European Parliament
2019-2024

TEXTS ADOPTED

P9_TA(2020)0372

Sustainable corporate governance

European Parliament resolution of 17 December 2020 on sustainable corporate governance (2020/2137(INI))

The European Parliament,

– having regard to the 2011 UN Guiding Principles on Business and Human Rights (UNGPs)[1],

– having regard to the UN Sustainable Development Goals[2],

– having regard to the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises[3],

– having regard to the OECD Due Diligence Guidance for Responsible Business Conduct[4] and for Responsible Business Conduct for Institutional Investors[5],

– having regard to the International Labour Organization (ILO) Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy[6],

– having regard to the Paris Agreement, adopted on 12 December 2015[7],

– having regard to the Intergovernmental Panel on Climate Change (IPCC) 2018 Special Report on Global Warming of 1.5ºC[8],

– having regard to the Commission proposal for a regulation of the European Parliament and of the Council of 4 March 2020 establishing the framework for achieving climate

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1 https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf
2 https://www.un.org/sustainabledevelopment/sustainable-development-goals/
3 http://mneguidelines.oecd.org/guidelines/
4 https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm
5 https://mneguidelines.oecd.org/RBC-for-Institutional-Investors.pdf
6 https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---multi/documents/publication/wcms_094386.pdf
7 https://unfccc.int/files/essential_background/convention/application/pdf/english_paris_agreement.pdf
8 https://www.ipcc.ch/2018/10/08/summary-for-policymakers-of-ipcc-special-report-on-global-warming-of-1-5c-approved-by-governments/

neutrality and amending Regulation (EU) 2018/1999 (European Climate Law) (COM(2020)0080),

– having regard to Regulation (EU) No 517/2014 of the European Parliament and of the Council of 16 April 2014 on fluorinated greenhouse gases and repealing Regulation (EC) No 842/2006[1],

– having regard to the EU Action Plan: Financing Sustainable Growth (COM(2018)0097),

– having regard to the European Green Deal (COM(2019)0640),

– having regard to the adjusted Commission Work Programme for 2020 (COM(2020)0440),

– having regard to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC[2] ('the Accounting Directive'),

– having regard to Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups[3] ('the Non-Financial Reporting Directive' – NFRD),

– having regard to Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure[4],

– having regard to Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement[5] ('the Shareholders' Rights Directive'),

– having regard to Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law[6],

– having regard to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector[7] ('the Disclosure Regulation'),

– having regard to Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable

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1 OJ L 150, 20.5.2014, p. 195.
2 OJ L 182, 29.6.2013, p. 19.
3 OJ L 330, 15.11.2014, p. 1.
4 OJ L 157, 15.6.2016, p. 1.
5 OJ L 132, 20.5.2017, p. 1.
6 OJ L 305, 26.11.2019, p. 17.
7 OJ L 317, 9.12.2019, p. 1.

investment, and amending Regulation (EU) 2019/2088[1] ('the Taxonomy Regulation'),

– having regard to the Commission Guidelines on non-financial reporting (methodology for reporting non-financial information)[2] and to the Commission Guidelines on non-financial reporting: Supplement on reporting climate-related information[3] ,

– having regard to the Final Report of the High Level Forum on the Capital Markets Union entitled 'A new vision for Europe's capital markets'[4] ,

– having regard to the study drawn up for the Commission in July 2020 on directors' duties and sustainable corporate governance,

– having regard to the UN's Protect, Respect and Remedy Framework for Business and Human Rights of 2008[5],

– having regard to the study drawn up for the Commission in May 2020 entitled 'Improving financial security in the context of the Environmental Liability Directive'[6],

– having regard to the Oslo Principles on Global Obligations to Reduce Climate Change[7],

– having regard to the recommendations of the Task Force on Climate-related Financial Disclosures of June 2017,

– having regard to Rule 54 of its Rules of Procedure,

– having regard to the opinions of the Committee on International Trade and the Committee on the Environment, Public Health and Food Safety,

