



TASMANIAN WINE DECARBONISATION FRAMEWORK

SUPPORTING TASMANIA'S WINE
PRODUCERS THROUGH STRUCTURED
CLIMATE RISK MANAGEMENT

FEBRUARY 2026



TASMANIAN WINE DECARBONISATION FRAMEWORK

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TASMANIAN WINE DECARBONISATION FRAMEWORK

1.0 EXECUTIVE SUMMARY

The Tasmanian Wine Decarbonisation Framework establishes a structured, professional approach to identifying, assessing, and communicating climate-related risks and opportunities affecting Tasmanian wine producers. This framework enables Wine Tasmania to fulfil its coordination role while respecting member autonomy and resource constraints.

As the peak industry body representing over 95% of Tasmanian wine production, we provide climate risk intelligence, facilitate connections to resources, and advocate for sector interests. We do not set emissions reduction targets for our members, monitor individual performance, or mandate participation in climate initiatives.

FRAMEWORK STRUCTURE:

Aligned with AASB S2 Climate-related Disclosures, this framework organises our climate activities around four pillars:

- 1. Governance:** Climate risk oversight is integrated into Wine Tasmania's governance.
- 2. Risk Management:** Systematic identification and assessment of climate risks and opportunities.

- 3. Strategy:** Support for members to respond to climate challenges based on their business needs.
- 4. Metrics and Targets:** Tracking of framework delivery and member engagement.

KEY ACTIVITIES:

- Maintain and annually update an industry-based Risk and Opportunity Register.
- Communicate material climate developments to our members.
- Connect members to resources, programs, and specialist support.
- Facilitate collective opportunities where aggregation adds value.
- Continue climate considerations in our member programs (VinØ, RD&E).
- Report annually on the climate risk landscape.

MEMBER BENEFITS:

- Access to climate risk intelligence.
- Connection to measurement tools, programs and expertise.
- Participation in collective opportunities (voluntary).
- Sector representation in policy and supply chain discussions.
- No additional mandatory compliance or reporting requirements.

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2.0 INTRODUCTION

2.1 PURPOSE AND SCOPE

This Decarbonisation Framework establishes Wine Tasmania's approach to climate risk management for the 2026-2030 period and beyond. It provides:

- A structured process for identifying and assessing climate-related risks and opportunities.
- Clear boundaries around our role and responsibilities.
- A roadmap for supporting our members to navigate climate challenges.
- General alignment with internationally recognised climate risk management principles (AASB S2).
- Integration with our existing programs and strategic priorities.

This framework applies to our operations as an industry body, not to individual member businesses. Members make their own decisions about emissions measurement, reduction strategies, and sustainability commitments based on their business circumstances.

2.2 STRATEGIC CONTEXT: WHY CLIMATE RISK MANAGEMENT MATTERS NOW

The business environment for wine producers continues to evolve regarding climate and sustainability:

MARKET REQUIREMENTS :

- Major retailers and customers increasingly require carbon footprint disclosure.
- EU Carbon Border Adjustment Mechanism (CBAM) may introduce carbon costs on imports.
- Premium wine buyers are increasingly expecting verified sustainability credentials.

REGULATORY DEVELOPMENTS :

- AASB S2 Climate-related Disclosures establishes a framework for corporate reporting, affecting larger producers directly and potentially smaller producers indirectly.

COMPETITIVE CONTEXT :

- Wine Australia released national Emissions Reduction Roadmap (September 2023).
- Mainland wine regions are increasingly pursuing climate support programs for members.
- Tasmania risks losing competitive positioning without a structured approach.

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2.3 PHYSICAL CLIMATE RISKS

Tasmania's wine sector faces direct climate impacts:

- Bushfire smoke taint events (2019-20 demonstrated vulnerability).
- The increasing frequency of extreme heat events affects grape quality.
- Vintage compression creates harvest logistics challenges.
- Water security concerns in some regions.
- Changing pest and disease pressure.

2.4 TASMANIA'S OPPORTUNITY

While presenting challenges, climate change also creates opportunities for Tasmania:

- Tasmania's climate is becoming optimal for varieties historically requiring more warmth.
- The state's 100% renewable electricity grid provides a potential market advantage.
- Cool-climate positioning may become increasingly valuable as other regions warm excessively.

