



PUBLIC DISCLOSURE STATEMENT

MERCHANTS OF THE SUN

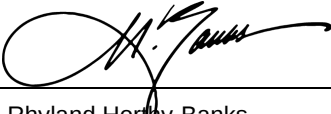
**ORGANISATION CERTIFICATION
FY2023–24**

Australian Government

Climate Active Public Disclosure Statement

Merchants.



NAME OF CERTIFIED ENTITY	Merchants Label Pty Ltd (trading as Merchants of the Sun)
REPORTING PERIOD	Financial year 1 July 2023 – 30 June 2024 Arrears 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.  Rhyland Horthy-Banks Director 19 / 9 / 25



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

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Version 9.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	434 tCO ₂ -e (100% overlap with product certification)
CARBON OFFSETS USED	100% VCUs
RENEWABLE ELECTRICITY	18.72%
CARBON ACCOUNT	Prepared by: Pangolin Associates
TECHNICAL ASSESSMENT	25/08/2025 Pangolin Associates Next technical assessment due: FY2027

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2. CERTIFICATION INFORMATION

Description of organisation certification

This organisation certification is for the business operations of Merchants Label Pty Ltd (trading as Merchants of the Sun), ABN: 62 645 535 673.

Most of the products sold by Merchants of the Sun (in Australia and internationally) are included in this certification boundary and are certified as carbon neutral products under a separate Climate Active product certification (child certification). Excluded products are specified in section 2 of the PDS.

The operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This includes the following location:

- Shop 4, 2 Dawn Parade, Miami 4220 QLD.
- 1/2086 Gold Coast Highway, Miami 4220 QLD.

The methods used for collating data, performing calculations and presenting the carbon account are in accordance with the following standards:

- Climate Active Standards
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

Where possible, the calculation methodologies and emission factors used in this inventory are derived from the National Greenhouse Accounts (NGA) Factors in accordance with "Method 1" from the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). These have been expressed as carbon dioxide equivalents (CO₂-e) using relative global warming potentials (GWPs).

This Public Disclosure Statement includes information for FY2023-24 reporting period. Please note there is a 100% overlap between the organisation and product certification (separate document).

Organisation description

Merchants of the Sun is a slow jewellery label based in the Gold Coast, Queensland. Founded in April 2020 by Matthew Banks, the brand continues to fashion a balance between expression and ethical creation.

Each collection includes a considered selection of rings, cuffs, chains and pendants. Most of our products are handcrafted in Indonesia using 100% recycled 925 sterling silver and 18k gold vermeil plating. Pieces that go unsold are recycled and melted down for use in succeeding product launches.

Articulating a connection to the environment, Merchants of the Sun acts according to a vision of a zero-waste world. All operations are fortified by the community it has created via consumer education and transparency.

Creativity is at the heart of all operations - a notion that is consciously upheld by the team on a daily basis.

Merchants Label Pty Ltd T/A Merchants of the Sun

ABN: 62 645 535 673

ACN: 645 535 673

Office/Warehouse: 2 Dawn Parade, Miami QLD 4220

House of Merchants (showroom): Shop 1/2086 Gold Coast Highway, Miami, Queensland 4220

"Motivated by the vision of a zero-waste world, Merchants of the Sun brings to life handcrafted jewellery that inspires their culture to mindfully consume and consciously create." Matt Banks (Founder)

No additional subsidiaries or entities are included in this 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 relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

Non-quantified emissions have been assessed as relevant 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

Excluded emissions are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.

Inside emissions boundary

Quantified - Organisation

Accommodation and facilities

Air Transport

Cleaning and Chemicals

Carbon neutral products and services

Electricity

Food

ICT services and equipment

Land and Sea Transport

Machinery and vehicles

Office equipment & supplies

Postage, courier, and freight

Professional Services

Stationary energy

Taxi

Refrigerants

Waste

Employee commute

Working from home

Quantified - Product:

Raw materials

Manufacturing
(Indonesian/Chinese
operations)

Packaging

Freight

Disposal

Non-quantified

Water

Outside emission boundary

Excluded

Selection of non-jewellery products sold:
Accessories (sticker, keychain, gift box, Twin Fin, Leather keychain)

4.EMISSIONS REDUCTIONS

Emissions reduction strategy FY2025 to FY2027

We are still working towards our goal to reduce our emissions per product by 30% by 2027 compared to our 2021 base year.

IN-HOUSE RECYCLING AND RENEWABLES

- GreenPower is to be investigated by June 2025.
- TerraCycle is to be reviewed/implemented by June 2025.

