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Law:** Legalisation, Climate Justice
and the Asian Global Value-Chain
Perspective

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Corporate Climate Transition Accountability in International Law: Legalisation, Climate Justice and the Asian Global Value-Chain Perspective*

Responsabilização empresarial pela transição climática no direito internacional: juridicização, justiça climática e a perspectiva das cadeias globais de valor asiáticas

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Abstract

This article asks under what conditions the legalisation of corporate climate transition accountability advances climate justice in Asian global value chains. It tests the hypothesis that binding duties contribute to justice only when coupled with adaptable technical standards and safeguards against shifting transition costs from lead firms and financiers to vulnerable suppliers and rights-holders. The methodology combines doctrinal analysis of international climate and business-and-human-rights instruments, a focused comparison of regulatory pathways in the European Union, the United States and selected Asian jurisdictions, and normative assessment against four criteria: prevention, participation, remedy and fair burden-sharing. The analysis finds that the movement from soft standards to binding duties is fragmented and reversible. Disclosure and due diligence can strengthen oversight, yet merely formal plans and extraterritorial requirements can leave harms unremedied or shift costs to weaker actors. It concludes that a hybrid framework should combine an enforceable floor for disclosure, due diligence, stakeholder participation and remedy with flexible technical standards, fair purchasing practices, supplier support and climate finance. Its contribution is to connect corporate accountability to the allocation of power and costs across Asian value chains.

Keywords: Corporate accountability; Climate transition accountability; Climate justice; Business and human rights; Asian global value chains.

Resumo

Este artigo examina em que condições a juridicização da responsabilização empresarial pela transição climática promove a justiça climática nas economias asiáticas em desenvolvimento integradas às cadeias globais de valor. A hipótese é que obrigações vinculantes só contribuem para a justiça quando acompanhadas de padrões técnicos adaptáveis e de salvaguardas que im-

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peçam a transferência dos custos da transição das empresas líderes e financiadores para fornecedores e titulares de direitos em posição vulnerável. A metodologia combina análise dogmática de instrumentos internacionais sobre clima, empresas e direitos humanos, comparação delimitada das vias regulatórias da União Europeia, dos Estados Unidos e de jurisdições asiáticas selecionadas, e avaliação normativa segundo quatro critérios: prevenção, participação, reparação e repartição equitativa dos encargos. A análise revela que a passagem de padrões voluntários a deveres vinculantes é fragmentada e reversível. A divulgação e a devida diligência podem reforçar a fiscalização, mas planos meramente formais e exigências extraterritoriais podem deixar danos sem reparação ou transferir custos a atores menos poderosos. Conclui-se que um modelo híbrido deve reunir deveres exigíveis de divulgação, devida diligência, participação e reparação com padrões técnicos flexíveis, práticas de compra justas, apoio aos fornecedores e financiamento climático. A contribuição específica consiste em relacionar a responsabilização empresarial à distribuição de poder e custos nas cadeias asiáticas.

Palavras-chave: Responsabilização empresarial; Transição climática; Justiça climática; Empresas e direitos humanos; Cadeias globais de valor asiáticas.

1 Introduction

Corporate accountability has become one of the most contested sites of contemporary international law.¹ The traditional architecture of international law was built around States, while the social, environmental and economic consequences of corporate activity frequently arise through transnational value chains, private finance, complex contracting and dispersed production networks.² Climate transition deepens this mismatch.

¹ DEVA, Surya. Business and human rights: alternative approaches to transnational regulation. *Annual Review of Law and Social Science*, Palo Alto, v. 17, p. 139-158, 2021. DOI: <https://doi.org/10.1146/annurev-lawsocsci-113020-074527>; KALECK, Wolfgang; SAAGE-MAASS, Miriam. Corporate accountability for human rights violations amounting to international crimes: the status quo and its challenges. *Journal of International Criminal Justice*, Oxford, v. 8, n. 3, p. 699-724, 2010. DOI: <https://doi.org/10.1093/jicj/mqq043>.

² KORDOS, Marcel; VOJTOVIC, Sergej. Transnational corporations in the global world economic environment. *Procedia - Social and Behavioral Sciences*, Oxford, v. 230, p. 150-158, 2016. DOI: <https://doi.org/10.1016/j.sbspro.2016.09.019>.

The transition to a low-carbon economy is not carried out only by States negotiating national commitments. It is also carried out by corporations deciding what to produce, finance, purchase, disclose and discontinue; by institutional investors allocating capital; by lenders attaching environmental and social conditions; by buyers imposing sustainability requirements on suppliers; and by communities, workers and consumers seeking to hold corporate actors accountable for transition-related harms.³

This article addresses an emerging question at the intersection of business and human rights, climate law, corporate law and international economic law: to what extent does the legalisation of corporate climate transition accountability contribute to climate justice, particularly for developing Asian economies embedded in global value chains? The question matters because climate transition accountability is increasingly presented as a solution to the accountability gap between State-centred climate law and corporation-centred emissions, finance and production.⁴ Yet the mere conversion of voluntary commitments into mandatory disclosure or due diligence does not automatically produce climate justice. Legalisation may expose risks, discipline corporate narratives and create new enforcement pathways. It may also generate box-ticking compliance, greenwashing, supplier exclusion and a new layer of regulatory pressure transferred from lead firms in advanced economies to suppliers in developing Asia.

The article uses the term ‘corporate climate transition accountability’ to describe the set of legal, quasi-legal and institutional mechanisms through which business enterprises are expected or required to identify, disclose, prevent, mitigate and remedy climate-related impacts associated with their operations, products, services, business relationships and transition strategies. The concept therefore includes, but is not limited to, greenhouse gas disclosure, transition plans, climate-related human rights due diligence, anti-greenwashing rules, board oversight, supply-chain requirements, sus-

³ KORTETMÄKI, Teea; HUTTUNEN, Suvi. Responsibilities for just transition to low-carbon societies: a role-based framework. *Environmental Politics*, [S. l.], v. 32, n. 2, p. 249-270, 2023. DOI: <https://doi.org/10.1080/09644016.2022.2064690>.

⁴ BRUNELLI, Sandro; FALIVENA, Camilla; CARLINO, Chiara; VENUTI, Francesco. Accountability for climate change: a research synthesis through the lenses of the integrated thinking approach. *Meditari Accountancy Research*, Bingley, v. 29, n. 4, p. 1005-1038, 2021. DOI: <https://doi.org/10.1108/MEDAR-01-2020-0682>.

tainable finance taxonomies, grievance mechanisms and civil or administrative liability. It differs from generic corporate sustainability because it focuses on the temporal movement from high-emission economic structures to low-emission and climate-resilient ones; and it differs from ordinary climate disclosure because it asks not only whether investors receive useful information, but whether affected rights-holders receive prevention, participation and remedy.

