

# Chapter 14

## Standard listing (shares)

## 14.3 Continuing obligations

### Admission to trading

- 14.3.1 **R** Other than in regard to *securities* to which **LR 4** applies, the *listed equity shares* of a *company* must be admitted to trading on a *regulated market* for *listed securities*.

### Shares in public hands

- 14.3.2 **R** (1) A *company* must comply with **LR 14.2.2 R** at all times.
- (2) A *company* that no longer complies with **LR 14.2.2 R** must notify the *FCA* as soon as possible of its non-compliance.

- 14.3.2A **G** [deleted]

- 14.3.3 **G** A *company* should consider **LR 5.2.2G (2)** in relation to its compliance with **LR 14.2.2 R**.

### Further issues

- 14.3.4 **R** Where *shares* of the same *class* as *shares* that are *listed* are allotted, an application for *admission to listing* of such *shares* must be made as soon as possible and in any event within one year of the allotment. [**Note:** Article 64 *CARD*]

- 14.3.5 **R** [deleted]

### Copies of documents

- 14.3.6 **R** A *company* must forward to the *FCA*, for publication, by uploading to the *national storage mechanism*, a copy of:
- (1) all *circulars*, notices, reports or other documents to which the *listing rules* apply, at the same time as any such documents are issued; and
  - (2) all resolutions passed by the *company* other than resolutions concerning ordinary business at an annual general meeting, as soon as possible after the relevant general meeting.

- 14.3.7 **R** (1) A *company* must notify a *RIS* as soon as possible when a document has been forwarded to the *FCA* under ■ LR 14.3.6 R unless the full text of the document is provided to the *RIS*.
- (2) A notification made under (1) must set out where copies of the relevant document can be obtained.

### Contact details

- 14.3.8 **R** A *company* must ensure that the *FCA* is provided with up to date contact details of appropriate *persons* nominated by it to act as the first point of contact with the *FCA* in relation to the *company's* compliance with the *listing rules* and the *disclosure requirements* and *transparency rules*, as applicable.

### Temporary documents of title (including renounceable documents)

- 14.3.9 **R** A *company* must ensure that any temporary document of title (other than one issued in global form) for a *share*:
- (1) is serially numbered;
  - (2) states where applicable:
    - (a) the name and address of the first holder and names of joint holders (if any);
    - (b) the pro rata entitlement;
    - (c) the last date on which transfers were or will be accepted for registration for participation in the issue;
    - (d) how the *shares* rank for dividend or interest;
    - (e) the nature of the document of title and proposed date of issue;
    - (f) how fractions (if any) are to be treated; and
    - (g) for a *rights issue*, the time, being not less than 10 *business days* calculated in accordance with ■ LR 9.5.6 R, in which the offer may be accepted, and how *shares* not taken up will be dealt with; and
  - (3) if renounceable:
    - (a) states in a heading that the document is of value and negotiable;
    - (b) advises holders of *shares* who are in any doubt as to what action to take to consult appropriate independent advisers immediately;
    - (c) states that where all of the *shares* have been sold by the addressee (other than ex rights or ex capitalisation), the document should be passed to the person through whom the sale was effected for transmission to the purchaser;
    - (d) has the form of renunciation and the registration instructions printed on the back of, or attached to, the document;
    - (e) includes provision for splitting (without fee) and for split documents to be certified by an official of the *company* or authorised agent;
    - (f) provides for the last day for renunciation to be the second *business day* after the last day for splitting; and

- (g) if at the same time as an allotment is made of *shares* issued for cash, *shares* of the same *class* are also allotted credited as fully paid to vendors or others, provides for the period for renunciation to be the same as, but no longer than, that provided for in the case of *shares* issued for cash.

