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**Corporate Information Transparency Index (CITI) Rankings for Top 100 Brands Released in Tianjin (Press Release)**

On October 22, 2015, the Corporate Information Transparency Index (CITI) green supply chain rankings for the top-100 brands were released in Tianjin, China. The rankings show that a group of leading brands’ efforts on green procurement and production are achieving substantive progress, but most brands still have immense room for improvement. At the same time, green supply chain construction is drawing recognition from the government, enterprises and society.

The CITI index is the world’s first quantitative evaluation system to measure brands’ environmental supply chain performance in China and aims to confront the environmental challenges caused by the globalization of trade. It was jointly developed by the Institute of Public & Environmental Affairs (IPE) and the Natural Resources Defense Council (NRDC).

The 2015 annual CITI index evaluation identifies the top 100 brands to carry out environmental management toward their supply chains in China, of which the top ten brands are Apple, Adidas, H&M, Levi’s, Marks & Spencer, Panasonic, Walmart, Esquel, Microsoft and Hitachi. Huawei ranks at the top of the 40 brands from mainland China included in the evaluation.

Since the publication of the first CITI index evaluation report in July 2014, the importance of supply chain management for brands’ environmental performance is gradually receiving more attention, and a focus on green supply chain was written into the agenda at last year’s APEC leaders’ summit in Beijing. IPE Director Mr. Ma Jun believes, “That green supply chain was written into the ‘Beijing Declaration’ at the APEC summit shows that green supply chain development has risen to become an important policy of the Chinese government, which will provide a greater opening for participation from different stakeholders and actions that promote the greening of procurement and production in China.”

This edition of the CITI index was released at the “Sustainable Development and Business Practices —2015 Green Supply Chain Forum,” held in Tianjin. Ms. Mu Lingling, the general manager of Tianjin Green Supply Chain Center (TGCC), one of the organizers of the Forum, remarked, “Since the APEC summit approved the establishment of the first pilot center of the APEC Green Supply Chain Cooperation Network in Tianjin, China, Tianjin has launched a great deal of related efforts. This Forum and the release of the CITI index evaluation results are a part of these efforts.”

This year’s Forum was attended by over 200 participants, including leaders from the Ministry of Environmental Protection (MEP) and the city of Tianjin, representatives from 60 well-known international and domestic brands, as well as representatives from the United Nations Environment Programme, industry groups, research agencies, environmental NGOs and the media.

This year’s CITI index report analyzes key areas of progress and critical gaps in green supply chain development. On a positive note, even with this year’s more rigorous CITI evaluation criteria, the scores of 50 international and Chinese brands increased. Apple’s score of 72 represents a record high, demonstrating that brands can help China achieve improvements in information disclosure and public participation and make substantive progress in green supply chain work.

This year’s evaluation identifies cases of best practices to emerge for each of the criteria over the past year since the CITI was first developed. From these cases, one can see that brands from the same industries, such as IT and textile brands, have begun to cooperate and work together to push key suppliers in their industries to implement emissions reductions and bring them to scale. The multiple cases where green supply chain practices have resolved environmental conflicts between communities and enterprises demonstrate that multi-stakeholder participation in green procurement can provide a new option for solving the impacts of not-in-my-backyard (NIMBY) issues on development and social stability.

This year’s report also points out critical gaps that remain in the building of green supply chains. Of the 167 brands, there are still 100 brands with scores of 10 or lower, or that did not score any points for taking the initiative to screen their suppliers for violations. NRDC Health Director and Senior Scientist Ms. Linda Greer believes this reflects that corporate social responsibility has yet to be extended to key areas of environmental concern in supply chains: “Many companies annually publish glossy CSR reports, but very few corporate sustainability programs are properly focused and resourced. The result is that these plans are incapable of delivering environmental improvements in globalized operations around the world.”

The evaluation illustrates that the issue of a responsibility loophole surrounding centralized wastewater treatment is especially prominent. Considering that many wastewater treatment plants that receive factories’ wastewater do not meet emissions standards, the criteria of this year’s CITI index 2.0 version established a specific evaluation indicator for centralized wastewater treatment. 95% of brands did not score any points in this category, demonstrating that the majority of brands have yet to realize the significant loopholes that exist in wastewater treatment.

This year’s evaluation also found that Xiaomi and several other brands with supply chains that have poor environmental performance are still relying on low prices and publicity for their outstanding market performance, exemplifying that green supply chain has yet to become an area of concern for consumers.

