

Australian Government
Carbon Neutral Program
Public Disclosure Summary



An Australian Government Initiative

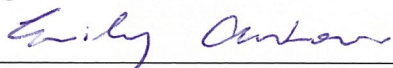
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NAME OF CERTIFIED ENTITY: Austral Bricks (Tas) Pty Ltd

REPORTING PERIOD: 1/7/2017 to 30/6/2018

Declaration

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

Signature 	Date 22 November 2018
Name of Signatory Emily Antonio	
Position of Signatory Group Manager Environment	

Carbon neutral certification category	Product
Date of most recent external verification/audit	20/2/2017
Auditor	Jean Wiegard – JTP Australia Pty Ltd
Auditor assurance statement link	https://australbricks.com.au/environmental-monitoring-data/

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Australian Government
Department of the Environment and Energy

1. Carbon neutral information

1A. Introduction

Brickworks Ltd (Brickworks) is one of the major players in the Australian brick industry.

Brickworks has been transformed from originally a New South Wales state based operation to a national organisation with manufacturing operations in NSW, Victoria, Tasmania, South Australia, Western Australia and Queensland. Austral Bricks is a subsidiary of Brickworks. Austral Bricks manufactures and markets clay products such as bricks and pavers. The manufacturing process involves mining clay and shale and mechanically processing it prior to shaping and firing the bricks in kilns fuelled predominately by natural gas.

Products are carbon neutral when net greenhouse gas emissions (emissions) are equal to zero. To become carbon neutral, organisations must calculate their emissions, reduce these emissions as much as possible, and then purchase and cancel carbon offsets or carbon credits equivalent to the remaining emissions. This process results in emissions being offset and leads to net zero emissions or being carbon neutral.

This NCOS inventory concerns bricks manufactured at Brickworks' operation in Longford, Tasmania – Austral Bricks Tasmania (see Table 1 and 2). At this site Austral Bricks Tasmania produces a range of bricks and pavers for the Tasmanian, other Australian markets and overseas markets (see Figure 2). This inventory has been prepared and verified based on the NCOS, the ISO14040:2006 and ISO14044:2006 standard and emissions are offset in accordance with the NCOS. The greenhouse gases considered in this inventory are shown in Figure 7.

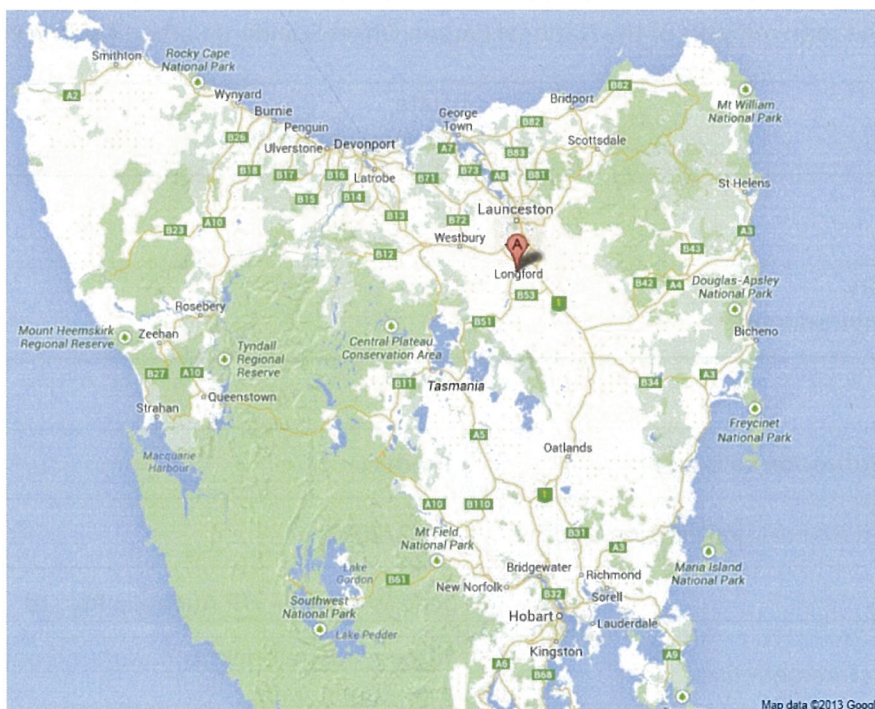


Figure 1: Plant location in Longford, Tasmania (Source: Google maps)



Figure 2: View of Longford plant storage yard (Source: Google maps)

Austral Bricks Tasmania intends to certify all the clay products manufactured at the Longford plant as carbon neutral under the NCOS program. The products made at Austral Bricks Longford include bricks and pavers:

1. **Bricks.** Clay bricks are a common building material used predominantly for wall systems in residential buildings.
2. **Pavers.** Clay pavers are used for paving and landscaping in residential, commercial and industrial applications.

