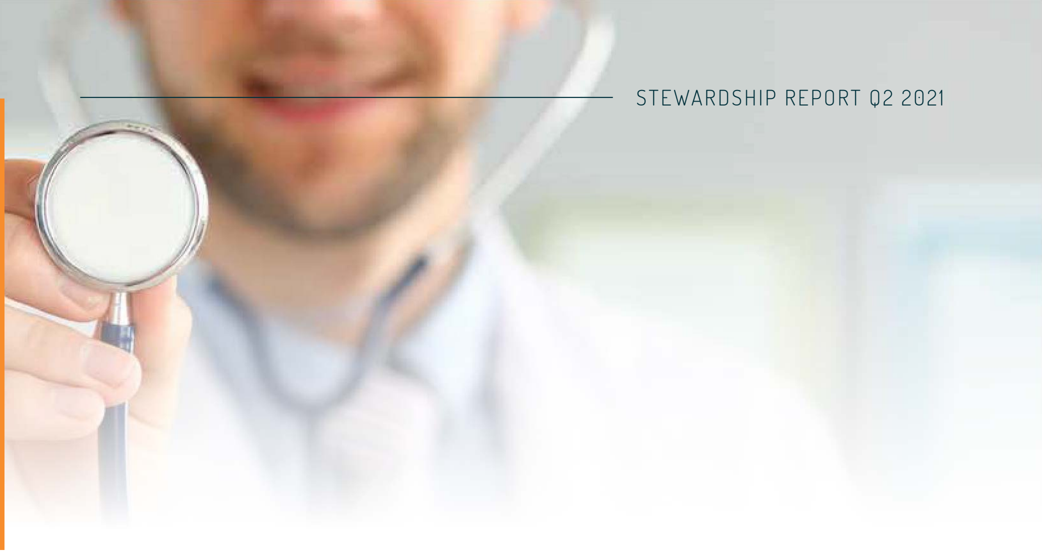
STEWARDSHIP REPORT

Q2 2021

CASTLEFIELD

THE THOUGHTFUL INVESTOR

POSITIVE INVESTMENT THEME: HEALTH & WELLBEING



Since the emergence of COVID-19 early last year, healthcare and wellbeing have been thrown into the spotlight by the global health pandemic, highlighting the strengths and importance of many health-related services. As a key positive investment theme for our B.E.S.T Sustainable fund range, we have authored a Thematic Report to explain to our clients and investors how we approach this unique sector.

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We see clear and direct benefits of investment across the healthcare value chain, seeking out businesses that not only have a positive financial impact but are also able to make a positive contribution to society through increasing access to affordable, quality healthcare and improving patient outcomes.

Just like other sectors, the healthcare industry is ripe for disruption. As our technology improves and allows us to understand and treat diseases, research labs can start to embed artificial intelligence and digital processes to enhance the advance. Laboratory preparation, which a decade ago would have taken three days to set up for one diagnostic test, can be prepped for multiple lab runs in one day. Insulin levels can be regulated for diabetics through smart phones, as can blood pressure and information relayed to specialised healthcare centres. The ability to look at issues such as lifetime cost of care is increasingly important given the visible strains on public healthcare systems. These advances all require capital resource, and investment opportunities into sustainable healthcare themes can provide attractive long-term returns.

Innovation within the sector is an important reason that we believe investors can look to healthcare companies for positive societal impact. In the context of demographic trends such as a growing and ageing population, developing new and efficient solutions to keep pace with the changes we are seeing in society is needed in order to improve health outcomes of patients. We are also seeing other pressures for the sector including a shift in attitudes towards increased consumer engagement in the healthcare process as people look for greater transparency, convenience and access.

> Despite the clear positives of the healthcare sector, it is a sector that also comes with several ethical considerations.

Despite the clear positives of the healthcare sector, it is a sector that also comes with several ethical considerations which we also seek to outline in the report. Issues such as animal testing for medical purposes and genetic modification can be very controversial topics but other concerns such as access strategies and patent management are less polarising but no less important in our assessments of potential investee companies.

