

CIBA SC
corporate sustainability rating
 scale from A (most sustainable) to E (least sustainable)

B

02.10.2003

		d e t a i l s (marks range from 0 to 10)				rating by theme	weight of theme ↓
		transparency	principles	management	operations		
t h e m e s marks range from 0 (worst) to 10 (best)	Business Ethics	10	10		10.0	10%	
	Community	4	6		4.0	16%	
	Vendors & Contractors	4	10	6	0	4.0	6%
	Corporate Governance	6	6		6.0	6%	
	Customers	4	9	10	NA	7.0	4%
	Employees	7	10	9	6	7.3	23%
	Environment	10	10	10	5	8.3	35%
controversial issues marks range from -10 (worst) to 0 (best)					-1		

Comment

Ciba SC is quite a transparent company with developed communication on several sustainability issues, even if charitable activities and customers do not attract much attention from the company.

The company does not communicate a lot on its charitable activities, but discloses relevant information on business ethics. In fact, bribery and corruption are defined precisely in the company's Code of Conduct and programs for the implementation of the code are in place. The group appointed a Group Compliance Officer and Regional Compliance Officers and set up help lines to support the implementation of the code. In November 2001, the first Annual Report to the Compliance Officer (a confidential document) was completed.

For what regards Human Resources management, Ciba SC focuses on Health & Safety issues, an area where the company received several distinctions. Another relevant point is the constructive social dialogue between the company and employee representatives. Ciba SC's Code of Conduct also contains some guidelines on employee matters such as equal opportunity. The document also provide guidance on EHS issues.

It has to be stressed that Ciba SC has been reorganizing its Human Resources Department and has been working on its first social policy. The new guidelines cover all relevant social topics and refer to the Universal Declaration of Human Rights and on different ILO Declarations and Conventions. It also applies to suppliers.

As a Swiss company, one of the strength of Ciba SC is its serious handling of corporate governance issues. The company relies on a written charter providing that the board and its committees be composed of independent members. This efficient structure is however partially offset by the fact that Ciba maintains a voting rights limit on its capital.

Environmental reporting is comprehensive, with full EHS report each two years and annual summary versions. Though the company does not systematically have its sites externally certified, EHS management has a clear structure, with well defined responsibilities, from management level to site level. Ciba is involved in two serious, yet not recent, controversies related to contaminated sites (Toms River production site in USA and Bonfol Landfill in Switzerland). Those controversies do not testify of the current environmental behaviour of Ciba SC, but they have darkened its environmental image.

Centre Info *corporate sustainability rating* is produced using the Centre Info proprietary method of corporate responsibility assessment (version 2001). The method weights the sustainability performance of the company with the controversies that the company faces.

This *corporate sustainability rating* is based upon data from Centre Info and SiRi Group.