Bricks are used for a number of reasons:

- load-bearing capacity - this makes bricks suitable for load-bearing walls;
- aesthetics - bricks are available in a large range of colours, tones and textures;
- durability - bricks perform their function for the duration of the service life of the building; and
- bricks require relative little maintenance and cleaning.

Pavers are similar in appearance and characteristics to bricks, although they are used for paving rather than wall applications.

Table 1 and Table 2 present examples of the products studied in this LCA.

Table 1: Typical brick product configurations (Source: Austral Bricks)

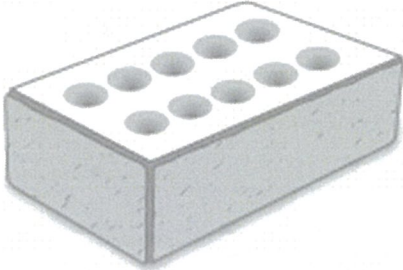
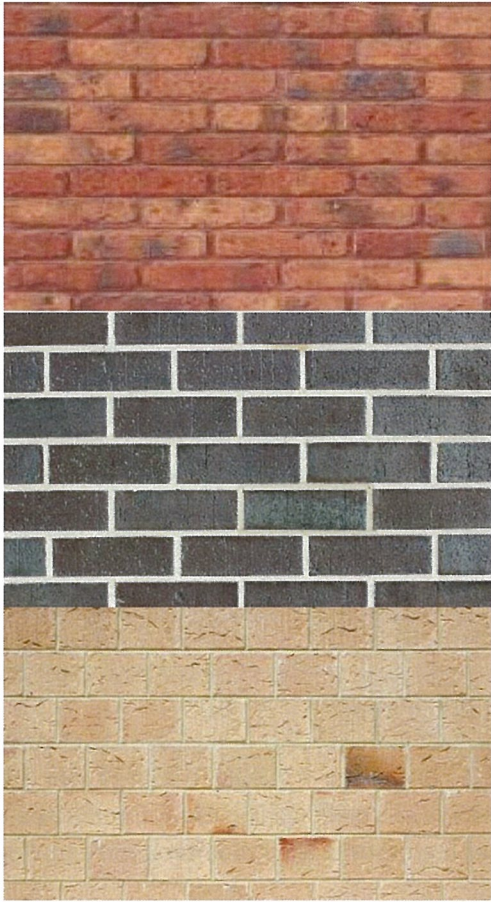
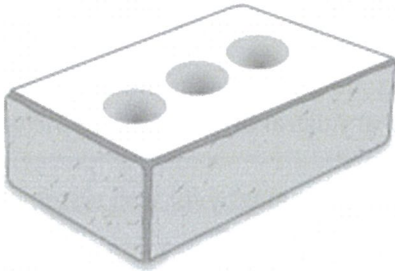
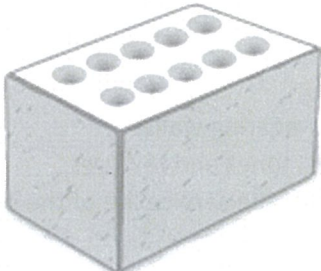

Brick shape & core hole configuration		Examples - bricks in wall application
Standard brick with 10 core holes		
Standard brick with 3 core holes		
Twin brick		

Table 2: Typical paver product configuration (Source: Austral Bricks)

Paver shape	Example - pavers in paving application
Classic paver (no core holes)	

The functional unit for this study is:

1,000 Single Brick Equivalents (SBEs) of bricks or pavers manufactured in Longford and used in various applications throughout Tasmania, interstate and overseas.

Single Brick Equivalent is a common unit of measurement across the clay brick industry for a brick. An SBE refers to the fired product and has the dimensions of 230x110x76mm (Think Brick Australia 2010). The products covered in this study come in a range of different sizes, which have been converted to SBEs for the purpose of this LCA.

Clay bricks are used in (residential) construction; typically walling systems, planter boxes, etc. Clay pavers are used in paving and landscaping applications.

