



PUBLIC DISCLOSURE STATEMENT


PACIFIC EQUITY PARTNERS PTY LTD (PEP)

ORGANISATION CERTIFICATION

FY2022–23

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY	Pacific Equity Partners Pty Ltd (PEP)
REPORTING PERIOD	Financial year 1 July 2022 – 30 June 2023 Arrears report
DECLARATION	<p><i>To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.</i></p> <p style="text-align: center;"></p>
	<p>Name of signatory Rosie Johnson Position of signatory Director, ESG Date 17 April 2024</p>



Australian Government
**Department of Climate Change, Energy,
the Environment and Water**

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Version August 2023.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	1,414 tCO ₂ -e
OFFSETS USED	100% ACCUs
RENEWABLE ELECTRICITY	118.8%
CARBON ACCOUNT	Prepared by: Pangolin Associates
TECHNICAL ASSESSMENT	Date 17 November 2023 Pangolin Associates Next technical assessment due: FY 2026

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2. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the financial year from 1 July 2022 to 30 June 2023 and covers the Australian operations of Pacific Equity Partners (“PEP”) (ABN 60 082 283 949). At the following locations:

- Level 31, 126 Phillip Street, Sydney NSW 2000
- Level 19, 126 Phillip Street, Sydney NSW 2000
- 60 Martin Place, Sydney, NSW 2000

The operational limits have been established through an operational control assessment, adhering to the guidelines set forth in the National Greenhouse and Energy Reporting Act 2007, as well as the GHG Protocol Corporate Standard and Corporate Value Chain Standard. These limits encompass the activities of the PEP business and do not encompass emissions associated with PEP's investment portfolios and international offices.

The certification excludes emissions associated with PEP's international offices and financial investments.

The methods used for collating data, performing calculations and presenting the carbon account are in accordance with the following standards:

- Climate Active Standards
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008.

Where possible, the calculation methodologies and emission factors used in this inventory are derived from the National Greenhouse Accounts (NGA) Factors in accordance with "Method 1" from the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). These have been expressed as carbon dioxide equivalents (CO₂-e) using relative global warming potentials (GWPs).

Organisation description

Established in 1998, Pacific Equity Partners (PEP) is the largest and most active Private Markets Fund Manager in Australia, with approximately A\$8B in assets under management. From energy to financial services, consumer products to industrial services, our funds target investments across a wide range of industries and sectors. We partner with management teams and work together to deliver full business potential and realise new profits. Success is based on agreed objectives, shared economics and mutual trust.

Through many years of experience in the private equity industry and in senior advisory roles, our team have long-established relationships with boards, chief executives and senior management of most significant

companies in Australia and New Zealand as well as many private entrepreneurs. We collaborate with the management teams of our portfolio companies to create or refine their ESG and climate strategy and the accompanying execution plan. This involves establishing industry and context-specific targets and implementing a tracking mechanism to monitor their advancements.

3. EMISSIONS BOUNDARY

Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.

Inside emissions boundary

Quantified

Accommodation and facilities
Cleaning and chemicals
Climate Active carbon neutral products and services
Electricity
Food
ICT services and equipment
Machinery and vehicles
Postage, courier and freight
Professional services
Stationary energy (gaseous fuels)
Transport (air)
Transport (land and sea)
Waste
Water
Working from home

Non-quantified

Refrigerants

Optionally included

N/A

Outside emission boundary

Excluded

PEP's investment portfolios
International offices.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Pacific Equity Partners is firmly committed to taking action to reduce its carbon emissions. We are committed to a 50% reduction of our Scope 1 and 2 emissions by 2025 from a FY20 baseline. We successfully achieved our goal of reducing our Scope 2 emissions to zero in FY23, primarily by transitioning to 100% clean energy. We are now dedicated to maintaining zero Scope 2 emissions from FY23 onward.