2.5 MEMBER FEEDBACK AND NEEDS

Wine Tasmania's engagement with our members indicates:

- Recognition that climate action is important, but complexity creates uncertainty.
- Desire for clear, practical information on evolving requirements.
- Need for support in navigating diverse and sometimes conflicting expectations.
- Interest in collective approaches that reduce costs and administrative burden.
- Preference for flexible, voluntary approaches over mandates.
- Limited capacity among small producers for sophisticated sustainability programs.

This framework responds directly to these needs by providing structure and information without imposing compliance burdens.

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3.0 WINE TASMANIA'S CLIMATE ACTION JOURNEY

Wine Tasmania's work on climate and sustainability provides the foundation for this framework:

VINØ PROGRAM (2016 - PRESENT) :

- Measures, improves, and reports on the management practices of Tasmanian wine producers.
- Covers environmental, social, and economic sustainability dimensions.
- Currently, 75% of the Tasmanian vineyard area is managed under environmental sustainability programs.
- Established Wine Tasmania's credibility in coordinating sector-wide sustainability initiatives.

VINØ CARBON ACTION PROGRAM (2024 - PRESENT) :

- Extension of VinØ providing accessible tools for emissions measurement and reduction.
- Incorporates initiatives identified in Wine Australia's Emissions Reduction Roadmap.
- Provides a practical entry point for producers beginning emissions measurement.

CARBON NEUTRALITY OPTIONS REVIEW (2021) :

- Commissioned options paper exploring pathways to carbon neutrality for the Tasmanian wine sector.
- Identified hybrid model approach, emissions sources, reduction opportunities, and offset strategies.
- Estimated sector emissions at 12,300-20,500 tCO₂-e annually.
- Established baseline understanding of decarbonisation pathways.

WINE SECTOR 2040 - GROWING SUCCESS TOGETHER (2023) :

- Long-term strategic vision modelled 127-392% production growth by 2040.
- Identified "Sustainable Wine Production" as one of three strategic priorities.
- Committed to demonstrating the highest sustainability credentials.
- Recognised need for a structured approach to support growth without compromising sustainability.

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3.0 WINE TASMANIA'S CLIMATE ACTION JOURNEY (CONTINUED)

GOVERNMENT ENGAGEMENT:

Wine Tasmania has consistently represented sector interests on climate and sustainability through:

- Submission to Tasmanian Agriculture Strategy (2025) - advocating for climate support.
- State Budget submissions requesting co-funding for sustainability initiatives.

- Submission to Competitiveness of Tasmanian Agriculture White Paper (2020).
- Partnership with the Tasmanian Institute of Agriculture on climate research.
- Collaboration with Wine Australia on national climate reviews.

This framework builds on these foundations, providing structured governance and accountability for ongoing climate risk management.



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4.0 WINE TASMANIA'S ROLE AND BOUNDARIES

Wine Tasmania represents ~120 producer members operating across Tasmania, most of which are small family businesses. As an industry body with limited resources, our role in climate risk management is fundamentally one of information provision and coordination – not mandate or enforcement.

4.1 WHAT WINE TASMANIA WILL DO

STRUCTURED RISK INTELLIGENCE :

- Maintain an annually updated Risk and Opportunity Register identifying climate-related issues affecting the sector.
- Monitor export market requirements, regulatory changes, and climate science developments.
- Communicate material risks and opportunities to members through existing channels.
- Provide context and interpretation of complex climate-related developments.
- Integrate climate horizon scanning into Wine Tasmania's existing information gathering.

RESOURCE CONNECTION AND FACILITATION :

- Curate and communicate available resources, programs, and specialist support.
- Connect our members to resources, government programs and technical expertise.
- Facilitate collective opportunities where aggregation adds value (e.g., group purchasing, supplier engagement).
- Continue to integrate and enhance climate considerations into existing programs (VinØ, RD&E Strategy, advocacy).
- Host workshops or information sessions on priority climate topics (as resources permit).

