



# Race to Green

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Scoring Tech Companies from China, Japan and South Korea on their  
Climate Action and Renewable Energy Use



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# AGENDA


**Who is Greenpeace**

**Race to Green**

**Key Findings and Recommendations**



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- HISTORY AND SUCCESS
  - ONE OF THE BIGGEST ENVIRONMENTAL ORGANISATIONS
  - DIVERSITY AND CREATIVITY

# WHO IS GREENPEACE

# Why East Asian Tech Companies?

- Regional climate momentum
- Rapid growth of the sector has resulted in a sharp increase of electricity consumption



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# Why East Asian Tech Companies?

- Asian tech companies are lagging behind comparing to their global counterparts

Company Name	100% RE target	Progress of RE target (2021)	Year that RE target was proposed
<b>Google</b>	Achieved in 2017	100%	2012
<b>Apple</b>	Achieved in 2018	100%	2012
<b>Facebook</b>	Achieved in 2018	100%	2011
<b>Microsoft</b>	Achieved in 2014	100%	2014
<b>Amazon</b>	2025	65% (2020)	2014
<b>Equinix</b>	2030	90% (2020)	2015
<b>Salesforce</b>	2022	100%	2013

Figure 4. 100% Renewable Energy Targets and Progress by Major Global Tech Companies<sup>28</sup>

# RACE TO GREEN

1. 30 leading tech companies in the region.
  - a. 2019 Forbes top 100 digital companies list
  - b. Market value
  - c. Social impact.
2. The ranking assessed companies' climate commitments; climate actions; transparency and climate advocacy
3. All data were collected from public sources where the public can obtain information on without paying any fees or signing up for membership.
4. Data collection time: till 30.09.2021

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# Methodology

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	SCORING DIMENSION	SCORING PRINCIPLE
Weight 35%	<b>Climate Commitment</b> Companies will be assessed on whether they have issued a public commitment on carbon neutrality and 100% RE.	<b>Carbon neutrality commitment:</b> <ul style="list-style-type: none"> <li>-Has a clear timeline</li> <li>-Has detailed plans to achieve it</li> <li>-All office locations included</li> <li>-All three scopes included</li> </ul>
	<b>Climate Action</b> Companies will be assessed on whether they have taken measures to use renewable energy and reduce energy consumption.	<b>Commitment on 100% RE procurement by 2030:</b> <ul style="list-style-type: none"> <li>-Has a clear timeline</li> <li>-Has detailed plans to achieve it</li> <li>-All office locations included</li> <li>-Supply chain included</li> </ul>
Weight 20%	<b>Environmental data transparency</b> Companies will be assessed on whether they have disclosed energy use information to the public or stakeholders on a public-facing platform. Disclosure channels include annual reports, CSR or ESG reports, official websites etc.	<b>Renewable energy usage level and procurement method:</b> <ul style="list-style-type: none"> <li>-Renewable energy usage ratio disclosed</li> <li>-Procurement methods disclosed, such as distributed photovoltaic and wind power, investment in renewable energy projects, market-based procurement of green power, and purchase of green certificates</li> </ul>
		The adoption of energy efficiency and carbon reduction measures. Measures include (but are not limited to) energy saving in facilities, information systems, air conditioning, power supply and distribution systems, lighting, etc.
		<b>Actions taken to establish a green supply chain:</b> <ul style="list-style-type: none"> <li>-Ensure that suppliers are powered by renewable energy and implementing GHG emissions reduction measures</li> <li>-Financial assistance for carbon reduction across the supply chain</li> <li>-Provide training for carbon reduction across the supply chain</li> </ul>
Weight 10%	<b>Advocacy</b> Companies will be assessed based on whether they have engaged in carbon neutrality and RE procurement on different levels.	<b>Electricity usage data:</b> <ul style="list-style-type: none"> <li>-Total energy use disclosed</li> <li>-Energy usage type disclosed across all operations</li> <li>-Energy use disclosed on the branch/regional company level.</li> </ul>
		<b>Electricity usage data:</b> <ul style="list-style-type: none"> <li>-Electricity use</li> <li>-Renewable energy data</li> <li>-Electricity use on the branch/regional company level.</li> </ul>
		<b>Climate mitigation data:</b> <ul style="list-style-type: none"> <li>-Climate mitigation</li> <li>-Climate mitigation at the branch/regional company level.</li> </ul>
		<b>CO2 emission data:</b> <ul style="list-style-type: none"> <li>-Scope 1 and 2 emissions</li> <li>-Scope 3 emissions</li> <li>-Calculation method</li> </ul>
		Policy level: top-level advocacy with national/regional policymakers for renewable energy friendly policies Peer level: sharing experience with other businesses in carbon reduction and RE procurement Corporate governance: establishment of a working group at the senior management level to support carbon neutrality work

