



THURSDAY 13TH FEBRUARY 2025

Masterclass #1: Transition planning and your role

Event summary

Our transition planning masterclass series

In collaboration with the Oliver Wyman Forum, as part of our wider series on transition planning, we launched the first of three interactive, practical transition planning masterclasses. Building from our [Getting Started](#) series, these first of their kind masterclasses allow us to explore transition planning concepts in greater detail. These are in-depth learning experiences where attendees learn from both experts and peers. The first masterclass explored the basics and best practices for transition planning as well as the evolving role of non-executive directors (NEDs) in this space. This document provides a summary of the rich learnings and key takeaways from the first event.

Transition planning: What it is and why it matters

- The IFRS S2 outlines a climate transition plan (CTP) as an aspect of an entity's overall strategy that lays out its targets, actions or resources for its transition towards a lower-carbon economy, including actions such as reducing its GHG emissions
- Transition plans are important as an external communication tool and an internal transformation mechanism
- The UK TPT published a [Disclosure Framework](#) in October 2023 that outlines 19 sub-elements as a guide structure for a CTP with three overarching principles: Ambition, Action, Accountability
- This is a rapidly evolving space with evolving government and regulatory requirements and announcements expected in H1 2025
- Transition planning is not a "once and done" activity. A transition plan should be flexible, dynamic and will need to evolve and be regularly reviewed and updated



MASTERCLASS #1
THURSDAY, 13 FEBRUARY
**Transition planning
and your role**



MASTERCLASS #2
TUESDAY, 25 MARCH
Putting it into Practice



MASTERCLASS #3
THURSDAY, 24 APRIL
Beyond the Boardroom

The Role of the NED

Throughout the session we explored the evolving role of NEDs in transition planning, exploring where we are now, what success looks like and how we can get there.

WHERE ARE WE TODAY?

WE ARE AT THE "FOOTHILLS OF CHANGE"

EVERYONE IS LEARNING: NO-ONE KNOWS WHAT PERFECT LOOKS LIKE - AND THAT'S OK!

A LARGE AMOUNT OF FRAMEWORKS & REPORTING, WHICH CAN BE OFFPUTTING!

GLOBAL PERCEPTION ON THIS TOPIC VARIED

SUSTAINABILITY IS NOT THE #1 PRIORITY FOR EVERYONE & MAY BE SEEN AS A BOX-TICKING EXERCISE

THE UNKNOWN & UNCLEAR TIMELINES MEAN A LOW RISK APPETITE

... BUT WE KNOW THIS IS IMPORTANT & MUST DRIVE PROGRESS

WHAT DOES SUCCESS LOOK LIKE? WHERE CAN WE BE BY DECEMBER 2026?

WE CAN DEMONSTRATE THE COMMERCIAL VALUE & ROI - INVESTORS' PATIENCE HAS BEEN REWARDED

SUSTAINABILITY IS AT LEAST EMBEDDED IN THE STRATEGY, NOT SEPARATE - IT DRIVES OUR STRATEGY

THE ORGANISATION IS ALIGNED - WE ARE ABLE TO STEP BACK, CONFIDENT THAT SUSTAINABILITY IS EMBEDDED IN THE CONVERSATION

WE ALL GENERATE IMPACT BEYOND OUR ORGANISATIONS & SHARE ACCOUNTABILITY FOR THE WHOLE

EMPLOYEES & CUSTOMERS APPLAUD OUR EFFORTS, & THE EXEC ARE THANKFUL TO US FOR PUSHING THEM!

WE HAVE STRONG GOVERNANCE & CLEAR PROCESSES IN PLACE & HAVE BUILT RESILIENCE

WE CONTRIBUTE TO A SELF-GENERATIVE ENVIRONMENT, PULLING OTHERS UP TO INCREASE & SUSTAIN FOR THE LONG-TERM

HOW DO WE ACHIEVE SUCCESS?

