



Australian Government

**Department of Industry,
Science and Resources**

Commonwealth Climate Disclosure

Annual Report 2025–26



Acknowledgement of Country

Our department recognises the First Peoples of this Nation and their ongoing cultural and spiritual connections to the lands, waters, seas, skies, and communities.

We Acknowledge First Nations Peoples as the Traditional Custodians and Lore Keepers of the oldest living culture and pay respects to their Elders past and present. We extend that respect to all First Nations Peoples.

Artwork credit:

DISR Journey

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Chern'ee Sutton

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Climate risk governance and accountability

The department has integrated climate risk governance and management into its current risk management processes, enabling the accurate reporting of climate risks and opportunities across business processes.

As defined under section 12 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Secretary is the accountable authority responsible for the management, oversight and disclosure of the department's risk. Climate risk and opportunity forms part of the Secretary's risk responsibility which is embedded in the department's Risk Management Framework (RMF). The RMF is aligned with the Commonwealth Risk Management Policy 2023.

The Secretary has assigned responsibility (decision making, target setting and funding) for climate risk and opportunity management oversight to the Executive Board, with support from 2 of its 3 subcommittees, the Chief Risk Officer and the Chief Sustainability Officer:

- **Performance and Risk Committee:** Oversees and provides strategic advice on climate risk and opportunity management in the department and related disclosures.
- **Operations Committee:** Provides strategic advice on Net Zero in Government Operations Strategy actions and targets for the department and related disclosures. Stewards the Emissions Reduction Plan.
- **Chief Sustainability Officer:** Supports the Operations Committee in discharging their climate and emissions responsibilities.

The **Audit and Risk Committee**, through its regular function, provides further assurance on the department's system of climate risk oversight, management and internal controls.

The **Chief Risk Officer** works with the risk management team and subcommittees to advise the Secretary on the risk management framework, risk culture and the skills and competence within the department required to effectively manage climate-related risks and opportunities.

Implementation of climate risk and opportunities is aligned with the Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024–2026 and with the Net Zero in Government Operations Strategy.

The Accountable Authority is informed about climate risks, opportunities, and progress toward Net Zero targets through biannual reporting to the Executive Board.

Climate-related risks and opportunities

Through the climate risk assessment process described in the ‘Risk management’ section, material climate-related risks (Table 1) and opportunities (Table 2) were identified and categorised covering our organisational and policy delivery related risks and opportunities, in accordance with the progressive implementation schedule.

Table 1: Climate-related risks

Material risks	Current effects 2025–26 reporting period	Anticipated effects Short (2030) and medium (2050)	Strategy and decision making Actions planned or undertaken to manage effects
Risk 1: Climate related extreme weather impacting departmental services and staff health and safety. Time horizon: Short and medium Concentration: Department facilities (owned or leased) Australia wide including laboratories housing specialised equipment. Risk type: Physical	Operational model: Limited impacts over the reporting period. Public policy delivery: As above.	Operational model: Increased frequency of extreme weather events is expected to increase impacts in the medium term. This is likely to have impacts on DISR’s operating model and business continuity and impacts to staff health and safety. Public policy delivery: Increased frequency of extreme weather events will likely impact DISR’s enabling and business services functions which creates risk to DISR delivery and whole of government service provision. The risks of disruption to transport and impact to particular locations may mean short term disruption to specialised services such as the work of the National Measurement Institute (NMI) and Questacon.	Actions undertaken: Business continuity plans define what happens during extreme weather events, these are refreshed and tested regularly. The department’s psychosocial safety procedure refers to psychosocial safety impacted by climate change. Extreme weather is also included in domestic and international travel risk assessments. A preventative and maintenance forward plan has been established for departmental property. Planned actions: Continue to review and test business continuity arrangements to reflect changing climate-related physical risks. Work with landlords and providers to incorporate further resilience into properties where needed.
Risk 2: Failure to reduce emissions risk. The department may not make sufficient or timely achievement of planned reductions in operational greenhouse gas emissions which may affect delivery of its Emissions Reduction Plan and progress towards the Australian Public Service Net Zero 2030 Target. Time horizon: Short Concentration: Departmental facilities owned and leased. Fleet. Risk type: Transition	Operational model: Current progress is detailed in the metrics section below. The department’s transition to net zero depends on a range of asset replacements and/or energy alternatives for its large laboratories. Constraints from landlords, energy availability and timing will impact DISR’s ability to transition. Public policy delivery: DISR’s laboratories are high energy users and could be impacted by delayed asset replacement to lower emissions technology and energy.	Operational model: If emissions reductions cannot be achieved, DISR will need to rely on emission abatement measures to reach Net Zero 2030 targets. Public policy delivery: Unique facilities such as DISR’s laboratories could be impacted by delayed asset replacement to lower emissions technology and energy.	Actions undertaken: The department’s Emissions Reduction Plan sets emissions reduction targets, outlines the actions to meet them, and defines the monitoring and reporting progress each year through annual updates. Energy audits of the department’s 3 highest emitting sites have been completed to identified emission reduction opportunities. Proposed actions: DISR is undertaking targeted asset replacement over the next 3 years. Investment pipeline has been mapped over 10 years with emissions.

