## Oxford Climate Policy Monitor 2024 Survey

Jurisdiction Canada

**Law firm** Torys

Authors Claire Seaborn (Lead), Tyson Dyck, Ian T. D.

Thomson



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## Policy Tool Name: Requirements under the Net-Zero Emissions Accountability Act

3. Source material link(s): https://web.archive.org/web/20240815174043/https://laws-

lois.justice.gc.ca/eng/acts/c-19.3/fulltext.html
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
☑ Transition planning
□ Public procurement
5. If relevant, briefly explain how the policy tool applies or is linked to multiple domains.
The Act designates a federal minister who is then required to establish a greenhouse gas emissions reduction plan for achieving national greenhouse emissions targets and greenhouse gas emission reductions strategies for federal government operations. The minister must make public the reduction plan, as well as related progress reports and assessment reports. These reports must contain specific metrics including emissions targets; emissions projects; Canada's emissions inventory; and an assessment how federal measures and strategies to achieve the target for the respective year (among other information). The Act also requires the Minister Finance to work with the designated minister to prepare an annual report on measures that that the federal public administration must taken to manage its financial risks and opportunities related to climate change, and make that report available to the public.
6. Select the category which best describes the author/issuer of the policy tool.
✓ Head of state and/or government
□ Independent regulatory or supervisory body
✓ Legislature
□ Judiciary
Ministry/Department/Agency
□ Other (Please describe)

7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2021</u>
10. Does the policy tool have an end date?
∘ No
Yes
11. What is the anticipated end year of the policy tool?
<u>2050</u>
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the
recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The purpose of the Act is set out in s.4:
"The purpose of this Act is to require the setting of national targets for the reduction of greenhouse gas emissions based on the best scientific information available and to promote transparency,
accountability and immediate and ambitious action in relation to achieving those targets, in support
of achieving net-zero emissions in Canada by 2050 and Canada's international commitments in respect of mitigating climate change."

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Environment and Climate Change Canada (ECCC)</u>
○ 3.
o <b>4</b> .
o 5.
15. To provide contextual information, rate the capacity of Environment and Climate Change Canada (ECCC) to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
● 2- Medium Capacity (Please explain) While not a central agency, under the current federal leadership Environment and Climate Change Canada has been given the support of federal agencies and additional powers and funding allowing it to carry out the requirements of this legislation. High capacity would be if this policy tool was assigned to a central agency of the Government of Canada, such as the Privy Council Office, however, it has neither the capacity nor the expertise to carry out the requirements of the legislation.
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of Finance Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
© 3- High Capacity (Please explain) <u>Finance Canada is a central agency with the power to convene</u> and direct, formally and informally, multiple federal departments, agencies and Crown corporations across Canada's federal government.

Prefer not to answer
Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			<b>✓</b>
3. Financial institutions			<b>✓</b>
4. Small and medium-			
sized enterprises			
5. State-owned	<b>✓</b>		
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government	$\checkmark$		
agencies and/or			
departments (national)			
9. Government			$\checkmark$
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors		$\checkmark$	
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors		✓	
Agriculture, forestry, and fishing			$\checkmark$
Mining and quarrying			✓
Manufacturing			✓
Electricity, gas, steam, and air conditioning supply			<b>✓</b>
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			•
Transportation and storage			<b>&gt;</b>
Accommodation and food service activities			<b>&gt;</b>
Information and communication			>
Financial and insurance activities			<b>Y</b>
Real estate activities			$\checkmark$
Professional, scientific and technical activities			<b>9</b>
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education			<b>~</b>
Human health and social work activities			<b>~</b>
Arts, entertainment and recreation			
Other service activities			$\checkmark$
Activities of households as employers; undifferentiated goods-and services-			
nroducing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

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27. E	Describe the threshold	criteria to identi	fy entities for	whom or	instances ir	n which	complianc	e is
man	datory.							

	State-owned companies	Government agencies and/or departments (national)
Minimum number of employees (Enter min number of full-time		
employees - FTEs)		
Minimum revenue (Enter minimum revenue)		
Minimum assets (Enter		
minimum assets) Minimum contract value (Enter		
minimum contract value)		
Entity is headquartered in the jurisdiction		
Entities are subjected to	entity is a federal department,	entity is a federal department,
disclosure or reporting requirements	agency or Crown corporation	agency or Crown corporation
entities' operations beyond the jui		rtions, or does it also apply to
<ul><li>Operations within jurisdiction o</li></ul>	nly	
o Operations beyond the jurisdicti	on	
o Not applicable		
32. What are the sanctions for no	n-compliance? Select all that appl	y and describe in the text field.
☐ Monetary fine		
☐ Restriction on business activitie	es	

 $\square$  Voiding or setting aside of contract

☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other "In the event of a missed target, the Minister of Environment and Climate Change must include in the assessment report for that target the reasons why Canada failed to meet the target and describe the actions the Government will take or is taking to address the failure."
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
○ Average
Above average
o Not applicable
o Unknown or prefer not to answer

36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Since the Act was passed, the Government of Canada has published an Emissions Reduction Plan, a  Progress Report and otherwise complied with the Act.
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
<u>The Government of Canada has produced an Emissions Reduction Plan, and corresponding Progress Report:</u>
Reduction Plan: <a href="https://web.archive.org/web/20240818134753/https://www.canada.ca/en/services/environment/wea-her/climate-plan/climate-plan-overview/emissions-reduction-2030.html">https://web.archive.org/web/20240818134753/https://www.canada.ca/en/services/environment/wea-her/climate-plan/climate-plan-overview/emissions-reduction-2030.html</a>
Progress Report: https://web.archive.org/web/20240818134918/https://www.canada.ca/en/services/environment/wearher/climatechange/climate-plan/climate-plan-overview/emissions-reduction-2030/2023-progress-report.html
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
<u>'- S. 13.1: Minister must publish the emissions reduction plan on the Government website</u> <u>- S. 14: Minister must prepare progress reports relating to each milestone year no later than two</u>

years before the beginning of the relevant year. (see Q2.41-42)

- S. 15: Minister must prepare an assessment report in related to a milestone no later than 30 days after the day the Government submits its GHG inventory report in accordance with the relevant milestone year or to 2050.
- S. 18(1)-(3): the emissions reduction plan (and each corresponding progress and assessment report) must be tabled on each House of Parliament
- <u>t)</u>

- S. 19(1)-(3): the emissions reduction plan (and each corresponding progress and assessment report
must be available to the public
- S. 24: The Commissioner of the Environment and Sustainable Development examines and reports
on the Government of Canada's implementation of the measures, providing recommendations to
improving the measure's implementation under the Government's reduction plan. The Commissioner
must do this at least once every five years. (see Q2.43 and Q2.44).
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
o Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended
or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
∘ No
∘ Recommended
<ul><li>Required</li></ul>

44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?  No  Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
○ No
Yes

- 48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
- s. 20 establishes the Net-Zero Advisory Body whose mandate is to provide the Minister with independent advice with respect to achieving net-zero, the emissions reduction plan and "any matter referred to it by the Minister."

https://web.archive.org/web/20240818141322/https://www.canada.ca/en/services/environment/wea
her/climatechange/climate-plan/net-zero-emissions-2050/advisory-body.html

Domain-Specific Question	ns: Disclosure Questi	ions	
What is being disclosed?	?		

52. Are targeted entities recommended or rec	uired to disclose an	y of the following	climate-related
information? Select all that apply.			

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas		<b>✓</b>	
(GHG) emissions 2. GHG emissions			
offsets or removals 3. GHG emissions		<b>~</b>	
reduction targets			
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan		<b>~</b>	
54. Which GHG emissions	s must be disclosed? S	Select all that apply.	
Carbon dioxide (CO <sub>2</sub> )			
□ Methane (CH4)			
☐ Nitrous oxide (N₂O)			
☐ Hydrofluorocarbons (HFCs)			
□ Perfluorocarbons (PFCs)			
□ Sulphur hexafluoride (SF6)			
□ Nitrogen trifluoride (NF3)			
Carbon dioxide equiva	lent (CO2e)		
55. Are entities recommen	nded or required to dis	sclose gross emissior	ns?
∘ No			
o Recommended			
Required			

56. Are entities recommended or required to disclose net emissions?
○ No
○ Recommended
Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
No     No
○ Recommended
○ Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG)

emissions disclosure.

Ss. 25 and 26 of the Act state that the methodology for disclosure must be "must be consistent with
the methodology used by Canada in its official national greenhouse gas emission inventory report for
the Convention." While the Governor in Council may make regulations amending of specifying the
methodology to be use, any regulation must align with the international standards to which Canada
adheres.
Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets

67. Which of the following targets, or data related to targets, does the policy tool request entiti	es
disclose? Select any of the following which apply:	

	Recommended	Required	Neither recommended
	Recommended	riequileu	nor required
An absolute emissions		<b>✓</b>	
reduction target			
An intensity-based			
emissions reduction			
target			
A net zero target		<b>✓</b>	
Targets covering non-			
carbon GHG emissions			
A Scope 3 emissions			
target			
A target derived using			
a sectoral			
decarbonization			
approach			
Interim targets			
A target timeframe (e.g. by 2040)			
A baseline year from			
which progress is			
measured			
A level of ambition for			
emissions reductions			
(e.g. 80% reduction)			
CO December malianteel m		*:	anna im malain ima dhain
68. Does the policy tool re	•	ties to disclose their progr	ess in achieving their
emissions reductions targ	jets?		
o No			
o Recommended			
<ul><li>Required</li></ul>			
69. What is the recommended or required frequency of progress reports regarding the achievement of emissions reductions targets?			
o Yearly			
<ul><li>Every two years</li></ul>			
• •			

o Every three years

Every four years
Every five years
o Every ten years or more
o Other
o No prescribed frequency
70. Does the policy tool recommend or require a scope of emissions which should be covered by the absolute emissions reduction target? Select all that apply.
☐ Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions (relevant or material)
☐ Scope 3 emissions (a specified proportion of coverage)
☐ Scope 3 emissions (all)
✓ Not specified
72. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.
□ Scope 1 emissions
□ Scope 1 emissions
☐ Scope 1 emissions ☐ Scope 2 emissions
□ Scope 1 emissions □ Scope 2 emissions □ Scope 3 emissions, relevant or material
<ul> <li>□ Scope 1 emissions</li> <li>□ Scope 2 emissions</li> <li>□ Scope 3 emissions, relevant or material</li> <li>□ Scope 3 emissions, a specified proportion of coverage (Please describe)</li> </ul>
□ Scope 1 emissions □ Scope 2 emissions □ Scope 3 emissions, relevant or material □ Scope 3 emissions, a specified proportion of coverage (Please describe) □ Scope 3 emissions, all
□ Scope 1 emissions □ Scope 2 emissions □ Scope 3 emissions, relevant or material □ Scope 3 emissions, a specified proportion of coverage (Please describe) □ Scope 3 emissions, all
□ Scope 1 emissions □ Scope 2 emissions □ Scope 3 emissions, relevant or material □ Scope 3 emissions, a specified proportion of coverage (Please describe) □ Scope 3 emissions, all

o Between 2036 and 2040
o Between 2041 and 2045
● Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
o Other
<ul> <li>Not specified</li> </ul>
75 5 1:1 CH CH :
75. For which of the following sectors are entities recommended or required to disclose targets derived using a sectoral decarbonization approach? Select all that apply.
□ Power generation
□ Industry
☐ Transport Services
☐ Services/Commercial buildings
□ Other
✓ None specified
76. Are targets derived using a sectoral decarbonization approach recommended or required to be validated by a third-party?
No     No
∘ Recommended
∘ Required
77.144
77. What is the recommended or required level of ambition for interim targets?
• Reduction between 1-25%
o Reduction between 26-50%

○ Reduction between 51-75%
○ Reduction of over 75%
○ Other
None specified
78. What are the recommended or required years for interim targets?
o 2031-2040
o 2041-2050
○ Other
○ None specified
79. What is the recommended or required timeframe for long-term targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
<ul><li>Between 2046 and 2050</li></ul>
o Between 2051 and 2060
o Between 2061 and 2070
o Other
o None specified
Disclosure of Transition Plans

98. What is the recommended or required frequency of transition plan disclosures?

o Yearly
o Every two years
o Every three years
o Every four years
Every five years
o Every ten years or more
o Other
o Not specified
99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the
transition plan?
No     No
o Recommended
o Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
∘ No
○ Recommended
<ul><li>Required</li></ul>
101. What is the recommended or required frequency of disclosures related to transition plan implementation progress?
o Yearly
o Every two years
o Every three years
o Every four years

o Every five years
o Every ten years or more
• Other <u>Progress reports required at least two years before each milestone year (milestone years are every 5 years)</u>
No prescribed frequency
102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?
∘ No
o Recommended
Required
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
∘ No
o Recommended
Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
Climate-related opportunities	<b>V</b>		
2. Remuneration based on achieving climate-related goals			$\checkmark$
3. Taxonomies			$\checkmark$
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			lacksquare
6. Assumptions and Dependencies			<b>&gt;</b>
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			
13. Climate-related lobbying and/or policy engagement			~
14. Locked-in emissions or information on			

emissive assets with			
long lifespans			<b>(</b>
15. Dirty asset divestiture			
16. Nature-related			$\checkmark$
impacts			
17. Just transition indicators			<b>~</b>
106. Is third-party verification	ation of climate-related op	pportunities recommended	d or required?
No			
o Recommended			
o Required			
	nce the section/subsection	n/paragraph of the policy t climate-related matters.	ool relevant to
23 The Minister of Financ	e must. in cooperation wi	th the Minister, prepare ar	n annual report
	· · · · · · · · · · · · · · · · · · ·	ministration has taken to	·
	•	linister of Finance must m	_
to the public.	•		
Standards, Frameworks	, and Guidelines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			<b>✓</b>
2. IFRS S2			✓
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

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Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
∘ No
∘ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
∘ No
○ Recommended
Required

monitoring progress in achieving targets. Progress report 14 (1) In consultation with the ministers referred to in section 12, the Minister must prepare at least one progress report relating to each milestone year and to 2050 no later than two years before the beginning of the relevant year. 138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets? o No o Recommended Required 139. What is the recommended or required frequency of progress reports related to the achievement of targets? Yearly o Every two years Every three years o Every four years Every five years • Every ten years or more • Other Progress reports are required at least two years before each milestone year (milestone years are every five years) No prescribed frequency

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions		Nequired	
reduction target			
An intensity-based			<b>✓</b>
emissions reduction	_	_	
target			
A net zero target		<b>✓</b>	
Interim targets (e.g.		<b>✓</b>	
2030, 2050)			
Targets covering non-			<b>✓</b>
carbon GHG emissions			
A Scope 3 emissions			<b>✓</b>
target			
A target derived using			
a sectoral			
decarbonization			
approach			
A level of ambition for			
emissions reductions			
(e.g. 80% reduction)			
A baseline year from			
which progress is measured			
		<b>✓</b>	
A target timeframe (e.g. by 2040)			
Targets for renewable			<b>✓</b>
energy procurement			
Targets for fossil fuel			<b>✓</b>
phase down/phase up			
Separate targets for			✓
GHG offsets and/or			
removals			
Targets or goals			✓
related to climate			
adaptation			
Targets or goals			$\checkmark$
related to nature and			
biodiversity			
Other targets related			$\checkmark$
to sustainability			

141. What is the recommended or required scope of emissions for absolute emissions reduction targets? Select all that apply.□ Scope 1 emissions

☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
✓ Not specified
143. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.
☐ Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
✓ Not specified
144. What is the recommended or required year for the net zero target (e.g. net zero by)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
<ul><li>Between 2046 and 2050</li></ul>
o Between 2051 and 2060
o Between 2061 and 2070
o Other
o Not specified

● 2025-2030
o 2031-2040
o 2041-2050
o Other
o Not specified
146. What is the recommended or required level of ambition for interim targets?
o Reduction between 1-25%
Reduction between 26-50%
o Reduction between 51-75%
o Reduction of over 76%
o Other
<ul><li>Not specified</li></ul>
148. For which of the following sectors are entities recommended or required to develop targets derived using a sectoral decarbonization approach? Select all that apply.
☐ Power generation
□ Industry
☐ Transport Services
☐ Services/Commercial buildings
□ Other
Name and different
☑ None specified
None specified
None specified

o Recommended
o Required
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
● Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
o Other
<ul> <li>Not specified</li> </ul>
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plans
o No
∘ Recommended
<ul><li>Required</li></ul>

165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended
			nor required
A timeframe for the			
transition plan (e.g. 10			
year plan, 20 year			
plan, etc.)			
Key Performance		<b>✓</b>	
Indicators (KPIs) for			
monitoring transition			
plan implementation			
Updates to the		<b>•</b>	
transition plan			
Third-party			
verification and/or			
audited accuracy of			
the transition plan			
Identified methodology			<b>✓</b>
for scenario analysis			

<ul><li>1-10 year</li></ul>	S
-----------------------------	---

- o 11-20 years
- o 21-30 years
- o 31-40 years
- o 41-50 years
- o Other

167. Describe the recommended or required Key Performance Indicators (KPIs) and reference the relevant section/subsection/paragraph of the policy tool.

### 10 (1) An emissions reduction plan must contain

(a) the greenhouse gas emissions target for the year to which the plan relates:

(a.1) a summary of Canada's most recent official greenhouse gas emissions inventory and information relevant to the plan that Canada submitted under its international commitments with respect to climate change;

(b) a description of the key emissions reduction measures the Government of Canada intends to take to achieve the greenhouse gas emissions target;

(b.1) a description of how Canada's international commitments with respect to climate change are
taken into account in the plan;
(c) a description of any relevant sectoral strategies;
(d) a description of emissions reduction strategies for federal government operations;
(e) a projected timetable for implementation for each of the measures and strategies described in
paragraphs (a) to (d);
(f) projections of the annual greenhouse gas emission reductions resulting from those combined
measures and strategies, including projections for each economic sector that is included in Canada's
reports under the Convention; and
(g) a summary of key cooperative measures or agreements with provinces and other governments in
<u>Canada.</u>
168. Select the option that best describes the recommended or required frequency of updates to transition plans.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
169. Describe the recommended or required updates to transition plans and reference the relevant section/subsection/paragraph of the policy tool.
Progress report
14 (1) In consultation with the ministers referred to in section 12, the Minister must prepare at least
one progress report relating to each milestone year and to 2050 no later than two years before the
beginning of the relevant year.
Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their transition plan			
Develop financial plans for the implementation of their transition plan			
Integrate climate- related matters into their financial accounting			
Incorporate climate change considerations into their investment decision making and/or asset planning			✓
Incorporate climate change considerations into their capital allocation and/or expenditure plans			
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans			

177. Describe the obligation to monitor progress in implementing transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

#### Content of report

- (2) A progress report must contain
- (a) an update on the progress that has been made towards achieving the greenhouse gas emissions target;
- (a.1) Canada's most recent published greenhouse gas emissions projections for the next milestone year;
- (a.2) a summary of Canada's most recent official greenhouse gas emissions inventory and the information, relevant to the report, that Canada submitted under its international commitments with respect to climate change;
- (b) an update on the implementation of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan and, if available, updated projections of annual greenhouse gas emission reductions resulting from those combined

measures and strategies;
(b.1) an update on the implementation of the key cooperative measures or agreements with
provinces or other governments in Canada described in the relevant emissions reduction plan;
(b.2) if the projections indicate that the plan's greenhouse gas emissions target will not be met,
details of any additional measures that could be taken to increase the probability of achieving that
target; and
(c) any other information that the Minister considers appropriate.
178. Describe the obligation to develop financial plans for the implementation of transition plans,
referencing the section/subsection/paragraph of the policy tool.
Annual report
23 The Minister of Finance must, in cooperation with the Minister, prepare an annual report
respecting key measures that the federal public administration has taken to manage its financial risks
and opportunities related to climate change. The Minister of Finance must make that report available
to the public.
Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No	
Value chain				
engagement				
Investor engagement			$\checkmark$	
Consumer				
engagement				
Policy engagement				
and lobbying practices				
Corporate governance				
structure for transition				
and verification				
Climate-related			$\checkmark$	
financial incentives for				
employees and board				
members				
185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?				
No				
○ Recommended				
o Required				
Standards, Frameworks, and Guidelines				

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			
IFRS S2			<b>✓</b>
Task Force on			
Climate-related			
Financial Disclosures			
(TCFD)			
CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on Climate Transition			
Plans			
International			
International Integrated Reporting			
Framework			
Global Reporting			
Initiative (GRI)			
Sustainability		П	<b>✓</b>
Accounting Standards			
Board (SASB)			
Science Based Targets			<b>V</b>
initiative (SBTi)		_	
Science Based Targets			✓
initiative (SBTi) Net			
Zero Standard			
European			✓
Sustainability			
Reporting Standards			
(ESRS)			
Other			
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

# Policy Tool Name: Requirements under the Sustainable Jobs Act

3. Source material link(s): https://web.archive.org/web/20240816163802/https://natural-resources.canada.ca/transparency/reporting-and-accountability/plans-and-performance-reports/sustainable-jobs-plan/25381

https://web.archive.org/web/20240816163859/https://www.canada.ca/en/natural-resources-canada/news/2024/06/the-canadian-sustainable-jobs-act-becomes-law.html

 $https://web.archive.org/web/20240818151840/https://www.parl.ca/documentviewer/en/44-1/bill/C-50/royal-assent?\_ga=2.97403423.1404024559.1723991904-1197504700.1723991904$ 

4. Which of the following governance domains does this policy tool relate to? Select all that apply.
□ Climate-related disclosure
✓ Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
☐ Independent regulatory or supervisory body
✓ Legislature
□ Judiciary
✓ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
• Approved, in force
o Approved, not yet in force
o Other (Please describe)

9. Year of (planned) entry into force or year of publication
<u>2024</u>
10. Does the policy tool have an end date?
No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the
absence of such disclosures.
The tool requires the development of Sustainable Jobs Action Plans to advance the goals of creating sustainable jobs, supporting industries and community, and helping the workforce gain the skills and training to fill new jobs associated with the global energy transition. The Act works in tandem with
the Net-Zero Emissions Accountability Act to ensure accountability/consideration of labour implications of emissions targets when developing the Action Plans. The Act also commits the Government of Canada to regular progress reporting.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Natural Resources Canada</u>
● 2. <u>Employment and Social Development Canada</u>
○ 3.
o <b>4</b> .
○ 5.

15. To provide contextual information, rate the capacity of Natural Resources Canada to undertake

the policy tool's implementation and/or enforcement.

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o O- No Capacity (Please explain)				
o 1- Low Capacity (Please explain)				
© 2- Medium Capacity (Please explain) While not a central agency, Natural Resources Canada has the expertise, capacity and ability to collaborate across the federal government to implement his policy tool.				
o 3- High Capacity (Please explain)				
o Prefer not to answer				
o Not Applicable				
16. To provide contextual information, rate the capacity of Employment and Social Development Canada to undertake the policy tool's implementation and/or enforcement.				
o 0- No Capacity (Please explain)				
o 1- Low Capacity (Please explain)				
• 2- Medium Capacity (Please explain) While not a central agency, ESDC has the expertise, capacity and ability to collaborate across the federal government to implement his policy tool.				
o 3- High Capacity (Please explain)				
o Prefer not to answer				
Not Applicable				

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			$\checkmark$
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			<b>✓</b>
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government	$\checkmark$		
agencies and/or			
departments (national)			
9. Government		<b>V</b>	
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

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27. E	Describe the threshold	criteria to identi	fy entities for	whom or	instances ir	n which	complianc	e is
man	datory.							

