Australian Government
Department of Finance

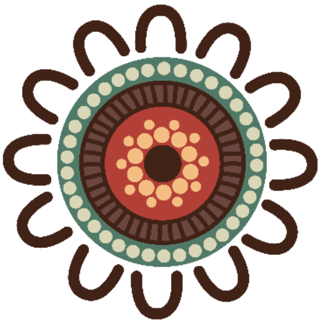
Emissions Reduction Plan

Department of Finance

2025-26

Acknowledgement of Country

The Department of Finance acknowledges the traditional owners and custodians of the lands on which we live and work. We extend that acknowledgement to their continuing connection to country, waters, and community. We pay our respects to all elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.



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Accountable Authority Sign Off

In November 2023, the Australian Government released the Net Zero in Government Operations Strategy, which sets out the overall approach and action required by Commonwealth entities to achieve the APS Net Zero 2030 target.

The Net Zero in Government Operations Strategy represents a strong commitment by the Australian Government to lead by example on emissions reduction and contribute to the decarbonisation of Australia's economy.

The Department of Finance is committed to the achievement of the Government's APS Net Zero 2030 target and reducing emissions from our operations. This Emissions Reduction Plan update for 2025-26 describes the priorities and status of actions the Department will take to reduce our operational emissions and contribute to the APS Net Zero 2030 target.

Richard Windeyer

Acting Secretary, Department of Finance

Emissions Reduction Plan

Purpose

We are responsible for managing and implementing emissions reduction initiatives set by the Australian Government's Net Zero in Government Operations Strategy (the Strategy). The Strategy sets out the Australian Government's approach to achieving net zero greenhouse gas emissions from its operations by 2030 and the reinstatement of public emissions reporting.

The goal of this Emissions Reduction Plan is to provide a pathway for the Department of Finance (Finance) to contribute to the achievement of the APS Net Zero 2030 target through emissions reduction activities. This plan includes existing and new priorities and actions to reduce emissions.

This Emissions Reduction Plan has been completed in accordance with the Strategy, associated guidance and reporting standards for annual emissions reporting.

Finance's Strategy for Emissions Reduction

Our strategy and priorities for the 2025-26 fiscal year represent our dedication to climate disclosure and emissions reduction, aligning with global best practices in sustainability. Our primary goals are to reduce greenhouse gas emissions, enhance energy efficiency, and promote sustainable practices across all operations.

To ensure Finance delivers on its emissions reduction goals and to support the implementation of the Emissions Reduction Plan, we will leverage our existing governance frameworks for risk and performance. This will ensure there is a strong organisational focus on our strategies for mitigating risks and seizing opportunities.

As outlined in this plan, we will upgrade our facilities with energy-efficient systems and invest in renewable energy sources. Regular energy audits will help us identify areas for improvement and minimise energy waste. Sustainable procurement practices will be prioritised, sourcing products and services with lower environmental impacts and promoting the use of recycled materials. We will transition our fleet to low emissions vehicles and implement electric vehicle charging infrastructure, where permitted to address transportation emissions.

We will also look to educate and empower our staff to deliver results at an operational level, through employee engagement and training. This will be key to fostering a culture of sustainability and encouraging active participation in achieving our emission reduction goals.

We will set clear targets, and our robust monitoring and reporting systems will track progress and ensure transparency and accountability.

These efforts reflect our commitment to reducing emissions and advancing climate action, aiming to create a sustainable and resilient future for our department and contribute positively to global environmental goals.

Engagement and involved participants

We have engaged with our Landlords and Property Service Provider (PSP) to identify opportunities to lower building emissions.

The following areas within Finance have also been involved in the development of this plan:

Division	Branch
Property and Construction	Property Management and Projects Climate Action and Property Data
Procurement	Strategic Contracting Strategic Procurement
Corporate	Business Services and Support Chief Financial Officer
Major Projects	Delivery Branch
Ministerial and Parliamentary Services	PBR Framework COMCAR and Programs
Information Communication Technology	Internal Services and Cyber

Net zero greenhouse gas emissions

APS Net Zero 2030 is the target set by the Australian Government to achieve net zero greenhouse gas emissions from government operations by the year 2030. It includes scope 1 and scope 2 emissions from activities in Australia and its territories, as described in the Strategy. The APS Net Zero 2030 target applies at the aggregate level to non-corporate Commonwealth entities and generally covers the entirety of the entity's organisation. From an organisational perspective, this means minimising the greenhouse gas emissions that are within our control.

