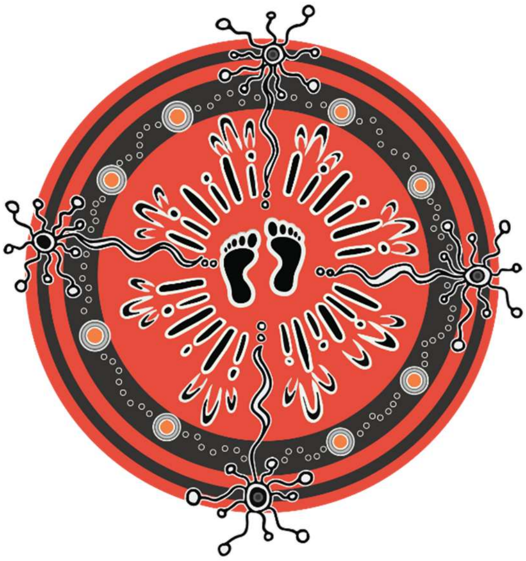
The Department of Climate Change, Energy, the Environment and Water

Transition Planning Readiness Reference Guide

June 2026

Acknowledgement of Country



Department of Climate Change, Energy, the Environment and Water acknowledges the traditional custodians of the land and pays respect to Elders past, present and future.

We recognise Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to place and their rich contribution to society.

Artist and designer Nikita Ridgeway from Aboriginal design agency – Boss Lady Creative Designs, created the People and Community symbol.

Transition Planning Readiness Reference Guide

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1 Introduction

1.1 Background

The Climate Change (Net Zero Future) Act 2023 (the Act) commits the NSW government to taking effective action on climate change. The Act legislates emission reduction targets for NSW and the objective for NSW to be more resilient to a changing climate.

To support NSW Government organisations to contribute to NSW's commitments under the Act, subsequent policies have been developed, including the Net Zero Government Operations (NZGO) Policy published in 2024.[1] Further, various frameworks have been developed to address climate change across government, such as the TPG24-33 Reporting framework for climate-related financial disclosures, which was developed to respond to climate-related amendments under the Government Sector Finance Act 2018 (GSF Act).https://www.nsw.gov.au/departments-and-agencies/nsw-treasury/documents-library/tpg24-33[2]

Both the NZGO Policy and TPG24-33 reporting framework outline requirements for common aspects of government operations, as well as the financial disclosure of climate-related information.

The Department of Climate Change, Energy, the Environment and Water (DCCEEW) produced a Climate-related Transition Planning Framework (the Framework) to support organisations to start a transition planning process that aligns with these climate policies and requirements. Additional resources, including the Transition Planning Readiness Tool and this Reference Guide, provide further support for NSW organisations, as shown in Figure 1.1.

Refer to the Framework for further detail on the policy context, principles and core components of a credible transition plan.

Department of Climate Change, Energy, the Environment and Water (DCCEEW), Net Zero Government Operations Policy DCCEEW, NSW Government, 2024, accessed 19 January 2026.

2 NSW Treasury, *Reporting framework for climate-related financial disclosures: TPG24-33*, NSW Treasury, NSW Government, 2025, accessed 19 January 2026.

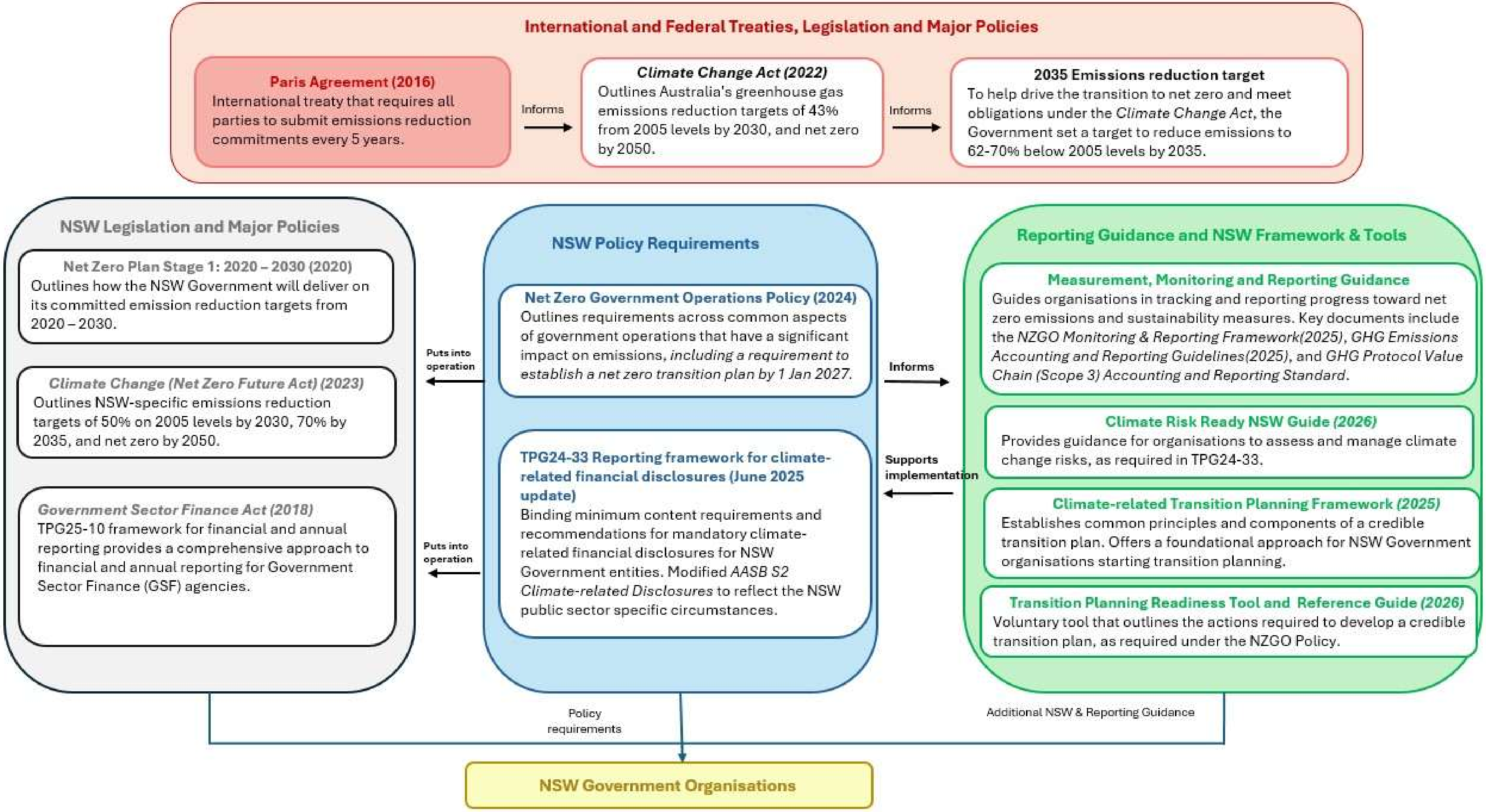


Figure 1.1 Visual map of relevant policies and guidance

1.2 What is the Transition Planning Readiness Tool?

The NZGO Policy requires all NSW general government sector organisations with 100 or more staff to have long-term net zero transition plans for their operations in place by 1 January 2027. Further, the TPG24-33 reporting framework requires organisations to disclose any 'climate-related transition plans' they have, including how they are responding, or plan to respond, to climate-related risks and opportunities. DCCEEW recognises that organisations need more support to develop credible and robust transition plans. DCCEEW's Transition Planning Readiness Tool (the Tool) can help NSW Government organisations assess the current state of their transition planning and understand actions needed to develop a sufficiently robust and credible transition plan.

