



PUBLIC DISCLOSURE STATEMENT

PATHZERO PTY LTD

ORGANISATION CERTIFICATION

FY2021-22

Australian Government
Climate Active
Public Disclosure Statement




Pathzero



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Pathzero Pty Ltd
REPORTING PERIOD	1 July 2021 – 30 June 2022 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>Carl Prins Co-founder & CEO</p>



Australian Government
**Department of Industry, Science,
Energy and Resources**

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Version March 2022. To be used for FY20/21/CY2021 reporting onwards.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	Offset by organisation: 223.51 tCO ₂ e Offset by product: 0 tCO ₂ e
OFFSETS BOUGHT	100% ACCUs
RENEWABLE ELECTRICITY	18.59%
TECHNICAL ASSESSMENT	Next technical assessment due: October 2024

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2. CARBON NEUTRAL INFORMATION

Description of certification

This certification covers the Australian business operations of Pathzero, ABN 25 640 001 0417. The inventory has been prepared for the financial year from 1 July 2021 to 30 June 2022.

The emissions boundary has been defined based on the operational control approach. The boundary comprises the operations of Pathzero Pty Ltd. All emissions under Pathzero's operational control have been included in the emissions inventory.

The greenhouse gases included in the inventory include all those that are reported under the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆). All emissions are reported in tonnes of carbon dioxide equivalent (t CO₂e) and uses relative global warming potentials (GWPs).

“As Pathzero supports organisations on their journey to carbon neutral and beyond, we want to ensure our customers are also using a carbon neutral product.”

Organisation description

Pathzero Pty Ltd trades under the ABN 25 640 001 047 (Pathzero) and has no child companies. Pathzero is a global, technology-enabled environmental consultancy established in 2020 and based in Sydney, Australia. Pathzero's unique blend of proprietary software and expert consultancy provides an end-to-end process for organisations to measure, manage, reduce and report their corporate and financed carbon emissions.

Pathzero is registered under the following address: Level 8, 11 York Street, Sydney NSW 2000.

During the FY2021-22 reporting period, Pathzero hired co-working spaces at the following address: Level 11, 10 Carrington Street, Sydney NSW 2000

It is to be noted that Pathzero shares emissions between this organisation certification and product certification. All product quantified emissions are captured in the organisation (parent) boundary along with offsets purchased. Please refer to Pathzero Product Certification FY21-22 for more information on the Pathzero's carbon neutral product and emissions.

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 or precinct'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		Outside emission boundary
<p><u>Quantified</u></p> <ul style="list-style-type: none"> Accommodation Air travel Base buildings Electricity Food & catering Freight ICT service & equipment Office equipment & supplies Transport (Land and Sea) Professional Services Printing & stationary Products Staff commuting Waste Working from home 	<p><u>Non-quantified</u></p> <p>N/A</p>	<p><u>Excluded</u></p> <p>Telephone & internet</p>

Data management plan for non-quantified sources

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

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Pathzero has developed an emission reduction strategy targeting the top emission sources from its base year inventory. Pathzero is committed to reducing emissions as much as possible within its entire value chain. Key reduction areas and opportunities have been identified as follows:

1. Working from Home

As our team expands, Pathzero will continue to encourage flexible work arrangements for all employees. We value balance but also understand that working from home can have a high emissions impact. As such, we will develop an employee Working from Home Guide, to share internally with staff on ways to work efficiently, effectively, and sustainably.

To reduce working from home emissions, Pathzero is encouraging staff to reduce heating and cooling usage by closing windows, closing doors, and wearing warmer layers. Furthermore, staff are encouraged to rely on natural sunlight (instead of using lights) during the day and to ensure that lights are turned off when leaving working spaces.

Pathzero is also encouraging staff to reduce equipment usage by using the sleeping mode on your computer, turning-off the computer when not in use, turning-off IT equipment when not in use, and turning-off computer monitors when not in use. Pathzero will then review this annually at the end of each financial year for the next 5 years to determine the effectiveness of this strategy. Pathzero has set an emissions reduction target to reduce working from home emissions by 10% from its base year emissions inventory by 2025.