Governance and reporting

Progress against actions identified within this Emissions Reduction Plan, and any additional measures adopted, will be included in our annual reports. This, combined with annual emissions reporting, will be used as a measure of our progress towards reducing emissions.

Operating context

Whole-of-government role

We assist the Australian Public Service (APS) to address climate impacts in government operations through the implementation of key whole-of-Australian-Government (WoAG) initiatives, including:

- The APS Net Zero by 2030 commitment and target as part of the Strategy.
- Greenhouse gas emissions reporting for Australian Government operations.
- Climate disclosure requirements for Commonwealth entities and companies.
- Environmental sustainability of goods and services through coordinated WoAG Fleet, Travel and Property Services.

Buildings

We operate and manage leased and owned property portfolios in all Australian states and territories. Our property portfolios support a diverse range of departmental and WoAG operations, including our Commonwealth Parliament Offices (CPO) and COMCAR depot network.

The Finance Owned Estate includes office buildings and specific purpose buildings (such as Commonwealth Law Courts (CLC), one police station, Australian Border Force (ABF) Training College, quarantine facilities and the Royal Australian Mint), in addition to large blocks of vacant land or privately tenanted properties. Finance Owned Estate properties are located in most capital cities (excluding Darwin) and in regional or remote locations (including Kakadu, Jervis Bay and Ettamogah).

Vehicles

We have a fleet of approximately 165 COMCAR vehicles for purposes of providing high quality, secure and confidential transport services to the Governor-General, current and former Prime Ministers, Senators and Members of Parliament, the Federal Judiciary, Departmental Secretaries, visiting dignitaries and major events nationwide. We also maintain a small fleet of 11 vehicles for departmental purposes.

Travel

We manage and participate in the WoAG Travel arrangements for flights, hire cars and accommodation for travel within the APS. Where necessary, our staff undertake travel as part of official duties, when other communication tools such as teleconferencing and videoconferencing are not suitable.

Baseline emissions

Baseline emissions are a record of greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. The baseline emissions, as reported in the 2022–23 Annual Report will be used as the reference point against which emissions reduction actions can be measured (see Table 1).

Table 1: Finance location based method 2022–23 emissions

Baseline year	Financial year 2022–23
Scope 1 emissions	1,785.84 tCO_2e
Scope 2 emissions	14,970.24tCO_2e
Total emissions	16,756.08 tCO_2e

For a breakdown of Finance's location based method 2022–23 emissions see Appendix A.

Emissions reduction targets

We are following the APS Net Zero 2030 target in full, as per the Strategy. The target covers the entirety of our entity's operations within Australia and its territories, for scope 1 and scope 2 emissions.

Priorities and actions

To achieve the APS Net Zero 2030 target, the following emissions reduction measures have been or will be implemented:

- procuring renewable electricity;
- improving building standards;
- transitioning fleet vehicles to low emission vehicles; and
- sustainable procurement.

Additional actions pending feasibility studies and approved capital expenditure include:

- Light Emitting Diode (LED) lighting (new fit outs);
- Thermal efficiency upgrades; and
- Solar Photo Voltaic installations.

Detailed Actions

The Strategy's Roadmap lays out the Australian Government's pathway to achieve net zero greenhouse gas emissions from its operations by 2030. The following sections set out our journey on the pathway to achieving net zero.

ENERGY

Electricity usage is the largest source of emissions by non-corporate and corporate Commonwealth entities.

The Strategy sets a renewable electricity target of 80% of electricity procured from renewable sources from the market (where available) by 2028, and 100% by 2030.

To achieve this target, we are leading a key initiative to establish WoAG arrangements for electricity procurement for use by entities. We will also be participating in this arrangement as it commences in relevant jurisdictions.

ACTION:

From 1 July 2025, Finance is participating in the WoAG electricity procurement as per the Strategy and will replace electricity contracts (where available) and permitted under leases and market conditions, with renewable electricity.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Started - ongoing	WoAG Electricity Services procurements will be rolled out on a State/Territory jurisdictional basis. The procurement for electricity services in Western Australia is underway. Subsequent approaches to market are listed in Finance's Annual Procurement Plan (APP) on AusTender as follows: - Tasmania Quarter 1 2025-26 - Northern Territory Quarter 1 2025-26 - South Australia Quarter 1 2025-26 - Australian Capital Territory Quarter 2 2025-26 - New South Wales Quarter 3 2025-26 - Victoria Quarter 3 2025-26 - Queensland - 2026-27 Check AusTender for the latest APP updates.	Procurement Division

BUILDINGS

Finance Owned Estate

Finance owns a small number of properties with over 1,000sqm of office space.

