

Embedding climate resilience

**Adaptation, mitigation
and transition**

June 2026



Contact

sustainability@jbsg.com.au

+61 8 8431 7113

jbsg.com.au/services/esg

Introduction

Climate change impacts are no longer distant or hypothetical—they are current and accelerating. Even under the most ambitious global emissions reduction pathways, science confirms a degree of climate change is already locked in.

This means businesses are facing a future of unavoidable risks. These include physical risks, such as extreme heat, flooding, and asset damage, as well as transition risks, such as supply-chain instability, policy and legal changes, and potential reputational damage. Organisations that fail to respond to their risks expose themselves to operational disruption, financial loss, regulatory pressure, and loss of social license. Conversely, those that embed climate resilience into strategic planning enhance business continuity, investor confidence, and long-term value creation.

In the landscape of sustainability and climate change, the terms climate resilience, adaptation, mitigation, and transition are often used interchangeably. In practice, they represent distinct but complementary pillars of a strong corporate climate strategy.

Adaptation

Adaptation means adjusting to actual or expected climate impacts. It is proactive and action-oriented, involving practical measures to reduce vulnerabilities identified through climate risk assessment.

This includes strengthening infrastructure, improving operational resilience, and adapting business practices to withstand changing climate conditions. Adaptation focuses on targeted actions that protect assets, operations, and people.

Mitigation

Mitigation means reducing greenhouse gas emissions to address the root causes of climate change. It involves implementing strategies that lower carbon intensity—such as energy efficiency, electrification, and low-carbon technologies—while aligning with net-zero and decarbonisation targets.

Effective mitigation supports adaptation that, in turn, minimizes emissions and avoids unintended increases in carbon output.

Transition

Transition is the act of evolving an organisation's strategy, operations, and business model to align with a low-carbon, climate-resilient economy.

It involves managing transition risks—for example, through decarbonisation, adopting new technologies, and reshaping products and services – while capturing opportunities to support long-term value and competitiveness.

Climate resilience

An organisation's ability to anticipate, prepare for, respond to, and recover from climate-related changes and uncertainties, while maintaining core functions and creating value.

It encompasses adaptation, mitigation, and transition, addressing both physical and transition risks while enabling the capture of emerging opportunities.

At JBS&G, we view climate resilience as a continuous cycle of assessing risks and implementing responses to mitigate impacts, not a one-off project. By integrating climate resilience into your core business planning, you aren't just preparing for a worst-case scenario, you are building a sophisticated, agile organisation capable of thriving in a changing global climate.

¹ ISO 14090:2019: *Adaptation to climate change — Principles, requirements and guidelines*. Technical Committee ISO/TC 207, Environmental management, Subcommittee SC 7, Greenhouse gas management and related activities.