The majority of our carbon emissions fall under Scope 3 emissions, stemming from our supply chain. The two most significant contributors in this category are business travel (approximately 46% of our total emissions) and professional services (around 27% of our total emissions). While we make efforts to better understand our suppliers' emissions profiles and decarbonisation goals, we also acknowledge that our success in decarbonisation is reliant on airlines and other key suppliers meeting their own decarbonisation targets.

Additionally, over the next five years, we will:

- Promote more frequent use of virtual board meeting tools when our portfolio companies are located interstate or internationally.
- Collaborate with our travel agency to conduct a more in-depth analysis of our flight patterns, enhance our understanding of our travel procedures, and explore carbon-neutral options that align with our travel habits.
- Increase our use of electronic presentations to reduce in-office printing.

Emissions resulting from our investment activities are not factored into our Scope 3 emissions calculations. However, we have been and will continue to work with our portfolio companies to raise awareness of their own carbon emissions. This will involve helping them establish a baseline for their carbon footprint and identifying further opportunities for decarbonisation to reduce their greenhouse gas emissions.

Emissions reduction actions

In the past 12 months, Pacific Equity Partners has taken the following actions aimed at reducing its emissions:

- Transitioned to green power to meet our energy consumption needs.
- Implemented more accessible waste management processes for our staff, ensuring efficient waste diversion.
- Promoted the use of electronic presentations in our weekly team meetings and investment committee meetings.
- Opted for the green delivery option provided by our food and beverage suppliers.

We acknowledge that our emissions have increased over the past year. This increase can be primarily attributed to the expansion of our team, which grew by over 40% from FY22 to FY23. This growth has resulted in higher absolute greenhouse gas emissions generated by our operations, including areas such as food and beverages, employee commuting, IT hardware, and more. Additionally, our active investment activities, combined with the resurgence of travel to pre-COVID levels, have resulted in a higher number of our deal team members traveling both domestically and internationally to engage with prospective targets, our existing portfolio companies, as well as potential and future investors, when compared to FY22. We will continue to closely monitor these trends to identify potential efficiency improvements.

Furthermore, we have refined our calculation boundaries to enhance the accuracy and comprehensiveness of our carbon footprint for FY23. As part of our commitment to better understand the sources of our greenhouse gas emissions, we have expanded the scope to include emissions generated by our professional service vendors. This methodological revision and improvement exercise reflects our dedication to gaining a deeper understanding of our emissions generation sources and effectively managing and reducing them in the future.

5. EMISSIONS SUMMARY

Emissions over time

		Emissions since base year	
		Total tCO ₂ -e (without uplift)	Total tCO ₂ -e (with uplift)
Base year/Year 1:	2019–20	1,347.2	1,347.2
Year 2:	2020–21	563.0	563.0
Year 3:	2021–22	823.2	823.2
Year 4:	2022–23	1413.2	1413.2

Significant changes in emissions

Emission source name	Previous year emissions (t CO ₂ -e)	Current year emissions (t CO ₂ -e)	Detailed reason for change
Food & catering	39.03	96.95	Client meetings, social events, and daily employee attendance in the office returned to normal after COVID in FY23.
Computer and technical services	168.90	102.17	Supplier specific emissions factors have been used where available resulting in a reduction in reported emissions.
Long business class flights (>3,700km)	307.31	479.3	PEP's organic growth from FY22 to FY23.

Use of Climate Active carbon neutral products, services, buildings or precincts

Certified brand name	Product/Service/Building/Precinct used
Opal Australian Paper (Winc Paper)	Paper – see Opal PDS here .
Pangolin Associates	Consulting Services (PDS here)

Emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach.

Emission category	Sum of total emissions (t CO₂-e)
Accommodation and facilities	6.15
Cleaning and chemicals	62.38
Climate Active carbon neutral products and services	0.00
Electricity	0.00
Food	101.58
ICT services and equipment	147.60
Machinery and vehicles	1.96
Postage, courier and freight	0.97
Professional services	401.88
Stationary energy (gaseous fuels)	8.60
Transport (air)	631.54
Transport (land and sea)	40.38
Waste	6.09
Water	1.78
Working from home	2.28
Total emissions	1413.20

Uplift factors

N/A

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emission to offset is 1413.2 t CO₂-e. The total number of eligible offsets used in this report is 1,414. Of the total eligible offsets used, 56 were previously banked and 1,358 were newly purchased and retired. 0 are remaining and have been banked for future use.

