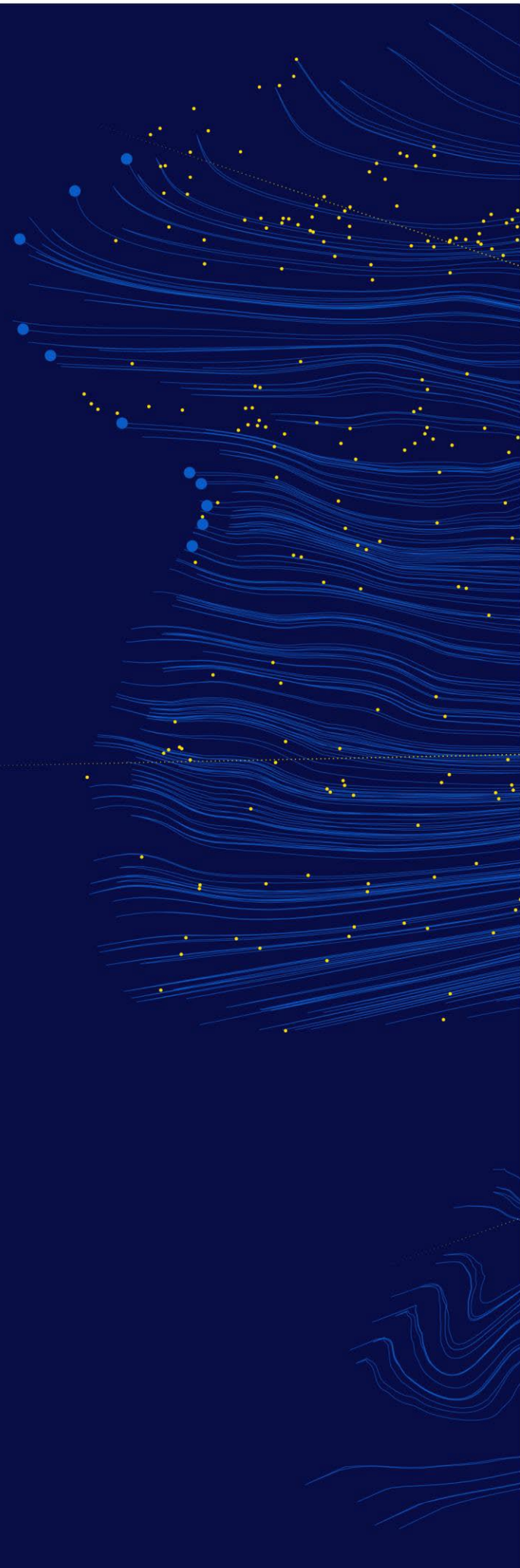


CPA Australia

Scope 3 GHG emissions

Basis of Preparation



CPA Australia

Scope 3 Basis of Preparation

BASIS OF PREPARATION

This Basis of Preparation summarises the preparation and boundary of Scope 3 greenhouse gas (GHG) emissions of CPA Australia in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and the GHG Protocol Scope 3 Guidance.

The Basis of Preparation is reviewed annually to confirm it remains consistent with current industry standards and regulations, and is updated to incorporate any changes to CPA Australia's business activities, policies and procedures.

DEFINITIONS

Scope 3 emissions are indirect emissions other than scope 2 emissions. They occur outside of the boundary of the organisation as a result of our actions. Scope 3 emissions may arise as:

- upstream emissions such as indirect emissions from purchased goods and services, capital goods, fuel-related activities, transport, waste generated in operations, and business travel.
- downstream emissions such as indirect emissions from transportation/distribution of sold goods, processing of sold products, product use, end-of-life treatment, leasing, and investments.

For the purposes of quantifying our greenhouse gas inventory, the gases established by the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), sulphur hexafluoride (SF₆), nitrogen trifluoride (NF₃) and perfluorocarbons (PFCs), are considered, and all relevant gases to CPA Australia are reported in the GHG emissions.

OPERATIONAL BOUNDARY FOR SCOPE 3 EMISSIONS

CPA Australia Ltd (CPA Australia, we, us, our) applies the operational control approach to define its organisational boundary for its greenhouse gas emissions inventory.

The operational control approach was selected as consistent with the GHG Protocol.

Our operational boundary includes all controlled entities and is inclusive of operations in Australia, Asia, Europe, New Zealand, the Pacific and the United Arab Emirates (UAE) for the calendar year 1 January to 31 December 2025.

Emission boundaries for Scope 3 emissions include emissions arising from CPA Australia's value chain, including both upstream and downstream emissions.

The GHG Protocol categorises these emissions into 15 distinct categories. CPA Australia reports emissions for the categories shown in Table 1 that are relevant to our business operations.

We plan to undertake a comprehensive relevance assessment of all 15 Scope 3 categories and expect to expand our Scope 3 reporting in future years.

