

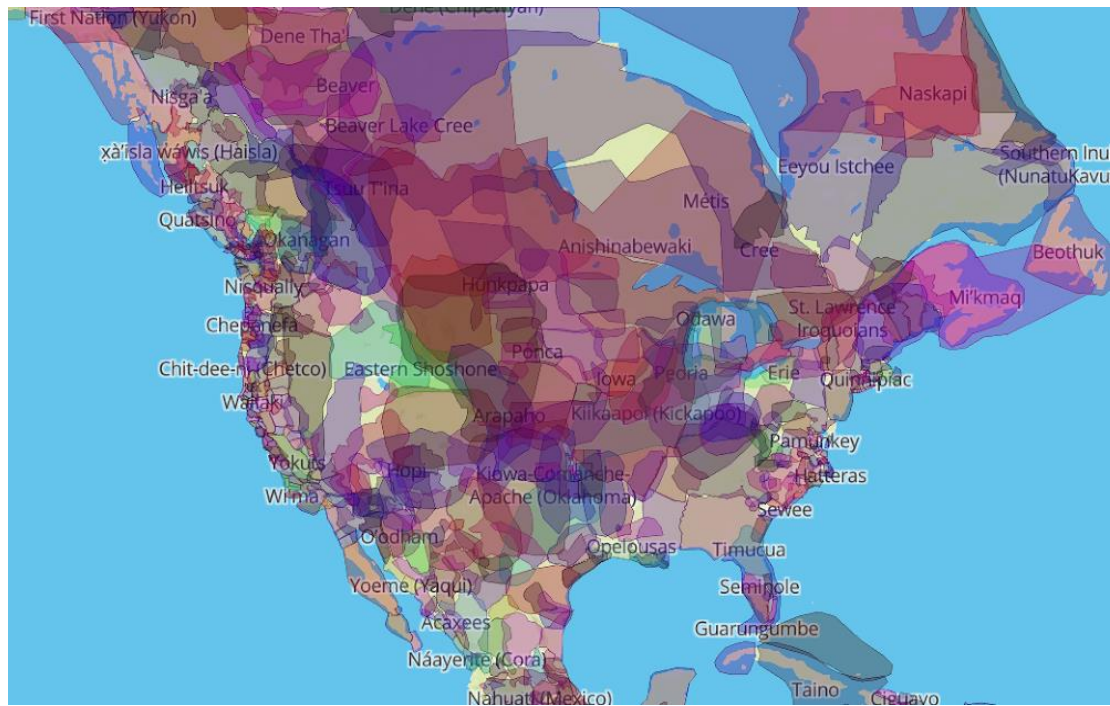


Exploring Mandatory Climate Disclosures in Canada

Policy, Regulation, and Corporate Governance

CBSR Advance @ GLOBE 2022

Land Acknowledgement and TRC Calls to Action



Read the Truth and Reconciliation Commission Report and its 94 Calls to Action

#92 is directed at corporate Canada:

Adopt the UN Declaration on the Rights of Indigenous Peoples

Brave Space Principles

We are **PRESENT** in this space and with each other.

We are **OPEN** to new ideas, ways of thinking and feedback.

We **LISTEN DEEPLY**, are **CURIOUS**, and seek new knowledges and understanding.

We bring **AWARENESS** to our biases, assumptions and judgements.

We hold a space of **TRUST** and **CONFIDENTIALITY**.

We focus on **POSSIBILITY** and see obstacles as opportunities for learning and collaboration.

We **ACKNOWLEDGE** and **APPRECIATE** each others' gifts, strengths and contributions.

We hold **BRAVE SPACE** for **COURAGEOUS** conversations.

We challenge **IDEAS**, not people.

We allow **DISCOMFORT** to lead our **GROWTH**.

We take **ACCOUNTABILITY** for our own learning.

