



AUTORITÉ  
DES MARCHÉS FINANCIERS

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## **Sustainable finance and collective management: the AMF updates its policy on collective investments incorporating non-financial criteria**

Following the publication of Position-Recommendation DOC-2020-03 which sets out information related to the consideration of non-financial criteria that may be disclosed by French collective investments and foreign UCITS authorised for marketing in France, the AMF has created specific forms for the authorisation processes, for preparing KIIDs/KIDs or prospectuses, and for publishing periodic information.

### **Addition of specific forms to be filled out**

The AMF has amended each of the instructions relating to products by adding annexes with forms to be filled out in the event of changes entailing the consideration or a change to the consideration of non-financial criteria as a key aspect of the management of the product in the Key Investor Information Document (KIID/KID) or marketing materials of collective investments.

There is also a form to be filled out when filing applications for the marketing in France of a foreign UCITS or UCITS sub-fund that wishes to make non-financial criteria a key aspect of communication or to change its non-financial criteria. It is added to Instruction DOC-2011-19 on authorisation processes, preparation of a KIID and a prospectus and periodic reporting for French and foreign UCITS marketed in France.

## Reminder of changes introduced in March after the publication of Position-Recommendation DOC-2020-03

It is recalled that the AMF has made adjustments resulting from the publication of Position-Recommendation DOC-2020-03 and introduced additional information to improve support to asset management industry participants.

Since 11 March 2020, the instructions relating to the authorisation processes of the main collective investments specify that the consideration of non-financial criteria in the management method – by way of derogation from the articles of the instructions on changes in the investment policy of products - no longer requires AMF authorisation, but does require individual notification of investors:

(example of instruction DOC-2011-19)

Changes	Authorisation	Individual Notification	Exit Free of Charge	Notification by any Means
Consideration of non-financial criteria in the management method, by way of derogation from Article 11 § 1 <sup>(1)</sup> .		x		

### List of amended instructions

The updated policy documents as well as the annexes added are listed in the table below. They may be accessed in the Regulations > Policy > II - Investment Products section or by using the "Policy" advanced search function.

S c o p e	R e f e r e n c e	Title
I n s t r u c t i o n	D O C- 2 0 1 1- 1 9 A n n u e x X I X A n n e x X X	<p>Authorisation processes, preparation of a KIID and a prospectus and periodic reporting for French and foreign UCITS marketed in France</p> <p>Form to be filled out in the event of a product change entailing the consideration of non-financial criteria presented as a key management aspect in the Key Investor Information Document (KIID) or the marketing materials of the UCITS</p> <p>Form to be filled out in the event of the filing of applications for the marketing in France of a foreign UCITS or UCITS sub-fund that wishes to make non-financial criteria a key aspect of communication or to change these non-financial criteria.</p>
I n s t r u c t i o n	D O C- 2 0 1 1- 2 2 0 A n n e x X V I I I	<p>Authorisation processes, preparation of a KIID and a prospectus and periodic reporting for retail investment funds, funds of alternative funds and professional alternative investment funds</p> <p>Form to be filled out in the event of a product change entailing the consideration of non-financial criteria presented as a key management aspect in the Key Investor Information Document (KIID) or the marketing materials of the AIF</p>

S c o p e	R e f e r e n c e	Title
I n s t r u c t i o n	D O C- 2 0 1 1- 2 1 A n n e x X V II	<p>Authorisation procedures, preparation of a KIID and a prospectus, and periodic reporting for employee saving scheme funds</p> <p>Form to be filled out in the event of a product change entailing the consideration of non-financial criteria presented as a key management aspect in the Key Investor Information Document (KIID) or marketing materials of employee saving scheme funds</p>
I n s t r u c t i o n	D O C- 2 0 1 1- 2 2 A n n e x X	<p>Authorisation processes, preparation of a KIID and rules, and periodic reporting for private equity funds</p> <p>Form to be filled out in the event of a product change entailing the consideration of non-financial criteria presented as a key management aspect in the Key Investor Information Document (KIID) or marketing materials of the retail private equity investment fund</p>
I n s t r u c t i o n	D O C- 2 0 1 1- 2 3 A n n e x XI V	<p>Authorisation processes, preparation of a KIID and a prospectus and periodic information for real estate collective investment undertakings and professional real estate collective investment undertakings</p> <p>Form to be filled out in the event of a product change entailing the consideration of non-financial criteria presented as a key management aspect in the Key Investor Information Document (KIID) or marketing materials of a real estate collective investment undertaking</p>

S c o p e	R e f e r e n c e	Title
I n s t r u c t i o n	D O C- 2 0 1 9- 0 4 A n n e x V I	<p>Real estate investment companies, forestry investment companies and forestry groups</p> <p>Form to be filled out in the event of a product change entailing the consideration of non-financial criteria presented as a key management aspect in the Key Investor Information Document (KIID) or marketing materials of a real estate investment company, forestry investment company or forestry group</p>

## Keywords

MARKETING


SUSTAINABLE FINANCE

[1] When the introduction of the consideration of non-financial criteria does not only affect the management method applied (e.g. security selection policy), the effect of the changes that are made must be assessed in light of the criteria referred to in Article 11 and notably the change to the risk and reward profile. In this respect, the consideration of non-financial criteria may be subject to authorisation by the AMF in the event of a change to the risk scale level. The procedures for changes subject to pre-approval, as described in this Instruction, shall then apply, in particular on individual notification with the possibility of an exit from the fund free of charge, etc. On this point, it is the responsibility of the management companies to determine the extent to which the introduction of the consideration of non-financial criteria affects the risk profile e.g. impact of any sector bias or of a change in management style, etc.).

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