



LG

# ZERO-EMISSION SHIPPING REPORT CARD

18.75  
100

F

**The Ship it Zero Report Card grades companies based on the Ship it Zero campaign's three campaign demands, which are End Port Pollution Now, Abandon Dirty Ships, and Put Zero at the Helm. LG earned an F in the ending port pollution category; an F in abandoning dirty ships; and an F in putting zero at the helm. Overall, LG Electronics earned only 18.75 / 100 available points, or an F grade, on the Ship it Zero 2023 Report Card for the company's actions to date to end its ocean shipping pollution.**

LG Electronics is a South Korean multinational conglomerate with annual revenue over \$60B USD. LG claims its "products and services are carefully designed with the consideration of contributing to a sustainable future for our customers, communities, and the environment." Unfortunately, LG has thus far failed to prioritize reductions in its product transportation air pollution and greenhouse gas emissions, including maritime shipping.

Neighborhoods around coastal ports are predominantly lower income and often black and brown communities, and bear the greatest pollution burdens from corporate inaction to address emissions. LG has not taken steps to quantify its criteria air pollution (nitrogen oxides, sulfur oxides, particulate matter, ozone, carbon monoxide) footprint, nor has it made any commitments to reduce these emissions.

LG acknowledges the "seriousness of issues" like "environmental pollution and the climate crisis" and claims to be "responding to these issues." LG has committed to reduce its Scope 1 & 2 emissions by 54.6% and its Scope 3 emissions by 20% from a 2020 baseline by 2030. The COVID pandemic ushered in an e-commerce boom and global emissions from shipping reached all-time highs. The use of a 2020 baseline results in far weaker reduction targets as compared to using a pre-pandemic baseline because emissions were abnormally inflated during that year. LG's commitments and plan neither explicitly name maritime shipping nor appear to include greenhouse gas emissions from maritime shipping in its supply chain.

In the short term, LG Electronics has made no mention of switching to short-term, lower-emission shipping options. LG has failed to publicly advocate for environmentally and climate-responsible maritime fuels and has neglected to publicly reject false solutions such as blue/gray/pink (fossil fuel and nuclear-derived) hydrogen, lower sulfur heavy fuel oil blends, liquefied natural gas (LNG), and so-called Exhaust Gas Cleaning Systems (i.e., scrubbers).

Ship It Zero calls on LG to commit to 100% zero-emission ocean shipping by 2030 and rapidly implement shorter-term greenhouse gas and air pollution emissions reduction solutions. Examples of such steps include shipping exclusively on shore power-ready vessels, prioritizing ports with shore power availability for container ships, opting for slow steaming for its cargo, and opting for lower emission ocean shipping — whether through Maersk's ECO delivery or some other negotiated agreement with carriers — while zero-emission fuels and technologies are brought to scale.

Ship It Zero also encourages LG to join business coalition efforts, such as the Zero Emission Maritime Buyers Alliance (ZEMBA) and Cargo Owners for Zero Emission Vessels (coZEV), which offer collaboration and collective power to accelerate the transition to zero-emission ocean shipping.



SHIP IT  
ZERO



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End Port Pollution Now | TOTAL SCORE: 7

