absence of data means there were no controversies recorded), and fines (where the absence of data means no fines were levied). It is also true of some of the Data Points under our performance Metrics. In such instances, JUST Capital assigns a value of zero where a Data Point is missing. Figure 11 displays which Data Points received a zero value missing data treatment by Stakeholder.

FIGURE 11 • Missing Data Treatment: Zero Value

This figure lists which Data Points received a zero value missing data treatment, grouped by Stakeholder.

CUSTOMERS	
METRIC	DATA POINT
Beneficial and Non-Harmful Products Assessment	Product Benefit Assessment
ENVIRONMENT	

METRIC	DATA POINT
Reduces Lifecycle Footprint	Environmental Lifecycle Footprint
Waste Recycle	Percentage of Solid Waste Recycled
Nitrogen Oxide (NO_x) Emissions	NO _x Emissions
Fine Particulate Matter (PM 2.5) Emissions	Particulate Matter Emissions
Toxic Chemical Emissions	RSEI Air 3 Year
	RSEI Water 3 Year
Sulfur Dioxide (SO₂) Emissions	SO _x Emissions
Superfund	Superfund Sites and Hazard Scores
Maximizes Use of Renewable Energy	Renewable Energy Percentage

Method 2: Industry Average

When zero value imputation is not the best method to treat missing data, we generally impute the industry average. In these situations, the information may exist but is not disclosed. Rather than imputing a zero, which would penalize companies, we chose to impute that company's industry mean for the specific Data Point. This is a neutral treatment that allows us to create a fair assessment based on a company's industry. Figure 12 summarizes which Data Points received an industry average missing value treatment by Stakeholder.

FIGURE 12 • Missing Data Treatment: Industry Average

This figure lists which Data Points received an industry average missing data treatment, grouped by Stakeholder.

WORKERS	
METRIC	DATA POINT
Fair Pay Rating	Fair Pay Rating by Industry and Job Level
Fair Pay Percentile	Fair Pay Score by Industry and Job Level
Recommended Ratings	Recommendation Score
	Positive Outlook Score
Percent of Fulltime U.S. Jobs	Percent of Full-Time Jobs
Recommended Ratings	Recommendation Score

	Positive Outlook Score
Career Opportunities	Career Opportunities Rating
Crowdsourced Work-Life Balance	Work-Life Balance Rating
Crowdsourced Employee Respect	Senior Management Rating

CUSTOMERS

METRIC	DATA POINT
Customer Service Rating	Customer Service Rating

COMMUNITIES

METRIC	DATA POINT
Number of Jobs Created in the U.S.	Number of U.S. Jobs Created
Percentage Change in U.S. Workforce	Percent of U.S. Jobs Created

ENVIRONMENT

METRIC	DATA POINT
Maximizes Energy Efficiency	Total Energy Consumption
Reduces Waste	Total Solid Waste
Reduces Water Usage	Water Withdrawal

SHAREHOLDERS

METRIC	DATA POINT
Board Independence	Board Independence Ratio Board Chair Independence
Board Diversity	Board Diversity Score
Board Oversight of JUST Issues	Formal Schedule on Environmental, Health, Safety, and Social Matters Strategic ESG KPIs Represented In Compensation Metrics Disclosure Link ESG Risks/Performance - Executive Remuneration

5-year Operating Income Growth CAGR	5-year Operating Income CAGR
5-year Earnings per Share Growth CAGR	5-year Earnings Per Share CAGR
5-year Change in Operating Margin	5-year Change in Operating Margin
5-year Average Return on Equity	5-year Average ROE
5-year Shareholder Payout Ratio	5-year Shareholder Payout to Free Cash Flow
5-year Risk-Adjusted Total Shareholder Return	Risk-Free Rate
	5-year Total Shareholder Return
	Beta

Scaling: Normalization for Company Size

The companies ranked by JUST Capital vary considerably in terms of their size and scale, whether measured by revenue, market capitalization, or number of employees, customers, suppliers, or other stakeholders. Companies' physical impact, use of resources, and scope of operations vary similarly. These inherent size differences may influence the performance of ranked companies across many of the Data Points, particularly those that are directly correlated with size and scale.

To account for these variations, JUST Capital has developed and implemented a protocol for normalizing Data Points that, in our view, reflect performance that is proportional to the size of the company. There are three key reasons for the implementation of this protocol. The first is to measure companies' efficiency – instead of their gross impact – and reward companies that are just or becoming more just. The second is to prevent bias against larger companies who have more resources than smaller companies to implement and sustain the policies, programs, or systems that best serve their stakeholders. The third is to follow the standard practices of scaling company data used within the ESG, business, and statistical communities.

There is no one-size-fits-all approach to normalization. As such, JUST Capital continuously explores different normalization strategies to reduce size-related effects. Different variables exhibit different properties and necessitate different normalization procedures. Accordingly, JUST Capital has applied a scaling protocol as consistently as possible within its framework of Metric types. This protocol has been informed by stakeholder feedback on our draft methodology, survey work conducted in 2016, and the input from our Research Advisory Council.

Scaling Factor: Company Revenue

There are a variety of measures of company size that can be used to scale our Data Points. Some of these measures include the number of employees, market capitalization, and company revenue.

Each of these measures has its benefits and drawbacks, but ultimately, we selected company revenue as a scaling factor for company size. This is because market capitalization depends not only on a company's current economic footprint but also its investors' expectations of its future profits and the number of employees may vary across industries in unpredictable ways.

We applied this company revenue scaling factor to select Data Points under performance Metrics, controversy Metrics, and fine Metrics, as summarized in Figure 13 below.

It is important to note that Data Points under managerial commitment Metrics are often scored on a categorical scale or as binary variables. So, though there may be some size bias associated with the ability to have policies, programs, or systems, scaling or normalization cannot be meaningfully applied.

There are certain Data Points that are intrinsically scaled that are worth noting, too. This is true of performance-Metric Data Points that are presented as rates, ratios, or percentages as well as the Product Recall Disclosure Data Point, which includes an analysis of the number of products recalled, the severity of the recall, and a company's responsiveness, all in relation to a company's overall revenue.

FIGURE 13 • Data Points Scaled by Revenue

This figure lists which Data Points were scaled by revenue to account for variations in company size, grouped by Stakeholder.

WORKERS	
METRIC	DATA POINT
Wage Violations	U.S. Department of Labor Wage and Hour Compliance Violations
Legal Convictions in Employment Discrimination as Reported in the Media	Discrimination in Employment Controversies
EEOC Violations and Worker Grievance Fines	Equal Employment Opportunity Commission and Worker Grievance Fines
Controversies in Workplace Safety as Reported in the Media	Occupational Safety and Health Controversies
Worker Safety Fines	U.S. Occupational Safety and Health Administration and Mine Safety and Health Administration

CUSTOMERS

METRIC	DATA POINT
Commitment to Producing Beneficial and Non-Harmful Products	Product Health and Environmental Controversies
Product Fines	Product Safety Fines
Controversies in Customer Privacy as Reported in the Media	Data Privacy Controversies
Anti-competitive Practices as Reported in the Media	Anti-competitive Practices Controversies
Controversies in Customer Discrimination as Reported in the Media	Customer Discrimination Controversies
Sales Terms Fines and Violations	Consumer Protection Fines
Advertising Fines and Violations	Federal Trade Commission Fines
Misleading Communication	Misleading Communication Controversies

COMMUNITIES

METRIC	DATA POINT
Controversies in Conflict Minerals as Reported in the Media	Conflict Minerals Controversies
Controversies Relating to Oppressive Governments as Reported in the Media	Business with Oppressive Governments Controversies
Controversies in Tax Optimization and Evasion	Controversies in Tax Optimization and Evasion
International Labor & Human Rights Controversies as Reported in Media	Labor & Human Rights Controversies in the Supply Chain as Reported in the Media
Controversies in Community Impacts as Reported in the Media	Impacts on Communities Controversies

ENVIRONMENT

METRIC	DATA POINT
Greenhouse Gas Emissions	Scope 1 Plus 2 Greenhouse Gas Emissions
Nitrogen Oxide (NO _x) Emissions	NO _x Emissions
Fine Particulate Matter (PM 2.5) Emissions	Particulate Matter Emissions
Toxic Chemical Emissions	RSEI Air 3 Year
	RSEI Water 3 Year

Sulfur Dioxide (SO ₂) Emissions	SO _x Emissions
Controversies in Environmental Responsibility as Reported in the Media	Environmental Controversies
Environmental Fines	Environmental Fines
Maximizes Energy Efficiency	Total Energy Consumption
Reduces Waste	Total Solid Waste
Reduces Water Usage	Water Withdrawal

SHAREHOLDERS

METRIC	DATA POINT
Leadership Integrity Controversies	Corruption, Bribery, Extortion, and Fraud Controversies
Cross-Stakeholder Controversies	Controversies across All Stakeholders
Controversies in Legal & Regulatory Violations as Reported in the Media	Violation of National Legislation Controversies
Legal Fines and Violations	Legal Fines and Violations

For a full listing of Data Points, their scoring framework – or possible values – and their scaling method, see [Appendix C: Issues, Metrics, and Data Points](#).

Company Scores and Ranks

Once missing data has been treated and select Data Points have been normalized to account for company size, the 148 Data Points are used to calculate Metric scores. These Metric scores are used to calculate Issue scores, which subsequently feed into our calculation of each company's overall rank and industry-level rank. The five-step process is explained below.

STEP 1: Calculating Metric Scores

JUST Capital uses each company's numeric Data Points – which have previously treated for missing values and normalized by company revenue – to calculate a raw Metric score. If there are multiple Data Points under the same Metric, they can be added together, multiplied together, or even used as denominators or numerators in fractions or ratios. For the calculations behind how each Data Point aggregates into a Metric, see [Appendix C: Issues, Metrics, and Data Points](#). These raw Metric scores are aligned so they all run in the same direction with regard to positive versus negative performance. A higher level of Gender Diversity on the Board, for instance, is positive, while a higher amount of Legal Fines and Violations is negative.

Next, a z-score method is applied to normalize the raw Metric scores across all companies, so they are on a standard, comparable scale. The Metric z-score is calculated using the mean of

each raw Metric score across all companies and its standard deviation. The generalized z-score formula is, as follows:

$$Z = \frac{(x - \mu)}{\sigma}$$

where “z” is the normalized score for a given Metric for a given company; “x” is a given company’s raw Metric score; “μ” is the mean value for the raw Metric score across all companies; and “σ” is the standard deviation of the raw Metric score across all companies.

To make these Metric z-scores more accessible or intuitive, we further transform them to be on a range from mostly 0 to 100, with an average of 50. In order to do so, we multiple the Metric z-score by 25 and add 50. In other words, for a given Metric, the average company score would be 50, and one standard deviation from the mean is equal to 25 points. A company with a non-transformed Metric z-score of 2 – which is two standard deviations above the mean – would receive a score of 100 ($50 + (2 \times 25) = 100$). While the transformed Metric z-scores at this stage are not capped by any thresholds, most company scores fall within the 0 to 100 range.

STEP 2: Calculating Issue Scores

The transformed Metric z-scores are used to calculate company scores at the Issue level. Each Issue’s underlying Metrics are averaged together to arrive at the raw Issue score. In all but three cases, transformed Metric z-scores were equally weighted when taking the average. The following Issues had scores generated from a weighted average across their underlying transformed Metric z-scores:

- Community Growth:** The Issue assessing whether a company “Contributes to the development of the communities where it operates and uses local products and resources” is comprised of three Metrics: (1) Uses Local Products and Resources, (2) Controversies in Community Impacts as Reported in the Media, and (3) Invests in Educational and Hiring Programs That Will Lift Communities. This year, the “local products” Metrics is weighted 40%, the “controversies” Metric is weighted 10%, and the “investments” Metric is weighted 50%.
- Business with Abusive Countries:** The Issue assessing whether a company “Avoids doing business with countries that exploit or abuse its people” is comprised of three Metrics: (1) Controversies in Conflict Minerals as Reported in the Media, (2) Commitment to Conflict-Free Sourcing, and (3) Controversies Relating to Oppressive Governments as Reported in the Media. This year, the “conflict minerals controversies” Metric is weighted 16.7%, the “conflict-free sourcing” Metric is weighted 33.3%, and the “oppressive governments controversies” Metric is weighted 50%.
- Non-Harmful Products:** The Issue assessing whether a company “Makes products and/or offers services that do not harm health, the environment, or society” is comprised of two Metrics: (1) Commitment to Producing Beneficial and Non-Harmful Products and (2) Beneficial and Non-Harmful Products Assessment. This year, we gave the first transformed “commitment” Metric z-score a weight of 62.5% and the second transformed “assessment” Metric a weight of 37.5%. These weights were obtained by reducing the impact of the “assessment” Metric by 75% ($0.5 \times 0.75 = 0.375$ or 37.5%) since it is a newer Metric. This allows us to gradually introduce the “assessment” Metric over time.

STEP 3: Dealing with Extreme Outliers and Normalizing Issue Scores

Extreme outliers may cause misleading results or impact our rankings. Constraining the influence of extreme outliers is particularly important in the context of JUST Capital's work because a company's outperformance in one area can be counteracted by its underperformance on another. In the absence of an effective outlier treatment, extreme outperformance or underperformance on a single Data Point, Metric, or Issue can unduly increase or decrease a company's overall ranking.

On one hand, JUST Capital prefers to assess every company's performance as accurately as possible, based on reliable data. This preference would suggest leaving a company's data completely untreated, with no adjustment for outlier Data Points, Metrics, or Issues as this would be the truest representation of a company's performance. On the other hand, however, because JUST Capital ranks companies across a broad range of industries, the order of magnitude of certain Data Points, Metrics, and Issues varies substantially depending on the industry. Even after normalizing for company size, certain outlier values have the potential to drive a company's overall results beyond what the polling weight of the Issue would deem representative of public opinion. Accordingly, we have adopted the following "light touch" approach to controlling for outliers that affects a small proportion of company data while producing a more reliable ranking.

Though outlier data appear at the individual Data Point or Metric level, we only control for outliers at the raw Issue score level. We specifically trim outliers at the Issue level to ensure that survey weights do not further skew Issue scores. This has the added effect of increasing our model's stability since, in most cases, controlling for outliers may not be required at this higher level.

To control for outliers, we use a process known as winsorization, which preserves all observations in a data set but replaces outlier values with non-outlier values at a specified threshold or limit. The winsorization limits we have chosen are three standard deviations from the Issue mean (three sigma).

Our Issue scoring method – much like that used for transforming the raw Metric scores – normalizes raw Issue scores to a mean of 50 and a standard deviation of 25. This is performed so that the importance of each Issue within the rankings is consistent with the polling weights. Further, it reset the means and standard deviations to 50 and 25, respectively, after they are changed during the outlier treatment. As a result, Issue scores are capped to -25 at the bottom end of the range and 125 at the top of the range: $(50 - (3 \times 25)) = -25$ and $(50 + (3 \times 25)) = 125$.

We have deliberately chosen the limits of this winsorization to be wider than the general statistical practice for outlier control. The intention is to affect a very small number of company Issue scores. As a result, the vast majority of Issue scores are within two standard deviations of their mean, and only the most extreme outliers are subjected to being capped.

STEP 4: Calculating the Final Score and Overall Rank

The transformed and winsorized Issue scores for each company are then weighted by their relative importance based on the results of our [Annual Weighting Survey](#). The weighted Issue

scores are added together to produce a final score for each company. The weighted summation formula is, as follows:

$$Final\ Score = W_1I_1 + W_2I_2 + \dots + W_{28}I_{28} + W_{29}I_{29}$$

where “I” is the transformed and winsorized Issue score and “W_i” is the weight of that Issue derived from the MaxDiff exercise, representing the importance of that Issue to the American public.

