

## **Societal Corporate Governance and Extra Financial Information: Spearhead or Achille's heel of Corporate Governance ?**

The generalization and the standardization of the extra financial information in particular under the influence of the financial authorities such as the AMF in France contribute to feed the stakeholder's dialogue. The stakeholder's expectations are many elements which shape the image of the company. Furthermore, internet will play a growing role in the communication of the « responsable » image of companies. The reputation risk, in particular on financial markets, forces companies to correct themselves their practices of good corporate governance. So, the consideration of the environmental concerns becomes an efficient imperative thanks to this soft law on the march. In France, the law *Grenelle II* dedicating to a certain extent the responsibility of mother companies in case of ecological damage caused by their subsidiaries connects hard law to soft law.

Under pressure of shareholding activism, companies now understand that they have an interest in adapting their management methods and production system to social and environmental standards if they wish to continue attracting investments, showing that SRI weighs on corporate issues and can be a tool for correcting the behaviour of officers, notably *via* the emergence of a reputation risk (good or bad, spearhead or Achille's heel of corporate governance).