

FINDEX



**OUR STORY,
OUR FUTURE**

FY2021–2022 Carbon Footprint Report

Our Story, Our Future:

Findex FY2021–2022 Carbon Footprint Report

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A message from the Managing Director

We recognise that climate change is one of society's greatest challenges, and we all have a part to play in taking action.

During the reporting period we finalised our sustainability strategy, which outlines our climate action visions and goals that are aligned to the latest climate science and designed to improve reporting on climate risk.

During the reporting period we developed a carbon strategy roadmap to formalise our climate action approach to managing emissions. Our roadmap included the setting of carbon reduction targets and carbon procurement planning to formally prepare our Carbon Neutral Strategy FY23–30. The targets set within our Carbon Neutral Strategy are set against our FY20 carbon baseline and address the climate goals of our Sustainability Strategy FY23–27, creating an exciting and ambitious way forward for Findex.

The FY22 carbon footprint report is our third inventory, which covers a monitoring and reporting period in which COVID-19 restrictions were lifted, allowing business activities to return to a new normal. We saw an uplift in business emissions, giving us valuable insights into the change management that is required to achieve our carbon reduction goals.

I am pleased to share with you Findex Group Limited's annual carbon footprint report for the year ended 30 June 2022.

Spiro Paule
Managing Director
Findex Group Limited



Findex acknowledges the First Nations peoples of the lands upon which we live and work. We acknowledge their connections to land, sea and community. We pay our respect to their Elders past and present and emerging.

Kua tawhiti kē tā mātou haerenga mai, kia kore e haere tonu. He nui rawa kē ā mātou mahi, kia kore e mahi tonu. We have come too far not to go further, we have done too much not to do more.



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About Findex

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 107 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 2,895. A breakdown of employees by year is provided in Table 1.

Location	Number of FTE (FY20)	Number of FTE (FY21)	Number of FTE (FY22)
Australia and New Zealand	2,412	2,362	2,895

Table 1: Findex FTE by year

Our report

The FY22 report is Findex's third carbon inventory, within this report the emissions arising from our operations across Australia and New Zealand are detailed.

In preparing our carbon footprint, Findex engaged the services of a specialised carbon accounting consultancy to prepare our carbon inventory for FY22 (1 July 2021–30 June 2022). Our carbon footprint was prepared in accordance with the World Resources Institute's Greenhouse Gas (GHG) Protocol¹. All references to our, we, and or us within this report, refer to Findex Group Limited (Findex).

Our carbon baseline

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

Impacts of COVID-19

At Findex the wellbeing of our staff is a priority, our dynamic working option means our people are empowered to work in a way that best meets the needs of our teams and clients, whether that means from home, the office or from other locations. This allows daily commuting times of our people that would be spent travelling to our office locations to be utilised in different ways, while also ensuring we continue to deliver efficient and dedicated advice and services to our clients.

Working dynamically is supported by:

- 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 approach

Our sustainability and carbon journey

The FY22 carbon inventory report represents a monitor and report period for Findex. The preparation of our carbon footprint in FY20 was aimed to:

- Establish a carbon baseline,
- Deepen our understanding of our emission sources and their intensity, and
- Provide a foundation for the development of our first Sustainability Strategy its associated environmental initiatives.

During the reporting period, two key strategic documents were prepared, first was our Sustainability Strategy which was prepared from July 2021–January 2022. During this process we identified our climate action related visions for the future and associated initiatives to get us there.

Recognising the urgency of and commitment to global climate action, we commenced investigating our carbon reduction and carbon neutrality early rather than waiting for the commencement of the sustainability strategy in FY23. These investigations were supported by already having our FY20 carbon baseline established.

