

TAIWAN CLIMATE ACTION NETWORK



# Taiwan Corporate Just Transition Assessment Report

February 2026

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# 01. Introduction

Taiwan's 2022 *12 Key Strategies in Transformation toward Net-zero* and the 2023 *Climate Change Response Act* have, to a certain extent, mainstreamed the principles of “just transition” (JT) within its climate governance and legal framework. Processes of social dialogue have brought different stakeholder groups together and their perspectives have become references for Taiwan's JT planning. The Executive Yuan is also expected to approve and issue in the first half of 2026 a *National JT Action Plan*, which will consist of various sectoral JT plans and outline the government's JT strategies for the next three years, as Taiwan raises its climate ambitions under NDC 3.0.

**Companies, which stand at the frontlines of the net-zero transition and serve as key decision-makers and implementers of various decarbonisation measures, have not played a significant role in Taiwan's JT policy mechanism thus far.**

Under the potential impacts of the Trump administration's tariff policies, [some business associations](#) have even cited excessive costs and “negative impacts on labour and employment stability” in their argument for narrowing the scope of Taiwan's carbon fee and delaying its implementation.

As the climate crisis continues to intensify, however, corporate climate inaction would only deepen physical, financial, and social risks of further deterioration and bring irreversible impacts upon the most vulnerable groups across sectors, countries, and regions. **Not transitioning is in itself a form of injustice. Labour rights are not a pretext for companies to postpone climate action, and nor should climate action become grounds for employers to suppress or neglect workers' rights.**

A recent World Business Council for Sustainable Development (WBCSD) report shows that companies with strong social performance in areas such as human rights, decent work, and ethical conduct achieve 3-7% higher five-year total return growth than other firms, while companies that have set science-based targets outperform their peers by 2-7% (WBCSD, 2025). Additionally, 39% of investors have stated that human rights risks would lead them to rule out an investment opportunity (The B Team, 2018), underscoring how JT planning has become tied to a company's low-carbon competitiveness.

## Introduction

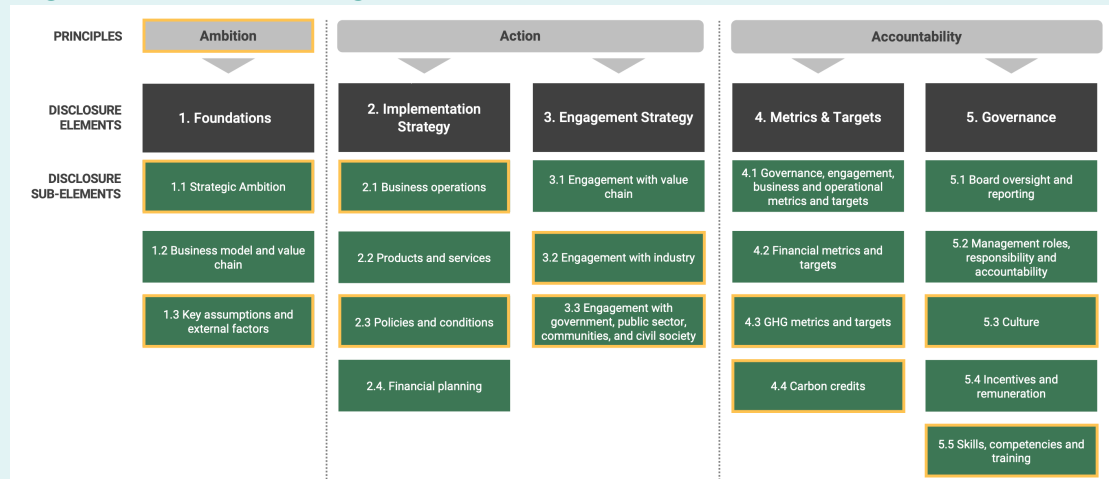
Sustainability disclosure frameworks have also grown to reflect such concerns over companies' JT integration in their climate transition plans:

The **International Sustainability Standards Board (ISSB)**'s June 2025 reporting guidance on transition plans encourages companies to disclose on how achieving their transition plans is dependent on workforce issues. It further suggests those in the oil and gas sector to report on their planned changes to the workforce composition in achieving their strategic goals and their efforts in upskilling workers (ISSB, 2025). This is highly relevant to listed companies in Taiwan as the government starts to adopt IFRS S1 and S2 disclosure standards in 2026.

The **Global Reporting Initiative (GRI)** has also revised its "GRI 102: Climate Change" disclosure

framework, set to take effect in 2027, to include explicit JT requirements. These include the number of employees hired, laid off, or redeployed due to transition plans and/or adaptation measures, as well as breakdowns by gender and employment type (GRI, 2025).

