

Annual Climate Statement FY2025-26



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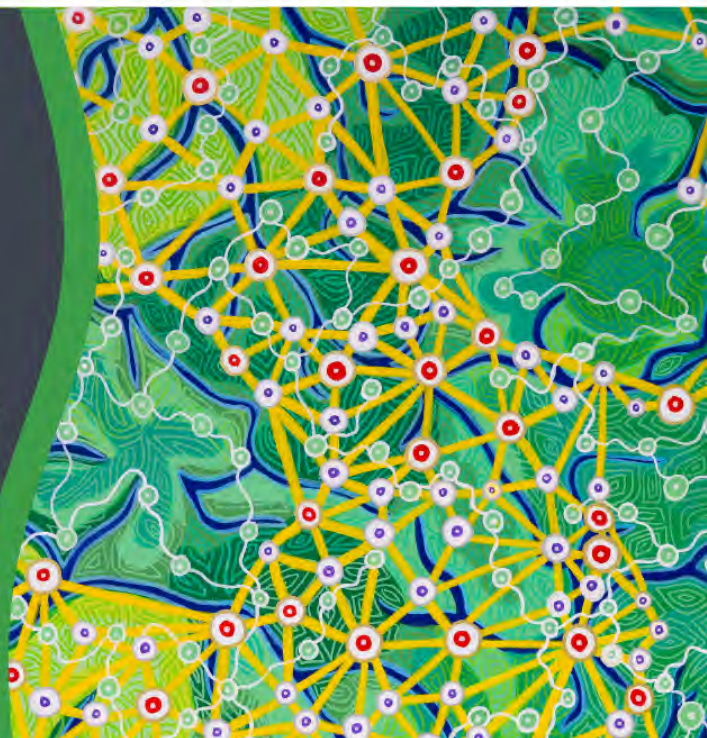
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Acknowledgement of Country and Traditional Owners

RIC (Regional Investment Corporation) acknowledges the traditional owners and custodians of Country throughout Australia. We acknowledge their continuing connection to land, sea and community. We pay our respects to the people, the cultures and the Elders past, present and emerging.



Climate Statement

RIC (Regional Investment Corporation) recognises that climate change presents material risks and opportunities that may impact its operations, policy delivery and long-term sustainability. Commonwealth Climate Disclosure is the Government's policy for Commonwealth entities to publicly disclose their exposure to climate risks and opportunities, as well as their actions to manage them, delivering transparent and consistent climate disclosures to the Australian public.

As a special investment vehicle (SIV) and Tranche 1 entity under the Commonwealth Climate Disclosure (CCD) framework, RIC has prepared this Climate Statement in accordance with the Year 2 Commonwealth Climate Disclosure Requirements. RIC commenced including climate-related disclosures in our Annual Report from FY2024-2025.

In FY2025–26, RIC has progressed its climate disclosure maturity through the identification, assessment and management of climate-related risks and opportunities using the Climate Risk and Opportunity Management Program (CROMP). This includes the use of qualitative scenario analysis across short- and medium-term horizons (2030 and 2050) to assess the potential impacts of both physical and transition climate risks.

The Climate related risks and opportunities identified during the reporting period reflect RIC's role as a government concessional lender supporting the agriculture sector. These include risks associated with borrower financial stress, portfolio concentration, regulatory change, operational capacity, and workforce impacts, as well as opportunities to support national climate resilience, strengthen operational capability, and align with whole-of-government net zero objectives.

RIC's approach to managing climate related risks and opportunities is integrated within its existing governance, enterprise risk management, financial planning and operational processes. Climate risks are considered alongside other enterprise risks and are subject to the same governance, monitoring and reporting arrangements.

RIC remains committed to the APS Net Zero by 2030 target. Its approach is addressed through the body of this climate statement, our [Emissions Reduction Plan](#), [Corporate Plan](#), and ESG Framework. An index is included at the end of this statement to enable readers to easily access cross-referenced information and provide additional details, where relevant.

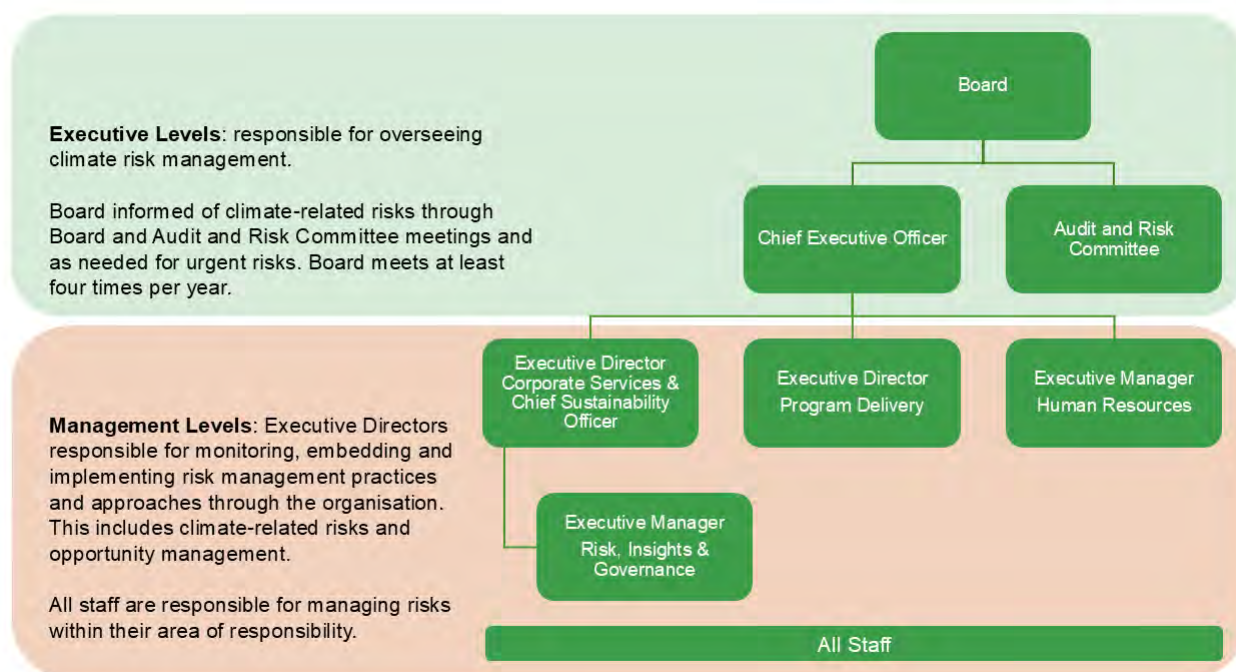
As part of our commitment to transparency in climate reporting, RIC has commenced preparations for year 3 financed emissions reporting using data we already capture. Our calculations follow the PCAF (Partnership for Carbon Accounting Financials) methodology, applying the relevant asset class approaches and data quality scoring system. We have prepared financed emissions data using 2023 -24 and 2024-2025 data. Details of this work is included in the Financed Emissions section later in this statement.

