



PUBLIC DISCLOSURE STATEMENT

MES SPV PTY LTD (MT ELLIOT SPRINGS)

**PRODUCT CERTIFICATION
CY2022 TRUE-UP**

Australian Government
Climate Active
Public Disclosure Statement




direct
ventures
investments
community



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	MES SPV Pty Ltd
REPORTING PERIOD	1 January 2022 – 31 December 2022 True-up
DECLARATION	<p><i>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</i></p>  <p>Anthony Duggan Director 21 August 2023</p>



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

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Version March 2023.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	239 tCO ₂ -e
THE OFFSETS USED	60% VERs, 140% VCUs,
RENEWABLE ELECTRICITY	N/A
CARBON ACCOUNT	Prepared by: Organisation
TECHNICAL ASSESSMENT	04/01/2021 Kyle O'Farrel Envisage Works Next technical assessment due: CY 2025
THIRD PARTY VALIDATION	Type 3 03/11/2021 Tim Grant Life Cycle Strategies Pty Ltd

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2. CARBON NEUTRAL INFORMATION

Description of certification

The certification is for the Mt Elliot Springs range of bottled spring water. The bottled water is produced in polyethylene terephthalate (PET) packaging in 600 mL, 1 L, 1.5 L and refillable 15 L sizes, with an LDPE film wrap around groups of 12 bottles. The PET bottle forming and filling is undertaken at Majors Creek QLD, prior to truck based distribution nationally.

Product description

Mt Elliot Springs (MES) is an aquifer arising from Mt Elliot in North Queensland, about 100 kilometres from Townsville.

The MES SPV Pty Ltd bottling facility is located on a 105 acre property at the foot of Mt Elliot, and operates solely for the bottling of Mt Elliot Springs springwater.

The Mt Elliot Springs range of bottled spring water is available nationally.

- The functional unit is kgCO₂-e per litre of water consumed and the reference unit is 1 litre of water consumed
- Full coverage
- This certification is cradle to grave.

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.

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

Energy – electricity
Energy – gas – LPG Boiler
Energy – gas – forklift
Transport – sea
Transport – road – truck
Water – process water
Water – Springwater (product)
Material – packaging – plastic – PET – preforms
Material – packaging – plastic – HDPE – bottle caps
Material – packaging – plastic – LDPE – shrink wrap
Material – packaging – plastic – LDPE – pallet wrap
Material – packaging – fibre – corrugated cardboard – pallet slips
Material – packaging – fibre – paper – bottle label
Material – packaging – wood – pallet
End-of-life management
Transport – road – car (staff commuting)

Non-quantified

Transport – road – car travel by consumers
Energy – electricity – grid average – retail outlet operations
Pallet manufacturing and EoL management inputs