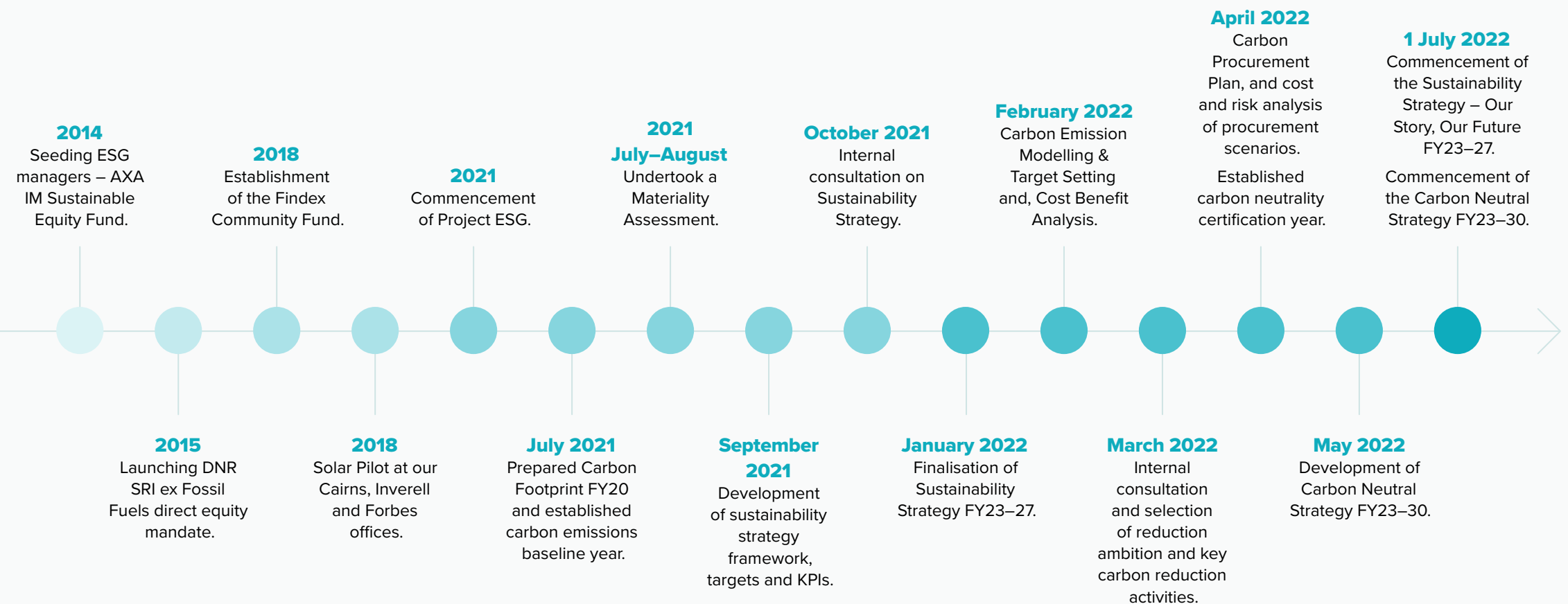


Figure 1: Timeline of Findex's sustainability and carbon journey

Carbon strategy roadmap

In January 2022 after the finalisation of our sustainability strategy, we finalised our ‘Carbon Strategy Roadmap’ reflecting the vision and ambition of our climate action related targets. The Carbon Strategy Roadmap included three key stages:

1. Emission modelling and target setting

This first step involved:

- Developing an emission reduction model to forecast our emissions using our FY20 baseline.
- Establishing carbon reduction targets in line with international best practice methods and the latest climate science.
- Identifying impact driven carbon reduction actions and support their business case for implementation by undertaking a cost benefit analysis of reduction actions.

2. Carbon offset procurement plan

The second step included:

- Identifying and understanding our carbon offset requirements and commitments informed by our emission modelling and target setting work.

- Developing a medium to long-term procurement strategy for the acquisition of carbon offsets and undertaking a risk assessment of procurement scenarios and price modelling out to 2030 to inform future business planning.

3. Development of a carbon neutral strategy

The third and final step involved incorporating outputs of the first two steps of our roadmap as well as including other carbon reduction opportunities to prepare this strategy, and formally outline our targets and actions addressing our climate related commitments.

Our Carbon Neutral Strategy will cover the FY23–30 period. Throughout the implementation of the strategy, Findex will regularly monitor and review the strategy and its targets to ensure they are in line with the latest climate science.

Our future reporting

Future annual reporting will include our performance against our emission reduction targets contained within our Carbon Neutral Strategy FY23–30.

Findex will also prepare an annual sustainability report that will detail our performance against our environmental, social and governance (ESG) targets and initiatives.

Our carbon footprint performance

Summary of our carbon performance

Findex’s carbon footprint for the reporting period (1 July 2021–30 June 2022) was 9,817 tonnes (t) of carbon dioxide equivalents (CO₂e), figure 2 displays our annual carbon footprint against our baseline year (FY20).

Table 2 below reports our annual inventory by scope and the change in emissions from FY21 to FY22.

