



TOPICS:
CLIMATE RISKS, ISSB, PILLAR 3

SOURCE:
 Bank for International Settlements

Basel Committee Supports the Establishment of the International Sustainability Standards Board

International Sustainability Standards Board (ISSB)

- The Basel Committee on Banking Supervision supports announcement by the International Financial Reporting Standards (IFRS) Foundation that it is establishing the **International Sustainability Standards Board (ISSB)** to develop global standards to improve the consistency, comparability and reliability of sustainability reporting.

Disclosure Requirements

- **Disclosure requirements are a fundamental component of a sound banking system**, as providing market participants with meaningful information about common key risk metrics reduces information asymmetry and helps promote comparability of banks' risk profiles.

Pillar 3

- In parallel with the ISSB's work, the Committee will explore using **Pillar 3** of the Basel Framework to **promote a common disclosure baseline for climate-related financial risks** across internationally active banks.

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