ESG Regulation: Are You Ready to Disclose?

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Background

- From March 10 2020, new disclosure requirements will take effect under the Sustainable Finance Disclosure Regulation (SFDR).
- The new rules are part of the EU's Sustainable Finance Action Plan and the European Green Deal, which seek to transition the European economy to a more resource-efficient and sustainable economy and build a financial system that supports sustainable growth.
- The Taxonomy Regulation will take effect from 1 January 2022.
- The Taxonomy Regulation has a specific focus on climate change and environmental issues, establishing a harmonised system for the classification of environmentally sustainable activities in the EU.

Brexit

- SFDR applies in the EU after 31 December 2020 and is therefore not "operative" for the purposes of the European Union (Withdrawal) Act 2018 and will not automatically form part of English law after 31 December 2020.
- FCA-authorised investment managers will not be subject to UK SFDR on 10 March 2021.
- Consistent with UK's Green Finance Strategy, all large asset owners (and large issuers) expected to move to reporting in line with the Task Force on Climate-related Financial Disclosures (TCFD).
- The UK will not "onshore" SFDR but will develop its own regime on a different timescale (consultation in H1 2021, final rules end of 2021, effective 2022).
- TCFD-aligned disclosures to be fully mandatory across the UK economy by 2025 (not "comply or explain").

Who is in Scope

SFDR disclosure requirements apply to:

- “Financial market participants” including Markets in Financial Instruments Directive (MiFID) investment firms providing portfolio management services, Alternative Investment Fund Managers (AIFMs) and Undertakings for the Collective Investment in Transferable Securities (UCITS) management companies.
- “Financial products,” including funds and managed accounts, pension products.
- The SFDR applies to “financial advisers” on a modified basis.
- Extraterritorial application – direct/indirect.

Indirect Application

- Alternative Investment Fund Managers Directive (AIFMD), Non-principal Private Residences (NPPR) and other local law requirements.
- European Economic Area (EEA) placement agents/marketers.
- Delegated portfolio management arrangements.
- Investor pressure.

Delays Due to COVID-19

- The European Commission has postponed the application of the secondary legislation implementing the SFDR disclosure requirements (Draft RTS).
- Draft RTS currently expected to apply from 2022.
- No regulatory forbearance for market participants in relation to complying with the SFDR's general principles.
- Firms are expected to continue to comply with current regulatory frameworks which require disclosures/integration of sustainability into investment decision making.

Policy on the Integration of Sustainability Risks

Article 3 SFDR (Mandatory)

- A manager must **publish on its website** information about its policies "*on the integration of sustainability risks in its investment decision-making process.*"
- Disclosures to be specific to the asset class and strategy.
- Evolving approach.
- "Sustainability risk" means "*an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.*"

Remuneration Policy

Article 5 SFDR (Mandatory)

- A manager must **include in its remuneration policy** information **on how the policy is consistent with the integration of sustainability risks**.
- A manager must publish on its website the updated policy or a statement explaining how the policy is consistent with the integration of sustainability risks.

Due Diligence Policy (1)

Article 4 SFDR (Comply or explain*)

- A manager that considers the principal negative impacts of its investment decisions on "sustainability factors" must publish and maintain on its website a statement on its due diligence policies with respect to those impacts—disclosure to be made on a proportional basis.
- A manager that does not consider the same must publish a statement of explanation.
- *Derogation: "Large" financial market participants are required to publish and maintain on their websites a statement on their due diligence policies "with respect to the principal adverse impacts of investment decisions on sustainability factors" from 30 June 2021.
- "Large" financial market participants are:
  - Large companies (defined as those with over 500 employees on average).
  - The parent undertaking of a large group (defined as a group with over 500 employees on average on a consolidated basis).

Due Diligence Policy (2)

- Sustainability factors means "*environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.*"
- Granular and prescribed disclosure requirements in the secondary legislation, including Key Performance Indicators (KPIs)/data fields (32 mandatory) and formulae.