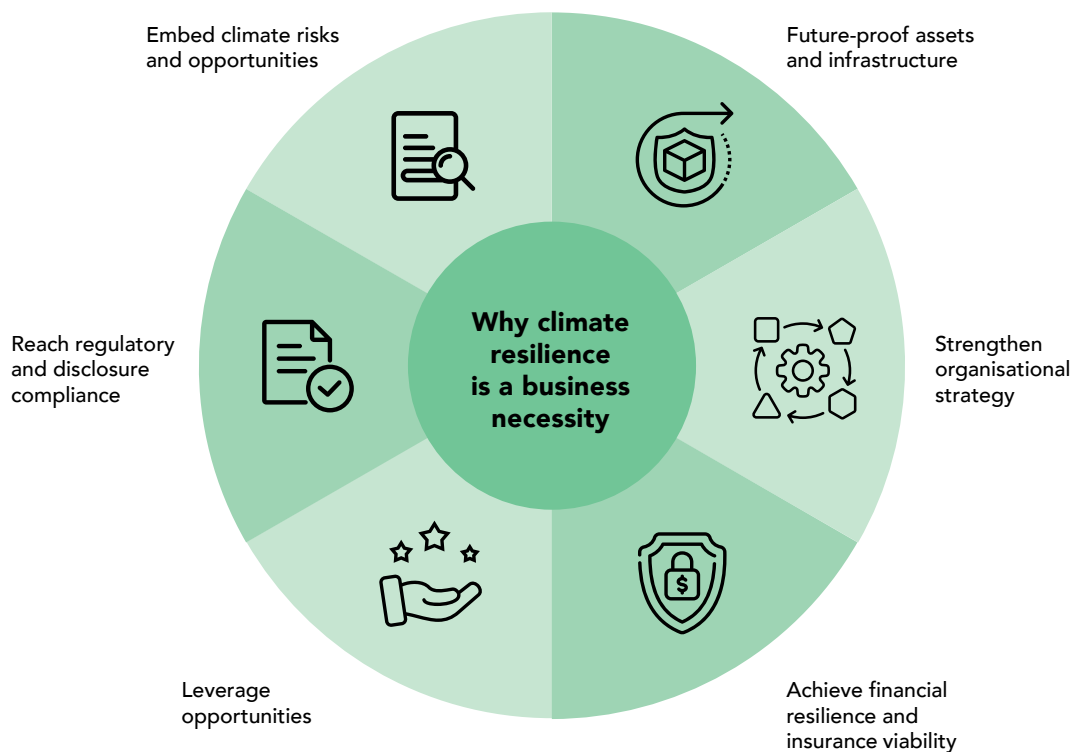


Why climate resilience is a business necessity

According to the World Economic Forum, every \$1 invested in climate adaptation can generate up to \$19 in benefits through avoided losses, reduced damages, and wider social and economic gains.² Rebuilding after extreme events often costs significantly more than preparing in advance.

By investing early in well-designed adaptation measures, such as resilient infrastructure, risk-informed planning, protective natural systems, and climate-resilient supply chains, organisations can reduce long-term costs, minimise disruption, and avoid repeated recovery expenses associated with physical climate impacts.

Importantly, climate resilience also extends to managing transition risks. As climate policy, regulation, market expectations, technology shifts, and investor scrutiny accelerate, organisations that proactively transition their governance, strategy, and operations are better positioned to avoid stranded assets, compliance costs, reputational damage, and loss of market share. Integrating climate considerations into capital allocation, procurement, product design, and reporting frameworks strengthens long-term competitiveness.



² Lacina, Linda and Whiting, Kate, 2025: *Climate and nature action is changing: how new mindsets and solutions will help*. World Economic Forum. Available at: [weforum.org/stories/2025/10/climate-and-nature-action-changing-new-mindsets-and-solutions](https://www.weforum.org/stories/2025/10/climate-and-nature-action-changing-new-mindsets-and-solutions)



Embed climate risks and opportunities

The main reason many businesses must prioritize resilience is to operationalise the findings of your Climate Change Risk and Opportunity Assessment. If your assessment identified increased flood risk or heat stress at a critical facility, you will likely choose adaptation to integrate specific engineering and management solutions into your CapEx and OpEx planning. Likewise, if transition risks such as exposure to regulatory changes or evolving market expectations are identified, you can choose to decarbonise, revise your product and service offerings, or both. By taking these actions, you are actively addressing the risks you've identified, rather than simply documenting them.



Future-proof assets and infrastructure

Assets designed for the climate conditions of 1990 may not remain resilient under the projected climate of 2035. At the same time, assets that were once considered acceptable despite high carbon intensity may become financially unviable. Embedding climate resilience helps you to future-proof your physical footprint. By integrating resilient design, you can avoid the prohibitive costs of emergency retrofitting or premature asset retirement.

Future-proofing is often mischaracterised as a purely engineering challenge, but at JBS&G, we address it as a dual-level necessity.

1. **Asset and infrastructure:** Improve physical facilities, for example through upgrading drainage, installing energy efficient technologies, reinforcing structures, and using climate-resilient materials. Taking these actions now will help create tangible investments that survive the climate of 2050 and beyond, while also reducing the risk of assets becoming obsolete under evolving regulatory or market expectations.
2. **Business:** Future-proof your operational and strategic core. This includes securing supply chain continuity, protecting workforce productivity during extreme heat, and creating service delivery models that remain viable as markets, technologies, and regulations shift in the transition to a low-carbon economy.