This Climate Statement should be read in conjunction with the RIC Annual Report and other referenced documents. It has been prepared to support transparency, proportionality and connected information in line with the Commonwealth Climate Disclosure framework.

Governance

Climate risk and opportunity management is embedded within RIC's existing governance and risk management policies and procedures (see the annual report Governance section). The RIC Board is the Accountable Authority under the PGPA Act and delegates climate-related roles and responsibilities to the CEO, Audit and Risk Committee and executive levels, down to the operational level as detailed below in **Figure 1**.

Figure 1 Climate Governance Structure



In 2025-26 RIC committed to further uplift and enhance climate risk assessment programs. RIC aligned with the Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector (2024–2026), including the application of CROMP methodologies.

The CROMP process was used to build knowledge of climate issues and encourage strategic forward thinking around the management of climate physical and transition risks and opportunities. The outcome was the identification of a number of risks and opportunities outlined in the [Detailed climate-related risk and opportunities](#) section.

To support consistent assessment of climate risk in lending, RIC has developed a Farm Climate Risk Assessment (FCRA) tool to improve transparency and discipline in how climate related risks are considered. The FCRA is being piloted in 2026 on a subset of new applications and is being progressively refined within existing governance arrangements.

As RIC continues to mature and progress towards 2030 net zero emissions targets, RIC will continue to monitor and adapt the systems in place. This includes considering whether RIC need further investment in climate capability and how trade-offs are managed in relation to decisions made on climate related risk and opportunities against policy constraints.

Strategy

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

Risk Management

Since initial climate disclosures, RIC has strengthened its approach to managing climate-related risks and opportunities through the implementation of the CROMP, integration with enterprise risk management processes, and the use of scenario analysis to inform risk identification, prioritisation and decision-making.

A qualitative risk and opportunity analysis was undertaken during 2025-26 as a stepping stone to future quantitative scenario analysis. Using two scenarios consistent with CCD and CROMP requirements, workshops were held with SMEs to assess risks and opportunities for the business from changes arising under each scenario. Input from staff helped to identify assets, infrastructure and staff that may be at risk from climate change.

RIC manages climate related risks and opportunities through its Enterprise Risk Management (ERM) Framework, aligned with CROMP, using the existing governance structure, risk systems, policies and tools.

The assessment of climate related risks considers their nature, likelihood and potential consequences, consistent with RIC's existing risk assessment methodology. Climate-related risks are evaluated using the same criteria as other enterprise risks, including likelihood, consequence and severity, and are prioritised based on their residual risk rating against the Risk Appetite and Tolerance Statements. Climate-related opportunities are identified and assessed alongside risks and are incorporated into business-as-usual processes, consistent with RIC's mandate and governance arrangements.

Climate-related risks and opportunities are monitored alongside other enterprise risks through RIC's three lines of defence model, using qualitative and quantitative assessment methods as appropriate. Risks are assigned ratings and reviewed at least annually, with escalation and reporting through established governance arrangements, including the Audit and Risk Committee.

Metrics and Targets Climate Disclosure

RIC is committed to leading climate action within the public sector and has voluntarily committed to the Government's [APS Net Zero by 2030 target](#).

See the [APS Net Zero Target Roadmap](#) for details including scope, emissions sources and timeframes.

RIC's approach to reducing emissions is detailed in the publicly available [Emissions Reduction Plan](#). RIC's interim target is to maintain total operational Scope 1 and Scope 2 emissions per staff full-time equivalent (FTE) below the 2023 baseline level. This is proportional, reflecting RIC's size, operational profile and potential changes in workforce numbers over time.

This target is separate from and does not alter the APS Net Zero 2030 Target, which remains an absolute emissions reduction target under the Net Zero in Government Operations Strategy.

RIC will consider purchasing carbon credits to reduce residual emissions in the future and will report progress annually through the Climate Statement.

Progress against the plan includes:



As part of RIC's waste management strategy to have better waste management and effective recycling practices the RIC utilises non-government organisations to assist us to circulate or reuse products and materials that are no longer required by the RIC.

- In the FY 2025-26, 460 Kg of e-waste items, predominately consisting of 82 monitors, were donated to a program called Tech to Country an initiative of G1 Asset Management. Tech to Country empowers Australian enterprise and government to donate end-of-use IT assets to indigenous communities while maintaining complete data security and compliance to Australian ISM controls. The RIC is continuing to use this approach for future e-waste.

RIC's [Emissions Reduction Plan](#) sets out proposed actions in the short term (2030) to act early and maximise the transitional opportunities of moving to net zero. Procurement of carbon credit offsets to reduce residual carbon emissions are being investigated.

As a Tranche 1 entity under the Commonwealth Climate Disclosure requirements (CCD) from FY2026/27, financed emissions disclosure is mandatory. RIC has commenced calculating Financed Emissions utilising a PCAF aligned methodology for financial year 2023-2024 and 2024-2025 and have set out a methodology and assessed the quality of the output. More detail can be found in the [Financed Emissions](#) section.

While RIC provides concessional loans on behalf of the Australian Government, these assets do not sit on RIC's balance sheet. In discussion with the Department of Agriculture, Fisheries and Forestry (DAFF) it has been agreed RIC will be presenting the financed emissions for this year. Reporting will be structured for third-party audit under AASB S2.

Climate action strategy

RIC's approach to climate risk and opportunity management is informed by the CROMP and aligned with the Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024-26.

During the reporting period, RIC undertook a structured, organisation-wide climate risk and opportunity assessment in accordance with CROMP methodology. This included defining the

scope of the assessment, identifying values at risk, and engaging internal stakeholders to assess the potential impacts of climate change on RIC's operations, lending portfolio and policy delivery. RIC will continue to integrate monitoring and building capability through ongoing analysis.

Methodology

In accordance with the Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024-26 (CROMP), a climate scenario analysis was conducted in this financial year to identify key risks and opportunities. This included a divisional wide workshop to identify a list of potential risks and opportunities. Further analysis and workshops were held to combine themes and eventually shortlist the material key risks and opportunities relevant to RIC business.

The risks and opportunity statements were assessed across a variety of timeframes and climate scenarios. The relevant timeframes include 2030 (short-term) and 2050 (mid-term), utilising both 1.5°C and 2.5°C warming scenarios as recommended within the CROMP Organisation Application Guide.

Each risk was then assessed against RIC Values at Risk with potential impact and consequences rated against current operations, the two warming scenarios and time periods.

For opportunities, the process used was similar; the two warming scenarios were used to establish the context and determine the different type of opportunity that might emerge under each scenario.