**Figure 1. Sub-elements in TPT guidance which include JT (TPT, 2024)**



## Introduction

In recent years, evaluations on the JT performance of Taiwanese companies by organisations such as the **World Benchmarking Alliance (WBA)** and **Climate Action 100+ (CA100+)** have generally indicated a growing recognition of the need for stakeholder engagement and supporting workers impacted by the transition, and a lack of systemic transition planning and impact assessments on skills, value chains, local communities, and other stakeholders.

To further examine how well Taiwanese companies are responding to these international trends and to provide concrete recommendations for JT planning,

- **Chapter 2** of this report assesses the comprehensiveness of JT-related content in the most recent (2024) sustainability reports of seven Taiwanese companies across the energy, cement, steel, and petrochemical sectors.
- **Chapter 3** will discuss specific steps that companies can take in identifying JT issues and establishing relevant indicators.
- **Chapter 4** explores the potential roles of investors, the financial sector, government ministries, workers, and other stakeholders in driving companies to fulfil their JT responsibilities, in what we dub a “corporate JT ecosystem”.

**Table 1. JT Performance of Taiwanese Companies in WBA Benchmarks**

Company	2021 Pilot JT Assessments			2024 Heavy Industries Benchmark		
	CPC	FPCC	Tai-power	Asia Cement	China Steel	Taiwan Cement
<b>Total Score</b>	<b>3/16</b>	<b>2/16</b>	<b>1/16</b>	<b>0/20</b>	<b>2.5/20</b>	<b>0.6/20</b>
<b>Social Dialogue &amp; Stakeholder Engagement</b>	1/4	0/4	1/4	0/4	1/4	0/4
<b>JT Planning</b>	0/4	0/4	0/4	0/4	0/4	0/4
<b>Green and Decent Jobs</b>	1/2	1/2	0/2	0/2	0.2/2	0/2
<b>Retraining and re- and/or up-skilling workers</b>	1/2	1/2	0/2	0/2	0.5/2	0.5/2
<b>Social Protection</b>	0/2	0/2	0/2	0/2	0/2	0/2
<b>Advocacy for JT policies and regulation</b>	0/2	0/2	0/2	0/2	0/2	0/2

**Table 2. JT Performance of Taiwanese Companies in CA100+ Net Zero Company Benchmarks**

Company	China Steel		Foxconn		FPCC	
	2024	2025	2024	2025	2024	2025
<b>Sub-indicator 9.1: The company has committed to the principles of JT</b>	X	X	X	X	X	Δ
<b>Sub-indicator 9.2: The company has disclosed how it is planning for and monitoring progress towards JT.</b>	X	X	X	X	X	X

Red X = Unmet ; Yellow Δ = Partially Met ; Green ✓ = Met

## 02. Taiwan Corporate Just Transition Readiness Assessment

### *Methodology*

Drawing on the corporate JT assessment frameworks used by the WBA and CA100+, and considering the overall state of climate transition planning within the Taiwanese context, we devised a total of **13 indicators that spread across three critical dimensions of corporate just transition action, namely: “social dialogue”, “JT planning”, and “decent work and skills development”.**

We then examined the comprehensiveness of JT-related disclosures made by **Asia Cement, China Steel, CPC Corporation, Formosa Petrochemical Corporation (FPCC), Formosa Plastics, Taipower, and Taiwan Cement** in their latest 2024 sustainability reports (published in mid-2025), as well as other publicly available information such as just transition reports and stakeholder information sections on their websites.

We classify corporate disclosures into three categories to illustrate the extent to which the information provided in each company’s sustainability report aligns with each of our indicators: **“clearly disclosed” (green)**, **“partially disclosed” (yellow)** without direct links to the company’s net-zero policy and/or climate transition plan, and **“not disclosed” (red)**.

After completing our evaluation, we provided the preliminary findings and reference materials to the sustainability report contact points of each evaluated company. These companies had a two-week window to identify and provide any missing information or supplementary materials that were not reflected in our assessment.

## Indicators

**Social Dialogue** constitutes a foundational element for identifying the challenges and needs of stakeholders and thereby developing effective JT response measures. The four indicators in this first dimension (A) focus on whether companies engage in meaningful dialogue with workers, unions, communities, and other stakeholders during the preparation of sustainability reports, the setting of climate targets, the development of net-zero transition pathways, and the implementation of decarbonisation measures. We also assess whether companies disclose how they consult with stakeholder groups on climate and net-zero issues, and how the feedback and input gathered through these engagement processes (i.e. “engagement outcomes”) are reflected in their transition planning.

