Minutes

Meeting:	FCA Board
Date of Meeting:	25 June 2026
Start time:	10:00
Venue:	Meeting held in Boardroom and via Microsoft Teams

Members Present:	Ashley Alder (Chair) Anita Kimber Bryan Zhang John Ball Julia Black Nikhil Rathi Sam Woods Sophie Hutcherson Stéphane Malrait
In attendance:	Set out in Annex A
Presenters:	Set out in Annex A
Apologies:	None

1 Declarations of Interest

Declarations of Interest

1.1 The meeting noted there was a quorum present and proceeded to business.

1.2 No interests were declared in the items to be discussed.

2 FCA Chair & CEO Report

Chair

2.1 The Board noted the update from the Chair on activity since the previous Board meeting, including:

i. Welcoming Johan Sekora as the new Chief Operating Officer (COO).

ii. A meeting with the Economic Secretary to the Treasury (EST), which included discussion on financial crime, critical third parties and the importance of coordination between Treasury and the FCA on policy development.

iii. Recommendations to enhance the Wider Implications Framework, which comprises of the FCA, Financial Ombudsman Service (FOS), Financial Services Compensation Scheme (FSCS), Pensions Regulator (TTR) and the Money and Pensions Service (MaPs).

2.2 Feedback from Chairs of the Statutory Panels on the positive engagement with FCA teams presenting and noted that policy initiatives are being presented to the Panels at a suitably early stage in their development.

CEO Report to the Board and the Quarterly Performance Report

2.3 The CEO of the FCA briefed the Board on several topical issues, including:

i. Welcoming Siobhán Sheridan as a permanent member of the Executive Leadership Team.

ii. Concerns regarding the drafting of the Financial Services and Markets Bill in relation to Financial Ombudsman Service (FOS) referral mechanisms, noting that the use of ‘must’ may create operational challenges and has potential implications for the independence of the FOS. The Board noted that this issue is likely to be raised at the next Treasury Select Committee hearing, and that the FCA’s position on the Bill may have been different had this drafting been clear at an earlier stage.

iii. An update on the high court ruling of (Barclays Bank UK Plc & Others) v Financial Ombudsman Service noting that the court had upheld the banks’ position in line with our submissions and quashed the Financial Ombudsman Service’s jurisdiction decisions. The FCA had intervened to assist the court on interpretation of its rules.

iv. An update that the first designations of Critical Third Parties are expected in July.

v. Ongoing discussion regarding the extent to which a more system-wide approach may be required as financial services continue to evolve, and how existing powers, including those outside the FSMA framework, can support the delivery of regulatory outcomes.

vi. Reflections from the Chief Operating Officer following his initial weeks in post, including early observations on organisational priorities and operational delivery

Quarterly Performance Report

2.4 The Board reviewed strategic updates on progress against the strategy, as well as consideration of the current utilisation of the financial budget, along with regulatory, operational, and change-portfolio performance metrics.

3 Strategic Discussion

The Mills Review

3.1 The Board received a paper setting out the key findings of the Mills Review Report, which considers how advances in artificial intelligence (AI) could transform retail financial services and the potential implications for the FCA's regulatory approach. The Board noted that the Review highlights the likelihood of a system-wide shift in the use of AI, presenting both opportunities and risks.

i. The Board **noted** the draft Mills Review Report and acknowledged the importance and value of the analysis and recommendations presented. The Board agreed that further reflection would be required, with the Executive and Board to consider the recommendations in more detail at future meetings prior to determining next steps.

ii. The Board **noted** the Mills Review Report would be published on 6 July.

iii. The Chair thanked Sheldon Mills, Executive Director, for his leadership of the Review and his wider contribution to the FCA, noting that this was his final Board meeting ahead of his departure.