In short, we see the global healthcare sector as unique in its clarity of purpose and potential for tangible positive impacts on society albeit with some unique challenges. We discuss a number of the issues that responsible investors must consider, but we believe having a positive investment focus on Health & Wellbeing is of fundamental importance to society, with particular emphasis on disease prevention and universal access to healthcare, as set out in UN Sustainable Development Goal 3.[1]

> We believe having a positive investment focus on Health & Wellbeing is of fundamental importance to the benefit of society.

If you would like to read the report in full, please find it at the following link: www.issuu.com/castlefieldpl/docs/castlefield_thematic_report_healthcare_05.21

1. https://www.un.org/sustainabledevelopment/health/

DIRECTOR INDEPENDENCE

Board composition is a topic we engage on frequently with our investee companies. We believe that a Board of Directors should be structured in a way that provides management with additional perspective and knowledge, as well as challenge, from experienced, qualified non-executive directors. Independent oversight is a crucial feature of any Board and it builds shareholder confidence in the corporate governance practices at a company. In order to achieve this, we expect at least half of the members of any Board to be considered independent.

Key reasons that we might consider a non-executive director not to be independent:

TENURE

Directors who have been in their role for a significant period of time may compromise their independent position as a result of building close relationships with company management or other directors. We expect to see clear succession planning and rotation of directors and use the UK Corporate Governance Code's recommendation of nine years as a limit.[1]

SIGNIFICANT SHAREHOLDINGS OR SHAREHOLDER REPRESENTATIVE

Board members who either hold large shareholdings themselves or hold a seat on the board as a representative of an organisation which holds a significant number of shares would not typically be considered independent. While they can provide clear alignment with other shareholders, in some circumstances they could be inclined to prioritise their own interests above those of minority shareholders.

PREVIOUS RELATIONSHIPS WITH THE COMPANY

Directors who have previously been employed by the business (within the last five years), have recently had material business relationships with the company, or who have close family ties with the business, would also not be considered independent.

ADDITIONAL OR PERFORMANCE-BASED PAY

It is recommended that non-executive directors receive only a flat pre-agreed fee for their work with the company so that they can maintain their independence and are not influenced by company share price performance or potential bonus payments. Given the differences in corporate governance requirements and expectations across Europe, we find that we have discussions about director independence most commonly with companies held within our CFP Castlefield B.E.S.T Sustainable European Fund.

Written by Amelia Overd and Rory Hammerson

When voting in Europe we follow our UK policy as we feel that best practice is the minimum bar we wish to leap, regardless of jurisdiction. We are very transparent with our European companies. We share and explain our voting policy and make recommendations as to how they can improve independence and show more effective oversight structures. We find that within Switzerland particularly, we see the largest gap between what we consider good practice and what actually happens. To be fair, Swiss management teams are aware of the gap, and their attitude is progressive in their willingness to look at things from a different perspective. These things do not change overnight, and we don't want to overturn good corporate culture. One of our companies in the healthcare space has suggested a conversation with the chairman of the group in order for us to put forward the rationale for improving the independence of the board. Castlefield may only be a small player relative to larger organisations, but we are able to have our voice heard. We always try to use our platform to improve how things are done and see governance structures as the cornerstone of good corporate practice.

1. https://www.frc.org.uk/getattachment/88bd8c45-50ea-4841-95b0-d2f4f48069a2/2018-UK-Corporate-Governance-Code-FINAL.PDF

CDP AND NET ZERO

To address the climate crisis, it's clear that net zero must become the new normal for governments and the corporate sector. Without this level of ambition, global temperatures will rise beyond manageable levels. For a number of years, climate change has been factored into Castlefield's research and engagement activity. So we've been monitoring closely the move to adopt net zero targets among more ambitious companies.

