



PUBLIC DISCLOSURE STATEMENT

ETEX AUSTRALIA PTY LTD

**PRODUCT CERTIFICATION - PLASTERBOARD
FY 2019/2020**

Australian Government
**Climate Active
Public Disclosure Statement**



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**

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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.

Since the last reporting period, the opt-in program has been extended to include the Altona and Bundaberg plasterboard manufacturing plants. This makes the opt-in program accessible to customers across all states, and covers locally manufactured plasterboard products.

The certified plasterboard range includes MastaShield, SpanShield, CurveShield, WaterShield, FireShield, SoundShield / OPAL, MultiShield, InterShield / Shaftliner, TruRock / TruRock HD. The functional unit for Climate Active carbon offsetting is per kg of plasterboard product sold.

The Climate Active 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 products can 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.

These plasterboard products are also certified by GreenTag as GreenRate Level A, and are manufactured in facilities certified to ISO 14001:2015 Environment, ISO 9001:2015 Quality, and ISO 45001:2018 Health & Safety Management systems standards.

When used in combination with framing, plasterboard delivers systems which can be used for fire resistance, for acoustic comfort, and to resist damage from impact in high performance areas. Our products have been used in many iconic Australian buildings across all types of residential and commercial construction, from homes through to offices, hospitals and schools. Product has been supplied under the opt-in carbon neutral program to Lendlease’s Anadara and Alexander Apartments at Barangaroo, and SUHO House in South Australia.

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).

“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.”

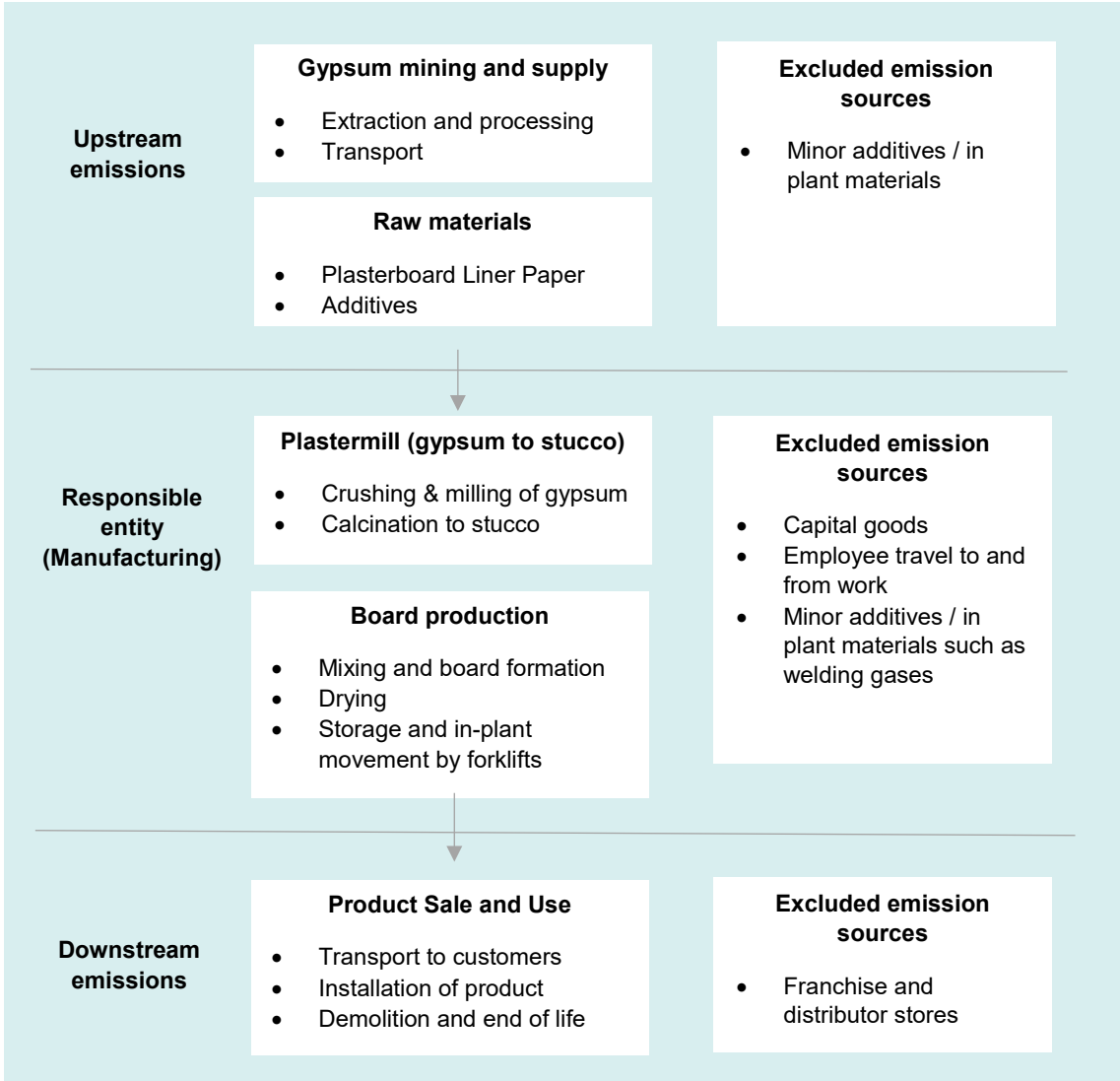
We are a major supplier of high quality sustainable building materials to the light weight construction industry. Our manufacturing facilities are certified to ISO 9001:2015 Quality, ISO 14001:2015 Environment, and ISO 45001:2018 Health & Safety Management systems.

