



Pension Investment
Association of Canada

Association canadienne des
gestionnaires de caisses de retraite

December 21, 2023

Peter Routledge
Superintendent of Financial Institutions, OSFI
255 Albert Street
Ottawa, Ontario
K1A 0H2

Delivered via Email: ClimateScenario-ScenarioClimatique@osfi-bsif.gc.ca

Dear Mr. Routledge,

Re: Standardized Climate Scenario Exercise (SCSE) Consultation

The purpose of this letter is to provide comment from the Pension Investment Association of Canada (PIAC) on the current iteration of the Standardized Climate Scenario Exercise.

The Pension Investment Association of Canada (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.

PIAC recognizes the value of the OSFI Climate Scenario Exercise, assessing the potential impact of climate change on the financial sector. We applaud OSFI for engaging stakeholders and demonstrating transparency in this process. Having reviewed the initial SCSE draft methodology, our primary feedback is to incorporate flexibility in the next version of the SCSE methodology, allowing for adaptation of the exercise to the diverse needs of organizations of varying sizes. The SCSE is a substantial undertaking. Our membership funds vary in size and administrative breadth, making it essential for the forthcoming methodology to prioritize accessibility and efficiency.

PIAC awaits the finalized version in 2024. We anticipate offering more comprehensive feedback once the methodology includes more technical specifics. We look forward to

providing our input in the future and observing how these consultations positively influence the next version of the SCSE methodology.

Yours sincerely,

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

Peter Waite
PIAC Executive Director