

FINDEX



**OUR STORY,
OUR FUTURE**

FY2020–2021 Carbon Footprint Report

Our Story, Our Future:

Findex FY2020–2021 Carbon Footprint Report

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A message from the Managing Director

As the impacts of climate change are increasingly felt by people and communities throughout the world, Findex is committed to playing our role in ensuring communities of the future thrive.

The FY21 carbon footprint report is our inventory, following our baseline year FY20, which informed the development of our climate and environmental targets and initiatives within our strategy. During the FY21 period, COVID-19 changed the way businesses globally operated and our teams pivoted showing resilience and adaptability to our new way of our dynamic working. Using technology to deliver services and advice to clients, our people stayed connected virtually to maintain our business operations through a new way of working.

FY21 was a milestone year for us, as we invested in the development of our first sustainability strategy. The inventory not only reflects the positive impacts COVID-19 had on the reducing of emissions, but also validates what is possible for businesses who commit to undertaking a journey to reduce their carbon emissions.

Findex is proud to be taking this next step in our journey and continuing to ensure the communities we serve thrive. I am pleased to share with you Findex Group Limited's annual carbon footprint report for the year ended 30 June 2021.

Spiro Paule
Managing Director
Findex Group Limited

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About this report

Findex Group Limited

Findex Group Limited (Findex) is one of the largest privately-owned providers of integrated financial services and advice in Australia and New Zealand. Findex enriches the lives of the people, businesses and communities we work with through smart solutions, a one best way approach and an integrated delivery method via our Family Office model.

In 2015, Findex acquired Crowe Australasia, a member firm of Crowe Global. Now, as a wholly owned business of the Findex Group, Crowe Australasia leverages its global network to provide specialised support to local and multi-national organisations undertaking international projects, helping them navigate the rapidly changing local and global tax and regulatory landscape with confidence.

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Company profile

Findex has 250,000+ clients and over \$17bn funds under advice.

Findex's services include:

- Corporate Finance
- Business Advisory
- Risk and General Insurance
- Wealth Management
- Self-Managed Super Funds
- Lending and Finance
- Consulting (Agribusiness, Performance, Data Science, Growth Metrics, Cyber Security (Forensics))
- Accounting and Tax

Findex has 103 offices across Australia and New Zealand. To see our office locations or to find an adviser near you, visit our [website](#).

The number of FTE employee's as at the end of the FY21 reporting period was 2,362. A breakdown of employees by year is provided in Table 1.

Location	Number of FTE (FY20)	Number of FTE (FY21)
Australia and New Zealand	2,412	2,362

Table 1: Findex FTE by year

About this report

This carbon footprint report provides a detailed breakdown of Findex's second carbon footprint, arising from its operations across Australia and New Zealand.

In preparing our carbon footprint, Findex engaged the services of a specialised carbon accounting consultancy to prepare our carbon inventory for FY21 (1 July 2020–30 June 2021).

Our carbon footprint was prepared in accordance with the World Resources Institute's Greenhouse Gas (GHG) Protocol¹.

This report has been prepared by Findex using our FY21 carbon footprint results in accordance with the World Resources Institute's Greenhouse Gas Protocol (GHG Protocol).

Our carbon baseline

Our FY20 carbon footprint was selected as our baseline carbon emission year as it represents the most recent year in which Findex operated 'business as usual' before the commencement of the COVID-19 pandemic in Australia and New Zealand (March 2020).

Impacts of COVID-19

Throughout the reporting period staff numbers working from home varied depending on advice from Australian and New Zealand Government health agencies. Our carbon footprint has factored the varying levels of COVID-19 restrictions and remote working into our calculations where relevant (see Appendix B: Accounting principles).

Our ability of our workforce to work dynamically and transition to working remotely for a large portion of the reporting year was supported and made efficient through our:

- Dynamic Working Guidelines, which embrace the use of technology and digital platforms to deliver work for clients outside of an office setting, and
- The Findex Backpack: which provided staff with a laptop, monitor, and a backpack with IT accessories to enable productive, mobile and flexible working.

¹ <https://ghgprotocol.org/corporate-standard>

Our carbon footprint performance

Summary of our carbon performance

Findex’s carbon footprint for the financial year (FY) 2021 (1 July 2020–30 June 2021) was 8,849 tonnes (t) of carbon dioxide equivalents (CO₂e). FY21 represents a 23% decrease in emissions compared to the baseline year (FY20). Numerous and changing COVID-19 restrictions were in place throughout the reporting period for both Australia and New Zealand that changed the way we worked. The majority of our people continued to work remotely, supported by the ‘Findex backpack’.

Table 2 summarises our annual emission performance by scope and identifies the percentage change seen in each emission scope during FY21.

