

A man with a beard and long hair, wearing a blue knit beanie, a dark brown leather jacket with sheepskin trim on the collar and shoulders, and dark trousers, stands in a field of tall grass. Two sheep are perched on his shoulders. He is holding a black metal cooking pot in his left hand. The background shows a line of trees under a clear sky. A large yellow graphic element, resembling a stylized arrow or lightning bolt, is on the right side of the image.

SUSTAINABILITY REPORT 2026



Brooke Blurton and Ernie Dingo,
Going Places With Ernie Dingo

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COVER: *Alone Australia* Season 2 winner, Krzysztof Wojtkowski

SBS acknowledges First Nations Custodians and Elders, past and present, for their enduring connection to, and with, Country. We recognise that for tens of thousands of years, Aboriginal and Torres Strait Islander peoples have nurtured, cultivated and embraced Country across this vast continent. We respect and value the knowledges, practices, cultures and traditions which continue to be shared, and are grateful for the ongoing stewardship by First Nations peoples of the lands, skies and waterways on which we live and work.

FROM THE CHIEF FINANCIAL OFFICER

SBS is a national broadcaster serving all Australians, with a particular remit to serve multicultural, First Nations, and multilingual audiences. Operating at the intersection of public and commercial media, the network holds a distinctive place in the national media landscape. Its purpose is clear: to inspire all Australians to explore, respect and celebrate our diverse world and in doing so, contribute to a cohesive society.

A cohesive society requires a stable and sustainable planet so that people can flourish. SBS has chosen to place sustainability at the heart of its strategy and aspires to be an industry leader in this important area.

In this second Sustainability Report, which covers sustainability initiatives undertaken in FY26 and the full FY25 carbon footprint, we are proud to demonstrate the ongoing headway we have made in decarbonising our operations and supply chain, with strong progress towards our science-aligned near-term target. We are also pleased to share how we have achieved this and offer practical case studies to demonstrate potential approaches for other organisations in both public and private sectors.

SBS continues to evolve and mature our approach to climate risk assessment, management and mitigation. We include our Year 2 Climate Statement in this report to meet the Commonwealth Climate Disclosure Requirements.

We are also excited to share our early work on developing a Nature and Biodiversity Strategy for SBS ensuring that we consider our impact on the broader natural world, alongside our carbon footprint. As this is a voluntary disclosure, we have used the Taskforce for Nature-Related Financial Disclosures (TNFD) framework to guide this work and acknowledge that this is only the first step in a longer journey.

We are also now in the third year of our Environmental, Social and Governance (ESG) framework and report here on how our ESG topics and targets are evolving to remain relevant.

Nitsa Niarchos
Chief Financial Officer, SBS



SBS FY26 SUSTAINABILITY HIGHLIGHTS

OUR JOURNEY

SBS reduces emissions by 38% since FY22 base year

SBS is progressing well towards its near-term 2030 target, already showing a 38% drop in emissions from FY22 to FY25, which has been validated by the Science Based Targets Initiative (SBTi). This is based on the switch to renewable energy, more sustainable TV production and reduction of business travel.

SBS takes a sustainable approach to AI

SBS is taking an environmentally responsible approach to its rollout of AI, tracking the usage, energy and emissions of its pilot ChatGPT program, and other tools and encouraging its AI suppliers to use renewable energy and more efficient water-cooling techniques in their data centres.

Partnering with suppliers on decarbonisation

SBS has engaged its key 35 suppliers to source accurate emissions data, including participating as an early pilot customer on Telstra's new lifecycle emissions calculator.

Launch of sustainability content hub to engage audiences

The Sustainability Stories hub on SBS On Demand offers audiences a range of content from nature documentaries to climate solutions.

First Australian broadcaster to develop and launch Nature and Biodiversity Strategy

SBS has analysed its impact and dependency on nature, creating its inaugural Nature and Biodiversity Strategy, a first for Australian broadcasters.

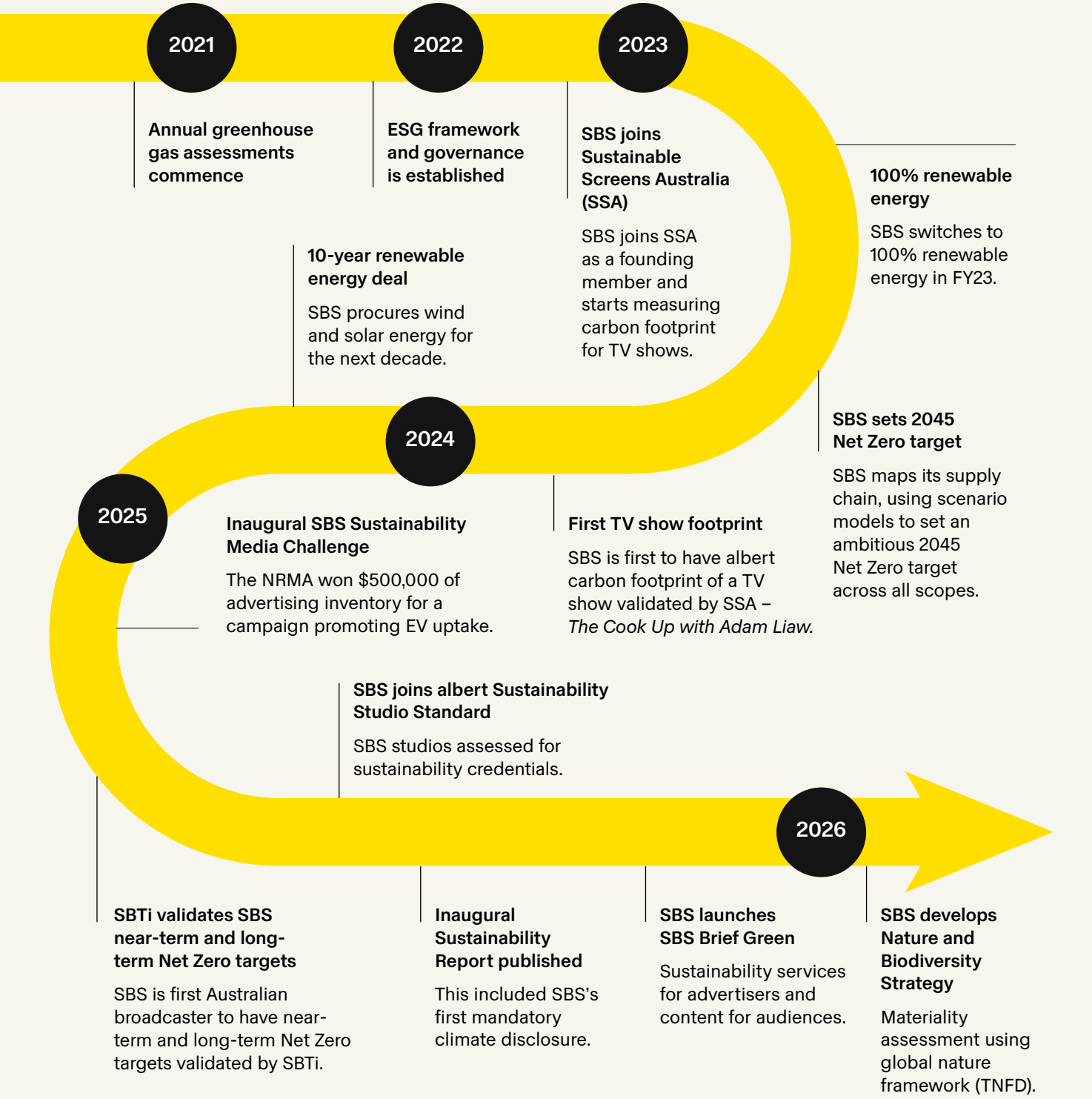
Helping drive sustainable production in advertising

The NRMA – winner of the inaugural SBS Media Sustainability Challenge which encouraged brands to normalise sustainable behaviour – used innovative sustainable production techniques to produce a lower-carbon advertising campaign.



Behind the scenes, *Great Australian Walks*

TIMELINE OF SBS'S RECENT SUSTAINABILITY ACTIVITIES





01

**OUR PATH TO
NET ZERO**

OUR PATH TO NET ZERO

SBS has led the Australian media sector in setting an ambitious Net Zero target of 2045 across its operations and supply chain (Scopes 1, 2 and 3) and a near-term target of 42% reduction in Scope 1 and Scope 3 emissions by 2030 (against a FY22 baseline) as well as a commitment to continue active annual sourcing of 100% renewable energy through to 2030. Both the near-term and long-term targets have been validated as aligned with the latest science by the global standards body Science Based Targets Initiative (SBTi).

38%

REDUCTION

IN SCOPE 1, 2 AND 3

EMISSIONS SINCE

FY22 BASE YEAR

SBS is well on track to meet its science-aligned near-term target. Its FY25 carbon footprint was 26,584 tCO₂-e which was a 38% reduction from FY22. This has been achieved by a comprehensive Decarbonisation Strategy which identifies opportunities to decarbonise across all operations and the supply chain.

Key initiatives underway and completed within the Decarbonisation Strategy include:

DIRECT OPERATIONS – SCOPE 1 AND 2

- Fleet – SBS switched 100% of its fleet to hybrid or electric vehicles which has reduced 25% of Scope 1 or 0.1% of overall annual emissions since the FY22 base year.
- Electricity – SBS switched to 100% renewable energy in FY23 and has subsequently entered into a 10-year Power Purchase Agreement for wind and solar power which will provide SBS's renewable power through to FY34. This removed 8.6% of annual emissions since the FY22 base year.

SBS'S SUPPLY CHAIN AND INDIRECT EMISSIONS – SCOPE 3

- Business travel – as a public broadcaster with a global news and entertainment offering, business travel is an unavoidable part of SBS's operations. However, as a source of emissions within SBS's direct control, the organisation aims to contain the carbon footprint of business travel as much as possible. In FY25, an Organisational Performance Indicator for business travel was introduced, with a target to limit emissions below a ceiling in order to create shared accountability across the business. Creating an organisational-wide target and raising awareness of this source of emissions contributed to a 29% year-on-year reduction in business travel emissions from FY24 to FY25. Teams used levers such as reducing the number of trips, selecting lower-emissions routes or aircrafts and working with local talent and crew wherever possible. A more ambitious target has been set for FY26 to continue this momentum, which is currently on target. This initiative targeted a category responsible for 5% of emissions in the FY22 base year.

