



Moral Rating Agency

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Unilever is crying crocodile tears

- The Moral Rating Agency accuses Unilever of using circular logic to mask corporate greed.
- It says the pursuit of profits risks Unilever staff soon fighting Ukrainians. This follows the company's admission that it will not oppose conscription of its staff.
- The MRA calculates that Unilever is contributing more than \$700 million annually to the Russian treasury and economy. Unilever staff invading Ukraine would compound the felony.

For Immediate Release, 25 July 2023: In response to Unilever's statement today that not leaving Russia is the 'least bad option', the Moral Rating Agency issued the following statement, with its founder Mark Dixon saying:

“The obligation to follow Russian laws is a typical Unilever red herring. There is no law that says Unilever needs stay in Russia. Staying in the country was Unilever's choice despite our year-long demands that it exits. It is circular logic to say you have to comply with laws of a country that you can leave.

Unilever is still working with Russia out of greed and stubbornness. If it had left like many other companies, it would not have to face the embarrassment of employees being called up to fight Ukrainians. Its pleadings are fake news and its stress is no more than a self-inflicted wound.”

“Unilever uses the words ‘least bad option’ to justify staying in Russia. These can be translated into plain English as ‘most profitable option’ and also ‘worst option for democracy’.”

* * *

"Unilever has descended into a vortex of immorality.

Unilever has done nothing but wriggle with excuses in response to our year-long demands for it to leave Russia.

Our calculations show that Unilever contributes more than half a billion pounds a year to the Russian treasury and economy.

By confirming it will not oppose Unilever staff fighting Ukraine, it may therefore soon move from financially supporting Russia to providing staff to go into battle for Russia against Ukraine. This compounds the felony.














Unilever is on the wrong side of the Russia-Ukraine war and is undermining Western interests."

“The West is financially supporting Ukraine and Unilever is financially supporting Russia. Our ally may soon actually have to fight Unilever staff invading Ukraine.

This twisted situation is the direct result of greed over morality despite the crocodile tears that Unilever is so skilled at conjuring up.”

What Unilever’s financial support buys

MRA has calculated the contribution Unilever continues to make to the Russian treasury and economy and quantified it in weapons’ buying power. This shows why Unilever should exit Russia.

What Unilever’s spend in Russia can pay for			
The MRA’s estimates of Unilever contribution to Russian treasury and economy compared to cost of weapons and soldiers being deployed by Russia against Ukraine			
	Weapon being used by Russia	\$ price per item	Buying power of Unilever’s spend
	Makarov bullet	\$0.50	46 per second
	Makarov pistol	\$458	One every 20 seconds
	122-mm shell	\$1,000	One every 44 seconds
	Soldier	\$2,700	One monthly salary every 2 minutes
	North Korean rocket	\$6,000	One every 4 minutes
	Wagner mercenary	\$10,000	One monthly salary of every 7 minutes
	Iranian drone	\$20,000	One every 15 minutes
	Kalibr missile	\$1,000,000	One every 12 hours
	T-72 tank	\$1,500,000	One 18 hours
	Heavy flame thrower system	\$6,500,000	One every 3 days
	Sukhoi Su-25 warplane	\$11,000,000	One every 5.5 days
	KA-52M helicopter	\$15,265,000	One every 8 days
	Thermobaric rocket	\$16,000,000	One every 8 days

Unilever’s daily contribution to the Russian economy of \$1,951,763 is based on the MRA’s estimate of the company’s current annual run rate spend in Russia divided by 365.

The MRA has estimated Unilever's economic support for the Russian economy at \$712,393,584 annually, which equates to approximately \$2,000,000 per day or \$80,000 per hour.

By comparing the funds flowing into the Russian treasury and economy to the cost of weapons and soldiers being deployed against Ukraine, the MRA wants to make Unilever's support of Russia more tangible and highlight that the company is facilitating Russia's invasion of Ukraine.

The estimates show that Unilever's spend in Russia is the equivalent of 46 bullets per second being fired 24 hours a day, 365 days a year.

Alternatively, the spend could pay for a new Makarov pistol every 20 seconds from January to December. The monthly salary of a soldier takes only two minutes of Unilever's economic contribution or, in the case of a Wagner mercenary, seven minutes.

The funds could instead pay for the launch of a North Korean rocket every four minutes or an Iranian drone every 15 minutes. At the other end of the spectrum, a destroyed T-72 tank could be replenished every 18 hours and a Sukhoi Su-25 warplane in less than a week. With 8 days of Unilever's economic contribution, Putin can choose between a new KA-52M helicopter or the launch of a Thermobaric rocket.