The term 'net zero' means a commitment to significant carbon emissions reductions, with the remaining emissions offset through forestry or other programmes, or sequestered using technology such as carbon capture and storage.[1] While we're still concerned at the pace of change – too many companies are setting 2050 as the date for achieving net zero – it is promising that within our four single-strategy equity funds over a third of companies have now set a zero carbon target. If we factor in the companies that are in the process of setting a net zero target and those that have adopted a science-based target, almost half of the firms held in our equity funds have committed to ambitious carbon goals. A science-based target means that a company's carbon goals are considered in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement, which limits global warming to well below 2°C above pre-industrial levels, and pursuing efforts to limit warming to 1.5°C.[2]

CDP participation is another useful way of charting the carbon performance of our equity funds. The Carbon Disclosure Project (CDP) is a not-for-profit charity that runs a global disclosure system for investors, companies, cities, states and regions in order to manage their environmental impact.[3] The project operates through a scoring system whereby companies are given a grade on how well they are doing in terms of minimising their carbon emissions. Companies can be graded from A-F in terms of their performance.[4]

A	LEADERSHIP LEVEL
A-	
B	MANAGEMENT LEVEL
B-	
C	AWARENESS LEVEL
C-	
D	DISCLOSURE LEVEL
D-	
F	FAILURE TO REPORT OR PROVIDE SUFFICIENT INFORMATION TO CDP

Across our combined equity holdings from our B.E.S.T Sustainable Income, B.E.S.T Sustainable UK Opportunities, B.E.S.T Sustainable Smaller Companies and B.E.S.T Sustainable European funds, 40% are CDP signatories. Of this, 40% rank in the leadership category (A to A-).

Our own analysis shows that it is larger and more well-resourced companies which are more likely to participate and rank highly in CDP or to have set a net zero target. We also find that information on carbon targets is harder to obtain for smaller companies due to the reduced reporting levels with companies of this size. It is the role of investment managers like us, who invest across the market capitalisation spectrum, including in smaller companies, to encourage less well-resourced firms to make carbon management and reduction a priority over the next few years. Looking at the combined holdings of our four funds as listed above, we found that 60 out of 116 of our holdings have a target in place to reduce their carbon emissions.

NET ZERO

If a company has a net zero target, this means that they are committed to reducing their greenhouse gas emissions with the goal of balancing the emissions produced and emissions removed from the earth's atmosphere.[5]

CARBON NEUTRAL

If a company's goal is carbon neutrality, this means that their greenhouse gas emissions are balanced by 'offsetting' an equivalent amount of carbon for the amount produced.[6]

SCIENCE-BASED TARGET (SBT):

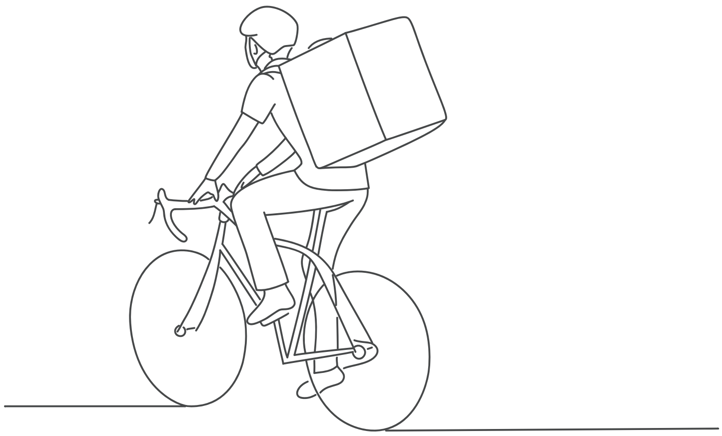
This means that a company's carbon goals are considered in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement, which limits global warming to well below 2°C above pre-industrial levels, and pursuing efforts to limit warming to 1.5°C.[7]

Analysing our holdings' participation in CDP along with our research on carbon targets has proved a useful starting point, allowing us to obtain a high-level portfolio overview on climate change. As responsible investors, we aim to continue to build on this data and use it to encourage our holdings to do more on the fight against climate change.

