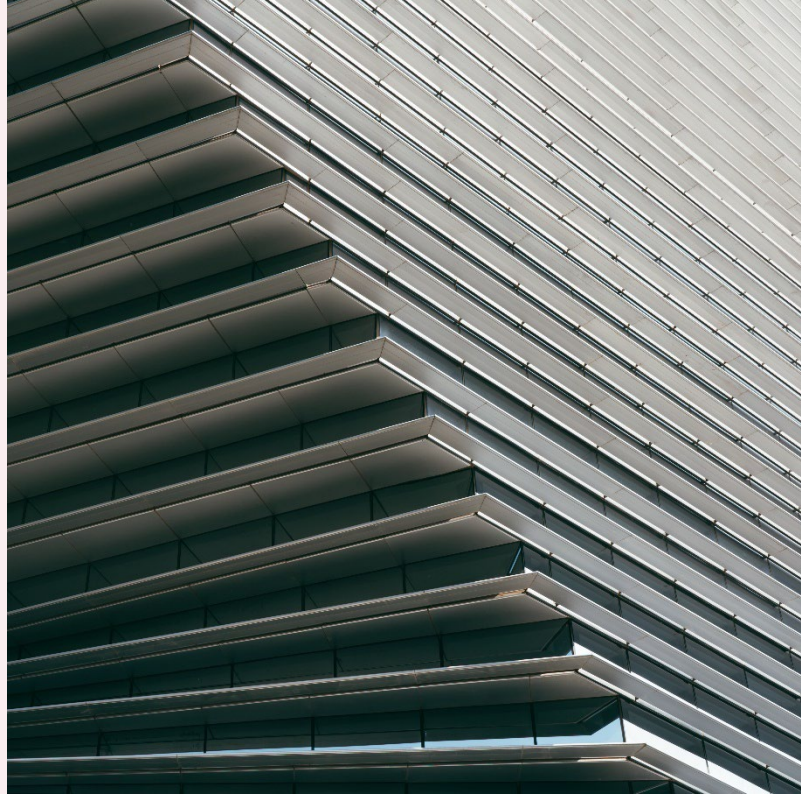


# SEC Proposes Rescission of Climate-Related Disclosure Rules

5 June 2026



On May 29, 2026, the U.S. Securities and Exchange Commission (SEC) proposed to rescind its climate-related disclosure rules, originally adopted in March 2024 (Climate Disclosure Rules).<sup>1</sup> The Climate Disclosure Rules, the effectiveness of which had previously been stayed by the SEC, would have required SEC registrants to provide certain climate-related information in registration statements and annual reports.

The proposed rescission reflects the shift in the agency's view with the change in federal administration, and the proposal is the culmination of certain developments in ongoing litigation, including with respect to the U.S. Court of Appeals for the Eighth Circuit's insistence that the SEC either reconsider the rules or renew its defense in the litigation.

## Key issues

- 1 The SEC has proposed a full rescission of the Climate Disclosure Rules.**

The proposal would rescind the Climate Disclosure Rules in their entirety, rather than revise or narrow selected provisions.
- 2 The SEC's view has shifted since the Climate Disclosure Rules were initially proposed and finalized.**

The proposal reflects a shift in the agency's approach following the change in administration. In the SEC's current view, the Climate Disclosure Rules exceed the agency's authority and move too far beyond its traditional disclosure framework.
- 3 The Climate Disclosure Rules were stayed and never implemented.**

The SEC stayed the Climate Disclosure Rules in April 2024 in connection with legal
- 4 Other jurisdictions have imposed climate-related disclosure obligations that may apply to registrants.**

If the Climate Disclosure Rules are fully rescinded, companies

<sup>1</sup> U.S. Sec. & Exch. Comm'n, *SEC Rescission of Climate-Related Disclosure Rules* (May 29, 2026), [available here](#).

challenges and later voted to end its defense of the rules in March 2025.

should continue to evaluate climate-related disclosures under existing US securities law principles, as well as state and foreign laws.

## Background

The SEC adopted the Climate Disclosure Rules in March 2024 to standardize climate-related information in registration statements and annual reports. The rules added new Subpart 1500 of Regulation S-K and new Article 14 of Regulation S-X to improve consistency, comparability, and, in certain cases, reliability of climate-related disclosures for investors.

