

# Greenhouse Gas Emissions Report



Financial Year 2023: 1 July 2022 – 30 June 2023

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# Introduction

## About PEXA Group

PEXA Group (PEXA) is a world-leading, ASX-listed, digital property exchange platform and data insight solutions business, best known for pioneering the successful introduction of e-conveyancing in Australia. Since 2014, PEXA has facilitated more than 15 million property settlements through the PEXA Group Exchange and launched its refinancing capability in the UK.

Today, the PEXA Group includes prop-tech companies such as: .id Informed Decisions, Value Australia, Land Insight, Optima Legal and Smoove, who deliver a new generation of data insights solutions that help governments, financial institutions, banks and property industry practitioners to unlock the future value of property through more informed planning and investment decisions.

## Our Approach to ESG

PEXA is committed to creating positive and responsible impact in the communities we serve by managing environmental, social and governance (**ESG**) risks and opportunities and delivering measurable outcomes towards a sustainable future.

Our approach to ESG aligns with our company purpose of '*Connecting People to Place*' and is underpinned by the [United Nations Sustainable Development Goals](#). We are working to align to global ESG frameworks on climate disclosure, ESG standards and benchmarks. PEXA is committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, environment, and anti-corruption.

This inventory report includes our scope 1, 2 and 3 emissions and forms part of our pathway to achieving our target of net zero scope 1 and scope 2 emissions by 2025 (our direct emissions). PEXA remains committed to quantifying our scope 1, scope 2 and scope 3 emissions annually and transparently disclosing our emissions footprint.



## About the Greenhouse Gas Emissions Report

This Greenhouse Gas Emissions Report (**the Report**) is a summary of the annual greenhouse gas (**GHG**) emissions inventory for PEXA Group Limited (**PEXA**) for the 2023 financial year. It is PEXA's third year completing a greenhouse gas inventory. The Report provides an overview of the amount of greenhouse gas emissions that can be directly attributed to PEXA's operations within the declared boundary and scope for the specified reporting period.

In the Report, PEXA has included both a 'gross' and 'net' emissions figure. Gross emissions are PEXA's total emissions before any carbon neutral emissions. Net emissions are PEXA's total gross emissions less any carbon neutral emissions. PEXA's net emissions figure represents PEXA's footprint and is the figure used for annual reporting.

The information contained in this report has been derived from PEXA's Greenhouse Gas Inventory which was prepared for PEXA by Pangolin Associates in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and Corporate Value Chain (Scope 3) Standard, Australian/New Zealand Standard Energy Audits AS/NZS 3598, ISO 14064-1:2018, ISO 14064- 3:2019, ASAE 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with relevant guidelines provided by the Australian Commonwealth Government.

The below principles set out the fundamental components the inventory has been prepared upon:

**Relevance:** Designed to provide information that empowers decision making. The inventory boundaries have been formed with consideration of company characteristics, organisational structure, stakeholder needs, and business context.

**Completeness:** A thorough, fair, and accurate account of the chosen inventory boundaries. All data sources, estimations, and insufficiencies will be documented and clearly justified.

**Consistency:** Accounting approaches, inventory boundaries, and calculation methodologies are outlined. Any deviations will be documented, justified and if necessary, the base year will be recalculated.

**Transparency:** Emissions data will be disclosed in a clear and factual manner to produce reporting which can be interpreted with confidence.

**Accuracy:** Primary and estimate emissions data sources will be continually refined and improved over time without compromising our ability to produce an inventory which is both accurate and complete.

# Reporting Scope

## Organisational Boundaries

PEXA's organisational boundaries have been established in accordance with the GHG protocol corporate guidance and are based on the operational control consolidation approach.

A company has operational control over an operation if it or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation. Setting the operational boundaries involves identifying emissions associated with its operations, categorising them as direct and indirect emissions, and choosing the scope of accounting and reporting for indirect emissions. This assessment report separates emissions into three scope levels: scope 1, scope 2, and scope 3; and all are covered in this assessment.

