

Strategic Partnership with Pangolin Associates: Turning ASRS Compliance into Competitive Advantage

Canonical: <https://northmoregordon.com/articles/strategic-partnership-with-pangolin-associates-turning-asrs-compliance-into-competitive-advantage/>

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Strategic Partnership with Pangolin Associates: Turning ASRS Compliance into Competitive Advantage

Published: August 15, 2025.

ASRS compliance requires comprehensive emissions measurement and climate risk assessment, which creates an opportunity to identify and fund energy improvements simultaneously. Northmore Gordon and Pangolin Associates align these obligations so that compliance work reveals cost-reduction and decarbonisation projects. Energy audits, measurement and verification, and transition planning feed directly into ASRS reporting requirements, transforming compliance from a cost centre into a mechanism for discovering grant and certificate funding. This integration helps large energy users recover capital investment while meeting regulatory deadlines.

Publication context: This article reflects its publication date. Market prices, program rules, reporting duties and deadlines may have changed. Confirm current official guidance before making a decision.

From January 2025, the new Australian Sustainability Reporting Standards (ASRS) requires large energy users to disclose detailed climate-related information. For many organisations, this represents more than a compliance challenge - it's a strategic opportunity.

That's why Northmore Gordon has partnered with Pangolin Associates to deliver an end-to-end ASRS compliance solution that goes beyond meeting the standard. Together, we help you do more with less - less regulatory risk, less wasted energy, and less missed opportunity.

Why ASRS is more than a reporting requirement

For Group 1 entities - Australia's largest companies and energy users - the first ASRS reports are due in 2026, based on the 2025 reporting year. These reports must go far beyond carbon accounting, requiring:

- Comprehensive emissions measurement (Scope 1, 2 and relevant Scope 3)
- Climate risk assessment and scenario analysis
- Transition planning with clear targets and timelines
- Financial disclosures linked to climate impacts

For organisations without a strategic plan, the process can be resource-intensive and fraught with risk. But done right, ASRS preparation can unlock operational efficiencies, identify funding pathways, and improve investor confidence.

The Northmore Gordon + Pangolin Advantage

Our partnership combines:

- Northmore Gordon's strengths in energy optimisation, engineering-level feasibility, and grant & certificate funding (VEEC , LGC , ACCU , and more)
- Pangolin Associates' expertise in climate risk assessment, net zero planning, and sustainability reporting frameworks

By integrating these capabilities, we offer a single, streamlined service from data gathering through to board-ready ASRS disclosure.

How we help large energy users do more with less

- Less risk - Strategic regulatory mastery ensures ASRS reports meet evolving standards and avoid compliance penalties
- Less cost - Energy and certificate optimisation reduce operating expenses and unlock additional revenue streams
- Less complexity - One coordinated team handling both energy performance and climate disclosure requirements
- Less wasted opportunity - Aligning compliance with your broader net zero and ROI goals

Our end-to-end ASRS service includes:

- Baseline emissions measurement across Scope 1, 2 and relevant Scope 3 categories
- Climate risk assessment aligned with TCFD and ASRS requirements
- Scenario modelling for physical and transition climate risks
- Transition planning and identification of decarbonisation projects
- Certificate and funding strategies to offset capital costs
- Final reporting for inclusion in annual sustainability and financial reports

Why act now

Early preparation means more time to integrate compliance with business strategy. Waiting until the last minute risks missed funding windows, higher costs, and rushed reporting.

As Hamish McGovern, Managing Director at Northmore Gordon, explains:

"This partnership ensures clients not only meet ASRS requirements but also uncover valuable opportunities to reduce costs, cut emissions, and secure funding for their energy transition."

Iain Smale, Managing Director at Pangolin Associates, adds:

"Together, we provide the climate risk assessment and energy solutions needed for compliance and long-term sustainability."

First ASRS reports for Group 1 entities are due in 2026. Let's make sure yours is more than just compliant - it's strategic.

Contact our ASRS Compliance Team to discuss your compliance strategy or submit your interest here :
Hamish McGovern Northmore Gordon Iain Smale Pangolin Associates

Reporting and compliance context

Confirm the reporting entity and period, current thresholds, regulator guidance, evidence boundary and assurance obligations before applying the dated discussion to a live report.

Related guidance

Carbon advisory

Scope 1, 2 and 3 emissions

Contact us

Read the original article for the source publication and its full context.

What is the strategic value of combining energy optimisation with ASRS compliance?

ASRS compliance requires comprehensive emissions measurement and climate risk assessment, which creates an opportunity to identify and fund energy improvements simultaneously. Northmore Gordon and Pangolin Associates align these obligations so that compliance work reveals cost-reduction and decarbonisation projects. Energy audits, measurement and verification, and transition planning feed directly into ASRS reporting requirements, transforming compliance from a cost centre into a mechanism for discovering grant and certificate funding. This integration helps large energy users recover capital investment while meeting regulatory deadlines.

Why do large energy users need a coordinated team for ASRS compliance and energy transition?

ASRS reporting requires detailed emissions inventory, climate risk modelling, scenario analysis, and financial disclosure - disciplines that traditionally sit with finance and sustainability teams. Energy transition requires engineering assessment, feasibility analysis, and funding strategy - work that sits with operations. These workstreams must align to avoid conflicting assumptions, duplicate effort, and missed opportunities. Our energy and engineering expertise combined with Pangolin's climate risk and reporting capability ensures baseline emissions are credible, transition pathways are technically feasible, and financial implications are accurately disclosed. A single coordinated brief reduces confusion and preserves evidence across functions.

