



PUBLIC DISCLOSURE STATEMENT

PANGOLIN ASSOCIATES


**SERVICE CERTIFICATION
FY2022-23**

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Pangolin Associates
REPORTING PERIOD	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></p> <p>Iain Smale Managing Director Date : 19th February 2024</p>



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

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Version March 2023.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	80 tCO ₂ -e ¹
CARBON OFFSETS USED	100% VCUs
RENEWABLE ELECTRICITY	91.48%
CARBON ACCOUNT	Prepared by: Pangolin Associates
TECHNICAL ASSESSMENT	Date: 21/12/2023 Organisation: Pangolin Associates Next technical assessment due: FY2026 report

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¹ Refer to Pangolin Associates' FY2022-23 Climate Active organisation PDS for full information on carbon offsets used, available here: <https://www.climateactive.org.au/buy-climate-active/certified-members/pangolin-associates>.

2. CERTIFICATION INFORMATION

Description of service certification

This inventory has been prepared for the financial year from 1 July 2022 to 30 June 2023.

The certification covers all the consulting services provided by Pangolin Associates (ABN - 28 145 644 819) in the following locations and facilities:

- Level 16, 175 Pitt Street, Sydney NSW 2000
- Level 18, 1 Nicholson Street, East Melbourne VIC 3002
- Level 1, 46 Magill Road, Norwood SA 5067
- Level 1, Suite 374/241 Adelaide Street, Brisbane QLD 4000
- Suite 28, 50 St Georges Terrace, Perth WA 6000

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).

The functional unit is billable hours, with emissions expressed in terms of tCO₂-e per billable hour.

Pangolin Associates also holds a Climate Active organisation certification, for which there is a separate PDS for the FY2022/23 reporting period. There is a 100% overlap between emissions reported in the service and organisation certifications.

Business description

Pangolin Associates was formed out of a concern for the affect human activity has on natural systems. Our primary business informs, educates and assists organisations in reducing resource dependency and lowering climate change and other associated environmental impacts.

We are an independent company with offices in Sydney, Melbourne, South Australia, Brisbane, and Western Australia. This certification covers all locations and operations that Pangolin is responsible for.

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 'attributable processes' of a product or service. These attributable processes are services, materials and energy flows that become the product or service, make the product or service and carry the product or service through its life cycle. These attributable emissions have been quantified in the carbon inventory.

Non-quantified emissions have been assessed as attributable 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

Non-attributable emissions have been assessed as not attributable to a product or service. They can be **optionally included** in the emissions boundary and therefore have been offset, or they can be listed as outside of the emissions boundary (and are therefore not part of the carbon neutral claim). Further detail is available at Appendix D.

Inside emissions boundary

Quantified

Accommodation and facilities

Climate Active carbon neutral products and services

Electricity

Food

ICT services and equipment

Machinery and vehicles

Postage, courier and freight

Professional services

Office equipment and supplies

Refrigerants

Stationary energy (gaseous fuels)

Stationary energy (liquid fuels)

Transport (air)

Transport (Land and Sea)

