

Regulatory updates

ESG developments

Last update: March 2023



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1. Responsible Business Initiative (RBI) – entry into force of the indirect counterproposal

Introduction of non-financial reporting obligations for large companies as well as due diligence and transparency obligations in connection with minerals and metals from conflict areas and child labour.

- Enactment:
- Transparency for raw material companies: **1 January 2022** (i.e. first time reporting in 2023)
 - Due diligence in the value chain:
 - Minerals and metals from conflict-affected areas: 1 January 2023 (i.e. first-time reporting in 2024)
 - Child labour: 1 January 2023 (i.e. first-time reporting in 2024)
 - Non-financial reporting:
 - Based on Swiss CO 964a-c: 1 January 2023 (i.e. first-time reporting in 2024)
 - Based on Ordinance on climate related reporting: 1 January 2024 (i.e. first-time reporting in 2025)

In November 2020, the popular initiative 'For responsible companies – protect people and the environment' ('Responsible Business Initiative') was rejected in the ballot, which means the indirect counterproposal enters into force. This includes non-financial reporting requirements in addition to a due diligence obligations regarding minerals and metals from conflict zones and child labour. The corresponding adjustments in the Code of Obligations (CO) (art. 964a–964l) and the related ordinances (for the Ordinance on Climate Disclosures, refer to the section on TCFD below) enter into force as of 1 January 2022 and 1 January 2023, respectively. The reporting obligation shall apply as of 2024 for the 2023 financial year (FY).

Non-financial reporting

Public companies and Swiss Financial Market Supervisory Authority (FINMA) regulated entities with over 500 full-time employees that have (i) total assets of CHF 20 million or (ii) turnover of CHF 40 million in two consecutive years are required to report on non-financial matters.

It is required to report on core elements (such as the business model, policies, due diligence applied, measures taken and assessed for effectiveness, main risks identified and their treatment as well as relevant indicators) in the areas of the environment (in particular, CO₂ targets), social issues, employee rights and human rights and the fight against corruption.

In a permissive provision, the law states that the report may be based on national, European, or international reporting standards. If such standards are used, they must be considered and followed in their entirety. This means that companies have some leeway in implementing the Swiss law. However, it must be ensured that all required aspects of the Swiss law are covered.

For smaller companies reporting non-financial information for the first time, it makes sense to focus first on the core elements without applying specific reporting standards whereas for larger companies with established non-financial reporting it is recommended to designate and apply appropriate standards accordingly.

In August 2021, the Federal Council resolved to specify the non-financial reporting obligation on climate related information contained in the counterproposal and CO 964b by means of a

separate implementation ordinance ([Ordinance on Climate Disclosures](#)) and to implement it based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

Whilst the law applies for the reporting period 2023 (i.e. first-time reporting is expected in 2024), the specifications of the Ordinance on Climate Disclosures are in force only for the 2024 reporting period (i.e. first-time reporting is required in 2025). We recommend companies/groups consider the clarifications contained in the Ordinance when drafting their disclosures for the 2023 reporting period, if possible.

Please refer to the section on TCFD below for details.

Due diligence and transparency in connection with minerals and metals from conflict areas

Specific due diligence must be carried out if the company/group exceeds thresholds for the import and processing of conflict minerals and metals mentioned in Appendix II of the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO) (thresholds in line with European Union (EU) law). The minerals category includes ores, gold and concentrates containing tin, tantalum or tungsten. Metals are those containing tin, tantalum, tungsten or gold. If companies/groups exclusively export recycled materials, an exemption applies for part of these obligations. Furthermore, compliance with certain internationally recognised regulations exempts a company/group from the obligations as specified in the Swiss law. Regarding minerals and metals, the OECD (Organisation for Economic Co-operation and Development) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and Regulation (EU) 2017/821 are recognised regulations.

The companies concerned are required to:

- Define the supply chain policy (including used instruments) in writing and communicate the policy to their suppliers (including integration in contracts) and the public;
- List in writing information about production facilities and service providers in a supply chain traceability system;
- Ensure that concerns in the supply chain in respect to conflict minerals/metals can be reported;
- Identify and assess the risks of adverse effects in its supply chain in the areas of minerals and metals and take appropriate measures; and
- Report on the above; in the case of conflict minerals and metals, this report is subject to an assurance obligation in accordance with the DDTrO.

Those charged with governance must report annually on compliance with the due diligence obligations. Regarding minerals and metals, an assurance engagement must be carried out by an audit firm supervised by the Federal Audit Oversight Authority (FAOA). The limited assurance engagement determines if due diligence obligations have not been complied with.

In the event of a breach of the reporting obligation, fines up to CHF 100,000 could be imposed.

Due diligence and transparency in connection with child labour

Specific due diligence must be carried out by Swiss companies/groups if they offer products or services in relation to which there is a reasonable suspicion that they have been manufactured or provided using child labour. Exemptions may apply in the case of small and medium-size entities (SMEs) that do not exceed two of the thresholds (total assets of CHF 20 million, revenue of CHF 40 million and 250 full-time equivalents) in two consecutive years. Furthermore, low-risk companies/groups are exempt from the due diligence and

reporting obligations (low risk is assumed, among others, if companies/groups are operating in countries whose due diligence response is rated as 'basic' by UNICEF). However, such an assessment needs to be documented.

Lastly, compliance with certain internationally recognised regulations exempts a company/group from the respective Swiss obligations. Regarding child labour, the International Labour Organization (ILO) Conventions, the ILO-IOE (International Organisation of Employers) guidance, the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights are recognised regulations.

The companies concerned are required to:

- Define the supply chain policy (including used instruments) in writing and communicate the policy to their suppliers (including integration in contracts) and the public;
- List in writing information about production facilities and service providers in a supply chain traceability system;
- Ensure that concerns in the supply chain in respect to child labour can be reported;
- Identify and assess the risks of adverse effects in its supply chain around child labour and take appropriate measures; and
- Report on the above.

Those charged with governance must report annually on compliance with the due diligence obligations. In the event of a breach of the reporting obligation, fines up to CHF 100,000 could be imposed.

Transparency for raw material companies

An additional requirement from the revised CO (art. 964d) applies to companies subject to ordinary audit by law that themselves or through a controlled subsidiary are active in the extraction of minerals, oil, gas or wood. Such companies are required to report annually on payments to government institutions. This requirement **already applies for the 2022 financial year** (i.e. first-time reporting in 2023).