To create the final overall rankings, we compare the final score of all companies to each other and list them in numerical order from highest to lower. This yields an ordinal rank where the company with the highest final score receives a rank of one and the company with the lowest final score receives a rank of 922.

STEP 5: Calculating Industry Ranks

In addition to calculating an overall ranking of companies in our universe, JUST Capital also produces an industry-level rank for each of our 33 industries. To do this, we take a subset of companies within a given industry and order them by their overall rank. The highest overall ranked company in an industry receives an industry rank of one, the second highest overall ranked company in that industry receives an industry rank of two, and so on.

Unique Events Protocol

Once a preliminary ranking has been produced, JUST Capital considers whether there are any unique events that have impacted or compromised a company’s ability to behave or act in a just way that are not captured by our data but should theoretically have an effect on a company’s rank. These unique events are defined by JUST Capital as important, defined incidents resulting from actions or inactions by a company that are (1) sudden, extreme, or unusual in nature, (2) considered material to JUST business behavior as defined by the public, and (3) have the potential to affect a company’s ranking – either positively or negatively – outside the normal architecture of our ranking process. Examples of unique events include groundbreaking improvements in employee wages or breakthroughs in healthy products on the positive side or major workplace scandals or environmental disasters on the negative side. In short, a unique event is a significant development which is not captured by our most current data.

There are significant challenges associated with how we consider and incorporate the impact of unique events outside of our formal data-driven ranking process. Adding these unique events in real time is challenging because the relevant details about the scale, severity, and impact of an event can take time to play out. It may take even more time before these events are reflect in our data because of annual reporting periods or lags between an incident and any resulting fines or settlements.

A decision to alter a company's overall score and rank outside of the data-driven model is, by definition, a departure from our standard processes and necessarily involves some degree of subjectivity. Such interventions are considered carefully and only undertaken when an event is so significant that failure to acknowledge it would undermine the integrity or credibility of our rankings.

In addressing unique events, JUST Capital has sought to balance timeliness with fairness to companies and other stakeholders. We have developed a formal process for considering unique events in consultation with the public as well as independent specialists and other neutral third parties. Our process involves the following steps:

1. **Continual Monitoring:** JUST Capital monitors news and events related to the companies we evaluate on a daily basis.
2. **Identification of Potential Unique Events:** Events that meet specified severity thresholds are labeled as "potential unique events" and are promptly brought to JUST Capital's Research Committee of the Board of Directors for consideration and adjudication.
3. **Research Committee Recommendation:** The Research Committee may make one of a number of decisions in relation to a "potential unique event" including, but not limited to: (a) Polling the public on the impact of the event, with a view to adjusting a company's overall score and rank based on the public's views at that time; (b) Placing the affected company on a "watch-list" and incorporating the event into the next scheduled annual evaluation of companies; and (c) Attaching a positive or negative "outlook" to a company's performance on one or more Issues or Stakeholders, pending more information on the impact of the event

BOX 5 Board of Directors and Research Committee Oversight

The Research Committee of the Board of Directors meets regularly with JUST Capital research staff to review and provide their input on the methodology. Any major changes to the methodology are discussed with the Research Committee, as are new developments and major controversies. If a Unique Event occurs, the Research Committee is tasked with reviewing the material events that could affect the JUST Capital Rankings and their maintenance. The Committee may revise its policies and Metrics to analyze corporate performance according to available data and new research.

2019 Unique Events

In 2019, JUST Capital invoked the unique events protocol in two cases.

The first case applies to tobacco companies. We assigned a substantial penalty to companies in the Industry Classification Benchmark (ICB) Tobacco Subsector, following results from our 2016-2019 survey research. Our survey research has consistently revealed that most Americans

believe that companies that make and market tobacco products are extremely harmful and less just than other companies in our universe. Survey respondents also expressed that tobacco-producing companies should be in the bottom quartile, or bottom 25 percentile, of JUST Capital's rankings. As a result, the one tobacco company in our universe in 2019 – Altria, a manufacturer and seller of cigarettes, machine-made large cigars and pipe tobacco, smokeless tobacco products, and wine in the U.S. – has not been allowed to rank higher than 691 of our 922 companies.

The second unique events case applies to Pacific Gas and Electric. In light of the utility company's bankruptcy proceedings that are connected to its wildfire liabilities in California, JUST Capital has placed Pacific Gas and Electric in the bottom quarter of our rankings. To avoid ties, Pacific Gas and Electric were set at the 25.2 percentile, ranking them 689 out of our 922 companies.

BOX 6**Blackout Period for JUST Capital's Board of Directors and the Finalized Rankings**

The role of JUST Capital's Board of Directors in relation to the rankings is to, in conjunction with JUST personnel, agree on the methodology and scope of the rankings. The Board of Directors shall not be involved in the ranking of individual companies and shall have no input into the final rankings or the final membership of the JUST 100.

Accordingly, it is important to protect the integrity of JUST Capital's rankings from any conflicts of interest – real or perceived – that might arise from non-executive members of the JUST Capital Board of Directors having access to, or influence over, company scores and/or rankings in advance of their public release. Such real or perceived conflicts include, but are not limited to:

- Actions that might influence the ranking methodology or ranking results themselves such that the scores or rankings of one or more companies are intentionally impacted, either positively or negatively
- Actions based on information about the rankings or the composition of the JUST 100 prior to their public release

To prevent these conflicts, JUST Capital enacts a Blackout Period of no less than 12 weeks prior to the date on which the rankings are made public shall be put in place. During the Blackout Period, all Directors are prohibited (1) from accessing the rankings (whether in draft or final form) such that the names and ranking of constituent companies is made known or can be determined or (2) from communicating in any format regarding the membership of the JUST 100 including, but not limited to, any communications regarding the rank or identity of any company or companies. Furthermore, during the Blackout Period all JUST Capital personnel shall be prohibited from communicating with any Director regarding the membership of the JUST 100 including, but not limited to, any communications regarding the rank or identity of any company or companies.

Notwithstanding the above, JUST Capital personnel may on an exceptional basis have the right to inform Directors of the names of companies that are ranked for the purpose of contacting top ranked companies, overall and within each industry sector of the rankings, for the sole purpose of discussing the scheduled announcement and other marketing purposes and only pursuant to an appropriate non-disclosure agreement prior to any substantive discussions. JUST Capital personnel may not disclose the actual ranking of the company, and only minimal information can be communicated. Designated Directors are authorized to contact top ranked companies, overall and within each industry sector of the Rankings, for the sole purpose of discussing the scheduled announcement and other marketing purposes and only pursuant to an appropriate non-disclosure agreement prior to any substantive discussions.

DISCLOSURE OF RANKED COMPANIES

This year, the 2020 Rankings of America's Most Just Companies was unveiled on November 12, 2019. As part of this release, JUST Capital disclosed the top 90% of ranked companies in our overall ranking and the scores and ranks for companies within the 33 industry-specific rankings. Companies that ranked in the bottom 10% of the overall rankings have been listed in alphabetical order.

Our mission is to build a more just marketplace that better reflects the true priorities of the American people. We believe that business – and capitalism – can and must be a positive force for change. We believe that if they have the right information, people will buy from, invest in, work for, and otherwise support companies that align with their values. To this end, we do not believe that our mission is advanced by calling out bottom performers in the overall ranking. We will periodically reevaluate this position and update our ranking disclosures to reflect decisions taken by our Board of Directors.

To view the 2020 Rankings of America's Most Just Companies, please visit
<https://justcapital.com/rankings/>.

APPENDIX A: COMPANIES EXCLUDED FROM OUR RANKINGS

The table below is a complete list of companies excluded from our Rankings as of October 27, 2019. An explanation of the reasons for exclusion are described in the [Company Evaluation](#) section of this methodology.

TICKER	COMPANY NAME	REASON FOR EXCLUSION
AGNC	AGNC INVESTMENT	REIT with fewer than 500 employees
ARE	ALEXANDRIA REAL ESTATE	REIT with fewer than 500 employees
GOOGL	ALPHABET INC CL A	Duplicate security of company with multiple share classes
DOX	AMDOCS LTD	No Form 10-K
APC	ANADARKO PETROLEUM CORP	Acquired since June 2019
NLY	ANNALY CAPITAL MGMT INC	REIT with fewer than 500 employees
APLE	APPLE HOSPITALITY REIT	REIT with fewer than 500 employees
ARD	ARDAGH GROUP SA	No Form 10-K
TEAM	ATLASSIAN CORP PLC	No Form 10-K
BDN	BRANDYWINE REALTY TRUST	REIT with fewer than 500 employees
BRX	BRIXMOR PROPERTY GROUP	REIT with fewer than 500 employees
BPR	BROOKFIELD PROPERTY REIT	REIT with fewer than 500 employees
BF.A	BROWN FORMAN CORP CL A	Duplicate security of company with multiple share classes
CIM	CHIMERA INVESTMENT CORP	REIT with fewer than 500 employees
CLNY	COLONY CAPITAL INC	REIT with fewer than 500 employees
CXP	COLUMBIA PPTY TR INC	REIT with fewer than 500 employees
CPA	COPA HOLDINGS SA	No Form 10-K
COR	CORESITE REALTY CORP	REIT with fewer than 500 employees
OFC	CORPORATE OFFICE PPTYS	REIT with fewer than 500 employees
CONE	CYRUSONE INC	REIT with fewer than 500 employees
DISCK	DISCOVERY INC SERIES C	Duplicate security of company with multiple share classes
DRE	DUKE REALTY CORP	REIT with fewer than 500 employees
EPR	EPR PROPERTIES	REIT with fewer than 500 employees
EQC	EQUITY COMMONWEALTH	REIT with fewer than 500 employees
FRT	FEDERAL REALTY INVT	REIT with fewer than 500 employees
FDC	FIRST DATA CORP	Acquired since June 2019
FOXA	FOX CORPORATION CLASS A	Duplicate security of company with multiple share classes
HCP	HCP INC	REIT with fewer than 500 employees

HTA	HEALTHCARE TR AMER INC	REIT with fewer than 500 employees
HEI.A	HEICO CORP CL A	Duplicate security of company with multiple share classes
HIW	HIGHWOODS PROPERTIES INC	REIT with fewer than 500 employees
HST	HOST HOTELS & RESORTS	REIT with fewer than 500 employees
HPP	HUDSON PAC PPTYS INC	REIT with fewer than 500 employees
IGT	INTERNATIONAL GAME TECH	No Form 10-K
KRC	KILROY REALTY CORP	REIT with fewer than 500 employees
LLL	L3 TECHNOLOGIES	Acquired since June 2019
LEN.B	LENNAR CORP CL B	Duplicate security of company with multiple share classes
LBRDA	LIBERTY BROADBAND CL A	Holding company
LBRDK	LIBERTY BROADBAND CL C	Holding company
FWONA	LIBERTY FORMULA 1 SER A	Duplicate security of company with multiple share classes
LPT	LIBERTY PROPERTY TRUST	REIT with fewer than 500 employees
LSXMA	LIBERTY SIRIUSXM SER A	Holding company
LSXMK	LIBERTY SIRIUSXM SER C	Holding company
LGF.B	LIONS GATE ENT CLASS B	Duplicate security of company with multiple share classes
MPW	MEDICAL PROPERTIES TRUST	REIT with fewer than 500 employees
MFA	MFA FINANCIAL INC	REIT with fewer than 500 employees
NNN	NATIONAL RETAIL PPTYS	REIT with fewer than 500 employees
NRZ	NEW RESIDENTIAL INVT	REIT with fewer than 500 employees
NWSA	NEWS CORP CL A	Duplicate security of company with multiple share classes
OHI	OMEGA HEALTHCARE INVS	REIT with fewer than 500 employees
PGRE	PARAMOUNT GROUP INC	REIT with fewer than 500 employees
PM	PHILIP MORRIS INTL	Company with no employees in the U.S.
QGEN	QIAGEN NV	No Form 10-K
RYN	RAYONIER INC	REIT with fewer than 500 employees
O	REALTY INCOME CORP	REIT with fewer than 500 employees
RHT	RED HAT	Acquired since 2019
REG	REGENCY CENTERS CORP	REIT with fewer than 500 employees
RPAI	RETAIL PPTYS AMER INC	REIT with fewer than 500 employees
SITC	SITE CENTERS CORPORATION	REIT with fewer than 500 employees
SRC	SPIRIT RLTY CAP INC	REIT with fewer than 500 employees
SPOT	SPOTIFY TECHNOLOGY SA	No Form 10-K
STWD	STARWOOD PPTY TRUST INC	REIT with fewer than 500 employees
STOR	STORE CAPITAL CORP	REIT with fewer than 500 employees

DATA	TABLEAU SOFTWARE INC	Acquired since June 2019
TCO	TAUBMAN CENTERS INC	REIT with fewer than 500 employees
TSS	TOTAL SYSTEM SERVICES INC	Acquired since June 2019
TRCO	TRIBUNE MEDIA CO	Acquired since June 2019
TWO	TWO HBRS INVT CORP	REIT with fewer than 500 employees
UAA	UNDER ARMOUR CLASS A	Duplicate security of company with multiple share classes
VER	VEREIT INC	REIT with fewer than 500 employees
VSM	VERSUM MATERIALS INC	Acquired since June 2019
VIAB	VIACOM INC CL B	Duplicate security of company with multiple share classes
VICI	VICI PROPERTIES INC	REIT with fewer than 500 employees
WPC	W P CAREY INC	REIT with fewer than 500 employees
WRI	WEINGARTEN RLTY INVS	REIT with fewer than 500 employees
WELL	WELLTOWER INC	REIT with fewer than 500 employees
WP	WORLDPAY INC	Acquired since June 2019
YUMC	YUM CHINA HOLDINGS INC	Company with no employees in the U.S.
ZG	ZILLOW GROUP INC CLASS A	Duplicate security of company with multiple share classes

APPENDIX B: MAPPING ICB TO JUST CAPITAL INDUSTRIES

The table below details how JUST Capital industries map to the [Industry Classification Benchmark \(ICB\)](#). The ICB is a globally-recognized classification standard that is operated and managed by the FTSE Russell for categorizing companies and securities according to the nature of their business. An overview of the ICB classification structure can be found in the [Company Evaluation](#) section of this methodology.