The functional unit covers the whole life cycle of the products, including cradle-to-gate manufacturing (including packaging), delivery to site, application, cleaning and maintenance and disposal at end-of-life.

Note: Mortar and/or other materials used to bond bricks in their application are excluded from the carbon footprint assessment. The reasons for this exclusion are:

- Brickworks does not supply the mortar to clients, and therefore has no control over the composition and quantity of mortar used.
- Furthermore, the bricks and pavers are used in a range of applications that have varying requirements regarding ancillary materials. Any attempt to capture these requirements within the scope of this study would introduce additional uncertainty.

1B. Emission sources within certification boundary

The items included in this chapter cover all mandatory issues from the ISO14044:2006 standard – Goal and scope definition section (International Organization for Standardization 2006b).

Product system description

This NCOS LCA encompasses the complete life cycle of bricks and pavers:

- Raw material extraction
- Transport of raw materials to Longford
- Brick and paver manufacturing at Longford
- Packaging of fired products
- Transport to customers
- Application in works
- Use and maintenance during their life time
- Demolition and disposal at end-of-life

Other attributable processes include non-production related company facilities at Longford (i.e. offices), company vehicles and business travel of staff based in Longford.

The bricks and pavers can be applied in a range of construction works. Ancillary items that might be required for the application, such as mortar, have been excluded as these items are not supplied by Austral Bricks Tasmania.

A description of the processes in each life cycle stage is provided hereafter. This section refers mostly to bricks only. Unless specifically stated, the process is identical for pavers.

Raw materials

Natural clay minerals, including shale, make up the main body of brick. Small amounts of manganese and other additives (sawdust, coal) are blended with the clay to produce different colours. Production waste (brick batts) is ground and recycled back into the clay mixture, resulting in a situation where no production waste leaves the Longford facility.

A variety of coating materials and methods are used to produce brick of a certain colour or surface texture. To create a typical coating, sand is mechanically mixed with some type of colorant (e.g. manganese, red oxide, char, sawdust, etc.). Sometimes frit (a glass containing colorant) is added to produce surface textures.

Extraction of raw materials

Austral Bricks Tasmania sources its clay locally, from five clay pits located within Tasmania. Clay and other minerals are extracted from the earth using typical mining equipment. Some clay pits require removal of a top layer before the clay can be extracted.

Land use and Land Use Change emissions related to clay extraction have been excluded from this assessment, as these are likely negligible. Clay pits typically operate for many years, with limited annual change in land use. Furthermore, any attempt to determine the land use emissions would be impractical due to the lack of verifiable data.

Transport of raw materials to Longford

All raw materials are transported to Longford by truck. Materials sourced from outside Tasmania require additional shipping. Raw materials such as clay and shale are 'stock piled' in proportioned layers for a desired mixture.

The brick manufacturing process

The initial step in producing bricks is crushing, followed by grinding. The raw materials are crushed by a crusher and then go through a pan mill for grinding. Particle size is controlled by a screen installed in the grinding machinery. The raw materials are mixed homogeneously in the crushing and milling process. Next, the blend of ingredients desired for each batch is sent on to the brick shaping processes (extrusion). Once the bricks are formed, they are dried to remove excess moisture that might otherwise cause an explosion during the ensuing firing process. The bricks are fired in a tunnel kiln and then cooled. Finally, they are dehecked —automatically stacked on pallets and particleboard, wrapped with plastic bands, plastic corner protectors and potentially shrink film.

The Longford plant uses mainly sawdust to fire the kiln.

Transport of bricks to the customer

Packaged bricks are transported to Tasmanian customers using Austral Bricks Tasmania's own fleet of trucks. These trucks have specific booms to unload the bricks safely (see Figure 3). Contractors are used to transport bricks to customers in other states (mainly Victoria), overseas and parts of North-West Tasmania.

Austral Bricks Tasmania has provided fuel consumption data for its own trucks. Literature data have been used to estimate fuel use by contractors based on transport volumes (mass) and distances. Shipping has been included for all transport to the Australian mainland (via Port of Melbourne, Victoria) and bricks that have been exported to Yokohama (Japan), Pusan (Korea) and Auckland (New Zealand). Exported bricks are assumed to travel 100 km by truck from the port of destination to the end-use.