PRODUCTION/PRODUCT

- Increase Close the Loop Program uptake through promotional activity by 10% YOY.
- Investigate Solar Options for the Indonesian Factory + Indonesian House of Merchants by 2027.
- New Chain Supplier RJC Registered + Recycled Supplier Registration - 100% by 2024/2025. Already in progress in October 2024.
- Become waste-free by the end of 2027 across all production and retail areas.

PACKAGING

- Redesigned packaging and introduced Sugarflex Recyclable Packaging for all products leaving our warehouse.
- Working on a warehouse solution to facilitate pre-packaged Sugarflex Packaging from our Factory in Indonesia. Our interim solution is to send back virgin plastic for reuse.
- Myclieum packaging was not viable; we are rebuilding our packaging solution with Grounded a BCorp and sustainable packaging to be entirely carbon-neutral.
- Review refineries for Gold recycling by 2026.

ETHICAL CONDUCT

- B-Corp Registered.
- Responsible Jewellery Council Registration by December 2026.

PROJECTS / CARBON COMMITMENT

- Rimba Raya Bio-Diversity Carbon Offsets

Emissions reduction actions in FY2024

IN-HOUSE RECYCLING

- Goals not achieved were postponed to FY2025; please see above.

PRODUCTION/PRODUCT

- We have changed our complimentary ring sizer to no longer be included in every packaging. It is now an optional add-on to reduce our ring sizer output. This has significantly reduced our virgin plastic output from 14,356 Ring Sizers in 2023 to 6271 Ring Sizers in 2024 a 43.68% reduction, resulting in a 69.65% reduction in our virgin plastic emissions since 2023.
- We are investigating a recyclable variation of this product as an interim solution until we can implement our technology-based solution - we have implemented Try with Mirra - a try before you buy a solution to mitigate plastic consumption.
- We introduced DHL carbon-neutral shipping on all international orders to reduce our outbound pollution as we scale into the US market.
- Successfully introduced Close the Loop Program. Four orders returned in June of 2023 upon launch. In 2024 YTD, we have had eight returns so far. We plan on revamping our loyalty program, email marketing channels, and sustainability pages to encourage people to participate in our Close the Loop Program.
- We are workshopping a strategy to reduce our marketing Scope 3 output and working with our consultants to optimise their carbon footprint to reduce our emissions further. We aim to reduce Scope 3 on consultants by 50% within 2 years. We aim to have a measurable plan to reduce marketing carbon emissions by 30 June 2025.

PACKAGING

- All packaging components are recyclable or made from recyclable materials. We are still investigating natural mycelium packaging; however, we had issues with the import/export of live products. This will no longer proceed. We are redesigning our packaging to be completely carbon neutral with our packaging supplier, Grounded, by 31 December 2025.

ETHICAL CONDUCT

- Rebuilt our sustainability and transparency page to effectively communicate all aspects of our goals and to keep our team accountable.

PROJECTS / CARBON COMMITMENT

- Rimba Raya Biodiversity Reserve Carbon Offsets

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year			
		Total tCO ₂ -e (without uplift)	Total tCO ₂ -e (with uplift)
Base year/Year 1:	2020–21	109.9	n/a
Year 2:	2021–22	289.5	n/a
Year 3:	2022-23	342.6	n/a
Year 4:	2023-24	433.4	n/a

Significant changes in emissions

Significant changes in emissions			
Emission source	Previous year emissions (t CO ₂ -e)	Current year emissions (t CO ₂ -e)	Reason for change
Advertising services	52.4	84.7	Increase in marketing activities
Product - Raw Materials (kgCO ₂ -e)	67.3	141.6	Increase in sales volume and gold and silver material input.
Product - Manufacturing (kgCO ₂ -e)	28.0	47.4	Estimation of utilities consumption based on increases in prior years as actual data was unavailable.

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

Certified brand name	Product/Service/Building/Precinct used
Pangolin Associates	Consulting services

Emissions summary

The electricity summary is available in Appendix B. Electricity emissions were calculated using a market-based approach.

