
Nikkei BP Eco-brand Survey 2017

Suntory Returns to the Top

Toyota Recognized for its Strong Efforts in Social and Corporate Governance

Nikkei Business Publications* on July 7 released the results of its Eco-brand Survey 2017. This annual survey by Nikkei BP Eco Management Forum covers 560 major corporate brands in Japan.

The study, now in its 18th 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 15 and April 23, 2017; effective responses were obtained from 20,300 consumers throughout Japan. The survey's major findings are as below.

Suntory came in first in the overall ranking, displacing Toyota, last year's winner. While Suntory's eco-brand score increased from 99.3 last year to 100.3 this year, Toyota's fell from 102.6 to 99.8. This year, it was a close contest between the two firms, with both coming in either first or second of each of the four metrics used to determine the companies' eco-brand scores.

Suntory also came in first each year from 2011 to 2015. Last year was the first time in seven years Toyota was first.

Suntory's brand recognition has gone from strength to strength, partly thanks to increased sales of its natural mineral water. The company has launched a number of new products since 2013, including "Premium morning tea lemon" in April. Its strategy of introducing new products under established brand names is known as "line extension," and is commonly employed by manufacturers of foods and beverages.

Suntory's sales have doubled over the past six years, and in 2016 exceeded 100 million cases. The company is now attempting to boost sales of its beer by leveraging its success in bottled water; in March, it renamed four breweries in Japan "natural mineral water breweries." It is using its strong brand power to increase sales, which in turn helps boost its brand power — a strategy that helped it take first place in this year's survey.

Increasingly, environmental, social, and corporate governance (ESG) factors are being used by investors to evaluate corporate sustainability. In this year's survey, for the first time we ranked companies by their efforts in social issues and governance, based on participants' views of each company's efforts in these areas. A higher SG score means a company is perceived as making greater efforts.

In the SG ranking, Toyota came in first, Suntory second, and Panasonic third. All three companies rank high in the overall ranking every year. But their SG scores show another story: Toyota's was 123.3, Suntory's 96.5, and Panasonic's 94.9. Toyota's 26.8 point lead over Suntory demonstrates its strong reputation in social issues and governance.

Toyota was perceived very positively in a range of areas. The survey included 12 categories that resulted in a higher SG score; of these, Toyota came in first in four categories, and second

in five categories. It is viewed especially positively in terms of its efforts to "protect and create jobs," "promote and support culture, art, academics, sports, and science," and "disclose information on its products and services and corporate activities."

Toyota, with 348,877 employees (including at its subsidiaries) as of the end of March 2016, is the largest employer in Japan. In 2015, the firm spent 25.3 billion yen on philanthropic activities. It has made contributions in the areas of public education (to foster future employees), social and cultural activities, the environment, and transportation safety, based on its founding principal of "contributing to society by making cars." These philanthropic efforts are reflected in the company's high SG score.

A feature article in the August 2017 issue of Nikkei Ecology (published July 8), "Eco-brand Survey 2017" (pages 40-53), describes the Eco-brand ranking and SG perception ranking in detail.

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

Eco-brand Survey 2017: Overall ranking (top 20 corporations)

Rank	Corporate brand	Score
1	Suntory	100.3
2	Toyota Motor	99.8
3	Panasonic	88.4
4	Honda	85.9
5	Nissan Motor	80.7

6	Kirin	79.5
7	Aeon	79
8	Seven-Eleven Japan	73.9
9	Asahi Breweries	73.8
10	Coca-Cola (Japan)	73.3
11	Sekisui House	72
12	Sapporo Breweries	71.5
13	JX NIPPON OIL & ENERGY (ENEOS)	71.3
13	Daikin	71.3
15	Bridgestone	71
16	Mazda	70.8
17	McDonald's Company (Japan)	70.3
18	Japan Tobacco	70.1
19	East Japan Railway	69.8
20	Ito En	69.3
20	Kao	69.3

The Eco-brand scores above are determined by aggregating four metrics, which strongly influence corporate brand perceptions: 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.

