



UK Corporate Reporting Trends: Our Top Five Insights on the FTSE100

Mei Ashelford, Hannah Griffiths and George Yannakoudakis
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The largest companies by market value revealed in their annual reports greater openness, transparency and information. An ever-increasing emphasis on sustainability and ESG across all industries is one of the hallmarks. Governance is taking its place next to strategy in terms of importance, with executive remuneration and employee fairness in focus. And more corporate information is being presented in a 'digital-first' format, giving wider and deeper access to stakeholders.

We reviewed the annual reports of over 60 companies whose financial year ends in December, and distilled the main trends and observations that have elevated the quality of reporting.

1. Sustainability highlights

Sustainability highlights, sometimes labelled as non-financial highlights, are increasingly apparent not only in sectors with clear impacts to the environment but also in service-related sectors. On the social side, companies are displaying DEI (diversity, equity and inclusion) metrics, employee net promoter scores and contributions toward social programs more prominently. Environmental highlights are usually related to carbon emissions, including overall numbers, scopes 1 and 2 or tonnes per employee. In some cases, ESG (environmental, social and governance) ratings are shown alongside sustainability highlights.

The range of highlights suggests that one size does not fit all, meaning companies should be careful that they align to their own sustainability targets or priorities.

2. Double materiality

The first concentrated wave of companies seeking to get ahead of future requirements across the UK of the Sustainability Disclosure Standards (UK SDS) and the EU Corporate Sustainability Reporting Directive (CSRD) occurred in 2023. The results of double materiality assessments stood out as a new and particularly useful disclosure in terms of increasing transparency and helping investors with their decision-making. This is a seismic shift in ESG reporting regulations.

The lack of established best practice in this area has resulted in various ways of showing the output of double materiality assessments, some more effective than others. Companies should embrace infographics



and other design elements to simplify complex information and present it in a way that is easy to understand.

3. Bringing governance to life

We have seen greater efforts to make the governance report more engaging, bringing it on par with its strategic counterpart. Infographics to illustrate the approach to succession planning, the use of progress dashboards and informative Q&As that aim to provide a window into the boardroom are increasingly common.

“Governance at a glance” sections are included more frequently, showing board composition dashboards, skills matrices, and summaries of key decisions and board activities. Additionally, feature pages showcasing the board’s approach to monitoring culture have become more prevalent, perhaps in anticipation of the updated UK Corporate Governance Code.

Companies should focus on areas that are of most interest and relevance to key stakeholders. For example, during a year of leadership change, investors may look for more disclosures on board appointments and inductions.

4. Evolving remuneration reports

The breadth and depth of remuneration reporting has noticeably changed, with more detailed information on wider workforce pay and policies, and greater clarity around how executive remuneration packages align to culture, strategic priorities and ESG pillars. Companies are placing an emphasis on engaging with the workforce to ensure the well-being of employees is being met through fair compensation amid high inflation.

Although making clear disclosures around remuneration outcomes is mandatory, being transparent around how stakeholders such as investors and employees have been engaged on executive remuneration is becoming more important.

5. Digitally driven content

Companies continue to inch toward a digital-first approach to reporting, as some opt for a ‘screen-first’ landscape format or offer the option to view double-page spreads as single pages online. This allows for greater flexibility around the design and how information is presented.

A large amount of connectivity exists between online and offline channels. This usually begins at the start of the report with a link to the corporate or investor website and continues throughout, using URL links or QR codes. Interactive navigational elements embedded into the PDF also create a more streamlined user experience.

Telling a joined-up story across channels relies on knowing different audiences and what their expectations are. Working with communications specialists will aid companies in creating insight-led decisions.

For recommendations and support on refreshing your corporate reporting strategy, please get in touch.



To continue the conversation



Mei Ashelford

Director, London

mashelford@brunswickgroup.com

Mei is a chartered accountant with 20+ years of technical reporting experience. Having originally trained as a forensic accountant Mei moved into reporting regulation in 2012 joining the industry regulator, the Financial Reporting Council, as a Project Director where she oversaw the delivery of several high-profile regulatory projects.



Hannah Griffiths

Director, London

hgriffiths@brunswickgroup.com

Hannah has been delivering award-winning sustainability, ESG and DE&I creative communications for over 15 years. She specializes in reporting and campaigns, both internal and external, across multiple platforms; but uses her creativity and expertise to help clients with a variety of needs, including materiality, narrative and strategy.