Using the Tool (a workbook spreadsheet), each organisation can self-assess its current progress in relation to transition planning. Based on this assessment, the Tool autogenerates a simple visual roadmap with indicative next steps the organisation should take to develop an appropriately detailed transition plan that is credible and actionable. That visual acts as a transition planning roadmap that organisations can use voluntarily to explain the transition planning process to senior leadership, governance bodies and stakeholders across the organisation.

The Tool provides a clear pathway for transition planning, with actionable steps that can be clearly communicated to stakeholders and decision makers across organisations. The self-assessment for readiness of transition planning uncovers organisational barriers in developing a credible transition plan and can also support capability building for the organisation. **Use of the Transition Planning Readiness Tool by NSW Government organisations is voluntary** .

What does the Tool do?	What doesn't the Tool do?
• Supports organisations to undertake a **self-assessment** to determine their readiness for transition planning. • Produces a **list of actions** that should be undertaken to develop a credible transition plan. • Provides **links to resources** to assist in the development of a transition plan. • Provides a **structure for organisations to produce a roadmap** to prepare a transition plan (actions, responsibility holders and timeframes).	• Provide detailed guidance on how to prepare a transition plan • Support the assessment or prioritisation of climate-related risks (there are other resources available to assist agencies). • Support the modelling or prioritisation of emission reduction and adaptation measures to support the development of transition plan. • Provide a template to prepare a transition plan.

This Transition Planning Readiness Reference Guide (the Guide) outlines the Tool's purpose and intent and provides step by step guidance on how to use the Tool. **The Tool and Guide are intended to supplement the Framework. All three should be read in conjunction with each other to fully understand their purpose and use.**

1.2.1 Extending upon policy requirements

The Tool guides organisations through the steps to develop a transition plan that not only meets the requirements of both the NZGO Policy and TPG24-33 climate disclosure reporting framework, but also supports the development of a credible plan that encourages integration of decarbonisation and climate change adaptation, to the extent possible. For a transition plan to be "credible", organisations should follow the seven core components in the Framework.

Transition planning is an iterative process. Organisations may not take all steps in their first year and may increase the detail of their transition plans over time as their maturity increases. Organisations very early on in the transition planning process may only be able to detail their planned response to address climate change if further actions are not yet feasible. The extent to which organisations consider decarbonisation and adaptation actions (either together or separately) depends on organisation-specific circumstances and their transition planning maturity.

The Tool and Framework outline the guiding principles and core components for the development of a credible and holistic transition plan. However, it is ultimately the organisation's responsibility to determine the extent and timeframe to which each component is addressed.

Figure 1.2 outlines the requirements for NSW Government organisations under the NZGO Policy and TPG24-33 reporting framework, as well as information recommended for inclusion from additional resources, and shows how these can be combined to develop a credible transition plan. The NZGO Policy requires all agencies to prepare long-term net zero transition plans to reduce their emissions and subjects them to a range of mandatory decarbonisation actions.

TPG24-33 requires the disclosure of additional climate-related information, including a 'climate-related transition plan' (if developed). Some organisations may be in the process of developing a transition plan or not have one in place. one Organisations should use their mandatory climate-related financial disclosures to inform the development of their transition plan, such as by identifying priority actions from climate risk and opportunities assessment and GHG emissions measurement and reporting on targets agencies have identified.

Integrating NZGO policy actions with transition planning is an efficient way to support consistency and alignment between the two sets of requirements. Figure 1.2 depicts a summary of the requirements under these two policies. Refer to the NZGO Policy and Treasury's TPG24-33 reporting framework for the full list of requirements.

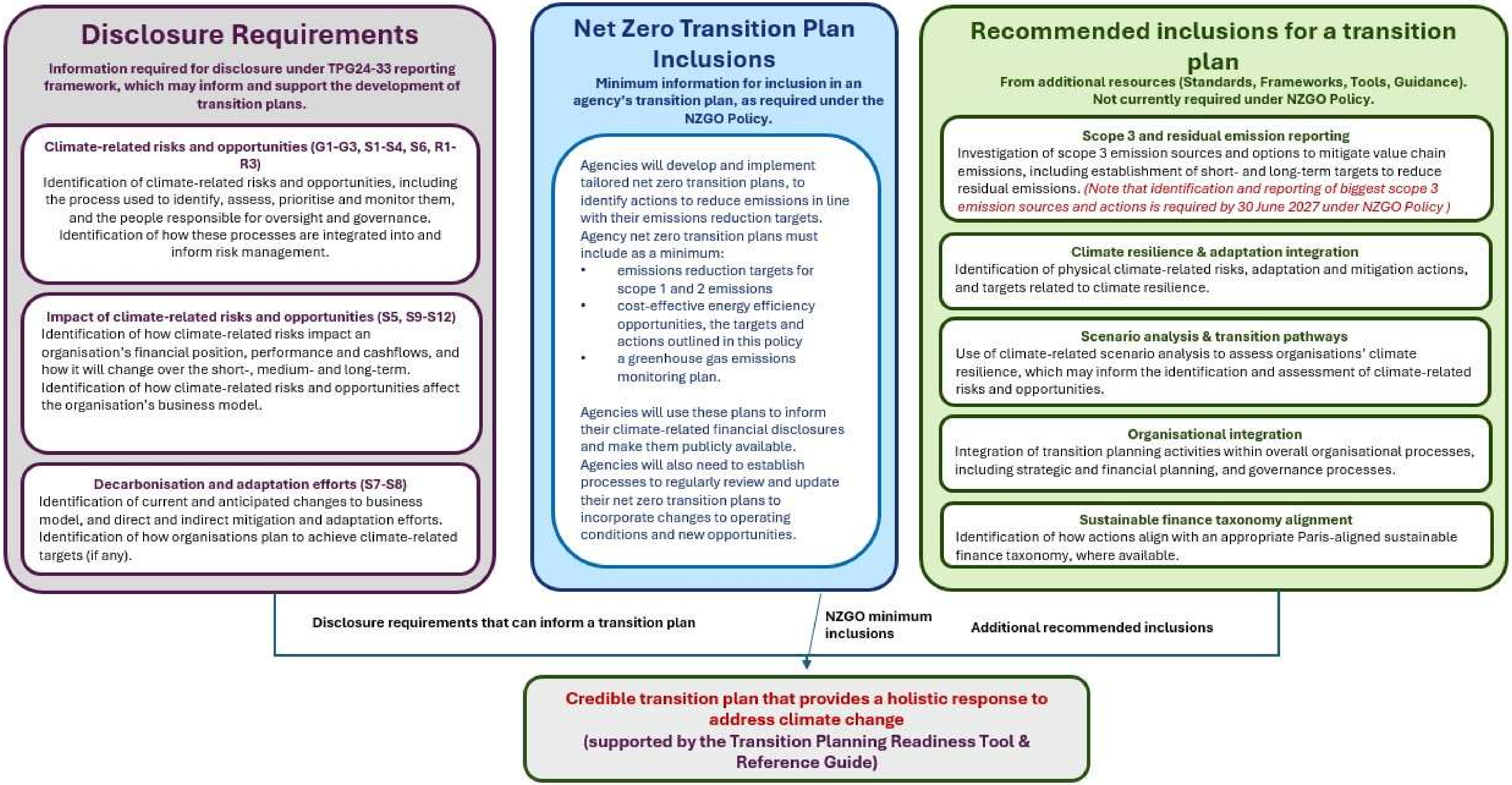


Figure 1.2 Transition plan elements required under NSW Government policies vs recommended by additional guidance and frameworks

1.3 Core components of transition planning

Figure 1.3 outlines the seven core components of transition planning as covered in the Framework, and how they relate to the overarching transition planning principles. The Tool provides a range of criteria associated with each component for organisations to perform their self-assessment against. Refer to the Framework for further detail and guidance on interpreting the core components of transition planning.