2. TCFD – Task Force on Climate-Related Financial Disclosures

Recommendations for consistent climate reporting, which will be implemented for the first time in Switzerland for companies subject to articles 964a and 964b CO (non-financial reporting obligations) effective for the 2024 financial year.

Enactment: • The Ordinance on Climate Disclosures will come into force on 1 January 2024.

Background

On 23 November 2022, the Swiss Federal Council adopted the Ordinance on Climate Disclosures that will come into force on 1 January 2024. The new rules implement the recommendations of the TCFD, which have gained global and cross-sector acceptance in climate reporting.

In accordance with the Ordinance, reporting must cover the four core elements of governance, strategy, risk management, and metrics and targets. In addition, reporting must consider both the cross-sectoral and sector-specific guidance on the eleven recommendations and should consider the 'Guidance on metrics, targets and transition plans' of October 2021.

Whilst the Ordinance refers to TCFD, it also carries an important caveat as it allows companies/groups to meet the disclosure requirements of the Swiss law in another way. As a result, many businesses may look to developments beyond Swiss borders, where initiatives and standards are much stricter. This is not only a necessity for those Swiss companies in scope of foreign regulation, but a strategic decision for all others to gain a distinct competitive advantage.

Notably, with regard to the recommendations pertaining to strategy, and specifically the reduction of CO₂ emissions, companies are expected to disclose a transition plan comparable with the Swiss climate goals to reinforce validity and comparability.

Correspondingly, metrics and targets should also cover quantitative CO₂ targets and, if relevant, targets for other greenhouse gases (GHG), while considering the short-, medium- and long-term implications. In line with other global initiatives, all GHG emissions, including the relevant categories of so-called 'Scope 3' emissions, must be reported when possible. Financial institutions are subject to further scenario analysis requirements.

The implementation of the recommendations regarding 'metrics and targets' requires companies to set targets and disclose metrics for the relevant business areas. The metrics should be disclosed separately for Scopes 1 and 2 GHG emissions, and, if possible, for Scope 3 emissions as well.

Recommendations of the TCFD

The Task Force makes eleven disclosure recommendations concerning four core elements of every company:

- (1) Governance,
- (2) Strategy,
- (3) Risk management, and
- (4) Metrics and targets

In its report, the Task Force also recommends a defined role for the Board of Directors in assessing climate risks, identifying material climate-related risks and opportunities, using scenario analyses to assess their financial impact and defining a process for managing these risks.

There are some key challenges to be considered for companies that want to implement the recommendations of the TCFD:

1) Integration in the core areas of the company

The company has to integrate holistically the identification, evaluation and management of the opportunities and the risks in its structures and make them measurable through appropriate metrics and targets. This means that various functions, from risk management, financial controlling and investor relations to strategy and sustainability, have to be integrated, and various processes and structures adjusted or expanded.

2) Impact on the company and scenario analyses

The TCFD highlights the financial impact on the company. To this end, significant opportunities and risks over the short-, medium- and long-term horizons should be identified and their financial impact quantified and assessed using scenario analyses. This should ensure a longer-term and more holistic perspective in the assessment of opportunities and risks. The Swiss Ordinance on Climate Disclosures explicitly requires forward-looking analyses for financial institutions (see TCFD's 'Guidance on Scenario Analysis for Non-Financial Companies', October 2020).

3) Materiality and broader understanding of opportunities and risks

As in financial reporting, the determination of the materiality should consider the financial effects of climate-related risks and opportunities on income and expenses, assets and liabilities, the conditions for raising capital and refinancing. In addition, companies are required to broaden their opportunity and risk assessments to include climate-related aspects. This means dealing with market and regulatory risks arising from the transition to a low-emission economy.

4) Linking climate-related reporting and financial metrics

Companies are required to report on climate-related opportunities and risks from a financial perspective. They are also required to publish the metrics used to assess and manage the financial impact of the opportunities and risks.

3. CSRD – Corporate Sustainability Reporting Directive

Increased requirements for sustainability reporting by companies in the EU, which could also impact Swiss companies with subsidiaries in the EU.

Enactment: Phased approach:

- From 2025 on FY 2024 data for companies previously falling under NFRD as well as large EU companies and third country companies with securities listed on an EU exchange
- From 2026 on FY 2025 data for large companies in the EU (including large EU subsidiaries of third country parent companies)
- From 2027 on FY 2026 data for SMEs with securities listed on an EU exchange (2 year opt out possible)
- From 2029 on FY 2028 data for third country parent companies with at least one large EU subsidiary (or a branch >EUR 40 million turnover) and >EUR 150 million consolidated turnover in the EU

Background

In April 2021, the European Commission (EC) published its proposal for a Corporate Sustainability Reporting Directive (CSRD), which will replace the current Non-Financial Reporting Directive (NFRD). The EU is thus increasing the requirements for sustainability reporting. After being formally adopted in November 2022, the CSRD entered into force on 5 January 2023. EU Member States have 18 months to implement the directive into national law.

Impacted companies

While the NFRD was only applicable to PIEs (Public Interest Entities) with more than 500 employees, the CSRD significantly expands the scope of applicability:

- All 'large' companies, regardless of their capital market orientation, that meet two of the following three criteria (i) an annual average of 250 employees, (ii) EUR 40 million in net turnover and (iii) EUR 20 million total assets.
- All capital market-oriented companies – including SMEs – except for micro-companies.
- Non-EU companies with at least one large subsidiary or branch (certain size criteria apply) in the EU and above EUR 150 million consolidated EU revenue.
- Reporting at group level exempts non-listed subsidiaries of their own reporting obligation, provided the standard applied of the parent company is ESRS (European Sustainability Reporting Standards) or accepted as equivalent. The subsidiary must refer to the group report.

Timeline

For companies that are already subject to the NFRD, reporting obligations apply from 2025 for the 2024 financial year. For all other large companies and large subsidiaries of a non-EU parent company, the reporting obligation will apply as of 2026 for the 2025 financial year and for listed SMEs and non-EU companies as of 2029 the latest (for the 2028 financial year).

Format

The CSRD requires companies to provide more consistent and transparent sustainability-related information about their business practices than previously. The aim is to bring sustainability reporting to the same level as financial reporting.