Source: Tim Fox, Calgary Foundation



AGENDA

Timing (PST)	Agenda Item
2:30 - 2:40 pm	Welcome, Land Recognition and Housekeeping
2:40 – 2:50 pm	Ice Breaker
3:00 - 3:15 pm	Setting the Scene Mandatory climate-related disclosures: the current landscape on the global and Canadian scene
3:00– 3: pm	Breakout Discussion #1: Sense-Making Exploring the actions and opportunities to enable change
3:15 – 3:30 pm	Breakout Discussion #2: Prioritize Uncovering leverage points
3:30 – 3:45 pm	Breakout Discussion #3: Accountability Assign accountability to actions
3:30 – 3:45 pm	Wrap up, Session Reflections and Next Steps

Advance Objectives

How can we accelerate mandatory climate disclosure in Canada and remain competitive on the global stage?

What are we hoping to achieve today?

- ✓ Explore challenges and opportunities
- ✓ Seek a range of perspectives
- ✓ Identify support, governance, and collaborations required
- ✓ Prioritize actions and assign accountability

Before we begin...

Raise your hand if you are from:

1. Government
2. Nonprofit
3. Investment organization
4. Publicly traded company
5. Crown corporation
6. Privately owned business
7. Consultancy

Raise a hand if your company currently discloses its GHGs and climate strategy



Session Co-Host



Chantale Després
Director, Sustainability
Canadian National Railway



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Setting the Scene

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Introductions and Ice Breaker

1. Group share

- ✓ Your name and company name
- ✓ What makes you interested in climate disclosures?
- ✓ What makes a disclosure meaningful?



Global Action on Mandatory Climate- Related Disclosures

In 2021 the G7 announced their support for mandatory climate-related disclosures

On March 21, 2022, the US SEC released proposed disclosure requirements for publicly traded US companies.

The UK, New Zealand, Brazil, Mexico, South Africa, Hong Kong & Switzerland are all pursuing mandatory disclosures

Canadian Securities Administrators

The CSA's proposed national instrument* for disclosures would:

- Partially aligned with TCFD
- Scenario analysis would not be required
- GHG emission disclosures (Scope 1, 2, and 3) are optional

* A national instrument is a policy that has been implemented by all thirteen members.

Consultation
Climate-related Disclosure Update and
CSA Notice and Request for Comment
Proposed National Instrument 51-107
Disclosure of Climate-related Matters



Canadian Securities
Administrators

Autorités canadiennes
en valeurs mobilières



Breakout Discussion

3:00 – 3:45 pm



Instructions

1. Discuss the posed questions at your table on:
 - Sense making
 - Prioritizing
 - Accountability
2. After each discussion topic, share your discussion summary with the larger group



Sense making: Preparing businesses for mandatory disclosures

Who is most likely to oppose mandatory climate-related disclosures, and how do we convert some of them into active supporters? What challenges might they experience related to mandatory disclosures?

What are the most meaningful frameworks to guide disclosures (E.g., TCFD and Greenhouse Gas Protocol)? What are the alternatives?

How do we eliminate ambiguity related to what information needs to be disclosed and how a company should assess its risks?

How do we know a business has had success with its disclosure, and how is progress measured?



REPORT BACK



PRIORITIZE: Uncovering leverage points

Let's work backward from the policy and legislative change required to mandate disclosures to where we are now; what are the next steps required to advance legislative change?

What role does a business have in accelerating the movement to mandatory disclosures?

After hearing from the larger group, which actions should be prioritized?



REPORT BACK



ACCOUNTABILITY: Assign accountability to actions

Based on the top three actions evaluated in the PRIORITIZE session, who needs to be involved in delivering the action successfully? Who needs to lead to make the action happen? What institutions, networks, and organizations need to be involved?

How can we ensure a cohesive approach to mandatory disclosures so that Canadian businesses remain competitive on the global stage and who needs to be involved?

What actions can we each commit to enabling a move to mandatory disclosures?



REPORT BACK

NEXT STEPS

Next Steps

[SUMMARIZE ROUNDTABLE OUTPUT]

- Description

[UPLOAD RESOURCES TO MEMBER PORTAL]

- Description

[Other notes]

- Description



Thank you!