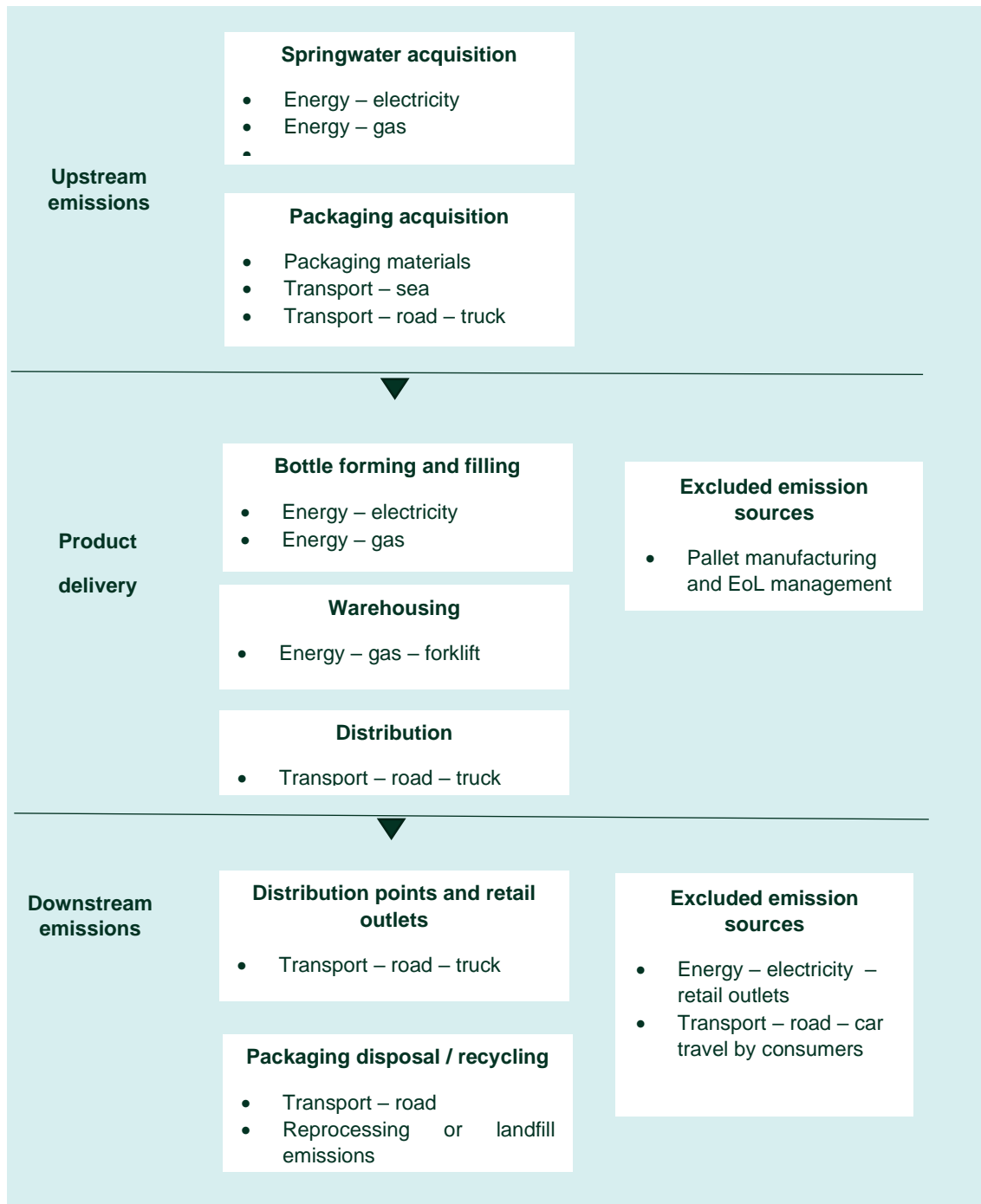
Outside emission boundary

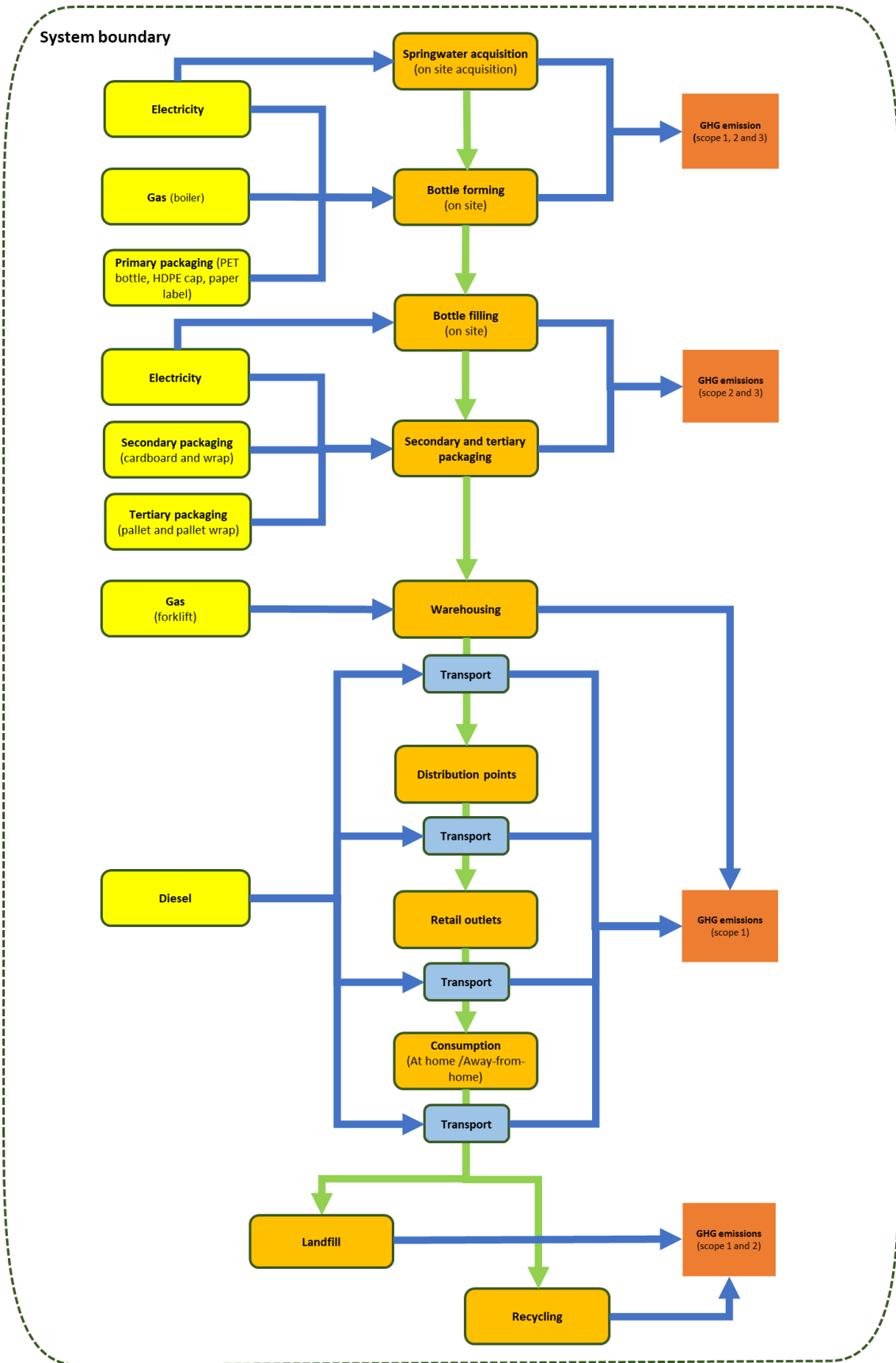
Non-attributable

N/A

Product process diagram

The following diagram is cradle to grave.





4.EMISSIONS REDUCTIONS

Emissions reduction strategy

MES commits to reduce all emissions in our value chain by 25% by 2030, from a 2020 base year. We endeavour to do this via undertaking the initiatives outlined below.

The MES emissions reduction strategy consists of the following actions:

Initiative	Scope	Proposed Action(s)	Targetted Reduction	Timefame	Measurable / Notes
Reduce Energy Consumption	2	<ul style="list-style-type: none"> Reduce electricity consumption from the grid Install a 200–300kW solar PV system on site Upgrades to reduce energy use including heat recovery systems and reverse cycle heating and cooling Install solar hot water system 	~50% CO ₂ -e	Dec-2026	<ul style="list-style-type: none"> Measured by comparing energy consumption year to year using data from electricity bills Compare consumption of new units to older used models in order to quantify reduction
Increase Efficiency of Packaging Materials	1 and 3	<ul style="list-style-type: none"> Shift to 50 – 100% recycled PET in bottles if possible 	~25% CO ₂ -e	Dec-2025	<ul style="list-style-type: none"> CO₂ emissions reduce by 5%, for every 10% increase in recycled content
Reduce Freight Emissions	1, 2 and 3	<ul style="list-style-type: none"> Reduce transport and delivery carbon footprint Investigate freight providers that offset their emissions Acquire more efficient vehicles 	~25t CO ₂ -e	Dec-2025	<ul style="list-style-type: none"> Measured by taking delivery on new truck and comparing fuel consumption stats with old truck
Reforestation and Biodiversity	n/a	<ul style="list-style-type: none"> Reforest and contribute to biodiversity on 100 acre site 	n/a	Dec-2026	<ul style="list-style-type: none"> Intended to be in line with Climate Active standards

