PUBLIC DISCLOSURE STATEMENT

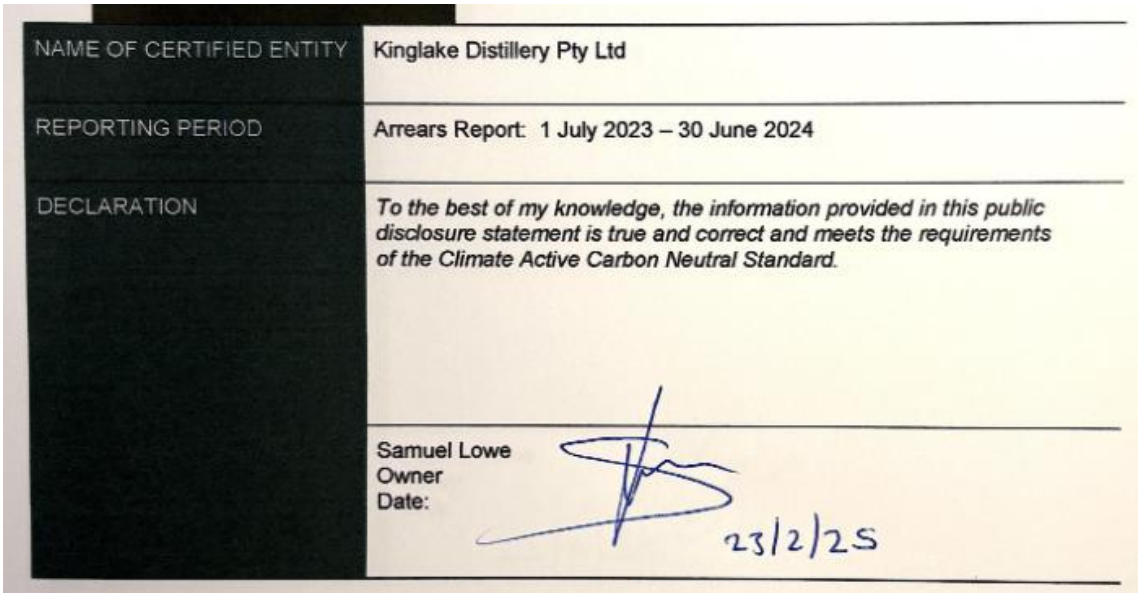
KINGLAKE DISTILLERY PTY LTD

PRODUCT CERTIFICATION
FY2023-24

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Kinglake Distillery Pty Ltd
REPORTING PERIOD	Arrears Report: 1 July 2023 – 30 June 2024
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.*
	Samuel Lowe Owner Date: 23/2/25

Australian Government
Department of Climate Change, Energy, the Environment and Water

Version 9.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	32 tCO_2-e
CARBON OFFSETS USED	100% VCU's
RENEWABLE ELECTRICITY	100%
CARBON ACCOUNT	Prepared by: Everclime
TECHINCAL ASSESSMENT	29/10/24 Everclime Next technical assessment due: FY 2026-27

Contents

2.CERTIFICATION INFORMATION

Description of product certification

This product certification is for all Australian Single Malt whisky produced, packaged, and sold by Kinglake Distillery, with kg CO2-e/litre of whisky produced as the functional unit.

- Functional unit: e.g. kg CO_2-e/litre of whiskey produced by Kinglake Distillery
- Offered as: full coverage product.
- Life cycle: cradle-to-retail shelf (cradle-to-grave was not appropriate)

The responsible entity for this product certification is Kinglake Distillery Pty Ltd, ABN 94 617 507 365.

Description of business

Kinglake Distillery is a small, family-owned producer of handcrafted Australian Single Malt whisky. Every drop is made from scratch in Kinglake, by our hands. From grinding the malt to filling the barrel, we are closely involved in every step of the process.