Table 1: Key assumptions made in the CROMP analysis

Criteria	Low Emissions	High Emissions
Warming scenarios	1.5°C	2.5°C
Time Horizons	2030 (short-term) 2050 (mid-term)	2030 (short-term) 2050 (mid-term)
Scope of operations	Physical and transition risks considering operations and policy delivery	
Climate related policies	<u>Australia's climate change action - DCCEEW</u>	
Values at risk	Policy delivery, Customers, Operations, Reporting, Risk and Compliance	
National and regional variables	Local weather patterns, land use	
Type of scenario analysis	Qualitative	Qualitative

Through the CROMP process, RIC identified and categorised material climate-related risks and opportunities. This assessment included both organisational and policy-related risks and

opportunities as part of the scenario analysis process. These considerations reflect RIC's role in delivering government-directed concessional loans. The risks and opportunities are summarised in the table below. Future disclosure will expand in line with the progressive implementation schedule in the [Commonwealth Climate Disclosure requirements](#).

Table 2: Categorisation of material climate-related risks and opportunities

Risk or Opportunity Statement	Risk/Opportunity	Risk Type
Borrower default due to increased adverse climate events	Risk	Physical
Portfolio concentration resulting in geographic areas becoming less viable	Risk	Physical
Regulatory compliance due evolving legislative requirements that impose greater reporting obligations	Risk	Transition
Customer experience due to Increasing expectations to integrate climate risk into policies and operations	Risk	Transition
Financial planning and cost management due to growing climate-related impacts on the agriculture sector increasing financial hardship among farmers	Risk	Physical
Psychosocial risks resulting from increasing number of hardship cases and difficult conversations, heightening emotional demands on frontline staff	Risk	Physical
Contribute to national climate resilience by sharing relevant operational trends and observations with Government	Opportunity	Physical
Support the Commonwealth's net-zero ambition by transitioning its operations in line with the 2030 net-zero emissions	Opportunity	Physical
Strengthen operations by ensuring safe, reliable access to core infrastructure and assets during periods of extreme weather	Opportunity	Physical

RIC continues to integrate the outcomes of the climate risk and opportunity assessment into business-as-usual processes, including enterprise risk management, governance, financial planning and operational decision-making. This includes the progressive refinement of methodologies, data inputs and internal capability as climate risk management matures.

The methodology applied supports a consistent and structured approach to identifying, assessing and managing climate-related risks and opportunities, and underpins RIC's disclosures in line with the Commonwealth Climate Disclosure Requirements.

Financed Emissions

PCAF is a global initiative that provides financial institutions with a standardised method to measure and disclose greenhouse gas (GHG) emissions from their lending and investment activities.

With the assistance of market expertise, RIC has successfully tested data points in line with the PCAF Standard, to measure and report the GHG emissions associated with our financed activities for the financial years 2023-2024 and 2024-2025.

Our calculations follow the PCAF methodology, applying the relevant asset class approaches and data quality scoring system.

The reported financed emissions cover concessional loans to the Australian agricultural sector. Where primary data was unavailable, we applied PCAF-recommended estimation techniques to ensure completeness and comparability.

Methodology

Emissions are attributed to RIC based on its outstanding loan exposure to financed agricultural businesses and are calculated using the PCAF asset class methodology for Business Loans and Unlisted Equity.

Financed emissions are calculated using the economic activity-based approach (Option 3c) for business loans and unlisted equity, as set out in Table 5.2-1 of the PCAF Standard, Part A. The outstanding loan drawn amount at the measurement date is multiplied by an asset-based emissions intensity for the relevant agricultural system and ABARES region (or nearest regional proxy), and the exposure is assigned a PCAF data quality score of 5. The following formula applies:

Financed Emissions

$$= \text{Outstanding drawn amount on 30 June} \\ \times \text{Emissions intensity (by agrisystem, ABARES region)}$$

where the emissions intensity is expressed as tonnes CO₂e per dollar of assets.

For beef cattle, beef feedlot, dairy cattle, sheep, wheat, cotton, citrus and mixed farming operations comprising combinations of these production systems, the calculation derives an economic emissions intensity by ABARES region (or the nearest regional proxy) using a top-down approach that draws on regional average physical activity data and regional economic data, including revenue and asset-turnover ratios. These data are then applied within the emission estimation methodologies published in authoritative sources, including the National Inventory Report, IPCC Guidelines, CSIRO, Meat & Livestock Australia and FAO GLEAM 3.0. For other sectors (5 percent of exposure), PCAF sector-based emissions factors were used.

PCAF Data Quality Score

RIC's financed emissions inventory has been assigned a portfolio-weighted average PCAF data quality score of 5.0 for the reporting periods 2023-2024 and 2024-2025.

PCAF assigns data quality scores on a scale of 1 to 5, where 1 represents reported or highly specific emissions data and 5 represents emissions estimated using recognised proxy methodologies; RIC's score of 5.0 reflects the application of the PCAF economic activity-based approach (Option 3c under the asset class of Business Loans and Unlisted Equity) across the portfolio.

This score reflects the use of PCAF's proxy-based approach for business lending exposures where borrower-level emissions, physical activity data or economic data are not available. RIC will continue to monitor opportunities to improve data quality and transparency over time as additional borrower and sector-specific information becomes available.

This disclosure supports our commitment to transparency, enables year-on-year performance tracking, and informs our climate risk management and target-setting processes.

A summary of our financed emissions for both financial years is below.

FY2023-24 (baseline year)

808,149 Financed emissions (tCO ₂ e)	\$3,029M Balance	267 Intensity (tCO ₂ e/\$M)
77.5% Scope 1 (on-farm direct)	2.6% Scope 2 (purchased electricity)	19.8% Scope 3 (value chain)

FY2024-25

824,563 Financed emissions (tCO ₂ e)	\$3,100M Balance	266 Intensity (tCO ₂ e/\$M)
77.9% Scope 1 (on-farm direct)	2.6% Scope 2 (purchased electricity)	19.5% Scope 3 (value chain)

Although total financed emissions rose +2.0% in FY2024-25, the portfolio emissions intensity eased from 267 to 266 tCO₂e per \$M. The outstanding loan balance grew faster (+2.4%, from \$3,029M to \$3,100M) than emissions, so emissions per dollar lent fell.

Detailed climate-related risks and opportunities

Risk 1 – Borrower Default Risk	
Description Chronic climate change and increasing volatility in severe weather events—particularly drought—together with associated supply-chain disruptions, can materially reduce farm productivity and profitability. Values at Risk Policy delivery, Customers Type of risk Physical	Possible impacts RIC clients' capacity to meet their loan repayment obligations may be adversely affected under prolonged or severe climate conditions.
Consequence An increase in borrower defaults may result in higher costs to Government and place reputational pressure on the effectiveness and sustainability of RIC's programs. Increased repayment volatility and uncertainty may also disrupt RIC's liquidity management and forward planning and contribute to weaker credit outcomes for farm businesses transitioning back to commercial finance.	
Controls or treatment RIC manages this risk by strengthening portfolio insights as products and analytical tools mature, including the use of climate scenario and stress testing. Climate-related risks are monitored alongside other risks through RIC's three lines of defence model, using qualitative and quantitative assessment methods as appropriate. Risks are assigned a rating and reviewed at least annually.	

