BRIEFING NOTE 010

UK Sustainability Reporting Standards

Check which requirements apply and prepare the information finance and investors need.

Version 1.3 | Issue and review: 9 September 2026 | 5-minute read

Status: Published voluntary standards; proposed FCA implementation is separate from existing reporting duties.

Audience: Construction boards, finance directors, company secretaries and sustainability leads.

Executive summary

UK Sustainability Reporting Standards (UK SRS) S1 and S2 were published on 25 February 2026 for voluntary use. They do not impose reporting on every construction business. Existing company-law, energy-reporting, listing and contractual duties may still apply. The Financial Conduct Authority (FCA) has consulted on rules for specified listed issuers and expects a policy statement in autumn 2026. Finance, risk and sustainability teams should check the company's position, then identify information that could affect its prospects and the evidence needed to support it. [1][4][5]

Start here. Ask finance and the company secretary to record existing duties, relevant FCA proposals and customer or lender requests.

In plain terms. S1 covers sustainability information that matters to financial decisions. S2 adds climate requirements, alongside relevant S1 requirements. Explain who oversees the issues, how they affect business plans, how risks are managed, and which measures and targets track progress. A carbon footprint alone is insufficient. [2][3]

Which route applies?

Listed or planning to list? Check the FCA rules and proposals for the relevant listing category; the proposals differ between categories. [4]

Checking legal reporting duties? Review existing company-law and energy-reporting requirements separately from voluntary UK SRS use. [1][5]

Responding to a customer, lender or tender? Follow the actual request and agreed reporting scope. [1]

What preparation needs to cover

Financial materiality means information that could affect investors', lenders' or other creditors' decisions about providing resources. Double materiality also considers impacts on people and the environment. Connect the reporting company and disclosures to its financial statements. [2]

An entity applying S2 must use climate-related scenario analysis: testing resilience under different plausible futures. The approach must fit its circumstances, exposure and capabilities. Explain scenarios, assumptions and limits. S2 also covers Scope 1, 2 and 3 emissions, subject to applicable reliefs. [3]

The consultation closed on 20 March 2026. Proposed rules would apply to accounting periods beginning on or after 1 January 2027, subject to final rules and transition arrangements. This is a proposed period start, not a universal deadline or first publication date. [4]

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Recommended actions

A practical way to start, with suggested owners and timing:

1. Check whether it applies. Keep legal entities, listing status, existing duties and customer commitments; obtain specialist interpretation where needed. *Company secretary and finance, before planning.*

2. Map the evidence. Link each required figure and narrative disclosure to sources, owners and missing evidence, covering governance, risks and performance measures. *Finance, risk and sustainability, first review.*

3. Agree responsibilities. Record who decides materiality, approves assumptions and checks consistency with budgets and financial statements. *Board sponsor, before collection.*

4. Test one important risk. Keep the scenarios, asset exposure, assumptions, links to financial effects and remaining limitations. *Risk and operations, during preparation.*

5. Build the delivery plan. Check final rules and reliefs, assign deadlines and discuss any assurance scope with the appointed provider. *Reporting lead, before finalising the timetable.*

Example in practice

Illustrative example: a contractor considers flooding at key sites and depots. Finance and operations connect plausible disruption to programme delays, costs, insurance and cash flow. They retain assumptions and assess resilience across scenarios, rather than inserting a generic climate narrative.

Common mistakes and what to do instead

• Voluntary standards treated as universal law: distinguish standards, existing duties and proposals.

• A financial-materiality assessment treated as double materiality: state the lens used.

• A project footprint treated as company reporting: keep the boundaries and purposes explicit.

How Reinventives can help

Our sustainability consultancy and reporting process improvement can begin with a readiness review and a map linking disclosures to evidence. We identify gaps, owners and priorities and coordinate the contributing teams. Specialist reporting interpretation, legal advice, detailed climate modelling and independent assurance need separate appointments where required.

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

Related briefing notes: BN002 Scope 3 | BN011 Reliable carbon data

Listing detail. FCA proposals for UK Listing Rules (UKLR) categories 6, 16 and 22 cover commercial companies, non-equity/non-voting shares and transition-category issuers. Categories 14 and 15 (secondary listings and depositary receipts) have different proposals. Check the final rules for the relevant category. [4]

Sources and review dates

[1] Department for Business and Trade, UK Sustainability Reporting Standards guidance, 25 February 2026.

[2] Department for Business and Trade, UK SRS S1, February 2026; materiality and reporting entity.

[3] Department for Business and Trade, UK SRS S2, February 2026; paragraph 22 and Appendix B.

[4] FCA, CP26/5, January 2026; chapters 3, 8-9. Consultation page checked for policy updates.

[5] UK Government, Environmental reporting guidelines including Streamlined Energy and Carbon Reporting.

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

Review immediately on an FCA policy statement, UK SRS amendment or new company-reporting implementation measure.

This briefing is general information, not legal, procurement, engineering or assurance advice. Check requirements for the specific organisation, project and contract.

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