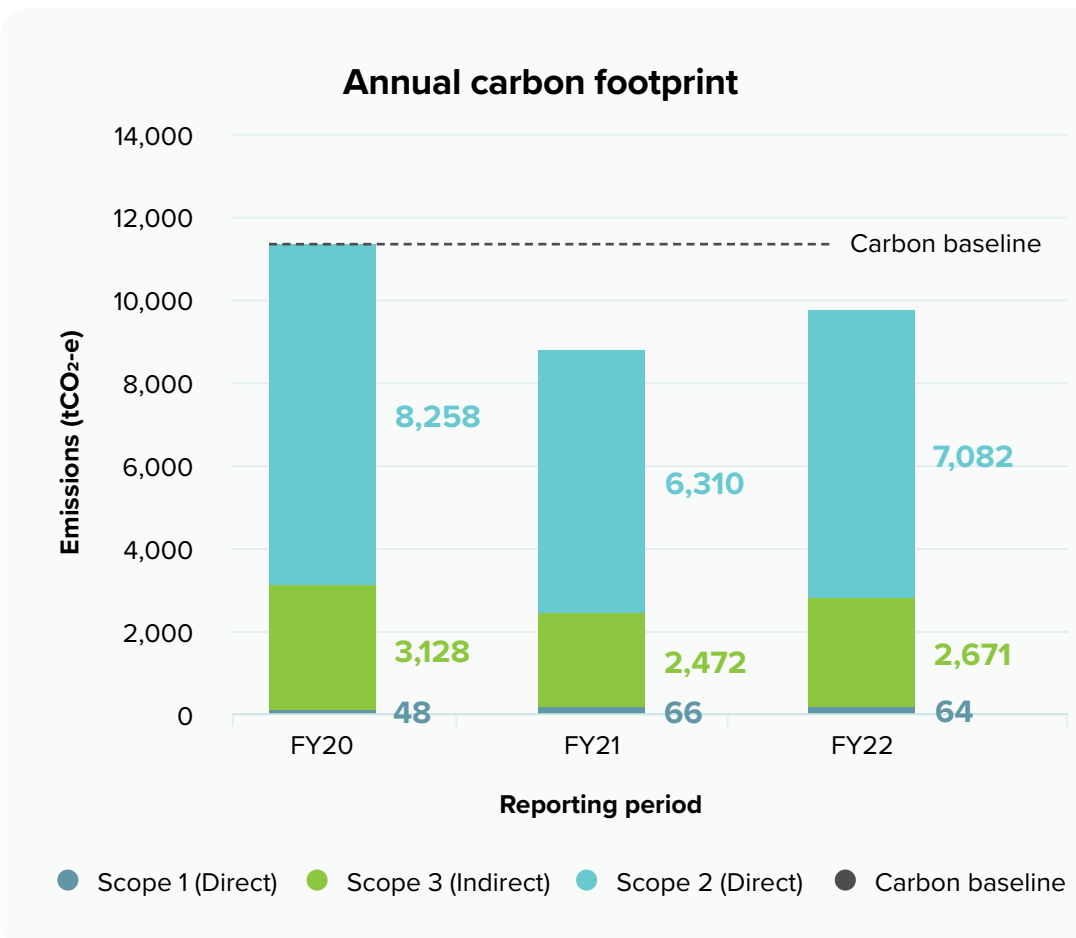


Figure 2: Annual carbon footprint performance

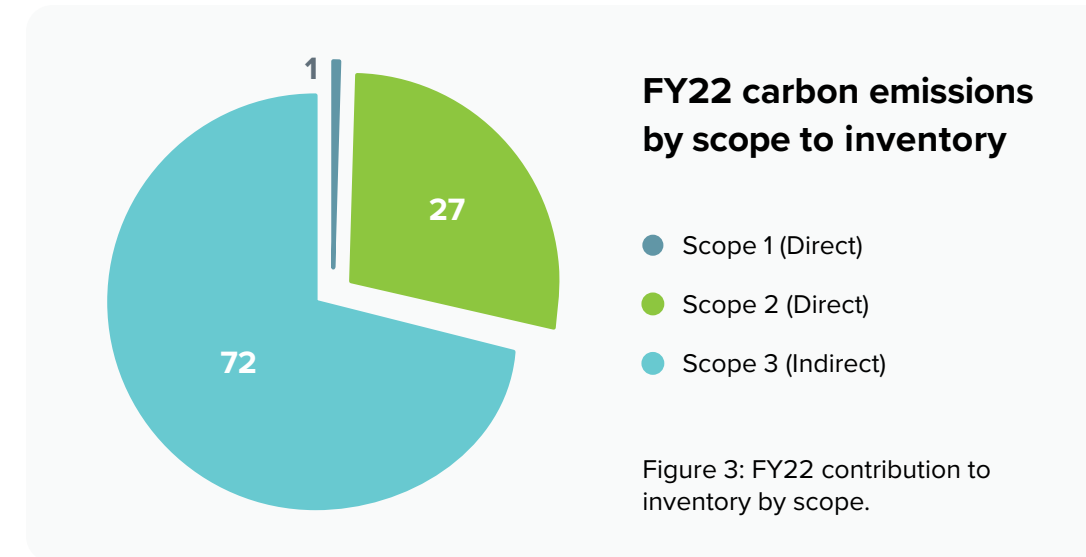
Scope	Reporting period			Year change (FY21/FY22)
	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY22 Emissions (tCO ₂ -e)	
Scope 1 (Direct)	48	68	64	- 6%
Scope 2 (Direct)	3,128	2,472	2,671	+ 8%
Scope 3 (Indirect)	8,258	6,310	7,082	+ 12%
Total	11,433	8,849	9,817	+ 11%

Table 2: Annual emission performance

In FY22 carbon emissions increased by 11% from our FY21 inventory, while our FTE during the reporting period increased by 23%.

Figure 3 opposite represents the proportion of each scope that contributed to Findex’s carbon inventory during the reporting period. Scope 3 accounted for the largest portion of our inventory at 72%, followed by Scope 2 with 27% and Scope 1 with 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	Electricity	2	2,671	27
2	Base building electricity	3	2,623	27
3	Working from home (WFH)	3	1,438	15
4	Employee commuting	3	967	10
5	ICT Services	3	487	5

Table 3: Top five emission sources in FY22

‘Electricity use (office)’, ‘base-building electricity’, ‘employee commuting’ and ‘ICT services’ remained four of our top five emission sources during the reporting period. In FY21 ‘couriers and postage’ was the fifth top emission source, which has been replaced by ‘working from home’ during FY22. The addition of ‘working from home’ within the top five in FY22 was due to improved working from home modelling of emissions and improved data availability for ‘couriers and postage’ resulting in less assumptions to calculate emissions.