Figure 3: Typical delivery truck

Application of bricks and pavers in their application

Bricklaying is mostly a manual exercise. Therefore, there are no emissions associated with the application of bricks and pavers.

Note that ancillary materials, such as mortar, are not included within the system boundaries.

Use and maintenance of bricks and pavers

Bricks and pavers are inert. Therefore, there are no (greenhouse gas) emissions directly associated with the products during use.¹

Bricks do not require regular, extensive cleaning under normal circumstances. However, there are a number of mechanisms that can lead to stains or damaged bricks. Examples² are:

- Mortar smears - These are the result of the bricklaying process and can be easily wiped off with water before they have hardened. Removing hardened mortar smears requires a hydrochloric acid based cleaner.
- Stains – Efflorescence (see Figure 4). Crystallised salts on the surface of bricks can mostly be removed with a dry brush.
- Stains – Insoluble white deposits (e.g. calcium). These deposits can be removed with particular acids.
- Stains – Iron oxide, manganese, vanadium stains. These stains can occur for various reasons when the mineral or oxide is present in the bricks. They can be removed with specific *acid based cleaning solutions*.

Apart from these examples walls might also be stained with organic growths, soils, timber and soots and smoke. There is not a single or typical scenario for cleaning of bricks, especially given that many of the causes for smears or stains are external.

It is also not practical to define a cleaning scenario related to a single brick (or 1,000 Single Brick Equivalents – SBEs) as illustrated by Figure 4: many problems are restricted to minor areas on a wall.

For these reasons, cleaning of bricks has been excluded from the carbon footprint assessment.

¹ When bricks are used in the wall of a building they become part of the functional unit of that building. The operational energy used by the building depends on many factors and cannot be related to the bricks alone. Therefore, operational energy is outside the system boundary of this LCA.

² Source: Think Brick Australia, Industry Reference Guide, Fifth Edition 2009



Figure 4: Efflorescence; the result of soluble salts that migrated to the surface
(Source: Think Brick Australia, Industry Reference Guide, Fifth Edition 2009)

The service life of bricks depends on the application. However, their durability means that under normal circumstances replacements are not required. The carbon footprint presented in this report is expressed for 1,000 SBEs and excludes any replacements.

Maintenance of bricks during their service life is not required under normal circumstances.

Therefore, we believe it justifies for exclusion from the LCA and it is in line with NCOS section 4.2.3 (f).

Demolition of bricks and pavers

Demolition is excluded from the life cycle of a brick or paver as it is assumed that demolition only takes place when the structure (e.g. house) is demolished. Given the scarcity of reliable data on demolition processes and their limited estimated impact (<5%) on the overall environmental impacts of a building, it was deemed not useful to try to allocate demolition impacts to a single brick, brick wall or paved area. This is in line with NCOS section 4.2.3 (f).

Disposal at end-of-life

In Tasmania, bricks are currently not recycled. Therefore, all bricks and pavers are assumed to go to landfill. In Victoria, 56% of masonry products is recycled³. This percentage is likely an overestimate for clay bricks, although this detail is not available. Bricks can be recycled into rubble for landscaping, road foundations, pathways, etc. Only a very small percentage of bricks get recycled into new bricks. The recycled products typically replace sand, crushed rocks or clay. The environmental impacts and benefits from recycling have not been taken into account in this study, as a cut-off has been applied after transport to the recycling facility.

We assume bricks are transported 50 km from the building site to the landfill site (or recycling facility) by truck.

Sawdust

Sawdust is a low-value by-product from sawmills. Detailed information on the contribution of sawdust to a mill's total income is not available. For the purpose of this LCA the sawdust has been treated as a zero-value (waste) material, which means no embodied emissions (scope 3 emissions resulting from energy use and land use change) are associated with the production of sawdust. We note that scope 3 emissions factors for biomass fuels are not available through the NGA factors workbook.

Sawdust is supplied from a number of different sawmills. We have used sawdust supply data from March 2014 to determine the weighted average transport distance (105km) between sawmills and Longford. The impact of this simplification is less than 1% on the total footprint.

³ Hyder Consulting 2012

1C. Diagram of the certification boundary

The system boundary (key processes and flows shown in Figure 5) describes which processes are included and excluded in the LCA. This LCA for Austral Bricks Tasmania covers the full life cycle of clay bricks and pavers manufactured in Longford, Tasmania.

