

CLIMATALKS · 6 MAY 2026

One Dataset, Three Reports

Webinar Q&A follow-up: answers to the questions we didn't get to live, plus tidied versions of those we did.

The slides and the SECR / ESOS Phase 4 / UK SRS deadline calendar are attached to this email. Below are answers to all the questions we didn't get to on the day, plus tidied versions of the ones we did. We've grouped them by topic so it's easier to skim. Where two of you asked the same thing we've merged the answer, but kept first names so you can find your own.

If anything needs more depth, particularly for your specific reporting boundary or sector, just reply and we'll come back to you. The recording will follow shortly.

01 WHO'S CAUGHT BY WHAT: SCOPE AND APPLICABILITY

EMILY · UK SRS TIMELINE

You said SRS is not mandatory for most "yet" — who is it mandatory for in 2026? Or does it come into effect from 2027?

As of today (May 2026), still nobody. The picture is firmer now than it was six months ago though. Where things actually stand:

- **UK SRS S1 and S2 were finalised on 25 February 2026.** Standards are locked.
- **FCA Consultation Paper CP26/5** (which proposes replacing the current TCFD-aligned listing rules with UK SRS-aligned ones) was published on 30 January 2026 and closed for response on 20 March 2026.
- The FCA's **Policy Statement is expected in autumn 2026**, with rules **coming into force from 1 January 2027** for financial years starting on or after that date.
- The first cohort is **listed UK commercial companies**, plus equivalent categories like non-equity shares, transition categories, secondary listings and depositary receipts.
- Two transitional reliefs are proposed: **one year** for Scope 3 (expires for FYs starting 1 Jan 2028), and **two years** for UK SRS S1 comply-or-explain (expires for FYs starting 1 Jan 2029).

So the first mandatory UK SRS reports for the early cohort will land in **2028**, covering financial years that start on 1 January 2027. Extension to large non-listed companies is a separate Government track that hasn't been announced yet. For everyone else, 2026 is still the dry-run year.

If UK Gov decide to include "Large Companies" over and above listed companies, what will the likely thresholds be?

The FCA track only covers listed companies. Extension to non-listed "large companies" is a separate piece of work owned by Government (DBT), and the thresholds for that aren't yet published. The Companies Act "large company" definition (two of three: £36m turnover, £18m balance sheet, 250 employees) is the obvious anchor, and the one most teams are working to as a baseline.

The signalling so far is that SRS thresholds for the non-listed extension are likely to land higher than SECR (i.e. only the very largest "large" companies, not every SECR-obligated entity), partly because IFRS S2 is materially more demanding than SECR. A useful precedent here is CFRD, which already uses higher thresholds for the non-listed companies it covers: 500+ employees and £500m turnover.

Our suggestion is to plan on the Companies Act thresholds as the conservative case. If the actual threshold lands higher, you'll have done the work earlier than required, which is rarely a problem.

Is there any idea on timelines for when privately owned companies will need to comply?

Not currently scheduled. The confirmed roadmap is listed companies first (FCA rules in force 1 Jan 2027, first reports landing in 2028). Extension to non-listed "large companies" is a separate Government (DBT) track, with definition and timing both still up in the air. Privately owned companies above the threshold may be brought in, but there's no firm date or scope. Late this decade at the earliest, and possibly never for genuinely private mid-market firms.

For most private companies, the real pressure will come from investors, lenders and listed-company customers asking for IFRS S2-aligned disclosure long before any mandate lands. That's where we'd focus.

Do SRS and SECR apply to the whole group even outside the UK? Turnover, employee and balance sheet count at what level?

Two parts to this:

- **Boundary.** Both follow the consolidated financial reporting boundary. So for a group with a UK parent, the whole group, foreign subsidiaries included, is in scope. SECR specifically per the Companies Act group consolidation; UK SRS per IFRS S2.
- **What actually gets disclosed.** SECR has a UK-energy-only disclosure line. The required disclosed energy figure is UK-only, even though the Scope 1 and 2 narrative is global. UK SRS is properly global on Scope 1 and 2.
- **Thresholds.** SECR is tested at group level (two of three: £36m turnover, £18m balance sheet, 250 employees). UK SRS thresholds for the "large company" extension aren't finalised yet, so assume Companies Act definitions as the conservative case.

ESOS is the odd one out. It tests at the UK qualifying entity level rather than the group level.

