Business and Trade Committee
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Nikhil Rathi,
Chief Executive, Financial Conduct Authority
2 Endeavour Square
London E20 1JN
[By email]

10 July 2025

Dear Mr Rathi,

Shein and the Integrity of the UK Listing Regime

I write to follow up on our Committee's ongoing scrutiny of the proposed Shein listing on the UK Stock Exchange, particularly in light of recent reports concerning the disclosure of supply chain risks and the apparent sensitivities surrounding references to the Xinjiang region.

We are grateful for your earlier correspondence of 17 January and 17 February, which outlined the FCA's disclosure requirements and reiterated that "any issuer carrying supply chain risks that could materially impact its business model, or legal liability, would need to consider thoroughly what disclosure of those risks was required." We also note your confirmation that the FCA's role is to ensure disclosures are sufficient for investors to "understand the risks." [1]

However, recent reporting suggests that Shein's listing process may have encountered friction over the language of required disclosures, particularly concerning potential exposure to forced labour in Xinjiang, and that this may have inspired the firm to seek to explore moving its listing to Hong Kong in order to somehow persuade you to soften your reporting guidance. [2]

For the avoidance of doubt, I want to flag that the Committee would be deeply concerned by any watering down of disclosure requirements, especially in cases involving potential violations of international human rights standards. This would not only compromise the integrity of the UK's listing regime but could also risk reputational damage to the UK's financial markets and undermine investor confidence that the UK was determined to champion only the highest international labour standards, along with our allies in the United States and the European Union.

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[1] Financial Conduct Authority, *Letter to the Chair of the Business and Trade Committee on forced labour risk factors*, 17 January 2025. Financial Conduct Authority, *Letter to the Chair of the Business and Trade Committee on forced labour risk factors and the Shein listing*, 17 February 2025.
[2] *"Shein files for Hong Kong IPO to pressure UK to save London listing,"* Financial Times, 08 July 2025

Accordingly, we would be grateful for an update on:

- Whether recent reports accurately reflect the current state of negotiations between the FCA and relevant parties;

- Whether the issues surrounding disclosure of Xinjiang-related risks are, in your view, a material factor in any delay to Shein's listing;

- Your assessment of whether this case could establish a precedent affecting future applications and the competitive standing of the UK as a financial centre;

- What steps the FCA is taking to safeguard the robustness of disclosure standards in this and comparable cases.

If any of this information would be more appropriate to share in confidence, the Committee would be willing to consider a private briefing.

Thank you for your continued engagement on this matter.

Chair of the Business and Trade Committee