

Positionspapier 29.02.2016

## **Download: «Swiss Code of Best Practice for Corporate Governance» (english)**

Since it was introduced in 2002, the “Swiss Code of Best Practice for Corporate Governance” has strongly influenced the development of corporate governance in Switzerland and has proven to be an effective instrument of self-regulation. Various developments in the past few years have made it necessary to modify the “Swiss Code”. The revised version takes into account the changes that have resulted from Article 95(3) of the Federal Constitution. It emphasises in particular the concept of sustainable corporate success as the lodestar of sensible “corporate social responsibility”. It also prescribes specific modifications to the composition of the Board of Directors (including representation of women) and to risk management (incl. compliance). The “Swiss Code” provides companies with recommendations on designing their corporate governance and information that go beyond what is stipulated by law. It also ensures that companies retain their organisational flexibility. This has proven to be an important locational advantage of Switzerland. Each company should retain the option of putting its own ideas on structuring and organisation into practice. However, if their corporate governance practices deviate from the recommendations of the “Swiss Code”, they now have to provide a suitable explanation (principle of “comply or explain”).