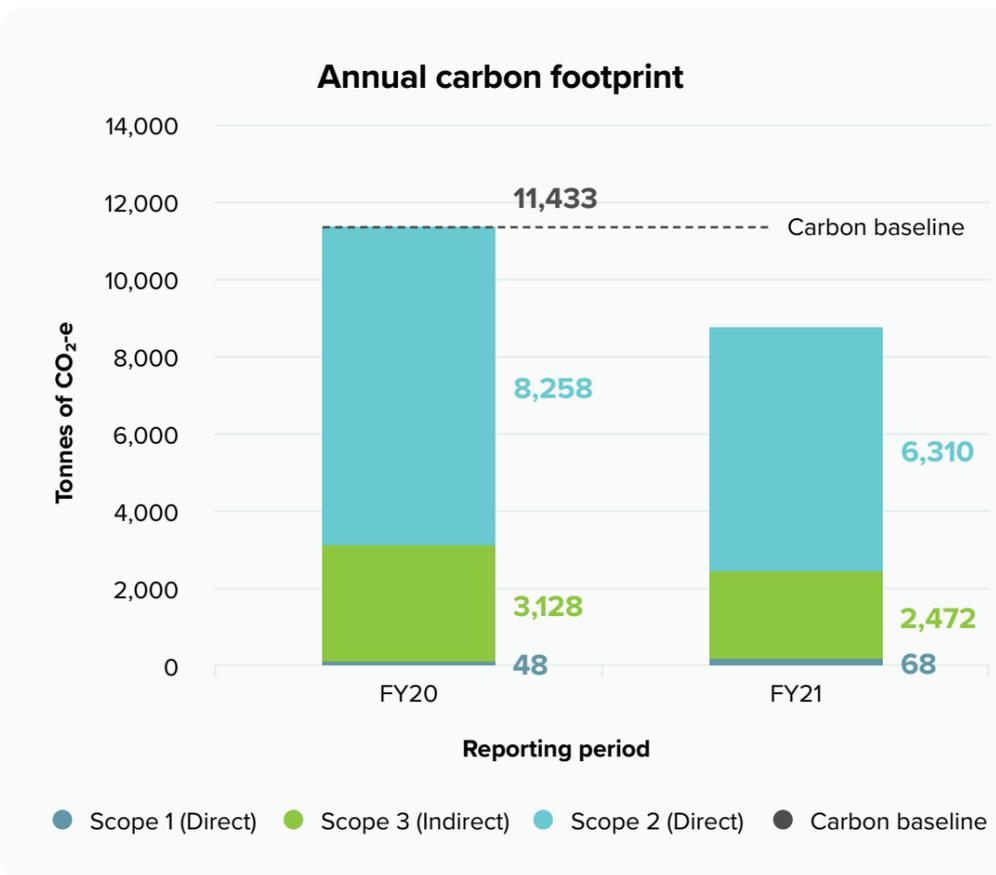


Figure 1: Annual carbon footprint performance

Scope	Reporting period		Change on FY20
	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	
Scope 1 (Direct)	48	68	+ 42%
Scope 2 (Direct)	3,128	2,472	- 21%
Scope 3 (Indirect)	8,258	6,310	- 24%
Total	11,433	8,849	- 23%

Table 2: Annual emission performance

Figure 2 represents the proportion of each scope that contributes to Findex’s carbon inventory. Scope 3 emissions are the largest source of our emissions, accounting for 71% (6,310 tCO₂-e) of our total emissions. Scope 2 makes up the second largest source of our emissions, representing 28% of our footprint, while Scope 1 is the smallest source of our emissions accounting for 1%.

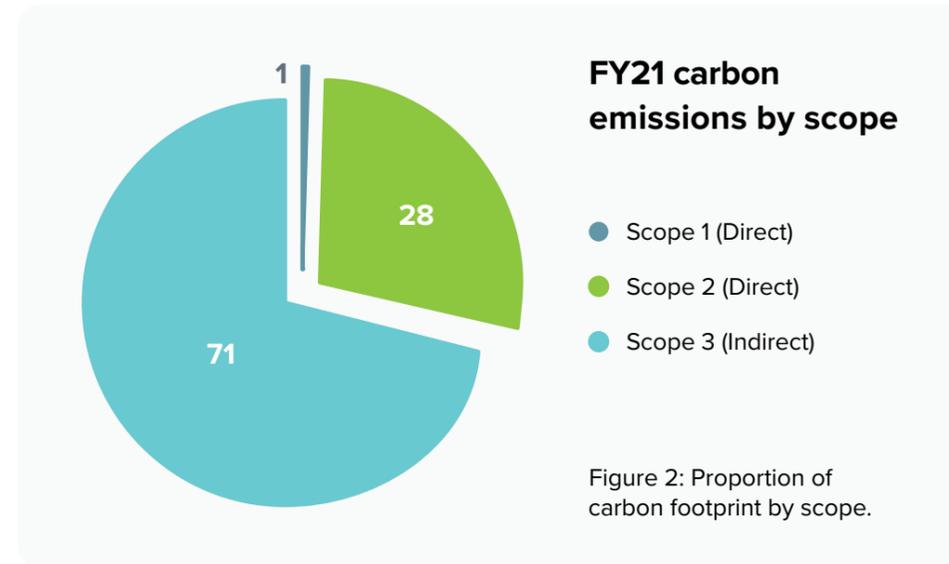


Table 3 identifies our top five emission sources considering all scopes:

Number	Emission source	Emission scope	FY21 Emissions (tCO ₂ -e)	Percentage of total footprint (%)
1	Base building electricity	3	2,554	29
2	Electricity	2	2,472	28
3	ICT Services	3	1,185	13
4	Employee commuting	3	891	10
5	Upstream transportation (courier and postage)	3	304	3

Table 3: Top five emission sources in FY21

Electricity, base building electricity and employee commuting were again seen as three of our top five emission sources. Due to COVID-19 travel (domestic and international flights) and large gathering / event restrictions across Australia and New Zealand, Findex utilised online technology platforms to continue to connect with our people, clients and hold and attend events.

This resulted in a large decrease in emissions from flights and events, thereby being replaced by ICT services and courier and postage emissions within the top five. The full list of emission sources is shown in Figure 3.