Only companies that explicitly commit to or disclose social dialogue processes related to their net-zero policies and transition plans receive a green label. Those that disclose general stakeholder engagement

efforts without direct references to their transition plans or decarbonisation measures are categorised with a yellow label.

The four indicators in the **JT Planning** dimension (B), then, focus on how the needs of different stakeholders identified through the social dialogue process translate into concrete measures and resource allocation. We also assess whether companies set time-bound, measurable JT targets and indicators, as tracking the progress of implementation overtime is instrumental in ensuring the effectiveness of any JT measures they take.

New, green employment opportunities created through corporate climate transitions are undoubtedly a major socioeconomic benefit of climate action. The four indicators under the **Decent Work and Skills Development** dimension (C) look at who gains access to these emerging green jobs and whether such jobs meet the basic principles of decent work. Only through effective social dialogue, accurate impact assessments, and context-

specific retraining, upskilling, redeployment, and compensation measures can corporate transition avoid imposing negative impacts, or even forms of oppression, on workers, local communities, and value-chain business partners. The decent work aspect is intended to ensure that new employment opportunities protect workers’ physical and mental health, occupational health and safety, job security, and livelihoods.

Taiwan Corporate JT Readiness Assessment **Table 3. Taiwan Corporate JT Readiness Assessment Results**

Company		Taiwan Cement	Asia Cement	China Steel	CPC	Taipower	Formosa Plastics	FPCC
<b>Explicitly mentions JT</b>		V	X	X	X	X	V	V
<b>A. Social Dialogue</b>	A1. Commits to engage in social dialogue for tripartite negotiations	V	Δ	Δ	Δ	Δ	Δ	Δ
	A2. Discloses the categories of stakeholders and how they are identified	V	V	V	V	V	V	V
	A3. Discloses the steps it takes to engage with disclosed stakeholder groups	V	Δ	Δ	Δ	Δ	Δ	Δ
	A4. Discloses the outcomes of its stakeholder engagement processes	V	Δ	Δ	Δ	Δ	Δ	Δ
<b>B. JT Planning</b>	B1. Commits to implement its decarbonisation measures in alignment with defined JT principles	V	X	X	X	X	X	X
	B2. Develops a JT plan that outlines how it plans to support workers and communities affected by its decarbonisation measures	V	X	X	X	X	X	X
	B3. Discloses how social dialogue processes and impact assessments have shaped its JT plan	Δ	X	X	X	X	X	X
	B4. Sets time-bound, measurable JT indicators and tracks progress of implementation	X	X	X	X	X	X	X
<b>C. Decent Work &amp; Skills Development</b>	C1. Commits to create and/or support access to decent jobs	Δ	Δ	Δ	Δ	Δ	X	Δ
	C2. Commits to reskill/upskill/redeploy/compensate workers displaced by its decarbonisation measures	V	Δ	X	X	Δ	Δ	X
	C3. Discloses the impact assessments of its transition plan on workers and other stakeholders	Δ	X	X	X	X	X	X
	C4. Discloses its process of identifying skills gaps	X	X	X	X	X	X	X

Red X = Not Disclosed ; Yellow Δ = Partially Disclosed ; Green ✓ : Disclosed



## Findings

Overall, with the growing prevalence of materiality assessments, most Taiwanese companies have established stakeholder identification and engagement processes: **All seven companies assessed have disclosed their methods for identifying stakeholders** and most have committed to engaging with them and disclosing their engagement outcomes. Crucially, however, **stakeholder engagement for most companies has not yet addressed the impacts of the companies' climate transition plans on stakeholders**, nor have they explained how engagement outcomes have influenced the content of their transition plans or related response strategies.

As a result, under the JT Planning dimension, none of the assessed companies fully met the requirements for Indicator B3 which examines the linkage between social dialogue and transition plans or just transition measures. Regarding Indicators B1 and B2, which assess whether decarbonisation measures are aligned with just transition principles, **only Taiwan Cement has made a clear**

**commitment to implementing emissions reduction measures based on just transition principles** and has proposed a just transition plan. None of the companies have set time-bound, measurable indicators to track progress (B4).

Under the Decent Work and Skills Development dimension, while training and education programmes for employees and suppliers have become standard components of sustainability reports, they tend to centre around broad sustainability, ESG, and digitalisation courses. These programmes rarely include retraining or upskilling measures specifically designed for workers and communities affected by net-zero transition measures or corporate transition plans.