INDUSTRY CLASSIFICATION BENCHMARK (ICB)				
Industry	Supersector	Sector	Subsector	JUST INDUSTRY
Industrials	Industrial Goods & Services	Aerospace & Defense	Aerospace	Aerospace & Defense
Industrials	Industrial Goods & Services	Aerospace & Defense	Defense	Aerospace & Defense
Consumer Goods	Automobiles & Parts	Automobiles & Parts	Auto Parts	Automobiles & Parts
Consumer Goods	Automobiles & Parts	Automobiles & Parts	Automobiles	Automobiles & Parts
Consumer Goods	Automobiles & Parts	Automobiles & Parts	Tires	Automobiles & Parts
Financials	Banks	Banks	Banks	Banks
Basic Materials	Basic Resources	Industrial Metals & Mining	Aluminum	Basic Resources
Oil & Gas	Oil & Gas	Oil & Gas Producers	Coal	Basic Resources
Basic Materials	Basic Resources	Mining	Diamonds & Gemstones	Basic Resources
Basic Materials	Basic Resources	Forestry & Paper	Forestry	Basic Resources
Basic Materials	Basic Resources	Industrial Metals & Mining	General Mining	Basic Resources
Basic Materials	Basic Resources	Mining	Gold Mining	Basic Resources
Basic Materials	Basic Resources	Industrial Metals & Mining	Iron & Steel	Basic Resources
Basic Materials	Basic Resources	Industrial Metals & Mining	Nonferrous Metals	Basic Resources
Basic Materials	Basic Resources	Forestry & Paper	Paper	Basic Resources
Basic Materials	Basic Resources	Mining	Platinum & Precious Metals	Basic Resources
Industrials	Construction & Materials	Construction & Materials	Building Materials & Fixtures	Building Materials & Packaging
Industrials	Industrial Goods & Services	General Industrials	Containers & Packaging	Building Materials & Packaging
Industrials	Industrial Goods & Services	General Industrials	Diversified Industrials	Industrial Goods
Technology	Technology	Technology Hardware & Equipment	Electrical Components & Equipment	Industrial Goods
Industrials	Industrial Goods & Services	Electronic & Electrical Equipment	Electronic Equipment	Industrial Goods
Industrials	Construction & Materials	Construction & Materials	Heavy Construction	Industrial Goods
Financials	Financial Services	Financial Services	Asset Managers	Capital Markets

Financials	Financial Services	Financial Services	Investment Services	Capital Markets
Basic Materials	Chemicals	Chemicals	Commodity Chemicals	Chemicals
Industrials	Industrial Goods & Services	General Industrials	Specialty Chemicals	Chemicals
Industrials	Industrial Goods & Services	Support Services	Business Support Services	Commercial Support Services
Industrials	Industrial Goods & Services	Support Services	Business Training & Employment Agencies	Commercial Support Services
Financials	Financial Services	Finance & Credit Services	Financial Administration	Commercial Support Services
Industrials	Industrial Goods & Services	Support Services	Industrial Suppliers	Commercial Support Services
Utilities	Utilities	Gas, Water & Multi-utilities	Waste & Disposal Services	Commercial Support Services
Financials	Financial Services	Finance & Credit Services	Consumer Finance	Consumer & Diversified Finance
Financials	Financial Services	Finance & Credit Services	Mortgage Finance	Consumer & Diversified Finance
Financials	Financial Services	Financial Services	Specialty Finance	Consumer & Diversified Finance
Consumer Goods	Personal & Household Goods	Personal Goods	Clothing & Accessories	Household Goods & Apparel
Consumer Goods	Personal & Household Goods	Leisure Goods	Consumer Electronics	Household Goods & Apparel
Consumer Goods	Personal & Household Goods	Household Goods & Home Construction	Durable Household Products	Household Goods & Apparel
Consumer Goods	Personal & Household Goods	Personal Goods	Footwear	Household Goods & Apparel
Consumer Goods	Personal & Household Goods	Household Goods & Home Construction	Furnishings	Household Goods & Apparel
Consumer Goods	Personal & Household Goods	Household Goods & Home Construction	Home Construction	Household Goods & Apparel
Consumer Goods	Personal & Household Goods	Leisure Goods	Recreational Products	Household Goods & Apparel
Consumer Goods	Personal & Household Goods	Leisure Goods	Toys	Household Goods & Apparel
Consumer Services	Travel & Leisure	Travel & Leisure	Gambling	Restaurants & Leisure
Consumer Services	Travel & Leisure	Travel & Leisure	Hotels	Restaurants & Leisure
Consumer Services	Travel & Leisure	Travel & Leisure	Recreational Services	Restaurants & Leisure
Consumer Services	Travel & Leisure	Travel & Leisure	Restaurants & Bars	Restaurants & Leisure
Consumer Services	Travel & Leisure	Travel & Leisure	Travel & Tourism	Restaurants & Leisure
Oil & Gas	Oil & Gas	Alternative Energy	Alternative Fuels	Energy Equipment & Services
Oil & Gas	Oil & Gas	Oil & Gas Producers	Oil Equipment & Services	Energy Equipment & Services
Oil & Gas	Oil & Gas	Oil & Gas Producers	Pipelines	Energy Equipment & Services
Consumer Services	Personal Care, Drug & Grocery Stores	Food & Drug Retailers	Drug Retailers	Food & Drug Retailers
Consumer Services	Personal Care, Drug & Grocery Stores	Food & Drug Retailers	Food Retailers & Wholesalers	Food & Drug Retailers
Consumer Goods	Food & Beverage	Beverages	Brewers	Food, Beverage & Tobacco

Consumer Goods	Food & Beverage	Beverages	Distillers & Vintners	Food, Beverage & Tobacco
Consumer Goods	Food & Beverage	Food Producers	Farming, Fishing & Plantations	Food, Beverage & Tobacco
Consumer Goods	Food & Beverage	Food Producers	Food Products	Food, Beverage & Tobacco
Consumer Goods	Food & Beverage	Beverages	Soft Drinks	Food, Beverage & Tobacco
Consumer Goods	Food & Beverage	Tobacco	Tobacco	Food, Beverage & Tobacco
Health Care	Health Care	Health Care Equipment & Services	Medical Equipment	Health Care Equipment & Services
Health Care	Health Care	Health Care Equipment & Services	Medical Supplies	Health Care Equipment & Services
Health Care	Health Care	Health Care Providers	Health Care Providers	Health Care Providers
Consumer Goods	Personal Care, Drug & Grocery Stores	Food & Drug Retailers	Nondurable Household Products	Personal Products
Consumer Goods	Personal & Household Goods	Personal Goods	Personal Products	Personal Products
Financials	Insurance	Nonlife Insurance	Full Line Insurance	Insurance
Financials	Insurance	Nonlife Insurance	Insurance Brokers	Insurance
Financials	Insurance	Life Insurance	Life Insurance	Insurance
Financials	Insurance	Nonlife Insurance	Property & Casualty Insurance	Insurance
Financials	Insurance	Nonlife Insurance	Reinsurance	Insurance
Technology	Technology	Software & Computer Services	Internet	Internet
Technology	Technology	Software & Computer Services	Computer Services	Computer Services
Industrials	Industrial Goods & Services	Industrial Engineering	Commercial Vehicles & Trucks	Commercial Vehicles & Machinery
Industrials	Industrial Goods & Services	Industrial Engineering	Industrial Machinery	Commercial Vehicles & Machinery
Telecommunications	Telecommunications	Fixed Line Telecommunications	Broadcasting & Entertainment	Media
Consumer Services	Media	Media	Media Agencies	Media
Consumer Services	Media	Media	Publishing	Media
Oil & Gas	Oil & Gas	Oil & Gas Producers	Exploration & Production	Oil & Gas
Oil & Gas	Oil & Gas	Oil & Gas Producers	Integrated Oil & Gas	Oil & Gas
Health Care	Health Care	Pharmaceuticals & Biotechnology	Biotechnology	Pharmaceuticals & Biotech
Health Care	Health Care	Pharmaceuticals & Biotechnology	Pharmaceuticals	Pharmaceuticals & Biotech
Financials	Real Estate	Real Estate Investment & Services	Real Estate Holding & Development	Real Estate
Financials	Real Estate	Real Estate Investment Trusts	Residential REITs	Real Estate
Financials	Real Estate	Real Estate Investment Trusts	Diversified REITs	Real Estate
Financials	Real Estate	Real Estate Investment Trusts	Retail REITs	Real Estate

Financials	Real Estate	Real Estate Investment Trusts	Industrial & Office REITs	Real Estate
Financials	Real Estate	Real Estate Investment & Services	Real Estate Services	Real Estate
Financials	Real Estate	Real Estate Investment Trusts	Specialty REITs	Real Estate
Financials	Real Estate	Real Estate Investment Trusts	Hotel & Lodging REITs	Real Estate
Consumer Services	Retail	General Retailers	Apparel Retailers	Retail
Consumer Services	Retail	General Retailers	Broadline Retailers	Retail
Consumer Services	Retail	General Retailers	Home Improvement Retailers	Retail
Consumer Services	Personal & Household Goods	Consumer Services	Specialized Consumer Services	Retail
Consumer Services	Automobiles & Parts	Automobiles & Parts	Specialty Retailers	Retail
Oil & Gas	Oil & Gas	Alternative Energy	Renewable Energy Equipment	Semiconductors & Equipment
Technology	Technology	Technology Hardware & Equipment	Semiconductors	Semiconductors & Equipment
Technology	Technology	Software & Computer Services	Software	Software
Technology	Technology	Technology Hardware & Equipment	Computer Hardware	Technology Hardware
Technology	Technology	Technology Hardware & Equipment	Electronic Office Equipment	Technology Hardware
Telecommunications	Telecommunications	Technology Hardware & Equipment	Telecommunications Equipment	Technology Hardware
Telecommunications	Telecommunications	Fixed Line Telecommunications	Fixed Line Telecommunications	Telecommunications
Telecommunications	Telecommunications	Mobile Telecommunications	Mobile Telecommunications	Telecommunications
Consumer Services	Travel & Leisure	Travel & Leisure	Airlines	Transportation
Industrials	Industrial Goods & Services	Industrial Transportation	Delivery Services	Transportation
Industrials	Industrial Goods & Services	Industrial Transportation	Marine Transportation	Transportation
Industrials	Industrial Goods & Services	Industrial Transportation	Railroads	Transportation
Industrials	Industrial Goods & Services	Industrial Transportation	Transportation Services	Transportation
Industrials	Industrial Goods & Services	Industrial Transportation	Trucking	Transportation
Utilities	Utilities	Electricity	Alternative Electricity	Utilities
Utilities	Utilities	Electricity	Conventional Electricity	Utilities
Utilities	Utilities	Gas, Water & Multi-utilities	Gas Distribution	Utilities
Utilities	Utilities	Gas, Water & Multi-utilities	Multi-utilities	Utilities
Utilities	Utilities	Gas, Water & Multi-utilities	Water	Utilities

APPENDIX C: ISSUES, METRICS, AND DATA POINTS

The following pages provide details about the Issues under each Stakeholder, their underlying Metrics, and Data Point-to-Metric calculations. These tables also include information about [missing data treatments](#) and [scaling](#) used to prepare Data Points (and Metrics) for calculating the rankings. At the start of each subsection, we describe the overarching changes that have been made this year to Metrics and Data Points within each Stakeholder. For an overview of how Issues are defined, Metrics are developed, and Data Points are collected, see the [Survey Research](#) and [Company Evaluation](#) sections of this methodology.

Workers (35%)

The Workers stakeholder measures whether companies (1) pay workers a fair wage based on job level, qualifications, and experience, (2) pay workers a living wage that covers the local costs of basic needs, (3) provide workers with a good benefits package and supports a work-life balance, (4) provide a diverse and inclusive workplace with equal opportunity and pay without discrimination, (5) create quality and stable jobs, (6) provide workers with skills training and opportunities for career development, (7) create systems and policies that promote a safe workplace, (8) create a transparent and supportive workplace culture with open communication, and (9) pay CEOs reasonably compared to its workers and based on the company financial performance.

This year, JUST Capital made several notable enhancements to better measure issues that are important to Workers. We updated our in-house living wage model with improved data on wages, company locations, and employee count. Under equal opportunity, we now consider whether companies disclose their workplace demographics by gender and ethnicity, whether companies have a grievance mechanism for experiences with discrimination, and whether companies have a harassment policy, grievance mechanisms for harassment, and harassment training. Additionally, our measurement of pay equity analysis now evaluates whether companies disclose both ethnic and gender pay parity. Under worker benefits, we updated the scoring of paid parental leave to capture granular data about the length of leave for mothers, fathers, primary caregivers, and secondary caregivers.

We also expanded our methodology to include two new Issues. The first Issue evaluates whether the jobs provided are stable and of high quality. We use crowdsourced data to evaluate the likelihood that employees would recommend their company to others and whether employees think their company has a positive outlook. The ratio of full-time to part-time jobs is also estimated based on crowdsourced data, if not disclosed by the company directly. The second measures how each company's CEO is paid in comparison to the median worker pay.

Fair Wage: Pays workers a fair wage based on job level, qualifications, and experience (6.5%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Wage Violations									
U.S. Department of Labor Wage and Hour Compliance Violations	The sum of any back-wage amounts and/or civil penalties over the past three years, assessed by the Department of Labor's Wage and Hour Division, sourced through a Violation Tracker produced by the Corporate Research Project of Good Jobs First.	Good Jobs First	May 2016 - May 2019	U.S.	U.S. Dollars	a	a	Not Applicable	Revenue
METRIC: Fair Pay Rating									
Fair Pay Rating by Industry and Job Level	A score based on crowdsourced ratings of the company's overall compensation, factoring in bonuses/benefits, measured on a five-point scale by current and former employees. A score of 0 indicates a poor rating, while a score of 5 indicates an excellent rating.	Crowdsourced company review platforms	2016 - 2019	U.S.	Score (0-5)	a	a	Industry Average	None
METRIC: Fair Pay Percentile									
Fair Pay Score by Industry and Job Level	A comparison of the company's wages to industry peers' by job title. For each industry, JUST Capital compares wages by title across companies to determine how each company pays its employees relative to peers. For example, a company with 10 titles that has the highest wage for each title among peers will receive a score of 1. Scores are represented as percentiles, where a score of 1 indicates the 100th percentile for wages by title and industry and a score of 0.5 indicates the 50th percentile for wages by title and industry.	Crowdsourced company review platforms and U.S. Department of Labor	2016 - 2019	U.S.	Score (0-1)	a	a	Industry Average	None

Living Wage: Pays workers a living wage that covers the local costs of basic needs (5.7%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Employee Living Wage Ratio									
Percentage of Workers Making a Living Wage	The estimated percentage of employees and other workers on-site at the company making a living wage. Our proprietary living wage model uses geocoded data on a company's locations across the United States and the number of employees in each of these locations, to which we assign industry classifications (NAICS codes). Using data from the Bureau of Labor Statistics (BLS) on the distribution of occupations (Standard Occupational Classification code) within each industry, we estimate the number of workers in each occupation per location. We then match crowd-sourced wage data to each of these occupations and estimate a wage distribution for each company. Missing wage data for occupations are filled in with national averages from BLS. Finally, using data from our cooperation with MIT's Living Wage Calculator to determine the national living wage for a family of one full-time worker, one part-time worker, and one child, we determine the share of workers per location who make at least the national living wage.	Crowdsourced company review platforms, Bureau of Labor Statistics, MIT Living Wage Calculator, Third-Party Data	2015 - 2019	U.S.	Percentage of U.S. workforce	a	a	Not Applicable	None

Benefits & Work-Life Balance: Provides workers with a good benefits package and supports a work-life balance (5.3%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Provision of Worker Benefits Packages									
Paid Parental Leave Policy	An assessment of the company's disclosure of its paid parental leave policy. Companies are scored from 0 to 10 and receive a 0 for no disclosure, 3.33 for disclosing a parental leave policy, 6.66 for disclosing a parental leave policy that provides specifics about the length of leave, and 10 for disclosing a parental leave policy that provides specifics about the length of leave and offers the same amount of leave for both parents.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	Score (0, 3.33, 6.66, or 10)	a	(a+b)/2	Not Applicable	None
Paid Time Off Policy	An assessment of the company's disclosure of its paid time off policy. Companies are scored from 0 to 10 and receive a 0 for no disclosure, 5 for disclosing that they have a paid time off policy, and 10 for disclosing the amount of paid time off available to employees.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	Score (0, 5, or 10)	b	(a+b)/2	Not Applicable	None
METRIC: Benefits and 401k Quality Assessment									
Benefits Quality Rating	A score based on crowdsourced ratings of the company's benefits (including health and retirement benefits), measured on a five-point scale by current and former employees. A score of 0 indicates a poor rating, while a score of 5 indicates an excellent rating.	Crowd-sourced company review platforms	2016 - 2019	U.S.	Score (0-5)	a	(20*a)*(0.25) + b*(0.75)	Not Applicable	None
401k Score	An assessment of the quality of the company's 401k plan, based on cost, participation rates, salary deferrals, and performance. Source: Form 5500 and Audit Report filings.	Brightscope	Most recent plan assessment (2013-2018)	U.S.	Score (0-100)	b	(20*a)*(0.25) + (b*0.75)	Not Applicable	None