Working from home emissions being part of our top five emission sources aligns to our dynamic working offering to our workforce, that allows our people to work remotely. See the ‘About this report: Dynamic working’ section of this report for further detail on our dynamic working offering.

Findex continued to utilise technology platforms in replacement of domestic and international travel, as well as continuing to use virtual platforms instead of attending in person events. Swapping in person activities for virtual platforms for the second consecutive year has resulted in business travel – flights and events, to remain out of the top five emission sources since our FY20 baseline inventory.

Figure 4 below identifies all emission sources across all scopes in order of highest to smallest emission intensity for the reporting period.

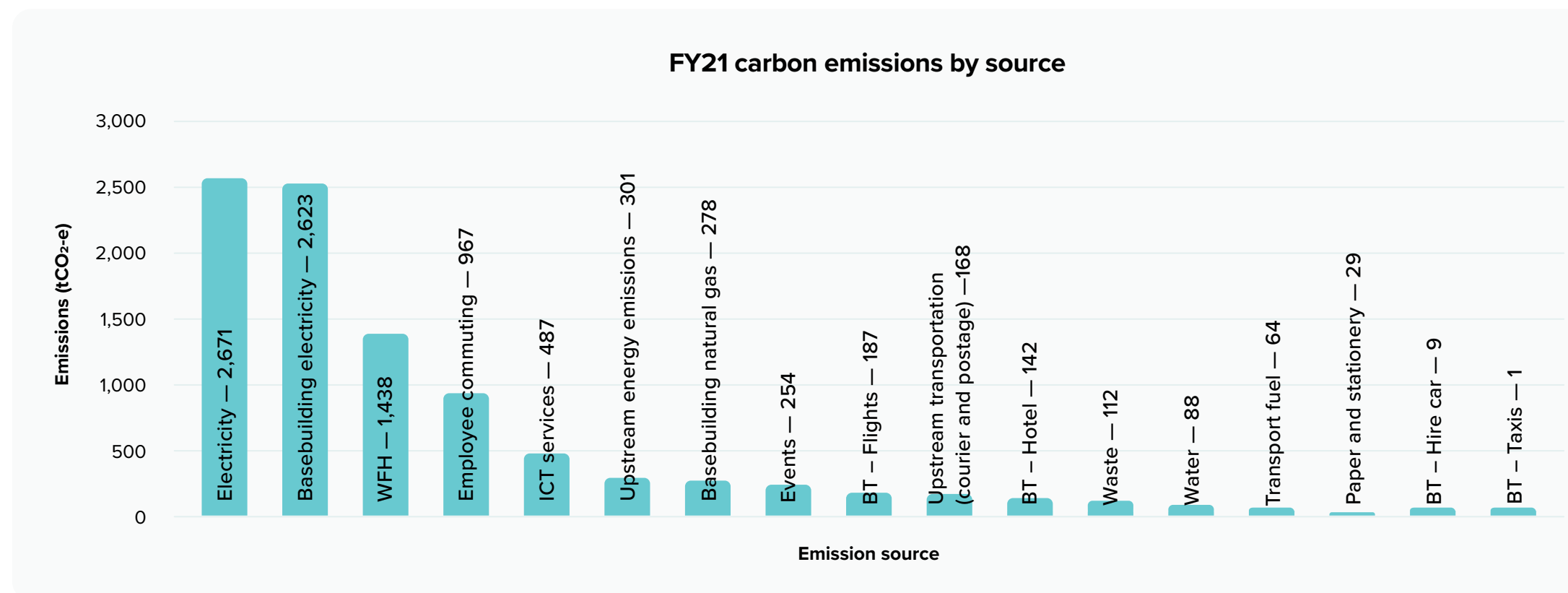


Figure 3: Findex emission sources

Employee carbon footprint

By taking the total organisational carbon footprint and dividing by the number of full time equivalent (FTE) employees for the reporting period we can calculate the average carbon footprint of a Findex employee.

In FY22 the annual average carbon footprint for a Findex employee is 3.4 tCO₂-e. It would take approximately 56 tree seedlings to grow over 10 years to remove 3.4 tCO₂-e out of the atmosphere².

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.

In FY22 we improved our fuel card data completeness, using 12 months of data to calculate our emissions compared to the FY21 period which had a data completeness of 11 months of fuel data and one month modelled. In FY22 we also improved fuel type reporting to expand out and separate petrol into different petrol types.

