## **Emissions Reduction Plan**

2025-2026



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# **Acknowledgement of Country**

The Department of Health, Disability and Ageing acknowledges the Traditional Owners and custodians of the lands on which we work, and we pay our respects to their Elders past, present and emerging.

## **Accountable Authority Sign Off**

The Australian Government released the Net Zero in Government Operations Strategy in November 2023, setting 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 Health, Disability and Ageing (the Department) is committed to implementing the Government's APS Net Zero in Government Operations Strategy and the APS Net Zero 2030 target in full.

This Emissions Reduction Plan describes the priorities and key actions the Department is taking to reduce our operational emissions and contribute to the APS Net Zero 2030 target.

Rachel Balmanno

**Chief Operating Officer** 

Department of Health, Disability and Ageing

26 September 2025

#### **Emissions Reduction Plan**

#### **Purpose**

This iteration of the Emissions Reduction Plan builds on the successes and lessons learned during the 2024–25 reporting period and sets a forward-looking agenda to guide the Department's contribution to net zero emissions by 2030. It reflects a maturing approach to emissions reduction, aligning with the Australian Government's Net Zero in Government Operations Strategy, developed by the Department of Finance.

The Strategy outlines the Government's commitment to achieving net zero greenhouse gas emissions from its operations by 2030 and reinstates public emissions reporting. In response, this plan details how the Department will continue to reduce emissions through targeted activities and initiatives, incorporating both existing priorities and new actions identified through recent experience.

Developed in accordance with the Strategy, associated guidance, and reporting standards, the Plan supports the Department's role in the whole-of-government effort to meet the APS Net Zero 2030 target. It includes scope 1 and scope 2 emissions from activities across Australia and its territories and applies to the Department in its entirety.

By focusing on emissions within our operational control, this Plan aims to drive meaningful reductions while embedding sustainability into core business practices. It also sets the foundation for future planning cycles, ensuring the Department remains on track to meet its 2030 commitments.

### The Department's operational context

The Department maintains a national presence across all Australian states and territories and a workforce comprising approximately 10,3081 personnel, including contractors. This represents workforce growth of approximately 6% compared to the previous year.

Our facilities include 17 office spaces within a mix of sole-tenanted and multi-tenanted buildings. Included in our footprint are several regional locations and a specialised laboratory. This presents unique operational challenges that add complexity to our emissions reduction approach.

The Department shares tenancy arrangements and provides corporate services to several agencies and statutory office holders within its portfolio. In collaboration with these entities, the Department is actively progressing net-zero emissions pathways aligned with the objectives of the strategy. Key initiatives undertaken include:

- consolidating leased premises, with a preference for energy-efficient buildings in new lease agreements and the integration of sustainable design principles into workspace planning
- optimising the vehicle fleet, including the transition to low-emission and electric vehicles, and
- implementing measures to reduce waste across operations.

<sup>&</sup>lt;sup>1</sup> My Workforce SAP data 30 June 2025.

Several changes in the Department's operating environment influenced emissions reduction initiatives during the previous period. These included:

- an increase in personnel, including a broader dispersion to regional areas, which introduced new logistical and infrastructure demands, and
- an expansion of the vehicle fleet, with eight additional vehicles acquired—four of which
  were diesel—to meet operational needs in regional locations where EV charging
  infrastructure remains limited.

#### **Baseline Emissions**

In alignment with the Australian Public Service (APS) Net Zero Strategy, the Department has established baseline emissions using data from the 2022–23 financial year. These baseline emissions represent the greenhouse gases produced prior to the implementation of targeted emissions reduction strategies and serve as the reference point against which progress will be measured.

Table: Baseline emissions 2022-23 data

| Baseline year     | Financial year 2022-23 – <b>location based</b> |
|-------------------|--|
| Scope 1 emissions | 736,448 kg CO₂e                                |
| Scope 2 emissions | 4,819,297 kg CO <sub>2</sub> e                 |
| Total emissions   | 5,555,745 kg CO <sub>2</sub> e                 |

| Baseline year     | Financial year 2022-23 – market based |
|-------------------|---------------------------------------|
| Scope 1 emissions | 736,448 kg CO₂e                       |
| Scope 2 emissions | 1,021,183 kg CO₂e                     |
| Total emissions   | 1,757,631 kg CO <sub>2</sub> e        |

For the 2024–25 reporting period, the Department's emissions profile focuses on Scope 1 and Scope 2 emissions.

