

AUSTRALIAN  
LEGAL SECTOR

ALLIANCE

PROMOTING SUSTAINABILITY

# ENVIRONMENTAL REPORTING GUIDE

A guide to using the AusLSA  
Environmental Reporting Tool

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## The AusLSA Environmental Reporting Tool

### Developed by the sector for the sector

The Australian Legal Sector Alliance (AusLSA) is an inclusive alliance of law firms and organisations committed to working collaboratively to promote sustainable practices across the legal sector.

We believe that reducing the impact of our operations, acting on climate change and improving the sustainability of our firms and the Australian legal sector, are all in our collective interest.

We believe that monitoring the impact of our operations is a vital first step to reducing our impact.

We believe that a greater impact can be achieved through collaborative action and the sharing of knowledge and experience than could otherwise be achieved by the efforts of individual firms.

The AusLSA Environmental Reporting Tool (ERT) has been developed by members of the legal sector for the legal sector. It builds on the experiences of those firms that are already measuring, monitoring and reporting on their impact and aims to support those that are moving towards sustainability reporting. The ERT aims to help firms reduce their individual footprint and contribute to reducing the collective impact of the profession.

## Introduction

**The first step for any business wanting to become more environmentally responsible is to understand the impact of its activities. The most common way of doing this is to measure the resources it uses which have a direct impact on the environment. Once the firm understands how and where resources are being used, improvement efforts can then be established and measured and reduction targets set.**

There are a number of ways a firm's environmental impact can be measured using various tools and methodologies and including a variety of activities within its scope. One firm might calculate its environmental impact by measuring only those things for which it is directly responsible, such as energy use, paper, waste and business travel, while another may include indirect impacts such as staff travel to and from work or the emissions of its suppliers. The effort for each method of assessment varies significantly, which not only makes it difficult for individual firms to benchmark their performance, it can also lead to unfair comparisons between firms. The AusLSA Environmental Reporting Tool (ERT) will not only help firms to calculate their impacts easily, but will also improve transparency, consistency and comparability within the sector.

The AusLSA ERT covers emissions that are direct, likely to be significant in legal practice, and that can be measured reasonably accurately. Some indirect emissions, such as those from resource use, also contribute to climate change and we would encourage participating firms to take steps to measure these and reduce them, separately.

## Methodology

### Boundary and scope

**The AusLSA Environmental Reporting Tool is based on the Carbon Footprinting Protocol from the Legal Sector Alliance of England and Wales which was developed using the GHG Protocol. The GHG Protocol is one of the most widely used international accounting tools for the measurement and management of greenhouse gas emissions.**

The first step in applying the AusLSA ERT is to identify the boundaries of the business and operations that constitute the organisation whose greenhouse gas emissions are to be measured.

The AusLSA ERT adopts the control approach from the GHG Protocol. Under the control approach, the firm accounts for 100% of the greenhouse gas emissions from operations over which it has control. It does not account for emissions from operations in which it owns an interest but has no control.

This should include:

1. Any Australian offices, including outsourced services provided in those offices (such as security and catering) and part-time staff.
2. Any offices providing dedicated support functions to the firm (such as an off-site IT back-up office).

The following should not be included in the boundaries of the organisation:

1. Staff working from home.

2. Off-site outsourced services (such as IT support provided by an independent IT company contracted to provide IT support to the firm that also provides services to other organisations).

Once a firm has identified the boundaries of the operations which it controls, the next step is to identify the greenhouse gas emissions associated with those operations. The GHG Protocol identifies three “scopes” of emissions for greenhouse gas measurement purposes.

These comprise:

- Scope 1** – direct greenhouse gas emissions from sources that are owned or controlled by the firm;
- Scope 2** – indirect greenhouse gas emissions from the generation of purchased electricity consumed by the firm; and
- Scope 3** - other indirect emissions.

The AusLSA ERT includes the measuring of all Scope 1 and Scope 2 emissions and, from Scope 3, emissions from employee business travel.