Material risks	Current effects 2025–26 reporting period	Anticipated effects Short (2030) and medium (2050)	Strategy and decision making Actions planned or undertaken to manage effects
Risk 3: Supply chain availability and cost. Climate-related physical disruption and the transition to a lower-emissions economy may affect the availability and cost of specialised services inputs required for the department’s operations and delivery of its functions. Time horizon: Short and medium Concentration: Australia wide with particular exposure for facilities and functions reliant on specialised inputs. Risk type: Transition and physical	Operational delivery: No material current effect identified in the reporting period. Public policy delivery: As above.	Operational delivery: Climate-related disruption and transition may increase the cost or reduce the availability of equipment, maintenance and other specialised inputs required for departmental operations. This could increase operating complexity and create delays where specialised inputs cannot readily be substituted. Public policy delivery: Where departmental functions depend on specialised inputs, supply disruption or increased costs may affect the department’s ability to maintain those services and deliver associated public functions.	Actions undertaken: Future projects supported by DISR will be encouraged to use circular economy principles in design, in line with the Department of Climate Change, Energy, the Environment and Water’s Australia’s Circular Economy Framework. Policy owners review inputs and costs internally and with industry to optimise policy advice and regulatory requirements. Proposed actions: Investment planning to be revised to be more explicit regarding dependencies for specialised facilities and services and consider climate-related supply disruption as part of relevant procurement, asset management, business continuity and investment planning.
Risk 4: Industrial technology transition risk. The pace and uncertainty of technological change associated with emissions reduction and industrial transformation may affect the department’s ability to develop and deliver effective policy and programs. Time horizon: Short and medium Concentration: Australia wide. Risk type: Transition	Operational model: No material effect in the reporting period. Public policy delivery: Rapid and uncertain technological change can increase the complexity of policy and program design. Differences in technology maturity, commercial readiness and deployment pathways can impact the evidence available to support policy development and the formulation of advice.	Operational model: Not applicable. Public policy delivery: Under a low-emissions scenario, faster technological change and deployment may increase complexity of policy and program delivery in the short term. Emerging technologies may develop at different rates, requiring policy and program settings to respond to changes in technology maturity, commercial viability and industry uptake. As technologies mature and uncertainty reduces, these risks may reduce over the medium term.	Actions undertaken: The Department of Finance’s Gateway review process is used for large future funding approvals, ensuring viability of investments prior to further release of support. The department is working with the government to minimise technology risk for Australia’s industry and resources. The government’s research and development priorities incorporate development of technical solutions for emission reduction. Planned actions: Continue to monitor technological developments, maturity and deployment risks relevant to the department’s policy and program responsibilities. Use this information to inform policy development, program design, implementation and monitoring.

