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Federal Chancellery
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Consultation on amendments to the Swiss Code of Obligations

We refer to the Federal Council of Switzerland's consultation on the Amendment to the Code of Obligations regarding transparency on sustainability aspects. We appreciate the opportunity to contribute our investor perspective to the future Swiss sustainability disclosure regime.

Norges Bank Investment Management (NBIM) is the investment management division of the Norwegian Central Bank and is responsible for investing the Norwegian Government Pension Fund Global. NBIM is a globally diversified investment manager with 1,493 billion CHF at year end 2023, 39 of which invested in the shares of Swiss companies.

As a long-term investor, we consider our returns over time to be dependent on sustainable economic, environmental and social development, as well as on well-functioning, legitimate and efficient markets. We are active investors in over 65 countries and require reliable, consistent and comparable sustainability-related financial information across global capital markets. Global reporting standards are therefore critical to ensure companies disclose information that can inform our investment decisions, risk management processes and ownership activities.

We strongly support the IFRS Sustainability Disclosure Standards (ISSB standards) as the global baseline of investor-focused standards for sustainability-related financial disclosures. The ISSB standards share the same conceptual foundations as the International Accounting Standards Board (IASB) financial reporting standards, which will ensure that investors are provided with information that is concurrent, connected and complementary to financial statements. This information is necessary for investors to form a holistic view of a company's performance and prospects over different time horizons.

We further believe that comparability and consistency of information can be best achieved by the regulatory adoption of the ISSB standards. We welcome the proposed legislation to strengthen sustainability disclosure requirements for Swiss companies, and to align the regulatory regime with international developments. We also support removing the "comply or explain" option and widening the scope to public interest entities and companies above certain size thresholds. Listed companies in scope should be mandated to publish their reports in English, to maximise availability and accuracy of their disclosures to global investors.

We acknowledge that the primary objective of the proposal is to align Swiss sustainability reporting with the EU's Corporate Sustainability Reporting Directive (CSRD), which is expected to significantly impact Swiss companies through its third-country undertakings application. However, we strongly

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support the proposal by the Federal Council to allow companies to use equivalent reporting standards. To reduce the risk of fragmentation, we recommend that this equivalence regime is based on ISSB standards as the global baseline, supplemented as necessary by impact-focused standards such as Global Reporting Initiative (GRI).


Given more than 20 jurisdictions representing over half of global GDP have announced steps to use or fully align their domestic disclosure standards with the ISSB standards, this option would reduce the reporting burden for many internationally active Swiss companies who will likely be scoped into other jurisdictions' reporting requirements. Critically, this will enhance investors' access to globally consistent and comparable information and facilitate cross border capital flows.

Additionally, we note that the decision to allow use of ISSB and GRI as part of an equivalence regime will be facilitated by the work undertaken by EFRAG, the ISSB and GRI to achieve interoperability. In a recently signed MOU, the ISSB and GRI have committed to jointly identify and align common disclosures that address information needs under the distinct scopes and purposes of their respective standards. This collaboration will enhance the connection between their standards to provide a global and comprehensive sustainability reporting system for companies looking to meet the information needs of both investors and a broader range of stakeholders.


Finally, we support the new external assurance requirement to enhance reliability of sustainability-related financial disclosures and further recommend the prescription or reference to the IAASB's International Standard on Sustainability Assurance 5000. Sustainability disclosures should be subject to similar governance processes as financial disclosures, with final signoff from the board.

We thank you for considering our perspective and remain at your disposal should you wish to discuss these matters further.

Yours sincerely

Signed by:

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