Construction Emissions Guideline: For Contractors

A pathway for the Australian Construction sectors' emissions management

SEPTEMBER 2025

AUSTRALIAN CONSTRUCTORS ASSOCIATION

Foreword

The construction industry has a central role to play in Australia's response to climate change. Our sector is responsible for significant emissions, but it also has the capability, reach and influence to drive real progress towards Australia's 2030 and 2050 reduction targets.

This guideline is designed to help construction and infrastructure contractors report emissions more consistently and transparently. By providing construction-specific guidance, it clears up common misconceptions, aligns with national reporting frameworks and highlights practical ways to improve efficiency and accountability.

Accurate and consistent emissions reporting is more than a compliance exercise. It is essential for measuring progress, earning trust and enabling meaningful collaboration across the supply chain. A common language for reporting allows constructors, subcontractors, suppliers, clients and government to work together, benchmark performance and share best practice.

This document sets out methodologies for emissions measurement, the importance of supply chain transparency, and the role of technology and data in reporting. It is a living document that will be updated as standards evolve, ensuring contractors can meet new obligations with confidence.

The Australian Constructors Association recognises that achieving a low-carbon future requires collective effort. By adopting these guidelines, we can reduce duplication, lift reporting quality across the industry, and accelerate action on climate. Together, we can build an industry that not only delivers the infrastructure Australia needs but does so responsibly—leaving a sustainable legacy for future generations.

Jon Davies CEO, Australian Constructors Association

Contents


AUSTRALIAN
CONSTRUCTORS
ASSOCIATION
MISCELLANEOUS
DANGEROUS
GOODS
KENWORTH
XW·84AI

Executive Summary

In the face of a changing climate, the Australian Constructors Association (ACA) recognises the urgent need for the construction industry and its value chain to decarbonise and align with Australia's emission reduction targets for 2030 and 2050. This document serves as a guidance framework for Australian construction and infrastructure contracting companies, to enhance reporting efficiency, transparency and accountability.

Key Objectives:

1. **Framework Alignment:** The ACA aims to bridge gaps in emissions reporting consistency and address shortcomings in sustainability practices within the construction sector. This guidance complements existing frameworks like the Australian Sustainability Reporting Standards (ASRS) and the National Greenhouse and Energy Reporting Scheme (NGERs).

2. **Construction-Specific Guidance:** The document clarifies common misconceptions in emissions reporting specific to construction, encouraging effective and consistent reporting practices. This is essential for fostering collaboration and driving emissions reduction action.

3. **Intended Users and Measurement Methods:** The guidance outlines variations in disclosure requirements across jurisdictions and emphasises the importance of project-level reporting for subcontractors and suppliers.

4. **Continuous Improvement:** The ACA commits to periodically updating the guidelines to reflect new standards and methodologies, ensuring that contractors remain compliant with evolving regulations.

Importance of Emissions Reporting

Accurate emissions reporting is crucial for measuring progress, ensuring compliance, and promoting a culture of environmental stewardship. The ACA advocates for a common language in emissions reporting to facilitate benchmarking and collective action across the industry.

Collaboration and Future Directions

The ACA underscores the importance of collaboration among constructors, subcontractors, and suppliers to build a sustainable future. By adopting standardised emissions reporting practices, the construction industry can lead by example, driving significant positive change and ensuring a sustainable legacy for future generations.

ACA's guidance documents are a vital step towards achieving a resilient, low-carbon construction sector, aligning industry practices with national climate goals, and fostering a culture of accountability and transparency in emissions reporting.

This document will be periodically updated to incorporate new standards and reflect changes in methodologies and guidance. Visit the Australian Constructors Association website for the most up-to-date version available.

The advice within our guidelines is general in nature and should be utilised in conjunction with reference to Australian emissions reporting legislation. Companies are advised that they should seek appropriate internal or external advice on the suitability of emissions reporting frameworks prior to committing to any disclosures or reporting frameworks, and not to base their decisions solely on the advice contained within this guideline. Feedback when applying the guidance is welcomed to increase reporting accuracy and robustness.

1. Introduction

This construction sector specific emissions consistency guideline was developed by the Australian Constructors Association (ACA) with the express purpose of driving climate action and helping the Australian construction sector lower emissions more efficiently. ACA members agree that the industry needs to step-up and do our part in the challenge to meet Australia's climate goals. The construction industry plays a pivotal role in enabling many other industries' journeys toward a low-carbon future; therefore, it is a critical time for our sector to make serious inroads into emissions reporting consistency.

