



## **Press Release – For Immediate Release Proposed European legislation on non-financial reporting is an opportunity for the European economy**

*says a leading group of European and international investors,  
including asset managers, pension funds and other asset owners.*

*June 19, 2013, Brussels, Belgium:* Eurosif, Eumedion, CDP, CDSB, EFFAS, UNEP-FI, ICGN and IIGCC strongly support the European Commission proposal<sup>1</sup> published on April 16th mandating large European companies to report material non-financial information and their diversity policy in their annual reports. While some aspects of the proposed legislation can be strengthened, the legislation must not be weakened by the co-legislators.

The above group of investor-led platforms or initiatives represents over 700 institutional investors or financial institutions, of which a large part is based in Europe, and managed assets over EUR 65 Trillion.

Investors' interest in corporate non-financial information is growing. As of end of 2011, assets managed under investment strategies incorporating non-financial information represented in excess of EUR 10.5 Trillion<sup>2</sup> globally, of which almost two thirds are managed by European investors<sup>3</sup>. In addition, investors managing in excess of EUR 65.8 Trillion Assets under Management support the disclosure of corporate greenhouse gas emissions and climate change data<sup>4</sup>.

This growth is in part fuelled by the mounting evidence that there are links between how well a company manages environmental and social issues and its financial performance or access to lower cost of capital.

The proposed legislation will help investors by making more relevant information available from a larger number of European companies.

It therefore represents a significant step forward for European and international investors who seek timely, material, comparable and forward-looking information on non-financial risks and opportunities, in order to make better informed investment decisions. Failure to adopt the legislation will make such decisions more difficult and costly for investors, and will increase the risks of harming European companies' international competitiveness.

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<sup>1</sup> COM(2013)207

<sup>2</sup> Source: Global Sustainable Investment Review, 2012.

<sup>3</sup> Source: Eurosif, 2012.

<sup>4</sup> Source: CDP website.



By offering greater flexibility and avoiding the imposition of overly costly requirements on European companies, especially small and medium sized ones, the legislative proposal should not be seen as a burden on companies, but an opportunity to increase European companies' long term competitiveness and therefore Europe's long term sustainable growth prospects.

The signatories to this press release therefore jointly urge the European Parliament and the Council to adopt the legislation proposed by the European Commission without weakening the provisions of the text.

**ENDS**

### **Notes to Editor**

The Proposal COM(2013)207 referred to in the above release can be found at:  
[http://ec.europa.eu/internal\\_market/accounting/docs/non-financial-reporting/com\\_2013\\_207\\_en.pdf](http://ec.europa.eu/internal_market/accounting/docs/non-financial-reporting/com_2013_207_en.pdf)

### **About CDP**

CDP is an international, not-for-profit organization providing the only global system for companies and cities to measure, disclose, manage and share vital environmental information. CDP works with market forces, including 722 institutional investors with assets of US\$87 trillion, to motivate companies to disclose their impacts on the environment and natural resources and take action to reduce them. CDP now holds the largest collection globally of primary climate change, water and forest risk commodities information and puts these insights at the heart of strategic business, investment and policy decisions. Please visit [www.cdp.net](http://www.cdp.net) or follow us [@CDP](https://twitter.com/CDP) to find out more.

### **About CDSB**

The Climate Disclosure Standards Board, managed as a CDP special project and chaired by the World Economic Forum, is an international consortium of business, investor, and environmental organizations committed to the integration of climate change-related information into mainstream corporate reporting. CDSB's Climate Change Reporting Framework is a tool to help companies present climate change information in the context of a mainstream financial report in a way that is of most use to investors. The Framework does not create a new standard; it harmonizes existing financial and greenhouse gas reporting standards. CDSB's aim is to promote aligned reporting practices to reduce reporting burdens and provide comparable information to capital markets. For more information on CDSB visit [www.cdsb.net](http://www.cdsb.net).

### **About EFFAS**

Founded in 1962, the European Federation of Financial Analysts Societies (EFFAS) is a Pan-European grouping of 26 National Societies of Financial Analysts, bringing together leading experts from all of Europe's Equity and Fixed Income markets (more than 17.000 investment professionals in Europe). EFFAS' overall aim is to set standards for investment professionals in the fields of communications, ethics, and qualifications, to actively bring our influence to bear on relevant EU guidelines whilst recognizing and respecting regional market characteristics ([www.effas.net](http://www.effas.net)).

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### **About Eumedion**

Eumedion is the Dutch based corporate governance and sustainability forum for institutional investors. Eumedion has 70 Dutch and non-Dutch participants – all with a long term investment horizon – and its general aim is to promote good corporate governance and sustainability in Dutch listed companies. Participants include a wide range of institutional investors: pension funds, mutual funds, asset managers and insurance companies. Together they have more than € 1 trillion assets under management and around 20% of Dutch listed shares. Eumedion's position on the European Commission's legislative proposal can be found at [www.eumedion.nl](http://www.eumedion.nl). Contact: Rients Abma, Eumedion, Executive Director, [rients.abma@eumedion.nl](mailto:rients.abma@eumedion.nl) or +31 70 2040 303.

### **About Eurosif**

Eurosif, the European Sustainable Investment Forum, is the leading pan-European investment membership association whose mission is to develop sustainability through European financial markets. Eurosif works as a partnership of Europe-based national Sustainable Investment Forums (SIFs) with the direct support and involvement of over 65 member affiliates drawn from the industry and related services and representing assets exceeding €1 trillion. Eurosif's position on the European Commission's legislative proposal can be found [here](#). Contact: Francois Passant, Eurosif, Executive Director, [francois@eurosif.org](mailto:francois@eurosif.org), +32 2 274 14 35.

### **About UNEP-FI**

The United Nations Environment Programme Finance Initiative (UNEP FI) is a unique global partnership between the United Nations Environment Programme (UENP) and the global financial sector. UNEP FI works closely with over 200 financial institutions who are Signatories to the UNEP FI Statements, and a range of partner organisations to develop and promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations. <http://www.unepfi.org/about/index.html>

### **About ICGN**

The International Corporate Governance Network (ICGN) is a global membership organisation of around 600 institutional and private investors, corporations and advisors from 50 countries. Our investor members are responsible for global assets of US\$18 trillion. The ICGN's mission is to raise standards of corporate governance worldwide. In doing so, the ICGN encourages cross-border dialogue and influences corporate governance public policy through its Committees. It promotes best practice guidance, encourages leadership development and keeps members informed on emerging issues in corporate governance through publications and the ICGN website. [www.icgn.org](http://www.icgn.org). Contact: Kerrie Waring, Acting Head, [kerrie.waring@icgn.org](mailto:kerrie.waring@icgn.org), +44 (0)207 612 7085.

### **About IIGCC**

The Institutional Investors Group on Climate Change (IIGCC) is a forum for collaboration on climate change for European investors. It provides investors with a collaborative platform to encourage public policies, investment practices, and corporate behaviour that address long-term risks and opportunities associated with climate change. IIGCC currently has over 80 members, including some of the largest pension funds and asset managers in Europe, representing around €7.5trillion in assets. Contact: Stefanie Pfeifer, Executive Director, [spfeifer@iigcc.org](mailto:spfeifer@iigcc.org), +44 (0)207 960 2987.