ADVOCACY AND REPRESENTATION :

- Represent sector interests in climate policy development at the state and federal levels.
- Advocate for government support and infrastructure investment.
- Partner with relevant experts to help determine climate research priorities.
- Engage supply chain partners (glass manufacturers, freight providers) on sector needs as appropriate.
- Leverage Wine Tasmania's established relationships to advance climate-related sector priorities.

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4.1 WHAT WINE TASMANIA WILL DO (CONTINUED)

GOVERNANCE AND ACCOUNTABILITY:

- Maintain AASB S2-aligned framework demonstrating a structured approach to climate risk management.
- Report annually on the climate risk landscape and Wine Tasmania's activities.
- Review and adapt the framework based on member needs and emerging issues.
- Provide transparent communication about Wine Tasmania's climate-related activities.
- Integrate climate risk into Wine Tasmania's broader organisational risk management.

4.2 WHAT WINE TASMANIA WILL NOT DO

NO SECTOR-WIDE EMISSIONS TARGETS:

- Wine Tasmania does not set emissions reduction targets for the industry or individual members.
- We recognise that decarbonisation decisions rest with individual businesses based on their circumstances, markets and capabilities.
- Members determine their own sustainability commitments and pathways.

NO COMPLIANCE MONITORING:

- Wine Tasmania does not monitor, audit or enforce members' emissions or sustainability performance.
- Participation in climate-related programs (VinØ measurement tools) is voluntary.
- Members are accountable to their own customers, investors and regulatory requirements.
- Wine Tasmania tracks sector trends for context, not individual member compliance.

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4.3 WHY THIS APPROACH MAKES SENSE

This bounded, realistic role reflects Wine Tasmania's resources, authority, and the diversity of our membership. With most members being small producers with limited administrative capacity, a light-touch, information-focused approach is appropriate.

WINE TASMANIA'S VALUE LIES IN:

- **Aggregating intelligence:** Monitoring developments so individual members don't have to.
- **Reducing complexity:** Translating complex climate issues into relevant, accessible information.
- **Enabling choice:** Providing information that allows members to make informed decisions.
- **Creating opportunities:** Facilitating collective approaches where they add value.
- **Amplifying voice:** Representing sector interests to government and supply chain partners.

This framework demonstrates Wine Tasmania's structured, professional approach to climate risk management without overcommitting to outcomes beyond our control or capacity. It positions Wine Tasmania as a credible information source and coordinator while respecting member autonomy and our resource constraints.

5.0 FRAMEWORK STRUCTURE: AASB S2 ALIGNMENT

This framework is structured according to key principles established in AASB S2 Climate-related Disclosures, which provides an internationally recognised standard for climate risk management and disclosure. AASB S2 organises management and reporting around four interconnected pillars:

1. **Governance:** The oversight structures, roles and responsibilities for managing climate-related risks and opportunities.
2. **Strategy:** How climate risks and opportunities influence business strategy, financial planning and long-term positioning.
3. **Risk Management:** The processes for identifying, assessing, prioritising and managing climate-related risks.
4. **Metrics and Targets:** The indicators used to measure and monitor climate performance and progress toward objectives.

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5.0 FRAMEWORK STRUCTURE: AASB S2 ALIGNMENT (CONTINUED)

By structuring this framework according to AASB S2 principles, Wine Tasmania ensures:

- Our approach aligns with emerging corporate climate disclosure requirements that many members will face.
- Members receive guidance consistent with evolving regulatory and market expectations.
- The framework is adaptable as standards evolve and requirements strengthen.
- Wine Tasmania demonstrates sound climate risk governance appropriate to our coordination role.

6.0 LOOKING FORWARD

Climate risk management is a journey, not a destination. Wine Tasmania commits to continuous improvement of this framework based on experience and feedback. By maintaining structured, professional climate risk processes, Wine Tasmania positions the Tasmanian wine sector to navigate challenges, capture opportunities, and sustain our reputation as producers of premium, sustainably-grown wine from Tasmania's unique cool-climate environment.

We invite all members to engage with this framework through providing feedback, accessing resources, participating in collective opportunities, and sharing your experiences. Together, we can ensure Tasmania's wine sector thrives in an increasingly climate-conscious world.



