SECR Guide: What businesses need to know

Featuring insights from **David Carlin, Climate Expert**

SWEEP

What you'll learn:

✓ Whether SECR applies to you and what you must report

✓ How to make defensible, audit-ready reporting decisions

✓ How to use SECR data to cut energy waste and costs

✓ How to align SECR with CSRD, UK SRS, and other frameworks

The expert

David Carlin
International expert on the simplified ESRS
Founder of UNEP FI Risk Centre

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Introduction

Streamlined Energy and Carbon Reporting (SECR) is the UK's framework for improving transparency around corporate energy use and carbon emissions.

It helps organisations understand their environmental impact, reduce inefficiencies, and strengthen their overall sustainability performance.

Is SECR mandatory?

Yes. SECR is a mandatory requirement for qualifying UK companies and LLPs. Disclosures must be included within the organisation's annual financial filings, making SECR part of core corporate reporting rather than a standalone exercise.

Who is covered?

SECR applies to:

- UK quoted companies of any size
- Large unquoted companies and LLPs meeting **at least two** of the following criteria:
    - £36m+ annual turnover
    - £18m+ balance sheet total
    - 250+ employees

⊗

Exemptions

Companies consuming **40MWh or less of energy per year** are exempt from detailed reporting.

What are the timelines?

SECR reporting follows a company's financial year. Disclosures are submitted as part of the Directors' Report or equivalent statutory filing, meaning SECR is due at the same time as annual accounts.

What are the requirements?

Companies must report:

- Total UK energy consumption
- Scope 1 and Scope 2 emissions (Scope 3 encouraged)
- At least one emissions intensity metric
- Energy-efficiency actions taken during the reporting year

SECR also aligns with TCFD, CSRD, UK SRS and other frameworks, enabling companies to streamline methodologies and build a consistent foundation for wider sustainability reporting.

O1 Start with a clear plan, not just data collection

Many companies begin SECR by gathering data without defining what the report needs to deliver. This creates unfocused reporting, unnecessary datasets, and diluted insights. Starting with a clear plan helps teams understand which metrics matter and ensures consistency throughout the reporting cycle.

"Define the purpose, structure, and audience of your report upfront. That clarity reduces rework, supports alignment across frameworks, and ensures the data follows the decision, not the other way around."

David Carlin
Founder of the UNEP FI Risk Centre

02 Use SECR as a tool for operational efficiency

When used strategically, SECR becomes a way to uncover energy waste, inefficiencies, and operational risks. The data can highlight where processes or suppliers underperform and where the business may face future exposure to carbon pricing or tariff changes.

By comparing results across sites, teams, and peers, organisations can identify high-impact improvement areas and create more resilient, cost-efficient operations.

Use SECR to identify:

- Inefficient or excessive energy use
- Underperforming suppliers
- Process gaps compared to peers
- Exposure to carbon tariffs and pricing
- Cost-saving opportunities

"Carbon reporting shows you where the leaks are, where the holes are. It provides intelligence on potential future liabilities from carbon pricing and tariffs, and where operational processes need to be reconsidered."

David Carlin
Founder of the UNEP FI Risk Centre
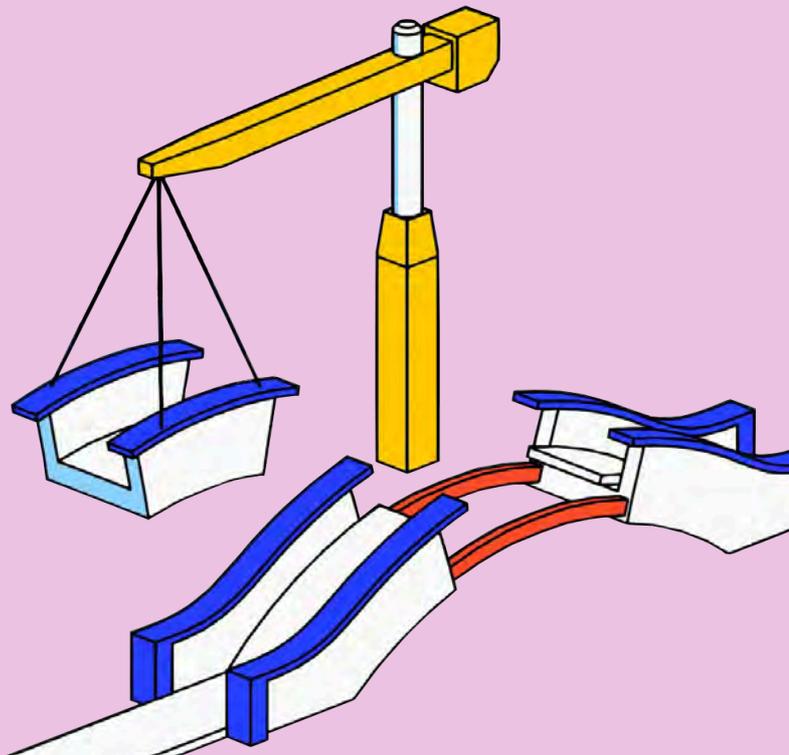
03 Establish strong governance with executive leadership

SECR reporting is most effective when leaders champion it. Executive involvement provides accountability, sets expectations, and ensures teams have the resources and clarity needed to deliver quality reporting. Governance also depends on incentives and capability: teams need both direction and skills to act confidently.