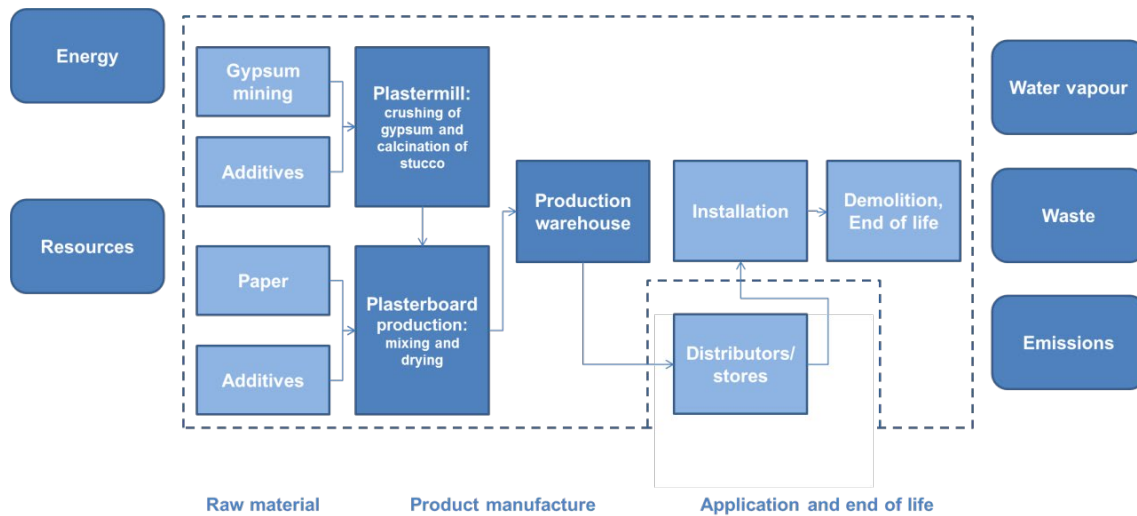
Late in 2020, the Knauf Group accepted an offer from Etex Group to purchase the plasterboard and metal business of Knauf in Australia (Knauf Plasterboard Pty Limited). The transaction was completed 27th February 2021, with the organisation becoming Etex Australia Pty Ltd (the business ABN remains unchanged).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

Product/service process diagram

Plasterboard is a lightweight building material used for lining walls and ceilings within the construction industry. Plasterboard products are primarily made of a natural gypsum core, wrapped in heavy duty paper, and including additives which drive the performance characteristics such as fire resistance. The product is sold in sheet lengths from 2.4m up to 6.0m in length. The functional unit for Climate Active carbon offsetting is per kg of plasterboard product sold.

The following diagram is cradle to grave.





Raw material supply

Includes the extraction and processing of raw materials and energy which occur upstream from the plasterboard manufacturing process. The majority of gypsum is from natural sources and a proportion of recycled gypsum may also be used. This stage includes the transport of the gypsum to the production site. The other major raw material is paper, which is from recycled fibre.

Product manufacturing

The manufacturing of plasterboard starts with the processing of gypsum into the plastermill, where the gypsum is ground, and converted to stucco by extracting water (as vapour) under a calcination process. Milling and calcination uses thermal energy (natural gas) and grid electrical power to produce ground gypsum and then stucco.

The plasterboard is then formed in a continuous production process. Stucco is mixed with water and additives, with the resultant slurry sandwiched between two layers of continuous paper. The resultant board sets via rehydration of the plaster core; that is, chemically re-binding water molecules back into gypsum crystals in the board. The plasterboard is transported via conveyor belts to the cutting station where it is cut to a standard length and then enters the drying process. The conveyors and cutting machine use electric power.

The plasterboard is dried in an oven, which is natural gas-fired, using grid electric power for the conveyors. After drying, the plasterboard sheets are stacked into packs, and moved to the warehouse for storage, ready for distribution. The product is moved with forklifts powered by compressed natural gas.

The use of natural gas and electricity accounts for over 98% of energy sources within the production gate.