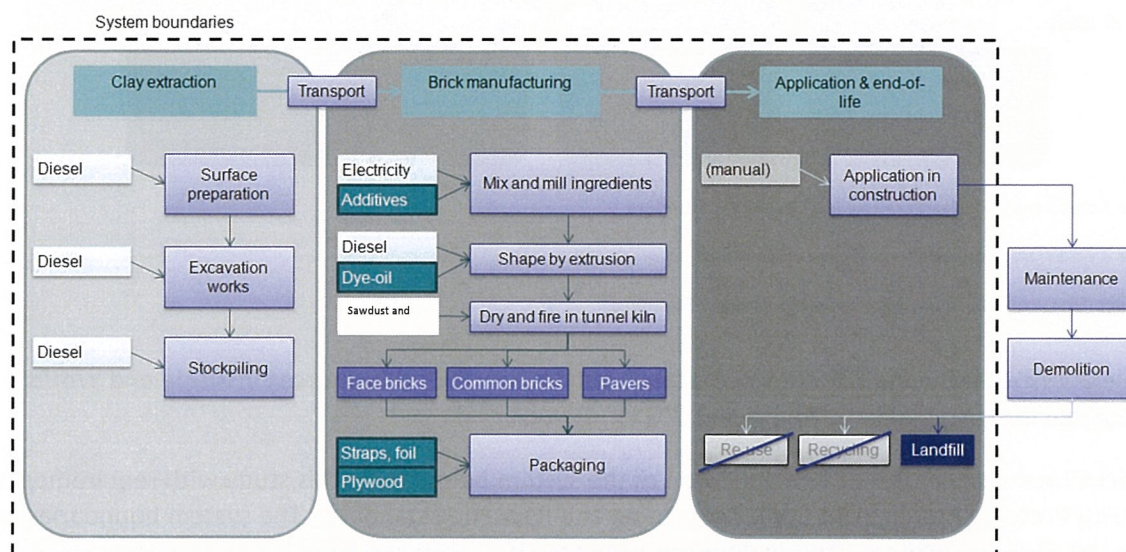


Figure 5: LCA System Boundary Diagram according to ISO14044 principles

For each life cycle stage, all attempts have been made to identify and quantify material flows to and from the environment. The inputs include materials, fuels and energy while the outputs include products, emissions and waste.

For the purposes of this study, the embodied energy incorporated in the infrastructure (buildings, plant, equipment, roads, vehicles, etc.) associated with manufacturing bricks and pavers is excluded from the product system. Other capital goods (e.g. power lines) are excluded as well. This is due to the long lifetime of capital goods in the brick lifecycle and the impact of this exclusion on the footprint is small.

Austral Bricks Tasmania has applied a cut-off for flows smaller than 1% (mass and expected environmental impact). This means it has estimated environmental impacts, instead of collecting detailed information for these smaller emission sources.

Figure 5 shows how a product footprint is related to a company's emission reporting. Austral Bricks Tasmania reports its scope 1 & 2 emissions under the National Greenhouse and Energy Reporting Act 2007⁴. The footprint of bricks and pavers includes upstream and downstream emissions as well.

⁴ Commonwealth of Australia 2007

Figure [1.1] The relationship between the *Corporate, Scope 3, and Product Standards* for a company manufacturing product A