In other words, **current corporate training and skills development programmes are not informed by analyses of skills gaps between transition needs and the existing workforce, nor by impact assessments of transition plans** on workers, suppliers, contractors, and other stakeholders.

For instance, Taiwan Cement explicitly

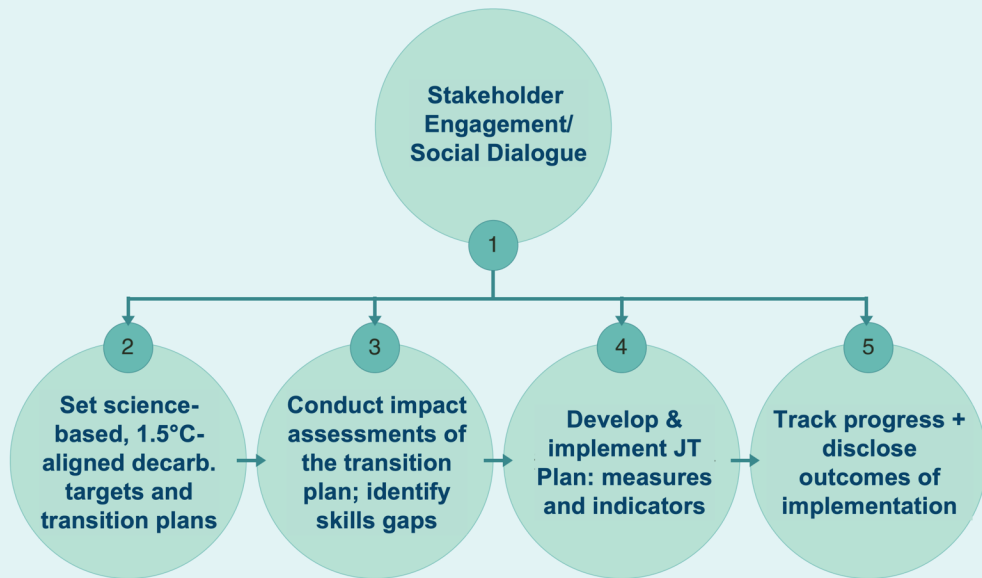
describes the green job opportunities they expect to create through the net-zero transition, as well as retraining and internal redeployment plans designed to reduce the impacts on employees of measures such as “improving efficiency, optimising processes, reducing energy consumption, and introducing automated equipment.” Although this aligns most closely with the skills development indicator, how the company identifies skills gaps, mitigates specific labour impacts, and ensures that new employment opportunities meet decent work conditions remain areas that require further disclosure and expounding upon.

# 03. A Step-by-step Guide to Corporate Just Transition Action

Integrating recommendations from existing guidance from organisations such as the B team (2018), the Investor Group on Climate Change (IGCC, 2024), and the World Economic Forum (2025), with insights from the corporate JT readiness assessment in Chapter 2, we posit five major components of corporate JT action:

1. **stakeholder engagement and social dialogue,**
2. **setting science-based, 1.5°C-aligned decarbonisation targets and transition plans,**
3. **conducting transition plan impact assessments and identifying skills gaps,**
4. **developing and implementing JT plans, and**
5. **tracking progress and disclosing outcomes of implementation.**

Figure 2. Steps for Corporate JT Action



## Stakeholder Engagement & Social Dialogue

An indispensable foundation for JT action at any level, this is not only the first step in developing a JT plan but also a critical feedback mechanism that must be carried through all phases to ensure that JT measures genuinely respond to the needs and challenges of affected stakeholders.

A National Development Council-commissioned research that surveyed the awareness of net-zero among 340 Taiwanese industrial, occupational, and enterprise unions found that 77.6% (264) had not interacted with management over the past three years regarding the potential impacts of net-zero and corresponding responses (NDC, 2025), echoing the findings in Chapter 2 of this report, where corporate engagement with workers, unions, and other stakeholders rarely covers their net-zero pathways and decarbonisation measures.

Engaging with stakeholders on net-zero and climate issues does not mean unilaterally informing them of the companies' transition plans, nor should it be reduced to formalistic consultations that bear no influence on decision-making. **Frequent and regular dialogue mechanisms such as joint labour-management transition committees with symmetrical, transparent information can allow companies, workers, and other stakeholders to co-develop, review, and revise context-appropriate transition plans and JT measures.**

### Box 1. No Just Transition without Social Dialogue: A Cautionary Tale from Taiwan's Highway Toll Workers



Image source: [Civil Media@TW](#)

Taiwan's adoption of an electronic tolling system in 2014 left over 1,000 toll collectors unemployed. While the government and the Far Eastern Electronic Toll Collection Co. (FETC) provided **vocational training courses, employment guidance, and retraining subsidies** that seemingly served as "JT measures" that would help workers transition to new jobs, their dismissal was informed to them through an online briefing and the lack of job openings at matching agencies and wage security led workers to form a self-help group demanding FETC to provide compensation based on their seniority and ensure proper reassignments. This demonstrates how **"support measures" implemented without properly engaging in social dialogue and understanding the needs of those affected are ultimately unproductive in fostering a just transition** (Chiu and Su, 2025).

