Climate change

Annual report 2025/26



AUDIT SCOTLAND

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Accessibility

You can find out more and read this report using assistive technology on our website www.audit.scot/accessibility.

Background

Purpose

1. The purpose of this report is to provide an update on the progress we are making towards our organisational environmental targets. It also provides an update on how we are developing our approach to auditing public bodies' response to climate change.

2. Part 1 looks at our environmental performance as an organisation. Part 2 looks at what we are doing to develop our approach to auditing public bodies' response to climate change.

Our organisation

3. Audit Scotland delivers financial and performance audits on public bodies across Scotland. In 2025/26, we employed 342 whole-time equivalent members of staff. We lease office space in Edinburgh and Glasgow and a much smaller space in Inverness. We operate a hybrid working model, and colleagues work from home, in our offices and at the offices of the public bodies we audit.

Our ambition

4. Audit Scotland has a unique position within the public sector in Scotland, enabling us to provide independent assurance and insight on how public bodies are responding to the climate emergency.

5. We aim to manage our own operations in a way that minimises our negative environmental impact and enhances our positive impact, wherever possible.

6. Our first Climate change plan (2015–20) set a target to reduce our emissions from the baseline level of 533 tonnes of carbon dioxide equivalent (tCO2e) to less than 292 tCO2e by 2020. We went further than our target and recorded 215 tCO2e in 2019/20.

7. A review of the initial plan was put on hold in 2020 due to the Covid-19 pandemic and we published our Environment, Sustainability and Biodiversity Plan 2021–25 in September 2021. The plan set out our approach to sustainability issues and reflected our emissions reduction aspirations as well as introducing a focus on reaching net zero by 2030. It included interim targets against the baseline year 2008/09.

8. We published our latest Climate change plan 2026–30 in January 2026. This sets out how we intend to meet our target of reducing emissions by 75 per cent by 2030.

9. The plan also sets out our strategic decision that we will not offset the remaining 25 per cent of emissions. While we remain committed to maximising emissions reductions, we have reassessed the feasibility and appropriateness of offsetting, taking into account guidance to public bodies, potential ethical implications and the need to ensure the best use of public money.

10. The plan highlights that we can have the most influence through our audit work. Our role within the Scottish public sector puts us in a unique position to hold public bodies to account and support positive changes in how Scotland is responding to the climate emergency.

Governance

11. Climate change issues are integrated into what we do and how we work through our corporate publications including our Annual report and accounts, Public audit in Scotland 2023–28, and Corporate Plan 2023–28.

12. We have governance and risk management arrangements for climate change and wider environmental sustainability to ensure that these issues are taken into account at every level of decision-making. We are continuing to review and improve these arrangements.

13. The roles and responsibilities of the groups involved in leading, managing and holding us to account for our environmental sustainability performance are set out in Appendix 1.