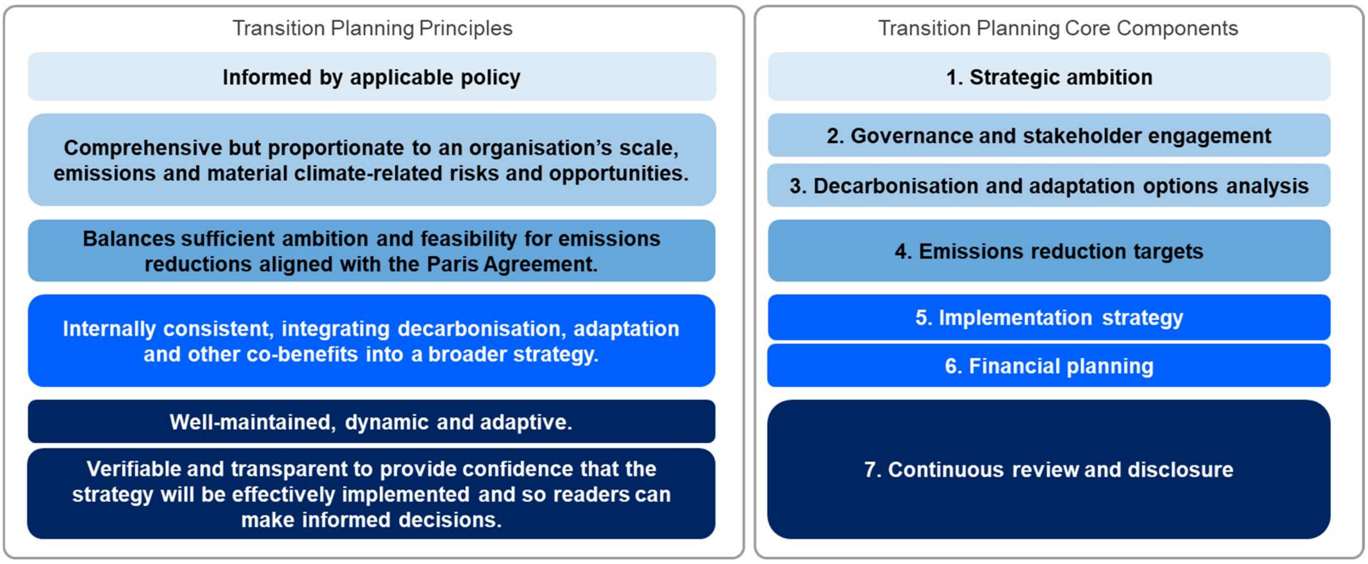


Figure 1.3 Core components of a credible transition plan

A full list of key terminology relating to the Tool and each transition planning component can be found in the glossary in Section 3.

1.4 Materiality and proportionality in transition planning

Each organisation should develop a transition plan that is tailored to its context, strategic objectives and materiality of emissions and climate-related risks and opportunities. Different organisations will have differing levels of material impacts. For example, a large organisation with a substantial portfolio of assets would require a more detailed transition plan than a policy-focused organisation with fewer tangible assets.

Agencies can align the proportionality consideration for transition planning with the contextual reference of proportionality in the TPG24-33 reporting framework. That is, a transition plan should be proportionate to the size, prominence and climate exposure of the organisation, as well as the consideration of costs and benefits associated with preparing a transition plan.

The level of detail required in a transition plan should be proportionate to the organisation's greenhouse gas (GHG) emissions, climate-related risks and opportunities, and reflect the scope of its operations, roles and responsibilities, level of control and future outlook.

In the transition planning context, 'materiality' refers to the significance of climate-related risks and opportunities in relation to their impact on an organisation's objectives . Risks and opportunities are considered material if their potential impact or likelihood are high enough to require active management or decision-making.

The meaning of ‘materiality’ in this transition planning context differs from its meaning in TPG24-33 reporting framework . In TPG24-33, ‘materiality’ is climate-related information that:

• can be reasonably expected to affect the entity’s prospects – for example, its financial outlook and the ability to achieve its objectives, including providing goods or services to the community

• omitting, misstating or obscuring that information could be expected to influence the decisions of the primary users of an entity’s general-purpose financial reports

1.4.1 Screening exercise

The Tool includes a screening exercise that helps organisations determine the appropriate level of detail required in their transition plan. Through this process, the material impact of an organisation’s GHG emissions and climate-related risks and opportunities is assessed, indicating the breadth of information their transition plan should include. This exercise also identifies which areas organisations should focus on,

As NSW Government organisations are diverse in their operations, this screening exercise is designed to indicate the level of effort required to develop transition planning that is credible and proportionate to the organisation’s size and impact. This helps reduce the transition planning burden for organisations with lower materiality. For example, organisations with fewer physical assets may have less detailed transition plans.

Based on an organisation’s answers to the screening questions, it will receive a higher or lower rating corresponding to the level of detail it should consider when developing its transition plan.

- Organisations characterised as having a higher level of materiality are recommended to prepare a detailed transition plan that includes the aspects outlined in Section 1.4.2 below.

  Organisations characterised as having a lower level of materiality can choose to develop a less detailed transition plan that includes actioning on the components of the transition plan as included in the framework in its fundamental form.

This is an indicative process only and does not substantially change the criteria displayed. Organisations should use their own judgement to determine the level of detail and focus areas for their transition plan.

If this screening exercise recommends the organisation prepares a less detailed plan, however, they believe a detailed transition plan is more appropriate for their circumstance, then they should proceed with a more detailed plan.

As mentioned in Section 1.2.1, the Tool and Framework outline the guiding principles and core components for the development of a credible and holistic transition plan.However, it is ultimately the organisation’s responsibility to determine the extent to which each component is included at this point in time.

Based on the results from the screening exercise, the Tool filters the criteria questions across each of the transition planning components to reflect the appropriate qualification for the organisation’s materiality and the appropriate level of detail required in its transition plan. Organisation with lower materiality will have fewer qualifying criteria, along with additional guidance on how to address the criteria using a high-level approach.

1.4.2 Minimum requirements and detailed transition plan recommendations

Regardless of the suggested level of detail, a credible transition plan should reflect the seven components outlined in Section 1.3,to the extent possible. At a minimum, all organisations must prepare a foundational transition plan that includes the following elements:

- Establish a robust governance structure.
- Set up their strategic ambition for climate action, including establishing long-term scope 1 and 2 emission reduction targets that, at a minimum, align with NSW's net zero targets.
- Undertake climate-related risks and opportunities assessment.
- Develop a GHG emissions inventory.
- Identify and assess emission reduction opportunities, and consider how they will be implemented and financed.