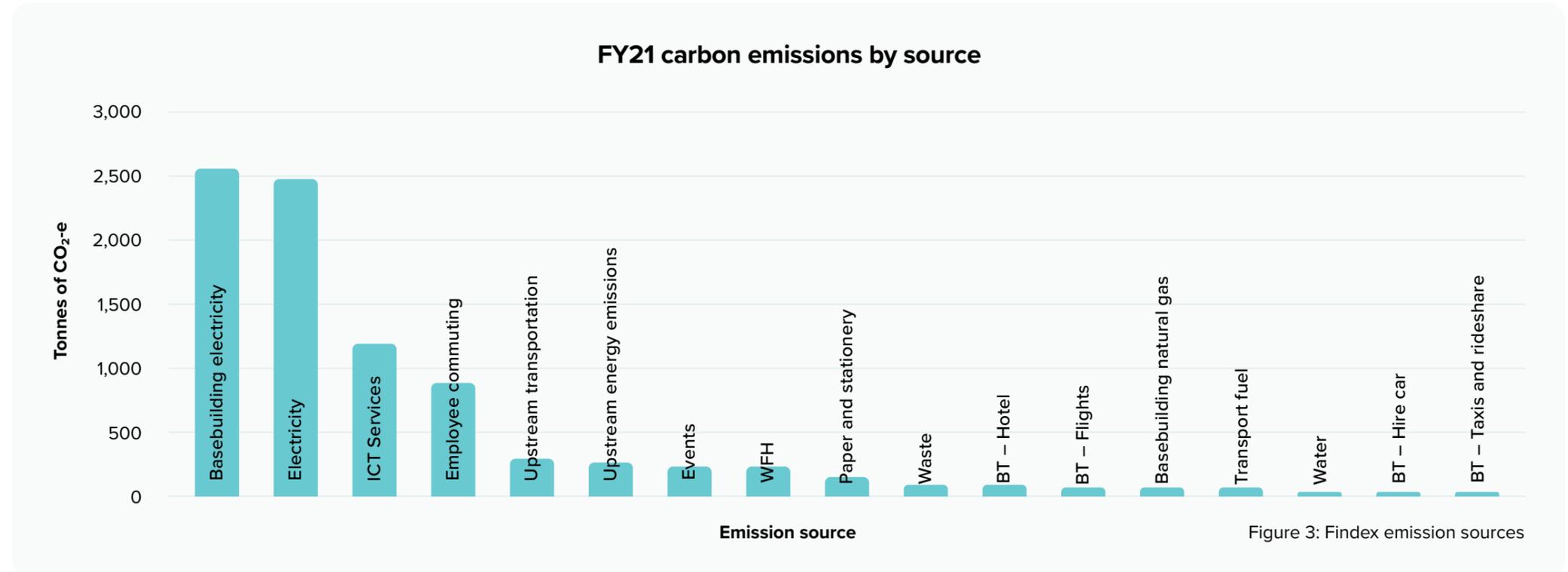


Figure 3: Findex emission sources

Employee carbon footprint

To determine the average carbon footprint of a Findex employee, the total organisational carbon footprint was divided by the number of full time equivalent (FTE) employees in FY21.

In FY21 Findex had 2,362 FTE, with a total organisational carbon footprint of 8,849 tCO₂-e, the annual average carbon footprint for a Findex employee is 3.8 tCO₂-e. It would take approximately 63 tree seedlings to grow over 10 years to remove 3.8 tCO₂-e back out of the atmosphere².

² <https://epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Our carbon footprint performance by scope

Scope 1 emissions

Scope 1 emissions relate to those released into the atmosphere as direct consequence of an activity, and therefore also known as ‘direct emissions’³. For Findex, our Scope 1 emissions come from the burning of fuel (petrol and diesel) in automobiles used by our people for company purposes.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
1	Transport fuel	48	68	+42%

Emissions associated with fuel use (petrol and diesel) is collected via fuel cards. In FY21 our emissions for fuel increased by 42%. In a year where varying COVID-19 restrictions were in place, emissions were expected to decrease for Scope 1.

Reviewing our baseline and FY21 data, as well as our car fleet vehicle fuel types, we identified our fuel card provider in FY20 had missed providing diesel use for Australia.

The improvement of data provided by our fuel provider is responsible for the increase of emissions. Furthermore, diesel fuel has a higher emission intensity compared to petrol. Our Procurement team will phase out diesel cars over the next five years and investigate hybrid and electric vehicles in fleet turnovers to assist in reducing our emissions from fuel use.

³ <https://www.cleanenergyregulator.gov.au/NGER/About-the-National-Greenhouse-and-Energy-Reporting-scheme/Greenhouse-gases-and-energy#:~:text=CO2%2De-,Scope%201%20emissions,referred%20to%20as%20direct%20emissions>

Scope 2 emissions

Emissions released into the atmosphere through the indirect consumption of an energy commodity are included as Scope 2, and known as ‘indirect emissions’. An indirect emission is when the electricity purchased for a building / facility is generated offsite at another facility. For Findex our Scope 2 emissions relate to the energy consumed by our office spaces that are generated at another facility.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
2	Electricity	3,128	2,472	-21%

In FY21 emissions related to the consumption of office electricity decreased by 21%. This decrease is a result of:

Reduction in office floor space

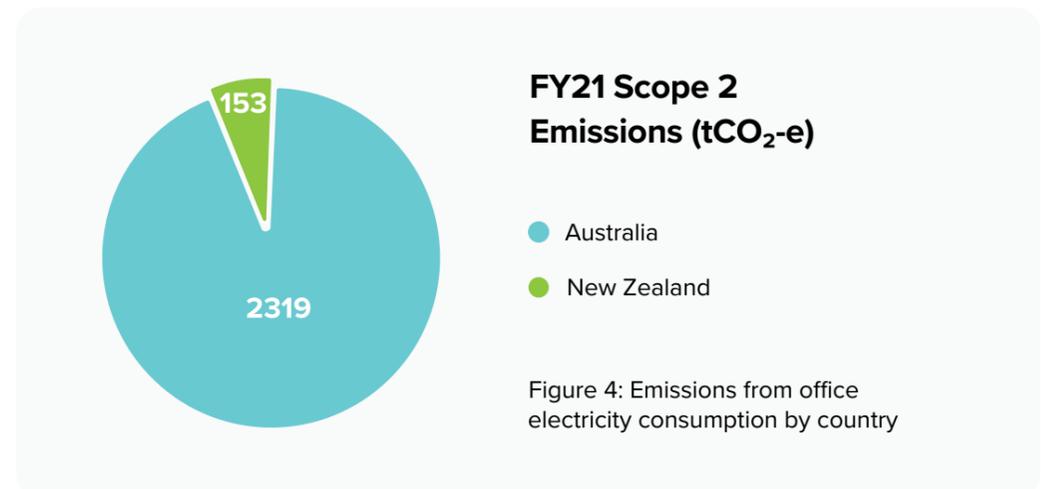
Reducing our total office floor space from 64,026m² in FY20 to 58,036m² in FY21 equaling a reduction of 5,990m². Our reduction in office space was part of our 5-Year Property Outlook, which ensures efficiencies in floor space, considering our dynamic working guidelines allowing our people to work remotely. Reduction in floor spaces were largely seen in metropolitan office locations through the consolidation of levels rented.

COVID-19 restrictions reducing office opening hours

COVID-19 restrictions, depending on their location and relevant restriction in place some offices were closed meaning lighting was not used.

Office energy emissions by country

By country, the contribution of Australian and New Zealand offices’ to the total Scope 2 emissions (office electricity) is displayed above in Figure 3. Australia has a higher number of offices as shown below in Table 3. With a higher number of offices in Australia, a larger portion of emissions from office electricity consumption is seen compared to New Zealand.



Number of offices (reporting period)		
Location	FY20	FY21
Australia	90	81
New Zealand	25	22
Total	115	103

Table 3: Number of Findex offices in Australia and New Zealand

Scope 3 emissions

Scope 3 emissions are indirect emissions that fall outside of Scope 2. These emissions are generated a result of the activities in the wider economy from sources outside of the control, or ownership of Findex. Scope 3 emissions listed within this report have been included as they fall within Findex’s carbon inventory boundary (see Appendix A: Carbon Footprint Boundaries).