Risk 2 – Portfolio Concentration Risk	
Description Chronic climate change and increasing volatility in severe weather events—particularly drought—together with associated supply-chain disruptions, can reduce farm productivity and profitability across affected regions. Values at Risk Policy delivery, Customers Type of risk Physical	Possible impacts Large geographic regions within the RIC’s lending footprint may become increasingly unsuitable for productive farming as climate impacts intensify, reducing the viability of existing loan portfolios in those areas.
Consequence Geographic and sectoral concentration increases RIC’s overall portfolio vulnerability, as adverse conditions affecting remaining productive regions could have a disproportionate impact on loan performance and repayment outcomes.	
Controls or treatment RIC manages this risk by strengthening portfolio insights as products and analytical tools mature, including the use of climate scenario analysis and stress testing. Climate-related concentration risks are prioritised for monitoring alongside other risks through RIC’s three lines of defence model, using qualitative and quantitative assessment methods as appropriate. Risks are assigned a rating and reviewed at least annually.	

Risk 3 – Regulatory Compliance Risk	
Description Evolving legislative and regulatory requirements associated with climate change are increasing the scope, depth and complexity of reporting and compliance obligations for Commonwealth entities. Values at Risk Operations, policy delivery, reporting, risk and compliance Type of risk Transition	Possible impacts Expanding climate-related disclosure and regulatory requirements may increase RIC's compliance burden, resulting in higher costs, increased demand on internal resources, and additional operational workload.
Consequence Sustained regulatory pressure may impact the efficiency of RIC's operating model, constrain its capacity to deliver core programs effectively, and place pressure on service quality and overall cost margins.	
Controls or treatment RIC manages this risk through established programs to meet Commonwealth Climate Disclosure requirements and AASB S2-aligned obligations. External subject-matter experts have been engaged to support capability uplift and ensure readiness to respond to evolving regulatory requirements. Climate-related regulatory risks are monitored alongside other risks through RIC's three lines of defence model, using qualitative and quantitative assessment methods as appropriate. Risks are assigned a rating and reviewed at least annually.	

Risk 4 – Customer Experience Risk	
Description Increasing expectations from government and stakeholders that RIC integrates climate risk into its policies, operations and decision-making, alongside heightened scrutiny of organisations' climate-related actions. Values at Risk Policy delivery Type of risk Transition	Possible impacts If RIC does not demonstrate effective and credible management of climate-related risks, confidence among government and stakeholders may decline, potentially resulting in increased scrutiny, reduced program scope, or constraints on future policy directions.
Consequence Loss of government and stakeholder confidence, leading to reputational damage and reduced credibility in the delivery of government concessional loan programs.	
Controls or treatment RIC manages this risk by embedding climate risk considerations within governance arrangements, policy design, and operational practices, and by demonstrating compliance with Commonwealth climate disclosure requirements. Clear ownership is established at Board and executive levels, with a management approach aligned to Commonwealth guidance. Climate considerations are integrated into product design, credit assessments, and hardship programs. Regular engagement with government and key stakeholders supports transparency and confidence. Capability is strengthened through scenario analysis, portfolio exposure assessment, and staff training. Climate-related risks are monitored alongside other risks through RIC's three lines of defence model, using qualitative and quantitative assessment methods, with risks assigned ratings and reviewed at least annually.	

Risk 5 – Financial Planning and Cost Management Risk	
Description Growing climate-related impacts on the agriculture sector may increase financial hardship among farmers, which in turn drives higher demand for RIC loans and associated support services. Values at Risk Policy delivery, Operations Type of risk Physical	Possible impacts Climate-driven financial hardship may increase demand for RIC loans and support services, resulting in higher operational costs and increased pressure on internal capacity.
Consequence If funding and resourcing do not keep pace with rising demand, RIC may experience reduced capacity to deliver programs effectively, slower service delivery, and reputational risk with government and stakeholders.	
Controls or treatment RIC manages this risk by maintaining proactive financial planning and cost management practices that account for climate-related impacts. This supports sustainable funding, resource prioritisation, and continued delivery of policy objectives while enabling industry adaptation. Early warning indicators—including sector financial stress, climate events, and policy changes—are monitored to identify emerging demand. Regular engagement with government stakeholders supports readiness for potential funding adjustments. Climate-related risks are prioritised for monitoring alongside other risks through RIC's three lines of defence model, using qualitative and quantitative assessment methods, with risks assigned ratings and reviewed at least annually.	

Risk 6 – Psychosocial Risk	
Description Rising climate-related borrower distress—arising from events such as drought, flooding, and market disruptions—may increase the volume and complexity of hardship cases and difficult conversations, heightening emotional demands on frontline staff. Values at Risk Operations Type of risk Physical	Possible impacts Climate-related distress among RIC borrowers may require staff to manage more emotionally challenging conversations and complex hardship cases, increasing stress, compassion fatigue and overall mental load. Over time, this may adversely affect individual wellbeing, increase sick leave, and reduce staff engagement.
Consequence If these pressures persist, RIC may experience higher staff turnover, reduced service quality, slower processing times, and loss of organisational capability. This could weaken RIC’s ability to support clients effectively during periods of climate-driven hardship and negatively impact operational performance and stakeholder confidence. Prolonged psychosocial impacts may also increase the risk of employment-related claims, including workers’ compensation or industrial relations matters.	
Controls or treatment RIC manages this risk through established wellbeing supports, leave provisions, and workforce management practices designed to maintain manageable caseloads. These measures support staff wellbeing and help mitigate psychosocial risks associated with climate-related borrower distress. RIC continues to build capability in this area by strengthening staff support arrangements and monitoring workforce risks through existing people, safety and governance frameworks.	

Opportunity 1 – Contribution to national climate resilience through insights	
Description RIC has an opportunity to contribute to national climate resilience by drawing on insights gained through the delivery of the concessional loan program and sharing relevant operational trends and observations with DAFF. These insights can help inform the Commonwealth’s understanding of how producers are responding to seasonal, financial and climate-related pressures. Where directed by government policy settings, RIC-administered programs may support the uptake of climate-resilient practices, equipment or technologies, assisting farm businesses to strengthen long-term financial resilience while maintaining RIC’s focus on efficient, transparent delivery of government-directed loan programs. Type of opportunity Physical	Possible impacts Insights derived from RIC’s lending activity and customer interactions may support improved whole-of-government understanding of climate-related impacts on agricultural production and financial resilience. Over time, this may contribute to more informed policy design, better targeting of support measures, and improved national climate resilience outcomes for the agriculture sector.
How we will capitalise RIC will continue to analyse portfolio-level trends and operational insights arising from the delivery of its loan programs and share relevant findings with DAFF and other government stakeholders as appropriate. This includes informing government of observed climate-related pressures, emerging risks, and adaptation trends among borrowers. Where policy objectives are set by government, RIC will support implementation through its established lending frameworks, systems and controls, ensuring delivery remains consistent with its statutory mandate and governance arrangements.	