1.1 Guideline Aims

Efficient emissions management and reduced carbon innovations are rapidly being recognised as a strategic leadership position for Australian companies. Taking a forward-looking approach to emissions is quickly being seen as demonstrating resilience, improving operational efficiency, and creating value for clients. The below addresses the expected changes for emissions reporting in Australia:

- **Government Policies and Industry Drivers:**
  The Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024[1], which introduces a requirement for a 'sustainability report' in annual financial reports (Chapter 2M, Corporations Act, 2001[2]). The new disclosure obligations are planned to be phased in over four years, beginning with larger entities. These new disclosure obligations present an ideal opportunity for the construction sector to refresh our combined approach to emissions reporting to build a clear and consistent approach.

- **Australian Sustainability Reporting:**
  The contents of the required sustainability report will be determined in accounting standards set by the Australian Accounting Standards Board (AASB), based on the Australian Sustainability Reporting Standards (ASRS) . However, as a result of this legislation, many Australian contractors will be required to calculate and report on their Scope 1, 2 and 3 emissions as well as climate scenarios and risks for the first time.

- **NGERs and ASRS:**
  On top of existing NGER Act[4] reporting of emissions (primarily Scope 1 and 2), the introduction of the ASRS expands the calculation and reporting requirements to also include Scope 3 Greenhouse Gas (GHG) emissions from the wider value chain. It also introduces opportunities to apply the GHG Protocol Corporate Accounting and Reporting Standard (2003[5])

- **Client Demands and Sustainability Standards:**
  Infrastructure proponents are prioritising sustainability when selecting delivery partners. The New South Wales (NSW) Decarbonising Infrastructure Delivery Policy and Guideline (2024)[6] is a prime example of the way the sector is moving towards holistic emissions management. Coupled with voluntary standards like the Global Reporting Initiative (GRI)[7] which can help in reporting broader sustainability impact.

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[1]*The Parliament of the Commonwealth of Australia, Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024, (2024)*
[2]*Attorney-General's Department of the Treasury, Corporations Act 2001, (July 2024)*
[3]*Australian Accounting Standards Board, Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information, (October 2023).*
[4]*Department of Climate Change, Energy, the Environment and Water, National Greenhouse and Energy Reporting Act 2007, (March 2024)*
[5]*World Resources Institute, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, World Business Council for Sustainable Development, (2004)*
[6]*NSW Government, Decarbonising Infrastructure Delivery Policy: Reducing Upfront Carbon in Infrastructure, (April 2024).*
[7]*Global Reporting Initiative, GRI Sustainability Reporting Standards (GRI Standards), (February 2024).*

1.2 Key areas of focus

The ACA champions a sustainable construction industry. We advocate for equitable commercial frameworks, foster positive industry culture, and promote the necessary capabilities to execute projects. Together, we can build a resilient, low-carbon future for all Australians. The table below looks at the sectorial complexities ACA is addressing in the preparation of this Guideline, with reference to them pulled through in the guideline to demonstrate the ACAs position and guidance on each matter.

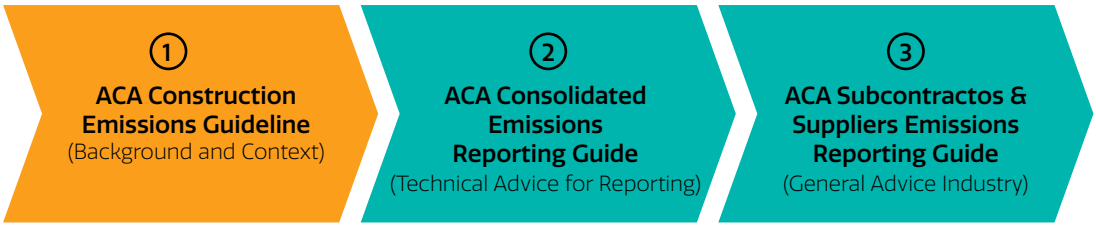
Challenge Areas	Complexity
Reporting Legislation	Responding to new legislation and expectations of Climate-related Disclosures requirements combined with navigating existing NGERs reporting expectations.
Consolidation & Boundary Setting	Consolidation of emissions and applying control or equity share based approaches for complex organisations as well as highlighting the boundary between principal and subcontracted works emissions responsibilities Existing reporting frameworks are instilling a culture of 'not taking account' of emissions by avoidance of operational control, this guideline aims to address best practice to minimise this outcome. Further to this, ACA sees enabling foreign owned contractors within the Australian market navigate emissions legislation and ironing out disparity in emissions accounting across borders (primarily for Scope 1 and 2 disclosures) as a priority.
Scope 3 & Supply Chain	Indirect emissions are hard to track and require third-party data and collaboration across the value chain, providing clarity to constructors on the best approach to compiling their scope 3 categories and identifying inventory therewithin is an important first step. Coupled to this is the limited amount of subcontractor and supplier knowledge around requests for emissions data.