Legalisation is also used in a specific sense. It does not mean only the enactment of hard law. Following the classic account of legalisation as a combination of obligation, precision and delegation, a norm may become more legalised when it is formulated as a duty, defined with greater specificity, or attached to supervision, adjudication or enforcement.⁵ Corporate climate transition accountability is developing through all three dimensions. Soft-law frameworks such as the United Nations (UN) Guiding Principles on Business and Human Rights (UNGPs) and the Guidelines for Multinational Enterprises on Responsible Business Conduct of the Organisation for Economic Co-operation and Development (OECD) establish common expectations. The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Disclosure Standards of the International Financial Reporting Standards (IFRS) Foundation provide reporting structures and metrics. Domestic and regional regimes then translate some of these expectations into hard obligations. Courts and supervisory authorities further shape the meaning of these obligations. The result is not a neat progression from voluntary norms to binding law, but a fragmented ecology in which soft law hardens in some places while hard law softens in others.

The article's central thesis is that legalisation advances climate justice only when enforceable corporate duties, adaptable standards and safeguards against shifting transition costs to weaker actors operate together. It must move beyond investor-centred disclosure and transition-plan formalism toward enforceable duties, meaningful stakeholder participation, access to remedy and distributionally fair implementation. Soft law is necessary because climate transition requires technical flexibility, interoperability and learning across jurisdictions.

But soft law is insufficient where corporations can evade accountability through vague commitments, selective disclosure or contractual outsourcing. Hard law is also necessary because it provides a floor of obligation and enforcement. But hard law can be unjust if it operates as one-directional extraterritorial pressure that shifts the cost of decarbonisation to developing-country suppliers while leaving lead firms, financiers and consumers insufficiently responsible. The better model is a hybrid one: a hard-law floor, a soft-law architecture and justice safeguards.

An Asian perspective is indispensable to this argument. Asia is not merely a recipient of European or North American sustainability regulation.⁶ It is the region in which many distributive consequences of corporate climate accountability become most visible: global manufacturing, energy-intensive exports, infrastructure development, transition minerals, energy transition projects, digital supply chains, logistics, development finance and large numbers of workers and communities exposed both to climate harm and to transition disruption. Regulatory spillovers from the European Union (EU), the United States (US) and global standard setters increasingly affect Asian corporations and suppliers. At the same time, Asian regulators are developing their own sustainability disclosure standards, taxonomies and governance frameworks. The key normative issue is therefore not whether Asia should copy external models, but how corporate climate accountability can be designed so that it protects rights-holders and enables a just transition rather than simply reordering market access.

Research on corporate disclosure questions whether reporting duties produce substantive human-rights compliance, while work on the Latin American energy transition highlights the connection between corporate responsibility and climate justice. Concerns that EU due diligence may impose demands on third-country actors without giving them an adequate voice sharpen the distributive question addressed here: how should duties and transition costs be allocated among lead firms, financiers, suppliers and affected rights-holders?⁷ The

⁵ ABBOTT, Kenneth W.; KEOHANE, Robert O.; MORAVCSIK, Andrew; SLAUGHTER, Anne-Marie; SNIDAL, Duncan. The concept of legalization. *International Organization*, Cambridge, v. 54, n. 3, p. 401-419, 2000. DOI: <https://doi.org/10.1162/002081800551271>.

⁶ RAZZAQUE, Jona. *Environmental governance in Europe and Asia: a comparative study of institutional and legislative frameworks*. Abingdon: Routledge, 2012. DOI: <https://doi.org/10.4324/9780203078600>.

⁷ NOLAN, Justine. Hardening soft law: are the emerging corporate social disclosure laws capable of generating substantive compliance with human rights? *Revista de Direito Internacional*, Brasília, v. 15,

inquiry combines doctrinal analysis of international climate and business-and-human-rights instruments and judgments with a focused comparison of EU, US and selected Asian regulatory pathways. The comparison examines different degrees of legal obligation and their effects across Asian value chains; it does not purport to survey the entire region. Prevention, participation, remedy and fair burden-sharing provide the criteria for assessing these arrangements and developing the hybrid model. The analysis concerns legal design and foreseeable distributive risks, rather than measured emissions or compliance outcomes.

Thus, the article proceeds in four parts. Part 2 explains how corporate climate transition accountability emerges from the interaction between business and human rights, climate law and recent climate advisory opinions. Part 3 maps legalisation pathways in major economies and shows why the trajectory is fragmented rather than linear. Part 4 develops the Asian global value-chain perspective, focusing on regulatory spillovers, disclosure alignment and the distributive effects on developing economies and suppliers. Part 5 evaluates whether legalisation improves climate justice and proposes a hybrid model built around prevention, participation, remedy and fair burden-sharing.

2 From corporate responsibility to climate transition accountability in international law

International law does not yet contain a comprehensive treaty imposing direct climate transition duties on corporations as such. That absence should not be mistaken for legal silence. Corporate climate transition accountability is developing through the interaction of three normative fields. The first is business and human rights, which defines the relationship between State

duties, corporate responsibility and access to remedy. The second is international climate law, which sets mitigation, adaptation, finance and equity commitments primarily for States. The third is human rights and environmental law, which increasingly treats climate change as a threat to legally protected rights and requires States to regulate private actors whose activities contribute to that threat.

The UN Guiding Principles on Business and Human Rights remain the starting point. Their three-pillar framework - State duty to protect, corporate responsibility to respect and access to remedy - does not create a global corporate climate code. Nevertheless, it supplies the grammar through which climate-related corporate responsibility is now expressed: policy commitment, human rights due diligence, prevention and mitigation of adverse impacts, tracking, communication and remediation.⁸ The OECD Guidelines similarly operate as a soft-law instrument but have become influential because they combine responsible business conduct standards with due diligence guidance and National Contact Point procedures.⁹ These frameworks are not climate-specific in origin, but their logic is adaptable to climate transition because climate change affects rights to life, health, water, food, housing, culture, property, livelihoods and development.