ACTION:

Finance will identify (through audits and feasibility studies) actions and projects to ensure these properties achieve and maintain a 4.5 star or higher energy rating by 2030; and a 5.5 star energy rating by 2035.

We will continue to conduct National Australian Built Environment Rating System (NABERS) assessments on all applicable buildings to maintain their operational efficiency and NABERS star ratings.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Started - uplift for owned buildings due by 2030	Finance has 3 properties that are required to obtain and maintain NABERS rating under the Net Zero in Government Operations strategy. Ongoing feasibility studies are being undertaken to work through a program of works to uplift their rating.	Property and Construction Division

Refurbishments

The Finance Owned Estate has an ongoing rolling program of planned works which includes asset refurbishment and replacement works.

ACTION:

For refurbishment works from 1 July 2026, where a contract is entered for refurbishment of office space over 1,000 square metres leased for over four years, Finance will identify actions and projects to ensure the office space achieves and maintains a 5.5 star or higher tenancy NABERS Energy rating.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Started – ongoing	Where refurbishment programs are in place NABERS ratings are being actively considered.	Property and Construction Division

Feasibility Studies for owned buildings

Sustainability assessment reports have been developed for properties and various parcels of land within the Finance Owned Estate, detailing viable emission reduction initiatives currently available to meet the Strategy building requirements referred to above and help reach Net Zero Emissions by 2030. Feasibility of the initiatives is assessed and implemented through the Finance Owned Estate Capital Expenditure Budget.

ACTION:

> Feasibility assessments for all relevant properties will be conducted by end of 2026; initiatives where feasible will be fully implemented by 2030.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Started – ongoing	Feasibility assessments have been completed for 12 of the 15 properties that contribute to the emissions profile. Implementation of identified initiatives has commenced at 3 properties.	Property and Construction Division

Projects already identified include upgrading lighting to LED ceiling grids as opportunities arise.

ACTION:

> As part of the Finance Owned Estate Capital Expenditure Budget for 2022–23 to 2025-26, out of date lighting systems have and are being replaced with LED systems with motion sensors or timers to turn off lighting in rooms that are not in use. The projects are being delivered by our PSP under the WoAG Property Services arrangements.

Status	Start/End	Progress Summary	*Action Owner*
Underway	Started - ongoing	LED upgrades have been implemented at all CLCs as well as some Commercial properties. LED upgrades continue to be rolled out at other properties as required.	Property and Construction Division

Undertaking upgrades to Heating Ventilation and Air Conditioning (HVAC) and Building Management Systems (BMS) systems for operational efficiency

ACTION:

As part of the Finance Owned Estate Capital Expenditure Budgets from 2021–22, 2023–24 and 2025–26, the replacement of HVAC, chillers and BMS has and will continue as assets reach end of life or when newer technology is considered more feasible. This will require updating systems to utilise advanced technologies such as variable refrigerant flow systems, high efficiency heat pumps or geothermal heat pumps. The projects are being delivered by the Finance Owned Estate PSP.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Started - ongoing	BMS and ventilation upgrades are being implemented at several properties.	Property and Construction Division

De-gasification and Electrification

ACTION:

As base building assets in the Finance Owned Estate reach end of life, they will be replaced by electric base building plant, subject to infrastructure constraints and budget availability. De-gasification and electrification projects will be brought forward where feasible. As the percentage of the Commonwealth's electricity usage that is renewable increases, this will reduce emissions significantly.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Started - ongoing	HVAC works have commenced at one CLC to install air-source heat pumps that will replace gas fired boilers for building heating. Mechanical feasibility studies have been completed for several other properties.	Property and Construction Division

ACTION:

Finance Owned Estate properties will be assessed on a case-by-case basis to identify the most suitable properties for the installation of rooftop solar subject to infrastructure constraints and budget availability. Location, type of roof and heritage restrictions limit feasibility for several properties within the portfolio.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Started - ongoing	Feasibility assessments for rooftop solar have been completed. Rooftop solar has been installed at 3 CLCs.	Property and Construction Division

New Builds

Where Finance has responsibility to deliver new buildings for office space on behalf of the Commonwealth, we will ensure the acquisition, design and construction meet the building requirements consistent with the Strategy.

ACTION:

From 1 July 2026, where a contract is entered by or for the Commonwealth for the purchase or construction of office space with a value greater than $15 million, the office space must have and maintain a 6-star NABERS Energy rating.