	Government agencies and/or departments
Minimum number of employees (Enter min	(national)
number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	Federal government
28. Can entities for whom compliance with the pol comply or explain)?	icy tool is mandatory opt out of the obligation (e.g.
No     No	
∘ Yes	
30. Does the policy tool exclusively apply to entitie entities' operations beyond the jurisdiction?	s' domestic operations, or does it also apply to
<ul><li>Operations within jurisdiction only</li></ul>	
o Operations beyond the jurisdiction	
o Not applicable	
32. What are the sanctions for non-compliance? S	elect all that apply and describe in the text field.
☐ Monetary fine	
☐ Restriction on business activities	
☐ Voiding or setting aside of contract	
☐ Exclusion from government contracts	
☐ Award of damages or compensation	
☐ Penalty for senior managers	

☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other <u>no sanctions are listed in the Act, however the Sustainable Jobs Action Plan must be tabled</u> in each House of Parliament
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
Not applicable
o Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
• Average
o Above average
o Not applicable
o Unknown or prefer not to answer

36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Government has published an interim plan, and has launched a call for applications for the advisory body (Sustainable Jobs Partnership Council).

Interim Sustainable Jobs Plan: https://natural-resources.canada.ca/transparency/reporting-and-accountability/plans-and-performance-reports/sustainable-jobs-plan/25381

<u>Sustainable Jobs Partnership Council: https://natural-resources.canada.ca/transparency/reporting-and-accountability/plans-and-performance-reports/sustainable-jobs/sustainable-jobs-partnership-</u>
council/25987
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) First action plan not required until 2026
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
12 The Minister must make public the annual report within 30 days after the day on which the
Minister receives it.
20 (1) The Minister must establish a Sustainable Jobs Secretariat to support the Minister in the implementation of the Act.
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
∘ Recommended
<ul><li>Required</li></ul>

s.16(3)(c.4) and s.16(3)(c.5): the Sustainable Job Plan must include information on key measures

taken by the federal government in cooperation with provinces and territorial governments and other
governments in relation to the purpose of the Act. It must also include information on initiatives taken
by other governments/stakeholders that contribute to creating sustainable jobs and supporting
workers/communities.
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
s. 6 establishes the Sustainable Jobs Partnership Council. The Council assists the Minister with advice on strategies to encourage growth in sustainable jobs in a net-zero economy. This advice informs the Minister's Sustainable Jobs Plan.

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
No     No
∘ Recommended
o Required
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
∘ No
○ Recommended
Required

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165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended nor required
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)			
Key Performance Indicators (KPIs) for monitoring transition plan implementation			<b>∀</b>
Updates to the transition plan			
Third-party verification and/or audited accuracy of the transition plan			<b>&gt;</b>
Identified methodology for scenario analysis			$\checkmark$
168. Select the option tha	t best describes the recor	nmended or required freq	uency of updates to
o 0-2 years			
● 2-5 years			
o 5-10 years			
o 10 or more years			
Not specified			

169. Describe the recommended or required updates to transition plans and reference the relevant section/subsection/paragraph of the policy tool.

### (3) Each Plan must

Other

(a) outline how the federal government will facilitate and promote economic growth, the creation of sustainable jobs and support for workers and communities in the shift to a net-zero economy over the following five-year period, including through investments to decarbonize Canada's economy, the establishment of conditions for accessing federal economic incentives in relation to labour and the identification of pathways to sustainable jobs for workers;

																				 	 	-	 -	 	-	 -	 	-	 	 	 	 		 -	 	 	-	 	 
							-																																
Mor	nito	rin	g, (	Οv	ers	igl	nt,	ar	nd	In	np	le	m	eı	nt	at	tic	or	1																				
																				 	 	-	 	 	-	 	 	-	 	 	 	 	-	 _	 	 	-	 	 

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in		<b>⊘</b>	
implementing their			
transition plan			<b>✓</b>
Develop financial			
plans for the implementation of			
their transition plan			
Integrate climate-	П	П	<b>✓</b>
related matters into			
their financial			
accounting			
Incorporate climate			
change considerations			
into their investment			
decision making			
and/or asset planning Incorporate climate			<b>✓</b>
change considerations			
into their capital			
allocation and/or			
expenditure plans			
Any other mechanisms			
for enhancing the			
achievement of			
targets and/or the			
implementation of transition plans			
u unsidon piuns			
177. Describe the obligat	ion to monitor progress in	implementing transition	nlans referencing the
relevant section/subsection			pland, referencing the
Televant section/subsection	on paragraph of the policy	,	
16(3)(d) in the case of su	<u>bsequent Plans, describe</u>	the progress made towar	rds achieving the
milestones under the prev	vious Plans.		

182. Describe the obligations related to other governance mechanisms for enhancing the achievement of targets and/or implementation of transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

6 (1) A council is established, to be known as the Sustainable Jobs Partnership Council, whose mandate is to provide the Minister and specified Ministers with independent advice — through a process of social dialogue — with respect to

(a) measures, consistent with the shift to a net-zero economy, to foster the creation of sustainable
jobs;
(b) measures to support workers, communities and regions in the shift to a net-zero economy,
including through skills development, training, retraining and economic development and
diversification, as well as through national, regional, federal-provincial and federal-territorial
initiatives related to the Sustainable Jobs Action Plans; and
(c) any matter referred to it by the Minister.
Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the following	ng
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			
engagement			
Investor engagement			$\checkmark$
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			$ \checkmark $
financial incentives for			
employees and board			
members			
185. Does the policy tool diligence and/or stewards		•	•
No			
o Recommended			
o Required			
Standards, Frameworks,	, and Guidelines		

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			<b>V</b>
IFRS S2			<b>✓</b>
Task Force on			<b>✓</b>
Climate-related			
Financial Disclosures			
(TCFD)			
CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			<b>V</b>
Integrated Reporting			
Framework	_		<b>✓</b>
Global Reporting			
Initiative (GRI)			<b>✓</b>
Sustainability			
Accounting Standards			
Board (SASB)			<b>✓</b>
Science Based Targets			
initiative (SBTi)			<b>✓</b>
Science Based Targets			
initiative (SBTi) Net Zero Standard			
			<b>✓</b>
European Sustainability			
Reporting Standards			
(ESRS)			
Other			
Other		_   L	
Additional Important Inf	- www.cuti.c.u		
Additional Important Inf	ormadon		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

This legislation is part of a broader Sustainable Jobs Plan which can be found here: https://natural-resources.canada.ca/transparency/reporting-and-accountability/plans-and-performance-reports/sustainable-jobs-plan/25381

## Policy Tool Name: Guideline B-15 Climate Risk Management

3. Source material link(s): https://web.archive.org/web/20240816165311/https://www.osfi-

bsif.gc.ca/en/guidance/guidance-library/climate-risk-management 4. Which of the following governance domains does this policy tool relate to? Select all that apply. Climate-related disclosure ☐ Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool. ☐ Head of state and/or government ☐ Independent regulatory or supervisory body □ Legislature □ Judiciary Ministry/Department/Agency ☐ Other (Please describe) 7. Status of the policy tool Approved, in force o Approved, not yet in force o Other (Please describe) 9. Year of (planned) entry into force or year of publication 2023 10. Does the policy tool have an end date?

No     No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
"The Guideline establishes [the Office of Financial Institution's] OSFI's expectations related to the [federally regulated financial institution's] FRFI's management of climate-related risks. It aims to support FRFIs in developing greater resilience to, and management of, these risks." The Guidelines has two chapters on governance and risk management expectations, and climate-related financial disclosure respectively.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
• 1. Office of the Superintendent of Financial Institutions
o 2.
∘ 3.
o 4.
o 5.
15. To provide contextual information, rate the capacity of Office of the Superintendent of Financial Institutions to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>OSFI is the federal entity with the power and responsibility to regulate Canada's financial sector, and is therefore well suited to develop and enforce this kind of climate policy.</u>

(	Prefer not to answer
(	Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted		
1. Publicly-traded			<b>✓</b>		
entities					
2. Private companies			$\checkmark$		
3. Financial institutions					
4. Small and medium-					
sized enterprises					
5. State-owned			$\checkmark$		
companies					
6. Not-for-profit			<b>✓</b>		
organizations					
7. Government			<b>&gt;</b>		
agencies and/or					
departments					
(supranational)					
8. Government					
agencies and/or					
departments (national)					
9. Government			<b>~</b>		
agencies and/or					
departments (regional					
- e.g., state, province,					
region, metropolitan					
region)	_	_			
10. Government			$\checkmark$		
agencies and/or					
departments (local -					
e.g., county, district,					
municipality, city) 11. Government			<b>✓</b>		
agencies and/or					
departments (unspecified)					
12. Sectoral actors			<b>✓</b>		
(e.g., healthcare,					
defense, utilities,					
education)					
13. Other		П	<b>✓</b>		
		. –			
13. Other Text:the Guidelines apply to all federally regulated financial institutions except foreign bank					
<u>branches</u>					

27. E	Describe the threshold	criteria to identi	fy entities for	whom or	instances ir	n which	complianc	e is
man	datory.							

	Financial institutions				
Minimum number of employees (Enter min					
number of full-time employees - FTEs)					
Minimum revenue (Enter minimum revenue)					
Minimum assets (Enter minimum assets)					
Minimum contract value (Enter minimum contract value)					
Entity is headquartered in the jurisdiction					
Entities are subjected to disclosure or reporting	Entity is a federally regulated financial				
requirements	institutions (but not a foreign bank branch)				
28. Can entities for whom compliance with the pol comply or explain)?	icy tool is mandatory opt out of the obligation (e.g.				
No					
∘ Yes					
30. Does the policy tool exclusively apply to entities entities' operations beyond the jurisdiction?  Operations within jurisdiction only Operations beyond the jurisdiction  Not applicable	s' domestic operations, or does it also apply to				
32. What are the sanctions for non-compliance? S	elect all that apply and describe in the text field.				
lacksquare Monetary fine Depending on the nature of the $lacksquare$					
Penalties (OSFI) Regulations SOR/2005-267 will lil	<u>kely apply:</u>				
https://web.archive.org/web/20240818160017/htt 2005-267/page-1.html	ps://laws-lois.justice.gc.ca/eng/regulations/SOR-				
<u>.                                      </u>					
□ Restriction on business activities					
□ Voiding or setting aside of contract					
Exclusion from government contracts					

☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
o Above average
o Not applicable
Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
Above average
o Not applicable
o Unknown or prefer not to answer
36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not

36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Since this policy came into force, we are not aware of an instance of non-compliance. https://assets.ey.com/content/dam/ey-sites/ey-com/en\_ca/topics/financial-services/articles/osfi-

<u>issues-scse-for-consultation/ey-carbonhound-the-climate-journey-thought-leadership-</u> <u>publication.pdf</u>
37. Have the climate-specific provisions in this instrument ever been enforced?
<ul><li>No (If relevant, explain)</li></ul>
o Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
OSFI will monitor to FFRI's climate-related disclosures through annual submissions.
41. Does the policy tool recommend or require periodic impact assessments?
No
o Recommended
o Required
43. Does the policy tool recommend or require periodic reviews?
No     Personmended
Recommended     Paguired
o Required

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
OSFI's Guideline provides information to FFRIs on other relevant OSFI guidelines, minimum mandatory climate-related financial disclosure expectations, examples of climate-related transmission channels.

Oomain-Specific Questions: Disclosure Questions	
Vhat is being disclosed?	

52. Are t	targeted entiti	es recommended	or required to	disclose any	of the following	climate-related
informat	tion? Select al	that apply.				

	Recommended	Required	Neither recommended	
1.0			nor required	
1. Greenhouse gas (GHG) emissions	<b>✓</b>			
2. GHG emissions				
offsets or removals				
3. GHG emissions	$\checkmark$			
reduction targets				
4. Other climate-				
related targets				
5. Physical climate risk				
6. Transition risk	<b>✓</b>			
7. Transition plan	<b>✓</b>			
E4 Which CHC arrianian				
54. Which GHG emission	s must be disclosed? S	Select all that apply.		
□ Carbon dioxide (CO <sub>2</sub> )				
□ Methane (CH₄)				
□ Nitrous oxide (N₂O)				
□ Hydrofluorocarbons (HFCs)				
□ Perfluorocarbons (PFCs)				
□ Sulphur hexafluoride (S	SF6)			
□ Nitrogen trifluoride (NF	·3)			
□ Carbon dioxide equivalent (CO2e)				
55. Are entities recomme	nded or required to di	sclose gross emissions	?	
∘ No				
<ul><li>Recommended</li></ul>				
o Required				

56. Are entities recommended or required to disclose net emissions?
∘ No
Recommended
o Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
Scope 2 emissions
☐ Scope 3 emissions, relevant or material
Scope 3 emissions, a specified proportion of coverage (Please describe) The 15 Categories of Scope 3 GHG emissions, as described in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
No     No
∘ Recommended
o Required

60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG) emissions disclosure.
Disclosure of Greenhouse Gas (GHG) Offsets or Removals
62. Does the policy tool recommend or require offsetting purchases be disclosed?
∘ No
• Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool) "For any GHG emissions target disclosed (and the corresponding metrics, if applicable), disclose it both gross of, and net of, carbon offsets, if applicable, and explain the type of offset (for example, carbon credit, nature-based, other.)"
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
63. Does the policy tool recommend or require entities disclose whether offsets are verified?
No     No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
64. Does the policy tool recommend or require any certification standards for the use of GHG offsetting or removals?
No     No
o Recommended (Please list the certification standards, describe their use, and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy

tool)

65. Does the policy tool include any other recommendations or requirements regarding the appropriate use of offsets?
No     No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets

67. Which of the following targets, or data related to targets, does the policy tool request entiti	es
disclose? Select any of the following which apply:	

	Recommended	Required	Neither recommended nor required
An absolute emissions reduction target	$\checkmark$		
An intensity-based			
emissions reduction target			
A net zero target			
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target			<b>~</b>
A target derived using a sectoral decarbonization approach			
Interim targets			<b>⊘</b>
A target timeframe (e.g. by 2040)			
A baseline year from which progress is measured			
A level of ambition for emissions reductions (e.g. 80% reduction)	<b>4</b>		
68. Does the policy tool recommend or require entities to disclose their progress in achieving their emissions reductions targets?   No			
Recommended			
o Required			
70. Does the policy tool reabsolute emissions reduc		cope of emissions which sl t apply.	nould be covered by the
☐ Scope 1 emissions			
☐ Scope 2 emissions			
☐ Scope 3 emissions (rele	evant or material)		

□ Scope 3 emissions (a specified proportion of coverage)
☐ Scope 3 emissions (all)
✓ Not specified
79. What is the recommended or required timeframe for long-term targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
o Other
None specified
80. What is the recommended or required baseline year from which progress is to be measured?
o 1990-2000
o 2001-2005
o 2006-2010
o 2011-2015
o 2016-2020
Other
81. Are entities recommended or required to disclose the methodologies by which they select baseline years?
o No

○ Required
82. What is the recommended or required level of ambition for GHG emissions reductions targets?
○ Reduction between 1-25%
○ Reduction between 26-50%
○ Reduction between 51-75%
○ Reduction between 75-85%
o Reduction between 85-100%
o Reduction of more than 100%
Other
Disclosure of other climate-related targets
84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply.
☐ Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets)
☐ Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out)
Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation) <u>Disclose information about current and anticipated:</u> - changes to the FRFI's business model, including its resource allocation, to address climate-related risks and opportunities; - direct mitigation and adaptation efforts; - indirect mitigation and adaptation efforts.
☐ Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity)
☐ Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition)

□ Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets)
Disclosure of Physical Risk
86. What types of physical risk must be disclosed?
✓ To company
To society (double materiality)
87. What is the materiality standard for the disclosure of physical risk?
Self-assessed material risk
Externally-defined material risk
o Other (Describe)
88. Are entities recommended or required to disclose the results of climate risk-related stress tests that are related to physical climate risk?
∘ No
Recommended
o Required
89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?
○ No
Recommended
o Required

90. Are risk assessments of physical risk recommended or required to be third-party verified?
<ul><li>No</li></ul>
○ Recommended
○ Required
Disclosure of Transition Risk
92. What types of transition risk must be disclosed? Select all that apply
Risks that societal transitions may pose to the disclosing entity
Risks that the disclosing entity's transition may pose to society (double materiality)
93. What is the materiality standard for the disclosure of transition risk?
Self-assessed material risk
o Externally-defined material risk
o Other (Describe)
94. Are entities recommended or required to disclose the results of climate-related risk stress tests that are related to transition risk?
○ No
Recommended
○ Required
95. Are transition risk assessments recommended or required to be third-party verified?

● No
∘ Recommended
o Required
96. Are entities recommended or required to disclose their methodology for scenario analysis related to transition risk?
∘ No
∘ Required
Disclosure of Transition Plans
98. What is the recommended or required frequency of transition plan disclosures?
o Yearly
o Every two years
<ul><li>Every three years</li></ul>
Every four years
o Every five years
o Every ten years or more
o Other
<ul><li>Not specified</li></ul>
99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?
No     No
∘ Recommended

o Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
No     No
o Recommended
o Required
102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?
No     No
o Recommended
o Required
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
○ No
Recommended
∘ Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended
1. Climate-related		<b>✓</b>	nor required
opportunities			
2. Remuneration		<b>✓</b>	
based on achieving			
climate-related goals			
3. Taxonomies			<b>&gt;</b>
4. Capital allocation		<b>⊘</b>	
and/or expenditure			
plans (in the context of			
climate change)			<b>✓</b>
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of			
scenario analyses			
8. Financial		<b>✓</b>	
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			$\checkmark$
whether stewardship codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			$\checkmark$
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			<b>✓</b>
ownership in the			
context of climate			
change			<b>✓</b>
12. Sectoral			
investment policies  13. Climate-related			<b>✓</b>
lobbying and/or policy			
engagement			
14. Locked-in			<b>✓</b>
emissions or			
information on			

long lifespans			<b>✓</b>
15. Dirty asset divestiture			
16. Nature-related			$\checkmark$
impacts			
17. Just transition			<b>✓</b>
indicators			
106. Is third-party verifica	ition of climate-related op	portunities recommended	l or required?
No			
o Recommended			
∘ Required			
·			
107. Describe and referen	ice the section/subsection	/paragraph of the policy t	ool relevant to
"Describe the governance body(ies) (e.g., board of directors, committee, other) or individual(s) responsible for oversight of climate-related risks and opportunities, including their identity, responsibilities, skills and competencies, process around staying informed, oversight of strategy, major transactions, risk management processes, target setting and monitoring progress towards those targets, and a description of whether and how climate-related considerations are factored into their remuneration."			
those targets, and a desc	<u>anagement processes, to</u>	rget setting and monitorin	ng progress towards
those targets, and a describer remuneration."	nanagement processes, to	rget setting and monitoring w climate-related consider	ng progress towards erations are factored into
those targets, and a desc	nanagement processes, to ription of whether and ho	rget setting and monitoring w climate-related consider	ng progress towards erations are factored into
those targets, and a describer remuneration."  109. Describe and referen	nanagement processes, to ription of whether and ho nice the section/subsection ture plans disclosures.	rget setting and monitoring with consideral consideration consideration consideration consideration consideration consideration consideration consideratio	ng progress towards erations are factored into ool relevant to capital
those targets, and a describeir remuneration."  109. Describe and referent allocation and/or expending "The FRFI should identify"	nanagement processes, to ription of whether and ho nice the section/subsection ture plans disclosures.	rget setting and monitoring with consideral consideration consideration consideration consideration consideration consideration consideration consideratio	ng progress towards erations are factored into ool relevant to capital

111. Describe and reference the section/subsection/paragraph of the policy tool relevant to assumptions and dependencies disclosures.

"Where the FRFI chooses to use tools and models developed by external third parties to support its assessment, the FRFI should sufficiently understand the embedded data, methodology, assumptions, and their limitations."

112. Describe and reference the section/subsection/paragraph of the policy tool relevant to data limitation disclosures.
"The FRFI should explain any data limitations and/or methodology challenges it faced during the reporting period and their impact on disclosure."
113. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosures regarding the financial implications of climate-related matters.
Describe:
- how climate-related risks and opportunities have affected the FRFI's financial position, financial
performance, and cash flows for the reporting period;
- how the FRFI expects its financial position, financial performance, and cash flows to change over
the short, medium, and long term, given its strategy to manage climate-related risks and opportunities.
Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			$\checkmark$
2. IFRS S2		$\checkmark$	
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

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197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

## Policy Tool Name: Canadian Security Administrators Staff Notice 51-358

3. Source material link(s): https://web.archive.org/web/20240827200640/https://www.osc.ca/sites/default/files/2021-10/csa\_20211018\_51-107\_disclosure-update.pdf https://web.archive.org/web/20240214174156/https://www.osc.ca/sites/default/files/pdfs/irps/csa\_20 190801\_51-358\_reporting-of-climate-change-related-risks.pdf https://web.archive.org/web/20240122033024/https://www.osc.ca/sites/default/files/pdfs/irps/csa\_20 101027\_51-333\_environmental-reporting.pdf 4. Which of the following governance domains does this policy tool relate to? Select all that apply. Climate-related disclosure ☐ Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool. ☐ Head of state and/or government ✓ Independent regulatory or supervisory body ☐ Legislature □ Judiciary ☐ Ministry/Department/Agency ☐ Other (Please describe) 7. Status of the policy tool Approved, in force

• Other (Please describe) <u>CSA Staff Notice 51-358 (Reporting of Climate Change-related risks)</u> should be read in conjunction with CSA Staff Notice 51-333 (Environmental Reporting Guidance).

o Approved, not yet in force

<u>Please note that CSA National Instrument 51-107 (Disclosure of Climate-related Matters) was also proposed in 2021, but has not been pursued further.</u>
9. Year of (planned) entry into force or year of publication
2019
10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
CSA Staff Notice 51-358 Reporting on Climate Change-related risks is "intended to assist companies in identifying and improving their disclosure of material risks posed by climate change." "It reinforces and expands upon the guidance provided in CSA Staff Notice 51-333 Environmental Reporting Guidance and should be read in conjunction with that notice. CSA Staff Notice 51-333 continues to provide guidance to issuers on existing continuous disclosure requirements relating to a broad range of environmental matters, including climate change."
https://web.archive.org/web/20240816180744/https://www.securities-administrators.ca/news/canadian-securities-regulators-issue-guidance-on-climate-change-related-disclosure/
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Canadian Securities Administration (CSA)</u>
∘ 2.

○ 3.
o 4.
○ 5.
15. To provide contextual information, rate the capacity of Canadian Securities Administration (CSA to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
• 1- Low Capacity (Please explain) <u>Given that securities regulation is provincial</u> , <u>implementation/enforcement of the policy with issuers lies more with the respective provincial securities regulator.</u>
o 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded		✓	
entities			
2. Private companies			✓
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government		✓	
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			<b>✓</b>
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city) 11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other	П		П
	_	ting provincial securities re	_

(e.g., healthcare, defense, utilities, education)				
13. Other				
13. Other Text:The proposed notice is for participating provincial securities regulators and issuers.				

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
No     No
∘ Yes
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
☐ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
✓ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
∘ Average

○ Above average
o Not applicable
● Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
Above average
o Not applicable
● Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain)
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
<u>Canada's securities regulators will monitor companies' disclosure of climate-change related information.</u>
Source:

 $\underline{https://web.archive.org/web/20240818161901/https://www.torys.com/Our%20Latest%20Thinking/Particles.pdf.}$ 

ublications/2019/08/new-public-company-guidance-on-material-climate-change-related-risk-
disclosure/
41. Does the policy tool recommend or require periodic impact assessments?
No
○ Recommended
○ Required
43. Does the policy tool recommend or require periodic reviews?
No
<ul> <li>Recommended</li> </ul>
○ Required
·
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with
subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating
agencies, forming working groups, etc.)?
No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or
comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
○ No
Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

The Notice helps issuers by providing guidance in preparing climate-change related disclosure, as well as clarity of legal requirements. It reinforces and expands on past guidance issued under CSA Staff Notice 51-333 Environmental Reporting Guidance "and should be read in conjunction with that notice".

https://web.archive.org/web/20240816180744/https:/www.securities-	
administrators.ca/news/canadian-securities-regulators-issue-guidance-on-climate-change-related	<u> -</u>
<u>disclosure/</u>	

Domain-Specific Questions: Disclos	sure Questions	
What is being disclosed?		