Companies will no longer be able to choose where to publish the information. In future, the required information must be included in the management report section of the annual report. This is to be published at the latest four months after the end of the financial year and at the same time as the financial information.

Contents

The content of European sustainability reporting is developed by the European Financial Reporting Advisory Group (EFRAG) and specified in the new ESRS. The final ESRS will be published/adopted by the EC no later than 30 June 2023. Currently, final draft versions of the ESRS are published that reveal the modular structure of future EU non-financial reporting: general standards as well as standards on environmental, social and governance topics. Additional standards (ESRS third country standards, ESRS SME standards) are due to be published no later than 30 June 2024. There are also ESRS sector standards in preparation that were to be published by 30 June 2024, too; however, their publication will be delayed according to recent information. In preparing the standards, EFRAG is working closely with existing sustainability reporting standard setters (such as the Global Reporting Initiative GRI) and tries to achieve compatibility with other new reporting standards such as the ones developed by the International Sustainability Standards Board (ISSB). These collaborations have created hope for a gradual harmonisation of reporting standards.

The CSRD requires all information to be provided to understand the company's development and performance, as well as the impact of its activities.

The concept of double materiality is to be enshrined in the regulations. In this case, sustainability aspects are to be considered material for a reporting entity if they are material either to their business and financials (inside-out perspective) or from an ecological or social perspective (outside-in-perspective). Although the draft ESRS include comprehensive guidance on materiality assessments, further clarification is needed in this fundamental topic of sustainability reporting.

All content should be measurable with the help of indicators. In the future, sustainability reports should be both retrospective and forward-looking, contain quantitative and qualitative data, take into consideration intangible resources, e.g. human capital or intellectual property, and address the entire value chain.

Assurance requirements

The EU Commission's proposal requires external assurance of the reported information – initially with limited assurance. However, it is envisioned to move to reasonable assurance in the medium term. Statutory auditors will be allowed to provide sustainability assurance as well, but there is no requirement to do so. Specific requirements for auditors' experience and expertise are planned to ensure quality.

Impact on companies in Switzerland and link to other EU regulations

Swiss companies with subsidiaries or branches in the EU and/or transferable securities listed in the EU will also be affected by the CSRD. The requirements apply to large companies, regardless of their capital market orientation, i.e. also to subsidiaries of Swiss groups. It is recommended that the CSRD requirements be implemented at group level on a timely basis to exempt the non-listed subsidiaries from the reporting obligation and, at the same time, to meet the Swiss reporting obligations.

Further, the EU also plans a Corporate Social Due Diligence Directive (CSDDD) which will go beyond the Swiss due diligence requirements (refer to separate section below). Companies active in the EU (i.e. subject to CSRD) should anticipate this in their implementation of Swiss requirements. This directive will also underpin the Sustainable Finance Disclosure Regulation (SFDR) that has recently entered into force and applies to financial market participants (such as investment fund and portfolio managers, insurance

companies selling insurance-based investment products and companies providing various pension products) and financial advisers. Under the SFDR, these companies are required to publish, among others, a statement on their due diligence policies with respect to principal adverse impacts of their investment decisions on sustainability factors on a comply-or-explain basis. At the same time, for companies with more than 500 employees, the publication of such a statement is mandatory, and the Commission is empowered to adopt regulatory technical standards on the sustainability indicators in relation to the various types of adverse impacts (refer to separate chapter on SFDR below).

4. EU Taxonomy Regulation

Binding classification standard for sustainable economic activities in the EU, which will also impact Swiss companies with subsidiaries or branches in the EU as well as Swiss financial companies that offer their products in the EU.

Enactment: Phased approach:

- From 2024 on FY 2023 alignment on environmental objectives 1 and 2 including amendments of economic activities. Voluntary regarding environmental objectives 3–6
- From 2025 on FY 2024 alignment on all environmental objectives and corresponding economic activities

Background

With the EU Taxonomy adopted in July 2020, the EU Commission is creating a binding classification standard for sustainable economic activities in the EU. The act published in July 2021 supplementing article 8 of the Taxonomy Regulation ('delegated act') specifies the formal disclosure requirements for reporting companies in the context of the EU Taxonomy.

Technical screening criteria

The EU Taxonomy distinguishes between six environmental objectives in terms of classification:

- (1) Climate change mitigation
- (2) Climate change adaptation
- (3) Sustainable use and protection of water and marine resources
- (4) Transition to a circular economy
- (5) Pollution prevention and control
- (6) Protection and restoration of biodiversity and ecosystems

The Taxonomy Regulation ranks certain economic activities based on technical screening criteria as sustainable and non-sustainable activities. The technical screening criteria for economic activities which have to make a significant contribution to climate change mitigation and adaptation were adopted in June 2021 (commonly referred to as NACE or Nomenclature of Economic Activities). Economic activities in emission-intensive sectors such as energy, manufacturing, transport, forestry and buildings, were addressed, which account for almost 80% of direct GHG emissions in Europe. NACE codes are used to classify these economic activities.

Who is impacted by the EU Taxonomy Regulation?

On the one hand, the Regulation concerns **non-financial companies**, i.e. capital market-oriented companies with more than 500 employees that are subject to the NFRD, and in the future all companies subject to the CSRD.

On the other hand, the Regulation concerns **financial companies**, such as banks, asset managers, investment firms and insurance/reinsurance companies. The Regulation is based on information on the proportion of environmentally sustainable economic activities in the total assets that financial companies finance or invest in.

Procedure for non-financial companies

Since only selected economic activities are included in the Taxonomy, non-financial companies must first consider which of their economic activities fall within the scope of the Taxonomy (so-called 'Taxonomy-eligible'). It is then necessary to demonstrate for the identified activities that they (1) make a substantial contribution to one of the six EU

environmental objectives based on the technical screening criteria, (2) do no significant harm to the other environmental objectives and (3) meet the minimum social standards and technical screening criteria for the activity concerned. The companies concerned must report on the sustainable proportion (so called 'Taxonomy aligned') of their turnover, their investments (Capex) and their operating expenses (Opex).

What is the time horizon?