Information, Communication and Technology (ICT) Services

Findex has four primary ICT services, energy used for the provision of these services are reported within our carbon footprint.

In FY21 emissions from our ICT services increased by 176% compared to our baseline year. There were no changes in scope, intensity and or offering of our ICT service providers during the reporting period. The methodology to calculate emissions from ICT services remained the same in FY21, however the data availability decreased. With spend replacing actual emissions data, a higher emissions factor is used to calculate emissions from spend. Findex will undertake a review of our ICT data and services to identify the source of the increase in emissions.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	ICT services	429	1,185	+176%

Paper and stationery

Emissions from the paper, office supplies and stationery we purchase for office and client use is included in our footprint calculation.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	Paper use	4	24	+500%
3	Office supplies and stationery	–	133	+100%

Paper use

In FY21 Findex aligned its carbon calculation for paper use (paper purchased for office use) to Climate Active Carbon Neutral Certification reporting requirements meaning reporting zero emissions from purchased carbon neutral paper must have Climate Active certification to be accounted as zero emissions.

While Findex purchased carbon neutral paper in FY21, it was not Climate Active certified paper, therefore emissions were included and resulted in a 500% increase in paper emission compared to FY20.

While our emissions increased due to aligning to a new reporting requirement, our total amount of paper (by weight) decreased from 50,880 kg of paper purchased to 22,108 kg in FY21.

Office supplies and stationery

In FY21 external professional printing, office supplies, notebooks/pads and stationery were categorised separately, and a general printing emissions factor applied against the spend for these items. Moving forward Findex will review categorisation of these spend categories so they can be included in relevant emission sources, and the relevant emission factors applied – so not to overestimate emissions.

Events

Our emissions from holding in person events, functions and conferences are included in our carbon footprint. Spend data that has been categorised as event-related is used to calculate emissions, with relevant emission factors for each spend category applied. Categories included:

- Food and catering
- Entertainment
- Printing and stationery
- Marketing and distribution
- Coffee and tea

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	Events	712	261	-63%

Our event emissions decreased by 63% in FY21, this reduction was seen due to varying COVID-19 restrictions limiting the ability of holding events across Australia and New Zealand.

Upstream fuel and energy related activities

As defined by the GHG Protocol, this category accounts for the extraction, production, and transportation of fuels and energy purchased or acquired by Findex in FY21, not already accounted for in Scope 1 or Scope 2.

The activity data used to calculate emissions associated with this Scope 3 category are based on the activity data collected for all Scope 1 (fuel use) energy-related emissions sources and Scope 2 electricity use.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	Upstream energy emissions	374	282	-25%

Couriers and postage (Upstream transportation and distribution)

Our emissions produced from couriers and postage increased. Data availability changes compared to FY20 were reduced, resulting in emissions for FY21 being calculated on spend. When data is limited, spend is used, however this method results in higher emission factors being used.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	Upstream transportation	116	304	+162%

Findex will work with our postage and courier suppliers to improve data accuracy in FY22.

Water and waste

Findex’s water and waste emissions cover water usage and waste generation across 103 leased offices in Australia and New Zealand.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	Water	56	42	-25%
3	Waste	368	120	-67%

Our offices are spread across both metropolitan and regional areas in Australia and New Zealand, with most of our offices being in regional areas. With such a broad ranging geographical footprint, our office building types also vary from levels in large office towers to small regional offices.

Findex offices are leased, our access to site specific water and waste data is influenced by leasing contracts. Our emission calculations for both water and waste rely on available building NABERS ratings and using industry averages against our FTE to calculate performance.

Findex has identified improving access to water and waste data as an opportunity to improve reporting emissions.

Water

Water consumption associated emissions reduced by 25% on FY20. Water emissions are not calculated using FTE or office occupancy rates instead use listed NABERS ratings for certified offices to identify water consumption.

For offices that do not have a NABERS rating, an emission factor proxy based on office location was used to calculate emissions. NABERS update performance annually, therefore listed NABERS buildings reflect reduced occupancy due to COVID-19 restrictions.

Waste

Emissions from general waste, paper and cardboard (not recycled) and recycling are included in our emissions calculation. Waste emissions are calculated using FTE / office occupancy rates against industry emission factors for waste streams associated for the Financial and Insurance Services sector.

In FY21 with an increase of our people working dynamically and COVID-19 restrictions, office occupancy was lower compared to FY20 resulting in our waste emissions reducing by 67%.

Business travel

Emissions released with the transportation of employees for business-related activities are included in our footprint. Land travel by Findex vehicles are included in Scope 1 emissions.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	Business travel – flights	819	84	-90%
3	Business travel – hotels	241	103	-57%
3	Business travel – taxis	2	1	-50%
3	Business travel – hire car	12	8	-33%

Business travel was largely impacted by domestic and international travel restrictions due to COVID-19 measures implemented by Australian and New Zealand Governments.

While flights decreased by 90% during the reporting period, our people continued to remain connected and deliver services and advice to our clients as well as collaborating and connecting with colleagues, via utilising our technology platforms that support our dynamic working guidelines.

During periods of relaxed COVID-19 restrictions, some travel by land was able to continue, allowing hotels, taxis and hire care to be used. Overall, these emission sources saw reduced activity, again highlighting the ability of our people to adapt and continue to deliver efficient services to our clients in a period where we could not travel.

Employee commuting and working from home

The emissions released from various transportation modes used by our people to travel between their homes and worksites, as well as the emissions associated with our people working dynamically (from home) are included in our footprint.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	Employee commuting	1,139	891	-22%
3	Working from home (staff)	447	238	-47%

Employee commuting

Aligning with our people working from home more due to COVID-19 restrictions, our emissions for employee commuting reduced by 22%. At present Findex does not capture employee commuting preferences and distances, therefore emissions relating to commuting are estimated using national statistics for Australia and New Zealand.

Working from home (staff)

Findex does not gather information about employees working from home and their energy consumption during working hours.

In FY21 electricity consumption was estimated through calculating number of days worked at home by a Findex FTE, along with assumptions on working arrangements and IT equipment used. Emissions via this method were seen to decrease by 47%. Findex will look at ways of improving reporting for working from home that allows us to have a greater representation of our dynamic workforce.

