

21 October 2026



# **Consultation on FCA Technical Notes in relation to sustainability disclosure requirements**

Response from ICAS

# Consultation on Technical Note 803.1 and proposals for related Technical Notes

## ICAS responds to Financial Conduct Authority (FCA) consultation request in Primary Market Bulletin 66

Please accept the undernoted as being comments from The Institute of Chartered Accountants of Scotland (ICAS) on the FCA's proposed amendments to the stated Technical Notes, as requested per Primary Market Bulletin 66 | FCA.

### UK SRS sustainability disclosures for listed companies – Primary Market/TN/803.1

- Page 2 – It is out of step with typical phraseology, for example by BIST and ISSB, and potentially confusing to state “*These standards [UK SRS S1 and S2] are focused exclusively on disclosure of financially material information.*” “exclusively” is not used in the UK SRS; instead the standards use principles which do not preclude any disclosures. For example, UK SRS S1 includes a requirement in B26:

*“An entity shall disclose additional information when compliance with the specifically applicable requirements in a UK Sustainability Reporting Standard is insufficient to enable users of general purpose financial reports to understand the effects of sustainability-related risks and opportunities on the entity’s cash flows, its access to finance and cost of capital over the short, medium and long term.”*

which therefore allows report preparers to include additional information like impact disclosures, where they believe excluding such information is insufficient.

- Page 8 – we suggest the undernoted amendments in red, improve the accuracy of the language and make it consistent with other announcements:

*“Issuers are reminded that the UK Government published **and endorsed for voluntary use** the UK Sustainability Reporting Standards (UK SRS) in February 2026. UK SRS are **closely based** ~~is based~~ on the International Sustainability Standards Board (ISSB) Standards which were published in 2023 and consolidate existing reporting frameworks, including the TCFD frameworks, into a global standard...”*

- Page 8 – we suggest it is better not to refer to TCFD Recommendations since the TCFD was “disbanded” in 2023 (refer Task Force on Climate-Related Financial Disclosures | TCFD) so its recommendations will not evolve and the website is not being maintained. IFRS S2 and UK SRS S2 largely encompass TCFD. These standards will be maintained on an ongoing basis and it is likely that supporting material will be developed to support their application. Reference to IFRS is appropriate since “**IFRS Foundation** [took] over the monitoring of the progress of companies’ climate-related disclosures.” and produce an annual report and analysis of climate disclosures which may support robust application of UK SRS S2, The latest version of this report is: Progress on Corporate Climate-related Disclosures—2024 Report.
- Throughout, we recommend that where possible UK SRS is quoted over or first in addition to IFRS S as being a source for more help. It is more logical and practical to promote the jurisdiction-specific version of the global baseline, so that any UK market nuances are implemented from the very first application of the UK SRS.

#### **Disclosures in relation to sustainability matters, including climate change – Primary Market/TN/801.4**

- We note and fully support the general sentiment built in this TN, whereby it may be appropriate for issuers to provide impact disclosures, by the TN or with reference to other sources like UKLR. To give examples:
  - Page 6 “In addition, UKLR 10.3.1R (3) requires every such circular to “*contain all information necessary to allow the security holders to make a properly informed decision*” if voting or other action is required. In both cases, this may include in relation to sustainability matters”
  - Page 10 “*Sustainability-related information may be either financial or operational information depending on the nature of the information.*”
  - Page 11 “*Risk factors should be...material for making an informed investment decision*”
  - Page 14 “DIR 1A.3.2R requires an issuer to “*take reasonable care to ensure that any information it notifies to a RIS or makes available through the FCA is not misleading, false or deceptive and does not omit anything likely to affect the import of the information.*” This may include in relation to sustainability matters.

This is in-line with ICAS’ belief and publicly-stated sustainability policy position number 1 that reporting both financial and impact matters makes for better sustainability disclosures which serves the needs of more report users, including the heterogenous nature of investors, a key stakeholder for issuers. (It also underscores how it is inappropriate to use “exclusively” in TN 803.1, per the comment in the first bullet above.)

#### **TCFD aligned climate-related disclosure requirements for listed companies – Primary Market/TN/802.3**

- We agree with the plan to withdraw and delete this TN.
- Transition from this to the new disclosure regime should clearly explained and communicated etc.

For more information about ICAS, go to About us - ICAS.



CA House, 21 Haymarket Yards, Edinburgh, UK, EH12 5BH  
+44 (0) 131 347 0100  
[connect@icas.com](mailto:connect@icas.com)  
[icas.com](http://icas.com)