By integrating both tiers, we move beyond simple hazard protection to create an organisation that remains fit-for-purpose in a changing global landscape.



Strengthen organisational strategy

Embedding climate resilience enables leadership to have the right conversations. Instead of reacting to disasters, a formal climate resilience framework provides a common language for boards and executive teams to discuss long-term viability. It moves climate change from an environmental issue to a core strategy matter, grounding growth plans in climactic reality.



Achieve financial resilience and insurance viability

The cost of inaction is increasingly measurable. Insurers are tightening requirements, and premiums are rising for unmitigated risks. Demonstrating a robust climate resilience strategy signals to insurers, lenders, and investors that your organisation is low risk. This allows you continued and expanded access to capital.



Leverage opportunities

Climate resilience isn't just about defence; it's about opportunity. Organisations that lean into adaptation, mitigation, and transition early often find competitive advantages. Such advantages include more efficient water use and cooling technologies that lower energy costs, as well as the ability to maintain operations while competitors are sidelined by extreme weather and to adapt to market preferences for lower-emission products and services.



Comply with regulations and mandatory disclosures

There has been a global shift toward mandatory climate-related financial disclosures. Australia's AASB S2 Climate-related Disclosures, based on the standards of the global Task Force on Climate-Related Financial Disclosures and IFRS S2 standards of the International Financial Reporting Standards Foundation, are one such example. Companies are now required to report not just on their risks, but on their plans to manage them. Climate resilience frameworks provide the structured, evidence-based approach needed to demonstrate to regulators and stakeholders that your business has a clear and actionable path forward.



Alignment with climate reporting requirements

At JBS&G, Climate Change Risk and Opportunity Assessments and climate resilience planning are integrated into a single framework, linking risks directly to actions and supporting climate-related reporting (e.g., IFRS S2, AASB S2). Climate resilience measures can be embedded in the risk register as controls, providing clear visibility of risk mitigation and residual risk over time.

This integration also strengthens greenhouse gas emissions reporting. For example, emissions reporting (scope 1, 2, and 3) is closely tied to transition risks and decarbonisation. Embedding mitigation, adaptation, and transition within the same climate resilience governance and reporting framework ensures consistency between emissions disclosures, climate strategy, and risk management processes.

This integrated approach enables organisations to track progress, update risk assessments, and demonstrate how adaptation, transition, and emissions reduction improve resilience over time.

Our approach to climate resilience

At JBS&G, we provide a clear, structured framework and practical guidance to help you focus on what matters most. From identifying and assessing climate-related risks and opportunities to developing actionable, feasible, and cost-effective climate resilience measures, we support organisations at every stage of their journey.

Importantly, we support organisations in moving beyond risk mitigation toward value creation. By identifying opportunities to improve operational efficiency, enhance supply chain resilience, unlock new products or services, and strengthen stakeholder confidence, we position climate resilience as a key enabler of sustained performance and long-term competitiveness.