Base-building energy (electricity and natural gas)

Base-building areas are those that are outside of the office space, such as foyers, lobbies, heating and cooling (HVAC) systems, elevators and car parks. The energy emissions associated with operating these areas are included in our carbon inventory.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Change on FY20 (%)
3	Base building electricity	3,189	2,554	-20%
3	Base building natural gas	351	79	-77%

Base building electricity

A 20% decrease across base building electricity use was seen during the reporting period. While COVID-19 restrictions prevented our people from accessing offices throughout the reporting period, some office buildings we lease spaces in continued to run base building services.

Findex does not have specific data on base building area (m²) for each office location, this will be a focus for Findex to help reporting of emissions from base building electricity moving forward.

Base building natural gas

A decrease of 77% in base building gas emissions was reported. Data to calculate gas base building emissions is based off NABERS listed rated buildings in our portfolio. For those sites that do not have a NABERS rating an emissions proxy based off averages from sites with NABERS information is used. Findex will focus on reviewing the methodology used for base building energy consumption to help reporting in future.

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Our way forward

Our carbon strategy road map

In FY22 Findex engaged consultants to prepare its first carbon footprint for the FY21 period in line with the Greenhouse Gas Protocol (GHG Protocol), the international best practice carbon accounting standards. With the establishment of our baseline, our carbon inventories will be used to inform the development of our carbon and climate action initiatives of our sustainability strategy and guide the steps of our carbon strategy road map.

In FY21 we started to develop a carbon strategy road map, that identified the activities we needed to undertake to develop informed and ambitious climate actions for Findex. To ensure we got this road map right, we will compare the ambition of our road map to our materiality assessment results. A materiality assessment is a key stage of developing a sustainability strategy and sets the foundation for action across social, environmental and governance landscapes considering what topics in each area should be addressed by Findex.

Findex Group will continue to calculate and report its annual carbon emissions.

Contact information

If you have questions regarding this report and/or Findex's sustainability journey please reach out to Findex's Sustainability team via sustainability@findex.com.au

Appendix A: Carbon footprint boundaries

Carbon accounting

Standards and Guides

The FY21 carbon footprint calculation used standards and guides from the World Resources Institute's Greenhouse Gas (GHG) Protocol and the Australian Government's Climate Active Carbon Neutral Standard. A summary of these is below:

Greenhouse Gas (GHG) Protocol

The GHG Protocol is the most used globally and provides a comprehensive set of guidelines and requirements for companies that are preparing corporate-level GHG emissions inventory, including detailed information on boundary setting. Specific guides used in calculating our inventory were:

- GHG Protocol Corporate Accounting and Reporting⁴
- Scope 3 standards⁵

Climate Active Carbon Neutral Standard

The Climate Active Carbon Neutral Standard for Organisations⁶ is an Australian Government standard that draws on the guidance of the GHG Protocol for determining an organisation's environmental footprint boundary, and provides specific guidance on company's reporting Scope 1, 2 and 3 emissions.

Emission scopes

The GHG Protocol identifies emissions as either direct or indirect and are classified as being either Scope 1, 2 or 3 emissions. The scope classification of emissions improves transparency and accuracy of calculating and reporting carbon emissions. Direct and indirect emissions are defined as:

Scope 1 (Direct Emissions): Emissions include those which are released into the atmosphere from sources that are either owned or controlled by a company; for example, emissions from vehicles, combustion in owned or controlled boilers or furnaces.

Scope 2 (Indirect Emissions): Cover emissions released into the atmosphere from the generation of purchased electricity consumed by a company. Emissions from purchased electricity, are considered as indirect as the emissions physically occur at the facility where the electricity is generated.

Scope 3 (Indirect Emissions): Scope 3 emissions are other indirect emissions which fall outside of Scope 2. These emissions occur as a consequence of the activities of the company but occur from sources not owned or controlled by the company. Examples of Scope 3 emissions cover; business travel and accommodation, waste, employee commuting and employees working from home.

⁴ <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

⁵ https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf

⁶ <https://www.dcceew.gov.au/climate-change/publications/climate-active-carbon-neutral-standard-for-organisations>

Findex's emissions boundary

Setting organisational boundaries

Establishing an emissions boundary clearly identifies what operations and activities need to be accounted for in the carbon footprint. Organisations select one of two approaches defined by the GHG Protocol in establishing their emissions boundary, either the:

- Equity share approach: where companies report emissions from operations according to its share of equity in the operation, or
- Control approach: where companies report 100% of their emissions which they have control over. This approach can be classified into either financial or operational control, businesses choose one of these two control criteria.

Additionally, in setting an emissions boundary, emissions sources are also classified as either Scope 1, 2 or 3 emissions. In defining Findex's overall emissions boundary we determined both our organisational and operational boundaries.

Findex's organisational boundary

The 'operational control' approach was selected for Findex's organisational boundary as it is the most common approach used in Australia. This approach is preferred by organisations in Australia as it is required for organisations required to report under the Australia's National Greenhouse and Energy Reporting (NGER) scheme, as well as being the most common approach for organisations seeking carbon neutral certification under Climate Active.

This approach was also preferred by Findex as the advantage is that it allows organisations to take full ownership of all their GHG emissions that it can directly influence and or reduce, which makes it ideal for further developing emission reduction plans.

Additionally with our development of our carbon reduction strategy road map, which will investigate carbon reduction target setting and carbon offset procurement planning, the 'operational control' approach was again preferred.

Operational control

An entity is said to have operational control when it has the authority to introduce and implement operational, Occupational Health and Safety (OHS) and environmental policies for a particular facility. Findex's carbon footprint therefore must then include the emissions associated with any of these entities over which it has operational control. A list of Findex's business entities over which it has operational control can be found in Appendix 1.

Determining operational control boundaries

Findex is a private company with several subsidiaries and office locations across Australia and New Zealand. Following the identification of the business entities that Findex has operational control over, we identified a range of activities by Findex's entities that were assessed to determine whether Findex has operational control.

To determine whether Findex has operational control over these activities, an 'operational control scorecard' was developed based on guidance provided by the Australian Clean Energy Regulator⁷. The table below summarizes the results of the operational control scorecard assessment.

