

REGULATORY CALENDAR

As of December 2022

Latest regulatory state of play across
key jurisdictions for 2022 and beyond.



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| CLIMATE STANDARD | <ul style="list-style-type: none"> • Q4 2022: Final ISSB climate standard expected | <p>On 31 March 2022, the International Sustainability Standards Board (ISSB) published its draft climate disclosures standard. It sets out cross-industry metrics including scope 1, 2 and 3 GHG emissions, transition risks, physical risks, as well as industry metrics built on SASB standards.</p> | <ul style="list-style-type: none"> • TBD by implementing jurisdictions |
| SUSTAINABILITY STANDARD | <ul style="list-style-type: none"> • Q4 2022: Final ISSB sustainability standard expected | <p>On 31 March 2022, the International Sustainability Standards Board (ISSB) published its draft standard on general sustainability disclosures. The proposed standard, building on TCFD recommendations, is expected to be finalized by the end of 2022.</p> | <ul style="list-style-type: none"> • TBD by implementing jurisdictions |

AMERICAS

United States

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| CLIMATE DISCLOSURES | <ul style="list-style-type: none"> • 21 March 2022: SEC draft rules on climate change disclosure requirements for listed companies • 2024: Earliest application of new SEC disclosure rules for listed companies | <p>The U.S. Securities and Exchange Commission (SEC) launched a consultation on its draft climate disclosure rules for listed companies on 21 March 2022. The rules are expected to be finalized by the end of 2022 and are unlikely to apply before 2024. The rules will require qualitative and quantitative climate disclosures, including Scope 1 and 2 GHG emissions.</p> | <ul style="list-style-type: none"> • Listed companies |
| BANKING RULES | <ul style="list-style-type: none"> • 02 December 2022: US Federal Reserve consultation on principles for climate financial risk management for large banking institutions • By end of 2022: Final OCC principles for climate risk management for banks • 2023: US climate pilot scenario analysis | <p>The U.S. Office of the Comptroller of the Currency (OCC) is developing a set of principles for climate risk management for banks.</p> <p>On 02 December 2022 the U.S. Federal Reserve issued a consultation on proposed principles on climate financial risk management for large banking institutions with more than \$100 billion in total assets. The principles address physical risks and transition risks and would cover the areas of governance, risk management, data and reporting, scenario analysis, and policies, procedures and limits.</p> <p>The US Federal Reserve has confirmed it will conduct its first climate scenario analysis exercise in 2023, focusing on the six largest US banks (Bank of America, Citigroup, Goldman Sachs, JPMorgan Chase, Morgan Stanley, and Wells Fargo). The pilot exercise will be launched in early 2023 and is expected to conclude around the end of the year. Climate scenario analysis is distinct and separate from bank stress tests.</p> | <ul style="list-style-type: none"> • Banks |
| FUNDS SUSTAINABILITY DISCLOSURE | <ul style="list-style-type: none"> • Q3 2023: Start application of qualitative ESG disclosures for ESG funds • Q2 2024: Start disclosure of funds' GHG financed emissions | <p>On 25 May 2022, the SEC proposed new rules on mandatory ESG disclosures on funds claiming to take into account ESG factors. Certain funds will be required to disclose GHG emissions of their portfolios. The SEC has also proposed rules addressing potential deceptive fund names. The rules are expected to be finalized by the end of 2022.</p> | <ul style="list-style-type: none"> • Asset Managers and investment advisers offering ESG funds |

