

Aldersgate Group Calls for Mandatory Carbon Reporting – Open letter to Lord Mandelson

Move would show UK leadership and add credibility to climate targets

Over 50 MPs and blue-chip companies support campaign

The Aldersgate Group, a strategic coalition of businesses, NGOs, think-tanks and individuals who believe that high environmental standards are essential for future economic growth and competitiveness, has written an open letter to Business Secretary Lord Mandelson, calling for greenhouse gas (GHG) reporting to be made mandatory for all large UK organisations as soon as possible.

Over 50 MPs, including Liberal Democrat leader Nick Clegg and Conservative Shadow Climate Change Minister Greg Barker MP, have signed the letter, along with a diverse range of organisations including Aviva, BSkyB, The Cooperative, Barratt Homes, National Grid, United Utilities, BIFFA, Friends of the Earth, WWF and Reed Elsevier.

The letter commends the Government for publishing voluntary guidance on reporting GHG emissions to help UK companies manage and reduce their carbon footprint, but points out that, despite this voluntary guidance being in place, only around half of all FTSE350 companies actually disclosed their carbon emissions.

Mandatory GHG reporting would ensure greater accountability and transparency to help companies identify cost and carbon savings. It would also create a level playing field, allowing investors and consumers to make more meaningful comparisons, thus driving further emissions reductions.

Steve Waygood, Head of Sustainability Research and Engagement, Aviva Investors and one of the signatory members of the Aldersgate Group letter, said: "We believe that climate change represents a profound market failure. There is a clear need for much tougher policy measures on the international stage, as well as at the national level. While Copenhagen failed to deliver internationally, the UK is well placed to make carbon reporting mandatory in the UK. This would allow investors to more easily identify climate change risks and opportunities. If we conclude that climate change is potentially material then we have an informed basis on which to make our investment decisions."

Peter Young, Chairman of the Aldersgate Group said: "The report out this week from the Carbon Disclosure project showed how far some companies are falling behind on carbon targets. Making GHG reporting mandatory would show global political leadership from the UK Government, provide greater credibility to domestic climate targets and help accelerate the development of a low-carbon economy. It would also help to ensure that the City and UK financial industries maintain a competitive edge as world leaders in carbon accounting and reporting. It is not acceptable that the Government lags behind mainstream business opinion on this issue."

Paul Monaghan, Head of Social Goals at The Co-operative, a signatory of the letter, said: "The advocates of voluntary reporting have had their way for over a decade and still just half of the UK's largest businesses report their greenhouse gas emissions. Legislation is long overdue, and we will not see investors begin to systemically factor climate change into their decision making until this nettle is grasped."

Jo Fox, Deputy Director of the Bigger Picture at BSkyB, a signatory of the letter, said: "We've been measuring our carbon emissions since 2003 and using a detailed reporting system lets us set targets in a way that allows us to track progress. Not only does regular

and transparent carbon reporting enable companies to become operationally and financially efficient, it also helps to build trust in the brand with staff, customers and, increasingly, shareholders."

The full letter can be seen on the Aldersgate Group website at:

www.aldersgategroup.org.uk

About Aldersgate Group

The Aldersgate Group is a high level coalition of progressive businesses, environmental groups and individuals who believe that high environmental standards will be a major part of future economic growth and international competitiveness.

By presenting objective evidence based on the diverse experience of our members, we promote the case that there is no inherent contradiction between regulating for high environmental standards at the same time as maintaining economic growth and stimulating wealth creation. Quite the reverse: no economic policy which sacrifices environmental quality can succeed in the long term.

The Group engages actively with government and other key decision makers to contribute to the future development of UK economic, environment and sectoral policies, as well as providing a distinct voice that advances the better regulation and sustainability agendas.

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