Where the manager *does* consider the negative impact of investment decisions on "sustainability factors"	Where the manager *does not* consider the negative impact of investment decisions on "sustainability factors"
The manager must **publish a statement on its due diligence policies.** Draft Real-Time Settlements (RTS) requires (among other things) the statement to include information on the identification and prioritisation of adverse impacts, summaries of its engagement policies and the adherence to any responsible business codes or other internationally recognised standards.	The manager must **provide "clear reasons" for not doing so**, including information about whether and when it intends to consider such negative impacts where relevant. The Draft Environmental, Social and Corporate Governance (ESG) Disclosures RTS provides additional details about the prominence and visibility of such statement with the aim of providing potential investors with a clear indication regarding the manager's position on sustainability.

Precontractual Disclosures (1): Sustainability Risk

Article 6 SFDR (Comply or explain)

- Managers must include in the pre-investment documentation (e.g., prospectus, Private Placement Memorandum (PPM) or other document setting out the AIFMD Article 23 disclosures) information regarding how sustainability risk is considered and information regarding any assessment of sustainability risk-adjusted returns.

Where sustainability risks *are* integrated into the investment decision-making process	**Where sustainability risks *are not* integrated into the investment decision-making process**
The manager must **disclose the manner in which they are integrated** into investment decisions and the **results of its assessment of the likely impact** of such integration on returns.	The manager must **provide a "clear and concise" explanation** giving reasons for such decision.

Precontractual Disclosures (2): Adverse Sustainability Impact

Article 7 SFDR (Comply or explain, following Article 4 election)

- If the manager considers "the principal negative impacts of its investment decisions on "sustainability factors," the pre-contractual disclosures must, by 30 December 2022, include an explanation on whether, and, if applicable, how, the principal adverse impacts of the investment decisions/portfolio on the sustainability factors are considered and that that information on the principal adverse impacts is included in the periodic reports (for funds, the annual report).

Where the manager ***does*** consider the adverse impact of investment decisions on sustainability factors	Where the manager ***does not*** consider the adverse impact of investment decisions on sustainability factors
The manager must disclose: **a "clear and reasoned explanation"** of whether, and, if so, how, the particular fund or investment portfolio considers such adverse impact and a **statement that information about the adverse impacts is available** in the periodic reports provided to investors.	The manager must include a statement to that effect and its reasons for such decision.

Marketing Communications

Article 13 SFDR

- Managers must **review all of their marketing communications** (e.g., presentations, pitch-books, websites and other material) to ensure that these do not contradict the information disclosed under the SFDR.

Taxonomy Regulation

Article 7 Taxonomy Regulation (Mandatory where applicable)

- The Taxonomy Regulation provides an additional overlay of requirements, principally for “light green” and “dark green” financial products.
- Statement of Non-Compliance with Taxonomy Regulation.
- From January 2022, all funds and portfolios that neither make environmentally sustainable investments nor promote environmental characteristics must include a statement in prescribed form acknowledging the same. *“The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.”*

For requirements related to “Climate change mitigation” and “Climate change adaptation”	**From 1 January 2022**
For requirements related to the other environmental objectives: “Sustainable use and protection of water and marine resources,” “Transition to a circular economy,” ‘Pollution prevention and control” and “Protection and restoration of biodiversity and ecosystems”	**From 1 January 2023**

SFDR: Additional Disclosure Requirements For “Light Green” Products

What Are ‘Light Green Products’?

- The SFDR also introduces additional requirements which apply to financial products that contemplate ESG.
  - “Light green” products are those which promote, among other characteristics, environmental or social characteristics or a combination of those characteristics.
  - Distinct from “dark green” products, which are products that have “sustainable investments” as their investment objective and which are subject to separate, additional disclosure requirements.
- Standard prescribed form disclosure template expected.