Written by India Harkishin and Ita McMahon

1. https://www.gov.uk/government/news/uk-becomes-first-major-economy-to-pass-net-zero-emissions-law
2. https://sciencebasedtargets.org/how-it-works
3. https://www.cdp.net/en/info/about-us
4. https://www.cdp.net/en/cities/cities-scores/scoring-methodology
5. https://www.herbertsmithfreehills.com/carbon-neutral-and-net-zero-carbon-whats-the-difference-and-why-does-it-matter
6. https://www.herbertsmithfreehills.com/carbon-neutral-and-net-zero-carbon-whats-the-difference-and-why-does-it-matter
7. https://sciencebasedtargets.org/how-it-works

DELIVEROO AND ESG



Despite Deliveroo being a well-known and popular brand used by many people globally, the notable Environmental, Social and Governance (ESG) issues within the company have created concerns for many investors. The most notable issues stem from the company's substandard attitudes to workers' rights and poor corporate governance. Public concerns around Deliveroo's ESG related issues have been linked to its recent loss of value on the stock market. Deliveroo lost more than a quarter of its value on its first day of trading, making it "the worst IPO in London's history".[1] For its compromising company values, many potential investors do not see Deliveroo as a company fit for portfolio inclusion. This piece will outline some of Deliveroo's ESG failings and directly contrast them to what we believe is best practice for high value companies and attractive investments.

Poor workers' rights are one of the most prominent issues within the company at large. It has been reported that Deliveroo riders fall in to the 'self-employed' category which means that they do not receive minimum wage from the company, holiday or sick pay.[2] The purpose of minimum wage laws is to prevent employers from exploiting their workers. The minimum wage should provide enough income to individuals to afford a living wage, that is the amount needed to provide individuals with enough food, clothing and housing. Deliveroo has responded to these concerns by claiming that if it was to make changes to the basis on which they engage riders, it could affect its ability to continue operating and could mean it's required to make changes to their business model.[3] This shows that Deliveroo's concerns with the operation of the company are inherently missing the mark when it comes to ESG factors. In contrast, we at Castlefield are a Living Wage Employer and see this as an integral part to all quality businesses. This means that we procure from companies who pay their employees a UK wage rate which allows employees to meet their everyday needs.[4]

Uber has a similar business model to Deliveroo and recently underwent a court case which resulted in changes to staff employment terms. The Supreme Court has ruled that Uber drivers are now entitled to a minimum wage and holiday pay.[5] Therefore, this could suggest that Deliveroo might have to undergo the same process and make legal changes to the framework of their business. In the last week, hundreds of Deliveroo riders took part in protests against their employment terms on the company's first day of open trading on the stock market.[6]

Regarding company governance, it has been reported that Deliveroo operates using a dual share class voting structure. This means that the co-founder and chief executive, Will Shu, has greater control over the company compared to the other shareholders.[7] Dual-class structures have been found to be fundamentally undermining of the power of their shareholder owners because of the discrepancy between control and economic ownership. This voting system has the potential to be problematic by reducing the accountability of economic owners of the business, entrench management and potentially skew incentives[8]. Contrastingly, we believe that the one vote system is better practice as it aims to insulate against the potential for corrupt corporate governance.

Investors today are no longer just looking at a business's economic performance when deciding where to put their money. Increasingly, environmental, social and governance issues are at the forefront of their concerns. Deliveroo has been seen to be missing the mark and not operating at a level of best practice. This has been most notable regarding the social and governance aspects of its business model. For this reason, many investors, including Castlefield, cannot see Deliveroo as a viable investment opportunity unless direct change is made in relation to these issues.

Written by India Harkishin

1. https://www.ft.com/content/bdf6ac6b-46b5-4f7a-90db-291d7fd2898d
2. https://www.bbc.co.uk/news/business-56515498
3. https://london.eater.com/2021/3/24/22347981/deliveroo-delivery-uk-riders-ipo-valuation
4. https://www.livingwage.org.uk/what-real-living-wage
5. https://www.bbc.co.uk/news/business-56123668
6. https://www.theguardian.com/business/2021/apr/07/deliveroo-workers-strike-as-shares-rise-on-first-day-of-open-trading
7. https://www.sharesmagazine.co.uk/news/shares/dual-class-deliveroo-picks-london-for-estimated-7-5-billion-ipo
8. https://corpgov.law.harvard.edu/2021/04/06/changing-investment-stewardship-practices-in-a-post-covid-19-world/