Table 2: Climate-related opportunities

Material opportunities	Current effects 2025–26 reporting period	Anticipated effects Short (2030) and medium (2050)	Strategy and decision making Actions planned or undertaken to manage effects
Opportunity 1: Developing the department’s capability to understand and assess climate-related risks and opportunities can improve its ability to manage its operations and incorporate relevant climate considerations into policy development, program delivery and decision-making. Time horizon: Short and medium Concentration: Australia wide. Opportunity type: Transition	Operational model: No material effect in the current reporting period Public policy delivery: Improved climate capability can strengthen the department’s capacity to identify and assess climate-related risks and opportunities relevant to its responsibilities and consider these in policy development, implementation and monitoring.	Operational model: Stronger capability provides an opportunity to improve the department’s identification, assessment and management of climate-related risks and opportunities. Public policy delivery: Rapid economic, technological and policy transition may increase the value of capability to understand emerging technologies, markets and transition risks and incorporate these considerations into policy and program delivery.	Actions undertaken: The Chief Sustainability Officer’s triannual organisational updates engage staff and executives on climate action initiatives, communicate progress on emissions reduction, and reinforce the importance of embedding sustainability in policy. The department ran a Climate Risk Week in November 2025 to build internal capability in climate risk. Planned actions: Targeted training such as RMIT Greening micro-credentials and APS Academy courses for key personnel, complemented by CSIRO webinars on climate trends and impacts. DISR’s climate capability and communications plan are being updated in 2026.
Opportunity 2: Transition to lower emissions products, technologies and materials. Time horizon: Short and medium Concentration: Australia wide The global transition towards lower-emissions economies may create opportunities for the department to strengthen its policy and program delivery by responding to emerging markets, technologies and areas of potential Australian competitive advantage. Opportunity type: Transition	Operational model: No material effect in the current reporting period. Public policy delivery: Growing demand for lower-emissions products, technologies and materials creates opportunities for the department to incorporate changing technology, investment and market conditions into relevant policy and program delivery	Operational model: Not applicable Public policy delivery: More rapid global transition may increase opportunities in the short and medium term for the department to support government consideration of emerging industries, technologies and areas of potential Australian competitive advantage.	Actions undertaken: The department supports delivery of government policies and programs relevant to the transition, including Future Made in Australia measures relating to batteries, green metals and critical minerals and the Industry Sector Plan.
Opportunity 3: First Nations knowledge Climate adaptation and the transition to a lower-emissions economy may create opportunities for the department to draw on First Nations knowledge and participation in program development and delivery. Time horizon: Short and medium Concentration: Australia wide, with a specific focus to regional areas. Opportunity type: Transition	Operational model: Not applicable. Public policy delivery: Incorporating relevant First Nations knowledge and participation provides an opportunity to inform the development and delivery of climate-related policies and programs within the department’s responsibilities.	Operational model: Not applicable. Public policy delivery: Climate-related physical and transition changes may increase the relevance of First Nations knowledge and participation to areas of the department’s policy and program responsibilities.	Actions undertaken: Continue to maintain elevation of Aboriginal and Torres Strait Islander knowledge systems as part of Australia's national science and research priorities. Incorporation of First Nations input and knowledge in strategy development across DISR’s policy domains.

Climate risks and opportunities scenario analysis

This climate scenario analysis aligns with the *Climate Risk and Opportunity Management Program* (CROMP) guidelines published by the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

It was undertaken using 3 time horizons: current, 2030 (short term) and 2050 (medium term); and 2 climate scenarios: low-emissions, in which global warming is limited to a 1.5°C increase, and high-emissions, in which global warming reaches 3°C. These scenarios were selected to align with the National Climate Risk Assessment.

Climate scenario analysis was undertaken on an Australia wide basis, supplemented by assessments of specific risks at localised levels.

In accordance with the CCD Year 2 Requirements, we have used all reasonable and supportable information available without undue cost or effort to assess our climate-related risks and opportunities.

Processes

DISR has completed its second detailed climate risk assessment in the 2025–26 financial year. The process was aligned to the 6 steps outlined in DCCEEW's CROMP guidelines. The department's Risk Management Framework (RMF) was used as the overall guiding document to determine risk and tolerances.

Risk and opportunity determination

Climate driven operational risks and opportunities have continued to be identified through the divisional risk register 6-monthly review process.

Climate-related risks and opportunities associated with the department's public policy delivery were identified and assessed based on the department's 3 key activities supporting the resources, science and industry sectors. Potential climate-related risks and opportunities and mitigation actions were verified through workshops with policy and subject matter experts.

Climate scenario analysis and materiality assessment was carried out to validate final climate risks, opportunities and actions and endorsed by responsible sub-committees.

To support this analysis climate driver data (both physical and transitional) in the DCCEEW CROMP technical guide, the Bureau of Meteorology's *State of the Climate* report and Australia's *National Climate Risk Assessment* was used. The use of these data sets helped determine likelihoods and magnitudes for the identified risks.

Integration with enterprise risks

The department uses its RMF to guide climate risk and opportunity management.

- Using the same risk matrix and tolerances for its operational climate risks and other enterprise risks, ensures they are managed and controlled in a consistent way.
- Climate opportunities are currently assessed prioritised on a qualitative basis.
- Divisions manage, monitor and update climate related operational risks and opportunities through a 6-monthly divisional risk register process. Identification of policy risks and opportunities is incorporated into this process to support enterprise level risk and climate scenario analysis to be overseen by the Executive Board.
- Actions determined this year will be monitored by the Performance and Risk Committee.

