

SEC Proposed Rule: Enhancement & Standardization of Climate-Related Disclosures

On March 21, 2022, the SEC proposed rule amendments that would require domestic or foreign registrants to include certain climate-related information in its Registration and Financial Statements.

Current Stage
Accepting Public Comments

Proposed Climate-Related Information

- Climate-related risks and their actual or likely material impacts on the registrant's business, strategy, and outlook;
- The registrant's governance of climate-related risks and relevant risk management processes;
- The registrant's greenhouse gas ("GHG") emissions, which, for accelerated and large accelerated filers and with respect to certain emissions, would be subject to assurance;
- Certain climate-related financial statement metrics and related disclosures in a note to its audited financial statements; and
- Information about climate-related targets and goals, and transition plan, if any

Presentation & Attestation

Registration Statement or Annual report

Climate-related disclosure in a separate, appropriately captioned section

Financial Statement Footnote

Climate-related financial statement metrics and related disclosure

Attestation Reports from Independent Attestation Provider

Required for Large Accelerated and Accelerated Filers;
Minimum coverage: Scopes 1 & 2 emissions disclosure²

Other

XBRL tagging of narrative and quantitative disclosures

Compliance Periods¹

Registrant Type	All Proposed Disclosures, including GHG Emissions Metrics: Scope 1, Scope 2 and Associated Intensity Metric	GHG Emissions Metrics: Scope 3 and Associated Intensity Metric
Large Accelerated Filer	Fiscal Year 2023 (Filed in 2024)	Fiscal Year 2024 (Filed in 2025)
Accelerated and Non-Accelerated Filer	Fiscal Year 2024 (Filed in 2025)	Fiscal Year 2025 (Filed in 2026)
SRC	Fiscal Year 2025 (Filed in 2026)	Exempted

Filer Type	Scopes 1 and 2 GHG Disclosure Compliance Date	Limited Assurance	Reasonable Assurance
Large Accelerated Filer	Fiscal Year 2023 (Filed in 2024)	Fiscal Year 2024 (Filed in 2025)	Fiscal Year 2026 (Filed in 2027)
Accelerated	Fiscal Year 2024 (Filed in 2025)	Fiscal Year 2025 (Filed in 2026)	Fiscal Year 2027 (Filed in 2028)

¹Assumes proposed rules will be adopted with December 2022 effective date and that the Filer has a December 31 fiscal year-end

²As defined by U.S. Environmental Protection Agency - Scope 1: Direct greenhouse (GHG) emissions that occur from sources controlled or owned by an organization; Scope 2: Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling; Scope 3: Result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.