Status	*Start/End*	*Progress Summary*	*Action Owner*
No applicable construction planned		The only construction currently underway with a value greater than $15m, is a project that due to the national security requirements will not be pursuing a NABERS.	Finance

ACTION:

From 1 July 2026, where a contract is entered for the purchase or construction by or for the Commonwealth of office space, the office space must be all-electric where available. This includes building heating, cooling and water heating but excludes backup generation.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	This will not be completed until the national security construction project has been completed	This construction will be built to be an all-electric office precinct with no natural gas or LPG.	Finance

Finance Leased Estate

Our primary tenancy in the ACT is currently NABERS rated at 5.5 stars. We have improved utilisation of existing office space through Finance's Our Workplace approach resulting in a reduced footprint in the building. If considering a new lease in excess of 1,000m^2 of office space, a tenancy NABERS rating of 5.5 will be a mandatory requirement, consistent with the Strategy.

ACTION:

Finance will continue to operate under the Our Workplace model across the organisation to improve our accommodation utilisation to achieve a more efficient and effective use of existing office space.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Completed	July 2025	As a result of the Our Workplace project, commencing Quarter 1 2025-26 Finance Leased Estate has sub-leased 2,196m^2 of our primary tenancy improving Occupational Density from 12.2m^2 to 11.0m^2 per work point.	Corporate Division

ACTION:

Any future approach to market to lease office space over 1,000 square metres will require the relevant base building to maintain a 5.5 star or higher NABERS rating.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	December 2025	Finance Leased Estate has undertaken a Type 3 Energy Audit for the Symonston tenancy. Actions to reduce energy consumption have been identified and will be implemented in Quarter 1 and Quarter 2 2025-26. As a minor tenant at Symonston, there is no requirement to maintain a base build rating, only a tenancy rating of 5.5.	Corporate Division

ACTION:

Where any future lease is entered into for office space, Finance will prefer all-electric buildings, particularly if the Commonwealth is directly responsible for base building services costs.

Status	*Start/End*	*Progress Summary*	*Action Owner*
As required	Ongoing	Finance will assess and have preference for all-electric buildings for new leases.	Corporate Division

Data centres

We continue to invest in modern information and communications technology used within our operations to improve energy usage and help meet the APS Net Zero 2030 target.

ACTION:

Finance will reduce the size of dedicated data centre space by continuing to transition to cloud-based services where appropriate, modernise legacy hardware, and consolidate data centre holdings.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Ongoing	Finance has adopted a cloud-first policy, prioritising cloud-based solutions when renewing or replacing systems.	Information Communication Technology

ACTIONS:

Where Finance accesses data centre services it will do so through the Australian Government's new Data Centre Panel; and, from 1 July 2025, new data centre facilities that are sourced outside of the Panel arrangement, whether owned or leased by the Commonwealth, will achieve and maintain a rating of 5 stars or equivalent environmental rating, such as a Power Usage Effectiveness of 1.4 or less.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Completed	Ongoing	Finance utilises the Australian Government Data Centre Panels for all Data Centre needs.	Information Communication Technology

FLEET

Fleet - COMCAR

COMCAR maintains a fleet of approximately 165 vehicles. In line with the Commonwealth Fleet Vehicle Selection Policy, COMCAR began transitioning its internal combustion engine sedans to zero or low-emission vehicles (ZEVs and LEVs) in 2022.

Charging facilities are being progressively installed across all COMCAR sites to support operational needs and reduce reliance on the public charging network. Delivery of the remaining ZEV and LEV sedans will follow the successful deployment of this infrastructure.

Charging infrastructure installation is guided by the Electric Vehicle Charging Plan and was supported by an approach to market to engage the necessary expertise.

The transition of COMCAR's people movers and light commercial vehicles to ZEVs and LEVs will commence once suitable operationally viable models become available.

ACTION:

In accordance with the Commonwealth Fleet Vehicle selection policy, 75% of new fleet orders for passenger vehicles are required to be LEVs, with a preference for ZEVs by 1 July 2025.

COMCAR will continue to explore operationally viable options as they become available in the market for future fleet renewals, specifically for the transition of people movers and light commercial vehicles.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	End of FY2025/26	As of 30 June 2025, the sedan fleet has been successfully transitioned to ZEVs and LEVs in seven locations. The final stage of the transition is scheduled for completion in Quarter 3 2025–26. COMCAR continues to engage with manufacturers in the people mover segment to identify suitable zero and low-emission vehicle options. This is part of COMCAR's preparation for the phased retirement of existing internal combustion engine vehicle leases.	Ministerial and Parliamentary Services

Fleet - Departmental

Finance also has a small fleet of 11 vehicles for departmental use, being a mix of passenger and light commercial vehicles.