> Assessment of climate-related risks and opportunities, and establishment of a GHG emissions inventory would have been completed by the majority of organisations as part of their climate-related financial disclosure requirements under TPG24-33 reporting framework. Organisations are encouraged to consolidate the information disclosed as part of these requirements to form the foundation of an actionable and credible transition plan.

In addition to these, a good practice and detailed transition plans for higher-materiality organisations should:

- identify emissions and decarbonisation opportunities within the value chain
- undertake an extensive risk assessment physical climate-related risks and adaptation and climate resilience opportunities
- consider the potential co-benefits and challenges of integrating the implementation of both adaptation and decarbonisation options
- outline how opportunities are assessed and prioritised, with consideration of scenario analysis
- determine timeline for feasible implementation, with consideration to budget cycles and funding strategies
- consider climate-related risks and opportunities within the organisation's investment and disposal plans, including any planned sources of funding to manage risks and implement adaptation and mitigation measures
- integrate and embed priority initiatives and actions in relevant organisational plans, asset management plans and risk registers
- establish a robust process for ongoing monitoring, reporting and review of the transition planning process.

2 Transition Planning Readiness Tool instructions

This section provides an overview of the different aspects of the Tool and detailed instructions on how to complete it.

2.1 Overview of the workbook structure

The Transition Planning Readiness Tool is a workbook spreadsheet developed to enable an interactive self-guided assessment process for organisations. The sequence of tabs within the Transition Planning Readiness Tool workbook is outlined in Table 2.1 below.

Table 2.1: Transition Planning Readiness Tool workbook structure

Context & Overview	
Tab A	Brief instruction guide to assist organisations in completing the Tool.
Tab B	Information for the organisation, including internal organisation consultation, for document control and quality management purposes between Tool versions.
Tab C	Glossary, definitions and descriptions of all terms used throughout the Tool
Inputs	
Tab D	Screening process to assess material impact of GHG emissions and climate-related risks and opportunities. This indicates the breadth and depth of information the organisation's transition plan should include. The predominant use for the materiality screening is to reduce the burden on smaller, low materiality organisations.
Tabs 1 -7	Where organisations undertake the self-assessment against transition planning readiness criteria, where each tab represents one component of a credible transition plan. All questions are multiple choice with possible answers of yes, no, and unsure.
Outputs	
Tab E	Provides a summary of the results of the self-assessment process.
Tab F	Produces a list of recommended actions, based on responses in the self-assessment tabs 1-7. Also provides a structure to identify and determine the prioritisation, responsibility owners and timing of actions. Actions can be reworded and customised if desired.
Tab G	Produces a visual representation of the organisation's transition planning roadmap including nominated responsibility owners and indicative due dates.
Reference material	
Tab H	Lists the climate related and net zero transition material referenced throughout the Transition Planning Readiness Tool and provides hyperlinks to where they can be located.

2.2 Steps to complete the Transition Planning Readiness Tool

The four stages that NSW Government organisations can follow to produce and implement a transition plan, as defined in the Framework, are outlined in Figure 2.1 below.

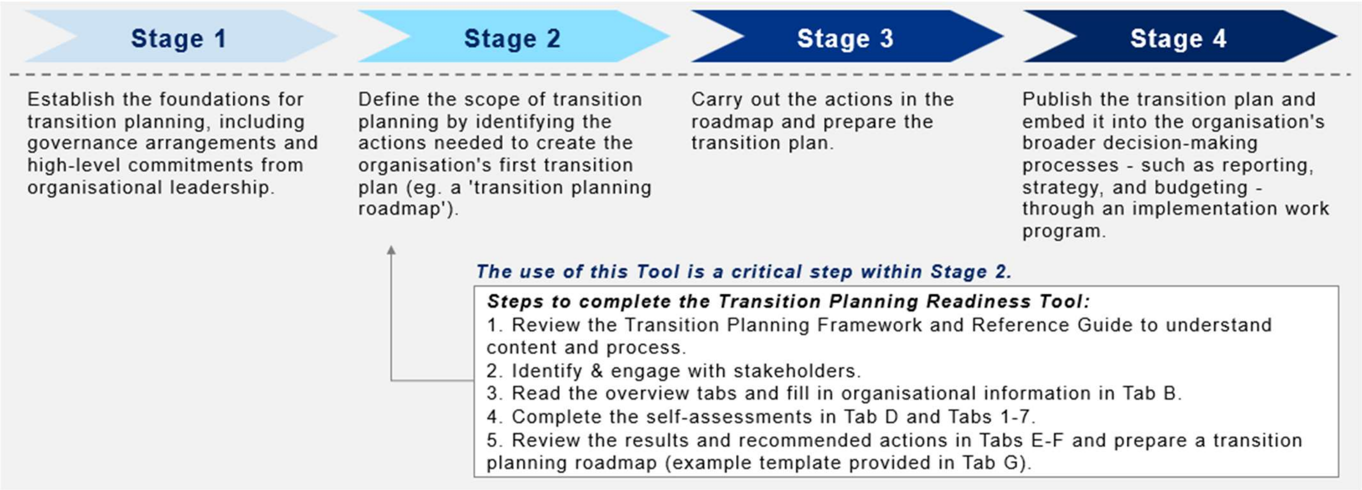


Figure 2.1 Four stages of transition planning

As shown in Figure 2.1, the use of the Tool results in a list of recommended actions to develop an organisation's transition planning roadmap and thus is a critical step within Stage 2. Figure 2.1 also outlines the key steps to completing the Tool.

2.3 Step 1: Review the Framework, Tool and associated Guide

The staff member or team within the organisation responsible for preparing the organisation's transition plan should review and familiarise themselves with the Framework as a first step. The next step in the transition planning process is to use the Tool and the associated Reference Guide (this document).

This staff member or team should identify stakeholders within the organisation who hold relevant knowledge, have decision making authority, can influence change and have either led or contributed to policy compliance and risk reporting. Determining responsibility for allocating the actions outlined in the tool output is expected to be a collaborative process within the organisation.

It is recommended that a suitable lead be appointed to facilitate, coordinate and manage the readiness assessment process, and use the output to communicate the actions to decision makers. This will support the development of the final transition plan that is deliverable.

2.4 Step 2: Identify and engage with stakeholders

This lead should identify and engage with a range of internal stakeholders as required. The Tool considers aspects across policy and planning, asset management planning, environment and financial planning. Consultation with representatives from these areas of the organisation will therefore assist in reviewing and providing accurate responses to the self-assessment.

The organisation may choose to send the Transition Planning Readiness Tool to these stakeholders prior to the meeting so they can familiarise themselves with the specific criteria relevant to their role to speed up the engagement process. If any of the organisation's Executive Leadership Team (ELT) have direct knowledge or associated responsibilities with the components or criteria, they may be invited to participate in this step.

Representatives from these areas should be involved when assigning responsibility holders for actions that are identified at the end of the Tool (refer to Section 2.7 for more details).

2.5 Step 3: Read the overview and fill in organisational information (Tabs A, B and C)

Introduction (Tab A)

The Introduction Tab contains a brief instruction guide intended to assist organisations in completing the self-guided assessment. The subsequent sections are outlined in the introduction tab to provide contextual understanding of each core assessment area.