– having regard to the report of the Committee on Legal Affairs (A9-0240/2020),

A. whereas the European Union is founded on the values stated in Article 2 of the Treaty on the European Union and whereas its environmental policy is based on the precautionary principle, as stated in Article 191(2) of the Treaty on the Functioning of the European Union;

B. whereas in a corporate context, a sustainability approach implies that companies take due consideration of general societal and environmental concerns, such as the rights of their employees and respect for planetary boundaries, in order to address the most pressing risks posed to these by their activities;

C. whereas the multiple international initiatives promoting sustainable corporate governance are voluntary, instruments of soft law only and have largely proven to be

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1 OJ L 198, 22.6.2020, p. 13.
2 OJ C 215, 5.7.2017, p. 1.
3 OJ C 209, 20.6.2019, p. 1.
4 https://ec.europa.eu/info/sites/info/files/business_economy_euro/growth_and_investment/documents/200610-cmu-high-level-forum-final-report_en.pdf
5 http://www.undocs.org/A/HRC/8/5
6 https://ec.europa.eu/environment/legal/liability/pdf/Final_report.pdf
7 https://climateprinciplesforenterprises.files.wordpress.com/2017/12/osloprincipleswebpdf.pdf

ineffective in changing corporate behaviour towards sustainability; whereas the study drawn up for the Commission on directors' duties and sustainable corporate governance pursuant to the Sustainable Finance Action Plan underlines the benefits of clarifying directors' obligations vis-à-vis sustainability and long-term considerations; highlights the problems associated with short-termism and recalls the need for companies to incorporate long-term interests to keep the EU on track to meeting its own sustainability commitments; whereas the study clearly points to the need for the adoption of EU legislation in this regard;

D. whereas during the last legislative term, the EU undertook a number of initiatives in an effort to foster transparency and long-termism in financial and economic activities, such as the Shareholders' Rights Directive, the Action Plan for Financing Sustainable Growth, the Disclosure Regulation and the Taxonomy Regulation; whereas this trend had started, inter alia, with the adoption of the Non-Financial Reporting Directive (NFRD); whereas the disclosure of non-financial information is necessary to measure, monitor and manage undertakings' performances and their long-term impact on society and the environment;

E. whereas the NFRD is intertwined with sustainable corporate governance and has been a significant step forward in promoting non-financial reporting in the EU; whereas it nonetheless presents serious shortcomings that need to be addressed in order to make it more useful to investors and stakeholders;

F. whereas according to the European Green Deal, companies and financial institutions need to step up their disclosure of climate and environmental data so that investors are fully informed about the sustainability of their investments; whereas the Commission has committed to reviewing the NFRD to this end; whereas according to its adjusted Work Programme for 2020, the Commission intends to put forward a proposal reviewing the NFRD in the first trimester of 2021;

G. whereas stakeholders have often expressed the view that the non-financial information provided by companies pursuant to the NFRD is insufficient, unreliable and not comparable; whereas those tasked with preparing this information have expressed confusion at the plethora of voluntary reporting frameworks and have called for legal clarification and standardisation; whereas the disclosure of more complete and reliable information is necessary in order to reduce any potential adverse impacts on the climate, environment and society; whereas improvements in non-financial reporting could increase companies' accountability and enhance trust in them; whereas these improvements should not create unfair competitive imbalances; whereas disclosure obligations should therefore take into account administrative costs and should be proportionate to the size of the company and consistent with other legislation applicable to business activities, such as the respect for trade secrets and the protection of whistleblowers;

H. whereas the study drawn up for the Commission on directors' duties and sustainable corporate governance demonstrates the increasing tendency of publicly listed companies in the EU to focus on the short-term interests of their shareholders; whereas the study proposes several legislative options at EU level that would significantly improve corporate sustainability; whereas there is a need to adopt a legislative framework for European companies, while fully respecting the principle of proportionality and avoiding an excessive administrative burden for European companies; whereas this framework must ensure compliance with and improve legal certainty in the internal market and should not create competitive disadvantages;