2. ICT Services and Equipment

When purchasing IT equipment for new employees that are onboarded, Pathzero will ensure that the embodied emissions for all chosen technologies are investigated. Technology providers that disclose this information will be given preference. Where possible, Pathzero will choose the most sustainable option. Pathzero has set an emissions reduction target to reduce ICT services and equipment emissions by 10% from its base year emissions inventory by 2025.

3. Professional Services

Pathzero is committed to reducing emissions across our entire value chain. A key area for reduction is within the professional service firms we currently partner with. Moving forward, Pathzero will implement a policy to preference the use of professional service firms who have also made sustainability and carbon neutral commitments.

Alongside this, Pathzero currently supports organisation's on their sustainability journey. We place strong emphasis on all our clients working towards carbon neutrality and eventually net zero reduction goals. As part of our emission reduction strategy, we will continue to push the boundaries of organisation's who are on this journey with us, by supporting them to further reduce their impact and decarbonise going forward. Pathzero has set an emissions reduction target to reduce professional

services emissions by 20% from its base year emissions inventory by 2025.

Emissions reduction actions

During the past 12 months Pathzero undertook the following actions designed to reduce our emissions:

- Pathzero has implemented a policy to preference the use of professional service firms who have also made sustainability and carbon neutral commitments.
- Pathzero reminds staff on a regular basis to turn-off computers, monitors, and other IT equipment when not working. Furthermore, staff are encouraged to wear warmer layers (instead of running the heating), rely on natural sunlight (instead of using lights) during the day, and ensure that lights are turned off when leaving working spaces.
- When travelling for business purposes, Pathzero encourages staff to select the least emission intensive mode of travel. For example, taking the train and driving are prioritized over flying.
- Pathzero encourages staff to conduct meetings via teleconference rather than in person.
- Due to the rapid growth of the business resulting in the increase in purchase of IT equipment for new employees, Pathzero ensure that the embodied emissions for all chosen technologies are investigated and technology providers that disclose this information are given preference.

5. EMISSIONS SUMMARY

Emissions over time

Pathzero's results show an increase in emissions from the FY2020-21 baseline year which is attributable to rapid organic growth of the company, resulting in an increase in the number of employees (6 FTE to 22 FTE during the FY2021-22 reporting period) and in the engagement of professional services. Furthermore, the reduction of covid restrictions which have increased business travel. During the FY2020-21 reporting period, Pathzero did not occupy an office space and staff were working from home full-time since the establishment of the company. During the FY2021-22 reporting period, Pathzero began leasing an office space, resulting in an increase in electricity, staff commuting and office-based emissions.

The emission intensity of Pathzero has decreased from 10.69 tCO₂e/FTE in FY2020-21 to 10.16 tCO₂e/FTE in FY2021-22.

Pathzero's emissions over time from FY2020-21 to FY2021-22 are summarized in Table 1. Please note that the figures are reported as net total CO₂-e to be in line with the Climate Active inventory, which was applied in the current reporting year. The nature of emission changes for existing emission sources is described on Table 2.

Table 1

Emissions since base year		Total tCO ₂ -e	Emission Intensity (tCO ₂ e/FTE)
Base year/ Year 1:	2020-21	64.16	10.69 tCO ₂ e/FTE
Year 2:	2021-22	223.51	10.16 tCO ₂ e/FTE

Significant changes in emissions

The below table outlines the key movements between FY20-21 and FY21-22. Emission sources in the product boundary have increased due to organic business growth and Pathzero occupying office space during the FY2021-22 reporting period.

Table 2

Emission source name	Current year (tCO ₂ -e)	Previous year (tCO ₂ -e)	Detailed reason for change
ICT Services & equipment	36.63	3.57	Increase in expenditure associated with business growth and product growth.
Professional Services	133.36	50.57	Increase in expenditure associated with business growth and product growth requiring the engagement of more professional services.