Diversity, Equity & Inclusion: Provides a diverse and inclusive workplace with equal opportunity and pay without discrimination (4.7%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Legal Convictions in Employment Discrimination as Reported in the Media									
Discrimination in Employment Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to discrimination in employment, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	U.S.	Number	a	a	Not Applicable	Revenue
METRIC: EEOC Violations and Worker Grievance Fines									
Equal Employment Opportunity Commission and Worker Grievance Fines	Any fines over the past three years from the Equal Employment Opportunity Commission and the Justice Department's Civil Rights Division. Violation Tracker produced by the Corporate Research Project of Good Jobs First.	Good Jobs First	May 2016 - May 2019	U.S.	U.S. Dollars	a	a	Not Applicable	Revenue
METRIC: Commitment to Equal Opportunity Workplace Policies									
Diversity and Opportunity Policy	An assessment of whether the company has a policy to drive diversity and equal opportunity.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	a	$(10 \cdot (a+b+d+e+g) + c + h)/8$	Not Applicable	None
Diversity and Opportunity Targets	An assessment of whether the company has set measurable targets or objectives on diversity and equal opportunity.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	b	$(10 \cdot (a+b+d+e+g) + c + h)/8$	Not Applicable	None
Workforce Demographic Breakdown	An assessment of whether the company publicly discloses the breakdown of its workforce by gender and/or ethnicity, or publicly discloses its EEO-1 form. Companies are scored from 0 to 10 and receive a 0 for no disclosure, 3.33 for either gender or ethnic breakdown disclosure, 6.66 for	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	Score (0, 3.33, 6.66, or 10)	c	$(10 \cdot (a+b+d+e+g) + c + h)/8$	Not Applicable	None

	both gender and ethnic breakdown disclosure, and 10 for a fully disclosed EEO-1 report. The underlying data is disclosed either as a raw count or a percent to match how companies reported their workforce demographics.								
Grievance Mechanism for Discrimination	An assessment of whether the company has a grievance mechanism in place for employees to safely report concerns or issues relating to discrimination.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	d	$(10 \cdot (a+b+d+e+g) + c + h)/8$	Not Applicable	None
Grievance Mechanism for Harassment	An assessment of whether the company has a grievance mechanism in place for employees to safely report concerns or issues relating to harassment.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	e	$(10 \cdot (a+b+d+e+g) + c + h)/8$	Not Applicable	None
Harassment Policy	An assessment of whether the company has a harassment policy.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	f	$(10 \cdot (a+b+d+e+g) + c + h)/8$	Not Applicable	None
Harassment Training	An assessment of whether the company provides mandatory training to educate employees about harassment.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	g	$(10 \cdot (a+b+d+e+g) + c + h)/8$	Not Applicable	None
Outplacement Services Policy	An assessment of whether the company provides outplacement services for employees leaving the company (e.g. help on resume, networking, finding job postings, mock interviews).	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	h	$(10 \cdot (a+b+d+e+g) + c + h)/8$	Not Applicable	None
METRIC: Commitment to Promoting Employment Equity									
Pay Equity Policy	An assessment of the company's commitment to pay equity. Companies are scored from 0 to 10, and receive a 0 for no evidence of commitment, 3.33 if the company has conducted a pay equity analysis or has committed to conducting a pay equity analysis (as a signatory to the UN Women's Empowerment Principles), 6.66 if the company has made public the results of either gender or ethnic pay equity analysis, or 10 if the company has made public the results of both their gender and ethnic pay equity analysis.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	Score (0, 3.33, 6.66, or 10)	a	a	Not Applicable	None

Quality Jobs: Creates quality and stable jobs (4.0%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Percent of Fulltime U.S. Jobs									
Percent of Full-Time Jobs	The estimated percent of full-time jobs is based on crowdsourced ratings by current and former employees. In cases where companies directly provide these statistics, we use the percent of full-time workers that has been reported.	Crowdsourced company review platforms	2016 - 2019	U.S.	Percentage	a	a	Industry Average	None
METRIC: Recommended Ratings									
Recommendation Score	An average score based on crowdsourced ratings of whether current or former employees are likely to recommend employment to a friend, measured on a five-point scale.	Crowdsourced company review platforms	2016 - 2019	U.S.	Number	a	a+b	Industry Average	None
Positive Outlook Score	An average score based on crowdsourced ratings of the positive outlook that current and former employees have of the company, measured on a five-point scale.	Crowdsourced company review platforms	2016 - 2019	U.S.	Number	b	a+b	Industry Average	None

Career Development: Provides workers with skills training and opportunities for career development (3.4%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Commitment to Education & Training									
Career Development Policy	An assessment of whether the company has a policy to support the career development and/or skills training of its employees.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	a	5*(a+b)	Not Applicable	None

Tuition Reimbursement	An assessment of whether the company offers tuition reimbursements or education assistance to its employees.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	b	5*(a+b)	Not Applicable	None
METRIC: Career Opportunities									
Career Opportunities Rating	A score based on crowdsourced ratings of the company's career opportunities, measured on a five-point scale by current and former employees. A score of 0 indicates a poor rating, while a score of 5 indicates an excellent rating.	Crowd-sourced company review platforms	2016 - 2019	U.S.	Score (0-5)	a	a	Industry Average	None

Safe Workplace: Creates systems and policies that promote a safe workplace (2.7%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Controversies in Workplace Safety as Reported in the Media									
Occupational Safety and Health Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to occupational health and safety issues, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	U.S.	Number	a	a	Not Applicable	Revenue
METRIC: Worker Safety Fines									
U.S. Occupational Safety and Health Administration and Mine Safety and Health Administration	Any fines over the past three years from the Occupational Safety and Health Administration and Mine Safety and Health Administration. Violation Tracker produced by the Corporate Research Project of Good Jobs First.	Good Jobs First	May 2016 - May 2019	U.S.	U.S. Dollars	a	a	Not Applicable	Revenue

METRIC: Commitment to Ensuring a Safe Workplace									
Health & Safety Management Systems	An assessment of whether the company has health and safety management systems in place, such as the ISO 45001 or OSHAS 18001 (Occupation Health & Safety Management System).	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	a	$(10*(a+b+c+d))/4$	Not Applicable	None
Employee Health & Safety Policy	An assessment of whether the company has established a policy to improve employee health and safety.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	b	$(10*(a+b+c+d))/4$	Not Applicable	None
Employee Health & Safety Team	An assessment of whether the company has established an employee health and safety team.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	c	$(10*(a+b+c+d))/4$	Not Applicable	None
Health & Safety Training	An assessment of whether the company trains its executives or key employees on health and safety.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	d	$(10*(a+b+c+d))/4$	Not Applicable	None
METRIC: Total Recordable Incident Rate									
Total Recordable Incident Rate (TRIR)	The total number of recordable incidents, per 200,000 hours worked (equivalent to 100 full-time employees annually). The value presented is for the company's most recently reported year.	Company filings and other public documents	Latest year available (2016, 2017, 2018)	Global	Incidents per 100 FTE employees annually	a	a	Not Applicable	None

Supportive Workplace: Creates a transparent and supportive workplace culture with open communication (1.8%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Commitment to Work-Life Balance									
Day Care Services	An assessment of whether the company states that it provides or subsidizes dependent (child or elder) care services for its employees.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	a	a+b	Not Applicable	None

Flexible Working Hours Policy	An assessment of whether the company states that it provides flexible working hours or working hours that promote a work-life balance (e.g. flextime, compressed workweeks, telecommuting).	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	b	a+b	Not Applicable	None
METRIC: Crowdsourced Work-Life Balance									
Work-Life Balance Rating	A score based on crowdsourced ratings of the company's work-life balance, measured on a five-point scale by current and former employees. A score of 0 indicates a poor rating, while a score of 5 indicates an excellent rating.	Crowdsourced company review platforms	2016 - 2019	U.S.	Score (0-5)	a	a	Industry Average	None
METRIC: Commitment to Employee Respect									
Freedom of Association Policy	An assessment of whether the company discloses freedom of association and collective bargaining policies, even in locations that do not mandate it.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	a	a	Not Applicable	None
METRIC: Crowdsourced Employee Respect									
Senior Management Rating	A score based on crowdsourced ratings of the company's senior management, measured on a five-point scale by current and former employees. A score of 0 indicates a poor rating, while a score of 5 indicates an excellent rating.	Crowd-sourced company review platforms	2016 - 2019	U.S.	Score (0-5)	a	a	Industry Average	None

CEO-to-Worker Pay: Pays CEO reasonably compared to its workers and based on the company financial performance (1.2%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: CEO-to-Median Worker Pay Ratio									
CEO Compensation	The compensation, salary, and bonus for the CEO or equivalent, per SEC executive compensation rules, including Executive	Company filings and other public documents	As of May 2018	U.S.	U.S. Dollars	a	a/b	Not Applicable	None

	Chairperson. The "Total" value is taken from the Summary Compensation Table in each company's DEF 14A (Proxy Statement) and excludes "Change in Pension Value & Nonqualified Deferred Compensation Earnings" and "All Other Compensation" for comparability to estimated median worker pay. The value is also adjusted to remove one-time payments for severance or sign-on bonuses, while prior lump sum multi-year retention bonuses (cash or stock) are annualized and added back.								
Median Worker Pay	The estimated median U.S. employee compensation, based on analysis of crowdsourced compensation data by title and location, with Bureau of Labor Statistics (BLS) wage averages by job title and industry where crowdsourced data is incomplete. BLS job title distributions by industry are applied, and the median wage derived, by company.	Crowdsourced company review platforms; Bureau of Labor Statistics	2013 - 2018	U.S.	U.S. Dollars	b	a/b	Not Applicable	None

Customers (24%)

The Customers stakeholder measures whether companies (1) make products and/or offer services that do not harm health, the environment, or society, (2) make quality products that are reliable, safe, and durable, (3) protect customer privacy through secure information storage and transparent privacy policies, (4) make products and/or offers services that are priced fairly and are of good value, (5) treat customers in a fair and inclusive way, without bias or discrimination, (6) communicate honestly and transparently in their advertising, labelling, and public messaging, and (7) provide positive customer service, reward programs, and stands behind their products and services.

One of the biggest updates to the Customers methodology included enhancements to better measure the quality of companies' customer privacy practices. Previously, customer privacy was only addressed through controversy data and a composite privacy rating. This year, we developed a comprehensive assessment model based on 18 new datapoints that fit under four broader themes:

- **Privacy Governance:** institutional oversight of privacy issues
- **Privacy Policy Details:** whether a company has a privacy policy, scope of policy, advance notice of changes, availability in multiple languages
- **Privacy Security:** whether a company has an internal structure that monitors privacy issues and ensures information security, how a company handles breaches
- **User Information:** disclosure of what specific data is being collected, tracking (or not) of user behavior, data usage and user control

Metrics from last year's Products Stakeholder area were folded into the Customers Stakeholder this year. In order to better measure whether companies offer products and services that are beneficial to health, environment, or society, we refined our survey on the relative harm or benefit of the types of products a company offers. Specifically, we expanded the number of products surveyed to 58, for a more comprehensive coverage of the industries and sectors included in the companies we rank. We also improved our methodology for recalled products to take into account the severity of human impact, as measured by the type of injury and number of injuries. This is an addition to our existing analysis from our 2018 methodology on the number of incidents reported, the number of products recalled, and how quickly a company recalls a product.

Non-Harmful Products: Makes products and/or offers services that do not harm health, the environment, or society (4.7%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Commitment to Producing Beneficial and Non-Harmful Products									
Product Health and Environmental Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to the health and environmental impacts of companies' products and services, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	U.S.	Number	a	a	Not Applicable	Revenue
METRIC: Beneficial and Non-Harmful Products Assessment									
Product Benefit Assessment	An industry-specific assessment of products and services that are beneficial to health, environment, or society. The final score is an aggregate of public surveys, conducted by JUST Capital, which assess whether 58 different products and services contribute to product benefit or harm. Respondents assess each product on the following scale: extremely beneficial, moderately beneficial, slightly beneficial, neither beneficial nor harmful, slightly harmful, moderately harmful and extremely harmful. Companies are scored by multiplying of an estimate of the proportion of revenues a company derives from a product, by the sentiment the public shares for the given product. Final scores are bounded between -1 and +1. A score of -1 indicates a company	JUST Capital	2019	Global	Score (-1-1)	a	a	Zero	None

	derives 100% of their revenues from a product which the public views as extremely harmful, while a score of +1 indicates a company derives 100% of their revenues from a product the public views as extremely beneficial. Products include alcoholic beverages, airplanes, automobiles, caffeinated beverages, cell phones, children's toys, cleaning supplies, clothing, computers, consumer electronics, dietary supplements, e-cigarettes, electric vehicles, electrical power, energy efficient products, fast food, firearms, fitness equipment, food, for-profit prisons, fossil fuels, gambling casinos, home-sharing rentals, hotels, household appliances, insurance policies, investment products, loans, marijuana, medical devices, military weapons, news, nuclear power, online shopping, opioids, organic foods, organic household products, over-the-counter medicines, personal care products, prescription medicines, renewable energy, reusable and recycled products, ridesharing services, shipping, single-use paper products, social media, sugary beverages, the Internet, tobacco products, trains, vaccines, video games and waste disposal.								
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Quality Products: Makes quality products that are reliable, safe, and durable (4.5%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Product Fines									
Product Safety Fines	Any fines incurred over the past three years from the Consumer Product Safety Commission, the	Good Jobs First	May 2016 - May 2019	U.S.	U.S. Dollars	a	a	Not Applicable	Revenue

	U.S. Food and Drug Administration, National Highway Traffic Safety Administration referral to the Justice Department, and National Highway Traffic Safety Administration. Violation Tracker produced by the Corporate Research Project of Good Jobs First.								
METRIC: Product Recalls									
Product Recall Disclosure	The recalls formally announced by the company on the Consumer Product Safety Commission, Food and Drug Administration or publicly accessible websites, as well as those captured by RepRisk for automobiles over the last three years. Companies with product recalls are given a score greater than 0, which captures the impact, the number of reports, the number of injuries, the type of injuries, the number of items recalled and company responsiveness.	Consumer Product Safety Commission, Food and Drug Administration, and RepRisk for auto recalls	May 2016 - May 2019	U.S.	Score (0-Infinity)	a	a	Not Applicable	None

Customer Privacy: Protects customer privacy through secure information storage and transparent privacy policies
(3.3%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Controversies in Customer Privacy as Reported in the Media									
Data Privacy Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring globally that pertain to privacy violations, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	U.S.	Number	a	a	Not Applicable	Revenue