Opportunity 2 – Contribution to Net Zero 2030 targets	
Description There is an opportunity for the RIC to support the Commonwealth's net-zero ambition by transitioning its operations in line with the 2030 net-zero emissions target. Delivering this transition in a planned and proportionate manner can reinforce RIC's credibility, demonstrate sound governance, and ensure alignment with whole-of-government expectations. Through engaging with industry and relevant stakeholders to share knowledge, operational insights and lessons learned, RIC can contribute to broader understanding of practical approaches to emissions reduction, while remaining focused on its core mandate of delivering government-directed loan programs. Type of opportunity Physical	Possible impacts Progressive reduction in RIC's operational emissions may improve alignment with whole-of-government climate objectives and strengthen confidence among government and stakeholders in RIC's governance and operational maturity. Over time, this may support more efficient operations, improved risk management, and enhanced organisational credibility in the delivery of Commonwealth programs.
How we will capitalise RIC will implement its Emissions Reduction Plan in line with Commonwealth guidance and the APS Net Zero framework, focusing on operational emissions within its control. Progress will be monitored and reported through established governance, risk management and disclosure processes. Where appropriate, RIC will share operational insights and lessons learned with government and relevant stakeholders to support broader understanding of practical pathways to emissions reduction, while ensuring all actions remain consistent with approved policy settings, governance arrangements and RIC's statutory mandate.	

Opportunity 3 – Business continuity planning	
Description There is an opportunity for the RIC to strengthen its operations by ensuring safe and reliable access to core infrastructure and assets during periods of extreme weather. Enhancing operational resilience—through improved planning, appropriate redundancy, and adaptable service delivery models—can support business continuity as climate-related disruptions become more frequent. Proactively identifying vulnerabilities across systems and processes may help minimise service interruptions, protect critical operational capabilities, and enable RIC to continue supporting clients during periods of heightened need. Type of opportunity Physical	Possible impacts Improved operational resilience may reduce the likelihood and severity of service disruptions during extreme weather events, supporting continuity of core services and protecting organisational capability. Over time, this may enhance service reliability, reduce recovery costs, and strengthen stakeholder confidence in RIC's ability to deliver programs under challenging conditions.
How we will capitalise RIC will continue to incorporate climate-related considerations into business continuity planning, operational risk management, and infrastructure decision-making. This includes assessing climate-related vulnerabilities across critical systems, assets and service delivery arrangements, and implementing proportionate resilience measures within existing governance and funding frameworks. Ongoing testing, review and integration with broader enterprise risk management processes will support RIC's ability to adapt to climate-related operational disruptions while maintaining effective service delivery.	

Commonwealth Climate Disclosure Index

Criteria	Requirement Summary	Response and Cross Reference
G0	Governance objective	Achieved through G1
G1(a)	The Accountable authority responsible for oversight of climate-related risks and opportunities	The RIC Board is the accountable authority and informed by the CEO and the Audit & Risk Committee. See Figure 1 in this document and <i>RIC Board</i> section of the Annual Report).
G1(a)i	How the accountable authority's responsibilities for climate risks are reflected in terms of reference, mandates, or policies.	The Boards role, as detailed in the Board Charter , includes oversight of the enterprise risk management framework, Risk Appetite Statement, and compliance with the PGPA Act, PGPA Rules, RIC Act and RIC Operating Mandate.
G1(a)ii	How the accountable authority ensures skills to oversee climate strategies are available or developed	The Board's annual self-evaluation and skills matrix review did not identify any material skills gaps in relation to oversight of climate-related risks and opportunities. Where required, capability may be supported through targeted upskilling, including available APS Academy climate-related resources.
G1(a)iii	How and how often the accountable authority is informed about climate risks and opportunities	The Board is kept informed about climate risk and opportunities through annual reports and established governance and risk reporting processes, including Audit and Risk Committee reporting, with additional briefings provided as required. Climate-related and non-climate-related risks and opportunities are considered together to inform RIC's overall risk management.
G1(a)iv	How the accountable authority considers climate risks in strategy, risk management, and major transaction decisions	RIC's CEO and Board are responsible for ensuring the framework in place to manage risk is embedded in our aligned policies and plans, including our Corporate Plan, Emissions Reduction Plan and risk management approach. The loan guidelines and eligibility criteria also consider climate-related risks and opportunities via the Farm Climate Risk Assessment (FCRA) tool being progressively implemented and refined. RIC's risk management approach is detailed in the Governance section.
G1(a)v	How the accountable authority sets and monitors climate-related targets	Climate-related targets are endorsed by the Board and detailed in RIC's published Emissions Reduction Plan. The Board is informed of progress through quarterly Audit and Risk Committee reporting, with annual progress summarised in the Annual Report.
G1(a)vi	How the accountable authority deputises risk oversight to a specific management level position or management level committee	The Board works closely with the Audit and Risk Committee to seek advice and assurance on risk reporting and controls. The CEO is responsible for embedding a positive risk culture across the organisation, with Executive Directors responsible for day-to-day risk management. The roles, responsibilities and membership of the Audit and Risk Committee are detailed in the Audit and Risk Committee Charter. The climate risk management hierarchy is set out in Figure 1 – Climate Governance Structure.
G1(b)	How management oversees governance processes, controls, and procedures for climate-related risks and opportunities	The Board oversees governance for climate-related risks and opportunities, supported by the Audit and Risk Committee. Management is responsible for implementing governance processes, controls and procedures through existing enterprise risk management, policy and operational frameworks. Roles and responsibilities are described in the Governance section.
G2(a)	Entity consideration of The Australian Government's Approach to Climate Risk and Opportunity	Climate risk and opportunity management is integrated into existing processes and procedures in line with the Australian Government's Approach to Climate Risk and Opportunity Management in the Public

Criteria	Requirement Summary	Response and Cross Reference
	Management in the Public Sector 2024-2026	Sector 2024–26, including the use of CROMP-aligned scenario analysis to identify and manage climate-related risks and opportunities.
G2(b)	Consideration of the Net Zero in Government Operations Strategy and Commonwealth Risk Management Policy	While optional for corporate Commonwealth entities, RIC has voluntarily committed to the APS Net Zero by 2030 target. Consideration of the Commonwealth Risk Management Policy is described in the <i>Approach to risk, fraud and corruption</i> section of the Annual Report.
S0	Strategy objective	Achieved through S1
S1	Material information on climate risks and opportunities	Achieved through S2, S3, S4, S5, S6 and S14
S1(f)	Method of climate-related scenario analysis	See Climate action strategy-Methodology
S2(a)	Progressive implementation schedule	RIC is a Tranche 1 entity and is applying the Year 2 Commonwealth Climate Disclosure Requirements in FY 2025–26. Disclosures reflect the progressive implementation schedule, with expanded climate risk and opportunity assessment, scenario analysis and integration with enterprise risk management. Further maturity is expected in future reporting years in line with CCD requirements.
S2(b)	Physical and transition risks	Both physical and transition climate-related risks have been identified. These are disclosed within the Risk and Opportunity sections of the Climate Statement, informed by climate scenario analysis.
S2(c)	Time horizon specification	RIC has used the time horizons of short (2030) and medium (2050).
S2(d)	Time horizon definition	RIC has used the time horizons recommended by CROMP.
S3(a)	Climate risk and Opportunity Management program	RIC has adopted the CROMP methodology in full. See methodology and Climate Action Strategy section.
S4(a)	Current and anticipated effects (operational model)	Described within the Detailed climate-related risk and opportunity sections of this Climate Statement, including impacts on service delivery, workforce capacity, infrastructure resilience and financial planning.
S4(b)	Concentration of effects (operational model)	Concentration of climate-related effects on RIC's operations has been considered, including geographic concentration of lending activity and exposure to climate impacts affecting agricultural regions. Refer to Portfolio Concentration Risk and Operational Resilience Opportunity sections.
S5(a)	Current and anticipated effects (public policy)	Climate-related risks and opportunities affecting public policy delivery are disclosed through assessment of impacts on RIC's ability to deliver the government concessional loan programs efficiently and sustainably. See Detailed climate-related risk and opportunity section.
S5(b)	Concentration of effects (public policy)	See Portfolio Concentration Risk.
S5(c)	Exemptions for impracticality	No exemptions for impracticality have been applied for the purposes of Year 2 climate disclosures.
S6(a)	Response to climate-related risks and opportunities (strategy and decision-making-effects)	These responses are described within the Detailed climate-related risk and opportunity section.
S6(a)i	Current and anticipated changes to the entity's	Ongoing integration of climate-related risks and opportunities into ERM Framework and management processes. See Climate action strategy .