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets			
4. Other climate- related targets	<b>&gt;</b>		
5. Physical climate risk	$\triangleright$		
6. Transition risk	$\triangleright$		
7. Transition plan			
84. Which of the following entities disclose? Select a	-	d targets does the po	olicy tool recommend or require
		Please reference the	section/subsection/paragraph of
the policy tool relevant to	renewable energy pro	ocurement targets)	
□ Targets for fossil fuel p the policy tool relevant to			e section/subsection/paragraph of
□ Targets or goals relate of the policy tool relevant			he section/subsection/paragraph
□ Targets or goals related section/subsection/parag		• •	
□ Targets or goals related policy tool relevant to just	•	ease reference the se	ction/subsection/paragraph of the
other targets) <u>"Efforts to r</u> These include resource ef	mitigate and adapt to ficiency and cost savii on energy sources, the	climate change also ngs, the enhancemer development of new	produce opportunities for issuers. In the first of existing processes or products and services, access to

Disclosure of Physical Risk
86. What types of physical risk must be disclosed?
✓ To company
☐ To society (double materiality)
87. What is the materiality standard for the disclosure of physical risk?
o Self-assessed material risk
o Externally-defined material risk
• Other (Describe) While not exclusive to physical risk, the document notes guidance from "National Policy 51-201 Disclosure Standards and section 2.1 of SN 51-333."
https://web.archive.org/web/20240826124542/https://www.osc.ca/sites/default/files/pdfs/irps/csa_20190801_51-358_reporting-of-climate-change-related-risks.pdf
88. Are entities recommended or required to disclose the results of climate risk-related stress tests that are related to physical climate risk?
No     No
∘ Recommended
o Required
89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?
o No
<ul><li>Recommended</li></ul>

o Required
90. Are risk assessments of physical risk recommended or required to be third-party verified?
<ul><li>No</li></ul>
∘ Recommended
o Required
Disclosure of Transition Risk
92. What types of transition risk must be disclosed? Select all that apply
Risks that societal transitions may pose to the disclosing entity
☐ Risks that the disclosing entity's transition may pose to society (double materiality)
93. What is the materiality standard for the disclosure of transition risk?
o Self-assessed material risk
o Externally-defined material risk
• Other (Describe) <u>Guiding principles for determining materiality derives from SN 51-333; the document notes however that there is "no uniform quantitative threshold at which a particular type of information becomes material."</u>
https://web.archive.org/web/20240826124542/https://www.osc.ca/sites/default/files/pdfs/irps/csa_20190801_51-358_reporting-of-climate-change-related-risks.pdf
94. Are entities recommended or required to disclose the results of climate-related risk stress tests that are related to transition risk?
o No

<ul><li>Recommended</li></ul>
○ Required
95. Are transition risk assessments recommended or required to be third-party verified?
No     No
○ Recommended
○ Required
96. Are entities recommended or required to disclose their methodology for scenario analysis related to transition risk?
○ No
Recommended
○ Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended
1. Climate-related		<b>✓</b>	nor required
opportunities			
2. Remuneration		<b>✓</b>	
based on achieving			
climate-related goals			
3. Taxonomies			<b>✓</b>
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change)			
5. Due diligence			<b>✓</b>
6. Assumptions and			
Dependencies			
7. Data limitations of		<b>✓</b>	
scenario analyses			
8. Financial	<b>✓</b>		
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			
whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			
ownership in the			
context of climate			
change			<b>✓</b>
12. Sectoral			
investment policies			<b>✓</b>
13. Climate-related			
lobbying and/or policy			
engagement 14. Locked-in		<b>✓</b>	
emissions or			
information on			
111101111011011011			

emissive assets with			
long lifespans			<b>✓</b>
15. Dirty asset divestiture			
16. Nature-related		<b>✓</b>	
impacts			
17. Just transition indicators			
106. Is third-party verifica	ition of climate-related op	portunities recommended	l or required?
No			
o Recommended			
o Required			
107. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosures regarding remuneration based on achieving climate-related goals.			
see, p. 11, under "Transition Risks", "Policy risks": outlines the policy actions, including "incentives for the adoption of lower emission sources of energy			
and energy-efficient solutions and the promotion of more sustainable land-use practices." The Notice			
outlines that transition risk (including policy risk) is a part of disclosure of climate change-related			
<u>risks.</u>			
https://web.archive.org/web/20240824163827/https://www.osc.ca/sites/default/files/pdfs/irps/csa_20			
190801_51-358_reporting-of-climate-change-related-risks.pdf			
109. Describe and referen	nce the section/subsection	/paragraph of the policy t	ool relevant to capital
allocation and/or expenditure plans disclosures.			
p. 11, "comments," CSA S	TAFF NOTICE 51-333:		

"An issuer should disclose:

• what has been, and is reasonably likely to be, the impact of environmental trends or uncertainties on revenues, expenditures and cash flows"

 $\frac{https://web.archive.org/web/20240122033024/https://www.osc.ca/sites/default/files/pdfs/irps/csa\_20101027\_51-333\_environmental-reporting.pdf}$ 

111. Describe and reference the section/subsection/paragraph of the policy tool relevant to assumptions and dependencies disclosures.
Under Measurement, p. 9: "While acknowledging that the precise impacts of climate change-related risks may be difficult to quantify or measure, we are of the view that issuers should consider both quantitative and qualitative factors in making their materiality assessments and may consider using assumptions and estimates which have a reasonable basis and are within a reasonable range."
https://web.archive.org/web/20240824163827/https://www.osc.ca/sites/default/files/pdfs/irps/csa_20190801_51-358_reporting-of-climate-change-related-risks.pdf
112. Describe and reference the section/subsection/paragraph of the policy tool relevant to data limitation disclosures.
Under "3.2 Controls and procedures", "Disclosure controls and procedures" of CSA STAFF NOTICE 51-333, p. 23: "an issuer must have adequate controls and procedures in place to provide rigour around its disclosure of environmental matters" this includes certifying officers of TSX-listed issuers having to certify that they have "subject to disclosed limitations, designed these controls and procedures, or caused them to be designed." They must further certify that they have "evaluated their effectiveness."
https://web.archive.org/web/20240122033024/https://www.osc.ca/sites/default/files/pdfs/irps/csa_20101027_51-333_environmental-reporting.pdf
113. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosures regarding the financial implications of climate-related matters.
p. 9, Measurement: "As part of a materiality assessment, issuers should not only consider the existence of material climate change-related risks, but also, where practicable, quantify and disclose the potential financial and other impact(s) of such risks, including their magnitude and timing."
https://web.archive.org/web/20240824163827/https://www.osc.ca/sites/default/files/pdfs/irps/csa_20190801_51-358_reporting-of-climate-change-related-risks.pdf

- 114. Describe and reference the section/subsection/paragraph of the policy tool relevant to stewardship-related disclosures.
- p. 3, "what are the roles and responsibilities of the board and management": outlines that the board should adopt a "written mandate explicitly acknowledging its responsibility for, among other things, identification of the principal risks of the issuer's business and ensuring the implementation of appropriate systems to manages these business risks."

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190801_51-358_reporting-of-climate-change-related-risks.pdf
116. Describe and reference the section/subsection/paragraph of the policy tool relevant to asset planning disclosures.
See, p. 10, "physical risk": whereby, physical risks ought to be considered for disclosure given their
potential direct damage to an issuer's assets. Further p. 14, "Questions for management in assessing
the materiality of climate change-related risks and impacts", when assessing materiality,
management must consider the transition risk and the question of "[h]ow does the issuer incorporate
emissions regulations and climate change considerations into its asset valuations?"
$\text{https://web.archive.org/web/20240824163827/https://www.osc.ca/sites/default/files/pdfs/irps/csa\_2000000000000000000000000000000000000$
190801_51-358_reporting-of-climate-change-related-risks.pdf
120. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure
of locked-in emissions or emissive assets with long lifespans.
see p. 11, "Transition Risks", and p. 16, "forward-looking information"
https://web.archive.org/web/20240824163827/https://www.osc.ca/sites/default/files/pdfs/irps/csa_20
190801_51-358_reporting-of-climate-change-related-risks.pdf
· - <del></del>

122. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of nature-related impacts.

See, p. 10, Physical Risks: "Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods. Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or

chronic heat waves."

The Notice outlines that physical risk (including acute physical risk) is a part of disclosure of climate
change-related risks.
$\underline{https://web.archive.org/web/20240824163827/https://www.osc.ca/sites/default/files/pdfs/irps/csa\_20}$
190801_51-358_reporting-of-climate-change-related-risks.pdf
Standards, Frameworks, and Guidelines
Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			<b>✓</b>
2. IFRS S2			✓
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)		$\checkmark$	
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			<b>&gt;</b>
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			8
14. Other	<b>✓</b>		

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126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

In addition to the above, CSA Staff Notice 51-358 references the following: CSA Staff Notice 51-354 (Report on Climate change-related Disclosure Project); and CSA Staff Notice 51-333 (Environmental Reporting Guidance). In relation to the latter notice, Notice 51-358 "reinforces and expands upon the guidance provided in CSA Staff Notice 51-333 Environmental Reporting Guidance (SN 51-333) and should be read in conjunction with SN 51-333." (p. 1)

https://web.archive.org/web/20240824163827/https://www.osc.ca/sites/default/files/pdfs/irps/csa\_20190801\_51-358\_reporting-of-climate-change-related-risks.pdf

CSA Notice 51-333 makes reference to the IFRS Reporting Standards which were adopted under National Instrument 51-102 (p. 5); and the Climate Disclosure Standards Board Reporting Framework. CSA Notice 51-358 does not reference these standards/frameworks.

https://web.archive.org/web/20240122033024/https://www.osc.ca/site	<u>es/default/files/pdfs/irps/csa_20</u>
101027_51-333_environmental-reporting.pdf	
Additional Important Information	

128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

As noted, Notice 51-358 must be read in conjunction with CSA Staff Notice 51-333. As noted in Notice 51-358:

"This notice does not create any new legal requirements or modify existing ones. It reinforces and expands upon the guidance provided in CSA Staff Notice 51-333 Environmental Reporting Guidance (SN 51-333) and should be read in conjunction with SN 51-333, which continues to provide guidance to issuers on existing continuous disclosure requirements relating to a broad range of environmental matters, including climate change" (p. 1-2)

https://web.archive.org/web/20240824163827/https://www.osc.ca/sites/default/files/pdfs/irps/csa_20
190801_51-358_reporting-of-climate-change-related-risks.pdf

## **Additional Important Information**

\_\_\_\_\_\_

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

## Policy Tool Name: CSSB Canadian Sustainability Disclosure Standards 1 and 2

3. Source material link(s): https://web.archive.org/web/20240816183234/https://www.frascanada.ca/en/sustainability/projects/adoption-csds1-csds2/cssb-in-brief-csds-1-and-csds-2
https://web.archive.org/web/20240818164219/https://www.frascanada.ca/en/sustainability/docume nts/cssb-ed-csds-1
https://web.archive.org/web/20240818164347/https://www.frascanada.ca/en/sustainability/docume

https://web.archive.org/web/20240825235115/https://www.frascanada.ca/-/media/frascanada/sustainability/documents/cssb-ed-csds-2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650

nts/cssb-ed-csds-2

o Approved, in force

o Approved, not yet in force

l. Which of the following governance domains does this policy tool relate to? Select all that apply	<b>′</b> .
Climate-related disclosure	
☐ Transition planning	
☐ Public procurement	
5. Select the category which best describes the author/issuer of the policy tool.	
☐ Head of state and/or government	
Independent regulatory or supervisory body	
□ Legislature	
] Judiciary	
☐ Ministry/Department/Agency	
Other (Please describe)	
'. Status of the policy tool	

Other (Please describe) <u>Canadian Sustainability Standards Board (CSSB) Canadian Sustainability</u> <u>Disclosure Standards (CSDS) 1 and 2 are both currently proposed.</u>
9. Year of (planned) entry into force or year of publication  2025
10. Does the policy tool have an end date?  No  Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.  The Standard 1 draft provides general requirements for disclosure of sustainability-related financial information, while the Standard 2 draft provides requirements for climate-related disclosures. The two standards were developed to align with the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB).
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
1. <u>Canadian Sustainability Standards Board (CSSB)</u>
o 2.
∘ 3.
o 4.
o 5.

- 15. To provide contextual information, rate the capacity of Canadian Sustainability Standards Board (CSSB) to undertake the policy tool's implementation and/or enforcement.
  0 No Capacity (Please explain)
  1 Low Capacity (Please explain)
  2 Medium Capacity (Please explain) While the CSSB is a reputable institution for the development
- and publication of standards, it does not have enforcement capacity.

  o 3- High Capacity (Please explain)

  o Prefer not to answer

Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded entities		<b>V</b>	
2. Private companies		<b>✓</b>	
3. Financial institutions		<b>✓</b>	
4. Small and medium-			
sized enterprises			
5. State-owned			$\checkmark$
companies			
6. Not-for-profit			
organizations			
7. Government			<b>✓</b>
agencies and/or			
departments			
(supranational)	_	_	
8. Government			$\checkmark$
agencies and/or			
departments (national)  9. Government			<b>✓</b>
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			<b>✓</b>
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			✓
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

13. Other Text:The two standards are voluntary and who it applies to will depend on how they are adopted. While it could be just public issuers if adopted by securities regulators, it could also be adopted more broadly through financial reporting standards and if so apply to private companies as well.

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g.
comply or explain)?
No
∘ Yes
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
☐ Restriction on business activities
□ Voiding or setting aside of contract
□ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
☑ Not applicable (e.g. in cases of voluntary tools)
□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of

compliance:

o Below average
o Average
o Above average
Not applicable
o Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
○ Average
Above average
Not applicable
o Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) The Standards are currently proposed in draft form.
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant

section/subsection/paragraph of the policy tool where monitoring systems are set.

administrators would oversee the policy tool's implementation.
41. Does the policy tool recommend or require periodic impact assessments?
No     No
∘ Recommended
∘ Required
43. Does the policy tool recommend or require periodic reviews?
No     No
∘ Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No     No
∘ Yes

Domain-Specific Questi	ons: Disclosure Questi	ions	
What is being disclose	d?		

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions		<b>✓</b>	
2. GHG emissions offsets or removals		<b>Ø</b>	
3. GHG emissions reduction targets		<b>~</b>	
4. Other climate- related targets		<b>~</b>	
5. Physical climate risk			
6. Transition risk		•	
7. Transition plan		<b>~</b>	
54. Which GHG emissions	s must be disclosed? S	Select all that apply.	
□ Carbon dioxide (CO2)			
☐ Methane (CH₄)			
□ Nitrous oxide (N₂O)			
☐ Hydrofluorocarbons (HFCs)			
□ Perfluorocarbons (PFCs	s)		
□ Sulphur hexafluoride (S	SF6)		
□ Nitrogen trifluoride (NF	3)		
Carbon dioxide equival	lent (CO2e)		
55. Are entities recommer	nded or required to dis	sclose gross emissions	?
o No			
o Recommended			
<ul><li>Required</li></ul>			

56. Are entities recommended or required to disclose net emissions?
∘ No
○ Recommended
○ Required
E7 M/s at Cooks of anciscions mount be displaced? Colect all the at apply.
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
Scope 2 emissions
Scope 3 emissions, relevant or material
Scope 3 emissions, a specified proportion of coverage (Please describe) includes both upstream and downstream emissions.
Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
No     No
○ Recommended
○ Required

60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG) emissions disclosure.

More information regarding GHG emissions disclosure is found in CSDS-2, "Climate-related metrics," p. 14.

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/media/frascanada/sustainability/documents/cssb-ed-csds-
2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650
Disclosure of Greenhouse Gas (GHG) Offsets or Removals
62. Does the policy tool recommend or require offsetting purchases be disclosed?
○ No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

• Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool) CSDS-2, B71, p. 35: "In accordance with paragraph 36(e), an entity is required to disclose only its planned use of carbon credits. However, as part of this disclosure, the entity might also include information about carbon credits it has already purchased that the entity is planning to use to meet its net greenhouse gas emissions target, if the information enables users of general-purpose financial reports to understand the entity's greenhouse gas emissions target."

link: https://web.archive.org/web/20240825235115/https://www.frascanada.ca/-
/media/frascanada/sustainability/documents/cssb-ed-csds-
<u>2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&amp;hash=3F0DF2EACE9744CDDE00233EFDF12650</u>

- 63. Does the policy tool recommend or require entities disclose whether offsets are verified?
- $\circ$  No
- o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
- Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool) <u>CSDS-2</u>, <u>para 36(e)(ii)</u>, <u>p.16-17</u>: "For each greenhouse gas emissions target disclosed in <u>accordance with paragraphs 33-35</u>, an entity shall disclose: (e) the entity's planned use of carbon

credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the entity shall disclose information including, and with reference to paragraphs B70-B71:..(ii)."which third-party scheme(s) will verify or certify the carbon credits;..."

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/media/frascanada/sustainability/documents/cssb-ed-csds-
<u>2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&amp;hash=3F0DF2EACE9744CDDE00233EFDF12650</u>
64. Does the policy tool recommend or require any certification standards for the use of GHG offsetting or removals?
No
o Recommended (Please list the certification standards, describe their use, and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
65. Does the policy tool include any other recommendations or requirements regarding the appropriate use of offsets?
∘ No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

• Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool) CSDS-2, para 36(e)(iii), p.16-17: "For each greenhouse gas emissions target disclosed in accordance with paragraphs 33-35, an entity shall disclose: (e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the entity shall disclose information including, and with reference to paragraphs B70-B71: (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal;"

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Disclosure of Greenhou	se Gas (GHG) Emissio	ns Reduction Targets	

67. Which of the following targets, or data related to targets, does the policy tool request entitie
disclose? Select any of the following which apply:

	Recommended	Required	Neither recommended nor required
An absolute emissions reduction target			
An intensity-based emissions reduction target			
A net zero target			<b>✓</b>
Targets covering non- carbon GHG emissions			<b>&gt;</b>
A Scope 3 emissions target			<b>∀</b>
A target derived using a sectoral decarbonization approach			
Interim targets			
A target timeframe (e.g. by 2040)		$\checkmark$	
A baseline year from which progress is measured		<b>✓</b>	
A level of ambition for emissions reductions (e.g. 80% reduction)			
68. Does the policy tool recommend or require entities to disclose their progress in achieving their emissions reductions targets?			
○ No			
○ Recommended			
Required			
69. What is the recommended or required frequency of progress reports regarding the achievement of emissions reductions targets?			
∘ Yearly			

o Every two years

o Every three years

o Every four years
o Every five years
o Every ten years or more
o Other
No prescribed frequency
79. What is the recommended or required timeframe for long-term targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
o Other
<ul><li>Other</li><li>None specified</li></ul>
o None specified
None specified
<ul> <li>None specified</li> <li>80. What is the recommended or required baseline year from which progress is to be measured?</li> </ul>
<ul> <li>None specified</li> <li>80. What is the recommended or required baseline year from which progress is to be measured?</li> <li>1990-2000</li> </ul>
<ul> <li>None specified</li> <li>80. What is the recommended or required baseline year from which progress is to be measured?</li> </ul>
<ul> <li>None specified</li> <li>80. What is the recommended or required baseline year from which progress is to be measured?</li> <li>1990-2000</li> </ul>
<ul> <li>None specified</li> <li>80. What is the recommended or required baseline year from which progress is to be measured?</li> <li>1990-2000</li> <li>2001-2005</li> </ul>
<ul> <li>None specified</li> <li>80. What is the recommended or required baseline year from which progress is to be measured?</li> <li>1990-2000</li> <li>2001-2005</li> <li>2006-2010</li> </ul>
<ul> <li>None specified</li> <li>80. What is the recommended or required baseline year from which progress is to be measured?</li> <li>1990-2000</li> <li>2001-2005</li> <li>2006-2010</li> <li>2011-2015</li> </ul>
<ul> <li>None specified</li> <li>80. What is the recommended or required baseline year from which progress is to be measured?</li> <li>1990-2000</li> <li>2001-2005</li> <li>2006-2010</li> <li>2011-2015</li> <li>2016-2020</li> <li>Other para 33(e), p.16 only specifies that for each target, the entity shall disclose "the base period"</li> </ul>

81. Are entities recommended or required to disclose the methodologies by which they select baseline years?

O INO
o Recommended
Required
Disclosure of other climate-related targets

84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply.

Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets) <u>CSDS-2</u>, para 14(i), p. 10: outlines that the entity shall disclose information and plans to respond to climate change risks in its decision-making. This includes how the entity plans to achieve any climate-related targets. Specifically, this includes changes to the business model like resource allocation resulting from demand or supplychain changes.

## link:

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2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650

Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out) <u>CSDS-2</u>, para 14(i), p. 10: outlines that the entity shall disclose information and plans to respond to climate change risks in its decision-making including how the entity plans to achieve any climate-related targets. This includes changes to the business model like plans to manage or decommission carbon-, energy-, or water-intensive operations.

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2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650

Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation) CSDS-2, para 14(ii), p. 10: outlines that the entity shall disclose information and plans to respond to climate change risks in its decision-making including how the entity plans to achieve any climate-related targets. This includes disclosing current and anticipated direct and indirect mitigation and adaptation efforts.

link: https://web.archive.org/web/20240825235115/https://www.frascanada.ca/-
/media/frascanada/sustainability/documents/cssb-ed-csds-
2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650
☐ Targets or goals related to nature and/or biodiversity (Please reference the
section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity)
☐ Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition)
☑ Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets)
Disclosure of Physical Risk
86. What types of physical risk must be disclosed?
✓ To company
□ To society (double materiality)
87. What is the materiality standard for the disclosure of physical risk?
<ul> <li>Self-assessed material risk</li> </ul>
Externally-defined material risk
• Other (Describe) <u>CSDS-2</u> , para 29(c), p. 14: An entity shall disclose information relevant to the <u>cross-industry metric categories of: "climate-related physical risks – the amount and percentage of assets or business activities vulnerable to climate-related physical risks"</u>
<u>link:</u>
https://web.archive.org/web/20240825235115/https://www.frascanada.ca/-
/media/frascanada/sustainability/documents/cssb-ed-csds- 2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650

88. Are entities recommended or required to disclose the results of climate risk-related stress tests that are related to physical climate risk?
○ No
∘ Recommended
Required
89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?
∘ No
○ Recommended
Required
90. Are risk assessments of physical risk recommended or required to be third-party verified?
No     No
∘ Recommended
∘ Required
Disclosure of Transition Risk
92. What types of transition risk must be disclosed? Select all that apply
Risks that societal transitions may pose to the disclosing entity
☐ Risks that the disclosing entity's transition may pose to society (double materiality)
93. What is the materiality standard for the disclosure of transition risk?
o Self-assessed material risk

Other (Describe) CSDS-2, para 29(b), p. 14: An entity shall disclose information relevant to the
<u>cross-industry metric categories of: "climate-related transition risks – the amount and percentage of</u>
assets or business activities
vulnerable to climate-related transition risks"
link:
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/media/frascanada/sustainability/documents/cssb-ed-csds-
2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650
94. Are entities recommended or required to disclose the results of climate-related risk stress tests
that are related to transition risk?
○ No
. December ded
o Recommended
<ul><li>Required</li></ul>
95. Are transition risk assessments recommended or required to be third-party verified?
No     No
○ Recommended
a Daguirad
o Required
96. Are entities recommended or required to disclose their methodology for scenario analysis related
to transition risk?
∘ No
○ Recommended
- Neconinenced
Required
Disclosure of Transition Plans

o Externally-defined material risk

98. What is the recommended or required frequency of transition plan disclosures?
o Yearly
o Every two years
o Every three years
o Every four years
o Every five years
Every ten years or more
o Other
<ul> <li>Not specified</li> </ul>
99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?
No
○ Recommended
○ Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
o No
o Recommended
<ul><li>Recommended</li><li>Required</li></ul>
Required

o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
• Other <u>CSDS-2</u> , para 14(c), p. 11 requires that "quantitative and qualitative information about the progress of plans disclosed in previous reporting periods"
No prescribed frequency
102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?
o No
o Recommended
Required
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
∘ No
o Recommended
Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended
1. Climate-related		<b>✓</b>	nor required
opportunities			
2. Remuneration		<b>✓</b>	
based on achieving			
climate-related goals			
3. Taxonomies			<b>&gt;</b>
4. Capital allocation		<b>⊘</b>	
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			
		<b>♥</b>	_
6. Assumptions and Dependencies			
7. Data limitations of		<b>✓</b>	
scenario analyses			
8. Financial			
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			<b>✓</b>
9. Stewardship (e.g., whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG		<b>✓</b>	
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			
ownership in the context of climate			
change			
12. Sectoral		<b>✓</b>	
investment policies			
13. Climate-related			<b>✓</b>
lobbying and/or policy			
engagement			
14. Locked-in			<b>\</b>
emissions or			
information on			

emissive assets with long lifespans			
15. Dirty asset		$\checkmark$	
divestiture 16. Nature-related			
impacts			
17. Just transition indicators			•
106. Is third-party verifica	ation of climate-related op	portunities recommended	I or required?
No			
o Recommended			
∘ Required			
107 December and referen	+l+i /l+i	/	es al valar constitu
	nce the section/subsection nuneration based on achie		
	<u>metrics, para 29(g)(i-ii), p.</u> ric categories of (g) remur		
•	ate-related considerations	•	• •
	ınd (ii) the percentage of		·
in the current period that is linked to climate-related considerations"			
link			
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109 Describe and referen	nce the section/subsection	/nargaraph of the policy t	ool relevant to capital
allocation and/or expendi		, paragraph of the policy t	Sol relevant to capital
CSDS-2 "Financial position	on financial performance	and cash flows" para 16	(c)(i) n 11: an entity shall
CSDS-2, "Financial position, financial performance and cash flows", para 16(c)(i), p. 11: an entity shall disclose quantitative and qualitative information about how it expects its financial position to change			

CSDS, "Climate-related metrics," para 29(e), p. 14: "An entity shall disclose information relevant to the

taking into account its investment and disposal plans. This includes plans for "major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas and asset

retirements."