## Set Science-based, 1.5 °C-aligned Transition Plans

Corporate climate inaction, or inadequate action, amplifies the risks of climate impacts on workers, assets, business models, and vulnerable groups. The argument for slowing the transition or not transitioning in order to be “just” simply does not hold.

The petrochemical industry, for instance, apart from its contributions to global warming and air pollution, faces multiple challenges from global overcapacity and actions on reducing plastic pollution, to credit rating downgrades and rising operating costs due to carbon pricing policies. Without proactive long-term low-carbon planning and green diversification strategies, companies will face compounding risks of asset impairment, falling shareholder returns, intensified financing pressure, and adverse impacts on workers’ right to employment. Formosa Petrochemical Corp. (FPCC), by using 2007 as the base year of its decarbonisation targets, fails to meet the Science-based Targets Initiative (SBTi)’s methodological requirement of not setting base years earlier than 2015. As an upstream raw-material supplier within the Formosa Plastics Group’s industrial chain, this

may affect the validity and consistency of FPCC’s reporting and risks hindering downstream affiliated companies in achieving their decarbonisation goals (TCAN, 2025).

## Conduct Transition Plan Impact Assessments and Identify Skills Gaps

Upon setting clear decarbonisation targets, pathways, and measures, companies should then map **how these measures will impact their own employees and outsourced workers, what skills will be required for post-transition operations, and what gaps exist between required skills and existing human resources**. The impacts here may include those from plant closures, changes in industrial processes, and the introduction of new technologies or business models (IGCC, 2024).

WEF’s report on ***Making the Green Transition Work for People and the Economy*** recommends considering these following questions:

- How likely is each group to be impacted across each socioeconomic dimension as you

begin to carry out climate transition plans? How might these impacts differ based on place?

- Are there natural opportunities to support positive socioeconomic outcomes through climate plans?
- What could the intergenerational impact of your climate plans be for different stakeholder groups?
- How do socioeconomic impacts vary between different transition scenarios?
- Which community stakeholders could help co-design strategies to support socioeconomic outcomes? How and where can these groups be involved in decision making?
- Are you considering relevant place-based differences and regional disparities, where risks and opportunities may be felt differently in different areas?
- Does your organisation’s external positioning and communication around sustainability align with its core business activities to ensure positive socioeconomic outcomes for workers and vulnerable stakeholders? (WEF, 2025)

Among these considerations, whether there are **spatial and regional mismatches between existing operations, processes, and assets and the new opportunities created by transition** is particularly pivotal. Many of Taiwan's townships that once relied on coal mining as the core of their local economies experienced population decline and economic stagnation when the industry phased out in the 1980s (Wu, 2023). As JT becomes a focal issue within the net-zero transition, avoiding a repeat of such outcomes is a challenge that governments and companies alike must confront when planning and implementing decarbonisation measures.

## *Developing and Implementing JT Plans*

Having identified the potential transition impacts, skills gaps, and regional variations, companies should evaluate **whether these impacts call for prevention, mitigation, remediation, or other forms of JT measures**. They can then

develop a range of actions they can take, map the resources and capacity-building required, identify complementary strategies that maximise the socioeconomic co-benefits of the transition plan, and, through ongoing engagement, ensure that measures do support stakeholders across different regions and contexts.

While the content of JT plans should vary depending on the needs and visions of different stakeholder groups, they typically include:

- providing retraining, upskilling, and redeployment opportunities for affected employees and contractors,
- actively participating and investing in community economic diversification,
- contributing to social safety measures such as healthcare and income support,
- offering special assistance to communities facing more severe challenges, e.g. Indigenous communities (IGCC, 2024).

## *Tracking Progress and Disclosing Implementation Outcomes*

Concrete JT measures should come with traceable, time-bound indicators that allow companies and their stakeholders to track the progress of implementing JT plans overtime. The GRI 102-3 JT disclosure items and [the Shift Project's draft list of quantitative JT metrics](#) serve as useful references for companies to set their own context-appropriate indicators.