Criteria	Requirement Summary	Response and Cross Reference
	operational model to address climate-related risks and opportunities	
S6(a)ii	Current and anticipated changes to the entity's public policy delivery, including development, implementation and/or monitoring	Progressive refinement of methodologies, data inputs and internal capability as climate risk management matures.
S6(a)iii	Any transition plan and/or Emissions Reduction Plan (for entities subject to the APS Net Zero by 2030 target) the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies.	Emissions reduction plan
S6(c)	Transition plan/Emissions Reduction Plan	RIC's approach to operational emissions reduction is set out in its publicly available Emissions Reduction Plan, prepared in line with the APS Net Zero by 2030 framework. Progress is reported through this Climate Statement and the Annual Report. See Metrics and Targets section.
S14(a)i	Climate-related scenario analysis	RIC has undertaken qualitative climate scenario analysis in accordance with the CROMP methodology, using 1.5°C and ≥2.5°C warming scenarios across short- and medium-term horizons to identify and assess material climate-related risks and opportunities. See Methodology and Risk and Opportunity sections.
S14(a)ii	Key assumptions	Climate-related scenario analysis focussed on national and regional variables, in particular weather patterns, and how they may impact agricultural enterprises.
S14(a)iii	Reporting period	The climate-related scenario analysis was carried out in the reporting period FY2025-2026
R0	Risk Management objective	Achieved through R1
R1(a)	Processes and related policies	Climate-related risks are managed through RIC's Enterprise Risk Management Framework, aligned with the Commonwealth Risk Management Policy and supported by the CROMP.
R1(a)i	The inputs and parameters used, including uncertainties.	Inputs and parameters for assessing climate-related risks include internal data sources, stakeholder insights and external climate information from reputable sources. Data uncertainty in climate projections is managed through the use of multiple credible sources and qualitative scenario analysis. We aim to strengthen and improve our internal data and reporting processes as climate risk management matures, and we expand into Year 3 CCD requirements..
R1(a)ii	How the nature, likelihood and magnitude of climate-related risk are assessed.	They are assessed through the CROMP, including qualitative climate scenario analysis, and are integrated into RIC's Enterprise Risk Management Framework.

Criteria	Requirement Summary	Response and Cross Reference
R1(a)iii	How climate-related risks are prioritised in relation to other types of risk.	All risks to the organisation, including climate-related risks, are prioritised based on their residual risk rating against the Risk Appetite and Tolerance Statements, in accordance with the Commonwealth Risk Management Policy . Climate-related risks are assessed using the likelihood, consequence and severity criteria from RIC's existing enterprise risk management framework.
R1(a)iv	How the entity manages climate-related risks.	Climate-related risks are managed through integration with RIC's Enterprise Risk Management Framework, supported by governance oversight, policy settings, operational controls and the use of climate scenario analysis. Further detail is provided in the <i>Approach to risk, fraud and corruption</i> sections of the Annual Report.
R1(a)v	How the entity monitors climate-related risks.	Climate-related risks are monitored alongside other enterprise risks through RIC's three lines of defence model, using qualitative and quantitative assessment methods as appropriate. Risks are assigned ratings and reviewed at least annually, with escalation through existing governance and risk reporting processes.
R1(a)vi	If (and if so, how) the entity has changed its processes related to climate-related risks.	Since initial climate disclosures, RIC has strengthened its risk management processes for climate-related risks through implementation of the CROMP, integration of climate risks into enterprise risk processes, and use of scenario analysis to inform identification and prioritisation of risks.
R1(b)	The process used to identify, assess, prioritise, manage and monitor climate-related opportunities.	Identified opportunities are considered alongside risks and integrated into business-as-usual processes, consistent with RIC's mandate and governance arrangements.
R1(c)	How the processes for identifying climate-related risks and opportunities inform the entity's overall risk management process.	These risks and opportunities are considered alongside other enterprise risks to inform decision-making and risk prioritisation.
R2(a)	Whether (and how) the entity implements CROMP processes.	RIC has implemented the CROMP to support identification, assessment and management of climate-related risks and opportunities. See Approach to risk, fraud and corruption of the Annual report.
M0	Metrics and targets objective	Achieved through M1
M1(b)	Information on greenhouse gases in accordance with M3	Achieved through M2, M3, M5-9
M1(c)	Information on targets and progress towards targets in accordance with M5-9.	Aligned with the APS Net Zero Factsheet on the Department of Finance's website and RIC's Emissions Reduction Plan.
M2	Cross-industry metrics	RIC has not opted-in to disclosing cross-industry metrics.
M3(a)	Greenhouse gas emissions generated in tonnes CO ₂ e	Greenhouse gas emissions (tonnes CO ₂ -e) are disclosed in the Emissions Reporting section in this Climate Statement
M3(b)	Greenhouse gas emissions approach, inputs, assumptions and methodologies.	Calculations are applied as per the Australian Public Service Net Zero Emissions Reporting Framework on the Department of Finance website.

Criteria	Requirement Summary	Response and Cross Reference
M3(e)	Scope 2 and 3 greenhouse gas emissions using location-based and market-based for electricity-related greenhouse gas emissions.	Disclosed in the APS Net Zero Emissions Reporting in this Climate Statement
M3(f)	Confirmation of the scope 3 emissions categories included.	As per the Australian Public Service Net Zero Emissions Reporting Framework on the Department of Finance website
M5	Quantitative and qualitative climate-related targets it has set to monitor progress towards these targets	Targets are set in line with the APS Net Zero Factsheet on the Department of Finance's website and the publicly available Emissions Reduction Plan .
M6	Information about its approach to setting and reviewing each target identified in M5	As per the APS Net Zero Factsheet on the Department of Finance's website.
M7	Progress against targets	Progress against climate-related targets are monitored and disclosed through RIC's Emissions Reduction Plan and reported annually through the Climate Statement and Annual Report.
M8	Scope of target including greenhouse gases included, scope of emissions sources included	As per the APS Net Zero Factsheet on the Department of Finance's website.
M9	In preparing M5-8 disclosures, disclose information on the APS Net Zero 2030 target and sub-targets	As per the APS Net Zero Factsheet on the Department of Finance's website and the publicly available Emissions Reduction Plan .