HEALTHY MARKETS INITIATIVE: UNILEVER AGM

Castlefield have been signatories to ShareAction's Healthy Markets Initiative since its formation. This collaborative engagement initiative joins multiple investors and asset owners from a variety of backgrounds together under the common goal of addressing the

> **In the UK, two in three adults and one in three children are now obese or overweight.[1]**

obesity crisis. In the UK, two in three adults and one in three children are now obese or overweight.[1] NHS costs as a result of this are significant. This crisis is being fuelled by the food options currently available to consumers, which in many cases are high in fat, sugar or salt. Through increasing the availability and affordability of healthier alternatives, consumers benefit from more choice, and therefore can lead healthier, happier and more sustainable lifestyles. The food and drinks sector is highly concentrated, with only a handful of companies responsible for a large proportion of the production and subsequent retail of products.[2] One of those companies is Unilever, a company that is held within our CFP Castlefield B.E.S.T. Sustainable fund range.

Unilever is at the forefront of many sustainability topics and at this year's AGM acted on climate by putting a long-term strategy towards net zero to a shareholder vote. The company wants to reduce its emissions early to remain competitive as a business in anticipation of increasing carbon pricing globally. This is not surprising from a company that aspires to be a global leader in sustainable business and is actively engaged on many topics across the whole sustainability spectrum.

On nutrition and health, unarguably an area of key importance for a food manufacturer, achieving progress towards a healthier product portfolio has been slower. Unilever ranked second on the 2018 Access to Nutrition Index of major global food and drink manufacturers after being judged to have a robust and comprehensive strategy covering most aspects of nutrition and health.[3] Paradoxically, while its nutrition policies may be market leading, the company's product portfolio and associated sales continue to be predominantly linked to its least healthy food and drink products. The same ATNI ranking showed that only 10% of Unilever's global food and drink sales derived from healthier products.[4] This suggests that Unilever is as dependent on its least healthy food and drink products for revenue at the moment as companies such as Mars (8%) and Mondelez (7%).

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There are now more sugar taxes worldwide than carbon taxes.[5] Many Latin American countries such as Mexico and Chile are imposing tobacco-like health warnings on 'least healthy' product categories. Europe is also introducing mandatory nutritional labelling requirements and, in the UK, forthcoming legislation at retail level may mean that many Unilever products will be prevented from being the subject of promotions at supermarkets or advertised online.

Through increasing the proportion of healthy products in their portfolio, and focusing their marketing activities to drive healthy sales, food and drink manufacturers have a significant opportunity both to improve the population's health and to future-proof their businesses.[6] This is why at this year's AGM, Castlefield, in collaboration with ShareAction, EQ Investors and Polden Puckham Charitable Foundation, posed a question to Unilever's Board to develop a long-term plan to ensure a majority of its sales are derived from healthier products in the future.

The Board responded to our questions, telling us that their Future Foods ambition will see the company double the number of products delivering positive nutrition globally by 2025. They also intend to continue to lower calorie, salt and sugar levels across the existing product range, with 70% of the portfolio set to meet WHO-aligned standards by 2022.

Written by Barney Timson

1. https://shareaction.org/coalitions-and-networks/healthy-markets-initiative/
2. Ibid
3. https://accesstonutrition.org/index/global-index-2018/scorecards/unilever/
4. Ibid
5. https://www.schroders.com/en/insights/economics/why-investors-should-pay-attention-to-sugar/
6. ShareAction. A Healthy Investment: The Importance of Prioritising Health in the Food and Drink Manufacturing Sector. July 2020.