Information (Tab B)

The Information Tab allows for information about the organisation for document control and quality management purposes. The type of organisation information required in this tab include:

- Structural information (including relevant cluster, agency/division, unit/sub-unit, etc.)
- Tool usage information (including primary contact, dates of Tool usage and completion, etc.)

Glossary (Tab C)

The Glossary Tab provides a list of key terminology commonly used throughout the Tool.

2.6 Step 4: Complete the self-assessments (Tabs D and 1-7)

Screening Exercise (Tab D)

Refer to Section 1.4.1 for context on the purpose of the screening exercise.

The screening exercise tab has seven questions for organisations to answer. Using any relevant information collected from stakeholders, organisations should respond to the multiple-choice drop-down screening exercise questions to the best of their knowledge. Organisations may select 'Unsure' if they are unable to answer the question.

Once all questions have been answered, the Tool will display the organisation's indicative level of materiality and the corresponding level of detail necessary for a transition plan. The Tool will then filter appropriate criteria based on the organisation's materiality and level of detail the transition plan should include. Organisations with lower materiality will be presented with fewer criteria questions, along with additional guidance.

The screening exercise will also highlight areas of potential high-materiality risks or impacts for the organisation. During transition planning, the organisation should focus prioritising actions on these risks.

Figure 2.2 outlines the format of the screening exercise tab and provides instructions on how to answer the questions and interpret the results.

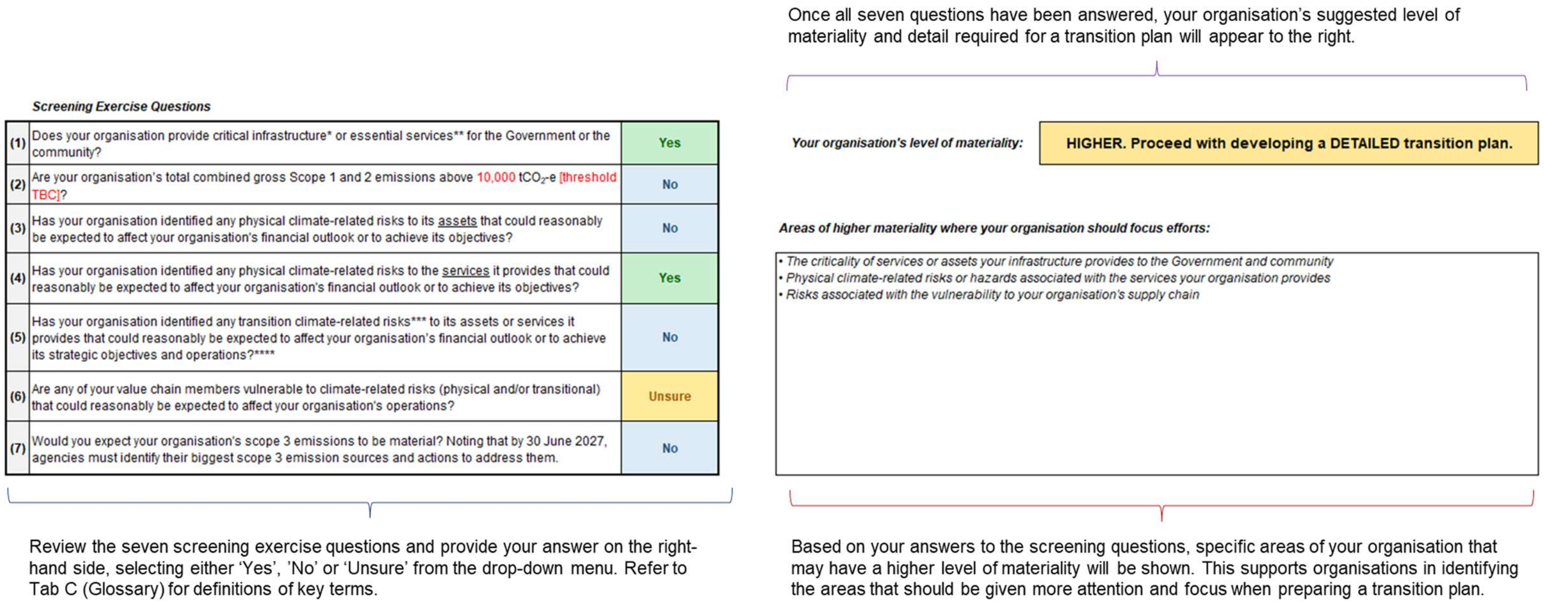


Figure 2.2 Format of the Tool's Screening exercise tab

Organisations should exercise judgement when determining the level of detail and focus areas for their transition plan. If an organisation believes that a more detailed transition plan is better suited to its circumstances, but the screening exercise suggests that a less detailed plan is sufficient, the organisation can choose to prepare a more detailed transition plan that is reflective of the level of ambition, climate risk exposure and the organisation's impact on the community.

Component criteria questions (Tabs 1-7)

Using information collected from stakeholders, organisations should assess, against each transition planning component, whether the relevant criteria have been fully met, partly met, or not met.

Organisations may wish to collate key pieces of evidence to support criteria that have been fully or partially met. This evidence may assist in validating responses with the organisation's Executive Leadership Team and support a a clearer understanding of management systems, plans, reports, and other materials that may need to be updated to address criteria that have not yet been met.

This approach is also likely to assist in speeding up the development process of the organisation's Transition Plan, as it helps prevent the loss of knowledge during any staff changes, and allows for better record keeping.

The component criteria tabs are comprised of multiple-choice drop-down questions which aim to gather a wide range of information on the organisation's current state of transition planning. There is one tab for each of the seven components of transition planning. These tabs should be completed in ascending order (i.e. organisations fully complete Tab 1 before moving on to Tab 2).

Figure 2.3 shows the format of each component tab with instructions on how to perform the self-assessment.

