

6 months post-invasion: **Few companies denounce Russia**

- Only 28% of companies involved in Russia denounce its invasion of Ukraine.
- The rest fear denouncing Russia. They make ‘mealy-mouthed’ statements, excuses that don’t mention the war, or maintain total silence.
- The Moral Rating Agency releases its ‘Courage Index’ to congratulate the denouncers and expose the cowards.

EMBARGOED for publication on Thursday 25 August 2022.

New York/London. On the 6-month anniversary of the invasion of Ukraine, the Moral Rating Agency has released a report on corporate statements about the invasion. The study reveals a small portion of corporations have the guts to denounce Russia.

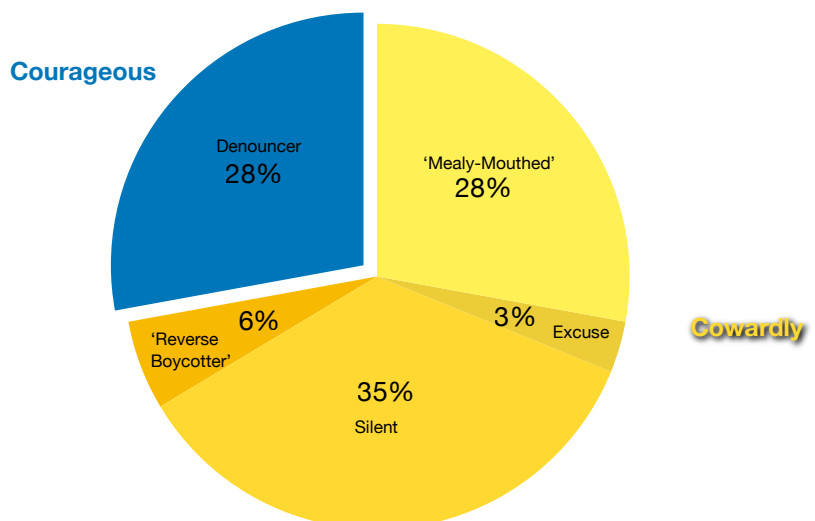
The corporate watchdog’s main mission is to expose companies for the degree to which they have cut ties with Russia. This latest report focuses on words, and whether words match actions. The MRA’s ratings on corporate involvement in Russia are disclosed at MoralRatingAgency.org.

The MRA’s ‘Courage Index’ classifies statements denouncing Russia as ‘courageous’. ‘Cowardly’ communications cover statements that are ‘mealy-mouthed’, contain alternative excuses that don’t refer to the invasion, show solidarity or increased involvement with Russia, or cover companies remaining silent about the invasion.

The 88 cowardly corporations, which

Yellow belly corporations

72% are cowardly about Russia



Breakdown of 122 corporations involved in Russia
of top 200 corporations in world

the MRA calls ‘yellow bellies’, account for 72% of the 122 largest companies involved in Russia (122 of the top 200 corporations in the world had trading and/or investment activities in Russia at the time of the invasion). The 34 companies denouncing Russia accounted for just 28%.

Don't mention the war

Mark Dixon, founder of the MRA, said, “There are a lot of temptations to be a corporate chicken and not call out Russia. We believe the main driver among those leaving Russia is to keep their options open in the future if there is a ceasefire. Companies know they will burn their bridges if they denounce Russia or Putin. They are acting commercially not morally.” Companies still in Russia generally find it too hypocritical to speak up.