Eligible offsets retirement summary

Offsets retired for Climate Active carbon neutral certification											
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (tCO ₂ -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
Central Arnhem Land Fire Abatement (CALFA) Project	KACCU	ANREU	5/12/2022	8,329,561,272 8,329,561,447	2021	0	176	120	0	56	3.96%
Rockingham Landfill Gas Abatement Facility (EOP 100246)	KACCU	ANREU	10/11/2023	8,357,158,551- 8,357,159,908	2022-23	0	1358	0	0	1,358	96.04%
Total eligible offsets retired and used for this report										1,414	
Total eligible offsets retired this report and banked for use in future reports									0		
Type of offset units		Eligible quantity (used for this reporting period)					Percentage of total				
Australian Carbon Credit Units (ACCU)		1,414					100%				

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A.

APPENDIX A: ADDITIONAL INFORMATION

ANREU Home | Account Holders | Accounts | Unit Position Summary | Projects | Transaction Log | CER Notifications | Public Reports | My Profile

Logged in as:

Transaction Details

Transaction details appear below.

Transaction ID	AU30632
Current Status	Completed (4)
Status Date	10/11/2023 13:13:15 (AEDT) 10/11/2023 02:13:15 (GMT)
Transaction Type	Cancellation (4)
Transaction Initiator	Placanica, Saroeth
Transaction Approver	De Poi, Jonathon Thomas
Comment	ACCUs surrendered on behalf of Pacific Equity Partners for carbon neutral certification under Climate Active 1358 ACCUs.

Transferring Account Account Number AU-1060 Account Name LMS Energy Pty Ltd Account Holder LMS Energy Pty Ltd	Acquiring Account Account Number AU-1068 Account Name Australia Voluntary Cancellation Account Account Holder Commonwealth of Australia
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Transaction Blocks

Party	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			EOP100246					2022-23		8,357,158,551 - 8,357,159,908	1,358

ANREU Home | Account Holders | Accounts | Unit Position Summary | Projects | Transaction Log | CER Notifications | Public Reports | My Profile

Logged in as: Andrew Grant / Industry User

Transaction Details

Transaction details appear below.

Transaction Successfully Approved

Transaction ID	AU25168
Current Status	Completed (4)
Status Date	05/12/2022 10:19:46 (AEDT) 04/12/2022 23:19:46 (GMT)
Transaction Type	Cancellation (4)
Transaction Initiator	Grant, Andrew William Thoroid
Transaction Approver	Grant, Andrew William Thoroid
Comment	Retired on behalf of Pacific Equity Partners to meet their carbon neutral claim against the Climate Active Carbon Neutral Standard for FY22.

Transferring Account Account Number AU-2724 Account Name Tasman Environmental Markets Pty Ltd Account Holder Tasman Environmental Markets Pty Ltd	Acquiring Account Account Number AU-1068 Account Name Australia Voluntary Cancellation Account Account Holder Commonwealth of Australia
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Transaction Blocks

Party	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			EOP100342					2020-21		8,329,561,272 - 8,329,561,447	176

APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

Location-based method:

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method:

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

For this certification, electricity emissions have been set by using the **market-based approach**.

