



08 March 2023

Shareholder dialogue on environmental and climate issues

Questions regarding environmental and climate issues are becoming a major challenge for companies especially listed companies. All stakeholders, including investors, have increased their expectations, notably on the occasion of listed companies' annual general meetings.

The Autorité des Marchés Financiers (AMF) emphasizes that companies subject to the obligation to publish a non-financial performance statement must include in the management report a detailed presentation of their business model, their organization, their environmental and climate policy as well as social and societal information. They describe the policies implemented and the associated performance indicators. As part of its control of the universal registration documents, the AMF ensures that the information presented is complete, consistent and comprehensible.

The AMF reminds companies whose shares are listed on a regulated market must, pursuant to the Corporate Sustainability Reporting Directive (CSRD), communicate from 2025 on *"the plans of the undertaking, including implementing actions and related financial and investment plans, to ensure that its business model and strategy are compatible with the transition to a sustainable economy and with the limiting of global warming to 1.5 °C in line with the Paris Agreement under the United Nations Framework Convention on Climate Change adopted on 12 December 2015 (the 'Paris Agreement') and the objective of achieving climate neutrality by 2050 as established in Regulation (EU) 2021/1119 of the European Parliament and of the Council and, where relevant, the exposure of the undertaking to coal-, oil- and gas-related activities."*

More generally, with a view to the entry into force of the new European non-financial reporting framework and in particular the new reporting standards based on the CSRD, the AMF as of now calls on listed companies to take these new requirements into account, insofar as possible, in the preparation of their non-financial reporting and their climate strategy.

For this purpose, the AMF calls on issuers to enhance their shareholder dialogue on their climate strategy in the context of their annual general meeting, but also on a regular basis, ahead of the meeting and after it. Such dialogue is undoubtedly advisable in cases where shareholders are submitting a climate resolution.

The AMF invites companies listed on a regulated market to further reinforce their communications regarding their climate strategy to their shareholders, and to present it during each general meeting by including the items on the agenda with a debate. The AMF notes with interest the publication by the Legal High Committee for Paris Financial Markets (HCJP) of its report on climate resolutions, which provides comfort for issuers which ask for their shareholders' opinion on their climate strategy via a consultative resolution.

In this case, the companies will have to present their strategy, which will have to be accompanied by precise targets, in a substantiated and detailed manner. A follow-up at the general meeting under the same conditions should be set up at regular intervals. The AMF considers that it would be appropriate, in due course and under conditions to be defined by law, for this information to be submitted to shareholders for approval, as is the case for the annual financial statements.

The AMF does not have authority to assess the acceptability of draft resolutions whose inclusion on the agenda of a general meeting is requested by shareholders. Nor does it have authority to assess the validity of any refusal by the Board of Directors to include such draft resolutions on the agenda of a general meeting. Such disputes are a matter for the commercial court. The AMF does not intend to obtain jurisdiction pertaining to these types of issues.

Lastly, the AMF notes the publication, by the Climate and Sustainable Finance Commission (CCFD), of its position on climate resolutions. The role of the CCFD, consisting of participants in the Paris marketplace, experts and members of civil society and the academic sphere, is to help the AMF carry out its tasks of regulation and supervision on issues related to sustainable finance. The observations, proposals and recommendations contained in this position express the analyses and reflections of the members of this commission. This position by the CCFD, which the commission has decided to publish, as permitted by its operating charter, is not binding upon the AMF.

About the AMF


The AMF is an independent public authority responsible for ensuring that savings invested in financial products are protected and that investors are provided with adequate information. The AMF also supervises the orderly operations of markets. Visit our website <https://www.amf-france.org/en> URL = [https://www.amf-france.org/en]

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