

SHAREHOLDER ENGAGEMENT CAN LEAD TO REAL PROGRESS ON CLIMATE

48 asset owners, asset managers, stakeholders of the financial industry and the French Sustainable Investment Forum (FIR) are mobilising to call for improving shareholder dialogue and to partner companies in accelerating the energy transition.

Following the [positions](#) taken by the FIR since 2021¹, we reiterate in this statement our convictions and our expectations concerning the "Say on Climate" resolutions.

The climate emergency is intensifying, and the financial sector has a major responsibility to mitigate it. As investors, we have a crucial role to play in rapidly shifting the global economy towards a model that is more resource-efficient, socially just and less environmentally devastating.

Our clients or affiliates, whether they are investors, savers, beneficiaries or contributors, are increasingly concerned about the impact and value of their assets in relation to climate issues. We are responding responsibly by adopting ambitious policies for the management of our portfolios through a more demanding stock selection, stronger engagement practices, an end to new financing, or through exclusion criteria for certain high-emitting sectors, particularly fossil fuels.

We are also aware of our role in financing the energy transition. We do not neglect the power of our investments in the development of more resource-efficient models and in the deployment of renewables energies. This is why we allocate resources to dedicated sustainable finance teams and why we are raising the bar for our portfolio companies.

However, the credibility of commitments to carbon neutrality by 2050 that have emerged in economic and financial circles remains insufficient given the objective of limiting global warming to 1.5°C. Only clear actions that have a material impact on the entire value chain, and which begin in the next few years, will be able to guarantee that we meet our own commitments.

In this respect, shareholder dialogue is a key lever for action. It offers us an opportunity to give concrete expression to our decarbonisation and responsible investment commitments by working together with companies to define their own greenhouse gas emission reduction trajectories and to develop virtuous activities.

The development and implementation of comprehensive plans must be the subject of a sustained dialogue and rigorous evaluation, based on reliable information, through regular consultations between management, directors and shareholders. This is why we are calling on companies in the most polluting sectors to systematically put climate change resolutions on the agenda at shareholder meetings. This is a prerequisite for a quality shareholder dialogue, as it provides the tools to objectively judge the credibility of companies' climate strategies, as well as their proper implementation.

¹ See [Say on Climate - Responsible Investment Forum](#) (Terranova note in April 2021, letter to the SBF120 in September 2021, statement in March 2022, assessment of French Say on Climate in June 2022, Say on Climate position paper and filing of resolutions in December 2022)

Several companies have already chosen to submit their climate plan to a shareholder vote via the "Say on Climate" initiative, but sadly, these are often inadequate. Without clear decarbonisation objectives with short timeframes, spaced out along a trajectory in line with the objective of limiting global warming to 1.5°C, the incompleteness of some climate plans may reflect a lack of ambition - or even inaction - which is likely to result in the justifiable rejection of these plans.

Without clear and accurate information, we as investors cannot be held accountable for our own climate risk management obligations. It also makes it more difficult for us to influence and support the necessary business transformation of companies.

In order to guarantee the success of shareholder dialogue, the "Say on Climate" initiative for the 2023 season should therefore include clear and complete information enabling us to judge the credibility of companies' climate commitments, in particular through the publication of absolute emission reduction targets for scopes 1, 2 and 3 in the short, medium and long term, and details of the actions planned to achieve these targets. This includes clarifying the allocation of capital expenditure, for example, to measure the efforts made in the energy sector to support the development of low-carbon solutions and the gradual reduction of fossil fuels in the energy mix.

For all sectors, it is crucial to prioritise the reduction of indirect emissions and to clarify the role of captured or negative emissions in the overall strategy. While captured emissions should be presented separately from indirect emissions in the decarbonisation targets, offsetting measures have no place there and should be considered simply as a contribution to climate change mitigation effort.

We also call on the policy makers to establish a clear legal framework to generalise the "Say on Climate" and, in the name of investors' right to information, to harmonise its content and facilitate shareholder initiatives to seek additional information. We are confident in the capacity of companies to play their full role in the energy transition, and we hope that 2023 will open a new era of shareholder dialogue, and thus allow the entire financial sector to finally rise to the challenge of the climate emergency.

