PUBLIC DISCLOSURE STATEMENT

HYDROFLUX UTILITIES PTY LTD

PRODUCT CERTIFICATION
FY2022-23 (PROJECTION)

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY	Hydroflux Utilities Pty Ltd
REPORTING PERIOD	Financial year 1 July 2022 – 30 June 2023 Projected report
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.*  Adrian Minshull Chair, Hydroflux Utilities Pty Ltd 11th August 2022

Australian Government
Department of Industry, Science, Energy and Resources

Version March 2022. To be used for FY20/21/CY2021 reporting onwards.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	1,337 tCO2-e
THE OFFSETS BOUGHT	100% Gold Standard VERs
RENEWABLE ELECTRICITY	18.93%
TECHNICAL ASSESSMENT	27 July 2022 Joseph Gregorio 100% Renewables Next technical assessment due: FY 2026
THIRD PARTY VALIDATION	Type 3 14th July 2022 Dr. Adina Cirtog, Deepali D Ghadge Pangolin Associates Pty Ltd

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2. CARBON NEUTRAL INFORMATION

Description of certification

This carbon neutral product certification covers a portfolio of Hydroflux Utilities Pty Ltd's, ABN 68 166 065 461, water and wastewater treatment chemicals sold in Australia, New Zealand and the Pacific Islands. Product portfolio includes HydraPrime, HydraBase, HydraLite, HydraBond and HydraClean.

The cradle to gate carbon inventory includes:

- Raw material extraction
- Material pre-processing
- Provision of chemicals[1]
- Transport (land and sea)
- Distribution
- Packaging

Product description

A functional unit of 'kg of CO2-e per litre' will be used as a quantifiable reference to the associated greenhouse gas (GHG) emissions. This carbon neutral product certification is full coverage. A cradle to gate boundary is used as Hydroflux Utilities does not have control over emissions for usage and end of life. The partial life cycle includes all emissions from raw material extraction through to product delivery as stipulated by the contractual agreement.

"The Hydroflux Group of companies was created to deliver the highest level of engineering and scientific knowhow to issues of sustainability, climate adaption and environmental protection with a specific focus on water and wastewater.

Providing Climate Active certified products demonstrates that Hydroflux takes it's climate responsibility seriously."

[1] Organisation emissions are offset in Hydroflux Pty Ltd's Climate Active organisation certification

3. EMISSIONS BOUNDARY

Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as 'attributable processes' that become the product, make the product and carry the product through its life cycle. These have been quantified in the carbon inventory.

Non-quantified emissions have been assessed as attributable and are captured within the emissions boundary but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Non-attributable emissions have been assessed as not attributable to a product or service. They can be **optionally included** in the emissions boundary and therefore have been offset, or they can be listed as outside of the emissions boundary (and are therefore not part of the carbon neutral claim). Further detail is available at Appendix D.

Inside emissions boundary

Quantified

Raw material extraction

Material pre-processing

Hydroflux organisation for the design, project management and sales of products (offset in Hydroflux Pty Ltd's Climate Active organisation certification)

Transport (land and sea)

Distribution to client

Packaging (20L drum and IBC)

IBC end of life recycling

Non-quantified

NA

Outside emission boundary

Non-attributable

Downstream life cycle stages:

