D

Huawei

Huawei has rapidly expanded its consumer electronic sales outside of its strong base in China, particularly smartphone sales in Europe, capturing as much as 20% in several EU markets this past year,[1] and is poised to overtake Apple for the #2 spot globally.[2] Despite its emergence as a top global electronic brand, Huawei lags far behind the established global leaders in addressing its environmental responsibility. Huawei has set carbon intensity goals for its own operations, its actual emissions are still increasing nearly 25% per year, and it has not committed to 100% RE or shared a comprehensive strategy to mitigate its carbon footprint across the supply chain. Huawei is not reporting on the carbon footprint of its manufacturing supply chain at all. Given the reach of Huawei's ecosystem and its leadership role in the electronics industry in China and globally, Huawei is well positioned to leverage its entire value chain to reduce emissions and transition to a renewably powered manufacturing base. This will take time, but should begin by improving its transparency, to build confidence among its growing customer base that it is heading in the right direction. As one of the top three biggest smartphone producers in the world, Huawei should bear proportional responsibility to the Earth. Huawei should commit to 100% RE, enhance transparency, and invest more in reducing resource consumption to truly redefine "Made in China."

Renewable Energy & Climate Change	D
TRANSPARENCY. In its 2016 sustainability report, Huawei published its own energy consumption, energy source breakdown, and China region GHG emissions.[3] However, the company does not disclose its supplier list and is one of the few global brands that does not publish its scope 3 supply chain GHG emissions. Huawei does publish carbon footprint data for some of its smartphones and tablets.[4]	D
COMMITMENT. Huawei's carbon reduction commitments related to energy are limited to its own operations—to cut GHG emission per unit of sales revenue by 30% by 2020 compared to 2012.[5] However, its own emissions continue to see significant growth, and does not have a measurable target or commitment to reduce supply chain emissions. The company does not have a public renewable energy target, and has thus far deployed only token amounts of renewable energy.	D
PERFORMANCE. Huawei has installed solar power stations on two campuses, Songshan Lake and Hangzhou, generating just 17 mwh per year, which would represent only 0.01% of Huawei's electricity use in 2016.[6] Huawei reports large increases in both energy consumption (up 27.3% since 2015) and GHG emissions (up 24.5% since 2015); however, the company claims that both energy consumption and GHG emissions per unit of sales revenue are down 20%, compared to 2012 figures. Huawei currently reports to work with 20 of its suppliers to reduce emissions, with cuts totalling 55,000 tons of CO2, though due to Huawei's lack of transparency in reporting its supply chain footprint, the significance of these reductions or the overall trajectory of its supply chain emissions is difficult to assess.[7]	D
ADVOCACY. Huawei has not demonstrated any positive or advocacy efforts to advance renewable energy.	–

Sustainable Design & Resource Reduction — D+

TRANSPARENCY. Huawei publishes material composition data for some of its smartphones and tablets.[8] Huawei does not report on overall use of recycled/secondary inputs, nor does it report the details of its take-back program. Huawei works with other companies through the Conflict Free Sourcing Initiative (CFSI). The company uses the CFSI conflict mineral Questionnaire and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas to survey the supply chain. While the company reports sharing these results with its business customers, Huawei is not reporting these results publicly or reporting its list of smelters.[9]	D
COMMITMENT. While Huawei has established a "Design Approach for the Circular Economy," which includes language to use more secondary and recyclable materials, and to design for easy disassembly and cost-effective recycling, this commitment lacks any measurable benchmarks or timelines.[10]	D
PERFORMANCE: CIRCULAR PRODUCTION. Despite a statement in its CSR report to prioritize secondary raw materials, Huawei does not report any information about its use of recycled inputs. Huawei reported incorporating design principles that support ease of disassembly at end of life such as avoiding welds, glue, rivets, and other permanent joints where possible. Huawei has a take-back program in 36 countries that includes 705 recycling stations, and a system for recyclers to categorize products at end of life to recover highest material value, prioritizing repair and then recycling.[11]	C
PERFORMANCE: PRODUCT LIFE EXTENSION. Huawei does not provide repair manuals or spare parts to the public. Recent smartphone models score average in repairability assessments. To make repairs simpler, Huawei should stay away from proprietary screws (as it used for the P9) and excessive adhesive (which secured the battery in the Mate 8).[12]	D
ADVOCACY. Huawei has supported an extended producer responsibility pilot project created by the Chinese government.[13]	B

Hazardous Chemical Elimination: Products & Supply Chain — D

TRANSPARENCY. Huawei does not publish a supplier list or a restricted substances list for products or manufacturing facilities. Its 2016 sustainability report indicates it restricts the use of 45 chemicals, though it does not name them or disclose levels of acceptable use.	D
COMMITMENT. While Huawei has not made any public commitments to eliminate specific chemicals of concern, it does report it has restricted the use of brominated flame retardants, chlorinated flame retardants, PVC, phthalates, antimony trioxide, and beryllium and beryllium compounds in consumer products starting in 2016, though the levels of acceptable/restricted use are not clear.[14] To improve Huawei must set a public timeline to eliminate these chemicals, and also set targets for processed chemicals of concern.	D
PERFORMANCE. Huawei reports to comply with regulations such as RoHS and REACH, and that it has voluntarily restricted the use of six substances of concern in new mobile phones, tablets, and wearables, which include brominated flame retardants, chlorinated flame retardants, PVC, phthalates, antimony trioxide, and beryllium and beryllium compounds. No detail is provided about the thresholds of restriction. Huawei does not report any progress on restricting processed chemicals among its manufacturers.	D

Hazardous Chemical Elimination... (continued)

D

ADVOCACY. In 2016, Huawei participated in formulating China's green supply chain management guidelines, as well as the green supply chain management and evaluation requirements of China's Ministry of Industry and Information Technology (MIIT). Huawei also participated in developing industry guidance on supply chain CSR management.[15]

B

ENDNOTES

1 http://www.scmp.com/business/article/2018008/smartphone-makers-zte-huawei-turn-europe-growth

2 https://www.idc.com/getdoc.jsp?containerId=prUS42935817

3 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 44.

4 http://consumer.huawei.com/en/support/product-environmental-information/

5 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 44.

6 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 42-44.

7 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 50.

8 http://consumer.huawei.com/en/support/product-environmental-information/

9 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 51.

10 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 61.

11 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 61.

12 https://www.ifixit.com/smartphone-repairability

13 http://www.miit.gov.cn/newweb/n1146290/n4388791/c4667571/content.html

14 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 59.

15 http://www.huawei.com/us/sustainability/sustainability-report, Huawei 2016 Sustainability Report, p. 46.