

## **INTERBRAND RELEASES THE 3<sup>rd</sup> ANNUAL BEST GLOBAL GREEN BRANDS REPORT**

*Automotive sector dominates; Toyota, Ford, and Honda are the top three brands; Nissan is the top riser. Brands committed to transparency and communicating with consumers continue to outperform.*

New York, NY (June 12, 2013) – Interbrand, the world’s leading brand consultancy and author of the annual Best Global Brands report, has released its 2013 Best Global Green Brands report. The automotive sector dominates with Toyota (#1), Ford (#2), and Honda (#3) claiming the top three spots in this year’s report. Nissan (#5), Ford (#2), Nokia (#9), and UPS (#32) earn honors as the year’s top risers, and new entrants include Nestlé (#14), Kia (#37), ZARA (#48), and Colgate (#50).

Interbrand’s 2013 Best Global Green Brands report examines the gap that exists between a corporation’s environmental practices and consumers’ perceptions of those practices. When identifying the top 50 Best Global Green Brands each year, Interbrand starts with the 100 brands that make up its annual Best Global Brands report. Interbrand then conducts extensive consumer research to capture public perception of the brand’s sustainable or green practices and compares that to environmental sustainability performance data provided by Deloitte—data that is based upon publicly available information.

“What makes the annual Best Global Green Brands report unique and valuable is that it examines performance and perception in action,” said Jez Frampton, Global Chief Executive Officer of Interbrand. “The report provides leading brands with the insights they need to develop robust strategies—strategies that will not only drive their businesses forward, but also have a positive impact on the environment and communities in which those businesses operate.”

David Pearson, Deloitte’s Global Sustainability Leader, noted “Sustainability continues to assert itself on the business agenda. Customers and stakeholders are holding businesses more and more accountable for sustainability performance, and businesses are working hard to ensure that their external perception reflects their internal efforts. Leading global brands are thus showing increased focus and innovation in the sustainability realm—leading to improved programs and reporting.”

### **Key Themes**

#### ***Innovation drives dominance of automotive brands in the top 10; Toyota retains its #1 position***

Automotive brands make up 50 percent of this year’s top ten with Toyota (#1), Ford (#2), Honda (#3), Nissan (#5), and Volkswagen (#7) topping the list. Collectively, the heavily regulated auto industry has effectively showcased its innovations and firm commitment to manufacturing vehicles in an increasingly sustainable way. Although most automotive brands have invested in meeting sustainability goals and complying with regulations, those brands that have invested in creating innovative products as evidence of their commitment to sustainability (e.g., Toyota Prius, Ford EcoBoost, Nissan LEAF) are receiving more

recognition from consumers.

Toyota, the #1 Best Global Green Brand for the third consecutive year, continues to dominate the hybrid vehicle market. The company sold more than 2.9 million Prius models worldwide in 2012. Toyota is also exploring the future of mobility by building a low carbon society called Toyota Ecoful Town in Toyota City, Japan. From reducing greenhouse gas emissions to using reusable metal containers for shipping and distribution, Toyota is a leading example of what can result—both in terms of performance and perception—when a company makes sustainability an integral part of its overarching business strategy.

Nissan (#5), the Japanese automaker, emerged as the top riser on this year's report. The brand moved up 16 places (from #21) and broke into the top 10. As with other brands in the auto sector, Nissan is becoming increasingly committed to developing and promoting its green credentials. In February, the company announced that 50,000 LEAFs had been produced worldwide, making the LEAF the most widely sold electric passenger car of all time. Nissan plans to cut 15 percent of vehicle weight starting in 2017, and it has joined forces with Daimler and Ford to develop a line of affordable fuel-cell cars that will roll out in 2017. Reducing vehicle weight through smarter design and material selection, utilizing renewable and sustainable materials, and turning to alternative fuels are just a few of the ways Nissan is making significant strides in the green arena—and proving that sustainability can, in fact, lead to profitability.

The leading auto brands in this year's report have made significant progress in regards to how their sustainability efforts are perceived by consumers worldwide. From managing to improve their stature on top sustainability reports and indexes, including the Dow Jones Sustainability Index (DJSI), to investing in advertising spend, these brands are not hesitant to communicate their innovative and sustainable practices to consumers worldwide.

***Technology brands dominate the overall report; Panasonic leads the category***

Twelve brands from this year's Best Global Green Brands report hail from a sector deeply rooted in innovation: technology. Technology brands are leveraging their core competency of engineering and cultural drive for constant innovation to increase their positive impact on the environment. On the whole, the tech sector leads the way in making environmental considerations a top priority, and this has even begun to influence other sectors as well. Whether it be efforts to reduce energy use through more efficient designs, or re-imagining how products are packaged and shipped, leading tech brands are turning their flagship offerings into performance and efficiency heroes. Panasonic (#4), the Japanese multinational electronics company, earned its position as the category leader by continuing to offer innovative, eco, and smart solutions to its global consumer base.