Waste

Water

Non-quantified

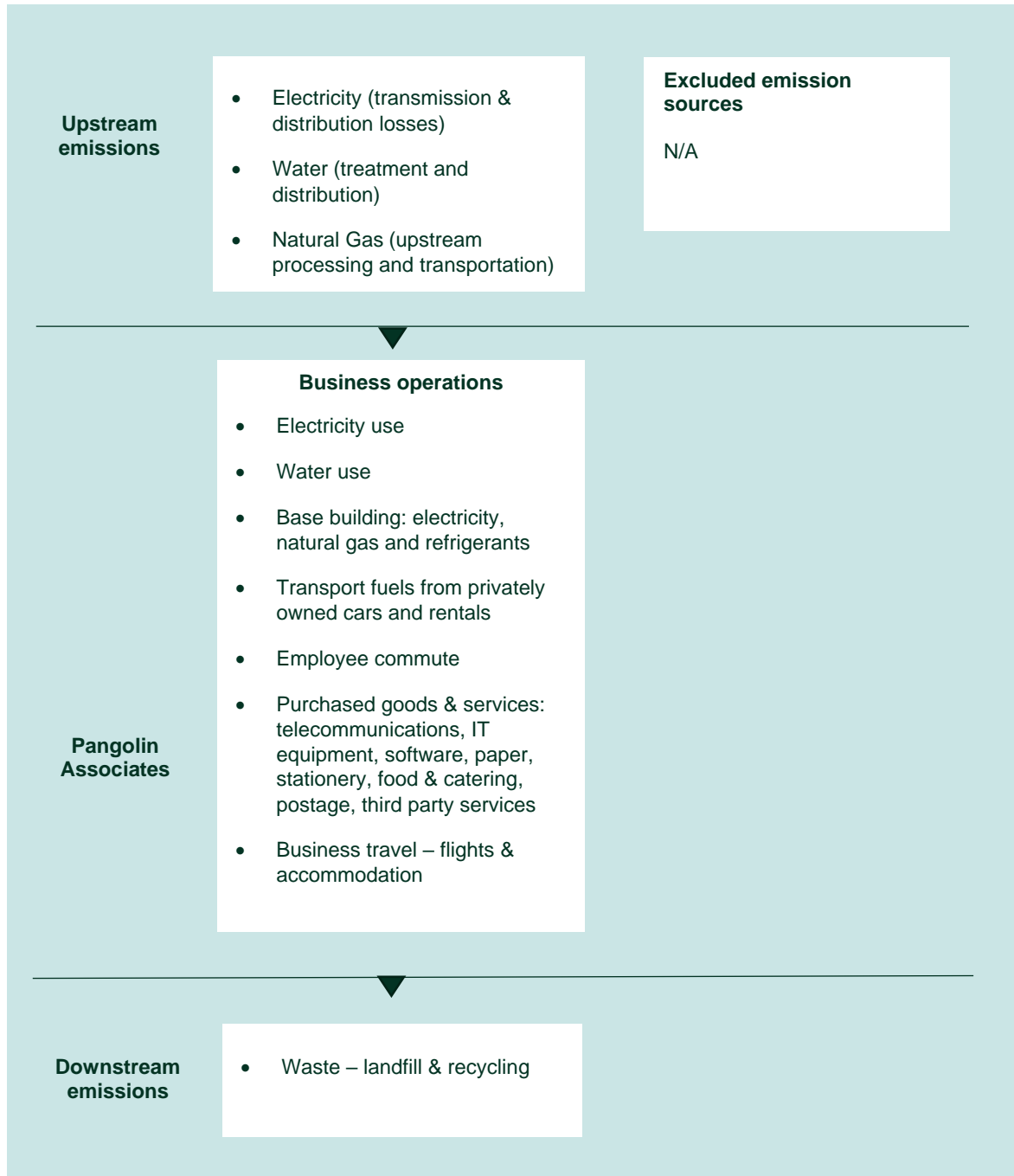
N/A

Outside emission boundary Non-attributable

N/A

Service process diagram

The following diagram represents the service on a cradle-to-grave basis.



4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Pangolin Associates aims to reduce emissions intensity (total emissions per FTE) by 30% by 2030 from the FY2015-16 base year intensity of 8.2 tCO₂-e / FTE. The use of emission intensity as a reduction guide is to allow for growth in the organisation.

ICT Services – Software

Pangolin Associates will aim to include supplier specific emissions factors to quantify GHG emissions of software use rather than top-down Environmentally Extended Input Output methodology (EEIO). This will be incorporated into emissions reporting for the FY2024 reporting period. It is hoped that increased accuracy of software emissions associated with expense will eventuate in an emission reduction.

ICT Equipment – Electronic Equipment

Pangolin Associates will implement a sustainable procurement policy before FY2025, with the potential to purchase refurbished IT equipment to reduce the demand for brand new machinery. This procurement policy will be developed during FY2024. It is expected that emission from Electronic Equipment will see a reduction of 25% of emission from this source once the policy is implemented.

Business Travel – Flights

Most of Pangolin's flights are to remote audits sites in Australia where there are no other viable forms of transport. For flights between cities, use is limited by internal travel policies. In lieu of face-to-face meetings, employees at Pangolin are encouraged to use video conference calls when possible or to use public transport when viable. While flights increase YoY, they did not rebound to pre-pandemic level. Pangolin aims to maintain this level of emissions associated with flights during the coming years. Additionally, the internal travel policy will be updated in FY2024 to include provisions for reimbursement to staff only when offsets are purchased at the point of sale.

Employees – Working from home

Currently, Pangolin Associates encourages flexible working arrangements. As part of this, a hybrid working model is adopted which sees employees work from home for large parts of the year. Emissions associated with employees working from home are calculated using an employee survey. However, Pangolin will endeavor before FY2025 to implement a more detailed survey, that captures working from home setups - including number of monitors, heating and cooling habits. This information will then be used to provide support to employees through the supply of energy efficient monitors and also encouragement or incentives for all staff to purchase GreenPower. It is hoped that by FY2026 these updates to working from home can reduce emission intensity per FTE by 30%.

Electricity – Third-party electricity

The majority of electricity used by Pangolin (both Tenancy and Base Building) is currently supplied by through either GreenPower or a Climate Active Carbon Neutral opt-in provider. However, there is room for improvement and so Pangolin aims to continue engagement with building providers, with the aim to have

100% renewable electricity by FY2025. This would result in an emission reduction of 3.6 tCO₂-e from FY2024 levels.

Emissions reduction actions

Pangolin was able to reduce emission intensity, as measured by tCO₂-e/FTE, while absolute emissions increased by approximately 10%.

The shift towards a paper-free work environment was finalized this reporting period, with paper reducing YoY.

5. EMISSIONS SUMMARY

Emissions over time

Emissions since base year		Total tCO ₂ -e	Emissions intensity of the functional unit
Base year/ Year 1:	2015–16	65.3	n/a
Year 2:	2016–17	98.3	n/a
Year 3:	2017–18	57.4	0.004
Year 4:	2018–19	79.4	0.005
Year 5:	2019–20	40.0	0.002
Year 6:	2020–21	30.0	0.001
Year 7:	2021–22	70.0	0.004
Year 8:	2022-23	80.0	0.003

Pangolin Associates began reporting emissions intensity by billable hours in FY2018. Total billable hours for the FY2023 reporting period were 24,065.

