



Hu Pao Achieves ISO 14064-1:2018 Certification-Green sustainability can be also related to the fastener industry



Following the previous certifications of D&B, IATF 16949, ISO 9001:2015, and Taiwan Mittelstand Award, Taiwanese customized automotive, special, and lock nuts manufacturer, Hu Pao Industries Co., Ltd. has again obtained the ISO 14064-1:2018 certification for quantification and reporting of greenhouse gas emissions and removals, which is another step forward for its substantial progress towards ESG compliance and becoming a green sustainable fastener enterprise. Getting this certification is also an indirect way for Hu Pao to announce to its global customers that it's been ready to move towards low carbon manufacturing.

Taking Almost a Year & Being the 1st Among Others to Complete GHG Inventory Verification

Taiwanese fasteners are mostly exported to Europe and the U.S. With the increasing concern of customers on energy saving and carbon reduction as well as the imminent implementation of EU's Carbon Border Adjustment Mechanism (CBAM) in 2026, the carbon emission control of enterprises has become an important assessment factor for the smooth entry of future products into the local market, and the ISO 14064-1:2018 is the 1st step to help enterprises understand their carbon emission status. Recognizing the importance of net-zero carbon emissions to corporate sustainability, Hu Pao is leading the industry in initiating GHG Inventory verification in 2021, with senior executives directly involved in cross-departmental integration and focusing on direct emissions, indirect energy emissions and other indirect emissions to compile relevant data and certificates under specifications and produce the organization's final greenhouse gas emission report, emission inventory and inventory procedure documents, clearly quantifying the organization's carbon footprint from raw materials to shipments. In April 2023, it officially obtained the ISO 14064-1:2018 certification from Ares International, a third-party certification body.

"We spent a lot of time and manpower collecting the necessary info for certification. During the period, we actively identified the sources of carbon emissions in our factory and strengthened energy saving and carbon reduction in various aspects, such as the introduction of static-electricity waste oil recycling system, installation of smart meters on forming machines, introduction of PM2.5 detection, ERP system integration, improvement of factory energy management according to ISO 50001, data digitalization, free vegetable lunch for employees, etc. I also joined Zero+ College and CJCUC Net Zero Transformation Alliance to observe and learn how the 2nd generation of companies are saving energy and reducing carbon emissions. ESG is a confirmed way forward for Hu Pao and reducing carbon emissions is an important part of that. By combining this vision with the company's goals and allowing employees to fully understand and work together, and at a time when many industry players are clearly lagging behind other industries, Hu Pao takes the lead to set the example, not only enabling us to significantly increase our competitiveness in the market, but also gaining access to the EU market when the carbon tax kicks in," said Hu Pao Vice President Bill Wang.

"Making Hay While the Sun Shines" Net Zero Carbon Emission as the Ultimate Goal

In addition to making a profit, Hu Pao constantly reminds itself of what kind of environment it can leave behind for future generations. Achieving ISO 14064-1:2018 is not only a demonstration of its commitment to customers, but it'll also be a great help to its future development towards ESG. Even though Hu Pao has already submitted a thick ISO 14064-1:2018 report and obtained the certification, it has not stopped collecting carbon emission data to strengthen its improvement. It continues to record carbon emission data every month and hopes to collect the coefficients for 3 years, and then conduct the audit and certification again next year. "After passing the certification, we'll continue to improve plant efficiency, increase quality & yield, optimize processes, enhance digitalization, and reduce energy waste. In addition to CBAM, the U.S. may also initiate carbon tax measures in 2024. However, we're already prepared for that. This year we are planning to participate in many US exhibitions to expand our presence there and to let more overseas customers know about our efforts to save energy and reduce carbon emissions, as well as to contribute to the sustainability of the planet," said Wang. As a model of energy saving and carbon reduction in Taiwan fastener industry, Hu Pao hopes that more industry players can join the ranks and contribute to the Earth. It suggests that before starting GHG inventory verification, it is necessary to involve senior personnel, form a cross-departmental team, familiarize members with regulations, use digital automation tools (e.g. ERP, carbon emission software), and establish int./ext. auditing mechanisms in order to promote it smoothly. "In the future if one wants to enter the European or U.S. markets, carbon reduction is definitely the way to go. Although the process will add lots of intangible investment costs, if one can achieve it through innovative processes without raising costs, that's where the advantage exists. Taiwan is the 3rd largest fastener producer in the world, but it is highly export-oriented. As energy saving and carbon reduction has become a global industry phenomenon, Taiwan industry must keep up in this elimination race and make good use of government subsidies. Hu Pao will also work with up/mid/downstream collaborators to make our best efforts to contribute to global climate change, energy conservation, and carbon reduction," said Wang. ■

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