The business is in the process of updating its website to state this strategy and goal and will be added to MES's page on Sustainability found here: <https://www.mtes.com.au/sustainability>

Emissions reduction actions

In the MES undertook the following measures to reduce its emissions:

- Became more efficient with use of packaging, reducing emissions from materials by ~25% in key inputs including paper, HDPE, LDPE, and PET – Scope 1 and 3
- Reduced sea transport from overseas manufacturers to Brisbane including suppliers of PET pre-forms, LDPE wrap and caps, reducing emissions by 27% – Scope 3

The business also investigated further areas of emissions reduction improvement as follows:

- Investigated the installation of a solar PV system – waiting on completion of new shed. Emissions reduction target: reduce grid consumption by 50%
- Investigated shifting to 50–100% recycled PET in bottles – bottle quality not sufficient at this stage, investigations continue. Emissions reduction target: ~25% CO₂-e
- Investigated freight providers that offset their emissions or use new or more efficient vehicles – ordered new, more efficient 2023 truck to replace 2005 truck. Emissions reduction target: ~25t CO₂-e
- Investigated process upgrades to reduce energy use including heat recovery systems and reverse cycle heating and cooling to reduce the heating and cooling demands of our plant and increase overall efficiency. Emissions reduction target: ~50% CO₂-e /

5. EMISSIONS SUMMARY

Significant changes in emissions

Our emissions all reduced from their projection, most significantly, with one exception listed below.

Emission source name	Projected 2022 emissions (t CO ₂ -e)	Actual 2022 emissions (t CO ₂ -e)	Detailed reason for change
Transport – road – truck Transport from customers (for 15 L bottle refills) to bottling facility. 15 L PET bottle only.	0.02	0.12	The new truck we planned to acquire in the period was delayed due to systemic industry supply issues as a result of the COVID-19 pandemic supply chain bottlenecks. As such, we had to rely on the use of an older vehicle
Transport – road – truck Transport from bottling to distribution points	38.65	55.03	Furthermore, MES' distributor handed back retail customers, so there was a much greater number of deliveries that needed to be completed by internal trucks.

Emissions summary

Emission Source	tCO ₂ -e
Energy – electricity – grid average	0.00
Energy – electricity – MES average	54.22
Energy – electricity – renewable	0.00
Energy – gas	3.28
Material – packaging – fibre –	6.55
Material – packaging – fibre – paper	4.47
Material – packaging – glass – flint	0.00
Material – packaging – plastic – HDPE	5.55
Material – packaging – plastic – LDPE	2.36
Material – packaging – plastic – PET	46.96
Material – packaging – wood	0.00
Material – unspecified facility inputs	9.44
Transport – road – car	8.94
Transport – road – truck	78.85
Transport – sea	2.57
Water – process water	3.77
Water – springwater (product)	0.00
Total inventory emissions	226.96

Reason for uplift factor	tonnes CO ₂ -e
5% to account for immaterial items not identified in the scope, for any reason.	11.35
<i>Total uplift factors</i>	11.35
Total to offset (Carbon footprint + total uplift factors)	238.3

Emissions intensity per functional unit	0.000244
Number of functional units to be offset	976192.4
Total emissions to be offset	238.3

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken a forward offsetting approach. The total emission to offset is 239 t CO₂-e. The total number of eligible offsets used in this report is 239. Of the total eligible offsets used, 239 were previously banked and 0 were newly purchased and retired. 11 are remaining and have been banked for future use.

Co-benefits

MES has considered co-benefits of the carbon offsets it has purchased. We have chosen to support projects with specific social or environmental outcomes that align with our corporate goals & values.

Safe water in Kenya

This is the first programme directly linking carbon credits with safe drinking water. The project provides household gravity water filters to 687 distribution sites across 19 districts throughout the Western Province of the Republic of Kenya. The units treat contaminated drinking water, reducing the demand for conventional water treatment through boiling water with non-renewable biomass.

MES prides itself on the purity of its water source at Mt Elliot Springs in North Queensland. However, we recognise that this is a luxury that is not available to a lot of the world's population, many of whom are deprived of their human right to water and sanitation. Globally, at least 2 billion people use contaminated water and are vulnerable to waterborne diseases such as diarrhoea, cholera, dysentery, typhoid, and polio. Children are particularly at risk.