One of the Forum organizers, China Environmental United Certification Center (CEC)’s general manager Ms. Zhang Xiaodan, commented: “IPE has conducted a great deal of beneficial work in the area of green supply chain development, especially the quantitative criteria for evaluating enterprises’ green supply chain management provided by the CITI index. CEC has rich experience in green supply chain-focused research and environmental certification for enterprises and hopes to share this experience with IPE to help improve enterprises’ environmental conduct and work together to improve China’s environment.”

Another co-organizer of the Forum, The Sustainability Consortium (TSC)’s Managing Director of Greater China, Mr. Zhou Weidong, commented: “Under the guidance of such policies as the Guiding Document for Enterprises’ Green Procurement (Trial) and the CCP Central Committee and State Council Opinion on Accelerating and Promoting the Construction of an Ecological Civilization, proactive efforts from each party will together promote the development of green supply chains. From the perspective of advancing corporate environmental information disclosure, the CITI index identifies outstanding cases and analyzes gaps in green supply chain development and thus has great value. TSC advocates for purchasers and suppliers to pay attention to and assess supply chain performance in certain important areas of the entire life cycle of products, and in the future will explore continued cooperation with IPE and other related parties to work together to promote sustainable development of supply chains.

Based on the key findings outlined above, the report recommends to adopt multi-stakeholder cooperation to promote the building of green supply chains. The report first recommends for the Ministry of Environmental Protection (MEP) to continue to strengthen monitoring and disclosure to provide a powerful safeguard of rule-of-law for green supply chain and other market-based solutions. It also recommends for economic and industry departments responsible for formulating and administering environmental protection policies on such areas as energy savings, water savings, low-carbon and circular use to issue supporting policies.

At the same time, the report recommends for brands to integrate green supply chain practices into their core production and operation activities, including going beyond just implementing green procurement in pilot programs to developing energy and emissions reduction activities in the key areas of environmental impact, using public data and audits that involve multiple stakeholders as means for encouraging suppliers to achieve results, and improving transparency surrounding environmental management as a means of fostering interactive communication between stakeholders.

To achieve the above targets, the report recommends for brands to replicate and refer to the cases of best practices in the CITI evaluation report. “These cases all derive from implementation of green supply chain management in China and pose particular significance for replication among brands in the same industries,” said IPE’s Green Supply Chain Project Manager Ma Yinging.

To promote greater concern among Chinese consumers toward control of pollution during production processes, the report recommends to strengthen societal awareness and popularity of green consumption, formulate policies that incentivize green consumption, and establish a credible system for environmental labelling and publicize it. At the same time, new networking technology should be used to form an information platform for green consumption that allows green consumers to better promote the construction of an ecological civilization.

The report reveals that IPE is currently upgrading its Blue Map (Weilan Ditu) app to integrate environmental data and brands’ performance and thereby enable consumers with the help of a mobile platform to better understand brands’ green performance.

The CITI evaluation covers nine industry sectors, and each sector also has its own leading brand. The leading brands for each industry are: IT – Apple; textiles – Adidas; food & beverage – Coca Cola; household & personal care – Kao; automobiles – Toyota; paper – Oji Paper; leather – Adidas; alcohol – Tsingtao; and diversified – Hitachi.

The number of brands grew from 147 in last year’s evaluation to 167 brands in this year’s report, with the main additions being brands from the Greater China region. The regional distribution of brands has become more balanced, reflecting to a certain extent changes and trends of supply chains in China. The top five scoring brands from Greater China in this year’s CITI are Esquel, Foxconn, Huawei, Esprit, and Li-Ning. Of these brands, Huawei ranks as the top brand from mainland China, placing 17 out of 167 brands.

The Institute of Public & Environmental Affairs (IPE) is a registered non-profit organization based in Beijing. Since its establishment in May 2006, IPE has developed the China Pollution Map database and the Blue Map mobile app, and also adopts green supply chain and green finance as means of promoting environmental information disclosure and public participation, improving environmental governance mechanisms, and advancing significant improvements in the scope of emissions reductions and environmental quality.

The Natural Resources Defense Council (NRDC) is an international non-profit environmental organization with more than 1.4 million members. Since 1970, NRDC lawyers, scientists, and other environmental specialists have worked to protect the world’s natural resources, public health, and environment. NRDC conducts work in the U.S., China, India, Canada, Mexico, Chile, Costa Rica, the European Union and in other countries around the world.