I. whereas a sustainability approach to corporate governance comprises both human rights and environmental protection; whereas a legal requirement to disclose information related to environmental, social and employee issues and human rights, bribery and corruption should be considered an aspect of the ‘corporate responsibility to respect’ as defined in the UN Guiding Principles on Business and Human Rights;

J. whereas the Paris Agreement aims to contain the rise in the average temperature of the planet well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5°C above pre-industrial levels;

K. whereas the growing global competition for access to natural resources often results in unsustainable corporate exploitation of the natural and human environment;

L. whereas corporate governance has a key role to play in delivering the EU’s commitments to implement the UN Sustainable Development Goals and the Paris Agreement;

M. whereas climate change poses serious risks to food security, namely to the availability, accessibility and utilisation of food and the stability of food systems; whereas women farmers currently account for 45-80 % of all food production in developing countries, which are disproportionately affected by climate change and environmental degradation;

N. whereas the Aarhus Convention establishes a number of environmental rights for the public and for associations, including the right to access environmental information, the right to participate in environmental decision-making and access to justice;

O. whereas in 2017 the UN Aarhus Convention Compliance Committee found the EU in violation of the Aarhus Convention for not allowing members of the public to challenge decisions of the EU institutions before the EU courts;

P. whereas the Commission has raised ambitions for the 2019-2024 period by setting out an agenda for the European Green Deal, affirming that ‘Europe must lead the transition to a healthy planet’;

Q. whereas company directors have the legal and statutory duty to act in the interest of their company; whereas this duty has been the subject of different interpretations in different jurisdictions and the interest of the company has often been equated with the financial interests of the shareholder; whereas what is considered to be the interest of the company should also incorporate the interests of relevant stakeholders, including employees, and wider societal interests; whereas a narrow interpretation of this duty with an excessive focus on short-term profit maximisation is detrimental to the company’s long-term performance and sustainability, and hence the long-term interests of its shareholders;

R. whereas the consistency of EU legislation on sustainable corporate governance should be achieved through the establishment of concrete obligations and incentives to act and not only to report information; whereas an additional framework defining company boards’ duties in terms of sustainability is therefore necessary;

S. whereas in order to make corporate governance in the EU more sustainable, transparent and accountable, the Commission should, in addition to the proposals to review the NFRD, introduce new legislation on due diligence and directors' duties; whereas if due diligence obligations and directors' duties are to be covered by a single legislative instrument, they should be clearly separated in two different parts; whereas those obligations and duties are complementary but not interchangeable, nor is one subordinate to the other;

Non-financial reporting obligations

1. Calls on the Commission, when proposing new action in the field of company law and corporate governance, to strike the proper balance between, on the one hand, the need to ease short-term pressure on corporate directors and promoting the integration of sustainability concerns into corporate decision-making, and, on the other hand, the need for sufficient flexibility, while ensuring harmonisation; stresses the importance of strengthening the role of directors in pursuing the long-term interests of companies in future action at EU level and of engendering a culture within companies' governing bodies that takes into account and implements sustainable corporate governance;

2. Welcomes the Commission's commitment to reviewing the NFRD; highlights that such revision should be fully consistent with the requirements imposed by the Disclosure Regulation and the Taxonomy Regulation; calls on the Commission to take into account the recommendations included in this resolution;

3. Reiterates its call for an enlargement of the scope of the NFRD to cover all listed and non-listed large undertakings established in EU territory, as defined in Article 3(4) of the Accounting Directive; stresses that in order to provide a level playing field, non-financial reporting obligations should also apply to non-EU companies operating in the EU market; invites the Commission to identify high-risk sectors of economic activity with a significant impact on sustainability matters that could justify the inclusion of small and medium-sized enterprises (SMEs) in those sectors within the scope of the NFRD; considers, to this end, that the Commission should draw on external independent expertise to provide an indicative, non-exhaustive and regularly updated list of conflict-affected and high-risk areas as well as specific guidance for SMEs; considers, in particular, that investments and sectors often linked to illegal business activities, such as environmental crimes, illegal wildlife trade, corruption or financial crime, should be specifically targeted; stresses that a review of the NFRD is also needed to give financial market participants access to the relevant data in order to carry out the obligations of the Disclosure Regulation;

