

Best Buy Ethical screening of: Freethought Internet Limited

Date: 27th July 2018

Company overview:

Freethought Internet Limited is a web hosting and services company which began in 2003 when founder Keiran Jones, then 16, started reselling web hosting for friends and family. In 2006 it merged with another company to become Freethought Internet.

The company prides itself on providing first rate customer service to its hundreds of clients for their thousands of websites. In an interview for the Hosting Advice website in 2018, Jones said: "We are small, but I think that's an advantage. It means that we get to know our customers."¹

Freethought is based in Lincoln and is classified as a micro-entity by Companies House, meaning that it has a turnover of £632,000 or less and/or has £316,000 or less on its balance sheet and/or employs 10 people or less. The company has three directors, at least two of which are active in the company, and, as of June 2018, one additional employee.

Freethought is a member of Nominet, the UK's internet registry. Director Edward Dore spoke out against Nominet price rises in 2015.²

Ownership:

According to a questionnaire returned by Freethought Internet to Ethical Consumer, and documents filed with Companies House, shares in the company are held by Directors and other individuals. The Directors hold the majority shares.³

Ethical Consumer rating and recommendation

Freethought Internet Limited receives an **Ethiscore of 14.5 out of a possible 15** on Ethical Consumer's database.

Its environmental reporting and approach to workers' rights is considered positive for a small company.

It gains a positive half mark for providing products which are certified carbon neutral. It either uses data centres which use renewable energy or it offsets the carbon used, in addition to offsetting other consumption such as travel and packaging. It uses certified offset schemes which are reforestation projects in the Southern Hemisphere. Ethical Consumer has reservations regarding carbon offsetting. However, this company's approach – which also involves reducing and reusing inputs – is well thought through, takes into consideration all of the company's environmental impacts and delivers a product that is genuinely environmentally progressive.

No external criticisms were found of the company.

Recommended for the Best Buy label: Yes

1 www.hostingadvice.com/blog/freethought-internet-grows-uk-hosting-by-building-custom-solutions/

2 www.independent.co.uk/life-style/gadgets-and-tech/news/cost-of-setting-up-website-soars-as-uk-internet-registry-hikes-prices-by-50-a6750496.html

3 beta.companieshouse.gov.uk/company/05862996/persons-with-significant-control

Ethical Consumer database records:

Environment

Environmental Reporting

Best Ethical Consumer rating for environmental reporting (July 2018)

In July 2018 Ethical Consumer received a questionnaire from Freethought Internet Ltd which stated that the company had a turnover of below £10.2 million. As such it was classified as a small company, and was not required by Ethical Consumer to meet the same standards as a larger entity for its environmental reporting.

Freethought's Ethical & Environmental Policy was downloaded from its website, www.freethought-internet.co.uk. This covered the issue of energy use in its data centres, which was said to be renewable or, where this was not possible, the carbon used was offset. The company was said to measure waste, travel, packaging and ingredients in order to offset and compensate for its consumption. Freethought Internet was certified carbon neutral.

Regarding electronic waste, the company was said to try to sell it on or donate to charities or social enterprises. Where this was not possible it was said to dispose of it with a properly licensed electronic waste recycling company.

The company was also said to use refurbished equipment wherever possible.

The Policy stated that the company was committed to recycling 100% of the recyclable waste that it produced each year and to reduce wherever possible the amount of non-recyclable waste that it produced. It was said to use recyclable and sustainable packaging materials over non-recyclable.

Freethought Internet was considered to have a reasonable understanding of its main environmental impacts. It did not have dated, quantified targets to reduce its impacts in the future, nor did it provide environmental data (including meaningful carbon disclosure) which was verified by a third party. However, as a small company which provided environmental alternatives, it was exempt from these requirements under Ethical Consumer's rating system and received a best rating for its environmental reporting. (ref: 1)

Climate Change

Positive policy for energy use in data centres (July 2018)

In July 2018 Ethical Consumer viewed the Freethought Internet Ltd Ethical & Environmental Policy for information on the type of energy used by data centres used by the company. The policy stated:

"When selecting our data centre partners... we need to know that the power they source is green. Where the power is not sourced from renewable energy and they are unwilling to change their policy, we will place additional resources into engaging with a certified carbon neutral scheme to off set the carbon emissions of these operations."