Emissions reporting

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 as Carbon Dioxide Equivalents (CO₂-e) and in line with the 2025-26 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 related to electricity usage using the location-based accounting 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	3.75	0.18	3.93
Natural Gas	-	N/A	-	-
Solid Waste*	-	N/A	-	-
Refrigerants*†	-	N/A	N/A	-
Fleet and Other Vehicles	-	N/A	-	-
Domestic Commercial flights	-	N/A	16.00	16.00
Domestic Hire Car*	N/A	N/A	1.13	1.13
Domestic Travel Accommodation*	N/A	N/A	10.32	10.32
Other Energy	-	N/A	-	-
Total t CO₂-e	-	3.75	27.63	31.38

Notes:

CO₂-e = Carbon Dioxide Equivalent

The table above presents emissions related to electricity usage using the location-based accounting method.

Solid waste data was unable to be separated from landlord data and has not been included.

* Indicates emission sources collected for the first time in 2023-2024. The quality of data is expected to improve over time as emissions reporting matures.

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	3.75	0.18	3.93	5,851.28
Market-based electricity emissions	3.92	0.54	4.46	4,839.60
Total renewable electricity ¹	N/A	N/A	N/A	1,011.69
<i>Renewable Power Percentage²</i>	N/A	N/A	N/A	1,011.69

¹ 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)

Emission source	Scope 2 t CO2-e	Scope 3 t CO2-e	Total t CO2-e	Electricity kWh
<i>Jurisdictional Renewable Power percentage³</i>	N/A	N/A	N/A	-
<i>GreenPower</i>	N/A	N/A	N/A	-
<i>Large-scale generation certificates</i>	N/A	N/A	N/A	-

Notes:

The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO2-e = Carbon Dioxide Equivalent. Electricity usage is measured in kilowatt hours (kWh).

³ The Australian Capital Territory is currently the only state with a jurisdictional renewable power percentage (JRPP).

Key terms and definitions

Accountable authority	Under sections 12 and 16 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act), the accountable authority is identified as the person or body responsible for establishing and maintaining an appropriate system of risk oversight and management for a Commonwealth entity.
Annual report	Annual reports inform the Parliament and the public about the achievements, non-financial performance and financial position of Commonwealth entities and Commonwealth companies at the end of each reporting year.
Annual report users	Under sections 17AC(1), 17BD(1) and 28D(1) of the PGPA Rule 2014 , the annual reports of Commonwealth entities and Commonwealth companies 'must be prepared having regard to the interests of the Parliament and any other persons who are interested in the annual report.' For the purposes of Commonwealth Climate Disclosure, annual report users are taken to include parliamentarians, taxpayers, investors, donors and users of goods and services.
APS	The Australian Public Service (APS) comprises entities that employ their staff under the Public Service Act 1999 (PS Act).
Australian Accounting Standards Board	The Australian Accounting Standards Board is an independent non-corporate Commonwealth entity of the Australian Government that develops, issues and maintains accounting standards and develops sustainability standards applicable to entities in the private and public sectors of the Australian economy
Australian Sustainability Reporting Standards	Refers to the Australian Accounting Standards Board's AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information and AASB S2 Climate-related Disclosures that were released in September 2024
Climate Change Act	The Climate Change Act 2022 sets out Australia's greenhouse gas emissions reduction targets. It also requires the Minister for the Department of Climate Change to prepare an annual climate change statement based on independent advice from the Climate Change Authority. The object of the Act is to advance an effective and progressive response to the urgent threat of climate change drawing on the best available scientific knowledge.
Climate disclosure	Climate disclosure is the process of making climate-related activities by an organisation known to the public.
Climate-related opportunities	Climate-related opportunities refer to the potential positive effects arising from climate change for an entity. Efforts to mitigate and adapt to climate change can produce climate-related opportunities for an entity.
Climate-related risk and opportunity management targets	Targets that seek to limit or reduce an entity's exposure to material climate-related risks and opportunities over time.
Climate-related risks	Climate-related risks refer to the potential negative effects of climate change on an entity. These risks are categorised as climate-related physical risks and climate-related transition risks.
Climate-related physical risks	Risks resulting from climate change that can be event-driven (acute physical risks) or from longer-term shifts in climatic patterns (chronic physical risks). Acute physical risks arise from weather-related events such as storms, floods,

	droughts or heatwaves, which are increasing in severity and frequency. Chronic physical risks arise from longer-term shifts in climatic patterns including changes in precipitation and temperature which could lead to sea level rise, reduced water availability, biodiversity loss and changes in soil productivity.
Climate-related transition risks	Risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy, legal, technological, market and reputational risks.
Climate-related scenario analysis	A process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty.
Climate Risk and Opportunity Management Program	The Climate Risk and Opportunity Management Program supports capability uplift in climate risk management across the Commonwealth. The Program provides tools, guidance and services to enable Commonwealth entities and Commonwealth companies to assess and manage climate-related risks and opportunities, and achieve other deliverables outlined in The Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024-2026 . Further guidance on Program implementation is set out in the following Climate Risk Management Guides : Organisation Application Guide, Program, Project and Policy Application Guide, and the Technical Guidance.
Climate statement	A climate statement sets out the entity's response to the Requirements within the annual report.
CO2 equivalent (CO2-e)	The universal unit of measurement to indicate the global warming potential of each greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide. This unit is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis.
Global warming potential	A factor describing the radiative forcing impact (degree of harm to the atmosphere) of one unit of a given greenhouse gas relative to one unit of CO2.
Commonwealth Risk Management Policy	The Commonwealth Risk Management Policy sets out the principles and mandatory requirements for effectively managing risk. The policy supports section 16 of the PGPA Act which requires accountable authorities of all Commonwealth entities to establish and maintain appropriate systems of risk oversight, management and internal control for the entity. This policy is mandatory for all non-corporate Commonwealth entities and recommended as good practice for corporate Commonwealth entities and Commonwealth companies.
Corporations Act	The Corporations Act 2001 provides for the regulation of corporations, financial markets and products and services, including in relation to licensing, conduct, financial product advice and disclosure. Chapter 2M of the Corporations Act sets out the comprehensive legislative requirements for financial reporting and auditing, including that all public companies and large propriety companies provide audited annual financial reports to the Australian Securities and Investments Commission (ASIC). Section 292A of the Corporations Act requires entities that meet certain thresholds to prepare a sustainability report for a financial year, if they also prepare a financial report for the financial year.
Disclosure	Disclosure is the process of making information known to the public. Both positive and negative information is disclosed to assist investors and other