Market-based approach summary			
Market-based approach	Activity Data (kWh)	Emissions (kg CO ₂ -e)	Renewable percentage of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	0	0	0%
LGC Purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	217,710	0	100%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	0	0	0%
Precinct/Building jurisdictional renewables (LGCS surrendered)	0	0	0%
Electricity products (voluntary renewables)	0	0	0%
Electricity products (LRET)	0	0	0%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	40,929	0	19%
Residual Electricity	-40,929	-39,088	0%
Total renewable electricity (grid + non grid)	258,639	0	119%
Total grid electricity	217,710	0	119%
Total electricity (grid + non grid)	217,710	0	119%
Percentage of residual electricity consumption under operational control	43%		
Residual electricity consumption under operational control	-17,652	-16,858	
Scope 2	-15,589	-14,887	
Scope 3 (includes T&D emissions from consumption under operational control)	-2,063	-1,970	
Residual electricity consumption not under operational control	-23,278	-22,230	
Scope 3	-23,278	-22,230	

Total renewables (grid and non-grid)	118.80%
Mandatory	18.80%
Voluntary	100.00%
Behind the meter	0.00%
Residual scope 2 emissions (t CO₂-e)	-14.89
Residual scope 3 emissions (t CO₂-e)	-24.20
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.00
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.00
Total emissions liability (t CO₂-e)	0.00

Figures may not sum due to rounding. Renewable percentage can be above 100%

Location-based approach summary						
Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	43%	(kWh)	Scope 2 Emissions (kg CO ₂ -e)	Scope 3 Emissions (kg CO ₂ -e)	(kWh)	Scope 3 Emissions (kg CO ₂ -e)
ACT	0	0	0	0	0	0
NSW	217,710	93,893	68,542	5,634	123,817	97,815
SA	0	0	0	0	0	0
VIC	0	0	0	0	0	0
QLD	0	0	0	0	0	0
NT	0	0	0	0	0	0
WA	0	0	0	0	0	0
TAS	0	0	0	0	0	0
Grid electricity (scope 2 and 3)	217,710	93,893	68,542	5,634	123,817	97,815
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	0	0	0	0		
QLD	0	0	0	0		
NT	0	0	0	0		
WA	0	0	0	0		
TAS	0	0	0	0		
Non-grid electricity (behind the meter)	0	0	0	0		
Total electricity (grid + non grid)	217,710					

Residual scope 2 emissions (t CO₂-e)	68.54
Residual scope 3 emissions (t CO₂-e)	103.45
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	68.54
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	103.45
Total emissions liability	171.99

Operations in Climate Active buildings and precincts

Operations in Climate Active buildings and precincts	Electricity consumed in Climate Active certified building/precinct (kWh)	Emissions (kg CO ₂ -e)
N/A	0	0
<i>Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market based and location based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market based method is outlined as such in the market based summary table.</i>		

Climate Active carbon neutral electricity products

Climate Active carbon neutral product used	Electricity claimed from Climate Active electricity products (kWh)	Emissions (kg CO ₂ -e)
N/A	0	0
<p><i>Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market-based method is outlined as such in the market based summary table.</i></p>		

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. They have been non-quantified due to one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
4. **Maintenance** Initial emissions non-quantified but repairs and replacements quantified.

Relevant non-quantified emission sources	Justification reason
Refrigerants	Emissions arising from refrigerants are likely to be immaterial.

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to this organisation's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions.
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
PEP's investment portfolios	Y	N	N	N	N	<p>Size: The emissions source is likely to be large compared to the total emissions from electricity, stationary energy and fuel emissions.</p> <p>Influence: We do not have the potential to influence the emissions from this source.</p> <p>Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source.</p> <p>Stakeholders: Key stakeholders, including the public, are unlikely to consider this a relevant source of emissions for our business.</p> <p>Outsourcing: We have not previously undertaken this activity within our emissions boundary and comparable organisations do not typically undertake this activity within their boundary.</p>
International Offices (previously referenced as Franchises)	N	N	N	N	N	<p>Size: International office emissions are negligible relative to location based electricity emissions</p> <p>Influence: We do not have the potential to influence the emissions from this source.</p> <p>Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source.</p> <p>Stakeholders: Key stakeholders, including the public, are unlikely to consider this a relevant source of emissions for our business.</p> <p>Outsourcing: This activity is not outsourced.</p>



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