AMERICAS



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SEGMENTS IMPACTED

United States

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| <p>INSURANCE RULES</p> | <ul style="list-style-type: none"> • 2010: Launch of NAIC Insurer Climate Risk Disclosure Survey • April 2022: NAIC adopted new standard of Climate Risk Disclosure Survey • 15 August 2022: Date by which NYDFS expects insurers to implement guidance on managing financial risks arising from climate change • 21 August 2022: the Federal Insurance Office (FIO) of the U.S. Department of the Treasury (Treasury) issued a request for climate-related data from insurers | <p>In 2010, the National Association of Insurance Commissioners (NAIC) adopted the Climate Risk Disclosure Survey, a voluntary risk management tool for state insurance regulators to request from insurers. In 2021, 15 states took part in the climate risk disclosure survey initiative, covering approximately 80% of the market on direct premium written. In April 2022, the NAIC adopted an updated version of the survey in alignment with the international initiative of the Task Force on Climate-Related Financial Disclosures (TCFD).</p> <p>At state level, the New York State Department of Financial Services (NYDFS) has issued guidance for insurers domiciled in New York on how to manage financial risks arising from climate change. NYDFS expected insurers to implement its expectations relating to board governance, and to have specific plans in place to implement the expectations relating to organizational structure by 15 August 2022. More complex expectations, such as those relating to risk appetite, analysis of the impact of climate risks on existing risk factors, reflection of climate risks in the ORSA, scenario analysis, and public disclosure, may take longer to implement. DFS will issue further guidance on the timing.</p> <p>At the Federal level, On August 31, 2021, the FIO has outlined its priorities with regard to climate-related financial risk in a request for information (RFI) on the Insurance Sector and Climate-Related Financial Risks. The FIO is proposing to collect data relating to insurers' underwriting metrics and related insurance policy information.</p> | <ul style="list-style-type: none"> • Insurers |
| <p>CLIMATE DISCLOSURE RULES FOR FEDERAL CONTRACTORS</p> | <ul style="list-style-type: none"> • 10 November 2022: New US administration climate disclosure rules for Federal contractors | <p>The US administration released on 10 November 2022 new draft climate disclosure rules for Federal contractors. The rules would require contractors receiving between \$7.5 million - \$50 million in Federal contracts to annually disclose Scope 1 and 2 GHG emissions, and contractors receiving more than \$50 million in Federal contracts to disclose Scope 1, 2 and 3 GHG emissions as well as set and disclose GHG emission reduction targets according to SBTi.</p> | <ul style="list-style-type: none"> • Entities meeting the qualifying thresholds |
| <p>PENSION FUNDS ESG RULES</p> | <ul style="list-style-type: none"> • 22 November 2022: U.S. Department of Labor final rule under ERISA on ESG investing for private pension funds | <p>On 22 November 2022 the U.S. Department of Labor published a final rule under the Employee Retirement Income Security Act (ERISA) clarifying that climate change and other ESG factors may be considered by private pension funds when making investment decisions and exercising shareholder rights.</p> | <ul style="list-style-type: none"> • U.S. private pension funds |

Canada

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| <p>CLIMATE ALIGNED FINANCE ACT</p> | <ul style="list-style-type: none"> • 24 March 2022: New legislation introduced in the Canadian Senate | <p>On 24 March 2022, a new draft legislation was tabled in the Canadian Senate, the 'Climate Aligned Finance Act' which would require federally regulated corporations and financial institutions to develop and report on their plans and targets to align their actions with climate commitments. It would also introduce higher capital requirements based on banks' exposure to carbon-intensive assets.</p> | <ul style="list-style-type: none"> • Banks • Insurers • Pension plans |
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AMERICAS



LEGISLATION



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SEGMENTS IMPACTED

Canada Cont'd

TCFD REPORTING

- **2024 (TBC):** Regulated FIs to start reporting on TCFD climate disclosure & ISSB climate reporting
- **2024 (TBC):** Canadian listed companies to start disclosing TCFD climate reports
- **2025 (TBC):** Regulated FIs to start reporting industry-specific ISSB disclosure
- **2027 (TBC):** Regulated FIs to implement full ISSB climate standards

The Canadian Office of the Superintendent of Financial Institutions (OSFI) is developing a [framework](#) for mandatory climate disclosures for regulated financial institutions as well as a prudential climate framework. This will build on TCFD climate recommendations and ISSB draft climate standards. It will require regulated financial institutions to start disclosing on TCFD climate recommendations and some elements of the cross-industry ISSB climate standard from 2024 for the 2023 financial year.

In parallel, the Canadian Securities Authority (CSA) is developing [TCFD reporting requirements](#) for listed companies. The final rules will likely reflect the ISSB draft standards as [communicated](#) by the CSA.

- Banks
- Insurers
- Private pension plans
- Listed companies

Chile

TAXONOMY

- **2022:** Chile is developing a green Taxonomy

In January 2022, the Chilean government [announced](#) plans to develop its own green Taxonomy.

- N/A

SUSTAINABILITY REPORTING

- **March 2023:** Sustainability reporting requirement for listed companies with > UF 20 million in total assets required to report
- **31 December 2023:** Sustainability reporting requirement for listed companies with > UF 1 million in total assets required to report
- **31 December 2024:** Banks required to report

On 12 November 2021, the Chilean Financial Market Commission issued a [regulation](#) requiring the incorporation of sustainability disclosures into annual reports.