Consistent communication and cross-functional coordination help embed SECR into core business processes rather than treating it as an annual exercise.

"Success always comes from having an executive champion who is really accountable. That's how resources are opened up and how this is communicated across the firm. Incentives drive behaviour for individuals and companies alike."

David Carlin
Founder of the UNEP FI Risk Centre

04 Leverage interoperability across reporting frameworks

SECR overlaps with several major reporting frameworks, meaning companies can build one strong foundation that supports multiple compliance obligations. Aligning methodologies reduces duplication, strengthens accuracy, and helps organisations prepare for upcoming regulations such as the UK SRS.

Using consistent emissions calculations, data structures, and governance systems also simplifies audits and drives efficiency across all sustainability disclosures.

SECR aligns with:

GRI   **CSRD**   **ISSB**   **CDP**

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
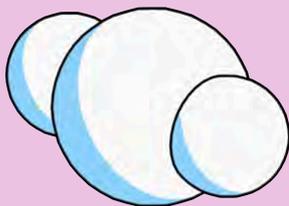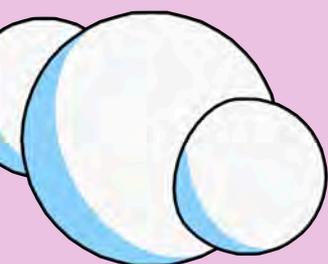
UK Sustainability Reporting Standards (SRS)

"It's increasingly important to align on calculation methods and interoperability. You may have subtle differences, but the key distinction is between elements that are really emission specific."

David Carlin
Founder of the UNEP FI Risk Centre

05 Focus on reducing uncertainty, not just expanding coverage

Adding more data isn't always beneficial. High-quality, lower-uncertainty data is more valuable than broad coverage built on outdated assumptions. Organisations should focus on improving the reliability of existing estimates and refining methodologies for major emission sources.

Reducing uncertainty strengthens both decision-making and stakeholder confidence, creating a more credible and actionable SECR report.

"Understanding how to make estimates better and reducing sources of uncertainty can be just as valuable as improving overall coverage. It's amazing how stale some of that can get if you don't look back at it."

David Carlin
Founder of the UNEP FI Risk Centre

How Sweep can help:

Sweep helps organisations turn SECR reporting from a compliance exercise into operational intelligence.

Our platform centralises your energy and emissions data, automates workflows, and transforms raw numbers into audit-ready insights you can use to drive efficiency and meet multiple reporting requirements without rebuilding your approach for each framework.

With Sweep, you can:

Report with confidence

Complete your SECR carbon footprint with audit-grade data quality, full traceability, and embedded calculation methodologies

Turn compliance into intelligence

Identify energy waste, operational inefficiencies, and cost-saving opportunities across sites and suppliers with AI-powered analysis

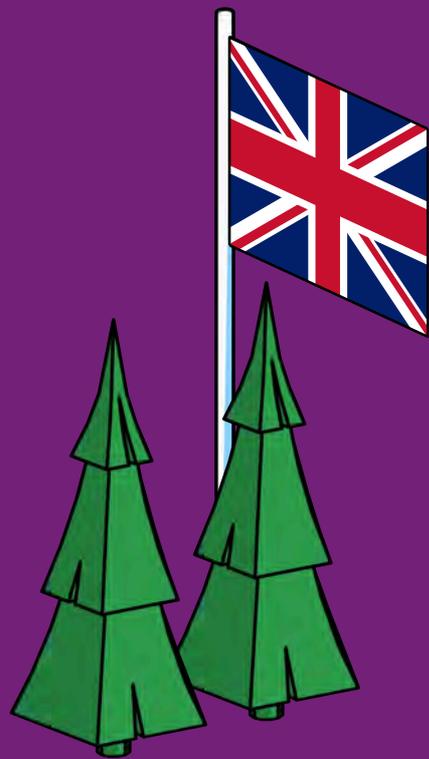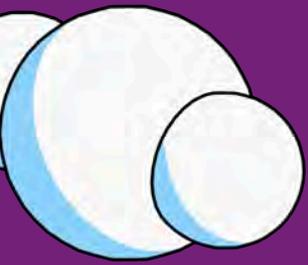### Future-proof your foundation

Align SECR with UK SRS, CSRD, ISSB, and other frameworks using one trusted dataset that adapts as requirements evolve

Strengthen assurance readiness

Build credibility through complete audit trails and third-party verification support

Book a demo →

SWEEP

The leading sustainability data management platform.
sweep.net

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