Product use

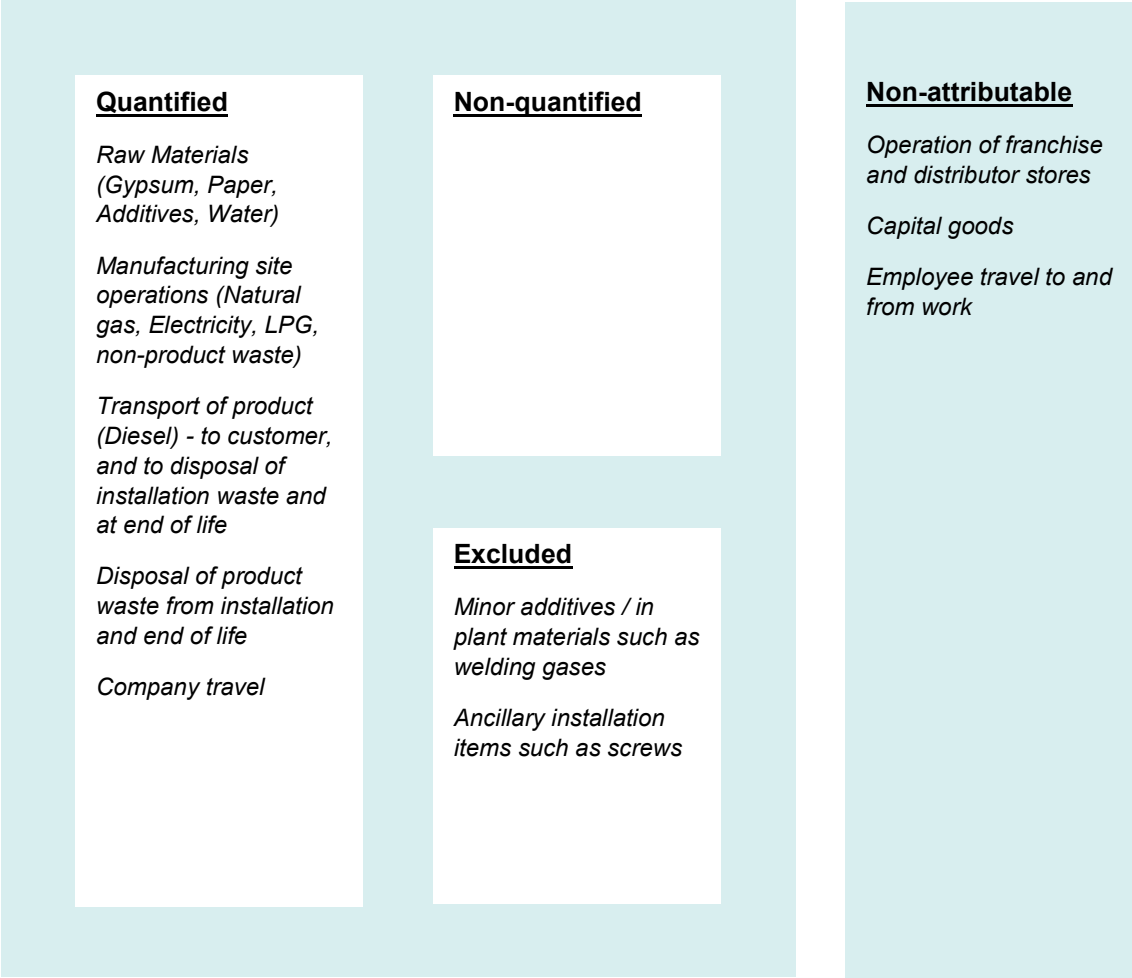
Plasterboard packs are then transported to the construction site. Plasterboard is mostly installed manually. Ancillary materials such as screws are not included within the system. The use or in-service life of the product is not covered, as plasterboard is a passive building product, requiring little maintenance.

Demolition and end of life

This phase includes the transport of the plasterboard at end of life to either recycling or to landfill.

2. EMISSION BOUNDARY

Diagram of the certification boundary



Attributable non-quantified sources

All identified attributable sources have been quantified.

Data management plan

In the previous reporting period, the opt-in program was extended to include the Altona and Bundaberg plasterboard manufacturing plants, which was reflected into carbon inventory and resulted in a Base Year calculation. In addition, for this year's report an update to the company's bespoke LCA tool in GaBi Envision software has been made.

Whilst emissions have been quantified for downstream emissions in transport and end of life disposal, these are based on assumptions derived from published sources such as waste studies and by modelling in the bespoke LCA tool. It is planned to continue to refine these assumptions in future reporting periods, and as required the base year and previous year data will be updated.

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.

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.
- Employee travel to and from work.