Table 1: PEXA's Operating Facilities

Location	Address	Description
<b>Melbourne, Australia</b>	Tower 4, L16/727 Collins St, Docklands, VIC	Head office, leased area separated from other tenants as a separate floor.
<b>Adelaide, Australia</b>	1/89 Pirie Street, Adelaide, SA	South Australian office, leased area as part of a co-working facility.
<b>Sydney, Australia</b>	41/225 George Street, The Rocks, NSW	New South Wales office, leased as a tenant.
<b>Perth, Australia</b>	1/191 St Georges Terrace, Perth, WA	Western Australia office, leased area as part of a co-working facility.
<b>Brisbane, Australia</b>	13/300 Ann St, Brisbane, QLD	Queensland office, leased area as part of a co-working facility.
<b>London, United Kingdom</b>	MYCO Works First Floor, 85 Great Portland Street	London co-working location, desk space and meeting rooms leased as required.
<b>Optima Legal United Kingdom</b>	Hepworth House, Claypit Lane, Leeds, LS2 8AE	Office space, Leeds.
<b>.id (Informed Decisions) Melbourne, Australia</b>	10 Easey Street, Collingwood, VIC	Office space for the .id. informed Decisions business.

## **Scope inclusions**

The GHG emission sources included in this inventory have been identified with reference to the GHG protocol and classified under the following categories:

**Scope 1** – Direct emissions from operations that are owned or controlled by PEXA.

**Scope 2** – Indirect emissions from the purchase of electricity consumed by PEXA.

**Scope 3** – Indirect emissions which occur both upstream and downstream across the value chain of PEXA. These emissions occur as a consequence of PEXA's activities but are derived from sources that are not owned or controlled by PEXA.

Scope 3 emissions within this inventory have been reported where there is a clear rationale for inclusion and reliable data available.

## GHG Reporting Policies Applied

Item	Note
<b>Greenhouse gases</b>	All GHG emissions figures are reported in tonnes of carbon dioxide equivalents (tCO <sub>2</sub> -e).
<b>Organisational boundary</b>	Direct GHG emissions and indirect GHG emissions have been reported using the Operational Control Approach as defined by the GHG Protocol.
<b>Operational boundary</b>	All scope 1 (direct GHG emissions) and scope 2 (indirect GHG emissions) have been reported for operations within the organisational boundary. The list of scope 3 emissions included within the organisational boundary are defined in category reporting.
<b>Geographical scope</b>	GHG emissions that fall within the Australian and international operations of the organisational and operational boundaries have been reported.
<b>Conversion factors</b>	The GHG emissions associated with activities have been determined on the basis of direct measurement, purchase invoices or estimations multiplied by relevant carbon conversion factors using Method 1 of the National Greenhouse and Energy Reporting ( <b>NGER</b> ) Determination, unless otherwise stated.
<b>Baseline GHG Emissions</b>	Where applicable, the GHG baseline applies to operational boundary emissions and has been prepared in accordance with the GHG reporting policies. The baseline is adjusted when new sources of scope 3 emissions are reported. The baseline is adjusted to reflect acquisitions and divestments that result in a change to the baseline of more than 5% and for any significant changes in reporting policy.
<b>Prior year restatements</b>	Where information is available, prior year figures have been restated to comply with the reporting policies set for the current year. Where information is not available, estimates are made. The estimates and basis for the estimates are provided in the report. Where significant adjustments have been made a note detailing the adjustments is provided.
<b>Materiality</b>	Emissions from sources that contribute, in aggregate, less than 1% to overall GHG emissions can be excluded. Basis for exclusion is similar to conducting streamline life cycle analysis. The materiality threshold for NGER is different.
<b>Crediting criteria</b>	All directly attributable offset measures (e.g., GreenPower, GreenGas, Flight offsets) are automatically accounted against the respective operational boundary. Any additional voluntary carbon credits are applied on a corporate total basis in a cascade hierarchy of: scope 1 > scope 2 > scope 3 GHG emissions. This ensures that all direct emissions are treated first, followed by indirect emissions within the organisational boundary. Landfill waste is treated last of any scope 3 emissions, when applicable.

# Greenhouse Gas Emissions

## Statement of Emissions FY23

In FY23, PEXA produced a gross total of 12,863.4 tCO<sub>2</sub>-e of scope 1, 2 and 3 emissions. This total includes 367.0 tCO<sub>2</sub>-e of carbon neutral emissions, and when removed from the gross emissions total, PEXA has produced a net emissions total of **12,496.4 tCO<sub>2</sub>-e**.

PEXA's scope 1 emissions for the FY23 year were 0.01 (tCO<sub>2</sub>-e) or 0.0001% of emissions, scope 2 emissions were 143.6 (tCO<sub>2</sub>-e) or 1.1% of annual emissions and scope 3 emissions were 12,352.9 net (tCO<sub>2</sub>-e) comprising the largest contribution within the operational boundary at 98.9% of annual emissions.