Performance Criteria	Possible Points	Company Score
<b>End Port Pollution Now: Commitment</b> (30% of category grade)	10.5	1
<ul style="list-style-type: none"><li>Publicly-stated air pollution reduction commitment</li><li>Commitment to shipping goods on shore power-ready vessels</li><li>Member of corporate initiatives that reduce air pollution (coZEV, ZEMBA)</li><li>Founding member of coZEV, ZEMBA</li></ul>	5 1 3 1.5	1 <sup>1</sup> 0 0 0
<b>End Port Pollution Now: Implementation Plan</b> (20% of category grade)	7	0
<ul style="list-style-type: none"><li>Taking steps to quantify air pollution from transport of goods on oceangoing vessels</li><li>Providing funding directly or indirectly for air pollution reduction measures/fuels/infrastructure in ports (ZEV, operations, drayage)</li><li>Have a logistics policy that prioritizes clean ports/carriers, air pollution reductions with benchmarks</li><li>Deducting points for LNG/CNG port operations and drayage</li></ul>	2 3 2 -1	0 0 0 —
<b>End Port Pollution Now: Advocacy</b> (20% of category grade)	7	0
<ul style="list-style-type: none"><li>Dedicated staff negotiating with ports for pollution reduction operational measures, infrastructure and/or fuels</li><li>Public support for policy or regulatory measures to reduce port pollution (climate)</li><li>Joining coZEV</li></ul>	2 4 1	0 0 0
<b>End Port Pollution Now: Transparency</b> (30% of category grade)	10.5	6
<ul style="list-style-type: none"><li>Annual reporting on overall GHG and criteria pollutant emissions (Scope 1-3) reductions<ul style="list-style-type: none"><li>Only Scope 1 &amp; 2</li><li>Scope 1 &amp; 2 + partial criteria pollutant</li><li>Scope 1-3 + partial criteria pollutant reporting</li><li>Scope 1-3 + criteria pollutants</li></ul></li><li>Public disclosure of transport emissions</li><li>Broken down by maritime vs. terrestrial transport type (ocean vs. land)</li><li>Public reporting of routes and ports of unloading</li><li>Public reporting of percent of cargo on cleaner and shore power-ready vessels</li></ul>	3 (1) (1.5) (2) (3) 3 3.5 0.5 0.5	3   (3) 3 0 0 0

Abandon Dirty Ships | TOTAL SCORE: 0.5

Performance Criteria	Possible Points	Company Score
<b>Abandon Dirty Ships: Commitment</b> (30% of category grade)	9	2.5
<ul style="list-style-type: none"><li>Absolute GHG reduction targets that include Scope 3 emissions</li><li>Transport explicit targets</li><li>Maritime targets</li><li>Commitment to move cargo to lower-emission vessels immediately</li><li>Benchmarks, including reductions by 2030</li><li>100% ZEV by 2030</li><li>Using LNG or carbon credits as a purported solution</li></ul>	2 2 2 1 1.5 0.5 -2	1 0 0 0 1.5 0 —

<sup>1</sup>Mentions pollution reduction without commitment



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Performance Criteria	Possible Points	Company Score
<b>Abandon Dirty Ships: Implementation Plan</b> (20% of category grade)	6	-2
• Contracts for lower-emission maritime transportation or goods transported on lower-emission maritime transportation and/or use of lower-emission vessels in cargo owner owned or chartered vessels	4	0
• RFP for lower-emission shipping	2	0
• Absolute emissions increases from transportation/ failure to disclose transport emissions	-2	-2
• Absolute emissions reductions from transport	Bonus +2	—
<b>Abandon Dirty Ships: Advocacy</b> (20% of category grade)	6	0
• Publicly support strengthening the level of ambition of the GHG reduction policies	4	0
• Advocate against fossil fuel bunkering infrastructure expansions/for ZEV infrastructure with legislators, regulators, and/or ports	2	0
<b>Abandon Dirty Ships: Transparency</b> (30% of category grade)	9	0
• Annual public disclosure of maritime cargo carriers and volumes of goods per carrier	0.5	0
• Annual public reporting of modes of product transport by percentage of goods	1	0
• Annual public reporting of transport emissions	4.5	0
• Annual public reporting of maritime emissions	2	0
• Annual reporting of percentage of goods on lower & ZEV emission vessels	0.5	0
• Annual disclosure of fuels or technologies employed by reported lower emission and ZEVs	0.5	0

