



PUBLIC DISCLOSURE STATEMENT

**PAPER AUSTRALIA PTY LTD
(TRADING AS OPAL AUSTRALIAN PAPER)**

**PRODUCT CERTIFICATION
CALENDAR YEAR 2020**

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY:

Paper Australia Pty Ltd (trading as Opal Australian Paper)

REPORTING PERIOD: 1st January 2020 – 31st December 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: 03/02/2022

Name of Signatory: Craig Dunn

Position of Signatory: General Manager, Public Relations & Sustainability



Australian Government
Department of Industry, Science,
Energy and Resources

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Version number February 2021



1. CARBON NEUTRAL INFORMATION

Description of certification

This certification covers all the activities undertaken to produce paper products at the Opal Australian Paper Maryvale Mill in the Latrobe Valley, Victoria. It covers the raw materials, production, packaging, distribution, and disposal of the products. The carbon neutral inventory has been prepared in accordance with the [Climate Active Carbon Neutral Standard for Products and Services](#) version effective July 2020.

The functional unit is one tonne of certified paper product.

The emissions included in the inventory include all greenhouse gases CO₂, CH₄, N₂O, HCFs, PFCs, SF₆, HCFCs and CFCs.

Organisation description

Opal Australian Paper is a leading producer of office, printing and packaging paper in Australia, which is manufactured at its mill at Maryvale, Victoria.

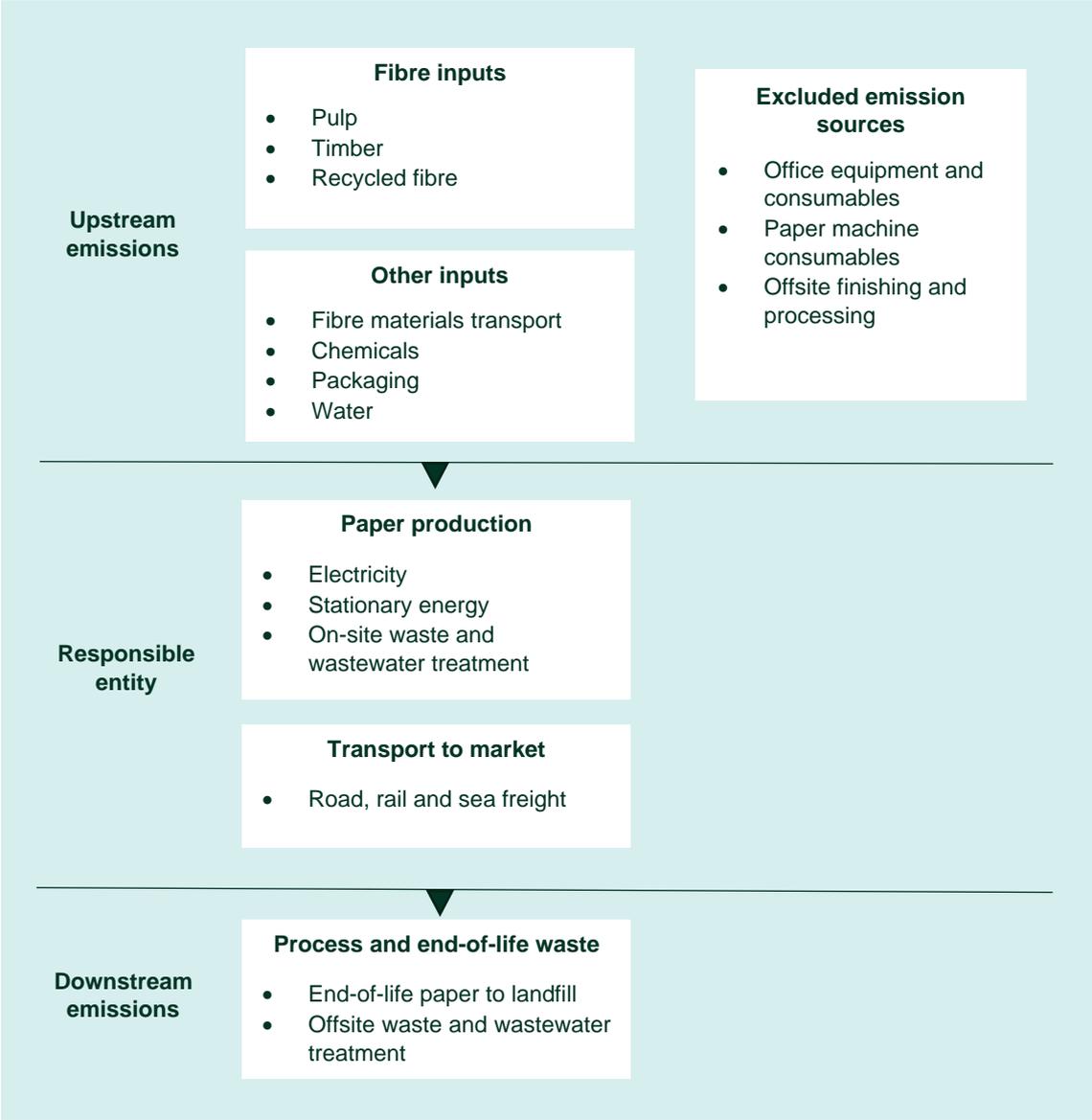
Opal Australian Paper produces many non-carbon neutral paper products and 344 Carbon Neutral certified paper products were sold during the reporting period. Products include office papers, bag papers, printing papers and recycled paper in both sheet and roll forms. Maryvale Mill is one of the largest integrated pulp and paper manufacturing sites in Australia, producing close to 600,000 tonnes of paper from facilities including a wood yard, three pulp mills, five paper machines, two recycling plants and converting facilities. The products manufactured and delivered by Opal Australian Paper consist of a range of paper products sold in Australia and internationally.