The Office of the United Nations High Commissioner for Human Rights (OHCHR) has made this link explicit. Its key messages on human rights, climate change and business emphasise that climate change directly and indirectly interferes with the enjoyment of human rights and that States should use a smart mix of measures to prevent climate-related business harms.¹⁰ The UN Working Group on Business and Human Rights has gone further by stating that business enterprises should

n. 2, p. 64-83, 2018. DOI: <https://doi.org/10.5102/rdi.v15i2.5355>; IGLESIAS MÁRQUEZ, Daniel. Shaping corporate responsibility in Latin America to address the challenges of climate change and the energy transition. *Revista de Direito Internacional*, Brasília, v. 22, n. 1, p. 82-97, 2025. DOI: <https://doi.org/10.5102/rdi.v22i1.9804>; MONEBHURRUN, Nitish. Should non-European Union member States be cautious about the E.U Corporate Sustainability Due Diligence Directive? *Revista de Direito Internacional*, Brasília, v. 21, n. 2, p. 12-14, 2024. DOI: <https://doi.org/10.5102/rdi.v21i2.9844>.

⁸ UNITED NATIONS HUMAN RIGHTS COUNCIL. *Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework*. UN Doc. A/HRC/17/31, 21 Mar. 2011. Available at: https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf. Accessed on: 14 May 2026.

⁹ ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT. *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*. Paris: OECD Publishing, 2023. DOI: <https://doi.org/10.1787/81f92357-en>.

¹⁰ OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS. *Human Rights, Climate Change and Business: Key Messages*. Geneva: OHCHR, 2020. Available at: <https://www.ohchr.org/Documents/Issues/ClimateChange/materials/KMBusiness.pdf>. Accessed on: 14 May 2026.

integrate climate considerations into policies, governance structures and human rights due diligence; identify direct emissions (Scope 1), emissions from purchased energy (Scope 2) and other value-chain emissions (Scope 3); conduct meaningful consultation; take remedial action; and use leverage over business relationships to prevent, reduce or mitigate climate-related human rights impacts.¹¹ These statements do not transform corporations into treaty parties, but they make it increasingly difficult to separate corporate human rights due diligence from climate transition.

International climate law supplies the second strand. The Paris Agreement 2015 is State-centred: under Articles 2 and 4, Parties prepare, communicate and maintain nationally determined contributions and are expected to pursue progressively more ambitious action in light of equity and common but differentiated responsibilities and respective capabilities. The Agreement does not directly bind corporations. Yet it reshapes the regulatory environment in which corporations operate. States implement national commitments through energy regulation, carbon pricing, procurement, disclosure rules, sustainable finance policies, industrial strategy, trade measures and sectoral standards. Corporations, especially large emitters and lead firms in value chains, become the operational sites through which State climate commitments are implemented. This is why climate transition accountability is best understood as indirect international-law accountability: international climate commitments are translated through domestic, regional and private regimes into corporate duties and expectations.

The third strand is the rapid integration of climate change into human rights and environmental adjudication. UN General Assembly Resolution 76/300, recognising the human right to a clean, healthy and sustainable environment, reflects a broader normative consolidation. The synthesis report of the Intergovernmental Panel on Climate Change (IPCC) also underscores that climate vulnerability is shaped by inequality, development pathways, governance and historical res-

ponsibility, rather than by physical exposure alone.¹² Climate justice therefore cannot be reduced to emissions arithmetic. It requires attention to distributive burdens, procedural participation, recognition of vulnerable groups and remedies for harm.¹³ Corporate climate transition accountability becomes relevant because corporate strategies can either reduce or reproduce these injustices.

Recent advisory opinions and judgments strengthen the State duty to regulate climate-harmful private conduct. In 2024, the International Tribunal for the Law of the Sea treated anthropogenic greenhouse gas emissions as capable of constituting pollution of the marine environment under the United Nations Convention on the Law of the Sea and clarified that States must take necessary measures to prevent, reduce and control such pollution.¹⁴ In 2025, the International Court of Justice confirmed that climate-related obligations are not confined to climate treaties alone and that State obligations arise across climate, environmental and human rights law.¹⁵ This matters for corporations because due diligence by States includes the regulation of activities within their jurisdiction or control that significantly contribute to climate harm. The legal responsibility formally remains with States, but the practical target of regulation often includes corporate emitters, financiers and value-chain organisers.

Regional human rights adjudication points in the same direction. In *Verein KlimaSeniorinnen Schweiz and Others v. Switzerland*, the European Court of Human Rights held that inadequate climate action may violate rights protected by the European Convention on Hu-

¹² INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE. *Climate Change 2023: Synthesis Report. Summary for Policymakers*. Geneva: IPCC, 2023. Available at: <https://www.ipcc.ch/report/ar6/syr/>. Accessed on: 14 May 2026.

¹³ SHUE, Henry. *Climate Justice: Vulnerability and Protection*. Oxford: Oxford University Press, 2014.

¹⁴ INTERNATIONAL TRIBUNAL FOR THE LAW OF THE SEA. Request for an Advisory Opinion submitted by the Commission of Small Island States on Climate Change and International Law, Advisory Opinion, Case No. 31, 21 May 2024. Available at: https://www.itlos.org/fileadmin/itlos/documents/cases/31/Advisory_Opinion/C31_Adv_Op_21.05.2024_orig.pdf. Accessed on: 14 May 2026.

¹⁵ INTERNATIONAL COURT OF JUSTICE. Obligations of States in respect of Climate Change, Advisory Opinion, 23 July 2025. Available at: <https://www.icj-cij.org/case/187>. Accessed on: 14 May 2026. See in particular para. 428 (State responsibility for a failure to regulate private actors is its own omission).

¹¹ UNITED NATIONS WORKING GROUP ON BUSINESS AND HUMAN RIGHTS. *Information Note on Climate Change and the Guiding Principles on Business and Human Rights*. Geneva: OHCHR, 2023. Available at: <https://www.ohchr.org/sites/default/files/documents/issues/business/workinggroupbusiness/Information-Note-Climate-Change-and-UNGPs.pdf>. Accessed on: 14 May 2026.

man Rights.¹⁶ The Inter-American Court of Human Rights' 2025 advisory opinion on climate emergency and human rights likewise frames climate protection in relation to rights, prevention, vulnerable groups and remedial obligations.¹⁷ These decisions do not by themselves impose direct obligations on a multinational enterprise headquartered in Asia, Europe or the Americas. They do, however, make corporate climate governance legally relevant to States' compliance with human rights obligations. If States must regulate foreseeable climate harms, corporate transition plans, emissions trajectories and value-chain practices become part of the evidentiary and regulatory terrain.