## A step-by-step Guide to Corporate JT Action

The purpose of corporate JT action is not merely to meet sustainability reporting requirements that are increasingly heavy on the socioeconomic impacts of climate transitions. For the Taiwanese companies assessed in this report, existing plans already include concrete cases where insufficient engagement and preparation could trigger negative impacts and amplify transition risks.

### Taiwan Cement

The coal-fired units of its **Hualien Hoping Power Plant** are expected to be decommissioned by 2040. The potential impacts on employees and surrounding communities have already been key focus areas in the JT chapter of Taiwan Cement's sustainability report and in its 2025 JT plan, addressed primarily through measures such as carbon management training, internal transfer mechanisms, and strengthening local social safety nets (Taiwan Cement, 2025). As discussed in Chapter 2 of this report, developing more targeted retraining and skills development programmes based on impact assessments and skills gap analyses and setting clear metrics for progress-tracking are crucial next steps for the company.

### China Steel

China Steel recently announced its plans to retire its **No.1 Blast Furnace** by the first quarter of 2029. In light of capacity adjustments and potential shifts to electric arc furnaces, as well as other decarbonisation measures the government has outlined in its **Flagship Carbon Reduction Action Plan** for the company (incl. improving energy efficiency, using low-carbon raw materials in blast furnaces, increasing the use of scrap steel, using carbon-free fuel in industrial furnaces, CCUS, etc.), the company should go beyond the general sustainability training and environmental education programmes currently listed as JT responses and performance indicators in the draft *Manufacturing Sector JT plan*, and engage with unions and workers to map future skills needs.

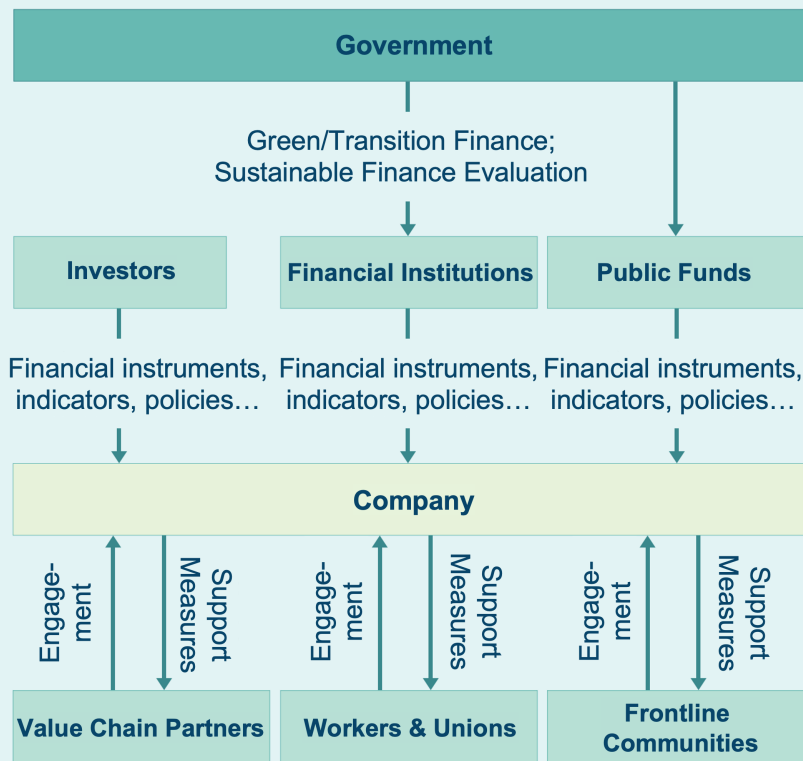
### CPC Corporation

The state-owned oil and gas company's **Taoyuan Refinery** is one of its major emissions sources and has consistently faced local residents' calls for relocation. The government's Flagship Carbon Reduction Action Plan lists using low-carbon fuels and adjusting refining models as key decarbonisation measures and plans to develop sustainable aviation fuels (SAF) in the transport sector. This entails a number of different transition pathways and scenarios for the refinery. CPC should adopt democratic dialogue and decision-making mechanisms to bring together workers, unions, local governments, and residents to clarify the risks, opportunities, potential employment impacts, skills needs, and the required support for redeployment and occupational safety and health protections under each of these scenarios to inform imminent decisions.



# 04. Towards a Corporate Just Transition Ecosystem

Figure 3. A Corporate JT Ecosystem



Driving companies to take the kind of JT actions discussed in the previous chapter proactively takes not only the companies' own decisions on sustainable governance and risk management but also various external levers. We attempt to capture these external forces through the conception of a "Corporate JT ecosystem". This chapter focuses specifically on how the government, investors, financial institutions, and workers and unions can exert their influence on companies in advancing JT in Taiwan across all sectors.