If you're a global plc that is UK listed, then SRS will probably apply to the whole group. So SRS and SECR are the same data set — but ESOS only requires UK based business locations, so it's a sub-data set. So our ESOS register can't be used as the SRS risks because it's only our UK business view...

Spot on, and exactly the right way to think about it. UK SRS and SECR are global (consolidated) views; ESOS is UK-only. Your ESOS register is a subset of your SRS data, not a swap-in replacement.

The practical version is the one we made in the webinar: hold your data at meter or asset level globally, tagged by entity and country. Cut UK-only for ESOS. Cut group-wide for SRS and SECR. One dataset, three different filters.

One place where the ESOS register does feed SRS directly is the opportunities and transition plan. Your UK-only opportunities register is a (partial) input into the group-wide transition plan. The risks section needs a global lens though, so the ESOS register won't help you there.

We are a large private school currently providing SECR and ESOS. Can you imagine us requiring UK SRS in 2028+?

Probably not directly. UK SRS is targeting listed companies first, then large commercial entities. Independent schools are typically charitable trusts or charitable companies limited by guarantee, so they're not listed, and the regime itself is built around investor-facing financial disclosure that doesn't quite map.

You'll keep being caught by SECR (almost certainly) and ESOS (if you meet the energy and employee thresholds). What we'd expect within the next 2 to 3 years is a sector-specific climate disclosure framework from ISBA or the DfE, structured similarly to UK SRS (board oversight, climate risk, transition plan), rather than UK SRS itself landing on independent schools.

Our advice: keep building SECR and ESOS rigorously. The infrastructure transfers cleanly when the sector framework arrives.

What about SRS / SECR for the public sector, including a multi-academy trust with 5 schools?

UK SRS isn't currently in scope for public sector bodies. The active regimes are:

- **Central government, NHS and Crown bodies.** PPN 006 (which came into effect in February 2025, replacing PPN 06/21), Carbon Reduction Plans, and the Greening Government Commitments.
- **Local authorities and arms-length bodies.** SECR-style reporting is increasingly being demanded through procurement and grant funding, plus PPN 006 cascading down the supply chain on contracts above £5m.
- **Multi-academy trusts.** This one is genuinely grey. A MAT is a charitable company limited by guarantee. If the MAT meets the SECR thresholds at consolidated level (£36m turnover, £18m balance sheet, 250 employees), it's caught by SECR. Most MATs of 5+ schools are in scope, and ESOS works the same way.

UK SRS won't apply directly to any of these. We'd expect DfE or ESFA pressure for similar disclosures within 2 to 3 years, structured around the same four pillars.

Will housing associations be covered in UK SRS?

No, not currently. Housing associations aren't in scope of UK SRS as it stands. Keep an eye on the regulation, and on the threshold as and when legislation changes.

Will SRS for financial firms be covered in the webinar?

Lightly, in the section on listed companies. Apologies if that didn't go deep enough. The shorter version is that for FCA-regulated firms, UK SRS is the next chapter of TCFD. Same four-pillar structure, more prescriptive metrics, a materially higher bar on Scope 3 (and specifically on financed emissions, since IFRS S2 makes Category 15 mandatory for asset managers, banks and insurers, with no opt-out), plus an explicit transition plan expectation.

If you're a listed FS firm, the FCA timeline is the one to plan to: rules in force on 1 Jan 2027, first reports in 2028. If you're already producing TCFD-aligned disclosures under the existing listing rules, the lift to UK SRS is real but not enormous. Most of the work is in tightening Scope 3 and financed emissions methodology, and refreshing scenario analysis. If there's appetite for a financial-services-focused session we'd be happy to put one together; just let us know.

02 UK SRS, AND HOW IT RELATES TO OTHER FRAMEWORKS

UK SRS feels very much like an ESG report (materiality assessments, scenario analysis, etc.) — do you think this is the case?

Yes, very much by design. UK SRS adopts IFRS S1 and S2 wholesale, and IFRS S2 inherits the four-pillar TCFD structure: governance, strategy, risk management, and metrics and targets. So materiality assessment, scenario analysis, climate risks and a transition plan are all in there.

You're right to flag the wider ESG framing too. We focused mostly on carbon and climate in the session, but the ESG umbrella is broader than that (social, governance, nature, human rights) and that wider sustainability picture is something we're very much looking at, not just the climate metrics. UK SRS S1 already covers general sustainability disclosures, and the ISSB will continue to release topic-specific standards over time. S2 (climate) is the piece that's locked in for now.

