



Chapter  
Zero

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# The Transition Planning Toolkit Scorecard

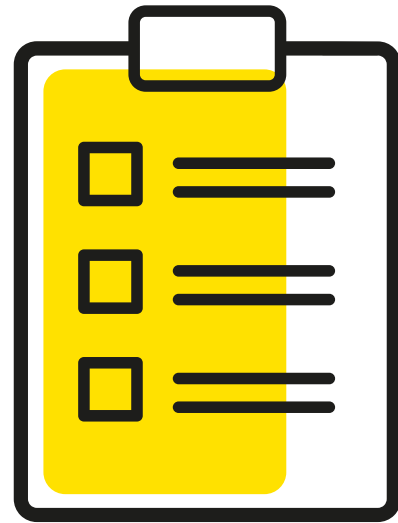


# Scorecard

## The Transition Planning Toolkit Scorecard

Complete the Transition Planning Scorecard to help assess how effectively your board is responding and contributing to the transition to a low GHG-emissions and climate-resilient economy.

The scorecard serves as a valuable tool for board members to use when the company is developing its transition plan in accordance with the TPT guidance.



### Why use the scorecard?

- It will indicate how well you think your board is responding and contributing to the transition.
- It will help you develop an understanding of the TPT Transition Planning Cycle and your role in overseeing this process.
- You can use the results to capture impressions from board members to enable a good discussion.
- It can help identify gaps to be addressed, different viewpoints and challenges to be overcome.

### How to use the scorecard?

- To complete the scorecard, you need to answer a total of 20 questions. These are split across the four iterative stages of the [TPT Transition Planning Cycle](#): Assess/Re-assess, Set your ambition, Plan your actions, Implement your plan.
- Once you have completed the scorecard, save the PDF as a new document if you wish to come back to your results later, otherwise your answers will be lost.
- The questions are designed to help you assess how effectively your board is tackling the climate transition.
- Ideally your whole board would complete the scorecard so that you can compare results.

The scorecard is not intended to be exhaustive. It is designed to capture and encourage debate in the boardroom.

The TPT recommends that your transition plan clearly articulates your company's ('entity's') Strategic Ambition.

The **Strategic Ambition** comprises the entity's objectives and priorities for responding and contributing to the transition towards a low GHG-emissions, climate-resilient economy. It also sets out whether and how the entity is pursuing these objectives and priorities in a manner that captures opportunities, avoids adverse impacts for stakeholders and society, and safeguards the natural environment.

TPT Disclosure Framework definition

## The TPT Transition Planning Cycle

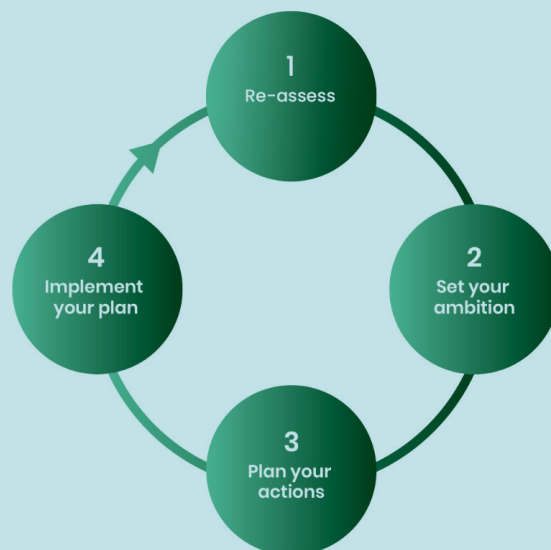
Transition planning is not a 'once and done' activity.

The TPT underlines the need for transition planning to be flexible, dynamic, and responsive to new information and external developments.

Transition plans will have to be regularly reviewed and updated.

Similarly, the actions in the scorecard are iterative. Return to the scorecard periodically as the transition planning process in your company develops.

**Note:** Although the stages are presented sequentially, you may perform certain activities in a different order.



Source: TPT Transition Planning Cycle

# The Transition Planning Scorecard

Complete the Transition Planning Scorecard. Compare and discuss your results with your board.

## Stage 1: Assess or Re-Assess

Assess your current position. Ensure your board is informed and ready to oversee the transition planning process.

Some boards may be at the start of the climate transition planning journey and assessing their position for the first time; others will be re-assessing their position and building on previous work.

**1= Strongly disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly agree**

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1. The board understands the role of transition planning in responding to and contributing to the transition to a low GHG-emissions, climate-resilient economy.

1  2  3  4  5

- 
2. The board is regularly updated on the company's material climate-related risks and opportunities (physical, transition and liability), including the outcomes of scenario analysis.

1  2  3  4  5

- 
3. The board has reviewed the assumptions underpinning the assessment of the company's material climate-related risks and opportunities.

1  2  3  4  5

- 
4. The transition plan is integral to the overall business strategy.

1  2  3  4  5

- 
5. Transition planning is formally integrated into the company's governance structures and processes.

1  2  3  4  5

- 
6. The board is aware of or involved in engagement with key stakeholders who may be impacted by the company's transition plan, or on whom successful implementation of the plan depends.

1  2  3  4  5

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7. The board has reviewed information on the company's GHG emissions footprint across all scopes, including information on data gaps and uncertainties.

1  2  3  4  5

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8. The board has reviewed the transition levers\* identified by the company to enable the company's own decarbonisation and to influence economy-wide decarbonisation.

1  2  3  4  5

9. The board has reflected on the lessons learned from the company's previous activities on decarbonisation and the transition.