Prices on Russia's weapons shopping list				
Weapons and soldiers being deployed by Russia against Ukraine				
Weapon being used by Russia	Specific model	£ price per item	\$ price per item	Source
Bullet	9x18mm Makarov bullet	£0.40	\$0.50	For the Makarov pistol, a pack of 50 9x18mm Makarov bullets is advertised at \$24.89 (\$0.5 per bullet). https://www.cheaperhandltd.com/seller-and-bellot-9x18mm-makarov-ammunition-50-rounds-fmj-95-grains-sb9mak/FC-754908500161.html
Pistol	Makarov pistol	£371	\$458	The Makarov pistol is currently worth an average price of \$458.10 new. https://truegunvalue.com/pistol/makarov/price-historical-value
Shell	122-mm MLRS shell	£812	\$1,000	According to an estimate reported by Oil price, the price of a 122-mm MLRS shell is up to \$1,000. https://oilprice.com/Geopolitics/International/Russias-Army-Is-Running-Out-Of-Ammunition.html
Soldier	Soldier	£2,190	\$2,700	The minimum monthly wage on offer reported by Al Jazeera is \$2,700, which is almost three times the national average. It reflects the increased wages Russia is paying soldiers sent to Ukraine. https://www.aljazeera.com/news/2022/9/18/russia-turns-to-trucks-and-big-wages-to-woo-volunteer-soldiers
Rocket	North Korean 122-mm rocket	£4,873	\$6,000	According to Bloomberg, there is evidence that the Wagner Group received North Korean equipment. North Korean items likely to be sold to Russia are 122-mm rockets: each were \$6,000 a few years ago according to the US National Security Council Spokesman John Kirby. https://news.yahoo.com/north-korea-could-vital-lifeline-000023829.html
Wagner mercenary	Wagner mercenary	£8,129	\$10,000	According to the Middle East Eye, Wagner fighters were paid between \$3,000 to \$5,000 per month before the war but sources familiar with the paramilitary group reported that those rates are now up to \$10,000. Private military companies are officially banned in Russia but the Wagner Group have been helping Russia's military in the war in Ukraine. https://www.middleeasteye.net/news/wagner-group-russia-foreign-mercenaries-salaries-suffers-losses
Drone	Iranian Shahed-136s drone	£16,244	\$20,000	The price of Iranian Shahed-136s (known as Geran-2 in Russian) used to attack Ukraine's major cities is around \$20,000 per unit according to Oil price. https://oilprice.com/Geopolitics/International/Iranian-Drones-Are-Proliferating-In-Middle-East-And-Eurasian-Battlefields.html
Missile	Kalibr missile	£812,200	\$1,000,000	Forbes Ukraine estimated the price of a Kalibr missile at \$6.5 million but sources have questioned the accuracy of this figure as it includes related services. According to the Defense Express Media and Consulting Company, a Kalibr cruise missile is worth up to \$1 million. We are using this estimation. https://en.defence-ua.com/news/what-is-the-real-price-of-russian-missiles-about-the-cost-of-kalibr_kh_101_and Iskander-missiles-4709.html
Tank	T-72 tank	£1,218,300	\$1,500,000	According to Global Security, the cost of Russian T-72 tank is between \$1 million and \$2 million. We are using \$1.5 million in our calculations. https://www.globalsecurity.org/military/world/russia/t-90.htm
Heavy flame thrower system	TOS-1A flame thrower system	£5,279,300	\$6,500,000	A TOS-1A flame thrower system costs over \$6.5 million according to Military Today. This figure might also include servicing, training and ammunition but there is no better estimation available. This vehicle can be used to launch thermobaric rockets. https://www.military-today.com/artillery/tos_1a.htm#:~:text=Price%20of%20the%20TOS-1A%20rocket%20systems%20is%20over%2018%20million%20to%20launch%20tubes%20for%2020%20mm%20rockets
Warplane	Sukhoi Su-25 warplane	£8,927,600	\$11,000,000	The price for export of the Sukhoi Su-25 airplane is \$11 million. https://aerocorner.com/aircraft/sukhoi-su-25k-frogfoot/
Helicopter	KA-52M helicopter	£12,362,500	\$15,265,000	A few months before the invasion of Ukraine, the Russian Ministry of Defense estimated the cost of a Ka-52M attack helicopter at 1.075 billion rubles. https://frontierindia.com/russian-mod-orders-30-ka-52m-helicopters-each-for-over-a-billion-rubles
Thermobaric rocket	Thermobaric rocket	£12,995,200	\$16,000,000	As reported by inews, the US version of the thermobaric rocket costs over \$16 million each. This figure is used to estimate the price of Russian thermobaric rockets. These weapons are controversial because they are much more devastating than other explosives of similar size. According to the UK's Ministry of Defence, Russia has confirmed it has used thermobaric weapons in Ukraine. https://news.co.uk/news/what-is-thermobaric-bomb-fears-putin-will-use-weapon-destroy-cities-kyiv-1485984