### Calculating Greenhouse Gas Emissions

The AusLSA ERT automatically converts each firm’s data into GHG emissions using the most up-to-date emissions factors from the National Greenhouse Accounts (NGA) factors, published by the Department of Climate Change and Energy Efficiency. These factors are updated annually to allow the latest factors to be used. It is standard practice to report GHG emissions in tonnes of CO2 equivalent (CO2e)<sup>1</sup>. The ERT converts data using the total GHG conversion factor into CO2e.

### Electricity

GHG emissions produced by office-based businesses arise primarily from the electricity used to power their offices.

The ERT includes emissions sources over which firms have control. For a majority of Australian law firms this will exclude emissions associated with the base-building (heating, ventilation and air-conditioning (HVAC); lifts; and common area lighting) which are often controlled by building management.

This has the advantage of directly correlating reductions in a firm's emissions profile to their efforts to reduce their consumption of electricity and gas, and also allows for the fact that any reductions in consumption of HVAC made by an individual tenant may be diluted by inactivity of the other tenants and building management.

### Business travel data

For the purposes of this assessment we will only be recording the emissions related to:

- Travel by taxis and hire cars
- Air travel
- Employee-owned vehicles on firm business

The following vehicle and travel-related emissions are not included<sup>2</sup>:

- Rail, bus and coach travel

<sup>1</sup> CO2e is a universal unit of measurement used to indicate the global warming potential of a greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide.

<sup>2</sup> Bus travel is not included because it is not a very common mode of transport for chargeable business travel. However if your firm does a significant amount of bus travel and charges it to clients, we would recommend you record this in the notes section. Commuting surveys can be useful in helping employees to engage with the subject of climate change as well as providing access to useful data and potentially to government funding

- Metro and tram travel
- Courier journeys and post
- Freight transport
- Commuting
- Hotel stays

### Paper and waste

Additionally, the ERT also includes capability to record the consumption of paper. This is a consumption-based parameter and the associated emissions are not included in the total emissions profile generated by the ERT.

As few firms are currently undertaking routine waste audits, recording volumes of waste produced is difficult. AusLSA has included parameters on waste, but has instead decided to focus on the provision of facilities to recycle waste.

### Annual review

Prior to the completion of each reporting year AusLSA will review the ERT to ensure that we maintain its currency, accuracy and integrity. This annual review may include reviewing:

- emissions factors as defined by the NGA
- the scope of the reporting framework, and
- the inclusion of additional parameters.

### Carbon mitigation activities

**To ensure that all participating firms' actual emissions are measured fairly, carbon mitigation activities (such as carbon offsetting and buying green tariff electricity) are not included in this assessment, although you will have the opportunity to record them if you undertake them.**

For the purposes of the ERT, Carbon Mitigation Activities have been divided into purchased Green Energy, private renewable energy, and carbon offsetting. While further mitigation activities such as energy minimisation and paper/resource recycling are encouraged, these have been excluded to ensure comparable firm outcomes. Further information on these types of mitigation activities can be found online, at sites such as:

- <http://www.environment.gov.au/archive/settlements/challenge/index.html>
- <http://www.climatechange.gov.au/what-you-can-do/business.aspx>
- <http://www.demandmanager.com.au/products2.htm>

### Green tariff electricity

Electricity consumption data should be entered as total kWh used from both green energy and energy from non-renewable sources.

Some carbon calculation tools (NABERs, etc) allow for an improvement on a rating for overall electricity usage if a portion of electricity is purchased on a green tariff. The AusLSA ERT does **not** zero rate electricity purchased on green tariffs. All electricity usage for a firm must be declared, irrespective of whether or not the electricity is purchased on a green tariff. This is to ensure reporting equality between firms and safeguard against double counting of emissions reductions.

The calculator is based on a UK model which does not allow zero rating for green energy because of UK energy supply laws. While these exact laws are not replicated in Australia, Australian laws do make use of similar incentives to create energy from renewable sources (RECs). RECs (Renewable Energy Certificates) act as a form of currency and can be traded on an open market. As a result there is a risk that zero rating green energy may result in emissions reductions being double counted.