COLLABORATIVE ENGAGEMENT: FAIRR AND HEALTHY MARKETS INITIATIVE

The food economy is one of the most significant factors in health and environmental outcomes. In order to feed an ever-growing population, the harmful environmental effects of intensive farming are substantial, and the UK is facing an obesity crisis, increasing costs for the NHS.[1] While the food and drink industry is providing a necessary service and has been successful in offering an ever-growing range of products to consumers, we believe that food manufacturers and retailers have a big role to play in improving health outcomes and reducing the environmental impact of the food system. With the upcoming National Food Strategy due to be published in the coming weeks, it is clear that the government has come to the same conclusion.[2]

> **We believe that food manufacturers and retailers have a big role to play in improving health outcomes and reducing the environmental impact of the food system.**

We are signatories to two collaborative investor initiatives which address this topic, through two different lenses. The first, ShareAction's Healthy Markets Initiative, targets engagement with food and drink companies to encourage them to play their part in building a healthier population. The second is the Farm Animal Investment Risk and Reward (FAIRR) collaborative investor network. This initiative raises awareness amongst investors and company management teams of the many ESG risks associated with animal agriculture. FAIRR have conducted several related engagements, including topics such as antimicrobial resistance and protein diversification.

While we have limited exposure to food manufacturers and retailers, we seek to engage on these issues where we can and have continued our previous engagements with Morrisons on the topics above through our work with both of these initiatives.

Following a positive call with Morrisons with the team from the Healthy Markets Initiative and other investor signatories in May, we co-signed a letter to the chairman of Morrisons' Board of Directors to encourage the supermarket chain to go further in its ambitions by setting sales-based targets. While Morrisons is placing a clear focus on health, we felt that by only setting product-based targets it risks falling behind its larger peers.[3]

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We also continued our conversations with Morrisons as a part of FAIRR's engagement on sustainable proteins. The call was intended to provide the initiative with an update on the company's progress on protein diversification and its long-term ambitions to diversify its product portfolio and improve the sustainability of its supply chain as well as how these aims will reduce its environmental impact.

> **We also continued our conversations with Morrisons as a part of FAIRR's engagement on sustainable proteins.**

While we think Morrisons can be well-regarded in its overall sustainability ambitions, we think that continued engagement on the topics of increasing sales of healthier products and reducing the reliance on animal protein in the supply chain and product portfolio can encourage the supermarket chain to play a larger role in improving diets and reducing its environmental footprint.

Written by Barney Timson

1. https://www.bbc.co.uk/news/health-53514170
2. https://www.nationalfoodstrategy.org/
3. https://www.foodnavigator.com/Article/2021/06/10/Morrisons-hails-progress-on-reformulation-as-investors-call-out-exposure-to-unhealthy-sales

VOTING ACTIVITY: Q2 2021

As investors, we believe that we have a responsibility to our clients, as well as the companies that we hold, to vote on issues such as executive pay, director nominations and political donations. We aim to vote on all the stocks held in the collective funds we manage. We consider each resolution carefully and often engage with companies where we disagree with their approach. We have an in-house set of voting guidelines that we update annually. The guidelines ensure that we vote consistently across all our fund holdings and are made publicly available on our website, as is our full voting history.