Source: [MoralRatingAgency.org](https://www.moralaratingagency.org)

Mark Dixon, founder of the MRA, speaking from Kyiv, said: **“A Cornetto ice cream seems innocuous until you realize that millions of them being sold each day can quickly pay for the launch of a missile. Likewise, a bar of Dove soap starts to look pretty dirty when there are enough of them being produced to purchase a Russian tank.”**

The MRA’s calculations

The MRA has calculated the total amount Unilever is spending in Russia per year from its revenues. This equates to the amount paid into the Russian treasury but also to local suppliers, employees and for other costs such as rent and technology.

The MRA calculation is based on the reasonable assumption that Unilever does not bring a meaningful amount of ingredients or raw materials into Russia for its local production, so the value of anything spent outside Russia would be *de minimus*. The MRA calculation starts with Unilever’s admission in its 2022 Annual Report that its Russian business represents 1.4% of turnover. This allowed the MRA to start with a figure for Russian revenues of \$914,568,144. Total cost for the Russian operations of \$734,132,784 is based on the total cost figure relating to Russia, calculated from Russian revenues calculated above minus Russian net profit of \$180,434,360 (itself calculated by Unilever’s disclosure that Russia net profits represent 2% of group profits). The MRA then deducted a further small amount to cover an estimate of possible internal cost allocations from the parent, and depreciation of plant and equipment, to arrive at a current annual run rate contribution to the Russian economy of \$712,393,584.

The MRA then identified weapons and soldiers that have been used by Russia in the invasion of Ukraine along with third-party estimates for the cost of each. The figures presented show the length of time it would take for Unilever’s estimated spend in Russia to pay for each armament or soldier if it were used for that purpose. Obviously, the MRA is not saying the funds are directly flowing from Unilever to the war effort, but rather that the ability of Russia to fund a war is or will be affected by the Russian economy’s ability to pay for it.

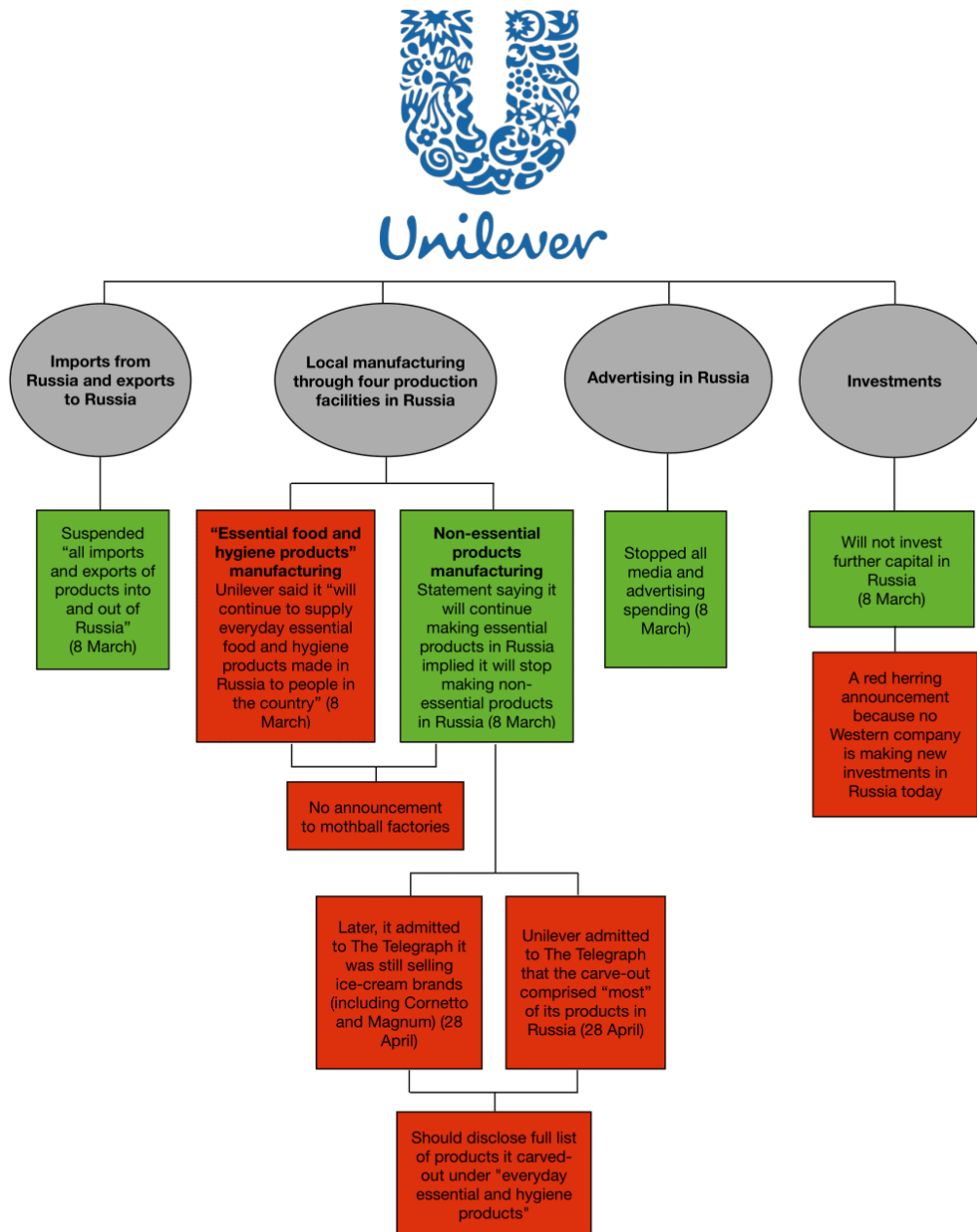
Unilever is undermining the chance to stop the war