Mills Review: Considerations for Board Response

3.2 The Board received a paper setting out considerations for its response to the recommendations of the Mills Review, including the proposed approach to a public statement and the need to consider the recommendations alongside wider related initiatives. The Board noted that the recommendations are directed to the FCA Board and are due to be published on 6 July, and that an initial high-level response at the point of publication would support clarity for stakeholders.

i. The Board agreed the proposed next steps following publication of the report, including that the Executive should undertake further detailed consideration of the recommendations and wider considerations over the summer, and return to the Board to agree how these should be taken forward.

ii. The Board discussed the FCA's initial public response to the Mills Review and agreed that the final wording of the response would be approved by the FCA Chair and Chief Executive.

4 Decisions of the Board

FCA's Response to the Complaints Commissioners Annual Report

4.1 The Board received a paper outlining the key messages from the Complaints Commissioner's (CC) Annual Report and the FCA's response. The Chair of Audit Co updated the Board on the discussion with the OCC at the last Audit Co when she presented her report to the Committee.

i. The Board **approved** the FCA's response to the CC's Annual Report 2025/26, which would be laid in Parliament in July.

4.2 The Board **noted** the Audit Committees decision to maintain the current levels of non-financial loss in the Complaints Scheme.

Risk Appetite for FCA Own Risks

4.3 The Board received a paper providing proposed risk appetite positions from the first line of defence, across the Own Risk Taxonomy using the FCA's recently revised Risk Appetite Framework. The proposed risk appetites had been discussed and challenged at BRC.

i. The Board **confirmed** the proposed Principal Risk Appetite positions are being set at an appropriate level and **endorsed** the proposed next steps for operationalising Risk Appetite.

5 Annual Reports

FCA Annual Report and Accounts 2025-2026

5.1 The Board received a paper seeking approval of the FCA's Annual Report and Accounts for 2025/26, including associated publications and webpages.

5.2 The Board noted that, as this was the first year of reporting under the FCA's new Strategy, the Annual Report and Accounts had been presented in a revised format aligned to delivery against the FCA's four strategic priorities.

i. The Board **approved** the FCA Annual Report and Accounts 2025/26.

ii. The Board **approved** the Outcomes and Metrics 2025/26 webpage and the Operating Service Metrics and Enforcement Data 2025/26 webpage, which formed part of the annual report package.

iii. The Board **agreed** that the content of the FCA Annual Report and Accounts 2025/26 provided a balanced and defensible account of how the FCA had advanced its statutory objectives and exercised judgement in a contested and evolving external environment.

iv. The Board **approved** the SICGO metrics and the rules and guidance log 2025/26.

v. The Board **noted** the Response to Remit Letter 2025/26, which was for the Chief Executive, Nikhil Rathi's sign-off.

vi. The Board **noted** the Response to the CBA Panel Report 2024/25.

vii. The Board **noted** the CBA Annual Report 2025/26 and the Consumer Panels Annual Report 2025/26.

viii. The Board **delegated** sign-off of the final FCA Annual Report and Accounts 2025/26 to the Audit Committee Chair, Sophie Hutcherson, the FCA Chair, Ashley Alder, and the Chief Executive, Nikhil Rathi, in July, ahead of publication.

ix. The Board **delegated** sign-off of the final Annexes to the Chair, Ashley Alder, and the Chief Executive, Nikhil Rathi, ahead of publication.

Payment Systems Regulator (PSR) Annual Report & Accounts (AR&A) FY25/26

5.3 Under the Financial Services (Banking Reform Act) (FSBRA) 2013 and the Companies Act (CA) 2006 the PSR must report at least once a year to the FCA in relation to discharge of its functions and how it has advanced its objectives during the year. The production of the Annual Report and Accounts ensures this legal obligation is met.

5.4 The Board **approved** the PSR Annual Report & Accounts (AR&A) 25/26 for publication, which owing to consolidated accounts with the FCA would be laid before Parliament on the same day as the FCA Annual Report & Accounts.

6 Rules, Guidance and Technical Standards

Cryptoasset Regulatory Regime Policy Statements

6.1 The Board received a paper seeking approval for a package of rules establishing the UK regulatory regime for cryptoasset activities. The regime is designed to mitigate harms arising from misconduct and firm failure, while supporting a sustainable and internationally competitive market. The Board noted that the package had been considered by the Policy and Rules Committee, which supported its publication.