The introduction will take place in several phases. As of 1 January 2022 (for the 2021 financial year), **non-financial companies** were only required to disclose the proportion of Taxonomy-eligible and non-Taxonomy-eligible economic activities for the three KPIs. As of 1 January 2023 (for the 2022 financial year), it is necessary to report on compliance with the criteria for classification as Taxonomy-aligned for the first two environmental objectives. A second delegated act for the remaining objectives is expected to be published in Q2 2023. In April 2023, the EC published the draft version of the delegated acts containing the technical screening criteria for the remaining four environmental objectives. A four-week consultation period has been implemented until May 2023. The final delegated act is expected for June 2023. As of 1 January 2024 (for the 2023 financial year) companies report on their eligibility on the remaining four objectives. As of 1 January 2025 (for the 2024 financial year) the same timeline as for CSRD applies to report on alignment for all six environmental objectives.

As of 1 January 2022, **financial companies** must disclose their risk positions in Taxonomy-eligible and non-Taxonomy-eligible activities as a share of their total assets. Credit institutions also have to disclose their trading portfolio and short-term interbank loans as a share of their total assets. Insurance and reinsurance companies must indicate their share of Taxonomy-eligible and non-Taxonomy-eligible activities in their non-life business. As of 1 January 2024 (for the 2023 financial year), **asset managers** must disclose the proportion represented by their investments in Taxonomy-aligned economic activities of the value of all managed investments (Green Investment Ratio or GIR). As of 1 January 2024, **credit institutions** must disclose the Green Asset Ratio (GAR), which indicates the ratio of risk positions in Taxonomy-aligned activities to the total assets of the credit institution. In addition, KPIs for off-balance-sheet assets (green ratio for financial guarantees (FinGuar KPI)) and for fees and commission income (F&C KPI) are planned for 1 January 2026 (for the 2025 financial year). As of 1 January 2024, **investment firms** will disclose (both on their own account and on behalf of clients) the proportion of their total assets accounted for by Taxonomy-aligned activities. As of 1 January 2024, **insurance and reinsurance companies** shall disclose KPIs relating to the Taxonomy-aligned activities of their managed assets and insurance activities.

Impact on companies in Switzerland

Swiss non-financial companies, which are subject to the NFRD or after the entry into force of the CSRD, shall be subject to the EU Taxonomy Regulation. Swiss financial companies offering financial products in the EU are also subject to the EU Taxonomy Regulation regarding the product disclosure requirements.

At present, it is advisable for companies to examine the EU requirements and to pursue their implementation at group level.

5. SFDR – Sustainable Finance Disclosure Regulation

The SFDR imposes transparency and disclosure requirements for financial market participants and financial advisors at entity and product level.

Enactment: • 10 March 2021 (1 January 2023 – detailed technical standards)

Background

The Sustainable Finance Disclosure Regulation (SFDR) is a fundamental pillar of the package of measures implementing the EU Action Plan on Sustainable Finance. By introducing comprehensive sustainability-related disclosure obligations for financial institutions, SFDR aims to provide greater transparency on sustainability within the European financial markets in a standardised way, thus preventing greenwashing and ensuring comparability.

Key requirements

The sustainability-related disclosure requirements under the SFDR must be met at both company and product levels.

Disclosure requirements at company level

Financial market participants (FMPs) and financial advisors (FAs) have to disclose the following sustainability-related information on their website since 2021:

- how sustainability risks are included in the investment decision-making process and in investment advice;
- the extent to which the remuneration policy is consistent with the inclusion of sustainability risks; and
- whether the so called principal adverse impacts (PAI) on sustainability factors are considered in investment decisions and investment advice at company level.

The obligation on FMPs to disclose PAI for requires comprehensive and detailed qualitative and quantitative information based on a specified template. The reporting template includes a set of quantitative PAI indicators depending on the underlying asset type and requires the reporting of all pre-defined mandatory PAI indicators as well as at least one environmental and one additional social PAI indicator. Examples of indicators include GHG emissions of all investments, the GHG intensity of investee companies and investee countries, the share of investments in investee companies that have been involved in violations of the UNGC (United Nations Global Compact) principles or OECD Guidelines for Multinational Companies, share of investments in energy-inefficient real estate assets and others. The qualitative information to be disclosed includes information such as a description of the policies to identify and prioritise PAIs within the investment process, the data sources used, the consideration of PAIs within the engagement policies, as well as references to alignment with international standards for due diligence and reporting and, where relevant, the degree of their alignment with the objectives of the Paris Agreement.

The obligation to consider the PAI obligations at entity level is mandatory for companies with more than 500 employees and is applicable on a comply-or-explain basis for all other companies. The reporting based on the prescribed template has to be conducted annually starting by 30 June 2023, at the latest.

Disclosure requirements at financial product level

All financial products in scope of SFDR have to disclose information on sustainability risks and the (non-) consideration of the PAI on sustainability factors of the financial product in their pre-contractual disclosures (e.g. fund prospectuses). In addition, increased transparency requirements apply to financial products that promote environmental and/or social characteristics (art. 8 'Light Green') and those that have sustainable investments as their objective (art. 9 'Dark Green'). Such products must include additional sustainability-related information based on detailed templates in the pre-contractual documents, in periodic reporting (e.g. annual reports from funds) and on websites. The templates include, among others, the disclosure and regular reporting of:

- the promoted environmental and/or social characteristics and objectives and how they were attained;
- the binding elements of the sustainability-related investment strategy;
- sustainability indicators; and
- detailed asset allocation of the portfolio in terms of % investments aligned with the promoted environmental and/or social characteristics and sustainable investments.

The templates also require the disclosure and reporting of the proportion of investments that are environmentally sustainable as defined by the EU Taxonomy ('Taxonomy-aligned investments'). Complementary product information, such as methodologies, data sources and processing and due diligence processes, is to be disclosed on the website of the FMP.

Who is impacted by SFDR?

The regulation applies to all **FMPs** and **FAs** within the EU. This includes, among others, asset managers, investment firms, credit institutions, insurance companies and pension funds.

Impact on Swiss financial institutions

Although Swiss financial institutions are often not directly within the scope of the requirements, they are indirectly impacted through their European subsidiaries and their exposure to EU clients and services. For example, Swiss companies who manage, market or act as a delegate for investment funds registered in the EU, often have to provide the required ESG information for the disclosures and include the respective obligations in their investment process and controls. Hence, many Swiss financial institutions are impacted by the transparency requirements of SFDR.

Recent developments

Since its first application in March 2021, the SFDR regime has been concretised through regulatory technical standards as well as Q&As, clarification documents and supervisory expectations. Below are the most recent developments.