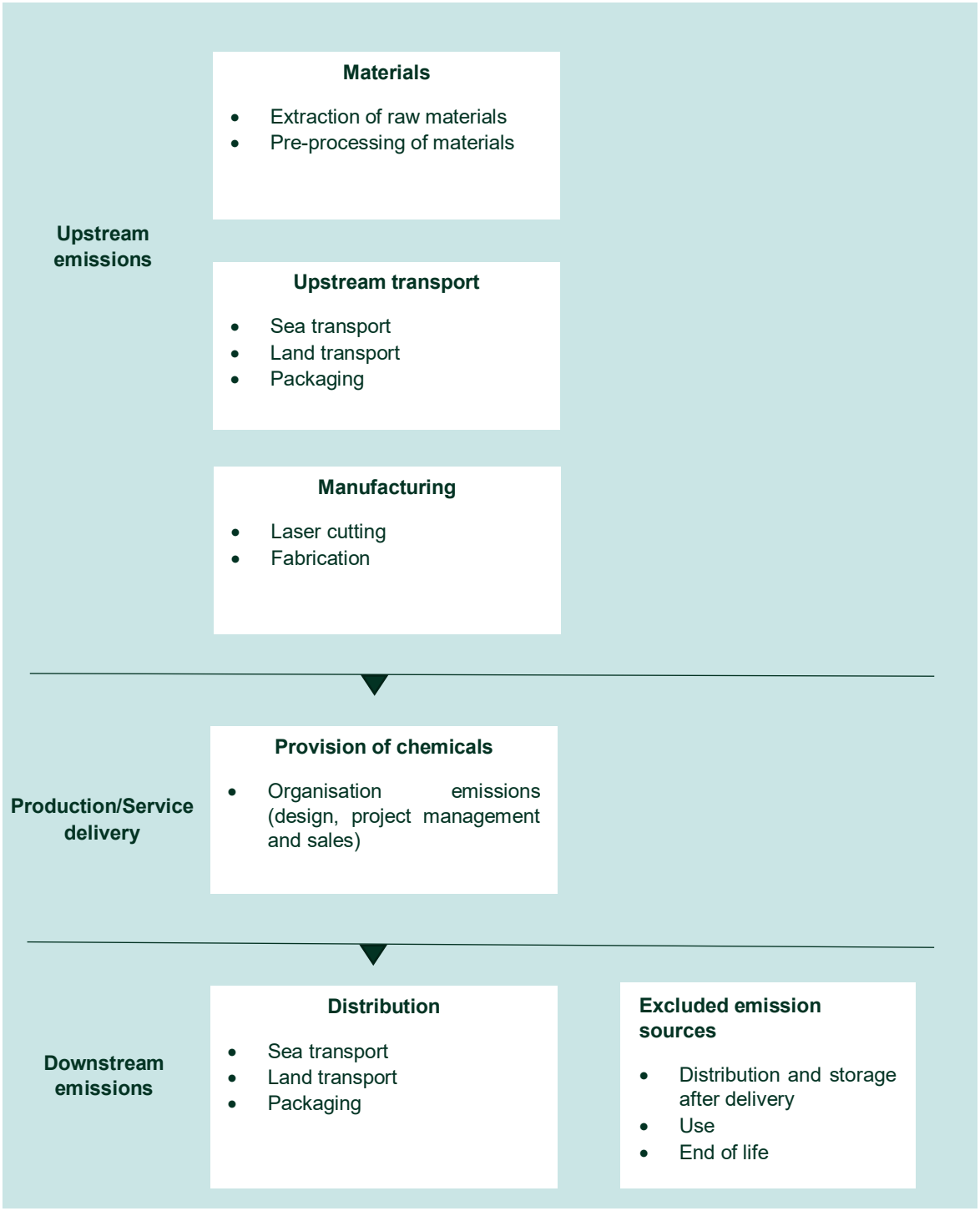
Distribution and storage after delivery

Use

End of life

Product process diagram

Cradle-to-gate[2]



[2] Organisation emissions are offset in Hydroflux Pty Ltd's Climate Active organisation certification

Data management plan for non-quantified sources

All relevant emission sources were included in the carbon inventory assessment, however, the following data management procedures will be in place to improve the accuracy of calculations in future assessment periods:

- Engaging manufacturers to obtain actual electricity consumption data.
- Engaging contracted logistics companies to obtain actual summary of t.km travelled.

This forms part of the continuous improvement processes in place at Hydroflux Utilities Pty Ltd.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Hydroflux Utilities Pty Ltd takes its climate responsibility seriously, extending the Hydroflux Group's organisation certification to our products. Scope 1 and 2 emission reduction actions are outlined in the Hydroflux Group's organisation certification (which can be found in Hydroflux Pty Ltd's Climate Active organisation certification). Scope 3 emissions are targeted in this emissions reduction strategy.

Our ability to influence carbon emissions in relation to this product portfolio is somewhat limited as the majority of attributable processes are outside our operational control. The emission sources that have some potential to be influenced include the packaging, transport and distribution within the supply chain.