In practice the SRS work overlaps a lot with what you'd produce for TCFD or a CDP submission, with investors as the audience.

How does CFRD fit into this? Is there overlap with SRS?

Significant overlap. CFRD is essentially the predecessor regime that UK SRS replaces, starting with listed issuers.

UK Mandatory Climate-related Financial Disclosures (CFRD, sometimes called the "Climate-related Financial Disclosure Regulations 2022") currently apply to UK listed companies, large LLPs, large unquoted companies (those with more than 500 employees AND turnover over £500m), and certain financial firms. They're TCFD-aligned and were always positioned as a bridge until ISSB landed.

UK SRS is the upgrade:

- Same four-pillar structure.
- More prescriptive on metrics and targets.
- Explicit Scope 3 expectations, including financed emissions for FS firms.
- Transition plan disclosure is expected, not optional.

The FCA's CP26/5 proposes replacing the current TCFD-aligned listing rules with UK SRS-aligned rules from 1 January 2027. So for listed issuers, when UK SRS comes in for your cohort it replaces the existing rules. You don't do both. For non-listed in-scope CFRD entities (large LLPs, large unquoted companies), CFRD remains in place until Government extends UK SRS to them via the separate non-listed track.

If you're currently CFRD-obligated, the additional SRS work concentrates in three places: Scope 3 disclosure, the transition plan, and tightened metrics and targets.

How does SRS align with CSRD?

Closely related, but not the same regime. Both build on TCFD, and both want governance, strategy, risk and metrics. The two big differences:

- **Scope.** CSRD covers the full sustainability topic set (climate, biodiversity, social, governance and so on) across twelve ESRS standards. UK SRS S1 is general sustainability disclosures and S2 is climate-specific. Other topics will be added later, but they aren't in S1 or S2 yet.
- **Granularity.** CSRD is highly prescriptive, with roughly 1,000 mandatory and conditional data points across the ESRS. IFRS S2 is more principles-based, with fewer hard-coded data points.

For dual-listed UK / EU groups, the practical approach is to do CSRD as the superset, since IFRS S2 / UK SRS is mostly a subset cut of CSRD. Doing UK SRS first and trying to extend to CSRD afterwards is the painful direction.

Expand IFRS, ISSB please.

- **IFRS.** International Financial Reporting Standards. The accounting standards used by listed companies in 140+ jurisdictions.
- **ISSB.** International Sustainability Standards Board. The sister body to the IASB (which sets the IFRS accounting standards), created by the IFRS Foundation in 2021 to do for sustainability reporting what IFRS did for financial accounting.
- **IFRS S1.** The first ISSB standard, covering general sustainability disclosures.
- **IFRS S2.** The second ISSB standard, covering climate-specific disclosures (and built on TCFD).

UK SRS is the UK's adoption of IFRS S1 and S2, with minor UK-specific amendments. The standards were finalised on 25 February 2026.

Won't SECR be binned off once UKSRS is fully implemented?

Quite possibly, eventually. It hasn't been announced and it isn't going to happen soon though. The logical case is that once UK SRS sits in the AR&A and covers Scope 1, 2 and 3 plus governance, SECR becomes redundant. But there are a few things in the way:

- SECR is in the Companies Act 2006. UK SRS is going into the FCA listing rules first (1 Jan 2027), and is then expected to extend to large non-listed companies via a separate Government track.
- SECR catches non-listed large companies that UK SRS won't initially reach.
- Government has signalled potential streamlining of the broader UK reporting landscape, but no firm date has been put on it.

Our suggestion is to plan on both running side-by-side from 2026 through at least 2028. Streamlining likely arrives later this decade, once UK SRS coverage has broadened.

If the SRS report covers all information required by SECR, do we still need to produce two different reports?

For now, yes, both. Two reasons:

- **Different legal home.** SECR sits in the Directors' Report under the Companies Act. UK SRS sits inside the AR&A as an investor-facing disclosure.
- **Different format and required line items.** SECR has specific format requirements (UK kWh figure, intensity ratio, narrative on energy efficiency actions). UK SRS has the IFRS S2 four-pillar structure.

Same data underneath, two different output formats. Streamlining may come at some point (see above) but it isn't here yet.

If the data is the same, why do they need it three times?

