

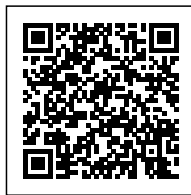
RESPONSIBLE BUSINESS INITIATIVE, WHAT'S NEXT FOR SWISS COMPANIES?

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The Swiss electorate rejected the Responsible Business Initiative (*Konzernverantwortungsinitiative*) in a public vote on 29 November 2020.

Despite [more than 50% of voters](#) approved of the initiative, it did not garner support from the majority of cantons. Both conditions were indeed necessary for the referendum to pass. As a result, the counterproposal - which was approved by the Swiss parliament in June 2020 - will now take effect, compelling companies to increase reporting on environmental and social issues. Non-compliance with the obligations is subject to criminal liability: anyone who makes false statements in, or fails to provide, a required non-financial report will be fined with up to CHF 100,000.

[As specified by Pestalozzi](#), "new diligence requirements will affect all Swiss companies (not only companies of public interest) which import or process minerals or certain metals from conflict regions or which offer products or services where there are reasonable grounds to suspect child labor". The starting year is likely to be 2022, the law firm points out.

"These companies - [underlines Lenz & Stahelin](#) - would fall within the scope of the Counter-Proposal if, over the course of two consecutive business years (and including controlled entities

worldwide), they had at least 500 full-time employees (measured as an annual average) and exceeded at least one of the following threshold values: a balance sheet sum of CHF 20 million or a turnover of CHF 40 million".

"The proposed provisions in article 964^{bis} et seq. of the Swiss Code of Obligations on transparency in non-financial matters are based on the Non-Financial Reporting Directive of the European Union", [Homburger highlights](#). "The report - the law firm writes - must contain information necessary to understand the Group's business development, performance, position, as well as the impact the Group's activity has on environmental (including CO₂ targets), social, employee, human rights and anti-corruption matters (the Non-Financial Matters).