***Sustainable fast fashion: adidas, Nike, H&M, and ZARA are this year's top apparel/retail brands***

With the magnifying glass of social media hovering over apparel and retail brands, supply chain has graduated from a means of creating efficiency and lowering cost to a real indication of what these brands stands for. adidas (#15), Nike (#31), H&M (#42), and ZARA (#48) are the top ranking retail/apparel brands in this year's report. Now, more than ever before, such brands are being held responsible for the quality and safety of their factories around the world. adidas is closely scrutinizing its supply chain, Nike has become more

water- and-energy efficient, H&M has signed onto the Accord on Fire and Building Safety, and ZARA built an eco-friendly store in New York that features motion detectors to reduce energy consumption.

**Top risers (by rank): Nissan, Ford, UPS & Nokia**

As referenced earlier in this document, Nissan (#5), the Japanese automaker, emerged as the top riser on this year's report. The brand moved up 16 places (from #21) and broke into the top 10.

In 2012, Ford (#2) moved sustainability from the periphery to the center of its business strategy. As a result, the American automaker moved up 13 spots to claim one of the top spots in this year's report. Ford heavily promoted its EcoBoost engine in its best-selling F-150 pickup truck—a message that clearly resonated with consumers. (In 2012, Ford sold 334,364 EcoBoost-equipped vehicles, more than one-and-a-half times the number it sold in 2011.)

Nokia (#9) and UPS (#32) both jumped 11 places. For nearly a decade, corporate responsibility has been a focal point at Nokia, the Finnish multinational technology corporation. As a result, Nokia holds prominent positions among several international sustainability rankings, including the Dow Jones Sustainability Index, Greenpeace Guide to Greener Electronics, and *Forbes'* list of the World's Most Sustainable Companies. Moving up 11 places, UPS, the multi-billion-dollar corporation that focuses on enabling commerce around the globe, continues to explore new ways in which its supreme knowledge of renewable energy and advanced fleet technology can be applied to every aspect of its business. UPS recently announced one of the largest single deployments of zero-emission vehicles in the world; a 100-strong fleet that will reduce consumption of conventional motor fuel by approximately 126,000 gallons per year.

**Methodology**

The foundation of the annual Best Global Green Brands report is Interbrand's annual Best Global Brands report. It is a report that, when published each fall, determines the world's 100 most valuable brands—brands that have a global presence and a record of delivering value to stakeholders.

To make the top 50 Best Global Green Brands, organizations must perform well in terms of both sustainability performance and perception. Brands are measured against two sets of criteria:

- Performance: Organizations must demonstrate that they source, produce, and distribute products and services in an environmentally responsible manner.
- Perception: Organizations must work to build value amongst key audiences by credibly conveying the benefits of their environmental practices.

What Interbrand refers to as “the gap” is the difference between a brand's performance and perception scores.

- A positive gap indicates sustainability performance is actually higher than consumers perceive it to be.

- A negative gap indicates consumers perceive a brand to be more of a sustainable leader than it actually is.

#### *Perception assessment*

Interbrand examines how a brand's sustainability efforts are perceived by consumers. Each brand's perception score is determined through a consumer study covering over 10,000 respondents; over 1,000 in each of the 10 largest economies, including the US, Japan, China, Germany, France, UK, Italy, Brazil, India, and Russia. Each brand is assessed by over 1,200 consumers, using Interbrand's six external brand strength pillars: Authenticity, Relevance, Differentiation, Consistency, Presence, and Understanding.

#### *Performance assessment*

Deloitte examines each brand's performance in terms of its sustainability/environmental initiatives as an input to Interbrand's overall scoring methodology. For the purposes of the annual Best Global Green Brands report, Deloitte developed a corporate environmental performance methodology based on publicly available data drawn from such sources as Corporate Social Responsibility/Sustainability Reports, Carbon Disclosure Project Responses, Annual Reports, 10-k filings, Company Websites, and the ASSET4 Database from Thomson Reuters. A brand's Green Performance Score is composed of 83 metrics upon which each brand is ranked. The metrics evaluate companies' disclosure and environmental performance across six pillars: Governance, Operations, Transportation and Logistics, Stakeholder Engagement, and Supply Chain. Such data is then inputted into Interbrand's overall scoring methodology.

#### *Overall Score*

The Best Global Green Brand report's overall scores are calculated by combining the standardized performance and perception scores. A discount factor is applied in those cases where positive perceptions of the brand outweigh a company's actual green performance. The final ranking is based on companies' overall scores relative to other companies and previous years' results.