Because there are three different regulators, with three different briefs:

- **BEIS / Companies Act (SECR).** Transparency to shareholders and the public on UK energy use.
- **Environment Agency (ESOS).** Has the company identified energy savings, and acted on them.
- **FCA / IFRS (UK SRS).** Is climate properly reflected in financial reporting to investors.

So you have the same underlying meter reads, three different cuts of the data, and three different audiences. The frustrating bit is that the regimes were built independently over a decade-plus and never properly harmonised. That's the whole "one dataset, three reports" point. The data really is the same. It's the framing, the audit and the use of it that differ.

Is Scope 3 mandatory for net zero in the UK?

A slightly tricky one to answer cleanly, because there isn't a single "UK net zero" thing organisations have to declare. The national net zero target is the government's, not yours. Where Scope 3 actually is and isn't mandatory:

- **SECR.** Largely voluntary. Only one Scope 3 line is mandatory for large unquoted companies: business travel where the company pays for the fuel (rental cars, employee-owned cars on business mileage). For quoted companies all Scope 3 is voluntary, though strongly encouraged where material.
- **ESOS.** Not mandatory at all. ESOS is an energy regime, not a GHG regime.
- **UK SRS / IFRS S2.** Mandatory once it applies to you, with a one-year transitional relief that allows Scope 1 and 2 only in the first reporting period. Scope 3 becomes mandatory from year two.
- **SBTi-validated targets.** Scope 3 has to be included in your targets if it's more than 40% of total emissions, which it almost always is.

So in short: not mandatory under most current UK regimes, but mandatory the moment you commit to a credible net zero target, and mandatory under UK SRS once that lands for your cohort.

03 SCOPE 3, SCOPE 2 METHOD, AND METHODOLOGY

For SRS, are we expected to do all 15 Scope 3 categories from year one, or is it OK to start with the material ones?

The expectation under IFRS S2 is that you address all 15 Scope 3 categories from year one. There's a transitional relief that lets you skip Scope 3 entirely in your first reporting period (Scope 1 and 2 only); from year two onwards, all 15 are in.

The materiality test isn't a "skip the calculation" lever, it's a "drop it from your reduction targets" lever. If a category is genuinely immaterial (broadly less than ~5% of total emissions), it can usually be excluded from the reduction targets you set. To claim that exclusion though, you need the data in place to evidence that the category is small. Which means, unfortunately, that you've still had to calculate it.

So in practice the year-one work is: a defensible calculation across all 15 categories, and a documented materiality assessment that supports which ones get carried into your reduction targets and which get parked.

Do you agree that these regulations are moving away from spend-based methodology?

Yes, clearly, but with some caveats by category and regime:

- **ESOS** never accepted spend-based for energy data. ESOS is activity-based by design (kWh, litres of fuel).
- **SECR** has tolerated spend-based for some Scope 3 lines (for example business travel via expenses), but the direction of travel is towards activity data.
- **UK SRS / IFRS S2** is methodology-agnostic in principle, but pushes towards higher-quality data over time, and assurance processes will increasingly challenge spend-based numbers.
- **SBTi and CDP scoring** both penalise spend-based at the upper data quality bands.

The market direction is fairly unmistakable. Spend-based is fine as a starting point or for the long tail of categories. As primary methodology for material Scope 3 categories though, it's getting harder to defend each year. Our standing recommendation is activity-based for your top 3 to 5 Scope 3 categories, with hybrid or spend-based as a residual for the long tail.

"One Scope 2 method" — does that mean only including location OR spend based? Why?

Quick clarification first. Scope 2 doesn't actually have a "spend-based" option. The two recognised Scope 2 methods are:

- **Location-based.** Average grid emission factor for the country or region where the electricity is consumed.
- **Market-based.** The specific contractual factor for what you bought (renewable tariff, REGOs, PPAs and so on).

The point we were making is that you should pick one method and apply it consistently across SECR, ESOS and SRS. The GHG Protocol actually requires you to disclose location-based as a minimum. Market-based is optional alongside if you want to claim renewable tariffs. Most clients we work with publish both, with location-based as the headline number and market-based as a supplementary view.

(You may be thinking of Scope 3, which can be spend-based, activity-based or hybrid. There's more on that in Edna's question above.)

04 EMISSION FACTORS, DATA AND GRANULARITY

For companies with mid-year reporting periods (e.g. June to June) which span two calendar years, which emission factors should we use?

