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PUBLIC DISCLOSURE STATEMENT

ETEX AUSTRALIA PTY LTD

PRODUCT CERTIFICATION – METAL RANGE
FY 2019/2020

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY: Etex Australia Pty Ltd

REPORTING PERIOD: July 2019 – June 2020

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.

Signature  Date 01/07/2021

Name of Signatory George Mamic

Position of Signatory Sales Director

Australian Government
Department of Industry, Science, Energy and Resources

1. CARBON NEUTRAL INFORMATION

Description of certification

The certification includes an opt-in carbon neutral program for our plasterboard and metal ranges, manufactured in Australia at our Melbourne (Altona), Sydney (Matraville), Bundaberg (Burnett Heads) and Brisbane (Beenleigh) plants.

Light weight metal framing systems are used within all types of residential and commercial construction, from homes through to offices, hospitals and schools. When used in combination with plasterboard, light weight metal framing delivers systems which can be used for fire resistance, for acoustic comfort, and to resist damage from impact in high performance areas. Stud and track is available in different profiles, lengths, and Base Metal Thicknesses (BMT), which are selected depending on project performance needs, and is sold in lineal metres (m).

The Metal products are manufactured on different product lines, to conform with product specifications. The products being certified are made out of BlueScope Zincalume®AM 150 steel (in G300 and G550 tensile strengths) BMT from 0.5 up to 1.15. BlueScope aluminium-zinc-magnesium metallic coated products are produced using a world-leading, patented coating technology delivering a better quality, longer lasting performance for ZINCALUME® AM150 steel. BlueScope products are known for their quality and reliability, which contribute to long life, durable buildings.

"Everything we do, we have the environment and society in mind. The attention paid to employees' health and safety, reducing our impact on the environment, respect for local communities and social responsibility are the foundations of our long-term growth."

The certified metal range includes Wall Framing Systems (Stud, Track, Track DH, Track, Flexible, Track Nogging), Acoustic Stud, Concealed Ceiling System, Beads and Finishing Sections, Clips and Accessories, and the InterHome H-stud. The functional unit for Climate Active carbon offsetting is per kg of metal product sold.

The certified range will meet the requirements of the new ratings tools from the Green Building Council of Australia (GBCA), under the "Positive" Category for reduction in embodied or upfront carbon. These metal products may therefore help buildings to achieve Green Star ratings, as the Climate Active Product Certification is recognized as a pathway to achieve this reduction in upfront carbon.