MES is proud to support an initiative working towards equitable access to safe and affordable drinking water.

Additionally, the project has the benefit of reducing time spent by women and children gathering and carrying firewood and reducing their exposure to poor air quality from burning firewood to heat water. It also creates thousands of local jobs distributing filters and monitoring usage during twice-yearly campaigns.

Protecting tropical rainforests in Papua New Guinea

This project protects local forests and biodiversity from logging in New Ireland, PNG. In addition, it contributes to 12 UN Sustainable Development Goals, creates employment (forest patrols, monitoring and inventory activities) and facilitates community engagement.

Cookstoves in Nigeria

This project provides over 164,000 efficient, improved cookstoves. Improved cookstoves provide relief from high fuel costs, decrease the time and energy necessary to collect fuelwood, cook faster and improve health by creating less indoor pollution during the cooking process.

Women have been the driving force of this project and have been empowered with new information, new skills, new mechanisms for voicing their feedback and new status in their community as participants of a program bringing new information and resources to the region. They also have ownership of the new asset.

Protecting from deforestation in Kenya

This project protects over 169,000 ha from mosaic deforestation. The area is home to trees that are estimated to be over 300 years old and over 370 animal species. The project also contributes to funding school construction, expanding bursary schemes for education, employing and training community members in organic agroforestry, developing ecotourism and employing safari guides and other service jobs.

Eligible offsets retirement summary

Offsets retired 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 retired (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 (%)
NIHT Topaiyo REDD+	VCU	Gold standard	25 Nov 2021	10074-177021182-177021231-VCS-VCU-466-VER-PG-14-2293-01062017-31122019-0	2019		50	0	11	39	16%
Sustainable Deployment of the LifeStraw® Family in Rural Kenya	VER	Verra	25 Nov 2021	GS1-1-KE-GS886-16-2013-3495-1201-1250	2013		50	0	0	50	21%
Promoting Improved Cooking Practices in Nigeria	VER	Verra	25 Nov 2021	GS1-1-NG-GS7312-16-2018-19738-27391-27490	2018		100	0	0	100	42%
The Kasigau Corridor REDD Project - Phase II The Community Ranches	VCU	Gold standard	25 Nov 2021	6776-343252063-343252112-VCU-006-MER-KE-14-612-01012015-31122015-1	2015		50	0	0	50	21%
Total offsets retired this report and used in this report										239	
Total offsets retired this report and banked for future reports										11	
Type of offset units		Eligible quantity (used for this reporting period)				Percentage of total					
Verified Emissions Reductions (VERs)		150				63%					
Verified Carbon Units (VCUs)		89				37%					

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

N/A.

APPENDIX A: ADDITIONAL INFORMATION

N/A.

APPENDIX B: ELECTRICITY SUMMARY

N/A.

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	

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**).

There are 3 emission (or sequestration) sources that have been excluded from this certification. These sources are:

1. Transport – road – car travel by consumers
2. Energy – electricity – grid average – retail outlet operations
3. Pallet manufacturing and EoL management inputs

Number 1 and 2 of these exclusions are justified on the basis that they would occur regardless of any sales of MES springwater. That is, consumers will be driving to the supermarket or convenience store for other primary items, and retail outlets electricity use is not increased materially by the sale of MES springwater. Therefore the additional car travel by consumers can be expected to be immaterial, as can any increase in electricity usage by retail outlets.

Number 3 of the exclusions above is justified on the basis that the lifespan of pallets is typically around 10 years and pallets can be expected to deliver around 40–50 cycles per pallet lifespan, as based on Australian Packaging Covenant Organisation (APCO) data. Therefore the manufacturing and EoL impacts of reusable pallets can be expected to be immaterial

	No actual data	No projected data	Immaterial
Transport – Road – car travel by consumers	No	No	Yes
Energy – electricity – grid average – retail outlet operations	No	No	Yes
Pallet manufacturing and EoL management inputs	No	No	Yes

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
N/A						

There are non-attributable emissions sources



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