WE KNOW WE CAN'T DO THIS ALONE - WE 'SHARE THE CAPES' WITH OTHERS IN THE ORGANISATION

WE BUILD GREAT RELATIONSHIPS WITH THE CSO, EXEC & BOARD, GROWING A STRONG PERSONAL NETWORK IN THIS FIELD

WE SPONSOR & CHAMPION THE CSO & SUSTAINABILITY TEAMS, HELPING ELEVATE THEIR WORK

WE EDUCATE THE BOARD ON THE SUBJECT & WHAT IT ACTUALLY MEANS (INCLUDING THE TECHNICALITIES), EQUIPPING THEM TO ASK THE RIGHT QUESTIONS & CREATE THE ENVIRONMENT FOR TOUGH CONVERSATION. WE ASK & PUSH FOR EDUCATION OPPORTUNITIES

WE ENGAGE OTHERS OUTSIDE OF OUR SECTOR & GEOGRAPHY

WE BREAK DOWN THE SILO WALLS OF SUSTAINABILITY & TREAT IT LIKE THE CROSS-CUTTING ISSUE IT IS

WE TREAT TRANSITION PLANNING AS A FORWARD-LOOKING, PLAN, NOT A REPORT!

WE UNDERSTAND THE ENVIRONMENT WE OPERATE IN & SHOW PRAGMATISM (WE ADAPT - WE DON'T JUST MITIGATE)

WE ARE CLEAR ON THE AMBITION WE SET & UNDERSTAND THE CEO MUST SET THE TONE

WE ESTABLISH WHAT'S IMPORTANT TO OUR STAKEHOLDERS, & ALIGN WITH THE SUSTAINABILITY AGENDA

HOW DO NEDS SHOW UP & HOW ARE WE ENABLED BY OTHERS?

WE ENGAGE EVERYONE IN THE BUSINESS & HELP OTHERS TO PROGRESS

WE SPONSOR & ELEVATE VOICES, WE SHOW HUMILITY

WE REMAIN CURIOUS, SHOWING TRUST & HOLDING THE COURAGE TO PURSUE

WE ARE PATIENT, WE ARE AGILE, & WE 'KEEP ON GOING'

WE SHOW CONFIDENCE, AUTHENTICALLY BELIEVING IN THE CAUSE & REMAINING "HELPFULLY CONSISTENT" IN STAYING THE COURSE

WE CREATE A SAFE ENVIRONMENT FOR DEBATE ON THIS TOPIC

WE USE THE RESOURCES AVAILABLE TO US TO EFFECTIVELY LEARN & ELEVATE (SUCH AS CHAPTER ZERO KNOWLEDGE HUB & EVENTS!)

Transition planning basics and best practices

We explored three deep dives on transition planning: 1. Ambition level and positioning, 2. What moves the dial in a transition plan and 3. Key stakeholders.

Deep dive 1. Ambition level and positioning

We see a wide range of ambition levels within CTPs, ranging from minimalist compliance-focused reports to trendsetting plans which are integrated into overall strategy and focus on value creation and risk management.

Taking a strategic trendsetting approach will strengthen, challenge and enhance an organisation's business strategy itself, unlocking multiple benefits including value generation and resilience.

To build alignment and understanding of ambition amongst the Board, NEDs should expect complete and robust information and facilitate open conversations about trade-offs, embracing challenge and debate and working together to find resolutions.

There are several challenges and barriers to setting high ambition levels such as geopolitical uncertainties, regulatory considerations, access to capital, stakeholder expectations, and technological advancement.

Whilst there are known risks to moving quickly, these can be mitigated through identifying no-regrets moves and setting realistic timelines — such as considering the timeline for phasing out of fossil fuels. It is important to take a global perspective that includes emerging economies and a just transition, as well as considering adaptation & mitigation.

Transition planning is a strategic endeavour to unlock value, and companies are encouraged to start early to signal intent to the various stakeholder groups. However, overly ambitious public commitments should be avoided without proper understanding to avoid greenwashing.

Deep dive 2. What moves the dial in a transition plan

There are 19 sub-elements of the TPT Disclosure Framework, but we see several areas that can most materially drive an organisation towards meeting its goals:

- **Strategic Ambition:** Align on ambition and put in place resources for success
- **Assumptions and external factors:** Ensure clarity in assumptions and external dependencies
“2040 / 2050 is beyond any usual business planning timeframe - calling out the assumptions driving our transition plans means that we can credibly update and iterate our plans as those assumptions are updated”
- **Financial Planning:** Ringfence investment and enable effective capital allocation for the transition
- **Engage with the value chain:** Actively and systematically engage across the value chain
- **Metrics and Targets:** Set credible and realistic metrics and targets and leverage carbon pricing

“We need to understand why we are putting together the transition plan and what it is for – what risks are we managing and what are the commercial benefits for our organisation?”