OUR PATH TO NET ZERO

Marketing

- SBS has partnered with its media agency, Hearts and Science, to more accurately determine emissions from each marketing platform and to identify opportunities for lower carbon advertising campaigns. This has led to an improvement in data quality, with 41% of marketing emissions now tracked using primary data and specific campaigns run using lower-carbon advertising formats.

Technology

- SBS has engaged its key technology suppliers – such as Broadcast Australia International, Telstra, Optus, AWS, Microsoft and Adobe – to identify accurate emissions at the supplier or product level. This supplier engagement initiative has enabled SBS to drive improved measurement and encourage more rapid decarbonisation from key suppliers.

Television Production

- SBS began tracking the carbon footprint of its television productions in FY24 and has now rolled out the industry-standard albert carbon calculator (in collaboration with industry body Sustainable Screens Australia) to 20 of its in-house and commissioned programs. This has involved internal training, internships and assistance to production company partners. The insights provided by the calculator have helped SBS reduce emissions, in particular for recurring series where incremental emissions reductions can be applied. SBS now plans to build on this foundation and has set a target within its ESG framework to have 60% of its commissioned and in-house production hours certified by albert by the end of FY26 (certification involves a combination of using the calculator and having a concrete climate action plan per production).

Supplier Engagement Program

- SBS has proactively engaged with its key 35 suppliers in the content, technology and marketing sectors to share learnings on decarbonisation and actively encourage further ambition. This has also led to improvements in data quality, with over 60% of SBS's Scope 3 emissions now calculated using primary data (supplier or product specific) as opposed to using industry average emissions factors.

Staff Engagement Program

- SBS Green is an active employee volunteer group which promotes easy and engaging ways for staff to be more sustainable in the office and at home. Successful events include regular clothes swaps where staff exchange good quality used clothes to reduce waste to landfill, sewing and repair workshops to extend the life of clothes, and an initiative to educate staff about the correct use of bins to reduce waste.

Audience Engagement

- SBS provides a range of television, audio and digital content on the theme of sustainability for audiences. In FY26, SBS launched a new sustainability hub on SBS On Demand which brings much of this content together in one place for audiences to explore (see Sustainability Stories case study).

Advertiser Engagement

- SBS has continued to lead the way in offering sustainable advertising options for marketers, partnering with Scope3 to provide accurate campaign-level emissions and offer lower-carbon advertising solutions (see SBS Brief Green case study).

Industry Engagement

- Engaging with industry peers as an active member of broadcast industry body Sustainable Screens Australia, audio industry group Green Ears and advertising industry body Ad Net Zero has been an important approach for the organisation. SBS has also shared its lessons on decarbonisation and climate risk analysis at conferences such as the Factor CFO Day (October 2025) and the Public Sector Climate Risk and Disclosure Summit (March 2026), as well as hosting an industry panel of cross-sector practitioners on sustainable television production at Sydney Climate Action Week (March 2026).

Transparent Disclosure

- For the FY25 period, SBS adjusted its methodology for accounting for television program-related emissions to align with global industry standards. Based on the [Sustainable Production Alliance White Paper](#), January 2024, which is endorsed by the UK's BAFTA and US media companies such as Disney, Sony, Amazon Netflix, the industry standard recommends a broadcaster account for first-run commissioned and in-house production emissions hosted on their platform, and excludes

emissions from acquired broadcast rights for subsequent runs: *'Emissions ownership, or the responsibility of an entity to account for at least the minimum boundary emissions ends or "expires" after original distribution or first run of the show. For the purpose of this initial minimum boundary, the terms original distribution or first run refer to the TV show or feature film content's earliest availability for general public viewing whether at the theater, a streaming platform, or broadcast TV.'* SBS has applied this change in methodology for the FY25 carbon footprint. Since acquired programs (which have already had their primary launch on international platforms other than SBS) accounted for more than 5% of SBS's base year emissions, this change triggered a rebaselining process under the Science Based Targets Initiative (SBTi) framework. Accordingly, SBS has recalculated emissions for its FY22 baseline year and most recent years FY24 and FY25 to align with this approach and ensure emissions reductions and the near-term target are viewed on a like-for-like basis. This rebaselining exercise has been validated by SBTi. The original and rebaselined emissions are shown below:

Scope	FY22 Emissions (tCO ₂ -e)	FY24 Emissions (tCO ₂ -e)	FY25 Emissions (tCO ₂ -e)	Target FY30 Emissions (tCO ₂ -e)
Scope 1	159	92	230	92
Scope 2 (market-based)	3,648	-	-	-
Scope 3 (original)	47,867	28,135	n/a	n/a
Acquisitions removed	-9,456	-5,746	n/a	n/a
Scope 3 (rebaselined)	38,411	22,389	26,354	22,278
Rebaselined Total	42,218	22,481	26,584	22,370

*Figures in the table above reflect minor updates to some Scope 3 categories recommended through the SBTi validation process and may therefore differ from previously published figures.

CASE STUDIES

ALONE

Since each series of *Alone Australia* takes place at a different location, the team continues to look for ways to build upon the production's sustainability credentials year on year, carrying forward transferable practices that have worked in previous series, as well as exploring different opportunities that new locations may present. Series 4, shot in the Arctic Circle, was able to evolve part of their workflow by installing a fibre internet connection at their on-location production offices. This removed the need for couriers for the physical rushes and also meant that four roles that had previously been based on location were able to work from ITV Studios Sydney offices, reducing the production's travel and accommodation

footprint on location. In addition to this, the production continued their commitment to sustainability on a day-to-day basis with crews carpooling to and from shift on location, and all re-usable utensils and cutlery at on site catering. On screen, the series continues to celebrate sustainable living passively by demonstrating ethical land stewardship and wild living practices, as well as actively by educating viewers on the synergy between proven traditional First Nations science and academic ecological science. The recurring signature format beat - the stylised deconstruction of shelters - acts as a rhythmic reminder across the series of the production's core values: a strict leave-no-trace ethos, a commitment to the regeneration of the flora, and a dedication to returning the land to its untouched state.



Full cast, *Alone Australia* S3

SUSTAINABILITY STORIES

In FY26, SBS launched a new sustainability hub on SBS On Demand called Sustainability Stories, featuring powerful documentaries, awe-inspiring landscapes, everyday heroes and sustainably made programs. This gives audiences a chance to explore many aspects of this complex topic at a pace that suits them. It also enables advertisers to reach and target audiences interested in this subject.



SUSTAINABILITY AND NATURE CONTENT IN 60 LANGUAGES

SBS offers clear, informative and practical information for multilingual Australians, helping communities to understand how to prepare for climate weather events, and how to enjoy the Australian natural landscape. In FY26 Australia Explained launched a new Nature and Environment collection featuring articles and podcasts across 60+ languages, including information on [camping in the outback](#) and [recovering from bushfires](#), and now offers an overall collection of Nature and Environment articles and podcasts.

SUSTAINABLE TV PRODUCTION

SBS is rolling out the albert carbon calculator and Carbon Action Plan across its in-house and commissioned productions, aiming to cover 60% of production hours by the end of FY26. Returning series such as *The Cook Up with Adam Liaw* and *Insight* have been measuring their footprints across multiple seasons and can see their decarbonisation efforts reflected in lower carbon footprints over time. Data analysis from the albert calculator also reveals average footprint per hour for different genres, which can be compared with international benchmarks from BAFTA albert's UK broadcasting sector, showing that 12 out of 16 SBS programs which have used the albert calculator are below the industry average (16.6 tonnes of CO₂-e per hour, as per the latest available albert data from 2023). The average footprint for SBS unscripted programs is 13.4 tCO₂-e per hour, well below the industry average. The calculator also shows hotspots for emissions such as travel for cast, crew and guests. Programs such as *The People vs Robodebt*, *Alone Australia*, *Reckless* and *The Cook Up with Adam Liaw* have distributed a Green Memo to cast and crew at the beginning of production, highlighting clear and easy ways for production teams to reduce emissions (such as reusing vegetable oil for soap, reducing food waste, choosing plant-based catering or carpooling).



CASE STUDIES

SUSTAINABLE AI

AI tools are strategically important for broadcasters such as SBS to help drive innovation and ensure productivity and efficiency. However they are well-known to be carbon-intensive in both the training of Large Language Models (LLM) and their daily usage. SBS has taken a responsible approach to its rollout of AI, with this environmental lens informing the strategy. Currently SBS is closely tracking the usage, energy and emissions of its AI pilots. At this stage, all AI activities within SBS are estimated to account for less than 0.1% of the overall SBS carbon footprint. SBS is also engaging with its AI suppliers to encourage the use of renewable energy and more efficient water-cooling techniques in their data centres.

TESTING TELSTRA'S PILOT EMISSIONS CALCULATOR

SBS engages Telstra to deliver core telecommunications, including satellite, broadband and managed mobility, supporting staff and operations nationwide. These services accounted for around 5% of SBS's total carbon footprint. For its FY25 footprint, SBS was one of the first Telstra customers to take part in a pilot product-specific emissions calculator project. This involved partnering with Telstra who were able to quantify the specific emissions of each product or service purchased by SBS, including for technology and the connectivity services it leverages. This led to a more accurate picture of the Telstra emissions attributable to SBS's Scope 3 emissions profile and also gave insight into opportunities to select lower-carbon products in future.



SBS LAUNCHES SUSTAINABILITY TOOLKIT FOR MARKETERS – SBS BRIEF GREEN

In FY26, SBS unveiled SBS Brief Green, a product that provides marketers a sustainability toolkit that includes the ability to design a brand's media plan to reduce advertising emissions without disrupting media outcomes.