This is where disclosure standards enter the picture. The TCFD recommendations established a widely used structure around governance, strategy, risk management, and metrics and targets.¹⁸ The International Sustainability Standards Board (ISSB) subsequently issued *IFRS S2 Climate-related Disclosures* as a global baseline for sustainability-related financial reporting, focusing on information about climate-related risks and opportunities useful to investors and capital markets.¹⁹ Transition-plan frameworks, including the United Kingdom's Transition Plan Taskforce framework and the UN High-Level Expert Group's work on net-zero integrity, have sought to give more content to corporate transition claims.²⁰

¹⁶ EUROPEAN COURT OF HUMAN RIGHTS. *Verein KlimaSeniorinnen Schweiz and Others v. Switzerland*, Application No. 53600/20, Grand Chamber Judgment, 9 Apr. 2024. Available at: <https://hudoc.echr.coe.int/eng?i=001-233206>. Accessed on: 14 May 2026.

¹⁷ INTER-AMERICAN COURT OF HUMAN RIGHTS. *Advisory Opinion AO-32/25, Climate Emergency and Human Rights*, 29 May 2025. Available at: https://www.corteidh.or.cr/docs/opiniones/seriea_32_en.pdf. Accessed on: 14 May 2026.

¹⁸ TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES. *Recommendations of the Task Force on Climate-related Financial Disclosures*. Basel: Financial Stability Board, 2017. Available at: <https://www.fsb-tcf.org/recommendations/>. Accessed on: 14 May 2026.

¹⁹ INTERNATIONAL SUSTAINABILITY STANDARDS BOARD. *IFRS S2: Climate-related Disclosures*. London: IFRS Foundation, 2023. Available at: <https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/ifrs-s2-climate-related-disclosures/>. Accessed on: 14 May 2026.

²⁰ TRANSITION PLAN TASKFORCE. *Disclosure Framework*. London: Transition Plan Taskforce, 2023. Available at: <https://www.ifrs.org/content/dam/ifrs/knowledge-hub/resources/tpt/disclosure-framework-oct-2023.pdf>. Accessed on: 14 May 2026; UNITED NATIONS HIGH-LEVEL EXPERT GROUP ON THE NET ZERO EMISSIONS COMMITMENTS OF NON-STATE ENTITIES. *Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions*. New York: United Nations, 2022. Available at: <https://www.un.org/sites/un2.un.org/>

These instruments improve comparability and give transition commitments greater specificity. Financial disclosure standards nevertheless address only part of climate justice: information useful to investors does not by itself secure participation or remedy for affected rights-holders.

The emerging architecture therefore has four layers. First, information accountability requires corporations to disclose emissions, climate risks, dependencies, targets and transition plans. Second, process accountability requires due diligence, governance systems and internal decision-making capable of identifying and addressing climate-related harms. Third, behavioural accountability asks whether corporate strategies are actually compatible with a just transition and not merely with formal reporting rules. Fourth, remedial accountability requires affected rights-holders to have access to grievance mechanisms, courts or other forms of remedy. International law contributes to all four layers, but unevenly. It is strongest in setting normative expectations and State duties, more developed in disclosure, weaker in substantive corporate transition duties, and weakest in remedies for those harmed by corporate climate conduct.

3 Legalisation pathways in major economies: hardening, softening and fragmentation

The legalisation of corporate climate transition accountability is not a single global trend. It is better understood as a set of overlapping pathways: disclosure, due diligence, transition planning, sustainable finance and litigation. Major economies have moved along these pathways at different speeds, and often in contradictory directions. The result is fragmentation rather than convergence. This fragmentation matters for climate justice because corporations can use it to arbitrage standards, while developing-country suppliers must respond to multiple reporting templates and contractual requirements imposed by different buyers, investors and regulators.

The European Union has been the most visible example of hard-law ambition. The Corporate Sustainability Reporting Directive (CSRD), Directive (EU)

[files/high-level_expert_group_n7b.pdf](https://www.un.org/sites/un2.un.org/files/high-level_expert_group_n7b.pdf). Accessed on: 14 May 2026.

2022/2464, expanded sustainability reporting and moved beyond narrow financial reporting by requiring companies within its scope to report sustainability information in accordance with European Sustainability Reporting Standards (ESRS). The Corporate Sustainability Due Diligence Directive (CSDDD), Directive (EU) 2024/1760, was designed to require large companies to identify, prevent, mitigate and bring to an end adverse human rights and environmental impacts in their own operations, subsidiaries and chains of activities. In its original form, the EU model suggested a strong legalisation pathway: international soft law would be converted into binding obligations, supervised by national authorities and potentially connected to liability.

Directive (EU) 2026/470 complicates that narrative. Its Articles 2–4 amend the reporting and due diligence regimes. It narrows the scope of the CSRD and CSDDD, limits some information requests to smaller value-chain partners and repeals the CSDDD provision requiring companies to adopt a climate-mitigation transition plan (Article 4(16)). Separate ESRS reporting on the existence or absence of a transition plan remains for companies subject to that framework. Commission Delegated Regulation (EU) 2026/1563 retains this disclosure and applies to financial years beginning in 2027, with optional application for 2026. Directive (EU) 2026/470 also removes the harmonised civil-liability provision while preserving full compensation where liability arises under national law, and postpones CSDDD transposition and application (Article 4(20) and (22)).²¹ The EU experience shows that binding sustainability duties can be narrowed to address administrative burden and legal uncertainty. Whether the revised rules reduce formalism without weakening prevention, participation and remedy depends on their implementation.

The United States illustrates a different type of fragmentation. On 6 March 2024, the Securities and Exchange Commission adopted The Enhancement and Standardization of Climate-Related Disclosures for Investors (Release Nos. 33-11275 and 34-99678), rules intended to improve investor information. The rules were

stayed during litigation; in March 2025 the Commission voted to end its defence, and on 29 May 2026 it proposed their formal rescission in Rescission of Climate-Related Disclosure Rules (Release No. 33-11421).²² The federal securities-law pathway demonstrates the vulnerability of securities-based climate accountability to political change, administrative law challenges and contested views of agency authority. It also shows that disclosure can be a powerful but unstable tool when it is framed mainly as investor protection rather than as part of a broader public-law duty to prevent climate harm.

The contrast between the EU and US pathways reveals a central point: hard law is not inherently stable, and soft law is not inherently weak. Some soft standards become powerful because markets, exchanges, investors and regulators converge around them. Some hard duties become fragile because they lack political legitimacy, proportionality or enforcement capacity. Legalisation is therefore not only a question of whether a rule is formally binding. It also depends on institutional durability, practical enforceability, transnational compatibility and the allocation of compliance costs.