- Banks
- Insurers
- Asset managers
- Listed companies

Brazil

TCFD REPORTING

- **1 December 2022:** Mandatory TCFD reporting came into effect

From 1 December 2022, Brazilian banks have been required to [report](#) on new social, environmental and climate risks based on TCFD recommendations.

- Banks

Colombia

TAXONOMY

- **11 April 2022:** Voluntary Colombian green Taxonomy has been launched

On 11 April 2022, the Colombian president [launched](#) the voluntary Colombian Green Taxonomy. This builds on the EU Taxonomy framework, integrating the EU's six environmental objectives and adding an additional environmental objective on land use.

In addition, as part of its latest sustainable finance roadmap the Colombian financial regulator announced its plan to develop a Green Taxonomy for the Central American region. The plan also announces measures to address ESG-labelled products and green bonds, as well as developing climate stress tests for Banks.

- Corporates
- Financial institutions

EMEA



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SEGMENTS IMPACTED

European Union

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| <p>SUSTAINABLE FINANCE DISCLOSURE REGULATION (SFDR)</p> | <ul style="list-style-type: none"> • 1 January 2023: Detailed disclosure requirements come into effect • 30 June 2023: First reporting deadline of PAI KPIs at entity level | <p>The European Commission has postponed its application of all 13 RTS under SFDR until 1 January 2023. The first reporting deadline for principal adverse indicator (PAIs) KPIs at entity level has been confirmed as 30 June 2023, with the first reference period to cover 1 January 2022 to 31 December 2022.</p> <p>Ahead of the start of the detailed disclosures, EU regulators have been providing clarifications on a number of aspects on how SFDR reporting should be implemented. See here (1, 2) the latest ones from June 2022 and November 2022.</p> | <ul style="list-style-type: none"> • Banks • Asset Managers • Insurers |
| <p>EU TAXONOMY</p> | <ul style="list-style-type: none"> • 1 January 2022: Start of reporting eligibility for issuers and FIs • Q4 2022 (TBC): EC to adopt criteria for four other environmental objectives • 1 January 2023: Alignment reporting begins for listed corporates and on nuclear & gas activities • 1 January 2024: Alignment reporting for FIs begins • 2024/2025 (TBC): Possible development of Social Taxonomy | <p>The EU Taxonomy entered its application phase on 1 January 2022 following the publication of the final climate technical screening criteria and the rules of disclosure at entity level for banks, asset managers, listed corporates, and insurers.</p> <p>In addition, on 2 February 2022 the EU labelled nuclear and natural gas-related activities as transitional. The European Parliament has agreed to this inclusion.</p> <p>The European Commission is not expected to legislate on developing a Social Taxonomy before 2024 at the earliest.</p> | <ul style="list-style-type: none"> • Listed companies (with 500+ employees) • Banks • Asset Managers • Insurers |
| <p>CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)</p> | <ul style="list-style-type: none"> • 1 January 2025 (TBC): Reporting to begin for NFRD entities (FIs and listed companies); covering 2024 data • 1 January 2026 (TBC): Reporting to begin for non-NFRD entities (large non-listed companies); covering 2025 data • 1 January 2027 (TBC): Reporting to begin for listed SMEs; covering 2026 data • 1 January 2029 (TBC): Reporting to begin for non-EU companies in scope | <p>The European Parliament and the Member States found an agreement on the Corporate Sustainability Reporting Directive (CSRD). It is expected to be published in its final form in Q1 2023. It introduces mandatory sustainability reporting standards for all EU large companies (250+ employees, turnover >40 million, total balance sheet >20 million), including listed SMEs as well as non-EU companies with large revenues in the EU. The companies under its scope will also need to report under the Taxonomy. It adopts a double materiality approach, requiring companies to report on both the impact of sustainability factors on their balance sheet as well as the impact companies have on the environment and society.</p> <p>The CSRD reporting standards called European Sustainability Reporting Standards (ESRS) are in their finalisation stage, with the European Commission expected to adopt them by June 2023. In their final draft version they set horizontal and sector-agnostic standards spanning across environmental, social and governance issues. Specifically, they contain 5 standards on environment, 4 standards on social, 1 standard on governance. They will be complemented by 2024 by sector specific and entity level disclosures.</p> | <ul style="list-style-type: none"> • Listed corporates • Large non-listed corporates • Financial institutions • Listed SMEs • Non-EU companies with turnover >150 million and 1 subsidiary/branch in EU |
| <p>MiFID 2 ESG DEELEGATED ACT</p> | <ul style="list-style-type: none"> • 2 August 2022: Application of ESG integration in client suitability assessments | <p>From 2 August 2022, asset managers and advisers have been required to ask existing and new clients about their ESG preferences. There are three options to choose from: a Taxonomy alignment; a percentage in sustainable investments as defined by the SFDR; or a quantitative or qualitative consideration of principle adverse impact (PAIs). Once the client chooses one or a combination of these, the adviser must make sure that the product offered matches the client's sustainability preferences. As a result, asset managers will need to classify products according to these three options.</p> | <ul style="list-style-type: none"> • Asset Managers • Financial Advisors |