The broadcaster is using the framework launched by Ad Net Zero to help brands build tailored and accessible solutions which are cost effective. It has also partnered with Scope3 to ensure campaigns booked using SBS Brief Green's carbon optimised media plan are measured for emissions.

SBS Brief Green is the national broadcaster's umbrella brand for actions that SBS Media is taking in the sustainability space. It includes a toolkit of resources such as:

- Using Scope3 measurement in a new Carbon-Optimised Media Plan – designed to reduce advertising emissions without disrupting media outcomes.
- Sponsorship opportunities for the SBS On Demand sustainability hub, Sustainability Stories.
- Partnering with SBS CulturalConnect to help brands produce creative to support more sustainable consumer behaviours.

“SBS Brief Green is a response to brands who have come to us looking for the chance to align their media strategy with their wider business climate commitments in a cost-effective way,” said Lee Fifoot, SBS Acting Director of Media Sales. **“It is an opportunity to achieve premium exposure and at the same time lead the industry toward a more sustainable future.”**



CASE STUDIES

SUSTAINABILITY CHALLENGE YEARS 1 AND 2 – THE NRMA

In FY25, SBS launched its inaugural SBS Media Sustainability Challenge to encourage Australian brands to normalise sustainable behaviour and highlight better environmental practices for Australian consumers.

The challenge was designed to call on brands to rethink how sustainability is represented in marketing and to produce work that sparks positive change, offering \$500,000 of advertising inventory on SBS platforms to the winner. The NRMA won with a campaign to promote the switch to electric vehicles, tackling the slower than global average take-up of EVs in Australia and promoting access to their network of chargers. Every EV switch saves 30 tCO₂-e over the life of the vehicle when charged using renewable energy sources – a powerful reminder of why this work matters. The NRMA campaign was rolled out in FY26.

“In conceiving this challenge, we wanted to promote outstanding work which drives positive change and rethinks how brands can authentically drive sustainability in their advertising campaigns and the associated TV productions. The work by The NRMA in-house Creative Studio and 3rdspace does exactly this, and shows how Australian brands can lead when it comes to driving sustainability and change in consumer behaviour,” said Kate Young, National Manager of SBS CulturalConnect.

Following the success of this challenge, it has been renewed for a second year in FY26, with judging now underway.



Winner of SBS Sustainability Challenge 2025, The NRMA

SUSTAINABLE AD PRODUCTION – THE NRMA

The Sustainability Media Challenge encouraged entrants to consider more sustainable production for their proposed advertisement. The NRMA embraced this challenge and worked with production partner 3rdspace to embed sustainability at every stage without compromising creativity or business objectives.

Key initiatives included:

- Remote-first location scouting and virtual casting to reduce travel and paper use.
- EV carpooling for small, agile crew and local casting where possible.
- Solar-powered generators for lighting and battery charging
- Vegetarian catering and refillable water bottles
- Post-production powered by renewable energy.
- Virtual voice-over recording sessions.
- Utilising cast's own and recycled clothing.
- Fully recycled hard drives.

According to AdGreen, experts in reducing advertising production emissions, the final carbon footprint for the shoot was just 1.98 tCO₂-e – 75% lower than the industry average.

“Winning the inaugural SBS Media Sustainability Challenge was about proving creativity and sustainability can co-exist. We learned what works, what doesn’t and where the industry needs to go next,” said Marie Ferrett, General Manager Brand and Reputation at The NRMA.

‘TRASH TALK’ – REDUCING WASTE TO LANDFILL

Waste accounts for 1.3% of SBS’s total emissions. Currently, SBS offices have four waste streams for office waste: red (landfill), blue (paper), yellow (cans and bottles) and green (organics). The SBS Green employee advisory group identified an opportunity to help staff use the bins correctly and avoid contaminating the recycling streams or placing recyclable objects into landfill. The SBS Green team worked with the Workplace and Property Services team to develop a new suite of clear posters to help staff understand what goes into each bin and rolled this out with team-by-team communication (‘Trash Talk’).

A new waste stream was also identified and rolled out on a pilot basis – brown bins which recycle soft plastics and other harder-to-recycle materials. The impact of these changes will be monitored to help SBS achieve its goal of reducing waste to landfill by 10% year on year (see ESG FY26 targets).



Australia Uncovered, The Cleaning Company

The cover page features a close-up photograph of vibrant green fern fronds on the left side. The right side of the page is dominated by a large, abstract graphic element consisting of several overlapping, pointed shapes in shades of yellow and white, creating a dynamic, modern look. The overall composition is clean and nature-focused.

02

NATURE AND BIODIVERSITY STRATEGY

NATURE AND BIODIVERSITY STRATEGY

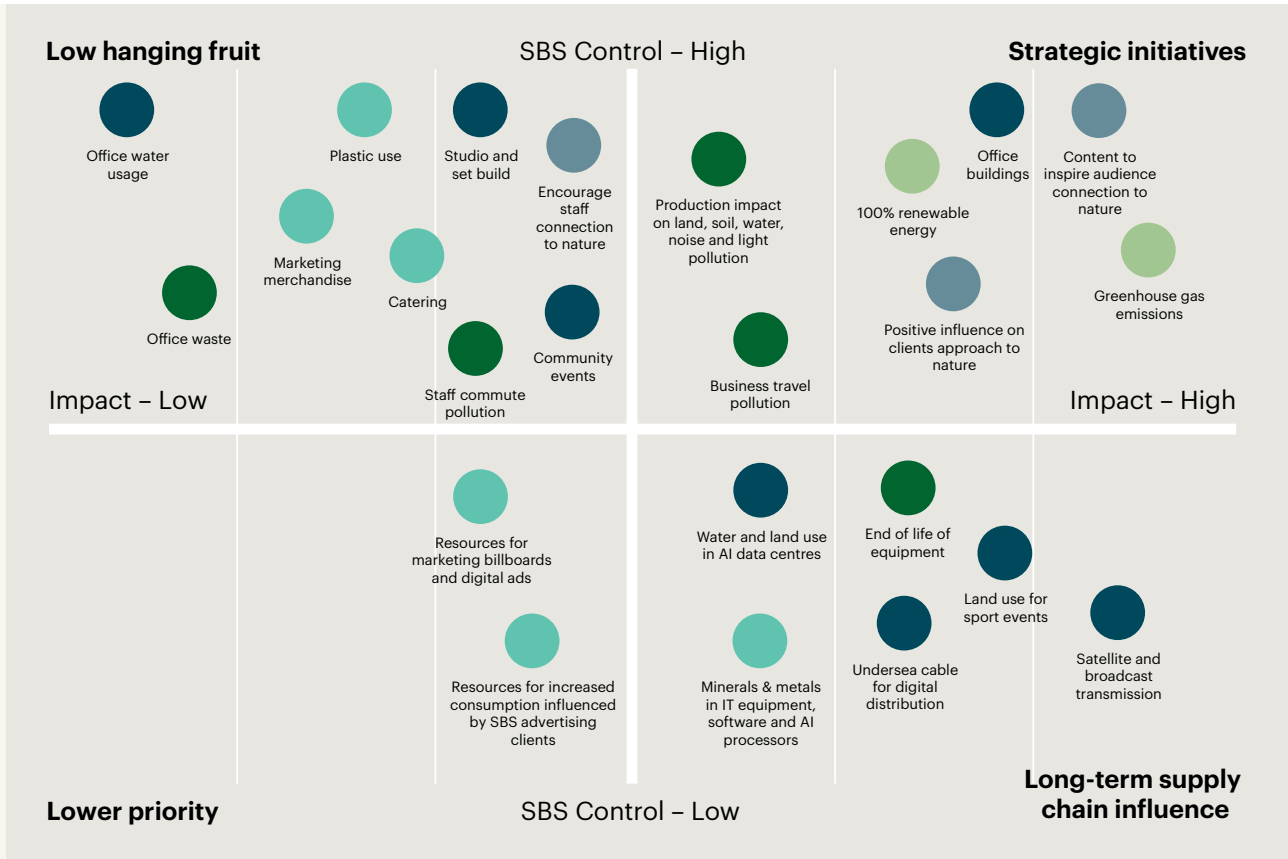
In FY26, SBS embarked on its first Nature and Biodiversity Strategy – the first Australian broadcaster to do so. The work captures SBS’s impact on the natural world, as well as its dependency on nature – whether filming in remote locations, offering community events in public parks, using water and generating waste in our offices, or procuring technology equipment that uses minerals, metals, energy and water. SBS also has a role to play in storytelling and connecting audiences to nature. As part of being a responsible organisation with an ambition to lead the industry on sustainability, SBS considers it is important to address both the nature and climate crises together as they are deeply interconnected.

SBS has gone beyond current mandatory disclosure requirements to consider nature and biodiversity and as such, this is a voluntary disclosure. The materiality assessment was conducted using the Taskforce on Nature-Related Financial Disclosures (TNFD) framework to identify the most relevant nature-related risks and dependencies for SBS’s operations and supply chain. Since this is SBS’s first nature-related assessment, we have approached this as a qualitative rather than quantitative exercise. SBS also made the decision to focus on a small number of material topics as a first step.



NATURE AND BIODIVERSITY STRATEGY

Below is the nature materiality matrix developed as a starting-point for SBS's Nature and Biodiversity Strategy.



KEY



Land, water and ocean use



Pollution



Resource use



Climate change



Connection to nature

Using this as a foundation, a group of cross-divisional representatives convened to map out where the organisation could have most impact (in amplifying a positive change, reducing a negative change or mitigating a risk).