Organisation description

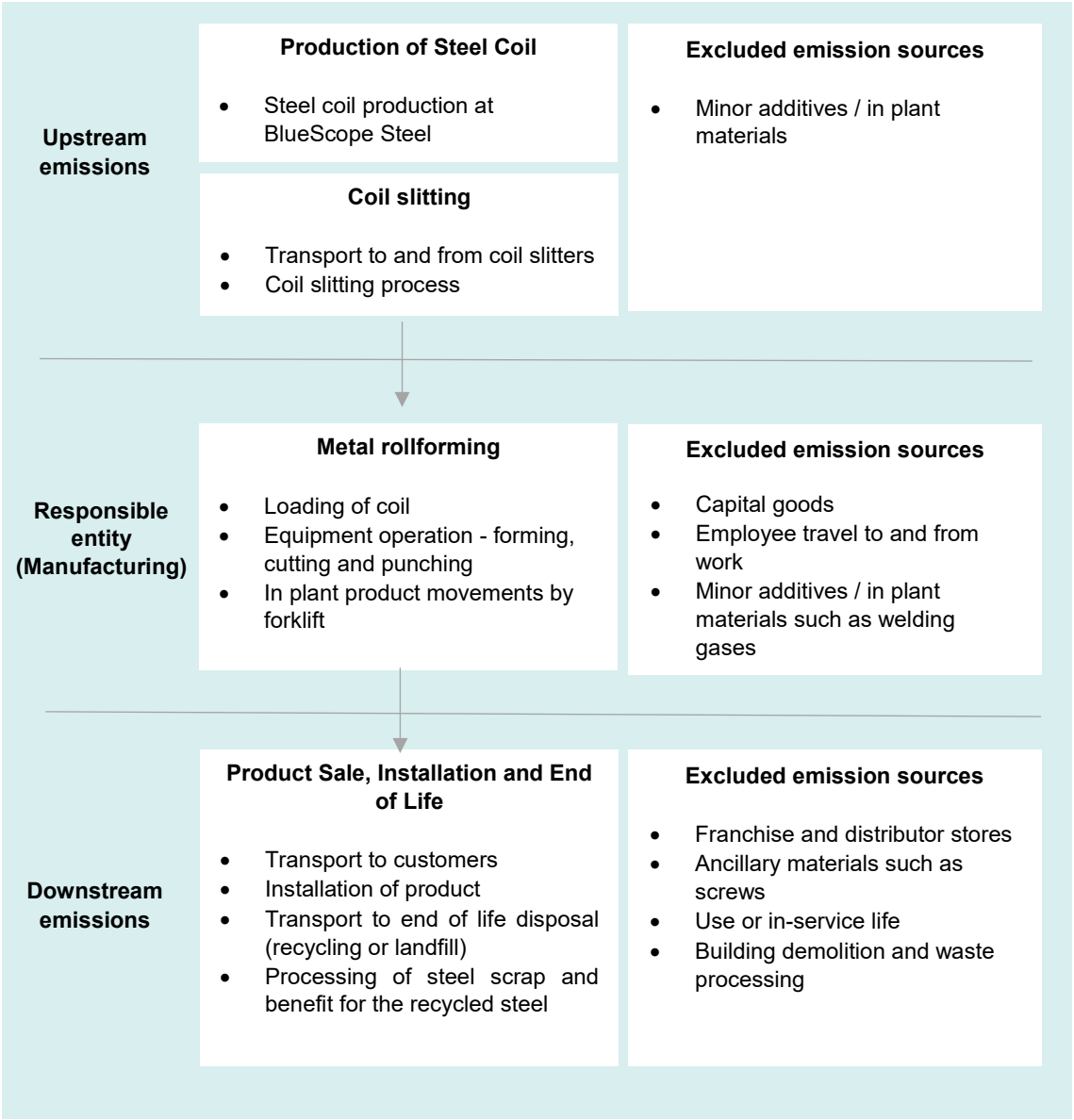
Our organisation has operated for almost 30 years in Australia, starting in the early 1990s as a new manufacturer to the Australian construction industry. Now employing over 300 people, our business operates three plasterboard manufacturing facilities in Matraville (Sydney, NSW), Altona (Melbourne, VIC), Bundaberg (QLD), and a metal roll forming production facility in Beenleigh (Brisbane, QLD).

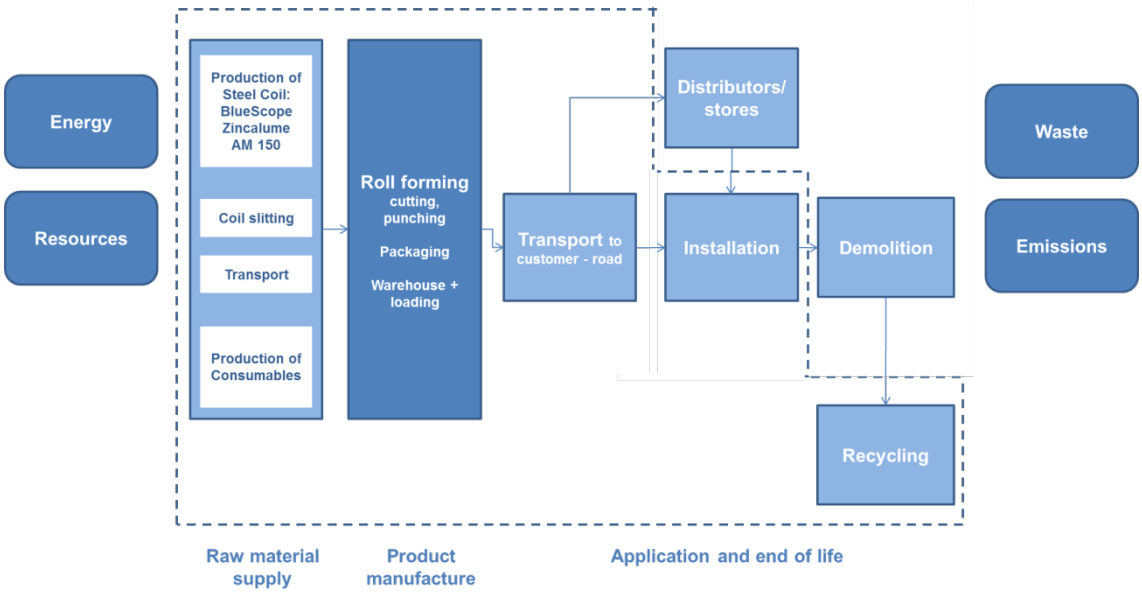
We are a major supplier of high quality sustainable building materials to the light weight construction industry, and our manufacturing facilities are certified to ISO 9001:2015 Quality, ISO 14001:2015 Environment, and ISO 45001:2018 Health & Safety Management systems.