Our off-grid whisky distillery is designed to take full advantage of its unique rural setting. Surrounded by eucalypt-dominated vegetation, the atmosphere here is infused with fine droplets of volatile oils, which not only increase the risk of fire but also perfume the air and scatter blue light across the landscape. Our fermentation process is deliberately long, with washbacks left open to absorb the rich local pollens and wild yeasts, adding a distinct character to our whisky.

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' of a product or service. These attributable processes are services, materials and energy flows that become the product or service, make the product or service and carry the product or service through its life cycle. These attributable emissions 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.

Organisation Quantified: *Postage*, *Paper*, *Transport fuels, Electricity (Solar)*

Product Quantified: *Barley, Yeast, Water, Barrels, Bottles, Cork, Labels, Wax Seals, Plastic & Cardboard Packaging, Freight, Stationary Fuels.*

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.

Product Outside: Customer Storage

Emissions boundary for FY2023-24

Inside emissions boundary

Quantified

Organisation Quantified

Accommodation and facilities

Electricity (Solar)

ICT services and equipment

Machinery and vehicles

Office equipment and supplies

Transport (air)

Transport (land and sea)

Paper

Postage

Products

Professional services

Waste

Product Quantified

Barley

Yeast

Water

Barrels

Bottles

Cork

Labels

Wax Seals

Plastic & Cardboard Packaging

Freight

Stationary Fuels

Non-quantified

N/A

Outside emission boundary

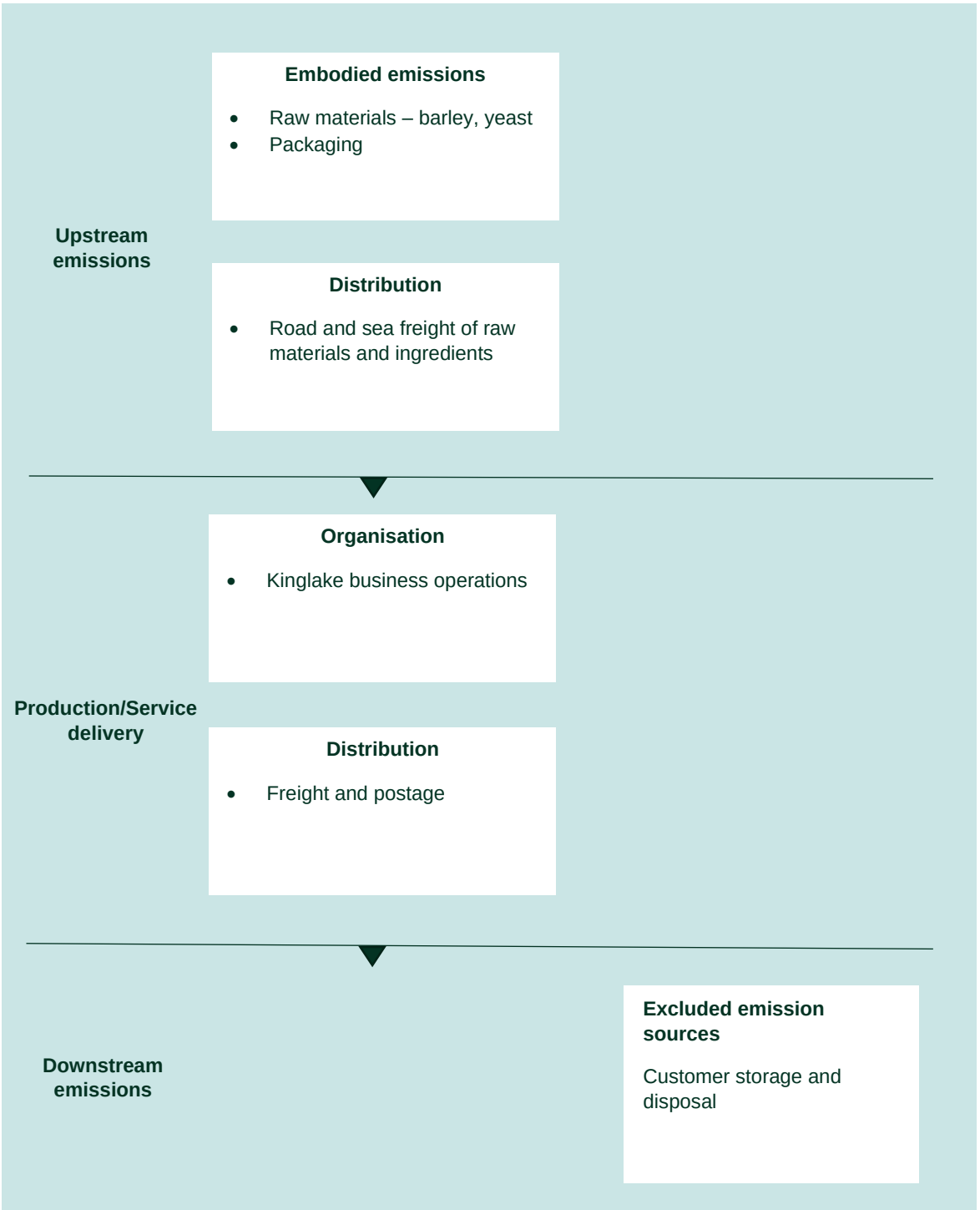
Non-attributable

Customer storage and disposal

Product process diagram

Cradle-to-retail shelf boundary.