Asia presents a different legalisation pattern. The Sustainability Standards Board of Japan (SSBJ) issued inaugural sustainability disclosure standards in 2025, including an Application Standard, a General Standard and a Climate-related Disclosures Standard.²³ China issued its Basic Sustainability Disclosure Standard (Trial) in 2024 and a climate-specific standard in December 2025. Application remains voluntary until the authorities specify the covered entities and implementation requirements.²⁴ The Securities and Exchange Board

²¹ COUNCIL OF THE EUROPEAN UNION. *Council signs off simplification of sustainability reporting and due diligence requirements to boost EU competitiveness*. Press release, 24 Feb. 2026. Available at: <https://www.consilium.europa.eu/en/press/press-releases/2026/02/24/council-signs-off-simplification-of-sustainability-reporting-and-due-diligence-requirements-to-boost-eu-competitiveness/>. Accessed on: 14 May 2026.

²² UNITED STATES SECURITIES AND EXCHANGE COMMISSION. *SEC Votes to End Defense of Climate Disclosure Rules*. Press release No. 2025-58, 27 Mar. 2025. Available at: <https://www.sec.gov/newsroom/press-releases/2025-58>. Accessed on: 14 May 2026. UNITED STATES SECURITIES AND EXCHANGE COMMISSION. *SEC Proposes Rescission of Climate-Related Disclosure Rules*. Press release No. 2026-49, 29 May 2026. Available at: <https://www.sec.gov/newsroom/press-releases/2026-49-sec-proposes-rescission-climate-related-disclosure-rules>. Accessed on: 23 Sept. 2026.

²³ SUSTAINABILITY STANDARDS BOARD OF JAPAN. *SSBJ issues Inaugural Sustainability Disclosure Standards to be applied in Japan*. 5 Mar. 2025. Available at: https://www.ssb-j.jp/en/ssbj_standards/2025-0305.html. Accessed on: 14 May 2026.

²⁴ CHINA. Ministry of Finance. *Qiyè kechixu pilu zhunze - jiben zhunze (shixing) [Sustainability Disclosure Standards for Business Enterprises - Basic Standard (Trial)]*. 17 Dec. 2024. Available at: https://kjs.mof.gov.cn/zhengcefabu/202412/t20241216_3949745.htm. Accessed on: 14 May 2026; IFRS FOUNDATION. *Jurisdictional Snapshot: People's Republic of China*. Updated 12 June 2025. Available at:

of India (SEBI) introduced Business Responsibility and Sustainability Reporting (BRSR) for listed entities through Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562, requiring disclosure across governance, stakeholder, responsibility and sustainability topics.

Singapore adopted a climate-first reporting roadmap, later revised to keep Scope 1 and Scope 2 emissions reporting mandatory for all listed companies for financial years beginning on or after 1 January 2025 while phasing other ISSB-based climate disclosures by issuer tier. In Hong Kong, Scope 1 and 2 emissions disclosure is mandatory for all listed issuers for financial years beginning on or after 1 January 2025. Other IFRS S2-aligned requirements apply on a comply-or-explain basis to Main Board issuers from the same date and become mandatory for Hang Seng Composite LargeCap Index constituents for financial years beginning on or after 1 January 2026.²⁵ The Association of Southeast Asian Nations (ASEAN) Taxonomy Board released Version 4 of the regional sustainable finance taxonomy in November 2025.²⁶

These selected Asian developments do not simply reproduce European hard law. They show a preference, at least at this stage, for disclosure alignment, market governance, phased implementation and sustainable finance classification. That may be normatively defen-

sible. Many Asian economies must balance decarbonisation with industrial development, energy security, poverty reduction, export competitiveness and employment. A sudden imposition of highly complex due diligence and transition-plan obligations could produce compliance burdens without improving rights protection. Yet a disclosure-only approach is also insufficient. If Asian frameworks merely require companies to disclose climate risks to investors, they may leave workers, local communities, Indigenous peoples, small suppliers and climate-vulnerable groups outside the accountability frame.

Litigation adds a further pathway. Climate litigation has increasingly targeted States, corporations and financial actors for inadequate mitigation, misleading claims or insufficient governance.²⁷ The Shell litigation in the Netherlands illustrates both the promise and limits of this approach. The first-instance court ordered Shell to reduce group-wide emissions; the Court of Appeal later overturned the specific percentage-reduction order while holding that Shell has a duty to limit its carbon dioxide emissions. Milieudefensie challenged the appellate judgment in cassation.²⁸ The case made corporate transition strategy justiciable while revealing judicial caution about prescribing company-specific emissions pathways. Its reliance on human rights standards also illustrates how soft law can inform domestic duties, although jurisdictional barriers continue to constrain transnational remedies.²⁹ For developing Asia, litigation

<https://www.ifrs.org/content/dam/ifrs/publications/sustainability-jurisdictions/pdf-snapshots/china-ifrs-snapshot.pdf>. Accessed on: 14 May 2026. CHINA. Ministry of Finance. *Sustainability Disclosure Standards for Business Enterprises No. 1—Climate (Trial)*, 25 Dec. 2025. Available at: https://kjs.mof.gov.cn/zhengcefabu/202512/t20251225_3980202.htm. Accessed on: 23 Sept. 2026.

²⁵ ACCOUNTING AND CORPORATE REGULATORY AUTHORITY OF SINGAPORE; SINGAPORE EXCHANGE REGULATION. *Response to public consultation on climate reporting and assurance roadmap for Singapore*. 28 Feb. 2024. Available at: <https://www.acra.gov.sg/public-consultations/response-to-public-consultation-on-climate-reporting-assurance-roadmap-for-singapore/>. Accessed on: 14 May 2026; ACCOUNTING AND CORPORATE REGULATORY AUTHORITY OF SINGAPORE; SINGAPORE EXCHANGE REGULATION. *Extended Timelines for Most Climate Reporting Requirements to Support Companies*. 25 Aug. 2025. Available at: <https://www.acra.gov.sg/news-events/news-announcements/887/>. Accessed on: 14 May 2026; HONG KONG EXCHANGES AND CLEARING LIMITED. *Exchange Publishes Conclusions on Climate Disclosure Requirements*. 19 Apr. 2024. Available at: https://www.hkex.com.hk/News/Regulatory-Announcements/2024/240419news?sc_lang=en. Accessed on: 14 May 2026.