Corporations that ranked high on positive descriptors

"Making efforts to conserve energy or reduce energy consumption"

Rank	Corporate brand	%
1	Toyota Motor	29.8
2	Honda	24.8
3	Nissan Motor	23.5
3	Panasonic	23.5
5	Daikin	19.2
6	Mazda	18.3
7	East Japan Railway	17.2
8	JX NIPPON OIL & ENERGY (ENEOS)	15.3
9	Suzuki Motor	15.1
10	Daihatsu Motor	14.4

"Making an effort to recycle resources"

Rank	Corporate brand	%
1	Fast Retailing	19.1
2	Coca-Cola (Japan)	18.3

3	Seiko Epson	14.7
4	Aeon	13.8
5	Suntory	13.6
6	Panasonic	13.2
7	Canon	12.6
8	Kirin	12.3
9	Asahi Soft Drinks	11.7
10	Asahi Breweries	11.6

"Making an effort to reduce waste generation"

Rank	Corporate brand	%
1	Seven-Eleven Japan	8.3
2	Panasonic	7.6
3	Suntory	7.5
4	Ito-Yokado	7.2
5	FamilyMart	7
6	Mos Food Services	6.8
7	McDonald's Company (Japan)	6.6
8	Asahi Breweries	6.5
8	Aeon	6.5
10	Kao	6.1

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

Rank	Corporate brand	%
1	Suntory	16.6
2	Sumitomo Forestry	7.1
3	Kirin	6.5
4	Aeon	4.9
5	Sapporo Breweries	4.7
6	Kagome	4.5
7	Saraya	4.1
8	Ajinomoto	3.8
8	Lion Corporation	3.8
10	Kewpie	3.7

"Making an effort to educate employees about environmental issues"

Rank	Corporate brand	%
1	Oriental Land	6.5
2	Suntory	6.4
3	Toyota Motor	6.1
4	Panasonic	5
5	Yamato Transport	4.7
6	McDonald's Company (Japan)	4.4

7	Google	4.2
7	Starbucks Coffee Japan	4.2
7	Japan Tobacco	4.2
7	Mos Food Services	4.2

Toyota Motor came in first among companies viewed as "making efforts to conserve energy or reduce energy consumption." The top three companies in this category were all carmakers, which closely compete in the area of eco-friendly vehicles. Among companies viewed as "making an effort to recycle resources," the top-ranked company was Fast Retailing, which has a program to collect and recycle used clothing. Convenience store chain Seven-Eleven Japan was first among companies viewed 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 the top company seen as "making an effort to preserve biodiversity and plant and animal resources." Oriental Land Company, which is known for its environmental beautification efforts in its amusement parks, ranked highest for "making an effort to educate employees about environmental issues."

SG perception ranking (top 20)

Rank	Corporate brand	Score
1	Toyota Motor	123.3
2	Suntory	96.5
3	Panasonic	94.9

4	Google	85.2
5	Honda	84.5
6	Kirin	82.1
7	Shiseido	80.2
8	Nissan Motor	79.7
9	Coca-Cola (Japan)	79.6
10	Oriental Land Company	76.9
10	Sony Corporation	76.9
12	Japan Airlines (JAL)	76.6
13	Yakult Honsha	75.5
14	Kao	75
15	Aeon	74.4
16	Asahi Breweries	72.7
17	ANA Holdings	72.1
18	Apple Japan	71.8
19	Kyocera	71.7
20	Calbee	71.5

SG perception was included in the survey for the first time this year. Participants were queried regarding their views of 560 brands' efforts in social issues and governance, with

responses to 12 positive categories and five negative categories aggregated to determine a company's score in SG perception.

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 130 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

Contact information:

If you would like more information on this survey, the Forum's secretariat can be reached at:

(81)-3-6811-8803. For media inquiries, our telephone number is: (81)-3-6811-8556.