By not zero rating electricity purchased on green tariffs, the ERT also has the added benefit of enhanced benchmarking. It allows the overall energy calculation given to a firm to be considered against other firms who may not choose to purchase green energy. There will be recognition of renewable energy purchased on the Summary page once all data has been entered.

### **Private Renewable Energy Production (private solar panels, etc)**

Energy from private generation should also be included in the total energy consumption of the firm, and then also noted on the Carbon Credits tab. This also allows all users of the calculator to produce results, as well as giving conscientious firms opportunity to note their investment in green technology on the Carbon Credits tab.

### **Offsetting**

The AusLSA ERT calculates a firm's footprint prior to any carbon offsetting. This is to ensure that the total emissions for each firm are comparable. However an opportunity has been provided - for those firms who have undertaken to offset their carbon - to record the amount of offset purchased. Carbon offsetting (or credits) purchased should be entered into the Carbon Credits tab in total CO<sub>2</sub>e (tonnes)

Carbon Offsetting (similar to Carbon Credits) involves investing in projects which directly reduce emissions in one area to compensate for emissions in another. This can include investments in renewable energy, reforestation, energy efficiency research/development, etc. Offsetting occurs in the form of credits, which are purchased through project operators or agents, or alternatively can be generated by a firm's own projects. A firm interested in offsetting its carbon emissions should ensure that Project Disclosure Documents (PDD) are available for any prospective project to make certain the project is genuine, viable, and sufficient to offset the necessary quantum of emissions. Offsetting projects must be genuine, additional, and voluntary, and seeking PDDs will help to ensure that all offsetting projects comply with the National Carbon Offset Standard (<http://www.climatechange.gov.au/government/initiatives/national-carbon-offset-standard.aspx>). The AusLSA assumes that any firm claiming carbon offsets will be able to prove the validity of such offsets.

Offsetting should ultimately occur as the final step in a firm's carbon mitigation activities. The calculator will assess the firm's overall carbon footprint, which will help to identify the areas in which the firm has the greatest potential for improvement. This improvement should occur via means such as energy saving practices, recycling, etc, with the remainder being offset via offsetting projects. This has been proven to be the most effective way to reduce a firm's carbon footprint.

## Reporting

**One of the Principles of the AusLSA programme is for members to 'report on progress'. AusLSA encourages (but does not require) all firms to adopt the AusLSA ERT as their standard measurement tool and submit the results to AusLSA. This will enable the collation of data from consistent methodology and facilitate the calculation of footprints for the sector and sub-sectors.**

The AusLSA ERT will provide firms with an emissions profile of their overall carbon footprint which will enable firms to analyse the source of their emissions and highlight opportunities for reduction. This information will enable firms to see how their emissions profile relates to those of comparable firms, and it is intended to lead to open discussions between firms about the causes of differences and how they could be addressed.

### Reporting schedule

AusLSA members are encouraged (but not required) to submit ERT reports annually using data collected from each financial year (1 July – 30 June)

AusLSA will publish an annual report featuring an emissions profile for each member who wished to publicly report and an analysis of the collated data from all reporting members.

**We ask that members submit their ERT reports by 31 August each year.**

AusLSA will endeavour to publish the sector report by **31 October each year**. The report is prepared by the AusLSA Benchmarking working group with input from the Implementations Group. The Board of AusLSA will approve the report prior to publication.

### Public reporting is not compulsory

We recognise that not all AusLSA members will be in a position to immediately commence publicly reporting their environmental footprints. Members can elect therefore to not report at all or submit a report that is not to be published. With the latter option the firm can still receive a copy of their own emissions profile and their data contributes to the overall sector analyses. Our goal, however, is for all our members to publicly report their environmental footprint as we believe it leads to more significant emissions reductions. Those firms that decide to not report their profile publicly will be encouraged to work towards achieving public reporting.