Standard practice is to use the DEFRA factors that were in force at the **start** of your reporting period. So for a June-to-June year, you'd use the factors published in the June at the start. DEFRA usually publishes annually in early-to-mid June, so a June year-end actually lines up quite neatly.

Two practical points:

- Lock the factor year in writing, in advance, and cite it in your methodology note. Auditors don't really mind which year you've picked. What they do mind is when you can't actually say.
- Whatever you pick, apply it consistently across all 12 months and across SECR, ESOS and SRS. Don't switch partway through the year just because new factors have been published.

Where can I get half-hourly meter data for commercial tenanted property?

Three routes that actually work:

- **Letter of Authority direct to the supplier.** The cleanest by far. With an LoA on file, the supplier provides HH data for any half-hourly metered (HH / AMR) MPAN. This works for HH-class meters, typically larger sites with maximum demand above around 100 kW.
- **DCC / smart meter data.** For SMETS2 meters via the Data Communications Company. Slower to set up, but works for sub-100 kW sites.
- **Landlord-led metering or sub-meters.** Common in multi-let buildings where the landlord controls the supply. They can pull it via their own LoA, or via the building management system. Service charge correspondence is usually the lever to ask through.

For a tenant-occupied site where you have your own electricity contract on the meter, route 1 (the LoA route) is the answer. For a tenant-occupied site where the landlord holds the contract, you need their cooperation. The conversation usually lands once they realise they also need the data for ESOS or SECR themselves.

One thing worth flagging. Most platforms, Climatise included, are built around exactly this LoA-into-supplier-feed model. Once the LoA is signed, the data flows in automatically every month with no chasing. If you're still reformatting CSVs from the supplier portal each quarter, you're paying a tax you don't really need to.

If we only need SECR right now, isn't the push to collect hourly or even half-hourly data overkill?

For SECR on its own, yes. SECR doesn't need half-hourly. Annual data is fine.

The reason to collect half-hourly anyway is everything around it:

- **ESOS Phase 4** needs monthly minimum at audited sites, and HH data where the site is HH-metered, which most ESOS-relevant sites are.
- **UK SRS metrics and targets** work meaningfully better with disaggregated data.
- **Half-hourly reveals operational opportunities** (out-of-hours load, baseload creep, BMS schedules drifting) that are invisible at annual resolution. If your goal is to decarbonise rather than just to report, HH is where the money is.

The practical version: collect at the strictest granularity available, down-aggregate for SECR (which is free), use HH for ESOS analysis, and keep it for operational decisions.

If your only goal is SECR compliance and you have no plans to do anything operational with the data, then yes, HH is overkill. But that case is rare, and for everyone caught by ESOS as well, the answer flips.

The listed changes for Phase 4 were mostly requirements right from Phase 1 — not new or tightened. Monthly energy data, for example, has always been in the regs. Right?

Partly fair, and a point we hear from Lead Assessors a lot. Some of the Phase 4 "changes" are really tightening of things that were always in the regulations. Monthly granularity at audited sites was implied in Phase 3 guidance, for instance. What's genuinely new, or materially harder:

- The 95% AoSEC coverage requirement, and the granularity of the breakdown.
- Quantified, costed, defensible recommendations. Phase 3 enforcement was lenient. Phase 4 enforcement isn't.
- Action plan and progress reporting between phases. Practically new, even if technically present in earlier guidance.
- Removal of some compliance routes (some DEC-only routes are no longer accepted).

So you're right that not all of it is brand new in the regulation. But in terms of what the EA will actually accept in Phase 4, the bar has gone up, and inspectors are challenging things they let through last time.

To those running this presentation, you are oversimplifying. The dates for SECR and ESOS are somewhat set in stone. As a Lead Assessor with 100+ ESOS audits, using the same data for ESOS and SECR doesn't work for most because the 31 December qualification date doesn't fit many companies' reporting timelines — and there isn't enough Lead Assessor time to get clients compliant. So how can they use the same set of data?

Genuinely fair challenge, and one we hear a lot from Lead Assessors. Thanks Jonathon. You're right that for clients with non-calendar year-ends (April fiscal year being the worst), the 31 December qualification date is awkward, and the Lead Assessor bottleneck in mid-2027 is going to bite hard.