Facility / activity type	Does Findex have operational control of this activity?
Leased Offices	Yes
Base building services	No
Sub-leased offices	No
SproutX (joint venture with NFF)	Yes

In defining our operational boundary, it should be noted that facilities over which Findex does not have operational control may still be included in the carbon footprint as Scope 3 (indirect) sources.

⁷ <http://www.cleanenergyregulator.gov.au/DocumentAssets/Documents/Operational%20control%20supplementary%20guideline.pdf>



Operational boundary

The operational boundary defines which specific sources of emissions from within the organisational boundary must be included in Findex’s carbon footprint. Included emissions sources are then classified into ‘Scope 1, 2 or 3 as refined by the GHG Protocol. Defining emission sources as either Scope 1, 2 or 3 emissions, ensures transparency and accuracy of calculating and reporting carbon emissions.

All Scope 1 and 2 emissions i.e., ‘direct’ emissions and emissions relating to purchased electricity arising from facilities within the operational boundary must be included in the emissions boundary.

The Scope 3 (indirect) emissions to be included in the boundary are determined by conducting ‘relevancy’ tests. The Scope 3 emission sources to be included in a carbon footprint calculation are determined by undertaking ‘relevancy’ tests when two or more of the five criteria below are met:

Relevancy testing criteria – Scope 3

Criterion	Does Findex have operational control of this activity?	Example / considerations
Size	Emissions from a particular source are likely to be large relative to the organisation’s total carbon footprint.	Sources likely to be larger than ~10% of total carbon footprint.
Risk	Emissions from a particular source contribute to the organisation’s greenhouse gas risk exposure.	Data centres located in countries with carbon-intensive electricity grids are exposed to potential cost increases if carbon pricing is introduced.
Stakeholder	Emissions from a source are deemed relevant by key stakeholders.	Sources commonly reported by peers, or otherwise deemed important by the company’s staff / investors / regulators / customers.
Influence	The responsible entity has the potential to influence the reduction of scope 3 emissions from a particular source.	Sources where Findex can reduce emissions with relative ease (e.g. paper emissions can be easily eliminated by switching to carbon neutral paper suppliers).
Outsource	The emissions are from outsourced activities previously undertaken within the organisation’s boundary or from outsourced activities typically undertaken with the boundary of a comparable organisation.	For example, if server rooms were previously located in Findex’s buildings, but have since been moved to the cloud.

Our Carbon Inventory Boundary

Our FY21 carbon inventory report covers offices and operations in Australia and New Zealand. The figure below summarises Findex's emissions boundary considering the outcomes of operational control testing and relevancy testing.

Quantified

Scope 1

Transport fuel

Scope 2

Electricity (Australia and New Zealand)

Scope 3

Base building (incl. electricity and natural gas)

ICT services (platform hosting services)

Office paper

Findex events and conferences

Water

Waste

Mailing and courier services

Business travel (incl. flights, hotel stays, taxi and hire car)

Employee commuting and working from home

Excluded

Based on materiality threshold (<1%)

- Rates and taxes
- Software licences and fees
- Purchases related to SproutX events
- Professional services (consulting, legal, accounting, etc.)
- Cleaning services
- IT hardware

Not applicable

- Downstream transportation and distribution
- Processing of sold products
- Use of sold products
- End-of-life treatment of sold products
- Downstream leased assets
- Franchises
- Investments

Appendix B: Accounting principles

Greenhouse gas accounting and reporting principles

In the same way financial accounting and reporting principles, ensure reporting is complete, consistent and comparable, greenhouse gas accounting and reporting principles have been guided in part to do the same in that they ensure reporting is an accurate and fair account of an organisation's emissions. The calculation of the carbon footprint and the preparation of this report is based on these principles.

The GHG principles and reporting are based on the following principles⁸:

Relevance

The carbon footprint appropriately demonstrates the GHG emissions of the organisation and informs the decision-making needs of users.

Completeness

All emission sources and activities within the organisational boundary have been accounted for and reported, and where relevant exclusions have been disclosed and justified.

Consistency

For meaningful comparisons of GHG inventories over time, follow a consistent calculation method, transparently disclosing when there have been changes to the approach and or data.

Transparency

Relevant assumptions, accounting methodologies and data sources are all clearly disclosed, and issues are coherently addressed.

Accuracy

Reduce as many uncertainties as possible to ensure accuracy to avoid over or under quantification of GHG emissions.

⁸ <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

Footprint assumptions

For instances where there were data gaps or missing / unavailable data reasonable assumptions were made. These include:

Scope 1

- 11 months of data was available for Australia, data was extrapolated for one month. New Zealand 12 months of data was available.

Scope 2

Electricity

- 58 out of 81 Australian office locations and 19 out of 21 New Zealand Findex offices had electricity consumption available. Actual data was extrapolated to estimate consumption for remaining offices.
- Electricity consumption from locations without actual data was estimated by developing a proxy (one each for Australia and New Zealand).
- The proxy was developed for each country by calculating the average electricity consumption per floor area (kWh/m²) per office type (metro, regional) using the locations for which the actual electricity consumption in kWh was available.

Scope 3

Information and Communications Technology (ICT) Services

- Findex uses four different providers for ICT Services.
- Spend (actual dollar spend) was extracted from the general ledger for all four ICT providers.

Water

- No actual data was available for the water consumption of FTE across office locations. However, several office locations have NABERS base building ratings which publish the total water consumption (kL) and the floor area (m²). From this, a water consumption intensity (kL/m²) was calculated and applied to the respective office (based on its reported area) to estimate water consumption (kL) over the reporting period. For the remaining offices, an average of the known NABERS ratings were applied to estimate the water consumption (kL) across the reporting period.

Waste

- No actual data was available on the weight of waste generated by Findex across office locations. Therefore, an industry average waste generation for the 'Financial and Insurance Services' sector⁹ was used to estimate the waste generated per FTE. The Financial and Insurance Services industry was assumed best suited to represent Findex's business.

⁹ <https://www.environment.gov.au/system/files/resources/91b2180c-b805-44c5-adf7-adbf27a2847e/files/commercial-industrial-waste.pdf>

Employee commuting

- Specific data for Findex's employee's commuting habits were not available. Findex does not capture employee commuting preferences and distances; therefore, emissions relating to commuting are estimated using national statistics.
- Number of lockdown periods due to COVID-19 restrictions were obtained from Australian and New Zealand Government health websites.
- Percentages of FTE working from office per state and month were assumed as 5% during a lockdown, 20% restrictions and 40% back-to-normal scenarios. These percentages were validated with Findex.
- The number of FTE was calculated using the assumptions above and the number adjusted per state.
- The number of FTE per facility adjusted considers the number of months that the facility was occupied in FY21.
- Australia commuting habits were taken from Australian Bureau of Statistics, the Ministry of Transport was used to identify New Zealand commuting habits.