- Scope 1 emissions refer to direct greenhouse gas emissions from sources owned or controlled by the Department (e.g. fuel combustion in vehicles).
- Scope 2 emissions are indirect emissions resulting from the consumption of purchased electricity, heating, cooling, or steam.

Electricity-related emissions have been calculated using the location-based method, in accordance with APS reporting guidance.

In addition to Scope 1 and 2 emissions, the Department has also begun collecting and reporting data on selected Scope 3 emissions, specifically those associated with business travel (including domestic flights, accommodation, and hire car usage) and waste generation. While comprehensive Scope 3 reporting is not included in this plan, these categories have

been incorporated to support improved transparency and readiness for future reporting cycles as data quality and availability improve.

#### **Time Series Consistency**

Tracking emissions trends and assessing the impact of reduction strategies is essential for understanding progress over time. To ensure consistency and comparability across reporting periods, the Department will continue to use the Department of Finance Emissions Reporting Tool as its primary mechanism for calculating and reporting emissions data. This approach supports uniform data collection and analysis year-on-year.

#### **Methodological Consistency and Transparency**

Confidence in time-series consistency is underpinned by the transparent and rigorous documentation of methodologies, data sources, and assumptions used to estimate emissions. These details will be outlined in the Department's Net Zero in Government Operations Annual Progress Reports.

The Department remains committed to best practice in emissions accounting, drawing on established frameworks such as the Greenhouse Gas Protocol, the National Greenhouse and Energy Reporting (NGER) Scheme, and other relevant standards. The use of the Department of Finance Emissions Reporting Tool ensures alignment with whole-of-government reporting requirements and facilitates consistent application of emissions factors and calculation methods.

### **Continuous Improvement**

The Department continues to strengthen the accuracy and transparency of its emissions reporting. Building on previous efforts, we are progressively adopting advanced data collection technologies, conducting regular audits, and aligning our practices with recognised international standards. This reflects our commitment to continuous improvement and supports our role in assisting portfolio agencies to reduce emissions and advance sustainability outcomes.

#### **Engagement**

In developing this plan, the Department engaged with key external and internal stakeholders to ensure alignment with whole-of-government strategies and operational requirements. This included collaboration with:

- Department of Finance Climate Action in Government Operations Team: to ensure alignment with the Net Zero in Government Operations Strategy and the Commonwealth Climate Disclosure requirements
- Whole-of-Australian-Government Property Service Provider Evolve FM
- National Mental Health Commission (NMHC)
- Department of Health, Disability and Ageing
  - Fleet Team: to explore options for transitioning to low-emissions vehicles
  - Travel Team: to identify opportunities for reducing emissions associated with business travel

These engagements have informed the development of practical and strategic measures to support the Department's contribution to the APS Net Zero 2030 target.

### **Emissions Reduction Targets**

The Department is committed to achieving the APS Net Zero 2030 target, in line with the Net Zero in Government Operations Strategy. This target applies to all Scope 1 and 2 emissions across our operations within Australia and its territories.

While our implementation plan outlines indicative opportunities for emissions reduction, it is important to note the pace and extent of change are influenced by factors beyond our direct control. These include funding allocation, centralised policy settings, whole-of-government arrangements, limited data ownership and external infrastructure and market conditions. As such, the projected reductions should be viewed as indicative rather than definitive, reflecting potential rather than guaranteed outcomes.

Despite these constraints, the Department remains committed to meaningful action and actively contributes to whole-of-government efforts to reduce emissions and transition toward more sustainable operations. This is achieved through our Emissions Reduction Plan (ERP), robust governance arrangements, and active participation in cross-agency forums that help influence external factors beyond our direct control.