	stakeholders to make decisions.
Entity	Refers to all Commonwealth entities and Commonwealth companies in Stream 2, Tranche 1 and Tranche 2 of the Commonwealth Climate Disclosure policy architecture.
Existing controls and additional actions	Existing controls are the current measures taken to regulate the likelihood or consequence of a risk. Additional actions may be undertaken to reduce a risk where it has been agreed that the risk is outside of the entity's tolerance, and the controls in place are insufficient.
Governance Body	Governance body can include a board, committee or equivalent body charged with governance.
Greenhouse gases	The seven greenhouse gases listed in the Kyoto Protocol—carbon dioxide (CO ₂); methane (CH ₄); nitrous oxide (N ₂ O); hydrofluorocarbons (HFCs); nitrogen trifluoride (NF ₃); perfluorocarbons (PFCs) and sulphur hexafluoride (SF ₆).
Gross greenhouse gas emissions target	Gross greenhouse gas emissions targets reflect the total changes in greenhouse gas emissions planned within the entity's defined scope.
Defined scope	Defined scope are those greenhouse gas emission sources included in target where an entity or government can responsibly quantify and set achievable targets. This includes those within the Net Zero in Government Operations Strategy that form part of the APS Net Zero by 2030 target, and any additional greenhouse gas emission sources identified by an entity that form organisation specific goals or sub-targets.
Intensity target	An intensity target is expressed as a ratio of greenhouse gas emissions, or a change in the ratio of greenhouse gas emissions, to a business or economic metric. Emission intensity is expressed as the volume of greenhouse gas emissions per unit of GDP.
International Public Sector Accounting Standards Board	The International Public Sector Accounting Standards Board (IPSASB) is the global independent board that develops International Public Sector Accounting Standards (IPSAS) for use by governments and other public sector entities around the world. The IPSASB's operations are facilitated by the International Federation of Accountants (IFAC).
IPSASB SRS ED 1	Refers to the International Public Sector Accounting Standards Board Sustainability Reporting Standard Exposure Draft (IPSASB SRS ED) 1, Climate-related Disclosures .
Location-based and market-based emissions	Location-based emissions refer to the emissions generated through the consumption of power at building and/or operational sites. These are calculated using the average emission intensity of the local power generation from which power is sourced. Market-based emissions are associated with the energy purchased through various instruments or contracts, including through whole-of-Australian-Government purchasing arrangements. Both location-based and market-based emissions reporting apply to scope 2 and scope 3 emission categories (see scope 1, 2 and 3 emissions below).
Nationally Determined Contribution	Under the Paris Agreement, Australia must submit emissions reduction commitments known as Nationally Determined Contributions (NDCs). The latest NDC submission was made in 2022, committing Australia to a reduction in emissions to 43% below 2005 levels by 2030. In Australia's Nationally Determined Contribution Communication 2022 , the Australian

	Government committed to reduce the emissions of Commonwealth Government agencies to net zero by 2030 (excluding defence and security agencies). This commitment gives effect to the APS Net Zero by 2030 target, as detailed in the Net Zero in Government Operations Strategy.
Net greenhouse gas emissions target	Net greenhouse gas emissions targets are the entity's targeted gross greenhouse gas emissions minus any planned offsetting efforts (for example, the entity's planned use of carbon credits to offset its greenhouse gas emissions).
Carbon credit	An emissions unit that is issued by a carbon crediting program and represents an emission reduction or removal of greenhouse gases. Carbon credits are uniquely serialised, issued, tracked and cancelled by means of an electronic registry.
Net Zero in Government Operations Strategy	The Net Zero in Government Operations Strategy describes the approach for implementing the Australian Government's commitment to achieve net zero in government operations by 2030. It sets out the activities, emission sources and Commonwealth entities that are included in the APS Net Zero by 2030 target and reporting, and action required by entities.
Emissions Reduction Plans	The Net Zero in Government Operations Strategy outlines entities' obligations to develop long term Emissions Reduction Plans. These plans define the priorities and actions that each entity will take to support the APS Net Zero by 2030 target and are to be signed off by the accountable authority.
Climate Action in Government Operations Emissions Reporting Framework	The Climate Action in Government Operations Emissions Reporting Framework provides a consistent approach to emissions reporting across the APS. It is designed to help the Commonwealth meet its reporting obligations as outlined in Australia's Nationally Determined Contribution under the Paris Agreement.
NGER Scheme legislation	National Greenhouse and Energy Reporting (NGER) Scheme legislation is Australia's national framework for reporting and publishing company information about greenhouse gas emissions, energy production and energy consumption.
Operational model	The system of transforming inputs through its activities into outputs and outcomes that aims to further the entity's objectives over the short, medium and/or long term.
Parent entity	Definition as per AASB 10 <i>Consolidated Financial Statements</i> : an entity that controls one or more entities.
Subsidiary	Definition as per AASB 10 <i>Consolidated Financial Statements</i> : an entity that is controlled by another entity.
PCAF	Partnership for Carbon Accounting Financials
PGPA Act	The Public Governance, Performance and Accountability Act 2013 (PGPA Act) establishes governance and accountability requirements for Commonwealth entities and Commonwealth companies. The PGPA Act applies to non-corporate Commonwealth entities, corporate Commonwealth entities and Commonwealth companies. It establishes rules for financial management and for the broader governance, performance and accountability of government entities.
PGPA Rule	The Public Governance, Performance and Accountability Rule 2014 (PGPA

	Rule) and other legislative instruments establish the requirements and procedures necessary to give effect to the governance, performance and accountability matters covered by the PGPA Act. The PGPA Rule applies to non-corporate Commonwealth entities, corporate Commonwealth entities and Commonwealth companies.
Public policy	Public policy refers broadly to any type of public policy intervention. This includes (but is not limited to) the development, implementation and enforcement of public policy through: the delivery of goods and services; the provision of policy advice; legislation; regulations and standards; voluntary agreements; guidelines; programs; grants; procurements and expenditures; taxes, subsidies and other fiscal measures; financing and investment; research and development; and/or public asset and infrastructure projects. For the purposes of Commonwealth Climate Disclosure, public policy does not include policies internal to the organisation that have little or no outward effect on the broader Australian public.
Scope 1, 2 and 3 (emissions)	Definition as per the Net Zero in Government Operations Strategy: Scope 1 emissions reflect emissions from sources owned or controlled by Government, including the stationary combustion of fuels (boilers, generators) and transportation (vehicle fleet). Scope 2 emissions are indirect emissions which occur because of the activities that generate electricity, which is consumed by an entity, but is generated outside that entity's boundaries. They are physically produced by the burning of fossil fuels by the generator of the electricity. Scope 3 emissions reflect other indirect emissions produced through Government activities.
Transition plan	An aspect of an entity's overall strategy that lays out the entity's targets, actions or resources for its transition towards a lower-carbon economy, including actions such as reducing its greenhouse gas emissions.



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