In FY21 our fuel emissions increased from 48 tCO₂-e in FY20 to 68 tCO₂-e, upon investigation of our fleet vehicle types we identified that our diesel fuel use was not supplied by our fuel card supplier.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
1	Transport fuel	48	68	64	- 6%

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

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>

In FY22 our fuel inventory covers the following fuel types:

- Unleaded
- Diesel
- Premium unleaded
- Premium Diesel
- ULP Ethanol Blend

Emissions from fuel use decreased by 6% in FY22 due to improving data completeness and expanding the fuel types reported. Different fuel types have different emission intensities which can impact overall reported emission totals for Scope 1. For example, ULP unleaded has a lower emission intensity compared to unleaded, while diesel has a higher emissions intensity than unleaded fuel.

Our Procurement team will continue to look for opportunities to phase out diesel cars in our fleet over the next five years to hybrid and or electric vehicles to assist in reducing our emissions from fuel use.

Due to the large distances travelled in regional areas by our people to service our rural and geographically spread clients, the lack of electric vehicle infrastructure does limit the ability of Findex to introduce these vehicles, as the ability to ensure charging and the safe return of our staff over these distances is not guaranteed.

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’.

For example, 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 an offsite energy generation facility.

In FY21 emissions related to the consumption of office electricity increased by 8%. While in FY22 our electricity increased again, our electricity consumption is 15% lower compared to our FY20 baseline year for Scope 2 emissions.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
2	Electricity	3,128	2,472	2,671	+ 8%

During the reporting period, this increase in emissions is a contribution of:

Refurbishments

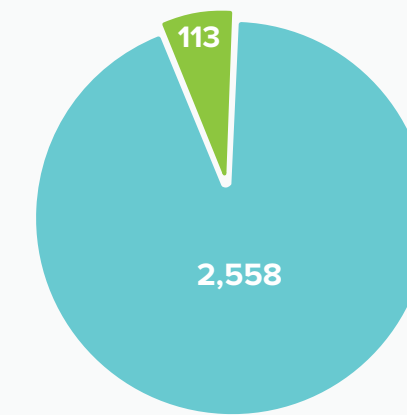
Our Melbourne and Sydney offices had refurbishments during FY22. In Melbourne additional interim floor space on level 23 was leased for staff while the office space on level 42 underwent its fit out. In Sydney the new office spaces were constructed while we remained in our previous levels. The additional floor space and fit outs consumed additional electricity in addition to typical office consumption.

Return to the office

With relaxed COVID-19 restrictions, occupancy rates increased in our offices during the reporting period. With more staff accessing our offices this resulted in office areas being used and powered with lighting and heating and cooling which increased electricity use.

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 in Figure 5. Australia has a higher number of offices as shown in Table 4. With a higher number of offices in Australia, a larger portion of emissions from office electricity consumption is seen compared to New Zealand.



FY22 Scope 2 Emissions (tCO₂-e)

- Australia
- New Zealand

Figure 5: Emissions from office electricity consumption by country

Number of offices (reporting period)

Location	FY20	FY22
Australia	81	84
New Zealand	22	23
Total	103	107

Table 4: Number of Findex offices in Australia and New Zealand

Scope 3 emissions

Scope 3 emissions are indirect emissions that fall outside of Scope 2 and are generated as a result of the activities in the wider economy from sources outside the control and 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 Findex reported an increase in emissions from ICT services. While the scope, intensity and or offering of our ICT services did not increase during FY21, our access to data was reduced compared to FY20 – resulting in spend being used to calculate emissions.

Using spend in replacement of actual emissions data, results in a higher emissions factor being used to calculate emissions.

During the reporting period, we increased the completeness of our data, in instances where data was not available spend was again used. Additionally, during the review of ICT data during the reporting period we identified that the spend data used in FY21 included spend not related to the consumption of electricity by our ICT providers – resulting in an overestimation of our ICT emissions.

By improving our data and ensuring the correct categorisation of our ICT spend data, we reduced our emissions by 59% – closer to our baseline year result. We will continue to work with our ICT providers to obtain direct emissions data from the services we purchase.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	ICT services	429	1,185	487	- 59%

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)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	Paper use	4	24	29	+ 21%
3	Office supplies and stationery	–	133	–	N/A

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.

In FY22 our carbon emissions from paper purchasing increased by 21% against our FY21 result. Approximately 98% of the paper purchased in FY22 had a carbon neutral certification (obtained by the paper brand), with 1.4% of paper purchased being recycled with no carbon neutral certification and 0.6% being virgin paper (not recycled and no carbon neutral certification).

Office supplies and stationery

These emissions have been categorised and now appear moving forward in their relevant activity category (e.g., paper use, events/marketing material).

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

For a second consecutive year since our baseline inventory in FY20 our carbon emissions have decreased. Findex reduced its emissions by 3% during the reporting period. Since the commencement of the COVID-19 pandemic at the end of FY20, Findex adapted by utilising technology in replacement of holding and attending in person events which has resulted in a continual decrease in event emissions.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	Events	712	261	254	- 3%

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 FY22, not already accounted for in Scope 1 or 2.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	Upstream energy emissions	374	282	301	+ 7%

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) and energy related emissions sources for Scope 2 (electricity use). The increase of 7% correlates with increases in fuel and electricity consumption during the reporting period.