### **Key Achievements**

In 2024–25, the Department strengthened its contribution to the APS Net Zero Strategy across all Scopes. Key achievements for Scopes 1 and 2 are:

#### Scope 1

| TARGET  | OUTCOME   |
|---|---|
| Migrate to Whole-of-Australian-<br>Government (WoAG) electricity<br>arrangements as they are rolled out,<br>and existing contracts cease. | Exploratory work has commenced noting WoAG electricity arrangements have been delayed by Department of Finance until 2026.    |
| Preference for all-electric buildings and include Green Lease Schedules (GLS) when entering leases.                                       | All tenancies are within sites that are fully electric, except for the laboratory that requires gas for operational purposes. |
|   | Our current data centre is powered by zero-<br>carbon electricity.  |
|   | Eligible buildings were assessed using the NABERS tool and achieved or exceeded the minimum 4.5-star rating.                  |
|   | A new lease was signed in Brisbane and included a Green Lease Schedule (GLS).   |

#### Scope 2

| TARGET  | OUTCOME  |
|---|--|
| Transition fleet vehicles to no/low emissions vehicles: 25% of new fleet orders by 1 July 2023; 50% by 1 July 2024 and 75% by 1 July 2025.  | The target of 75% of new vehicle orders in 2024–25 being low-emission models has been met. The Department is progressing well toward its fleet electrification objectives with the fleet currently comprising 71% no or low-emission vehicles. It is on track to reach 88% by yearend. |
| From 1 January 2025 office spaces with allocated parking should support EV charging if electric fleet vehicles are on site (where possible), in accordance with the Charging Plan 2024. | Fleet Strategy and Charging Plan in place. EV charging infrastructure is currently available at one of our 17 sites, located in Perth. We continue to engage with building owners at other sites.  |
| Office spaces >1000m2 purchased, leased, constructed, or refurbished must have separate electricity metering.   | All relevant sites have separate electricity metering.   |

Supporting our pathway to net zero are further actions under Scope 3 which look to integrate climate action into core operations and decision-making. This includes refining strategic oversight, embedding sustainability into procurement practices, enhancing data reporting, and strengthening staff capability and engagement.

Key achievements in this area include:

#### Scope 3

| Lease consolidation             | The New Ways of Working (NWOW) Program continued to consolidate tenancies and embed sustainable design principles into office refurbishments and fit outs. NWOW was successfully implemented across sites in Brisbane and Surry Hills. In Woden, staff transitioned into the Yaradhang Building, enabling the decommissioning of Scarborough House. These changes resulted in a combined reduction in Net Leased Area of approximately 17,000sqm, supporting both operational efficiency and environmental sustainability. |
|---------------------------------|--|
| Waste management                | A strong emphasis on staff education to improve waste disposal practices, better recycling outcomes and more efficient overall waste management. The Department explored opportunities to enhance our waste data systems and will continue assessing innovative tools to support smarter, more sustainable waste management practices.   |
| Sustainable travel              | Travel policies were reviewed to identify opportunities for embedding sustainability into booking practices. Enhancements to training were explored to better integrate sustainability principles to support environmentally conscious travel decisions.   |
| Climate-related governance      | The Net Zero and Climate Risk Committee (NZCRC) was established to oversee implementation of the 2024–25 Action Plan and ensure strategic alignment with objectives of the Strategy.   |
| Emissions data and reporting    | Processes were reviewed and streamlined to enhance both accuracy and transparency. This work is ongoing, with further exploration into data management systems to support more robust and efficient reporting.   |
| Staff capability and engagement | Staff engagement was uplifted through improved tools of engagement, collaboration with the Enviro Club, participation in initiatives such as Earth Hour, cross-agency partnerships, and promotion of climate-related training.   |

Our Greenhouse Gas (GHG) emissions for 2024-25 decreased by approximately 13.6%, indicating progress in emissions reduction efforts. Further detail about our GHG emissions is available in our Annual Report.

#### **Priorities and Actions**

Moving forward the department aims to consolidate gains and identify solutions to overcome barriers accelerating our progress toward net zero. In 2025–26 we continue a focus on emissions reduction related activities in the priority areas of Building, Energy and Fleet.

The following table identifies actions, their delivery timeframes and status up to 2030. Priority is given to actions with the highest emissions reduction impact to assist in meeting the 2030 target date.