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7.0 STRATEGIC PRIORITIES: THE FOUR PILLARS

7.1 PILLAR 1: GOVERNANCE

Objective: Ensure climate-related risks and opportunities are systematically considered in Wine Tasmania's governance.

STRATEGIC ACTIONS: *Oversight (Ongoing)*

Climate risk will be integrated into Wine Tasmania's existing risk management processes:

- Include industry-based climate-related risks in the Risk and Opportunity Register.
- Assign responsibility for climate risk oversight.
- Provide an annual briefing on the climate risk landscape and Wine Tasmania's activities.
- Ensure climate considerations are integrated into Board strategic planning discussions.

Stakeholder Engagement (Ongoing)

Establish ongoing mechanisms for member and stakeholder input:

- Include climate-related questions in member survey/feedback mechanisms.
- Occasional climate focused sessions at member forums or regional meetings.

- Open channel for members to raise climate-related concerns or opportunities.
- Engagement with supply chain partners, government and research partners through existing relationship channels.

7.2 PILLAR 2: RISK MANAGEMENT

Objective: Maintain a structured, evidence-based process for identifying and assessing climate-related risks and opportunities relevant to Tasmanian wine producers.

STRATEGIC ACTIONS: *Risk and Opportunity Register (Ongoing)*

- **Risk/Opportunity Identification:** Establish annual processes to identify and review climate-related risks, including physical risks (e.g. extreme weather events), transition risks (e.g. policy changes) and opportunities (mitigation or value-add) that could impact Wine Tasmania and its members over the short, medium and longer term.
- **Risk Assessment:** Evaluate the significance of identified climate-related risks and opportunities, considering their likelihood and potential impact on industry members (refer to the Risk Assessment Framework).

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7.2 PILLAR 2: RISK MANAGEMENT (CONTINUED)

Trigger Events for Immediate Review (Ongoing)

Wine Tasmania will conduct an immediate review of the Risk Register action priorities when:

- Major climate events affect multiple producers (e.g. widespread smoke taint, extreme weather).
- Significant regulatory changes announced (e.g. new disclosure requirements, carbon pricing).
- Loss of market access is reported due to carbon/sustainability requirements.
- Major reputational incidents affect the Tasmanian wine sector.
- Supply chain disruptions are incurred due to climate-related causes.

7.3 PILLAR 3: STRATEGY

Objective: Support members to understand and respond to climate-related risks and opportunities based on their individual business circumstances.

STRATEGIC ACTIONS:

- **Register of actions:** Each year, review and prioritise the register of actions that support the mitigation of member and industry-based climate-related risks and the realisation of opportunities, with workstreams agreed for the next year.

- **Integrate into Strategic Planning:** Embed climate-related considerations into Wine Tasmania's ongoing strategic plan processes, ensuring that climate resilience is a core component of the Association's mission and activities.

7.4 PILLAR 4: METRICS AND TARGETS

Objective: Track Wine Tasmania's delivery of this framework and member engagement.

STRATEGIC ACTIONS:

Framework Delivery Metrics (Annual)

Wine Tasmania will track its performance against framework commitments:

- Risk and Opportunity Register reviewed and updated annually.
- Annual member communication on climate risks.
- All trigger climate-related risk events were responded to appropriately.
- Member resources were adequately provided where required.
- Number of members participating in the VinØ Program.
- Report on any regulatory changes affecting the wine sector.
- Report on the types of emissions reduction initiatives being implemented (from VinØ data).
- Annual review of metrics and targets to ensure they remain relevant.

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APPENDIX A: WINE TASMANIA CLIMATE-RELATED RISK ASSESSMENT FRAMEWORK

CLIMATE STRATEGY TIME HORIZONS :

Wine Tasmania evaluates climate-related risks and opportunities across three strategic time horizons:

- **Short term:** 5 years (2030)
- **Medium term:** 10 years (2035)
- **Long term:** >20 years (2045 onwards)

These horizons have been selected to reflect the progressive nature of climate impacts and transition dynamics on our industry.