Couriers and postage (Upstream transportation and distribution)

Access to courier and postage data increased during FY22 with the inclusion of the Australia Post Carbon Report. Australia Post

facilitates carbon neutral service for domestic and express parcels which offset 10 tonnes of emissions for the reporting period. The remaining decrease in emissions was due to a reduction in postage and courier services used during FY22.

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	Upstream transportation	116	304	168	- 45%

Water and waste

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

Findex offices are leased, our access to site specific water and waste data is influenced by metering capabilities of facilities and 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.

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 vary from levels in large office towers to small regional offices.

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

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	Water	56	42	88	+ 110%
3	Waste	368	120	112	- 6%

Water

No direct water consumption data was available from our leased offices. For sites that do not have a NABERS rating, a proxy was developed by averaging the water intensity (kL/m2) for the locations that have an available NABERS water rating. Calculating emissions for water use also includes using FTE and floor area against the water proxy. During the reporting period our FTE increased by 23% as well as our staff working back in the office.

Furthermore, in FY22 the water proxy was increased to align our calculation method with Climate Active emissions factors for water use. The higher emissions from water consumption therefore comes from a combination of a higher water proxy and higher FTE during the reporting period.

Waste

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

While our FTE increased by 23% in FY22 compared to FY21, factoring in the portion of our people working dynamically (from home), our waste emissions decreased by 6%.

Business travel

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

Scope	Emission source	FY20 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	FY21 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	Business travel – flights	819	84	187	+ 123%
3	Business travel – hotels	241	103	142	+ 38%
3	Business travel – taxis	2	1	1	0%
3	Business travel – hire car	12	8	8	+ 13%

Our people continued to work dynamically during the reporting period, supported by the Findex Backpack, as well our people swapping travel for virtual meetings where possible.

With relaxation of domestic and travel restrictions emissions increased across three of the four business travel emission sources (flights, hotels and hire cars), while taxi emissions remained the same as FY21. While flights increased by 123% on FY21 activity, our flight activity emissions are 77% lower compared to our baseline (FY20).

While COVID-19 related travel restrictions were relaxed during the reporting period, Findex also understands that the past two years demonstrated the ability of our people embrace and utilise technology platforms in replacement of flights. Not only does this have a benefit for our carbon inventory, but it also supports the wellbeing of our staff by utilising this reclaimed travel time in different ways.

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)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	Employee commuting	1,139	891	967	+ 6%
3	Working from home (staff)	447	238	1,438	+ 504%

Employee commuting

Specific data on the travel habits of our people between their homes and places of work were not available. Office occupancy rates, determined by logins to the Findex office network were used to calculate employee commute and working from home. Findex also aligned its employee commuting calculation for Australia to Climate Active requirements and calculators, which provides estimated averages of commuting across the modes of bike, bus, private car, walking, ferry, motorbike, taxi, train for each capital city and regional area based off the available Australian Bureau of Statistic data.

For New Zealand, employee commuting was calculated using federal government commute statistics and applied for the average number of staff working in the office each month. For New Zealand mode share is calculated for bike, bus, private car, walking, ferry, motorbike, taxi, train and tram as per the NZ 2018 Census.

Compared to our baseline in FY20, our staff commuting to work emissions have decreased which comes as a result of our dynamic working workforce. Our FY22 result had our emissions increase by 6% as a result of relaxed COVID-19 pandemic restrictions and increase in FTE.

Working from home (staff)

Specific data on Findex employees working from home habits were not available, therefore the number of employees working from home throughout the year was estimated by subtracting the proportion of office network logins by staff from FTE based on locations.

For Australia, our calculation method was again aligned to Climate Active requirements and used their emissions calculator for FY22.

For New Zealand work from home emissions were taken from the New Zealand Government’s report ‘Measuring Emissions: A guide for organisations.

Our calculation for the FY22 reporting period, provided a greater representation of our people working dynamically. Compared to our baseline year in FY20 where the first 9 months of this period the majority of our people worked from office locations, whereas now the majority of our people are working from home.

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)	FY22 Emissions (tCO ₂ -e)	Year change (FY21/FY22)
3	Base building electricity	3,189	2,554	2,623	+ 3%
3	Base building natural gas	351	79	278	+ 252%

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No actual data was available for the electricity or natural gas for base buildings of upstream leased assets. NABERS base building ratings were available for some office locations. The NABERS base building ratings for energy intensity (MJ/m²) is available for 10 of Findex's office locations. It was assumed 80% of energy consumed is by electricity and 20% is by natural gas.

Emission factors for both electricity and gas were aligned to those used by Climate Active.

Base building electricity

An increase of 3% in emissions from base building electricity was seen during the reporting period compared to FY21. With more staff using our offices again due to reduced COVID-19 restrictions, office electricity from base building services would increase with this higher office activity. In FY22 Findex moved its Melbourne office to a building that had a higher NABERS rating, which means it has a higher energy consumption.

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

Emissions during the reporting period compared to our baseline year have decreased by 21%, while base building services decreased during FY21, the result for the FY21 reporting period decreased substantially based on assumptions.