Electricity	4.26	N/A	Due to organic business and product growth, Pathzero began leasing an office during this reporting period, whereas in the prior reporting period, all employees were working from home full-time.
Business Travel (accommodation, air travel & taxi)	4.37	N/A	Due to the lift of covid restrictions, business travel increased.
Base Buildings	4.7	N/A	Due to organic business and product growth, Pathzero began leasing an office during this reporting period, whereas in the prior reporting period, all employees were working from home full-time.
Office furniture	0.31	N/A	Due to organic business and product growth, Pathzero began leasing an office during this reporting period, whereas in the prior reporting period, all employees were working from home full-time.
Staff commuting	10.79	N/A	Due to organic business and product growth, Pathzero began leasing an office during this reporting period, whereas in the prior reporting period, all employees were working from home full-time.
Waste	10.97	2.9	Due to organic business and product growth, Pathzero began leasing an office during this reporting period, whereas in the prior reporting period, all employees were working from home full-time.

Use of Climate Active carbon neutral products and services

Pathzero does not use any Climate Active carbon neutral products or services.

Organisation emissions summary

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

Emission category	Sum of Scope 2 (tCO ₂ -e)	Sum of Scope 3 (tCO ₂ -e)	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	0	1.16	1.16
Air transport (km)	0	3.12	3.12
Base building	0	4.7	4.7
Electricity	4.26	0	4.26
Food	0	4.85	4.85
ICT services and equipment	0	36.63	36.63
Land and sea transport (km)	0	0.10	0.10
Office equipment & supplies	0	0.32	0.32
Postage, courier and freight	0	0.65	0.65
Products	0	1.81	1.81
Professional services	0	133.36	133.36
Staff commuting	0	10.79	10.79
Waste	0	10.97	10.97
Working from home	0	10.82	10.82
Total*	4.26	219.26	223.52

*Figures may vary slightly due to rounding

Uplift factors

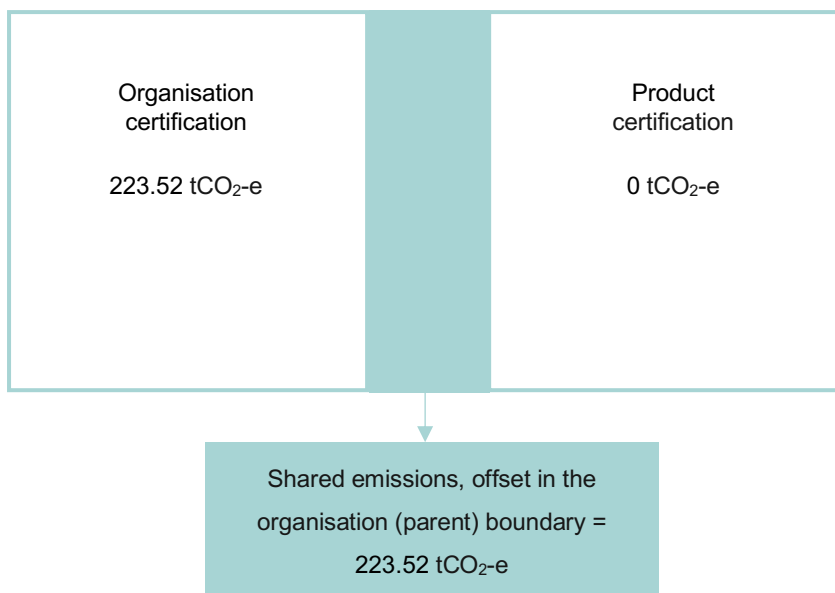
An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

Reason for uplift factor	tCO ₂ -e
N/A	
Total footprint to offset <i>(total net emissions from summary table + total uplifts)</i>	223.52

Shared emissions between certifications by the same responsible entity

Pathzero shares emissions between the organisation certification and product certification. All product quantified emissions are captured in the organisation (parent) boundary.

	Emissions (tCO ₂ -e)
Total offset liability	223.52 tCO₂-e
Offset by organisation	223.52 tCO₂-e
Offset by product	0 tCO₂-e



6. CARBON OFFSETS

Offsets retirement approach

In arrears		
1.	Total number of eligible offsets banked from last year's report	0
2.	Total emissions footprint to offset for this report	224
3.	Total eligible offsets required for this report	224
4.	Total eligible offsets purchased and retired for this report	224
5.	Total eligible offsets banked to use toward next year's report	0

Co-benefits

Big Creek Regeneration Project establishes permanent native forests through assisted regeneration from in-situ seed sources (including rootstock and lignotubers) on land that was cleared of vegetation and where regrowth was suppressed for at least 10 years prior to the project having commenced.