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European Union Cont'd

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| <p>SUPPLY CHAIN DUE DILIGENCE</p> | <ul style="list-style-type: none"> • 2025 or 2026 (TBC): Earliest possible date to start reporting on due diligence and adverse impacts | <p>The European Commission tabled a new legislative proposal on 23 February 2022 mandating supply chain due diligence on the adverse impacts that a company's business operation, subsidiaries and supply chain have on human rights and the environment. It also mandates entities to disclose their due diligence policies as well as adverse impacts. The European Commission will develop a Delegated Act to specify the content of the due diligence and adverse impact disclosures.</p> | <ul style="list-style-type: none"> • Large EU and non-EU companies providing goods and services to the EU (Financial institutions & corporates) |
| <p>GREEN BOND STANDARD</p> | <ul style="list-style-type: none"> • 2023 (TBC): Earliest possible application of voluntary standard | <p>The European Commission legislative proposal on a voluntary EU Green Bond Standard mandating the use of proceeds for taxonomy aligned activities is currently being negotiated by the European Parliament and Member States.</p> | <ul style="list-style-type: none"> • Listed corporates • Financial institutions |
| <p>DEFORESTATION REGULATION</p> | <ul style="list-style-type: none"> • 2024 (TBC): Earliest possible application | <p>To tackle global deforestation and forest degradation, the European Commission is introducing mandatory due diligence requirements for EU and non-EU companies selling the following six commodities to EU buyers: beef; palm oil; cocoa; coffee; soy; and wood and derived products, such as leather and chocolate.</p> <p>Companies in scope will be required to collect the geographic coordinates of the land where the commodities were produced.</p> <p>In its final report, the European Parliament added six new commodities to the scope of the regulation, including rubber, maize, goats, sheep, and poultry. However, Member States have not done so in their final position.</p> | <ul style="list-style-type: none"> • Corporates |
| <p>BANKING RULES</p> | <ul style="list-style-type: none"> • 8 July 2022: ECB released results on first climate stress test for banks • Early 2023: Reporting to begin on climate risks in Pillar 3 reports • 2023: EBA to report on environmental prudential treatment | <p>The European Commission is introducing ESG risks into banks' Pillar 2 and Pillar 3 requirements. The development of a dedicated ESG prudential treatment is in its early stages.</p> <p>In parallel, the ECB has released the results of its first climate stress test conducted with banks. It also released on 2 November 2022 its best practice expectations regarding banks' climate and environmental risk management.</p> <p>Furthermore, from early 2023, large EU banks will start disclosing climate risks as part of their Pillar 3 reports under CRR.</p> | <ul style="list-style-type: none"> • Large EU Banks |
| <p>SOLVENCY II</p> | <ul style="list-style-type: none"> • H1 2024 (TBC): Earliest start for insurers to develop climate change scenario analysis | <p>The EU is integrating ESG and sustainability risks into insurance rules, specifically requiring insurers to conduct climate scenario analysis.</p> | <ul style="list-style-type: none"> • Insurers |
| <p>LOW-CARBON BENCHMARKS</p> | <ul style="list-style-type: none"> • By 31 December 2022 (TBC): EC potential review • 2023 (TBC): Potential EC initiative on ESG benchmark label | <p>The Low Carbon Benchmarks Regulation creates two new benchmark categories: Climate Transition Benchmarks that are based on assets of companies following a decarbonization trajectory, and Paris-aligned Benchmarks where the portfolio's carbon emissions are aligned with the Paris-agreement.</p> <p>The low carbon benchmark proposal may be revised in 2023.</p> | <ul style="list-style-type: none"> • Banks • Asset managers • Insurers |