Product/service process diagram

The system boundary describes the life cycle stages and unit processes included in the carbon account. In the context of a carbon neutrality certification, the system boundary drawn to conduct a carbon account is referred as a 'process map', which is used to illustrate the different processes where materials and energy are brought together to move or make a product or service through its life cycle.

The system boundary includes all raw material transport, pulping of wood fibre, collection of recycled 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 disposal of the paper products after use is included in the carbon account.

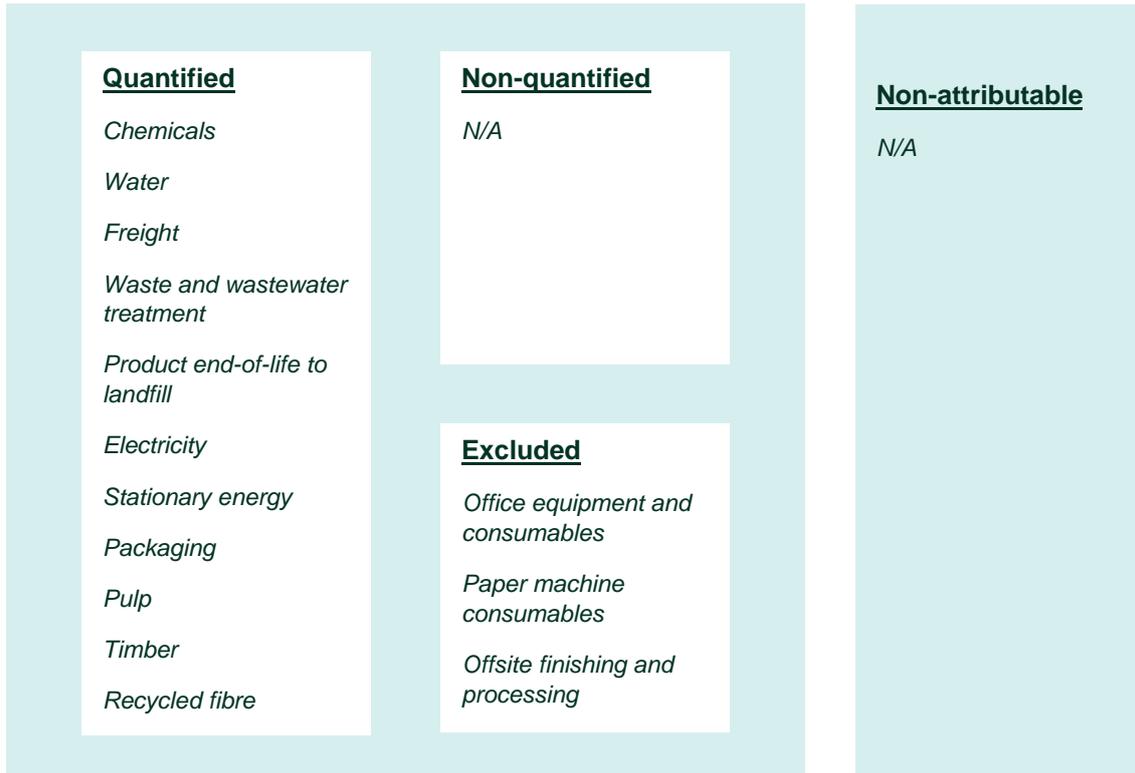
The following diagram is cradle to grave.



2. EMISSION BOUNDARY

Diagram of the certification boundary

Attributable processes are shown on the Emission Boundary diagram below. All direct (Scope 1) and indirect energy (Scope 2) emission sources, as well as all indirect (Scope 3) emission sources have been included. Emissions sources were identified through a detailed Life Cycle Assessment (LCA) of the production process.