Note: The three challenge areas are tagged throughout this document and the other ACA emissions consistency publications

2 Using the Guideline

This guideline is designed to assist contractors in the Australian building and infrastructure sector align their methodologies of emissions reporting. The intent of this guideline is to enhance the common understanding of emissions reporting, so that with a greater understanding of emissions sources, the construction sector may further opportunities to reduce emissions. Improved measurement will also allow organisations to improve efficiency and ultimately reduce costs. This guideline identifies the key focus areas for ACA and why they are being elevated for improvement. Guidelines two and three provide recommendations on how contractors can foster a culture of accurate measurement, monitoring and reporting.

Figure 1 – ACA Emissions Guides



This document tackles the key areas of emissions boundary consistency and lays the foundation for the two industry guides, each with their own audiences of sustainability reporting practitioners and suppliers and subcontractors.

This guideline can be utilised per:

Section 3 – Sustainability reporting preparation

Section 4 – Setting operational boundaries and the importance of sectorial consistency

Section 5 – Operational boundaries for asset delivery and navigating scope 3

Section 6 – Construction sector challenges and best practice approaches to reporting including KPIs

Section 7 – Key takeaways

3 Sustainability Reporting

Reporting Legislation

3.1 ASRS Company Reporting

ACA recommends organisations prepare for ARSR S2 reporting by:

- **Evaluating existing systems and governance structures**, including business transformation within the sustainability, legal and finance departments to focus on mandatory climate reports;
- **Reviewing accountability** systems to maintain compliance with mandatory climate reports and the authenticity of declarations (not just in annual or sustainability reports, but also in other promotional, website and similar materials, considering regulatory attention on greenwashing);
- **Implementing processes** for due diligence and verification in relation to climate reporting.

Furthermore, whilst the federal government has prioritised climate and emissions disclosures as mandatory for Groups 1-3, they have also opened the door to voluntary AASB S1 broader scope sustainability reporting. **The ACA recommends that organisations prepare similar due diligence and review internal reporting processes for the AASB S1 social and environmental reporting** to ensure overarching sustainability approaches are aligned across the business, even if mandatory reporting is not yet in place.

3.1.1 Report Considerations

The ASRS S1 and S2 annual sustainability reports are akin to financial statements and will need to be audited for accuracy and signed off by company directors. These reports will detail a company's emissions as well as climate risks and opportunities modelled against appropriate climate scenarios. Key points to consider for this reporting includes:

- **Annual Reports:** Mandatory yearly sustainability reports
- **Environmental Impact:** Focus on a company's environmental footprint
- **Standardised Guidelines:** Reporting follows ASRS
- **Director Liabilities:** Directors liable for declarations made by the organisation per legislation phase in
- **Mandatory Audits:** Per ASSA 5010, full audits are required as early as 2028 for Group 1 entities, Group 3 entities typically subject to audit by 2030
- **Existing Reports:** ACA members have already published sustainability reports per ASRS guidelines

ACA recommends members explore published public sustainability reports (per the ASRS guideline) by existing ACA members for further direction. ASRS reporting guidance can be sought through the AASB S1 and S2 guidance information provided by the Australian Treasury Department.

[8] *The Parliament of the Commonwealth of Australia, The Treasury, Mandatory climate-related financial disclosures, (December 2024).*

4 Setting Emissions Boundaries

Consolidation & Boundary Setting

4.1 Defining the Inventory Boundary

An inventory boundary does not represent an entity's legal form but should include the 'substance and economic reality' of the organisation. The following factors should be considered while delineating it:

- The structural framework of the organisation, including aspects of control and ownership, legal structure, and any joint ventures.
- Any operational boundaries, which encompass on-site and off-site activities, processes, and services, along with their impacts.
- The business context, entailing the nature of activities, geographical location, sector, as well as the purpose and intended recipients of the information.