## Verification and Disclosure

**The AusLSA ERT and this Guide can be accessed from the [AusLSA website](#). They are to be downloaded and used at your own risk and AusLSA does not accept any liability for any loss or damage caused by the download or the use of the AusLSA ERT.**

The methodology behind the ERT has been verified by the Edinburgh Centre for Carbon Management. However, neither AusLSA, nor the Edinburgh Centre for Carbon Management, endorse the accuracy of the calculations of individual firms. AusLSA recommends that individual firms consider independent verification. By sending a completed AusLSA Environmental Impact Assessment, the firm is agreeing to:

- AusLSA (or Net Balance Foundation on behalf of AusLSA) holding that information; and
- Allowing AusLSA to use the Total Emissions figure and the Emissions Profile for the purposes of analysing and reporting on carbon footprint trends in the legal sector.

AusLSA will not disclose or publish a firm's overall footprint, or disclose any breakdown of firm's footprint in any way which is attributable to a particular firm, without first obtaining the consent of the individual firm. A firm is taken to have provided consent to AusLSA to publish their footprint where that firm has submitted an ERT Report where the permission to disclose checkbox is ticked.

## Conclusion

**The AusLSA Environmental Reporting Tool has been adapted from existing Greenhouse Gas measurement tools. AusLSA acknowledges the work of the LSA(UK) in initially developing this resource. In adopting the LSA(UK) Carbon Footprinting tool, AusLSA also recognises the input of the Carbon Trust, the World Resources Institute and the World Business Council for Sustainable Development.**

The following firms were involved in developing the AusLSA ERT: Maddocks, DLA Piper Australia, Clayton Utz, Henry Davis York, McCullough Robertson and Net Balance Foundation. AusLSA would like to particularly acknowledge Charlie Knaggs for producing the first ERT and for providing his sustainability expertise.

We encourage participating firms to contact AusLSA directly (by email at [info@legalsectoralliance.com.au](mailto:info@legalsectoralliance.com.au)) if you require assistance using the ERT, or if you would like further information about the Tool.

## How to use the Environmental Reporting Tool

### Step 1 : General Info

The data input on this page will be used to generate 'normalised' outputs which would be used in any comparisons to other firms or to generate averages and benchmarks for the sector.

#### Headcount

When calculating 'Total Headcount' please include all partners, associates, retained consultants and other fee-earners on the payroll, all support staff and all contractors who are permanently based on the firm's own premises. People who work part-time are included in this definition as a whole staff member, as they typically have a workstation that will have a carbon footprint comparable to full-time employees.

#### Floor Area

To determine the floor space of your firm's offices please refer to your Building Management, Land agent or Landlord. They will be able to furnish you with the size of your tenancy.

#### Offsets

Enter the number of carbon offsets purchased. Other carbon mitigation activities (such as green or renewable energy) are entered in the next step.

### Step 3 : Onsite combustion

While the majority of energy used by firms is in the form of electricity, some firms may have natural gas in commercial kitchens. Gas used for heating is likely to be managed by base building services and each firm should consult with their building management to determine if there is any gas used, and if so, the percentage attributed to their tenancy.

Note that this value is for the use of natural gas only. LPG should be omitted.

### Step 4 : Air travel

Air travel is measured in terms of total number of flights or total distance travelled, with a distinction made between different cabin classes.

Domestic and International flights are different in terms of fuel efficiency, because most fuel is used in the take-off/ascent phase and landing/descent phase of the journey. Therefore long-haul flights are more fuel efficient; they cruise at high altitude in thinner air at a constant speed for longer. The AusLSA ERT defines a flight as international if it is more than 3,700km (airport to airport). Distinction is made between CO<sub>2</sub> emissions for different cabin classes (due to the relative amounts of space they occupy on a flight).

If you use one travel agent for all business travel they can usually provide this sort of data easily from their booking software. If your people book their own business travel you will need to go back to expense claim data. If you have more than one Australia office it is important to ensure you do not double count bookings. Please note that AusLSA ERT may use different emissions factors to your travel agents. Please note that you need to include all travel carried out globally by Australian staff, not just travel within Australia.