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SEGMENTS IMPACTED

United Kingdom

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| <p>BANKING RULES</p> | <ul style="list-style-type: none"> • 24 May 2022: Results of BoE 1st climate stress test with banks published • By December 2022: Banks to update PRA on views incorporating climate into regulatory capital | <p>From the beginning of 2022 the Bank of England (BoE) has started conducting firm-specific supervision of banks' climate risk management.</p> <p>By the end of 2022 the BoE may set out conclusions on whether changes are needed to the capital regimes (pillar 1) to address climate risks.</p> | <ul style="list-style-type: none"> • Banks |
| <p>UK TAXONOMY</p> | <ul style="list-style-type: none"> • 2024 (TBC): Earliest possible application of UK Taxonomy disclosure requirements for listed companies in annual reports • 2024 (TBC): Earliest possible application of UK Taxonomy for asset managers and asset owners for funds >5 billion under management • 2025 (TBC): Earliest possible application of UK Taxonomy for asset managers and asset owners for funds >1 billion under management | <p>The UK will start developing its own Taxonomy from the end of 2022, largely based on the EU Taxonomy, which is expected to outline its own technical screening criteria in the coming months.</p> | <ul style="list-style-type: none"> • Listed companies • Banks • Asset managers • Insurers |
| <p>TCFD REPORTING</p> | <ul style="list-style-type: none"> • 6 April 2022: Start of mandatory TCFD reporting for issuers • 30 June 2023: Start entity & product level TCFD reporting for asset managers, life insurers, pension providers | <p>The UK has started the application of mandatory TCFD reporting from 6 April 2022 for the largest listed companies (here).</p> <p>In addition, the FCA has developed entity and product level TCFD disclosures for asset managers, life insurers and pension providers (here).</p> | <ul style="list-style-type: none"> • Largest UK-registered companies + financial institutions (1.300 entities) |
| <p>SUSTAINABLE DISCLOSURE REGIME</p> | <ul style="list-style-type: none"> • 30 June 2024 (TBC): 2024: Earliest application of UK SDR for asset managers & owners | <p>The UK is in the process of developing its Sustainability Disclosure Regime (SDR) which will bring together new and existing sustainability reporting requirements for corporates (incl. listcos), financial institutions and investment products. It will include a labelling and classification regime for investment products. The labelling system and associated disclosure rules are expected to be finalised by June 2023 and start to apply by 30 June 2024.</p> | <ul style="list-style-type: none"> • Asset Managers • Asset Owners • Listed + large non-listed companies |

Switzerland

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| <p>TCFD REPORTING</p> | <ul style="list-style-type: none"> • 1 January 2024: Entry into force of mandatory TCFD reporting for 2023 data | <p>On 23 November 2022, the Swiss Federal Council adopted the ordinance introducing mandatory TCFD climate disclosures for all public companies, banks and insurers with 500+ employees or with > CHF 20 million in assets/ CHF 40 million in turnover. The first reports are expected in 2024.</p> <p>This will come on top of existing TCFD climate disclosures for large Swiss banks and insurers which entered into force in July 2021. The disclosures are principles-based, therefore allowing flexibility for implementation.</p> | <ul style="list-style-type: none"> • Listed companies • Financial institutions |
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EMEA



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SEGMENTS IMPACTED

Switzerland Cont'd

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| <p>PRODUCT REPORTING</p> | <ul style="list-style-type: none"> • 29 June 2022: New climate scores for products/portfolios launched | <p>On 29 June 2022, Switzerland launched new voluntary climate scores for investment products and portfolios. It introduces five climate scores: greenhouse gas emissions (GHG) (scope 1, 2 and 3); exposure to fossil fuel activities; verified commitments to net-zero; management net net-zero (e.g. share of companies in portfolio with verified commitments to net-zero and credible interim targets); and credible climate stewardship (e.g. share of companies under active climate engagement). The Federal Council set out minimum requirements per climate score.</p> | <ul style="list-style-type: none"> • Asset managers • Insurers |
| <p>SUPPLY CHAIN DUE DILIGENCE</p> | <ul style="list-style-type: none"> • January 2023: ESG supply chain due diligence rules come into effect | <p>On 3 December 2021 the Swiss Federal Council adopted the ordinance on conflict minerals and child labor due diligence.</p> | <ul style="list-style-type: none"> • Large listed and non-listed corporates |