METRIC: Privacy Policies, Security, and User Information									
Institutional Oversight of Privacy Issues	An assessment of whether there is executive/board oversight over privacy and/or data security.	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	True (1) or False (0)	a1	$\left((a1 \cdot 10) + \frac{((a2+b2+c2)+(d2 \cdot 10))}{4} + \frac{((10 \cdot (a3+b3+c3))}{3} + \frac{((10 \cdot (a4+c4))+(b4+d4))}{4} \right) / 4$	Not Applicable	None
Changes to Privacy Policies	An assessment of whether the company clearly disclose that it notifies users in advance about changes to its privacy policies. Companies that notify users of the changes made to the privacy policy but without giving them advance notice receive a score of "5". Companies that proactively disclose and notify users in advance of privacy policy changes receive a "10". Companies that do not proactively notify users of the changes to the privacy policy receive a "0."	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	Score (0, 5, 10)	a2	$\left((a1 \cdot 10) + \frac{((a2+b2+c2)+(d2 \cdot 10))}{4} + \frac{((10 \cdot (a3+b3+c3))}{3} + \frac{((10 \cdot (a4+c4))+(b4+d4))}{4} \right) / 4$	Not Applicable	None
Privacy Policy Language	An assessment of whether the company's privacy policy is available in several languages, making it accessible to all customers. Companies that make their policy available only in English score a "0". Companies that disclose their privacy policy in Spanish or another language receive a score of "5". Companies that make their privacy policy available in two languages other than English receive a "10"	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	Score (0, 5, 10)	b2	$\left((a1 \cdot 10) + \frac{((a2+b2+c2)+(d2 \cdot 10))}{4} + \frac{((10 \cdot (a3+b3+c3))}{3} + \frac{((10 \cdot (a4+c4))+(b4+d4))}{4} \right) / 4$	Not Applicable	None
Privacy Policy Existence	An assessment of whether the company has a privacy policy and if it is easy to find on the company's website (within three clicks of main page). Companies that do not	Company filings and other public documents. The methodology was inspired by Ranking Digital	Latest date available	U.S.	Score (0, 5, 10)	c2	$\left((a1 \cdot 10) + \frac{((a2+b2+c2)+(d2 \cdot 10))}{4} + \frac{((10 \cdot (a3+b3+c3))}{3} + \right)$	Not Applicable	None

	disclose a privacy policy receive a "0", companies that disclose a privacy policy that is not easy to find receive a "5" and companies that have a privacy policy that is easily accessible receive a "10".	Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.					$\frac{((10 \cdot (a4+c4)) + b4+d4)}{4}$		
Broad Privacy Policy Scope	An assessment of whether the company's privacy policy has a broad scope that applies to its entire operations, as opposed to applying only to its website or web-related services. Companies receive a "True" if the policy applies to the entirety of its business operations and a "False" if it only applies to its website or web-related services.	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	True (1) or False (0)	d2	$\frac{((a1 \cdot 10) + ((a2+b2+c2) + (d2 \cdot 10)) / 4) + ((10 \cdot (a3+b3+c3)) / 3) + ((10 \cdot (a4+c4)) + b4+d4) / 4}{4}$	Not Applicable	None
User Data Security Breaches	An assessment of whether the company clearly discloses its process for notifying users whose data might be affected by a data breach. Companies receive a "True" if it does and a "False" if evidence was not found.	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	True (1) or False (0)	a3	$\frac{((a1 \cdot 10) + ((a2+b2+c2) + (d2 \cdot 10)) / 4) + ((10 \cdot (a3+b3+c3)) / 3) + ((10 \cdot (a4+c4)) + b4+d4) / 4}{4}$	Not Applicable	None
Customer Security Notifications/User Security Notification	An assessment of whether the company has a stated commitment to notifying users about unusual account activity and possible unauthorized access to their accounts. Companies receive a "True" if it does and a "False" if evidence was not found.	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	True (1) or False (0)	b3	$\frac{((a1 \cdot 10) + ((a2+b2+c2) + (d2 \cdot 10)) / 4) + ((10 \cdot (a3+b3+c3)) / 3) + ((10 \cdot (a4+c4)) + b4+d4) / 4}{4}$	Not Applicable	None
User Data Security Oversight	An assessment of whether the company clearly discloses that it has a security team that works on	Company filings and other public documents. The methodology was	Latest date available	U.S.	True (1) or False (0)	c3	$\frac{((a1 \cdot 10) + ((a2+b2+c2) + (d2 \cdot 10)) / 4) + ((10 \cdot (a3+b3+c3)) / 3) + ((10 \cdot (a4+c4)) + b4+d4) / 4}{4}$	Not Applicable	None

	data privacy matters. Companies receive a "True" if it does and a "False" if evidence was not found. Companies are given credit for having a dedicated security email address that is publicly disclosed to customers.	inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.					$\frac{((10 \cdot (a_3 + b_3 + c_3)) / 3) + (((10 \cdot (a_4 + c_4)) + b_4 + d_4) / 4)}{4}$		
User Control Over Data Retention	An assessment of whether the company gives users full control over their own data. Companies receive a "True" if it does and a "False" if evidence was not found. Credit is given for General Data Protection Regulation (GDPR) 2016/679 that applies to all users, and if users have the right to delete their own data (unless there is a legal requirement to preserve customer data).	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	True (1) or False (0)	a4	$\frac{((a_1 \cdot 10) + (((a_2 + b_2 + c_2) + (d_2 \cdot 10)) / 4) + ((10 \cdot (a_3 + b_3 + c_3)) / 3) + (((10 \cdot (a_4 + c_4)) + b_4 + d_4) / 4))}{4}$	Not Applicable	None
Customer Data Use	An assessment of the company's data use practices. Companies receive a "5" if they pledge to refrain from either a) selling customer data or b) using customer data for advertising or marketing purposes. Companies receive a "10" if they pledge to refrain from both selling customer data and using data for marketing or advertising purposes. Companies a "0" for disclosing neither commitments.	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	Score (0, 5, 10)	b4	$\frac{((a_1 \cdot 10) + (((a_2 + b_2 + c_2) + (d_2 \cdot 10)) / 4) + ((10 \cdot (a_3 + b_3 + c_3)) / 3) + (((10 \cdot (a_4 + c_4)) + b_4 + d_4) / 4))}{4}$	Not Applicable	None
Tracking of User Activity	An assessment of whether the company explicitly states that it does not track users' behavior or complies with "do not track" requests. Companies receive a "True" if it does not track user behavior or does not comply with "do not track" requests and receive a "False" if evidence was not found.	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	True (1) or False (0)	c4	$\frac{((a_1 \cdot 10) + (((a_2 + b_2 + c_2) + (d_2 \cdot 10)) / 4) + ((10 \cdot (a_3 + b_3 + c_3)) / 3) + (((10 \cdot (a_4 + c_4)) + b_4 + d_4) / 4))}{4}$	Not Applicable	None

Type of User Information Collected	An assessment of whether the company clearly discloses what types of user information it collects (e.g. personal information such as name, address, social security, purchasing activity such as number of products purchased on what date) and whether it has a commitment to minimize the data it collects. Companies that disclose no information receive a "0". Companies that disclose either the types of user information collected or disclose a commitment to minimizing the data collected receive a "5". Companies that disclose both the types of user information collected and that they actively limit the amount of data collected receive a "10".	Company filings and other public documents. The methodology was inspired by Ranking Digital Rights (https://rankingdigitalrights.org/). We collaborated on adapting their methodology to the needs of JUST Capital's rankings.	Latest date available	U.S.	Score (0,5,10)	d4	$\frac{((a1*10) + ((a2+b2+c2)+(d2*10))/4) + ((10*(a3+b3+c3))/3) + (((10*(a4+c4))+b4+d4))/4)}{4}$	Not Applicable	None
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Fair Pricing: Makes products and/or offers services that are priced fairly and are of good value (3.1%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Anti-competitive Practices as Reported in the Media									
Anti-competitive Practices Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to anti-competitive practices, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	U.S.	Number	a	a	Not Applicable	Revenue

Fair Customer Treatment: Treats customers in a fair and inclusive way, without bias or discrimination (3.0%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Controversies in Customer Discrimination as Reported in the Media									
Customer Discrimination Controversies	Any fines incurred over the past three years from the Federal Trade Commission. Violation Tracker produced by the Corporate Research Project of Good Jobs First.	RepRisk	August 2016 - August 2019	U.S.	Number	a	a	Not Applicable	Revenue
METRIC: Sales Terms Fines and Violations									
Consumer Protection Fines	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to misleading communication, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	Good Jobs First	May 2016 - May 2019	U.S.	U.S. Dollars	a	a	Not Applicable	Revenue

Advertising & Labeling: Communicates honestly and transparently in their advertising, labelling, and public messaging (2.9%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Advertising Fines and Violations									
Federal Trade Commission Fines	Any fines incurred over the past three years from the Federal Trade Commission. Violation Tracker produced by the Corporate Research Project of Good Jobs First.	Good Jobs First	May 2016 - May 2019	U.S.	U.S. Dollars	a	a	Not Applicable	Revenue
METRIC: Misleading Communication									
Misleading Communication Controversies	The number of cases (severe controversies deemed major	RepRisk	August 2016 -	U.S.	Number	a	a	Not Applicable	Revenue

scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to misleading communication, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	August 2019							
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Customer Experience: Provides positive customer service, reward programs, and stands behind its products and services (2.6%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Customer Service Rating									
Customer Service Rating	A compilation score based on publicly available net promoter scores (NPS) from two sources: YouGov and Customer.Guru. The NPS ranges between -100 (worst) to +100 (best). Customer.Guru provides an estimate of the NPS directly. For YouGov the NPS is computed as: (percent positive opinion - percent negative opinion) / percent have heard of the company. For each source missing NPS values are imputed based on industry average when available and overall average where not. The final score for Customer Service Rating consists of the average value of the two data sources.	Customer Guru; YouGov (https://today.yougov.com/ratings/overview)	Latest year available (2016, 2017, 2018, 2019)	U.S.	Score (-100 to 100)	a	a	Not Applicable	None

Communities (18%)

The Communities stakeholder measures whether companies (1) create and retain jobs in the U.S., (2) avoid doing business with countries that exploit or abuse its people, (3) provide jobs in the communities that need them, (4) pay their fair share of taxes, (5) follow and implement workplace standards of basic human rights and require their suppliers to do the same, (6) invest in the development of the communities where they operate, engage with communities to understand what are the local needs, and use local products and resources, and (7) give back to local communities through charitable donations and volunteering.

This year, we expanded our measurement of how companies support the communities in which they operate. We now evaluate whether companies provide jobs in communities that need them, which we estimate by multiplying the percentage of jobs paying a living wage on a county level with the respective county's poverty and unemployment rates. Companies score highly on this Issue if they provide jobs that pay a living wage in poor counties with high local unemployment. We also folded in an improved metric on creating and retaining jobs in the U.S. that has been measured under Jobs in previous years

To better capture issues that impact Communities, we both included new data points and improved the measurement of existing data points. We expanded our measurement of local community impact by adding the following data points:

- We measure whether companies have a second chance policy to hire candidates with criminal records, or whether companies facilitate access to employment for persons with criminal records.
- We track whether companies offer U.S. apprenticeships that provide paid, on-the-job-training opportunities to learn a trade or work toward professional qualifications.
- We measure whether companies give to local education programs that generally improve access to education, such as after school educational programs or scholarships for underserved communities.
- We evaluate whether companies have a diversity and veteran supplier policy to affirmatively source from companies are majority-owned by women, minorities, and/or veterans.
- We track whether companies have a veteran hiring policy, measuring whether companies have a proactive policy for recruiting veterans or facilitating re-entry into civilian workforce.
- We assess whether companies refuse to use prison labor within their workforce and apply the same restrictions to their suppliers.

To improve existing data points, we added more granularity and transparency. For instance, this year, we examined whether compliance with human rights policies is mandatory and whether companies disclose specific details – such as prohibiting the use of child labor – that are needed in a truly comprehensive policy. Additionally, data collection of community engagement mechanisms (which are mechanisms whereby companies seek feedback from communities where they operate, and communicate on the feedback received and actions taken pursuant to the feedback – distinct from charitable giving) and human rights oversight were brought in-house.

The final notable update to the Communities methodology is that it now includes whether a company pays its fair share of taxes. This Issue was measured within the Shareholders Stakeholder in previous years.

U.S. Job Creation: Creates and retains jobs in the U.S. (3.9%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Number of Jobs Created in the U.S.									
Number of U.S. Jobs Created	An estimate of the number of jobs created in the U.S. between 2013 and 2018. This is calculated by taking the difference between the total number of U.S. Employees in 2018 and those in 2013. To estimate the total number of employees in each year, we take the reported employee count in the U.S. from that year or assume that the U.S. workforce matches the total number of employees if the U.S. accounts for greater than 95% of revenues or long-term assets. The employee count in each year is adjusted for all material transactions, adding employees of acquired businesses and subtracting employees of divested businesses. In cases where U.S. headcount is not disclosed in company filings, a number widely reported in the media may be used. Otherwise, the number is estimated by applying average of percentage of sales and long-lived assets (property, plant, and	Company filings and other public documents	2013, 2018	U.S.	Number	a	a	Not Applicable	None

	equipment) in the U.S., when available, to total global headcount.								
METRIC: Percentage Change in U.S. Workforce									
Percent of U.S. Jobs Created	An estimate of the percent change in jobs created in the U.S. between 2013 and 2018. This is calculated by taking the difference between the total number of U.S. Employees in 2018 and those in 2013 and dividing that difference by the total number of U.S. Employees in 2013. To estimate the total number of employees in each year, we take the reported employee count in the U.S. from that year or assume that the U.S. workforce matches the total number of employees if the U.S. accounts for greater than 95% of revenues or long-term assets. The employee count in each year is adjusted for all material transactions, adding employees of acquired businesses and subtracting employees of divested businesses. In cases where U.S. headcount is not disclosed in company filings, a number widely reported in the media may be used. Otherwise, the number is estimated by applying average of percentage of sales and long-lived assets (property, plant, and equipment) in the U.S., when available, to total global headcount.	Company filings and other public documents	2013, 2018	U.S.	Percentage	a	a	Not Applicable	None
METRIC: Percentage of Jobs in U.S. versus Global									
Ratio of U.S. to Global Jobs	The Ratio of U.S. to Global jobs is calculated by dividing a company's total number of U.S. Employees in 2018 by its total number of Global Employees in 2018. A company's total global employees in 2018 is adjusted for all material transactions, adding employees of acquired businesses and subtracting employees of divested businesses.	Company filings and other public documents	2013, 2018	U.S., Global	Ratio	a	a	Not Applicable	None

	<p>To estimate the total number of U.S. Employees, we take the reported employee count in the U.S. from that year or assume that the U.S. workforce matches the total number of employees if the U.S. accounts for greater than 95% of revenues or long-term assets. Similarly, this employee count is adjusted for all material transactions, adding employees of acquired businesses and subtracting employees of divested businesses. In cases where U.S. headcount is not disclosed in company filings, a number widely reported in the media may be used. Otherwise, the number is estimated by applying average of percentage of sales and long-lived assets (property, plant, and equipment) in the U.S., when available, to total global headcount.</p>								
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Business with Abusive Countries: Avoids doing business with countries that exploit or abuse its people (2.9%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Controversies in Conflict Minerals as Reported in the Media									
Conflict Minerals Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring globally that pertain to conflict minerals in the supply chain, as reported by influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	Global	Number	a	a	Not Applicable	Revenue
METRIC: Commitment to Conflict-Free Sourcing									
Conflict Minerals Compliance Score	The score determined by nonprofit research organization Development International, for the company's compliance with the U.S. Securities	Development International; See www.develop	2018	Global	Score (0-100)	a	a	Given a z-score of 0 at the Issue level if the data is	None

	and Exchange Commission (SEC) Dodd-Frank Section 1502 Conflict Minerals rules. Scores are based on reporting year 2018.	mentinternational.org and https://docs.wixstatic.com/ugd/f0f801_9502a3a2a8f143a7b5d863792a01318a.pdf for more information.						missing at the Metric level	
OECD-based Conflict Minerals Due Diligence Score	The score determined by nonprofit research organization Development International, for the company's conflict minerals due diligence program. The score reflects the program's conformance with the Organization for Economic Co-operation and Development's (OECD) guidance for responsible supply chains of minerals from conflict-affected and high-risk areas. Scores are based on Reporting Year 2018.	Development International; See www.developmentinternational.org or https://docs.wixstatic.com/ugd/f0f801_9502a3a2a8f143a7b5d863792a01318a.pdf for more information.	2018	Global	Score (0-100)	a	a	Given a z-score of 0 at the Issue level if the data is missing at the Metric level	None
METRIC: Controversies Relating to Oppressive Governments as Reported in the Media									
Business with Oppressive Governments Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in countries categorized as "Not Free" by Freedom House in 2018 (https://freedomhouse.org/report/freedom-world/freedom-world-2018) that pertain to complicity in human rights violations, as reported by influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	Global	Number	a	a	Not Applicable	Revenue