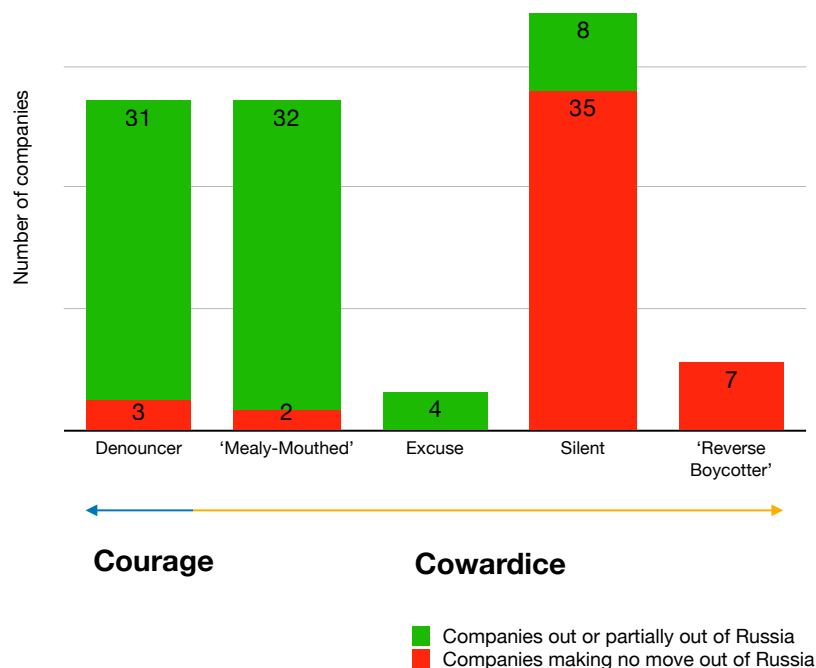
“Companies opt to denounce Russia for two reasons. Some put morality above money. Others think they won't be going back to Russia while Putin remains in power and decide to profit from the moral kudos of speaking up. We don't care if a company denounces Russia out of moral outrage or the commercial benefit of looking moral. The important thing is that Russia should be universally considered a pariah.”

The most common response from yellow-bellied companies was a ‘mealy-mouthed’ statement (32 cases). Companies making a move out of Russia that don't want to confront Russia directly chose this type of watered-down wording. Such statements refer to the war being tragic or a humanitarian disaster without citing Russia as the invader or otherwise admonishing the regime. It is noteworthy that these 32 companies, which were forced to reduce ties because of world criticism of Russia, didn't voice any criticism of Russia themselves.

For example, HSBC said, “Our thoughts are with all those impacted by the continuing conflict in Ukraine”; Dell said, “It's a great tragedy and very disappointing to see a humanitarian disaster”; and Chevron CEO Michael Wirth spoke about the "tragic situation" in Ukraine (Reuters) while the company retained its shareholding in the Caspian Pipeline Consortium which transports Russia oil to world markets.

The Courage Index

The spectrum from courage to cowardice



Breakdown of 122 corporations involved in Russia of top 200 corporations in world

Source: **MoralRatingAgency.org**

There were four cases of companies explaining their exits from Russia with reasons such as supply chain problems. There were seven cases of companies classified by the MRA as ‘reverse boycotters’: showing solidarity with Russia by increasing involvement with the country or making supportive statements. For example Tencent, which owns WeChat, issued a statement admonishing users who

<h1>The Courageous and the Cowardly</h1> <h2>How each corporation fared</h2>			
	Out or partially out of Russia		Made no move out of Russia
Denouncer	Alphabet Apple Axa BASF BMW Group Bosch Group BP Credit Agricole Deutsche Telekom E.ON Electricite de France Exxon Mobil Fortum General Electric Glencore Intel	International Business Machines Johnson & Johnson Marubeni Mercedes-Benz (formerly Daimler) Microsoft Munich Re Group Royal Dutch Shell Siemens TotalEnergies Trafigura Group Unilever Volkswagen Walt Disney Zurich Insurance Group	Engie Ford Motor Roche Group
‘Mealy-Mouthed’	Allianz Amerisource Bergen Archer Daniels Midland Assicurazioni Generali BNP Paribas Boeing Chevron Citigroup Dell Technologies Deutsche Post DHL Group Enel ENEOS Holdings FedEx General Motors Goldman Sachs Group Hitachi	Honda Motor HP HSBC Holdings JP Morgan LG Electronics Meta (formerly Facebook) Nestle Nissan Motor PepsiCo Procter & Gamble Raytheon Technologies Samsung Sony Tesco United Parcel Service	Nippon Telegraph & Telephone Walgreens Boots Alliance
Excuse	Hyundai Motor Toyota Motor Toyota Tsusho U.S. Postal Service		
Silent	Airbus Bank of China Comcast Huawei Investment & Holding Lenovo Group Panasonic Sysco Valero Energy		<div> Agricultural Bank of China Alibaba Group Holding Aviation Industry Corp. of China Bank of America ChemChina China Baowu Steel Group China Communications Construction China Construction Bank China FAW Group China Mobile Communications China Railway Construction China Railway Engineering Group China State Construction Engineering China Telecommunications CITIC Group COFCO Country Garden Holdings Dongfeng Motor </div> <div> Industrial & Commercial Bank of China Itochu Japan Post Holdings JD.com Marathon Petroleum Mitsubishi Corp Mitsubishi UFJ Financial Group Mitsui People's Insurance Co. of China Reliance Industries SAIC Motor Sinochem SK Group Tokyo Electric Power Xiamen C&D Xiamen ITG Holding Group XMYG </div>
‘Reverse Boycotter’			China National Offshore Oil EXOR Group Guangzhou Automobile Industry Group Saudi Aramco Tencent Holdings China National Petroleum Sinopec Group

