



HM Treasury

# **Non-Financial Reporting Landscape**

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# Non-Financial Reporting

This is the beginning of an ongoing piece of work to consider the non-financial reporting methods/frameworks being adopted by the private sector and which/how they can be incorporated into public sector reporting.

We would welcome any input as the project develops, the below sets out some of our initial avenues of thought:



Exploring the emerging frameworks for Non-Financial Reporting in the private sector, the disclosures currently required by law of large companies (Directive 2014/95/EU) as well as those being voluntarily implemented by SME's & large business in their Strategic Reports.



Tying in with the four primary sustainability issues (environment, social and employee issues, human rights, and bribery and corruption)



Potential creation of a common standard for non-financial information across Government/Public Sector and examining the benefits of mandatory vs voluntary requirements of information reporting.



To provide users with relevant information on the wider spectrum of non-financial information by, in addition to environmental matters, including important information such as the lead indicators driving a department's/business's performance ie. information around customers, suppliers, public perception. It may also include information on intangibles (to the extent that they are key drivers).



Exploring the Public Sector interpretation of Section 172 of the Companies Act and whether further consideration should be given to some of the Act's duties of directors ie:

- The likely consequences of any decision in the long term
- The need to foster the relationships with suppliers, customers and others
- The impact of operations on the community and the environment
- The desirability of maintaining a reputation for high standards of business conduct