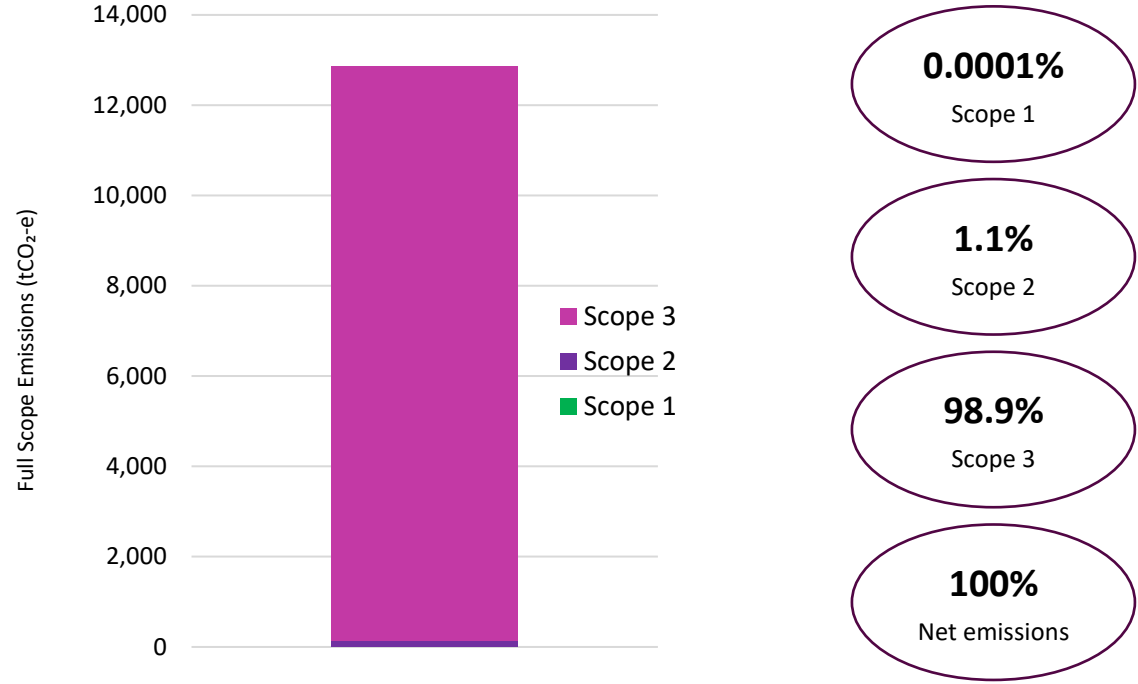
PEXA's combined scope 1 and scope 2 emissions comprise 1.1% of its inventory.

Table 2 – Emissions by Scope

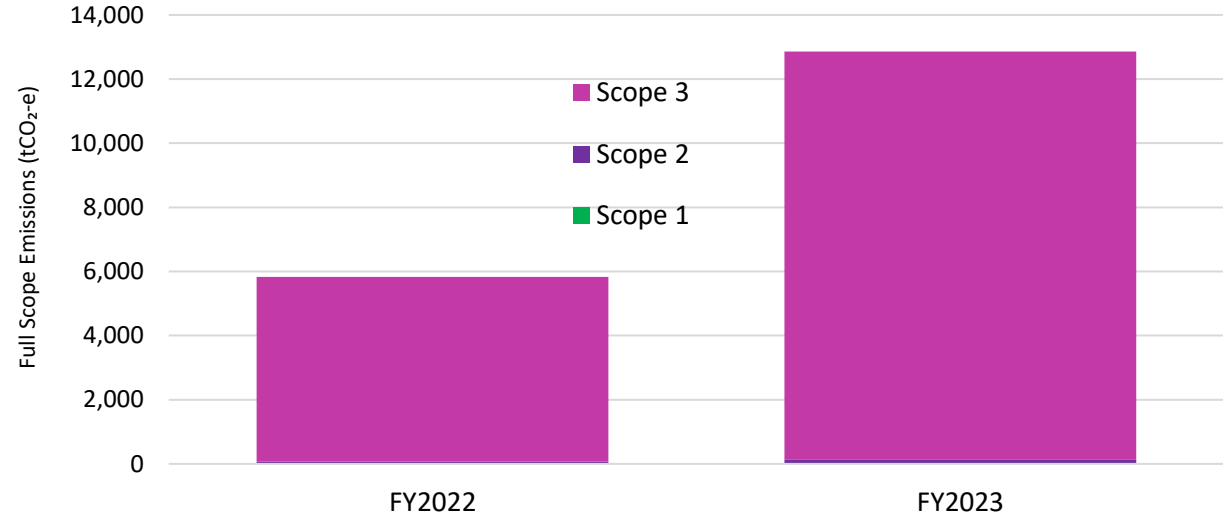
Operational Boundary	Examples of Inclusions	(tCO <sub>2</sub> -e)
<b>Scope 1</b>	Direct emissions such as those resulting from fuel use or refrigerant leakage.	0.01
<b>Scope 2</b>	Purchased electricity.	143.6
<b>Scope 3</b>	All other indirect upstream and downstream emissions resulting from activities along the value chain. The extraction, production and distribution of fuels, the transmission and distribution of electricity, base building services, business flights and other travel, staff commute to and from work, telecommunications, ICT equipment, freight, advertising and other professional services, and data services.	12,352.9 (net)
<b>Scope 1, 2 &amp; 3 (full Scope)</b>		12,496.4
<b>Scope 1 &amp; 2</b>		143.6