“Our partnership with 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

The most significant contribution to emissions from plasterboard manufacturing processes, is the use of natural gas (thermal energy) in the drying and platermill activities in the plant. Electricity in the same plant areas is the other major contributor to emissions. Together, these account for over 98% of emissions from product manufacture. These emissions are from:

- Combustion emissions from natural gas (Scope 1)
- Indirect emissions from electricity generation (Scope 2).

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 under “emissions over time”.

In plasterboard manufacturing, energy efficiency and water use are strongly linked; the lower amount of water used within the board forming process lowers the energy required in the drying process. As such, overall water reduction programs and use of water reducing or fluidizing additives are ongoing measures.

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;
- Gate to gate, reducing our energy and water 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

Table 1

Emissions since base year		
	Base & Reporting Year 1:	Current year Year 6: 2019-20
Emissions per functional unit (tCO ₂ e)	0.000491	0.000445

Emissions reduction actions

Since Base Year, projects which have been implemented which resulted in emissions reductions include:

1. Gypsum stockpile project Matraville Plant completed in 2020

Whilst a full year of operation has not yet occurred, the gypsum stockpile project at Matraville is anticipated to result in energy savings due the change in gypsum handling processes. Instead of requiring a loader to move gypsum into the plastermill conveyor, the material is instead directly loaded from delivery into a holding bin. In the post-commissioning review, savings within the gypsum handling system have been identified as:

- Reduction in electrical demand by 80% in the gypsum handling system
- Reduction in the loader diesel fuel requirement by more than half
- Reduction in milling process gas demand by 20%

With a full year of operation, savings will be quantified in the next reporting period.

2. Reductions in transport distance to customers due to construction of Bundaberg Plant

Prior to the construction of Bundaberg Plant, product was shipped to Queensland customers out of the Matraville Plant in Sydney. Since 2019, shipping product from the Bundaberg Plant to Queensland customers reduced the average transport footprint out of Matraville plant by 41%, significantly reducing transport emissions associated with our products.

3. War on waste on plant sites, reduced waste to landfill by 10% during the last reporting period.

Plasterboard product waste from our manufacturing is recycled; however there are other wastes such as packaging timber, general wastes from offices and plant areas. Plant teams have progressively worked through each waste stream such that:

- IBCs are reconditioned or recycled by suppliers
- Paper and cardboards packaging wastes are recycled, including paper reel cores and end caps
- We are introducing bulk bag baling reducing bulk and going to recycling.

Functional units

Table 2

	Number of functional units
a) Number of functional units sold this period	2325
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)	

Emissions summary (inventory)

Table 3

Emission source category	tonnes CO ₂ -e
The following emissions source categories were included in determining the carbon footprint :	
Energy used for plasterboard manufacturing operations (Natural gas and electricity); Fuels for plant equipment (diesel, CNG and LPG) Transport and stationery use; Raw materials (Gypsum, Plasterboard Liner Paper, Additives, Water), Waste to landfill (non-product, plant); Diesel (transport product all stages), Product waste to landfill - gate to grave; Packaging waste; Company travel*	1.03
1. Total inventory emissions	1.03
a. Number of functional units represented by the inventory emissions	2325
2. Emissions per functional unit (based on the number of functional units represented by the inventory) Total tCO ₂ -e divided by the number of functional units in 1a.	0.000445
3. Carbon footprint (Emissions per functional unit (2)* number of functional units (a or b from table 2))	1.03

* 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.

Climate active advised that they would be comfortable for us to keep the emission summary table as it is, without an emission footprint per emission source category and that it is up to us if we wish to break this down further. If we keep it at this high level, a note stating why (i.e. commercial in confidence) should be placed under the summary table in the PDS.

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.

Table 5

Forward purchasing summary	
1. Total offsets previously forward purchased for this reporting period	nil
2. Total offsets required for this reporting period	2 (round up)
3. Net offset balance for this reporting period	2 (round up)
4. Total offsets to be forward purchased for next reporting period	nil

Offsets summary

Table 6

1. Total offsets required for this report				2						
2. Offsets retired in previous reports and used in this report				0						
3. Net offsets required for this report				2						
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	
Lifestraw, Kenya	VERs	Gold Standard Impact Registry	n/a	GS1-1-KE-GS886-16-2013-3495-1146-1200	2013	55	0	55	0	
Lifestraw, Kenya	VERs	Gold Standard Impact Registry	17 November 2020	GS1-1-KE-GS886-16-2013-3495-1141-1145	2013	5	0	3	2	
<i>Total offsets retired this report and used in this report</i>									2	
<i>Total offsets retired this report and banked for future reports</i>									3	


Co-benefits

The offsets retired this year and 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 .	

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	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>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.</i>
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	<i>Immaterial <1% for individual items and no more than 5% collectively</i>	<i>Quantification is not cost effective relative to the size of the emission but uplift applied.</i>	<i>Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.</i>	<i>Initial emissions non-quantified but repairs and replacements quantified</i>

N/A