

Australian Government
Carbon Neutral Program
Public Disclosure Summary




An Australian Government Initiative

NAME OF CERTIFIED ENTITY: Paper Australia Pty Ltd (Australian Paper)

REPORTING PERIOD: 1st January 2018 – 31st December 2018

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

Signature 	Date 07/05/2019
Name of Signatory Craig Dunn	
Position of Signatory General Manager - Communications & Sustainability	
Carbon neutral certification category	Product
Date of most recent external verification/audit	25/03/2019
Auditor	RSM Australia
Emissions in the base year (2012)	109137 t CO ₂ -e



Australian Government

Department of the Environment and Energy

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1. Carbon neutral information

1A. Introduction

Paper Australia Pty Ltd (Australian Paper) is a leading producer of office, printing and packaging papers in Australia, manufacturing from its mill at Maryvale, Victoria.

Australian Paper produces a wide range of paper products and around 100 Carbon Neutral certified paper products were sold during the reporting period. Products include office papers, bag papers, printing papers and recycled paper in both sheet and roll forms. Maryvale Mill is a large integrated pulp and paper manufacturing site, producing close to 600,000 tonnes of paper from its operations. The product delivered by Australian Paper consists of a range of branded paper products with a proportion sold under the carbon neutral logo throughout Australia and New Zealand.

The Life Cycle Assessment (LCA) undertaken covers the raw materials, production, packaging, distribution and disposal of all products produced at the Maryvale mill. The LCA model for paper manufacturing includes over 250 raw material inputs flowing through approximately 600 intermediate processes across the mill. The functional unit is one tonne of certified paper product. This inventory has been prepared based on the standards of *National Carbon Offset Standard for PRODUCTS & SERVICES version: effective from 1 November 2017* with data references from the *National Inventory Report 2015 Vol. 2* and *National Greenhouse Accounts(NGA) Factors 2017*. The emissions included in the inventory include all greenhouse gases CO₂, CH₄, N₂O, HCFs, PFCs, SF₆, HCFCs and CFCs.

The system boundary begins with raw material production in the form of wood procured from forestry operations and sawmills, and the collection of recycled fibre for inclusion in paper production. It includes all raw material transport, pulping of wood fibre, imports of external pulp, production and finishing of paper products and finally packaging and distribution from the Maryvale Mill. While the use of the paper is considered outside the system boundary, the landfilling of the paper products after use is included in the LCA.

1B. Emission sources within certification boundary

Quantified sources

The quantified emission sources inclusive of cradle-to-grave inputs and outflows are listed below in the system boundary (1C).

Excluded sources

The following emission sources have been excluded in line with the provisions of the National Carbon Offset Standard for Products & Services. The impact of excluding these sources is not expected to materially affect the overall total emissions.

1. Office equipment and consumables i.e. staplers, stationery, printers etc.

Quantifying emissions is not cost effective due to the relative size of the emissions. Office equipment and consumables are estimated at less than 0.001% of overall emissions.