1. Our environmental performance

Key messages

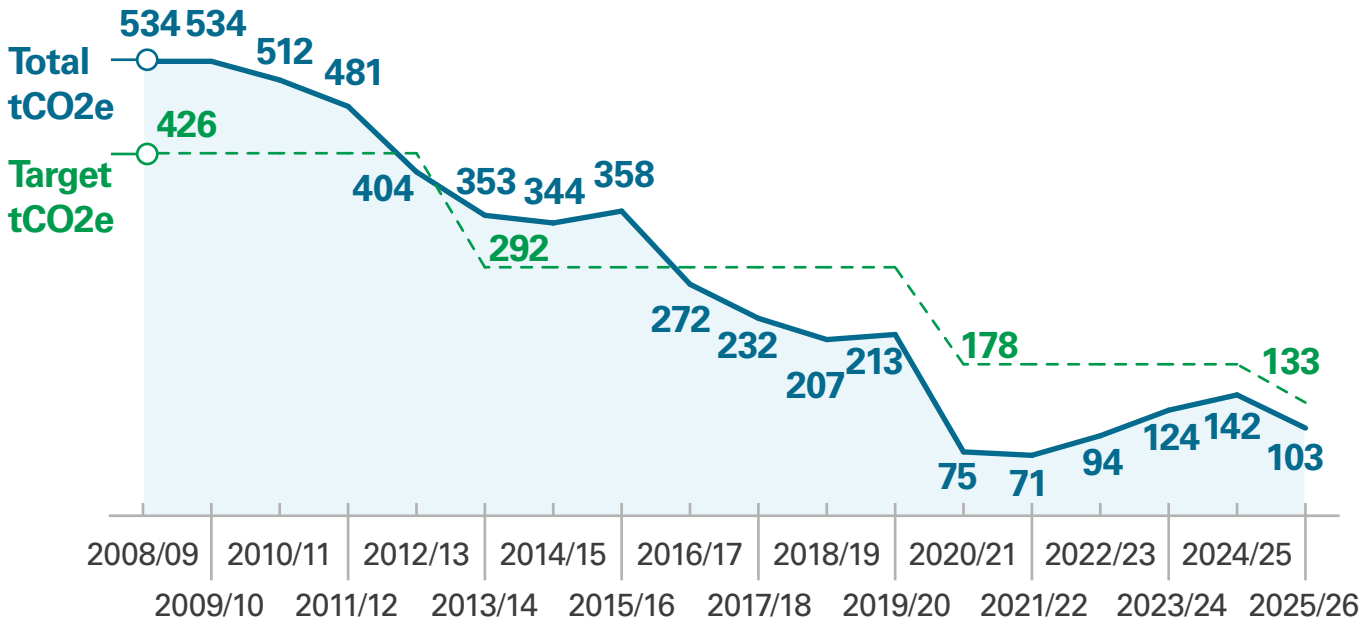
1. In 2025/26, our total emissions were 103 tCO2e. This means that we are outperforming against our target to reduce emissions to no more than 133 tCO2e by 2030. This is the first year that total emissions have decreased following four years of increasing emissions. It is too early to say if this decrease will be maintained. We also estimate colleagues' energy use while working from home, but this is not included in our target. In 2025/26, our estimated work from home emissions were 122 tCO2e.
2. Compared to last year, business travel emissions decreased by 11 tC02e. There was a drop in emissions from flights, car and rail compared to 2024/25, but this is likely to fluctuate depending on business need. Emissions from electricity and gas use have decreased by 25 tCO2e. This is likely to be because this is the first full year of operating with a reduced Edinburgh office space.
3. Our Glasgow and Edinburgh offices have been awarded Cycling Scotland's Cycling Friendly accreditation. This accreditation recognises Audit Scotland's commitment to building a workplace culture where active and sustainable travel is supported and accessible.

Overall emissions in 2025/26

Overall carbon emissions against targets

14. Performance against our targets to reduce total carbon emissions to date is shown in Exhibit 1.

Exhibit 1.
Carbon reduction since 2008 against targets



Notes:
1. In 2023, we corrected some previously reported figures following a review of our emissions data and included the updated figures in our 2022/23 annual report.
2. The graph does not include working from home emissions, as they are not included in our current targets.
3. We did not report on waste and recycling emissions between 2020/21 and 2022/23 as the majority of colleagues were working from home. In 2019/20, emissions were 7 tCO2e.

Source: Audit Scotland

15. In 2025/26, the total for the emissions that are included in our carbon reduction target was 103 tCO2e. This is 30 tCO2e (23 per cent) below our target to achieve no more than 133 tCO2e by 2030 (Exhibit 2, page 7).

Exhibit 2.

Carbon footprint in 2025/26 compared to route map emissions reduction targets

Carbon emissions included in our carbon reduction targets	Actual 2025/26 tCO2e	Target 2029/30 tCO2e
Energy	78	102
Business travel	23	28
Waste and recycling	2	4
Water	0.3	0.3
Total	**103**	**133**
Working from home (not included in carbon reduction targets)	122	–