²⁶ ASEAN TAXONOMY BOARD. *ASEAN Taxonomy for Sustainable Finance, Version 4*. 6 Nov. 2025. Available at: <https://asean.org/asean-taxonomy-board-releases-complete-version-of-asean-taxonomy-for-sustainable-finance/>. Accessed on: 23 Sept. 2026.

²⁷ PEEL, Jacqueline; OSOFSKY, Hari M. *Climate Change Litigation: Regulatory Pathways to Cleaner Energy*. Cambridge: Cambridge University Press, 2015; RODRÍGUEZ-GARAVITO, César (ed.). *Litigating the Climate Emergency: How Human Rights, Courts, and Legal Mobilization Can Bolster Climate Action*. Cambridge: Cambridge University Press, 2022.

²⁸ GERECHTSHOF DEN HAAG. Milieudefensie et al. v. Shell plc, Case No. 200.302.332/01, Judgment, 12 Nov. 2024. Available at: <https://uitspraken.rechtspraak.nl/details?id=ECLI:NL:GHDHA:2024:2100>. Accessed on: 14 May 2026; RECHTBANK DEN HAAG. Milieudefensie et al. v. Royal Dutch Shell plc, Case No. C/09/571932 / HA ZA 19-379, Judgment, 26 May 2021. Available at: <https://uitspraken.rechtspraak.nl/details?id=ECLI:NL:RBDHA:2021:5339>. Accessed on: 14 May 2026. HOGE RAAD DER NEDERLANDEN. Milieudefensie et al. v. Shell plc. Case No. 25/00497, procedural judgment, 10 Oct. 2025, ECLI:NL:HR:2025:1534. Available at: <https://uitspraken.rechtspraak.nl/details?id=ECLI:NL:HR:2025:1534>. Accessed on: 23 Sept. 2026.

²⁹ MEGALE, Tiago Matsuoka; AMARAL JÚNIOR, Alberto do. Soft law contribution to mitigate climate change: an analysis of the Milieudefensie case. *Revista de Direito Internacional*, Brasília, v. 21, n. 2, p. 202–220, 2024. DOI: <https://doi.org/10.5102/rdi.v21i2.9679>; GUERRA, Marcel Vitor de Magalhães e. The normative framework

may be less immediately available because of standing, cost, evidentiary, jurisdictional and political barriers. Proceedings in Europe or other advanced economies can nevertheless affect Asian production networks through parent-company obligations and subsequent changes to disclosure and contractual practices.

The key implication of this mapping is that corporate climate transition accountability is legalising through a combination of public law, private law and private ordering. Securities rules require disclosure; due diligence laws require risk-management systems; stock exchanges translate international standards; buyers impose supplier codes and data requests; lenders use covenants; courts evaluate State and corporate conduct; and soft-law standards supply the vocabulary. This hybridity is not a defect. It is likely unavoidable in a global economy. The problem is that hybridity without justice safeguards can obscure responsibility. Lead firms may present themselves as compliant because they demand data from suppliers, while suppliers absorb costs without support. Financial institutions may claim alignment while continuing to finance high-emission assets through complex portfolios. States may adopt reporting rules but leave affected communities without remedies. A legalised architecture can therefore look sophisticated and still fail climate justice.

4 The Asian global value-chain perspective

An Asian perspective shifts attention from corporate headquarters to the production networks through which climate accountability operates. Rules adopted where lead firms, investors and consumers are located can reshape production, extraction, assembly, logistics and infrastructure elsewhere. In developing economies, these changes affect industrial upgrading, energy access, employment, public revenue and social stability. The central concern is therefore how legalisation in one jurisdiction redistributes the costs and opportunities of transition in another. Asia's role in global value chains makes this distributional question particularly pressing.

of extraterritorial jurisdiction in international law: from the Lotus paradigm to transnational climate accountability. *Revista de Direito Internacional*, Brasília, v. 23, n. 1, p. 50–68, 2026. DOI: <https://doi.org/10.5102/rdi.v23i1.10578>.

The Asian Development Bank's 2024 Asian Economic Integration Report identifies decarbonisation of global value chains as a defining regional challenge.³⁰ Export-oriented sectors such as electronics, textiles, footwear, chemicals, steel, cement, automotive components and agribusiness increasingly face climate-related data requests, product standards, procurement conditions and lender requirements. The expansion of product transparency from origin verification to sustainability-related due diligence illustrates the growing information demands placed on exporters.³¹ These requirements can improve environmental performance and access to sustainable finance, but they can also exclude smaller firms that lack measurement capacity, technical staff or bargaining power. Their effects depend partly on whether buyers and financiers help suppliers meet the costs of producing information and changing production practices.

Regulatory spillovers can raise standards where domestic enforcement is weak by bringing previously hidden value-chain risks into corporate decision-making. They may encourage traceability, energy efficiency and domestic regulatory reform. Their distributive effects, however, depend on purchasing and financing arrangements. A buyer that demands reporting, audits and decarbonisation while refusing to adjust prices, extend contracts or finance technology upgrades may leave suppliers unable to meet those demands without squeezing wages or weakening working conditions. Concerns about the CSDDD's effects on third-country actors reflect this imbalance between exposure to regulatory demands and participation in shaping them.³² The 2026 simplification may reduce some statutory information requests, but contractual terms can still shift costs. Climate accountability therefore needs to address these private channels of pressure alongside formal legal obligations.

³⁰ ASIAN DEVELOPMENT BANK. *Asian Economic Integration Report 2024: Decarbonizing Global Value Chains*. Manila: Asian Development Bank, 2024. Available at: <https://www.adb.org/publications/asian-economic-integration-report-2024>. Accessed on: 14 May 2026.

³¹ DAO, Gia Phuc. From rules of origin to sustainability: evolution of product transparency in international trade. *Revista de Direito Internacional*, Brasília, v. 22, n. 3, p. 67–91, 2025. DOI: <https://doi.org/10.5102/rdi.v22i3.10442>.

³² MONEBHURRUN, Nitish. Should non-European Union member States be cautious about the E.U Corporate Sustainability Due Diligence Directive? *Revista de Direito Internacional*, Brasília, v. 21, n. 2, p. 12–14, 2024. DOI: <https://doi.org/10.5102/rdi.v21i2.9844>.