2. Paper machine consumables i.e. machine fabrics

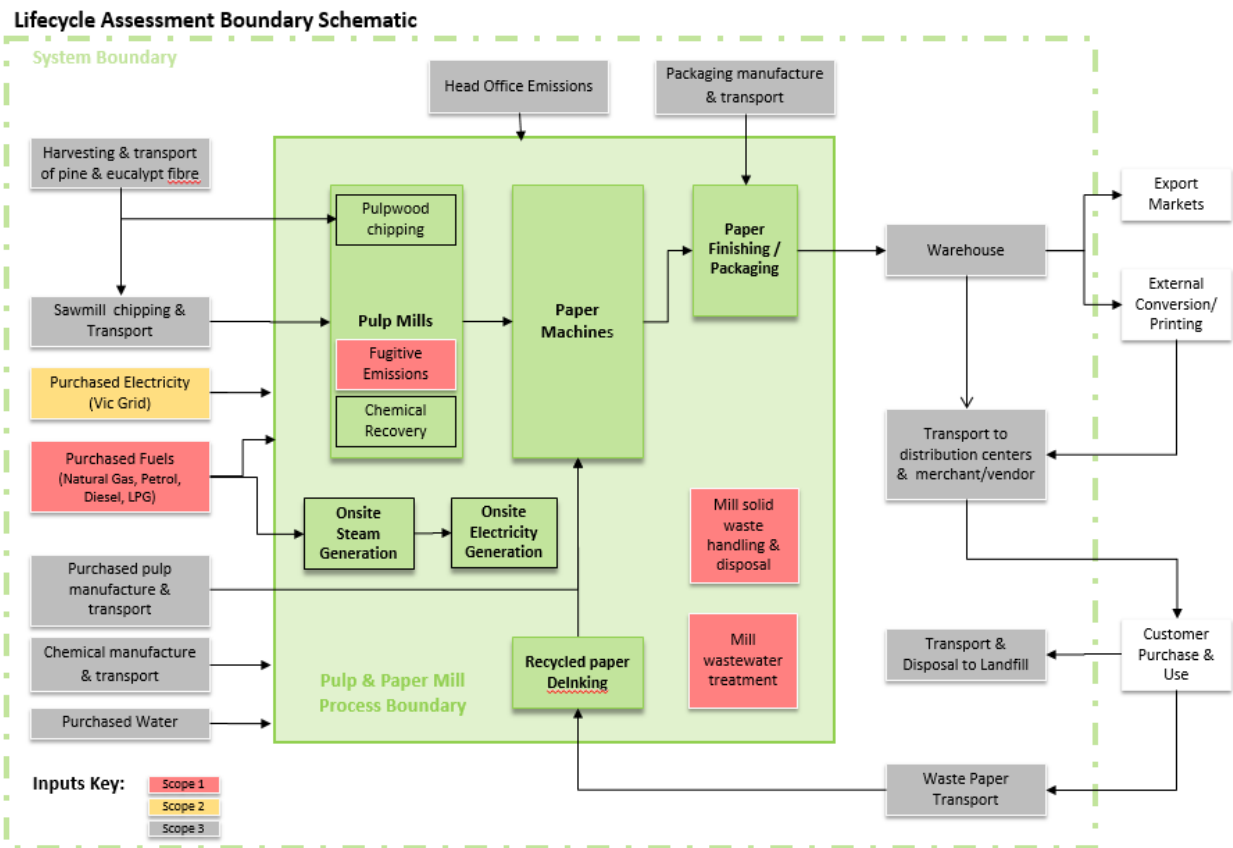
Quantifying emissions is not practicable or cost effective due to the highly complex and specialised nature of the manufacture of these consumables, and their emissions have been previously estimated at less than 1% of overall emissions.

3. Offsite finishing and processing

Small quantities of some products are directed for offsite finishing prior to sale. This is done at the request

of customers and is specific to their needs for the end use of the paper. External conversion is not included in the system boundary.

1C. Diagram of the certification boundary



2. Emissions reduction measures

2A. Emissions over time

Australian Paper makes no comparison of total emissions over time, other than the specific emission factor which might apply to a product – used as an indicator of the efficiency with which Australian Paper has produced the product. Base year emissions and any historic data are not recalculated for organic growth or decline. Organic growth/decline refers to increases or decreases in production output, changes in product mix, changes in energy efficiency through capital upgrades, and closures and openings of operating units that are owned or controlled by the company. The rationale for this is that organic growth or decline, results in a change of emissions to the atmosphere and therefore needs to be counted as an increase or decrease in the company’s emissions profile over time.

As a result, Australian Paper will apply a base year recalculation, and recalculations to any subsequent year, on:

- changes in calculation methodology or improvements in the accuracy of emission factors or activity data that result in a significant impact on the base year emissions data
- or discovery of significant errors, or a number of cumulative errors, that are collectively significant.

The threshold for triggering a recalculation is when a retrospective change in the points above would be expected to result in a 5% change of a product’s specific emissions intensity from that originally calculated in the baseline year.

