REINVENTIVES CONSTRUCTION

BRIEFING NOTE 017

Climate transition plans for construction

Connect your emissions target to decisions, budgets and accountable delivery.

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Status: Voluntary planning guidance; disclosure and contractual duties depend on scope.

Audience: Construction business directors; finance, operations, procurement and sustainability leads.

Executive summary

A climate transition plan explains how the business expects to deliver its ambitions and respond to climate-related risks. It needs decisions, resources and responsibilities, with clear assumptions about suppliers, technology and customer demand. The Transition Plan Taskforce (TPT) framework provides a useful structure, while IFRS guidance explains relevant disclosures for entities applying IFRS S2.[1][2] Neither should be presented as a universal duty for every contractor. Use the plan to expose delivery gaps and inform investment, rather than relying on a distant target alone.

Start here. Take your largest emissions source and identify the next funded decision needed to reduce it, who owns it and what could delay it.

In plain terms. A target describes the intended destination. A transition plan explains the business changes, resources and dependencies needed to get there, and how progress will be assessed. For construction, that can connect fleet replacement, site energy, product choices and supplier engagement with commercial planning and resilience to heat or flooding.[1][2]

Five elements to connect

TPT element	Construction planning question
Foundations	Which business activities, ambitions and assumptions does the plan cover?
Implementation strategy	Which operational changes and investments will deliver it?
Engagement strategy	What needs to change with suppliers, customers and other partners?
Metrics and targets	How will emissions, delivery milestones and dependencies be tracked?
Governance	Who decides, funds, challenges and updates the plan?[1]

Distinguish the plan from the disclosure duty

IFRS S2 does not itself require an entity to have a transition plan. An entity applying it must disclose material information about climate-related risks and opportunities, including any transition plan it has and relevant assumptions and dependencies. The June 2025 guidance adds no new requirements.[2]

The UK government consulted in 2025 on potential transition-plan requirements. The consultation is a proposal, not a universal obligation to produce a plan.[3] Check the rules for the specific entity and any lender or customer condition. A procurement Carbon Reduction Plan may support the work but has a different purpose and scope.

Show what is funded and what depends on others

Recommended practice is to separate approved actions from options awaiting budget, infrastructure or technical decisions. Show gross emissions reductions separately from carbon credits, and explain residual gaps. Test the effect of business growth and supplier uncertainty. Include physical resilience where it affects delivery; a lower-emissions fleet still needs a workable depot and charging plan.[2]

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Recommended actions

Suggested owners, timing and evidence for the next steps:

1. **Agree the brief.** Set the entity boundary, baseline, target, time horizons and reporting purpose. Keep a decision record linking the plan to the business strategy and any applicable disclosure requirements. *Board sponsor, before plan development.*
2. **Build the action portfolio.** Identify practical changes and dependencies for the largest emissions sources. Record expected effects, assumptions, delivery owners and technical questions rather than accepting unsupported savings estimates. *Operations and procurement, during options review.*
3. **Connect costs and resources.** Distinguish committed expenditure from proposals. Test affordability, implementation capacity and sensitivity to energy prices or demand. Keep an approved investment schedule and the decisions still required. *Finance, before investment approval.*
4. **Agree external dependencies.** Document the supplier, customer, infrastructure and skills changes needed. Assign engagement actions and contingency options, with evidence of agreements and a route for escalating obstacles. *Commercial and supplier leads, before commitments.*
5. **Review delivery and revise.** Compare actual emissions and milestones with the plan, investigate variances and update forecasts. Keep changes and approvals visible so external reporting reflects the current delivery position. *Board sponsor, each planning cycle.*

Example in practice

Illustrative example: a merchant plans to replace ten diesel vans with electric vehicles. Only four charging bays are funded. The plan records the vehicle decision, depot capacity, budget gap and interim operating assumptions. It reports the expected emissions effect as a forecast until vehicles and charging are operating.

Common mistakes and what to do instead

- Listing targets without actions: connect each priority to a funded decision and owner.
- Adding overlapping savings: reconcile measures against one baseline and model their interaction.
- Assuming supplier delivery: record dependencies and alternative actions.

How Reinventives can help

Reinventives can connect your footprint, action portfolio and reporting process through a responsibility map, evidence register and implementation plan. A first deliverable can identify gaps between current targets, funded actions and the data needed to monitor delivery. We coordinate specialist engineering, scenario analysis or assurance support where the assignment requires it.

Book a construction reporting conversation: reinventives.co.uk/construction/book

Related briefing notes: BN009 Science-based targets | BN010 UK SRS | BN007 PPN 006

Sources and review dates

[1] Transition Plan Taskforce, Disclosure Framework, October 2023; five elements and recommendations.

[2] IFRS Foundation, Transition plan disclosure guidance, June 2025; sections 1 and 3, including dependencies and finance.

[3] DESNZ, Climate-related transition plan requirements, consultation published 25 June 2025; closed consultation.

Correct as of and sources accessed 9 September 2026 | Next review 9 December 2026

Review earlier when UK implementation rules, IFRS guidance or the business’s targets, investments or material dependencies change.

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