

FINANCE | **UK**



B Corp Finance Coalition UK calls for legal change to finance companies' governance frameworks

5 November 2021

Today, the B Corp Finance Coalition UK is calling on finance companies globally to commit themselves to higher levels of stakeholder accountability. The Coalition is asking finance firms to join them and amend their constitutional documents to align with broader stakeholder needs.

Welcoming the announcements made this week by global finance, the Coalition believes a change in corporate governance will unlock deeper, more systemic and lasting change needed to deliver the Paris Agreement. The work currently underway across the finance sector to increase the flow of capital towards sustainable businesses and improve climate and sustainability disclosure is critically important, but missing a key ingredient.

The Founding Members of the Coalition, which spans centuries-old investment banks to fintech start-ups, have all amended their Articles of Association to ensure stakeholder alignment becomes part of their directors' duties. Through this, they hold their directors responsible for the delivery of that purpose and create a mechanism that enables true accountability.

To further support the Coalition's call to action, **CEOs and Founders from the group are offering to share approaches, best practice and learnings** with other CEOs and Board members wanting to respond to the call for change. The Coalition believes only through radical collaboration can the financial sector deliver rapid, meaningful and lasting change.

Founding members of the Coalition said:

"Tackling the world's greatest challenges requires change at the top now. Only with the right governance structures can ambitions such as net zero realistically be delivered. Collaboration with peers and competitors alike has led to a Coalition breaking new ground to drive this common goal". **Sophie Kennedy, CEO at EQ Investors**

“This Coalition is seeking lasting change by encouraging companies to place purpose at the centre of their offering and culture. As one of the world’s leading financial centres, the UK is well placed to show that stakeholder capitalism can play a vital role in helping address the world’s most pressing issues.” **Cedric Durant des Aulnois, CEO at Montanaro Asset Management**

“Changes in fundamental corporate governance hold the key to profound systemic change. What we are proposing could be considered the glue that binds the work of the UN SDGs, TCFD, SBTi, IFRS Foundation (and many more) together to ensure purpose and stakeholder outcomes are core to our businesses and that Directors duties are automatically tethered to the purpose outlined in our constitutions.” **Amy Clarke, Co-Founder at Tribe Impact Capital**

“Pivoting an established business to a B Corporation has enabled us to increase the resilience of our business and allows us to better identify and adjust to risk and opportunity. Organisations are under increasing scrutiny from customers and holding ourselves to account is important; we can’t just talk the talk, we have to walk the walk too. It’s a journey we are delighted to be on and one that is fundamentally changing how we think about ourselves”. **Peter Flavel, CEO at Coutts**

About the B Corp Finance Coalition UK:

The B Corp Finance Coalition UK comprises eleven certified B Corporations from across the UK’s finance industry including banks, wealth managers and asset managers. The Coalition believes uniting and combining forces is needed for real change to be achieved across the finance sector.

Founding Members of the Coalition:

[EQ Investors](#) - current co-chair: Louisiana Salge, Senior Sustainability Specialist

[Montanaro Asset Management](#) - current co-chair: Ed Heaven, Head of Sustainable Investment

[Tribe Impact Capital](#)

[Coutts](#)

[Arisaig Partners](#)

[Bridges Fund Management](#)

[Habito](#)

[Mustard Seed](#)

[Snowball](#)

[Triodos Bank](#)

[WHEB Asset Management](#)

B Corporations are a new kind of business that balances purpose and profit. By amending their legal frameworks, such as Articles of Association, they are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment.

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