To learn more about Interbrand's 2013 Best Global Green Brands report, please visit [www.bestglobalgreenbrands.com](http://www.bestglobalgreenbrands.com).

#### THE 2013 BEST GLOBAL GREEN BRANDS

| 2013 Rank | Brand             | Change in Rank | 2013 Gap |
|-----------|-------------------|----------------|----------|
| 1         | Toyota            | 0              | -2.53    |
| 2         | Ford              | 13             | -2.57    |
| 3         | Honda             | 0              | -2.10    |
| 4         | Panasonic         | 2              | 15.15    |
| 5         | Nissan            | 16             | 2.06     |
| 6         | Johnson & Johnson | -4             | 3.09     |
| 7         | Volkswagen        | -3             | 2.96     |
| 8         | Danone            | 1              | -0.62    |
| 9         | Nokia             | 11             | 18.50    |
| 10        | Dell              | -3             | 8.17     |

|    |               |     |        |
|----|---------------|-----|--------|
| 11 | Sony          | 7   | 7.09   |
| 12 | HP            | -7  | 10.32  |
| 13 | BMW           | -3  | 5.42   |
| 14 | Nestlé        | NEW | 5.74   |
| 15 | adidas        | 7   | 6.66   |
| 16 | Samsung       | 9   | 7.68   |
| 17 | Mercedes-Benz | -1  | 8.13   |
| 18 | Siemens       | -10 | 11.37  |
| 19 | Coca-Cola     | 4   | -13.65 |
| 20 | L'Oréal       | -6  | 17.91  |
| 21 | Intel         | 6   | 12.03  |
| 22 | Apple         | -9  | -0.93  |
| 23 | Philips       | 8   | 7.39   |
| 24 | 3M            | -12 | 4.33   |
| 25 | GE            | -1  | -9.00  |
| 26 | Pepsi         | 2   | -0.88  |
| 27 | IBM           | -8  | 12.95  |
| 28 | Cisco         | -17 | 17.38  |
| 29 | Xerox         | 3   | 15.71  |
| 30 | Canon         | -1  | 6.56   |
| 31 | Nike          | -5  | 1.18   |
| 32 | UPS           | 11  | 1.54   |
| 33 | IKEA          | 6   | -11.18 |
| 34 | Hyundai       | -17 | 7.32   |
| 35 | Microsoft     | -2  | -9.30  |
| 36 | Starbucks     | 0   | -4.83  |
| 37 | Kia           | NEW | 6.11   |
| 38 | Kellogg's     | -3  | -9.81  |
| 39 | Caterpillar   | -1  | 0.30   |
| 40 | Shell         | -6  | -5.24  |
| 41 | Avon          | -4  | 5.13   |
| 42 | H&M           | 4   | 4.02   |
| 43 | Allianz       | -13 | 1.40   |
| 44 | AXA           | -2  | -1.55  |
| 45 | SAP           | -4  | -2.91  |
| 46 | Santander     | -6  | -5.18  |
| 47 | McDonald's    | -2  | -21.27 |
| 48 | ZARA          | NEW | -3.39  |
| 49 | Citi          | -5  | 8.13   |
| 50 | Colgate       | NEW | -8.30  |

### About Interbrand

Founded in 1974, Interbrand is the world's leading brand consultancy. With nearly 40 offices in 27 countries, Interbrand's combination of rigorous strategy, analytics, and world-

class design enables it to assist clients in creating and managing brand value effectively, across all touchpoints, in all market dynamics.

Interbrand is widely recognized for its annual Best Global Brands report ([bestglobalbrands.com](http://bestglobalbrands.com)), the definitive guide to the world's most valuable brands, as well as its Best Global Green Brands report ([bestglobalgreenbrands.com](http://bestglobalgreenbrands.com)), which identifies the gap between customer perception and a brand's performance relative to sustainability. It is also known for having created [brandchannel.com](http://brandchannel.com), the award winning resource for brand marketing.

For more information on Interbrand, visit [interbrand.com](http://interbrand.com).

### **About Deloitte's Sustainability Services Group**

Deloitte's sustainability services group draws on the insights and experience of Deloitte's four primary businesses — consulting, audit, tax, and financial advisory services — and industry-specific practices across corporate strategy and operations, supply chain, mergers and acquisitions, human capital and enterprise risk management. The result is a broad set of capabilities that address a range of domestic and global business opportunities and risks related to energy supply, demand and efficiency, water and other resource scarcity, carbon and greenhouse gas regulation and demand for increased transparency and confirmation of non-financial performance. For more information, visit:

<http://www.deloitte.com/us/sustainability>

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