Additional Precontractual Disclosures

Article 8 SFDR (Mandatory for light green)

- Where a fund or strategy (or other product) "promotes, among other characteristics, environmental or social characteristics," provided that the companies in which the investments are made follow good governance practices, the precontractual disclosures must also include information on how those characteristics are met.
- If an index has been designated as a reference benchmark, the precontractual information must also explain whether and how such index is consistent with those characteristics.
- The information to be disclosed shall include an indication of where the methodology used for the calculation of the index can be found.
- Draft RTS prescribes disclosure format, including a template.

Website Disclosures

Article 10 SFDR (Mandatory for light green)

- With respect to each fund or strategy that "promotes environmental or social characteristics," a manager must publish clear, succinct and understandable information that is "*accurate, fair, clear, not misleading, simple and concise and in a prominent easily accessible area of the website.*"
- Draft RTS prescribes content and presentation of the disclosures, including information titles and order of presentation.
- Must include the following:

(i) **a description of the environmental or social characteristics.**
(ii) **information on the methodologies used to assess, measure and monitor the impact of the product's environmental or social characteristics**, including data sources, investment screening criteria and the relevant "sustainability indicators" used to measure the environmental or social characteristics of the fund or investment portfolio.
(iii) **the pre-contractual disclosures** (reproduced on the website): information on how the characteristics are met, and, if an index has been designated as a reference benchmark, whether and how the chosen index is consistent with those characteristics (including an indication of where the calculation methodology may be found).
(iv) **the information required to be included in periodic reports:** the extent to which the environmental or social characteristics are met.

Periodic Disclosures

Article 11 SFDR

- Periodic disclosures must be made including the information on the extent to which the environmental or social characteristics are met. This information must also be disclosed on the website.
- An AIFM and an Undertakings for the Collective Investment in Transferable Securities (UCITS) management company must provide this information in the Annual Report and a MiFID investment firm in its periodic client reporting.
- The Draft RTS prescribes more details on the content, including the template, titles for each subsection and the order in which they must appear.

Taxonomy Regulation – Additional Disclosure

Article 6 Taxonomy Regulation

- Where the fund or investment portfolio promotes "environmental characteristics," the precontractual and periodic disclosure requirements under the SFDR must also include the following additional requirements of the Taxonomy Regulation:

(i) **Information on the environmental characteristics** to which the investment underlying the fund or investment portfolio contributes.

(ii) **A description of how, and to what extent, the investments underlying the fund or portfolio are in "economic activities" that promotes environmental characteristics**. The description must also disclose the relevant proportions of investments in economic activities that promote environmental characteristics.

(iii) **A statement warning investors that only those specific underlying investments qualify as "environmentally sustainable"** for the purposes of the Taxonomy Regulation:

> *"The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

Next Steps

UK and other Non-EU Investment Managers and Advisers

- Assess direct/indirect application to the manager or any group entity and/or financial products marketed to EU investors.
- Board-level and front office senior engagement important to evaluate business impact.
- Consider existing investment process and approach to ESG at a high level.
- Discussions with marketing/investor relations (IR) .
- Gap analysis.
- Review of available tools.
- Update internal policies and procedures.
- Review and update fund documents and other promotional communications.

Draft Regulatory Technical Standards

The Draft Regulatory Technical Standards (1)

- Sets out granular specifications for the content, methodology and presentation of certain disclosures—the Annexes to the RTS provide templates for the disclosures.
- The articles of the SFDR, which have additional prescriptive elements that are set out in the Draft RTS are:
  - Article 4 SFDR – due diligence policies and associated website disclosures (all fund and portfolio managers).
  - Article 8 SFDR – precontractual disclosures (light green products).
  - Article 9 SFDR – precontractual disclosures (dark green products).
  - Article 10 SFDR – website disclosures (light green and dark green products).
  - Article 11 SFDR – periodic disclosures (light green and dark green products).