Due to the diverse nature of our customers, and the minimal associated emissions with storage and disposing of whiskey we have chosen to exclude customer storage and disposal as part of our assessment.



4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Kinglake Distillery is on-track with its goal to reduce its stationary diesel fuel usage per litre of whisky produced by 75% over the next 5 years, by decreasing it by 15% per year. This will be done by reducing the reliance on the diesel generator by producing in the summer months and relying more on our solar system. From 2021 diesel usage has decreased from 3113L to this year's figure of 953L a 70% reduction. We expect that figure to reduce further with the increase in solar capacity of 10kWh plus an 8kWh battery system.

Below is a more detailed plan on how Kinglake can achieve its next phase of emission reductions. With these actions Kinglake Distillery aims to achieve a 40% reduction in emissions compared with our baseline year by 2030, in line with Paris Agreement commitments.

The original assessment, which had the baseline year as FY18-FY21 was completed by a previous consultant. To prevent confusion we will assess the reduction from the first assessment done over a single year, FY22.

Emissions reduction actions

- **Implement Renewable Energy Solutions (Completed FY23-24)**

  - **Install Solar Panels**: Kinglake Distillery has installed solar panels to generate electricity for its operations, reducing reliance on fossil fuels and lowering greenhouse gas emissions.

- **Enhance Energy Efficiency (Research in FY24-25)**

  - **Upgrade Equipment**: Invest in energy-efficient distillation equipment to reduce energy consumption during the production process.
  - **Implement Heat Recovery Systems**: Capture and reuse waste heat from distillation for other heating needs within the distillery.
  - **Improve Insulation**: Insulate buildings, pipes, and tanks to minimize heat loss, ensuring energy is used more efficiently.