Excluded sources (within certification boundary)

The following emission sources have been excluded in line with the provisions of the [Climate Active Technical Guidance Manual](#). 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 to be 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, and emissions are estimated to be less than 0.01% of overall emissions.

3. EMISSIONS SUMMARY

Emissions reduction strategy

Opal 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.

Improvement projects are undertaken as part of our day-to-day operations, which are centred around upgrading equipment and improving energy efficiency. These projects contribute to our long-term objective of achieving continuous energy efficiency improvements and Maryvale Mill emission reductions of 1% per annum. A reduction of 1.6% of emissions per functional unit (tonne of paper produced) was achieved in 2020 demonstrating the positive impact of our ongoing equipment upgrades and continuous improvements in energy efficiency.

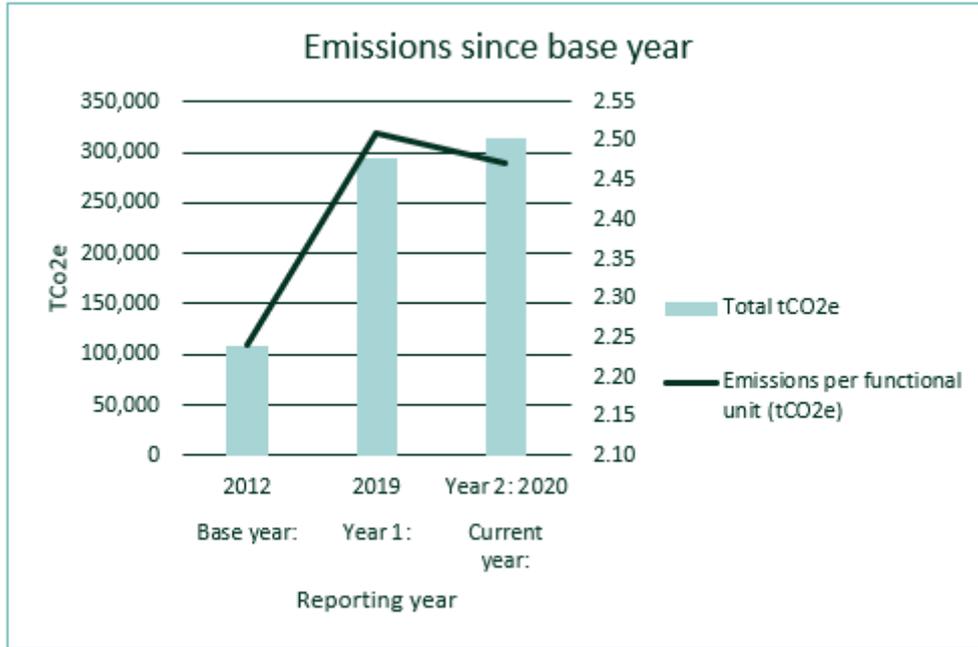
On 1 May 2020 Paper Australian Pty Ltd finalised the acquisition of a number of fibre packaging manufacturing facilities to form the larger "Opal" group and the Maryvale Mill operations sit within the Opal Australian Paper division. As a newly formed organisation, Opal is currently in the process of developing our company wide environmental strategy and targets. Once these are finalised, they will form part of Opal's overall Sustainability Strategy and progress on this will be reported in our 2021 Carbon Neutral Product Disclosure Statement.

Emissions over time

While overall emissions associated with our carbon neutral certification increased by 6% in 2020 in comparison to the 2019 reporting year, this was due to an 8% increase in carbon neutral product sales. A reduction of 1.6% of emissions per functional unit (tonne of paper produced) was actually achieved between 2019 and 2020 which is shown in Table 1 below.

Table 1

Emissions since base year	Base year:	Prior Year	Current year:
	2012	2019	2020
Emissions per functional unit (tCO ₂ e)	2.24	2.51	2.47



Emissions reduction actions

During the 2020 reporting period we achieved a 1.6% reduction in emissions per functional unit (tonnes of paper produced). This reduction was due primarily to the following two actions occurring in 2020:

- Completion of a paper machine refiner replacement project which reduced electricity consumption significantly by replacing two old inefficient refiner units with a single energy efficient unit.
- The impact of the COVID-19 pandemic on copy paper demand.

