

# *Monthly GSS News Digest*

*Governance, Sustainability and Stewardship*

February 2026



1

**UK Publishes Sustainability Reporting Standards (UK SRS)**



2

**SFDR 2.0: The Case for Stewardship**



3

**First Major Business and Biodiversity Assessment**



# UK Publishes Sustainability Reporting Standards (UK SRS)



## Documents



### [UK SRS S1: general requirements for disclosure of sustainability-related financial information](#)

PDF, 395 KB, 45 pages

This file may not be suitable for users of assistive technology.

▶ [Request an accessible format.](#)



### [UK SRS S2: climate-related disclosures](#)

PDF, 381 KB, 45 pages

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Source: [GOV.UK: UK SRS S1 and UK SRS S2 \(25 Feb 2026\)](#)

## Key Highlights

- **Two new standards published at the end of February 2026**
  - UK SRS S1 (general sustainability related financial disclosures) and UK SRS S2 (climate related disclosures) issued by the Department for Business and Trade.
  - Closely based on IFRS S1 and S2.
- **Currently voluntary, mandatory adoption expected**
  - Financial Conduct Authority consultation open on making UK SRS mandatory for listed companies under the Listing Rules.
  - Government expected to consult on extending requirements to large companies via the Companies Act. SMEs in large company supply chains or seeking investment will increasingly face disclosure requests.

# SFDR 2.0: The Case for Stewardship

## ShareAction Policy Briefing (February 2026)

- **Background:**
  - The SFDR was introduced in 2021 to improve transparency and prevent greenwashing in financial products.
  - In November 2025, the European Commission proposed a major revision of the SFDR.
  - New categorization system: Transition, Sustainable and ESG Basics.
- **The Concern**
  - The briefing finds that important stewardship elements have been omitted or reduced across the various requirements under the proposal.
  - ShareAction argues that without mandatory engagement requirements, claims of transition credentials for products would likely be asserted even in the absence of meaningful steps to drive corporate change.
- **ShareAction Recommendations:**
  - Enhance existing stewardship elements and introduce new ones.
  - Restore entity-level stewardship and engagement disclosures.
  - Require engagement strategies for all sustainable product categories.
  - Maintain a limited set of PAI indicators at entity-level.

## Key Issues in the SFDR 2.0 Proposal

### Stewardship made optional

Engagement is framed as optional in the transition category, which is likely to weaken its ability to drive corporate change.

### Entity-level disclosures removed

Removing PAI reporting at entity-level reduces transparency on how applicants address sustainability impacts.

### Greenwashing risk persists

Products may claim sustainability credentials without delivering tangible outcomes.

### Omnibus I compounds the gap

Raised CSRD thresholds reduce sustainability data availability.

# First Major Business and Biodiversity Assessment



- **Scope and significance**

- Approved on 9 February 2026 at the 12th IPBES Plenary in Manchester (UK) by over 150 member governments.
- This is the first global evaluation of business impacts and dependencies on biodiversity.

- **Systemic economic risk**

- The Business and Biodiversity Report identifies biodiversity loss as a systemic risk to the global economy. An estimated \$7.3 trillion per year in financial flows drive biodiversity loss, compared to roughly \$220 billion invested in conservation and restoration.
- Gaps in monitoring, indicators and sector level data limit understanding of business impacts.

- **Action possible**

- The assessment identifies over 100 specific actions to address identified gaps.

## By the Numbers – Key Statistics and Findings from the Report

- \$1.18 trillion-\$130.11 trillion: Growth of the global economy between 1820 and 2022 (in 2011 dollars).
- +100% vs -40%: Average per capita increase in human produced capital since 1992, versus reduction in stocks of natural capital.
- \$7.3 trillion: Global public and private finance flows in 2023 with directly negative impacts on nature, of which private finance accounted for \$4.9 trillion, with public spending on environmentally harmful subsidies of about \$2.4 trillion
- \$220 billion: Global public and private finance flows directed in 2023 to activities contributing to the conservation and restoration of biodiversity.
- <1%: Publicly reporting companies that mention biodiversity impacts in their reports.
- 60%: Share of Indigenous lands globally threatened by industrial development.
- 25%: Share of Indigenous territories under high pressure from resource exploitation.
- At least 8: Number of countries (along with the European Union) in which central banks have analysed their financial institutions' exposure to dependencies on biodiversity.



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