In February 2023, the Commission Delegate Regulation (EU) 2023/363 was published amending the SFDR Delegated Regulation (SFDR RTS), which introduced new aspects to the original pre-contractual and periodic disclosure templates for financial products under SFDR in respect of fossil gas and nuclear energy-related activities to ensure alignment with the EU Taxonomy.

Furthermore, following their mandate to review and revise the SFDR Delegated Regulation, the three European Supervisory Authorities (ESAs) recently published a joint consultation paper on a potential revision of SFDR. The proposal entails, among others, an extended list of the universal social PAI indicators, a revision of the content of other PAIs, improvements on the disclosures on how sustainable investments 'do no significant harm' to any sustainable objectives and simplifications of the pre-contractual and periodic disclosure templates.

Moreover, the EC has just published a long-awaited list of answers on the interpretation of certain SFDR queries, clarifying various interpretative aspects such as clarifications of the definition of 'sustainable investments', the consideration of the PAI and financial products that have a reduction in carbon emissions as their objective, among others.

6. IFRS (International Financial Reporting Standards) Sustainability Disclosure Standards

Sustainability disclosure standards developed by the International Sustainability Standards Board (ISSB) aimed at developing standards for a global baseline of sustainability disclosures. The objective is not only to provide relevant and comprehensive sustainability information to global capital markets and investors, but also interoperability with local requirements and to address information needs with a variety of stakeholders.

Enactment: • Not yet enacted

Background and current stage

Investors increasingly consider sustainability information when making their decisions and require information that is globally comparable and of high quality. The ISSB was formed in November 2021 by the IFRS Foundation with the intention to develop standards aiming to meet this requirement, and to address a wide range of sustainability-related standards with the aim to reduce complexity, costs and risks to issuers and stakeholders.

With the Exposure Drafts of 'IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information' and 'IFRS S2: Climate-related Disclosures' issued in March 2022, the ISSB presented its proposal on sustainability-related disclosures for entities intending to apply the IFRS Sustainability Disclosure Standard. After having received feedback on its initial proposals, the ISSB now plans to issue an IFRS Sustainability Disclosure Standard by the end of Q2 2023.

What are the objectives?

The standards are focused on cost-effectiveness, relevance for decision-making and market-information. Interoperability and comparability are key concepts to ensure that global information needs are addressed for relevant investors, and that companies can avoid double-reporting when applying the sustainability-related standards of the ISSB by also meeting jurisdictional requirements.

The ISSB defined the following four key objectives:

- Develop standards for a global baseline of sustainability disclosures
- Meet the information needs of investors
- Enable companies to provide comprehensive sustainability information to global capital markets
- Facilitate interoperability with disclosures that are jurisdiction-specific and/or aimed at broader stakeholder groups.

The ISSB on the sustainability reporting standards' map

The ISSB is – among others – supported by the G7 and the G20. The close collaboration with the GRI ensures compatibility and interconnectedness between the investor-focused standard of the ISSB and the broader range of addressees of GRI. The ISSB benefits from the work and other support of leading investor-focused sustainability and integrated reporting organisations.

In this endeavour, the ISSB actively uses the work of the Climate Disclosure Standards Board (CDSB), the TCFD, the Value Reporting Foundation's Integrated Reporting

Framework and industry-based Sustainability Accounting Standards Board (SASB) Standards, and the World Economic Forum's Stakeholder Capitalism Metrics. In this context, The CDSB and the Value Reporting Foundation (Integrated Reporting Framework and SASB Standards) were integrated into the IFRS Foundation in 2022.

What is the content?

It is noteworthy, that IFRS Accounting Standards and IFRS Sustainability Disclosure Standards are highly compatible. Whilst the combined application of these standards is possible and intended, the IFRS Sustainability Disclosure Standards are designed in a way that they can be used independently of the applied GAAP (Generally accepted accounting principles).

The IFRS Sustainability Disclosure Standards currently consist of the following:

1) IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information

- asks for disclosure of material information about sustainability-related risks and opportunities;
- sets out general reporting requirements;
- points to other standards and frameworks (e.g. SASB Standards and CDSB Framework application guidance) in the absence of specific IFRS Standards;
- emphasises the need for consistency and connections between financial statements and sustainability disclosures, requiring financial statements and sustainability disclosures to be published at the same time.

2) IFRS S2: Climate-related Disclosures

- sets out disclosure of material information about climate-related risks and opportunities;
- Incorporates TCFD Recommendations and includes SASB Standards' climate-related industry-specific topics and metrics as illustrative guidance;
- requires disclosure of information, when material, about physical risks (e.g. flood risk), transition risk (e.g. regulatory change) and climate-related opportunities (e.g. new technologies); and
- sets out disclosure for transition planning, climate resilience, and Scopes 1, 2 and 3 emissions.

Considering materiality, the ISSB uses the same definition of 'material' as the IFRS Accounting Standard: information is material if omitting, obscuring or misstating it could be reasonably expected to influence investor decisions.

What is the expected use?

The International Organisation of Securities Commissions (IOSCO) will review the IFRS Sustainability Disclosure Standards for potential IOSCO endorsement. It is expected that this will encourage the widespread adoption of these standards. Jurisdictions such as Australia, Brazil, Canada, Japan and South Korea intend to cooperate with the ISSB. Like the IFRS Accounting Standards, legislative bodies will decide whether IFRS Sustainability Disclosure Standards may be used within a certain territory. For that purpose, the ISSB created the Sustainability Standards Advisory Forum for a closer collaboration with jurisdictional representatives.

Compatibility with other standards

If a company already applies either SASB Standards, TCFD Recommendations, the CDSB Framework or the Integrated Reporting Framework, the recommendation is to continue doing so since the IFRS Sustainability Disclosure Standards is based on these materials. Thus, it should facilitate a potential adoption of the standards developed by the ISSB.

Next steps and future outlook

For entities new to sustainability disclosure, it is recommended to use the 2023 financial year to prepare for a potential application of IFRS Sustainability Disclosure Standards by:

- evaluating internal systems and processes for collecting, aggregating and validating sustainability-related information across the company and its value chain;
- considering the sustainability-related risks and opportunities that affect the business;
- reviewing the ISSB's proposed standards; and
- reviewing or using the SASB Standards and CDSB Framework (both of which support IFRS S1), TCFD Recommendations (which form the foundation of IFRS S1 and IFRS S2) and the Integrated Reporting Framework (whose concepts are reflected in IFRS S1).