Unlike most operational and financial risks, which are assessed over shorter planning cycles (1-3 years), climate change requires longer-term strategic thinking due to the slow onset and compounding nature of its effects. By adopting extended time horizons for climate considerations, Wine Tasmania aims to enhance its ability to respond to emerging risks, support industry resilience, and align with required decarbonisation pathways.

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APPENDIX A (CONTINUED)

RISK ASSESSMENT METHOD:

This matrix provides a standardised approach for assessing and rating risks within Wine Tasmania's Decarbonisation Strategy. All risks are evaluated using likelihood and consequence criteria, with the resulting risk rating determining priority for governance oversight.

LIKELIHOOD CRITERIA:

RATING	DESCRIPTOR	DESCRIPTION
5	Almost Certain	Expected to occur in most circumstances; strong evidence of occurrence
4	Likely	Will probably occur in most circumstances; strong indicators present
3	Possible	Might occur at some time; some evidence or indicators present
2	Unlikely	Could occur but not expected; limited evidence of occurrence
1	Rare	May occur only in exceptional circumstances; little to no evidence

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APPENDIX A (CONTINUED)

CONSEQUENCE CRITERIA:

Consequences are assessed across multiple impact dimensions relevant to Wine Tasmania's role and the wine sector:

RATING	DESCRIPTOR	MARKET ACCESS	REPUTATION	SECTOR SUSTAINABILITY
5	Catastrophic	Loss of major markets; sector-wide trade barriers	Severe, long-term damage to the Tasmanian wine brand; national/international media crisis	Existential threat to sector viability growth trajectory
4	Major	Restricted access to key markets; major retailer delisting	Significant brand damage; sustained negative coverage	Serious impediment to sector growth and profitability targets
3	Moderate	Limited market restrictions; individual retailer requirements	Moderate brand impact; notable negative attention	Moderate disruption to growth plans; competitive disadvantage
2	Minor	Minimal market impact; isolated requirements	Minor reputational concern; limited negative attention	Minor setback to objectives; readily manageable
1	Insignificant	No discernible market impact	Negligible reputational impact	Insignificant effect on sector objectives

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APPENDIX A (CONTINUED)

RISK RATING MATRIX:

The risk rating is determined by multiplying the likelihood score by the consequence score, then applying the following matrix:

CONSEQUENCE		INSIG-NIFICANT	MINOR	MODERATE	MAJOR	CATAS-TROPHE
LIKELIHOOD		1	2	3	4	5
ALMOST CERTAIN	5	5	10	15	20	25
LIKELY	4	4	8	12	16	20
POSSIBLE	3	3	6	9	12	15
UNLIKELY	2	2	4	6	8	10
RARE	1	1	2	3	4	5

This generates the following ratings:

CONSEQUENCE		INSIG-NIFICANT	MINOR	MODERATE	MAJOR	CATAS-TROPHE
LIKELIHOOD		1	2	3	4	5
ALMOST CERTAIN	5	Moderate	High	High	Extreme	Extreme
LIKELY	4	Moderate	Moderate	High	High	Extreme
POSSIBLE	3	Low	Moderate	Moderate	High	High
UNLIKELY	2	Low	Low	Moderate	Moderate	High
RARE	1	Low	Low	Low	Moderate	Moderate

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APPENDIX A (CONTINUED)

RISK APPETITE STATEMENT:

Wine Tasmania's risk appetite varies by risk category:

RISK CATEGORY	APPETITE LEVEL	RATIONALE
Market Access and Reputation	Very Low	Wine Tasmania has minimal tolerance for risks that could jeopardise member access to key markets or damage the Tasmanian wine brand. These risks require proactive, conservative management.
Member Adoption and Engagement	Moderate	Wine Tasmania recognises that voluntary member adoption of decarbonisation initiatives carries inherent uncertainty and will balance encouragement with realistic expectations.
Innovation and Emerging Technologies	Moderate to High	Wine Tasmania is willing to accept higher risks when piloting innovative solutions that could benefit the sector, provided the potential downside is contained.
Supply Chain Dependencies	Moderate	Wine Tasmania accepts that some supply chain risks are outside direct control but will actively work to mitigate them through engagement.