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Canadian Business for Social Responsibility

—
Canada's leading network for business as a force for good.

- Founded in 1995
- Pioneer in championing CSR in Canada
- Platform for Canada's leaders to share best practices
- Net zero, circularity, just transition, and disclosure research
- Part of a collective of sustainability organizations



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Convening innovators and leaders to accelerate the development of a clean economy



Transforming the way leading organizations generate value to make our world better



Empowering sustainability leaders to learn, collaborate and be recognized



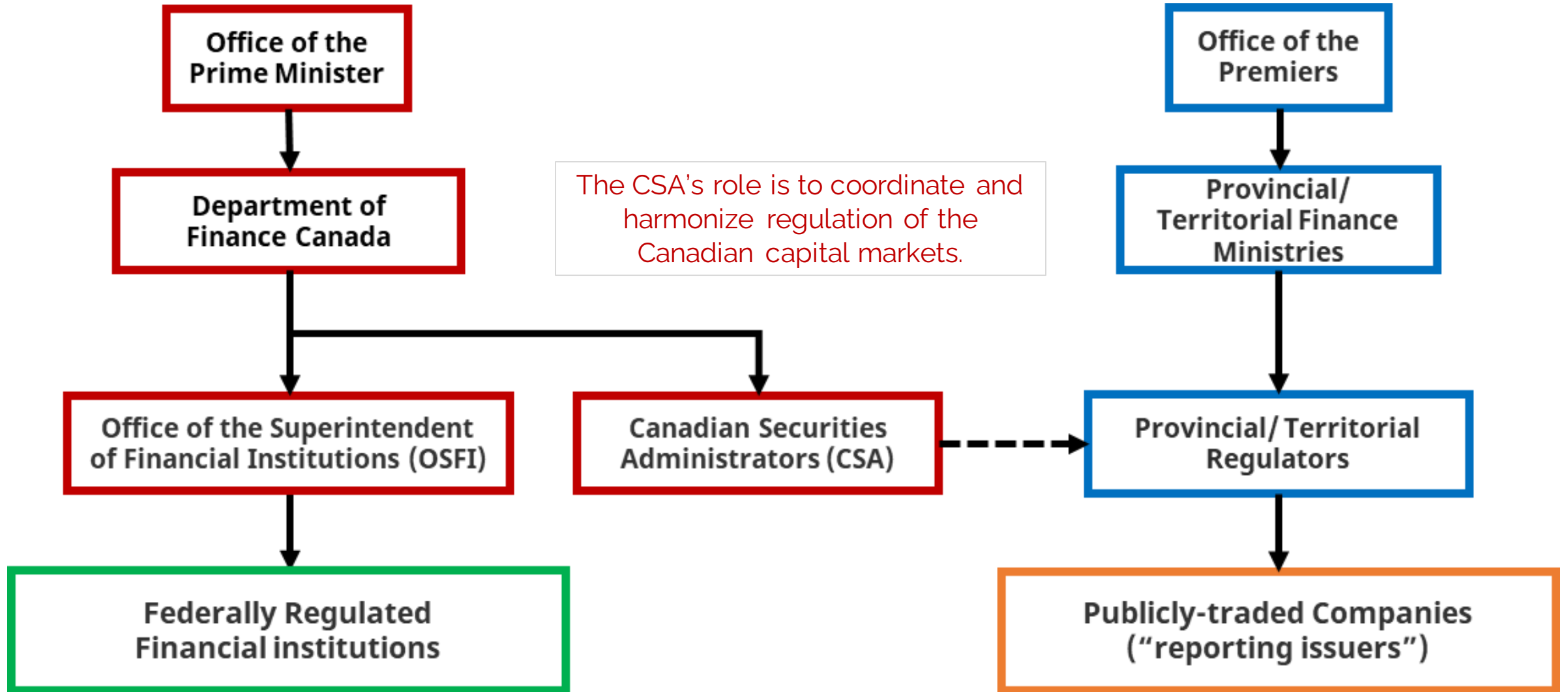
Activating young professional leaders to accelerate change