6.2 The Board **approved** the following final rules and associated guidance establishing the FCA's cryptoasset regulatory regime:

i. **Glossary (Cryptoassets) Instrument 2026.**

ii. ***Cryptoassets (Stablecoins) Instrument 2026.***

iii. ***Cryptoassets (Admission of Qualifying Cryptoassets to Trading and Offers of Qualifying Cryptoassets to the Public) Instrument 2026.***

iv. ***Cryptoassets (Market Abuse) Instrument 2026.***

v. ***Cryptoassets (Intermediaries) Instrument 2026.***

vi. ***Cryptoassets (Trading Platforms, Transparency and Records) Instrument 2026.***

vii. ***Cryptoassets (Lending, Borrowing and Staking) Instrument 2026.***

viii. ***Cryptoassets (Safeguarding) Instrument 2026.***

ix. ***Cryptoassets (Client Assets Consequentials) Instrument 2026.***

x. ***Cryptoassets (Conduct and Firm Standards) Instrument 2026.***

xi. ***Cryptoassets (COREPRU and CRYPTOPRU) Instrument 2026.***

xii. The Board **approved** publication of the accompanying Policy Statements and aggregate CBA.

xiii. The Board **noted** the additional publications, including a joint publication with the Bank of England regarding systemic stablecoin issuers, non-handbook guidance, economics research, and further consultation on prudential non-handbook guidance.

xiv. The Board **noted** the expected market impacts, including a repositioning towards higher-quality firms.

xv. The Board **noted** the communications strategy to support implementation and manage stakeholder expectations.

Rules, Guidance and Technical Standards

6.3 The *Board resolved to make the following instruments:*

i. ***Markets in Financial Instruments (Equity Transparency) Instrument 2026 & Technical Standards (Markets in Financial Instruments Regulation) (Equity Transparency) (Amendment) Instrument 2026.***

ii. ***Collective Investment Schemes Sourcebook (Statement of Recommended Practice) Instrument 2026.***

iii. ***Targeted Clarifications of Handbook Materials Instrument 2026.***

iv. ***Periodic Fees (2026/2027) and Other Fees Instrument 2026.***

7 Reports

FCA and PSR Audit Committee

7.1 The Board noted the verbal update from the Chair of the FCA & PSR Audit Committee on the meeting held on 18 June 2026. Key discussion points included:

i. A progress update on the NAO Audit, which remains on track for delivery in July.

ii. The Annual Accounts, which the Audit Committee had scrutinised.

7.2 The Complaints Commissioner’s Annual report.

FCA and PSR People Committee

7.3 The Board noted the verbal update from the Chair of the FCA and PSR PeopleCo on the meeting held on 11 June 2026. Key discussion points included:

i. Meeting with the Staff Consultative Committee (SCC) to discuss key topics raised by employees over the last 6 months.

ii. Workforce representation performance and pay gap reporting for 2026.

iii. The Corporate Governance Statement and Remuneration Reports from the Annual Report and Account 2025/26.

PRA

7.4 The CEO of the PRA briefed the Board on PRA matters of relevance to the FCA, including an update on ongoing work across the PRA and the wider Bank of England to review the UK bank capital framework. Following its publication in December, the Financial Policy Committee and Prudential Regulation Committee are considering areas including buffer usability and the UK implementation of the leverage ratio, with a further update expected in the Financial Stability Report in July.

Independent Panels Monthly Report including Independent Panel Annual Reports 2025/26

7.5 The Board noted the reports from the Financial Services Consumer Panel and the Smaller Business Practitioner Panel, together with the Annual Reports of the Independent Statutory Panels. The Board further noted that the Financial Services Consumer Panel and Cost Benefit Analysis (CBA) Panel reports will be submitted to Treasury and published.