4. Emphasises that sustainable corporate governance constitutes an important pillar, which allows the EU to achieve an economy that is both resilient and sustainable, to enhance the level playing field in order to maintain and boost EU companies' international competitiveness and protect EU workers and businesses from unfair competition from third countries, and can therefore be beneficial to EU trade and investment policy, if it is adequately measured and proportionate;

5. Notes that the COVID-19 pandemic has exposed the vulnerabilities of global supply chains, and has shown that the voluntary rules alone are not enough, as witnessed, for instance in the garment sector where production was disrupted during the crisis, leading to negative effects throughout the supply chain; notes that businesses with better

defined environmental, social and governance practices and risk mitigation processes are weathering the crisis better; recognises that OECD has stated[1] that companies taking proactive steps to address the risks related to the COVID-19 crisis in a way that mitigates adverse impacts on workers and supply chains are likely to build more long-term value and resilience and to improve their viability in the short term and their prospects for recovery in the medium to long term;

6. Notes that the Taxonomy Regulation establishes a series of environmental objectives, namely on climate change, the use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and on biodiversity and ecosystems; considers that the concept of environmental matters in the NFRD should be interpreted in line with the Taxonomy Regulation and include all forms of pollution; invites the Commission to take the recommendations of the Task Force on Climate-related Financial Disclosures into account and promote the development of innovative accounting techniques that reflect the value of ecosystems; considers it equally important to define with precision the other sustainability matters to which the NFRD refers, such as the concepts of social and employee matters, respect for human rights, and anti-corruption and bribery; believes that employee matters could encompass the disclosure of companies' salary policies, which could include showing wages by decile and gender pay gaps;

7. Considers that sustainable corporate governance is key to the long-term direction of undertakings to align their activities to the achievement of the EU's overall environmental objectives as laid down in the European Green Deal, as well as the EU's commitment to reduce its greenhouse gas emissions as it moves towards the 2050 climate neutrality target; underlines that all sectors should contribute to reaching that target;

8. Considers that the definition of materiality should refer to any relevant environmental, human rights and governance impacts on society as a whole, beyond value creation and matters relating to the pure financial performance of companies; calls for this definition to be revised in line with the double materiality principle introduced by the NFRD and further explained in the Commission Guidelines on reporting climate-related information; considers that materiality should be assessed in a process involving relevant stakeholders;

9. Observes that the NFRD gives companies within its scope significant flexibility to disclose relevant information in the way they consider most useful; notes that companies may currently rely, at their discretion, on a number of different frameworks; observes that they are still uncertain about how best to comply with their disclosure obligations; considers it necessary to set up a comprehensive EU framework, with due regard for the principle of proportionality, to cover the full gamut of sustainability issues relevant to comprehensive non-financial reporting; highlights, in this regard, that the EU legislative framework should ensure that the disclosures are clear, balanced, understandable, comparable among companies within a sector, verifiable and objective, and include time-bound sustainability targets; stresses that this framework should also

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1 http://www.oecd.org/coronavirus/policy-responses/covid-19-and-responsible-business-conduct-02150b06/#:~:text=A%20responsible%20business%20conduct%20(RBC,both%20government%20and%20business%20response

include mandatory standards, both general and sector-specific; welcomes, in this regard, the Commission's commitment to supporting a process to develop EU non-financial reporting standards; stresses that specific mandatory reporting obligations and standards should be set in the NFRD review, with the appropriate involvement of all stakeholders concerned, such as civil society, environmental organisations and social partners;

10. Considers that non-financial statements should be set out in the annual management report in order to avoid additional burdens for companies; welcomes the commitment undertaken by the Commission in its Capital Markets Union Action Plan (COM(2020)0590) to putting forward a legislative proposal by the third quarter of 2021 for a publicly accessible, EU-wide online digital platform that provides free access to both the financial and non-financial information reported by companies; considers that this platform should allow users to compare the data disclosed by companies, by including categories such as themes, sectors, countries, turnover and number of employees;