Impact/Risk	Production and Events	Offices	Technology	Content	Greenhouse Gas Emissions*
Positive impact	Responsible and regenerative production practices	Best practice operational efficiencies in energy and water in offices	IT supplier engagement and influence on nature policies	Amplifying social norms on connection to nature for audiences and schools via content, especially First Nations stories	Net Zero leadership influencing industry peers/clients
	Community event best practice	Virtual studio and recycled sets	AI supplier influence	News and language explainers on extreme weather and disaster preparation	
		Reduced waste via staff campaigns		Influencing corporate clients on nature via CulturalConnect	
				Encouraging staff to connect to nature	
Negative impact	Production and newsgathering travel pollution and emissions	Resources and waste from construction of offices		Advertising and over-consumption impacts natural resource usage	Emissions from travel, commute, production, technology
	Environmental impact of large sporting and community events	Biodiversity nature disturbance from offices			
		Pollution and emissions from staff commute			
Risks	Delays and cancellations due to weather unpredictability	Access to land, water and resources for office/studios	Access to land and freshwater for AI data centres	Access to land/ Country for storytelling	Range of climate related risks and opportunities
	Access to land for filming productions		Access to minerals and metals for IT equipment and software		*More detail on Climate Change impacts and risks in SBS 2025 Sustainability Report

As a starting point, three early initiatives have been prioritised in FY26 as quick wins:

- 1) Responsible and regenerative production practices using BAFTA albert Nature and Biodiversity Guidelines.
- 2) Technology supplier engagement on nature policies.
- 3) Amplify social norms on respect and connection to nature via content and storytelling for audiences



03

ESG AT SBS

ESG AT SBS

SBS's ESG Framework evolves

SBS's Environmental, Social and Governance (ESG) Framework has been in place for two full financial years, with targets set for 10 topics for FY24 and FY25, as reported on in the [SBS 2025 Sustainability Report](#).

For FY26, the materiality assessment was updated to reflect new strategic priorities and progress made during the first two years. This has led to a new suite of topics for FY26 which are set out below, shown alongside the previous FY25 topics for reference.

	FY25 Topic	FY26 Topic	FY26 Target
Environmental	Carbon emissions and climate change	Renamed: Climate and nature	Meet Business Travel OPI to minimise business travel emissions with 10% reduction from FY25
	Environmental production impact	Renamed: Sustainable production	60% of commissioned and produced Hours to be albert certified through SSA by end FY26
	Recycling, waste and e-waste	Renamed: Sustainable resource use and circularity	Reduce waste to landfill by 10% from FY25 levels
Social	Community impact	Community impact	Meet targets for brand association of Cultural Celebrations with SBS and consumption of Cultural Celebrations content
	First Nations impact	First Nations impact	Implement key deliverables within SBS's Elevate RAP
	Employee diversity and inclusion	New: Anti-racism framework	Deliver anti-racism training to 90% of current permanent SBS employees
	Representative media presence	Representative media presence	Meet <u>inclusion targets</u> on-screen and off-screen, including tracking diversity of news stories
Governance	Health and safety	Health and safety	Maintain Lost Time Injury Frequency Rate below industry average
	Privacy and data safety	Privacy and data safety	Maintain annual deletion of inactive audience registrations
	Trusted news and information	Moved to Business As Usual	
		New: AI Governance	Rollout of AI Framework and Guidelines across SBS

04

CLIMATE STATEMENT – GOVERNANCE AND RISK MANAGEMENT

COMMONWEALTH CLIMATE DISCLOSURE CLIMATE STATEMENT

GOVERNANCE

About Commonwealth Climate Disclosure (CCD) Requirements

SBS is now in its second year of reporting against the Department of Finance Climate-Related Disclosure Requirements for Corporate Commonwealth entities, with additional reporting requirements introduced for Year 2.

About this document

The SBS Climate Statement conforms with the Tranche 1, Year 2 Commonwealth Climate Disclosure requirements. For ease of reading, the specific requirements are included for reference (eg G1, S2 etc).

Governance and risk management approach [G1] [R1]

Effective governance is crucial to enable our Board, as our Accountable Authority, to oversee SBS's management of climate-related risks and opportunities. With its Risk Management Framework in place, SBS utilises its existing policies and procedures to manage all risks including climate related risks and opportunities. Following the Year 1 Climate Risk Assessment, SBS has now integrated the key climate risks and opportunities into its existing Risk Management Framework and a Climate Action Plan has been created to ensure accountability for prioritised mitigation initiatives.

The Risk Governance and Management approach for managing climate risks and opportunities is consistent with the overall SBS Risk Management framework, where climate-related risks and opportunities are considered and prioritised relative to other types of risks. These risks are assessed in terms of severity using the same definitions of probability, impact and severity as other types of risks SBS faces, although the timeframes used for assessing climate risks and opportunities are longer (2030 to 2050) compared to the timeframes used in general operational risks which tend to be up to five years ahead. As the Accountable Authority, the SBS Board has established an Audit and Risk

Committee to assist the SBS Board to discharge its responsibilities including oversight of the SBS risk management framework. This includes the assessment of whether management has in place a comprehensive framework and related procedures to identify and manage financial and business risks, including climate related risks and opportunities, as reflected in the [Audit and Risk Committee's Charter](#). Risk reviews, which extend to climate-related risks, are conducted regularly (comprehensive annual risk review and a quarterly review focused on both top and emerging risks). The Audit and Risk Committee also receives regular updates on all Environmental, Social and Governance (ESG) topics, including the Climate and Nature topic which also enables risks to be escalated more frequently as and when needed.

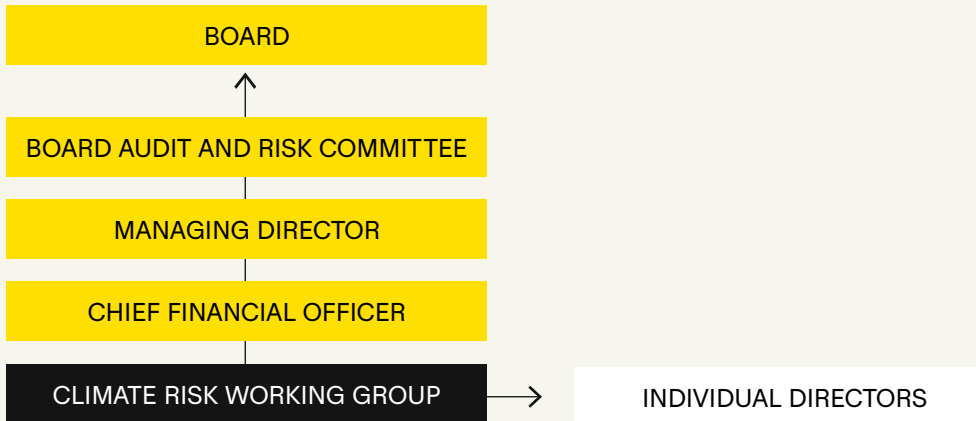
A new cross-divisional group of Subject Matter Experts – the Climate Risk Working Group – has been established with the remit to identify, monitor and manage climate-related risks and opportunities based on future climate scenarios as they relate to each part of the organisation and its policy delivery. This group conducted the initial Climate Scenario Analysis and meets regularly to assess, review and update these risks. A Climate Risk Action Plan has been created to hold risk owners to account, and ensure mitigation initiatives are progressing.

Risk oversight [G1] [R1]

The roles and responsibilities for identifying, managing, monitoring and mitigating climate-related risks and opportunities are set out in the governance structure diagram and roles and responsibilities table below. This approach has been in place since Year 1 of SBS's Climate disclosure (FY25) and continues in FY26.

GOVERNANCE

Governance structure diagram [G1]



Roles and responsibilities [G1]

SBS Representative	Roles and Responsibilities	Frequency
Board	In accordance with Section 12 of the PGPA Act, the SBS Board is the Accountable Authority which is responsible for SBS's governance, Corporate Plan and risk oversight, including the management, control and mitigation of climate-related risks and opportunities.	Ongoing
Audit and Risk Committee	The ARC assists the Board in discharging its responsibilities to ensure management has adopted sound, robust and accurate policies and procedures in respect of risk oversight, which includes climate related risks and opportunities.	Four times a year
Managing Director	Reviews and endorses the outcomes of the annual Climate Risk Review	Ongoing
Chief Financial Officer	Presents the outcomes of the annual Climate Risk Review to the Audit and Risk Committee.	Ongoing
Individual Directors	Informed by the Climate Risk Working Group, individual Directors own specific Climate Risks and Opportunities relevant to their function and incorporate specific Climate Risks and Opportunities relevant to their team into the Divisional Risk Register if the risks are current or emerging.	Ongoing
Climate Risk Working Group – a cross-divisional group of Subject Matter Experts, facilitated by Head of Sustainability, Head of Financial Operations	Responsible for reviewing, monitoring and managing climate-related risks, including overseeing the adequacy of systems and processes for managing risk. Conduct the annual Climate Risk Review, reviewing climate risks and opportunities, mitigations and updating the assessment against updated climate scenarios.	Ongoing

GOVERNANCE

Controls and Procedures [G1]

Through the risk review processes, Management considers SBS's key current and emerging risks and assesses what mitigants and controls either are in place or need to be introduced to ensure these risks are managed within the SBS Risk Appetite Statements. This review naturally considers any climate-related and other emerging risks and opportunities. The results of the Divisional Risk reviews are presented to the SBS Executive Committee (ExCom) for moderation and endorsement, prior to their presentation to the Audit and Risk Committee. On a quarterly basis Management turns its attention to all the top risks of SBS including climate risks, to ensure they are being appropriately managed in alignment with the organisation's Risk Management Framework. The results of the Quarterly Review are presented to and discussed by the ExCom with an update provided to both the Audit and Risk Committee and the Board.

The risks related to climate change are considered emerging in nature.

Skills and Competencies [G1]

SBS continues to improve its climate-related skills and competencies across the organisation. A Head of Sustainability has been in place since 2023, and a range of cross-divisional working groups and committees have been formed to address various aspects of sustainability work such as decarbonisation, climate risk and nature and biodiversity. This has given staff members an opportunity to learn about each of these aspects of sustainability through participating in workshops and interactive sessions. The SBS Media team have developed a climate education module as part of the SBS Inclusion training which is also available to all SBS staff through the SBS learning management system (SBSU). Whether the organisation has sufficient and appropriate skills and competencies to manage climate-related risks and opportunities is assessed as part of the annual risk review. As the Accountable Authority, the SBS Board is updated regularly on the existing skills and competencies within the organisation and how staff are being equipped to continue improving their skills to respond to climate-related risks and opportunities.



