THE 100 GROUP

Stakeholder Communications and Reporting Committee

Department for Business and Trade
Old Admiralty Building
London
SW1A 2DY

17 September 2025

Dear Board Members,

Please find enclosed our response to: **Exposure draft of UK Sustainability Reporting Standards: UK SRS S1 and UK SRS S2**

This response has been prepared by the 100 Group Stakeholder Communications and Reporting Committee. The 100 Group membership represents around 90% of the FTSE100 market cap as well as a number of equally significant sized unlisted businesses. While this response is intended to speak on behalf of the Group as a whole, the views expressed are not necessarily those of individual members nor their respective employers.

We thank you for the opportunity to comment on your proposal and would invite any further dialogue which you would deem of value.

Overall, we support the UK Government's adoption of the SRS as it will provide a clear and consistent framework to sustainability reporting which takes a pragmatic, climate-first approach. The exposure drafts for UK SRS 1 and SRS 2 closely follow the ISSB's IFRS S1 and S2 standards, which is consistent with the approach we have seen taken in other jurisdictions. The interoperability with other jurisdictions beyond the UK is critical for both for cost of reporting internally and to meet demand for information from external investors, who want standardised data across their portfolio for comparability.

We would support an overriding principle of "comply or explain" with regards to reporting under the SRS. Whilst it is important to have a consistent set of disclosures across the market, we feel companies should have the flexibility to report what is material to their business with the option of explaining where they feel certain disclosures are not relevant or helpful for users of their primary statements.

We would also advocate for reliefs and allowances that facilitate issuing a single report at the ultimate parent company level that covers all reporting entities within that Group. Unless an entity's business model and operations are fundamentally different in individual markets, there is little perceived value to investors (and other stakeholders) in publishing numerous ISSB-aligned sustainability reports for individual markets. This would create a great deal of duplication and time and resource inefficiency for the reporting entity.

We have provided specific commentary on the amendments disclosed in the consultation.

1) **Proposed amendment to remove the relief to delay sustainability disclosures in the first year.**
   We agree that the removal of this transition relief makes sense. The main ethos of the ISSB's standards is to create closer alignment between financial and sustainability reporting, and so it makes sense for the disclosures to be made at the same time and in the same place. It feels like there would also be operational efficiencies from preparing them at the same time, in particular around the governance of reviewing and approving.

2) Proposed amendment to extend the transition relief on non-climate disclosures

   We had some diverging views on this amendment where some members considered this would smooth the transition whereas others considered this created unnecessary delays to the effectiveness of UK SRS. Some members suggested introducing a "Comply or Explain " basis in Year 2 similar to the introduction of TCFD.

3) Proposed amendment on the removal of requirement to use Global Industry Classification System (GICS) for financed emission disclosures

   No specific comments on this amendment

4) Proposed amendment on the removal of effective date clause

   We agree with the removal of the effective date clauses and members expressed the importance of receiving advance notice and clarity on effective dates to enable preparations and resource planning.

5) Proposed amendment to change reference to SASB materials in the UK SRS from "shall refer to and consider" to "may refer to and consider"

   We agree with the proposal to amend wording from "shall refer" to SASB standards to "may refer." Whilst the SASB standards are a useful guide, they are not universally applicable to every business in a given industry and so the SRS should not try to force uniformity, as this could have the adverse impact of leading to less relevant disclosures for users of sustainability statements. Some members recommended expanding this clause to other relevant reporting standards.

6) Proposed amendment to link transition reliefs to mandatory reporting

   We agree it makes sense to apply transition reliefs from the point at which the standard becomes mandatory.

We hope you find that they provide helpful insight as you move to the next stage of the project and invite you to contact us via our secretariat Claire Gallimore (secretariat@the100group.co.uk) should you wish to discuss any of our comments in further detail.

Yours sincerely,

Stephen Daintith,
Chair of the 100 Group Stakeholder Communications and Reporting Committee