11. Notes that the NFRD excludes non-financial statements from the requirement of content assurance to which financial statements of companies are otherwise subject; considers that non-financial statements should be subject to a mandatory audit, depending on the size and field of activity of the company concerned; considers that the assurance service provider, subject to requirements of objectivity and independence, should conduct its audit in accordance with the future EU framework; stresses, in the light of the foregoing, the need to address the inherent wrong incentives in statutory auditing by reviewing the Statutory Audit Directive[1]; affirms that this would also be an opportunity to address the quasi-monopoly of the 'Big Four' accountancy companies, which typically audit the largest listed companies;

12. Highlights that workers' representatives should be involved in defining the process for reporting non-financial information and in verifying information, in particular regarding social sustainability goals and issues related to the supply production chain, including outsourcing and subcontracting;

13. Highlights the importance of introducing an obligation requiring certain EU companies to produce, on an annual basis, a country-by-country report for each tax jurisdiction in which they operate; calls on the Council to adopt its general approach as soon as possible in order to start negotiations with Parliament on the Commission's proposal for a directive amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches (COM(2016)0198);

14. Believes that the EU should make every effort to ensure that the free trade agreements they negotiate include clauses requiring the partner states to lay down comparable obligations for their companies, with a view to avoiding any new means of distorting competition;

Directors' duty of care and additional measures to make corporate governance more sustainability-oriented

15. Stresses the importance of diversity and inclusiveness in companies, which leads to better business performance; calls on the Council to adopt its general approach as soon

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1 OJ L 158, 27.5.2014, p. 196.

as possible in order to start negotiations with Parliament on the Women on Boards Proposal[1], which sets out to put an end to the pervasive imbalance between women and men at the highest levels of company decision-making; calls on the Commission to examine additional proposals to improve gender balance among senior managers and those holding influential positions in companies;

16. Underlines the need for greater employee involvement in company decision-making processes in order to better integrate the long-term objectives and impacts of their companies; invites the Commission to look into the possibility of revising the European Works Council Directive[2] and establishing a new framework on employees' information, consultation and involvement in European companies;

17. Stresses that the ecological transition and the rise of digitalisation will have profound repercussions on the labour force; considers, therefore, that any sustainable corporate governance should recognise and guarantee effectively the right of employees to continuing vocational training and lifelong education during their working hours;

18. Notes that companies are not abstract entities detached from today's environmental and social challenges; considers that companies should make a more active contribution to sustainability as their long-term performance, resilience and even their survival may depend on the adequacy of their response to environmental and social matters; stresses, in this regard, that the duty of care of directors towards their company should be defined not only in relation to short-term profit maximisation by way of shares, but also sustainability concerns; notes the major role of executive directors in defining a company's strategy and overseeing its operations; considers that executive directors' legal duties to act in the interest of their company should be understood as a duty to integrate long-term interests and sustainability risks, impacts, opportunities and dependencies into their company's overall strategy; stresses that this duty of prioritisation could entail a shift towards sustainable investments from non-sustainable investments;

19. Calls on the Commission to present a legislative proposal to ensure that directors' duties cannot be misconstrued as amounting solely to the short-term maximisation of shareholder value, but must instead include the long-term interest of the company and wider societal interests, as well as that of employees and other relevant stakeholders; believes, in addition, that such a proposal should ensure that members of the administrative, management and supervisory bodies, acting within the competences assigned to them by national law, have the legal duty to define, disclose and monitor a corporate sustainability strategy;

20. Stresses, with regard to the ongoing revision of the Environmental Liability Directive[3], that companies should possess financial securities for environmental liability for environmental harm inflicted on individuals and ecosystems;

21. Considers that companies' sustainability strategies should identify and address, in

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1 Proposal for a directive of the European Parliament and of the Council of 14 November 2012 on improving the gender balance among non-executive directors of companies listed on stock exchange and related measures (COM(2012)0614).