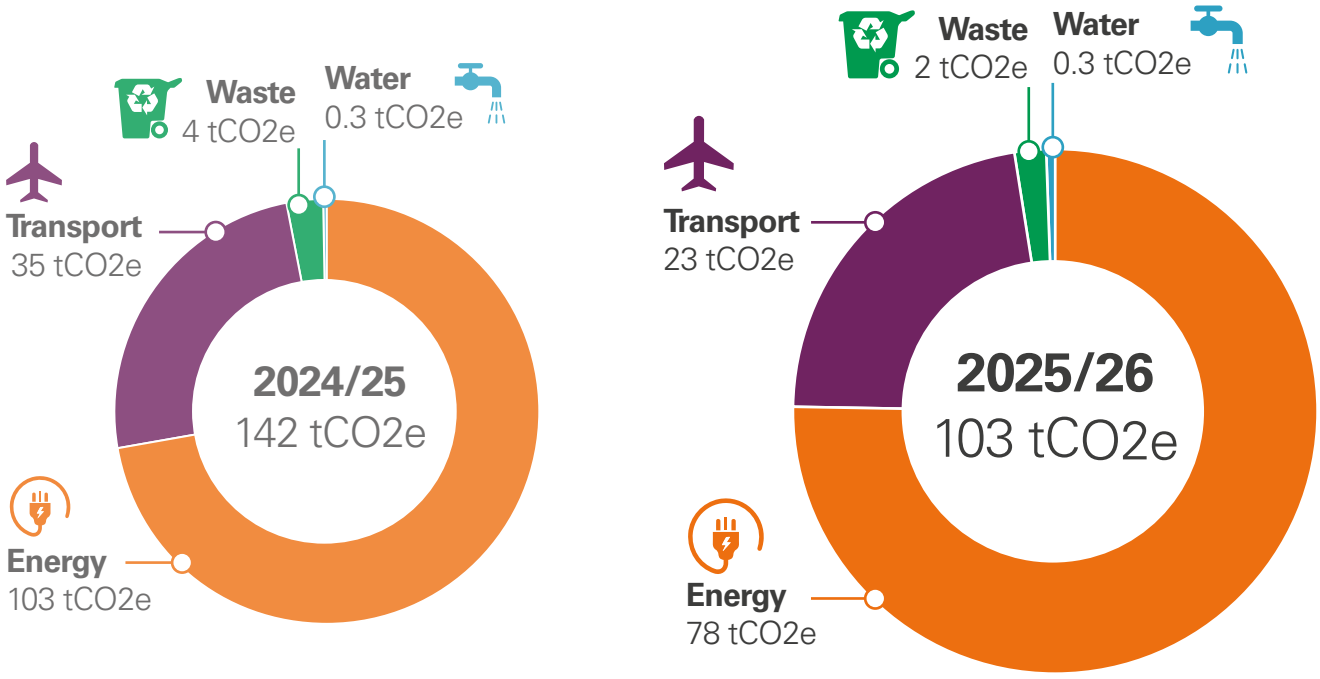
Notes:
1. A breakdown of the sources of the emissions in this exhibit can be found in Appendix 2.
2. Our energy emissions are based on data from our Glasgow, Edinburgh and Inverness offices. Our emissions from waste and recycling are based on data from Glasgow and Edinburgh offices.
3. For transparency, we are including our working from home emissions in this report although they are not included in our current targets as set out in our Climate change plan 2026–30.

Source: Audit Scotland

Change in emissions between 2024/25 and 2025/26

16. Emissions included in the scope of our targets reduced by 39 tCO2e between 2024/25 and 2025/26 (Exhibit 3).

Exhibit 3.
Carbon footprint in 2025/26 compared to last year



Source: Audit Scotland

Energy carbon emissions

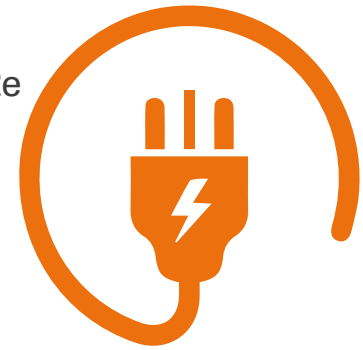
Target: Reduce emissions from electricity and gas used in offices to no more than 102 tCO2e by 2030.

Performance to date: Our emissions from electricity and gas used in offices in 2025/26 were 78 tCO2e, a decrease of 25 tCO2e from the previous year.

Summary: Our Estates Strategy has led to a decrease in the size of our Edinburgh office space and an increase in our Glasgow office. This year was the first full year following these changes so it is too early to say if the decrease in energy use will be sustained.

2030 target
102 tCO2e

2025/26
78 tCO2e



17. During 2025/26, we changed the remaining fluorescent lighting in our offices to LED bulbs, which has also contributed to the decrease in energy consumption.