The Draft Regulatory Technical Standards (2)

- For example, provides further detail on the requirement under Article 4 of the SFDR to publish a statement on how due diligence policies "consider the principal adverse impacts of investment decisions on sustainability factors."

- The draft RTS prescribes a template disclosure, setting out a KPI grid comprising up to 50 disclosures on complex ESG metrics, requiring the assessment of:
  - **At least the minimum principal adverse impacts on sustainability factors** as set out in **Table 1** of Annex I RTS (with 32 KPIs—a further 18 optional KPIs are set out in Tables 2 & 3).
  - **At least one additional principal adverse impact on a climate or other environment related sustainability factor** that qualifies as principal as set out in **Table 2** of Annex I (such as "investing in companies without carbon emission reduction initiatives").
  - **At least one additional principal adverse impact on a social, employee, human rights, anticorruption or antibribery sustainability factor** that qualifies as a principal as set out in **Table 3** of Annex I (such as "incidents of discrimination").
  - **Any other adverse impact on a sustainability factor** that qualifies as "principal."

Table 1 – Principal Adverse Impacts Statement

ANNEX I

Template principal adverse impacts statement

1. For the purposes of this Annex, the following definitions shall apply:

   (a) 'scope 1, 2 and 3 carbon emissions' means the greenhouse gas emissions referred to in point (1)(e)(i-iii) of Annex III of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014[16];

   (b) 'tonne of carbon dioxide equivalent' as defined in Article 3(j) of Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC[17];

   (c) 'enterprise value' means the sum of the investee company's market capitalisation of common stock at fiscal year end, the market capitalisation of preferred equity at fiscal year-end, and the book values of total debt and minorities' interests excluding the cash and cash equivalents held by the investee company;

   (d) 'current value of investment' means the value in EUR of the investment by the financial market participant in the investee company

   (e) 'current value of all investments' means the value in EUR of all investments by the financial market participant

   (f) 'total carbon emissions' shall be calculated in accordance with the following formula

$$\sum_{n}^{i}\left(\frac{\textit{current value of investment}_i}{\textit{investee company's enterprise value}_i} \times \textit{investee company's Scope 1, 2 and 3 carbon emissions}_i\right)$$

Table 1 – Principal Adverse Impacts Statement

(g) 'carbon footprint' shall be calculated in accordance with the following formula

$$\frac{\sum_{n}^{i}\left(\frac{\textit{current value of investment}_i}{\textit{investee company's enterprise value}_i} \times \textit{investee company's Scope 1, 2 and 3 carbon emissions}_i\right)}{\textit{current value of all investments (€M)}}$$

(h) 'weighted average' means a ratio of the weight of the investment by the financial market participant in an investee company in relation to all investments of the financial market participant;

(i) 'carbon intensity' shall be calculated in accordance with the following formula

$$\sum_{n}^{i}\left(\frac{\textit{current value of investment}_i}{\textit{current value of all investments (€M)}} \times \frac{\textit{investee company's Scope 1, 2 and 3 carbon emissions}_i}{\textit{investee company's €M revenue}_i}\right)$$

(j) 'renewable energy sources' as defined in Article 2(1) of Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast)[18];

(k) 'non-renewable energy sources' means energy from sources other than those referred to in point (j);

(l) 'energy consumption intensity' means the ratio of energy consumption per unit of activity, output or any other metric of the investee company to the total energy consumption of that investee company;

(m) 'protected area' means an area designated under the European Environment Agency's Common Database on Designated Areas (CDDA)[19];

Table 1 – Principal Adverse Impacts Statement

Summary

[Name and, where available, LEI] considers principal adverse impacts of its investment decisions on sustainability factors.

This principal adverse impacts statement covers the period from 1 January to 31 December [year n].