BASELINE YEAR

2020 has been set as the base year for reporting of Scope 3 GHG emissions calculations. The base year is set by CPA Australia and will be updated in 2026.

DATA SOURCES AND CALCULATION METHOD

Data sources are recorded in the table below. Relevant jurisdictional emissions factors are applied to calculate the equivalent metric tons of CO₂ (tCO₂-e).

CPA Australia discloses its Scope 3 GHG emissions expressed in thousands of metric tons of CO₂ equivalent (ktCO₂-e), unless otherwise stated.

Table 1: Scope 3 GHG emissions categories reported on in 2025

Category	Data Sources	Data methodology
1. Purchased goods and services: Professional services, authoring, exam services, technology services etc.	Spend data from CPA Australia's finance system (Microsoft D 365)	Our most significant source of supply chain emissions, being purchased goods and services (category 1), has been calculated using our 2025 total supplier expenditure and applying either supplier-specific emissions/revenue proxies, or sector-based emissions factors (EXIOBASE version 3.8.2, National Greenhouse Accounts and Climate Active Emissions Factors, Lifecycles Australia and FootprintLab). The underlying spend data is extracted from our financial management system and analysed through Purpose Bureau.
3. Fuel- and energy-related activities: Emissions not included in Scope 1 or 2 (e.g., T and D losses).	Electricity invoices.	Region specific emission factors - by state in Australia and by country internationally. This includes: <ul style="list-style-type: none"> National Greenhouse Accounts Factors: 2025 - DCCEEW Measuring emissions: Detailed guide 2020, Ministry for the Environment Base Carbone ADEME - Bilans GES Site Our Scope 2 and Scope 3 emissions related to electricity were in previous years grouped together. They have been split out in 2025 due to differing levels of assurance over the data. Scope 2 received Reasonable Assurance and Scope 3 received Limited Assurance.
5. Waste generated in operations: Disposal/treatment of waste. Including landfilling, incineration, recycling, composting, and wastewater treatment.	Measurements provided by our landlords and our suppliers of paper.	Where information from landlords is not available to be split out for CPA Australia, this is estimated based on the number of FTE in each office. Emissions factors include: <ul style="list-style-type: none"> Publication 2039: Greenhouse gas (GHG) inventory and management plan 2020–2021 Environment Protection Authority Victoria (epa.vic.gov.au)
6. Business travel: Employee travel for business-related activities.	Information provided by our Travel Management system and invoices from taxi/car hire.	Emissions factors include : <ul style="list-style-type: none"> UK Government GHG Conversion Factors for Company Reporting 2021, DBEIS & DEFRA (Accommodation) EPA Victoria Greenhouse Gas Inventory and Management Plan, Table 3.10, Taxi travel
7. Employee commuting: Employees travelling between home and worksites.	Data is based on FTE per office.	UK Government GHG Conversion Factors for Company Reporting 2021, DBEIS & DEFRA (average of bus and train).

Table 2: Scope 3 GHG emissions categories excluded from reporting in 2025

Category	
2. Capital goods: Production of assets including building fit outs, technology systems etc.	Capital goods are currently captured in category 1 using spend data. This will be reviewed in 2026.
4. Upstream transportation and distribution: Transporting inputs from suppliers.	CPA Australia produces limited physical products, consisting of printed materials for the CPA Program, INTHEBLACK etc. This category has been assessed as not material for CPA Australia but will be reviewed in 2026.
8. Upstream leased assets: Operation of assets leased by the company.	This category is covered by spend data in Scope 3 and electricity data in Scope 2.
9. Downstream transportation and distribution: Transporting sold products to customers.	CPA Australia produces limited physical products, consisting of printed materials for the CPA Program, INTHEBLACK etc. This category has been assessed as not material for CPA Australia but will be reviewed in 2026.
10. Processing of sold products: Third-party processing of intermediate products	CPA Australia produces limited physical products, consisting of printed materials for the CPA Program, INTHEBLACK etc. This category has been assessed as not material for CPA Australia but will be reviewed in 2026.
11. Use of sold products: End-user emissions from using goods/services	CPA Australia produces limited physical products, consisting of printed materials for the CPA Program, INTHEBLACK etc. This category has been assessed as not material for CPA Australia but will be reviewed in 2026.
12. End-of-life treatment of sold products: Disposal of sold products	CPA Australia produces limited physical products, consisting of printed materials for the CPA Program, INTHEBLACK etc. This category has been assessed as not material for CPA Australia but will be reviewed in 2026.
13. Downstream leased assets: Operation of assets owned by the company and leased to others.	CPA Australia has no owned assets that are leased to others.
14. Franchises: Emissions from franchisees.	CPA Australia has no franchises.
15. Investments: Emissions from investments (e.g., equity, debt).	When our emissions were originally baselined, funds under management was not a mandatory category. This will be reviewed in 2026.