South Africa

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| <p>TAXONOMY</p> | <ul style="list-style-type: none"> • March 2022: Final South African Taxonomy • 2023: Regulatory instrument on South African Taxonomy | <p>At the end of March 2022, the South African treasury unveiled its final Green Taxonomy, largely building on the EU framework. The Green Taxonomy will be brought into law in 2023.</p> | <ul style="list-style-type: none"> • TBC |
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Morocco

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| <p>TCFD REPORTING</p> | <ul style="list-style-type: none"> • 4 March 2021: Application climate TCFD reporting came into force | <p>On 4 March 2021, mandatory TCFD climate reporting started to apply for Moroccan banks.</p> | <ul style="list-style-type: none"> • Banks |
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APAC Incl. Japan

Singapore

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| <p>BANKING RULES</p> | <ul style="list-style-type: none"> • March 2022: Start of Monetary Authority of Singapore's first climate stress test for banks | <p>In March 2022 the Monetary Authority of Singapore (MAS) conducted its first climate stress test on banks which used the Network for Greening the Financial System's (NGFS) climate scenarios.</p> | <ul style="list-style-type: none"> • Banks |
| <p>GREEN BOND FRAMEWORK</p> | <ul style="list-style-type: none"> • 9 June 2022: Green Bond Framework for sovereign issuance launched | <p>On 9 June 2022 the MAS launched a Green Bond Framework for public sector issuance. It details the government's intended use of green bond proceeds. Governance structure to evaluate/select eligible projects, the management of proceeds, and commitment to post-issuance allocation and impact reporting.</p> | <ul style="list-style-type: none"> • Sovereign issuers |

APAC Incl. Japan



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Singapore Cont'd

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| <p>TCFD REPORTING</p> | <ul style="list-style-type: none"> • June 2022: Banks, insurers and asset managers expected by MAS to make climate disclosures • By 2023: All issuers will need to report on a 'comply or explain' basis for financial year 2022 • By 2024: Mandatory reporting for issuers in the financial industry, agriculture, food and forest products industry, energy industry for financial year 2023 • By 2025: Issuers in the materials and buildings industry and transportation industry also scoped in mandatory climate reporting for financial year 2024 | <p>As of December 2021, the Singaporean authorities have finalised their framework for mandatory climate-related financial disclosures for issuers built on the TCFD recommendations.</p> <p>In parallel, the Monetary Authority of Singapore (MAS) expects financial institutions (banks, asset managers, insurers) to start reporting on climate risks according to the TCFD recommendations since June 2022 – however this is not mandatory. The MAS is expected to consult on mandatory climate disclosure rules for financial institutions in the coming months, referencing the ISSB standards.</p> | <ul style="list-style-type: none"> • Banks • Asset managers • Insurers • Listed companies |
| <p>TAXONOMY</p> | <ul style="list-style-type: none"> • 2021-2022: Developing green Taxonomy | <p>Singapore is in the process of developing a green Taxonomy based on the EU Taxonomy structure, centred around similar environmental objectives, and also outlining technical screening criteria (TSC) for eligible economic activities. The latest consultation proposed TSC for economic activities in the energy, transport, and real estate sectors.</p> | <ul style="list-style-type: none"> • Financial institutions • Listed companies |