Working from home

- Currently, Findex does not gather information about employees working from home. Therefore, the electricity consumption was estimated using the following approach:
 - Calculating the electricity consumption by standard IT equipment, lighting and air control used at home workspaces.
 - Calculating the workdays from July 2020 to June 2021.
 - Estimating the number of full-time employees working from home per state.
 - Calculating the electricity consumption by all employees working from home during FY21.

A. Calculating the electricity consumption by standard IT equipment

Relevant assumptions include:

- 37% of FTE don't use any heating/ cooling system.
- 50% of FTE share their workspace with one other person.
- 100% work area is lit 8h per day.

B. IT equipment

- The approach considers standard IT equipment used at home setting, including, laptop, monitor, modem and wi-fi, light bulb use, cooling / heating – reverse cycle.

C. Calculating the workdays from July 2020 to June 2021

- Number of workdays from July 2020 to June 2021 per month in Australia (per state) were taken from Medicare statistics¹⁰ and working day calendar for New Zealand¹¹.
- FY21 considers the impact of COVID-19 on commuting; therefore, dates of lockdowns and restrictions using Australian Government announcements¹² and New Zealand Government COVID Alerts¹³.

D. Estimating the number of full-time employees working from home per state

- The number of FTE per facility adjusted considers the number of months that the facility was occupied in FY21.
- The number of FTE was calculated using the assumptions above and the number adjusted per state.

¹⁰ <http://medicarestatistics.humanservices.gov.au/>

¹¹ <https://excelnotes.com/working-days-in-new-zealand-in-2020/>

¹² https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp2021/Chronologies/COVID-19StateTerritoryGovernmentAnnouncements

¹³ <https://covid19.govt.nz/about-our-covid-19-response/history-of-the-covid-19-alert-system/>

E. Calculating the electricity consumption by all employees working from home during FY21

- Total electricity consumed per day by IT equipment, lighting and air control was multiplied by the number of working days WFH and the number of FTE adjusted working from home to obtain the Total electricity consumed per year per state.

Base building electricity

The FY21 uses the location-based method, which reflects the average emissions intensity of grids on which energy consumption occurs.

- Energy NABERS rating was updated for each facility using office address.
- For facilities that do not have a NABERS rating, a proxy was developed. An assumption was estimated by calculating the average of the energy intensity (MJ/m²) using the locations for which the electricity rating was available for each country.
- Estimations are based on the electricity usage of commercial buildings in Australia using floor area and assuming a breakdown of 20% Natural gas, 80% electricity, and no diesel generators in any of the facilities.
- Units in MJ were converted to kWh (1 MJ = 0.277778 kWh)
- Electricity usage was apportioned for facilities with less than 365 days in operation

Base building natural gas

- Currently, Findex does not collect information about natural gas in its facilities. Therefore, estimations are based on the energy usage of commercial buildings in Australia using floor area and assuming a breakdown of 20% Natural gas, 80% electricity, and no diesel generators in any of the facilities.
- Energy NABERS rating was updated for each facility using the address. Results were collected in the excel tool accompanying this report (List of Facilities tab).
- For facilities that do not have a NABERS rating, a proxy was developed by calculating the average energy intensity (MJ/m²) using the locations for which the energy rating was available.
- Natural gas usage was apportioned for facilities with less than 365 days in operation.

General assumptions

Full time equivalent (FTE) employees

- Full time employees that work 37.5 hours per week are defined as 1 FTE.
- Casuals or part-time employees are calculated by using hours worked divided by 37.5 to convert into a percentage of FTE.

Findex will continue to work with internal and external data providers to reduce the need for assumptions where possible.

Applied emissions factors

Emission source	Emission factor reference
Transport fuel (scope 1)	<ul style="list-style-type: none"> National Greenhouse Accounts Factors, August 2021 https://www.industry.gov.au/data-and-publications/national-greenhouse-accounts-factors-2021
Electricity (scope 2)	Australia <ul style="list-style-type: none"> Table 46: Scope 2 and 3 emissions factors – consumption of purchased electricity by end users. National Greenhouse Accounts Factors, August 2021 https://www.industry.gov.au/data-and-publications/national-greenhouse-accounts-factors-2021
	New Zealand <ul style="list-style-type: none"> Table 9: Emission factor for purchased grid-average electricity – annual average. Source: Ministry for the Environment. 2022. Measuring emissions: A guide for organisations: 2022 detailed guide. Wellington: Ministry for the Environment.
Paper (scope 3)	<ul style="list-style-type: none"> Recycled paper: EPA Victoria Greenhouse Gas Inventory Activity data and quantification methods. Carbon neutral paper: EPA Victoria Greenhouse Gas Inventory Activity data and quantification methods. Virgin paper: EPA Victoria Greenhouse Gas Inventory Activity data and quantification methods.
Events (scope 3)	<ul style="list-style-type: none"> IELab Scope 3 GHG emission factors, forecasted for 2021, adjusted for inflation from the 2018 base year.
Fuel and energy (scope 3)	Australia <ul style="list-style-type: none"> Table 46: Scope 2 and 3 emissions factors – consumption of purchased electricity by end users. National Greenhouse Accounts Factors, August 2021 https://www.industry.gov.au/data-and-publications/national-greenhouse-accounts-factors-2021
	New Zealand <ul style="list-style-type: none"> Table 12: Transmission and distribution losses for electricity consumption. Source: Ministry for the Environment. 2022. Measuring emissions: A guide for organisations: 2022 detailed guide. Wellington: Ministry for the Environment.

Applied emissions factors cont.