Put Zero at the Helm | TOTAL SCORE: 11.25

Performance Criteria	Possible Points	Company Score
<b>Put Zero at the Helm: Commitment</b> (30% of category grade)	10.5	2
• General climate commitment <ul style="list-style-type: none"><li>◦ Commitment applies to Scope 3</li><li>◦ Scope 3 commitment mentions logistics, distribution, upstream transportation, supply chain</li><li>◦ 2040 vs. 2050</li></ul>	3	1.5 <sup>2</sup>
• Upstream transport-specific commitment	3	0
• Maritime-specific reduction commitment <ul style="list-style-type: none"><li>◦ "100% zero-emission maritime shipping by 2030" — with benchmark absolute GHG reduction targets</li><li>◦ Publicly commit to 100% ZEV by 2030</li><li>◦ Commitment to move freight onto low- and zero-emission vessels (with time-bound targets)</li><li>◦ Set short-term targets for moving increasing volumes of cargo on cleaner ships, i.e., MGO/Hybrid powered vessels, shore power-equipped vessels</li><li>◦ Mentions low- and zero-emission vessels</li><li>◦ Timeline: by 2030 vs. 2040 vs. 2050</li></ul>	2	0
• Other <ul style="list-style-type: none"><li>◦ Member of Science-Based Target Initiative (a We Mean Business Coalition commitments)</li><li>◦ ZEMBA membership</li><li>◦ CoZEV membership</li></ul>	2.5 (0.5) (1) (1)	0.5 (0.5)

<sup>2</sup> 54.6% reduction by 2030 Scope 1 & 2; only 20% for Scope 3



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Performance Criteria	Possible Points	Company Score
<b>Put Zero at the Helm: Implementation Plan</b> (20% of category grade)	<b>7</b>	<b>1</b>
<ul style="list-style-type: none"><li>• ZEMBA</li><li>• Benchmarks for moving cargo onto ZEVs</li><li>• Working with carriers, ports, regulators and policymakers and/or entering partnerships or investing financially in the development of ZEV shipping corridors and/or ZEV technologies, ZEV infrastructure projects and newbuilds</li><li>• Engage suppliers and urge them to adopt the SBTi (Science-Based Targets initiative)</li><li>• Efficiency and optimization (e.g., reducing packaging size and weight)</li></ul>	2 1 2  1 1	0 0 0  1 0
<b>Put Zero at the Helm: Advocacy</b> (20% of category grade)	<b>7</b>	<b>1</b>
<ul style="list-style-type: none"><li>• First Movers Coalition</li><li>• CoZEV</li><li>• Sustainable Freight Buyers Alliance, “Clean Cargo” (hosted by Smart Freight Centre), Clean Energy Buyers Association, Carbon Disclosure Project’s Supply Chain program, RE100, Ceres, LEO coalition, or WWF’s Climate Business Network</li><li>• Publicly demanding and/or advocating carriers incorporate existing or future GHG reduction technologies and operational measures<ul style="list-style-type: none"><li>◦ Public support for green corridors</li><li>◦ Expressions of public support for zero-emission shipping development</li><li>◦ Zero-emission, fossil-free cargo ships</li><li>◦ Cleaner fuels</li><li>◦ Fossil-free propulsion technologies</li><li>◦ Efficiency retrofits such as wind-assisted propulsion, hull coatings, slow steaming, and route planning, shore power, and offshore zero-emission charging stations</li></ul></li></ul>	1.5 1.5 1  3	0 0 1  0
<b>Put Zero at the Helm: Transparency</b> (30% of category grade)	<b>10.5</b>	<b>7.25</b>
<ul style="list-style-type: none"><li>• CDP Climate report</li><li>• Annual CSR report with GHG and air pollution disclosure<ul style="list-style-type: none"><li>◦ Includes Scope 3</li><li>◦ Mentions more than CO<sub>2</sub> (NOX, SOX, PM, HC<sub>4</sub>, NFCs, etc.)</li><li>◦ Discloses Category 4 ("upstream") transportation or "distribution"</li><li>◦ Mentions maritime shipping specifically</li><li>◦ Methodology underlying calculations</li><li>◦ 3rd party verification of calculations</li><li>◦ Reporting progress toward achieving interim benchmarks and long-term commitment</li><li>◦ Uses and/or requires vendors to use the Global Logistics Emissions Council Framework</li></ul></li></ul>	2 8.5 (1.5) (1.5) (1) (1.5) (0.5) (0.5) (1.5) (0.5)	2 5.25 (0.75) <sup>3</sup> (1.5) (0.5) <sup>4</sup> (0) (0.5) (0.5) (1) (0)

<sup>3</sup> Excludes maritime shipping

<sup>4</sup> Excludes maritime