

Toyota Number One for First Time in Seven Years

FCVs and Hybrids Give Carmaker a Boost

Nikkei Business Publications* released on July 7 the results of its Eco-brand Survey 2016. This annual survey by Nikkei BP Eco Management Forum covers 560 major corporate brands in Japan.

The study, now in its 17th year, analyzes information gathered through a questionnaire administered by email, and measures how consumers are viewing and responding to the environment-related communications and activities of the target corporations. For this year's survey, the questionnaire was administered between March 19 and April 24, 2016; effective responses were obtained from 20,300 consumers throughout Japan. The survey's major findings are as below.

Toyota was number one in the overall ranking for the first time in seven years, with an eco-brand score of 102.6, up from 97 last year. The carmaker overtook Suntory, which had come in first for five consecutive years, with a score of 99.3 this year. This year Toyota ranked first in each of four metrics that determine a company's eco-brand score.

The four metrics used by the survey are: Consumer exposure to the company's environmental information; environment-related communication, such as environmental reports and media coverage; respondent descriptions of the company's image in relation to the environment; and respondent evaluations of the company's environment-related activities. These four metrics, which strongly influence corporate brand perceptions, are aggregated in the overall ranking.

*Nikkei Business Publications, Inc. is a Nikkei Group company.

Toyota gets a lift from Mirai and Prius vehicles

Toyota came first in the ranking each year from 2000, when the survey was started, to 2009. The Prius, Toyota's hybrid car, contributed to consumers' positive views of the company. But in 2010, Toyota lost the lead to Panasonic, which launched the Econavi, an energy-saving technology for household appliances, the same year. From 2011 to 2015, Suntory came in first. The drink maker achieved notice through its campaign to protect water resources, with the slogan "Suntory, Bringing Water to Life ."

Reasons for Toyota's return to first place this year include consumers' positive perception of the Mirai, the world's first mass-produced fuel cell vehicle, and the launch of the fourth-generation Prius.

Additionally, the "Toyota Environmental Challenge 2050," a corporate sustainability initiative announced in October 2015, has helped improve the company's public image.

Societal and corporate sustainability are drawing yet greater attention following the Paris climate agreement and the adoption of the United Nations Sustainable Development Goals (SDGs). Investors are increasingly concerned about companies' environment, social and corporate governance (ESG), and are making decisions based on these factors. With this in mind, this year the Nikkei BP Eco Management Forum compared investors' appraisal of companies' efforts in ESG with the results of the Eco-brand survey. This comparison showed, among other things, that many of the companies on the CDP's A List for their outstanding efforts in emissions reductions and water conservation, were also among the top 50 companies in the Eco-brand index.

As ESG-based investing becomes more widespread, some investors are choosing to use the Eco-brand Survey results as a metric for a company's efforts in social responsibility. A feature article in the August

2016 issue of Nikkei Ecology (published July 8), "Eco-brand Survey 2016" (pages 40-53) explores this development in detail.

Eco-brand Survey 2016: Overall ranking (top 20 corporations)

Rank	Last year's rank	Corporate brand	Score
1	(2)	Toyota Motor	102.6
2	(1)	Suntory	99.3
3	(3)	Panasonic	88.9
4	(5)	Aeon	88.5
5	(6)	Honda	84.3
6	(4)	Nissan Motor	81.5
7	(7)	Kirin Brewery	78.5
8	(20)	Sapporo Breweries	74.2
9	(12)	Coca-Cola (Japan)	74.0
10	(23)	Japan Tobacco	73.6
11	(17)	Asahi Soft Drinks	73.0
12	(28)	Seven-Eleven Japan	72.7
13	(17)	Yamato Transport	72.2
14	(16)	Mazda	71.8
15	(21)	Kao	71.3

16	(11)	Toshiba	70.8
17	(8)	Asahi Breweries	70.6
18	(9)	Sharp	70.3
19	(15)	Hitachi	69.8
20	(22)	Kagome	69.7

Corporations that ranked high on positive descriptors

"Making efforts to conserve energy or reduce energy consumption"

Rank	Corporate brand	Percentage
1	Toyota Motor	28.1
2	Panasonic	22.4
3	Nissan Motor	22.3
4	Honda	20.1
5	Mazda	16.4
6	Yamato Transport	15.1
7	East Japan Railway	13.9
8	Daihatsu Motor	13.7
9	Mitsubishi Electric	13.6
10	Central Japan Railway	13.0
11	Toshiba	12.8