Emissions from electricity and gas used when staff work from home

18. Audit Scotland's targets do not currently include carbon emissions generated because of the gas and electricity used by staff when they work from home. However, we do estimate and report them.

19. Working from home emissions increased to 122 tCO2e in 2025/26, compared to 109 tCO2e in 2024/25. This is an estimate based on the number of whole-time equivalent colleagues and an estimated breakdown of hybrid working patterns.

Business travel carbon emissions

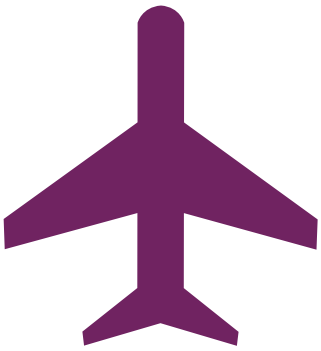
Target: Reduce annual business travel carbon emissions to no more than 28 tC02e by 2030.

Performance to date: Our carbon emissions from business travel in 2025/26 were 23 tC02e, which is 5 tCO2e below our target for 2030.

Summary: Compared to 2024/25, our carbon emissions decreased by 12 tC02e. We are 81 per cent below our 2019/20 pre-pandemic levels.

2030 target
28 tCO2e

2025/26
23 tCO2e



20. Our business travel emissions decreased by 11 tC02e between 2024/25 and 2025/26. Business travel emissions are 81 per cent below pre-pandemic levels of 118 tC02e. We do not currently collect data on emissions from commuting.

21. Audit Scotland staff travelled an estimated 262,213 business kilometres in 2025/26 compared to 390,196 the previous year. Kilometres are measured across all transport modes, including car, rail, bus, taxi and air. Business travel is still considerably less than pre-pandemic levels, when we travelled approximately one million kilometres a year.

22. Between 2024/25 and 2025/26, emissions increased for bus and taxi travel but decreased for car, rail and flights. Emissions from business travel are likely to fluctuate year-on-year, depending on business need. We recognise that even a small increase in the number of flights can have a significant impact on our travel emissions.

23. The post-pandemic sustained reduction in business travel is due largely to the shift to online meetings which has reduced the need to travel. Audit Scotland has invested in technology to support this, including enhanced hybrid meeting facilities. Colleagues are giving careful consideration to when business travel is necessary and for choosing the least carbon-intensive option when it is. We have also closed our car lease scheme to new entrants.

24. The Green Futures Strategic Group and thematic groups lead activities that encourage colleagues to adopt more sustainable travel behaviours. Their work helped Audit Scotland achieve Cycling Scotland's Cycling Friendly award for its Glasgow and Edinburgh offices, recognising our commitment to building a workplace where sustainable travel is supported and accessible. The accreditation reflects the range of facilities and support available to colleagues who cycle to and from work, including cycle storage, shower and changing facilities and our Cycle2Work scheme.

25. Based on current trends in business travel, we have demonstrated that we are able to meet our 2030 target of emitting no more than 28 tCO2e per annum. We will monitor trends closely and ensure that colleagues continue to consider the impact on emissions when making decisions about business travel.

Waste, recycling and water carbon emissions

Target: Reduce waste and recycling carbon emissions to no more than 4 tC02e by 2030. (There is no carbon reduction target for water, which has remained consistent at 1 tCO2e or less for several years.)

Performance to date: Our waste and recycling carbon emissions in 2025/26 were 2 tCO2e.

Summary: Emissions in 2025/26 reduced from 4 tCO2e in 2024/25 to 2 tCO2e. We are meeting our 2030 target.

2030 target
4 tCO2e

2025/26
2 tCO2e



26. We have improved the recording of refuse and recycling, but there is still room for improved data in this area. We will continue to develop our approach to calculating the volume of waste and recycling in our offices.

27. We do not have waste emissions data from our Inverness office space, but due to the size of the space emissions are likely to be negligible.

28. We will continue to work with colleagues to raise awareness of reducing waste and recycling.

Procurement carbon emissions

29. We focus on embedding sustainability into our procurement activity and we include sustainability clauses in our standard procurement terms and conditions. We are also committed to maximising the life of digital equipment as much as possible and recycling previous kit for reuse in other parts of the world.