Defining the inventory boundary includes a two-step process:

- **Establish the Organisational Boundary:** This revolves around defining the control and ownership parameters of the organisation.
- **Determine the Operational Boundary:** This involves defining the range of on-site and off-site activities, processes, and services that the organisation is responsible for.

The ACA recommends contractors prepare a basis of preparation report for their own organisation to track how emissions reporting is formulated for their own benefit and communicated to each business function

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4.2 Organisational Boundaries

Organisation boundary setting, whilst challenging to achieve across global reporting footprints, ensures consistency of emissions tracking, enables meaningful target progress tracking and fosters industry comparability.

The organisational boundary defines which facilities, entities and projects constitute the holding company's GHG inventory and how their emissions are accounted. To define organisational boundaries two distinct approaches can be applied; the equity share and control approaches (financial and operational). A detailed explanation of how the emissions are accounted under these approaches is contained in the GHG Protocol, Chapter 3 (pages 16 – 23)[5] for detail) - Table 2 across provides an overview of organisational boundary settting.

[5]*World Resources Institute, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, World Business Council for Sustainable Development, (2004)*

Table 2 – GHG Protocol Organisational Boundary Approaches (GHG Protocol, 2004, Chapter 3, Pages 16–18)[5]

Approach		Key Factors	Emissions accounting
Control-based	**Financial control**	· The ability to direct the financial and operating policies with a view to gain economic benefits. · Economic substance of the relationship takes precedence over the legal ownership status	If yes: 100% If no: 0% If joint: % owned
	Operational control	· Authority to introduce and implement its operating policies at the operation.	If yes: 100% If no: 0%
Equity share		· A company accounts for GHG emissions from operations according to its share of equity in the operation.	% equity share

If selecting a consolidation approach, the ACA encourages contractors and their parent companies, wherever practical to employ an operational control approach to define their organisational boundary for all contracting within Australia. With this method, the entity may report on 100% of the GHG emissions from units over which it has operational control to contribute to the consistency of emissions reporting already in place within the sector. This approach is consistent with ASRS and NGERs and could aid the industry in streamlining emissions reporting. The ACA Consolidated Emissions Reporting Guide details an Operational Control Scorecard to help determine how to identify Operational Control on each project.

The ACA further recommends that the highest Australian based controlling corporation should be reflected in any external emissions reporting (the Clean Energy Regulator Guidance[9] provides direction on identifying the NGERs reporting entity).

ACA further notes that revisions to the GHG protocol organisational boundary setting approaches have been identified by the GHG Protocol as a key focus for the planned 2026 draft revision of the Corporate Accounting and Reporting Standard. It is worth taking this into consideration with any new corporate reporting initiatives.

4.3 Defining the Emissions Reporting Group

In the context of Organisation boundaries, for Scope 1 and 2 emissions reporting, the ACA recommends including the entities in company group reporting outlined in Table 3.

Table 3 – Emissions Reporting Group

Controlling Corporation	Only the controlling corporation itself and its subsidiaries (defined by the Corporations Act 20012). If an entity owns more than 50% of an investment of subsidiary, it may be required to be included within their organisational boundary.
Projects	Report on 100% of the emissions associated with projects for which you have operational control, as defined in Section 1.1.a, regardless of your equity share.

If the controlling corporation is international, review the reporting requirements to determine whether only Australian based operations should be included.

[2] *Attorney-General's Department of the Treasury, Corporations Act 2001, (July 2024).*
[9] *Clean Energy Regulator, Australian Government, NGER reporting guides (August 2024).*

