

Press release

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Financial Stability Board Issues Implementation Standards on Compensation

The Financial Stability Board (FSB) issued today [Implementation Standards for the FSB Principles for Sound Compensation Practices](#).

The standards respond to a call by the G20 Finance Ministers and Governors for the FSB to set out for the Pittsburgh Summit detailed specific proposals on compensation governance, structure and disclosure to strengthen adherence to the FSB [Principles](#), issued in April 2009.

The standards focus on areas in which especially rapid progress is needed, including:

- independent and effective board oversight of compensation policies and practices;
- linkages of the total variable compensation pool to the overall performance of the firm and the need to maintain a sound capital base;
- compensation structure and risk alignment, including deferral, vesting and clawback arrangements;
- limitations on guaranteed bonuses;
- enhanced public disclosure and transparency of compensation; and
- enhanced supervisory oversight of compensation, including corrective measures if necessary.

The report is available on the FSB's website, www.financialstabilityboard.org.

Notes to editors

The FSB, which was re-established in April 2009 as the successor to the Financial Stability Forum (FSF), brings together national authorities responsible for financial stability in significant international financial centres, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts. It promotes international financial stability through enhanced information exchange and cooperation in financial supervision and surveillance.

The FSB is chaired by Mario Draghi, Governor of the Bank of Italy. Its Secretariat is located in Basel, Switzerland, and hosted by the Bank for International Settlements.

For further information on the FSB, visit <http://www.financialstabilityboard.org>.