30. To date we have not included supply chain emissions in our calculations.

Biodiversity and responding to the nature emergency

31. The Nature Conservation (Scotland) Act 2004 places a statutory duty on all public sector bodies in Scotland to further the conservation of biodiversity. The Wildlife and Natural Environment (Scotland) Act 2011 introduced a requirement for all public bodies to report publicly on their compliance with the biodiversity duty. Biodiversity duty reports are required every three years. Our most recent biodiversity duty report was published in December 2023 and we will be publishing our next report in December 2026.

32. Audit Scotland does not own or manage land and we therefore have limited opportunity to carry out activities which encourage biodiversity. However, we can support biodiversity through:

- reducing our carbon footprint
- reducing what we buy and the resources we use
- reducing the amount of pollution we put into the environment
- minimising waste and following the waste hierarchy
- highlighting biodiversity, where relevant, through our audit work.

33. Over the last three years we have run three outdoor biodiversity sessions for staff, including:

- tree maintenance in the Meadows in Edinburgh
- litter picking in Garnethill Park in Glasgow
- litter picking at the Water of Leith.

Building climate resilience

34. In addition to reducing our emissions, Audit Scotland has also made a commitment in its Corporate Plan 2023–28 to make progress towards becoming climate resilient. The impacts of climate change are already being felt, with floods, storms, heatwaves, droughts and wildfires growing in prevalence both locally and globally. As an organisation, we need to ensure we can adapt and respond to the disruption these

threats may bring. Audit Scotland is therefore working to embed climate resilience throughout our operations. There are several groups and areas of activity within the organisation that are progressing work to build climate resilience.

35. Paramount to all of this is staff wellbeing. We know that the impacts of climate change may be felt unequally by different groups. Those with particular health conditions or who live in a flood risk area, for example, may require additional support. To ensure that these issues are taken into account, climate change considerations are included in our Health, Safety and Wellbeing Plan. Further work is under way to consider specific actions to support the climate resilience elements of this plan.

36. Risks to our operations as a result of extreme weather events are managed through our business continuity processes. These will continue to be reviewed and updated to ensure that the organisation is able to plan for, respond to and recover from climate impacts when they arise.

37. A climate resilience thematic working group has been established, which is focused on mainstreaming climate resilience into our broader corporate activity. The group is using Adaptation Scotland's Climate Adaptation Capability Framework (ACF) to support this process. We are using the framework to drive change in the organisation in a way that makes the most effective use of limited resources. This means taking a proportionate and balanced approach, reflective of the size and nature of the organisation, and we will be transparent about this in our reporting. We reported in 2024/25 that we had achieved Level 1 of the ACF (Appendix 3). We are now working to achieve Level 2 (intermediate) and Level 3 (advanced) by 2027/28. This work includes further developing our understanding of climate risks and future scenarios. We are also piloting an enhanced climate impact assessment for all strategic improvement projects including consideration of climate resilience impacts and mitigations (paragraph 39). We aim to reach Level 4 of the ACF by 2029/30.

38. We recognise that our biggest area of impact is through our auditing work (Part 2). A thematic group has been established to bring together colleagues that are leading on the development of our approach to auditing climate change. This group will consider how climate resilience might be included in our audits and other outputs moving forward. The group has also contributed to the Scottish Government's consultation for updated public sector guidance on climate change, including issues related to climate resilience. The group will also consider how best to fully utilise the recently published Leaders' Climate Adaptation Checklist produced by the Sustainable Scotland Network.

Looking ahead: leading our drive to net zero and climate resilience

39. The new climate change governance structure introduced in 2023 is now embedded in the organisation and the Green Future Strategic Group is a key corporate decision-making forum (Appendix 1). We have also recently introduced an enhanced climate impact assessment (CIA) for all strategic improvement projects to incorporate climate change considerations more fully into Audit Scotland's executive decision-making processes. While the CIA builds on an earlier version, it is still very much an iterative process and we expect the CIA to be further developed in future years. The first project to utilise the CIA is the draft AI Strategy, currently in development.

40. The thematic working groups have been involved in activity throughout the year to promote actions to reduce emissions, support biodiversity and build climate resilience. The strategic group and auditing thematic group have also continued to contribute to the development of our approach to auditing climate change, to maximise the value of our work.