Table 1. Emissions since base year			
Product	Base Year: 2012	Emission Intensity [t CO2 per t paper]	Comments
All CN Products	2012	2.24	Highest proportion of biomass fuel since 2009 High proportion of sales of lower emissions intensity papers Lower proportion of sales tonnes from Shoalhaven mill (with higher emissions intensity products)
CN Products	2013	2.57	Additional emissions factor added to chemicals footprint.
All CN Products	2014	2.60	
All CN Products	2015	2.67	Lower proportion of biomass fuel, across lower production output Slow startup of new recycling/DiP plant Increased proportion of recycled content and higher specific footprint papers
All CN Products	2016	2.38	Improved efficiency of recycling/DIP plant Electricity impacts per tonne CN papers lower than 2015 Lower production output and increased sales of CN products
CN Products	2017	2.35	Lower production output and increased sales of CN products Gas impacts per tonne CN papers lower than 2016
CN Products	2018	2.50	Accounting the sale of renewable energy credits and more inclusive emission boundary (head office energy etc)

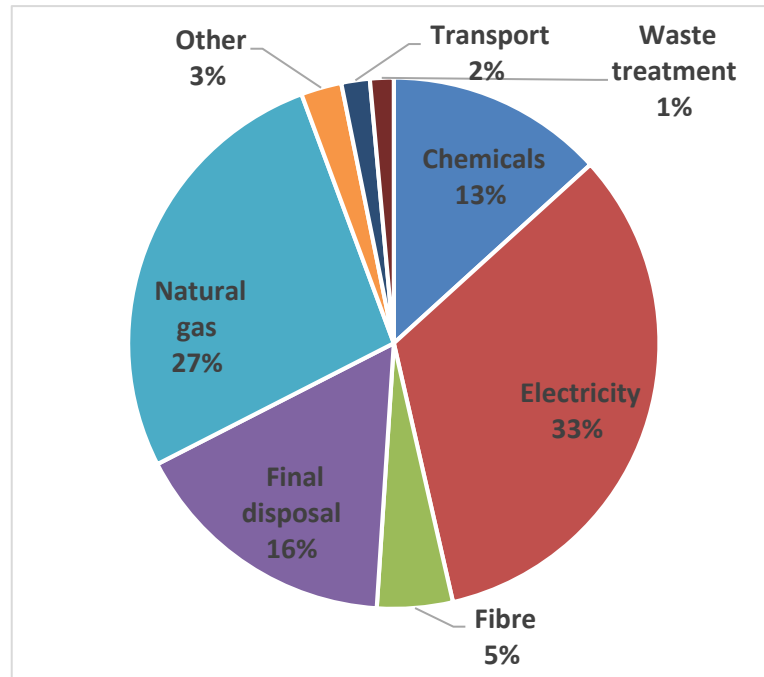
2B. Emissions reduction strategy

Australian Paper seeks to reduce its energy use year on year, and has experienced mill-based engineering personnel who analyse, assess and implement new projects across the site to ensure, to the extent practicable, those projects achieve reductions in the operational use of steam, gas and / or electricity.

During the reporting period, a number of improvement projects were undertaken as part of our day to day operations, which were centered around upgrading equipment and improving energy efficiency. These projects each contributed to Australian Paper's long term objective of achieving continuous energy efficiency improvements and emission reductions of 1% per annum. Emission reductions did occur during 2018 (as with previous reporting years) and these results will be verified during a formal audit conducted during 2019.

3. Emissions summary

Emission source	t CO ₂ -e
Chemicals	43,987
Electricity	109,871
Fibre	15,268
Final disposal	54,555
Natural gas	89,115
Other	8,195
Transport	5,751
Waste treatment	4,889
Gross emissions	331,631



4. Calculation method update

The method of calculating the allocation of total paper emissions to carbon neutral grades has changed since the last submission. Previously, the overall mill model was broken down into each constitute paper product and then the impacts of carbon neutral papers were aggregated to derive the total inputs for Carbon Neutral papers. This was very time consuming and required some adjustments for paper produced in a prior year which were not manufactured in the current year.

For 2018 the carbon footprint for the entire Maryvale production and head office functions have been calculated and divided by the total paper production to arrive at the impact per tonne of paper produced. This number has then been multiplied by the tonnes of carbon neutral paper sold and an intensity factor which represents the relative impact of carbon neutral papers compared to the average of all papers produced. This difference occurs because the carbon neutral papers have a higher proportion of recycled fibres, which generally have a higher carbon footprint due to the lack of bioenergy contribution which is associated with virgin pulp production.