Jobs in Communities: Provides jobs in the communities that need them (2.6%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Good Wages and Pays Well									
Jobs in Communities that Need Them	The Jobs in Communities that Need Them score is calculated using our proprietary living wage model. For each company and county, we estimate the percentage of workers that make a living wage using a combination of third-party geocoded data on locations and number of workers, crowdsourced salary data, industry-specific national wage averages from the Bureau of Labor Statistics, and MIT's Living Wage Calculator. For each county we then multiply this percentage with the county's unemployment and poverty rates, before summing up and log-transforming the results to the federal level.	U.S. Census Bureau, U.S. Department of Labor, U.S. Department of Housing and Urban Development, MIT Living Wage Calculator, crowdsourced company review platforms, third-party geolocation data	2015 - 2019	U.S.	Number	a	a	Not Applicable	None

Fair Taxes: Pays its fair share of taxes (2.5%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Effective U.S. Tax Rate									
Effective U.S. Tax Rate	The effective U.S.-only tax rate is calculated by adding the U.S. Federal taxes (both current and deferred) and dividing that by the company's pre-tax income from the U.S. only. To adjust for the new ASC 718 rules coming into effect in 2019, which simplify share-based compensation expense accounting, we retroactively add the excess tax benefit from	Company filings and other public documents	May 2015 - May 2018	U.S.	Percentage	a	a	Not Applicable	None

	share-based compensation to the numerator. We also bind the output between a minimum of 0% and maximum of 60%. Finally, we take the trailing five-year average of these tax rates between 2014 and 2018.								
METRIC: Controversies in Tax Optimization and Evasion									
Controversies in Tax Optimization and Evasion	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to tax evasion in relation to environmental, social, or governance issues, as reported by influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	U.S.	Number	a	a	Not Applicable	Revenue
METRIC: Incorporated in the U.S.									
Company Incorporation	An assessment of whether the company is incorporated in the U.S., while maintaining corporate headquarters and/or primary trading exchange in the U.S. Companies receive a "True" if it does and a "False" if evidence was not found.	Company filings and other public documents	2018	U.S.	Yes (1) or No (0)	a	a*10	Not Applicable	None

Human Rights: Requires its suppliers to follow accepted workplace standards of basic human rights (2.4%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: International Labor & Human Rights Controversies as Reported in Media									
Labor & Human Rights Controversies in the Supply Chain as Reported in the Media	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring globally that pertain to human rights and/or labor rights violations in the company's supply chain, as reported or discussed by influential news sources over the past three years. RepRisk:	RepRisk	August 2016 - August 2019	Global	Number	a	a	Not Applicable	Revenue

	Due Diligence on ESG and Business Conduct www.reprisk.com .								
METRIC: Labor & Human Rights Commitment									
Human Rights Policy Content	An assessment of the company's policy or statement on human rights. Typically found in the company's code of conduct, as a standalone document/policy in its corporate responsibility report, or on its website. Companies without a statement or policy receive a score of "0." Companies with references only to "human rights" without elaboration receive a "2.5." Companies that reference at least two relevant issues (child labor, forced labor, abusive/unsafe working conditions, slavery, human trafficking, prison labor), or the UN Global Compact receive a score of "5." Companies that reference a recognized, leading international standard specifically addressing labor rights or human rights issues receive a score of "7.5." Recognized, leading international standards specifically addressing labor rights or human rights issues include the International Labor Organization's Fundamental Principles, the UN Guiding Principles, the SA8000 standard, and the Responsible Business Alliance (formerly EICC) Code of Conduct. Companies that state that compliance with the international standards is mandatory receive a score of "10."	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 2.5, 5, 7.5, 10)	a	$((a+d)+(10*(b+c)))/4$	Not Applicable	None
Human Rights Impact Assessment	An assessment of whether the company has conducted a high-level study of its human rights impacts across all business operations, also known as a Human Rights Impact Assessment. The assessment must be across all operations and not for distinct projects. Companies receive a "True" if they have and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	True (1) or False (0)	b	$((a+d)+(10*(b+c)))/4$	Not Applicable	None

Human Rights Policy	An assessment of whether the company website discloses a public statement or policy regarding a commitment to respecting human rights across all business operations, not only with respect to suppliers. The statement must explicitly mention "human rights." Companies receive a "True" if it does and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	True (1) or False (0)	c	$((a+d)+(10*(b+c)))/4$	Not Applicable	None
Board Oversight of Human Rights Issues	An assessment of whether there is board/executive oversight over human rights and sustainability issues. Companies receive a "0" if there is no evidence of board/leadership oversight of human rights issues. Companies receive a score of "5" if there is some evidence of board/leadership oversight. At a minimum, the Board or CEO must sign off on the standalone human rights policy (distinct from the UK Modern Slavery mandatory disclosure) or the sustainability report must detail human rights-related issues and then describe clearly how the Board/executives review and are accountable/manage general sustainability-related issues -- it should be also implied that human rights are a significant aspect of ESG or sustainability issues. Companies score a "10" if they describe in the human rights materials how the Board regularly considers human rights-related issues, or is accountable to the policy, or if it describes clearly how the board or CEO, or a direct report, is responsible to sustainability or these issues in the context of its human rights governance in a somewhat regular manner.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 5, 10)	d	$((a+d)+(10*(b+c)))/4$	Not Applicable	None
METRIC: Quality of Supply Chain Management Reporting									
Reporting of Supply Chain	An assessment of whether the company publicly reports any performance indicators or tracks and	Company filings and	Latest year available	Global	Score (0, 2.5, 5, 7.5, 10)	a	a	Not Applicable	None

Management Performance	reports relevant human rights-related information. Disclosures are categorized into five scores. Score of "0:" No relevant reporting information could be found, or the company reports in alignment to the Global Reporting Initiative (GRI) but does not report any relevant human rights metrics. A score of "2.5" is given when the company reports relevant (related to labor rights or human rights) indicators not in line with a standard (e.g. reporting just the percentage of suppliers whose contracts include the code of conduct terms relating to human rights). A score of "5" is awarded when the company reports human rights and labor rights-related indicators using one of the following reporting standards: GRI, SASB, UN Global Compact, or the UN Guiding Principles Reporting Framework. A score of "7.5" is given when a company reports findings from audits or other efforts to manage the impacts of supply chain or business operations, such as the number of audits and status of each supplier's compliance or details the corrective actions taken. A score of "10" is given when the company discloses information or data relating to remedied outcomes for people, including workers (e.g. reporting the amount of migrant worker fees reimbursed, providing a description of how the company remedied the use of underage workers in the supply chain, etc.). Notable supply chain transparency disclosure also counts for a "10" categorization – such as listing the top 100 supplier factories by name.	other public documents	(2016, 2017, 2018, 2019)						
METRIC: Supplier Requirements on Labor & Human Rights									

Participation In External Human Rights Initiatives	An assessment of whether the company states that it is part of an external industry initiative or multi-stakeholder initiative to address its social impacts specifically. Companies receive a "true" if they are part of an initiative and a "false" if evidence was not found. Initiatives would include the Responsible Business Alliance and its programs, the Sustainable Apparel Coalition, the Fair Labor Association, Sedex, UN Global Compact LEAD (being a signatory of the UN Global Compact alone does not qualify), The Voluntary Principles for Security and Human Rights, or similar efforts. Organizations must have a stated, if not specific, detailed purpose to address human rights and labor rights issues facing an industry.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	True (1) or False (0)	a	$((a*10)+(b+c+d))/4$	Not Applicable	None
Supplier Code of Conduct Content	An assessment of whether the company discloses, or describes in detail, policies or terms expecting suppliers, vendors, or business partners to commit to upholding human rights or labor rights, especially with respect to the prohibition of child labor, forced labor, and abusive working conditions. These terms must specifically mention the relevant issues and not just include them in general legal compliance. Companies without this disclosure or a supplier code of conduct receive a score of "0." If the company explicitly mentions that its suppliers must respect "human rights" it receives a "2.5." Companies that reference at least two relevant issues with regards to their suppliers (child labor, forced labor, unsafe working conditions, slavery, human trafficking, prison labor) receive a score of "5." If companies mention both human rights and two of the above specific issues, it receives a "7.5." Companies	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 2.5, 5, 7.5, 10)	b	$((a*10)+(b+c+d))/4$	Not Applicable	None

	will receive a "10" if compliance with the human rights provisions in the company's Supplier Code of Conduct or Human Rights policy is mandatory.								
Leading International Standard(s) Mentioned in Supplier Code of Conduct	An assessment of whether the company's supplier policy references an international or specific standard relevant to human rights and labor rights. Companies that reference no standard will receive a "0." Companies that reference broad standards such as the UN Guiding Principles on Business and Human Rights (Ruggie Principles) or the International Labor Organization conventions will receive a "2.5," and a score of "7.5" if compliance with either of these broad standards is mandatory. Companies that specifically reference SA8000, ISO 26000, or the Responsible Business Alliance Code of Conduct will receive a score of "5." If compliance with either one of these specific standards is mandatory, they will receive a score of "10."	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 2.5, 5, 7.5, 10)	c	$\frac{(a*10)+(b+c+d)}{4}$	Not Applicable	None
Implementation of Supplier Requirements on Labor & Human Rights	An assessment of whether the company discloses practices for implementing supplier requirements, with respect to human rights and labor rights. These practices should be specifically related to human rights, labor rights, or social impacts, and not general quality assurance, legal compliance, or risk. Practices are categorized into six scores. Companies score a "0" if they do not have a supplier code of conduct. Companies will score a "2" if they have a code of conduct but do not describe how it will be enforced. A score of "4" will be given for companies that provide for the following: have a hotline that is available to suppliers, reserve the right to conduct audits, require suppliers to certify their	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 2, 4, 6, 8, 10)	d	$\frac{(a*10)+(b+c+d)}{4}$	Not Applicable	None

understanding and/or compliance with the supplier code of conduct or human rights provisions, or companies that require suppliers to conduct self-assessments. Companies will score a "6" if they set up one of the following enforcement mechanisms: train procurement staff on labor rights issues, include specific labor rights or human rights terms in their legal agreements with suppliers, procurement staff keeps scorecards on each supplier that include human rights issues, conduct regular sustainability assessments of suppliers (which clearly include the social impacts or labor rights), regularly conduct onsite audits that include social impact or labor rights issues. Companies will score an "8" if they are regularly making decisions and taking action based on findings from "Score 6" practices, meaning as a result of regular audits -- if they collaboratively work with suppliers on corrective action plans to address negative audit findings, factor into their purchasing decisions human rights/social management systems in place, and have a process to regularly address and redress negative impacts of human rights issues (e.g. repaying migrant worker fees). Ad-hoc and "as needed" steps do not qualify; rather there should be evidence of an active, ongoing management system. Companies will score a "10" where they demonstrate that they are working collaboratively with suppliers to improve practices and help them address root causes behind human rights violations (e.g. developing capacity-building programs across many suppliers, practices that recognize the challenge of transparency in auditing systems, and/or established programs to address and remediate

	issues such as child labor and forced labor at the root-cause level).								
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Community Growth: Contributes to the development of the communities where it operates and uses local products and resources (2.3%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Uses Local Products and Resources									
Diversity Supplier Policy	An assessment of whether the company has a diversity supplier policy or program. Companies receive a "True" if they do and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	a	a+b+c	Not Applicable	None
Local Sourcing Policy	An assessment of whether the company discloses a policy, commitment, or effort to source from local suppliers or hire locally. Companies receive a "True" if that is correct and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	b	a+b+c	Not Applicable	None
Veteran Supplier Policy	An assessment of whether the company has a veteran supplier policy or program. Companies receive a "True" if they do and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	c	a+b+c	Not Applicable	None
METRIC: Controversies in Community Impacts as Reported in the Media									
Impacts on Communities Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring globally that pertain to community relations and negative impacts on communities, as reported by influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	Global	Number	a	a	Not Applicable	Revenue
METRIC: Invests in Educational and Hiring Programs That Will Lift Communities									
Second Chance Policy	An assessment of whether the company has a re-entry program that	Company filings and	Latest year available	U.S.	True (1) or False (0)	a	a+b+c+d	Not Applicable	None

	focuses on hiring people with criminal records, or a has policy of eliminating barriers for those with a criminal record. Companies receive a "True" if they do and a "False" if evidence was not found.	other public documents	(2016, 2017, 2018, 2019)						
Apprenticeship Programs	An assessment of whether the company has an apprenticeship program in the U.S. Companies receive a "True" if they do and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	b	a+b+c+d	Not Applicable	None
Local Schools Funding	An assessment of whether the company gives funding to local education, e.g. in the form of contributions to community colleges, high schools, after-school educational programs, and scholarships for students who are not related to employees. Companies receive a "True" if they do and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	True (1) or False (0)	c	a+b+c+d	Not Applicable	None
Veteran Hiring Policy	An assessment of whether the company has a policy for actively recruiting veterans. Companies receive a "True" if they do and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	d	a+b+c+d	Not Applicable	None

Charitable Giving: Gives back to local communities through charitable donations, volunteering, and community programs (1.9%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Employee-Led Giving and Volunteering									
Employee Gift Matching	An assessment of whether the company discloses a program to match employee donations and its openness to employees' giving preferences. Three scores are assigned: "0" if no evidence is found. Companies score a "5" if there is evidence of a matching program but with limitations on the cause or type	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 5, 10)	a	(a+b+c)/3	Not Applicable	None

	of organization (e.g. some companies only match giving to educational institutions). Companies score a "10" if there is evidence of a matching program with broad allowance of causes and types of organizations. Matching employee donations to employee-assistance or employee emergency funds do not qualify for either "5" or "10."								
Grants for Organizations where Employees Volunteer	An assessment of whether the company has a program that ties charitable grants to employee volunteering (such as a 'dollars for doers' program). Must be open to all employees that volunteer rather than a competition/award program (e.g., 'Volunteer of the year award'). Companies receive a "True" if they do and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	True (1) or False (0)	b	$(a+b+c)/3$	Not Applicable	None
Paid Time Off For Volunteering	An assessment of whether the company sponsors employee volunteering with paid time off. Assigned one of three scores: "0:" No evidence found that VTO is offered. "5:" Evidence of allowing employees to volunteer on company time, but with restrictions on the time or cause, such as a company "Day of Volunteering." It must be a program open to a majority of employees. "10:" Evidence of a program where employees have a set amount of hours they can use for a cause and time of their choosing commonly known as "volunteer time off" (VTO). This must also be open to a majority of employees.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 5, 10)	c	$(a+b+c)/3$	Not Applicable	None
METRIC: Transparent Charitable Giving									
Transparent Disclosure of Corporate Giving Categories	An assessment of whether the company provides a detailed description of corporate giving categories by year and into distinct categories, such as employee donations or matched	Company filings and other public documents	Latest year available (2016, 2017,	Global	Score (0, 5, 10)	a	$(a+b+c+d)/4$	Not Applicable	None