commented on the invasion on the grounds it undermines a “clean cyberspace”; Saudi Aramco’s shareholder Crown Prince Mohammed bin Salman showed commitment to OPEC Plus, where Russia is Saudi Arabia’s main partner; and China National Offshore Oil, China National Petroleum and Sinopec moved in the reverse direction of boycotts by discussing the purchase of Shell’s stake in Sakhalin-II.”

Silence is rotten

Silence, as would be expected, was the choice of companies not making the move out of Russia. However, it was also the choice of some companies making partial exits from the country. Airbus, Comcast and Panasonic moved as quiet as a mouse. Even Sysco and Valero Energy, which cut all links with Russia, did so quietly. The rare Chinese companies that did make partial withdrawals from Russia – Bank of China, Huawei and Lenovo – expectedly followed the same approach.

Mr. Dixon said, “Moving out of Russia without saying a word is the depth of cowardice. When a company slips out silently, or otherwise avoids the elephant in the room, it undermines the exodus momentum by diluting peer pressure. Global consensus is fragile and must be strengthened at every opportunity. Our position is that words matter, and silence is complicit.”

Fighting words

34 companies denounced Russia, some of which showed significant moral courage. Shell said, “Shocked by the loss of life in Ukraine, which we deplore, resulting from a senseless act of military aggression which threatens European security”. Microsoft said, “Like the rest of the world, we are horrified, angered and saddened by the images and news coming from the war in Ukraine and condemn this unjustified, unprovoked and unlawful invasion by Russia”; and added, “Like so many others, we stand with Ukraine in calling for the restoration of peace, respect for Ukraine's sovereignty and the protection of its people”. Microsoft’s suggestion that much of the world was likewise denouncing Russia was optimistic since the MRA found that only 28% of companies spoke up properly, putting Microsoft in the minority of companies doing so.

Shell’s strong statement within days of the invasion deserves special credit. Mr. Dixon said, “Shell is the 14th most exposed company in the world to Russia. It took a moral stand even though it had a lot to lose. Putin’s July 1st decree to expropriate the Sakhalin II gas and oil project from Shell and others wasn’t a mere coincidence.”

Chickens with little to lose

Mr. Dixon continued, “The corporations with yellow bellies often have negligible exposure to Russia. The coward with nothing to fear is the most cowardly of all.”

The MRA accused the following companies, which made some moves out of Russia, of being cowards with negligible risk: Allianz, Chevron, Generali, Deutsche Post DHL and P&G all made ‘mealy-mouthed’ statements, US Postal Service made excuses, while Sysco remained silent. The low exposure level of the companies is shown at [MoralRatingAgency.org](https://moralratingagency.org).

Ironic statements

There were three cases of companies denouncing Russia which remained involved with the country. It is unclear if they were hoping to get credit for words rather than actions. In any case, the contrast between words and actions is stark. Importantly, all three companies used the word “invasion” in their statements.