Emission source	Emission factor reference
Mailing and courier services (scope 3)	<p>Australia and New Zealand</p> <ul style="list-style-type: none"> The University of Sydney (2017) CO₂-e Emission Factors, Factors Workbook
Water and waste (scope 3)	<p>Water</p> <p>Australia</p> <ul style="list-style-type: none"> Water supply and wastewater treatment – Australia. The University of Sydney (2017) CO₂-e Emission Factors, Factors Workbook. The University of Sydney (2017) CO₂-e Emission Factors, Factors Workbook. <p>New Zealand</p> <ul style="list-style-type: none"> Table 72 – https://environment.govt.nz/assets/publications/Measuring-emissions-guidance-August-2022/Detailed-guide-PDF-Measuring-emissions-guidance-August-2022.pdf <p>Waste</p> <ul style="list-style-type: none"> National Greenhouse Accounts Factors, August 2021 https://www.industry.gov.au/data-and-publications/national-greenhouse-accounts-factors-2021 (General waste, paper and cardboard) Greenhouse Gas Protocol for Products – Chapter 9, https://ghgprotocol.org/sites/default/files/standards/Product-Life-Cycle-Accounting-Reporting-Standard_041613.pdf (recycling)
Travel – flights, hotel stays, hire cars, employee commuting (scope 3)	<p>Domestic hotels (5-star)</p> <ul style="list-style-type: none"> Baseline Energy Consumption and Greenhouse Gas Emissions In Commercial Buildings in Australia: Part 1 – Report, November 2012, page 53, Greenhouse gas emissions calculated using National Greenhouse Accounts Factors, October 2020. <p>Flights</p> <ul style="list-style-type: none"> Department for Business, Energy and Industrial Strategy – Greenhouse gas reporting conversion factors 2021. https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021

Applied emissions factors cont.

Emission source	Emission factor reference
Travel – flights, hotel stays, hire cars, employee commuting (scope 3) cont.	Employee commuting <ul style="list-style-type: none"> Department for Business, Energy and Industrial Strategy – Greenhouse gas reporting conversion factors 2021 https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021
Taxi trips (scope 3)	<ul style="list-style-type: none"> Department for Business, Energy and Industrial Strategy – Greenhouse gas reporting conversion factors 2021 https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021
Working from home (Scope 3)	Australia <ul style="list-style-type: none"> Table 46: Scope 2 and 3 emissions factors – consumption of purchased electricity by end users. National Greenhouse Accounts Factors, August 2021 https://www.industry.gov.au/data-and-publications/national-greenhouse-accounts-factors-2021 New Zealand <ul style="list-style-type: none"> https://environment.govt.nz/assets/publications/Measuring-emissions-guidance-August-2022/Detailed-guide-PDF-Measuring-emissions-guidance-August-2022.pdf

Applied emissions factors cont.

Emission source

Emission factor reference

Base building electricity (scope 3)

Australia

- Table 46: Scope 2 and 3 emissions factors – consumption of purchased electricity by end users. National Greenhouse Accounts Factors, August 2021
<https://www.industry.gov.au/data-and-publications/national-greenhouse-accounts-factors-2021>

New Zealand

- Table 9: Emission factor for purchased grid-average electricity – annual average; and Table 12: Transmission and distribution losses for electricity consumption. Source: Ministry for the Environment. 2022. Measuring emissions: A guide for organisations: 2022 detailed guide. Wellington: Ministry for the Environment.

Base building natural gas(scope 3)

Australia

- National Greenhouse Accounts Factors, August 2021
<https://www.industry.gov.au/data-and-publications/national-greenhouse-accounts-factors-2021>

New Zealand

- Table 3: Emission factor for the stationary combustion of fuels, and table 6: Emission Factor for Transmission and distribution loss emission factors for natural gas. Source: Ministry for the Environment. 2022. Measuring emissions: A guide for organisations: 2022 detailed guide. Wellington: Ministry for the Environment.

Appendix C: Findex business entities

The following appendix is a list of wholly and partially owned Findex subsidiary business entities which has been extracted from Findex's Consolidated Financial Statements FY20¹⁴. It is noted that in 2019, Findex amalgamated its suite of brands under Findex and Crowe.

1. Financial Index Australia Pty Ltd
2. Findex Services Pty Limited
3. Alliance Capital Management Pty Ltd
4. Financial Index Wealth Accountants Pty Ltd
5. X Venture Capital Pty Ltd
6. Austreon Pty Ltd
7. Finovia Taxation Pty Ltd ATF Swanton & Davidson Unit Trust
8. Civic Financial Planning Pty Ltd
9. Centric Wealth Pty Ltd
10. Findex Lending Services Pty Ltd
11. Centric Services Pty Ltd
12. Specialised Private Capital Ltd
13. Centric Administration Services Pty Ltd
14. Findex Advice Services Pty Ltd
15. Crowe Horwath Australasia Pty Ltd
16. Findex (Aust) Pty Ltd
17. Findex Corporate Finance (Aust) Ltd
18. Findex Financial Advice Pty Ltd
19. Crowe Horwath Holdings Pty Ltd
20. Findex Insurance Brokers Pty Ltd
21. Findex Premium Funding Pty Ltd
22. Crowe Horwath Property Securities Pty Ltd
23. Unison Advice Services Ltd
24. WHK Central West Pty Ltd
25. Findex NZ Limited
26. Findex Financial Services NZ Limited
27. Teo Training Limited
28. Findex Community Fund Limited
29. Crowe Horwath (Queensland) Ltd
30. MSQ Insurance Services Pty Ltd
31. Q Advisory Pty Ltd
32. Findex Community Fund (New Zealand) Trust
33. Findex Advice Services NZ Limited
34. Wealth Works Real Estate Limited
35. Unison Financial Group Pty Ltd
36. Unison Smart Capital Pty Ltd
37. LendEx RE Limited
38. LendEx Origination Trust
39. Findex Digital Pty Ltd
40. Centric Platform Holdings Pty Ltd
(formerly Sigma Platform Holdings Pty Ltd)

¹⁴ 'Consolidated Financial Statements For the year ended 30 June 2020' – Findex Group Limited

Appendix D: Acronyms and abbreviations

Acronym / abbreviation	Definition
ABS	Australian Bureau of Statistics
FTE	Full time employee
GHG	Greenhouse Gas Emissions Atmospheric gases which cause global warming and climate change. The main GHG are carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF ₆).
kL	Kilolitres Metric measure of volume equal to 1,000 litres.
kwh	Kilowatt-hour Measures the unit of energy equivalent to one kilowatt of power used for one hour of time.
m ²	Meter squared Area of a square with sides one meter in length.
MJ	Megajoule One megajoule is equal to 1,000,000 joules.
NABERS	Used to measure a building's efficiency in energy, water, waste and carbon emissions.

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