<p>employee donations, corporate or foundation donations, and in-kind giving, for any given year since 2016. Three scores are assigned. "0" if the company does not disclose how much it gave to charitable organizations in any given year (e.g. at a minimum it would require the company to state that it "... gave \$20 million to charity in 2018"). The amount must exclude employee contributions. Companies will receive a "5" if they report how much they gave in cash, in-kind, or matching contributions for any given year, or if they disclose, they gave to one specific area (e.g. education, healthcare, etc.). Companies will score a "10" if they report the annual corporate giving amount, distinct from employee giving, for at least two years (should be easily comparable in reporting) or provide at least two categories of giving (e.g. in-kind, matched, corporate, foundation, etc.). Companies will score a "10" if they report the annual corporate giving amount, distinct from employee giving, for at least two years (should be easily comparable in reporting), or provide at least two categories of giving (e.g. in-kind, matched, corporate, foundation, etc.). Companies will also score a "10" if we have records of two consecutive years of charitable giving (2016-2017 or 2017-2018).</p>	<p>2018, 2019)</p>							
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Transparent Disclosure of Corporate Giving Recipients	An assessment of how a company discloses information about the recipients of its charitable funding. Disclosure should be on the company's website or in its responsibility report, and should be for the year 2016 or later. Three scores are assigned: "0" where no relevant disclosure is found. "5" where the company reports one recipient organization by name and the amount the organization was awarded for one year, or if the company provides a list of all grant recipients by name for one year without disclosing the amounts. A score of "10" will be awarded where the company demonstrably makes an effort to provide an exhaustive list of annual grant recipients by name, amount awarded, and year.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 5, 10)	b	$(a+b+c+d)/4$	Not Applicable	None
Open and Transparent Process for Charitable Funding	An assessment of whether the company publicly discloses a process through which nonprofits or community members can submit unsolicited applications for grant funding or corporate donations. Assigned one of four scores: "0" is given if no evidence is found of a grant request process. A company will score a "3.33" where it has a somewhat transparent grant process, but does not accept unsolicited applications for funding. "6.66" is awarded where the company has a transparent policy and accepts unsolicited applications, but has significant restrictions on the qualifying	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 3.33, 6.66, 10)	c	$(a+b+c+d)/4$	Not Applicable	None

	causes or kinds of organizations. "10" will be given where a company has a transparent policy, accepts unsolicited applications, and supports broad causes and organizations.								
Employee Gift Matching	An assessment of whether the company discloses a program to match employee donations and its openness to employees' giving preferences. Three scores are assigned: "0" if no evidence is found. Companies score a "5" if there is evidence of a matching program but with limitations on the cause or type of organization (e.g. some companies only match giving to educational institutions). Companies score a "10" if there is evidence of a matching program with broad allowance of causes and types of organizations. Matching employee donations to employee-assistance or employee emergency funds do not qualify for either "5" or "10."	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0, 5, 10)	d	$(a+b+c+d)/4$	Not Applicable	None
METRIC: Charitable Giving Ratio									
Total Corporate Giving 2016	An assessment of the company's charitable giving in 2016, including in-kind donations, but excluding employee donations.	Company filings and other public documents	2016	Global	USD Millions	a	(Latest year available of a, b, or c) / (Matching year from d, e, or f)	Industry Average of Companies with Non-Zero Giving (companies with a negative pre-tax profit who also gave received the industry average of companies that gave)	None

Total Corporate Giving 2017	An assessment of the company's charitable giving in 2017, including in-kind donations, but excluding employee donations.	Company filings and other public documents	2017	Global	USD Millions	b	(Latest year available of a, b, or c) / (Matching year from d, e, or f)	Industry Average of Companies with Non-Zero Giving (companies with a negative pre-tax profit who also gave received the industry average of companies that gave)	None
Total Corporate Giving 2018	An assessment of the company's charitable giving in 2018, including in-kind donations, but excluding employee donations.	Company filings and other public documents	2018	Global	USD Millions	c	(Latest year available of a, b, or c) / (Matching year from d, e, or f)	Industry Average of Companies with Non-Zero Giving (companies with a negative pre-tax profit who also gave received the industry average of companies that gave)	None
Pre-Tax Profit 2016	The company's total pre-tax profit in 2016. This data point is used to calculate charitable giving as a percentage of pre-tax profits.	Company filings and other public documents	2016	Global	USD Millions	d	(Latest year available of a, b, or c) / (Matching year from d, e, or f)	Industry Average of Companies with Non-Zero Giving (companies with a negative pre-tax profit who also gave received the industry average of companies that gave)	None
Pre-Tax Profit 2017	The company's total pre-tax profit in 2017. This data point is used to	Company filings and	2017	Global	USD Millions	e	(Latest year available of a,	Industry Average of	None

	calculate charitable giving as a percentage of pre-tax profits.	other public documents					b, or c) / (Matching year from d, e, or f)	Companies with Non-Zero Giving (companies with a negative pre-tax profit who also gave received the industry average of companies that gave)	
Pre-Tax Profit 2018	The company's total pre-tax profit in 2018. This data point is used to calculate charitable giving as a percentage of pre-tax profits.	Company filings and other public documents	2018	Global	USD Millions	f	(Latest year available of a, b, or c) / (Matching year from d, e, or f)	Industry Average of Companies with Non-Zero Giving (companies with a negative pre-tax profit who also gave received the industry average of companies that gave)	None

Environment (11%)

The Environment stakeholder measures whether companies (1) minimize pollution, including harmful health impacts, and cleans up any environmental damage they cause, (2) follow all environmental laws and regulations and create policies to protect the environment, and (3) use environmental resources efficiently and maximize use of renewable energy, and recycles.

Measurement on this stakeholder changed substantially this year. We discontinued use of third-party data, which lacked transparency, and, instead, brought most of the data collection in-house. We developed our own greenhouse gas emission model to align with rising interest on this topic. To reflect the public's concern on pollution and remediation, we started to measure companies' liabilities regarding Superfund sites based on data from the EPA.

Additionally, we collected sulfur oxide, nitrogen oxide, and particulate matter emission data in-house to account for more updated company practices. These data came from the EPA's database in previous years. Under efficient use of environmental resources, we now report on data points sourced from company filings and other public documents, including whether companies:

- Maximize use of renewable energy, including an update to total renewable energy and renewable energy percentage
- Maximize energy efficiency, including total energy consumption
- Reduce their lifecycle footprint, including carbon offset projects, sustainable products and services offerings, product take-back programs, and recyclable packaging programs
- Reduce water use, specifically looking at water withdrawal

Pollution Reduction: Minimizes pollution, including harmful health impacts, and cleans up any environmental damage they cause (4.6%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Greenhouse Gas Emissions									
Scope 1 Plus 2 Greenhouse Gas Emissions	The company's direct/scope 1 plus indirect/scope 2 GHG/CO2 equivalent (CO2e) emissions.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Metric tonnes (t)	a	a	Imputation Model	Revenue

METRIC: Nitrogen Oxide (NO _x) Emissions									
NO_x Emissions	The company's total nitrogen oxide emissions from its operations.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	Metric tonnes (t)	a	a	Zero	Revenue
METRIC: Fine Particulate Matter (PM 2.5) Emissions									
Particulate Matter Emissions	The company's total particulate matter emissions from its operations.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	Metric tonnes (t)	a	a	Zero	Revenue
METRIC: Toxic Chemical Emissions									
RSEI Air 3 Year	A risk score for investigating relative chronic human health impacts related to the releases and transfers of chemical emissions from EPA's Toxic Release Inventory (TRI). The RSEI model calculates values that reflect the risk-related impacts on chronic human health of modeled TRI chemical releases and transfers by every TRI facility. The risk-related impacts potentially posed by a chemical are a function of chemical toxicity, the fate and transport of the chemical in the environment after it is released, the pathway of human exposure, and the number of people exposed.	Environmental Protection Agency	2014-2017	U.S.	Number	a	a+b	Zero	Revenue
RSEI Water 3 Year	A risk score for investigating relative chronic human health impacts related to the releases and transfers of chemical emissions from EPA's Toxic Release Inventory (TRI). The RSEI model calculates values that reflect the risk-related impacts on chronic human health of modeled TRI chemical releases and transfers by every TRI facility. The risk-related impacts potentially posed by a chemical are a function of chemical toxicity, the fate and transport of the chemical in the environment after it is released, the pathway of human exposure, and the number of people exposed.	Environmental Protection Agency	2014-2017	U.S.	Number	b	a+b	Zero	Revenue

METRIC: Sulfur Dioxide (SO ₂) Emissions									
SO _x Emissions	The company's total sulfur oxide emissions from its operations.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	Metric tonnes (t)	a	a	Zero	Revenue
METRIC: Superfund									
Superfund Sites and Hazard Scores	The EPA's Superfund program is responsible for cleaning up some of the nation's most contaminated land and responding to environmental emergencies, oil spills, and natural disasters. To protect public health and the environment, the Superfund program focuses on making a visible and lasting difference in communities, ensuring that people can live and work in healthy, vibrant places. This lists out any superfund sites the company is considered a Potentially Responsible Party (PRP) for, along with the site IDs, hazard scores, status (currently on National Priority List, deleted from the National Priority List, or have construction completed), the date it was listed, and/or construction completed, and/or the date it was delisted. Each superfund site has a hazard score assigned by the EPA. We adjust hazard scores to reflect the decreasing negative impact on the environment based on an exponential decay function with a decay rate of $\log(0.1) / (1.5 * \text{max time between construction completed and deleted from final NPL})$.	Environmental Protection Agency	1980-2019	U.S.	Text	a	a	Zero	None

Environmental Management: Follows all environmental laws and regulations and creates policies to protect the environment (3.8%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Controversies in Environmental Responsibility as Reported in the Media									
Environmental Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring globally that pertain to waste issues, overuse and wasting of resources, local pollution, impacts on ecosystems/landscapes, and/or global pollution (including climate change and GHG emissions), as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	Global	Number	a	a	Not Applicable	Revenue
METRIC: Environmental Management Systems and Disclosure									
Environmental Management Disclosure	An assessment of the quality of the company's environmental management system and disclosure. Companies are scored on a 0 to 10 scale and receive 5 points if there is an environmental management certificate (e.g. ISO 14001, LEED), 2 points if the environmental disclosure follows a certain standard or guideline (e.g. GRI, SASB, UNSDG), and 3 points if the company is engaged with external environmental associations or initiatives (e.g. UNGC, CDP).	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0-10)	a	a	Not Applicable	None
METRIC: Environmental Fines									
Environmental Fines	Any fines incurred over the past three years from the Environmental Protection Agency, Energy Department Office of Enforcement, Bureau of Safety and Environmental	Good Jobs First	August 2016 - August 2019	U.S.	U.S. Dollars	a	a	Not Applicable	Revenue

	Enforcement, Pipeline and Hazardous Materials Safety Administration, Environmental Protection Agency referral to the Justice Department, National Oceanic and Atmospheric Administration referral to the Justice Department, U.S. Coast Guard referral to the Justice Department, U.S. Fish and Wildlife Service referral to the Justice Department, Energy Department referral to the Justice Department, Federal Energy Regulatory Commission, Interior Department Office of Natural Resources Revenue, and/or Environmental Protection Agency civil settlements. Violation Tracker produced by the Corporate Research Project of Good Jobs First.								
METRIC: Environmental Management Policy									
Environmental Policies	An assessment of whether the company has established environmental policies as part of its environmental management systems. A score of "0" indicates absence of environmental policies; a score of "5" indicates qualitative policies; a score of "10" indicates quantitative targets.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0-10)	a	a	Not Applicable	Environmental Policies

Resource Efficiency: Uses environmental resources efficiently and maximizes use of renewable energy, and recycles (2.8%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Maximizes Use of Renewable Energy									
Renewable Energy Percentage	The percentage of renewable energy in the company's energy use portfolio.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Percentage	a	a	Zero	None
METRIC: Maximizes Energy Efficiency									

Total Energy Consumption	The annual amount of total power used in kilowatt-hours (kWh).	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Kilowatt-hours (kWh)	a	a	Industry Average	Revenue
METRIC: Reduces Lifecycle Footprint									
Environmental Lifecycle Footprint	The environmental management practices the company takes to mitigate its footprint associated with using its products and services, including taking back used products at the end of their lifecycles, using recyclable packaging, providing energy or water efficient products or conducting carbon offsetting programs. Companies are scored on a 0 to 10 scale, with scores of 2.5 granted for each of the four elements.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Score (0-10)	a	a	Zero	None
METRIC: Waste Recycle									
Percentage of Solid Waste Recycled	The percentage of solid waste the company recycles.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Percentage	a	a	Zero	None
METRIC: Reduces Waste									
Total Solid Waste	The total amount of solid waste the company generates, both hazardous and non-hazardous, in metric tons.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Metric Tons	a	a	Industry Average	Revenue
METRIC: Reduces Water Usage									
Water Withdrawal	The total amount of water the company withdraws for its operation in gallons.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	Global	Gallon	a	a	Industry Average	Revenue

Shareholders (11%)

The Shareholders stakeholder measures whether companies (1) act ethically and with integrity at the leadership level and take responsibility for company wrongdoings, (2) follow all applicable laws and regulations and are honest and transparent in its financial reporting, and (3) manage operations to generate profits and returns for investors over the long-term.

This year, we added new data points and improved transparency of others by elevating certain sub-data points under Shareholders. One new data point evaluates whether companies disclose statistics about gender and diversity of their boards. Another new data point tracks controversies related to corruption, bribery, extortion, and fraud. And another tracks the disclosure and internal monitoring of a business ethics policy or code of conduct. We also measure the ethical action and integrity of leadership in addressing aggregated controversies related to JUST issues throughout our model – as related to workers, customers, communities, and the environment – to analyze leadership’s action in taking responsibility for any wrongdoings.

Ethical Leadership: Acts ethically and with integrity at the leadership level and takes responsibility for company wrongdoings (5.8%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Board Independence									
Board Independence Ratio	The percentage of Independent Outside Directors on the board. Independence is defined by ISS in their U.S. Proxy Voting guidelines. Directors are classified, depending their role as a former CEO and their familial and professional relationships, as either Inside Director, Affiliated Outside Director, or Independent Outside Director. We specifically calculate the percentage classified as Independent Outside Directors, those directors who have no material connection to the company other than serving on the Board.	Institutional Shareholder Services	2018	U.S.	Percentage	a	a+b	Industry Average	None

Board Chair Independence	An assessment of whether the company has an independent chair, by ISS's standards. A chair is classified as non-independent if the chair of the company is also the CEO, a former CEO, a company executive/insider, or a non-independent, non-executive director. A company receives a "True" if it does and a "False" if evidence was not found.	Institutional Shareholder Services	2018	U.S.	Yes (1) or No (0)	b	a+b	Industry Average	None
METRIC: Leadership Integrity Controversies									
Corruption, Bribery, Extortion, and Fraud Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to corruption, bribery, extortion, and fraud in relation to environmental, social, or governance issues, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 – August 2019	U.S.	Number	a	a	Not Applicable	Revenue
METRIC: Gender Diversity on Board									
Board Gender Diversity	The percentage of women on the company's board of directors. To determine the percentage of women on the board of directors, we take board member data directly from each company's DEF 14A (Proxy Statement), which is filed each year with the Securities and Exchange Commission.	Company filings and other public documents	2018	U.S.	Percentage	a	10-(20*abs(0.5-a))	Not Applicable	None
METRIC: Board Diversity									
Disclosure of Board Racial/Ethnic Diversity	An assessment of whether the company discloses the ethnic diversity of its board of directors. A company receives a "True" if it does and a "False" if evidence was not found.	Company filings and other public documents	Latest year available (2016, 2017, 2018, 2019)	U.S.	True (1) or False (0)	a	(1-a)+b	Not Applicable	None
Board Diversity Score	A statistical measure of the board's diversity as measured by age, gender, and tenure, ranging between 0 and 1, where a number closer to	Company filings and other public documents	2018	U.S.	Score (0-1)	b	(1-a)+b	Industry Average	None

	zero represents a greater amount of diversity in age, gender, and tenure on a company's board. To determine the age, gender, and tenure of each board member, we take data directly from each company's DEF 14A (Proxy Statement), which is filed each year with the Securities and Exchange Commission.								
METRIC: Board Oversight of JUST Issues									
Formal Schedule on Environmental, Health, Safety, and Social Matters	An assessment of whether the company's board (or a committee on the board) has a formal schedule to consider environmental, health, safety, and social matters. Companies are scored from 0 to 10, and receive a 0 for no scheduled meetings around these issues, 5 for an annual meetings to consider these issues, and 10 for a formal schedule instructs the board to meet more often than annually.	Institutional Shareholder Services	Latest year available (2016, 2017, 2018)	U.S.	Score (0, 5, or 10)	a	$\frac{((b*2)+(a*10))}{3}+c$	Industry Average	None
Strategic ESG KPIs Represented in Compensation Metrics	An assessment of whether the company indicates that strategic ESG-related key performance indicators (KPIs) in the company plan are represented in the compensation or remuneration metrics. Companies are scored from 0 to 10 and receive a 0 for no disclosure, 5 for referencing links between ESG KPIs and compensation, and 10 for clearly linking explicit ESG targets or metrics to compensation.	Institutional Shareholder Services	Latest year available (2016, 2017, 2018)	U.S.	Score (0, 5, or 10)	b	$\frac{((b*2)+(a*10))}{3}+c$	Industry Average	None
Disclosure Link ESG Risks/ Performance – Executive Remuneration	An assessment of whether the company provides information indicating a link between ESG risks and ESG performance and executive remuneration. A company receives a "True" if it does and a "False" if evidence was not found.	Institutional Shareholder Services	Latest year available (2016, 2017, 2018)	U.S.	True (1) or False (0)	c	$\frac{((b*2)+(a*10))}{3}+c$	Industry Average	None
METRIC: Related Party Transactions									
Related-Party Transactions Involving CEO	An assessment of whether there are material related-party transactions involving the CEO, either directly or indirectly, such as through employers	Institutional Shareholder Services	Latest year available (2016, 2017, 2018)	U.S.	True (1) or False (0)	a	a+b	Not Applicable	None

and immediate family members. A score of "False" is given when no related-party transactions involving the CEO have been listed in a company's quarterly and annual reports, suggesting there may be fewer potential conflicts of interest. A score of "True" is given when there are related-party transactions involving the CEO that have been listed in a company's quarterly and annual reports. In the U.S., a material transactional relationship is defined as one that: includes grants to nonprofit organizations; exists if the company makes annual payments to, or receives annual payments from, another entity exceeding the greater of \$200,000 or 5 percent of the recipient's gross revenues, in the case of a company that follows NASDAQ listing standards; or the greater of \$1,000,000 or 2 percent of the recipient's gross revenues, in the case of a company that follows NYSE/Amex listing standards. In the case of a company that follows neither of the preceding standards, ISS applies the NASDAQ-based materiality test. A material professional service relationship is defined as one that includes, but is not limited to, the following: investment banking/financial advisory services, commercial banking (beyond deposit services), investment services, insurance services, accounting/audit services, consulting services, marketing services, legal services, property management services, realtor services, lobbying services, executive search services, and IT consulting services, and exist if the company or an affiliate of the company makes annual payments to, or receives annual payments from, another entity in excess of \$10,000 per year.

