

PRESS RELEASE

2 February 2021

The PRI and ELFA's Second Sector-Focused ESG Roundtable attracts over 100 market participants

The event and ongoing dialogue with key stakeholders will inform upcoming ESG Fact Sheets for the chemicals, industrials, retail, technology / software, and communications infrastructure sectors

London, 2 February 2021: The Principles for Responsible Investment (the PRI) and the European Leveraged Finance Association (the ELFA) on 28 January held a disclosure and engagement workshop on environmental, social and governance (ESG) topics, bringing together sub-investment grade corporate borrowers and credit analysts from investment institutions and credit rating agencies (CRAs) to discuss sector-specific ESG disclosure and engagement. The virtual roundtable event, which is part of a series, attracted over 100 market participants.

The sector-specific workshops focused on the chemicals, industrials, retail, technology and software, and communications infrastructure sectors. It follows a similar event in September 2020 which culminated in the publication of the first sector specific ESG Fact Sheets in January, covering the debt collectors, paper and packaging, and telecoms sectors, together with a General ESG Fact Sheet. The ESG Fact Sheets are [available for download](#) on the ELFA website.

These events are part of a collaborative effort between the PRI and the ELFA designed to increase ESG disclosure and deepen engagement on financially material ESG factors between companies, CRAs, and credit analysts in the leveraged finance market.

Representatives from the following companies, among others, were present at the event: Anaqua, Cellnex, Groupe Delachaux, EG Group, Exact, IGM Resins, Ineos, ION, Loxam Rental, Maxeda, OCI, Röhm, SNF, Synthomer, and TK Elevator.

The ELFA has also co-published with the Loan Market Association (the LMA) a Guide for Company Advisers on ESG Disclosure in Leveraged Finance Transactions (the "Guide"), which was drafted by a working group of legal and sell-side professionals. The Guide is designed to be used together with the ESG Fact Sheets to incorporate ESG information into company offering materials and reporting.

Additional workshops will be hosted over the coming months in order to incorporate more sectors into the initiative. The ELFA and the LMA will also host events for company advisers to solicit feedback on the Guide. The PRI and ELFA will publish a briefing on the workshop findings over the coming weeks, as well as ESG Fact Sheets on a sector-by-sector basis over the coming months.

Carmen Nuzzo, head of fixed income at the PRI, commented: "The workshop series highlights that the interplay between ESG factors is complex and varies within the same sector level by company and even within the same firm. However, this complexity should not be the enemy of progress and, by creating opportunities for engagement, the PRI is creating meeting of minds as well as synergies with industry organisations like the ELFA."

Sabrina Fox, CEO of the ELFA, commented: "We were delighted to have so many companies and credit analysts engaged on ESG topics at a sector-level basis. The first set of ESG Fact Sheets have been very well-received, and we plan to use the same process to create ESG Fact Sheets covering these sectors using the valuable input gained at the event. Bringing companies and credit analysts together to discuss these issues will go a long way to promoting consistency in ESG disclosure."

Investors interested in taking part in future events should contact carmen.nuzzo@unpri.org and company advisers should reach out sfox@elfainvestors.com.

Ends

2 February 2021

ELFA Press Contact:

Gilly Lock / Chloe Retief
Powerscourt
+44 (0) 7711 380 007
+44 (0) 7507 785 103
elfa@powerscourt-group.com

PRI Press Contact:

Joy Frascinella
Senior PR Consultant, PRI
+44 (0) 7951 479 504
joy.frascinella@unpri.org

Notes to Editors

The event was conducted as part of the PRI's flagship ESG in Credit Risk and Ratings Initiative, which aims to enhance the transparent and systematic integration of ESG factors in credit risk analysis. The PRI has facilitated a dialogue between credit ratings agencies (CRAs) and investors to cultivate a common language, discuss ESG risks to creditworthiness and bridge disconnects. The initiative is now broadening discussions to include corporate borrowers, ESG information providers and investment consultants.

The initiative kicked off with the launch of the Statement on ESG in Credit Risk and Ratings, which is still open to sign and has already been supported by over 160 investors with more than \$30 trillion of AUM. Four reports have been published as part of the initiative and over 20 forums organised around the world for credit practitioners. Furthermore, highlights of past workshops are available as part of the series '[Bringing credit analysts and issuers](#)' together as well as regular [CRA quarterly updates](#).

The event forms part of the ELFA's ESG Disclosure Initiative, which relies on multi-stakeholder engagement to achieve consensus on these issues in order to support companies in their ESG disclosure. The initiative was launched in 2019 with an ESG Investor Survey, which gathered information from 100 investors about how to support the growth of ESG in the leveraged finance market.

The ELFA's ESG Committee has since [published five reports](#) on ESG in leveraged finance under the organisation's Insights Series, a thought leadership platform used by members to convey their views to the market on important topics.

About the PRI

The PRI is the world's leading proponent of responsible investment. It works: to understand the investment implications of environmental, social and governance (ESG) factors; to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions. The PRI now has over 3,300 signatories who collectively manage US\$100 trillion in AUM. www.unpri.org

About the ELFA

The European Leveraged Finance Association (the ELFA) is a trade association comprised of European leveraged finance investors from over 35 institutional fixed income managers, including investment advisors, insurance companies, and pension funds. The ELFA seeks to support the growth and resilience of the leveraged finance market while acting as the voice of its investor community by promoting transparency and facilitating engagement among European leveraged finance market participants. For more information please visit the ELFA website: www.elfainvestors.com.