8 Standing Items

Minutes of previous meeting

8.1 The Board **approved** the minutes of the meeting held on 28 May 2026.

Actions Log

8.2 The Board **noted** the action log and approved the closure of completed actions.

9 Papers for noting

FCA Pension Plan - notification of replacement Trustee Chair

9.1 The Board **noted** the retirement of Samantha Pitt as Lead Director representing Law Debenture with effect from 30 June 2026 and the appointment of Elizabeth Hartree as Lead Director (and Chair of the FCA Pension Plan) with effect from 1 July 2026.

Written Procedures

9.2 The Board **noted** the following decisions taken since the last meeting:

i. Membership to Policy and Rules Committee - Decision made: 16 June 2026.

ii. Recommendation of appointment to the FCA Board – Decision made: 16 June 2026.

10 Any other Business

10.1 The Board noted that this was Sam Woods' final Board meeting, ahead of the conclusion of his term on the FCA Board and thanked him for his significant contributions over the past ten years.

10.2 The Board noted that this was the Chief of Staff, William Hague's, final day at the FCA and acknowledged his significant contribution to the organisation.

There being no further business the meeting closed.

Annex A: Attendees, presenters and observers

In attendance:

Sarah Pritchard – Deputy Chief Executive
Johan Sekora – Chief Operating Officer
David Geale – Executive Director, Payments and Digital Finance and Managing Director of the PSR
Jessica Rusu – Executive Director, Chief Data, Information, and Intelligence Officer
Sheree Howard – Executive Director, Authorisations
Stephen Braviner Roman – Executive Director, General Counsel and Chief Risk Officer
Therese Chambers – Executive Director, Enforcement and Market Oversight
Steve Smart - Executive Director, Enforcement and Market Oversight
Simon Walls – Executive Director – Markets
Siobhan Sheridan - Chief People Officer
Nisha Arora – Director, Company Secretary
Martha Stokes – Head of Department, CEO private office
Josephine Martin – Observer, Next Generation NED (not present for item 4)

Presenters and observers:

Item 1 - Declarations of Interest	No attendees
Item 2 – FCA Chair & CEO Report	No attendees
Item 3 - Strategic Discussion 03.1 The Mills Review into AI in Retail FS	Sheldon Mills – Executive Director Alex Smith – Head of Department David Cross – Head of Department Chinmay Parikh – Senior Manager William Penwarden - Technical Specialist Alex Smith – Head of Department David Cross – Head of Department

03.2 Mills Review: Considerations for Board Response	
Item 4 - Decisions of the Board 04.1 FCA's Response to the Complaints Commissioners Annual Report 04.2 Risk Appetite for FCA Own Risks	Ashley Wood – Head of Department Sadaf Hussain – Director Hollie Swift – Director Sadaf Hussain – Director Lowri Jones – Head of Department
Item 5 - Annual Reports 05.1 FCA Annual Report and Accounts 2025-2026 05.2 PSR Annual Report & Accounts (AR&A) FY25/26	Nicola Golding – Head of Department Helen Bower-Easton – Director Kate Collyer – Director No attendees
Item 6 - Rules, Guidance and Technical Standards 06.1 Cryptoasset Regulatory Regime Policy Statements 06.2 Rules, Guidance and Technical Standards	Matthew Long – Director Jane Moore – Head of Department No attendees
Item 7 – Reports 07.1 Reports from Chairs of Board Committees a) FCA and PSR AuditCo – 18 June	No attendees

2026 (verbal) b) FCA and PSR PeopleCo – 11 June 2026 07.2 Report from the PRA 07.3 Independent Panels Reports including Independent Panel Annual Reports 2025/26	
Item 8 – Standing Items 08.1 Action Log 08.2 Minutes of previous meeting – 28 May 2026	 No attendees
Item 9 - Papers for Noting 9.1 FCA Pension Plan - notification of replacement Trustee Chair 9.2 Paper for Noting: Written Procedures	 Joe Genova – Head of Department No attendees

Other relevant associates were also in attendance.