



Federal Council sets parameters for binding climate reporting for large Swiss companies

Bern, 18.08.2021 - During its meeting on 18 August 2021, the Federal Council decided on parameters for the future mandatory climate reporting by large Swiss companies. The Federal Department of Finance is to prepare a consultation draft by summer 2022.

Sustainable finance offers the Swiss financial centre an opportunity to further reinforce its competitiveness. In December 2020, the Federal Council instructed the Federal Department of Finance (FDF), together with other departments, to develop a binding means of implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) for Swiss companies.

The Federal Council has now instructed the FDF, together with other federal units, to prepare a consultation draft with the following parameters by summer 2022:

- Public companies, banks and insurance companies with 500 or more employees, more than CHF 20 million in total assets or more than CHF 40 million in turnover are obliged to report publicly on climate issues.
- The public reporting not only includes the financial risk that a company incurs as a result of climate-related activities, but also discloses the impact of the company's business activities on the climate and the environment. This so-called double materiality is also in line with the European Union's approach.
- Minimum requirements should ensure that disclosures are meaningful, comparable and, where possible, forward-looking and scenario-based.

- The binding implementation of the TCFD recommendations is expected to take place from 2024 for the 2023 financial year by means of a separate executive order on the counter-proposal to the responsible business initiative. This procedure should increase legal certainty.

Exchanges took place with business associations and environmental and consumer protection associations in May 2021. The parameters were welcomed by the vast majority.

Address for enquiries

Communications
State Secretariat for International Finance SIF
Tel. +41 58 462 46 16, info@sif.admin.ch

Publisher

The Federal Council
<https://www.admin.ch/gov/en/start.html>

Federal Department of Finance
<https://www.efd.admin.ch/efd/en/home.html>

Federal Office for the Environment FOEN
<http://www.bafu.admin.ch/en>

<https://www.sif.admin.ch/content/sif/en/home/documentation/press-releases/medienmitteilungen.msg-id-84741.html>