5 Operational Boundaries

Reporting Legislation

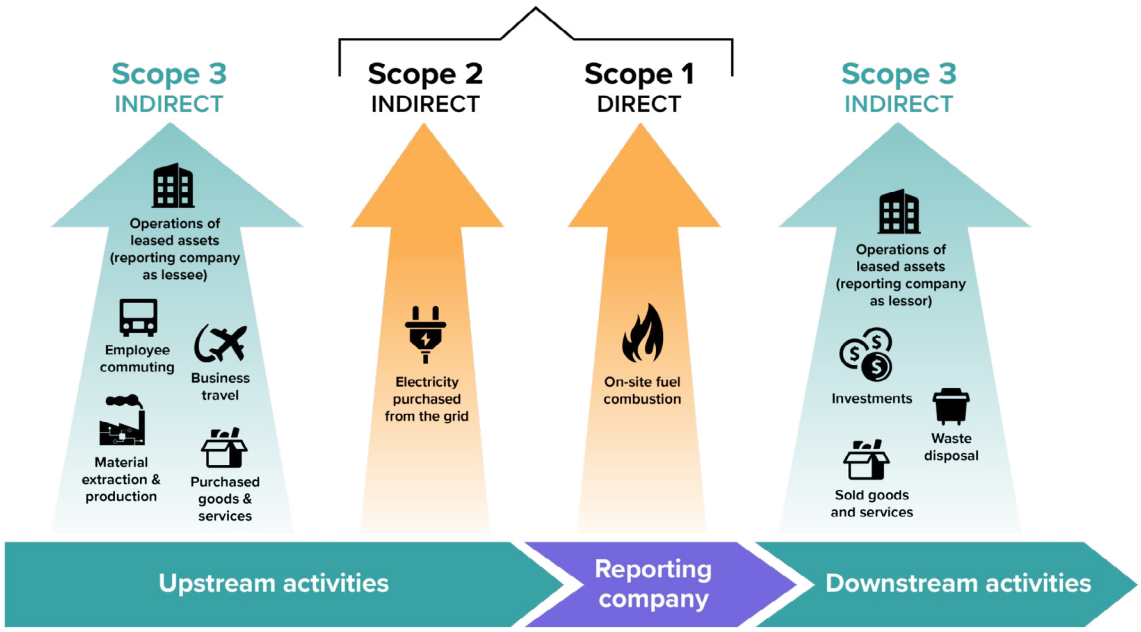
Scope 3 & Supply Chain

An effective corporate strategy for addressing climate change requires a thorough understanding of a company's greenhouse gas emissions across its operations. Therefore, defining operational boundaries, or categorising those emissions that are defined by specific sources (e.g. electricity), is the next step in holistically managing an organisations emissions profile.

The ACA recommends that contractor should for all projects or operational units under their corporate structure, make all reasonable endeavours to fully understand and measure the following:

- **Scope 1 Emissions:** direct emissions from a company's activities, including on-site fuel combustion and fleet fuel use.
- **Scope 2 Emissions:** indirect emissions from purchased electricity, steam, heat, or cooling.
- **Scope 3 Emissions:** indirect greenhouse gas emissions that occur outside of an organisation's boundaries as a result of its actions (e.g. subcontracting works)

Figure 2 – Emission Scopes[10]



5.1 Scope 3 Emissions

Scope 3 reporting is not mandated under NGERS however, ASRS requires companies when their Group is required to, to report Scope 3 against the GHG Protocol Scope 3 emission categories. The ACA endorses this approach as a pragmatic way for contractors to identify Scope 3 emission sources. Most ACA members reported key challenges primarily within Scope 3 when setting operational boundaries. However, since ASRS does not define Scope 3 boundary setting for the entity other than recommending the adoption of the GHG protocol.

ACA has prepared specific guidance contained within the ACA Consolidated Emissions Reporting Guide.

5.2 Screening Scope 3 for Contracting

The ACA recommends contractors to undertake a preliminary 'screening assessment' to determine the Scope 3 categories most pertinent to their operations and that any category exclusions should be disclosed and justified (per GHG Protocol Standard[5]).

Constructors should look to engage suitably qualified professionals to help them determine emission category relevance and materiality to their operations to ensure the selection aligns with the required completeness of reporting expected by shareholders and regulators.

[5]*World Resources Institute, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, World Business Council for Sustainable Development, (2004)*
[10]*Building Innovation Hub, Understanding Building Emissions: Learn the role buildings play in decarbonization (2024).*

6 Reporting Entity

Consolidation & Boundary Setting

Reporting Legislation

The ACA recommends that wherever practical, the controlling corporation should be reflected in emissions reporting. A controlling corporation is a constitutional corporation that does not have an Australian incorporated holding company[11] (but may be reflected as 'top of the hierarchy in Australia – **see the ACA Consolidated Emissions Reporting Guide** for further detail).