[Summary referred to in Article 6(1)(d) in one of the official languages of the home Member State of the financial market participant and, if different, in a language customary in the sphere of international finance]

Details of the assessment of principal adverse sustainability impacts

[Information referred to in Article 7 in the format set out below]

Adverse sustainability indicator		Metric (expressed in market value)	Impact [year n]	Impact [year n-1]	Explanation
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	1. Carbon emissions (broken down by scope 1, 2 and 3 carbon emissions - including agriculture, forestry and other land use (AFOLU) emissions - and in total)	Please see point (f) above			
	2. Carbon footprint	Please see point (g) above			
	3. Weighted average carbon intensity	Please see point (i) above			
	4. Solid fossil fuel sector exposure	Share of investments in solid fossil fuel sectors			
Energy performance	5. Total energy consumption from non-renewable sources and share of non-renewable energy consumption	1. Total energy consumption of investee companies from non-			

Table 1 – Principal Adverse Impacts Statement

		renewable energy sources (in GWh), expressed as a weighted average 2. Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage			
	6. Breakdown of energy consumption by type of non-renewable sources of energy	Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source			
	7. Energy consumption intensity	Energy consumption of investee companies per million EUR of revenue of those companies (in GWh), expressed as a weighted average			
	8. Energy consumption intensity per sector	Energy consumption intensity per million EUR of revenue of investee companies, per NACE sector (in GWh), expressed as a weighted average			
Biodiversity	9. Biodiversity and ecosystem preservation practices	1. Share of all investments in investee companies that do not assess, monitor or control the pressures			

