

Press release

Sustainable Finance: Corporates Want to Be at the Heart of the Action Plan's Implementation

Brussels, 18 October 2018

At an event organised today by AFEP, the French Association of Large Companies, corporates called on the European Union for a better involvement in all discussions and actions in the field of sustainable finance. They also asked for a framework which will enable progress on reporting regarding environmental topics and, more generally, non-financial issues, whilst creating the conditions for a constructive and balanced dialogue between investors and corporates.

Large French corporates have placed CSR at the heart of their strategies for many years and are leaders in Europe on this involvement. They have made public and concrete commitments to reduce their GHG emissions, respect human rights, preserve biodiversity and develop circular economy. They welcome the Commission's action plan but regret they were not sufficiently involved in the work and discussions leading to the action plan.

In order to deliver efficient and proportionate measures fostering sustainable finance, it is crucial to involve companies, which play the central role in energy transition and reporting processes. François Soulmagnon, AFEP's Director General said: *"The action plan for sustainable finance is a landmark in EU policy regarding ESG issues and climate change mitigation and adaptation. **The challenge is not only to make finance greener but to create a greener economy.** We will achieve this goal only if we strongly involve European corporates in this process."*

French corporates already present the **highest level of non-financial information** compared to companies worldwide, notably regarding climate risks, and continue their progress towards the integration of different reportings. Liliana Franco from Air Liquide said: *"Our level of reporting is already extensive and French corporates belong to the best-in-class. We are ready to share our experience and help build a level-playing field."*

Corporates call on the European Union to establish a framework which will enable progress on reporting regarding environmental topics and, more generally, non-financial issues whilst creating the conditions for a constructive and balanced dialogue between investors and corporates.

Whilst understanding the need for establishing a taxonomy of environmentally sustainable activities, corporates stress the need to evaluate the consequences of this approach. It should **not lead to exclusion strategies** by investors. On the contrary, corporates call for the development of attractive financing to support their ecological and energy transition process. The taxonomy should therefore **take into account the specificities of business sectors** as well as **current and planned transition efforts** by corporates. Alice Peyrard from Veolia explained: *"A project level or subsectoral level approach would enable transition efforts to be channelled more efficiently"*.



About AFEP

AFEP is the French Association of Large Companies. It represents 120 of the largest companies operating in France. It takes part in public discussions by providing pragmatic solutions to foster the development of a competitive French and European economy.

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