

# INVESTOR ADVISORY PANEL

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Jo-Anne Matear, Manager, Corporate Finance  
Steven Oh, Legal Counsel, Corporate Finance  
Oujala Motala, Accountant, Corporate Finance  
Ontario Securities Commission  
20 Queen Street West  
Toronto, ON  
M5H 3S8

## **Re: Investor Advisory Panel Response to the CSA Climate Change Disclosure Review Project**

The Investor Advisory Panel was pleased to meet with your team at our June meeting as part of the Canadian Securities Administrators (CSA) project to review the disclosure of risks and financial impacts associated with climate change. The presentation gave Panel members a good background on the consultation process, the nature of climate change risk, as well as current disclosure requirements, and existing guidance on materiality.

### **Our response**

We have since reviewed two key documents:

- CSA Staff Notice 51-333 Environmental Reporting Guidance, which provides guidance to reporting issuers on existing continuous disclosure requirements relating to environmental matters under securities legislation in Canada, and
- Recommendations of the Task Force on Climate-related Financial Disclosures, the 32-member global task force established by the Financial Stability Board to review information needed by investors, lenders, and insurance underwriters to appropriately assess and price climate-related risks and opportunities.

While the Panel feels the task force report provides extra texture and insights, we ultimately find that the current requirements and guidance comprise good and useful reporting standards to identify the material risks of climate change.

In our view, no further changes are necessary: the existing guidelines are both appropriate and useful.

The Panel would like to note that any revisions to the current guidance could add to the regulatory burden faced by Canadian listed companies. This would be at direct odds with other work being done by the CSA to reduce the regulatory burden of issuers.

The OSC already has many initiatives underway that are fundamental to improving investor protection – unless there is reason to think the current approach is significantly flawed, the Panel sees no need to make this a priority.

Yours truly,

Letty Dewar  
Chair, Investor Advisory Panel