	Sum of Scope 1 emissions (tCO ₂ -e)	Sum of Scope 2 emissions (tCO ₂ -e)	Sum of Scope 3 emissions (tCO ₂ -e)	Sum of Total emissions (t CO ₂ -e)
Accommodation and facilities	0.0	0.0	0.6	0.6
Cleaning and chemicals	0.0	0.0	0.1	0.1
Climate Active carbon neutral products and services	0.0	0.0	0.0	0.0
Electricity	0.0	6.2	0.8	6.9
Food	0.0	0.0	2.3	2.3
ICT services and equipment	0.0	0.0	5.1	5.1
Machinery and vehicles	0.0	0.0	0.3	0.3
Office equipment and supplies	0.0	0.0	3.2	3.2
Postage, courier and freight	0.0	0.0	28.4	28.4
Products	0.0	0.0	195.9	195.9
Professional services	0.0	0.0	163.6	163.6
Refrigerants	0.3	0.0	0.0	0.3
Stationary energy (gaseous fuels)	0.0	0.0	0.0	0.0
Stationary energy (liquid fuels)	0.0	0.0	0.0	0.0
Stationary energy (solid fuels)	0.0	0.0	0.0	0.0
Transport (air)	0.0	0.0	11.9	11.9
Transport (land and sea)	0.0	0.0	5.5	5.5
Waste	0.0	0.0	7.2	7.2
Working from home	0.0	0.0	2.1	2.1
Grand Total	0.3	6.2	427.0	433.4

Uplift factors

N/A

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)	434	100%

Project name	Type of offset unit	Registry	Date retired	Serial number	Vintage	Total quantity retired	Quantity used in previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period	Percentage of total used this reporting period
Rimba Raya Biodiversity Reserve Project	VCU	Verra	27 Dec 2024	9900-157306648-157307081-VCS-VCU-263-VER-ID-14-674-01012018-31122018-1	2018	434	0	0	434	100%

Co-benefits

Rimba Raya is situated in Central Kalimantan in Indonesian Borneo. Covering land approximately the same size as Singapore, it is known as one of the largest Orangutan sanctuaries in the world. Offering a viable alternative to deforestation, a practice very common in the area, the project has a wealth of benefits to the biodiversity of the region and the surrounding communities. Rimba Raya is home to over 300 species of birds, 122 species of mammals and 180 species of trees and plants. The project has strong community based initiatives including increased employment for communities, greater access to medical and health services, and assistance with education.

The Rimba Raya REDD+ project has successfully defended 64,500 hectares of carbon and biodiversity-rich lowland peat forest from conversion to oil palm plantations, which surround the project area and adjacent Tanjung Puting National Park. Rimba Raya protects over 120 threatened and endangered species in the project area including the endangered Borneo Orangutan and supports over 10,000 forest-dependent community members living in and along the boundaries of the project, who have traditionally held no tenure and who have used the forest in an unsustainable way.

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	0	0	0%
Total non-grid electricity	0	0	0%
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)	1,751	0	19%
Residual electricity	7,601	6,917	0%
Total renewable electricity (grid + non grid)	1,751	0	19%
Total grid electricity	9,351	6,917	19%
Total electricity (grid + non grid)	9,351	6,917	19%
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	7,601	6,917	
Scope 2	6,766	6,157	
Scope 3 (includes T&D emissions from consumption under operational control)	835	760	
Residual electricity consumption not under operational control	0	0	
Scope 3	0	0	

Total renewables (grid and non-grid)	18.72%
Mandatory	18.72%
Voluntary	0.00%
Behind the meter	0.00%
Residual scope 2 emissions (t CO₂-e)	6.16
Residual scope 3 emissions (t CO₂-e)	0.76
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	6.16
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.76
Total emissions liability (t CO₂-e)	6.92

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 (kg CO ₂ -e)	Scope 3 Emissions (kg CO 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	9,351	9,351	6,827	1,403	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)	9,351	9,351	6,827	1,403	0	0
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	0	0	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)	0	0	0	0		
Total electricity (grid + non grid)	9,351					

Residual scope 2 emissions (t CO ₂ -e)	6.83
Residual scope 3 emissions (t CO ₂ -e)	1.40
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	6.83
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	1.40
Total emissions liability	8.23

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	Electricity claimed from Climate Active electricity products (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 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 relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. 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
Water - organisation	Immaterial

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 EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to this organisation's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions.
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** 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.

Excluded emissions sources summary

Emission sources tested for relevance						Justification
	Size	Influence	Risk	Stakeholders	Outsourcing	
Accessories	N	Y	N	N	N	Size: The emissions source is likely to be immaterial. Influence: We have the potential to influence the emissions from this source, including by shifting to a different lower-emissions supplier for our product/service. Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source, the source does not create supply chain risks, and it is unlikely to be of significant public interest. Stakeholders: Key stakeholders, including the public, might are unlikely to consider this a relevant source of emissions for our product/service. Outsourcing: We have not previously undertaken this activity within our emissions boundary and comparable products/services do not typically undertake this activity within their boundary.



An Australian Government Initiative