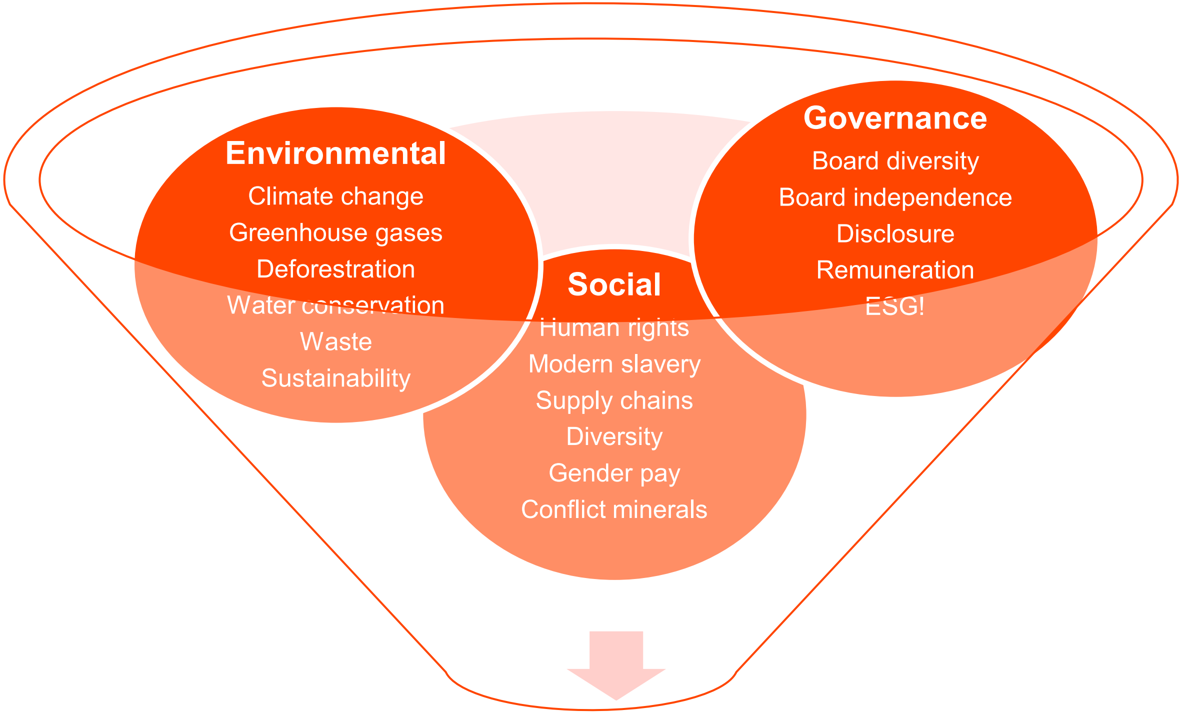
ESG and Debt Markets

What does Disclosure mean for the Debt Markets

- Truly a question of who, why, what, where and when …
  - **Who?** All issuers, regardless of sector?
    Investment grade v. sub-investment grade?
    Large-cap and small-cap?
  - **Why?** Regulatory framework, plus market and investor pressure + desire.
  - **What?** ESG checklists? Can there be an element of standardisation across sectors?
    Redefining what is "financially material"?
  - **Where?** Roadshow? Investor presentations/meetings? Offering memorandum?
  - **When?** On-going, annual reporting requirements?

ESG for Corporates

ESG: What it all means for Corporates



"Stakeholder Capitalism"

More than just a compliance function!

Competing Standards

- Largely non-mandatory
- Task Force on Climate Related Financial Disclosures (TCFD)
  - Just covers the "E"
  - 11 recommended disclosures
  - Incorporated into other standards
  - Becoming consensus in the UK
- Sustainability Accounting Standards Board (SASB)
  - Covers "E", "S", and "G"
  - Sector focused
  - Gaining traction
- Global Reporting Initiative (GRI)
  - Broader than both
- Carbon disclosure Project (CDP)
- Climate Disclosure Standards Board (CDSB)
- Collaboration and standardisation?
  - SASB and GRI collaboration
  - WEF (+ Big 4) white paper towards a more global standard reporting framework; a new GAAP?

Environmental

- Primarily climate focused - Alignment with Paris
- The current disclosure landscape:
  - EU:
    - Non-Financial Reporting Directive (NFRD)
      - Applies to public interest entities, i.e. listed with >500 employees and either a balance sheet > €20m or turnover > €40m
      - Not just "E", although the strong focus
      - Obligation to include a non-financial statement covering information relating to environmental. social and employee matters (including diversity), respect for human rights, anti-corruption and bribery matters.
      - Must include:
        - Relevant policies (including due diligence policies) and their outcomes
        - Main risks arising from the non-financial matters
        - Non-financial KPIs relevant to the business
      - Guideline on Non-Financial (Climate Related) Reporting (2019)
      - Expanding, with draft regulations scheduled for 2021
        - Quality and scope: Require reporting to taxonomy?
        - Standardisation: Incorporate TCFD?
        - All listed entities? >250 employees? Non-listed?
    - Taxonomy Regulations
      - From 2022, public interest entities to disclose:
        - Proportion of their turnover derived from products or services associated with environmentally sustainable activities
        - Proportion of their capex and opex related to environmentally sustainable assets or processes

Environmental (cont'd)

- UK
  - FCA Consultation on Enhanced Climate Related Disclosures by Issuers (March 2020)
  - UK Roadmap Towards Mandatory Climate-related Disclosures (Nov 2020)
    - Premium listed companies to report to TCFD for financial year starting 1 Jan 2021
    - Comply or explain initially. Will it become mandatory?
    - More listed companies to report to TCFD from 2022
    - Large private UK companies to report to TCFD from 2022
    - Plan for a UK green taxonomy
- EU v UK approach to disclosure roll out
  - Financial market participants first v corporates first
- Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (Streamlined Energy and Carbon Reporting Regulations)
  - Applies to:
    - all UK listed companies
    - large private UK companies with any two of: turnover >£36m; balance sheet of >£18m; or >250 employees
  - Report GHG emissions and intensity and energy usage
- Not just climate:
  - E.g, DEFRA: Proposed mandatory due diligence on forest risk commodities
- Increased investor pressure/shareholder activism