5. Carbon offsets

5A. Offsets summary

Offset type and registry offsets were purchased from	Offset type and registry offsets were retired in	Year retired	Quantity	Serial numbers	
VCU APX	VCU APX	2018	11,553	5829-262944761-262960377-VCU-048-APX-IN-1-1521-01012015-31122015-0	
VCU APX	VCU APX	2018	20,085	5833-263041761-263061845-VCU-034-APX-IN-1-1746-11032016-31122016-0	
CER UNFCCC CDM	ANREU	2018	42,191	Serial Range: 20,489,852 – 20,532,042	
VCU APX	VCU APX	2018	112,809	6021-275589911-275702719-VCU-034-APX-IN-1-1768-01012017-31122017-0	
VCU APX	VCU APX	2019	59,599	6673-331373108-331432706-VCU-034-APX-IN-1-1768-01012017-31122017-0	
VCU APX	VCU APX	2019	401	6446-321451020-321451420-VCU-034-APX-IN-1-1768-01012017-31122017-0	

VCU APX	VCU APX	2019	100,000	6380-318702602-318802601-VCU-034-APX-IN-1-1742-01012016-31122016-0	
	Total offset units retired		346,638		
	Net emissions after offsetting		0		
	Total offsets banked for use future years: (if any)		15,007	6380-318702602-318802601-VCU-034-APX-IN-1-1742-01012016-31122016-0	








5B. Offsets purchasing and retirement strategy





Australian Paper makes twice annual forward estimates of offset requirements based on combining the preceding reporting period's emissions intensity values and the sales forecast for paper products. During this period, Australian Paper then procures offsets that comply with a standard recognised by the NCOS, and retires them. Upon completion of the annual report; and in the case of a reporting period requiring verification by audit – prior to the final verification, Australian Paper will finalise procurement of offsets and cancel/retire at least the final total required volume of offsets as identified in the annual report. If Australian Paper retires more offsets during a reporting period in excess of those reported in Table 5A, these are to be applied to future offset requirements covering carbon neutral product sales in subsequent reporting periods.



5C. Offset projects (Co-benefits)

Acknowledging the high proportion of renewable energy that Australian Paper already produces from biomass fuel as a byproduct from the pulping process, offsets are invested in alternative energy generation developments, such as solar, wind or biomass.

6. Use of trade mark

Table 4. Trade mark register		
Where used	Logo type	Logo
Product Specification sheets	Carbon neutral certified logo	
Fact sheets	“An Australian Government Initiative” with Australian coat of arms alongside trademark	
Banners	“An Australian Government Initiative” with Australian coat of arms alongside trademark	
Australian Paper website	“An Australian Government Initiative” with Australian coat of arms alongside trademark	
Reflex Website	“An Australian Government Initiative” with Australian coat of arms alongside trademark	
Promotional & Product Flyers	Carbon neutral certified logo or “An Australian Government Initiative” with Australian coat of arms alongside trademark	
Presentations	“An Australian Government Initiative” with Australian coat of arms alongside trademark	

<p>Customer Price List</p>	<p>Carbon neutral certified logo & Carbon neutral paper logo</p>	
<p>Australian Paper branded copy paper: includes Australian, Australian 100% recycled, Brilliant, Reflex Ultra White, Reflex 50% recycled, Reflex 100% recycled</p>	<p>“An Australian Government Initiative” with Australian coat of arms alongside trademark or simplified carbon neutral certified logo</p>	
<p>Customer branded printing papers: includes Revive Laser 100% recycled *This brand is manufactured by Australian Paper but is not owned by Australian Paper*</p>	<p>Carbon neutral certified logo or simplified carbon neutral certified logo</p>	
<p>Customer branded papers & copy papers: includes Planet Ark 100% recycled, Winc, Winc 20% recycled *These brands are manufactured by Australian Paper but are not owned by Australian Paper*</p>	<p>Carbon neutral certified logo or “An Australian Government Initiative” with Australian coat of arms alongside trademark or simplified carbon neutral certified logo</p>	

<p>Custom Printed envelopes using Australian Paper CN envelope paper</p>	<p>Carbon neutral paper logo</p>	
<p>Sustainability Report</p>	<p>“An Australian Government Initiative” with Australian coat of arms alongside trademark</p>	 <p>An Australian Government Initiative</p>