<u>cross-industry metric categories of...(e) capital deployment – the amount of capital expenditure, financing or investment deployed toward climate-related risks and opportunities."</u>

CSDS-2, "Strategy and decision-making," para 14(a)(i), p. 10: "an entity shall disclose information that enables users of general-purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making." This includes how an entity responds or plans to respond to climate risks and opportunities; in which case the entity shall disclose changes to its business model. This can include "resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments."

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110. Describe and reference the section/subsection/paragraph of the policy tool relevant to due diligence disclosures.
CSDS-2, Strategy and decision-making, para 14, p.10, outlines the disclosure requirements for the

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effects of climate risks and opportunities on the entity's decision-making process and strategy.

- 111. Describe and reference the section/subsection/paragraph of the policy tool relevant to assumptions and dependencies disclosures.
- CSDS-2, Strategy and decision-making, para 14(a)(iv), p. 10 requires issuers to disclose any climate related transition plan, including information about key assumptions in developing the plan.
- CSDS-2, para 22(b)(ii), p. 12: an entity shall disclose how and when the climate-related scenario analysis was carried out including the key assumption the entity made in the analysis. This includes assumptions about climate-related policies, macroeconomic trends, etc.
- CSDS-2, Climate-related metrics, para 29(a) (iii), p. 14 requires an entity to disclose information relevant to the cross-industry metric categories of GHG emissions, including disclosing the GHG measurement approach, its assumptions, its reasoning and any changes made to the assumptions during the reporting period.

CSDS-2, "Measurement approach, inputs and assumptions" under "Greenhouse Gases" starting on p. 25 provides greater detail on the assumptions and key inputs for the emission disclosure requirements.

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<u>2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&amp;hash=3F0DF2EACE9744CDDE00233EFDF12650</u>
112. Describe and reference the section/subsection/paragraph of the policy tool relevant to data
limitation disclosures.
CSDS-2, "Measurement approach, inputs and assumptions" under "Greenhouse Gases" starting on p.
25 provides greater detail on the data to be used for the disclosure requirements of greenhouse gas
emissions. This including the data required for Scope 3 greenhouse gas emissions (B38-B57, p. 29).
emissions. This including the data required for Scope 3 greenhouse gas emissions (D30-D37, p. 29).
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2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650

- 113. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosures regarding the financial implications of climate-related matters.
- CSDS-2, Financial position, financial performance and cash flows, paras 15 and 16, p. 11: an entity shall disclose information including the effects of climate risks and opportunities on its financial position, performance and cash flows.
- CSDS-2, Climate Resilience, para 22(a)(i), p. 12: Regarding climate resilience, an entity shall disclose its assessment of its climate resilience including the implications on the entity assessments for its strategy and business model.
- CSDS-2, Climate-related metrics, para 29(b)-(d), p. 15: an entity shall report climate-related transition risks, physical risks and opportunities which requires disclosing the amount and percentage of assets or business activities vulnerable to such risks or opportunities.

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115. Describe and reference the section/subsection/paragraph of the policy tool relevant to ESG-related disclosures.
CSDS-2, Governance, para 6, p. 8 outlines the disclosure requirements for information on an entity's governance processes and bodies responsible for oversight and management of climate-related risks and opportunities.
https://web.archive.org/web/20240825235115/https://www.frascanada.ca/-/media/frascanada/sustainability/documents/cssb-ed-csds- 2.pdf?rev=0eb76e4fff834743ad10a86f72d7f28a&hash=3F0DF2EACE9744CDDE00233EFDF12650
116. Describe and reference the section/subsection/paragraph of the policy tool relevant to asset planning disclosures.
See Q6.113 above for asset disclosure tied to risks and opportunities.
B61, p. 32, "Asset management," provides specific disclosure requirements for an entity that participates in asset management activities.
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117. In which of the following sectors are entities recommended or required to disclose information regarding sectoral investment policies? Select all that apply.
□ Coal
□ Oil and gas
□ Renewable energy
☐ Land-use and deforestation
□ Other
✓ None specified

121. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of dirty asset divestiture.

CSDS-2, Strategy and decision-making, para 14(a)(i), p. 10: the entity shall disclose information about how it plans to respond to climate risks and opportunities in its decision making including meeting its climate-related targets. This includes disclosing changes in its business model including "acquisitions or divestments."

CSDS-2, Financial position, financial performance and cash flows, para 16(c)(i): an entity shall disclose quantitative and qualitative information about how the entity expects its financial position to change over the short-, medium- and long-term, taking into account its investment and disposal plans (including divestments).

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122. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure
of nature-related impacts.
The CSDS-2 requires disclosure of climate physical risks throughout the draft. This requires an entity
to disclose climate-related physical risks and the amount and percentage of assets/business activities
that are vulnerable to the risks (para 29(c), p. 15). The draft defines physical risks to include various
nature related impacts, included storms, floods droughts, biodiversity loss and changes in soil
productivity (Appendix A, p. 18).
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Standards Frameworks and Guidelines
Staridards, Francestorias, and Guidelines
Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			
2. IFRS S2		<b>✓</b>	
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other		✓	

\_\_\_\_\_

\_\_\_\_\_

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

<u>CSDS-1: Other guidance issued by the Climate Disclosure Standards Board: CDSB Framework</u>
<u>Application Guidance for Water-related Disclosures and the CDSB Framework Application Guidance for Biodiversity-related Disclosures.</u>

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Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero
alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
Question 3), provide a web-archived link to the source material.
Its is important to note that the CSSB used the IFRS' Sustainability Disclosure Standards (IFRS S1
and S2) and used them as a baseline to develop the draft disclosure standards.
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adoption-csds1-csds2/cssb-in-brief-csds-1-and-csds-2
Additional Important Information
Additional important information
197. Note any additional important information about the contribution of the policy tool to net zero
alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
Question 3), provide a web-archived link to the source material.
<u>None</u>

## Policy Tool Name: Sustainable Investment Guidelines (ie. Sustainable Finance Taxonomy)

3. Source material link(s): https://web.archive.org/web/20240727164942/https://budget.canada.ca/2024/report-rapport/chap4-en.html
https://web.archive.org/web/20240816185601/https://www.canada.ca/en/department-finance/programs/financial-sector-policy/sustainable-finance/sustainable-finance-action-council/taxonomy-roadmap-report.html
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
✓ Climate-related disclosure
✓ Transition planning
☐ Public procurement
<ol> <li>If relevant, briefly explain how the policy tool applies or is linked to multiple domains.</li> </ol>
As per the Sustainable Finance Action Council's Taxonomy Roadmap, the taxonomy would "[r]equire issuing companies to commit to issuing net-zero plans, targets and climate disclosure, to ensure the taxonomy is supporting credible transitions."
6. Select the category which best describes the author/issuer of the policy tool.
☑ Head of state and/or government
□ Independent regulatory or supervisory body
□ Legislature
□ Judiciary
✓ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
o Approved, in force

Approved, not yet in force
• Other (Please describe) The Guidelines are in development/proposed.
Q Vogr of (planned) entry into force or year of publication
9. Year of (planned) entry into force or year of publication
<u>2025</u>
10. Does the policy tool have an end date?
● No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
Sustainable Investment Guidelines would provide a standardized approach for benchmarking activities consistent with climate goals. This would allow investors, companies and financial intermediaries to evaluate climate credentials of economic activities and in connection with investment and business decisions.
The purpose of the Guidelines is to promote credible climate investment, combat greenwashing, protect the integrity and fairness of the clean economy and foster investor confidence.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Finance Canada</u>
o 2.
∘ 3.
o 4.

o 5.
15. To provide contextual information, rate the capacity of Finance Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>Finance Canada is a central agency with the power to direct other departments</u> , and is responsible for multiple federal government agencies, including the Office <u>of the Superintendent of Financial Institutions (OSFI)</u> .
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded entities		<b>Y</b>	
2. Private companies			✓
3. Financial institutions		<b>✓</b>	
4. Small and medium-			<b>✓</b>
sized enterprises			
5. State-owned			$\checkmark$
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			<b>✓</b>
agencies and/or			
departments			
(supranational)	_		
8. Government			<b>&gt;</b>
agencies and/or			
departments (national)			<b>✓</b>
9. Government			
agencies and/or departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			<b>✓</b>
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			✓
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			$\checkmark$
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other		✓	
13. Other Text:issuers of f	financial products.		

(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other		<b>✓</b>	
13. Other Text:issuers of financial products.			

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
No     No
∘ Yes
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
☐ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
∘ Average

o Above average
Not applicable
o Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
∘ Average
Above average
Not applicable
o Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
37. Have the climate-specific provisions in this instrument ever been enforced?
<ul> <li>37. Have the climate-specific provisions in this instrument ever been enforced?</li> <li>No (If relevant, explain) The Guidelines are currently in development</li> </ul>
<ul> <li>37. Have the climate-specific provisions in this instrument ever been enforced?</li> <li>No (If relevant, explain) The Guidelines are currently in development</li> </ul>
<ul> <li>37. Have the climate-specific provisions in this instrument ever been enforced?</li> <li>No (If relevant, explain) The Guidelines are currently in development</li> <li>Yes</li> </ul>
37. Have the climate-specific provisions in this instrument ever been enforced?  ● No (If relevant, explain) The Guidelines are currently in development  ○ Yes  39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the
<ul> <li>37. Have the climate-specific provisions in this instrument ever been enforced?</li> <li>No (If relevant, explain) The Guidelines are currently in development</li> <li>Yes</li> <li>39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?</li> </ul>
37. Have the climate-specific provisions in this instrument ever been enforced?  ● No (If relevant, explain) The Guidelines are currently in development  ○ Yes  39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?  ○ No

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

While the monitoring systems have not yet been established, a governance model is proposed that would include a "council", "custodian", "technical working groups" and a "stakeholder advisory forum." It is unclear which of these groups would be responsible for monitoring, but it is likely there would be at least one.

41. Does the policy tool recommend or require periodic impact assessments?
∘ No
<ul><li>Recommended</li></ul>
∘ Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
o 2-5 years
○ 5-10 years
○ 10 or more years
<ul><li>Not specified</li></ul>
o Other
43. Does the policy tool recommend or require periodic reviews?
∘ No
<ul><li>Recommended</li></ul>
○ Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years

Not specified
○ Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
o No
Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
A governance model is proposed that would include a "council", "custodian", "technical working
groups" and a "stakeholder advisory forum." It is unclear which of these groups, if any, would be responsible for coordination with subnational governments and/or their securities regulators.
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and
training, etc.)?
o No
Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

A governance model is proposed that would include a "council", "custodian", "technical working groups" and a "stakeholder advisory forum." Source:

 $\frac{https://web.archive.org/web/20240822204542/https://www.canada.ca/content/dam/fin/publications/sfac-camfd/2022/09/2022-09-eng.pdf}$ 

Domain-Specific Questions: Disclosure Questions
What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-rela	ated
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions offsets or removals			
3. GHG emissions reduction targets	<b>V</b>		
4. Other climate- related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan	<b>✓</b>		
Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets			

67. Which of the following targets, or data related to targets, does the policy	y tool request entities
disclose? Select any of the following which apply:	

	Recommended	Required	Neither recommended
An absolute emissions			nor required
reduction target			
An intensity-based			
emissions reduction	_	_	_
target			
A net zero target	✓		
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target			
A target derived using a sectoral			
decarbonization approach			
Interim targets			
A target timeframe (e.g. by 2040)			
A baseline year from which progress is measured			
A level of ambition for emissions reductions (e.g. 80% reduction)			
68. Does the policy tool recommend or require entities to disclose their progress in achieving their emissions reductions targets?  • No			
<ul><li>Recommended</li></ul>			
∘ Required			
69. What is the recommended or required frequency of progress reports regarding the achievement of emissions reductions targets?			
o Yearly			
o Every two years			
<ul> <li>Every three years</li> </ul>			

o Every four years
o Every five years
o Every ten years or more
○ Other
No prescribed frequency
72. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.
☐ Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
✓ Not specified
Not specified
73. What is the recommended or required year for the net zero target (e.g. net zero by)?
73. What is the recommended or required year for the net zero target (e.g. net zero by)?  • Between 2030 and 2035
73. What is the recommended or required year for the net zero target (e.g. net zero by)?  • Between 2030 and 2035  • Between 2036 and 2040
73. What is the recommended or required year for the net zero target (e.g. net zero by)?  o Between 2030 and 2035  o Between 2036 and 2040  o Between 2041 and 2045
73. What is the recommended or required year for the net zero target (e.g. net zero by)?  • Between 2030 and 2035  • Between 2036 and 2040  • Between 2041 and 2045  • Between 2046 and 2050
73. What is the recommended or required year for the net zero target (e.g. net zero by)?  o Between 2030 and 2035  o Between 2036 and 2040  o Between 2041 and 2045  @ Between 2046 and 2050  o Between 2051 and 2060
73. What is the recommended or required year for the net zero target (e.g. net zero by)?  Between 2030 and 2035  Between 2036 and 2040  Between 2041 and 2045  Between 2046 and 2050  Between 2051 and 2060  Between 2061 and 2070
73. What is the recommended or required year for the net zero target (e.g. net zero by)?  o Between 2030 and 2035  o Between 2036 and 2040  o Between 2041 and 2045  e Between 2046 and 2050  o Between 2051 and 2060  o Between 2061 and 2070  o Other

79. What is the recommended or required timeframe for long-term targets (e.g. by 2050, 2060)?

o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
o Other
None specified
Disclosure of Physical Risk
86. What types of physical risk must be disclosed?
✓ To company
To society (double materiality)
87. What is the materiality standard for the disclosure of physical risk?
Self-assessed material risk
o Externally-defined material risk
o Other (Describe)
88. Are entities recommended or required to disclose the results of climate risk-related stress tests that are related to physical climate risk?
No     No
o Recommended
o Required

89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?
No
○ Recommended
∘ Required
90. Are risk assessments of physical risk recommended or required to be third-party verified?
No     No
○ Recommended
○ Required
Disclosure of Transition Plans
98. What is the recommended or required frequency of transition plan disclosures?
o Yearly
o Every two years
o Every three years
o Every four years
Every five years
o Every ten years or more
o Other
<ul><li>Not specified</li></ul>

99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?
No     No
∘ Recommended
o Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
o No
Recommended
o Required
101. What is the recommended or required frequency of disclosures related to transition plan implementation progress?
o Yearly
o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
o Other
No prescribed frequency
102. Does the policy tool recommend or require targeted entities to disclose their financial plans for implementing transition plans?
No     No
○ Recommended

o Required
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
∘ No
Recommended
o Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
Climate-related opportunities		<b>~</b>	
Remuneration     based on achieving			
climate-related goals			
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies		<b>Y</b>	
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with long lifespans			
15. Dirty asset			
divestiture			
16. Nature-related			
impacts			
17. Just transition indicators			
106. Is third-party verifica	ition of climate-related op	portunities recommended	I or required?
No			
<ul> <li>Recommended</li> </ul>			
<ul> <li>Required</li> </ul>			
108. Describe and referen	ice the section/subsection	n/paragraph of the policy t	ool relevant to taxonomy
disclosures.			
Made-in-Canada Sustain	able Investment Guideline	<u>es</u>	
The government recogniz	es the importance of pror	noting credible climate	
investment and combatin	<u>g greenwashing, to prote</u>	ct the integrity and fairne	<u>ss</u>
of the clean economy. Thi	s is critical for fostering in	vestor confidence and	
mobilizing the private inve	<u>estment that Canada nee</u>	<u>ds to help achieve a net-z</u>	<u>ero</u>
by 2050 economy.			
As announced in the 2023	2 Eall Economic Statemer	at the Department of Fina	nco
Canada is working with E		•	
Resources Canada to una			<u>irui</u>
agencies, the financial sec	•		a
taxonomy that is aligned			<u>u</u>
taxonomy that is diighed	with reaching het-zero by	<u>/ 2050.</u>	
This work is being inform	ed by the Sustainable Fin	ance Action Council's	
Taxonomy Roadmap Rep	ort, which provided the g	overnment with	
recommendations on the	design of a taxonomy to i	identify economic activitie	<u>S</u>
that the financial sector c	ould label as "green" or "t	ransition." The governme	<u>nt</u>
will provide an update on	the development of a Ca	nadian taxonomy later	
this year.			

regarding sectoral investment policies? Select all that apply.
✓ Coal
Oil and gas
Renewable energy
☐ Land-use and deforestation
□ Other
□ None specified
123. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of just transition indicators.
Taxonomy Roadmap Report: "We recommend that the eligibility requirements under the green and transition finance taxonomy include an assessment against "do no significant harm" criteria, which meet the unique needs of Canada and are
informed by the European Union's Sustainable Finance Taxonomy, including, but not limited to, meeting minimum standards for respecting Indigenous rights and reconciliation as well as for supporting workers and communities in relation to just transition."
Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1		✓	
2. IFRS S2			
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

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Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
As noted in Budget 2024, Finance Canada is currently developing the Sustainable Investment Guidelines. As such, many details of the Guidelines (such as its oversight entity) are still unknown.

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
o Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
∘ No
Recommended
o Required
120 December of the control of the co
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
○ No
Recommended     Deguired
o Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets.
Taxonomy Roadmap Report: "Net-Zero Commitments and Reporting: The company issuing financial instruments under the taxonomy should be required to commit to net zero by 2050 and then publish a corresponding net-zero transition plan with science-based emissions targets, followed by annual progress reporting."
138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets?
∘ No
o Required
139. What is the recommended or required frequency of progress reports related to the achievement of targets?
o Yearly
o Every two years
o Every three years
o Every four years
Every five years
o Every ten years or more
○ Other
No prescribed frequency

140. Which of the following targets, or data related to to	argets, does the policy tool recommend o
require entities have or develop? Select all that apply.	

	Recommended	Required	No
An absolute emissions			
reduction target			
An intensity-based			
emissions reduction			
target			
A net zero target	<b>~</b>		
Interim targets (e.g. 2030, 2050)			
Targets covering non- carbon GHG emissions			
A Scope 3 emissions target			
A target derived using a sectoral decarbonization approach			
A level of ambition for emissions reductions (e.g. 80% reduction)			
A baseline year from which progress is measured			
A target timeframe (e.g. by 2040)	$\checkmark$		
Targets for renewable energy procurement			
Targets for fossil fuel phase down/phase up			
Separate targets for GHG offsets and/or removals			
Targets or goals related to climate adaptation			
Targets or goals related to nature and biodiversity			
Other targets related to sustainability			

143. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.

☐ Scope 1 emission	วทร
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☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
✓ Not specified
144. What is the recommended or required year for the net zero target (e.g. net zero by)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
● Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
o Other
o Not specified
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
o Other
Not specified

Transition Plans
164 Does the policy tool recommend or require targeted entities to have or develop a transition plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
∘ No
Recommended
○ Required

165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended nor required
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)			
Key Performance Indicators (KPIs) for monitoring transition plan implementation			
Updates to the transition plan			
Third-party verification and/or audited accuracy of the transition plan			
Identified methodology for scenario analysis			<b>~</b>
Monitoring, Oversight, a	nd Implementation		

176. Does the policy tool recommend or require entities undertake any of the following with regard to
monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their	<b>2</b>		
transition plan  Develop financial plans for the			$\checkmark$
implementation of their transition plan			
Integrate climate- related matters into their financial accounting			
Incorporate climate change considerations into their investment decision making and/or asset planning			
Incorporate climate change considerations into their capital allocation and/or expenditure plans			
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans			

177. Describe the obligation to monitor progress in implementing transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

Taxonomy Roadmap Report: "The company issuing financial instruments under the taxonomy should
be required to commit to net zero by 2050 and then publish a corresponding net-zero transition plan
with science-based emissions targets, followed by annual progress reporting."

\_\_\_\_\_\_

182. Describe the obligations related to other governance mechanisms for enhancing the achievement of targets and/or implementation of transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

<u> Laxonomy Roadmap Report: "Specifically, the requirements should</u>
be based on emerging domestic regulatory requirements and international standards and best
practices."
Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the following	
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			
engagement			
Investor engagement			
Consumer			
engagement			
Policy engagement			
and lobbying practices Corporate governance		П	
structure for transition			
and verification			
Climate-related			<b>✓</b>
financial incentives for			
employees and board			
members			
185. Does the policy tool	recommend or require tar	geted entities to disclose	how they have used due
diligence and/or stewards	ship to achieve their targe	ts and/or implement their	transition plans?
_		·	·
No			
Recommended			
· recommended			
<ul> <li>Required</li> </ul>			
			_
<del>-</del>	ion to the align targets an	· ·	investor engagement,
referencing the relevant s	ection/subsection/paragr	aph of the policy tool.	
Taxonomy Roadmap Rep	ort: "The tayonomy can b	a used by investors comm	panies and financial
	•	•	<u> </u>
			and business decisions, as
well as to classify green of		• •	
<u>financial instruments (a p</u>	<u>articular focus of this Rep</u>	ort and the taxonomy arc	<u>:hitecture presented in</u>
Part Two)."			
Standards, Frameworks, and Guidelines			
Standards, Frameworks,	una Guidennes		

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1		<b>✓</b>	
IFRS S2			✓
Task Force on			
Climate-related			
Financial Disclosures			
(TCFD)			
CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			<b>✓</b>
Integrated Reporting			
Framework			
Global Reporting			✓
Initiative (GRI)			_
Sustainability		<b>✓</b>	
Accounting Standards			
Board (SASB)	_	<b>✓</b>	
Science Based Targets			
initiative (SBTi)		<u> </u>	
Science Based Targets			
initiative (SBTi) Net			
Zero Standard		<u> </u>	
European			<b>✓</b>
Sustainability			
Reporting Standards (ESRS)			
Other		ln	
Other			
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

As noted in Budget 2024, Finance Canada is currently developing the Sustainable Investment Guidelines. As such, many details of the Guidelines (such as its oversight entity) are still unknown.