6.1 Group Reporting

A controlling corporation's group may consist solely of the controlling corporation or may also include its subsidiaries. The term 'subsidiary' is defined in the Corporations Act 2001. If the controlling corporation is a foreign company, its subsidiary's emissions must be included in emissions reporting, provided the subsidiary submits a financial report under Chapter 2M of the Corporations Act 2001 and meets the sustainability reporting thresholds outlined in the legislation (see Australian Treasury 2024, Mandatory Climate-Related Financial Disclosures: Policy Position Statement, part. 3).

Tables 4 and 5 demonstrate methods of assigning organisational reporting boundaries.

Table 4 – Group reporting boundaries

For Projects	Report on 100% of the emissions associated with projects for which the organisation has operational control (per Section 11, subsection 1(a)[6]), regardless of equity share.
For Investments / Subsidiaries	If the entity owns more than 50% of an investment of a subsidiary, include the emissions in the organisational boundary.

For Scope 1 and Scope 2 greenhouse gas emissions, we recommend breaking down the emissions into two categories by applying the Australian Accounting Standards[3].

Table 5 – Scope 1 & 2 Grouping

Consolidated Accounting Group	Those emissions from the main group of companies, including the parent company and its subsidiaries.
Other Investees	Those emissions from other investments, like associates, joint ventures, and subsidiaries not fully included in the main group.

In Australia, less significant subsidiaries and associated companies are recorded in the Group Financial Statements at amortised costs. As a result, their associated greenhouse gas emissions are assumed to be de minimis, and could potentially be considered for omission from Group emission reporting, pending professional guidance.

[11] *Clean Energy Regulator, Australian Government, Assess your obligations, (August 2024).*

6.2 Setting Targets

The ACA recommends contractors set emission reduction targets in line with the Paris Climate agreement and, in the process, identify appropriate mechanisms with which to hold their organisation accountable and transparent. Such mechanisms may include:

1. Accreditation with Climate Active
2. Accreditation through an external audit body to ISO14064: 1-3
3. Registering targets through the Science Based Targets initiative.[12]

Tracking against targets may be required to be included in ASRS reporting for the organisation each year once their group is required.

6.3 Offsetting Emissions

ACA recommends that companies disclose their use of carbon credits[13] ((transferable or tradeable instruments) to offset emissions used to achieve any net greenhouse gas emissions targets the entity has set, or as required by law or regulation.

Information about the planned use of carbon credits shall clearly demonstrate the extent to which these carbon credits are relied on to achieve the net greenhouse gas emissions targets. As part of this disclosure, the entity may also include information about carbon credits it has already purchased that the entity is planning to use to meet its net greenhouse gas emissions target. This is particularly pertinent if the information enables users of general-purpose financial reports to understand the entity's greenhouse gas emissions target.[2]

6.4 Metrics and Reporting

The ACA is advocating for the adoption of voluntary sectorial Key Performance Indicators (KPIs) for emission intensity guidance. The KPIs are primary indicators of activity specific emissions intensity and should be utilised in ASRS disclosures.

Infrastructure Australia and NSW Government through the Decarbonising Infrastructure Delivery Policy are currently working on initiatives to develop KPIs and activity specific emissions intensity metrics for the sector. However, global construction sector KPIs (those outlined in the **ACA Consolidated Emissions Reporting Guide**) provide broad and consistent KPIs that could be adopted for the purposes of organisation wide sustainability reporting. Calculating the feed in data for the preparation of these KPIs should, at least initially, be undertaken with professional guidance.

[2] *Australian Accounting Standards Board, Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information, (October 2023).*
[12] *CDP Worldwide, Position Paper on Carbon Credits, (November 2023).*

