



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
Organización Internacional de Comisiones de Valores
المنظمة الدولية لهيئات الأوراق المالية

IOSCO endorsement of the ISSB Standards for sustainability-related disclosures

Endorsement Decision

The IOSCO Board endorses the International Sustainability Standards Board's (ISSB) final standards on General Requirements for Disclosures of Sustainability-related Financial Information (IFRS S1)¹ and Climate-Related Disclosures (IFRS S2)² (hereafter the 'ISSB Standards') and calls on members to consider ways in which they might adopt, apply or otherwise be informed by the ISSB Standards.

Through its Sustainable Finance Task Force (STF), IOSCO has had an intensive engagement with the ISSB over the last two years. The STF has completed a comprehensive and independent review of the ISSB Standards to determine whether they are likely to meet investor needs for climate-related disclosures and are appropriate to serve as a framework for wider sustainability-related financial information. Throughout its review, IOSCO has applied its endorsement criteria published in June 2021³.

Based on this review, IOSCO has concluded that the ISSB Standards serve as an effective and proportionate global framework of investor-focused disclosures in relation to climate-related matters, specifically (IFRS S2) and, more generally, sustainability-related information (IFRS S1). IOSCO has concluded that the ISSB Standards are appropriate for the purpose of helping globally integrated financial markets accurately assess relevant sustainability risks and opportunities. It has also concluded that they form an appropriate basis for the development of a robust assurance framework to apply to such disclosures.

Recognising that individual jurisdictions have different domestic arrangements regarding the consideration of international standards, IOSCO calls on members to consider ways in which they might adopt, apply or otherwise be informed by the ISSB Standards, within the context of their jurisdictional arrangements, in a way that promotes consistent and comparable climate-related and other sustainability-related disclosures for investors. IOSCO encourages jurisdictions to consider implementing the ISSB Standards for compulsory application or to

¹ <https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards-issb/english/2023/issued/part-a/issb-2023-a-ifrs-s1-general-requirements-for-disclosure-of-sustainability-related-financial-information.pdf>

² <https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards-issb/english/2023/issued/part-a/issb-2023-a-ifrs-s2-climate-related-disclosures.pdf>

³ IOSCO's Report on Sustainability Disclosures, page 44, June 2021 available at <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD678.pdf>

allow for companies to voluntarily use the ISSB Standards in their jurisdictions in the absence of an existing framework.

Where relevant, IOSCO encourages jurisdictions to consider how existing climate-related, or other sustainability-related, disclosure requirements or practices in their jurisdictions will relate to the ISSB Standards so as to support global markets in having access to comparable sustainability information.

Relatedly, IOSCO welcomes the ISSB's upcoming guidance to set out pathways for gradual take-up of the ISSB Standards, enabling those issuers and jurisdictions that find the full immediate implementation of the ISSB Standards challenging, to participate progressively. IOSCO is committed to working closely with the ISSB, other relevant bodies, and IOSCO members to help build capacity to promote consistent and comparable climate-related and other sustainability-related disclosures for investors.

IOSCO's endorsement of the ISSB Standards does not constitute an endorsement of any other standards currently referred to in those standards.