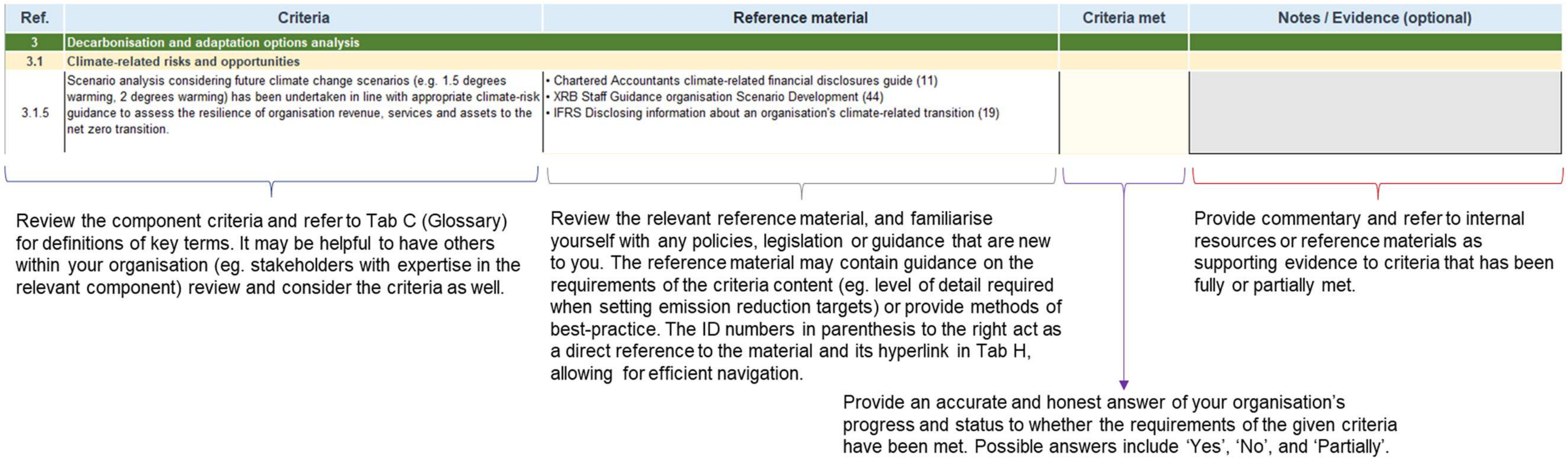


Figure 2.3 Format for Tool's component criteria

2.7 Step 5: Review the results and prepare a transition planning roadmap (Tabs E, F and G)

Organisational Summary (Tab E)

The Organisational Summary Tab provides an overall summary of an organisation's results based on their responses to the component criteria (example in Figure 2.4). Results for each transition planning component are also provided in the collapsed rows (shown as grey in Figure 2.4). The results show an organisation's transition planning status and progress-to-date, indicating which transition planning areas need more attention.

ID	Component	Criteria met ('Yes')		Criteria partially met		Criteria not met ('No')	
		Number	%	Number	%	Number	%
1	Strategic ambition	2/7	29%	1/7	14%	4/7	57%
2	Governance and stakeholder engagement	4/7	57%	1/7	14%	2/7	29%
2.1	Governance	3/3	100%	0/3	0%	0/3	0%
2.2	Stakeholder engagement	0/2	0%	0/2	0%	2/2	100%
2.3	People & capability	1/2	50%	1/2	50%	0/2	0%
3	Decarbonisation and adaptation options analysis	1/11	9%	1/11	9%	9/11	82%
3.1	Climate-related risks and opportunities	0/6	0%	1/6	17%	5/6	83%
3.2	Greenhouse gas inventory	0/2	0%	0/2	0%	2/2	100%
3.3	Adaptation and mitigation measures	1/3	33%	0/3	0%	2/3	67%
4	Emissions reduction targets	1/5	20%	0/5	0%	4/5	80%
4.1	Targets	1/4	25%	0/4	0%	3/4	75%
4.2	Net zero pathway	0/1	0%	0/1	0%	1/1	100%
5	Implementation strategy	0/6	0%	0/6	0%	6/6	100%
6	Financial planning	0/6	0%	0/6	0%	6/6	100%
6.1	Current financial effects	0/1	0%	0/1	0%	1/1	100%
6.2	Anticipated financial effects	0/1	0%	0/1	0%	1/1	100%
6.3	Financial position	0/4	0%	0/4	0%	4/4	100%
7	Continuous review and disclosure	0/1	0%	0/1	0%	1/1	100%
	Total	8/43	19%	3/43	7%	32/43	74%

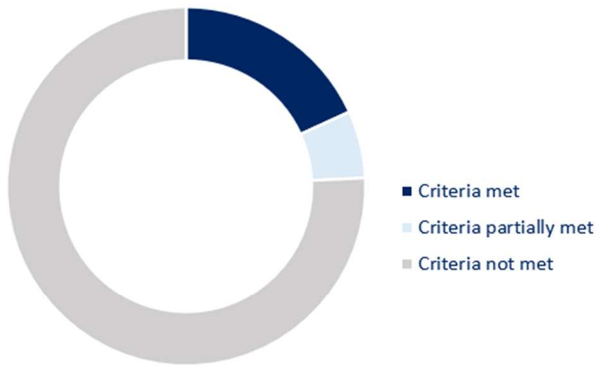


Figure 2.4 Organisational Summary of Tool results (example)

Recommended Actions (Tab F)

The Recommended Actions Tab lists autogenerated recommended actions based on the organisation's responses to component criteria (column E). These actions describe high-level steps across each transition planning component that organisations should take to develop a credible transition plan.

Recommended actions can be filtered by component and sub-component to help with organisations' prioritisation and planning.

Component	Sub-component	Ref no	Criteria	Recommended actions for transition planning roadmap	Reference material	Target due date (indicative only)
Strategic ambition	Strategic ambition	1.1.3	Organisation's overall strategy references climate change, NSW Government policy commitments and any organisation specific climate change commitments that have been developed.	Update the organisation's strategy to reference climate change, the NSW Government policy commitment and any organisation-specific climate change commitments.	• NSW Climate Change Policy Framework (19) • Net Zero Government Operations Policy (22) • NSW Net Zero Plan Stage 1:2020-2030 (23)	Mar-26
Strategic ambition	Strategic ambition	1.1.4	Priority climate related-related risks and opportunities have been linked to the organisation's purpose and objectives within the organisation's overall strategy.	Following assessment of climate-related risks and opportunities, embed these in the organisation's overall strategy.	• TPG24-33 Reporting framework for climate-related financial disclosures (27)	Mar-26
Strategic ambition	Strategic ambition	1.1.5	Organisation-specific corporate strategy includes commitments to prioritise emission reduction and climate adaptation within its value chain where relevant (optional).	To the extent the organisation has influence on reducing emissions and enhancing climate resilience across its value chain, update organisation-specific corporate strategy to include commitments to prioritise emission reduction and climate adaptation within its value chain.	• ISO20400 Sustainable Procurement – Guidance (14) • NSW Government Environmentally Sustainable Procurement Guidance (20)	Mar-26
Strategic ambition	Strategic ambition	1.1.6	Organisations with procurement policies and/or plans include objectives and commitments to reduce emissions and enhance climate resilience within their value chain where relevant (optional).	Review and revise the organisation's procurement policies and plans to consider emission reduction and climate resilience (optional).	• ISO20400 Sustainable Procurement – Guidance (14) • NSW Government Environmentally Sustainable Procurement Guidance (20)	Mar-26
Strategic ambition	Strategic ambition	1.1.7	The organisation's business model - how it creates value in the short, medium and long term and fulfils its strategic purposes - has been described.	Document how the organisation's business model operates, fulfils its strategic purpose and creates value in the short-, medium- and long-term.	• Climate Risk Ready NSW Hub (8) • TPG24-33 Reporting framework for climate-related financial disclosures (27)	Mar-26

Figure 2.5 Transition Planning Readiness Tool Recommended Actions format

The recommended actions have been developed to align with national and international transition planning frameworks, guidance and tools, ensuring the transition planning process combines strategic vision with operational considerations and climate policy reporting. Refer to column F for a list of reference material relevant to each action. Organisations can refer to Tab H for a full list of relevant resources and associated hyperlinks.

Additional space has been provided to the right of the Tab (see example in Figure 2.6) for organisations to fill in:

- Recommended action wording (column H).

Rewording recommended actions

Organisations have the opportunity to reword the recommended actions presented in column F, so they better align with their organisation-specific terminology and processes. This flexibility enables a customisable transition roadmap to be displayed in Tab G. Column H automatically returns the action wording from column F, so no edit is required for organisations that do not wish to reword the recommended actions.