### Definitive documents of title

14.3.10

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A *company* must ensure that any definitive document of title for a *share* (other than a bearer *security*) includes the following matters on its face (or on the reverse in the case of (5) and (7)):

- (1) the authority under which the *company* is constituted and the country of incorporation and registered number (if any);
- (2) the number or amount of *shares* the certificate represents and, if applicable, the number and denomination of units (in the top right-hand corner);
- (3) a footnote stating that no transfer of the *share* or any portion of it represented by the certificate can be registered without production of the certificate;
- (4) if applicable, the minimum amount and multiples thereof in which the *share* is transferable;
- (5) the date of the certificate;
- (6) for a fixed income *security*, the interest payable and the interest payment dates and on the reverse (with reference shown on the face) an easily legible summary of the rights as to redemption or repayment and (where applicable) conversion; and
- (7) for *shares* with preferential rights, on the face (or, if not practicable, on the reverse), a statement of the conditions thereof as to capital, dividends and (where applicable) conversion.

### Disclosure Requirements and Transparency Rules

14.3.11

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A *company* whose *shares* are admitted to trading on a *regulated market*, should consider its obligations under the *disclosure requirements* and *transparency rules*.

### Disclosure of rights attached to shares

14.3.11A

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Unless exempted in ■ LR 14.3.11DR, a *company* must:

- (1) forward to the *FCA* for publication a copy of one or more of the following:
  - (a) the approved *prospectus* or *listing particulars* for its *listed shares*;
  - (b) the relevant agreement or document setting out the terms and conditions on which its *listed shares* were issued; or
  - (c) a document describing:
    - (i) the rights attached to its *listed shares*;

- (ii) limitations on such rights; and
    - (iii) the procedure for the exercise of such rights, produced in accordance with the relevant Annex of the *Prospectus Regulation* that would have applied had the *company* been required to produce a *prospectus* for those *listed shares*; and
  - (2) if the information in relation to the rights attached to its *listed shares* set out in the document previously forwarded in accordance with (1) is no longer accurate, forward to the *FCA* for publication a copy of either of the following:
    - (a) a new document in accordance with (1); or
    - (b) a document describing or setting out the changes which have occurred in relation to the rights attached to the *company's listed shares*.
- 14.3.11B** **R** The documents in **LR 14.3.11AR** must be forwarded to the *FCA* for publication by uploading them to the *national storage mechanism*.
- 14.3.11C** **G** The purpose of **LR 14.3.11AR** is to require *companies* to maintain publicly available information in relation to the rights attached to their *listed shares* so that investors can access such information.
- 14.3.11D** **R** A *company* is exempt from **LR 14.3.11AR** where:
- (1) it has previously forwarded to the *FCA* for publication, or otherwise filed with the *FCA*, a document specified in **LR 14.3.11AR(1)**;
  - (2) if the information in relation to the rights attached to its *listed shares* set out in the document previously forwarded or filed in accordance with (1) is no longer accurate, it has forwarded to the *FCA* for publication, or otherwise filed with the *FCA*, a copy of either of the following:
    - (a) one of the documents specified in **LR 14.3.11AR(1)**; or
    - (b) a document describing or setting out the changes which have occurred in relation to the rights attached to the *company's listed shares*; and
  - (3) the documents in (1) and (2) have been forwarded to the *FCA* for publication, or otherwise filed with the *FCA*, by:
    - (a) forwarding them for publication on a location previously identified on the *FCA* website where the public can inspect documents referred to in the *listing rules* as being documents to be made available at the document viewing facility; or
    - (b) uploading them to the *national storage mechanism*.
- 14.3.12** **R** [deleted]
- 14.3.13** **G** [deleted]

14.3.14 **R** [deleted]

### Registrar

14.3.15 **R** (1) [deleted]

(2) An *overseas company* must appoint a registrar in the *United Kingdom* if:

- (a) there are 200 or more holders resident in the *United Kingdom*; or
- (b) 10% of more of the *shares* are held by *persons* resident in the *United Kingdom*.

14.3.15A **G** [deleted]

14.3.16 **G** [deleted]

### Notifications relating to capital

14.3.17 **R** A *company* must notify a *RIS* as soon as possible (unless otherwise indicated in this *rule*) of the following information relating to its capital:

- (1) any proposed change in its capital structure including the structure of its *listed debt securities*, save that an announcement of a new issue may be delayed while marketing or underwriting is in progress;
- (2) [deleted]
- (3) any redemption of *listed shares* including details of the number of *shares* redeemed and the number of *shares* of that *class* outstanding following the redemption;
- (4) [deleted]
- (5) any extension of time granted for the currency of temporary documents of title;
- (6) [deleted]
- (7) the results of any new issue of *listed equity securities* or of a public offering of existing *shares* or other *equity securities*.