2 OJ L 122, 16.5.2009, p. 28.

3 OJ L 143, 30.4.2004, p. 56.

accordance with their due diligence obligations, on the one hand, material issues in line with the non-financial reporting requirements, and, on the other hand, the significant impacts that those companies could have on environmental, climate, social and employee matters, and the implications for human rights, bribery and corruption arising from their business models, operations and supply chains, including outside the EU; considers that the duty of care that directors owe to their company also requires abiding by the duty not to harm ecosystems and to protect the interests of relevant stakeholders, including employees, who may be adversely impacted by the company's activities;

22. Believes that the scope of the future legislation should cover all listed and non-listed large undertakings established in EU territory, as defined in Article 3(4) of the Accounting Directive; stresses that in order to provide a level playing field, this legislation should also apply to non-EU companies operating in the EU market; invites the Commission to identify high-risk sectors of economic activity with a significant impact on sustainability matters that could justify applying it to SMEs in those sectors; further considers that, following the impact assessment the Commission is currently undertaking, the sustainability strategies should include measurable, specific, time-bound and science-based targets as well as transition plans aligned with the EU's international commitments on the environment and climate change, in particular the Paris Agreement, the Convention on Biological Diversity and international agreements addressing deforestation; believes that the strategies could also include an internal policy on a fair salary based on living wage per country, a policy on gender equality, and a policy ensuring employees' rights are better integrated in business activities; underlines that the content of these internal policies should be determined by the companies themselves, with due consideration for and in consultation with their employees; considers that these policies should take into account sector-specific and/or geographical matters and the rights of persons belonging to particularly vulnerable groups or communities; considers that linking the variable part of the remuneration of executive directors to the achievement of the measurable targets set in the strategy would serve to align directors' interests with the long-term interests of their companies; calls on the Commission to further promote such remuneration schemes for top management positions;

23. Notes that some Member States have introduced the concept of 'loyalty shares' in their legislation, whereby long-term shareholding is rewarded through voting rights and tax advantages; calls on the Commission to consider the introduction of new mechanisms to promote sustainable returns and the long-term performances of companies; highlights that retained earnings can contribute to building adequate reserves;

24. Considers that the Shareholders' Rights Directive should also be amended in order to incentivise 'patient' shareholder behaviour, in particular by rewarding long-term shareholding through voting rights and tax advantages;

25. Expresses concern that certain international investment agreements such as the Energy Charter Treaty place the financial interests of multinational corporations above environmental and climate priorities; urges the Commission to take swift action to ensure that existing and future trade investment agreements are fully aligned with EU environmental and climate objectives and to come forward with proposals to counteract corporate land grabbing and deforestation in the upcoming review of the NFRD;

26. Considers that, in the process of defining and monitoring their sustainability strategies,

companies should have the duty to inform and consult relevant stakeholders; believes that the concept of a stakeholder should be interpreted broadly and include all persons whose rights and interests may be affected by the decisions of the company, such as employees, trade unions, local communities, indigenous peoples, citizens' associations, shareholders, civil society and environmental organisations; considers it essential, moreover, to consult national and local public authorities dealing with the sustainability of economic affairs, in particular those responsible for employment and environmental public policies;

27. Considers that this engagement should take place, depending on the size and field of activity of the company concerned and with an exemption for small and medium-sized enterprises (SMEs) not operating in high-risk sectors, sectors which should be defined by the Commission, by means of advisory committees comprising stakeholders' representatives or spokespersons, including employees as well as independent experts, with the overall aim of providing advice on the content and implementation of the company's sustainability strategy; considers that these advisory committees should have the right to request, if approved by a large majority, an independent audit should reasonable concerns be raised over the proper implementation of the sustainability strategy;

28. Believes that companies that receive State aid, EU funding, or other public money or companies that carry out redundancy plans should aim to retain their workers' jobs and offer them protection, adjust the remuneration of their directors accordingly, pay their fair share of taxes, implement their sustainability strategy in line with the objective of reducing their carbon footprint, and refrain from paying out dividends or offering share buy-back schemes aimed at remunerating shareholders;

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29. Instructs its President to forward this resolution to the Council and the Commission.