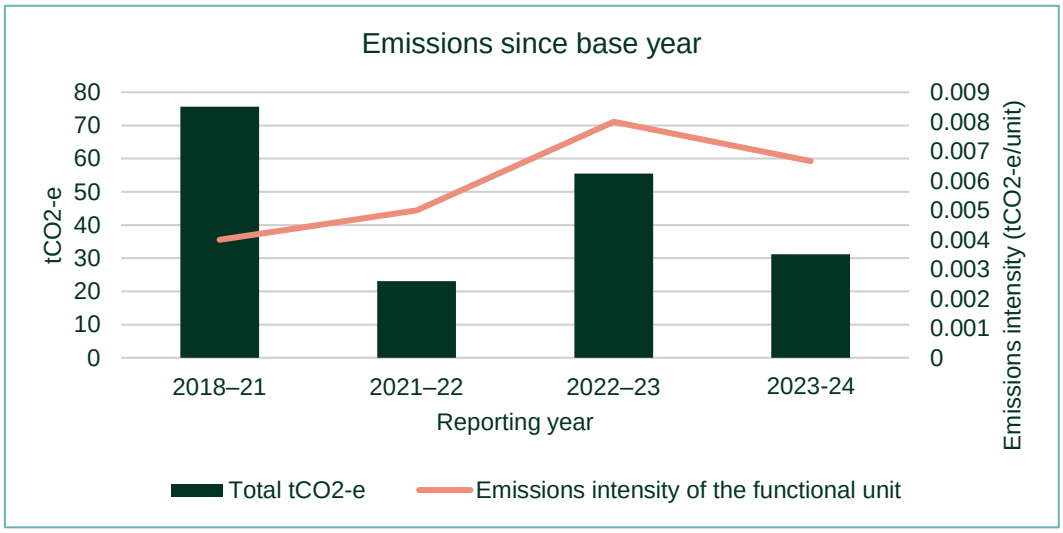
- **Adopt Sustainable Sourcing and Waste Management Practices (Research in FY24-25)**

  - **Source Locally**: Purchase grains and other raw materials from local suppliers to reduce emissions from transportation.
  - **Use Low-emission Freight:** Research the use of low emission freight within current supply chain.

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year			
		Total tCO_2-e	Emissions intensity of the functional unit
Base year:	2018–21*	75.62	0.004
Year 1:	2021–22	23.13	0.005
Year 2:	2022–23	55.47	0.008
Year 3:	2023-24	31.21	0.0066



*Kinglake Distillery's initial Climate Active submission included the emissions from the first 3 years of making whiskey. Subsequent submissions only include the emissions for the whiskey made during a one-year period. Any comparisons to the base year emissions should take this into account.

Significant changes in emissions

Following the completion of the installation and purchase of a solar unit during the last reporting period, emissions have been reduced. This one-off investment in solar energy has led to a significant decrease in reliance on fossil fuels at the off-grid distillery. As a result, fuel consumption has been minimised, contributing to overall emissions reductions and supporting a more sustainable energy strategy. This is a great example of decarbonisation of businesses part of the Climate Active certification.

Use of Climate Active carbon neutral products, services, buildings or precincts

N/A

Emissions summary

Life cycle stage / Attributable process / Emission source	**tCO_2-e**
Upstream process	8.56
Controlled, produced and/or delivered by responsible entity	20.92
Downstream Processes	2.29
Attributable emissions (tCO_2-e)	31.77

Note that all attributable emissions disclosed in this product PDS have been captured in the organisation certification

Product / Service offset liability	
Emissions intensity per functional unit (tCO_2-e/unit)	0.0066
Emissions intensity per functional unit including uplift factors	N/A
Number of functional units covered by the certification	4774.00
Total emissions (actual, tCO_2-e) to be offset	**31.77**

6.CARBON OFFSETS

Eligible offsets retirement summary

Offsets retired for Climate Active certification.

Type of offset unit	Quantity used for this reporting period	Percentage of total units used
Verified Carbon Units (VCUs)	32	100%

All attributable emissions covered by this product certification are captured in Kinglake Distillery’s organisation boundary. See Kinglake Distillery’s Climate Active organisation certification for details on the eligible carbon offsets used.

Co-benefits

N/A

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

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.

For this certification, electricity emissions have been set by using the **market-based approach.**