14.3.18 **R** Where the *shares* are subject to an underwriting agreement a *company* may, at its discretion and subject to the *disclosure requirements* and contents of **DTR 2** delay notifying a *RIS* as required by **LR 14.3.17R (7)** for up to two *business days* until the obligation by the underwriter to take or procure others to take *shares* is finally determined or lapses. In the case of an issue or offer of *shares* which is not underwritten, notification of the result must be made as soon as it is known.

14.3.19 **R** [deleted]

14.3.20 **R** [deleted]

14.3.21 **R** [deleted]

### Compliance with the transparency rules and corporate governance rules

14.3.22 **G** A *company*, whose *securities* are admitted to trading on a *regulated market*, should consider its obligations under **■ DTR 4** (Periodic financial reporting), **■ DTR 5** (Vote holder and issuer notification rules) and **■ DTR 6** (Access to information).

14.3.23 **R** A *listed company* that is not already required to comply with the *transparency rules* must comply with **■ DTR 4**, **■ DTR 5** and **■ DTR 6** as if it were an *issuer* for the purposes of the *transparency rules*.

14.3.24 **R** A *listed company* that is not already required to comply with **■ DTR 7.2** (Corporate governance statements) must comply with **■ DTR 7.2** as if it were an *issuer* to which that section applies.

14.3.25 **R** A *company* with a *standard listing* of *equity shares* (other than an *open-ended investment company*) that is not already required to comply with **■ DTR 7.3** (Related party transactions) must comply with **■ DTR 7.3** as if it were an *issuer* to which **■ DTR 7.3** applies, subject to the modifications set out in **■ LR 14.3.26R**.

14.3.26 **R** For the purposes of **■ LR 14.3.25R**, **■ DTR 7.3** is modified as follows:

- (1) **■ DTR 7.3.2R** must be read as if the words “has the meaning in *UK-adopted IFRS*” are replaced by:
 

“has the meaning:

  - (a) in *UK-adopted IFRS*; or
  - (b) where the *listed company* prepares annual consolidated financial statements in accordance with accounting standards which have been determined to be equivalent to *UK-adopted IFRS* and which are set out in the *TD Equivalence Decision*,
    - (i) in *UK-adopted IFRS*, or
    - (ii) in the equivalent accounting standards in accordance with which its annual consolidated financial statements are prepared;

at the choice of the *listed company*.”
- (2) **■ DTR 7.3.8R(2)** and **■ (3)** do not apply;
- (3) **■ DTR 7.3.9R** must be read as follows:
  - (a) as if the words “after obtaining board approval” are replaced by “after publishing an announcement in accordance with **■ DTR 7.3.8R(1)**”; and

(b) the reference to ■ DTR 7.3.8R must be read as a reference to ■ DTR 7.3.8R as modified by ■ LR 14.3.26R(2); and

(4) in ■ DTR 7.3.13R the references to ■ DTR 7.3.8R must be read as references to ■ DTR 7.3.8R as modified by ■ LR 14.3.26R(2).

### Information to be included in annual report and accounts

14.3.27

**R**

In addition to the requirements set out in ■ DTR 4.1, a *listed company* (other than an *investment entity* or a *shell company*) must include a statement in its annual financial report setting out:

- (1) whether the *listed company* has included in its annual financial report climate-related financial disclosures consistent with the *TCFD Recommendations and Recommended Disclosures*;
- (2) in cases where the *listed company* has:
  - (a) made climate-related financial disclosures consistent with the *TCFD Recommendations and Recommended Disclosures*, but has included some or all of these disclosures in a document other than the annual financial report:
    - (i) the recommendations and/or recommended disclosures for which it has included disclosures in that other document;
    - (ii) a description of that document and where it can be found; and
    - (iii) the reasons for including the relevant disclosures in that document and not in the annual financial report;
  - (b) not included climate-related financial disclosures consistent with all of the *TCFD Recommendations and Recommended Disclosures* in either its annual financial report or other document as referred to in (a):
    - (i) the recommendations and/or recommended disclosures for which it has not included such disclosures;
    - (ii) the reasons for not including such disclosures; and
    - (iii) any steps it is taking or plans to take in order to be able to make those disclosures in the future, and the timeframe within which it expects to be able to make those disclosures; and
- (3) where in its annual financial report or (where appropriate) other document the climate-related financial disclosures referred to in (1) can be found.