Ford Motor retains its ownership in car production and hasn’t made any plans to divest, despite saying it was “deeply concerned about the invasion of Ukraine and the resultant threats to peace and stability”.

Engie continues to import Russian gas and LNG, yet it said it “condemns the invasion of Ukraine and expresses its support for the affected people”.

Meanwhile, Roche Group continues to export to Russia, but said it “vehemently condemns the violent invasion of the country.”.

The language of courage and cowardice <i>Examples of extremes for peer companies in a sector</i>						
	Courageous	Statement	Statement date	Cowardly	Statement	Statement date
Auto	BMW Group	"We condemn the aggression against Ukraine"	1 March 2022	Hyundai Motor	"Deeply concerned by the situation in Ukraine", and suspended its car assembly plant "due to supply chain interruptions" (<i>Excuse</i>)	1 March 2022
	Ford Motor	"Deeply concerned about the invasion of Ukraine and the resultant threats to peace and stability"	1 March 2022	Toyota Motor	"Watching the ongoing developments in Ukraine with great concern for the safety of people of Ukraine and hopes for a safe return to peace as soon as possible", halted operations "due to supply chain disruptions" (<i>Excuse</i>)	2 March 2022
	Mercedes-Benz (formerly Daimler)	"Sending a multitude of strong signs of solidarity with the people of Ukraine"	28 February 2022	Toyota Tsusho	"Sincerely hopes for the peace in this difficult situation about the crisis in Ukraine", stopped exports and imports due to "supply chain disruption" (<i>Excuse</i>)	20 April 2022
	Volkswagen	"Received the news about the war in Ukraine with great dismay and shock. Volkswagen continues to hope for a cessation of hostilities and a return to diplomacy."	3 March 2022			
Oil	BP	"Deeply shocked and saddened by the situation unfolding in Ukraine. We are witnessing an act of aggression which is having tragic consequences across the region"	27 February 2022	China National Offshore Oil	In joint talks with CNPC and Sinopec over Shell's 27.5% holding in the Sakhalin-2 liquefied natural gas venture (<i>Reverse Boycotter</i>)	21 April 2022
	Exxon Mobil	"Deplore Russia's military action that violates the territorial integrity of Ukraine and endangers its people"	1 March 2022	Saudi Aramco	"His Royal Highness the Crown Prince affirmed the Kingdom's keenness on the stability and balance of oil markets and the Kingdom's commitment to the OPEC Plus agreement". Russia is a major partner alongside Saudi Arabia in OPEC Plus. (<i>Reverse Boycotter</i>)	8 March 2022
	Royal Dutch Shell	"Shocked by the loss of life in Ukraine, which we deplore, resulting from a senseless act of military aggression which threatens European security"	28 February 2022	China National Petroleum	In joint talks with CNOOC and Sinopec over Shell's 27.5% holding in the Sakhalin-2 liquefied natural gas venture (<i>Reverse Boycotter</i>)	21 April 2022
				Sinopec Group	In joint talks with CNOOC and CNPC over Shell's 27.5% holding in the Sakhalin-2 liquefied natural gas venture (<i>Reverse Boycotter</i>)	21 April 2022
IT	Apple	"We condemn Russia's aggression against Ukraine"	7 March 2022	Tencent Holdings	Owns WeChat, which "calls on the majority of netizens to maintain an objective and rational attitude" (<i>Reverse Boycotter</i>)	25 February 2022

National trends

While most of the cowards among Western companies opted for ‘mealy-mouthed’ statements, East Asian companies – Chinese, Korean and Japanese – tended to opt either for silence, making excuses or even ‘reverse boycotting’. Indeed, the topic of the invasion appears entirely off-limits in China and, in other Asian countries, it seems acceptable to avoid it.

In cases where a corporation issued several statements about Russia, the MRA classifies the company on the basis of its first statement.

For press inquiries, please contact press@MoralRatingAgency.org.

Or, for comment/interview, we can be reached in London at: +44 207 556 1092.

