

Shaping the future of financial reports: 18,000 large companies could be impacted by European reporting directive and UK mandatory reporting legislation

This June, the UK government is introducing regulations that will require UK quoted companies to report their greenhouse gas (GHG) emissions publicly. UK incorporated companies quoted on the [London Stock Exchange Main Market](#) are expected to be required to list their GHG emissions in their annual reports for financial years ending on or after 30th September 2013.

In Europe, a new directive from the [European Commission](#) (EC) proposes an amendment to existing accounting legislation to mandate the reporting of social and environmental information in the annual reports of up to 18,000 large European companies. It is imperative that this legislation is now progressed without being weakened. Further, it should be strengthened to foster consistency of environmental information for investors. This is a view held by the [Climate Disclosure Standards Board](#) (CDSB), a CDP special project.

[Aviva Investors expand on this point](#), recommending that the EC go further to promote full integration of non-financial information in annual reports, include market oversight at the AGM, for example – and cite CDP guidance and CDSB.

CDP and CDSB are members of the Aviva-led [Corporate Sustainability Reporting Coalition](#), comprising investors with assets under management of approximately US\$2 trillion, financial institutions, professional bodies, NGOs and other relevant stakeholders. The Coalition calls on European policy-makers to work toward an agreement on sustainability reporting so that companies can be part of the solution towards a sustainable future.