This is especially important for developing Asian economies that are simultaneously climate-vulnerable and export-dependent. A rigid hard-law model designed around large multinational corporations may not fit the realities of small and medium-sized suppliers. Yet a purely voluntary model leaves suppliers dependent on the demands of lead firms and auditors. The United Nations Conference on Trade and Development (UNCTAD) has warned that sustainability standards and due diligence regimes may improve responsible trade but can also create barriers for developing-country producers where capacity, cost and market access are not addressed.³³ Studies of EU due diligence obligations likewise note potential effects on suppliers, including increased administrative burdens, contractual pressure and the risk that buyers disengage from higher-risk suppliers rather than invest in remediation.³⁴ For climate justice, disengagement is often the wrong answer. It may reduce a lead firm's reported risk while leaving workers and communities worse off.

The disclosure alignment visible in Asia should therefore be evaluated with care. Japan's SSBJ standards, China's emerging national sustainability disclosure system, India's BRSR framework, Singapore's climate reporting roadmap, Hong Kong's IFRS S2-based requirements and the ASEAN Taxonomy all contribute to a more coherent regional sustainability information environment. These developments are not merely technical. They can shape corporate boards, capital allocation, lending, procurement and investor expectations. But disclosure alignment does not automatically create accountability. A listed company may disclose climate risk without reducing emissions; a financial institution may classify investments without remedying community harm; an exporter may comply with data requests without being able to influence the lead firm's transition strategy. The missing link is responsibility allocation.

Responsibility allocation should begin with the distinction between capacity and control. Large lead firms and financial institutions often have greater control over prices, purchasing terms, product design, technology, finance and market access. Suppliers may have operational control over facilities but limited control over margins, timelines and technology investment. A just climate accountability regime should therefore ask who has the power to prevent harm, who benefits from the value chain, who bears transition costs and who has access to remedy. This is consistent with the leverage logic of the UNGPs and OECD Guidelines: responsibility is not exhausted by direct control; it also includes the use of leverage over business relationships.³⁵ In climate transition, leverage must include financing, long-term purchasing commitments and technical support, not only audit demands.

Energy transition projects raise another set of Asian concerns. Renewable energy, battery supply chains, transmission infrastructure, hydropower, carbon markets, critical minerals and nature-based solutions can reduce emissions but also create land, labour, biodiversity and community-rights risks. A transition may be low-carbon and still unjust. The UN Working Group's climate note rightly insists on meaningful consultation, free, prior and informed consent for Indigenous peoples, remedial action and value-chain alignment with a just transition.³⁶ In parts of Asia, where land tenure, informal labour, migrant work and community participation are already fragile, corporate transition accountability must include procedural and remedial safeguards. Otherwise, climate transition will be measured by tonnes of carbon avoided while ignoring the people displaced, excluded or silenced. There is also a geopolitical dimension. Advanced economies increasingly use sustainability rules as part of trade, industrial policy and

³³ UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT. *The Future of Sustainable Trade: Due Diligence Initiatives, Voluntary Sustainability Standards and Developing Countries*. Geneva: UNCTAD, 2024. Available at: <https://unctad.org/publication/future-sustainable-trade>. Accessed on: 14 May 2026.

³⁴ NATIONAL BOARD OF TRADE SWEDEN. *Potential Impacts of EU Due Diligence Obligations on Companies' Suppliers in Developing Countries*. Stockholm: National Board of Trade Sweden, 2023. Available at: <https://www.kommerskollegium.se/globalassets/publikationer/rapporter/2023/potential-impacts-of-eu-due-diligence-obligations-on-companies-suppliers.pdf>. Accessed on: 14 May 2026.

³⁵ UNITED NATIONS HUMAN RIGHTS COUNCIL. *Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework*. UN Doc. A/HRC/17/31, 21 Mar. 2011. Available at: https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf. Accessed on: 14 May 2026; ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT. *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*. Paris: OECD Publishing, 2023. DOI: <https://doi.org/10.1787/81f92357-en>.

³⁶ UNITED NATIONS WORKING GROUP ON BUSINESS AND HUMAN RIGHTS. *Information Note on Climate Change and the Guiding Principles on Business and Human Rights*. Geneva: OHCHR, 2023. Available at: <https://www.ohchr.org/sites/default/files/documents/issues/business/workinggroupbusiness/Information-Note-Climate-Change-and-UNGPs.pdf>. Accessed on: 14 May 2026.

market governance. Developing economies may perceive such rules as climate protection, protectionism or both. That perception cannot be dismissed. Climate justice requires acknowledging historical emissions, unequal capacities and the development needs embedded in the Paris Agreement's equity language. But the answer is not to reject corporate climate accountability. Without accountability, vulnerable communities remain exposed to corporate greenwashing, high-emission lock-in and transition harms. The answer is to design accountability so that it is proportional, cooperative and rights-protective. The burden of compliance should not be shifted downstream without finance, technology transfer, capacity building and fair contractual terms.

For Asian developing States, the policy challenge is therefore twofold. Domestically, they need credible disclosure, due diligence and remedy mechanisms that fit local legal systems and institutional capacity. Internationally, they need to negotiate the terms on which external sustainability rules affect their firms and workers. This may require regional coordination through ASEAN and other forums, interoperability between taxonomies and reporting standards, public support for small and medium-sized enterprises (SMEs), and stronger rules against unfair purchasing practices by lead firms. It may also require courts and regulators to understand climate transition harms as both environmental and socio-economic. Corporate accountability should protect not only investors' informational interests, but also workers' livelihoods, communities' land and resources, and the adaptive capacity of developing economies.

5 Does legalisation improve climate justice? Hard law, soft law or a hybrid model?

The preceding analysis suggests that the question 'hard law or soft law?' is too simple. Corporate climate transition accountability advances climate justice only if it satisfies four tests: prevention, participation, remedy and fair burden-sharing. These tests translate climate justice into institutional design. Prevention asks whether the regime reduces foreseeable climate-related harm rather than merely disclosing it. Participation asks whether affected rights-holders, workers, communities and suppliers can influence decisions that affect them. Remedy asks whether people harmed by corporate climate conduct or transition measures have access to effective grievance or adjudicatory mechanisms. Fair

burden-sharing asks whether the costs of compliance and decarbonisation are allocated in light of capacity, benefit, responsibility and control.