Behind the scenes, *The Idea of Australia*



05

CLIMATE STATEMENT – STRATEGY

COMMONWEALTH CLIMATE DISCLOSURE CLIMATE STATEMENT STRATEGY

Methodology [G2] [S1] [S3] [S14] [R2] [S5]

The Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024-2026 (CROMP) was used to conduct a comprehensive, organisational-wide scenario analysis. This started with a cross-divisional workshop held in Q1 FY26. This identified a long list of potential risks and opportunities and then validated these against the Year 1 list, updating, refining and adapting to reflect changed conditions and new information. The low temperature and high temperature scenarios were sourced from the CROMP framework and these set out the technology, economic, population and social impacts of each scenario. The 'low temperature' covers the scenario of a 1.5C increase in temperature by 2100 and is based on the IPCC scenarios (Physical: SSP 1-2.6/RCP 2.6 and Transition: SSP 1-1.9/RCP 1.9). This involves an aggressive emission reduction scenario to meet the Paris Agreement, marked by global collaboration by governments, society and industry to lead steep decarbonisation, with transition risks and opportunities dominating. The 'medium temperature' covers the scenario of a greater than 2C increase in temperature by 2100 (SBS has assumed a 3C temperature increase) and is based on the IPCC scenarios SSP2-4.5/RCP4.5. This involves some emissions reductions but decarbonisation is insufficient and falls short of meeting the Paris Agreement targets, with strong physical risks ensuing. The key input used to guide this scenario analysis was the [2025 National Climate Risk Assessment](#) which was used to complement the CROMP framework. It sets out the specific risks to regions within Australia and different sectors of the economy, as well as outlining general risks to social cohesion and trust in institutions.

Each topic was then developed in more detail, addressing the nature, likelihood and magnitude of each risk based on knowledge of current operations, consideration of the types of weather and climate changes identified in the scenario reports, and comparisons with similar situations which could act as a precedent (e.g. impact of COVID on supply chain and commercial revenue, impact of isolated natural disasters on infrastructure and business continuity). For opportunities, the process used was similar; the two temperature scenarios were used to establish

the context and determine the different type of opportunity that might emerge under each scenario. Knowledge of existing opportunities in similar fields was used as a proxy to determine the likely impacts and strategic analysis applied to determine how SBS should prepare to capitalise on each opportunity. A specific change in Year 2 was the requirement to consider the interdependencies between risks and opportunities to ensure a tighter strategic response.

Potential mitigations, timeframes and degree of impact were also explored. Time horizons were identified as follows:

- Short term – 2030 – selected as SBS's near-term emissions reduction target is for 2030
- Long term – 2050 – selected as this aligns with the Federal Government's Net Zero target

Physical and transition risks were considered. The risk assessment was endorsed by the SBS Executive Committee in Q2 FY26 and shared with the Board Audit and Risk Committee in Q2 FY26 for noting. In accordance with the Commonwealth Climate Disclosure Year 2 Requirements, we have utilised all reasonable and supportable information available without undue cost or effort to assess our climate-related risks and opportunities.



Behind the scenes, Moonbird

STRATEGY

Material Climate-Related Risks [S1] [S2] [S5] [S6]

The climate-related risks and opportunities tabled below cover SBS’s organisational and policy-related risks and opportunities in line with the CCD Year 2 progressive implementation schedule.

Risks		Opportunities
Physical: Acute/Chronic	Transition	
1. Infrastructure Impact on transmission infrastructure and business continuity	4. Higher Costs Impact to SBS cost base due to economic transition	1. Lower Costs Sustainable business practices and more resilient, efficient infrastructure reduces costs
2. Staff Impact to staff health and safety and productivity	5. Commercial Revenue Downturn and disruption in economy leads to reduced advertising revenue	2. Strategic Advantage SBS’s leading sustainability position creates competitive advantage with clients, stakeholders and staff
3. Content Production Impact on content production on-location for in-house, sport, commissions and acquisitions	6. Relevance Societal changes such as climate migration put pressure on SBS’s capacity to deliver services to audiences and remain relevant	3. Essential Trusted Content and Services SBS deepens trust with audiences and stakeholders by providing essential climate information in-language and distinctive storytelling on sustainability with multicultural and First Nations perspectives

Impact on Strategy and Decision-Making including Climate Resilience – [S1] [S6]

During the reporting period (FY26), SBS developed a series of governance mechanisms to ensure corporate strategy and decision-making includes a focus on climate resilience. There are two key levers for this:

- A comprehensive Decarbonisation Strategy has been developed (see callout box) with an assigned representative or team for each category of emissions who is responsible for identifying, prioritising and implementing initiatives to decarbonise this category and meet the greenhouse gas emissions reduction targets outlined in the Metrics and Targets section.
- A Climate Risk Action Plan has been produced which assigns concrete and timebound risk mitigation actions to each identified climate

risk, and strategic advantage actions for each identified climate opportunity. The risk mitigation actions have been translated into immediate priority actions which have been assigned to specific business owners across SBS with target timelines. The actions have been uploaded into SBS’s enterprise risk management system so they can be tracked regularly and reported on as part of the overall SBS Risk Management framework.

Major Decisions [S1] [S6]

Building on processes introduced in FY25 (see [SBS 2025 Sustainability Report](#), page 45), SBS has evolved and matured its approach to major decisions. Updated processes ensure consideration of climate-related risks and opportunities is embedded in all major decisions, transactions and projects. There are a number of mechanisms to do this:

STRATEGY

- The SBS Procurement Policy has been updated in FY26 to ensure tender processes incorporate sustainability and climate resilience considerations in the assessment process and the standard SBS contracts include sustainability clauses.
- Key suppliers are engaged in regular sustainability meetings, with the aim of sourcing accurate emissions data, disclosing climate resilience approaches and sharing decarbonisation strategies
- Major projects such as new capital works include consultation on sustainability considerations with the Head of Sustainability.

Connections between Risks and Opportunities [2.13]

The connections between risks and opportunities have been included in this Year 2 climate scenario analysis as outlined in the Detailed Risks and Opportunities section below.

Operational Model Effects [S1]

The impacts on the operational model are expected to be modest in the short term but may lead to increased costs and operational delays in the longer term as outlined in the detail of each risk. From an operational model perspective, there are changes to the climate risk governance model which includes the formation of an ongoing Climate Risk Working Group which owns and is accountable for the identified climate risks and opportunities, and reports regularly on progress on mitigation efforts.

Concentration of Risks [S4] [S5]

The most significant risks for SBS from an operational perspective are concentrated in the business continuity, staff health and safety and cost and revenue areas as outlined in the detail in this disclosure (see Risks 1, 2, 4 and 5). From a public policy perspective, SBS's Charter sets out its principal function to: 'provide multilingual and multicultural broadcasting and digital media services that inform, educate and entertain all Australians and, in doing so, reflect Australia's multicultural society'. This involves producing, acquiring and distributing

audiovisual content to audiences across the country. The key public policy risks are concentrated in the production of content, particularly programs filmed on location, news-gathering and sporting event coverage as well as multicultural community events as these activities are vulnerable to extreme weather events which can impact their feasibility, safety and cost. This also creates a secondary supply chain risk since acquired content may be subject to delays or increased costs (see Risk 3). These risks impact productions and events within Australia as well as in international locations. Risk 6 also relates to public policy delivery as it puts pressure on SBS's capacity to deliver services to audiences.

SBS DECARBONISATION STRATEGY

The SBS Decarbonisation Strategy is an internal working document which sets out every category of emissions within SBS's carbon footprint. It details the proportion of emissions from that category, the decarbonisation initiatives that have already been completed for that category, the current initiatives designed to tackle that category, and future ideas to explore. Each initiative has an assigned business owner and a timeframe to deliver the current initiative. Once an initiative has been completed, the business owner and sustainability team will collectively prioritise the next most impactful initiative to pursue. The strategy is governed by the Head of Sustainability and Climate Working Group, which meets on a quarterly basis, overseen by the Chief Financial Officer.

Detail of key risks and opportunities [S2]

RISK 1		
INFRASTRUCTURE – Impact of severe weather events on transmission infrastructure, SBS buildings and office technology leads to disruption in business continuity		
Context	Scenarios	Likely Impacts
<p>Increased frequency and severity of extreme weather events and higher average temperatures is anticipated to create pressure on SBS offices and the critical transmission infrastructure it depends on for broadcast services (eg BAI Communications transmission infrastructure, Telstra DVN distribution, Optus satellite distribution and AI technology used in offices). This creates a risk of disrupting core operations and making repairs and upgrades challenging, impacting television, digital and audio services to audiences and disrupting community engagement.</p> <p>Time horizon 2030</p> <p>Impact area Service disruption Financial cost Staff safety</p> <p>Type of risk Physical – acute Physical – chronic</p>	<p>1.5C increase in temperature (Net Zero by 2050)</p>	<ul style="list-style-type: none"> • Moderate impact on business continuity • Minor financial impact • Major transition costs to upgrade offices and infrastructure and tools
	<p>3C increase in temperature (Hotter more challenging world)</p>	<ul style="list-style-type: none"> • Major impact on business continuity • Major cost impacts to support investment in resilience and disaster repair
<p>Risk mitigation and resilience planning To mitigate this risk we are adopting the following approaches:</p> <ul style="list-style-type: none"> • Review and update standard procurement and contract clauses to include climate resilience expectations for new suppliers [current] • Work with existing digital and technology suppliers to influence them to provide more resilient products and services [current] • Future-proof SBS buildings for extreme weather events and higher temperatures with building resilience testing to be undertaken [planned] • Work with leased property landlords to test for climate resilience [planned] 		
<p>Strategic response If this risk is addressed proactively, it positions SBS well to develop a lower-cost and more resilient infrastructure which would allow the organisation to capitalise on Opportunity 1 (Lower Costs). This will be explored further in our Year 3 disclosure.</p>		