Two things to clarify on the position we were making:

- The point isn't that everyone runs SECR and ESOS off the **same date-aligned dataset**. It's that the underlying **data spine** (meter reads, fleet records, source data) can be the same. You still cut it for different periods. SECR uses your financial year. ESOS uses 12 months covering 31 December 2026. What makes that workable is collecting at meter level, monthly minimum, year-round, and then re-cutting the period without re-collecting the data.
- Letters of authority on suppliers are the lever here. With supplier-direct data feeds, the marginal cost of running SECR (financial year basis) and ESOS (Dec-31 basis) on the same underlying data is small. Without LoAs, you're right, it's brutal.

WHY A UNIFIED PLATFORM HELPS HERE

This is the bit where it's worth being honest that this is exactly what platforms like Climatise are built for, and why we keep coming back to it. The mechanics are mundane, but they matter:

- **Continuous monthly ingest at meter level.** Once the LoA is in, supplier data flows in every month. Nobody is collecting "for SECR" or "for ESOS". There's just one single live dataset, always up to date.
- **Date-range partitioning at retrieval time.** Want a financial-year (April to March) cut for SECR? Filter on dates. Want a 12-month window covering 31 December 2026 for ESOS? A different filter on the same data. Want a calendar-year cut for an investor questionnaire? Same data again. The dataset doesn't move; the period does.
- **Methodology snapshotting.** Each cut is rendered against the locked DEFRA year and Scope 2 method for that period. So a financial-year SECR cut and a Dec-31 ESOS cut on overlapping months will produce numbers that reconcile to the kWh, not numbers that "are roughly the same".
- **Audit trail per cut.** Every report exports with provenance: every kWh tied to its meter, its supplier feed, its raw read, its factor. So when an EA inspector asks "why is this site in your SECR but not your ESOS pack" or "why is your ESOS energy total higher than your SECR Scope 2 kWh figure", the answer is one click, not a week of forensic spreadsheet work.

In practice this turns the calendar mismatch from a workload problem into an admin one. It doesn't solve the Lead Assessor capacity problem (only earlier booking and parallel fieldwork solve that), but it does mean the data side stops being the rate-limiting step.

On the Lead Assessor capacity point, we agree completely. Our advice to clients is to book by April 2026 and start fieldwork in Q1 or Q2 2027, even if data isn't fully closed. Site visits, AoSEC mapping and recommendation development don't need finalised year-end data to begin.

Where the calendar mismatch really hurts (April year-ends in particular), some clients are running the ESOS data set as a parallel 12-month window, rather than trying to reuse the financial year data verbatim. Two parallel cuts, one underlying data spine, signed off separately. We'd be interested in your view on what the EA would actually need to see for a parallel-window approach to be properly defensible. Happy to take that one offline.

What does AoSEC mean?

Areas of Significant Energy Consumption. It's an ESOS concept. AoSECs are the parts of your estate that account for at least 95% of total energy use, broken down so you can audit where the energy actually goes (for example "warehouse refrigeration", "fleet diesel", "server rooms"), rather than being lumped together as "buildings" or "transport". Phase 4 has tightened how granular this needs to be. Assessors won't accept "buildings" or "lighting" as a single AoSEC any more.

(Cameron in the chat had this one too. Thanks Cameron.)

06 OPERATING MODEL AND THE "ONE DATASET" APPROACH

In most organisations, Finance owns SECR, Operations owns ESOS, Sustainability/strategy owns SRS. Ownership becomes fragmented, with accountability gaps, and annual readiness for each isn't aligned. How could an organisation deal with "one size fits all"?

Real, and probably the single hardest thing about a unified workflow. Thanks Tom. The "fit it all to one team" framing doesn't really work in our experience. What does work is something more like this:

- **Keep the existing report ownership but agree on a single shared dataset.** Finance still owns SECR sign-off. Operations still owns ESOS. Sustainability still owns SRS. They just stop maintaining three separate datasets.
- **Set up a single quarterly data review meeting.** Q1 for boundary, Q2 for methodology, Q3 for draft outputs, Q4 for sign-off. All three functions in the room. Reconciliation happens in the meeting, not at year-end.
- **Have one person own the data spine** even when the report ownership is split. Usually that's a sustainability lead, or a data analyst sitting inside finance. They become the single source of truth, and Finance, Ops and Sustainability all draw from them rather than building parallel datasets.

The accountability point isn't about one team owning everything. It's about three teams owning their respective reports but no team owning the data, plus a forcing function (the quarterly meeting) that prevents drift.