## Policy Tool Name: Anti-greenwashing provisions in the Competition Act

3. Source material link(s): https://web.archive.org/web/20240816192035/https://competition-bureau.canada.ca/how-we-foster-competition/education-and-outreach/guide-june-2024-amendments-competition-act

https://web.archive.org/web/20240717212229/https://laws-lois.justice.gc.ca/eng/acts/C-34/index.html

4.	Which of the following governance domains does this policy tool relate to? Select all that apply.
<b>V</b>	Climate-related disclosure
	Transition planning
	Public procurement
6.	Select the category which best describes the author/issuer of the policy tool.
	Head of state and/or government
	Independent regulatory or supervisory body
<b>~</b>	Legislature
	Judiciary
	Ministry/Department/Agency
	Other (Please describe)
7.	Status of the policy tool
•	Approved, in force
0 /	Approved, not yet in force
0 (	Other (Please describe)
9.	Year of (planned) entry into force or year of publication
20	<u>24</u>

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
Amendments to the Competition Act tackle unsupported environmental claims (a.k.a.  "greenwashing") by requiring representations regarding the benefits of a business or business activity for protecting or restoring the environment or mitigating the environmental and ecological causes or effects of climate change to be based on adequate and proper substantiation in accordance with internationally recognized methodology. Additionally, the Competition Bureau is in the process of developing guidance regarding these new requirements.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Competition Bureau</u>
∘ 3.
o 4.
o 5.
15. To provide contextual information, rate the capacity of Competition Bureau to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)

of the Competition Act, and is therefore the right federal entity. However, the Bureau currently has limited expertise on environmental and climate change matters.
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of Competition Tribunal to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
● 3- High Capacity (Please explain) <u>The Competition Tribunal is responsible for the enforcement of the Competition Act, and is therefore the right federal entity. However, the Tribunal currently has limited expertise on environmental and climate change matters.</u>
o Prefer not to answer
o Not Applicable

• 2- Medium Capacity (Please explain) <u>The Competition Bureau is responsible for the implementation</u>

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded entities	<b>Ø</b>		
2. Private companies	<b>✓</b>		
3. Financial institutions			
4. Small and medium-	<b>✓</b>		
sized enterprises			
5. State-owned	<b>✓</b>		
companies			
6. Not-for-profit			<b>✓</b>
organizations			
7. Government			<b>✓</b>
agencies and/or			
departments			
(supranational)			
8. Government			<b>✓</b>
agencies and/or			
departments (national)			
9. Government			✓
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			$\checkmark$
(e.g., healthcare,			
defense, utilities,			
education)	<b>✓</b>		
13. Other			

13. Other Text:Persons making representations regarding the benefits of a business or business activity for protecting or restoring the environment or mitigating the environmental and ecological causes or effects of climate change

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. Minimum number of employees (Enter min number of full-time employees - FTEs) Minimum revenue (Enter minimum revenue) Minimum assets (Enter minimum assets) Minimum contract value (Enter minimum contract value) Entity is headquartered in the jurisdiction Entities are subjected to disclosure or reporting requirements 28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)? No o Yes 30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction? o Operations within jurisdiction only o Operations beyond the jurisdiction Not applicable 32. What are the sanctions for non-compliance? Select all that apply and describe in the text field. Monetary fine The Competition Act provides for several administrative monetary penalties for individuals and corporations Mestriction on business activities a court may order the person not to engage in the conduct (i.e. greenwashing) or substantially similar reviewable conduct  $\square$  Voiding or setting aside of contract ☐ Exclusion from government contracts ☐ Award of damages or compensation

☐ Penalty for senior managers

☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
Unknown or prefer not to answer
Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.    Below average
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.  o Below average o Average
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.  Output  Description:  Output  Description:  Above average  Above average
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.  Output  Description:  Average  Above average  Not applicable

36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

These changes have received significant media attention in Canada as well as responses from business associations and businesses regarding compliance concerns. This strong response suggests that Canada's business community is taking these provisions very seriously and are doing what they can to comply.

37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) <u>The Competition Bureau is currently assessing the impact of these requirements and is set to provide guidance to its enforcement to the business and legal communities.</u>
∘ Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
○ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
The Competition Bureau announced a public consultation to gather input related to the Competition Act's greenwashing provisions. The consultation will inform the Bureau's development of enforcement guidelines about environmental claims.
https://web.archive.org/web/20240819010014/https://www.canada.ca/en/competition-bureau/news/2024/07/competition-bureau-seeks-feedback-on-competition-acts-new-greenwashing-provisions.html
41. Does the policy tool recommend or require periodic impact assessments?
● No
○ Recommended
○ Required
43. Does the policy tool recommend or require periodic reviews?

No     No
∘ Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
○ No
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The Competition Bureau's guidance on the provisions will "offer transparency and predictability for
the business and the legal communities in the enforcement of the law."
$\frac{https://web.archive.org/web/20240816192035/https:/competition-bureau.canada.ca/how-we-foster-competition/education-and-outreach/quide-june-2024-amendments-competition-act}{}$

Domain-Specific Questions: Disclosure Questions
What is being disclosed?

52. Are targeted entities recommended or required to disclose any of the following climate-related
information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			<b>(</b>
2. GHG emissions offsets or removals			$\bigcirc$
3. GHG emissions reduction targets			<b>~</b>
4. Other climate- related targets			<b>✓</b>
5. Physical climate risk			
6. Transition risk			
7. Transition plan			$\checkmark$
Other disclosures			

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			✓ Inorrequired
opportunities			
2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies			<b>&gt;</b>
4. Capital allocation			
and/or expenditure			
plans (in the context of climate change)			
5. Due diligence			<b>✓</b>
6. Assumptions and			<b>V</b>
Dependencies			
7. Data limitations of			$\checkmark$
scenario analyses			
8. Financial			<b>✓</b>
implications of			
climate-related			
matters (e.g.,			
integration of climate- related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			<b>✓</b>
whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG	<b>✓</b>		
methodologies and criteria (in the case of			
service providers)			
11. Asset planning or			<b>✓</b>
ownership in the			
context of climate			
change			
12. Sectoral			<b>~</b>
investment policies			
13. Climate-related			$\checkmark$
lobbying and/or policy			
engagement 14. Locked-in			<b>✓</b>
emissions or			
information on			
ii ii Oi i i i didaa ii i i i i i i i i i i i i			

emissive assets with			
long lifespans			
15. Dirty asset			
divestiture			
16. Nature-related			
impacts			
17. Just transition			
indicators			
115. Describe and refere	ence the section/subsection	n/paraaraph of the policy t	tool relevant to ESG-
related disclosures.		,, p a.gp	
related disclosures.			
The amendments to the	Competition Act require re	epresentations regarding t	the benefits of a business
	protecting or restoring the		
·	ects of climate change to b		
•		·	proper substantiation in
accordance with interna	<u>itionally recognized metho</u>	dology.	
Ctd. Fd.	a and Caridalina		
Standards, Framework	s, ana Guiaeiines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			✓
2. IFRS S2			<b>✓</b>
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			<b>⊗</b>
8. Global Reporting Initiative (GRI)			<b>✓</b>
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

\_\_\_\_\_

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Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
<u>Draft guidance (voluntary) regarding the mandatory policy tool:</u>
/web/20240822214200/https://competition-bureau.canada.ca/how-we-foster-
competition/education-and-outreach/deceptive-marketing-practices-digest-volume-7
Additional Important Information
197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
<u>None</u>

# Policy Tool Name: Net-Zero Challenge

3. Source material link(s): https://web.archive.org/web/20240816194949/https://www.canada.ca/en/services/environment/wearher/climatechange/climate-plan/net-zero-emissions-2050/challenge/technical-guide.html#toc11
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
□ Climate-related disclosure
Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
☐ Independent regulatory or supervisory body
□ Legislature
□ Judiciary
✓ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2022</u>

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Net-Zero Challenge is "a voluntary initiative that aims to encourage businesses to develop and implement credible and effective plans to transition their facilities and operations to net-zero emissions by 2050."
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
1. <u>Environment and Climate Change Canada</u>
○ 2.
∘ 3.
o 4.
o 5.
15. To provide contextual information, rate the capacity of Environment and Climate Change Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>Environment and Climate Change Canada is the federal department with expertise on climate change, emissions accounting, net-zero, etc. They are very well situated to administer this program.</u>

o Prefer not to answer

<ul> <li>Not Applicable</li> </ul>	

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded		<b>V</b>	
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-		$\checkmark$	
sized enterprises			
5. State-owned		<b>✓</b>	
companies			
6. Not-for-profit			
organizations			
7. Government			<b>✓</b>
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			$\checkmark$
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			
13. Other Text:All businesses operating in Canada can join the Net-Zero Challenge			

(e.g., neartricare,	Į.		
defense, utilities,			
education)			
13. Other			
13. Other Text:All busines	sses operating in Canada	can join the Net-Zero Cha	<u>llenge</u>

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
∘ No
o Yes
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
□ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
Not applicable (e.g. in cases of voluntary tools) While the Challenge is voluntary, "failure to meet minimum requirements will result in the re-consideration of the participant's status in the Challenge."
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average

o Average
o Above average
o Not applicable
● Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
Average
o Above average
o Not applicable
o Unknown or prefer not to answer
36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
As of August 16, 2024, 222 entities have participated in the Net-Zero Challenge:
/web/20240822214848/https://www.canada.ca/en/services/environment/weather/climatechange/cli
mate-plan/net-zero-emissions-2050/challenge.html
mate-plan/net-zero-emissions-2050/challenge.html
mate-plan/net-zero-emissions-2050/challenge.html
mate-plan/net-zero-emissions-2050/challenge.html  37. Have the climate-specific provisions in this instrument ever been enforced?
mate-plan/net-zero-emissions-2050/challenge.html  37. Have the climate-specific provisions in this instrument ever been enforced?  No (If relevant, explain)
mate-plan/net-zero-emissions-2050/challenge.html  37. Have the climate-specific provisions in this instrument ever been enforced?  No (If relevant, explain)

38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>climate-action.html</u>
See here for list of companies that are part of the challenge and their "participation tier":
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
● Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
There are minimum requirements and timelines for submitting net-zero deliverables and reporting that participating businesses must meet. This includes annual reporting and updating their net-zero plan. If a participant fails to meet these requirements, their participation in the Challenge will be reconsidered.
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
∘ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
● 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified

o Other
43. Does the policy tool recommend or require periodic reviews?
● No
o Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
● No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?  • No  • Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.  Net-Zero Advisory Body: https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/net-zero-emissions-2050/advisory-body.html

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
No     No
∘ Recommended
o Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
○ No
∘ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
∘ No
∘ Recommended
Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets. The minimum requirements to join: - Set a net-zero emissions target for 2050 or earlier. - Complete a Preliminary Participation Checklist within 12 months of joining. - Complete a Comprehensive Participation Checklist within 24 months of joining. - Set at least two interim reduction targets. - Report on progress annually. - Review and update net zero plans every five years. - Conduct and make public climate-related financial disclosures (SMEs exempt). 138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets?  $\circ$  No o Recommended Required 139. What is the recommended or required frequency of progress reports related to the achievement of targets? o Yearly o Every two years Every three years Every four years Every five years Every ten years or more Other

No prescribed frequency

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions	<b>•</b>		
reduction target			
An intensity-based			$\checkmark$
emissions reduction			
target			
A net zero target		✓	
Interim targets (e.g.		<b>✓</b>	
2030, 2050)			
Targets covering non-			
carbon GHG emissions			
A Scope 3 emissions			
target			
A target derived using			$\checkmark$
a sectoral			
decarbonization			
approach			
A level of ambition for			$\checkmark$
emissions reductions			
(e.g. 80% reduction)			
A baseline year from			
which progress is			
measured			
A target timeframe		✓	
(e.g. by 2040)			
Targets for renewable			
energy procurement			
Targets for fossil fuel			
phase down/phase up		_	
Separate targets for			
GHG offsets and/or			
removals			
Targets or goals related to climate			$\checkmark$
adaptation			<b>✓</b>
Targets or goals related to nature and			
Other targets related			<b>✓</b>
Other targets related			
to sustainability			

141. What is the recommended or required scope of emissions for absolute emissions reduction targets? Select all that apply.

Scope 1 emissions

Scope 2 emissions
Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
☐ Scope 3 emissions, all
□ Not specified
143. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.
Scope 1 emissions
Scope 2 emissions
Scope 3 emissions, relevant or material
☐ Scope 3 emissions, a specified proportion of coverage (Please describe)
☐ Scope 3 emissions, all
□ Not specified
144. What is the recommended or required year for the net zero target (e.g. net zero by)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
● Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
○ Other
○ Not specified
145. What is the recommended or required year for interim targets?

○ 2025-2030
o 2031-2040
o 2041-2050
● Other <u>at least 2 interim targets before 2050</u>
○ Not specified
146. What is the recommended or required level of ambition for interim targets?
○ Reduction between 1-25%
○ Reduction between 26-50%
○ Reduction between 51-75%
○ Reduction of over 76%
○ Other
Not specified
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  • Between 2030 and 2035
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  o Between 2030 and 2035  o Between 2036 and 2040
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  Output  Description:  Between 2030 and 2035  Description:  Between 2036 and 2040  Description:  Between 2041 and 2045
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  Output  Description:  Between 2030 and 2035  Description:  Between 2036 and 2040  Description:  Between 2041 and 2045  Description:  Between 2046 and 2050
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  Output  Description:  Between 2030 and 2035  Output  Description:  Between 2036 and 2040  Output  Description:  Between 2041 and 2045  Output  Description:  Between 2046 and 2050  Output  Description:  Between 2051 and 2060
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  o Between 2030 and 2035  o Between 2036 and 2040  o Between 2041 and 2045  o Between 2046 and 2050  o Between 2051 and 2060  o Between 2061 and 2070
153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?  Output  Between 2030 and 2035  Output  Between 2036 and 2040  Output  Between 2041 and 2045  Output  Between 2051 and 2060  Output  Output  Output  Output  Description  Output  Description  De

156. Describe and reference the section/subsection/paragraph of the policy tool relevant to setting separate targets for GHG offsets and/or removals.

<u>Program Technical Guide: "All participants should ensure that all offset credits used in their net-zero</u>
plans follow the below guidelines and recommendations. All participants are encouraged to be as
transparent as possible when it comes to the use of offsets in their net-zero plans.":
/web/20240822215819/https://www.canada.ca/en/services/environment/weather/climatechange/climatec
mate-plan/net-zero-emissions-2050/challenge/technical-guide.html
157. Does the policy tool recommend or require any certification standards for the use of offsetting or removals?
∘ No
• Recommended (Please reference the relevant section/subsection/paragraph of the policy tool
related to certification standards for the use of offsets and/or removals) Technical Guide:
"Participants should also ensure that any offset credits used are valid at their time of use and reflect
reductions or removals with comparable timescales and environmental integrity as emissions
reductions achieved in house."
o Required (Please reference the relevant section/subsection/paragraph of the policy tool related to certification standards for the use of offsets and/or removals)
158. Does the policy target make any other recommendations or requirements regarding the appropriate use of offsets?
∘ No

• Yes (Please reference the relevant section/subsection/paragraph of the policy tool related to certification standards for the use of offsets and/or removals) Technical Guide:

#### 5.3.5.2 Domestic offsets

For Canadian operations, it is strongly recommended that participants only use offset credits that are issued by Canadian federal and provincial government offset systems, as doing so can help ensure that the offset credits meet all of the general guidelines mentioned above and can help participants achieve a higher participation tier. This also includes offset credits issued by Canada's Federal Greenhouse Gas Offset System.Footnote28

Participants may choose to purchase domestic offset credits generated from the voluntary offset market. These offset credits should meet the general guidelines mentioned above. For Canadian operations, it is strongly recommended that participants seek offset credits generated from voluntary offset programs that align with the best practices outlined in the Canadian Council of Ministers of the Environment Pan-Canadian Greenhouse Gas Offsets Framework.

#### 5.3.5.3 International offsets

Participants are allowed to use international offset credits. It is strongly recommended that these credits be used only for a participant's international operations. International offset credits should be generated from established and reputable offset systems or programs and any offset credits used should have high environmental integrity. These offset credits should meet the general guidelines mentioned above. For domestic operations, it is strongly recommended that post 2025, international offset credits should only be used if they fully comply with the rules for Internationally Transferred Mitigation Outcomes (ITMOs) established in Article 6 of the Paris Agreement, and with all subsequent applicable decisions adopted by the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties, and any further criteria for international offsets developed by Environment and Climate Change Canada. For example, international offset credits must represent real, quantified, verified, unique, permanent and additional mitigation outcomes, which have been authorized by the host country for use toward Canada's national emissions targets under the Paris Agreement, and are subject to robust accounting to avoid double-counting.

<u>eai, quantinea, vermea, unique, permanent ana daaitional mitigation outcomes, which have been </u>
authorized by the host country for use toward Canada's national emissions targets under the Paris
Agreement, and are subject to robust accounting to avoid double-counting.
Francition Dlane
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan
a NIa
o No
Recommended
Required

165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended nor required
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)			
Key Performance Indicators (KPIs) for monitoring transition plan implementation			
Updates to the transition plan			
Third-party verification and/or audited accuracy of the transition plan			
Identified methodology for scenario analysis			

166. Describe the recommended or required timeframe for the transition plan.

- o 1-10 years
- o 11-20 years
- o 21-30 years
- o 31-40 years
- o 41-50 years
- Other <u>To 2050</u>

167. Describe the recommended or required Key Performance Indicators (KPIs) and reference the relevant section/subsection/paragraph of the policy tool.

<u>Technical Guide: "Participants will be placed in different Participation Tiers according to the ambition and transparency of their interim targets and net-zero plan, and participants can attain higher levels as they meet successive Net-Zero Challenge milestones (see Section 9.0).</u>

#### 3.1 Preliminary net-zero plan

A preliminary net-zero plan must be developed within 12 months of joining the Challenge. It is required that the preliminary net-zero plan include the following elements:

An announced net-zero GHG emissions by 2050 target;

A GHG emissions inventory baseline (see Section 4.2); and

Information on climate-related financial disclosure (see Section 8.2).

These elements can be revised, as needed, in the comprehensive net-zero plan.

To determine that a participant's preliminary net-zero plan meets the minimum requirements, the participant must submit a completed Preliminary Net-Zero Plan Participation Checklist at any time after signing the commitment letter and before the 12 month deadline.

### 3.2 Comprehensive net-zero plan

A comprehensive net-zero plan must be developed within 24 months of joining the Challenge. It is required that the comprehensive net-zero plan include the following elements:

The GHG emissions inventory baseline, as per the preliminary net-zero plan;

At least one of the two interim targets and the net-zero target (see Section 6.0);

A high-level description of the scenario analysis conducted to identify net-zero pathways (see Section 5.0):

A high-level description of some mitigation strategies (see Section 5.3);

A description of the corporate governance strategy (see Section 8.1); and

Information on climate-related financial disclosure (see Section 8.2), as per the preliminary net-zero plan.

To determine that a participant's comprehensive net-zero plan meets the requirements, the participant must submit a completed Comprehensive Net-Zero Plan Participation Checklist at any time after submitting the completed Preliminary Net-Zero Plan Participation Checklist and before the 24 month deadline.

#### 3.3 Submitting net-zero plan information

Participants do not submit their net-zero plans to the Net-Zero Challenge. Rather, they submit Participation Checklists attesting to the development of their preliminary and comprehensive net-zero plans. These checklists ask a series of questions to determine whether the participant has met the minimum requirements and to determine placement in the participation tiers. For each response in the Participation Checklists, participants must provide evidence in support of their response. It is expected that participants will be able to use publicly-available information to provide evidence to most, if not all questions.

Once completed, participants submit the Participation Checklists to the Net-Zero Challenge. The Net-Zero Challenge will acknowledge receipt of the Participation Checklists and will use the responses and evidence provided in each Participation Checklist to verify whether a participant meets the minimum requirements of the Net-Zero Challenge and to determine their participation tier. Following submission and review of the Comprehensive Net-Zero Plan Participation Checklist, Environment and Climate Change Canada will notify participants of their placement in the participation tiers.

The participation tier levels simply recognize that the specified Net-Zero Challenge criteria have been

met. A participation tier is not an endorsement of the net-zero plan, nor an indication of whether the net-zero plan is achievable. Environment and Climate Change Canada will explore evaluation and verification tools, as appropriate, to assess evidence provided by participants.

To promote accountability and transparency, participants are encouraged to publish comprehensive information about their net-zero plans on their websites in an accessible format. In addition, completed Participation Checklists submitted to Environment and Climate Change Canada can be made publicly available upon request.

#### 3.4 Updating net-zero plans

The comprehensive net-zero plan should be reviewed and updated at least once every five years. Net-zero planning is an ongoing process and plans are likely to change significantly between now and 2050. Scenarios will need to be adjusted to account for new information, and new mitigation strategies may need to be identified, especially for hard-to-abate sectors where new clean technologies may emerge or become more economically feasible.

#### Specifically, participants shall:

Conduct a thorough review of the GHG emissions inventory, identifying any new emissions sources and changes to the inventory boundaries;

<u>Update and adjust the GHG emissions baseline, if there have been significant changes to their GHG emissions inventory and boundaries (e.g. deciding to include more scope 3 emissions categories);</u>

Review the net-zero pathway assumptions and update scenarios to reflect new knowledge and developments;

Update mitigation strategies based on new knowledge;

Specify the second interim target and adjust the first interim target, if needed;

Update the corporate governance strategy, if needed; and

Add or modify any other relevant information.

As with the original preliminary and comprehensive net-zero plans, participants do not submit the updated net-zero plan to the Net-Zero Challenge. Rather they will submit a Participation Checklist, similar to the ones developed for the preliminary and comprehensive plans. This checklist will be made available to participants at a later date."

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168. Select the option that best describes the recommended or required frequency of updates to transition plans.

- $\circ \text{ 0-2 years}$
- 2-5 years
- 5-10 years
- o 10 or more years

○ Not specified
o Other
169. Describe the recommended or required updates to transition plans and reference the relevant section/subsection/paragraph of the policy tool.
See response to Q9.167.
170. Describe the recommendation or requirement to undertake third-party verification and/or audited accuracy of the transition plan and reference the relevant section/subsection/paragraph of the policy tool.
Technical Guide: "It is a recommended best practice and participants are encouraged to have their GHG emissions inventories verified by an accredited third-party. A verified GHG emissions inventory can provide confidence in the GHG emissions inventory and in the net-zero plan. Furthermore, a verified GHG emissions inventory can help companies avoid being labelled as "green-washing".
171. Regarding the methodology for scenario analysis, does the policy tool recommend or require targeted entities identify and/or take actions to address data limitations?
No     No
∘ Recommended
∘ Required
173. Regarding the methodology for scenario analysis, does the policy tool recommend or require targeted entities disclose data limitations?
∘ No
Recommended
∘ Required

disclosure of data limitations related to scenario analysis methodologies

"While adopting an ambition to reach an end goal such as Net Zero 2050 is laudable, a lack of pathway definition showing how the objective will be achieved leads to potential "greenwashing" by current executives who will not ultimately be there to be accountable – even when executive pay is linked to achieving targets that move towards their own set goals. So some idea of the expected pathway in terms of a scenario and actions to meet that scenario is crucial in order to monitor and verify the action towards that."

Monitoring, Oversight, and Implementation

174. Describe and reference the section/subsection/paragraph of the policy tool relevant to the

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their	$\checkmark$		
transition plan			
Develop financial			
plans for the			
implementation of			
their transition plan			
Integrate climate-			<b>✓</b>
related matters into			
their financial			
accounting			
Incorporate climate	$\checkmark$		
change considerations			
into their investment			
decision making			
and/or asset planning	<b>✓</b>		
Incorporate climate change considerations			
into their capital			
allocation and/or			
expenditure plans			
Any other mechanisms			<b>✓</b>
for enhancing the			
achievement of			
targets and/or the			
implementation of			
transition plans			

177. Describe the obligation to monitor progress in implementing transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

Technical report: "In order to promote transparency and credibility of net-zero plans and targets, participants are strongly encouraged to publicly disclose as much of their net-zero planning as possible on their websites, and to report on their progress annually. Participants are encouraged to publish stand-alone net-zero reports (i.e. the net-zero plan information is not embedded in sustainability, ESG, or annual reports) in order to provide complete transparency with their net-zero plan and progress towards net-zero emissions. In the simplest form, a stand-alone net-zero report should be a downloadable document that includes all the required elements in the comprehensive net-zero plan (see Section 3.2), and if the stand-alone report is produced when participants are required to provide annual progress reporting, then it should also include all elements required in the Annual Progress Participation Checklist (see Section 7.1)."