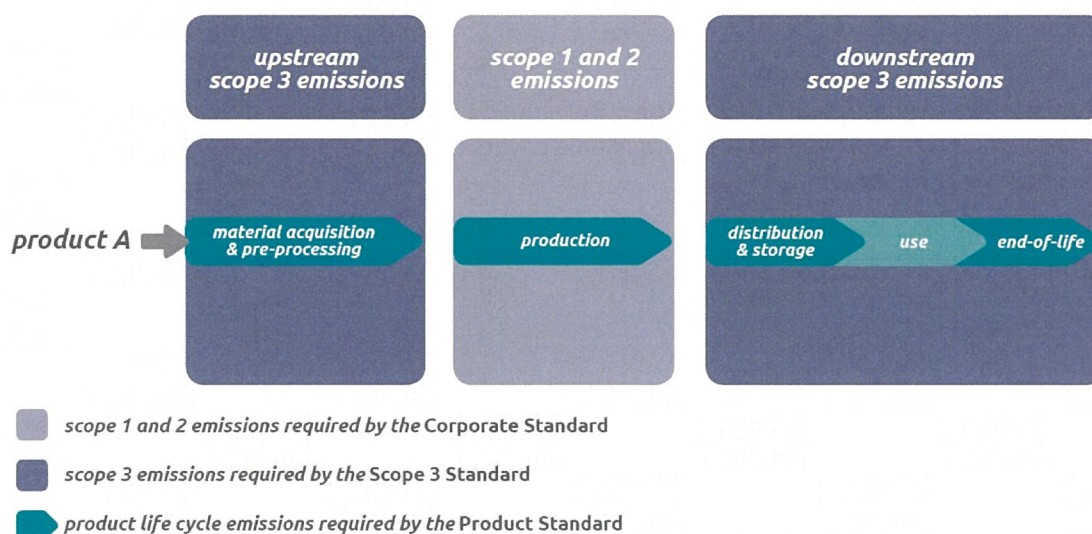


Figure 6: Relationship between GHG Protocol standards (Source: World Resources Institute and World Business Council for Sustainable Development 2011)

Austral Bricks Tasmania confirmed the definition of the system boundary in this study with requirements from the GHG Protocol Product Life Cycle Accounting and Reporting standard⁵. The system boundaries as defined by the GHG Protocol are slightly different from the ISO 14040 and ISO 14044 standards.

Based on this evaluation, Austral have added two emission sources to the footprint:

- Business travel of employees based in Longford,
- Company vehicles of employees based in Longford.

The system boundaries according to the GHG Protocol are depicted in Figure 7.

After inclusion of these additional items we believe all relevant requirements have been met.

⁵ World Resources Institute and World Business Council for Sustainable Development 2011, Chapter 7