Related-Party Transactions Involving Directors	An assessment of whether there are material related-party transactions involving company directors, either directly or indirectly, such as through employers and immediate family members. A score of “False” is given when no related-party transactions involving company directors have been listed in a company’s quarterly and annual reports, suggesting there may be fewer potential conflicts of interest that may compromise director independence. A score of “True” is given when there are related-party transactions involving directors that have been listed in a company’s quarterly and annual reports. In the U.S., a material transactional relationship is defined as one that: includes grants to non-profit organizations; exists if the company makes annual payments to, or receives annual payments from, another entity exceeding the greater of \$200,000 or 5 percent of the recipient’s gross revenues, in the case of a company that follows NASDAQ listing standards; or the greater of \$1,000,000 or 2 percent of the recipient’s gross revenues, in the case of a company that follows NYSE/Amex listing standards. In the case of a company that follows neither of the preceding standards, ISS applies the NASDAQ-based materiality test. A material professional service relationship is defined as one that includes, but is not limited to, the following: investment banking/financial advisory services, commercial banking (beyond deposit services), investment services, insurance services, accounting/audit services, consulting services, marketing services, legal services, property management services, realtor services, lobbying services, executive	Institutional Shareholder Services	Latest year available (2016, 2017, 2018)	U.S.	True (1) or False (0)	b	a+b	Not Applicable	None
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	search services, and IT consulting services, and exists if the company or an affiliate of the company makes annual payments to, or receives annual payments from, another entity in excess of \$10,000 per year.								
METRIC: Cross-Stakeholder Controversies									
Controversies across All Stakeholders	The total sum of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) that pertain to controversies across all five JUST Capital Stakeholders, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 – August 2019	Global	Number	a	a	Not Applicable	Revenue
METRIC: Commitment to Following Laws & Regulations									
Disclosure of Business Ethics Policy or Code of Conduct	An assessment of whether the company has a publicly disclosed Business Ethics Policy or Code of Conduct. A company receives a "True" if it does and a "False" if evidence was not found.	Institutional Shareholder Services	Latest year available (2016, 2017, 2018)	U.S.	True (1) or False (0)	a	(a*10)+(b*2)	Not Applicable	None
Internal Monitoring of Business Ethics Policy or Code of Conduct	An assessment of whether the company actively monitors or audits internal compliance with its Business Ethics Policy or Code of Conduct. Companies are scored from 0 to 10 and receive a 0 for no disclosure, a 5 for occasional audits, and a 10 for scheduled audits.	Institutional Shareholder Services	Latest year available (2016, 2017, 2018)	U.S.	Score (0, 5, or 10)	b	(a*10)+(b*2)	Not Applicable	None

Compliance with Laws & Regulations: Follows all applicable laws and regulations and is honest and transparent in its financial reporting (4.0%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: Controversies in Legal & Regulatory Violations as Reported in the Media									
Violation of National Legislation Controversies	The number of cases (severe controversies deemed major scandals or systematic risk incidents by RepRisk) occurring in the U.S. that pertain to violations of national or state legislation in relation to environmental, social, or governance issues, as reported by influential and highly influential news sources over the past three years. RepRisk: Due Diligence on ESG and Business Conduct www.reprisk.com .	RepRisk	August 2016 - August 2019	U.S.	Number	a	a	Not Applicable	Revenue
METRIC: Legal Fines and Violations									
Legal Fines and Violations	The sum of any fines over the past three years from the Nuclear Regulatory Commission, Federal Motor Carrier Safety Administration, Federal Aviation Administration, Federal Railroad Administration, Justice Department multiagency referral, Food and Drug Administration referral to the Justice Department, Justice Department Antitrust Division, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, Federal Reserve, Treasury Department Financial Crimes Enforcement Network, Justice Department Civil Division, Justice Department Criminal Division, Securities and Exchange Commission, Federal Housing Finance Agency, Fannie Mae, Freddie Mac, National Credit Union	Good Jobs First	May 2016 - May 2019	U.S.	U.S. Dollars	a	a	Not Applicable	Revenue

	Administration, Commodity Futures Trading Commission, Southern District of New York (selected cases), Justice Department Tax Division, Office of Foreign Assets Control, Alcohol and Tobacco Tax and Trade Bureau, Federal Aviation Administration referral to the Justice Department, Bureau of Industry and Security, Health & Human Services Department Office of Inspector General, Centers for Medicare & Medicaid Services, Justice Department National Security Division, Drug Enforcement Administration, Federal Maritime Commission, Housing and Urban Development Department, Office of Federal Contract Compliance Programs, State Department Directorate of Defense Trade Controls, Employee Benefits Security Administration, Federal Communications Commission, and Grain Inspection, Packers, & Stockyards Administration. Violation Tracker produced by the Corporate Research Project of Good Jobs First.								
METRIC: SEC Filings Review									
Financial Restatements	An assessment of whether, in the past two years, the company has restated financials for any period. A company receives a "Yes" if it does and a "No" if evidence was not found.	Institutional Shareholder Services	2017	U.S.	Yes (1) or No (0)	a	a	Not Applicable	None
Independent Auditor Opinion	An assessment of whether, in the past year, the company's independent auditor issued an adverse opinion. A company receives a "Yes" if it does and a "No" if evidence was not found.	Institutional Shareholder Services	2017	U.S.	Yes (1) or No (0)	a	a	Not Applicable	None
Internal Financial Controls	An assessment of whether, in the past two years, the company has disclosed any material weaknesses in its internal controls. A company receives a "Yes" if it does and a "No" if evidence was not found.	Institutional Shareholder Services	2017	U.S.	Yes (1) or No (0)	a	a	Not Applicable	None

Late SEC Filings	An assessment of whether, in the past two years, the company has made any non-timely financial disclosure filings. A company receives a "Yes" if it does and a "No" if evidence was not found.	Institutional Shareholder Services	2017	U.S.	Yes (1) or No (0)	a	a	Not Applicable	None
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Investor Return: Manages operations to generate profits and returns for investors over the long-term (1.2%)

DATA POINT	DEFINITION	SOURCE	DATES	AREA	UNITS	VARIABLE	CALCULATION	MISSING DATA	SCALING
METRIC: 5-year Operating Income Growth CAGR									
5-year Operating Income CAGR	The 5-year Operating Income compound annual growth rate (CAGR) is calculated using a company's Operating Income between 2013 and 2018. We first sum each company's GAAP Operating Income with its Operating Expenses from Extraordinary Items to get an adjusted Operating Income for each year. Then, we plug the adjusted Operating Income into a standard CAGR formula, as follows: $(\text{Adjusted Operating Income in 2018} / \text{Adjusted Operating Income in 2013})^{1/(2018-2013)} - 1$. All companies require at least 3 years of data in order to perform this calculation.	Company filings and other public documents	2013 to 2018	Global	Percentage	a	a	Industry Average	None
METRIC: 5-year Earnings per Share Growth CAGR									
5-year Earnings Per Share CAGR	The 5-year Earnings per Share compound annual growth rate (CAGR)--commonly known as EPS, Adjusted--is calculated using a company's Non-GAAP Earnings per Share between 2013 and 2018. We plug the Non-GAAP Earnings per Share into a standard CAGR formula, as follows: $(\text{Non-GAAP Earnings per Share in 2018} / \text{Non-GAAP Earnings per Share in 2013})^{1/(2018-2013)} - 1$. In cases where the Non-GAAP Earnings per Share is not available,	Company filings and other public documents	2013 to 2018	Global	Percent	a	a	Industry Average	None

	the Diluted Earnings per Share is used in its place. All companies require at least 3 years of data in order to perform this calculation.								
METRIC: 5-year Change in Operating Margin									
5-year Change in Operating Margin	<p>The 5-year Change in Operating Margin is calculated by first using a company's Adjusted Operating Income, which is the sum of a company's Operating Income and Operating Expenses from Extraordinary Items in a given year, and dividing it by that year's Adjusted Revenue to get the annual operating margin for each year between 2013 and 2018. Next, we take the difference between each year's operating margin and the previous year. Finally, we take the average of all of those changes in operating margin to arrive at the 5-year average Change in Operating Margin. To summarize, this calculation is performed as follows:</p> <p>Step 1: For each year, calculate the Operating Margin = (Operating Income + Operating Expenses from Extraordinary Items) / Adjusted Revenue).</p> <p>Step 2: For each year, calculate the Differences in Operating Margins = (Operating Margin in Year X) - (Operating Margin in Year X-1).</p> <p>Step 3: Calculate the 5-year Change in Operating Margin = ((Difference in Operating Margin between 2017 and 2018) + (Difference in Operating Margin between 2016 and 2017) + (Difference in Operating Margin between 2015 and 2016) + (Difference in Operating Margin between 2014 and 2015) + (Difference in Operating Margin between 2013 and 2014)) / (5).</p>	Company filings and other public documents	2013 to 2018	Global	Percentage Points	a	a	Industry Average	None

	All companies require 4 years or more of data in order to calculate a 3-year Change in Operating Margin at minimum.								
METRIC: 5-year Average Return on Equity									
5-year Average ROE	<p>The company's 5-year Average Return on Equity (ROE) is calculated by first dividing a company's Non-GAAP Income in each year by the average between that year and the previous year's Shareholder Equity. This yield's a company's annual ROE between 2014 and 2018. We then take the average to get the 5-year Average ROE. In cases where the Non-GAAP Income is not available, Net Income available to Common Stockholders is used in its place. When data on Net Income available to Common Stockholders is not available, Net Income is used. To summarize, this calculation is performed as follows:</p> <p>Step 1: For each year, calculate the ROE = (Non-GAAP Income in Year X / ((Shareholder Equity in Year X + Shareholder Equity in Year X-1) / 2).</p> <p>Step 2: Calculate the Average ROE = (ROE in 2018 + ROE in 2017 + ROE in 2016 + ROE in 2015 + ROE in 2014) / 5.</p> <p>All companies require 4 years or more of data in order to calculate a 3-year Average ROE at minimum.</p>	Company filings and other public documents	2013 to 2018	Global	Percentage	a	a	Industry Average	None
METRIC: 5-year Shareholder Payout Ratio									
5-year Shareholder Payout to Free Cash Flow	<p>The average of the ratio of shareholder payouts to free cash flow per share over the trailing five years. The payout ratio for any year is calculated as the dividend per share declared in that year, plus cash flows used for share repurchases divided</p>	Company filings and other public documents	2013 to 2018	Global	Number	a	a	Industry Average	None

	<p>by weighted average basic shares outstanding for that year (excluding years in which the company was not publicly traded).</p> <p>The 5-year average Shareholder Payout to Free Cash Flow ratio is calculated using the following method. For each year (2014 to 2018), we sum a company's Dividend Payments and Stock Repurchases and divide that sum by the difference between Operating Cash Flow and Net Capital Expenditures. Finally, we take a simple average between 2014 and 2018. To summarize, the calculation is performed as follows:</p> <p>Step 1: For each year, calculate the Shareholder Payout to Free Cash Flow Ratio = $(\text{Dividend Payments in Year X} + \text{Common Stock Repurchases in Year X}) / (\text{Operating Cash Flow in Year X} - \text{Net Capital Expenditures in Year X})$.</p> <p>Step 2: Calculate the 5-year Average Shareholder Payout to Free Cash Flow = $(\text{Ratio in 2014} + \text{Ratio in 2015} + \text{Ratio in 2016} + \text{Ratio in 2017} + \text{Ratio in 2018}) / 5$.</p>								
METRIC: 5-year Risk-Adjusted Total Shareholder Return									
Risk-Free Rate	The company's risk-free rate of return (10 Year U.S. Treasury).	Federal Reserve	As of 5/31/18	Global	Percentage	a	(b-a)/c	Industry Average	None
5-year Total Shareholder Return	The 5-year Total Shareholder Return is calculated using the following method. First, we sum all of a company's Dividends per Share between 2014 and 2018. We specifically use the Common Stock Dividends per Share, but in instances where this value is not available, we divide the Dividend Payments by the Average Common Shares Outstanding to get an estimation of the Dividends per Share. Then, we	Company filings and other public documents	2013 to 2018	Global	Percentage	b	(b-a)/c	Industry Average	None

	insert the information into a standard annualization equation, as follows: 5-Year Annualized Total Shareholder Return = $(1 + (\text{Share Price 2018} - \text{Share Price 2013} + (\text{Dividends per Share 2014} + \text{Dividends per Share 2015} + \text{Dividends per Share 2016} + \text{Dividends per Share 2017} + \text{Dividends per Share 2018}) / \text{Share Price 2013})^{1 / (2018 - 2013)}) - 1$.								
Beta	To calculate Beta, we regress the daily changes in stock against daily changes in the Russell 1000 index over the last three years.	Company filings and other public documents	Trailing 3-years as of August 26, 2019	Global	Number	c	(b-a)/c	Industry Average	None

APPENDIX D: SURVEY METHODOLOGY, QUALITATIVE REPORT, AND WEIGHTING SURVEY QUESTIONNAIRES

The following linked pages include the materials used in our [Survey Research](#) process:

- 2019 Focus Group Discussion Guide (https://justcapital.com/wp-content/uploads/2019/11/2019-Focus-Group-Discussion-Guide_methodology.pdf)
- NORC Focus Groups Final Report (<https://justcapital.com/wp-content/uploads/2019/11/NORC-Focus-Groups-Report.pdf>)
- 2019 Testing Survey (https://justcapital.com/wp-content/uploads/2019/11/2019-Testing-Survey_methodology.pdf)
- 2019 NORC Components Weighting Survey (https://justcapital.com/wp-content/uploads/2019/11/8541_JUSTCapital_Driver-2019_v8clean.pdf)

For further details on the results of our survey work, please see [“A Roadmap for Stakeholder Capitalism: 2019 Survey Results.”](#)