Late in 2020, the Knauf Group accepted an offer from Etex Group to purchase the plasterboard and metal business of Knauf in Australia (Knauf Plasterboard Pty Limited). The transaction was completed 27th February 2021, with the organisation becoming Etex Australia Pty Ltd (the business ABN remains unchanged). The company will continue to trade under Knauf branding during a transition period in 2021.

Product/service process diagram

The following diagram is cradle to grave.





Raw material supply

This includes the steel production at BlueScope Steel from raw and recycled materials, including the extraction of raw materials and transport to the steel manufacturing site. Also included are the production of consumables used in the Beenleigh Plant process, coil slitting, and the transport by road of coil steel to coil slitters and from coil slitters to Beenleigh Plant.

Product manufacturing

The manufacturing of the metal profiles starts with loading of metal coil to individual production lines, then forming, cutting and punching, stacking and packing of the products, and transfer into the warehouse. Grid electrical power is used to operate the production lines, and forklifts powered by diesel fuel move the coil and finished goods around the site.

Product use

Metal packs are then transported to the construction site by road transport (trucks). Metal products are mostly installed manually with use of power tools. Ancillary materials such as screws are not included within the system. The use or in-service life of the product is not covered, as the installed system is a passive building product, requiring little maintenance.

End of life

This phase includes the transport of the metal at end of life to either recycling.

2. EMISSION BOUNDARY

Diagram of the certification boundary

Quantified

Raw Materials production (Steel, Additives)

Manufacturing site operations (Electricity, Diesel, non-product waste, water)

Transport of product (Diesel) - to customer, and to disposal of installation waste and at end of life

Disposal of product waste from installation and end of life, including recycling and end of life recycling benefit

Company travel

Non-quantified

Excluded

Minor additives / in plant materials such as welding gases

Ancillary materials such as screws

Use or in-service life

Building demolition and waste processing

Non-attributable

Operation of franchise and distributor stores

Capital goods

Employee travel to and from work

Attributable non-quantified sources

All identified attributable sources have been quantified.

Data management plan

Since the Base Year 2016/2017, the carbon lifecycle data applied in the bespoke GaBi Envision LCA tool has been used under agreement with BlueScope Steel, for the steel manufacturing and recycling at end of life. The dataset will be updated in the GaBi Envision model for the next reporting period, as BlueScope has updated their life cycle data.

Excluded sources (within certification boundary)

The following emissions sources have been excluded:

- Minor additives / in plant materials such as welding gases.
- Ancillary materials such as screws
- Use or in-service life.

Non attributable sources (outside certification boundary)

The following emissions sources have been determined as outside the certification boundary, and their exclusion is consistent with LCA and EPD practice relating to products:

- Operation of franchise and distributor stores: these premises are independently operated and emissions resulting from their operations are not fully attributable to the scope of certification.
- Capital goods: due to the long lifetime of plant and equipment used in the product manufacture, the emissions are likely to be negligible, and are also difficult to determine and allocate to a functional unit relative to their likely significance; this is consistent with industry standard LCAs and the GHG Protocol.
- Employee travel to and from work.

"Our partnership with its customers spans from the design and specification stages through to the project delivery and end of life. Our carbon neutral opt-in program is a first in the industry, and enables customers the opportunity to take responsibility for the carbon footprint of their project."