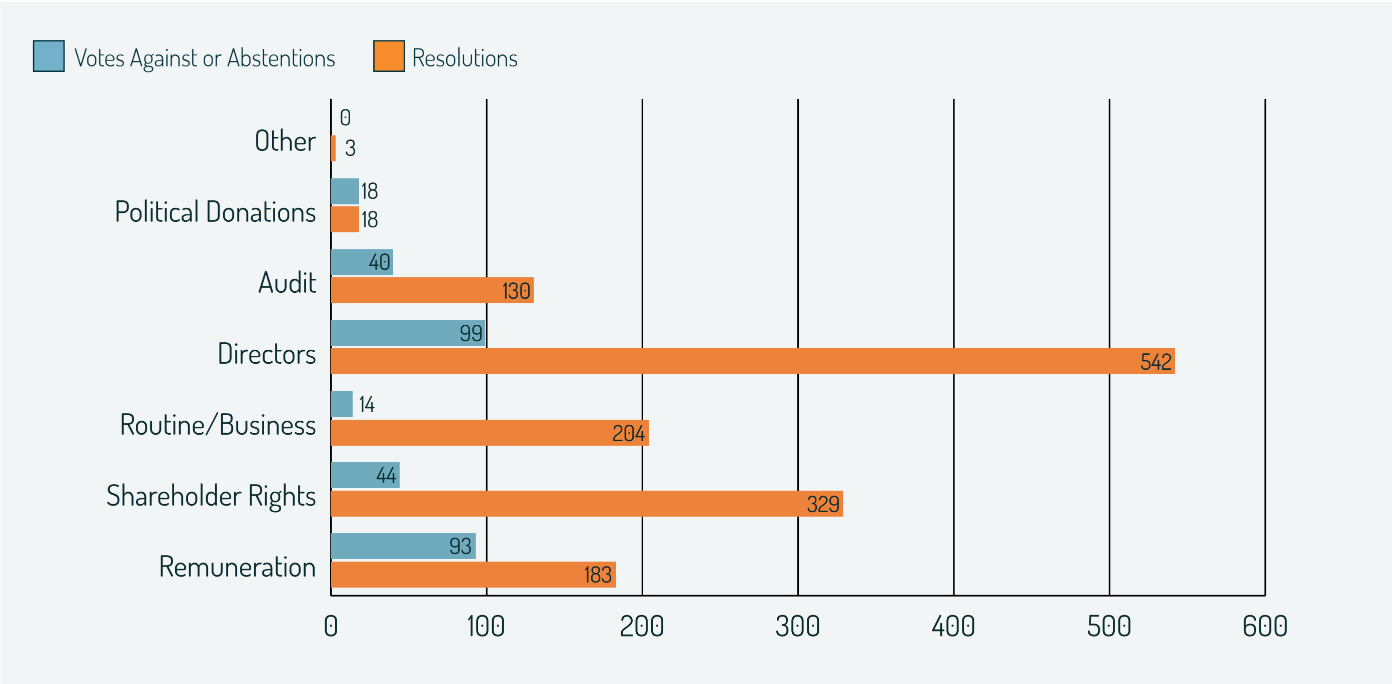
RESOLUTIONS

Number of resolutions where votes were cast For	1101	78.1%
Number of resolutions where votes were cast Against	281	19.9%
Number of resolutions where votes were Abstained	27	1.9%

During the quarter, we voted at 87 meetings hosted by our investee companies, with a total of 1409 resolutions.

1.	REMUNERATION	We vote against excessive pay awards and awards that are not attached to sufficiently stretching performance targets. Particularly in light of the impact of coronavirus, we believe it is important that executive pay is reflective of the experiences and outcomes of all stakeholders.
2.	DIRECTOR INDEPENDENCE & EFFECTIVENESS	Non-Executive Directors (NEDs) who sit on the boards of listed companies should be independent in order to be effective. The UK Corporate Governance Code sets limits on tenure which we apply across all geographies as a factor to determine independence. We have also long taken the view that directors should not hold a lot of other external positions. This is because, at a time of crisis, we expect directors to have enough additional time to dedicate to the company and the issues that it is facing.
3.	SHAREHOLDER RIGHTS	This topic includes votes on issues such as share placings that a company might undertake to raise capital, as well as requests a company might make to repurchase its own shares. These requests have the potential to be detrimental to existing shareholders. One topic which falls under this heading, which we will always vote against, is the request to hold meetings with just 14 days' notice, as we do not believe this is sufficient time for shareholders to prepare to exercise their voting rights.
4.	POLITICAL DONATIONS	We do not think it is appropriate for companies to make political donations and consequently will always vote against a resolution seeking permission to do so.
5.	THE AUDIT PROCESS	Auditor independence may be compromised if the auditor has been in place for a long time and no tendering process has been undertaken, or if fees paid are for services other than their primary audit function.
6.	ROUTINE/BUSINESS:	Items in the category include resolutions that are often uncontentious, such as accepting a company's Financial Report & Accounts for the previous year. It also includes resolutions to approve dividends.
7.	OTHER	This category may include certain resolutions proposed by shareholders and votes on topics such as Environmental, Social or Governance (ESG) issues and reporting.