## Investors

Investors direct investment across asset classes, ranging from equities to bonds, infrastructure, real estate, to private equity. They have a **fiduciary duty** to act in the best financial interests of their clients by managing long-term risks and opportunities to achieve competitive returns.

Poorly-managed transitions can lead to stranded assets, regulatory fines, increased costs, and reputational damages, all of which risk reducing profitability, lowering shareholder value, and losing productivity. Robust due diligence and continued engagement processes that test corporate climate transition plans against JT principles can help investors manage systemic risks related to climate change and decarbonisation. [The Investor Group on Climate Change provides detailed guidelines](#) for investors to evaluate corporate JT plans (IGCC, 2024)

## Financial Institutions

On top of guiding investments and capital flows toward technologies and economic activities that reduce emissions overtime, financial institutions can also enhance their clients' cognizance of the socioeconomic impacts of decarbonisation through JT clauses in debt covenants, loan agreements, and performance indicators (TCAN, 2024).

The UN Environment programme finance initiative (UNEP-FI) recommends banks to assess client exposure to JT-related risks and opportunities, develop products and solutions to provide financing for JT, and embed social and environmental consideration in their due diligence and decision-making processes (ILO and UNEP-FI, 2023).

Climate Finance Asia's [Facility-level JT Guidelines for Banks](#), which includes a Bank JT Self-assessment tool, helps banks assess their own alignment with JT principles and engage with clients as they finance the accelerated phase-out of coal-fired power plants.

### Box 2. JT in SMBC Group's Transition Finance Playbook

SMBC's Transition Finance Playbook, which outlines the principles governing the bank's approach and provides guidance on whether to finance activities, includes JT as one of the four underlying principles (along with 'do no significant harm', 'no carbon lock-in', and 'best available technology'). This means that investments should "maximise social and economic opportunities through consultations with impacted groups" and that SMBC "will consider leveraging existing tools designed and implemented by third-parties" such as the Facility-level JT Guidelines (SMBC, 2025).

opportunity for state-owned enterprises in high-emitting sectors like Taipower (electric utility), CPC Corporation (oil and gas), and China Steel (steel) to advance their own JT planning, and for the government to capitalise on the policy levers at its disposal. Table 4 provides a summary of some of these levers under the portfolios of key ministries. →

## Government

By mid-2026, the Ministries of Economic Affairs (MOEA), Transportation and Communications (MOTC), the Interior (MOI), Agriculture (MOA), the Environment (MOENV), the Financial Supervisory Commission, and the Council of Indigenous Peoples are set to finalise and publish their legally-required sectoral JT plans that correspond to their respective net-zero policies. Insofar as the facilitation of corporate JT action is concerned, this represents a crucial window of



**Table 4. Corporate JT-related policy levers under the portfolio of different ministries**

Ministry	Potential Policy Levers	Description
Financial Supervisory Commission (FSC)	Green Finance Action Plan 3.0: Sustainable Finance Evaluation	Designed to prompt financial institutions to better identify and manage climate-related risks, adding JT-related evaluation indicators can further increase FIs' sensitivities to the socioeconomic impacts of the net-zero activities they finance.
	IFRS S2 Direct Adoption	Listed entities with capital over NT\$1bn are required to report sustainability information applying IFRS S1 and S2 starting FY2026. IFRS S2 requires organisations to disclose information associated with its climate-related transition risks that may include information about its workforce management. FSC should highlight this as an area of <a href="#">complementary disclosure</a> with GRI 102 Climate Change's requirement on JT-related impacts.
Ministry of Economic Affairs (MOEA)	Sectoral Flagship Carbon Reduction Action Plans & JT Plans (Energy, Manufacturing)	Collaborate with state-owned CPC Corporation and China Steel to develop JT plans that correspond to their respective Flagship Carbon Reduction Action Plans. These plans should include long-term, continuous dialogue with stakeholders, identify skills required for the transition and functions that may become obsolete as a results, provide corresponding re-training and skills development programmes, and establish JT metrics to track progress.
	National Action Plan on Business & Human Rights; Guidelines on Supply Chain Human Rights	Explore potential synergies between human rights and environmental due diligence (HREDD) initiatives and corporate JT action. The former can help companies identify, assess, and address their human rights and environmental risks and impacts, which can serve as the foundation to develop and implement JT measures (WBA, 2025).
Ministry of Labour (MOL)	Framework Guidelines for Net-zero JT Labour Issues	Intended to help different ministries identify potential labour and JT-related issues as they develop and implement policies for net-zero within their respective portfolios, this guideline should serve to review the progress and outcomes of implementation and could be extended in its application to help companies review JT matters in their own decarbonisation plans.
Ministry of the Environment (MOENV)	Green-collar Talent Information Platform	In addition to focusing on the number of new green-collar jobs that the net-zero transition brings about, analyses on which skills may be lost due to the transition and how many of these skills are transferable to green-collar positions after re-training are required to provide timely and effective upskilling resources for affected workers.