Please note: Due to the averaging of domestic and international flights a more accurate emissions calculation is obtained when distance is input (compared to number of flights). If there is no information on the travel distance of particular flights in your invoices or expense claims, you can use a "crow flies" estimator such as [www.mapcrow.com](http://www.mapcrow.com) for each destination (multiplying by 2 for a return flight) and state the total distance accumulated from all flights. Whilst it is recommended to input flight distances it is more important that you utilise the same input method each year as this will allow accurate analysis of annual changes.

While it is not considered by the ERT, emissions conscious firms may also elect to purchase Carbon Neutral tickets, which are available from most airlines. These tickets cost slightly more, the extra of which goes to offsetting projects. Offset flights should still be included in the flight calculations in the ERT, but the offsets should also be entered on the offsets page.

## Step 5 : Taxis and Hire Cars

### Taxis

Your firm may use several different taxi companies and therefore has information from different sources and in different units. The ERT allows you to use 3 different calculation methodologies depending on the taxi company data obtained; by distance, number of journeys or expenditure. You may use a combination of all three methodologies but please ensure that taxi journeys are not entered more than once using different methodologies.

#### Distance travelled

Many taxi companies do record the distance travelled, but may not be able to provide you with this data on request. To make things simpler, you can enter your data for each taxi company and you only have to state the type of data you receive (i.e. distance travelled, number of journeys or total taxi spend).

#### Number of taxi journeys

If you are supplied with the number of journeys taken by your staff during the reporting year, the tab calculates carbon based on an average Australian metropolitan cab journey (8.4km<sup>3</sup>) and an emissions factor for an average LPG car. Please note that taxis are calculated per journey rather than per person.

#### Total taxi spend

If you are unable to obtain either mileage data or details of the total number of journeys by taxi, you can use the expense claim method. Add up the total amount of expenses claimed/expenditure on taxis in the reporting period and enter that into the last row on the tab. This analysis uses an average of cost per kilometre to calculate an the average CO<sub>2</sub>e per \$ spent on taxi fares.

### Hire cars

Hire car companies do record mileage and this data is available to you on request. Ask them to add up the mileages separately for the following different types of vehicle hired (as they have different emissions factors):

- Average petrol car
- Average diesel car
- LPG car
- Hybrid car

<sup>3</sup> Source: Australian Taxi Industry Association, State and Territory Statistics as at 31 December 2009

If you are unable to obtain the data from your hire company, you can use the expense claim method. Add up the total amount of expenses claimed / expenditure on hire cars in the financial year and input that into the section labelled 'Expense Claim Method'.

Note that this system applies an Australian average standard rate and emissions factors for a standard petrol car and so may produce a higher carbon figure than inputting mileages.

Again, like taxi journeys, you can use a combination of both distance and expenditure, but please ensure that data is duplicated and entered into both tables.

## Step 6 : Other vehicles

### Company vehicle use

The first table applies only to vehicles owned or leased and operated exclusively by your firm for firm business (fleet cars). It does not apply to hired vehicles or partner or staff vehicles used to commute to and from work. You should record the annual distance travelled in fleet cars for the reporting year in the space provided for the particular vehicle type.

### Personal car use

The second table applies only to private vehicles owned by staff which are used for firm business. It does not apply to the commute to and from work.

#### Distance

You should record the total annual distance travelled by staff in their own cars according to the type of vehicle.

#### Expense

Alternatively, you can enter the total value of expense claims for mileage for personal vehicles. Enter your firm's mileage rate in column B. The default setting is the ATO business rates of 74 cents per km.

Note: you can use both the standard method and the expense method if you have a mixture of mileages and cost data. But be sure not to apply the same vehicle use data to both or you will double count the carbon.

## Step 7 : Refrigerants

Refrigerant gases, such as those used in air conditioning systems and refrigerators, generally contribute to the greenhouse effect when released to the atmosphere. Many of these gases are extremely potent from a greenhouse potential, with 'global warming potentials' (GWPs) of up to 40,000 times that of carbon dioxide. These gases can therefore account for a significant proportion of some organisations' carbon footprints.

