



Sustainability, Energy & Carbon Management



PEXA Group Limited

## Scope 1 & 2 Net Zero Target Summary

In conducting our advisory services, Pangolin Associates ("PA") complies with what it believes is currently the best practice standards - The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and Corporate Value Chain (Scope 3) Standard, Australian/New Zealand Standard Energy Audits AS/NZS 3598, ISO 14064-1:2018, ISO 14064-3:2019, ASAE 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with relevant Guidelines provided by the Australian Commonwealth Government. Our services draw on information provided by the client and other sources. PA has relied on this information in making the following assessment. PA provides the services within the context of an evolving regulatory regime. While PA will use best reasonable endeavours to correctly interpret the content and meaning of relevant requirements, PA cannot warrant or guarantee

that the services will always be compliant with the Guidelines. The Guidelines may over time be replaced with upgraded criteria and procedures, or varied by Government regulation, and this may affect the efficacy and utility of the service in the future. PA utilises what it considers to be the best practice methods and information available ("Methodology") to produce this report. It is necessary that the Methodology is updated over time to ensure that it remains current. PA expressly reserve the right to vary the use of the Methodology in the future and will not be liable for any different results or outcomes from the use of a different Methodology. This document and the information within it are solely for the use of the authorised recipient and this document may not be used, copied or reproduced in whole or part for any purpose other than for which it was supplied by PA. PA makes no representation, undertakes no duty and accepts no responsibility to any

## Purpose of this summary

This summary includes a summary of

- PEXA Group Limited and its subsidiary companies (PEXA) global emissions accounting for the financial year 2024 for Scope 1 & 2 emissions sources.
- the reductions PEXA has in place to align with the Paris Agreement's goal of limiting global temperature rise to 1.5°C for Scope 1 & 2 emissions sources.
- Includes the Large-scale Generation Certificates (LGCs) purchased and retired by PEXA for the FY2024 reporting year and voluntary retirement of units in the Australian National Registry of Emissions Units for the FY24 year.

## Scope of the Assessment

Scope	Findings	Errors or Exceptions Identified
1. A review of all relevant emissions sources categorised under Scope 1 and Scope 2 for PEXA, as defined by the GHG Protocol.	Pass	Not Applicable
2. Overview of data accuracy and assumptions used to calculate emissions <sup>1</sup> .	Pass	Not Applicable
3. Evaluation of the applicability of emission factors based on current knowledge and best practices.	Pass	Not Applicable
4. Understand emissions reductions initiatives for Scope 1 and Scope 2 sources.	Pass	Not Applicable

Pangolin Associates prepared PEXA's FY2024 GHG assessment in accordance with ISO 14064-1:2018 Greenhouse gases - Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas<sup>2</sup> emissions and removals. PEXA sought Limited Assurance through an independent provider for its FY24 greenhouse gas inventory. Pangolin Associates accepts no liability or responsibility in case of any discrepancies; our role is strictly limited to reviewing the relevant information for the purpose of this summary.

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<sup>1</sup> To understand detailed methodology, contact Pangolin Associates

<sup>2</sup> ISO 14064-1:2018, <https://www.iso.org/obp/ui/en/#iso:std:iso:14064:-1:ed-2:v1:en>

## What is Net Zero?

Net Zero refers to the balance achieved when the amount of greenhouse gases (GHGs) emitted into the atmosphere is equal to the amount removed or offset. This concept is critical in addressing climate change, as it emphasizes reducing emissions to the lowest possible level and neutralizing any remaining emissions through credible offset mechanisms. Achieving Net Zero means significantly transforming how businesses operate, encompassing energy consumption, supply chain practices, and resource management.

The term "Net Zero" has become a benchmark for sustainability efforts globally, driven by the urgent need to limit global warming to 1.5°C above pre-industrial levels. This target, established under the Paris Agreement, requires collective action across industries to significantly cut emissions and prevent irreversible climate impacts. Organizations aiming for Net Zero often adopt strategies to reduce Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from the generation of purchased electricity), and Scope 3 (all other indirect emissions across the value chain).

Net zero is more than a corporate goal; it's a commitment to a sustainable future. Companies like PEXA are stepping up to this challenge by aligning their operations with science-based targets and adhering to internationally recognized frameworks, such as the ISO Net Zero guidelines. Through robust planning and innovative approaches, achieving Net Zero becomes a tangible goal that delivers environmental, economic, and societal benefits.

## Paris Agreement Alignment

The Paris Agreement aims to:

- Reduce global GHG emissions by 45% by 2030.
- Achieve Net Zero emissions by 2050.

*Source: United Nations (<https://www.un.org/en/climatechange/net-zero-coalition>)*

PEXA aims to align with the goals mentioned above across their value chain, initially focusing on attaining Net Zero for its Scope 1 & 2 emissions.