180. Describe the obligation to incorporate climate change considerations into investment decision making and asset planning, referencing the relevant section/subsection/paragraph of the policy tool.
"As part of the comprehensive net-zero plan, participants must provide a description of their corporate governance strategy. This should demonstrate how net-zero planning, climate change targets, and, more broadly, climate change risks and opportunities, are incorporated into business and/or investment decisions. Some questions that could be considered include:
- How will the net-zero plan be incorporated into capital investment decisions to ensure that the right investments are made in a timely manner (e.g. when there is a capital stock turnover) to allow the company to meet its emissions reduction targets? - What role does the board and the executive leadership have in overseeing net-zero planning and
implementation? Have climate-related responsibilities been assigned to management-level positions or committees?  - How is management informed about progress on implementing and meeting the targets of the net-zero plan?"
181. Describe the obligation to incorporate climate change considerations into capital allocation and/or expenditure plans, referencing the relevant section/subsection/paragraph of the policy tool.  See answer to Q9.180.
Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the following engagement and/or governance practices with their targets and/or transition plans?

	Recommended	Required	No		
Value chain			<b>✓</b>		
engagement					
Investor engagement					
Consumer engagement			<b>&gt;</b>		
Policy engagement and lobbying practices			<b>&gt;</b>		
Corporate governance structure for transition and verification	$\checkmark$				
Climate-related financial incentives for employees and board members					
185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?					
No					
o Recommended					
o Required					

190. Describe the obligation to the align targets and/or transition plans with corporate governance structures for transition and verification, referencing the relevant section/subsection/paragraph of the policy tool.

<u>Technical Guidance: "As part of the comprehensive net-zero plan, participants must provide a description of their corporate governance strategy. This should demonstrate how net-zero planning, climate change targets, and, more broadly, climate change risks and opportunities, are incorporated into business and/or investment decisions. Some questions that could be considered include:</u>

- How will the net-zero plan be incorporated into capital investment decisions to ensure that the right investments are made in a timely manner (e.g. when there is a capital stock turnover) to allow the company to meet its emissions reduction targets?
- What role does the board and the executive leadership have in overseeing net-zero planning and implementation? Have climate-related responsibilities been assigned to management-level positions or committees?
- <u>- How is management informed about progress on implementing and meeting the targets of the net-zero plan?"</u>

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor		
IEDO 04		_	referenced		
IFRS S1					
IFRS S2			<b>✓</b>		
Task Force on		$\checkmark$			
Climate-related					
Financial Disclosures					
(TCFD)		+_			
CDP (formerly known					
as Climate Disclosure					
Project) Technical Note: Reporting on					
Climate Transition					
Plans					
International			<b>✓</b>		
Integrated Reporting					
Framework					
Global Reporting			<b>✓</b>		
Initiative (GRI)					
Sustainability		<b>✓</b>			
Accounting Standards					
Board (SASB)					
Science Based Targets		<b>✓</b>			
initiative (SBTi)					
Science Based Targets					
initiative (SBTi) Net					
Zero Standard			<b>✓</b>		
European Sustainability					
Reporting Standards					
(ESRS)					
Other		<b>✓</b>			
195 List any other standa	ards frameworks or quid	elines required by or refer	red to within the policy		
•	_	andard/framework/guidel			
tool. I lease provide a we	b dicilived link to eden st	andara/namewonk/galaci	ine listed.		
GHG Protocol					
Additional Important Information					

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

## Net-Zero Challenge Technical Guidelines:

/web/20240822215819/https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/net-zero-emissions-2050/challenge/technical-guide.html

# Policy Tool Name: Green Procurement Policies

3. Source material link(s): https://web.archive.org/web/20240816200254/https://www.tbssct.canada.ca/pol/doc-eng.aspx?id=32573

https://web.archive.org/web/20240816200641/https://www.canada.ca/en/treasury-boardsecretariat/services/innovation/greening-government/green-procurement/buyers-climate-action.html

https://web.archive.org/web/20240816200617/https://www.tbs-sct.canada.ca/pol/doceng.aspx?id=32692

https://web.archive.org/web/20240827212112/https://www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/strategy.html
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
☐ Climate-related disclosure
☐ Transition planning
✓ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
☐ Independent regulatory or supervisory body
□ Legislature
□ Judiciary
✓ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)

9. Year of (planned) entry into force or year of publication
2018
10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The objective of the Policy on Green Procurement (2018) is to "advance the protection of the
environment and support sustainable development by integrating environmental performance considerations into the procurement decision-making process." This should be read in conjunction with the Directive on the Management of Procurement (2021)
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Treasury Board Secretariat (TBS)</u>
© 2. <u>Public Services and Procurement Canada (PSPC)</u>
○ 3.
o 4.
o 5.

undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) TBS is responsible for cross-departmental policy and requirements for all government spending.
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of Public Services and Procurement Canada (PSPC) to undertake the policy tool's implementation and/or enforcement.
O- No Capacity (Please explain)
• 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>PSPC supports federal departments and agencies as their central purchasing agent, among other roles.</u>
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			$\checkmark$
entities			
2. Private companies			
3. Financial institutions			$\checkmark$
4. Small and medium-			$\checkmark$
sized enterprises			
5. State-owned			$\checkmark$
companies			
6. Not-for-profit			
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			<b>~</b>
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city) 11. Government			<b>✓</b>
agencies and/or departments			
(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			
13. Other	1 11 5: 1		LC 11:

13. Other Text:The Standard on the Disclosure of Greenhouse Gas Emissions and Setting of Reduction Targets under the Policy in effect imposes obligations on suppliers wanting to do business with the federal government.

27. E	Describe the threshold	criteria to identi	fy entities for	whom or	instances ir	n which	complianc	e is
man	datory.							

30. Does the policy tool exclusively apply to entitie entities' operations beyond the jurisdiction?  Operations within jurisdiction only Operations beyond the jurisdiction  Not applicable	es' domestic operations, or does it also apply to
<ul><li>entities' operations beyond the jurisdiction?</li><li>Operations within jurisdiction only</li><li>Operations beyond the jurisdiction</li></ul>	es' domestic operations, or does it also apply to
entities' operations beyond the jurisdiction?  Operations within jurisdiction only	es' domestic operations, or does it also apply to
entities' operations beyond the jurisdiction?	es' domestic operations, or does it also apply to
	es' domestic operations, or does it also apply to
o Yes	
No    No	
28. Can entities for whom compliance with the pol comply or explain)?	licy tool is mandatory opt out of the obligation (e.g.
requirements	meaning of section 2 of the Financial Administration Act, unless specific acts or regulations override it."
Entity is headquartered in the jurisdiction Entities are subjected to disclosure or reporting	"The policy applies to all departments within the
contract value)	
Minimum assets (Enter minimum assets) Minimum contract value (Enter minimum	
Minimum revenue (Enter minimum revenue)	
Minimum number of employees (Enter min number of full-time employees - FTEs)	
Minimum number of employees (Enter min	(national)
	Government agencies and/or departments

☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
✓ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
○ Average
Above average
o Not applicable
Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes

38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
In 2021, the Buyers for Climate Action (BCA) was established to drive the transition and collaborate on green procurement, sharing knowledge, and best practices to improve green procurement and increase capacity of buyers to work with suppliers to provide greener goods and services. The Government of Canada funds the BCA.
The PSPC, which is assisting TBS in the implementation of the Policy on Green Procurement, incorporates environmental considerations in its procurement services, "by ensuring that client departments can choose environmentally-preferable options on standing offers."
https://web.archive.org/web/20240820175156/https://www.tpsgc-pwgsc.gc.ca/rapports-reports/smdd-dsds/smdd-dsds-2023-2027-eng.html
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Under the Policy on Green Procurement, TBS develops performance measures for planning and reporting to be used by federal departments; as well as issues guidelines for reporting green procurement performance in departmental reports.
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
o Recommended
Required

42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
o 2-5 years
○ 5-10 years
○ 10 or more years
○ Not specified
• Other <u>Deputy heads of departments monitor and deport on green procurement performance</u> through the annual Departmental Plan and other department reports.
43. Does the policy tool recommend or require periodic reviews?
○ No
○ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
o 2-5 years
○ 5-10 years
○ 10 or more years
○ Not specified
• Other TBS will "evaluate the effectiveness of this policy periodically"

agencies, forming working groups, etc.)?
No     No
o Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
o No

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

In 2021, the Buyers for Climate Action (BCA) was established to drive the transition and collaborate on green procurement, sharing knowledge, and best practices to improve green procurement and increase capacity of buyers to work with suppliers to provide greener goods and services. The BCA develops model procurement specifications in low carbon construction, zero-emission fleets and green information and communications technology. The Government of Canada funds the BCA.

The Greening Fleet Working Group aims to increase efforts in fleet greening "through information-sharing and collaboration with key jurisdictions"

https://web.archive.org/web/20240816200641/https:/www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/green-procurement/buyers-climate-action.html

<u>PSPC</u> helps client departments choose environmentally-preferable options on standing offers including for light-duty vehicles.

https://web.archive.org/web/20240820175156/https://www.tpsgc-pwgsc.gc.ca/rapports-reports/smdd-dsds/smdd-dsds-2023-2027-eng.html

See also Policy 11: Green Procurement Incentives

Additional Important Information
197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
<u>None</u>

Domain-Specific Questions: Public Procurement Questions
200. Does the policy tool allow, recommend, or require the alignment of public procurement spending with national and/or subnational climate targets?
o No
Allowed and/or recommended
○ Required
201. Describe the obligation to align public procurement spending with national and/or subnational climate targets, referencing the relevant section/subsection/paragraph of the policy tool.
3.2.1 of the Directive on the Management of Procurement states that an expected result of the directive is that procurements "managed in a manner that enables operational outcomes and
demonstrates sound stewardship and best value consistent with the Government of Canada's socio-
economic and environmental objectives"

202. Does the police	v tool set taraets in re	lation to climate-aligned	procurement? Select	all that apply.

	Allowed/recommended	Required	Not applicable
A minimum percentage of			
tenders/contracts which must			
include climate-related			
criteria			
A minimum number of			
climate-related criteria to be			
included in			
purchases/tenders			
A minimum value of			
procurement spend which			
must include climate-related			
criteria			
A maximum amount of			
greenhouse gas emissions			
associated with			
tenders/contracts (i.e. a			
carbon ceiling/envelope)			
Targets for the reduction of			
fossil fuel energy			
consumption associated with			
tenders/contracts			
Targets for the procurement			
of products which have a			
third-party sustainability			
certification/ ecolabel/			
voluntary sustainability			
standard			
Other (Please describe and			
reference the			
section/subsection/paragraph			
of the policy tool relevant to			
other climate-aligned			
procurement targets)			
Other Text:For instance, the Star		•	•
<u>Green Procurement) provides a ı</u>	<u>minimum material quantit</u>	y to be used in the mix	<u>X</u>
Dua Co			
Procurement Cycle			

204. Does the policy tool make recommendations or allowances or set requirements related to climate change mitigation at the procurement planning stage? Select all that apply.

	Allowed/	Required	Not applicable
	recommended		
Procuring entities			
consider climate			
change mitigation			
and/or GHG emissions			
reductions goals when			
defining their			
procurement needs			
Procuring entities have			
a strategy, plan, or			
policy regarding the			
alignment of			
procurement practices			
with climate objectives			
Procuring entities set			
aside a portion of their			
procurement budgets			
for climate-aligned			
procurement			
Procuring entities			
include emissions from			
procurement in their			
carbon budget			
Procuring entities		<b>✓</b>	
follow guidance on			
calculating			
procurement-related			
emissions			
Procuring entities			
inform and/or consult			
with market actors in			
advance of publishing the formal call for			
tenders, in relation to			
climate considerations			
(i.e. pre-procurement			
consultation,			
engagement, or			
dialogue)			
Other allowances,			
recommendations or			
requirements related			
to climate change			
mitigation or GHG			
emissions at the			
procurement planning			
stage			

205. To which of the following do climate change mitigation and/or GHG emission reduction goals apply with regard to the definition of procurement needs? Select all that apply.
Goods
Services
Works
206. Describe the obligation for procuring entities to consider climate change mitigation and/or GHG emissions reductions goals when defining their procurement needs, referencing the relevant section/subsection/paragraph of the policy tool.
s.7.2 of the Policy on Green Procurement outlines that Deputy heads are required to ensure "their management control frameworks incorporate environmental considerations: from procurement planning, identification and definition of requirements, acquisition, operation and maintenance of assets, to disposal of goods or closure activities of services." Specifics are provides in the policy as well as subsidiary regulation.
https://web.archive.org/web/20240816200254/https:/www.tbs-sct.canada.ca/pol/doc-eng.aspx?id=32573
207. Must the strategy, plan, or policy regarding the alignment of procurement practices with climate objectives be published?
o No
208. Is there a central publication point?
○ No
• Yes (Describe) The Greening Government Strategy aims to put all federal green procurement policies in one place:

https://www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-
government/strategy.html
209. Describe the obligation for procuring entities to have a strategy, plan, or policy regarding the alignment of procurement practices with climate objectives, referencing the relevant section/subsection/paragraph of the policy tool.
7.2 of the Policy on Green Procurement states that Deputy heads of departments are accountable to
establish management process, set green procurement targets, buy environmentally preferable good and services, and monitor and report on green procurement performances through annual reports.
https://web.archive.org/web/20240816200254/https:/www.tbs-sct.canada.ca/pol/doc- eng.aspx?id=32573
213. In the case of procuring agencies that follow guidance on calculating procurement-related emissions, does the policy tool identify an agency or organisation which advises upon calculation of emissions from procurement, and/or audits these calculations?
o No
● Yes (Describe the identified agency and/or organisation, referencing the relevant section/subsection/paragraph of the policy tool) The Standard on Embodies Carbon in Construction, Appendix A Schedule outlines that Environmental Product Declarations (EPD) that disclose the embodied carbon footprint of structured materials "must be ISO 14025:2006 Type III and ISO 21930:2017 compliant" unless otherwise noted. If EPDs are not readily available, the agency must provide a life-cycle assessment report that complies with (International Organization for Standardization (ISO) 14044, ISO 14025, and ISO 21930 or equivalent)"
https://web.archive.org/web/20240816200254/https:/www.tbs-sct.canada.ca/pol/doc-eng.aspx?id=32573
214. Describe the obligation for procuring entities to inform and/or consult with market actors in

214. Describe the obligation for procuring entities to inform and/or consult with market actors in advance of publishing the formal call for tenders, in relation to climate considerations (i.e. preprocurement consultation, engagement, or dialogue), referencing the relevant section/subsection/paragraph of the policy tool.

<u>Under 4.3.7 of the Directive on the Management of Procurement, contracting authorities monitor,</u> <u>document and investigate contractor performance issues as they arise over the court of the course of</u> https://web.archive.org/web/20240816200617/https://www.tbs-sct.canada.ca/pol/doceng.aspx?id=32692 215. Describe and reference the section/subsection/paragraph of the policy tool relevant to other recommendations related to climate change mitigation or GHG emissions at the procurement planning stage. Life-cycle or Whole-life Costing 217. Does the policy tool recommend or require the use of life-cycle costing or whole-life costing to capture climate-related impacts (e.g. energy or fuel consumption, monetized emissions or other environmental costs, end-of-life costs, etc)?  $\circ$  No Allow and/or recommend Require 218. Describe the obligation to use life-cycle costing or whole-life costing to capture climate-related impacts, referencing the relevant section/subsection/paragraph of the policy tool. S.7.2.1 of the Policy for Green Procurement states that Deputy heads are accountable to "Integrate environmental stewardship and life-cycle principles in procurement planning and practices, including the government's supply chain" https://web.archive.org/web/20240816200254/https://www.tbs-sct.canada.ca/pol/docenq.aspx?id=32573

the contract in order to select appropriate measures to address issues "in consultation with business

owners." The Directive works in conjunction with the Policy on Green Procurement.

219. Does the allowance, recommendation, and/or requirement to apply life-cycle costing or whole-life costing only apply to certain types of contract/tender?
No     No
Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool)
220. Does the policy tool allow, recommend, or require a methodology or tool for calculating life-cycle/ whole-life costs? If so, describe and reference the relevant section/subsection/paragraph of the policy tool.
○ No
o Allow/recommend
Require Standard on Embodied Carbon in Construction, S.3.2.3: regarding the procurement of construction services, disclosure of the embodied carbon footprint of structured materials measured with Environmental Product Declarations (EPDs) are produced using the "highest available resolution life cycle inventory (LCI) data"
Tendering or Solicitation Stage

222. Does the policy tool make allowances, recommendations or set requirements at the tendering or solicitation stage? Select all that apply.

	Allowed/recommended	Required	Not applicable
Exclusion or debarment grounds based on compliance with climate obligations			
Qualification or selection criteria related to climate change			
Including climate or environmental considerations when calculating value for money, including through the use of lifecycle or whole-life costing			
Technical specifications (e.g. setting minimum levels of energy efficiency or maximum product carbon emissions)			
Contract award criteria or value for money evaluation frameworks (e.g. minimum scores/performance levels under climate- related criteria, preferences for climate or sustainable products)			
Other procurement stage allowances, recommendations or requirements			
Contract Performance			

249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be included to monitor and report on emissions or other metrics)?
o No
o Allowed and/or recommended
Required
250. Describe the recommendations, allowances, and/or requirements set at the contract performance stage, referencing the relevant section/subsection/paragraph of the policy tool.
7.2.4 of the Policy on Green Procurement requires that Deputy heads are accountable to "[b]uy environmentally preferable goods and services where value for money is demonstrated (i.e. appropriate balance of many factors, such as cost, performance, availability, quality, and environmental performance) and meet green procurement targets."
3.2.2 Directive on the Management of Procurement: One of the expected results of the Directive is "[p]rocurement decisions are based on risk management practices, performance information and an assessment of full life-cycle costs whenever possible"
https://web.archive.org/web/20240816200254/https:/www.tbs-sct.canada.ca/pol/doc- eng.aspx?id=32573
https://web.archive.org/web/20240816200617/https://www.tbs-sct.canada.ca/pol/doc- eng.aspx?id=32692
Monitoring and Reporting
252. Does the policy tool include allowances, recommendations or requirements to monitor and/or report upon climate-aligned procurement?
∘ No
Allowed and/or recommended
Required

253. Does the policy tool specify the entity responsible for monitoring and reporting?				
o No				
● Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool) 7.2.7 of the Policy on Green Procurement states that Deputy heads (of federal departments) are accountable to "[m]onitor and report on green procurement performance through the annual Departmental Plan, the Departmental Results Report or the Departmental Sustainable Development Strategy"				
https://web.archive.org/web/20240816200254/https:/www.tbs-sct.canada.ca/pol/doc- eng.aspx?id=32573				
254. Are targeted entities recommended or required to monitor and/or report any of the following data? Select all that apply.				
$\square$ Adoption of a climate-aligned and/or environmentally sustainable procurement plan or policy				
$\square$ Staff training related to climate-aligned and/or environmentally sustainable procurement				
□ Number of tenders/contracts which include climate-related criteria				
□ Value of tenders/contracts which include climate-related criteria				
□ Content of climate-related criteria				
□ Level of ambition of climate-related criteria				
□ Reasons for not including climate-related criteria in tenders				
☐ Market response to climate-related criteria (e.g. number of tenders rejected, average or lowest/highest score awarded, feedback received)				
□ Outcome of tenders in which climate-related criteria are applied (e.g. impact on award decision, costs, or other factors)				
☐ Audits of contractors' compliance with climate-related criteria during contract performance				
☐ Climate impact or outcomes of tenders/contracts				
□ Other				

258. Is it allowed, recommended or required that monitoring and reporting data be published?

∘ No
o Allowed and/or recommended
<ul><li>Required</li></ul>
259. Is there a central publication point?
No
o Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool)
260. What is the recommended or required frequency of published reports?
○ Yearly
o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
Other While the Departmental Plan and Departmental Results Report are annual, the Departmental Sustainable Development Strategy is not.
No prescribed frequency
Standards, Frameworks, and Guidelines

262. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. Paris Agreement	<b>✓</b>		
2. The jurisdiction's			<u> </u>
Nationally Determined			
Contribution (NDC)			
3. IFRS S1			<b>✓</b>
4. IFRS S2			
5. Task Force on Climate-		$\checkmark$	
related Financial Disclosures			
(TCFD)			
6. GHG Protocol Corporate			
Accounting and Reporting			
Standard			
7. GHG Protocol Corporate			
Value Chain (Scope 3)			
Accounting and Reporting Standard			
8. CDP (formerly known as			<b>✓</b>
Climate Disclosure Project)			
reporting framework			
9. Science Based Targets			<b>✓</b>
initiative (SBTi)			
10. Science Based Targets			<b>✓</b>
initiative (SBTi) Net Zero			
Standard			
11. United Nations			
Sustainable Development			
Goals (SDGs)			
12. ISO 20400 Sustainable			
Procurement			
13. EU Green Public			
Procurement criteria and			
guidance 14. UNEP Sustainable Public			<b>✓</b>
Procurement			
Implementation Guidelines			
15. OECD MAPS -			<b>✓</b>
Supplementary Module on			
Sustainable Public			
Procurement			
16. Asian Development			<b>✓</b>
Bank Guidelines for			
Sustainable Procurement			
17. African Development			
Bank Sustainable Public			
Procurement Guidance Note			

18. Inter-American			<b>~</b>	
Development Bank Green				
Procurement Guidelines				
19. EDBR Project			$\checkmark$	
Requirements/Environmental				
and Social Action Plan				
20. World Bank			$\checkmark$	
Environmental and Social				
Framework				
21. Other			<b>✓</b>	
Additional Important Information				
, additional important information				

265. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>Greening Government Strategy: https://www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/strategy.html#toc3-4</u>

# Policy Tool Name: Greening Government Strategy & Incentives

3. Source material link(s): Greening Government Strategy: https://web.archive.org/web/20240605180858/https://www.canada.ca/en/treasury-board-secretariat/news/2024/06/updated-greening-government-strategy-2024.html

#### Federal Vehicle Fleet Decarbonization:

https://web.archive.org/web/20240816201309/https://www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/low-carbon-fuel-procurement-program.html

### Greening Government Fund:

https://web.archive.org/web/20240816201220/https://www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/greening-gov-fund.html

# Federal Clean Electricity Fund:

https://web.archive.org/web/20240503123506/https://budget.canada.ca/2021/pdf/budget-2021-en.pdf

## NCR Energy Services Acquisition Program:

https://web.archive.org/web/20240816201930/https://www.tpsgc-pwgsc.gc.ca/biens-property/gestion-management/ecologisation-greener/esap-pase-eng.html

4. Which of the following governance domains does this policy tool relate to? Select all that apply.
□ Climate-related disclosure
☐ Transition planning
Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
☐ Independent regulatory or supervisory body
□ Legislature
Ministry/Department/Agency
□ Other (Please describe)

7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2017</u>
10. Does the policy tool have an end date?
No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the
recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Greening Government Strategy and related green procurement incentives establish policies and
provide funding to federal government departments and agencies to reduce greenhouse gas
emissions and decarbonize with regards to their operations, real property and fleet procurement.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not
applicable, leave blank.
● 1. <u>Treasury Board Secretariat</u>
© 2. <u>Public Services and Procurement Canada</u>
∘ 3.
o <b>4</b> .
o <b>5</b>

