

Monthly GSS News Digest

Governance, Sustainability and Stewardship

January 2026



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Insights from CDP's 2025 Disclosure Data



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ACGA Analysis: "Nidec Governance: More Form, Less Substance"



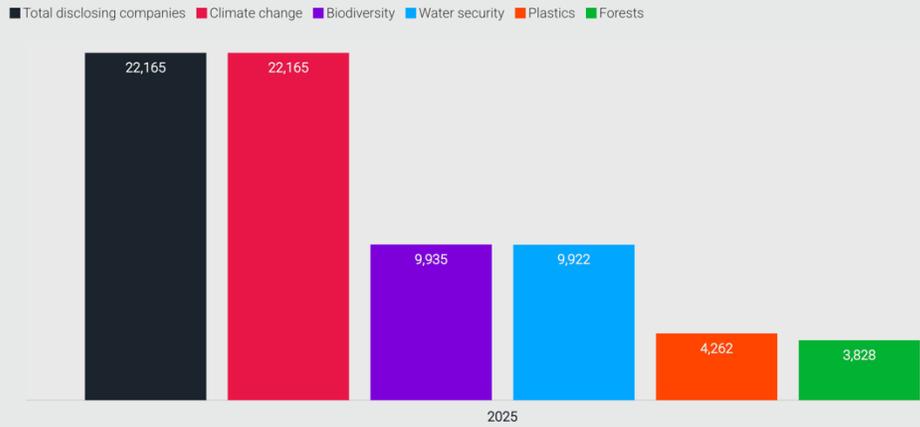
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BlackRock's Response to Criticism Over Voting Stance

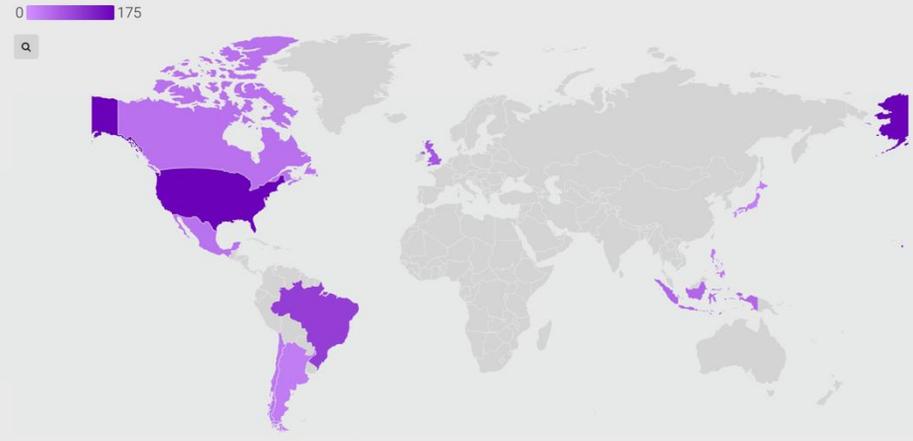




Number of corporate disclosures by environmental theme in 2025



Countries with the highest disclosures by cities, states and regions in 2025



Source: [CDP Keeping Pace: Disclosure Data Factsheet 2025 published on January 28, 2026](#)

Key Highlights

- **23,100+ organizations**
 - Disclosed voluntarily through CDP in 2025 across climate, forests, water security, biodiversity and plastics
- **Increased demand for data**
 - 640 investors with US\$127 trillion in assets requested disclosure data
 - 270+ major buyers requested around 45,000 suppliers to disclose through CDP's Supply Chain program
- **22,100+ businesses**
 - Representing nearly 2/3 of global market capitalization disclosed
 - 11,000 SMEs disclosed through CDP's dedicated SME questionnaire in its second year
- **4,400+ companies**
 - Disclosed through CDP for the first time in 2025
 - 60%+ increase in first-time disclosers

ACGA Analysis: "Nidec Governance: More Form, Less Substance"



ACGA Verdict: Case Study in Governance Failure

Background:

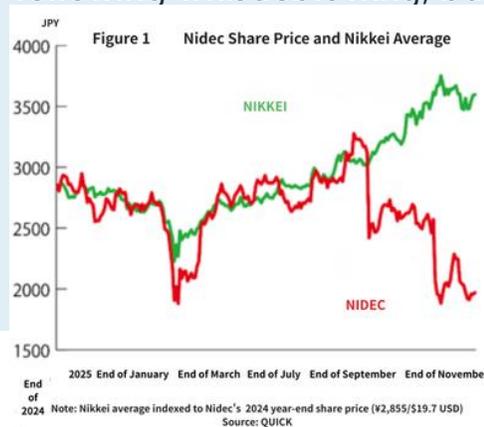
- Nidec is a Japanese manufacturer and distributor of electric motors.
- Nidec's board formally independent, with seven independent outside directors out of 11 total members (64%).
- Third-party evaluations by an external law firm praised the composition, diversity (i.e., gender and experience) and gave a high oversight score.

The Scandal

- Accounting irregularities exposed across Chinese, Italian and Swiss subsidiaries in September 2025
- Previous incident in 2022 at Brazilian subsidiary following whistleblowing, but was not publicly disclosed at that time

Market impact on the company:

- Placed on Tokyo Stock Exchange's 'Security on Special Alert'
- Deleted from Nikkei 225 and TOPIX
- Suffered a share price collapse →



Governance Failures and Red Flags cited by ACGA

Weak board expertise

Zero outside directors with business, audit or finance experience (vs. 56% TOPIX 100 avg). They mainly had academic and government/legal experience

Concentrated founder control

Founder has a dual role as Chairman and Representative Director

Low compensation

\$50k Outside director compensation, which is far lower than the average for outside directors at other peers

Cosmetic leadership change

Founder 'resigned' but remains Honorary Chairman

BlackRock's Response to Criticism Over Voting Stance



City scrutiny on climate action

- **NYC Comptroller criticism**
 - In November 2025, NYC Comptroller Brad Lander [recommended](#) pension boards consider dropping BlackRock over inadequate decarbonization plans. Lander criticized BlackRock's restrictive approach to engaging U.S. companies where it owns 5%+ equity.
- **Client losses**
 - A second European pension fund (PME group) dropped BlackRock in December 2025 over concerns about climate action and voting record.
- **Political polarization**
 - Large U.S. asset managers face criticism from multiple sides. Some press for stronger climate action while others question whether managers have overstepped their remit. Proxy advisors ISS and Glass Lewis also face increased scrutiny from the Trump administration.

BlackRock's 2026 Response

Renewed focus on long-term value

BlackRock emphasizes that it focuses on long-term economic value.

Financial materiality lens

BlackRock updated language to emphasize financial materiality, consistency and company-specific analysis rather than blanket climate mandates.

"Pragmatic" climate disclosure stance

Climate disclosure remains in stewardship expectations but with "pragmatic" tone. Accordingly, no new disclosure mandates or decarbonization targets. Companies expected to identify material climate risks relevant to their business.

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