This case study forms part of the project ‘Testing the Applicability of the Guidelines for Providing Product Sustainability Information’. The aim is to share a practical application of the Guidelines’ principles by companies and standard-setting organisations.

**WWF Hong Kong**

**Sector:** Manufacturing Sector, Supply Chain  
**Region:** Based in Hong Kong, operates in Hong Kong

WWF Hong Kong is a network office of the World Wide Fund for Nature, a leading international conservation organization with a mission to stop the degradation of the planet’s natural environment and build a future in which people can live in harmony with nature.

The WWF Low Carbon Manufacturing Programme (LCMP) aims to reduce carbon emissions generated by manufacturing facilities and to develop an environmental social governance analysis for those manufacturers. LCMP provides manufacturers with a labelling system to recognize and benchmark performance in reducing carbon emissions. Manufacturers are given platinum, gold, silver, or certified labels, depending on the requirements they meet.

**Mindset**

**Life Cycle Thinking:** LCMP measures and benchmarks carbon performance of manufacturing companies. The claim focuses on the manufacturing stage. The participating companies have to explore opportunities for reducing carbon emissions in all activities they are involved with: from raw material inbound logistics, to in-house production processes, to finished goods out-bound delivery.

**Hotspots Analysis:** The Programme identifies the hotspots through a carbon footprint methodology.

**Mainstreaming sustainability:** The LCMP supports manufacturers to measure their effectiveness in reducing carbon emissions and equip them with best practice in greenhouse gas management. LCMP encourages companies to communicate the LCMP with their subsidiary or sister companies, customers, suppliers or business associates. The LCMP also encourages companies to increase the transparency of supply chain carbon emissions and uncover inefficiencies in overall resource use.

### Principle 1: Reliability

The LCMP label rating is assessed against three criteria:

- change in carbon intensity: using CO₂-equivalent emissions data from online carbon accounting software following the international standard GHG Protocol
- greenhouse gas management system: using best practices checklist based on the ISO14001 framework
- energy efficiency best practices: using best practices checklist

The methodology and data collection have been elaborated with a scientific approach. A database of CO₂-equivalent emissions categorized in Scope 1, Scope 2 and Scope 3 has been created following the GHG Protocol. The LCMP requires companies to conduct a verification every two years and verification is conducted by third parties (BV, ITS, SGS and TUV-Rheinland). Carbon reduction achievements are therefore calculated and reported according to the data available over the respective two-year period.

### Principle 2: Relevance

The LCMP label is based on change in carbon intensity, greenhouse gas management system and energy efficiency best practices. The LCMP label addresses only energy efficiency and carbon emissions, and does not include water, chemical or waste management.

Based on a carbon footprint methodology, the aspects of energy efficiency and carbon emissions were chosen for this standard as they are frequently the most relevant for the majority of manufacturing companies in Hong Kong and across supply chains. The claim exceeds regulatory requirements as it communicates about impacts that are not regulated.
Principle 3: Clarity
The LCMP claim is made specific for each manufacturing company with unique information. The visual symbols have been chosen in consultation with stakeholders and provide clear information on which label class a company achieves and the validity period of the label grading. The text is non-technical making the information clear and accessible for the reader.

The LCMP label is easy to read and comprehend. It is easy to find information on the WWF-Hong Kong website and in the annual reports that are published about the LCMP.

Principle 4: Transparency
Further information on the LCMP methodology, the label rating of manufacturing companies and the third-party verification service providers is available on the WWF-Hong Kong website.

Through accessible online tools and documents, the LCMP provides good levels of transparency on the processes and requirements for certification. A list of all participating companies of LCMP is available on the website, which includes the respective label class and the name of the certified factory. A series of good practice case studies is also published on the website.

Principle 5: Accessibility
Detailed information of LCMP (i.e. objectives and labelling scale) is available on the website, in publications such as annual reports released by the WWF-Hong Kong and leaflets, as well as on the noticeboard onsite of LCMP participating companies.

Manufacturing companies usually communicate the LCMP label through their own social media. Quarterly newsletters are sent to all certified companies and WWF-Hong Kong stakeholders.

Factories have implemented various energy saving and carbon reduction measures. For instance, reflectors are used to increase brightness, and lighting has been installed with independent switches near users.

Principle 6: Three Dimensions of Sustainability
Environmental: LCMP focuses on carbon intensity, greenhouse gas management systems and energy efficiency therefore only the environmental dimension is assessed and communicated.

WWF-Hong Kong does not claim overall sustainability of the LCMP Programme, but focuses on the environmental dimension.

Principle 7: Behaviour Change and Longer Term Impact
With the LCMP, WWF-Hong Kong tries to motivate businesses to reduce carbon emissions. A LCMP Best Practices handbook and case studies motivate companies to take action. The online carbon accounting software tracks the impacts of best practices adopted. A video has also been produced highlighting case studies and results (available in Cantonese, Mandarin and English).

WWF-Hong Kong encourages companies to take positive action and implement low-carbon manufacturing best practices, including greenhouse gas management system, overall energy use in factory facilities, and energy efficiency measures in general utilities and manufacturing processes.
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**Principle 8: Multi-Channel and Innovative Approach**

The LCMP label is primarily used to recognise the environmental performance of manufacturing companies and innovative actions taken by employees but less focused on individual consumer engagement.

There is room to improve the use of multi-channel and innovative approaches in engaging individual consumers with the use of social media and communication campaigns targeting end-user consumers.

**Principle 9: Collaboration**

In order to review the criteria of the LCMP label, two standards were considered: ISO 14064 and Sustainable Apparel Coalition Higg Index.

**Principle 10: Comparability**

Different label rating - platinum, gold, silver and certified – is used to help consumers compare manufacturers’ performance on energy efficiency and carbon emissions reduction (see labelling scale).

Product comparisons are based on objective and strict rules relevant to the performance in carbon footprint reduction. LCMP’s comparability methodology also counts on agreed quantitative benchmarks provided by third party stakeholders for meaningful product comparisons.

The programme grants ‘Platinum’, ‘Gold’, ‘Silver’ or ‘Certified’ label to participating manufacturers after assessing their performance in carbon footprint reduction, GHG management and distance to best practice in energy efficiency of processes and operations.

- **Total Score equal to or greater than 80:** Companies that have implemented a sophisticated greenhouse gas management system, are achieving best-practice energy efficiency and significant greenhouse gas emissions reduction.

- **Total Score from 40 to less than 60:** Companies that have partially implemented a greenhouse gas management system, still have significant energy saving potential and are achieving average greenhouse gas emissions reduction.

- **Total Score from 60 to less than 80:** Companies that have implemented a good greenhouse gas management system, are achieving some best-practice energy efficiency levels in their activities and substantial greenhouse gas emissions reduction.

- **Total Score from 20 to less than 40:** Companies that have set up their greenhouse gas emissions inventory, but may not have a greenhouse gas management system yet. These companies still have a large potential for energy saving.

Preparatory level: has not yet undertaken any third-party verification / total score less than 20.

This picture shows the labelling scale used in the LCMP.