- **Incentives and remuneration:** Understand how senior management structure incentives for transition planning and climate initiatives

“Incentives and rewards need to be taken seriously to incentivise effective transition planning and implementation amongst executives and employees”

Deep dive 3. Key stakeholders

The landscape of stakeholders to consider when transition planning is interconnected, complex and dynamic, requiring careful navigation and understanding of various interests and influences.

From employees to customers to governments and more, we should start to consider the main stakeholder groups, however, we can never be truly exhaustive and there may be large variations by company and location. Stakeholders that may often be overlooked include wider society, communities, the media, and academia as well as competitors and secondary stakeholders (e.g. those that fund and insure our partners). Future generations should also be considered given their importance as future employees, customers, investors and more.

Top priorities for each stakeholder group vary, and even within stakeholder groups, priorities may not be aligned. Inevitably, there will be trade-offs and challenges faced when trying to balance those priorities which need to be articulated and discussed to ensure they are made consciously.

When considering differing priorities and impact, we should keep in mind the desire for a just transition and use a double materiality lens where possible (taking into account both the impact of the transition on stakeholders and the impact of stakeholders on the transition). Balancing immediate needs with long-term goals also poses challenges due to uncertainty and timelines.

In the face of these challenges, we must ask the right questions, push for a plan that maintains flexibility and is dynamic but still commits to action in a tangible and significant way.

“At our board we leave a seat empty for future generations that don’t currently have a seat at the table”

“To convince stakeholders, we must articulate the cost of kicking the can down the road”

“Moving forward I am going to add in transition planning when talking to employee engagement groups in my entity”

“The intent of a plan is key, not the reporting of it”



Further reflections and learnings for non-executive directors

Key takeaways surfaced through discussion amongst peers in the session.

Education of the Board is critical to ensure efficacy and robust challenge

It is essential for Boards to be educated on climate and transition planning, and in particular, on what it means for their own organisations. Without this understanding, technicalities can act as a barrier to efficacy and progress. As NEDs, we should push for this education and be open to an environment of constant learning and debate.

It is important to know what you don't know

This is a rapidly evolving space with lots of uncertainty – to navigate this we must remain agile and curious. It is just as important to be aware of what you don't know as well what you do.

Sustainability should be embedded in and driving corporate strategy – not a bolt on

Sustainability should be driving our corporate value, providing commercial value and ROI – it should not be a siloed / separate plan.

Intent of plans is key (not just the reporting of them)

Reporting can be overwhelming, but it is the intent of a transition plan that is key. Reporting should not be seen just as a compliance exercise but as an opportunity to tell the narrative of your plan.

Take the first step – even if not perfect

We are in the foothills of change. Everyone is on the learning journey. We will not be able to achieve everything on day one. There will be many challenges, there will always be trade-offs and we must be pragmatic. However, this should not stop us from taking the first step.

As NEDs, we should champion CSOs and build relationships throughout our organisations

We should champion our CSOs, helping them to push the agenda at the Board level, supporting them in difficult conversations and encouraging a healthy atmosphere for debate. Building relationships throughout our organisation and bringing in diverse and broad perspectives will ensure a robust plan with greater ownership.

As NEDs, we should remain patient and encourage debate

Driving alignment is critical. As a NED, we play a critical role in this and must be patient and consistent. We should seek to ask challenging questions, drive alignment and encourage debate.

There is no one size fits all, and we cannot do this alone

We can use the TPT Disclosure Framework (and sector guidance) to guide our journey, but a transition plan must be firmly in the context of the organisation. The challenges and opportunities are vastly differently by company and region. Hence, we must adapt differently whilst still working together towards the common goal.

Useful resources

Useful reference materials

- [Spotlight: Transition Planning — Chapter Zero \(incl. TPT wider resource links\)](#)
- [Transition Plan Taskforce \(TPT\) Disclosure Framework](#)
- [Chapter Zero Transition Planning Toolkit](#)
- [Transition Planning Toolkit: Briefing — Chapter Zero](#)
- [Transition Planning = Strategy Planning — Chapter Zero](#)

Resources for further reading and interest

- [Chapter Zero Knowledge Hub](#)
- [Oliver Wyman Climate and Sustainability Platform](#)
- [Oliver Wyman Forum](#)
- [CDP Corporate Health Check 2025](#)
- [10 Insurance and sustainability trends for 2025 to watch](#)
- [Aligning corporate and climate interests — climate action at scale](#)
- [Why businesses must act now to report on carbon accounting](#)

To explore this area and Oliver Wyman expertise further, please reach out to:



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