14.3.28

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For the purposes of ■ LR 14.3.27R, in determining whether climate-related financial disclosures are consistent with the *TCFD Recommendations and Recommended Disclosures*, a *listed company* should undertake a detailed assessment of those disclosures which takes into account:

- (1) Section C of the *TCFD Annex* entitled "Guidance for All Sectors";
- (2) (where appropriate) Section D of the *TCFD Annex* entitled "Supplemental Guidance for the Financial Sector"; and



- (3) (where appropriate) Section E of the *TCFD Annex* entitled “Supplemental Guidance for Non-Financial Groups”.

**14.3.29** **G** For the purposes of **LR 14.3.27R**, in determining whether a *listed company's* climate-related financial disclosures are consistent with the *TCFD Recommendations and Recommended Disclosures*, the *FCA* considers that the following documents are relevant:

- (1) the *TCFD Final Report* and the *TCFD Annex*, to the extent not already referred to in **LR 14.3.27R** and **LR 14.3.28G**;
- (2) the *TCFD Technical Supplement on the Use of Scenario Analysis*;
- (3) the *TCFD Guidance on Risk Management Integration and Disclosure*;
- (4) (where appropriate) the *TCFD Guidance on Scenario Analysis for Non-Financial Companies*; and
- (5) the *TCFD Guidance on Metrics, Targets and Transition Plans*.

**14.3.30** **G** For the purposes of **LR 14.3.27R**, in determining whether climate-related financial disclosures are consistent with the *TCFD Recommendations and Recommended Disclosures*, a *listed company* should consider whether those disclosures provide sufficient detail to enable users to assess the *listed company's* exposure to and approach to addressing climate-related issues.

A *listed company* should carry out its own assessment to ascertain the appropriate level of detail to be included in its climate-related financial disclosures, taking into account factors such as:

- (1) the level of its exposure to climate-related risks and opportunities; and
- (2) the scope and objectives of its climate-related strategy,

noting that these factors may relate to the nature, size and complexity of the *listed company's* business.

**14.3.31** **G**

- (1) For the purposes of **LR 14.3.27R**, the *FCA* would ordinarily expect a *listed company* to be able to make climate-related financial disclosures consistent with the *TCFD Recommendations and Recommended Disclosures*, except where it faces transitional challenges in obtaining relevant data or embedding relevant modelling or analytical capabilities.
- (2) In particular, the *FCA* would expect that a *listed company* should ordinarily be able to make disclosures consistent with:
  - (a) the recommendation and recommended disclosures on governance in the *TCFD Recommendations and Recommended Disclosures*;
  - (b) the recommendation and recommended disclosures on risk management in the *TCFD Recommendations and Recommended Disclosures*; and

- (c) recommended disclosures (a) and (b) set out under the recommendation on strategy in the *TCFD Recommendations and Recommended Disclosures*, to the extent that the *listed company* does not face the transitional challenges referred to in (1) in relation to such disclosures.

## 14.3.32

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Where making disclosures on transition plans as part of its disclosures on strategy under the *TCFD Recommendations and Recommended Disclosures*, a *listed company* that is headquartered in, or operates in, a country that has made a commitment to a net zero economy, such as the UK's commitment in the Climate Change Act 2008 (2050 Target Amendment) Order 2019, is encouraged to assess the extent to which it has considered that commitment in developing and disclosing its transition plan. Where it has not considered this commitment in developing and disclosing its transition plan, the FCA encourages a *listed company* to explain why it has not done so.