Table 2

Emissions reductions			
	Prior year	Current year:	Variance
	2019	2020	%
Emissions per functional unit (tCO2e)	2.51	2.47	-1.6

Functional units

Table 2

	Number of functional units
<i>a) Number of functional units sold this period (tonnes of product)</i>	127,082

Emissions summary (inventory)

Table 3

Emission source category	tonnes CO ₂ -e
Chemicals	48,165
Other (e.g. black liquor, stationary energy use, packaging)	5,394
Electricity	84,307
Natural gas	88,763
Fibre	12,505
Waste treatment	14,356
Transport	12,860
Final disposal	47,705
1. Total inventory emissions	314,055
<i>a. Number of functional units represented by the inventory emissions</i>	127,082
2. Emissions per functional unit (based on the number of functional units represented by the inventory) <i>Total tCO₂-e divided by the number of functional units in 1a.</i>	2.47
3. Carbon footprint <i>(Emissions per functional unit * number of functional units)</i>	314,055

4. CARBON OFFSETS

Offsets strategy

Opal 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, Opal Australian Paper procures eligible offset units and retires them. Upon completion of the annual report we finalise procurement of remaining offsets and cancel/retire the final total as required in the annual report. If Opal Australian Paper retires more offsets during a reporting period in excess of those required, these are applied to future offset requirements covering carbon neutral product sales in subsequent reporting periods.

Offset purchasing strategy: In arrears

1. Total offsets previously forward purchased and banked for this report	70,126
2. Total emissions liability to offset for this report	314,055
3. Net offset balance for this reporting period	243,929
4. Total offsets to be forward purchased to offset the next reporting period	23,071 <i>In line with our Offsets Strategy above, Opal Australian Paper retired more offsets than necessary for the 2020 reporting period. These will be applied to future offset requirements covering carbon neutral product sales in subsequent reporting periods.</i>
5. Total offsets required for this report	314,055

Co-benefits

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

Offsets summary

Proof of cancellation of offset units

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	Eligible Quantity (TCO ₂ -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Bundled clean energy project in Gujarat, India	VCU	APX	07-May-20	7708-422860173-422890254-VCU-034-APX-IN-1-1441-01012015-31122015-0	2015-2017	30,082	9,634	0	20,448	6%
Bundled clean energy project in Gujarat, India	VCU	APX	07-May-20	7707-422833828-422860172-VCU-034-APX-IN-1-1441-01012017-31122017-0	2015-2017	26,345	0	0	26,345	8%
Bundled clean energy project in Gujarat, India	VCU	APX	07-May-20	7709-422890255-422913587-VCU-034-APX-IN-1-1441-01012016-31122016-0	2015-2017	23,333	0	0	23,333	7%
Sah Wind Power Plant by Galata Wind Enerji A.S., Turkey.	VER	Gold Standard	19-May-21	GS1-1-TR-GS905-12-2015-6850-65897-95896	2015	30,000	0	0	30,000	10%

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	Eligible Quantity (TCO ₂ -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Cerro De Hula Wind Project, Honduras	CDM - CER	ANREU	27-May-21	Serial Range: 2,456,185-2,583,526	2013+	127,342	0	0	127,342	41%
Cerro De Hula Wind Project, Honduras	CDM - CER	ANREU	27-May-21	Serial Range: 1,688,471-1,798,128	2013+	109,658	0	23,071	86,587	28%
Total offsets retired this report and used in this report									314,055	
Total offsets retired this report and banked for future reports								23,071		

Type of offset units	Quantity (used for this reporting period claim)	Percentage of Total
Verified Carbon Units (VCUs)	70,126	22%
Verified Emissions Reductions (VERs)	30,000	10%
Certified Emissions Reductions (CERs)	213,929	68%

5. USE OF TRADEMARK

Table 7

Description where trademark used	Logo type
Product specific sheets	Climate Active Network Member Logo
Fact sheets	Climate Active Network Member Logo
Banners	Climate Active Network Member Logo
Opal website	Climate Active Network Member Logo
Reflex website	Climate Active Network Member Logo
Promotion and product flyers	Climate Active Network Member Logo
Presentation	Climate Active Network Member Logo
Customer price list	Climate Active Network Member Logo
Opal branded copy paper includes: Australian, Australian 100% recycled, Brilliant, Reflex 100% Recycled, Reflex 50% Recycled, Reflex Blue, Reflex Gold, Reflex Green, Reflex Pink, Reflex Sand, Reflex Yellow, Reflex Laser White, Reflex Ultra White	Climate Active Carbon Neutral Product Logo
Opal printing papers includes: New Grange Laser, Revive Laser, Data Right Plus	Climate Active Carbon Neutral Product Logo
Customer branded papers and copy papers includes: Aspire, Bibbulmun, Office Choice, Office National, OPD, Planet Ark Paper, Staples, Xerox Green Wrap 100% recycled	Climate Active Carbon Neutral Product Logo
The above brands are manufactured by Opal but are not owned by Opal	



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