The Rt Hon Andy Burnham
The Prime Minister
10 Downing Street
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5th November 2026

Delivering mandatory climate transition plans: a manifesto commitment, a growth opportunity and a climate necessity

We are a group of business, finance and civil society organisations writing to urge your government to respond to the consultation on transition plans and accelerate delivery of mandatory climate transition plans for UK companies and financial institutions.

Labour's 2024 manifesto committed to require UK-regulated financial institutions and FTSE 100 companies to develop and implement credible transition plans. However, the government is yet to respond to the Department for Energy Security and Net Zero's consultation, which closed more than a year ago on 17 September 2025. We call on the government to fast track their response and set out a timeline for a mandatory requirement for all large and listed companies to develop and disclose transition plans.

Mandatory transition plans would ensure that British businesses remain resilient and competitive over the long term. Developing and disclosing a credible transition plan encourages businesses to identify and manage the financial risks associated with climate change, nature loss and the energy transition, while capitalising on emerging investment opportunities. Business transition plans are critical for delivering and shaping the Carbon Budget Growth and Delivery Plan, which is central to the government's ambition to deliver growth in every postcode and transition to a secure, clean and affordable energy system. Achieving these ambitions will require billions of pounds of private investment. Credible, comparable transition plans are crucial to mobilising this capital effectively.

It is five years since the UK government showed global leadership by committing to mandatory transition plans at COP26 in Glasgow. Around the world, we have seen the benefits of that commitment in driving voluntary action – leading multinationals are developing and disclosing transition plans, drawing on the UK's world-leading Transition Plan Taskforce Framework. 70% of FTSE100 firms are disclosing some form of plan[i] while 86% of UK institutional investors see transition plan disclosure as valuable to their investment decisions.[ii] Recent research indicates transition plans can reduce the cost of borrowing for business[iii].

We have also seen the limitations of this voluntary approach. While many firms are disclosing relevant information, it does not cover all significant firms and the information disclosed is not consistent. 79% of OECD financial institutions say a lack of transition plan information stops them allocating capital in line with their own climate goals.[iv] Consistent availability, credibility and comparability of plans is necessary to realise market-wide benefits. The continued delay risks leaving firms and investors in limbo, undermining confidence and delaying investment decisions. The FCA's recent decision to require listed companies to disclose whether they have published a

transition plan, without requiring them to produce one, is insufficient as it does little to ensure companies are adequately identifying and managing climate risks and opportunities.

Internationally, competitor jurisdictions such as EU, Japan and Singapore are moving ahead, many with mandatory rules on transition plans.[v] Failing to deliver on its manifesto pledge would damage the government's credibility on green and transition finance and limit its ambition for the UK to be a world-leading green financial centre.

We urge you to honour the manifesto commitment, provide certainty for businesses and confirm a timeline for a mandatory climate transition plan requirement at COP31. Mandatory climate transition plans can boost investment and competitiveness and cut emissions. Now is the time for action.

Yours sincerely,

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Shruti Suresh, Director of Campaigns, **Global Witness**

[i] DESNZ, 2025, Transition plan requirements: implementation routes
[ii] E3G, 2025, Investors to UK – help us invest for growth by managing climate risks
[iii] ITPN, 2026, The Debt Discount
[iv] OECD, 2022, OECD Guidance on Transition Finance: Ensuring Credibility of Corporate Climate Transition Plans
[v] ITPN, 2026, Global Progress at a Glance