The FY22 inventory, modelled data using the NABERS base building rating if available to estimate natural gas consumption. For those locations that did not have a NABERS rating, an average of the known NABERS ratings were used to estimate gas consumption.

Appendix A: Carbon footprint boundaries

Carbon accounting

Standards and Guides

- The standards and guides used for the calculation of the FY22 carbon footprint include: The Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting⁴ and Scope 3 standards⁵ provide a comprehensive set of guidelines and requirements for companies that are preparing a corporate-level GHG emissions inventory, including detailed information on boundary setting.
- 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 and provides specific guidance on a company's reporting of 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): 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 is the first step in preparing a GHG inventory, this stage 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' 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 roadmap, 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
Fleet vehicles	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 relating to purchased fuel and 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 FY22 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

- No assumptions – 100% data completeness.

Scope 2

Electricity

- For FY22, actual electricity consumption was available for 77 out of 107 office locations (approx. 72%).
- To calculate electricity consumption across the remaining sites where gaps in actual data exists, this actual data was extrapolated to estimate electricity consumption for the remaining office locations. This was done by developing an estimate of electricity use intensity (kWh/m²) for each office type (e.g., metro, regional, etc.) and country (AU or NZ) of electricity consumption (kWh) per floor area (m²).

Scope 3

Information and Communications Technology (ICT) Services

- 1 ICT provider issued Findex with a full set of emissions data for the reporting period.
- 1 ICT provider issued Findex with emissions data for 9 months, the remaining 3 months was calculated using the average of the available data set.
- 2 ICT providers were unable to provide Findex with emissions data, spend was used for these two providers and multiplied by an ICT emissions factor.

Paper

- Activity data was provided directly from our paper suppliers.

- Differing levels of detailed activity data was available from different suppliers. Examples include total weight (kg), paper weight (gsm), recycled content (%), and type (e.g., A4, carbon neutral).
- For the FY22 inventory, emissions from Carbon Neutral paper were calculated using the Climate Active Scope 3 Worldwide emissions factor for paper. This approach was pursued again in FY22 in preparation of Findex seeking Climate Active certification in the near future, recognising that carbon neutral paper is not considered emissions free under the Climate Active program unless the paper supplier is also Climate Active certified.

Events

- Total spend on events (\$AUD and \$NZD) on 'event's, 'books', 'food and catering' extracted from Findex finance spend report.

Fuel and energy-related activities

- No actual data was available on 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.
- For Australian offices, each state's water supply and wastewater treatment emissions factor was used, while for New Zealand the national water supply and wastewater treatment emissions factor was used.

Waste

- Total weight (kg) of waste broken down by type (e.g. organic, recycling) and disposal method (e.g., landfill, compost) in **FY?**
- Estimated data – the number of FTEs at Findex was multiplied by the sector average waste generation (waste to landfill, recycling, compost) and (kg per FTE) for Financial and Insurance Services sector.

Employee commuting

Australia

- Estimated data – Number of staff commuting into the office was estimated by using the ESG office attendance data. The Climate Active calculator was used for Australian commute modelling. The calculator provides estimated averages of commuting across the modes of bike, bus, private car, walking, ferry, motorbike, taxi, train, and tram for each capital city and regional area based off the available Australian Bureau of Statistics data.

New Zealand

- Estimated data- Federal government commute statistics were used to provide the estimates for what type of commuting is most common and applied to the average number of staff in the office each month. For New Zealand, mode share is calculated for bike, bus, private car, walking, ferry, motorbike, taxi, train, and tram as per the New Zealand 2018 Census⁹.

Working from home

Specific data for Findex's employees working from home habits were not available, therefore the number of employees working from home throughout the year was estimated subtracting the proportion of office attendance. Climate Active's calculator was used to calculate both employee commute and working from home (WFH) for Findex FY22 GHG inventory.

Following are the inputs for the Climate Active WFH calculator:

1. Total number of employees working from home
2. FTE days (240) / year and FTE hours (38) per week
3. Electricity reporting type- Location-based.
4. Employee working from home profile (default)

The default employee working from home profile considers the nominal percentage of heating/cooling, lighting for single room/large dwelling as well as correction for shared spaces unless explicitly defined and substituted with exact usage profile based on employee surveys. Once the total monthly number of employees working from home was calculated based on the subtraction of total monthly office occupancy FTE data, the working from home FTE count was entered for each month across 12 months in the WFH Climate Active calculator.

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

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Base building electricity and natural gas use

- No actual data was available for the natural gas or electricity for base buildings of upstream leased assets. NABERS base building ratings were available for some office locations. The NABERS base building ratings for energy intensity (MJ/m²) is available for 10 of Findex's office locations. It was assumed 80% of energy consumed by electricity and 20% by natural gas.

A. Base building electricity

- Modelled data – for office buildings that have a NABERS base building rating the energy use intensity was used to estimate electricity consumption.
- Estimated data – for the remaining offices, an average of the known NABERS ratings were applied to estimate electricity consumption.

