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Alberta Securities Commission
Autorité des marchés financiers
British Columbia Securities Commission
Financial and Consumer Services Commission, New Brunswick
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Nova Scotia Securities Commission
Nunavut Securities Office
Office of the Superintendent of Securities, Newfoundland and Labrador
Ontario Securities Commission
Office of the Superintendent of Securities, Northwest Territories
Office of the Yukon Superintendent of Securities
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island

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Dear Ontario Securities Commission Secretary and Me Lebel,

The Canadian Bankers Association (CBA) would like to take this opportunity to provide comments on the CSA's proposal on Disclosure of Climate-related Matters. Overall, we support the CSA's plans to generally align its disclosure requirements with the

interim target setting work.

Furthermore, we strongly encourage coordination efforts with international and domestic regulators and standard setters

upon the rules being effective.[1]

As noted above, mandatory Scope 1 and 2 GHG emissions disclosure requirements for large issuers would be helpful in increasing the quality and quantity of companies' reporting on their emissions. These disclosures could be excerpted and filed on SEDAR, to make this information easily accessible to the CSA and all interested stakeholders, but not incorporated by reference into an issuer's prospectuses.

We note that Scope 1 and 2 GHG emissions are typically disclosed together, and companies typically set a single target for both Scope 1 and 2 GHG emissions since they are within an issuer's control as either direct emissions or indirect emissions from the generation of purchased energy. Requirements related to Scope 1 and 2 GHG emissions should therefore be identical so stakeholders can track progress against the target. However, Scope 3 GHG emissions, which occur in the value chain of the company, including upstream and downstream emissions, are more complex and less standardized and should therefore not be mandated beyond a comply or explain approach for large issuers.

We note the CSA's proposal specifying the location of climate-related financial disclosure requirements related to governance, strategy, risk management, and metrics and targets. We are concerned that climate governance and risk management disclosure may be required in an issuer's MD&A, AIF or Proxy Circular ("core securities law documents") even where not material. We believe that flexibility should be provided with respect to the location of the disclosure, including in an issuer's non-financial documents and reports (outside of core secur(i)3.122 (t)-0.914 (l)3.022 (os)-w [(di)2.0.133 Tw ( )ToTj 0.01 T5 Td [(r)-6.355 8 (i)]TJ 0..0

Under the CSA proposal, we note that scenario analysis is not required. We support this position and note that scenario analysis methodologies are currently being developed by financial regulators and are not well-established.

No comments.
No comments.

We support the CSA's proposal that scenario analysis would not be required.
Our view is that this approach is appropriate in part. We support mandatory disclosure of Scope 1 & 2 GHG emissions for large issuers, however NI 51-107 should make clear that Scope 1 & 2 GHG emissions disclosure can be disclosed in non-financial disclosure documents such as a TCFD Report, rather than in an issuer's AIF or MD&A ("core" securities law documents), if this information is not material to the issuer from a securities law perspective. However, due to the time and resources required to measure GHG emissions data, and recognizing that smaller issuers may not be as far along in their emissions measurements as larger issuers, the CSA should consider making GHG emissions data mandatory only for larger issuers upon the rules being effective, with the CSA to determine the appropriate threshold for measuring large issuers. Disclosure of Scope 3 GHG emissions should be on a comply or explain basis for large issuers, with the location also determined by materiality. This would benefit issuers with activities that are not materially affected by climate risk to reduce their regulatory and legal compliance burden. As we highlighted in our cover letter, these disclosures could be excerpted from an issuer's voluntary disclosures and filed on SEDAR in order to be easily accessible to the CSA and interested stakeholders, but not incorporated by reference into an issuer's prospectus(es). We believe this is appropriate since not all issuers have similar resources and activities to determine their Scope 3 emissions.
We support mandatory disclosure of Scope 1 & 2 GHG emissions for large issuers if issuers are allowed the flexibility to disclose these emissions outside of their "core" securities law documents, if this information is not material. Scope 3 GHG emissions should be

disclosed on a comply or explain basis, for large issuers, with the flexibility to disclose outside of “core” securities law documents, if this information is not material. Disclosure of Scope 1, 2 and 3 emissions should only be required to be set out in core securities law documents if material to an issuer.

[redacted]

We appreciate the CSA issuing proposed guidance that generally aligns with the TCFD recommendations and proceeds in the same direction as other regulatory and standard setting bodies such as the Basel Committee on Banking Supervision and International Sustainability Standards Board.

We believe the metrics and targets recommendations are the most challenging to implement. As a result of the ongoing evolution of metrics and targets, we face additional challenges related to data availability, data quality, lack of standardized methodologies, lack of consistent classifications, diversified companies with partial attributions, etc. Due to the challenges noted, certain metrics lack transparency and comparability and thus are not as useful to stakeholders at this stage of maturity across industries. Scenario analysis