

Guide to The Companies Act launched

A new guide to help company directors implement their environmental and social obligations under The Companies Act has been launched today by The Corporate Responsibility (CORE) Coalition.

23 October 2007

The Companies Act 2006: Directors Duties Guidance is designed to help company directors comply with the new rules set out in The Companies Act, which came in to effect earlier this month. The biggest shake up of company law for 150 years, The Companies Act 2006 requires for the first time Company Directors to consider their business' impacts on people and the environment. It also requires some of the largest businesses to make public these impacts in annual reports.

CORE's Guidance highlights that good corporate governance, particularly the importance of independent thinking and challenging questioning by company directors, can substantially advance the ability of companies to improve their social and environmental performance. The guidance aims to complement a recent guide for activists published by CORE and The Trade Justice Movement on how to use The Companies Act in campaigns.

Hannah Ellis, Coordinator of CORE said: 'The Corporate Responsibility Coalition believes this Government has a critical role to play in shaping the way UK PLC does business. We also want to make sure that directors are able to implement this new legislation with the minimum of fuss. It's a shame that the Government couldn't come up with guidance itself, but with the publication of this guidance, we hope we've helped to fill the gap.'

Paul Chandler, Chief Executive, Traidcraft plc said: 'We are delighted that The Corporate Responsibility Coalition has produced guidance to help company directors manage their business and live up to their 21st century obligations. This practical approach of translating law into action benefits company directors and all stakeholders who understand the critical importance of managing social and environmental impacts.'

The new guidance will be sent to all FTSE 100 companies and many AIM listed companies, and is available for download at

http://www.corporate-responsibility.org/module_images/directors_guidance_final.pdf

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Notes

1. The Corporate Responsibility (CORE) Coalition (www.corporate-responsibility.org) is the UK's most active voice on corporate accountability, supported by over 130 organisations, including campaigning organisations, faith-based groups, community organisations, academic institutions and trade unions.
2. Although during the passage of the Companies Act through parliament the Government committed to producing guidance for directors, DBERR (The Department for Business, Enterprise and Regulatory Reform) has decided not to do this (instead released a document of [ministerial statements](#)).