We recognise that meaningful emissions reduction action takes time, so actions will be undertaken in 2022 and onwards. We will continue to formally communicate our carbon neutral commitment to all employees, suppliers, contractors and peers within the industry to support our emissions reduction and consequently encourage the decarbonisation of the industry as a whole. Hydroflux Utilities will engage three key suppliers to understand their sustainability actions in place and explore strategies that will support our emissions reduction by the end of December 2023. We are also focused on sustainable procurement action, particularly transport optimisation to uncover emissions reduction by the end of December 2023. This involves a detailed assessment of our current procurement activities, identifying opportunities aligned with ISO20400 and integrating findings into policy, strategy and the way we conduct business.

Hydroflux Utilities will review and report on our emissions reduction strategy following the end of the financial year 2022-23.

5. EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

None.

Product emissions summary

The following table represents a summary for each product group over the lifecycle from cradle-to-gate.

Stage	HydraPrime (tCO2-e)	HydraBase (tCO2-e)	HydraLite (tCO2-e)	HydraBond (tCO2-e)	HydraClean (tCO2-e)
Material extraction and pre-processing	327.6	85.2	68.3	369.8	1.5
Provision of chemicals[3]	22.7	4.5	2.1	8.3	0.2
Shipping	103.5	0.0	0.0	0.0	0.0
Road transport	29.2	11.0	2.0	30.5	0.2
Packaging	51.1	18.2	4.4	12.4	0.5

Emission offsets required for FY22-23 have been forward purchased based on emissions for projected sales. In accordance with Climate Active requirements, a 'true-up' will be conducted on actual sales after the end of the financial year reporting is completed. An uplift factor of 16% was applied to account for any changes in the true-up process.

Emissions intensity per functional unit	Confidential
Number of functional units to be offset	Confidential
Total emissions to be offset	1,337 t CO_2-e

[3] Organisation emissions are offset in Hydroflux Pty Ltd's Climate Active organisation certification

6. CARBON OFFSETS

Offsets retirement approach

Forward purchasing		
1.	Total emissions footprint to offset for this report	1337 t CO2-e
2.	Total eligible offsets purchased and retired for this report and future reports	3,477 t CO2-e
3.	Total eligible offsets retired and used for this report	1337 t CO2-e
4.	Total eligible offsets forward purchased and banked to use toward next year's report	2,140 t CO2-e

Co-benefits

This section provides a brief description of the carbon offsets project purchased and retired for Hydroflux Utilities' carbon neutral product claim.

Methane Gas Capture and Electricity Production at Kubratovo Wastewater Treatment Plant, Sofia, Bulgaria

The project is both a methane emissions reduction and energy production project. Methane produced in Kubratovo wastewater treatment plant is captured in common methane tanks serving as a buffer and then supplied to the newly installed CHP gas engines for electricity and heat production, which in turn will substitute both the plant's electricity purchases from the grid and diesel fuel usage. Excess electricity is supplied to the grid. This transformation has a major effect on the environment through dramatically reducing the existing methane gas emissions at the plant while also reducing the volume of sludge (to as much as 50%) that needs to be transported, hence reducing GHG emissions from transportation as well.

The project meets the following Sustainable Development Goals:

Eligible offsets retirement summary

Offsets cancelled for Climate Active Carbon Neutral Certification											
Project description	**Type of offset units**	**Registry**	**Date retired**	**Serial number (and hyperlink to registry transaction record)**	**Vintage**	**Stapled quantity**	**Eligible quantity (tCO_2-e)**	**Eligible quantity used for previous reporting periods**	**Eligible quantity banked for future reporting periods**	**Eligible quantity used for this reporting period**	**Percentage of total (%)**
Methane Gas Capture and Electricity Production at Kubratovo Wastewater Treatment Plant, Sofia, Bulgaria	VERs	Gold Standard Impact Registry	18 Jul 2022	GS1-1-BG-GS4238-6-2015-5862-12071-13407 https://registry.goldstandard.org/credit-blocks/details/281651	2015		1337	0	0	1337	100%
Methane Gas Capture and Electricity Production at Kubratovo Wastewater Treatment Plant, Sofia, Bulgaria	VERs	Gold Standard Impact Registry	18 Jul 2022	GS1-1-BG-GS4238-6-2015-5862-13408-14477 https://registry.goldstandard.org/credit-blocks/details/281654	2015		1070	0	1070	0	0%
Methane Gas Capture and Electricity Production at Kubratovo Wastewater Treatment Plant, Sofia, Bulgaria	VERs	Gold Standard Impact Registry	18 Jul 2022	GS1-1-BG-GS4238-6-2015-5862-14478-15547 https://registry.goldstandard.org/credit-blocks/details/281657	2015		1070	0	1070	0	0%
									Total offsets retired this report and used in this report	1337	
									Total offsets retired this report and banked for future reports	2,140	