7 Sectorial Approach

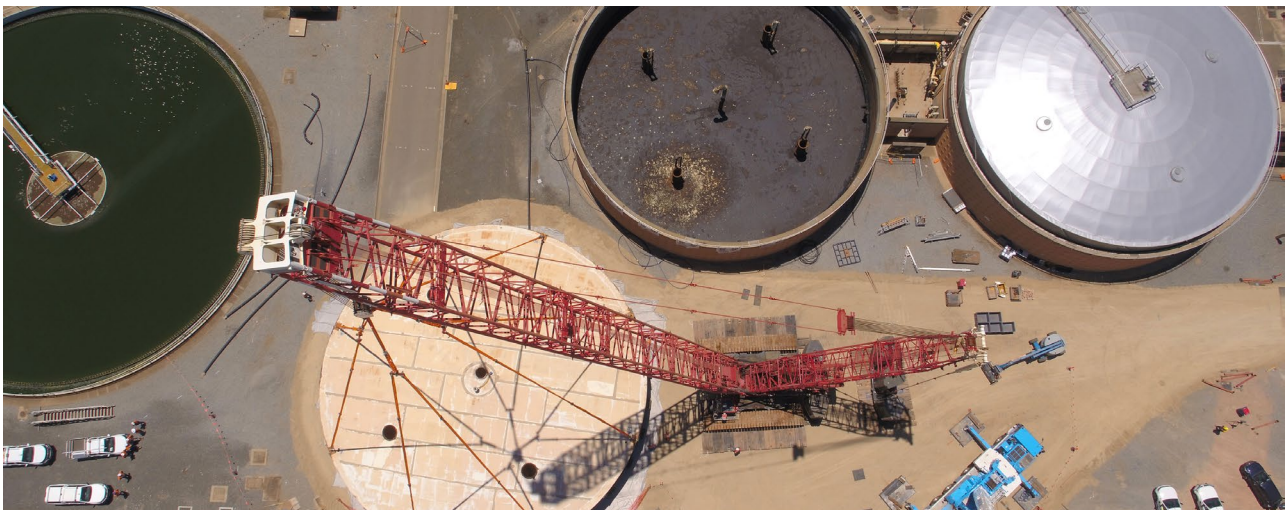
Scope 3 & Supply Chain

Whilst constructors vary in their business operations and may differ in their legal and organisational structures, many common themes emerge when tackling emissions reporting, particularly around our supply chains. Also, given the diverse range of businesses within the construction sector it is important that the methodology for defining and reporting emissions can draw distinct lines of responsibility for CO2e emissions within the construction / building supply chain.

Organisational structures for reporting entities that may impact on reporting pathways for supply chain may include when the entity is a wholly owned operation, or a joint ventures or wholly or partly owned subsidiaries. The emissions calculation and reporting approach presented in this guideline is predicated on the adoption of operational control consolidation being applied across all entity types as the primary approach. However, where this is impractical or in direct contradiction of adopted guidelines, reporting with explanatory statements is desirable.

Emissions from subcontractors and suppliers (or the scope 3 / embodied carbon component) working on construction projects can be measured at the project level. This approach will allow a complete picture to be painted of the impacts of the project and appropriate reportion for client-side preferences to be fulfilled. Measuring these emissions also helps to level out any inconsistencies between companies that subcontract and those that prefer to carry out more of the work themselves.

The ACA Subcontractors and Suppliers Reporting Guide details setting up contracts and encouraging supply chain partners to report in a consistent manner that will enable head contractors to effect a clear sectorial approach to our emissions reporting.



8 Key Takeaways

The ACAs views these guidelines as a contribution to a growing knowledge pool on how to navigate the complexities of emissions accounting, boundary setting, scope 3 management and promoting an industry wide culture shift in the emissions reporting landscape.

The key takeaways include:

1. **Contractors must move with urgency to resolve emissions reporting methods** and their approach to scope 3 measurement and reporting to meet the timelines of federal government reporting legislation and global market demands around emissions transparency.

2. **Alignment between contractors, subcontractors and suppliers** on simplifying reporting across the construction value chain will provide a long-term benefit to the industry and is worth investing in now to get to the right outcomes around emissions management. This includes uniformity of data requests up and down the value chain and consistent reporting of organisational emissions to clients, this will result in a lessening of the confusion and resistance to taking urgent action around emissions reductions.

3. **A strong and consistent approach to gathering and reporting emissions gives the sector leverage** within our supply chain to send demand signals to the manufacturers of products for reduced emissions goods and services. Only through requesting emissions data that meets a consistent set of criteria can we hope to send a coherent message around the importance of decarbonising the construction materials sector. Given the emissions of our supply chain represent anywhere from 70-90% of a head contractor's Scope 3 emissions, it is of paramount importance that we strive for consistency in the data our supply chain provides.

4. **By being bold and adopting the right tools for now and developing those we need for the future we will future proof our sector** – since no 'one-method' of emissions accounting for projects has yet arisen as best suited for our industry, it is still incumbent on our sector to act on our emissions profile and move forward with the urgency the challenge requires.