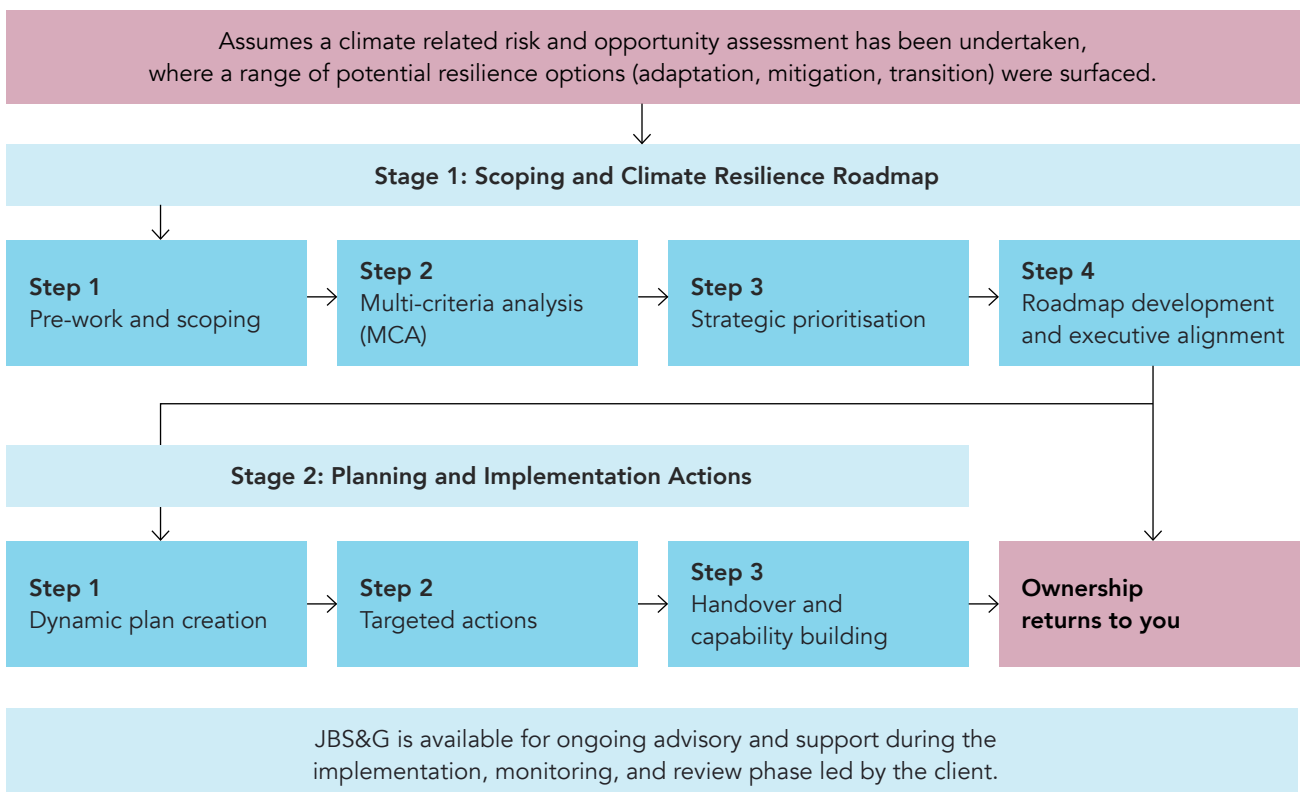
We deliver a structured, evidence-based pathway that embeds climate resilience into the core of your business.

To build comprehensive resilience, we operate across two critical levels:

- **Sector-level:** We assess industry-wide trends, innovations, and emerging risks to position your organisation at the forefront of sectoral transition. This outward-looking perspective aligns your business with market expectations and evolving best practice.
- **Business-level:** We undertake a detailed, inward-focused assessment of your organisation's specific risk profile, operational context, and strategic objectives. This helps identify targeted resilience measures that can safeguard operations while enhancing competitive positioning in a transitioning economy.

Our approach is implemented in two integrated stages:

- **Stage 1:** Develop a climate resilience roadmap.
- **Stage 2:** Plan and implement climate resilience actions to strengthen organizational resilience and internal capability.





Stage 1: Scoping and delivering a climate resilience roadmap

The first stage centres on clarity and prioritisation. Instead of scattered actions, we help you focus on areas of highest strategic and financial impact.

Step 1: Pre-work and scoping

Before implementation begins, we establish a robust foundation. We review your prioritised climate risks and opportunities and support you to embed them into your enterprise risk management framework. This action allows you to view climate risks alongside other business and strategic risks so that you can more easily secure the necessary budget, resources, and executive visibility.

During this phase, we also conduct deep-dive desktop research to identify sector-specific criticalities and global best practices relevant to your industry.

At the same time, we undertake a scan across the company to map any existing frameworks, policies, initiatives and roles that currently contribute towards climate resilience in your business. Knowing what these are, how they connect, and how they support your broader climate resilience goals will help you decide on relevant actions that are part of an overall company approach that is cohesive, integrated, and efficient.

