

# Algoteq Environmental Impact Policy

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## EXECUTIVE SUMMARY

Algoteq Pty Ltd aims to lead in sustainability within the Financial IT services sector by halving its carbon footprint by 2030. This commitment reflects our dedication to environmental stewardship and sustainable business practices, aligning with global efforts to combat climate change.

## CURRENT STATE ANALYSIS

**Carbon Footprint Assessment:** An initial audit of Algoteq Pty Ltd's operations has calculated our current carbon footprint to be 36.1 tonnes of CO<sub>2</sub> equivalent annually. This assessment covers all dimensions of our business operations, including energy consumption in offices, servers, business travel, and the indirect emissions from our supply chain.

**Benchmarking:** With our footprint now quantified at 36.1 tonnes CO<sub>2</sub>e, Algoteq's emissions will be benchmarked against industry standards and competitors. This comparison will highlight key areas for improvement and prioritize actions that can have the most significant impact on reducing our carbon footprint.

The inclusion of Algoteq's current carbon footprint at 36.1 tonnes CO<sub>2</sub>e sets a tangible benchmark for the company's sustainability efforts. Achieving a 50% reduction by 2030 means Algoteq aims to decrease its annual carbon emissions to approximately 18.05 tonnes CO<sub>2</sub>e. This specific target will guide all strategic decisions and investments in the company's journey towards sustainability.

## STRATEGIC OBJECTIVES

- **Energy Efficiency:** Implement energy-saving measures across IT infrastructures, such as server optimization, cooling efficiency, and transitioning to energy-efficient hardware.
- **Renewable Energy:** Transition to 100% renewable energy sources for all operations by sourcing green energy and investing in renewable energy projects.
- **Sustainable IT Practices:** Adopt sustainable IT practices, including server virtualization, cloud computing, and responsible e-waste disposal.
- **Expand Green Office Initiative:** Implement office initiatives such as recycling, green procurement policies, and energy-efficient lighting.
- **Travel and Commuting:** Reduce travel emissions through virtual meetings, incentivize public transportation, cycling, and electric vehicle use among employees.
- **Carbon Offsetting and Sequestration:** Invest in carbon offset projects and initiatives focused on carbon sequestration.
- **Reduction in business travel and as well as look into more carbon friendly travel alternatives.** Business travel makes up more than 60% of the Scope 3 carbon emissions.

## ACTION PLAN

### SHORT TERM (2024-2026)

- Conduct an extended carbon footprint audit. Look into using third-party software platforms for a more accurate calculation of carbon footprint accounting.
- Begin transitioning to energy-efficient hardware.
- Look to consolidate servers, and where possible, migrate applications to shared cloud servers.
- Investigate renewable energy supplies.
- Review our suppliers to ensure that they are in line with our environmental targets and are actively looking to reduce their carbon footprint.
- Ensure that at the end of the current lease Algoteq maintains or improves the NABERS office energy rating.

### MEDIUM TERM (2027-2028)

- Achieve 50% renewable energy usage.
- Further reduce paper and e-waste.
- Expand remote work policies to reduce commuting emissions.

### LONG TERM (2029-2030)

- Reach 100% renewable energy usage.
- Invest in carbon offset and sequestration projects to neutralize remaining emissions.
- Achieve the target of a 50% reduction in carbon footprint.
- Monitoring and Reporting
- Quarterly Reviews: Conduct quarterly reviews to monitor progress against the plan and adjust strategies as needed.
- Annual Sustainability Reports: Publish annual reports detailing progress, challenges, and future regarding carbon footprint reduction.

### STAKEHOLDER ENGAGEMENT

- Employee Involvement: Engage employees through awareness programs, sustainability training, and incentives for green practices.
- Customer Communication: Communicate sustainability efforts and achievements to customers, enhancing brand loyalty and attracting eco-conscious clients.
- Partnerships: Collaborate with environmental organizations and other businesses to share knowledge and best practices in sustainability.
- Challenges and Risk Management
- Technology Adaptation: Keep pace with rapidly evolving green technologies and incorporate them into operations efficiently.
- Cost Management: Balance the upfront costs of sustainability initiatives with long-term financial and environmental benefits.
- Regulatory Compliance: Stay ahead of environmental regulations and standards to ensure compliance and leverage opportunities for subsidies and incentives.

## CONCLUSION

Algoteq Pty Ltd's commitment to reducing its carbon footprint by 50% by 2030 demonstrates our leadership in sustainability within the Financial IT services sector. Through strategic investments in energy efficiency, renewable energy, and sustainable practices, we aim to not only minimize our environmental impact but also inspire others in the industry to follow suit.

APPENDIX

2022-2023 Financial Year - Algoteq Pty Ltd Carbon Footprint

Emissions report  
**Algoteq Pty Ltd**  
1 Jul 2022 - 30 Jun 2023

**Business Carbon Calculator**  
by Normative

Estimated total emissions tonnes CO<sub>2</sub>e

**36.1**

Country  
Australia

Sector  
Information technology (IT), software and computer related activities

Scope 2	% of emissions	tonnes CO <sub>2</sub> e
Electricity	100.0 %	14

Scope 3	% of emissions	tonnes CO <sub>2</sub> e
Business travel	62.2 %	13.7
Purchased goods and services	36.3 %	8.03
Capital goods	1.5 %	0.329