Among other things, the Climate Disclosure Rules required comparable disclosures regarding:

- board and management oversight of climate-related risks;
- climate-related targets, goals, transition plans, scenario analysis, and internal carbon pricing, where applicable;
- Scope 1 and Scope 2 greenhouse gas emissions for certain larger filers, if material; and
- certain financial statement footnote disclosures on the effects of severe weather events and other natural conditions.<sup>2</sup>

For more information on the Climate Disclosure Rules see our [prior briefing](#).

The Climate Disclosure Rules were challenged almost immediately after adoption. On April 4, 2024, the SEC stayed the effectiveness of the rules pending judicial review in the Eighth Circuit. On March 27, 2025, the SEC voted to end its defense of the rules. Then, on September 12, 2025, the Eighth Circuit placed the consolidated challenges in abeyance while the SEC decided whether to reconsider the rules or renew its defense thereof.

The SEC's May 2026 proposal is the agency's formal step toward rescission of the Climate Disclosure Rules through notice-and-comment rulemaking. The public comment period will remain open until August 3, 2026.

## The SEC's Change in Course and Shifting Views

The SEC argues that it is now seeking to rescind the Climate Disclosure Rules because they exceed the agency's statutory authority and do not fit within the SEC's traditional materiality-based disclosure framework. The SEC also contends that the Climate Disclosure Rules risk imposing costs and burdens on issuers and shareholders that are not justified by the benefits the rules might provide to some investors. Certain advocates for US federal climate-related disclosure requirements have predicted that the agency's change in course will lead to new legal challenges.

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<sup>2</sup> The Enhancement and Standardization of Climate-Related Disclosures for Investors, Securities Act Release No. 33-11275, 89 Fed. Reg. 21,668 (Mar. 28, 2024).

## Practical Considerations for Companies

Although the SEC has proposed rescinding its Climate Disclosure Rules, companies should not view that proposal as ending climate-related reporting considerations. Climate-related issues may still require disclosure under existing US securities, state, and foreign laws.

- **Continuity of U.S. Disclosure Obligations.** Companies will continue to be required to disclose climate-related matters that meet the SEC's materiality standards. The SEC's 2010 interpretive guidance remains relevant.<sup>3</sup> Existing requirements for risk factors, business description, legal proceedings, and management's discussion and analysis could mandate climate-related disclosure, depending on company-specific facts and circumstances.

It is important to note that many public companies already address climate-related issues in registration statements and annual reports without a prescriptive federal climate disclosure rule. That practice is likely to continue where climate-related risks, litigation, regulation, transition plans, or physical impacts are material.

- **Monitor State and Foreign Regimes.** Companies with operations, revenues, or reporting obligations in multiple jurisdictions should continue tracking other climate disclosure regimes. This includes state laws such as California's Climate Corporate Data Accountability Act (SB 253) and Climate-Related Financial Risk Act (SB 261). For more information on California's climate disclosure regime, see our [prior briefing](#).

Non-U.S. disclosure obligations may also continue to apply. For many companies, the real compliance challenge is no longer whether a single SEC rule survives, but how to manage overlapping requirements across jurisdictions.

- **Check Consistency Across Public Statements.** Companies that publish sustainability reports, net-zero commitments, emissions data, or other climate-related statements should assess whether those statements align with their public filings, any applicable state or foreign reporting obligations, and other disclosures.
- **Consider Whether to Comment.** The proposal is subject to notice-and-comment rulemaking. Companies, trade associations, and investors may wish to consider whether to submit comments during the comment period, which will end on August 3, 2026. For some market participants, this may be an important opportunity to address the SEC's views on materiality, investor demand, and the scope of federal disclosure authority.

## Next Steps

Climate-related disclosure considerations continue to be relevant under existing SEC disclosure requirements, state laws, non-US regimes, and voluntary reporting practices. This rescission proposal does reflect the SEC's current preference for tailored disclosure requirements based on materiality and the change in course may result in new legal challenges.

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<sup>3</sup> [Commission Guidance Regarding Disclosure Related to Climate Change, 75 Fed. Reg. 6,290](#) (Feb. 8, 2010), [available here](#).

We will continue to track developments related to the SEC's proposed rescission of the Climate Disclosure Rules and provide updates as further information becomes available.



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