

## CSSF Reveals Top Enforcement Priorities for 2023 Financial Statements – A Must Read for Issuers

The CSSF announced on 8 January 2024 its enforcement priorities for issuers subject to the Luxembourg transparency law. Stay ahead of the game and read on to learn what issuers can expect to face scrutiny over in their 2023 annual financial statements.



### (a) Climate-related matters

For 2023, the CSSF will focus on checking financial and non-financial information from companies impacted by climate change. The CSSF will check if the issuer provided specific information on how they integrated climate risks into their financial statements. The CSSF also advises companies to anticipate the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) by adapting their organisations, policies, controls, and procedures. Companies still need to follow the reporting guidelines of the Non-Financial Reporting Directive (NFRD) even if they switch to CSRD reporting.

### (b) Macroeconomic environment

The CSSF has released guidance for debt-heavy issuers, advising them on how to handle changes due to inflation and interest rates. Issuers should disclose risks, obligations, and breaches, and when they refinance their debt. They should also reflect current conditions when valuing their assets, especially in declining real estate. Companies should disclose significant changes in valuation methods and report the fair value for each financial asset and liability class, particularly if they have difficulty fulfilling their obligations.

### **(c) Article 8 of the Taxonomy Regulation: disclosure and impact**

The CSSF will continue to challenge issuers on compliance with delegated acts under the Taxonomy Regulation and advises the use of free EU resources for guidance. In 2024, CSSF will focus on Alternative Performance Measures (APMs), and issuers must ensure their CapEx and OpEx measures follow guidelines from ESMA APM or the Taxonomy Regulation.

[Enforcement of the 2023 annual reports published by issuers subject to the Transparency Law – CSSF](#)

For more information and to stay up to date on this topic in light of the above, feel free to reach out to us.

### **Your contact persons**



**Bob Scharfe**  
Avocat à la Cour, Partner  
Luther S.A. Luxembourg  
T +352 27484 1  
[bob.scharfe@luther-lawfirm.com](mailto:bob.scharfe@luther-lawfirm.com)



**Marion Lanne**  
Avocat à la Cour, Senior Associate  
Luther S.A. Luxembourg  
T +352 27484 1  
[marion.lanne@luther-lawfirm.com](mailto:marion.lanne@luther-lawfirm.com)



**Georgios Patsinaridis**  
Jurist, Managing Associate  
Luther S.A. Luxembourg  
T +352 661850999  
[georgios.patsinaridis@luther-lawfirm.com](mailto:georgios.patsinaridis@luther-lawfirm.com)