Freethought Internet's website stated that it was certified carbon neutral and invested in certified reforestation projects "primarily in the southern hemisphere including Indonesia, Brazil, and Malawi".

Due to the fact that either the data centres used by the company used renewable electricity or the company "offset" non-renewable energy used it was not marked down in the climate change category. (ref: 1)

People

Supply Chain Management

Small services company with positive workers' rights approach (July 2018)

In July 2018 Ethical Consumer received a questionnaire from Freethought Internet Ltd which stated that the company had a turnover of below £10.2 million. As such it was classified as a small company, and was not required by Ethical Consumer to meet the same standards as a larger entity for its supply chain management systems. Small companies received Ethical Consumer's best rating if they demonstrated effective if not explicit management of workers' rights in their supply chains. Furthermore, the company was not engaged in the supply of physical products to third parties, therefore it received an exemption in this category. The information provided below is for interest only.

Freethought Internet's Ethical & Environmental Policy was viewed, which contained a section on supply chain management. The company was said to operate an approved supplier list, keeping its number of suppliers small and ensuring "as far as possible that they have the correct policies in place in order to keep the supply chain ethical."

The document stated: "Manufacturers and suppliers that do not meet our ethical values and international laws regarding forced labour, fair living wage, excessive working weeks (more than 48 hours), child labour of any kind, and discrimination based on race, gender, sexual orientation, nationality, etc will be immediately removed from our approved supplier list and no longer used.

"Our most common suppliers of hardware, components, or services are; SuperMicro, Dell, HPE, Arista, Intel, Broadcom, Samsung, Seagate, Western Digital, Microsoft, and Apple." Whilst this transparency was welcomed, it was noted that the company did not publish its approved supplier list.

Further details were provided in the questionnaire. This stated that as part of its ISO 9001 certified approved supplier list, suppliers were required to answer a comprehensive questionnaire which included ethical statements and requests for information about supply chain management. This was said to include issues such as conflict minerals, forced labour, wages, excessive working hours etc. According to the company, "We re-approve all suppliers once per year as part of our ISO compliance and ask for evidence and policies relating to these issues. If a company is found to be in anyway incompatible with our ethical policy then we would refuse to approve the supplier and seek alternatives... Were an already approved supplier found to be breaching our standards requirements then the supplier would be given the opportunity to remedy the situation, if they fail to do so then their services would be terminated at the earliest contractual opportunity."

Regarding its direct employees, the company's Ethical and Environmental Policy stated that it had policies which condemned any work place intimidation, forced labour, pressure to work overtime, excessive working hours (i.e. greater than 48 in a week), discrimination of any kind for any reason including but not limited to; gender, sexual orientation, race, nationality, political views, or religion. The company was said to "encourage and facilitate employees taking the time they need to support their families" and to operate a flexi-leave system.

For a small company Freethought Internet was considered to have a positive approach to workers' rights both of its direct employees and those in its supply chain. (ref: 1)

Politics

Company Ethos (+ve)

All products certified carbon neutral (July 2018)

When viewed by Ethical Consumer in July 2018 the Freethought Internet website, www.freethought-internet.co.uk, stated that the company was certified carbon neutral. Its Ethical & Environmental Policy provided details on how it achieved this: selecting efficient and low power hardware; using data

Ethical Screening



Unit 21, 41 Old Birley Street, Manchester, M15 5RF
Tel: 0161 2262929 | Fax: 0161 2266277 | www.ethicalconsumer.org

centres which used renewable energy or, where this was not possible, offsetting non-renewable energy used; measuring waste, travel, packaging and ingredients and ensuring that consumption was offset and compensated.

The Policy stated: "Our goal and commitment is to ensure that all products and services provided by us are verifiably carbon neutral."

The company was considered to be engaged solely in the provision of environmentally progressive products, therefore it received a positive half mark in Ethical Consumer's Company Ethos category. (ref: 1)

References

1 - Freethought Internet Limited Corporate Communications: Ethical & Environmental Policy (June 2018)