Australian Government
Department of Finance

Climate Action
in Government Operations

Metrics and Targets Guidance

Commonwealth Climate Disclosure (Year 2)

This factsheet guides entities on how to approach the metrics and targets criteria in the Year 2 Reporting Provisions. This category of your entity's climate disclosure covers three areas:

Climate related metrics	•Crieria M1(b) and M3
Climate related targets	•Criteria M1(c), M5, M6, M8, **M7*** and M9
Cross industry metrics	•**M1(a)*** and **M2*** (optional criteria)

*new Year 2 criteria

It is not mandatory to use this guidance, and you should consider how the guidance relates to your entity's individual circumstances. The format on how these criteria is addressed is flexible, provided it meets the General Requirements. Add an index when climate disclosures reference multiple sections of the annual report to enhance clarity and accessibility.

Note: Metrics and targets criteria M2(e), M3(e)ii, M4 and M8(e) are introduced in Year 3.

Climate-related metrics

Climate-related metrics criteria M1(b) and M3 are addressed through emissions reporting within annual reports (see Australian Government Emissions Reporting for further details).

If your entity deviates from the Climate Action in Government Operations Emissions Reporting Framework this must also be clearly stated within the climate disclosure. Examples could include if your entity is disclosing more scope 3 emissions sources than required or you are aggregating some emissions sources for national security reasons.



Figure 1 Approach to metrics disclosure

Case study: going above requirements

- The Northern Australia Infrastructure Facility and the Clean Energy Finance Corporation reported on additional scope 3 emissions sources by providing information on their scope 3 financed emissions in their climate disclosures.
    - In Year 3, investment entities commence reporting on financed emissions. However, a few entities are reporting earlier.

- The ABC and SBS have set targets for some Scope 3 emissions that go beyond the APS Net Zero 2030 goal. You can find more details in their 2025–26 annual reports on the Transparency Portal.

Climate related targets

The approach to addressing climate-related target criteria will depend on your entity type, relationship to the APS Net Zero 2030 Target, and information available in the public domain.

The figure below outlines three approaches to disclosing climate-related targets criteria.

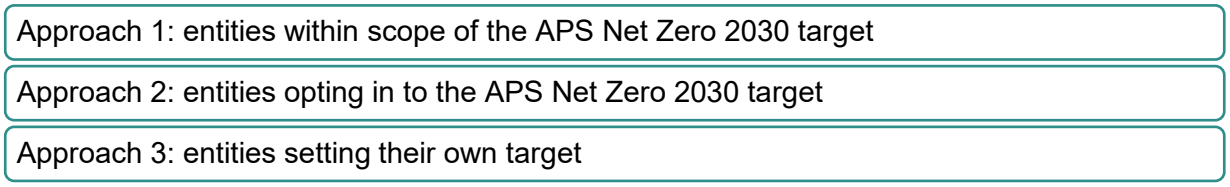


Figure 2 Approaches to targets disclosure

Additional resources are available to help minimise the space needed in your annual report (see Application Guidance website). These are:

1. APS Net Zero Target Factsheet which summarises criteria for entities committed to the APS Net Zero 2030 Target (updated annually).
2. Climate-related Targets Template which entities that have set alternative climate-related targets can use to consolidate their disclosures.

We recommend that you use this metrics and targets guidance document alongside the examples published on the Application Guidance website.

Publicly available information

There is no need to duplicate content in other sections of the annual report within your climate disclosure section.

Review your annual report and any relevant publicly available information to see what is available publicly for the same reporting period. This could include:

- commitment to the APS Net Zero emissions by 2030 within the body of the annual report.
- commitment to additional climate-related targets within an entity's published emissions reduction plan and/or the body of the annual report; and/or
- climate related information in Corporate Plans or website.

Tip: Information that is publicly available at the same time and on the same terms as the climate disclosure can be disclosed by linking to the public document. For example, your entity's emissions reduction plan, environmental focused policies, or Corporate Plan valid for the same reporting period.

Types of targets

Entities committed to the APS Net Zero 2030 Target must have an emissions reduction plan in place that incorporates interim targets in line with the Net Zero in Government Operations Strategy.

If your entity is setting its own targets, make sure you consider all qualitative and quantitative targets in place, not just emissions reduction targets. Examples of broader climate-related targets are below.

- Renewable energy generation targets
- Increasing low emissions vehicles within the fleet
- Reducing the number of flights taken
- Building executive climate capability through training
- Updating office assets to energy efficient lighting
- Less assets in flood prone regions

Figure 3 Types of climate-related targets

Ensure you are considering targets that are set by law, policy, regulation or other drivers.

Target setting examples

The examples tabled below demonstrate how entities with different approaches to climate-related targets can meet the criteria by leveraging the resources provided by Finance.

Approach 1: NCE in scope of the APS Net Zero by 2030 target

We are committed to contributing to the Government's APS Net Zero by 2030 target. Our approach, including interim qualitative and quantitative targets, is publicly available in our Emissions Reduction Plan and we will report our progress annually through our climate disclosure.

Details of the target are summarised in the APS Net Zero Target Factsheet, including target including scope, emissions sources and timeframes. We have not deviated from the approach in this factsheet.

Approach 2: CCE opting into the APS Net Zero by 2030 Target

We are committed to leading climate action within the public sector and have voluntarily committed to the Government's APS Net Zero by 2030 target. See the APS Net Zero Target Factsheet for details including scope, emissions sources and timeframes. We have not deviated from the approach in this factsheet.

Our approach to reducing emissions is detailed in our publicly available Emissions Reduction Plan and we will report our progress annually through our climate disclosure.