Social

- Societal pressure – COVID 19; Racial Equality; Increased focus on social inclusion and fairness
- Modern Slavery Act 2015
  - Annual slavery and human trafficking statement
  - Proposed changes: enhanced enforcement?
- EU Conflict Minerals Regulation (2017)
  - Applies from 1 January 2021 to importers of tin, tantalum, tungsten and gold
  - Due diligence on supply chain
- Proposed EU rules on mandatory corporate human rights due diligence to develop a legislative proposal by 2021 requiring businesses to carry out due diligence in relation to the potential human rights and environmental impacts of their operations and supply chains
- Pay
  - Equality Act 2010 (Gender Pay Gap Information) Regs 2017
  - UK Govt consultation paper on ethnicity pay gap January 2019
  - CEO pay ratio (Companies Miscellaneous Reporting Regulations 2018) – UK quoted companies with >250 employees must include information (in remuneration report) on the ratios between CEO and average staff pay for financial years beginning on or after 1 January 2019
- Diverse representation
  - CBI's change the race campaign to increase ethnic diversity among board and senior management in UK companies by publishing and setting targets
  - Hampton-Alexander Review - recommending a voluntary target of a minimum of 33 percent women's representation on FTSE 350 boards by 2020 and also recommends that FTSE 100 companies should aim for a minimum of 33 percent women's representation across their executive committee and direct reports to the executive committee by 2020.
  - Parker Review Committee has recommended that each FTSE 100 board should have at least one director of color by 2021, and that FTSE 250 boards should meet this requirement by 2024

Governance

- Companies Act 2006 s172

  "a director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

  - *<u>The likely consequences of any decision in the long term;</u>*
  - *<u>The interests of the company's employees</u>*
  - *<u>The need to foster the company's business relationships with suppliers, customers and others</u>*
  - *<u>The impact of the company's operations on the community and the environment</u>*
  - *<u>The desirability of the company maintaining a reputation for high standards of business conduct and</u>*
  - *The need to act fairly between members"*
- S414A – requires all companies (except small companies and micro-entities) to prepare a strategic report to inform members of the company and help them assess how the directors have performed their duty under section 172 (duty to promote the success of the company)
- S172 Statement (introduced by Companies Miscellaneous Reporting Regulations 2018) - for periods beginning on or after 1 January 2019, all large companies (ie either more than 2,000 employees or annual turnover of more than £200 million and balance sheet of £2 billion, including large subsidiary companies) will have to include a separate statement in their strategic report that explains how its directors have had regard to wider stakeholder needs when performing their duty under s172 of the Companies Act 2006
- Corporate Governance Code 2018 – Premium listing companies (comply or explain)

Governance (cont'd)

- Wates Corporate Governance Principles 2018 – Large private companies (ie either more than 2,000 employees or annual turnover of more than £200 million and balance sheet of £2 billion, including large subsidiary companies) (apply or explain)
- FRC Stewardship Code
  - Asset managers and owners and certain service providers since 1 January 2020
  - 12 Principles aimed at: (i) asset managers (and (ii) asset owners; and 6 Principles aimed at service providers (eg, investment consultants, proxy advisors and data and research providers).
  - Each of the Principles is supported by reporting expectations that indicate the information that the FRC expects should be publicly reported in order for a relevant organisation to become a signatory.
  - Principle seven requires signatories to 'systematically integrate stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities'
- Competing standards are a challenge boards face directly
- Shareholder Activism
  - Glencore – In February 2019 Glencore bowed to shareholder pressure from Climate Action+ and agreed to cap its coal mining output
  - Boohoo – 2019 AGM shareholder revolt against remuneration of CEO; In May 2020 had more than £1bn wiped off its value after announcing an investigation into how its clothes came to be made at a Leicester garment factory where workers were paid less than the minimum wage.
  - In February 2018 Twenty-seven investors with £10.5tn under management (including Black Rock and JP Morgan Asset Management) agreed in February to push for 30 per cent female representation on boards by threatening vote against the chair of the board nominations committee where less than a third are women

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