Graph 1: Emissions by Scope



Graph 2 – Emissions by Scope FY2022 versus FY2023



PEXA’s total net emissions have increased in FY23 against FY22 levels. This increase is attributed to business growth at PEXA. PEXA has increased its business operations and acquired new businesses. New business operations both in Australia and in the UK have greatly extended the volume of relevant supply-chain inputs into PEXA’s scope 3 emissions inventory. With this growth, PEXA’s domestic and international business travel has increased, full time employees have increased (headcount) and there has been an increase in scope of facilities (offices) and associated support services. Post-COVID, a return to the office rebound has increased the volume of PEXA’s own emissions from staff travel.

## Emissions by Category

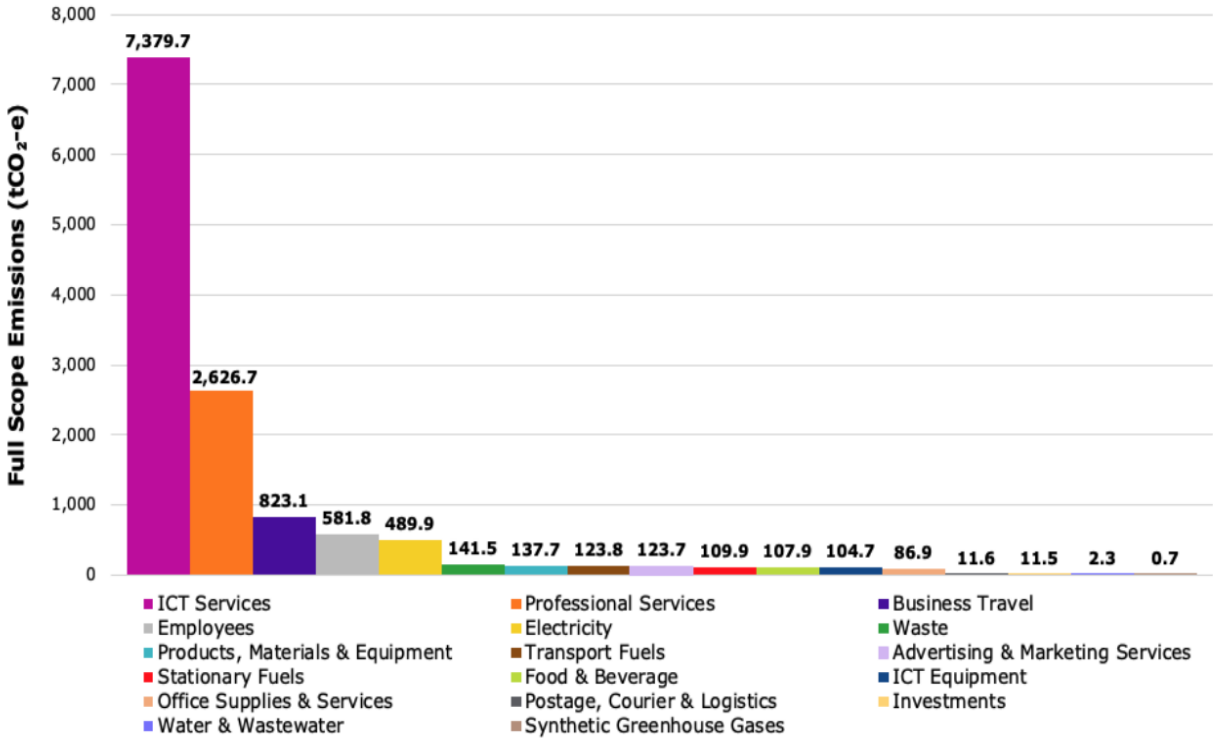
Emissions have been categorised by location, subunit, and respective contribution to our overall emissions footprint.