The founder of the MRA said: **“The Soviet Union left Afghanistan in 1979 partly because its economy could not support the war. Equally, it failed in the arms race against the West and indeed broke apart into 15 nations primarily for the same reason. Today, economic hardship can likewise undermine Putin’s invasion of Ukraine and may eventually lead to the collapse of his regime. Any company doing business with Russia is derailing history repeating itself.”**

“If we can bring the Russian economy to its knees, Putin simply won’t be able to pay for the invasion. We need a pincer movement: arm Ukraine and impoverish the invader.”

Mr. Dixon concluded, **“We are measuring doing business in Russia in soldiers, bullets and missiles because they are the ultimate consequence of supporting Putin economically. Unilever must stop hiding behind its balance sheet and excuses to face the reality that selling an ice cream can allow Putin to pay for a bullet.**

The Moral Rating Agency calls on Unilever to do the moral thing and side with democracy and civilization itself. Hein Schumacher should use his new position to make Unilever a moral company.”



Unilever's ongoing activities in Russia

Through the company's production facilities in Russia, Unilever continues to manufacture and sell most of its original products in the country. The company suspended only residual activities including imports, exports, and advertising.

Unilever is also a hypocrite

Besides paying for Russia's invasion of Ukraine by failing to exit properly, the company is guilty of hypocrisy.

The MRA founder said:

"Unilever is what the Moral Rating Agency classes as a 'triple hypocrite'.

First hypocrisy: it claims to care about issues facing the world but is right now supporting the country causing the most dangerous issue in the world.

Second hypocrisy: it uses the words 'essential food' to justify selling non-essential food like Magnum and Cornetto ice creams. Since when were such products good for health or survival?

Third hypocrisy: Unilever said the war was a 'senseless act by the Russian state.' It is hypocritical to condemn a war when you support the economy that pays for it.

Also, Unilever made a grandiose-sounding statement that it wouldn't make further investments in Russia, which we class a red herring since who would commercially do so? We measure companies on getting out of Russia rather than promising not to get further in.

Unilever's statement about not making a profit from Russia is a profit warning not a moral position since Unilever didn't say what it would do with any profits or for how long it would not make a profit, and anyway it doesn't mean Russia isn't making a profit from Unilever. In fact, the less profit Unilever makes in Russia, the more of its revenues remain in Russia as costs that flow into the economy."

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The Moral Rating Agency, the corporate watchdog, 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. The MRA rates global companies on how effectively they are pulling out of Russia on its site moralratingagency.org.

For press inquiries, please contact press@MoralRatingAgency.org. Or, for comment/interview, we can be reached on one of these numbers:

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About the [Moral Rating Agency](#)

The Moral Rating Agency was set up to get Russia out of Ukraine. It later plans to cover corporate unethical actions in other countries and on other 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 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-founders 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](#).