Step 2: Multi-criteria analysis (MCA)

We customise JBS&G's MCA tool, aligning it with your corporate strategy and tolerance, to help you decide on the feasibility of each option by evaluating the following:

- Risk profile: Reviewing the ratings attributed to the risks to decide on urgency
- Investment: Understanding total cost, budget availability, and cost-effectiveness
- Human capital: Identifying the expertise needed and who will be involved
- Strategic alignment: Choosing actions that support your core business priority areas
- Timeframe: Assessing the urgency of the climate threat and the duration of implementation

Step 3: Strategic prioritisation

Not all actions are created equal. We categorise potential measures into three distinct groups:

- Group 1: These essential actions are critical to the long-term viability of your strategy. They are typically adaptation, mitigation, and transition actions aligned with the highest-priority risks.
- Group 2: These actions provide synergistic links to the broader business.
- Group 3: These easy wins provide immediate value with minimal investment.

Step 4: Roadmap development and executive alignment

The outcome of Stage 1 is a comprehensive climate resilience roadmap. This document lists prioritised actions, further research requirements, and broad timeframes. We present this to your key decision-makers to help them align on the company's risk profile and financial implications. By having the right stakeholders in the room from the outset, we gain the necessary buy-in to move from planning to action. Establishing an internal cross-organisational working group can also support coordination and oversight, to help progress actions, set clear responsibilities, and embed climate resilience efforts across your organisation.

You can then lead stage 2 internally or leverage JBS&G's ongoing support to manage the implementation, monitoring, and detailed project planning of your resilience strategy.

Stage 2: Planning and implementing actions

Stage 2 is where strategy becomes reality. We shift from theoretical to practical, by providing the tools and oversight to execute the roadmap effectively.

Step 1: Dynamic climate resilience tracker

We develop a live climate resilience tracker that evolves as your business and the climate landscape change. This is not a static report; it is a management tool used for implementation and monitoring. The plan clearly defines the following aspects of project:

- **Actions:** Define and prioritise actions, outlining their scope and key components.
- **Responsibilities:** Set specific roles and accountability structures.
- **Anticipated timeframes:** Choose key milestones and implementation due dates.
- **Financials:** Assign specific budget lines to fund each action.
- **Monitoring and evaluation:** Define KPIs to assess (where appropriate) and review the effectiveness of each action, including when and how monitoring and evaluation will occur.
- **Live tracking:** Develop a customised milestone tracker to monitor planning versus delivery and provide transparent reasoning for any shifts in strategy or deferred decisions.

Step 2: Undertaking targeted actions

With the plan in place, we move into the execution of the prioritised actions:

- **Feasibility assessments:** When needed, we conduct technical or engineering studies before full-scale deployment.
- **Execution:** We help you roll out prioritised climate actions in a phased approach to minimize disruption while maximising resilience gains.

Step 3: Handover and capability building

The final step of our service is to help invest your team with the agency and autonomy to maintain momentum. We don't just deliver a result; we embed sustainability within your organisation.

We provide your team with templates, monitoring frameworks, and internal support so they can mobilise and lead future climate resilience efforts. By doing this, resilience becomes a permanent internal capability of your business, not a one-time external project.

Contact us

JBS&G has significant experience working with businesses at different stages of climate resilience maturity, including supporting preparation for climate-related reporting.

We work alongside your team to embed climate resilience into core business strategy and decision-making, from identifying climate risks and undertaking scenario analyses through to developing practical climate-resilience frameworks. In this way, we help you integrate climate risk into governance, risk-management frameworks, capital planning, and day-to-day operations.

Contact us to learn how we can help assess and mitigate climate risks, identify emerging opportunities, prepare for mandatory reporting, and build a business that is compliance, climate resilient, and future-ready.



Sam Hardy

Principal, ESG and Sustainability
shardy@jbsg.com.au
0456 714 622



Dr Vera Storp

Associate, ESG and Sustainability
vstorp@jbsg.com.au
0487 868 528