Approach 3: Entity setting its own target

We are committed to achieving net zero emissions by 2050 using the Science Based Targets initiative (SBTi). Our climate-related targets will support the Australian Government's target of a 62-70 per cent emissions reduction below 2005 levels by 2035 under the Paris Agreement.

To achieve this, we will:

- Reduce absolute Scope 1 and 2 greenhouse gas emissions by at least 80% by 2029-30 financial year (from a 2021-22 financial year baseline).
- Reduce selected Scope 3 greenhouse gas emissions by 50% by 2029-30 financial year (from a 2021-22 financial year baseline)

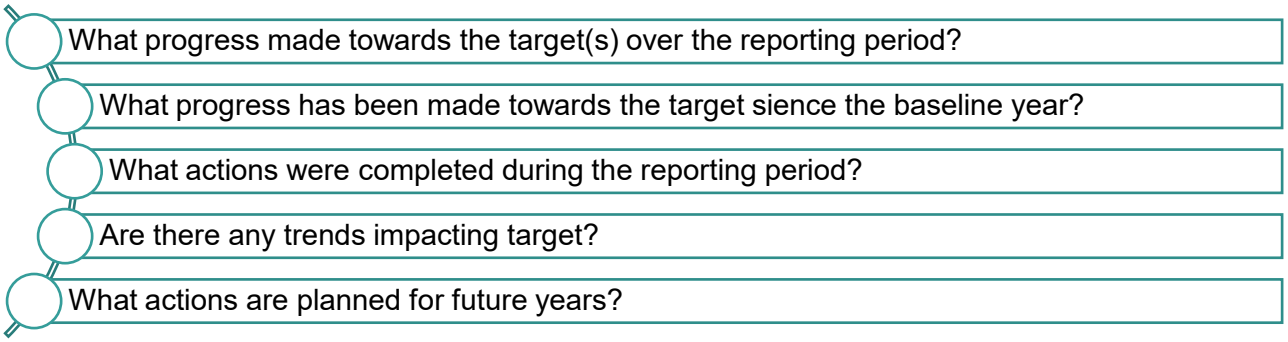
- Purchase 100 per cent renewable electricity by 30 June 2027.

Full details of our climate-related targets including scope, emissions sources and timeframes are detailed on our Climate-related Targets Factsheet here. Details of our near-term and long-term Net Zero targets are available on our website.

Performance against targets

In Year 2, entities are required to outline their performance against each of the climate-related targets identified through M5 and M6. This should cover any trends or changes in the entities performance that have impacted target performance over the reporting period.

The figure below outlines some questions to consider when completing your disclosure against M7.



Tip: Entities that are part of the APS Net Zero 2030 target are encouraged to combine their response to M7 with their Emissions Reduction Plan update in their annual report.
This approach supports efficient reporting and alignment with broader climate obligations.

The Year 2 Metrics and Targets example for non-corporate Commonwealth entities will provide an example on how to combine these two reporting requirements (currently under development).

M7 Example: Target to reduce absolute Scope 1 and 2 greenhouse gas emissions by at least 80% by 2029-30 financial year (from a 2021-22 financial year baseline)

During the reporting period overall scope 1 and 2 greenhouse gas emissions were reduced by 7%. The key actions contributing to this achievement were:

- growing our EV fleet (now represents 43% of all vehicles).
- installing a 20kW solar PV system to generate renewable electricity on-site; and
- reducing leased space.

The increase in flexible work arrangements and virtual meetings has resulted in greater emissions reductions than originally estimated.

We plan to continue reducing emissions by delivering the actions outlined in our Emissions Reduction Plan, which includes upgrading our building management system and growing our EV fleet.

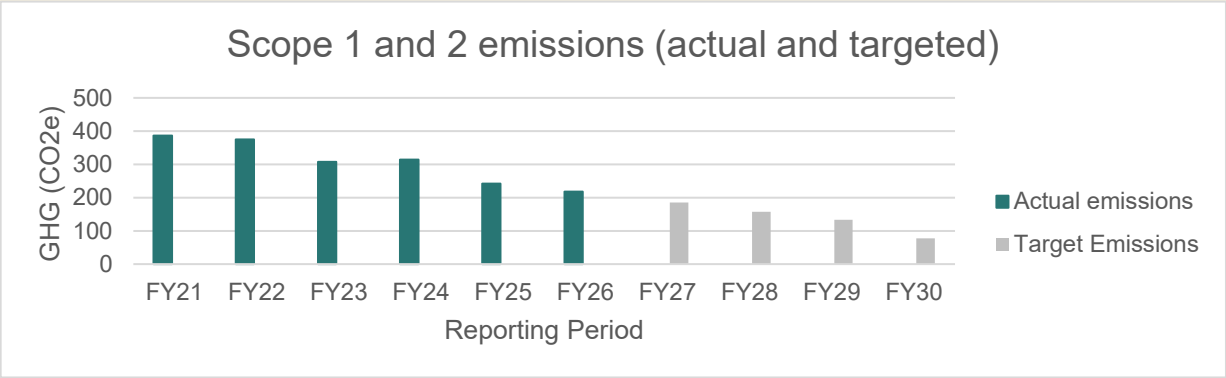


Figure 4 Target performance example (scope 1 & 2 GHG emissions reduction)

Cross industry metrics

Entities may choose to opt-in to reporting against the optional cross-industry metrics criteria. These optional criteria may be relevant to entities whose operations intersect or compete with those of the private sector, and who wish to demonstrate comparability to private sector industry partners.

Entities choosing to opt-in should refer to the relevant guidance in the *Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures*, specifically the sections addressing cross-industry metrics.

Note: The AASB S2 standard and associated knowledge hub are available on the Australian Accounting Standards Board website.

Document control

Version number	Date of issue	Brief description of change
1	24/11/2025	Initial publication