In this tab you should record the number of refrigerators used in each of your offices. This data can be collated by viewing a central asset register, or by conducting a site walkthrough. It is important to note the approximate size of each of these fridges, as this will influence the total amount of refrigerant 'leaked' into the atmosphere. The sizes of fridge used in the ERT are shown in the table below.

Fridge type	Size (litres)
Bar fridge	>200
Standard fridge	200-400
Commercial fridge	<400

As noted above the emissions associated with base-building air-conditioning is not included in AusLSA reporting. However, from 2012 we are including supplementary air-conditioning units that firms have installed in server rooms, meeting rooms or kitchens (for example). Like refrigerators, input the number of supplementary air-conditioning units installed at your firm.

## Step 8 : Paper

The simplest way to record the amount of paper used is from the amount of paper purchased. It is best to develop a process with your paper supplier, office services or procurement manager to record the amount of paper purchased during the reporting period on a spreadsheet. This saves the paper chase reconciliation at reporting time. Alternatively, your paper supplier may be able to produce this report for you quite easily.

The object of the paper reporting is to encourage a reduction in consumption of paper but also encourage switching to more sustainable sources of paper. For this reason, the ERT records volume, recycled content of each paper type and any relevant environmental accreditation.

Using a drop-down menu the ERT allows you to select from various paper sizes. For each size of paper, please record the weight of the paper in grams per square metre (gsm), the number of reams purchased and the recycled content of the brand of paper used (as a percentage).

### Out-sourced printing

Paper procured via print suppliers (such as Law in Order, LitSupport) is also included in the ERT. If your printer is able to provide the number of reams you have purchased input this in the same way as for in-house printing use.

If your printer is unable to provide a number of reams, but only the number of impressions:

1. Input the number of impressions your firm procured from your outsourced printer, and
2. Estimate how much of your outsourced printing was been double sided and input that as a percentage of all printing.

This data includes estimations about the proportion of printing that is double-sided and assumptions that all printing was A4 on 80gsm paper.

If you need to convert your data:

- 1 ream of 80gsm A4 paper weighs 2.49kg
- 1 ream of paper contains 500 pages.
- 

## Step 9 : Waste

Due to the difficult nature of measuring the waste / recycling content of an office, the ERT tool has been set-up to allow you to provide a summary of what recycling options are available in each of your tenancies (paper / cardboard, glass, plastic, metal, organic and e-waste). This summary allows you to easily track the recycling options available (eg 4 out of 6 offices have glass recycling) and may assist you in identifying recycling opportunities in each office that could be expanded.

## Submit

By submitting your data to AusLSA you are agreeing to AusLSA using your data for sectoral analysis.

If you **do not** wish your firm's individual environmental profile published by AusLSA please opt-out by checking this box.

### More information:

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[www.lawsociety.org.uk/aboutlawsociety/corporateresponsibility/environment.page](http://www.lawsociety.org.uk/aboutlawsociety/corporateresponsibility/environment.page)
- Business in the Community (UK)  
[www.bitc.org.uk/what we do/may day/take action on climate change/in your sector.html](http://www.bitc.org.uk/what_we_do/may_day/take_action_on_climate_change/in_your_sector.html)

The Environmental Reporting Tool and this accompanying Guide is largely based on the Carbon Footprinting tool developed by the Legal Sector Alliance of England and Wales. AusLSA would like to thank the UK-LSA for sharing this resource and allowing AusLSA to adapt it for the Australian market.



We would like to particularly thank Charlie Knaggs from Net Balance Foundation, who was largely responsible for developing the Carbon Footprinting Protocol for the UK-LSA and then adapting it for AusLSA.



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- Mark Hornsby, DLA Piper
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- Shirley Hamel, Maddocks
- Michael Cusack, McCullough Robertson
- Charlie Knaggs, Net Balance Foundation

### Executive members of AusLSA