Hong Kong

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| <p>TAXONOMY</p> | <ul style="list-style-type: none"> • 2022-2023: Potential adoption of 'common ground taxonomy' by Hong Kong | <p>Hong Kong is planning to adopt the 'Common ground taxonomy' published by the international platform on sustainable finance on 4 November 2021, which outlined the similarities between the Chinese and EU taxonomies. More details are expected to be outlined in the coming months.</p> | <ul style="list-style-type: none"> • Banks • Insurers • Asset managers • Listed companies |
| <p>TCFD REPORTING</p> | <ul style="list-style-type: none"> • 20 August 2022: application date of new climate risk disclosures for asset managers with >\$8 billion AUM • 20 November 2022: application date of full requirements for large asset managers, and baseline requirements for other fund managers • Mid-2023: application of TCFD-aligned disclosures for banks • 2025: Planned application of TCFD-aligned climate disclosures across relevant sectors | <p>The Hong Kong Securities and Futures Commission (SFC) has developed a mandatory climate risk disclosure framework for asset managers, application of which began in phases as of August 2022. The rules largely build on the TCFD recommendations.</p> <p>Hong Kong is developing climate risk management guidelines for banks. It is building on the TCFD recommendations to classify climate risks as physical, transition and liability risks. The guidelines are expected to be finalized in the coming months. Notably, it indicates its plan to begin mandating TCFD-aligned annual disclosures for banks by mid-2023.</p> <p>Mandatory sustainability reporting started to apply for listed corporates in July 2020.</p> | <ul style="list-style-type: none"> • Banks • Listed companies • Asset managers |

APAC Incl. Japan



LEGISLATION



TIMING



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SEGMENTS IMPACTED

South Korea

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| <p>SUSTAINABILITY REPORTING</p> | <ul style="list-style-type: none"> • 2025: Mandatory sustainability reporting for listed companies above a certain size • 2030: Mandatory sustainability reporting for all listed companies | <p>South Korean authorities will start mandating sustainability reporting for certain listed issuers above a certain size from 2025 and for all listed issuers from 2030.</p> | <ul style="list-style-type: none"> • Listed companies |
| <p>TAXONOMY</p> | <ul style="list-style-type: none"> • 30 December 2021: South Korea presented its Green Taxonomy | <p>At the end of 2021 South Korea presented its Green Taxonomy, which has been in part inspired by the EU Taxonomy. However, it notably excludes nuclear from its Taxonomy whilst including natural gas.</p> | <ul style="list-style-type: none"> • Listed companies • Financial institutions |

Japan

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| <p>SUSTAINABILITY REPORTING</p> | <ul style="list-style-type: none"> • April 2022: Application of climate risk disclosures for Tokyo 'prime' market listed companies • After 2024: All listed companies to start disclosing | <p>The Japanese financial services authority has mandated 'prime' market listed companies to start disclosing climate risks and opportunities according to the TCFD from April 2022, and all listed companies after 2024.</p> | <ul style="list-style-type: none"> • Listed companies • Financial institutions |
| <p>TAXONOMY</p> | <ul style="list-style-type: none"> • TBC | <p>Japan has signaled its plan to develop a transition Taxonomy which would define criteria for high emitting activities which are not yet aligned with the Paris Agreement benchmarks.</p> | <ul style="list-style-type: none"> • TBC |
| <p>SUPPLY CHAIN DUE DILIGENCE</p> | <ul style="list-style-type: none"> • 13 September 2022: New guidelines on supply chain due diligence on human rights impacts | <p>On 13 September 2022, Japan introduced new non-binding Guidelines on Respecting Human Rights in Responsible Supply Chains.</p> | <ul style="list-style-type: none"> • Business enterprises engaging in Japan |

China

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| <p>TAXONOMY</p> | <ul style="list-style-type: none"> • April 2021: Final version of Chinese Taxonomy for green bonds and loans | <p>In April 2021, the Chinese authorities issued the final version of the Green Bond Endorsed Project Catalogue which defines green bonds.</p> | <ul style="list-style-type: none"> • Financial institutions • Listed corporates |
| <p>GREEN BOND STANDARD</p> | <ul style="list-style-type: none"> • 29 July 2022: Launch of new Green Bond Principles | <p>On 29 July 2022, China launched a new Green Bond Principles framework applying to green bonds, green asset-backed securities, and 'carbon neutral' bonds. The principles require 100% alignment of use of proceeds to fund 'green projects'.</p> | <ul style="list-style-type: none"> • Listed companies |