Proud to Represent 60+ Members
Across All Sectors & Regions of Canada



Securities policy in Canada is a complex regulatory landscape



Actions towards Mandatory Disclosures in Canada

June 2019: Expert Panel on Sustainable Finance recommended implementing TCFD, starting with a 'comply-or-explain' requirement for large companies and Crown corporations

October 2021: CSA publishes proposed National Instrument 51-107 to ensure more "consistent and comparable" information from issuers in financial reports

May 2020: The Canadian government makes some pandemic supports conditional on publication of climate-related disclosures for businesses with revenue > \$300 million

December 2021: Prime Minister Trudeau includes implementation of climate-related disclosures within the mandate letters for his cabinet.

Taskforce for Climate Finance Disclosure

Task Force for Climate-Related Financial Disclosures

- TCFD's recommendations are the gold standard for disclosures and are supported by:

G7 + G20

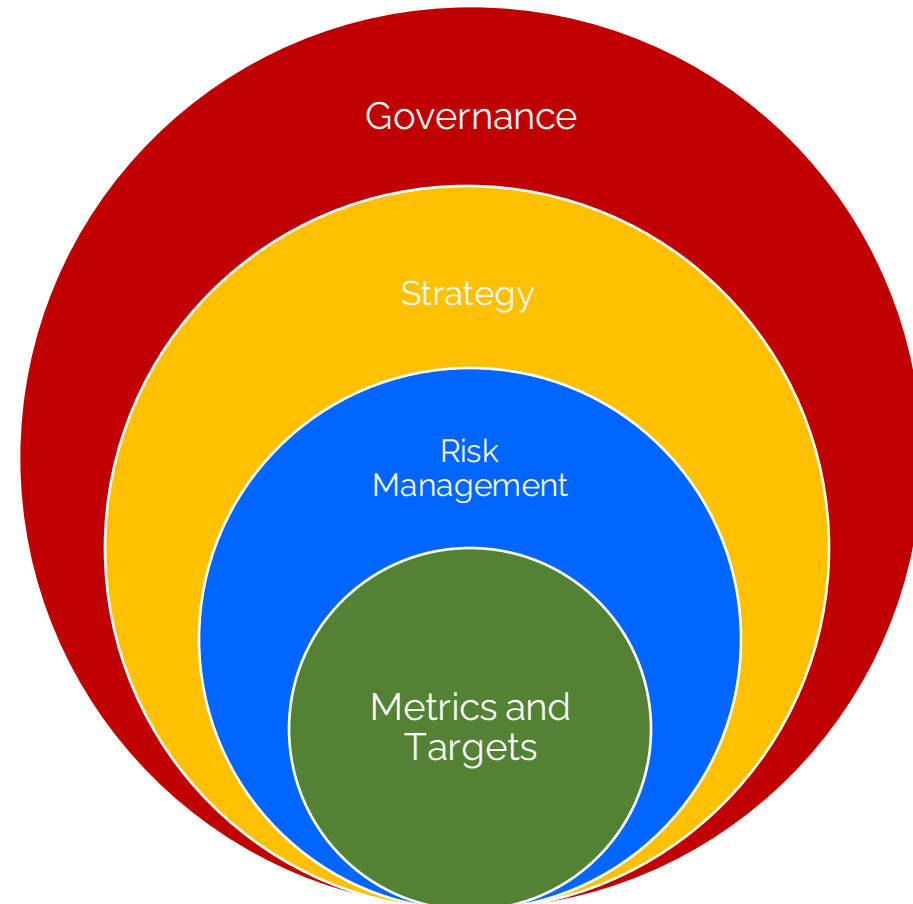
Countries

2,700+

Organizations

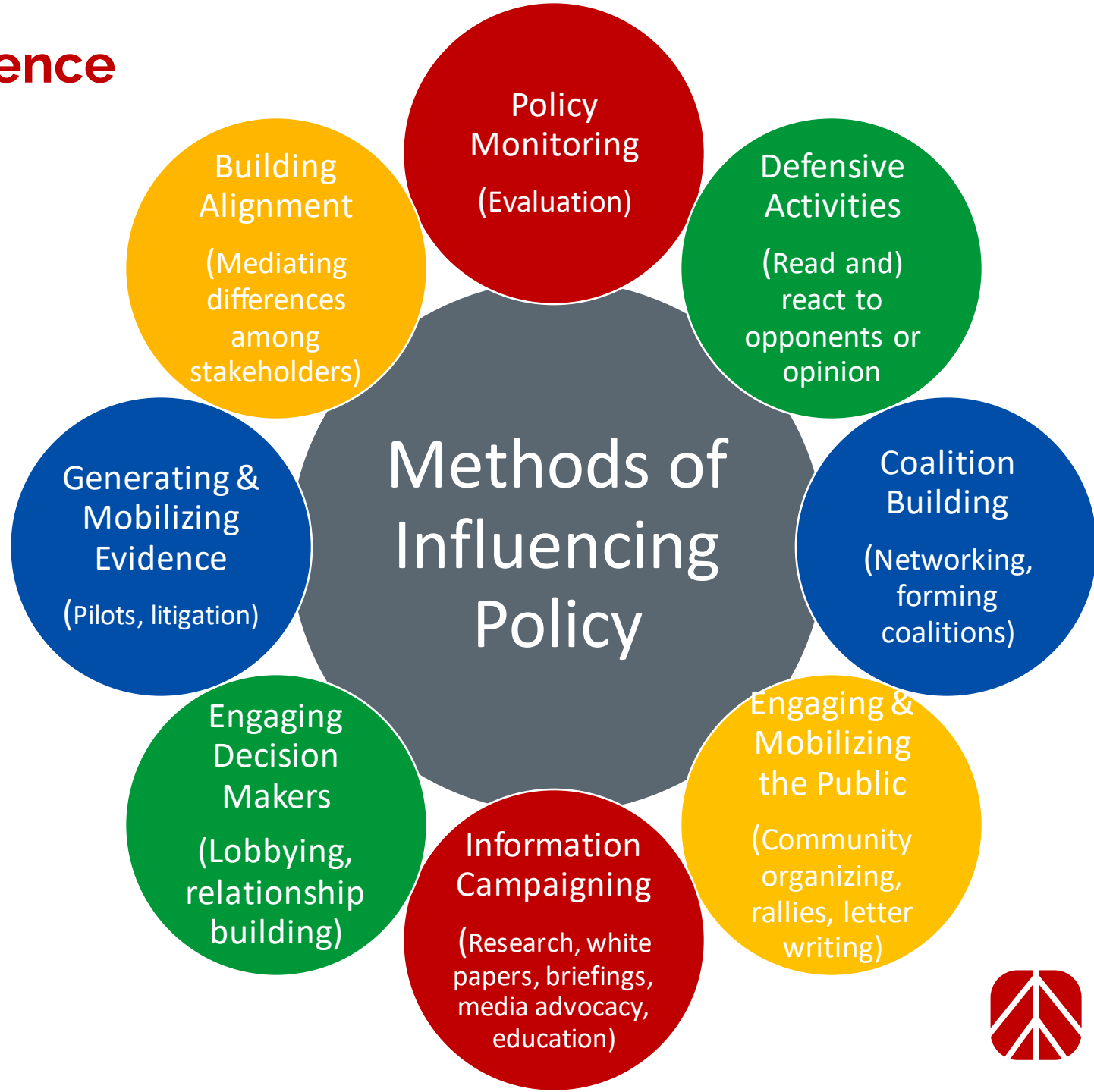
\$150 trillion

Financial Institutions Representing



Activities that can Influence Public Policy

Advocacy is not predictable or linear; this approach does not force linear thinking.



Concerns related to mandatory climate-related disclosures centre around the following themes

Voluntary vs mandatory climate disclosures

Scope 3 emissions disclosures to be included vs not included

Scenario analysis to be included vs not included

Assurance sought vs not sought