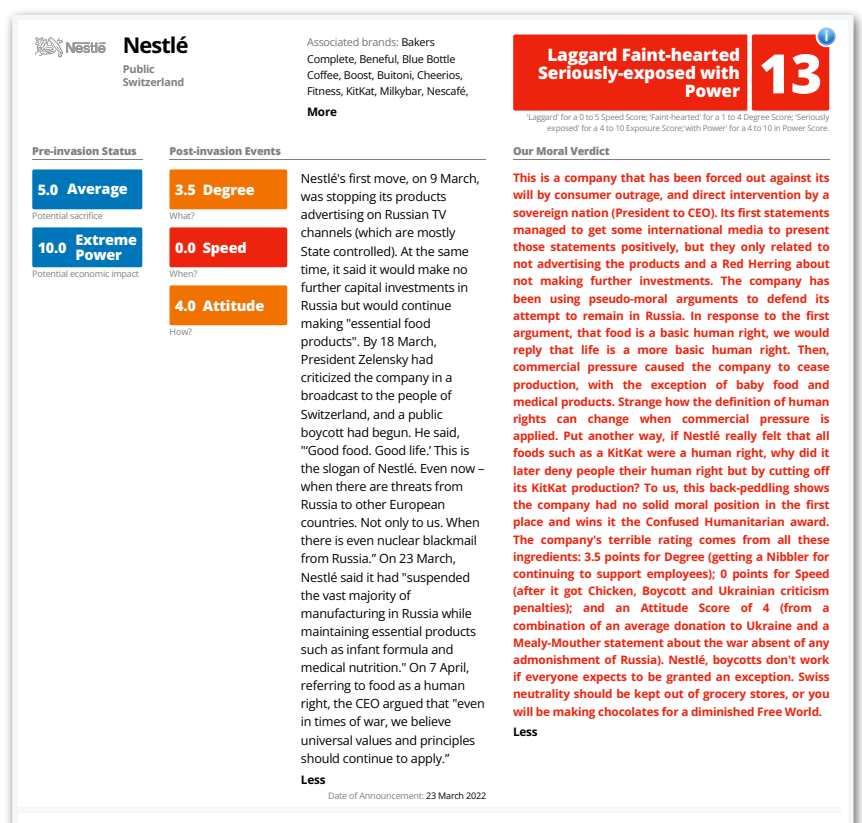
The MRA can also provide a report on which companies are still in Russia.

About the Moral Rating Agency

The Moral Rating Agency was set up to get Russia out of Ukraine and use this momentum to help pro-democracy Russians get Putin and his regime out of Russia. Later, it plans to cover corporate unethical actions on other critical political issues.

In addition to exposing, and crediting, corporations through moral ratings, the MRA maintains an [Indelible Ledger](#) of a company’s actions so any later corrective actions do not wipe the slate clean. Time is of the essence, so the rating system includes a disincentive for delay through exposing and tracking what preceded a later corrective action.

Unlike ESG (Environmental, Social and Governance) rating agencies, which have a commercial responsibility to their institutional investor clients to cover the range of



Example of one of our ratings at MoralRatingAgency.org

issues these clients wish, the Moral Rating Agency is zeroing in on a single corporate moral issue, in this case the Russia-Ukraine war.

The MRA was founded and is led by Mark Dixon, who runs the mergers & acquisitions consultancy Thinking Linking in the City of London and New York. He was one of the co-founder of the online financial commentator [BreakingViews.com](#), which is today part of Thomson Reuters. Mark has been opposed to autocratic regimes, particularly to the Chinese government and to Putin's transformation of Russia from a nascent democracy into a fully-throttled autocracy. He has a personal connection with Ukraine because he has owned an apartment in the city of Lviv since 2010. He has also lived in China.

The MRA has a paid staff of moral raters, verifiers, and fact-checkers who operate according to its [Rating Methodology](#). It also has an on-site team involved in statistics, media relations, site production and publishing.

The MRA has no customers, external commercial relationships, or conflicts of any kind. It will rate and publish so that consumers, media and governments can judge companies on a single topic on a fair basis. This objectivity on individual companies and their relative scores is maintained despite the campaigning nature of the agency, as explained in [Rating Philosophy](#).