# Ranking Result

	Overall Grade	Commitment	Action	Transparency	Advocacy
	<b>C+</b>	C	C	B+	A-
	<b>C</b>	C-	C	C+	A-
	<b>C</b>	C-	D+	C+	A-
	<b>C-</b>	C-	C	B+	F
	<b>C-</b>	C-	C+	C-	F
	<b>C-</b>	D	D+	C+	B+
	<b>C-</b>	F	C	C+	A-
	<b>C-</b>	D-	C-	B	A-
	<b>C-</b>	D+	C	C+	F
	<b>C-</b>	D+	D	C+	A-
	<b>D+</b>	D	D+	C-	A-
	<b>D+</b>	C-	D	C-	C+
	<b>D+</b>	D+	D	C+	D-
	<b>D+</b>	D-	D+	C	B+
	<b>D+</b>	D	D	B+	D-

	Overall Grade	Commitment	Action	Transparency	Advocacy
	<b>D+</b>	D+	F	C+	D-
	<b>D+</b>	F	D-	C	A+
	<b>D+</b>	F	D+	C	B+
	<b>D</b>	D-	D	C+	F
	<b>D</b>	D-	D-	C	B+
	<b>D</b>	F	D	C	D-
	<b>D</b>	D	D-	C	F
	<b>D</b>	F	C	C	F
	<b>D-</b>	F	C-	F	B-
	<b>D-</b>	F	D	C+	F
	<b>D-</b>	D-	D-	F	C+
	<b>D-</b>	F	D	C	F
	<b>D-</b>	F	D	D+	F
	<b>F</b>	F	D	D	F
	<b>F</b>	F	D-	D+	F

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# KEY FINDINGS

- **Sony** received the highest overall grade on the ranking, C+
- Leading global brands **Samsung Electronics, Xiaomi, and Alibaba** were among the lowest scoring companies in the ranking, receiving D or D- grades

\*Sony renewed its commitments on Net Zero and 100% renewable energy in May 2022

\*Alibaba committed to carbon neutrality by 2030 in Dec 2021

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- Only two ranked companies have pledged to achieve 100% renewable energy by or before 2030: Yahoo Japan (2023), and Rakuten (2025).
- In many cases, companies have set target dates to achieve 100% renewable energy that are decades in the future, far too late to accelerate East Asia's energy transition.
- Few companies have pledged to reduce emissions across their entire supply chain.

\*Tencent committed to achieving 100% renewable energy and carbon neutrality across its supply chain by 2030 in Feb 2022

## KEY FINDINGS - COMMITMENT

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- Few companies have followed through on their commitments with real action.
- Ranked companies continue to opt for renewable energy sourcing methods that are characterized by high limitations and low impacts.

## KEY FINDINGS - ACTION

- 70% of ranked companies disclosed scope 3 emissions. The remaining 30% include Alibaba and Naver.
- Only four ranked companies disclosed data from outside the country where they are headquartered. These companies are: Sony, Canon, Renesas Electronics, and LG Electronics.

## KEY FINDINGS - TRANSPARENCY

- Ranked tech companies in South Korea, including Samsung Electronics, LG Electronics, and SK Hynix, have not publicly advocated to strengthen renewable energy policies.

## KEY FINDINGS - ADVOCACY

# RECOMMENDATION

- Set targets to achieve 100% renewable energy across the supply chain by 2030.
- Set ambitious GHG emission reduction targets that include the entire supply chain (scope 3) and are not reliant on the use of carbon offsets. Companies should also work towards zero GHG emissions, or as near zero emissions as possible, with short-term targets in place along the way.

# RECOMMENDATION

- Choose impactful renewable energy procurement methods, such as PPAs, which are trackable and contribute to national renewable energy capacity.
- Disclose climate and energy data across the supply chain by abiding by a data disclosure framework that includes scope 3 emissions.
- Utilize status as industry leaders to advocate for climate mitigation and renewable energy-friendly policies.

# Positive change through action



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