3. EMISSIONS SUMMARY

Emissions reduction strategy

For the Metal Range, in terms of the actual manufacturing process cradle to grave, the largest component of the carbon account is due to the manufacture of the steel. Carbon data has been provided by BlueScope within the Climate Active reporting, to account for the emissions related to the manufacture of steel, recycling and recycling credit at the end of life of the products.

Of the activities under our operational control (or gate to gate), the most significant contribution to emissions from processes at the Beenleigh manufacturing plant is the use of electricity in the rollforming stage.

Our emission reduction strategy within our operations has been to work on operational and behavioural reductions through training of personnel, and to invest where practicable in the most efficient manufacturing processes for local operations.

Energy efficiency is a key sustainability indicator; energy and associated carbon emissions are reported as relevant to the government via programs such as National Greenhouse and Energy Reporting. We conduct internal and external energy audits and are benchmarked internationally within the Corporate Group for energy consumption and efficiency. Examples of energy efficiency measures over the last 5 years are reported below.

In 2020, we commenced a review to examine the effectiveness of our actions over the last 10 years to improve our sustainability performance, and to identify our action areas going forwards. This review is in the final stages of developing the roadmap for the next five years; and will outline our actions for reducing emissions:

- Upstream, by working more closely with our suppliers to achieve our objectives, such as how we have worked with BlueScope for our Climate Active opt-in program;
- Gate to gate, reducing our energy use, and applying new technology;
- Downstream, continuing to work with our customers to reduce emissions, as well as providing solutions that meet their sustainability ambitions and requirements such as under the GBCA GreenStar program.

Emissions over time

No products were purchased under the opt-in carbon neutral program in the reporting period 2019/2020.

Table 1

Emissions since base year		
	Base year: 2016-17	Current year Year 2: 2019-20
Emissions per functional unit (tCO2e)	0.001539	0.001462

Emissions reduction actions

Since the base year of certification, the Beenleigh manufacturing site has achieved certification for the plant management systems to ISO 14001 Environment, ISO 9001 Quality, and ISO 45001 Health & Safety Standards.

For Beenleigh manufacturing facility, improvements since 2015 have included:

1. Energy efficiency improvements:
    - Power Factor Correction equipment installed to optimise electricity usage, with further equipment under investigation.
    - PLC controlled Variable Speed Drives connected on all roll formers and compressors
    - Lighting timers installed around the site, and LUX meters investigated for LED High bay lighting
    - LED light replacement throughout warehouse areas, replacing Metal Halides or Mercury Vapour lights, completed during this reporting period.
    - Ongoing replacement and addition of skylight panels, due to be finished in January 2021.

2. Distribution improvements:
    - Increased utilisation rate for interstate trucks
    - Reduced delivery mileage of customer orders by grouping runs
    - Reconfigured yard to reduce forklift movements
    - Higher tonnage throughput by forklifts
    - Higher focus on selecting the best suited truck for coil orders (right-sizing of vehicle for utilisation)
    - Adblue diesel additive used in new truck fleet to reduce emissions.

3. Waste reduction:
    - Reduction of metal scrap due to implementation and improvement of operation processes, quality control systems, lean manufacturing initiatives and enhanced operator training
    - Improved recycling: cardboard recycling commenced, and focus to improve scrap metal recycling.

Functional units

Table 2

	Number of functional units
a) Number of functional units sold this period	Nil opt-in during this reporting period
b) Number of functional units to be forward offset demonstrating commitment to carbon neutrality (true-up to be conducted at the end of the reporting period)	*nil*

Emissions summary (inventory)

Table 3

Emission source category	tonnes CO_2-e
No metal products were purchased under the opt-in program in this reporting period.	
The following emissions source categories were included in determining the carbon footprint: Steel (manufacturing); Transport of Steel from manufacture to rollforming; Electricity (steel slitting and rollforming); Diesel (forklift movements in rollforming and loading); Water, process additives, gases and lubricants; Timber and plastic packaging material; Waste to landfill (non-product, rollforming plant); Company travel; Diesel (Transport product all stages); Packaging waste to landfill Product waste to landfill - gate to grave; Steel Recycling and credit for steel recycling*	
1. *Total inventory emissions*	
a. *Number of functional units represented by the inventory emissions*	No metal products were purchased under the opt-in program in this reporting period.
2. *Emissions per functional unit (based on the number of functional units represented by the inventory)* *Total tCO2-e divided by the number of functional units in 1a.*	
3. *Carbon footprint* *(Emissions per functional unit (2)* number of functional units (a or b from table 2))*	

* Displayed as total due to commercial sensitivity of category data.