Eligible offsets retirement summary

Offsets cancelled 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 (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 (%)
Big Creek Regeneration Project	ACCUs	ANREU	26/10/2022	8,335,038,781-8,335,038,832 8,335,038.898 – 8.355.039,069	2021-22	N/A	224	0	0	224	100%
Total offsets retired this report and used in this report										224	
Total offsets retired this report and banked for future reports									224		

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Australian Carbon Credit Units (ACCUs)	224	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

1. Large-scale Generation certificates (LGCs)*	0
2. Other RECs	0

* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

APPENDIX A: ADDITIONAL INFORMATION

Evidence of offset purchase.

Transaction ID	AU24493												
Current Status	Completed (4)												
Status Date	26/10/2022 19:54:38 (AEDT) 26/10/2022 08:54:38 (GMT)												
Transaction Type	Cancellation (4)												
Transaction Initiator	Stuart, Benjamin Mathew Clarke												
Transaction Approver	Rockliff, Nathan Stephen												
Comment	ACCUs retired on behalf of Pathzero Pty Limited for 30 June 2022 Climate Active certification												
Transferring Account						Acquiring Account							
Account Number	AU-2321					Account Number	AU-1068						
Account Name	Carbon Financial Services Pty. Ltd.					Account Name	Australia Voluntary Cancellation Account						
Account Holder	Carbon Financial Services Pty. Ltd.					Account Holder	Commonwealth of Australia						
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			ERF138565					2021-22		8,335,038,781 - 8,335,038,832	52
AU	KACCU	Voluntary ACCU Cancellation			ERF138565					2021-22		8,335,038,898 - 8,335,039,069	172
Transaction Status History													
Status Date	Status Code												
26/10/2022 19:54:38 (AEDT)	Completed (4)												
26/10/2022 08:54:38 (GMT)													
26/10/2022 19:54:38 (AEDT)	Proposed (1)												
26/10/2022 08:54:38 (GMT)													
26/10/2022 19:54:38 (AEDT)	Account Holder Approved (97)												
26/10/2022 08:54:38 (GMT)													
26/10/2022 19:09:00 (AEDT)	Awaiting Account Holder Approval (95)												
26/10/2022 08:09:00 (GMT)													

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based approach.

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.

Market Based Approach Summary

Market Based Approach	Activity Data (kWh)	Emissions (kgCO 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 & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	978	0	19%
Residual Electricity	4,282	4,261	0%
Total grid electricity	5,260	4,261	19%
Total Electricity Consumed (grid + non grid)	5,260	4,261	19%
Electricity renewables	978	0	
Residual Electricity	4,282	4,261	
Exported on-site generated electricity	0	0	
Emissions (kgCO ₂ e)		4,261	
Total renewables (grid and non-grid)	18.59%		
Mandatory	18.59%		
Voluntary	0.00%		
Behind the meter	0.00%		
Residual Electricity Emission Footprint (TCO₂e)	4		

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

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO ₂ e)	Scope 3 Emissions (kgCO ₂ e)
ACT	0	0	0
NSW	5,260	4,103	368
SA	0	0	0
Vic	0	0	0
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Grid electricity (scope 2 and 3)	5,260	4,103	368
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
Vic	0	0	0
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Non-grid electricity (Behind the meter)	0	0	0
Total Electricity Consumed	5,260	4,103	368

Emission Footprint (TCO₂e)	4
<i>Scope 2 Emissions (TCO₂e)</i>	4
<i>Scope 3 Emissions (TCO₂e)</i>	0

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO ₂ e)
<i>Enter product name/s here</i>	0	0

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as relevant, 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.

There were no non-quantified emission sources for the reporting period.

Relevant-non-quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
N/A	N/A	N/A	N/A	N/A

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct'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.

Telephone and internet emission source was excluded for this reporting period as it has been assessed as not relevant according to the relevance test.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Telephone & Internet	No	No	No	No	No	No



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