Each action has also been identified as to whether it may directly impact, influence or innovate greenhouse gas emissions reduction:

| Impact    | Represents direct emissions reduction or sustainability outcomes. |
|-----------|---|
| Influence | Indicates cultural, behavioural, or policy change.                |
| Innovate  | Symbolises new ideas, technologies, or pilot initiatives.         |

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| #   | PRIORITY AREA 1: BUILDING   | Scope | Action<br>type | Owner               | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | Status   |
|-----|---|-------|----------------|---------------------|------|------|------|------|------|------|----------|
| 1.1 | From 1 July 2024 preference for all-electric buildings when entering leases. This includes Green Lease Schedules (GLS) for all leased properties with an NLA of >1000m2 and minimum 4-year lease term. <i>Ongoing for future leases</i>   | 1 & 2 | Impact         | Leasing             |      |      |      |      |      |      | Met      |
| 1.2 | From 1 July 2025 ensure all office refurbishments within an office space of >1000m2 leased for a minimum of 4+ years will achieve 5.5-star NABERS energy rating for metropolitan sites and 4.5-star rating for regional sites. New data centres (outside panel arrangements) must achieve 5-star NABERS Energy or equivalent.  Annual audits will be undertaken to ensure compliance with NABERS energy ratings and to identify energy efficiency solutions for implementation. | 1 & 2 | Impact         | Property            |      |      |      |      |      |      | Underway |
| 1.3 | Continue to consolidate and optimise office space through the New Ways of Working (NWOW) Program.  Program of works extends through to 2028.  | 3     | Innovate       | NWOW                | _    |      |      |      |      |      | Underway |
| 1.4 | Where practical, ensure office spaces >1000m2 purchased, leased, constructed, or refurbished have separate electricity metering. <i>Ongoing for future leases</i> .   | 2     | Influence      | Leasing             |      |      |      |      |      |      | Met      |
| 1.5 | From 1 January 2025 office spaces with allocated parking should support EV charging if electric fleet vehicles are on site (where possible), in accordance with the Charging Plan 2024. Ongoing engagement with building owners to establish electric vehicle charging.   | 2     | Influence      | Vehicles<br>Leasing | •    |      |      |      |      |      | Underway |

| #   | PRIORITY AREA 2: ENERGY   | Scope | Action<br>type | Owner                 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | Status           |
|-----|---|-------|----------------|-----------------------|------|------|------|------|------|------|------------------|
| 2.1 | From 1 July 2024 migrate to Whole-of-Australian-Government (WoAG) electricity arrangements as they are rolled out, and existing contracts cease. In locations where these will not be available, work with our Property Service Provider to transition contracts to renewable sources, where possible. <i>WoAG arrangements delayed until</i> 2026. | 1     | Impact         | Property<br>Evolve FM |      |      | _    |      |      |      | Not<br>Commenced |
| 2.2 | 1 January 2028 at least 80% of electricity consumption (off-site and purchased) must be renewable.  | 1     | Impact         | Property<br>Evolve FM |      |      |      |      |      |      | Not<br>Commenced |
| 2.3 | 1 January 2030 100% of Commonwealth electricity must be renewable.  | 1     | Impact         | Property<br>Evolve FM |      |      |      |      |      |      | Not<br>Commenced |

| #   | PRIORITY AREA 3: FLEET  | Scope | Action<br>type | Owner           | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | Status   |
|-----|---|-------|----------------|-----------------|------|------|------|------|------|------|----------|
| 3.1 | Ensure continued transition of fleet vehicles to no/low emissions vehicles: replace 25% of new fleet orders by 1 July 2023; 50% by 1 July 2024 and 75% by 1 July 2025.                      | 1     | Impact         | Vehicles        |      |      |      |      |      | _    | Met      |
| 3.2 | Continue to review annual fleet and fuel data to monitor fleet utilisation and performance to identify opportunities for fleet optimisation. <i>Full LEV transition is encouraged.</i>      | 1     | Innovate       | Vehicles        |      |      |      |      |      |      | Underway |
| 3.3 | From 1 July 2024 all office spaces with allocated parking must have an EV charging plan.  Charging Plan will adapt to building and infrastructure changes.                                  | 2     | Influence      | Vehicles        |      |      |      |      |      | _    | Met      |
| 3.5 | Promote the benefits of public transport, walking, and cycling to new staff during induction programs and familiarise them with end of journey facilities at their workplace, if available. | 3     | Influence      | Property<br>SOS | _    |      |      |      |      | _    | Underway |
|     | The Department occupies a range of premises with varying access to end of trip facilities. New staff receive a building orientation as part of their induction.                             |       |                | 300             |      |      |      |      |      |      |          |