The department's risk management framework and divisional risk register guidance continues to be updated as the process to incorporate climate risk and opportunities into routine processes matures.

Next steps

The department is developing its climate related risk and opportunities management in line with the progressive implementation schedule of the Commonwealth Climate Disclosure requirements.

Climate-related metrics

Cross-industry metrics will not be included in this disclosure.

As part of the [Net Zero in Government Operations Strategy](#), and the reporting requirements under section 516A of the [Environment Protection and Biodiversity Conservation Act 1999](#), all Commonwealth entities and Commonwealth companies are required to report on their operational greenhouse gas emissions.

The 'Greenhouse gas emissions inventory' and 'Electricity greenhouse gas emissions' tables present greenhouse gas emissions over the 2025–26 financial year.

The greenhouse gas emissions reported are calculated on the basis of carbon dioxide equivalent (CO₂-e) and are in line with the [Emissions Reporting Framework](#). This is consistent with a whole-of-Australian Government approach, outlined in the Net Zero in Government Operations Strategy, and [Commonwealth Climate Disclosure](#) requirements.

Not all data sources were available at the time of the report and amendments to data may be required in future reports.

Reporting on refrigerants is being phased in over time as emissions reporting matures.

Table 3: 2025–26 Greenhouse gas emissions inventory – location-based method

Emission source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (Location-based approach)*	n/a	13,251.59	772.72	14,024.31
Natural gas*	176.52	n/a	28.64	205.16
Solid waste†	0.00	n/a	167.36	167.36
Refrigerants‡	114.20	n/a	n/a	114.20
Fleet and other vehicles§	207.97	n/a	71.49	279.46
Domestic commercial flights#§	n/a	n/a	757.29	757.29
Domestic hire car§	n/a	n/a	21.54	21.54
Domestic travel accommodation§	n/a	n/a	238.73	238.73
Other energy	1.81	n/a	0.45	2.26
Total t CO₂-e	500.50	13,251.59	2,058.22	15,810.31

Notes: Scope 1, Scope 2, Scope 3 and Total emissions are presented as tonnes carbon dioxide equivalent (t CO₂-e).

Electricity emissions are calculated using the location-based method.

* Due to the billing cycles not aligning with the end of the financial year, some natural gas and electricity data was not available during the initial collection process in July–August 2025 and some data relating to FY25 may have been captured within FY26 reporting. Adjustments to the data may be required in future reports.

† A portion of waste data was estimated using waste generation benchmarks, using the lower of FTE or work point numbers for office tenancies and NLA (m²) for mixed-use, industrial and logistics sites, with all inputs sourced from the latest published Australian Government Property Register (AGPR).

‡ Refrigerants are being phased and are an optional source in 2025–26 emissions reporting. See [Emissions Reporting Framework](#) for more details.

§ Emissions from flights, fleet, hire cars and accommodation for 2025–26 may be incomplete due to a lack of robust data. The quality of data is expected to improve over time as emissions reporting matures.

Commercial domestic flight emissions reported may contain some flights that were cancelled or not flown.

Table 4: 2025–26 Electricity greenhouse gas emissions

Emission source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	Electricity (kWh)
Location-based electricity emissions	13,251.59	772.72	14,024.30	20,447,896.30
Market-based electricity emissions	4,960.47	673.65	5,634.11	6,124,028.80
Total renewable electricity¹	n/a	n/a	n/a	14,323,867.51
<i>Renewable power percentage²</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>3,535,441.27</i>
<i>Jurisdictional renewable power percentage³</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>2,880,427.24</i>
<i>GreenPower</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>42,999.00</i>
<i>Large-scale generation certificates</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>7,865,000.00</i>

Note: The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. Scope 2, Scope 3 and Total emissions are presented as tonnes carbon dioxide equivalent (t CO₂-e). Electricity data is reported in kilowatt hours (kWh).

- 1 Total renewable energy electricity excludes behind-the-meter solar other than generation used to create large-scale-generation certificates (LGCs).
- 2 The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the renewable energy target (RET).
- 3 Jurisdictional renewable power refers to the jurisdictional renewable power percentage (JRPP). Currently, the Australian Capital Territory is the only jurisdiction with a JRPP.

The department is contributing to the attainment of the government's APS Net Zero by 2030 target and is following the APS Net Zero 2030 target in full, as per the Net Zero in Government Operations Strategy and [APS Net Zero 2030 Target Factsheet](#).

Our progress against APS Net Zero climate-related targets and contributions is publicly available via the department's [Emissions Reduction Plan update](#).