## 14.3.33

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In addition to the requirements set out in ■ DTR 4.1, a *company* with a *standard listing of equity shares* (other than an *open-ended investment company* or *shell company*) must include in its annual financial report:

- (1) a statement setting out:
- (a) whether the *listed company* has met the following targets on board diversity as at a chosen reference date within its accounting period:
    - (i) at least 40% of the individuals on its board of *directors* are women;
    - (ii) at least one of the following senior positions on its board of *directors* is held by a woman:
      - (A) the chair;
      - (B) the chief executive;
      - (C) the senior independent director; or
      - (D) the chief financial officer; and
    - (iii) at least one individual on its board of *directors* is from a *minority ethnic background*;
  - (b) in cases where the *listed company* has not met all of the targets in (a):
    - (i) the targets it has not met; and
    - (ii) the reasons for not meeting those targets;
  - (c) the *reference date* used for the purposes of (a) and, where this is different from the *reference date* used for the purposes of reporting this information in respect of the previous accounting period, an explanation as to why; and
  - (d) any changes to the board that have occurred between the reference date used for the purposes of (a) and the date on which the annual financial report is approved that have affected the *listed company's* ability to meet one or more of the targets in (a);

- (2) subject to ■ LR 14.3.34R, numerical data on the ethnic background and the gender identity or sex of the individuals on the *listed company's* board and in its *executive management* as at the *reference date* used for the purposes of ■ LR 14.3.33 R(1)(a), which should be set out in the format of the tables contained in ■ LR 14 Annex 1 and contain the information prescribed by those tables; and
- (3) an explanation of the *listed company's* approach to collecting the data used for the purposes of making the disclosures in ■ LR 14.3.33 R(1) and ■ (2).

**14.3.34** **R** In relation to ■ LR 14.3.33 R(2), where individuals on a *listed company's* board or in its *executive management* are situated *overseas*, and data protection laws in that jurisdiction prevent the collection or publication of some or all of the personal data required to be disclosed under that provision, then a *listed company* may instead explain the extent to which it is unable to make the relevant disclosures.

**14.3.35** **G** Given the range of possible approaches to data collection for reporting on gender identity or sex for the purposes of ■ LR 14.3.33R(2), a *listed company* may add to the categories included in the first column of the table in ■ LR 14 Annex 1.1R(a) in order to reflect the basis on which it has collected data.

**14.3.36** **G** In relation to ■ LR 14.3.33R(3), the *FCA* expects a *listed company's* approach to data collection to be:

- (a) consistent for the purposes of reporting under both ■ LR 14.3.33R(1) and ■ (2), and
- (b) consistent across all individuals in relation to whom data is being reported.

The *FCA* expects the explanation of a *listed company's* approach to data collection to include the method of collection and / or source of the data, and where data collection is done on the basis of self-reporting by the individuals concerned, a description of the questions asked.

**14.3.37** **G** In addition to the information required under ■ LR 14.3.33R(1) to ■ (3) (and without prejudice to the requirements of ■ DTR 7.2.8AR), a *listed company* may, if it wishes to do so, include the following in its annual financial report:

- (a) a brief summary of any key policies, procedures and processes, and any wider context, that it considers contribute to improving the diversity of its board and *executive management*;
- (b) any mitigating factors or circumstances which make achieving diversity on its board more challenging (for example, the size of the board or the country where its main operations are located); and
- (c) any risks it foresees in being able to meet or continue to meet the board diversity targets in ■ LR 14.3.33R(1)(a) in the next accounting period, or any plans to improve the diversity of its board.

**14.3.38** **R** When making a statement required by ■ LR 14.3.33R(1) in its annual financial report, a *closed-ended investment fund* need not set out the following matters if they are inapplicable to the *closed-ended investment fund* and its statement sets out the reasons why those matters are inapplicable:

- (1) whether the *closed-ended investment fund* has met the board diversity target in ■ LR 14.3.33R(1)(a)(ii); and
- (2) matters set out in ■ LR 14.3.33R(1)(b) to the extent that they relate to the board diversity target in ■ LR 14.3.33R(1)(a)(ii).

**14.3.39** **R** When including numerical data required by ■ LR 14.3.33R(2) in its annual financial report, a *closed-ended investment fund* need not include the fields in the first row of each of the tables in ■ LR 14 Annex 1, and the corresponding data for those fields, that are inapplicable to the *closed-ended investment fund*, if it sets out in a statement accompanying the numerical data the reasons why those fields are inapplicable.