Market Based Approach Summary

Market Based Approach	Activity Data (kWh)	Emissions (kg CO_2-e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	1,985	0	100%
Total non-grid electricity	**1,985**	**0**	**100%**
LGC purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	0	0	0%
Climate Active certified - Precinct/Building (voluntary renewables)	0	0	0%
Climate Active certified - Precinct/Building (LRET)	0	0	0%
Climate Active certified - Precinct/Building jurisdictional renewables (LGCs surrendered)	0	0	0%
Climate Active certified - Electricity products (voluntary renewables)	0	0	0%
Climate Active certified - Electricity products (LRET)	0	0	0%
Climate Active certified - Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	0	0	0%
Residual electricity	0	0	0%
Total renewable electricity (grid + non grid)	**1,985**	**0**	**100%**
Total grid electricity	**0**	**0**	**0%**
Total electricity (grid + non grid)	**1,985**	**0**	**100%**
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	**0**	**0**	
Scope 2	0	0	
Scope 3 (includes T&D emissions from consumption under operational control)	0	0	
Residual electricity consumption not under operational control	**0**	**0**	
Scope 3	0	0	

Total renewables (grid and non-grid)	**100.00%**
Mandatory	**0.00%**
Voluntary	**0.00%**
Behind the meter	**100.00%**
Residual scope 2 emissions (t CO_2-e)	**0.00**
Residual scope 3 emissions (t CO_2-e)	**0.00**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.00**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.00**
Total emissions liability (t CO_2-e)	**0.00**

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

Location-based approach summary

Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	**100%**	**(kWh)**	**Scope 2 Emissions ($kgCO_2$-e)**	**Scope 3 Emissions ($kgCO_2$-e)**	**(kWh)**	**Scope 3 Emissions ($kgCO_2$-e)**
ACT	0	0	0	0	0	0
NSW	0	0	0	0	0	0
SA	0	0	0	0	0	0
VIC	0	0	0	0	0	0
QLD	0	0	0	0	0	0
NT	0	0	0	0	0	0
WA	0	0	0	0	0	0
TAS	0	0	0	0	0	0
Grid electricity (scope 2 and 3)	**0**	**0**	**0**	**0**	**0**	**0**
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	1,985	1,985	0	0		
QLD	0	0	0	0		
NT	0	0	0	0		
WA	0	0	0	0		
TAS	0	0	0	0		
Non-grid electricity (behind the meter)	**1,985**	**1,985**	**0**	**0**		
Total electricity (grid + non grid)	**1,985**					

Residual scope 2 emissions (t CO_2-e)	**0.00**
Residual scope 3 emissions (t CO_2-e)	**0.00**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.00**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.00**
Total emissions liability	**0.00**

Operations in Climate Active buildings and precincts

Operations in Climate Active buildings and precincts	Electricity consumed in Climate Active certified building/precinct (kWh)	Emissions (kg CO_2-e)
N/A	**0**	**0**

Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market-based method is outlined as such in the market-based summary table.

Climate Active carbon neutral electricity products

Climate Active carbon neutral electricity product used
N/A

Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market-based method is outlined as such in the market-based summary table.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources 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	Justification reason
N/A	

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

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**).

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

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

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.

1. **Size** The emissions from a particular source are likely to be large relative to other attributable emissions.

2. **Influence** The responsible entity could influence emissions reduction from a particular source.

3. **Risk** The emissions from a particular source contribute to the responsible entity's greenhouse gas risk exposure.

4. **Stakeholders** The emissions from a particular source are deemed relevant by key stakeholders.

5. **Outsourcing** The emissions are from outsourced activities that were previously undertaken by the responsible entity or from outsourced activities that are typically undertaken within the boundary for comparable products or services.

Non-attributable emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Customer storage and disposal	N	N	N	N	N	• **Size**: The emissions generated from customer storage and disposal are negligible compared to the overall emissions profile, falling below the materiality threshold for inclusion. • I**nfluence**: Kinglake has no direct control over how customers store or dispose of the product after purchase, limiting any meaningful ability to influence emissions reductions. • **Risk**: There is no significant regulatory, environmental, or reputational risk associated with customer storage and disposal that would warrant inclusion in the assessment. • **Stakeholders**: Key stakeholders, including customers and regulatory bodies, have not identified customer storage and disposal as a critical area of concern for emissions reporting. • **Outsourcing**: No part of the customer storage or disposal process is outsourced by Kinglake, meaning these emissions do not fall under the company's operational responsibility.

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