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Verified Emissions Reductions (VERs)	1337	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

N/A.

APPENDIX A: ADDITIONAL INFORMATION

Hydroflux Utilities Pty Ltd is committed to the following principles:

- Compliance with our ISO14001 Accredited Environmental Policy
- Compliance with our ISO 45001 & AS/NZS 4801 Accredited Safety Policy
- Compliance with our ISO 31000 Risk Management System
- Compliance with our Modern Slavery Statement
- Providing a safe and respectful workplace
- Encouraging a culture of continuous improvement
- Sustainable water management, specifically the principles of water stewardship
- Conserving natural resources by reusing and recycling where possible
- Ensuring the responsible use of energy

References:

- H-Sustainability-Policy.pdf (hydroflux.com.au)
- Modern slavery statement reference

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based approach.

Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

Market Based Approach Summary

Market Based Approach	Activity Data (kWh)	Emissions (kgCO2e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	**0**	**0**	**0%**
LGC Purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	2,457	0	19%
Residual Electricity	10,525	11,294	0%
Total grid electricity	**12,982**	**11,294**	**19%**
Total Electricity Consumed (grid + non grid)	**12,982**	**11,294**	**19%**
Electricity renewables	2,457	0	
Residual Electricity	10,525	11,294	
Exported on-site generated electricity	**0**	**0**	
Emission Footprint (kgCO2e)		11,294	

Total renewables (grid and non-grid)	**18.93%**
Mandatory	**18.93%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual Electricity Emission Footprint (TCO2e)	**11**

Figures may not sum due to rounding. Renewable percentage can be above 100%

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Emissions (kgCO2e)
ACT	0	0
NSW	10,193	9,174
SA	0	0
Vic	1,148	1,252
Qld	1,640	1,525
NT	0	0
WA	0	0
Tas	0	0
Grid electricity (scope 2 and 3)	**12,982**	**11,951**
ACT	0	0
NSW	0	0
SA	0	0
Vic	0	0
Qld	0	0
NT	0	0
WA	0	0
Tas	0	0
Non-grid electricity (Behind the meter)	**0**	**0**
Total Electricity Consumed	**12,982**	**11,951**

Emission Footprint (TCO2e)	**12**

Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)
N/A	**0**	**0**

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as attributable, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. These emissions are accounted for through an uplift factor. They have been non-quantified due to one of the following reasons:

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

Relevant-non-quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
N/A	-	-	-	-

Excluded emission sources

Attributable emissions sources can be excluded from the carbon inventory, but still considered as part of the emissions boundary if they meet **all three of the below criteria**. An uplift factor may not necessarily be applied.

1. A data gap exists because primary or secondary data cannot be collected **(no actual data).**
2. Extrapolated and proxy data cannot be determined to fill the data gap (**no projected data**).
3. An estimation determines the emissions from the process to be **immaterial**).

	No actual data	No projected data	Immaterial
N/A	-	-	-

APPENDIX D: OUTSIDE EMISSION BOUNDARY

Non-attributable emissions have been assessed as not attributable to a product or service (do not carry, make or become the product/service) and are therefore not part of the carbon neutral claim. To be deemed attributable, an emission must meet two of the five relevance criteria. Emissions which only meet one condition of the relevance test can be assessed as non-attributable and therefore are outside the carbon neutral claim. Non-attributable emissions are detailed below.

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.*
Distribution and storage after delivery	no	no	no	no	no
Use	no	no	no	no	no
End of life	no	no	no	no	no

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