STRATEGY

RISK 2

STAFF – Impact to staff health and safety and productivity from the acute and chronic impacts of climate change

Context	Scenarios	Likely Impacts
<p>Extreme heat and extreme weather are anticipated to cause a reduction in staff wellbeing (discomfort, distress, sickness, injury, death) while in SBS offices, commuting to work, working from home and on assignment. This will threaten the safety, physical and mental health and productivity of SBS staff with potential increases in staff absenteeism due to deteriorating health or caring responsibilities.</p>	<p>1.5C increase in temperature (Net Zero by 2050)</p>	<ul style="list-style-type: none"> • Moderate impact to staff resources • Moderate financial impact
<p>Time horizon 2030</p> <p>Impact area Staff illness, injury or death Staff compensation costs Increased costs Business interruption Increased insurance premiums</p> <p>Type of risk Physical – acute Physical – chronic</p>	<p>3C increase in temperature (Hotter more challenging world)</p>	<ul style="list-style-type: none"> • Catastrophic impact to staff resources • Major financial impact

Risk mitigation and resilience planning

To mitigate this risk we are adopting the following approaches:

- Providing advice to staff on ways to ensure safety during extreme heat and weather events through case-by-case risk assessments considering environmental conditions and empower staff to prioritise personal safety [current]
- Reviewing employee commute and hybrid work policy to factor in climate risks to staff health and safety [current]
- Future-proofing SBS buildings for extreme weather events and higher temperatures [planned]
- Employee resilience-building in the face of climate challenges, including referrals to appropriate services [planned]

Strategic response

If SBS proactively addresses this risk, it will position itself as a safe and sustainable workplace which will improve staff attraction and retention, linking to Opportunity 2 (Strategic Advantage)

RISK 3

CONTENT PRODUCTION – Impact to the production of content on-location due to physical climate change risks for news, in-house, sport, commissions and acquisitions

Context	Scenarios	Likely Impacts
<p>Content production on-location is likely to experience risks from extreme heat and severe weather events such as bushfires and floods. This could impact factual and scripted content filmed on-location, news coverage, sporting events (especially international sport), and community events. Risks include disruption to production causing cost increases and time delays as well as impacts to staff and contractor health and safety which may make the production unviable.</p> <p>One of SBS’s strategic strengths is its agility and ability to deliver innovative solutions to audiences. In the event existing broadcast formats become unsustainable due to energy requirements and climate or weather impacts, SBS will need to innovate to maintain relevance with audiences and business viability.</p> <p>Time horizon 2050</p> <p>Impact area Increased costs Reduced access to content Reduced availability of and access to filming locations Impact on staff health and safety</p> <p>Type of risk Physical – acute Physical – chronic</p>	<p>1.5C increase in temperature (Net Zero by 2050)</p>	<ul style="list-style-type: none"> • Moderate financial impact • Moderate impact to volume of production
	<p>3C increase in temperature (Hotter more challenging world)</p>	<ul style="list-style-type: none"> • Moderate – Major financial impact • Moderate – Major impact to production viability and productivity

Risk mitigation and resilience planning

To mitigate this risk we are adopting the following approaches:

- Diversify production formats to tackle climate impact to productions [planned]
- Include contractual terms on extreme climate events in produced or commissioned content [planned]
- Consider climate impacts to acquisition and commissioned content lead times [planned]

Strategic response

If SBS proactively addresses this risk, it will be able to develop alternative production formats which are more sustainable and less exposed to climate risks, linking to Opportunity 2 (Strategic Advantage)

STRATEGY

RISK 4

HIGHER COSTS – Impact to SBS cost base from economic transition and climate-related impacts

Context

Increased global temperatures and increased frequency and severity of extreme weather events are expected to have the following impacts to SBS’s cost base:

- Increased energy costs
- Increased supplier costs as suppliers transition businesses to reduce carbon footprint
- Increased property, travel and safety insurance premiums as increased probability of claims increases insurance costs substantially
- Higher travel costs
- Increased cost of sustainable technology and technology upgrades, including a reduced useful life for existing technology
- Potential for new government taxes and levies

Time horizon

2050

Impact area

Increased costs

Type of risk

- Physical – acute
- Physical – chronic
- Transition

Scenarios

1.5C increase in temperature (Net Zero by 2050)

3C increase in temperature (Hotter more challenging world)

Likely Impacts

- Moderate financial impact

- Major financial impact

Risk mitigation and resilience planning

To mitigate this risk we are adopting the following approaches:

- Locked in long-term energy contract to mitigate energy cost inflation – already in place until 2034 [current]
- Working with insurance providers to mitigate cost increases [planned]
- Redesigning content production formats to reduce risks leading to lower costs [planned]

Strategic response

If SBS proactively plans to address upcoming cost increases, it may be able to redesign its business practices and production formats to reduce this risk and capitalise on Opportunity 1 (Lower Costs). This will be explored further in our Year 3 disclosure.

RISK 5

COMMERCIAL REVENUE – Downturn and disruption in economy leads to reduced advertising revenue for SBS

Context	Scenarios	Likely Impacts
<p>Climate disasters are anticipated to create widespread economic pressure, as outlined in the National Climate Risk Assessment. If this creates an economic downturn, advertising revenue is expected to reduce for all media organisations with lower spend from existing advertisers and fewer companies utilising television advertising in their marketing strategies, potentially impacting SBS’s revenue.</p> <p>Time horizon 2030</p> <p>Impact area Reduce revenue</p> <p>Type of risk Physical – acute Physical – chronic Transition</p>	<p>1.5C increase in temperature (Net Zero by 2050)</p>	<ul style="list-style-type: none"> Moderate financial impact
	<p>3C increase in temperature (Hotter more challenging world)</p>	<ul style="list-style-type: none"> Moderate financial impact

Risk mitigation and resilience planning

To mitigate this risk we are adopting the following approaches:

- Develop future-proofed value proposition for specific advertising verticals [current]
- Continue to offer and evolve sustainability advertising products such as SBS Brief Green and continue to position SBS as a distinctive sustainability leader [current]
- Diversify revenue initiatives [current]
- Monitor revenue and forecasts with revenue contingency in place [current]

Strategic response

If SBS continues to position itself as a sustainability leader, it can differentiate itself from competitors and offer sustainable advertising products to clients which will potentially preserve or increase revenue, linking to Opportunity 2 (Strategic Advantage). This will be explored further in our Year 3 disclosure.

STRATEGY

RISK 6

REPUTATION – Societal changes such as climate migration are anticipated to put pressure on SBS’s capacity to deliver services to audiences, increasing demand and creating reputational risk if SBS fails to meet this demand in a reliable way

Context	Scenarios	Likely Impacts
<p>SBS’s principal function is to provide multilingual and multicultural broadcasting and digital media services to reflect Australia’s multicultural society. If the pace of climate driven migration increases as predicted in the National Climate Risk Assessment report, the demand for language services is anticipated to increase rapidly, forcing SBS to adapt quickly to ensure it has the capacity to meet this demand reliably, avoiding reputational risk.</p> <p>Time horizon 2050</p> <p>Impact area Reputational damage</p> <p>Type of risk Transition</p>	<p>1.5C increase in temperature (Net Zero by 2050)</p>	<ul style="list-style-type: none"> Moderate reputational impact
	<p>3C increase in temperature (Hotter more challenging world)</p>	<ul style="list-style-type: none"> Moderate reputational impact

Risk mitigation and resilience planning

- Language Services Review (LSR) undertaken every five years, including public consultation on Selection Criteria, use of Census data and review of current language output and performance. Review outlines which languages SBS will service, and SBS retains the right to amend how each language is serviced. [current]

Strategic response

SBS will need to be nimble and adapt quickly to changing societal trends to ensure it has sufficient capacity to meet audience demand and preserve its reputation as a reliable, trusted source of information, linking to Opportunity 2 (Strategic Advantage)

OPPORTUNITY 1

LOWER COSTS – Sustainable business practices and more resilient, efficient infrastructure reduces costs

Context

As SBS transitions its operations to achieve sustainability targets, notably Net Zero by 2045, it will need to improve the efficiency of operational processes. While the key metric is the reduction in net carbon emissions, improvements in technology, process optimisation and reduction in waste or redundant process steps will also reduce total expenditure for SBS, assuming the capital expenditure required to enhance existing processes is offset by expenditure savings.

Opportunities are available in more sustainable production, including virtual operations and resilient infrastructure. There are also strategic opportunities in Artificial Intelligence (AI) that could increase operational productivity.

Time horizon

2050

Impact area

Reduced expenditure

Type of opportunity

Transition

Scenarios

**1.5C increase in temperature
(Net Zero by 2050)**

**3C increase in temperature
(Hotter more challenging world)**

Likely Impacts

- Moderate financial impact

- Major financial impact

How we are capitalising

- Continue to invest in energy-efficient buildings and assets such as fleet, studios [current].
- Use available tools such as the albert carbon calculator to pursue more sustainable production methodologies [current].
- Work with suppliers including AI and studio production partners to prioritise more sustainable and resilient virtual infrastructure [planned].
This links to Opportunity 2 (Strategic Advantage). This will be explored further in our Year 3 disclosure.