41. Audit Scotland published its new five-year climate change plan for the period 2026–30 in January 2026. This sets out our pathway to meeting our target to reach net zero by 2030.

42. Over the next four years, we will work to improve our data to help inform target-setting for the period beyond 2030. This includes building on work to estimate emissions from commuting patterns and aligning this with data on working from home emissions and energy use in our offices. We will use this information to ensure that our emissions reduction targets beyond 2030 are stretching yet realistic.

2. Auditing public bodies' response to climate change

Key messages

4 We are in a unique position to influence the public sector response to the climate emergency through our work. In March 2026, Audit Scotland published a report on Transforming the approach to climate change: Lessons from public audit. This report brings together our findings from previous audit work, highlighting issues which we identified as hindering or supporting progress with tackling climate change across the public sector.

5 We have a climate change hub page on our website that collates all our audit work on climate change in one place. It also includes plans and reports on our organisational response to climate change and provides links to other relevant organisations.

Our audit role

43. In January 2025, we published an update to Auditing climate change: Our strategy, which outlines the role of public audit in this area and our approach to auditing public bodies' response to climate change. It sets out our aim to hold public bodies to account and help drive change and improvement in how public bodies are working together and targeting resources to reduce emissions and build resilience to climate change.

44. We focus our attention on the areas where we can uniquely add the greatest value. Our approach focuses on:

- providing independent assurance and insight on public bodies' climate change-related activity and expenditure
- providing independent assurance on public bodies' climate-related disclosures in their annual accounts
- identifying and sharing learning, including good practice and areas for improvement.

Our audit work

45. In March 2026, Audit Scotland published a report on Transforming the approach to climate change: Lessons from public audit. This report brings together our findings from previous audit work, highlighting issues which we identified as hindering or supporting progress with tackling climate change across the public sector. We identified five common challenges that the public sector needs to address to ensure an effective approach to tackling climate change:

- leadership and collaboration
- planning for delivery
- financial planning
- governance
- public engagement.

46. In October 2026, we published a performance audit report on Renewable energy: The Scottish Government's offshore wind investment programme. The report, on behalf of the Auditor General, examines the strength of the arrangements to deliver the Scottish Government's investment of up to £500 million to support the growth of the offshore wind supply chain. The report makes recommendations to the Scottish Government and delivery partners to strengthen the programme's governance arrangements and decision-making.

47. We will continue to undertake performance audits that focus specifically on climate change policies and objectives. We also continue to integrate climate considerations into our wider work.

48. We monitor the impact of our audit work, which helps to inform proposals for future work. This includes engaging with audited bodies to monitor progress with implementing our recommendations. We also use opportunities to speak at conferences, contribute to workshops and meet with external organisations to raise awareness of our audit findings and share learning. In March 2026, we delivered two sessions at the Environmental Association for Universities and Colleges (EAUC) Annual Conference, highlighting the importance of strong leadership and governance on climate-related issues and the need to embed sustainability considerations within financial reporting disclosures in the annual report and accounts.

49. We have a climate change hub page on our website that collates all our audit work on climate change in one place. It also includes plans and reports on our organisational response to climate change and provides links to other relevant organisations.

Looking ahead: developing our audit approach

50. We continue to refine our audit methodology and approach in response to our learning and external developments, such as new legislation or standards. We have a thematic working group to coordinate activity across Audit Scotland with the aim of ensuring:

- we focus our audit work on climate change on the areas where we can uniquely add the greatest value
- that auditors are aware of climate-related accounting and disclosure requirements
- our auditors have the knowledge and skills required to undertake work on climate change.

51. Climate change considerations will increasingly become part of the annual audit of financial statements, as public bodies are required to enhance their financial reporting disclosures on climate change. Our Innovation and Quality team have prepared materials to support auditors in considering climate-related financial disclosures, for example:

- briefing notes on the 'Public Bodies Climate Change Duties: statutory guidance', issued by the Scottish Government and 'Sustainability Reporting Guidance' issued by HM Treasury.
- training materials on climate-related financial disclosure requirements.

52. Learning from others and sharing learning is integral to the development of our audit approach. We are supporting our colleagues by developing tools, guidance and training on auditing climate change. We continue to liaise with audit firms to benefit from their experience of auditing climate change in the private sector. We also participate in internal and external networks, to help identify, share and promote good practice and learning.