What does 'less cost' mean in the context of this partnership's ASRS solution?

Operating costs for large energy users are reduced through two mechanisms identified within ASRS compliance work. First, energy optimisation discovers efficiency and renewable projects that lower ongoing utility spend. Second, eligibility assessment for Victorian Energy Upgrades, LGCs, ACCUs and other schemes converts capital expenditure into grant and certificate revenue. Our capability spans grant assessment, environmental certificate eligibility and procurement strategy; Pangolin provides the regulatory and reporting context that ensures proposed improvements align with disclosed transition plans. This combination unlocks funding that would otherwise be missed if energy and compliance work proceeded separately.

How does the partnership handle Scope 3 emissions in ASRS reporting?

ASRS requires disclosure of relevant Scope 3 (value-chain and fleet) emissions where material. Northmore Gordon provides Scope 3 advisory and inventory services, and moreData's platform roadmap includes planned governance extensions for value-chain and fleet emissions tracking. Pangolin Associates' climate risk expertise ensures Scope 3 assessment aligns with financial materiality tests and disclosure frameworks. The partnership assesses which Scope 3 categories apply to the business, identifies data gaps, and determines whether direct measurement or supplier engagement is the appropriate pathway. This avoids over-scoping immaterial categories while ensuring credible disclosure of material emissions.

What happens to energy audit findings and opportunity registers in the ASRS compliance process?

Energy audits and opportunity registers - core outputs from our assessment stage - become foundational inputs to ASRS transition planning. Audits identify feasible, costed interventions with baseline and savings data; opportunity registers document assumptions, dependencies and evidence quality. Within the ASRS service, these findings are validated against transition pathways disclosed in sustainability reports and linked to emissions reduction targets. Climate risk scenarios from Pangolin's assessment inform whether certain opportunities should be prioritised for near-term implementation. This creates a traceable connection between audit evidence, compliance disclosures and capital allocation decisions, reducing the risk of unsupported claims.

What are the practical first steps for a Group 1 entity engaging with this partnership?

Group 1 entities have until 2026 to deliver their first ASRS report on 2025 performance. The partnership recommends starting with an applicability and readiness assessment: identify the reporting entity, consolidation boundary, reporting year, existing emissions inventory, data owners and key investment decisions. Prepare energy bills, interval data, operating records, existing studies and any prior compliance or strategic planning work. We can then scope an integrated brief covering baseline emissions measurement, energy optimisation opportunities and funding pathways; Pangolin coordinates climate risk assessment and reporting framework mapping. This early step preserves the data collection window and prevents last-minute compliance gaps.

How does this partnership address the risk of stranded assets or misaligned capital investment?

ASRS requires disclosure of climate risk exposure and transition planning assumptions. If a company invests in assets inconsistent with its disclosed net-zero pathway or fails to adapt to physical climate risks, stakeholders and regulators can identify the misalignment. Pangolin's climate risk assessment - aligned with TCFD and ASRS frameworks - models physical risks (flooding, heat, water stress) and transition risks (carbon pricing, regulatory tightening, market shifts). Our feasibility and investment-case work ensures proposed solutions are technically sound and economically viable under disclosed scenarios. Together, they help companies ensure capital allocation matches disclosed strategy, reducing reputational and financial risk.

What makes this partnership's ASRS solution different from standalone compliance advisory?

Standalone compliance advisory typically delivers a report that meets regulatory disclosure requirements but may not reflect actual operational capacity or capital priorities. This partnership's end-to-end service links compliance obligations to engineering reality and funding opportunity. Our energy audits, measurement and verification, and funding assessment ground the transition plan in feasible, costed projects. Pangolin's scenario modelling and risk assessment ensure disclosed pathways are consistent with underlying climate science and business exposure. The result is an ASRS report that serves dual purpose: regulatory compliance and operational roadmap for capital allocation, reducing the common gap between reported strategy and actual investment.

How should a large energy user prepare its data and evidence for this ASRS engagement?

Start by assembling complete energy bills, interval meter data and tariffs covering at least three years; production, operating and maintenance records; existing studies, audits or emissions inventories; and corporate structure documentation showing ownership and operational control. Document data owners and gaps visibly rather than delaying the brief until every record is perfect. Our suggested project brief template guides this preparation. Prepare a confidential data-readiness assessment identifying what exists, what is missing and who owns each piece. This approach allows the partnership to scope appropriately within the compliance timeline and clarify whether gaps require measurement investment, estimation methodology or supplier data collection.

What happens after the first ASRS report is submitted - how does the partnership support ongoing compliance?

ASRS is mandatory annually, not a one-time submission. The partnership supports continuing compliance through measurement and verification of energy projects delivered against disclosed transition plans; updated emissions inventories and climate risk scenarios as conditions change; and reporting of progress against targets. Our energy management and monitoring services track actual performance; its certificate and funding assessment identifies new opportunities as schemes evolve. Pangolin updates climate risk models as new science, policy or business conditions emerge. This staged approach avoids the compliance cliff of a single three-year submission and maintains alignment between strategy, capital investment, reported emissions and auditable evidence.