ACTION:

Continue to review the remaining fleet of vehicles for departmental use and transition to ZEV where operationally viable, as leases approach expiry.

Finance will comply with Net Zero in Government Operations Fleet target for 75% of new passenger vehicle orders to be LEVs by 2025.

Status	*Start/End*	*Progress Summary*	*Action Owners*
Underway	Ongoing	Finance has reduced the number of departmental vehicles from 14 to 11 in 2024-25. This includes 6 passenger vehicles: 4 of which are Battery Electric Vehicles (BEV); 2 are Hybrid; and 5 are commercial vehicles For 2025-26, 2 Hybrid vehicles will reach their lease expiry and will not be replaced, resulting in the number of vehicles reducing further to 9 in Quarter 3 2025-26. Finance is expecting to maintain 5 commercial vehicles and 4 passenger BEVs.	Corporate Division

ACTION:

Install EV charging infrastructure at sites with office space and fleet allocated parking where cost effective and operationally viable by 1 January 2025.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Ongoing	In 2023, Finance commissioned four chargers at our Symonston tenancy. In conjunction with the Landlord, the viability of installing EV charging infrastructure will be assessed on a case-by-case basis in line with our Finance Leased Estate EV Charging Plan.	Corporate Division

TRAVEL

Finance will reduce emissions associated with official travel by avoiding or reducing official travel. Staff will be encouraged to consider zero or lower emission options, when other communication tools such as teleconferencing and videoconferencing are not suitable.

ACTION:

Finance will remind staff air travel must only be undertaken where it is assessed that this will deliver measurably better outcomes than other communication tools, such as teleconferencing and videoconferencing. We will also update travel policy and guidance to encourage staff to use low-emission sources of public transport where practicable and select appropriate NABERS rated accommodation, where available and meets business requirements. Selection of low and zero emissions vehicles for hire cars will also be encouraged, where available.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Ongoing	Travel policy was updated to encourage staff to travel only when it is assessed to deliver measurably better outcomes than alternative communication tools, such as teleconferencing and videoconferencing. Further updates are planned for 2025-26.	Corporate Division

PROCUREMENT

Consistent with the Australian Government's Environmentally Sustainable Procurement (ESP) Policy and Commonwealth Sustainable Procurement Guide, officials are required to consider environmental sustainability in all procurement planning and value for money assessments. Where relevant, officials are also required to include environmental sustainability objectives as part of supplier contract deliverables.

Planning tools, evaluation guidance, model clauses and specific training are made available to support compliance.

ACTION:

Finance will finalise our Environment, Social and Governance (ESG) Procurement Framework to support and embed compliance with the ESP and Sustainable Procurement Guide.

Status	*Start/End*	*Progress Summary*	*Action Owner*
Underway	Ongoing	A Social and Sustainable Procurement Policy is expected to be finalised in the second half of 2025. Internal procurement guidelines outline expectations for business areas on how and when to consider environmental matters in procurement.	Corporate Division

Appendix A – Baseline Emissions 2022-23

Table A1: Finance Leased Estate - location based method 2022–23

Baseline year	Financial year 2022–23
Scope 1 emissions	29.27 tCO_2e
Scope 2 emissions	1,277.79 tCO_2e
Total emissions	1,307.06 tCO_2e

Table A2: Finance Owned Estate - location based method 2022-23

Baseline year	Financial year 2022–23
Scope 1 emissions	1,361.71 tCO_2e
Scope 2 emissions	11,813.55 tCO_2e
Total emissions	13,175.26 tCO_2e

Table A3: Information Communications and Technology (ICT) - location based method 2022-23

Baseline year	Financial year 2022–23
Scope 1 emissions	0.0 tCO_2e
Scope 2 emissions	497.35 tCO_2e
Total emissions	497.35 tCO_2e

Table A4: Ministerial and Parliamentary Services (COMCAR) - location based method 2022–23

Baseline year	Financial year 2022–23
Scope 1 emissions	394.86 tCO_2e
Scope 2 emissions	260.74 tCO_2e
Total emissions	655.60 tCO_2e

Table A5: Ministerial and Parliamentary Services (CPO) - location based method 2022–23

Baseline year	Financial year 2022–23
Scope 1 emissions	0.0 tCO_2e
Scope 2 emissions	1,120.81 tCO_2e
Total emissions	1,120.81 tCO_2e

Notes:

- CPO data only includes scope two emissions, with scope one data reported in the Finance Leased Estate figures
- Ministerial and Parliamentary Services (CPO) data was not reported in the 2022–23 Annual Report
- The progress against the baseline emissions is reported in the Department's Annual Report each year.