Guidance 15a: Key transition plan elements

- Just transition ensures the shift towards a low-carbon, climate-resilient economy is fair, inclusive and equitable.
- Environmental justice involves addressing and rectifying disproportionate environmental and health burdens faced by marginalised and disadvantaged communities.

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Key elements of a transition plan	*What to look for*	*Why it matters*
Ambition and targets	▪ Paris-aligned, science-based, time-bound targets ▪ Coverage of all relevant emissions quantified	▪ Ensuring clarity and credibility of climate ambition ▪ Supports comparability across peers in the sector
Implementation pathway and actions	▪ Concrete steps taken for decarbonisation ▪ CAPEX, OPEX and other resources allocated for the roadmap ▪ Identified risks, dependencies and critical enablers	▪ Demonstrates feasibility ▪ Distinguishes real action from greenwashing
KPIs and monitoring	▪ Specific, relevant metrics to track progress ▪ Defined reporting frequency ▪ Internal/external audits	▪ Enables accountability and validation ▪ Allows for continuous improvement and timely course-correction
Governance and accountability	▪ Clear oversight by senior management with linked responsibilities and incentives ▪ Escalation mechanisms	▪ Ensures climate transition is prioritised at the top ▪ Embedding of climate actions in operational processes
Disclosure and transparency	▪ Public/private reporting ▪ Alignment with recognised frameworks	▪ Builds stakeholder trust ▪ Enables regulatory compliance
Just transition* and/or environmental justice considerations**	▪ Identification of potential social impacts and mitigations ▪ Stakeholder engagements, esp. underserved communities	▪ Secures social license to operate ▪ Supports inclusive climate action
Adaptive capacity	▪ Triggers for plan revision, incl. scenario analysis ▪ Flexibility to update targets and actions	▪ Maintains relevance in a rapidly changing risk landscape

Guidance 15b: Checklist for assessing the credibility of client transition plans

- Just transition refers to ensuring shift towards a low-carbon, climate-resilient economy is fair, inclusive and equitable.
- Environmental justice involves addressing and rectifying disproportionate environmental and health burdens faced by marginalised and disadvantaged communities.

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Transition plan section	*Red (R)*	*Amber (A)*	*Green (G)*
Ambition and targets	No/unclear targets	Targets not science-aligned or incomplete	Science-based, time-bound, covering all emission scopes
Implementation pathway and actions	No/unclear actions	Actions insufficient or not adequately financed	Detailed, costed steps with key enablers identified
KPIs and monitoring	No KPIs and no progress tracking	Some KPIs and infrequent review	Specific KPIs, regular review and feedback
Governance and accountability	No clear oversight	Informal or partial responsibility	Board/senior management involved in oversight, with linked incentives
Disclosure and transparency	Not disclosed	Limited/internal disclosure only	Public disclosures with third-party assurance
Just transition* and/or environmental justice considerations**	No social impact consideration	Acknowledged but no mitigation/engagement	Social and environmental impacts mapped and mitigations in place
Adaptive capacity	Static and not revisited	Occasional review with no scenario analysis	Scenario analysis performed with clear triggers for revision