LIST OF SIGNATORIES :

FORUM POUR L'INVESTISSEMENT RESPONSABLE

Nathalie Lhayani, President

AÉMA GROUPE

Adrien Couret, Chief Executive Officer

AMIRAL GESTION

Nicolas Komilikis, Chief Executive Officer

AMPLEGEST

Marie Saltiel, Chief Executive Officer

ASSICURAZIONI GENERALI S.p.a GROUP

Francesco Sola, Head of Group Sustainable Investments & Governance

ASSURANCES DU CRÉDIT MUTUEL

Nicolas Govillot, Chief Investment Officer

CANDRIAM

Wim Van Hyfte, Global Head of Investments and ESG Research

CAVP

Jean-Bernard Ott, ESG Policy and Allocation Manager

CHAHINE CAPITAL

Charles Lacroix, Chief Executive Officer

COMGEST

Arnaud Cosserat, Chairman and Chief Executive Officer

CRÉDIT MUTUEL AM

Claire Bourgeois, Chief Executive Officer

DORVAL AM

Jean-François Baralon, Chief Executive Officer

ECOFI

Cesare Vitali, Head of ESG Research and SRI Development

EDMOND DE ROTHSCHILD AM

Benjamin Melman, Global Chief Investment Officer

EGAMO

Nicolas Demont, Chief Executive Officer

EIFFEL INVESTMENT GROUP

Fabrice Dumonteil, Chairman

ERAFP

Laurent Galzy, Chief Executive Officer

ETHOS FOUNDATION

Vincent Kaufmann, Chief Executive Officer

EURIZON CAPITAL SGR

Alessandro Solina, Chief Investment Officer

FRR

Yves Chevalier, Member of the management Board

GROUPAMA AM

Mirela Agache, Chief Executive Officer

IRCANTEC

Christophe Iacobbi, Chairman of the Board

LA FINANCIÈRE DE L'ÉCHIQUIER

Olivier de Berranger, Deputy managing Director and Head of Asset Management

LA FINANCIÈRE RESPONSABLE

Stéphane Prévost, Chief Executive Officer

LAFFITTE OLIVIER, Partner Lawyer, Deyla Partners

LA FRANÇAISE GROUP

Laurent Jacquier-Laforge, Global Head of Sustainability

LBPAM

Emmanuelle Mourey, President of the Management Board

MAIF

Carole Zaccheo, Director of Investments

MANDARINE GESTION

Rémi Leservoisier, Chief Executive Officer

MANSARTIS

Guillaume Jalenques de Labeau, Chairman Chief Executive Officer

MEESCHAERT AM

Dan Sayag, Chief Executive Officer

MESSIEURS HOTTINGUER & CIE GESTION PRIVÉE

Laurent Deydier, Deputy Managing Director and Head of Asset Management

MIROVA

Louise Schreiber, Head of Sustainability Research, listed assets

MOTTIS NICOLAS, Professor at École Polytechnique

OFI INVEST ASSET MANAGEMENT

Jean Pierre Grimaud, Chief Executive Officer

OSTRUM

Philippe Setbon, Chief Executive Officer

PRÉFON

Philippe Sebag, Chairman

PRO BTP FINANCE

Silvain Deprez, Head of SRI

PROXINVEST

Charles Pinel, Chief Executive Director

ROTHSCHILD & CO ASSET MANAGEMENT EUROPE

Ludivine de Quincerot, Head of ESG & Financial Research

SANSO IS

David Kalfon, Chairman

SG 29 HAUSSMANN

Guillaume de Martel, Chief Executive Officer

SIENNA GESTION

Xavier Collot, Chairman of the Management Board

SPPI FINANCE

Eric Grolier, Chief Executive Officer

SWISSCANTO BY ZÜRCHER KANTONALBANK

Rocchino Contangelo, Head of Global ESG-Integrated Research

SYCOMORE AM

Cyril Charlot, Founding partner

TRUSTEAM FINANCE

Claire Berthier, Chief Executive Officer

UBP AM

Karine Jesiolowski, Head Responsible Investment

Contacts:

Press: Béatrice Passedat beatrice.passedat@frenchsif.org

For any questions about the statement or if you would like to sign it : Marie Marchais marie.marchais@frenchsif.org

About the French SIF (FIR)

The French Sustainable Investment Forum (FIR) is a multi-stakeholder association founded in 2001 to promote and develop Socially Responsible Investment (SRI). The FIR brings together all SRI stakeholders: investors, management companies, financial intermediaries, extra-financial rating agencies, investor advisors, market organisations, trade unions, NGOs, associations as well as qualified personalities: lawyers, journalists, academics... The FIR is a player in the dialogue and engagement with listed companies on sustainable development issues (investor briefs, thematic studies, written questions to CAC 40 general meetings, etc.). The FIR is also the promoter of the Responsible Finance Week, which is held every year in the autumn. Together with the Principles for Responsible Investment (PRI), it organises the "Finance and Sustainable Development" Awards, which reward the best European academic work. The FIR is one of the founding members of Eurosif. www.frenchsif.org