## PEXA Emissions

### Scope 1 & 2 Emissions Summary

Source	Scope 1 (tCO <sub>2</sub> -e)	Scope 2 (tCO <sub>2</sub> -e)	Contribution to Gross Scope 1 & 2 Emissions
Electricity	0.0	215.8	99.995%
Synthetic Greenhouse Gases	0.01	0.0	0.005%
<b>Total</b>	<b>0.01</b>	<b>215.8</b>	<b>100.00%</b>

### Emissions reduction measures taken by PEXA

- 100% of Scope 2 emissions have been mitigated through the purchase of Large-scale Generation Certificates (LGCs) and GreenPower (refer to Appendix 1 for details).
- Emissions from synthetic GHGs form less than 0.1% of Scope 1 & 2 emissions together but PEXA is investigating into alternative refrigerants to achieve Net Zero emissions by 2050. These scope 1 emissions have been neutralised for FY2024 via the voluntary retirement of units in the Australian National Registry of Emissions Units (refer to Appendix 1 for details).
- PEXA has prioritised leasing in sustainable workspaces by locating its head office in Collins Square, Melbourne, a precinct with 5-star NABERS and Green Star ratings. The office features motion sensor lighting, 'follow-me' printing to reduce energy and paper waste, and collaboration spaces to enhance connectivity while supporting a greener workplace.

*Based on our findings, PEXA has achieved a reduction of more than 90% in combined Scope 1 and 2 emissions for FY24 compared to the FY22 baseline. As long as the PEXA continues to procure and retire LGCs/GreenPower, their Scope 1 and 2 emissions will remain aligned with the ISO Net Zero guidelines (IWA 42:2022).<sup>3</sup>*

### Publicly disclosing Net Zero Targets

Pangolin Associates have compared PEXA's emissions reduction opportunities against the ISO Net Zero guidelines<sup>3</sup>. It is important to note as these are only guidelines, they do not constitute a formal verification of PEXA's targets.

<sup>3</sup> ISO Net Zero Guidelines, <https://www.iso.org/obp/ui/en/#iso:std:iso:iwa:42:ed-1:v1:en>

Currently, the SBTi framework is the only globally recognised standard that externally validates Net Zero targets for any organisation for their public disclosure. Pangolin recommends that PEXA seek validation of its Scope 1 & 2 targets through SBTi as this carries significant public credibility both in Australia and globally. Additionally, Pangolin recommends PEXA setting and validating their Scope 3 targets once they have assessed decarbonisation opportunities.

Pangolin Associates accept no liability or responsibility for reliance upon this statement by any other party for any purpose other than that for which it was prepared.

## Appendix 1

Certification details for purchased LGCs and GreenPower agreements.



**Australian Government**  
Clean Energy Regulator



31 March 2025

VC202425-00717

To whom it may concern,

### Voluntary cancellation of units in ANREU

This letter is confirmation of the voluntary cancellation of units in the Australian National Registry of Emissions Units (ANREU) by ANREU account holder, VIRIDIOS CAPITAL PTY LTD (account number AU-3048).

The details of the cancellation are as follows:

<b>Date of transaction</b>		26 March 2025
<b>Transaction ID</b>		AU40367
<b>Type of units</b>		KACCU
<b>Total Number of units</b>		10
<b>Block 1</b>	<b>Serial number range</b>	8,351,408,750 - 8,351,408,759
	<b>ERF Project</b>	Lenroy Regeneration Project - EOP100996
	<b>Vintage</b>	2022-23
<b>Transaction comment</b>		Retired for and on behalf of PEXA Group Limited to offset group level scope 1 emissions from its FY24 reporting year 1 July 2023-30 June 2024

Details of all voluntary cancellations in the ANREU are published on the Clean Energy Regulator's website, [Voluntary cancellations register | Clean Energy Regulator \(cer.gov.au\)](#).

If you require additional information about the above transaction, please email [CER-RegistryContact@cer.gov.au](mailto:CER-RegistryContact@cer.gov.au)

Yours sincerely

David O'Toole  
ANREU and International  
NGER and Safeguard Branch  
Scheme Operations Division



# Evidence of Voluntary Surrender.

The following details are provided to evidence the Altruistic Surrender of Large-Scale Generation Certificates with the REC Registry.

## Surrender Details.

Surrender ID	10537
Registered Person ID	18818
Accreditation Code	SRPVQLO2
Generation State	QLD
Asset Commissioning Year	01/09/2019
Creation Year	2024
Generation Year	2024
Fuel Source	Solar
Created by	Ecovantage Pty Ltd
Current Owner	Ecovantage Pty Ltd
Current Status	Approved
Volume (units)	255
Auditor Note	
Surrender Note	Voluntary Surrender of LGCs on behalf of Property Exchange Australia Limited, as aligned to the company's global scope 2 electricity use from the 1 July 2023- 30 June 2024.
Link to Public Register	<a href="https://www.rec-registry.gov.au/rec-registry/app/public/lgc-register">https://www.rec-registry.gov.au/rec-registry/app/public/lgc-register</a>

## Ecovantage Officer Approval.

Name	Benjamin Lumley
Position	Victorian Programs & Account Manager
Date	24/02/2025
Signature	