

UK Government publishes framework for implementing ISSB Standards

AT A GLANCE

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What's new?

- On 2 August 2023, the Government [published](#) information on its framework for creating UK Sustainability Disclosure Standards (UK SDS) based on the ISSB Standards.
- The standards will be assessed on a technical basis by the new Technical Advisory Committee (TAC) and the Policy Implementation Committee (PIC) will analyse the interactions between the ISSB Standards and UK regulation.

What does this mean?

- In its [updated Green Finance Strategy](#), issued in March 2023, the Government committed to publishing its framework for assessing the ISSB Standards and creating UK Sustainability Disclosure Standards (UK SDS) based on the ISSB Standards within 12 months of the Standards being issued. The UK SDS will then be implemented as part of the corporate component of the Sustainability Disclosure Requirements (SDR) regime.
- On 2 August, the Government confirmed that it will make endorsement decisions on the first two Standards by July 2024 and [published](#) information on the new Technical Advisory Committee (TAC) and Policy Implementation Committee (PIC), established to assess the ISSB Standards.
- The TAC, which launched a [call for evidence](#) on 19 July 2023, will perform a technical assessment and provide independent recommendations on endorsement. The PIC, made up of UK Government departments and regulators, will analyse interactions between the ISSB Standards and existing UK regulation. If the Business and Trade Secretary endorses the Standards, the PIC will coordinate the implementation of UK SDS by the UK Government and FCA.

What do firms need to do?

- UK SDR will draw heavily from the ISSB Standards. Until formal requirements are introduced, businesses likely to be in scope of UK SDR, i.e. listed companies and UK-registered companies, should get on the front foot by considering how to implement the [first two ISSB Standards](#). Businesses should also consider signing up to receive email alerts on the UK SDS, which can be done [here](#).
- Additionally, businesses may wish to consider responding to the TAC call for evidence to ensure that their views are represented in the technical assessment and recommendations. The TAC call for evidence closes on 11 October 2023.
- Taking these steps will place your business in a strong position to quickly align with formal regulatory requirements when they are introduced, and will position you to take advantage of opportunities for value creation presented by the drive towards a more sustainable economy.

Next steps

The Government has [committed](#) to publishing more detail on the implementation of UK SDR in summer 2023.

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