Soft law performs important functions under these tests. It can develop faster than treaties or statutes, incorporate technical expertise, facilitate convergence across jurisdictions and allow context-sensitive experimentation. The UNGPs and OECD Guidelines created the due diligence vocabulary now used in domestic laws. TCFD, IFRS S2 and transition-plan frameworks created reporting structures that regulators can incorporate or adapt. The ASEAN Taxonomy can help regional financial markets develop a common language while taking account of regional transition needs. In these respects, soft law is not a second-best instrument. It is the infrastructure through which hard law often becomes possible. Soft law cannot reliably secure remedy or enforcement on its own. Voluntary net-zero commitments may remain vague, distant and unsupported by credible short-term action, while selective disclosure and certification can confer legitimacy without changing corporate incentives. Affected communities and suppliers may then have little leverage over corporations that conceal risks, make misleading claims or transfer transition costs down the value chain. The UN High-Level Expert Group's insistence on integrity in non-state net-zero commitments responds to these concerns.³⁷ Technical guidance needs institutional support if prevention, participation and remedy are to become dependable features of corporate practice.

An enforceable minimum should connect disclosure to corporate decisions and remedies. Large companies and financial institutions should disclose climate risks, emissions and transition assumptions in a comparable, verifiable form, including material value-chain information supported by proportionate requests and assistance to suppliers. Climate-related human rights and environmental due diligence should incorporate meaningful consultation with affected stakeholders. Where transition plans are required, they should guide governance, capital expenditure, lobbying, executive incentives and short- and medium-term targets; anti-greenwashing

³⁷ UNITED NATIONS HIGH-LEVEL EXPERT GROUP ON THE NET ZERO EMISSIONS COMMITMENTS OF NON-STATE ENTITIES. *Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions*. New York: United Nations, 2022. Available at: https://www.un.org/sites/un2.un.org/files/high-level_expert_group_n7b.pdf. Accessed on: 14 May 2026.

rules should make misleading claims about alignment, offsets and transition finance subject to enforcement. Rights-holders should also have access to administrative, judicial or non-judicial remedies where a company causes or contributes to climate-related harm. Where harm is only directly linked to its operations, products or services through a business relationship, the company should use its leverage to encourage the responsible actor to provide remedy. Direct linkage alone does not establish an automatic duty to compensate.³⁸

Binding rules can still produce formal compliance without changing emissions trajectories or purchasing practices. Complexity may favour large corporations, while smaller suppliers face exclusion or buyers' defensive withdrawal from higher-risk relationships. These effects are particularly difficult to justify when regulations shape production abroad without meaningful participation, finance or technology support for affected economies. The EU simplification debate illustrates the political pressure created by compliance burdens. A justice-oriented response must address those burdens while preserving the duties needed to prevent harm and secure remedy.

The proposed hybrid model responds to these weaknesses by combining enforceable duties with adaptable technical standards and safeguards against cost-shifting. Its effectiveness depends on how these components shape corporate relationships and public policy. Affected rights-holders should be central to the design of disclosure and due diligence. Reliable information serves both investors and people exposed to corporate impacts, but investor usefulness alone may leave harms to workers, communities and future generations underreported. Companies should therefore explain how transition strategies affect land, water, health and livelihoods, how affected people participate in decisions, and what remedies are available when harm occurs. Participation will have limited effect if buyers and financiers retain the power to transfer transition costs to weaker part-

ners. Lead firms that require emissions reductions or sustainability data should support compliance through fair purchasing practices, longer-term contracts, technical assistance and appropriate financing. Financial institutions claiming transition alignment should likewise address the social and human rights consequences of financed activities. Responsibility for enabling transition should reflect an actor's influence over the conditions in which it takes place.

This allocation of responsibility also makes proportional implementation possible. Phased requirements, simplified templates, public support and capacity building can help developing-country suppliers and SMEs comply without weakening the obligations of lead firms. The relevant distinction is between what a smaller supplier can reasonably provide and what a more powerful buyer or financier should do to make compliance feasible. Reduced administrative demands should preserve the underlying protection of rights-holders. Access to remedy should be built into these arrangements from the outset. Accessible grievance mechanisms, protection against retaliation, evidentiary cooperation, complaint pathways through regulators and National Contact Points, and judicial avenues for serious harms can make corporate duties effective. Where continued engagement can support remediation, buyers should help improve conditions rather than use disengagement as their default compliance response. Public policy must reinforce these corporate obligations. Disclosure rules lose credibility when trade, investment, energy or industrial policies continue to support high-emission lock-in or harmful transition projects. External demands for supplier decarbonisation also need to be supported by climate finance and technology cooperation. The Paris Agreement's equity structure and the human rights duty of international cooperation provide a basis for connecting corporate accountability with these wider public responsibilities.

The value of the hybrid model lies in the relationship among its components. Enforceable duties give technical standards practical consequences; adaptable standards help companies and regulators implement those duties across sectors; and distributive safeguards enable suppliers and affected people to participate in the transition. Removing any one of these elements risks leaving accountability either ineffective or unjust. For developing Asian economies, the model supports the use of international standards within domestic develop-

³⁸ UNITED NATIONS HUMAN RIGHTS COUNCIL. *Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework*. UN Doc. A/HRC/17/31, 21 Mar. 2011, principles 13, 19 and 22. Available at: https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf. Accessed on: 14 May 2026; ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT. *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*. Paris: OECD Publishing, 2023, ch. II, commentary on due diligence and remediation. DOI: <https://doi.org/10.1787/81f92357-en>.

pment strategies and institutional conditions. Regional cooperation can improve interoperability while strengthening demands for transition finance, supplier support and participation in standard-setting. Engagement with external regulation should also address purchasing practices and buyer responsibility, so that compliance contributes to a just transition rather than becoming a condition of market access that suppliers must finance alone.

6 Conclusion

Corporate climate transition accountability is an increasingly important channel through which international law shapes business conduct. Its legalisation remains fragmented and politically contested: voluntary standards acquire force through markets and regulation, while binding duties can be narrowed or delayed. The European Union's reporting and due diligence reforms, the United States' unsettled federal climate disclosure rules and selected Asian disclosure initiatives illustrate this uneven development. The analysis supports the article's thesis that legalisation advances climate justice only when it prevents harm, enables meaningful participation, provides access to remedy and distributes transition burdens fairly. Disclosure and formal plans alone cannot satisfy these conditions.

A hybrid model gives these conditions institutional form. Enforceable duties should establish a minimum for disclosure, due diligence, stakeholder participation, truthful climate claims and remedy. Adaptable technical standards can support implementation, while fair purchasing practices, supplier assistance, climate finance and technology cooperation address unequal capacities. This combination is especially relevant to Asian production networks, where corporate climate demands interact with limited supplier bargaining power and competing development needs. Its success should be assessed by whether workers, communities and suppliers can influence transition decisions and obtain protection when harmed, as well as by the quality of information produced. International law can thereby connect corporate transition commitments to responsibility for their implementation and consequences.

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