APAC Incl. Japan



LEGISLATION



TIMING



OVERVIEW



SEGMENTS IMPACTED

Malaysia

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| <p>TAXONOMY</p> | <ul style="list-style-type: none"> • H2 2022: Final Securities Commission Malaysia voluntary taxonomy standard under development | <p>The Securities Commission Malaysia is currently developing a voluntary principle-based Taxonomy encompassing four environmental and two social objectives.</p> <p>It builds on the climate principle-based taxonomy issued by the Malaysian Central Bank in April 2021 as a guide for financial institutions.</p> | <ul style="list-style-type: none"> • Banks • Asset Managers • Insurers • Listed companies |
| <p>TCFD REPORTING</p> | <ul style="list-style-type: none"> • 1 June 2022: Entry into force of new rules for banks/insurers on climate risk management • 31 December 2023: Banks/insurers to apply rules on governance, strategy, risk appetite/management • 31 December 2024: Banks/insurers to apply rules on disclosure, scenario analysis, metrics, and targets | <p>On 30 November 2022 the Bank Negara Malaysia published its final rules for the inclusion of climate risks in banks' and insurers' risk management processes, aligned with TCFD climate recommendations. The provisions linked to governance, strategy, risk appetite and risk management will start to apply on 31 December 2023, and the provisions linked to scenario analysis, metrics, targets and disclosure will start to apply on 31 December 2024.</p> | <ul style="list-style-type: none"> • Banks • Insurers |
| <p>CLIMATE STRESS TESTING</p> | <ul style="list-style-type: none"> • 2024: Bank Negara Malaysia's first climate risk stress testing | <p>Bank Negara Malaysia has issued on 30 June 2022 its proposed framework for the 2024 climate risk stress testing it will conduct on all licensed Islamic and conventional banks, licensed investment banks, and licensed insurers and retakaful operators.</p> | <ul style="list-style-type: none"> • Banks • Insurers |

Indonesia

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| <p>TAXONOMY</p> | <ul style="list-style-type: none"> • 2022: Development of voluntary green Taxonomy | <p>The Indonesian government is developing its own voluntary green Taxonomy in 2022. It classifies economic activities supporting environmental protection as well as climate change mitigation and adaptation.</p> | <ul style="list-style-type: none"> • Financial Institutions |
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Australia

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| <p>BANKING RULES</p> | <ul style="list-style-type: none"> • June-December 2021: 1st climate stress test conducted by APRA • 2022: APRA to consider extending climate stress testing to other sectors like insurance | <p>On 30 November 2022, the Australian Prudential Regulation Authority (APRA) released the results of its 2021 inaugural climate stress test.</p> | <ul style="list-style-type: none"> • Banks |
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APAC Incl. Japan



LEGISLATION



TIMING



OVERVIEW



SEGMENTS IMPACTED

Australia Cont'd

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| TCFD REPORTING | <ul style="list-style-type: none"> • November 2021: Final APRA climate risk guidance for banks and insurers | <p>In November 2021, the Australian Prudential Regulation Authority (APRA) set out its final climate risk guidance for banks and insurers. The guidance is principles-based and aligned with TCFD recommendations. It addresses governance, risk management, scenario analysis and disclosure.</p> | <ul style="list-style-type: none"> • Banks • Insurers |
| TAXONOMY | <ul style="list-style-type: none"> • 2022: Start development of industry-led Australian Taxonomy | <p>The Australian finance industry has kickstarted the work to develop its own green taxonomy framework.</p> | <ul style="list-style-type: none"> • TBC |

New Zealand

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| TCFD REPORTING | <ul style="list-style-type: none"> • 2024: Start mandatory TCFD reporting | <p>New Zealand is in the process of developing TCFD-based climate standards. Listed corporates, banks and asset managers are expected to start disclosing under these by 2024. The climate disclosure rules are expected to be finalized by the end of 2022.</p> | <ul style="list-style-type: none"> • Banks • Asset Managers • Insurers • Listed companies |
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Thailand

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| TAXONOMY | <ul style="list-style-type: none"> • 2023: Expected development of a Thailand sustainable finance taxonomy | <p>Thailand is in the process of developing a sustainable finance taxonomy which is expected to take into account broader sustainability criteria than just environmental issues such as economic development and social justice.</p> | <ul style="list-style-type: none"> • TBC |
| TCFD REPORTING | <ul style="list-style-type: none"> • 2023: Expected development of TCFD climate reporting requirements | <p>On 23 August 2022, Thailand has announced the development of upcoming TCFD-inspired climate disclosure standards for financial institutions.</p> | <ul style="list-style-type: none"> • Financial institutions |

India

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| TCFD REPORTING | <ul style="list-style-type: none"> • 2023: Start of TCFD reporting for financial year 2022-2023 | <p>In May 2021, SEBI issued a circular introducing new sustainability reporting requirements based on TCFD recommendations.</p> | <ul style="list-style-type: none"> • Listed companies |
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