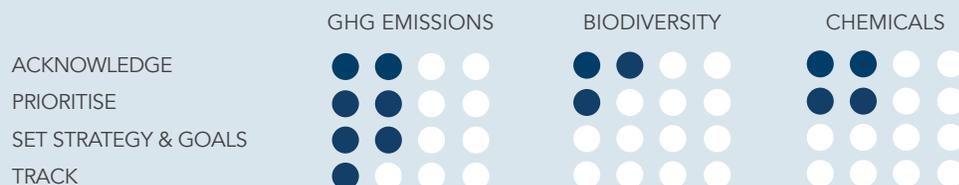


# Sony Corporation (Sony)



## Background on Sony

Sony is a Japanese multinational technology conglomerate. It was founded in 1946 and is headquartered in Minato, Tokyo. It operates across a range of sectors including consumer and professional electronics, gaming, entertainment, and financial services. Sony employs an estimated 125,000 people and reported global revenues of ¥8.1 trillion. Sony is a publicly traded company and is listed on both the Tokyo and New York Stock Exchanges.

## How did Sony come to start thinking about context?

The Japanese culture has a concept called 'kando', which describes the emotional connection an object creates with its owner. Sony believes that its sustainability performance is central to its overall brand value and so acting to address key socio-ecological issues helps Sony add "kando" to its products<sup>1</sup>. In 2010, Sony launched an initiative called "Road to Zero" which set out a vision to achieve a zero-environmental footprint throughout the life cycles of its products and its business operations by 2050<sup>2</sup>. The program was built around four areas of focus, namely climate change, resources conservation, management of chemical substances, and biodiversity.

Sony is part of the WWF's [Climate Savers Programme](#) and in 2015 used the forum to discuss its mid-term goals for the "Road to Zero" program<sup>2</sup>. It was through these discussions that Sony became aware of the science-based approach to setting GHG emissions reduction goals. Sony was encouraged to submit its proposed GHG emissions reduction goal to the [Science-Based Targets](#) initiative, which found Sony's established goal to already be in line with its assessment criteria. "We didn't actually set out to set a science-based target", commented Keiko Shiga

<sup>1</sup> Science-Based Targets (2016). Case Study: Sony Corporation. Accessed at: <http://sciencebasedtargets.org/case-studies/>

<sup>2</sup> Sony (2010). News Release: Sony launches "Road to Zero" environmental plan and sets 2015 mid-term targets. Accessed at: <http://www.sony.net/SonyInfo/News/Press/201004/10-0407E/>

who is part of Sony's Quality & Environmental Department<sup>1</sup>. Having its goal verified by the Science-Based Targets initiative gave Sony greater confidence that the "Road to Zero" program could positively contribute towards wider global efforts to mitigate the impacts of climate change.

## What does context look like at Sony?

### 1 ACKNOWLEDGE the need to operate within global, regional, and/or local socio-ecological thresholds.

GHG EMISSIONS



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**GHG emissions:** Sony acknowledges that its operations rely on a healthy natural environment and as such climate change is a central theme within its "Road to Zero" program<sup>3</sup>. However, outside of these high-level acknowledgements that climate change presents a global challenge, Sony has yet to explicitly commit to operating within the limits of this threshold. Sony has committed to working with its value chain to support them in reducing their GHG emissions<sup>4</sup>. Keiko Shiga, from Sony's Quality & Environmental Department, commented that Sony must work with its value chain to convey the importance of reducing GHG emissions as Sony can't achieve its goal without the support of its value chain<sup>1</sup>.

**Biodiversity:** Sony acknowledges the importance of biodiversity and that negative impacts on biodiversity can result in impacts on its own business operations and those of its value chain<sup>4</sup>. Sony has only committed to minimising its impacts on this threshold and not to operating within a set of limits associated with the threshold.

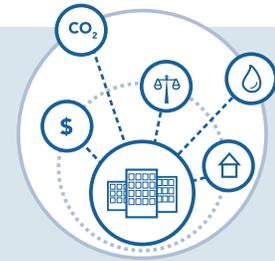
**Chemicals:** Sony acknowledges that certain chemical substances can cause harm to both human health and the wider environment and commits to minimising the impacts that arise from its business operations<sup>4</sup>. Sony has not yet explained what it considers the threshold to be for this ecological issue or make a commitment to operate within the limits of this threshold.

**Other thresholds:** Sony acknowledges the importance of other socio-ecological issues including biodiversity, chemicals, water, human rights, business ethics, and equity but does not yet discuss their associated thresholds.

<sup>3</sup> Sony (n.d.). Road to Zero themes. Accessed at: [https://www.sony.net/SonyInfo/csr/eco/RoadToZero/gm\\_en.html](https://www.sony.net/SonyInfo/csr/eco/RoadToZero/gm_en.html)

<sup>4</sup> Sony (2016). Environmental Plan and Mid-Term Environmental Targets. Accessed at: [http://www.sony.net/SonyInfo/csr\\_report/environment/management/plan.html](http://www.sony.net/SonyInfo/csr_report/environment/management/plan.html)

**2** Transparently understand and **PRIORITISE** a set of focus areas in relation to key socio-ecological trends at the global, regional, and/or local level.



GHG EMISSIONS



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All thresholds: Sony appears to use what we call a ‘classic’ materiality approach whereby it engages with an independent external consultancy to help it gather information about current global socio-ecological issues<sup>5</sup>. This information is integrated with the perspectives of its stakeholders to identify emerging socio-ecological issues that Sony should consider prioritising<sup>5</sup>. Sony has begun to explore how its business operations impact the environment (Figure 1). Through this assessment, Sony outlines the impacts that it has in relation to its GHG emissions and chemical pollutants, but the impacts it has on biodiversity appear to be less developed. Starting in 2009, Sony began trialling methods for estimating its value chain’s GHG emissions and published the first estimates in 2012 in its sustainability materials<sup>4</sup>.