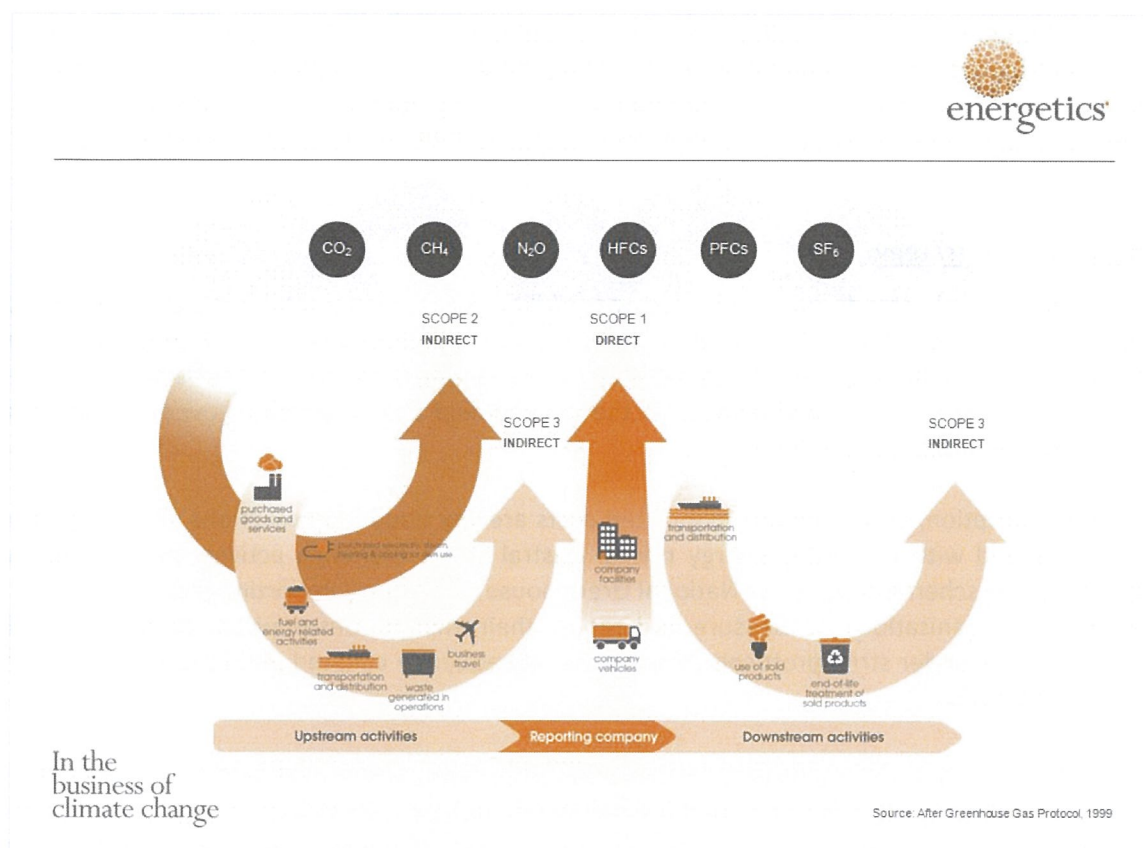


Figure 7: Emission sources covered by this LCA, GHG Protocol

2. Emissions reduction measures

2A. Emissions over time

Table 1. Emissions since base year (tCO ₂ -e)						
	Base Year: 2012-13	Year 1: 2013-14	Year 2: 2014-15	Year 3: 2015-16	Year 4: 2016-17	Current year Year 5: 2017-18
Scope 1	1,140	1,279	1,188	2,091	2,312	2726
Scope 2	782	677	338	359	342	617
Scope 3	1,480	1,573	1,718	2,229	2,284	2433.9
Scope 1 Calcination		139	136	153	150	155
Total	3,402	3,529	3,245	4,679	4,938	5,777
Total including calcination		3668	3381	4832	5088	5932

Austral Bricks Tasmania has reported emissions from calcination to the Clean Energy Regulator since via the National Greenhouse Gas and Energy Reporting Scheme (NGERS) since 2013-14. It is believed that

calcination was not included in the initial LCA for the carbon neutral brick. Calcination forms more than 1% of the sites scope 1 emissions. The error was identified in 2018, therefore Austral Bricks (Tas) Pty Ltd has purchased an additional 578 carbon units to compensate for the missing emission source since 2013-14. Calcination emissions have been estimated in accordance with the NGERs Measurement Determination 2008.

2B. Emissions reduction strategy

Austral Bricks Tasmania understands and accepts responsibility for environmental protection which is integral to the conduct of its commercial operations. Austral Bricks Tasmania's objective is to comply with all applicable environmental laws, regulations and community standards in a commercially effective way. We are committed to encouraging concern and respect for the environment and emphasising every employee's responsibility for environmental performance.

Reducing energy consumption, emissions and associated costs are key issues organisations are facing in a carbon constrained world with increasing energy prices. Austral Bricks Tasmania actively participates in greenhouse gas reporting scheme such as the National Greenhouse and Energy Reporting (NGER) Act 2007. This program requires organisations to measure and report their energy consumption, production and greenhouse gas emissions under strict protocols. The data is subsequently collated and reported to Senior Management and the Board.

Austral Bricks Tasmania produces low embodied carbon bricks fired in traditional kilns fuelled by saw dust at over 1000°C. The management team has implemented numerous initiatives to reduce energy consumption and greenhouse gas emissions, as set out below. These initiatives will drive down energy consumption per unit of production.

2C. Emissions reduction actions

During the reporting year, Austral Bricks (Tas) Pty Ltd continued to upgrade its lighting systems throughout the factory, replacing a total of 21 Fluorescent, Sodium Vapor and Metal Halide globes with more efficient LED's and Induction type globes.

It is expected that the upgraded lighting system will further reduce the factory's scope 2 carbon emissions by 2.97 tonnes per year.

3. Emissions summary

Table 2. Emissions Summary		
Scope	Emission source	t CO ₂ -e
1	Calcination of clay	155.2
1	Truck vehicle fleet (diesel); on-site vehicles	144.3
1	Truck vehicle fleet (diesel); transport to customers, delivery trucks and company cars	399.1
1	Truck vehicle fleet (petrol); transport to customers, delivery trucks and company cars	9.9
1	Kiln fuel (bituminous coal) use	0.0
1	Kiln fuel (natural gas) use	1,753.7
1	Kiln fuel (saw dust) use	233.6
1	Body additive (coal) use	178.4
1	Body additive (sawdust) use	7.5
2	Longford plant electricity use	616.6
3	Truck vehicle fleet (diesel extraction & distribution); on-site vehicles	7.4
3	Truck vehicle fleet (diesel extraction & distribution); transport to customers, delivery trucks and company cars	20.4
3	Truck vehicle fleet (petrol extraction & distribution); transport to customers, delivery trucks and company cars	0.5
3	Kiln fuel (bituminous coal) production	0.0
3	Kiln fuel (natural gas) production and distribution	265.5
3	Kiln fuel (saw dust) production	0.0
3	Kiln fuel (bituminous coal) distribution	0.0
3	Kiln fuel (saw dust) distribution	60.3
3	Body additive (coal) production and distribution	5.9
3	Body additive (sawdust) production and distribution	0.0
3	Body additive (manganor) production and supply	3.2
3	Body additives transport to Longford	26.5
3	Longford plant electricity transmission and distribution losses	97.4
3	Clay, sand & shale extraction	42.2
3	Clay, sand & shale transport to Longford	181.8
3	Various face additives - extraction / production	91.4