Table 3 – Emissions by Category

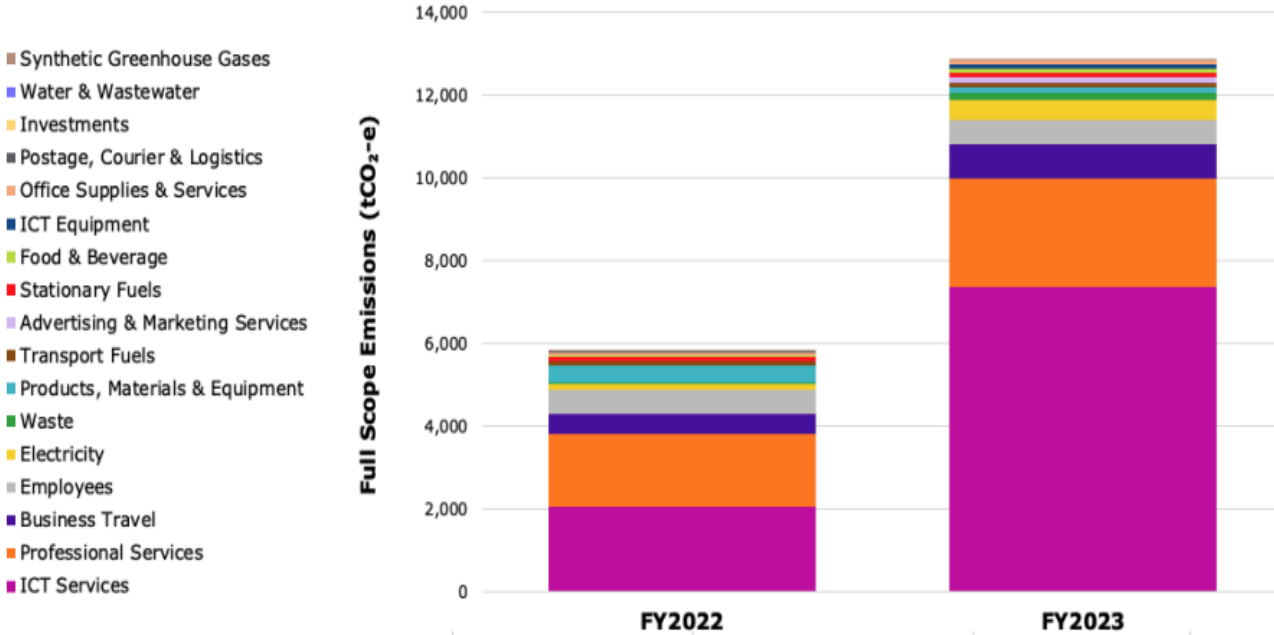
Category	Gross Emissions (tCO <sub>2</sub> -e)	Contribution to Emissions	Gross Scope 1 (tCO <sub>2</sub> -e)	Gross Scope 2 (tCO <sub>2</sub> -e)	Gross Scope 3 (tCO <sub>2</sub> -e)	Embedded Carbon Neutral Emissions (tCO <sub>2</sub> -e)	Net Full Scope Emissions (tCO <sub>2</sub> -e)
ICT Services	7,379.67	57.4%	0.0	0.0	7,379.7	0.0	7,379.7
Professional Services	2,626.70	20.4%	0.0	0.0	2,626.7	153.1	2,473.6
Business Travel	823.15	6.4%	0.0	0.0	823.1	199.9	623.2
Employees	581.79	4.5%	0.0	0.0	581.8	0.0	581.8
Electricity	489.92	3.8%	0.0	143.6	346.4	9.2	480.7
Waste	141.55	1.1%	0.0	0.0	141.5	0.1	141.5
Products, Materials & Equipment	137.69	1.1%	0.0	0.0	137.7	0.0	137.7
Transport Fuels	123.84	1.0%	0.0	0.0	123.8	0.0	123.8
Advertising & Marketing Services	123.69	1.0%	0.0	0.0	123.7	0.0	123.7
Stationary Fuels	109.87	0.9%	0.0	0.0	109.9	4.3	105.6
Food & Beverage	107.90	0.8%	0.0	0.0	107.9	0.0	107.9
ICT Equipment	104.69	0.8%	0.0	0.0	104.7	0.0	104.7
Office Supplies & Services	86.85	0.7%	0.0	0.0	86.9	0.4	86.5
Postage, Courier & Logistics	11.57	0.1%	0.0	0.0	11.6	0.0	11.6
Investments	11.50	0.1%	0.0	0.0	11.5	0.0	11.5
Water & Wastewater	2.29	0.0%	0.0	0.0	2.3	0.0	2.3
Synthetic Greenhouse Gases	0.74	0.0%	0.01	0.0	0.7	0.0	0.7
	<b>12,863.4</b>	<b>100.0%</b>	<b>0.01</b>	<b>143.6</b>	<b>12,719.8</b>	<b>367.0</b>	<b>12,496.4</b>