STRATEGY

OPPORTUNITY 2

STRATEGIC ADVANTAGE – SBS's leading sustainability position creates competitive advantage with clients, stakeholders, staff and suppliers

Context	Scenarios	Likely Impacts
<p>SBS has positioned itself as a leading broadcaster in sustainability, being the first Australian broadcaster to achieve Net Zero on direct emissions through 100% renewable energy and with an ambitious target to achieve Net Zero on all emissions, including those related to its supply chain by 2045. This already creates competitive advantage in a few areas:</p> <ul style="list-style-type: none"> • With advertising clients who are seeking sustainable lower-carbon advertising formats, leading to increases in revenue for SBS • With staff who are attracted to work with a sustainable organisation • With government stakeholders who support SBS's alignment with the APS Net Zero policy • With production partners who are also aiming for sustainable production practices • With suppliers who can partner on decarbonisation initiatives <p>Time horizon 2050</p> <p>Impact area Increased revenue Improved reputation Improved staff attraction and retention</p> <p>Type of opportunity Transition</p>	<p>1.5C increase in temperature (Net Zero by 2050)</p>	<ul style="list-style-type: none"> • Moderate financial impact
	<p>3C increase in temperature (Hotter more challenging world)</p>	<ul style="list-style-type: none"> • Moderate financial impact

How we are capitalising

- The SBS Media team is currently offering sustainability advertising products including SBS Brief Green which includes lower carbon advertising formats, training, education, emissions measurement, sponsorship and placement, and is already generating revenue from these products [current].
- The SBS Sustainable Media Challenge, now in its second year, encourages advertisers to promote sustainable products and lifestyles [current].
- SBS continues to partner with stakeholders, production partners and suppliers to pursue sustainable opportunities and maintain a leadership position in the industry [current].

OPPORTUNITY 3

ESSENTIAL TRUSTED CONTENT AND SERVICES – SBS deepens trust with audiences and stakeholders by providing essential climate information in-language and distinctive storytelling on sustainability with multicultural and First Nations perspectives

Context	Scenarios	Likely Impacts
<p>With an anticipated increase in severe weather events, SBS's role to provide critical messaging to communities in their preferred language becomes more important. Increased migration to Australia including from climate refugees will increase the need for SBS's language services, potentially in an increased number of languages.</p> <p>There is an opportunity to deepen SBS's role as an essential service, distributing critical government information and services to communities.</p> <p>SBS also has an opportunity to provide distinctive storytelling on sustainability including multicultural and First Nations perspectives which will inform, engage and inspire audiences on this topic, deepening audience trust and credibility. All content would remain impartial, accurate and in line with the SBS Code of Practice.</p> <p>Time horizon 2050</p> <p>Impact area Increased revenue Improved reputation</p> <p>Type of opportunity Transition Physical – acute Physical – chronic</p>	<p>1.5C increase in temperature (Net Zero by 2050)</p>	<ul style="list-style-type: none"> Moderate reputational impact from increased audience, consumption and sense of trust in SBS's relevance
	<p>3C increase in temperature (Hotter more challenging world)</p>	<ul style="list-style-type: none"> Major reputational impact from increased audience, consumption and sense of trust in SBS's relevance

How we are capitalising

- SBS will continue to partner with Government to explore opportunities to enhance SBS's role as an essential service provider in climate and sustainability areas, for example on topical content such as bushfire and heatwave preparedness, including in-language [current].
- SBS has launched a content hub on SBS on Demand including a range of sustainability content – Sustainability Stories [current].
- The Sustainability Stories hub will be further grown and monetised, offering sponsorship opportunities to clients [planned].



Adam Liaw, *The Cook Up with Adam Liaw*

06

CLIMATE STATEMENT – METRICS AND TARGETS

COMMONWEALTH CLIMATE DISCLOSURE CLIMATE STATEMENT METRICS AND TARGETS

Methodology [M1] [M3]

SBS has calculated its full Greenhouse Gas emissions for FY25 – the fifth year of measuring its carbon footprint – using the Greenhouse Gas Protocol. Emissions are calculated in tonnes of carbon dioxide equivalent (tCO₂-e) and the only material greenhouse gas emitted is carbon dioxide. SBS is using an operational boundary approach. The emissions calculation methodology is in line with the Greenhouse Gas Protocol and the Climate Action in Government Operations Emissions Reporting Framework, using primary data where available and emissions factors where primary data is not available. Scope 1, 2 and 3 are all covered.

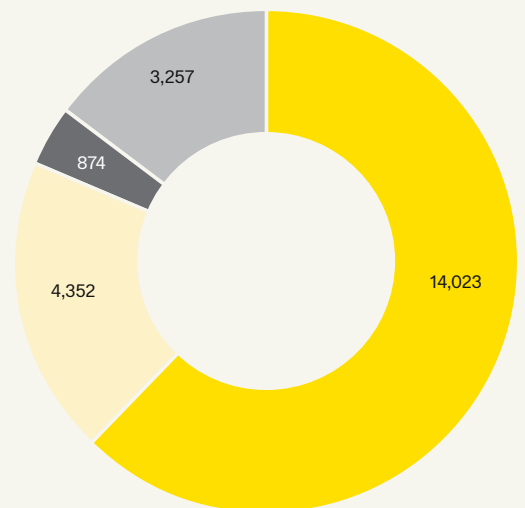
Metrics – FY25 Greenhouse Gas Emissions [M1] [M3]

The results are shown below:

Scope	Category	Emissions (tCO ₂ -e)	Percentage of total (%)
Scope 1		230.0	0.87%
Scope 2 (market-based)		–	0.00%
Scope 3 (total)		26,354.0	99.13%
	Scope 3, Category 1 – Purchased Goods and Services	22,506.0	84.66%
	Scope 3, Category 2 – Capital Goods	75.0	0.28%
	Scope 3, Category 3 – Fuel and Energy-related activities	13.0	0.05%
	Scope 3, Category 4 – Upstream transportation and distribution	73.0	0.27%
	Scope 3, Category 5 – Waste generated in operations	353.0	1.33%
	Scope 3, Category 6 – Business travel	2,588.0	9.74%
	Scope 3, Category 7 – Employee commute	746.0	2.81%
		26,584.0	100%

FY25 Scope 3, Category 1 (Purchased Goods and Services)

	Emissions (tCO ₂ -e)	% of Category 1	% of total Scope 3
ICT Services	14,023	62%	
Professional Services eg. Content	4,352	19%	
Advertising and Marketing Services	874	4%	
Other	3,257	14%	
Total Category 1	22,506	100%	



METRICS AND TARGETS

Emissions increased by 18% from FY24 to FY25 as shown below, with a number of factors causing this change such as changes in industry emissions factors for key categories such as commissioned content, ICT services and staff services like recruitment, as well as improvements in methodology to account for the full lifecycle emissions for key suppliers.

	FY24	FY25
Scope 1, 2 and 3 Emissions in tCO ₂ -e	22,481	26,584

Location-based and Market-based Emissions [M1] [M3]

FY25

Emissions by Scope (Market-Based)				
	Emissions (tCO ₂ -e)	Percentage of total (%)	FY24* Emissions (tCO ₂ -e)	YOY Change (%)
Scope 1	230.0	0.30%	92	150%
Scope 2 (market based)	-	0.00%	0	0
Scope 3	26,354.0	99.70%	22,389	18%
Total	26,584.0	100.00%	22,481	18%

*FY24 Adjusted Emissions

Emissions by Scope (Location-Based)	
	Emissions (tCO ₂ -e)
Scope 1	230.0
Scope 2 (location-based)	3,598.0
Scope 3	26,597.0
Total	30,425.0

METRICS AND TARGETS

Emissions Intensity Metric [M1] [M3] [2.9]

SBS calculates two emissions intensity metrics:

- Emissions per FTE
- Emissions per first run broadcast hour

The FY25 metrics are shown in the table below, including comparisons to FY24 (rebaselined figures- see Rebaselining with SBTi framework section). Comparative information is included to meet the Commonwealth Climate Disclosure requirement outlined in clause 2.9.

	FY25	FY24	Difference YOY
Emissions (tCO2-e)	26,584	22,481	+18.3%
FTE	1328	1337.4	-0.7%
Emissions per FTE* (tCO2-e)	20.02t	16.81t	+19%
Total hours of first run content**	58,594	49,135	+19%
Emissions/hour first run content (tCO2-e)	0.45	0.46	-2.2%

* FTE defined as full-time equivalent staff members including casual staff
 ** First run content defined as unique first run video and audio broadcast hours across all platforms



METRICS AND TARGETS

Cross-industry Metrics [M2]

These optional Year 2 metrics cover analysis of percentage of assets vulnerable to climate risks to enable comparisons across industry. It is challenging for SBS to source quantitative information of this kind so SBS has chosen not to disclose this for this report.

Targets [M5] [M8]

SBS has set a long-term Net Zero target of 2045 across its operations and supply chain (Scopes 1, 2 and 3) – a 90% reduction in emissions against a base year of FY22. This is an absolute target rather than an intensity-based target which means the aim is to reduce the overall volume of emissions, rather than reduce the emissions per unit of activity such as revenue or employees. The target is a net target rather than a gross target which means the aim is to reduce emissions as much as possible with any unavoidable remaining emissions to be offset while a gross target aims to eliminate emissions completely. It was not calculated based on a sectoral decarbonisation approach which permits different sectors to decarbonise at different rates depending on their respective challenges. The target applies to SBS as a whole. The target is aligned with the latest science and the Paris Agreement. This decision was approved by the Executive Committee with updates provided to the Audit and Risk Committee.

SBS has also set a near-term target of 42% reduction in Scope 1 and Scope 3 emissions by 2030 based on FY22 levels as well as a commitment to continue active annual sourcing of 100% renewable energy through to 2030.

Both these targets have been modelled taking into account factors such as:

- SBS’s planned progressive emissions reductions for categories it can control such as energy, fleet, business travel and television production carbon calculators (see Decarbonisation Strategy box in Section 5)
- Public commitments from suppliers on their own decarbonisation and net zero targets; the assumption is that suppliers will meet their stated reduction targets. This creates a risk for SBS, which

is being mitigated by regular engagement with suppliers to track their decarbonisation progress

- Macro trends and changes in overall industry emissions through grid decarbonisation across specific sectors relevant to the media industry

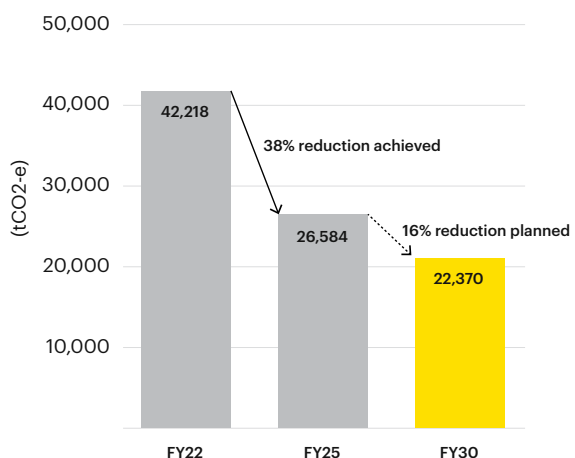
Third party Validation of SBS Targets [M6]

The near-term and long-term target have also been validated by the Science Based Targets Initiative (SBTi) as aligned with the latest science. They are also consistent with the Net Zero in Government Operations Strategy as a matter of good practice. The objective of the target is to conform with science-based targets and the latest international agreements such as the Paris Agreement.