3	Various face additives - transport to Longford	3.0
3	Overhead - water use	3.9
3	Overhead - waste water	5.5
3	Overhead - Cardboard to recycling	0.0
3	Overhead - Solid waste to landfill	32.7
3	Overhead - business travel	3.0
3	Packaging - Plastic Wrap - polyester strap	50.3
3	Packaging - Austral labels - PP film	1.7
3	Packaging - DR labels - PP film	1.2
3	Packaging - Pallets FUM -EXPORT	0.0
3	Packaging - Pallets -930 X 940	1.3
3	Packaging - Export plastic strap - polyester	1.4
3	Contractor vehicle fleet; off-site vehicles; transport to customers	552.9
3	Third party shipping; off-site; transport to customers	634.0
3	End-of-life - transport to landfill	340.6
3	End-of-life - bricks in landfill	0.0
Total Gross Emissions		5932
GreenPower or retired LGCs		0
Total Net Emissions		5932

4. Carbon offsets

4A. Offsets summary

Table 3. Offsets Summary			
Offset type and registry	Year retired	Quantity	Serial numbers
VCU-APX VCS Registry Protection of a Tasmanian Native Forest	2018	800	3229-145757334-145757733-VCU-016- MER-AU-14-587-01032012-28022013- 0
NKACCU – ERF101776 Kilcowera & Zenonie Forest Regeneration Project Queensland	2018	50	3,765,221,964-3,765,222,013
VCU-APX VCS Registry LNG Generation Project China	2018	99	2630-114852535-114857134-VCU-001- APX-CN-1-788-01122006-31122006-0
VCU-APX VCS Registry Wind Based Power Generation by Mytrah Energy (India) Limited	2018	6250	6137-281123336-281129585-VCU-034- APX-IN-1-1521-01012017-31122017-0
Total offset units retired			7199
Net emissions after offsetting (includes calcination emissions since 2013/14)			-689
Total offsets banked for use future years:			400 units retired and banked for the 2019 reporting year 3229-145757334-145758133-VCU-016- MER-AU-14-587-01032012-28022013- 0 289 units retired and banked for the 2019 reporting year 6137-281123336-281129585-VCU-034- APX-IN-1-1521-01012017-31122017-0

4B. Offsets purchasing and retirement strategy

Upon determination of final tonnes of carbon emissions required to be offset, Brickworks engages accredited providers (such as Carbon Neutral, South Pole Group and CBL Markets) of carbon offsets (such as VCU) to purchase and surrender the offsets as required under the NCOS at the end of the reporting period. The carbon emissions to be offset are determined based on the production volume of the bricks and pavers during the reporting period (17-18 FY).

The purchase and surrender of the offsets will occur within 4 months of the reporting period. It is Brickworks intention to purchase eligible offsets generated from Australia and NZ Projects as well as permits generated in overseas projects.

After a review of the company's carbon calculator in early 2018, Brickworks identified that a scope 1 emission relating to the calcination of clay had not been included in the system boundary, therefore the calculated 155 tonnes CO₂-e generated in FY 2017-18, and the 578 tonnes generated from 2013/14 to 2016/17 were offset in 2018.

4C. Offset projects (Co-benefits) optional

Austral Bricks supported the Redd Forests Grouped Project - Protection of a Tasmanian Native Forest (Vintage 2012 – 2013) by purchasing and retiring 800 Verified Carbon Units (VCU's). 400 of these units were banked to use during the 2018/19FY. Austral Bricks is proud of supporting this project and uses it in its marketing material.

The remaining units supported international clean energy projects in India and China, and an interstate forestry project in Queensland.

5. Use of trade mark

Table 4. Trade mark register	
Where used	Logo type
Carbon Neutral Brick Brochure	Carbon Neutral Certificate Trade Mark (for product)
Austral Brick Website	Carbon Neutral Certificate Trade Mark (for product)
Austral Brick Tasmania Product Brochure	Carbon Neutral Certificate Trade Mark (for product)