Significant changes in emissions

N/A

Use of Climate Active carbon neutral products and services

Certified brand name	Product or Service used
Hub Australia	Melbourne Office location
Powershop	Electricity
Telstra	Mobile telephone services
Jetstar	Opt-in flights

Emissions summary

Life cycle stage	tCO ₂ -e
Upstream emissions	0.8
Pangolin Associates business operations	69.5
Downstream emissions	0.1
Voluntary uplift	9.6

100% of the emissions outlined in the summary table above have already been offset as part of the organisation (parent) certification.

Emissions intensity per functional unit	0.003324 tCO ₂ -e/billable hour
Number of functional units to be offset	24,065
Total emissions to be offset	80 tCO ₂ -e

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emissions to offset is 80.0 tCO₂-e. The total number of eligible offsets used in this report is 80. Of the total eligible offsets used, 0 were previously banked and 80 were newly purchased and retired. 0 are remaining and have been banked for future use.

As there is a 100% overlap between emissions reported in the service and organisation certifications, all carbon offset information is disclosed in Pangolin Associates' FY2022-23 organisation Public Disclosure Statement, available here: <https://www.climateactive.org.au/buy-climate-active/certified-members/pangolin-associates>.

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

N/A

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	1,614	0	18%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	1,735	0	20%
Precinct/Building jurisdictional renewables (LGCs surrendered)	0	0	0%
Electricity products (voluntary renewables)	4,089	0	47%
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)	546	0	6%
Residual Electricity	743	710	0%
Total renewable electricity (grid + non grid)	7,984	0	91%
Total grid electricity	8,727	710	91%
Total electricity (grid + non grid)	8,727	710	91%
Percentage of residual electricity consumption under operational control	44%		
Residual electricity consumption under operational control	325	311	
Scope 2	287	274	
Scope 3 (includes T&D emissions from consumption under operational control)	38	36	
Residual electricity consumption not under operational control	418	399	
Scope 3	418	399	

Total renewables (grid and non-grid)	91.48%
Mandatory	26.14%
Voluntary	65.35%
Behind the meter	0.00%
Residual scope 2 emissions (t CO₂-e)	0.27
Residual scope 3 emissions (t CO₂-e)	0.44
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.27
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.44
Total emissions liability (t CO₂-e)	0.71
<i>Figures may not sum due to rounding. Renewable percentage can be above 100%</i>	

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	65%	(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	4,089	2,660	1,942	160	1,429	1,129
SA	935	608	152	49	327	108
VIC	3,704	2,409	2,048	169	1,294	1,191
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)	8,727	5,677	4,142	377	3,050	2,428
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)	8,727					

Residual scope 2 emissions (t CO₂-e)	4.14
Residual scope 3 emissions (t CO₂-e)	2.80
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	1.24
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.88
Total emissions liability	2.12

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)
Hub - Parliament Station, Level 18, 1 Nicholson Street, East Melbourne 3002 VIC	1,735	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)
<i>Sydney - Share of Base Building - supplied by Powershop</i>	2,005	0
<i>Sydney - Tenancy - supplied by Powershop</i>	2,084	0
<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>		



APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources have been assessed as attributable, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. These emissions are accounted for through an uplift factor. 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
N/A	N/A

Excluded emission sources

Attributable emissions sources can be excluded from the carbon inventory, but still considered as part of the emissions boundary if they meet **all three of the below criteria**. An uplift factor may not necessarily be applied.

1. A data gap exists because primary or secondary data cannot be collected (**no actual data**).
2. Extrapolated and proxy data cannot be determined to fill the data gap (**no projected data**).
3. An estimation determines the emissions from the process to be **immaterial**.

	No actual data	No projected data	Immaterial
N/A	N/A	N/A	N/A

Data management plan for non-quantified sources

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

The data management plan below outlines how more rigorous quantification can be achieved for material (greater than 1%) non-quantified emission sources.

APPENDIX D: OUTSIDE EMISSION BOUNDARY

Non-attributable emissions have been assessed as not attributable to a service (do not carry, make or become the service) and are therefore not part of the carbon neutral claim. To be deemed attributable, an emission must meet two of the five relevance criteria. Emissions which only meet one condition of the relevance test can be assessed as non-attributable and therefore are outside the carbon neutral claim. Non-attributable emissions are detailed below.

1. **Size** The emissions from a particular source are likely to be large relative to other attributable emissions.
2. **Influence** The responsible entity could influence emissions reduction from a particular source.
3. **Risk** The emissions from a particular source contribute to the responsible entity's greenhouse gas risk exposure.
4. **Stakeholders** The emissions from a particular source are deemed relevant by key stakeholders.
5. **Outsourcing** The emissions are from outsourced activities that were previously undertaken by the responsible entity or from outsourced activities that are typically undertaken within the boundary for comparable products or services.

N/A – no non-attributable processes have been identified for this service certification in this reporting period.



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