Appendix 1

Governance arrangements for climate change and environmental sustainability

Audit Scotland Board

Membership: The Auditor General for Scotland, the Chair of the Accounts Commission and three members appointed by the Scottish Commission for Public Audit.

Role: The board is responsible for the exercise of all functions of Audit Scotland. It exercises its powers and authorities through a Scheme of Delegation, which it determines and approves. Under the Scheme of Delegation, the board formally approves Audit Scotland's Climate Change Plan. It receives annual updates on performance against the plan's targets and objectives, thereby holding Audit Scotland to account for their performance.

Executive Team

Membership: The Auditor General for Scotland; Audit Scotland's Chief Operating Officer; the Controller of Audit; Executive Directors of Audit Services, Performance Audit and Best Value, and Innovation and Quality.

Role: Executive Team is responsible for embedding environmental considerations into decision-making, approving policies that include environmental dimensions, and scrutinising performance against environmental targets.

Green Future Strategic Group

Membership: Representatives from across all business groups.

Role: The Green Future Strategic Group has an important leadership role and is empowered to make strategic decisions that will influence our response to climate change and wider environmental issues. It coordinates and oversees relevant activity across the organisation and scrutinises Audit Scotland's performance.

Green Future Thematic Groups

Membership: Representatives from across all business groups.

Role: Sitting beneath the Green Future Strategic Group are three thematic working groups, each focusing on a key area of activity to help reduce Audit Scotland's environmental impact and develop our auditing approach (reducing emissions, climate resilience and our audit approach). These groups report into the Green Future Strategic Group and provide information to help support decision-making and identify risks.

Business groups (Audit Services, Performance Audit and Best Value, Innovation and Quality, and Corporate Services)

Role: Audit Scotland's business groups are pivotal in ensuring that Audit Scotland meets its climate change obligations and continuously improves its environmental performance. It is through the actions of all staff that we can make the greatest difference.

Appendix 2

Sources of Audit Scotland's carbon emissions 2024/25 and 2025/26

Category	CO2 emissions (tCO2e) 2024/25	CO2 emissions (tCO2e) 2025/26
Energy use		
Natural gas	71	46
Grid electricity	32	32
Working from home	109 (not included in targets)	122 (not included in targets)
Travel		
Rail	9	6
Car travel	10	5
Flights – domestic	11	9
Flights – short haul	3	2
Taxi/bus	1	1
Waste and recycling		
Refuse to landfill	3	1
Recycling	1	1
Water		
Water – treatment and supply	0.3	0.3
Total	**142** (251 including working from home emissions)	**103** (225 including working from home emissions)

Appendix 3

Actions taken to achieve Level 1 of Adaptation Scotland's Climate Adaptation Capability Framework

Action	Status
Learn about Scotland's changing climate and impacts	Complete
Consider how adaptation fits with your organisation's objectives	Complete
Consider how you contribute to Scotland's adaptation outcomes	Complete
Define your objectives and opportunities for joined up working	Complete
Develop understanding of climate risk and vulnerability	Complete
Identify resources already available for adaptation	Complete
Identify existing adaptation work within your organisation	Complete
Identify relevant groups, partnerships and forums	Complete
Record and **consider** the impact of recent weather events on your organisation	Partial – we do not systematically record events or impacts but we can highlight recent events across Scotland and consider likely impacts on staff. Further action will be kept under review.
Identify key internal stakeholders for adaptation	Complete
Define strategic adaptation outcomes and/or vision	Complete
Join/participate in relevant professional and adaptation networks	Complete

Level 2 Intermediate

Action	Status
Establish governance arrangements for adaptation	Complete
Consider scenarios for future climate change impacts	In progress
Map out how your organisation's functions might be affected by climate change	In progress
Engage with colleagues to optimise adaptation opportunities	In progress
Identify plans, policies and procedures that can include climate adaptation	In progress
Identify a range of potential adaptation actions	In progress
Define resource requirements to plan and deliver adaptation	In progress
Deliver initial adaptation actions	In progress
Engage with relevant groups, partners and forums (external)	In progress
Coordinate with partners to deliver initial actions (external)	In progress
Engage with stakeholders using participatory approaches (internal and external)	Under consideration

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