Progress against Near-Term Target [M6] [M7]

SBS will monitor and report on its progress against the near-term and long-term Net Zero targets and any revisions to the targets through the disclosure of its annual Greenhouse Gas Emissions in each Annual Report. Progress to target and any target revisions are reviewed and endorsed by the Executive Committee, with the Audit and Risk Committee informed.

In FY25, SBS achieved a 38% reduction in emissions from its base year of FY22, showing it is well on track to achieve its near-term target. A further 16% of emissions reduction from an FY25 starting point is needed to reach SBS’s near-term target in FY30. This progress is shown in the graph below.



METRICS AND TARGETS

Rebaselining within SBTi Framework [M7]

During FY25, SBS adjusted its methodology for accounting for television program-related emissions to align with global industry standards. Based on the Sustainable Production Alliance White Paper, January 2024, which is endorsed by the UK's BAFTA and US media companies such as Disney, Sony, Amazon, Netflix, the industry standard recommends a broadcaster account for first-run commissioned and in-house production emissions, hosted on their platform, and excludes emissions from acquired broadcast rights for subsequent runs: *'Emissions ownership, or the responsibility of an entity to account for at least the minimum boundary emissions, ends or "expires" after original distribution or first run of the show. For the purpose of this initial minimum boundary, the terms original distribution or first run refer to the TV show or feature*

film content's earliest availability for general public viewing whether at the theater, a streaming platform, or broadcast TV' – [Sustainable Production Alliance White Paper](#), page 19. SBS has applied this change in methodology for the FY25 carbon footprint. Since acquired programs (which have already had their primary launch on international platforms other than SBS) accounted for more than 5% of SBS's base year emissions, this change triggered a rebaselining process under the Science Based Targets Initiative (SBTi) framework. Accordingly, SBS has recalculated emissions for its FY22 baseline year and most recent years FY24 and FY25 to align with this approach and ensure emissions reductions and the near-term target are viewed on a like-for-like basis. This rebaselining exercise has been validated by SBTi. The original and rebaselined emissions are shown below:

Scope	FY22 Emissions (tCO ₂ -e)	FY24 Emissions (tCO ₂ -e)	FY25 Emissions (tCO ₂ -e)	Target FY30 Emissions (tCO ₂ -e)
Scope 1	159	92	230	92
Scope 2 (market-based)	3,648	-	-	-
Scope 3 (original)	47,867	28,135	n/a	n/a
Acquisitions removed	-9,456	-5,746	n/a	n/a
Scope 3 (rebaselined)	38,411	22,389	26,354	22,278
Rebaselined Total	42,218	22,481	26,584	22,370

APS Net Zero by 2030 Target [M9]

SBS is voluntarily adopting the APS Net Zero by 2030 target and has already exceeded the 2030 targets as follows:

- 100% renewable energy in place by FY23 exceeded APS Net Zero target of 80% renewable energy by 2028 and 100% renewable energy by 2030
- 100% of fleet new passenger vehicle orders are low emission vehicles by FY26, exceeded APS Net Zero target of 75% by 2025

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Commonwealth Climate Disclosure

Core Requirement	Overview	Section and paragraph location
G1(a)	Accountable Authority is the SBS Board	Section 4 – Governance and Risk Management Approach and Section 4 – Roles and responsibilities
G1(a)i	Responsibilities of Audit and Risk Committee in relation to climate-related risks and opportunities are reflected in their Charter	Section 4 – Governance and Risk Management Approach
G1(a)ii	Skills and Competencies	Section 4 – Skills and Competencies
G1(a)iii	Frequency of informing accountable authority – annual climate risk review with quarterly ESG updates where risks can be escalated	Section 4 – Roles and responsibilities
G1(a)iv	Strategy and Risk Management for major transactions	Section 5 – Major Decisions
G1(a)v	Setting Targets	Section 5 – Targets
G1(a)vi	Risk Oversight	Section 4 – Risk Oversight
G1(b)	Controls and procedures	Section 4 – Controls and Procedures
G1(c)	Management delegation	Section 4 – Governance and Risk Management Approach
G2(a)	Regard to CROMP Approach	Section 5 – Methodology
G2(b)	Alignment with other policies	Section 6 – APS Net Zero by 2030 Target
S1(a)	Material Information on Risks and Opportunities	Section 5 – Material Climate-Related Risks
S1(b)	Impact on Operational Model	Section 5 – Operational Model Effects
S1(c) [YEAR 2]	Public Policy Effects	Section 5 – Material Climate-Related Risks
S1(d) [YEAR 2]	Impact on Strategy and Decision-Making	Section 5 – Impact on Strategy and Decision-Making including Climate Resilience
S1(f) [YEAR 2]	Climate scenario analysis	Section 5 – Methodology
S2(a)(i) and (ii)	Material Risks and Opportunities	Section 5 – Detail of Key Risks and Opportunities
S2(b)	Physical or Transition Risk	Section 5 – Detail of Key Risks and Opportunities
S2(c)	Short, Medium or Long-Term horizons	Section 5 – Detail of Key Risks and Opportunities
S2(d)	Definitions and reasons for Time Horizons	Section 5 – Methodology
S3(a)	Climate Risk and Opportunity Assessment	Section 5 – Methodology

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Core Requirement	Overview	Section and paragraph location
S4(a)	Impact on Operational Model	Section 5 – Operational Model Effects
S4(b)	Concentration of Risks	Section 5 – Concentration of Risks
S5(a)(b)(c) [YEAR 2]	Public Policy Effects	Section 5 – Material Climate-Related Risks
S6(a)(i) [YEAR 2]	Strategy and Decision-Making	Section 5 – Operational Model Effects
S6(a)(ii) [YEAR 2]	Public Policy Effects	Section 5 – Material Climate-Related Risks
S6(a)(iii) [YEAR 2]	Transition Plan	Section 6 – Targets
S6(a)(iv) [YEAR 2]	Planned Emissions Reductions	Section 6 – Targets
S6(a)(v) [YEAR 2]	Planned Climate Risk Mitigation	Section 5 – Impact on Strategy and Decision-Making including Climate Resilience
S6(c) [YEAR 2]	Emissions Reduction Plan	Section 5 – Targets
S14(a)(i)(ii)(iii) [YEAR 2]	Climate scenario analysis approach	Section 5 – Methodology
R1(a)(i)	Inputs and Parameters	Section 5 – Methodology
R1(a)(ii)	Assessment of Nature, Likelihood and Magnitude of risks	Section 5 – Methodology
R1(a)(iii)	Prioritisation of Climate Risks	Section 4 – Governance and Risk Management Approach
R1(a)(iv)	Management of Climate Risks	Section 4 – Risk Oversight
R1(a)(v)	Monitoring of Climate Risks	Section 4 – Risk Oversight
R1(a)(vi)	Changes since last period	Section 4 – Risk Oversight
R1(b)	Processes to identify Climate Opportunities	Section 5 - Methodology
R1(c)	Integration into overall Risk Management Process	Section 5 – Methodology
R2(a)	Implementation of CROMP	Section 5 – Methodology
M1(a) [YEAR 2]	Cross-industry metrics	Section 6 – Cross-industry Metrics
M1(b)	Information relevant to Greenhouse Gases	Section 6 – Methodology
M1(c)	Targets	Section 6 – Targets Section 6 – APS Net Zero by 2030 Targets
M2(a)(b)(c)(d) [YEAR 2]	Cross industry metrics	Section 6 – Cross-industry Metrics
M3(a)	Greenhouse Gas Emissions	Section 6 – Metrics FY25 Greenhouse Gas Emissions (to be updated for FY26 in Annual Report)

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Core Requirement	Overview	Section and paragraph location
M3(b)	Boundary	Section 6 – Methodology
M3(c)	Assumptions and Methodologies	Section 6 – Methodology
M3(d)	Location-based and Market-based emissions	Section 6 – Location-based and Market-based emissions
M3(e)	Scope 3 Categories	Section 6 – FY25 Greenhouse Gas Emissions
M5(a)	Metric for target	Section 6 – Targets
M5(b)	Objective of target	Section 6 – Targets
M5 ©	Part of entity	Section 6 – Targets
M5(d)	Target period	Section 6 – Targets
M5(e)	Base period	Section 6 – Targets
M5(f)	Interim targets	Section 6 – Targets
M5(g)	Quantitative – absolute or intensity	Section 6 – Targets
M5(h)	Informed by International Agreements	Section 6 – Targets
M6(a)	Validation of targets	Section 6 – Third Party Validation of Targets
M6(b)	Reviewing targets	Section 6 – Progress against Near-Term Target
M6(c)	Metrics for target	Section 6 – Targets
M6(d)	Revisions to target	Section 6 – Rebaselining within SBTi Framework
M7 [YEAR 2]	Progress against targets	Section 6 – Progress against Near-Term Target
M8(a)	Which Greenhouse Gases	Section 6 – Methodology
M8(b)	Scope 1, 2, 3	Section 6 – Targets
M8(c)	Gross or Net	Section 6 – Targets
M8(d)	Sectoral Decarbonisation	Section 6 – Targets
M9(a)(i)	APS Net Zero – Renewable Energy	Section 6 – APS Net Zero by 2030 Target
M9(a)(ii)	APS Net Zero – Fleet	Section 6 – APS Net Zero by 2030 Target