Carbon neutral products

No Climate Active carbon neutral products used during this period within the emissions boundary.

4. CARBON OFFSETS

Offset purchasing strategy: in arrears purchasing

As this is an opt-in program, offsets will be purchased and retired at the end of the reporting period. We use qualified providers of offsets, which will meet the Climate Active standard requirements (such as Gold Standard VERs or Verified Carbon Standard VCUs). Offsets may be either Australian or international in origin. The process of purchase and surrender will be managed by the provider on our behalf. The purchase and surrender of offsets will be completed within the reporting period requirement, that is, within four months of the conclusion of the reporting year.

Offsets will be selected based on the following criteria:

- A strong social responsibility aspect, such as improvements for communities and individuals
- Replace carbon intensive energy use with renewable energy sources.

Offsets summary

Table 6

1. Total offsets required for this report	Nil
2. Offsets retired in previous reports and used in this report	Nil
3. Net offsets required for this report	Nil

Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Quantity (tonnes CO2-e)	Quantity used in previous report	Quantity banked for future years	Quantity used in this report
n/a									
						Total offsets retired this report and used in this report			0
						Total offsets retired this report and banked for future reports			0

Co-benefits

The offsets currently held in surplus are for the Safe Water Provision LifeStraw program, in Western Province, Kenya. LifeStraw offers a point-of-use water treatment solution and is the first program directly linking carbon credits with safe drinking water. The program intervenes at the small household level, creating one of the world's largest carbon reduction projects. Benefits of the LifeStraw project:

- Expected to deliver an estimated 4.8 billion litres of safe drinking water annually to 4.5 million people for a period of at least ten years.
- Reduces incidence of waterborne diseases; statistically significant reduction in odds of diarrhoea, dysentery and severe dehydration among under-5s using it exclusively.
- Saves 1.5 million tonnes of wood from being burned each year, slowing deforestation among Kenya's dwindling woodland, with 1.35 million tonnes of CO2 avoided in the first 6 months.
- Empowers Kenyans who can now filter their own drinking water. Women and children spend less time gathering and carrying firewood.
- Addresses 4 UN Millennium Development Goals: reducing child mortality; improving maternal health; combating diseases; and ensuring environmental sustainability.
- Thousands of jobs created locally to distribute filters and monitor usage during twice-yearly campaigns. User training provided upon installation.
- Regular visits continue every 6 months to ensure that the filters are in working condition and that each householder is happy using their filter.

5. USE OF TRADE MARK

Table 7

Description where trademark used	Logo type
Corporate Website: https://siniat.com.au/sustainability/ Case Study: https://siniat.com.au/barangaroo-south-residential-waterfront/ About Us: https://siniat.com.au/about-us	Climate Active Carbon Neutral PRODUCT

6. ADDITIONAL INFORMATION

For more information about our products, refer to siniat.com.au

APPENDIX 1

Non-attributable emissions for products and services

To be deemed attributable an emission must meet two of the five relevance criteria. Non-attributable emissions are detailed below against each of the five criteria.

Table 8

Relevance test					
Non-attributable emission	*The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions*	*The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.*	*Key stakeholders deem the emissions from a particular source are relevant.*	*The responsible entity has the potential to influence the reduction of emissions from a particular source.*	*The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.*
Operation of Franchise and Distributor stores	No	No	No	No	No
Capital goods	No	No	No	Yes	No
Employee travel to and from work	No	No	No	No	No

APPENDIX 2

Non-quantified emissions for products/services

Please advise which of the reasons applies to each of your non-quantified emissions. You may add rows if required.

Table 9

Non-quantification test				
Relevant-non-quantified emission sources	*Immaterial <1% for individual items and no more than 5% collectively*	*Quantification is not cost effective relative to the size of the emission but uplift applied.*	*Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.*	*Initial emissions non-quantified but repairs and replacements quantified*
N/A				