15. To provide contextual information, rate the capacity of Treasury Board Secretariat to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>Treasury Board is a central department with broad authorities</u> over government spending and the ability to direct other departments.
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of Public Services and Procurement Canada to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>Public Services and Procurement Canada (PSPC) support federal departments and agencies as their central purchasing agent, among other roles.</u>
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			<b>⊘</b>
entities			
2. Private companies			
3. Financial institutions			<b>✓</b>
4. Small and medium-			
sized enterprises			
5. State-owned		<b>✓</b>	
companies			
6. Not-for-profit			✓
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			$\checkmark$
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			✓
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			✓
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

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∘ No
o Yes
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
□ Restriction on business activities
□ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
<ul> <li>Above average</li> </ul>

o Not applicable
Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
∘ Average
Above average
o Not applicable
● Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)

38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

The Energy Services Acquisition Program, which aims to modernize the National Capital Region's (NCR) energy system, has signed a private-public partnership with Innovate Energy to help manage the NCR modernization.

https://web.archive.org/web/20240816201930/https:/www.tpsgc-pwgsc.gc.ca/biens-property/gestion-management/ecologisation-greener/esap-pase-eng.html

The Greening Government Fund has provided project funding to federal departments and agencies to reduce greenhouse gas emissions in their operations. This has included funding for the "National Safety and Security Fleet Decarbonization Project;" and for replacing the propane heating system with a green heat microgrid in a Canadian Forces Base Halifax Building (Department of National Defence) among other projects.

https://web.archive.org/web/20240816201220/https:/www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/greening-gov-fund.html#dataset-filter

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Greening Government Strategy:
"Oversight and performance management
The Government of Canada will ensure accountability for the government's environmental performance and is committed to the principles of transparency and open data.
By 2025, departments will report annual environmental performance to the Treasury Board of Canada Secretariat Centre for Greening Government using the RETScreen Clean Energy Management Software, where applicable, and their Departmental Sustainable Development Strategy reports. In order to ensure oversight, the centre will publicly disclose detailed environmental performance information on government operations, including a complete inventory of federal GHG emissions.
Crown corporations are expected to publish information on their commitments, including their GHG emissions footprint in their significant areas of operations, in their annual reports.
Note that Budget 2021 stated that Crown corporations adopt the Task Force on Climate-related Financial Disclosures standards as part of their corporate reporting."
41. Does the policy tool recommend or require periodic impact assessments?
No
∘ Recommended
o Required
·

43. Does the policy tool recommend or require periodic reviews?
No     No
∘ Recommended
○ Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
● NO
∘ Yes
o Yes
<ul> <li>Yes</li> <li>47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and</li> </ul>
• Yes  47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
<ul> <li>Yes</li> <li>47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?</li> <li>No</li> </ul>

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

The Greening Government Fund was provides project funding to federal department and agencies to reduce greenhouse gas emissions in their operations and promoting innovative projects. The Fund targets projects that are anticipated to reduce emissions, but can also be "reproduced within or across departments."

https://web.archive.org/web/20240816201220/https:/www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/greening-gov-fund.html#dataset-filter

Additional Important Information
197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
<u>None</u>

Domain-Specific Questions: Public Procurement Questions
200. Does the policy tool allow, recommend, or require the alignment of public procurement spending with national and/or subnational climate targets?
∘ No
Allowed and/or recommended
o Required
201. Describe the obligation to align public procurement spending with national and/or subnational climate targets, referencing the relevant section/subsection/paragraph of the policy tool.
Greening Government Strategy: "The Government of Canada's operations will be net-zero emissions
by 2050 and will enhance its climate resilience by 2035, while also reducing environmental impacts beyond carbon, including on waste, water and biodiversity. To implement net-zero emissions in real
property and conventional fleet operations, Footnote1 the Government of Canada will reduce absolute
Scope 1 and Scope 2Footnote2 GHG emissions by 40% by 2025 and by at least 90% below 2005
$\underline{\text{levels by 2050. On this emissions reduction pathway, the government will aspire to reduce emissions}}$
by an additional 10% each 5 years starting in 2025."

202. Does the policy to	al set targets in relation	to climate-alianed	Inrocurement?	Select all that apply
ZUZ. DUES THE DUILTY TO	JI 361 IUI 4613 III TEIULIUT	i to ciii ilate-alianea	i bioculentent:	Sciect all that apply

	Allowed/recommended	Required	Not applicable
A minimum percentage of tenders/contracts which must include climate-related			
criteria			
A minimum number of climate-related criteria to be included in purchases/tenders			
A minimum value of procurement spend which must include climate-related criteria			
A maximum amount of greenhouse gas emissions associated with tenders/contracts (i.e. a carbon ceiling/envelope)			
Targets for the reduction of fossil fuel energy consumption associated with tenders/contracts			
Targets for the procurement of products which have a third-party sustainability certification/ ecolabel/ voluntary sustainability standard			
Other (Please describe and reference the section/subsection/paragraph of the policy tool relevant to other climate-aligned procurement targets)			
Other Text:			
Procurement Cycle			

204. Does the policy tool make recommendations or allowances or set requirements related to climate change mitigation at the procurement planning stage? Select all that apply.

	Allowed/	Required	Not applicable
	recommended		
Procuring entities			
consider climate			
change mitigation			
and/or GHG emissions			
reductions goals when			
defining their			
procurement needs			
Procuring entities have			
a strategy, plan, or			
policy regarding the			
alignment of			
procurement practices			
with climate objectives			
Procuring entities set		$\checkmark$	
aside a portion of their			
procurement budgets			
for climate-aligned			
procurement			
Procuring entities			$\checkmark$
include emissions from			
procurement in their			
carbon budget			
Procuring entities			<b>✓</b>
follow guidance on	_		
calculating			
procurement-related			
emissions			
Procuring entities			
inform and/or consult			
with market actors in			
advance of publishing			
the formal call for			
tenders, in relation to			
climate considerations			
(i.e. pre-procurement			
consultation,			
engagement, or			
dialogue)			
Other allowances,			<b>✓</b>
recommendations or	_	_	
requirements related			
to climate change			
mitigation or GHG			
emissions at the			
procurement planning			
stage			
Juge			

207. Must the strategy, plan, or policy regarding the alignment of procurement practices with climate objectives be published?
No     No
o Yes
209. Describe the obligation for procuring entities to have a strategy, plan, or policy regarding the alignment of procurement practices with climate objectives, referencing the relevant section/subsection/paragraph of the policy tool.
Greening Government Strategy: "The Government of Canada's operations will be net-zero emissions by 2050 and will enhance its climate resilience by 2035, while also reducing environmental impacts beyond carbon, including on waste, water and biodiversity. To implement net-zero emissions in real property and conventional fleet operations, Footnote1 the Government of Canada will reduce absolute Scope 1 and Scope 2Footnote2 GHG emissions by 40% by 2025 and by at least 90% below 2005 levels by 2050. On this emissions reduction pathway, the government will aspire to reduce emissions by an additional 10% each 5 years starting in 2025."
210. What is the applicable percentage of budgets procuring entities are allowed, recommended, or required to set aside for climate-aligned procurement?
Please note if percentages vary according to sector and/or activity.
o 1-10%
o 11-20%
o 21-30%
○ 31-40%
o 41-50%
o 50% or more
<ul> <li>Other <u>Greening Government Strategy:</u></li> <li>- "Starting in 2025, 100% of new light-duty fleet vehicle purchases will be zero-emissions vehicles</li> <li>(ZEVs), with the objective that the government's light-duty fleet comprises 100% ZEVs by 2030"</li> </ul>

- "Until 2025, at least 75% of new purchases must be ZEVs or hybrids."

- "By 2030, at least 40% of new commercial medium- and heavy-duty vehicle purchases will be
ZEVs"
o Not specified
Life-cycle or Whole-life Costing
217. Does the policy tool recommend or require the use of life-cycle costing or whole-life costing to capture climate-related impacts (e.g. energy or fuel consumption, monetized emissions or other environmental costs, end-of-life costs, etc)?
∘ No
o Allow and/or recommend
<ul><li>Require</li></ul>
· 
218. Describe the obligation to use life-cycle costing or whole-life costing to capture climate-related impacts, referencing the relevant section/subsection/paragraph of the policy tool.
Greening Government Strategy: "Greening products and services and working with suppliersrequire that suppliers provide GHG life cycle assessment reports as deliverables for high-value procurements starting in 2025."
219. Does the allowance, recommendation, and/or requirement to apply life-cycle costing or whole-life costing only apply to certain types of contract/tender?
∘ No
• Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool) "for high-value procurements starting in 2025"
220. Does the policy tool allow, recommend, or require a methodology or tool for calculating life-cycle whole-life costs? If so, describe and reference the relevant section/subsection/paragraph of the policy

tool.

No		
o Allow/recommend		
o Require		
Tendering or Solicitation Stage		

222. Does the policy tool make allowances, recommendations or set requirements at the tendering or solicitation stage? Select all that apply.

	Allowed/recommended	Required	Not applicable
Exclusion or			
debarment grounds			
based on compliance			
with climate			
obligations			
Qualification or			
selection criteria			
related to climate			
change		<b>✓</b>	
Including climate or environmental			
considerations when			
calculating value for			
money, including			
through the use of life-			
cycle or whole-life			
costing			
Technical		<b>✓</b>	
specifications (e.g.			
setting minimum levels			
of energy efficiency or			
maximum product			
carbon emissions)			
Contract award			
criteria or value for			
money evaluation			
frameworks (e.g.			
minimum			
scores/performance			
levels under climate-			
related criteria,			
preferences for climate			
or sustainable			
products)	_		
Other procurement			
stage allowances,			
recommendations or			
requirements			
Qualification or Selection Criteria			
Qualification of ocicetion effective			

Life-cycle costing or whole-life costing  241. Describe how life-cycle costing or whole-life costing is allowed, recommended, or required at th tendering or solicitation stage, referencing the relevant section/subsection/paragraph of the policy tool.  Greening Government Strategy: "Greening products and services and working with suppliersrequir that suppliers provide GHG life cycle assessment reports as deliverables for high-value procurements starting in 2025."  Technical specifications
241. Describe how life-cycle costing or whole-life costing is allowed, recommended, or required at th tendering or solicitation stage, referencing the relevant section/subsection/paragraph of the policy tool.  Greening Government Strategy: "Greening products and services and working with suppliersrequir that suppliers provide GHG life cycle assessment reports as deliverables for high-value procurements starting in 2025."
241. Describe how life-cycle costing or whole-life costing is allowed, recommended, or required at th tendering or solicitation stage, referencing the relevant section/subsection/paragraph of the policy tool.  Greening Government Strategy: "Greening products and services and working with suppliersrequir that suppliers provide GHG life cycle assessment reports as deliverables for high-value procurements
241. Describe how life-cycle costing or whole-life costing is allowed, recommended, or required at th tendering or solicitation stage, referencing the relevant section/subsection/paragraph of the policy
Life-cycle costing or whole-life costing
Other <u>Greening Government Strategy</u> : " <u>Greening products and services and working with suppliers</u> : include criteria that address GHG emission reductions (including embodied emissions), as well as broader environmental benefits such as reducing waste (including plastic waste), in all phases of the procurement of products and services that have a high environmental impact."
☐ Participation in national or international climate initiatives (e.g.: Race to Zero, SBTi, CDP)
□ Corporate systems or certifications linked to climate change and/or sustainability (e.g. an environmental management system or supply chain management system)
□ Environmental and/or risk-based due diligence procedures
$\hfill\square$ Corporate systems or certifications linked to climate change and/or sustainability
$\hfill\square$ Staff training or qualifications linked to climate change mitigation and/or sustainability
□ Climate-related transition plan in place
☐ Record of climate-related disclosures
☐ Existence of net zero targets or commitments

243. To which of the following do the technical specifications relate? Select all that apply.

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□ Energy efficiency
Product carbon emissions
☐ Carbon disclosure or reporting requirements
An absolute or intensity-based emissions cap
Percentage of energy from renewable sources
☐ Percentage of recycled materials (e.g. paper, concrete)
Use of low or zero-carbon energy/fuel technology (e.g. electric vehicles, heat pumps, solar panels)
☐ Production methods (e.g. organic food or textiles, cold-mix asphalt, deforestation-free products)
☑ End-of-life requirements (e.g. reuse, recycling, anaerobic digestion)
Availability of life-cycle assessment (LCA) data
☐ Third-party certification/ecolabels
☐ Supply chain considerations
☐ Other (Please describe)
Contract Performance
Contract Performance  249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be included to monitor and report on emissions or other metrics)?
Contract Performance  249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be included to monitor and report on emissions or other metrics)?   No
Contract Performance  249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be included to monitor and report on emissions or other metrics)?

252. Does the policy tool include allowances, recommendations or requirements to monitor and/or report upon climate-aligned procurement?
∘ No
Allowed and/or recommended
○ Required
254. Are targeted entities recommended or required to monitor and/or report any of the following data? Select all that apply.
$\hfill\square$ Adoption of a climate-aligned and/or environmentally sustainable procurement plan or policy
$\hfill\square$ Staff training related to climate-aligned and/or environmentally sustainable procurement
□ Number of tenders/contracts which include climate-related criteria
□ Value of tenders/contracts which include climate-related criteria
□ Content of climate-related criteria
□ Level of ambition of climate-related criteria
□ Reasons for not including climate-related criteria in tenders
☐ Market response to climate-related criteria (e.g. number of tenders rejected, average or lowest/highest score awarded, feedback received)
$\Box$ Outcome of tenders in which climate-related criteria are applied (e.g. impact on award decision, costs, or other factors)
☐ Audits of contractors' compliance with climate-related criteria during contract performance
☐ Climate impact or outcomes of tenders/contracts
Other Greening Government Strategy: "By 2025, departments will report annual environmental performance to the Treasury Board of Canada Secretariat Centre for Greening Government using the RETScreen Clean Energy Management Software, where applicable, and their Departmental Sustainable Development Strategy reports. In order to ensure oversight, the centre will publicly disclose detailed environmental performance information on government operations, including a complete inventory of federal GHG emissions. Crown corporations are expected to publish information on their commitments, including their GHG emissions footprint in their significant areas of operations, in their annual reports."

255. Please describe any additional data recommended or required to be collected regarding climate- aligned procurement, referencing the relevant section/subsection/paragraph of the policy tool.
258. Is it allowed, recommended or required that monitoring and reporting data be published?
○ No
Allowed and/or recommended
o Required
259. Is there a central publication point?
o No
© Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool) <u>Greening</u> Government Strategy: "By 2025, departments will report annual environmental performance to the Treasury Board of Canada Secretariat Centre for Greening Government using the RETScreen Clean
Energy Management Software, where applicable, and their Departmental Sustainable Development Strategy reports. In order to ensure oversight, the centre will publicly disclose detailed environmental performance information on government operations, including a complete inventory of federal GHG emissions. Crown corporations are expected to publish information on their commitments, including their GHG emissions footprint in their significant areas of operations, in their annual reports"
260. What is the recommended or required frequency of published reports?
o Yearly
o Every two years
• Every three years
o Every four years
o Every five years
o Every ten years or more
● Other <u>"By 2025"</u>
No prescribed frequency

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262. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. Paris Agreement		<b>✓</b>	
2. The jurisdiction's			$\checkmark$
Nationally Determined			
Contribution (NDC)			
3. IFRS S1			<b>✓</b>
4. IFRS S2			<b>✓</b>
5. Task Force on Climate-		$\checkmark$	
related Financial Disclosures			
(TCFD)			
6. GHG Protocol Corporate			
Accounting and Reporting			
Standard			
7. GHG Protocol Corporate			
Value Chain (Scope 3)			
Accounting and Reporting Standard			
8. CDP (formerly known as			<b>✓</b>
Climate Disclosure Project)			
reporting framework			
9. Science Based Targets			<b>✓</b>
initiative (SBTi)			
10. Science Based Targets			$\checkmark$
initiative (SBTi) Net Zero			
Standard			
11. United Nations			
Sustainable Development			
Goals (SDGs)			
12. ISO 20400 Sustainable			
Procurement			
13. EU Green Public			
Procurement criteria and			
guidance 14. UNEP Sustainable Public			<b>✓</b>
Procurement			
Implementation Guidelines			
15. OECD MAPS -			<b>✓</b>
Supplementary Module on			
Sustainable Public			
Procurement			
16. Asian Development			<b>✓</b>
Bank Guidelines for			
Sustainable Procurement			
17. African Development			
Bank Sustainable Public			
Procurement Guidance Note			

18. Inter-American		
Development Bank Green		
Procurement Guidelines		
19. EDBR Project		
Requirements/Environmental		
and Social Action Plan		
20. World Bank		
Environmental and Social		
Framework		
21. Other		
Additional Important Informat	ion	
Additional Important Informat	ion	
Additional Important Informat	ion	 

265. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

http://web.archieve.org/web/20240828201222/https://www.oag-bvq.qc.ca/internet/docs/parl\_cesd\_202204\_02\_e.pdf

## Policy Tool Name: Buy Clean Initiative

<u>2024</u>

3. Source material link(s): https://web.archive.org/web/20240816203701/https://natural-resources.canada.ca/transparency/reporting-and-accountability/plans-and-performance-reports/departmental-strategies/the-canada-green-buildings-strategy-transforming-canadas-buildings-sector-for-net-zer/26065

https://web.archive.org/web/20240816203912/https://www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/strategy.html

4.	Which of the following governance domains does this policy tool relate to? Select all that apply.
	Climate-related disclosure
	Transition planning
<b>✓</b>	Public procurement
6.	Select the category which best describes the author/issuer of the policy tool.
	Head of state and/or government
	Independent regulatory or supervisory body
	Legislature
	Judiciary
<b>✓</b>	Ministry/Department/Agency
	Other (Please describe)
7.	Status of the policy tool
•	Approved, in force
o <i>F</i>	Approved, not yet in force
0 (	Other (Please describe)
9.`	Year of (planned) entry into force or year of publication

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
Canada Green Building Strategy: "For the Government of Canada, 'Buy Clean' is a policy approach that promotes the use of low or net-zero-carbon construction materials and designs through federal
procurement and investments:
<ol> <li>Reduce embodied carbon in Government of Canada infrastructure procurement:</li> <li>Reduce embodied carbon in federal investments in public infrastructure assets:</li> </ol>
3. Support market transformation through disclosure, guidelines and demonstration projects.
4. Complementary measures to decarbonize the construction industry through research.
development, demonstration and deployment"
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Natural Resources Canada</u>
o 4.
o 5.
15. To provide contextual information, rate the capacity of Natural Resources Canada to undertake the policy tool's implementation and/or enforcement.

o 0- No Capacity (Please explain)

does not have the power to direct other departments, and is not responsible for all of the policy lever- required to develop and implement this policy tool.
• 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of Infrastructure Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
• 1- Low Capacity (Please explain) <u>Infrastructure Canada (INFC)</u> is not a central department, does not have the power to direct other departments, and is not responsible for all of the policy levers required to develop and implement this policy tool.
o 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
17. To provide contextual information, rate the capacity of Treasury Board Secretariat to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
• 2- Medium Capacity (Please explain) <u>Treasury Board is a central department and has the ability to direct and manage the spending of other departments across multiple policy levers.</u>
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			✓
3. Financial institutions			<b>✓</b>
4. Small and medium-			
sized enterprises			
5. State-owned	<b>✓</b>		
companies			
6. Not-for-profit			<b>✓</b>
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government	$\checkmark$		
agencies and/or			
departments (national)			
9. Government	✓		
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			✓
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

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27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory. Minimum number of employees (Enter min number of full-time employees - FTEs) Minimum revenue (Enter minimum revenue) Minimum assets (Enter minimum assets) Minimum contract value (Enter minimum contract value) Entity is headquartered in the jurisdiction Entities are subjected to disclosure or reporting requirements 28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)? No o Yes 30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction? Operations within jurisdiction only Operations beyond the jurisdiction Not applicable 32. What are the sanctions for non-compliance? Select all that apply and describe in the text field. ☐ Monetary fine ☐ Restriction on business activities ☐ Voiding or setting aside of contract ☐ Exclusion from government contracts ☐ Award of damages or compensation ☐ Penalty for senior managers ☐ Criminal penalties

✓ Not specified

□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
∘ Average
Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
∘ Average
Above average
o Not applicable
• Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes

38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

described as "an important step towards implementing a Buy Clean Strategy in federal government procurement." https://web<u>.archive.org/web/20240820185431/https://www.canada.ca/en/treasury-board-</u> secretariat/news/2023/02/government-of-canada-champions-sustainable-procurement-through-<u>new-green-standards-for-major-contracts.html</u> 39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?  $\circ$  No Yes 40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set. Under the Greening Government Strategy, by 2025, departments report annual environment performance to TBS Centre for Greening Government. The centre will publicly disclose performance information on government operations, including on inventory on federal GHG emissions. https://web.archive.org/web/20240816203912/https://www.canada.ca/en/treasury-boardsecretariat/services/innovation/greening-government/strategy.html 41. Does the policy tool recommend or require periodic impact assessments? No o Recommended Required 43. Does the policy tool recommend or require periodic reviews?

TBS now requires that all new major government construction projects starting with concrete must use lower carbon concrete where available as to reduce the emissions associated with the project's concrete "is at least 10% less than the regional average for concrete." This new standard has been

No     No
○ Recommended
○ Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
● Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
Under the Greening Government Strategy, the federal government is establishing "communities of practice" with different levels of governments, Indigenous peoples, Crown corporations and key stakeholders to achieve common environmental goals. Crown corporations are also expected to annual report on emissions information in their annual reports.
https://web.archive.org/web/20240816203912/https:/www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/strategy.html
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where

capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
See "Policy 10: Greening Government Strategy & Incentives"
Additional Important Information
197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
<u>None</u>

Domain-Specific Questions: Public Procurement Questions
200. Does the policy tool allow, recommend, or require the alignment of public procurement spending with national and/or subnational climate targets?
No     No
o Allowed and/or recommended
○ Required

202. Does the police	v tool set taraets in re	lation to climate-aligned	procurement? Select	all that apply.

	Allowed/recommended	Required	Not applicable
A minimum percentage of tenders/contracts which must include climate-related criteria			<b>V</b>
A minimum number of climate-related criteria to be included in purchases/tenders			
A minimum value of procurement spend which must include climate-related criteria			
A maximum amount of greenhouse gas emissions associated with tenders/contracts (i.e. a carbon ceiling/envelope)			
Targets for the reduction of fossil fuel energy consumption associated with tenders/contracts			
Targets for the procurement of products which have a third-party sustainability certification/ ecolabel/ voluntary sustainability standard			
Other (Please describe and reference the section/subsection/paragraph of the policy tool relevant to other climate-aligned procurement targets)			
Other Text:			
Procurement Cycle			

204. Does the policy tool make recommendations or allowances or set requirements related to climate change mitigation at the procurement planning stage? Select all that apply.