ICT Services (computer, technical services, software etc.) was the largest contributor to scope 3 emissions and PEXA's overall inventory, at 7,379.7 tCO<sub>2</sub>-e which contributed 57.4% of total GHG emissions for the FY23 year.

Graph 3 – Emissions by Category

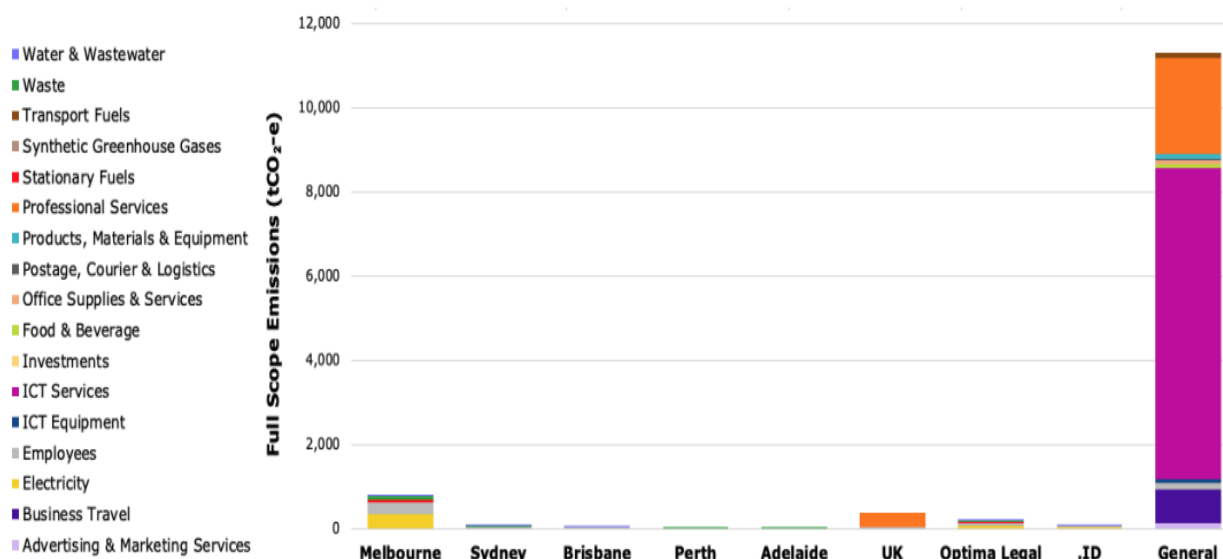


Graph 4 – Emissions by Category FY2022 versus FY2023



Scope 3 emissions from ICT related services and professional services were the largest contributors to scope 3 emissions in FY22 and FY23.

Graph 5 - Total Emissions by Location



PEXA is a tenant in offices or shared workspaces in buildings in Melbourne, Sydney, Brisbane, Adelaide and Perth. The emissions by location in the UK relate to PEXA’s use of small office spaces.

## Future Emissions Reporting

PEXA will continue to assess its scope 1, 2 and 3 emissions annually and produce a greenhouse gas inventory supported by external partners to ensure completeness, accuracy, and transparency.

PEXA has a target to achieve net zero for scope 1 and scope 2 emissions by 2025. Our scope 1 and 2 emissions are low, and **we are on track to achieve this target.**

PEXA has not set a scope 3 target to date. Given that 98.9% of emissions are scope 3, our future focus within our Carbon Management Plan is to work with our value chain to identify opportunities for carbon reduction and neutrality, identify less carbon intensive products and services and work with our partners to reduce emissions over time. PEXA recognises that as we grow in line with our strategy, emissions may increase.

We will continue to focus on reduction across all three scopes and work to mitigate any increases.