



Pension Investment  
Association of Canada

Association canadienne des  
gestionnaires de caisses de retraite

January 10, 2023

The Secretary  
Ontario Securities Commission  
20 Queen Street West  
22nd Floor, Box 55  
Toronto, Ontario M5H 3S8

Me Philippe Lebel Corporate Secretary and Executive Director, Legal Affairs  
Autorité des marchés financiers  
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Dear Sir/Madam,

**Re: Disclosure of Climate-related matters**

PIAC has been the voice for Canadian pension funds since 1977 in matters related to pension investment and governance. PIAC's members manage over \$2.8 trillion of assets on behalf of millions of Canadians. Our mission is to promote sound investment practices and good governance for the benefit of plan sponsors and beneficiaries.

In February 2022 PIAC submitted a comment on proposed National Instrument 51-107 - Disclosure of Climate-related Matters. We are following up on our previous letter because the SEC has since then also proposed new regulation around climate disclosure and the ISSB has issued draft disclosure standards. We welcome the attention this matter is receiving from securities regulators and standard setting organizations globally and want to encourage the Canadian Securities Administrators to work closely with their counterparts in other countries to ensure there is a reasonable level of consistency between any final rules on climate-related disclosure.

With Canadian, U.S., and international markets being so interconnected and with many cross-listed companies, it is imperative that there is a globally harmonized framework for climate disclosures, and that the standards are as consistent as possible. Ideally, there should be one global standard so that companies could apply a single set of rules to their climate disclosure regardless of the jurisdiction of regulation.

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There are some notable differences between the Canadian and US disclosure proposals. As an example, the SEC disclosure proposal suggests a mandatory disclosure of scope 1 and 2 emissions, while the CSA proposal suggests either a 'comply or explain' approach, or a mandatory disclosure of scope 1 with a comply or explain model for scopes 2 and 3. The SEC's proposed regulations are more rigorous than the CSA's, and compliance with the SEC proposed rules will cover almost all of CSA's rules, with a few exceptions. However, they are far from what Europe is introducing, making it difficult for multinational companies to comply with different standards. We encourage the CSA to revise its proposal so that it includes more stringent climate disclosure requirements, preferably in line with those in the US and elsewhere in the world.

We also note that the International Sustainability Standards Board (ISSB) has released a draft addressing climate related disclosure which could serve as a common set of standards allowing rules in different jurisdictions to be reconciled. It is important that the CSA consider the ISSB standards and potentially incorporate those into their own climate-related disclosure requirements.

With this letter, we wish to emphasize the importance of globally consistent climate reporting regulation, and to encourage the CSA to closely consider the SEC's proposed climate regulation and the ISSB standards in the development of climate disclosure regulation here in Canada.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Peter Waite".

Peter Waite  
Executive Director