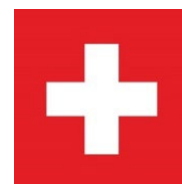


JURISDICTIONAL SNAPSHOT: Switzerland



The IFRS Foundation is providing this high-level overview of the regulatory approach the jurisdiction has proposed or indicated it intends to take for the adoption or other use of ISSB Standards (including local sustainability-related disclosure requirements (or standards) designed to deliver functionally aligned outcomes to those resulting from the application of IFRS S1 and IFRS S2). The IFRS Foundation has undertaken a preliminary review of the proposed regulatory framework. The final jurisdictional approach may differ from the preliminary summary provided herein. This overview may therefore differ from content the IFRS Foundation may publish in a future jurisdictional profile including as a result of additional information or changes made by a jurisdiction in finalising its regulatory approach to sustainability-related reporting.

Regulatory stage	<p>In progress.</p> <p>The Swiss Code of Obligations (Code) and the Ordinance on Climate Disclosures (Ordinance), which operates under the Code, provide provisions that currently are in effect for certain sustainability-related disclosures. Consultations published in 2024 proposed amendments to the Code and Ordinance that would adapt Swiss requirements to the latest international developments. Specifically, the amendments would:</p> <ul style="list-style-type: none"> • change the Code’s approach from comply-or-explain to mandated disclosures; • replace the reporting framework from the recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) to a choice between using internationally recognised reporting standards (ISSB Standards, together with additional information disclosed applying, for example, GRI Standards) or European Sustainability Reporting Standards (ESRS); and • increase the number of entities subject to the sustainability disclosure framework. <p>At its meeting on 21 March 2025, the Federal Council took note of the results of the consultation on the proposed provisions in the Code on reporting requirements for companies, including a large number of commenters calling for administrative simplification. Swiss authorities are now considering feedback received from the consultations on the proposed amendments to the Ordinance, with the intention to decide on any amendments in the course of 2025.</p>
Relevant authority or authorities	<p>The Federal Council and the Federal Assembly are responsible for the legislative process supported by the Federal Department of Justice and Police and the Federal Office of Justice.</p> <p>For listed entities, SIX Exchange Regulation can issue listing rules under the oversight and supervision of the Financial Markets Supervisory Authority (FINMA).</p> <p>The Federal Audit Oversight Authority (FAOA) is responsible for setting the related assurance requirements.</p>

Proposed requirements

Name of framework or standards	<p>Proposed amendments would adapt Swiss law to international developments in the field of sustainability reporting, and allow companies to meet mandatory sustainability-related disclosure requirements by applying standards determined by the Federal Council, indicating that this could include either:</p> <ul style="list-style-type: none"> • IFRS S1 and IFRS S2 together with additional information disclosed applying other frameworks such as the GRI Standards; or • ESRS.
Date when requirements are proposed to become effective	<p>The proposed amendments to the Code would apply two years after the legislative process concludes.</p> <p>Separately, reporting using the TCFD recommendations on a comply-or-explain basis currently remains in effect under the Code and Ordinance. The Ordinance (to update the reference to internationally recognised reporting standards) is currently under revision.</p>
Reporting entities	<p>Current and proposed reporting requirements apply to all listed entities, with the exception of companies or corporate groups below a certain threshold (balance sheet total of CHF 450,000, revenues of CHF 900,000 and 10 full-time positions on an annual average).</p> <p>In addition, non-listed companies that fall above a certain threshold (500 or more employees, CHF 20 million balance sheet total and CHF 40 million in turnover) also must report under the current provisions of the Code and Ordinance. The recent consultation proposes to amend the threshold to include companies (including corporate groups) that exceed two of the following criteria over two consecutive financial years:</p> <ul style="list-style-type: none"> ○ balance sheet total of CHF 25 million ○ turnover of CHF 50 million ○ an annual global average of 250 full-time employees. <p>Companies would be exempt from meeting the proposed reporting requirements if they are a subsidiary of a corporate group that either prepares a sustainability report in accordance with Swiss law or prepares an equivalent report in accordance with foreign law. In this case, companies must refer to and publish the reports of their parent company.</p>
Required or permitted	<p>The existing reporting obligations under the Code are mandatory on a comply-or-explain basis. If the Code is amended as proposed, reporting obligations would be mandatory.</p> <p>Under the proposals, entities could meet their reporting requirements by applying a set of standards from among those determined by the Federal Council, with the proposal indicating that this could include ISSB Standards or ESRS.</p>
Focus	<p>Multi-stakeholder focus, including existing and potential investors, lenders and other creditors.</p>
Scope of sustainability-related risks and opportunities on which entities must report	<p>Entities would be required to report all sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects.</p>

Materiality filter for disclosures	<p>Required disclosures are subject to materiality.</p> <p>The proposed amendments would apply a double materiality approach that includes information that is financially material to the company and information about the impact of the company's activities on sustainability issues.</p>
Timing, location and reporting entity	<p>Time of reporting: to be determined. The proposed amendments to the Code are aligned with ISSB Standards with respect to timing.</p> <p>Location: to be determined. The proposed amendments to the Code envisage that sustainability-related reporting is to be provided in general purpose financial reports but can be also done separately.</p> <p>Reporting entities: the proposed amendments to the Code are aligned with ISSB Standards with respect to the reporting entity being the same as for the related financial statements.</p>
Extensions of transition reliefs	<p>The proposed Ordinance amendments did not explicitly propose any extensions to the transition reliefs in IFRS S1 and IFRS S2 for companies opting to apply ISSB Standards.</p>
Jurisdictional modifications from requirements in ISSB Standards	<p>The proposed Ordinance amendments did not include any jurisdictional modifications for companies opting to apply ISSB Standards.</p>
Additional disclosure requirements	<p>Yes. The proposed amendments provide the option to satisfy the reporting requirement by using ISSB Standards in combination with, for example, GRI Standards.</p> <p>To assert compliance with ISSB Standards, IFRS S1 requires that sustainability-related financial disclosures required by ISSB Standards must be clearly identifiable and not obscured by any additional information included in the same location as information required by ISSB Standards.</p>
Assurance requirements	<p>Mandatory assurance proposed to be required from the first year of reporting.</p> <p>The Federal Council will decide, though issuing an Ordinance, if limited or reasonable assurance is required.</p>
Further information	<p>The report must be prepared in a standardised electronic format. The format must comply with an internationally used standard.</p>
Relevant document(s)	<p>Consultation Code of Obligations (DE, FR, IT)</p> <p>Consultation Ordinance on Climate Disclosures</p>