B. Base building natural gas

- Modelled data – for office buildings that have a NABERS base building rating the energy use intensity was used to estimate natural gas consumption.
- Estimated data – for the remaining offices, an average of the known NABERS ratings were applied to estimate natural gas consumption.

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)	<p>The Emissions Factors for both Petrol and Diesel were sourced from Climate Active’s FY22 factors¹⁰:</p> <ul style="list-style-type: none"> • Petrol: Climate Active emissions factors FY22 – Scope 1 emissions for AU and world wide. • Diesel: Climate Active emissions factors FY22 – Scope 1 emissions for AU and world wide.
Electricity (scope 2)	<p>Australia</p> <ul style="list-style-type: none"> • Scope 2 Location based electricity emission factors from Climate Active FY22. <p>New Zealand</p> <ul style="list-style-type: none"> • Scope 2 Location based electricity emission factors from Climate Active FY22.
ICT Services	<p>For suppliers where supplier-specific carbon data is unavailable, an average EF is developed using carbon footprint (tCO₂-e) and spend (\$AUD) from known suppliers.</p>
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"> • Food and catering: Food and beverage serving services – Scope 3 – World wide Climate Active FY22. • Events: Events – Scope 3 – World wide Climate Active FY22. • Books: Marketing and distribution (print) – Scope 3 – World wide Climate Active FY22.
Fuel and energy (Scope 3)	<p>Australia</p> <ul style="list-style-type: none"> • Scope 3 Location based electricity emission factors from Climate Active FY22. <p>New Zealand</p> <ul style="list-style-type: none"> • Scope 3 Location based electricity emission factors from Climate Active FY22.

¹⁰ <https://www.climateactive.org.au/be-climate-active/tools-and-resources>

Applied emissions factors cont.

Emission source	Emission factor reference
Mailing and courier services (scope 3)	<ul style="list-style-type: none"> • Australia: Direct carbon amounts from AusPost report. • Australia and New Zealand courier services: Courier services – Scope 3 – World wide Climate Active FY22.
Water and waste (Scope 3)	<p>Water</p> <p>Australia</p> <ul style="list-style-type: none"> • Potable water supply and wastewater treatment Scope 3 AU – Climate Active FY22 for each state. <p>New Zealand</p> <ul style="list-style-type: none"> • Potable water supply and wastewater treatment Scope 3 NZ – Climate Active FY22 (0.00031 tonnes CO₂e/kL). <p>Waste</p> <ul style="list-style-type: none"> • Recycled/comingled: EPA Victoria Greenhouse Gas Inventory Activity Data and quantification 2019–20¹¹. • Organic Waste Composted: UK Government GHG Conversion Factors for Company Reporting 2020, DBEIS & DEFRA¹². • Landfill: National Greenhouse accounts factors 2020, Table 47 Municipal solid waste¹³.
Travel – flights, hotel stays, hire cars, employee commuting (scope 3)	<p>Domestic hotels (5-star)</p> <p>Australia</p> <ul style="list-style-type: none"> • Hotels (5 stars) Scope 3 emission factors – Climate Active FY22. <p>New Zealand</p> <ul style="list-style-type: none"> • Hotels (5 stars) Scope 3 emission factors – Climate Active FY22.

¹¹ <https://www.epa.vic.gov.au/about-us/environmental-performance/greenhouse-gas-inventory/activity-data-and-quantification-methods/scope-3-ghg-emissions#water>

¹² <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020>

¹³ <https://www.dcceew.gov.au/climate-change/publications/national-greenhouse-accounts-factors-2020>

Applied emissions factors cont.

Emission source	Emission factor reference
Travel – flights, hotel stays, hire cars, employee commuting (scope 3) cont.	Flights Travel: Very short, short, long haul flights Scope 3 Worldwide emission factors – Climate Active FY22.
	Taxi Taxi (km) Scope 3 Aust-wide Scope 3 emission factors- Climate Active FY22.
	Hire car Car Scope 3 Aust-wide Scope 3 emission factors- Climate Active FY22.
	Employee commuting Travel (bus, bicycle, car, walk. Train, tram, motorbike) Scope 3 emission factors – Climate Active FY22.
Working from home (Scope 3)	Australia <ul style="list-style-type: none"> • Work from home emissions calculator Climate Active FY22.
	New Zealand <ul style="list-style-type: none"> • Work from home emissions day – NZ Government's report- Measuring Emissions: A guide for Organisations.
Base building electricity (Scope 3)	Australia <ul style="list-style-type: none"> • Electricity Scope 3 emission factors for each state in AU- Climate Active FY22.
	New Zealand <ul style="list-style-type: none"> • Electricity Scope 3 emission factors for NZ- Climate Active FY22.
Base building natural gas (Scope 3)	Australia <ul style="list-style-type: none"> • Gas Scope 3 emission factors for each state in AU – Climate Active FY22.
	New Zealand <ul style="list-style-type: none"> • Gas Scope 3 emission factors for NZ – Climate Active FY22.

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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Findex Group Limited ABN 40 128 588 714 (Findex)

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22 March 2023



Contact information

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