



NEWS  
RELEASE



Paris, 19 June 2024

## **The AMF and the ACPR have published their report on the monitoring and assessment of the climate commitments made by Paris financial centre participants**

**The AMF and the ACPR have published the 4<sup>th</sup> edition of their joint report on the monitoring and assessment of the climate commitments made by Paris financial centre players. This report is released against a backdrop of major changes from both financial institutions, and the regulators and regulatory framework, as well as in the international context, which has led to major tensions on the energy market.**

Over the last few years, banks, insurers and investment management companies have made new climate commitments, notably through collective initiatives, while the European Union has fleshed out the regulations governing the publication of non-financial information, such as the SFDR (Sustainable Finance Disclosure Regulation) and the CSRD (Corporate Sustainability Reporting Directive), reinforced in France by decree No. 29 implementing the Energy-Climate Law.

At the end of the analyses carried out in 2023 and the work of their Climate and Sustainable Finance Commissions, which have been contributing their expertise to the preparation of these reports since 2020, the two authorities have drawn a number of conclusions.

Banks' and insurance companies' exit from coal financing is now well under way. Given their low exposure to the sector, banks generally believe that the efforts they have already put in place are consistent with their exit targets of 2030 (OECD) and 2040 (rest of the world). Their declared exposure to this fossil fuel continues to fall, albeit at a moderate rate. On the whole, they have not made any significant updates to their policies for this fossil fuel. A third of the insurance companies covered by the analysis have tightened their exclusion criteria for this fossil fuel, while their reported exposure is beginning to fall fairly sharply.

With regard to oil and gas, banks and insurance companies have tightened their policies on limits or exclusions (however, they do not generally envisage a date for exiting the hydrocarbon sector). In line with the analysis of the International Energy Agency (IEA), which makes a clear distinction between new projects to exploit deposits and maintaining the investment needed for an orderly exit, most of the commitments made in this area relate to the upstream part of the business. Unsurprisingly, banks' and major insurance companies' exposure to the sectors most directly linked to oil and gas remains significant in absolute terms, but modest in terms of their balance sheets.

All in all, while noting the recent progress made by banks and insurance companies in taking climate issues into account, the ACPR encourages banks to be more specific about the limits or application of their exclusion policies, which are very heterogeneous, and is urging insurance companies to provide more information about the amount of fossil fuel exposure in their liabilities.

The majority of commitments publicised by investment management companies now correspond to participating interests in collective initiatives. Efforts are nevertheless required to clarify and specify the objectives of these initiatives (timetables, strategic and operational implementation).

At the same time, communications about voting policies and shareholder engagement initiatives have increased significantly. However, investment management companies are invited to formalise their policies

more fully, particularly with regard to transparency in terms of dialogue and commitments to issuers, and to link them to sufficiently robust systems to ensure that the information provided is clear, accurate and not misleading.

Specifically with regard to the fossil fuel policies of investment management companies, efforts to improve transparency should be pursued, in particular with regard to the process for managing exceptions in the application of exclusion or divestment policies, and policies relating to fossil fuels other than coal.

In addition, the wide methodological and interpretational disparities of the various market participants remain an obstacle to the comparability of data on their exposure to fossil fuels.

With this report, as in previous years, the AMF and the ACPR are urging banks, insurers and investment management companies to continue their efforts to take account of and manage the risks associated with climate change.

**Read more:**

[4th edition of the ACPR/AMF joint report on the monitoring and assessment of the climate commitments made by Paris financial centre participants \(In French only\)](#)

---

**□ 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>

**□ About the ACPR**

The Autorité de Contrôle Prudentiel et de Résolution is the administrative authority operationally attached to the Banque de France that supervises the banking and insurance sectors and ensures financial stability. The ACPR is also responsible for protecting the customers of the supervised institutions and ensuring the fight against money laundering and the financing of terrorism. It also has resolution powers. The ACPR's operational departments come under its General Secretariat.

Visit our website at <https://acpr.banque-france.fr/>

---