Resolutions during the quarter by category and how frequently we voted against or abstained:



Increasing focus on ESG within the AGM

This quarter has seen two ESG-related resolutions put to shareholder vote by management. The first was Viscofan, which asked shareholders to vote on its Corporate Social Responsibility Report. This is a result of a relatively new, progressive law in Spain, where Viscofan is listed, which requires large companies to produce a report on 'non-financial' information and to include this as a separate resolution in its AGM. The law also sets detailed requirements for the information to be provided regarding environmental, social and employee, human rights, anti-corruption and sustainable development issues. We see this as a very positive step in corporate reporting as it means that the information companies provide should be easier to compare. Allowing shareholders to vote on the topic provides a clear opportunity for shareholders to express their dissatisfaction if it is felt that the company is not meeting its obligations.

The second ESG-related resolution we voted on was from Unilever, as we mentioned briefly in our earlier discussion of the question we posed at the company's AGM. The company used its AGM as an opportunity to seek shareholder approval for the company's climate transition plans – the first time that a major global business has done so.[1] We were happy to vote for Unilever's ambitious plans, which set out the company's strategy to address its emissions from direct operations as well as through the whole value chain.

1. https://www.unilever.com/news/press-releases/2020/unilever-to-seek-shareholder-approval-for-transition-action-plan.html

CLIMATE CHANGE AND PUBLIC POLICY

We all know that urgent government action is needed to make our economy fit for a zero-carbon future. So, in recent months, we've voiced our views on UK public policy in a couple of forums.

Global Investor Statement to Governments on the Climate Crisis

Firstly, we participated in a global investor statement organised by the campaign group Investor Agenda.[1] The letter was signed by over 400 investors managing more than $41 trillion in assets. As signatories to the Global Investor Statement to Governments on the Climate Crisis, we called upon global governments to undertake five priority actions ahead of COP26 in November:

- Strengthening of Nationally Determined Contributions for 2030 in line with the 1.5c Paris limit.
- A commitment to domestic mid-century net-zero emissions targets with clear decarbonisation roadmaps for every carbon-intensive sector.
- Domestic policies to help deliver these targets, including the phasing out of thermal coal-based electricity generation and the avoidance of new carbon-intensive infrastructure such as the development of new coal power plants.
- COVID-19 recovery plans that support the transition to net-zero emissions
- Mandatory climate risk disclosure aligned with the Task Force on Climate Related Disclosure (TCFD).[2]

Letter writing alone won't solve the climate crisis – if only it were that simple – but joint investor statements, particularly one of this magnitude, do send a powerful message to politicians around the world that the capital markets want clarity on the pathway to net zero and are supportive of greater regulatory action to put the global economy on a more sustainable footing.

UK government consultation on the Task Force on Climate Related Disclosure (TCFD)

Closer to home, the investment team responded to a public consultation on carbon reporting in May.[3] The government was consulting on whether to introduce requirements to make larger companies report on the climate risks they face. These risks can be split into two categories: physical and transition risks. Physical risks include the impact of changing weather patterns on companies, their operations and their supply chains. Transition risks relates to the steps that companies will need to take to ensure their business can operate successfully in a low carbon economy.[4]

As investors, we need to understand better the costs that are associated with both types of risks. As such, we're supportive of the government's proposed measures. We hope too that by forcing companies to analyse and report on carbon risks and costs, management teams will take swifter remedial action.

The government's proposed reporting framework originated from a group called the Taskforce for Climate-related Financial Disclosure (TCFD). TCFD was a project instigated by the then Governor of the Bank of England, Mark Carney, in his capacity as chair of the Financial Stability Board in 2015.

The TCFD framework asks companies to report on their climate management in four areas: governance, strategy, risk management and metrics and targets. TCFD is a comprehensive framework and prescribing a common approach to reporting means that, in time, investors will be able to compare better the companies and their approach to climate risk management. Again, we were happy to voice our support to the proposed introduction of the TCFD framework.

Written by Ita McMahon & Barney Timson

1. https://theinvestoragenda.org/press-releases/10-june-2021/
2. https://theinvestoragenda.org/wp-content/uploads/2021/05/IN-CONFIDENCE_EMBARGOED_2021-Global-Investor-Statement-to-Governments-on-the-Climate-Crisis-1.pdf
3. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/972422/Consultation_on_BEIS_mandatory_climate-related_disclosure_requirements.pdf
4. Ibid

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