In Q2 2023, the ISSB will consult to determine future priorities beyond the initial IFRS S1 and IFRS S2 standards. The following four projects will be subject to feedback from investors and other market participants:

- biodiversity, ecosystems and ecosystem services;
- human capital;
- human rights;
- connectivity in reporting (a potential joint project with the IASB).

7. Equal pay

The revised Gender Equality Act has been in force since 1 July 2020, requiring companies with more than 100 employees to conduct an equal pay analysis and to have this analysis reviewed by an approved independent auditor. Further regulatory developments on the transparency of pay and gender quotas can also be expected at the European level.

Enactment: • 1 July 2020, refer to the section on important dates below

Revision of the Gender Equality Act

The Federal Council enacted an amendment to the Gender Equality Act to enforce equal pay as of 1 July 2020. The amendment was adopted by the Council of States and the National Council in December 2018.

Under the revised legislation, companies and public institutions with 100 or more employees (headcount) must carry out an equal pay analysis by June 2021 (at the latest) and have this analysis reviewed by an approved independent auditor by June 2022 (at the latest). Companies are also obliged to inform employees and shareholders about the results by June 2023 (at the latest).

During the period of validity, equal pay analyses must be repeated regularly every four years, unless an analysis shows that there is no inexplicable systematic wage difference between women and men. In this case, no further analysis is required.

Please also note that companies growing in headcount might become subject to the revised Gender Equality Act over time. Switzerland-based legal entities must assess the number of employees (headcount) each year on 1 January. When companies exceed the headcount of 100, the regulations of the Gender Equality Act become applicable to them, i.e. they must prepare an analysis and have this analysis reviewed by an approved independent auditor. Such companies are also obliged to inform employees and shareholders about the results.

The law does not provide for any sanctions.

Important dates to note

- 1 July 2020: the amended Gender Equality Act entered into force.
- By 30 June 2021 (latest): companies and public institutions had to complete their first internal equal pay analysis.
- By 30 June 2022 (latest): companies must have their internal analysis reviewed by an independent auditor within one year of completing the analysis, but by June 2022 at the latest.
- By 30 June 2023 (latest): companies must have informed their employees in writing of the results of the analysis. Companies whose shares are listed on a stock exchange must disclose the results of the equal pay analysis in the notes to the annual financial statements.
- 1 July 2032: the amendment to the Gender Equality Act automatically expires after twelve years in accordance with the sunset clause.

The above obligations therefore apply only to the period from 1 July 2020 to 30 June 2032.

Subject to review

The review of equal pay analyses is a formal review. This is designed as a limited assurance engagement: the auditor's report includes therefore a statement on whether any findings

exist that would lead to the conclusion that the equal pay analysis does not comply with the law.

The legal requirements are:

- The equal pay analysis was carried out within the period prescribed by law.
- There is evidence that the equal pay analysis was carried out using a scientific and legally compliant method.
- All employees were recorded in full.
- All salary components were recorded in full.
- The required data, including personal and work-related characteristics, have been collected in full.

What you need to do

The first internal analysis must be completed by the end of June 2021 at the latest. Companies must provide evidence of the scientific nature and legal conformity of the analytical method used. If the federal government's standard analysis tool (Logib) is used, the Office for Gender Equality provides a declaration of conformity.

Further information about Logib can be found at www.ebg.admin.ch.

PwC is happy to assist you with any questions you have regarding equal pay and the new legal requirements.

Are there alternative solutions?

The formal review meets the minimum legal obligation. It does not prove the existence of an effective equal payment regime, nor does it provide a statement from the employer about the related organisational measures in place.

We outline below two alternatives to the minimal legal obligation described above.

Our service offerings



Equal-Salary Certification by the Equal-Salary Foundation, with assurance by PwC

The statutory equal pay analysis can be carried out on the basis of the Equal-Salary methodology. The methodology was developed by the University of Geneva and was supported financially by the Federal Office for Gender Equality (FOGE) under the Gender Equality Act. It has been independently confirmed as a scientific and legally compliant method and substantiated as required by the revised Gender Equality Act.

For companies that want to go a step further, we recommend full Equal-Salary Certification.

An Equal-Salary Certification process has two phases, consisting of (phase 1) an in-depth statistical analysis of pay equality and (phase 2) on-site assurance procedures, during which PwC performs review procedures relating to the commitment of top management to equal pay, the integration of fair remuneration strategies into HR policies, processes, and practices. In addition, PwC conducts focus group interviews during this phase to determine how equal pay and opportunity practices are perceived by employees.

The certification is issued by the Equal-Salary Foundation (ESF) and is valid for three years. During this time, the organisation undergoes two monitoring assurance engagements to confirm that continuous improvement is being made.

The Equal-Salary Certification process can be conducted in Switzerland as well as globally. PwC, for example, has conducted an engagement for a SEC-listed company with operations in more than 50 countries.



Employers' contributions to trust and transparency

More and more listed and privately held companies support their entrepreneurial leadership with enhanced commitment to and communication about regulatory matters. The most popular references are the Integrated Reporting Framework <IR> or the UNGC to report selected information about sustainability using the GRI standards.

Reporting that goes beyond the financial aspects allows an organisation to highlight other key factors (the 'enablers') necessary to achieve its financial objectives. The field of ESG, which covers the dimensions of Environment (E), Social Affairs (S) and Governance (G), is of vital importance in this regard. For example, reporting on the contributions made in respect of the UN's 17 Sustainable Development Goals (SDGs) and, in particular, SDG #5 'Achieve gender equality and empower all women and girls', provides an opportunity to build trust in the organisation among all stakeholders. In doing so, regulatory aspects should be systematically combined with best practice perspectives – driven by investors, voting rights advisers and other market players – and integrated in the expectations and needs of employees and customers.

Consequently, expanding the scope of reporting is about more than just meeting a legal obligation. It can be tailored to specific needs and supports the company's social license to operate (SLO) by communicating its purpose and its contributions to economic, ecological, and social areas, including gender equality.

Reporting on declared and proven compliance with the legal requirements – and beyond – through ESF certification and SDG-related information contributes strongly to the trust and transparency message of a company. That contribution is perceived to be even stronger if an external party, like PwC, provides assurance on the performance indicators published in a report.

