



Alibaba Group Announces Carbon Neutrality Goal by 2030

- Alibaba Group targeting Scope 1 and 2 carbon neutrality, 50% carbon intensity reduction for Scope 3 by 2030
- Alibaba Cloud targeting Scope 1, 2 and 3 carbon neutrality by 2030
- New Scope 3+ dimension to facilitate additional 1.5 gigatons of decarbonization across Alibaba Ecosystem by 2035

Hangzhou, China, December 17, 2021 – Alibaba Group Holding Limited (NYSE: BABA and HKEX: 9988, “Alibaba” or “Alibaba Group”) today announced a pledge to achieve carbon neutrality in its own operations by 2030 and introduced a Scope 3+ target, a pioneering initiative aiming to facilitate 1.5 gigatons of decarbonization across its business ecosystem by 2035. Details about its goals, including thinking and definition of the newly introduced concept of Scope 3+, are shared in the inaugural [Alibaba Carbon Neutrality Action Report](#). Alibaba aims to provide updates annually with progress verified by accredited auditors.

“We aspire to be a force for positive, innovative change in society. Our ESG strategy is predicated on our mission to be a good company that will live for 102 years and it is the vital foundation for Alibaba's future development,” said **Daniel Zhang, Chairman and CEO of Alibaba Group**. “We will leverage our unique influence as a platform operator to mobilize actions and behavioral changes among consumers, merchants and partners in China and around the world with our newly proposed Scope 3+ target of reducing 1.5 gigatons of carbon emissions by 2035.”

Carbon Neutrality Roadmap

Alibaba Group is committed to carbon neutrality for Scope 1 and 2¹ emissions by 2030, and has set a 50% carbon intensity reduction target for Scope 3² by 2030 using 2020 levels as baseline. Alibaba Cloud will bear responsibility for a higher Scope 3 target and aims to achieve carbon neutrality by 2030 in all three scopes.

Alibaba Group has committed to join the Science Based Targets initiative (SBTi), and has aligned its decarbonization measures and strategy with the “Business Ambition for 1.5°C” pledge, a critical target to avoid the catastrophic impacts of climate change as outlined by the 2015 Paris Agreement.

Alibaba will adopt a systematic and science-based approach to plan and manage decarbonization initiatives. It includes leveraging energy-saving and efficiency-improving technologies to reduce emissions; actively transforming the energy structure with progressive use of renewables; and exploration of carbon removal initiatives. As a general principle, the company prioritizes carbon reduction over removal, and removal over offset.

Pioneering “Scope 3+” Aspiration

In addition, as a global leading platform company, Alibaba is committed to taking greater responsibility to pioneer the concept of “Scope 3+,” which refers to the emissions generated by a broader range of participants in the platform's ecosystem, currently outside of the Scopes 1, 2, and 3. It has initiated

¹ Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling.

² Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.

the “1.5 Gigatons for 1.5°C” project, committing to facilitate 1.5 gigatons of decarbonization in its ecosystem by 2035.

“We believe the use of digital platforms can play a significant role in empowering a low carbon circular economic model that can lead to achieving the 1.5-degree target of the Paris Agreement. The concept of ‘Scope 3+’ is based on the potential of leveraging our digital platforms to influence and advocate for low carbon products, services and behavior among a wider group of stakeholders in our ecosystem, and share our energy-efficient technologies and innovative business tools with customers and business partners to reduce the carbon footprint together,” said **Dr. Chen Long, Vice President of Alibaba Group and Chair of Alibaba’s Sustainability Steering Committee**.

Alibaba will continue to improve its carbon reduction measurement and metrics in Scope 3+ by working and partnering with leading expert organizations globally.

Dedicated ESG Governance Body

Alibaba also announced today a new three-tier ESG governance framework to oversee, enable and support the achievement of its carbon neutrality targets and broader ESG goals. The dedicated ESG governance body includes:

1. A Sustainability Committee at the board level chaired by Jerry Yang, an independent director. Other board members include Walter Teh Ming Kwauk, Joe Tsai and Maggie Wu
2. A Sustainability Steering Committee responsible for strategic planning, goal setting and management
3. An ESG cross-business action group consisting of representatives from each business unit at the working level responsible for coordination and execution

Meanwhile, Alibaba aims to continue to improve information and data disclosure and reporting mechanism. Starting in 2022, Alibaba will aim to release its ESG report annually, in which concrete and specific annual progress will be included. All reports will adhere to the most reputable metrics laid out in domestic and international standards and will be verified by accredited auditors.

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Notes to the editor

Additional quotes from industry analysts are available on request.

About Alibaba Group

Alibaba Group's mission is to make it easy to do business anywhere. The company aims to build the future infrastructure of commerce. It envisions that its customers will meet, work and live at Alibaba, and that it will be a good company that lasts for 102 years.

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