However, due to this functionality, if an organisation wishes to adjust the wording of an action, they must copy the cell in Column H and paste only the values back in (not the formula) (i.e. ‘Ctrl’ + ‘C’ → ‘Ctrl’ + ‘Shift’ + ‘V’). Alternatively, organisations may simply delete the formula in the cell and manually re-type the recommended action.

Changes to self-assessment

If an organisation has adjusted the wording of any action and wishes to edit their responses to any criteria in the self-assessment, they *must revert the cell to the original formula to avoid disruptions in the Tool's functionality* (i.e. the formula should be ‘=F7’ for cell H7, ‘=F8’ for cell H8, etc.). If cells in column H are hard-coded and the order of recommended actions changes, they will not update automatically, and the adjustments made will not reflect the relevant action in column F.

It is strongly recommended that *organisations only begin adjusting the wording of actions once their responses to all criteria are confirmed and finalised.* However, if unavoidable, organisations should ensure they have saved the wording of all edited recommended actions elsewhere to avoid losing any changes.

- Action priority order (column I).

Organisations should review the filtered list of actions generated by the Tool and assign each action a priority number in column H (see example in Figure 2.6). Note that the actions are already presented in order of priority (based on the indicative due date), however, this order is merely a general suggestion. An organisation's prioritisation should be based on their specific circumstance.

- Target due date (column J).

An indicative target due date has been provided for each action (column G); however, these are simply guides based on NSW Government policies and do not account for differing levels of transition planning maturity across organisations. Organisations should review these timeframes, consider the timing of action implementation with organisational processes and data availability, and adjust accordingly. The revised target due date for each action should be entered in column J (see example in Figure 2.6).

As mentioned in Section 1.2.1, it may not be feasible for organisations early in the transition planning journey to meet every criteria before the 1st January 2027 deadline. As such, organisations can determine which actions are feasible to undertake prior to this deadline, and which should be delayed and completed post-NZGO deadline. Wording of the relevant recommended actions should be adjusted in column H to better reflect what the organisation will produce this year.

The priority order column (column I) has been added to support organisations to prioritise actions that may occur within the same month. This is most useful for the Visual Roadmap generated in tab G.

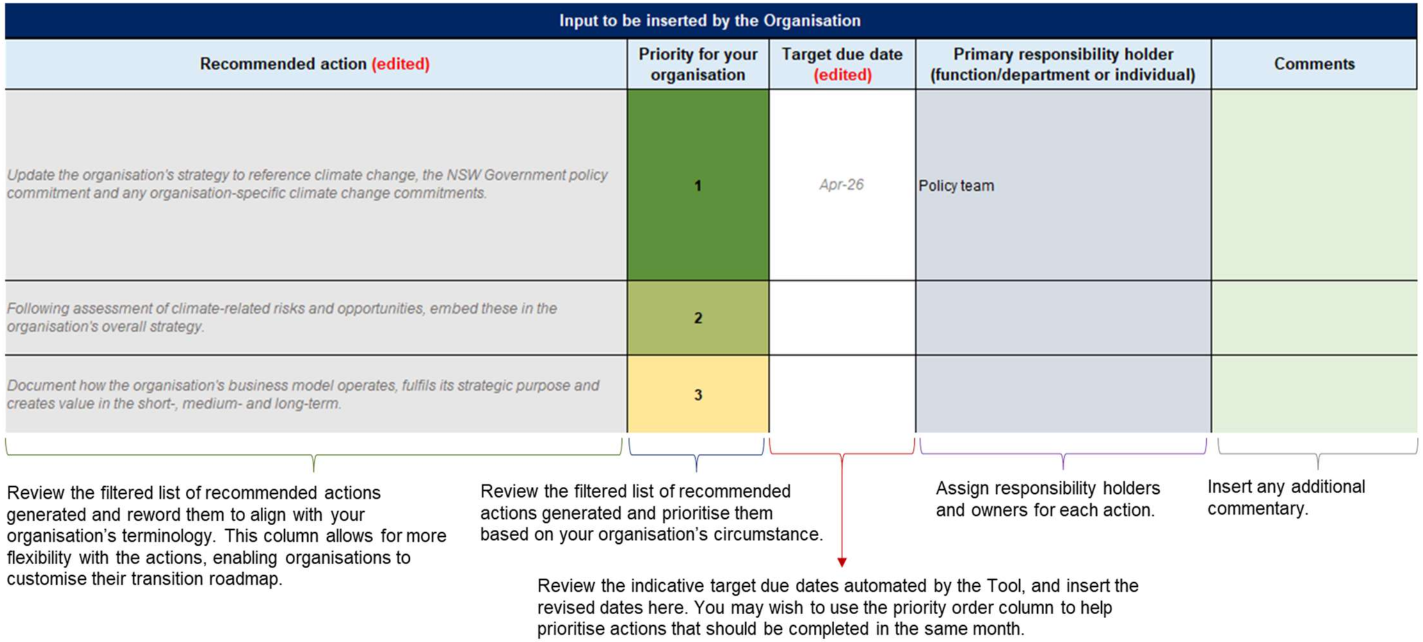
- Primary responsibility holders (column K).

Organisations should assign primary responsibility holder/s for each action, documenting action owners in column J. An action's primary responsibility holder may be an individual or two, or an entire department or team (see example in Figure 2.6). It is recommended that the identified stakeholders are involved in this process as they would likely be responsible for delivering aspects of the organisation's roadmap (within or across components).

- Comments (column L).

Organisations should enter any additional comments into column K.

Figure 2.6 shows the format of the information to be inserted by organisations in the Recommended Actions tab (columns H-L).



Input to be inserted by the Organisation				
Recommended action (edited)	Priority for your organisation	Target due date (edited)	Primary responsibility holder (function/department or individual)	Comments
Update the organisation's strategy to reference climate change, the NSW Government policy commitment and any organisation-specific climate change commitments.	1	*Apr-26*	Policy team	
Following assessment of climate-related risks and opportunities, embed these in the organisation's overall strategy.	2			
Document how the organisation's business model operates, fulfils its strategic purpose and creates value in the short-, medium- and long-term.	3			

Figure 2.6 Organisation Input to the Recommended Actions Tab

Organisations may choose to liaise with DCCEEW at any point for clarification or further guidance.

Visual Roadmap of Recommended Actions (Tab G)

Using the recommended actions provided in Tab F, a visual representation of the organisation's potential transition roadmap is provided in Tab G. The recommended actions are in chronological order, based on the prioritisation set in Tab F. The roadmap is fully functional, and will update based on any changes to Tab F.

This roadmap is provided as a suggested framework, allowing organisations to communicate their transition planning progress and next steps in a visually clear and cohesive manner to executive leadership. Organisations may choose to adopt it or develop an alternative format if more appropriate.

2.8 Reference Material (Tab H)

The Reference Material Tab provides a list of all the relevant reference materials used throughout the Tool, including a high-level summary of and hyperlink to the published material. The reference ID to the left of each resource directly corresponds to the ID number in parentheses in the ‘reference material’ column of each component criteria.