An assurance report in this area fosters trust in the company and in its processes and controls as well as in those charged with governance.

PwC is happy to assist clients with any questions they may have regarding equal pay and opportunities and the new legal requirements as well as on topics relating to trust and transparency.

Gender guidelines

On 19 June 2020, Parliament adopted the revision of the corporate law. Among other things, it contains gender guidelines that the Federal Council has put into effect as of 1 January 2021. Large companies with listed shares based in Switzerland are to fill more management positions with women in the future. The guideline is for women to make up at least 30 per cent of the Board of Directors and 20 per cent of the Executive Board.

No sanctions are provided for if the guidelines are not met. However, companies are obliged to explain in the compensation report the reasons and the measures to improve the situation (comply-or-explain approach). The obligation to report gender representation begins five years after the new provisions come into force for the Board of Directors (1 January 2026) and ten years for the Executive Board (1 January 2031). The aim of these provisions is to ensure that the constitutional duty of equality between women and men is upheld.

European developments

On 14 March 2022, the employment and social affairs ministers of the EU Member States agreed on a 'general approach' to a European directive aiming to strengthen gender equality on corporate boards. Listed companies would need to have 40% of non-executive director positions held by members of the under-represented sex, or 33% if all board members are included. Companies would have to take steps to reach these minimum targets by 2026. Companies that fail to reach these targets would have to apply clear, unambiguous, and neutrally formulated criteria when appointing or electing directors. Countries that have put in place measures such as national targets to achieve more balanced representation of women and men may suspend the requirements of the directive. The same applies for countries that have already made progress towards the targets set in the directive. In order for quotas to come into force across Europe, the European Council still has to reach an agreement with the EU Parliament on the specific details.

The obligation for large companies to be transparent on equal pay for equal work is a step closer. On 30 March 2023, the European Parliament adopted at first reading the EU Directive on pay transparency to ensure that women and men in the EU get equal pay for equal work. The directive sets out pay transparency measures, such as pay information for job seekers, a right to know the pay levels for workers doing the same work, as well as gender pay gap reporting obligations for companies – public and private – with more than 100 employees, including part-time and contract workers. Under current terms, Member States will have up to three years to transpose the requirements into local law, i.e. by 2026 at the latest. Employers may then be given up to a year to start complying with key provisions, i.e. 2027 at the latest. Some Member States may move faster.

The directive prescribes two areas where employers will need to take action: pay transparency and pay equity.

Pay transparency:

1. On recruitment: Employers will be required to inform applicants of a range of starting pay in job postings or prior to an interview and they will not be allowed to ask candidates about their pay history;
2. Right to information: Workers will be allowed to ask their employer for information about their pay levels in relation to average pay levels – broken down by gender – for categories of workers doing the same work or work of equal value;
3. Reporting: Employers will have to publish different data points (average and median) around the gender pay gap as well as the proportion of workers who benefitted from a pay rise following their return from (maternity) leave.

Pay equity

1. Reporting: On top of the average and median gender pay gaps, employers are required to report on their pay gaps adjusted for gender-neutral criteria, such as experience and performance. Employees have the right to receive such information;
2. Correct pay inequity: If the adjusted gender gap is above 5%, then companies need to correct the gap within six months or conduct a joint pay assessment and create a gender action plan;
3. Burden of proof: Where the employer did not fulfil its transparency obligations, it will be for the employer, not the worker, to prove that there was no discrimination in relation to pay;
4. Compensation: Workers who have suffered gender pay discrimination can receive compensation, including full recovery of back pay and related bonuses or payments in kind.
5. Sanctions: Member States should establish specific penalties for infringements of the equal pay rule, including fines – and equality bodies and workers' representatives may act in legal or administrative proceedings on behalf of workers.

The deadline to first comply with the pay gap reporting obligations for larger employers, depends on the size of the organisation. Employers with more than 150 workers need to report the pay gap information within one year after the date of implementation. Employers with 100 to 149 workers need to report the pay gap information within five years after the date of implementation.

8. Regulatory outlook

8.1. CSDDD – Corporate Sustainability Due Diligence Directive

Binding framework that helps companies to assess and manage sustainability risks and impacts across their value chains. Introduction of a link between variable remuneration of directors and the sustainability targets of a company.

Enactment: • Not yet enacted

In February 2022, the European Commission published its proposal for a [Directive on Corporate Sustainability Due Diligence](#) (CSDD). The proposed CSDD directive complements various EU initiatives such as the Corporate Sustainability Reporting Directive (CSRD). With this proposed directive, the EC aims to create an EU-wide transparent and predictable framework that helps companies to assess and manage sustainability risks and impacts with respect to core human rights and environmental risks across their value chains. By introducing a link between variable remuneration of directors and the sustainability targets of a company, this requirement could influence companies' remuneration strategies.

Scope

The proposed directive provides due diligence requirements for large companies in the EU and in third countries, and for smaller companies in certain high-risk sectors. The due diligence obligation requires companies to identify actual or potential negative impacts on human rights and the environment, and to take measures to mitigate those impacts. In addition, companies are required to adjust and align their business plans and strategies with the transition to a sustainable economy and the limitation of global warming to 1.5 degrees Celsius, in accordance with the Paris Agreement.

The EC estimates that the scope of the proposed directive will cover approximately 13,000 EU companies and 4,000 third-country companies. These companies can be divided into the following three groups:

	Description
Group 1	Companies based in the EU with more than 500 employees on average and net worldwide turnover of more than EUR 150 million in the last financial year for which annual financial statements have been prepared.
Group 2	Companies based in the EU with more than 250 employees on average and a net worldwide turnover of more than EUR 40 million, of which at least 50% was generated in one of the following 'high risk' sectors: <ul style="list-style-type: none">• Textiles, leather, clothing, footwear, and related products;• Agriculture, forestry, fisheries, food products;• Mineral resources, metal products, chemicals.
Group 3	Companies established outside the EU with a net turnover of more than EUR 150 million in the EU or with a net turnover of more than EUR 40 million of which 50% was generated in one of the 'high risk' sectors.

Micro-companies and SMEs are not directly affected by the proposed Directive. These companies could, however, be indirectly affected if they are part of the value chain of companies that fall within the scope of the Directive.