12	Daikin	12.5
13	JX Nippon Oil & Energy (ENEOS)	12.1
14	Tokyo Gas	11.8
15	Sharp	11.7
15	Suzuki Motor	11.7
17	Hitachi	11.6
18	PanaHome	11.5
19	West Japan Railway	11.1
19	Bridgestone	11.1

"Making an effort to recycle resources"

Rank	Corporate brand	Percentage
1	Fast Retailing	17.1
2	Suntory	16.9
3	Coca-Cola (Japan)	16.8
4	Aeon	14.8
5	Asahi Soft Drinks	14.2
6	Seiko Epson	13.8
7	Canon	12.6
8	Kirin Brewery	11.9

9	Ito En	11.7
10	Seven-Eleven Japan	11.5
11	Asahi Breweries	11.4
12	Toyota Motor	11.3
13	Panasonic	11.0
14	Ricoh	10.7
15	Kokuyo	9.9
16	Bridgestone	9.7
17	Sapporo Breweries	9.6
18	NEC	9.4
19	Ryohin Keikaku	8.7
20	Ito-Yokado	8.4

"Making an effort to reduce waste generation"

Rank	Corporate brand	Percentage
1	Seven-Eleven Japan	9.5
2	Toyota Motor	9.3
3	Suntory	8.1
4	Aeon	7.1
5	Panasonic	6.8

6	Kewpie	6.3
7	McDonald's Company (Japan)	6.2
8	Asahi Soft Drinks	6.0
8	Lawson	6.0
10	Sapporo Breweries	5.9
11	MOS Food Services	5.7
12	Seiyu GK	5.6
13	Kirin Brewery	5.5
14	Asahi Breweries	5.4
14	Ito-Yokado	5.4
14	Fuji Xerox	5.4
17	Starbucks Coffee Japan	5.3
18	NH Foods	5.2
19	Kao	5.0
19	Yoshinoya	5.0

"Making an effort to preserve biodiversity and plant and animal resources"

Rank	Corporate brand	Percentage
1	Suntory	15.4
2	Japan Tobacco	5.7

3	Aeon	5.0
4	Sumitomo Forestry	4.8
5	Kirin Brewery	4.7
6	Sapporo Breweries	4.6
7	Toyota Motor	4.2
8	Nikka Whisky Distilling	3.6
9	MOS Food Services	3.5
10	Asahi Soft Drinks	3.2
10	Otsuka Pharmaceutical	3.2
12	Ajinomoto General Foods	3.1
12	Kagome	3.1
12	Saraya	3.1
15	Asahi Breweries	3.0
16	Ito En	2.9
16	Maruha Nichiro	2.9
18	Morinaga Milk	2.8
19	Oji Paper	2.7
19	Kao	2.7
19	Japan Environment Association (Eco Mark)	2.7

19	Hitachi	2.7
19	Pokka Sapporo Food & Beverage	2.7
19	Lion	2.7

Among companies viewed as "making efforts to conserve energy or reduce energy consumption," makers of fuel-efficient automobiles were prominent in the top 20. Railway companies, which have gained attention for more environmentally-friendly trains, also made the top 20. Fast Retailing, which has a program to collect and recycle used clothing, was number one among companies seen as "making an effort to recycle resources." Convenience store chain Seven-Eleven Japan came in first among companies seen as "making an effort to reduce waste generation." Suntory, which has been contributing to forest conservation in order to maintain the sustainability of groundwater, was first among companies seen as "making an effort to preserve biodiversity and plant and animal resources."

About Nikkei BP Eco Management Forum

Nikkei BP organized this forum in the year 2000 to help protect the well-being of nature and its ecosystems, and to encourage business practices that make growth sustainable. Together with its approximately 140 member corporations and organizations, the Eco Management Forum supports and shares the insights gained through seminars, surveys and other activities.

Our website (in Japanese) can be viewed at:

<http://business.nikkeibp.co.jp/emf/>

Information in English is available here:

http://web-cache.stream.ne.jp/www11/nikkeibpw/com/EMF/EMF2016_en_web.pdf

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