

Amendements on EU Non-Financial Reporting 2013/0110(COD))

Re: upcoming Council and trilogue discussions regarding the European Commission's proposal on the disclosure of non-financial and diversity information by certain large companies and groups

CDP and CDSB continues to strongly support the European Commission's legislative proposal COM(2013)207 on the disclosure of non-financial and diversity information by large companies. This step to align non-financial reporting provisions with financial reporting across the EU constitutes a significant step forwards in increasing corporate transparency and providing consistent and comparable decision useful information for investors.

CDP and CDSB call on the European Parliament to support proposed amendments numbers 8, 11, 72, 75, 77, 125*, 130, 131, 132, 142 and 207.

CDP and CDSB support:

- the referencing of a wide range of international normative and reporting frameworks including CDP and CDSB's Frameworks (amendments 11, 72 and 75).
- the inclusion of amendment 77 on the transposition of this directive with the objective of integrated reporting.
- *only the addition of the text "*taking into account the company's complete supply chain*" in amendment 125.
- the inclusion of land use, water use and greenhouse gas emissions (amendments 130,131,132) to create a minimum common denominator for reporting, thereby making the information reported more relevant, comparable and reliable as requested by investors.
- The development of guidance, at the latest 18 months after the adoption of the Directive (amendment 142).
- The inclusion of the proposed text in amendments 207, 208 on the insertion of a review clause by the EU on the implementation and effectiveness of the provisions regarding non-financial reporting, progress in non-financial reporting globally, and the use of greenhouse gas, water use and land use indicators, including verification and enforcement mechanisms.

We suggest that the Parliament rejects Amendments 94, 95, 125

- Amendment 94: the definition of scope of the non-financial reporting requirements should not be decreased below the original proposals (average number of employees 500 and exceeding either a balance sheet total of EUR 20 million or net turnover of EUR 40 million) and should apply to all companies whether listed or non-listed undertakings.

We further suggest that amendments 98 and 124 be dealt with as a separate matter and not be coupled with proposals on non-financial reporting.

We urge members of Parliament to consider our views on the listed amendments and act without delay with the adoption of an amended text without weakening any of its provisions before the end of the current parliamentary session.

Additional supporting evidence and resources can be downloaded from www.cdsb.net/nfr

About us

CDP speaks on behalf of 722 institutional investors, representing some \$87 trillion under management: better and more consistent availability of environmental, social and governance information will allow investors to take longer-term, sustainable decisions.

www.cdp.net

CDSB is an international consortium of business and environmental NGO's including the World Economic Forum, the World Business Council for Sustainable Development, CDP, CERES and the World Resources Institute that have been working since 2007 to drive the integration of non-financial information into mainstream financial (annual) reports.

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