3 Glossary

Term	Definition	Source
Adaptation	Actions undertaken to manage or reduce the adverse consequences of climate change, as well as to harness any benefits or opportunities.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Adaptation plan	Integrated document that set out concrete adaptation actions for all areas and levels of an organisation's operations. Developed using the information from climate change risk and opportunity assessments, adaptation plans set out roles and responsibilities, concrete goals, allocate resources and provide a detailed roadmap to put adaptation into practice. Plans will focus the organisation's time and resources on the most important issues identified in the climate change risk and opportunity assessment.	*NSW Climate Change Adaptation Strategy (2022)*[3]
Business model	A for-profit organisation's business model is the system of transforming inputs through its activities into outputs and outcomes that aims to fulfil the organisation's strategic purposes and create value for the organisation and hence generate cash flows over the short, medium and long term. A not-for-profit organisation's business model is the system of transforming inputs through its activities into outputs and outcomes that aims to further the organisation's objectives over the short, medium and long term.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Climate-related opportunities	Climate-related opportunities refer to the potential positive effects arising from climate change for an organisation. Efforts to mitigate and adapt to climate change can produce climate-related opportunities for an organisation.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Climate-related physical risks	Risk resulting from climate change that can be event-driven (acute) or from longer-term shifts in climatic patterns (chronic). Acute physical risks arise from weather-related events such as storms, floods, droughts or heatwaves, which are increasing in severity and frequency. Chronic physical risks arise from longer-term shifts in climatic patterns including changes in precipitation and temperature which could lead to sea level rise, reduced water availability, biodiversity loss and changes in soil productivity.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*

3 NSW Government, *NSW Climate Change Adaptation Strategy*, NSW Government, 2022.

Climate-related risk	The effect of uncertainty on organisational objectives from acute and chronic climatic change. Climate-related risks refer to the potential negative effects of climate change on an organisation. These risks are categorised as climate-related physical risks and climate-related transition and liability risks.	*Climate Risk Ready NSW Guide* *TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Climate-related transition risks	Risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy, legal, technological, market and reputational risks. These risks could carry financial implications for an organisation, such as increased operating costs or asset impairment due to new or amended climate-related regulations. The organisation's financial performance could also be affected by shifting consumer demands and the development and deployment of new technology.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Decarbonisation	The process of reducing greenhouse gas emissions to as close to zero as possible, with any remaining emissions balanced by removals (such as carbon offsets or sequestration). Achieving net zero means that the total emissions produced are equal to those removed from the atmosphere.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Emissions reduction	A measurable reduction in the generation of greenhouse gas emissions on an absolute or intensity basis.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Governance body	A board, committee or equivalent body charged with governance or individual(s) responsible for oversight.	*AASB S2 Climate-related Disclosures (2024)*[4]
Greenhouse gases (GHG)	The seven greenhouse gases listed in the Kyoto Protocol: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), nitrogen trifluoride (NF3), perfluorocarbons (PFCs) and sulphur hexafluoride (SF6).	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Materiality	Climate-related information that: • Can be reasonably expected to affect the entity's prospects – for example, its financial outlook and the ability to achieve its objectives, including providing goods or services to the community • omitting, misstating or obscuring that information could be expected to influence the decisions of the primary users of an entity's general-purpose financial reports	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Materiality (in the transition	The significance of climate-related risks and opportunities in relation to their impact on an organisation's objectives. Risks and opportunities are considered material if their potential	*N/A*

4 Australian Sustainability Reporting Standard (AASB) S2, *Climate-related Disclosures*, AASB, Australian Government, 2024, accessed 19 January 2026.

planning context)	impact or likelihood are high enough to require active management or decision-making.	
Net zero transition plan	As per the NSW Government Net Zero Government Operations (NZGO) Policy, tailored net zero transition plans identify how organisations plan to reduce their emissions in line with their emissions reduction targets. organisation net zero transitions must include as a minimum: • emissions reduction targets for scope 1 and 2 emissions • cost-effective energy efficiency opportunities, including targets for reducing energy use (if appropriate) • cost-effective solar photovoltaic (PV) opportunities, including targets for solar generation and energy storage (if appropriate) • the targets and actions outlined in this policy, such as the electrification of buildings and fleet • a greenhouse gas emissions monitoring plan	*Net Zero Government Operations (NZGO) Policy (2024)*
Scenario analysis	A process for identifying and assessing a potential range of outcomes from future events under conditions of uncertainty.	*AASB S2 Climate-related Disclosures (2024)*
Scope 1 greenhouse gas emissions	Direct greenhouse gas emissions that occur from sources that are owned or controlled by an organisation.	*Greenhouse gas emissions accounting and reporting guidelines (2025)*[5]
Scope 2 greenhouse gas emissions	Indirect greenhouse gas emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by an organisation.	*Greenhouse gas emissions accounting and reporting guidelines (2025)*
Scope 3 greenhouse gas emissions	Indirect greenhouse gas emissions (not included in scope 2 greenhouse gas emissions) that occur in the value chain of an organisation, including both upstream and downstream emissions.	*GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)*[6]
Short / medium / long term	These time horizons will differ from organisation to organisation and should be defined in relation to its strategic planning processes and the materiality of climate-related risks to the organisation.	*N/A*
Transition	The transformation of the economy to a low-emission basis in the context of climate change and its impacts.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*

5 DCCEEW, *Greenhouse gas emissions accounting and reporting guidelines* [PDF 1.9MB], DCCEEW, NSW Government, 2025.

6 World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), *Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting and Reporting Standard*, WRI and WBCSD, 2011, accessed 17 March 2026.

Transition plan	An aspect of an organisation's overall strategy that lays out the organisation's targets, actions, or resources for its transition towards a lower-carbon economy. As NSW Treasury describes, a transition plan generally contains information on an organisation's: • actions to reduce its greenhouse gas (GHG) emissions • response to climate-related transition and physical risks • efforts to create and benefit from opportunities related to the expected transition to a lower-carbon economy The NZGO Policy requires net zero transition plans to include (at a minimum): • emissions reduction targets for scope 1 and 2 emissions • cost-effective energy efficiency opportunities, including targets for reducing energy use (if appropriate) • cost-effective solar photovoltaic (PV) opportunities, including targets for solar generation and energy storage (if appropriate) • the targets and actions outlined in this policy, such as the electrification of buildings and fleet • a greenhouse gas emissions monitoring plan	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)* *Net Zero Government Operations (NZGO) Policy (2024)*
Transition planning	Transition planning is the ongoing strategic process for identifying and responding to climate-related risks and opportunities, including setting climate ambitions and targets, and developing implementation approaches with supporting governance and reporting arrangements. A transition plan is an output from transition planning.	*Climate-related Transition Planning Guidance Consultation Paper (2025)*[7]
Transition planning roadmap	A document produced by the organisation that outlines the steps it will take to develop a final transition plan by 1 January 2027.	*N/A*
Undue cost or effort	An assessment of what constitutes undue cost and effort depends on the organisation's circumstances. The relevant factors include resource constraints where the cost of investing in and operating the systems and processes needed to enable transition planning is higher for some organisations, data availability where high-quality external data is less available for some parts of the plan, specialist availability where skills or expertise are less available to some organisations.	*TPG24-33 Reporting Framework for first year climate-related financial disclosures (2025)*
Value chain	All of the upstream and downstream activities associated with the operations of the government organisation, including	*GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)*

7 The Treasury, *Climate-related Transition Planning Guidance: Consultation Paper*, The Treasury, Australian Government, 2025, accessed 19 January 2026.

	manufacturers and suppliers of goods / services, and their use by communities or citizens.	