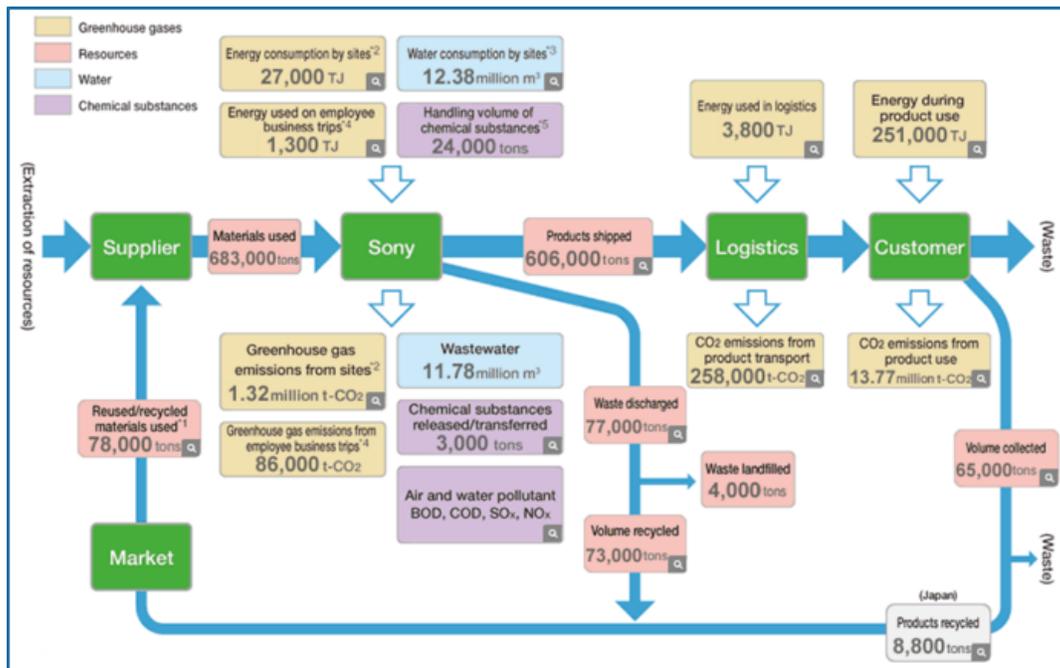


Figure 1: An overview illustration of Sony’s Environmental Impacts<sup>6</sup>.

<sup>5</sup> Sony (n.d.). CSR Reporting: About. Accessed at: [http://www.sony.net/SonyInfo/csr\\_report/about/](http://www.sony.net/SonyInfo/csr_report/about/)

<sup>6</sup> Sony (2016). Overview of Sony’s Environmental Impacts. Accessed at: [http://www.sony.net/SonyInfo/csr\\_report/environment/management/overview/](http://www.sony.net/SonyInfo/csr_report/environment/management/overview/)

### 3 SET STRATEGY AND GOALS by transparently articulating the current performance gap and what portion of this gap the business will address.

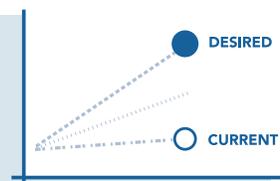
GHG EMISSIONS



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GHG emissions: Sony commits to reducing its scope 1, 2 and 3 GHG emissions by 42% from a 2000 baseline by 2020<sup>1</sup>. According to the IPCC, global GHG emissions in 2050 need to be reduced by 41 – 72% compared to levels recorded in 2010. Using a linear trajectory, this would mean an annual minimum reduction of between 1 – 1.8%. Sony's goal has an average reduction of 2.1% per annum between 2000 and 2020<sup>7</sup>. While this goal is contextual, Sony has not transparently outlined the assumptions and rationale it used while developing this goal.

Other thresholds: Sony has not yet set contextual goals in relation to any other thresholds.

### 4 Transparently TRACK performance against realistic trajectory targets.

GHG EMISSIONS



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To support the achievement of its long-term goals, Sony recognised that incremental mid-term (5-year) goals would need to be developed<sup>4</sup>. This acknowledgement led to the establishment of “Green Management 2015” in 2011. Sony actively uses the “Green Management” program (Figure 2) to progressively backcast from 2050 and adjust its trajectory targets based on its current achievements.



Figure 2: Illustration of Sony's “Green Management” program and how it is used to backcast from 2050<sup>4</sup>.

<sup>7</sup> Climate Savers (n.d.). Sony: From a long-term vision to a science based target. Accessed at: <http://climatesavers.org/sony-from-a-long-term-vision-to-a-science-based-target/>

GHG emissions: Sony's contextual GHG emissions goal is part of its "Green Management 2020" but despite this, Sony has yet to develop a specific set of realistic trajectory targets for this threshold that could be used to support it in monitoring its progress towards achieving its goal. Sony has commented that it has set goals for its value chain to meet but has not explicitly listed these goals in its sustainability materials<sup>1</sup>.

Other thresholds: Sony reports its performance against other socio-ecological issues including biodiversity, chemicals, water, human rights, business ethics, and equity but does not yet report its progress in conjunction with their associated thresholds.

## What is the road ahead for context at Sony?

Sony acknowledges that achieving its long-term GHG emissions goal will require radical new ways of doing business, some of which may be beyond its direct control and will require greater collaboration with its stakeholders<sup>1</sup>. To support this, Sony is working to improve how it engages and educates its shareholders, employees, consumers, and value chain on the importance of reducing emissions. This collaborative approach has also been planned to extend to governments and civil society that intersect with Sony and its operations.