1  2  3  4  5

\*Transition lever is a TPT term that relates to the actions available to the company for decarbonising the company, for responding to the company's climate-related risks and opportunities and for contributing to an economy-wide transition.

## Stage 2: Set your Ambition

Challenge your company's Strategic Ambition for responding and contributing to the transition towards a low GHG-emissions, climate-resilient economy.

1= Strongly disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly agree

10. The board has reached consensus on the company's Strategic Ambition for responding to and contributing to the transition towards a low GHG-emissions, climate-resilient economy.

1  2  3  4  5

11. The board is satisfied that the company's objectives, priorities and targets are aligned with the Strategic Ambition.

1  2  3  4  5

12. The board is satisfied that the transition plan captures opportunities, avoids adverse impacts on stakeholders and society, and safeguards the natural environment (where possible).

1  2  3  4  5

13. The board has scrutinised the feasibility of the transition plan, including reviewing key assumptions and assessing the risks to the plan.

1  2  3  4  5

14. The board has reviewed the changes to the business model and value chain which are necessary to deliver the transition plan.

1  2  3  4  5

## Stage 3: Plan your actions

Oversee the implementation and engagement strategy to deliver the transition plan.

1= Strongly disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly agree

15. The board understands how the transition plan is being translated into effective company-wide implementation actions.

1  2  3  4  5

16. The board understands the financial impacts of the transition plan.

1  2  3  4  5

17. The board is regularly updated on the company's progress against the metrics and targets set out in its transition plan.

1  2  3  4  5

18. The board is continually developing its knowledge and skills on transition planning.

1  2  3  4  5

## Stage 4: Implement your plan

Support your company to continue or start implementation and disclose the transition plan in line with the TPT Framework. Monitor and report on progress.

1= Strongly disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly agree

19. The board actively reviews progress on the implementation of the transition plan.

1  2  3  4  5

20. The board scrutinises and endorses the company's transition plan-related disclosures.

1  2  3  4  5

# Interpreting your scores

For each of the 20 questions, individual scores of 5 represent best practice, 4 is good, and 3 is average. Scores of 1 or 2 highlight areas which need attention.






Calculate the total for each of the four sections and overall total out of 100.

	Total
<b>Stage 1: Assess or reassess</b>	
<b>Stage 2: Set your ambition</b>	
<b>Stage 3: Plan your actions</b>	
<b>Stage 4: Implement your plan</b>	
<b>Overall total:</b>	

## Using the results

Your results will indicate where to direct your attention and which questions to ask. Ideally get your whole board to complete the scorecard so that you can compare results.

### Next steps

-  Invite the rest of your board to complete the scorecard and use it as a basis for discussion.
-  Join a roundtable with other members who have completed the scorecard to compare notes.
-  Link your executive to the [TPT Disclosure Framework and Implementation Guidance](#).
-  Review the UN High Level Expert Group (HLEG) on Net Zero implementation checklists to check for alignment with the [‘Integrity Matters’ Report from the UN HLEG on Net Zero](#). The checklists highlight transition planning as a key step.
-  See also: [The London Stock Exchange has a Climate Governance assessment](#) that provides a measure of companies’ carbon management practices and incorporation of climate change considerations into business strategies. This is a short and useful assessment which provides your self-assessed core against the industry average and the FTSE 100 average.

## Created by:

### Chapter Zero

Chapter Zero, the Directors' Climate Forum, is building a broad community of NEDs equipped to lead crucial UK boardroom discussions on the impacts of climate change. Its members are helping ensure their companies are fit for the future and that global net zero ambitions are transformed into robust plans and measurable action.

Established in 2019, Chapter Zero offers its members tailored events, toolkits, relevant information and a peer network to draw on for experience, inspiration and ideas. [chapterzero.org.uk](https://chapterzero.org.uk)

### Chronos Sustainability

Chapter Zero commissioned Chronos Sustainability to support the development of this toolkit. Chronos Sustainability was established in 2017 with the objective to deliver transformative, systemic change in the social and environmental performance of key industry sectors through expert analysis of complex systems and effective multi-stakeholder partnerships. Chronos works extensively with global investors and global investor networks to build their understanding of the investment implications of sustainability-related issues, developing tools and strategies to enable them to build sustainability into their investment research and engagement. For more information visit [chronossustainability.com](https://chronossustainability.com) and [@ChronosSustain](https://twitter.com/ChronosSustain)

### Centre for Climate Engagement

The Centre for Climate Engagement plays a unique role in bringing leading academic research to a targeted audience of chairs and non-executive directors to accelerate climate leadership on boards in the private and public sectors.

The Centre is uniquely placed to develop insights drawing on academic expertise from across the University of Cambridge and the wider research community, together with independent expertise from the business sector. [climatehughes.org](https://climatehughes.org)

### Supported by LSEG and its Foundation

LSEG (London Stock Exchange Group) is a leading global financial markets infrastructure and data provider, playing a vital social and economic role in the world's financial system.

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The LSEG Foundation helps people access economic opportunities and build a secure future with financial independence. Working with charity and NGO partners, the Foundation delivers a range of programmes across the globe, creating opportunities for those in need to participate in education, employment and enterprise.

For more information on the LSEG Foundation, visit [LSEG Foundation | LSEG](https://lsegfoundation.com)

### Drawing from the Transition Plan Taskforce

This toolkit draws on the work of the Transition Plan Taskforce (TPT) including the TPT Disclosure Framework and Implementation Guidance. The TPT, a UK government initiative with industry representation was launched in April 2022 to develop the 'gold standard' for private sector climate transition plans. [transitiontaskforce.net](https://transitiontaskforce.net)