Until now the construction sector has relied on emissions management and reporting forbearance from our stakeholders to carry us through the early era of emissions transparency. This is quickly coming to an end and our social license may soon be put to the test, with infrastructure not considered the anathema for global disaster, but potentially one of the key contributors of planetary impacts.

The ACA endorses the expansion of consistent and practical emissions reporting frameworks and is motivated to work with subcontractors, suppliers, regulators, governments and private sector clients to improve the Australian infrastructure sectors' emissions reporting culture. Only by working together and moving with urgency and purpose do we have a chance to improve the lives of future generations.

9 Glossary

ACA	The Australian Constructors Association Limited is a national member affiliate organisation representing Australia's leading construction, infrastructure and services companies.
Australian Sustainability Reporting Standards	A service standard to manage climate-related financial disclosure requirements for entities that the Australian Government considers in-scope.
Basis of Preparation	The framework used to prepare financial statements, disclosing the specific accounting policies used and judgements made when applying such policies.
Company	Refers to an entity as defined under the Australian Federal governments Corporations Act 2001.
Consolidation	Combination of GHG emissions data from independent operations that are part of one company or a group of companies.
Contractor	Means any Company engaged to provide goods or services to an infrastructure proponent in connection with a suitable Contract.
Decarbonising	To reduce the levels of carbon emissions (such as carbon dioxide) caused by or involved in (something, such as a facility, process, or organisation).
Embodied carbon footprint	A measure of the total amount of carbon dioxide (CO2) emitted throughout product production, transportation and usage of a product.
Emissions	The release of greenhouse gases into the atmosphere.
Emissions Boundary	The definition of the activities that are included in an emissions assessment and which are not included.
Emissions Factors	A factor that converts activity data into GHG emissions data (e.g., kg CO2e emitted per liter of fuel consumed, kg CO2e emitted per kilometer traveled, etc.).
Environmental Product Declaration (EPD)	Independently verified document that provides transparent and comparable data, as well as any other relevant information associated with the life-cycle environmental impacts of a product.
GHG emissions	GHGs are the six gases covered by the UNFCCC: carbon dioxide (CO2); methane (CH4); nitrous oxide (N2O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF6).
Global Warming Potential (GWP)	A factor describing the radiative forcing impact (degree of harm to the atmosphere) of one unit of a given GHG relative to one unit of CO2.
Net Zero	A balance between greenhouse gas emissions produced and greenhouse gas emissions taken out of the atmosphere.
NGER	The National Greenhouse and Energy Reporting Act 2007 is a national framework for reporting company information on greenhouse gas emissions, energy production and energy consumption.
Screening assessment	The process of identifying relevancy and potential impacts
Scope 1 emissions	Represent direct emissions from sources owned or controlled by a company, such as fuel combustion in vehicles and process emissions from manufacturing.
Scope 2 emissions	Emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by the reporting company.
Scope 3 emissions	All indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.
Subcontractor	Means any person or entity engaged by the Contractor to supply goods or services to the Contractor in connection with the Subcontract.
Supplier	An entity that provides or sells products to another entity (i.e., a customer).

References

[1]The Parliament of the Commonwealth of Australia, Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024, (August 2024).

[2]Attorney-General's Department of the Treasury, Corporations Act 2001, (July 2024).

[3]Australian Accounting Standards Board, Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information, (October 2023).

[4]Department of Climate Change, Energy, the Environment and Water, National Greenhouse and Energy Reporting Act 2007, (March 2024)

[5]World Resources Institute, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, World Business Council for Sustainable Development, (2004)

[6]NSW Government, Decarbonising Infrastructure Delivery Policy: Reducing Upfront Carbon in Infrastructure, (April 2024).

[7]Global Reporting Initiative, GRI Sustainability Reporting Standards (GRI Standards), (February 2024).

[8]The Parliament of the Commonwealth of Australia, The Treasury, Mandatory climate-related financial disclosures, (December 2024).

[9]Clean Energy Regulator, Australian Government, NGER reporting guides (August 2024).

[10]Building Innovation Hub, Understanding Building Emissions: Learn the role buildings play in decarbonization (2024).

[11]Clean Energy Regulator, Australian Government, Assess your obligations, (August 2024).

[12]Science Based Targets initiative (SBTi), Buildings Sector Science-Based Target-Setting Guidance: Draft for Pilot Testing, Version 0.2.1, (December 2023).

[13]CDP Worldwide, Position Paper on Carbon Credits, (November 2023).

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