What are the pros and cons of reporting voluntarily under SRS if we already report under SECR, ESOS and UK Mandatory Climate Disclosures? How much "extra" work would be required?

Pros:

- Investor and lender confidence. Asset managers and banks are actively asking for IFRS S2-aligned disclosure now, regardless of any formal mandate.
- Customer pressure. If you supply listed plcs, you'll get an SRS-shaped questionnaire from them in the next 12 to 18 months. You'd be answering it anyway.
- Getting ahead. The data infrastructure positions you for mandatory SRS, transition plan disclosure, CBAM responses, and supply-chain disclosures all at once.
- It tightens your existing SECR and ESOS work. SRS governance forces sharper SECR sign-off.

Extra work involved:

- Governance and strategy disclosures. Board oversight, role mapping, climate-related KPIs in management remuneration. None of this is currently in SECR or ESOS.
- Scenario analysis. At minimum a 1.5°C scenario and a high-warming scenario, qualitative as a baseline and quantitative where material. A real piece of work.
- Risk management. Physical and transition risks identified, with a financial impact assessment.
- Transition plan. What you're actually going to do, costed and time-bound.
- **Wider ESG topics.** The social pillar, governance pillar, nature, human rights and similar all need to be considered alongside the climate metrics, not just climate in isolation. IFRS S2 is the climate-specific piece, but IFRS S1 covers general sustainability disclosures, and topic-specific ISSB standards will continue to land over time.

For someone already doing SECR, ESOS and UK Mandatory Climate Disclosures, the numbers part is largely there already. The extra work is the **narrative and governance layer**. Typically 4 to 6 weeks of work for a mid-market company in year one, rather than 4 to 6 months. CFRD work transfers across particularly cleanly, since it's already TCFD-structured.

How does AI change the game here? Are you using it to help create the different outputs for the different reports from a single dataset?

Yes, a lot, and yes, this is exactly what we're doing inside Climatise. There are three places where it really earns its keep:

- **Data ingestion and tagging.** Invoices, energy management exports, finance ledgers, F-gas logs all arrive in different formats. AI is genuinely good at parsing them into a consistent schema, picking out unit, currency and MPAN values, and flagging anomalies like a meter that suddenly trebles, or a unit conversion that looks wrong.
- **Methodology checking.** Mapping activity data to the correct emission factor across 50,000+ DEFRA, IEA and ecoinvent factors, flagging when the wrong factor has been picked, and suggesting the right one with the source year tagged.
- **Narrative drafting.** Turning the data into the SECR narrative, the ESOS opportunities register, and the IFRS S2 governance and strategy sections. Drafted, not authored. A human always signs it off.

What AI doesn't replace, in our view, is the boundary call, the methodology decisions (Scope 2 method, DEFRA year choice), the materiality assessment, or the audit defence itself. Those are still human judgment calls, and we'd be very wary of any platform that tries to automate them.

For ESOS specifically, AI is also useful for the "is this evidence enough?" question. It can flag recommendations that are too vague or unquantified to defend before they get to the Lead Assessor, when there's still time to fix them. Happy to do a thirty-minute walkthrough if any of this would be useful. Just drop us a line.

Can you see these changes boosting the job market for sustainability roles?

Yes, and measurably so. Three drivers:

- **ESOS Phase 4 on its own** will need around 7,000 evidence packs in 2027. Lead Assessor capacity is the binding constraint and it's already tight.
- **UK SRS** is creating demand for in-house sustainability accountants. We're seeing FDs hire "Climate Reporting Manager" roles where they used to put the work under ESG or CSR.
- The shift from narrative reporting to **assured, audited numbers** is creating demand at the intersection of finance and sustainability. That's a different skill set from the traditional sustainability hire.

The shortage is most acute on the **assurance side** (ISAE 3000 and ISAE 3410 capability) and the **technical methodology side** (GHG Protocol, scenario analysis, financed emissions). Generalist sustainability roles are also growing, just more slowly.

Climatalks is Climatise's webinar series for energy and sustainability practitioners. The answers above are written by the Climatise team (Lennon, Ollie and Rebecca) and reflect our reading of the regulations as of 7 May 2026. Always cross-check against your specific reporting boundary and, where relevant, your Lead Assessor or auditor. Any errors are ours. Reply to this email and we'll correct them.