## Workers & Unions

Workers and unions have always been among the core stakeholders in achieving just transitions. Taiwan's May Day Labour parade has also proposed specific JT demands for two years running.

While much of this report has focused on why and how companies should engage with workers in developing their decarbonisation targets, sustainability reports, transition plans, and JT plans, workers and unions are not passive recipients of such engagement. Facing the impacts of corporate climate inaction and JT implications on long-term development prospects, welfare, and competitiveness, JT issues can and should be incorporated into regular labour-management negotiations. The [\*\*Just Transition: Labour Perspectives and Union Strategies\*\*](#) database developed by a team led by the Institute of Technology Law at National Yang

Ming Chiao Tung University (NYCU), includes cases of union JT strategies regarding social dialogue and collective bargaining, and proposes the possibility of **green collective bargaining agreements** in Taiwanese context.

The increasing momentum and capacity of workers and unions on climate issues is direly needed to co-create more proactive, inclusive, and comprehensive JT plans and transform the negative socioeconomic impacts of climate action into opportunities to deliver green, decent jobs in a decarbonising world.

# Conclusion

At a time when global climate action must accelerate, JT is no longer a policy buzzword that governments use. It has become a critical undertaking that companies must initiate as they confront sustainability disclosure requirements, investor scrutiny, market competition, and rising social expectations. **A failure of corporate decarbonisation pathways to adequately incorporate the needs of workers, communities, supply chain partners, and other stakeholders will not only increase operational and financial risks but also undermine corporate reputation, the credibility of their sustainability strategies, and overall market competitiveness.**

Our assessment of seven Taiwanese companies reveals that while Taiwanese firms have established a certain level of stakeholder engagement efforts through procedures such as materiality assessments, very few have linked social dialogue processes to decarbonisation measures in ways that amount to concrete JT plans or measures. Most have not adequately assessed the impacts of their decarbonisation

measures on stakeholders, nor have they identified skills gaps or established time-bound JT metrics to track performance.

As a result, training, skills development, and social investment efforts largely remain within broad ESG initiatives, instead of reflecting the real-world challenges posed by these companies' transitions. Without a timely course correction, workforce discontinuities, community resistance, supply chain risks, and declining trust in international markets may well increase the costs of corporate climate transition.

**Companies should institutionalise JT within the core of their governance mechanisms, with transparency, cross-departmental collaboration, and long-term stakeholder engagement informing every step of their transition and JT plans.**

In a broader corporate JT ecosystem, investors and financial institutions can guide capital towards companies with robust due diligence, impact assessment, and stakeholder engagement practices.

Government ministries should integrate JT requirements into policy frameworks such as green and transition finance, flagship carbon reduction action plans for state-owned enterprises, and the promotion of green-collar jobs, while providing the necessary resources and enabling institutional conditions.

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## *Disclaimer*

This report discusses the importance of just transition action for Taiwanese companies and relevant issues. Assessments are based on sustainability reports, publicly disclosed information, and research published by international organisations. The information presented in this report is for general reference only and should not be construed as investment advice to the public or any third party. The authors assume no liability, legal or otherwise, for users with other purposes.

This is an abridged translation of the report. For the full version, including the scorecards for each of the assessed companies, in Mandarin Chinese, please visit TCAN's website.

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Coordinated by TCAN, TWJTP consists of scholars, think tanks, and civil society organisations with backgrounds spanning across climate, environment, labour, and energy. Its aim is to strengthen just transition research and policy advocacy capacities through regular exchanges that connect researchers with practitioners.

## *About Taiwan Climate Action Network (TCAN)*

Established in 2022, Taiwan Climate Action Network (TCAN) is a coalition of five local environmental NGOs in Taiwan, namely: the Green Citizens' Action Alliance (GCAA), Citizen of the Earth, Taiwan (CET), Environmental Rights Foundation (ERF), Homemakers United Foundation (HUF), and Taiwan Environment & Planning Association (TE&P).

We work to accelerate Taiwan's climate action towards achieving the 2050 net-zero goal, with focuses on carbon pricing, industrial decarbonisation, renewable energy development, and local climate governance.

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