Obligations for companies and their directors

The proposed Directive lays down specific human rights and environmental due diligence obligations for companies within its scope:

Obligations for companies	
Policy	Implementation of due diligence policy that is updated annually. Due diligence integrated into all corporate policies.
Identification	Take appropriate measures to identify actual and potential adverse human rights and environmental impacts arising from own operations, from subsidiaries and from established business relationships if these are related to the value chains.
Prevention and minimisation	Take appropriate measures to prevent potential, end/minimise adverse human rights or environmental impacts.
Complaints procedure	Provide possibility to affected persons and organisations to submit complaints if they have legitimate concerns regarding actual or potential adverse human rights or environmental effects.
Monitoring	Carry out periodic assessments of above activities and measures (director's duty of care).
Variable executive remuneration	The proposed directive requires companies to adopt a plan to ensure that business model and strategy are compatible within the transition to a sustainable economy and the limitation of global warming to 1.5° C in line with the Paris agreement. The proposed directive suggests that a company's variable remuneration strategy should be linked to its sustainability goals in certain situations.

From European approval to national implementation

The proposal is subject to the approval of the European Parliament and the European Council. Once adopted, Member States will have two years to transpose the Directive into national law. Although transposing the Directive into national law will take some time, it is advisable that affected companies already start aligning their organisation's values, purpose and strategic objectives with the expected legal provisions.

8.2. SEC (US Securities and Exchange Commission) proposal

Financial and non-financial disclosure requirements related to risks and impact of climate change. Companies will also be required to disclose information about carbon emissions, which would be subject to a phased-in assurance requirement.

Enactment: • Not yet enacted

The SEC issued a proposal in March 2022 that would significantly enhance climate-related disclosures in annual filings and registration statements. The proposal focuses specifically on:

- how climate risks are identified, assessed, managed, and disclosed;
- the financial impact of severe weather and other natural events as well as transition activities; and
- GHG emissions.

The proposed disclosures to be included in annual reports and registration statements are extensive. A final rule was initially expected in late 2022 but is now expected in the second quarter of 2023. The following topics are part of the proposed disclosure requirements:

Regulation S-K climate-related disclosures

Climate-related impacts on strategy, business model and outlook	<ul style="list-style-type: none">• Physical and transition risks reasonably likely to have a material impact over the short, medium and long terms and how they are part of business strategy, financial planning and capital allocation (e.g. need to reduce GHG emissions, impact of drought, rising temperatures, floods, wildfires, transition risks, etc.). SEC's proposal specifically defines the physical and transition risks within the scope of the disclosures (eliminates room for interpretation).• Zip code level disclosure of nature and location of assets, processes and operations subject to climate-related risks.• Climate-related risk disclosures would be included in a new section of the annual report or registration statement entitled 'Climate-Related Disclosure' with a requirement to update for material changes on a quarterly basis.
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GHG emissions reporting	<ul style="list-style-type: none">• Scope 1 and Scope 2 – disaggregated by type of GHG (seven specified GHGs) and in aggregate, accompanied by an emissions intensity measure. Proposal requires disclosure of emissions excluding the impact of any purchased or generated offsets – any offsets used in a company's emissions reduction strategy would be disclosed separately.• Scope 3 – if material or included in the registrant's GHG emissions reduction target or goal, accompanied by a Scope 3 emissions intensity measure (exception: smaller reporting companies). Assessing materiality may require companies to calculate their Scope 3 emissions. Calculating Scope 3 emissions is complex and may be reliant on information from suppliers or that requires estimation based on available data and certain assumptions about a company's value chain.• GHG reduction targets or goals and transition plan, if any.
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Governance and oversight of climate-related risks	<ul style="list-style-type: none">• Board of Director's oversight of climate-related risks.• Whether any member of the Board of Directors has expertise in climate-related risks, and if so, the nature of the expertise.• Management's processes for identifying, assessing and managing climate-related risks.
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Regulation S-X financial statement footnote disclosures

Financial impact metrics	<ul style="list-style-type: none">• Quantitative disclosure of the impacts of severe weather events and other natural conditions as well as transition activities on individual financial statement line items if the impact is greater than a bright-line 1% threshold (comparability over time and among different registrants).
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Expenditure metrics	<ul style="list-style-type: none">• Quantitative disclosure of amounts capitalised and expensed related to severe weather events and other natural conditions as well as transition activities, if the impact is greater than 1% of total capitalised costs or total expenditures expensed, respectively
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Impact on estimates and assumptions	<ul style="list-style-type: none">• Qualitative description of the impact of climate-related events and transition activities on estimates and assumptions.
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Other information	<ul style="list-style-type: none">• Contextual information about how each specified metric was derived, including a description of significant inputs and assumptions.• Description of the impact of physical risks and transition risks on the financial statement metrics.
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The SEC proposal would require organisational boundaries to be aligned with the (consolidated) financial statements for emissions metrics.

Transition

The disclosure requirements are phased. This phased approach is intended to provide registrants with time to establish necessary systems, controls and procedures and it is based on registrant type. Comparative disclosures are required for all periods presented, which leads to a significant acceleration of the timeline (with provisions to exclude the information for historical periods if it is not reasonably available to the registrant without unreasonable effort and expenses).

Effective dates will quickly follow with the earliest CSRD reports required for 2024; a similar effective date is expected for the largest SEC filers.

The SEC proposal does not prescribe specific targets or dates, instead requiring disclosure of any targets set by the company. If adopted generally as proposed, we expect that all companies – even those with extensive voluntary disclosures – would need to expand their disclosures while also ensuring the information is investor grade. The proposed rules are not applied to all companies equally. In some cases, the SEC requires companies with more established climate-related programmes or processes to provide additional disclosures. Companies are likely not capturing information at this low threshold today and may need to enhance their existing reporting systems to accurately capture all the information that would be required.

Assurance requirements

The proposal includes footnote disclosure within the financial statements – which would be subject to the financial statement audit and management’s internal control over financial reporting – as well as disclosures outside the financial statements, including a Scope 1 and Scope 2 GHG attestation requirement (use of the GHG Protocol is not required) for accelerated and large accelerated filers.

Providing investors with comparable confidence in both sustainability and financial information is a driver of the assurance requirements in the SEC proposal and it includes a phased assurance approach, beginning with limited assurance and increasing to reasonable assurance later.

More detailed information is available in the following publications:

[The SEC wants me to disclose what?](#)

[Navigating the ESG landscape – Comparison of the ‘big three’ disclosure proposals](#)

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