	Allowed/	Required	Not applicable
	recommended		
Procuring entities			
consider climate			
change mitigation			
and/or GHG emissions			
reductions goals when			
defining their			
procurement needs			
Procuring entities have			
a strategy, plan, or			
policy regarding the			
alignment of			
procurement practices			
with climate objectives			
Procuring entities set			$\checkmark$
aside a portion of their	_	_	
procurement budgets			
for climate-aligned			
procurement			
Procuring entities			<b>✓</b>
include emissions from			
procurement in their			
carbon budget			
Procuring entities			<b>✓</b>
follow guidance on			
calculating			
procurement-related			
emissions			
			<b>✓</b>
Procuring entities inform and/or consult			
with market actors in			
advance of publishing			
the formal call for			
tenders, in relation to			
climate considerations			
(i.e. pre-procurement			
consultation,			
engagement, or			
dialogue)			
Other allowances,			$\checkmark$
recommendations or			
requirements related			
to climate change			
mitigation or GHG			
emissions at the			
procurement planning			
stage			

Life-cycle or Whole-life Costing
217. Does the policy tool recommend or require the use of life-cycle costing or whole-life costing to capture climate-related impacts (e.g. energy or fuel consumption, monetized emissions or other environmental costs, end-of-life costs, etc)?
∘ No
o Allow and/or recommend
Require
218. Describe the obligation to use life-cycle costing or whole-life costing to capture climate-related impacts, referencing the relevant section/subsection/paragraph of the policy tool.
Canada Green Building Strategy: "The Greening Government Strategy is implementing a Buy Clean approach in Government of Canada procurement by reducing the environmental impact of construction materials and design for federally owned major construction projects by:  - Requiring the disclosure of the amount of embodied carbon in the construction materials of major construction projects, based on material carbon intensity or a life cycle assessment.  - Requiring whole buildings (or asset) life cycle assessments by 2025 at the latest for major buildings and infrastructure projects.  - Requiring the reduction of embodied carbon of major construction projects by 30%, starting in 2025 using recycled and lower-carbon materials, material efficiency and performance-based design."
219. Does the allowance, recommendation, and/or requirement to apply life-cycle costing or whole-life costing only apply to certain types of contract/tender?
∘ No

tool.
No     No
o Allow/recommend
○ Require
Tendering or Solicitation Stage

220. Does the policy tool allow, recommend, or require a methodology or tool for calculating life-cycle/whole-life costs? If so, describe and reference the relevant section/subsection/paragraph of the policy

222. Does the policy tool make allowances, recommendations or set requirements at the tendering or solicitation stage? Select all that apply.

	Allowed/recommended	Required	Not applicable
Exclusion or debarment grounds based on compliance with climate obligations			
Qualification or selection criteria related to climate change			
Including climate or environmental considerations when calculating value for money, including through the use of lifecycle or whole-life costing			
Technical specifications (e.g. setting minimum levels of energy efficiency or maximum product carbon emissions)			
Contract award criteria or value for money evaluation frameworks (e.g. minimum scores/performance levels under climate- related criteria, preferences for climate or sustainable products)			
Other procurement stage allowances, recommendations or requirements			
Contract Performance			

included to monitor and report on emissions or other metrics)?
No     No
o Allowed and/or recommended
o Required
Monitoring and Reporting
252. Does the policy tool include allowances, recommendations or requirements to monitor and/or report upon climate-aligned procurement?
No     No
o Allowed and/or recommended
o Required
Standards, Frameworks, and Guidelines

249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be

262. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. Paris Agreement			<b>✓</b>
2. The jurisdiction's			<b>✓</b>
Nationally Determined			
Contribution (NDC)			
3. IFRS S1			<b>&gt;</b>
4. IFRS S2			<b>✓</b>
5. Task Force on Climate-			<b>✓</b>
related Financial Disclosures			
(TCFD)			
6. GHG Protocol Corporate			
Accounting and Reporting			
Standard			
7. GHG Protocol Corporate			
Value Chain (Scope 3)			
Accounting and Reporting Standard			
8. CDP (formerly known as			<b>✓</b>
Climate Disclosure Project)			
reporting framework			
9. Science Based Targets			<b>✓</b>
initiative (SBTi)			
10. Science Based Targets			<b>✓</b>
initiative (SBTi) Net Zero			
Standard			
11. United Nations			
Sustainable Development			
Goals (SDGs)			
12. ISO 20400 Sustainable			
Procurement			
13. EU Green Public			
Procurement criteria and			
guidance 14. UNEP Sustainable Public			<b>✓</b>
Procurement			
Implementation Guidelines			
15. OECD MAPS -			<b>✓</b>
Supplementary Module on			
Sustainable Public			
Procurement			
16. Asian Development			<b>✓</b>
Bank Guidelines for			
Sustainable Procurement			
17. African Development			
Bank Sustainable Public			
Procurement Guidance Note			

18. Inter-American				
Development Bank Green				
Procurement Guidelines				
19. EDBR Project				
Requirements/Environmental				
and Social Action Plan				
20. World Bank				
Environmental and Social				
Framework				
21. Other				
Additional Important Information				

265. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

## Policy Tool Name: Cabinet Directive on Strategic Environmental and Economic Assessment

Source material link(s): tps://web.archive.org/web/20240816213843/https://www.canada.ca/en/services/environment/vation/sustainability/strategic-environmental-economic-assessment/cabinet-directive.html	/cons
Which of the following governance domains does this policy tool relate to? Select all that app	oly.
Climate-related disclosure	
Transition planning	
Public procurement	
If relevant, briefly explain how the policy tool applies or is linked to multiple domains.	
ne policy affects proposals to Cabinet (including procurement proposals); egulatory proposals subject to the Cabinet Directive on Regulation, and funding requests submethe Prime Minister and the Minister of Finance for decision." The policy ensures a strategic environmental analysis is conducted if important effects related to climate change and the environment are identified. The analysis will expand on the effects including its relevancy to federal environmental commitments, and provide mitigation measures.	
Select the category which best describes the author/issuer of the policy tool.	
Head of state and/or government	
Independent regulatory or supervisory body	
Legislature	
Judiciary	
Ministry/Department/Agency	
Other (Please describe <u>) Cabinet</u>	
Status of the policy tool	
Approved, in force	

Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2024</u>
10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
One of the Directive's objectives is to enhance understanding of expected environmental and economic effects of proposals referred to Cabinet, as well as regulatory proposals and funding requests. Proposals and requests to Cabinet will be analysed to identify effects on the environment, GHG emissions, climate change, etc. A strategic environmental analysis must be conducted if important effects are identified. The analysis will expand on the effects including relevant to federal environmental commitments and anticipated greenhouse gas emissions, and provide mitigation measures.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Treasury Board Secretariat</u>
© 2. <u>Environment and Climate Change Canada</u>

0 4.

o 5.
15. To provide contextual information, rate the capacity of Treasury Board Secretariat to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>Treasury Board is a central agency and has broad authority over all funding programs across the federal government.</u>
o Prefer not to answer
Not Applicable
16. To provide contextual information, rate the capacity of Environment and Climate Change Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
© 2- Medium Capacity (Please explain) <u>Environment and Climate Change Canada has expertise on environmental matters needed to support the implementation of this policy by central agencies like Treasury Board and Finance Canada.</u>
o 3- High Capacity (Please explain)
o Prefer not to answer
Not Applicable
17. To provide contextual information, rate the capacity of Finance Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)

© 3- High Capacity (Please explain) Finance Canada plays a central role on all funding proposals
across the federal government, and has the power to modify proposals made by other departments.
Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			✓
3. Financial institutions			<b>✓</b>
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government	$\checkmark$		
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

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27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.
Minimum number of employees (Enter min number of full-time employees - FTEs)
Minimum revenue (Enter minimum revenue)
Minimum assets (Enter minimum assets) Minimum contract value (Enter minimum contract value)
Entity is headquartered in the jurisdiction
Entities are subjected to disclosure or reporting requirements
28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
∘ No
Yes
29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.
Proposal may be exempt from the Directive in their entirety where they are: (1) in response to a clear
and immediate emergency and time is insufficient to conduct an assessment; (2) are a matter of
routine and there is a low likelihood of important environmental or economic effects; or (3) are subject
to a process conducted under the federal environmental or impact assessment legislation.
Proposals may also be exempt from the economic analysis elements of the Directive where they
either pertain to a regulatory proposal subject to the "Cabinet Directive on Regulation"; or where they
have already been assessed for economic impacts by the Department of Finance.
https://web.archive.org/web/20240816213843/https:/www.canada.ca/en/services/environment/conservation/sustainability/strategic-environmental-economic-assessment/cabinet-directive.html
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
□ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
✓ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
∘ Average
Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
○ Average
o Above average

o Not applicable
● Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
● Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The use of the directive is not public, its part of an internal government assessment that is not made <u>public.</u>
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Following the proposal's implementation or announcement, federal departments/agencies will issue a public statement for environmental/economic effects for all proposals for which they conducted the analysis. The statement will provide assurance that these effects have been considered in the proposal development and decision-making.
Federal departments and agencies will also report on their environment and economic assessment practices through the Departmental Sustainable Development Strategy reporting process.
The ECCC will also monitor and assess the overall implementation of the Directive.

41. Does the policy tool recommend or require periodic impact assessments?
∘ No
o Recommended
Required
42 Colorettle anti-orthograph at the state of the formula of a mindic income to a mindic income the manufacture of the state of the stat
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
• Other <u>Federal departments and agencies will also report on their environment and economic assessment practices through the Departmental Sustainable Development Strategy reporting process.</u>
43. Does the policy tool recommend or require periodic reviews?
No
○ Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No
o Yes

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
o No
Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The ECCC and Finance Canada will provide guidance and training in support of the analysis sections of the Directive.

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
No     No
o Recommended
o Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
● No
o Recommended
o Required
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
No
○ Recommended
○ Required

						_		_		_	-	-	-	-	-		-			-	-		-	-	-				-	-	-	-	-	-	-	 -	-	-	 	-	-	-	 -	-	-	 	 -	-	-	_	 -	-	 -	 -	-	-	 	 -	-	-	_	 -		
M	lo	ni	tc	ori	in	g	, (	D۱	/e	r	si	g	h	t,	, (	aı	n	d	lr	n	р	le	er	n	e	n	t	a	ti	ic	or	า																																
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176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their			
transition plan			
Develop financial			$\checkmark$
plans for the			
implementation of			
their transition plan			
Integrate climate-			
related matters into			
their financial			
accounting			<b>✓</b>
Incorporate climate change considerations			
into their investment			
decision making			
and/or asset planning			
Incorporate climate		✓	
change considerations			
into their capital			
allocation and/or			
expenditure plans			
Any other mechanisms			
for enhancing the			
achievement of			
targets and/or the			
implementation of			
transition plans			

181. Describe the obligation to incorporate climate change considerations into capital allocation and/or expenditure plans, referencing the relevant section/subsection/paragraph of the policy tool.

## 1.1 The objectives of the Directive are to:

1.1.1 Enhance the understanding and integration of expected environmental and economic effects of proposals referred to Cabinet for decision as well as regulatory proposals and funding requests.

1.1.2 Minimize harms and maximize benefits for the environment and the economy.

182. Describe the obligations related to other governance mechanisms for enhancing the achievement of targets and/or implementation of transition plans, referencing the relevant section/subsection/paragraph of the policy tool.

4.1 Proposals will be analyzed to identify:
4.1.1 Effects on the environment, including pollution in air, water, and soil.
4.1.2 Effects on biodiversity.
4.1.3 Effects on greenhouse gas emissions.
4.1.4 Climate change impacts on the proposal.
4.1.5 Effects on Canada's climate resilience.
4.1.6 Effects on the economy.

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			
engagement			
Investor engagement			$\checkmark$
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			lacksquare
financial incentives for			
employees and board			
members			
185. Does the policy tool diligence and/or stewards		•	•
No     No     No			
o Recommended			
o Required			
Standards, Frameworks,	, and Guidelines		

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			$\checkmark$
IFRS S2			<b>✓</b>
Task Force on			✓
Climate-related			
Financial Disclosures			
(TCFD) CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			<b>✓</b>
Integrated Reporting			
Framework			
Global Reporting			<b>✓</b>
Initiative (GRI)			
Sustainability			✓
Accounting Standards			
Board (SASB)			
Science Based Targets			
initiative (SBTi)			
Science Based Targets			
initiative (SBTi) Net			
Zero Standard			
European			✓
Sustainability			
Reporting Standards			
(ESRS) Other			
Other			
A .  .  !!!!      + +   f	<b>4!</b>		
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Domain-Specific Questions: Public Procurement Questions
200. Does the policy tool allow, recommend, or require the alignment of public procurement spending with national and/or subnational climate targets?
○ No
Allowed and/or recommended
○ Required
201. Describe the obligation to align public procurement spending with national and/or subnational climate targets, referencing the relevant section/subsection/paragraph of the policy tool.
"In order to identify strategic considerations, the analysis of these important effects will consider and further elaborate: 4.2.2 Relevance to federal environmental commitments, strategies, plans, goals,
and targets, including those found in the Federal Sustainable Development Strategy."

202. Does the policy tool set targets in relation to climate-aligned procurement? Select all that apply.

	Allowed/recommended	Required	Not applicable
A minimum percentage of tenders/contracts which must include climate-related criteria			
A minimum number of climate-related criteria to be included in purchases/tenders			
A minimum value of procurement spend which must include climate-related criteria			
A maximum amount of greenhouse gas emissions associated with tenders/contracts (i.e. a carbon ceiling/envelope)			
Targets for the reduction of fossil fuel energy consumption associated with tenders/contracts			
Targets for the procurement of products which have a third-party sustainability certification/ ecolabel/ voluntary sustainability standard			<b>∀</b>
Other (Please describe and reference the section/subsection/paragraph of the policy tool relevant to other climate-aligned procurement targets)			
Other Text:			
Procurement Cycle			

204. Does the policy tool make recommendations or allowances or set requirements related to climate change mitigation at the procurement planning stage? Select all that apply.

	Allowed/	Required	Not applicable
	recommended		
Procuring entities			
consider climate			
change mitigation			
and/or GHG emissions			
reductions goals when			
defining their			
procurement needs			
Procuring entities have			$\checkmark$
a strategy, plan, or			
policy regarding the			
alignment of			
procurement practices			
with climate objectives			
Procuring entities set			$\checkmark$
aside a portion of their	_	_	
procurement budgets			
for climate-aligned			
procurement			
Procuring entities			<b>✓</b>
include emissions from			
procurement in their			
carbon budget			
Procuring entities			<b>✓</b>
follow guidance on			
calculating			
procurement-related			
emissions			
			<b>✓</b>
Procuring entities inform and/or consult			
with market actors in			
advance of publishing			
the formal call for			
tenders, in relation to			
climate considerations			
(i.e. pre-procurement			
consultation,			
engagement, or			
dialogue)			
Other allowances,			
recommendations or			
requirements related			
to climate change			
mitigation or GHG			
emissions at the			
procurement planning			
stage			

Life-cycle or Whole-life Costing
217. Does the policy tool recommend or require the use of life-cycle costing or whole-life costing to capture climate-related impacts (e.g. energy or fuel consumption, monetized emissions or other environmental costs, end-of-life costs, etc)?
No     No
o Allow and/or recommend
○ Require
Tendering or Solicitation Stage

222. Does the policy tool make allowances, recommendations or set requirements at the tendering or solicitation stage? Select all that apply.

	Allowed/recommended	Required	Not applicable
Exclusion or debarment grounds based on compliance with climate obligations			
Qualification or selection criteria related to climate change			
Including climate or environmental considerations when calculating value for money, including through the use of lifecycle or whole-life costing			
Technical specifications (e.g. setting minimum levels of energy efficiency or maximum product carbon emissions)			
Contract award criteria or value for money evaluation frameworks (e.g. minimum scores/performance levels under climate- related criteria, preferences for climate or sustainable products)			
Other procurement stage allowances, recommendations or requirements			
Contract Performance			

included to monitor and report on emissions or other metrics)?
No
o Allowed and/or recommended
o Required
Monitoring and Reporting
252. Does the policy tool include allowances, recommendations or requirements to monitor and/or report upon climate-aligned procurement?
No     No
o Allowed and/or recommended
o Required
Standards, Frameworks, and Guidelines

249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be

262. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. Paris Agreement			<b>✓</b>
2. The jurisdiction's			<b>✓</b>
Nationally Determined			
Contribution (NDC)			
3. IFRS S1			<b>✓</b>
4. IFRS S2			$\checkmark$
5. Task Force on Climate-			$\checkmark$
related Financial Disclosures			
(TCFD)			
6. GHG Protocol Corporate			
Accounting and Reporting			
Standard			
7. GHG Protocol Corporate			
Value Chain (Scope 3)			
Accounting and Reporting Standard			
8. CDP (formerly known as			
Climate Disclosure Project)			
reporting framework			
9. Science Based Targets			
initiative (SBTi)			
10. Science Based Targets			<b>✓</b>
initiative (SBTi) Net Zero	_		
Standard			
11. United Nations		<b>✓</b>	
Sustainable Development			
Goals (SDGs)			
12. ISO 20400 Sustainable			
Procurement			
13. EU Green Public			
Procurement criteria and			
guidance			
14. UNEP Sustainable Public			<b>✓</b>
Procurement Implementation Guidelines			
15. OECD MAPS -			<b>✓</b>
Supplementary Module on			
Sustainable Public			
Procurement			
16. Asian Development			<b>✓</b>
Bank Guidelines for	_	_	
Sustainable Procurement			
17. African Development			<b>✓</b>
Bank Sustainable Public			
Procurement Guidance Note			

18. Inter-American		
Development Bank Green		
Procurement Guidelines		
19. EDBR Project		
Requirements/Environmental		
and Social Action Plan		
20. World Bank		
Environmental and Social		
Framework		
21. Other		
Additional Important Informat	ion	

265. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: Cabinet Directive on Regulatory and Permitting Efficiency for Clean Growth **Projects** 3. Source material link(s): https://web.archive.org/web/20240816215201/https://www.canada.ca/en/privycouncil/services/clean-growth-getting-major-projects-done/cabinet-directive.html 4. Which of the following governance domains does this policy tool relate to? Select all that apply. ☐ Climate-related disclosure Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool. ✓ Head of state and/or government ☐ Independent regulatory or supervisory body ☐ Legislature ☐ Judiciary ☐ Ministry/Department/Agency Other (Please describe) Cabinet 7. Status of the policy tool Approved, in force o Approved, not yet in force o Other (Please describe) 9. Year of (planned) entry into force or year of publication 2024

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Directive focuses accelerating regulatory efficiency for clean growth projects. The expected results of the Directive is that "[f]ederal entities make decisions related to projects within the targets set out in this Directive, ultimately advancing Canada's climate, biodiversity and economic objectives." Part of the Directive requires greater coordination across federal entities by developing permitting plans, and providing the Deputy Minister's Regulatory Efficiency Action Council on the status of clean growth projects.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. Privy Council Office
2. <u>All federal regulatory/permitting entities</u>
∘ 3.
o <b>4</b> .
o 5.
15. To provide contextual information, rate the capacity of Privy Council Office to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)

department in the entire federal public service, with the power to direct other departments and
agencies (unless they are subject to regulatory or another form of independence)
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of All federal regulatory/permitting entities to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
⊚ 3- High Capacity (Please explain) <u>These departments and agencies are responsible for federal</u>
regulatory and permitting matters:
<u>Canadian Energy Regulator</u>
Canadian Northern Economic Development Agency
Canadian Nuclear Safety Commission
Crown-Indigenous Relations and Northern Affairs Canada
Department of Fisheries and Oceans
Environment and Climate Change Canada
Finance Canada
<u>Health Canada</u>
Impact Assessment Agency of Canada
Indigenous Services Canada
Natural Resources Canada
Privy Council Office
<u>Transport Canada</u>
<u>Treasury Board Secretariat</u>
o Prefer not to answer
o Not Applicable

• 3- High Capacity (Please explain) The Privy Council Office is the most central and powerful

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			<b>✓</b>
entities			
2. Private companies			
3. Financial institutions			$\checkmark$
4. Small and medium-			
sized enterprises			
5. State-owned			<b>✓</b>
companies			
6. Not-for-profit			<b>✓</b>
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			$\checkmark$
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)	Б		<b>✓</b>
10. Government			
agencies and/or			
departments (local - e.g., county, district,			
-			
municipality, city) 11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			
10. 00101		□	

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27. E	Describe the threshold	criteria to identi	fy entities for	whom or	instances ir	n which	complianc	e is
man	datory.							

	Government agencies and/or departments (national)
Minimum number of employees (Enter min	(national)
number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	Must be a federal regulatory or permitting department
28. Can entities for whom compliance with the pol comply or explain)?	icy tool is mandatory opt out of the obligation (e.g.
No     No	
∘ Yes	
30. Does the policy tool exclusively apply to entitie entities' operations beyond the jurisdiction?	s' domestic operations, or does it also apply to
<ul><li>Operations within jurisdiction only</li></ul>	
o Operations beyond the jurisdiction	
o Not applicable	
32. What are the sanctions for non-compliance? S	elect all that apply and describe in the text field.
☐ Monetary fine	
☐ Restriction on business activities	
☐ Voiding or setting aside of contract	
☐ Exclusion from government contracts	
$\square$ Award of damages or compensation	
☐ Penalty for senior managers	

☐ Criminal penalties
✓ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
○ Average
Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) The Directive has only recently been published.
o Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
The Deputy Ministers' Regulatory Efficiency Action Council will provide oversight over the implementation of the Directive, the public dashboard to improve transparency of federal permitting, and the internal tracking of projects. The Action Council will meet regularly to receive updates on the Directive's implementation and provide coordination advice, including on internal tracking mechanisms.
The Deputy Secretary of Clean Growth (as Federal Permitting Coordinator) will oversee the federal permitting coordination function, collecting data from departments and providing regular reports to the Action Council.
On Reporting: Under rule 12, there will be regular updates to Cabinet by the appropriate Ministers; Regulatory entities will provide information in an annual report; and all relevant federal entity heads will report their results towards achieving the Directive's objective in their Departmental Results Report. Further, other clean projects identified by the Action Council will be reported via the public
dashboard.
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
∘ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
o 2-5 years

o 5-10 years
o 10 or more years
o Not specified
• Other <u>Under rule 12</u> , there will be regular updates to Cabinet by the appropriate Ministers; Regulatory entities will provide information in an annual report; and all relevant federal entity heads will report their results towards achieving the Directive's objective in their Departmental Results Report. Further, other clean projects identified by the Action Council will be reported via the public dashboard.
43. Does the policy tool recommend or require periodic reviews?
∘ No
o Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
Other The Action Council will regularly review the implementation of the Directive with a comprehensive review of the Directive (and associated intiatives) within three years.
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
Yes

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
No     No
o Recommended
o Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
No     No
o Recommended
o Required
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
No     No
∘ Recommended
○ Required

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Mor	nito	rin	g, (	Οv	ers	igl	nt,	ar	nd	In	np	le	m	eı	nt	at	tic	or	1																				
																				 	 	-	 	 	-	 	 	-	 	 	 	 	-	 _	 	 	-	 	 

176. Does the policy tool recommend or require entities undertake any of the following with regard to
monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in			<b>✓</b>
implementing their			
transition plan			
Develop financial			✓
plans for the			
implementation of			
their transition plan			
Integrate climate-			<b>✓</b>
related matters into			
their financial			
accounting			
Incorporate climate			<b>&gt;</b>
change considerations			
into their investment			
decision making			
and/or asset planning			
Incorporate climate			<b>✓</b>
change considerations			
into their capital			
allocation and/or			
expenditure plans	_		_
Any other mechanisms		$\checkmark$	
for enhancing the			
achievement of			
targets and/or the			
implementation of			
transition plans			
achievement of targets a	nd/or implementation of to	rnance mechanisms for er ransition plans, referencin	<del>-</del>
section/subsection/parag	raph of the policy tool.		
Improving federal regulat	ory and permitting proces	sses for clean growth proje	ects.
Engagement, Lobbying, (	and Governance		

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			$\checkmark$
engagement			
Investor engagement			<b>✓</b>
Consumer			
engagement			
Policy engagement			$\checkmark$
and lobbying practices			
Corporate governance			<b>✓</b>
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board members			
members			
405 B			
	recommend or require tar	_	
diligence and/or stewards	ship to achieve their targe	ts and/or implement their	transition plans?
No			
● NO			
<ul> <li>Recommended</li> </ul>			
<ul> <li>Required</li> </ul>			
Ctd. F	and Calidalia as		
Standards, Frameworks,	, and Guidelines		

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			$\checkmark$
IFRS S2			<b>✓</b>
Task Force on			✓
Climate-related			
Financial Disclosures			
(TCFD)			<b>✓</b>
CDP (formerly known as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			<b>✓</b>
Integrated Reporting			
Framework			
Global Reporting			<b>✓</b>
Initiative (GRI)			
Sustainability			<b>V</b>
Accounting Standards			
Board (SASB)			
Science Based Targets			<b>✓</b>
initiative (SBTi)			
Science Based Targets			$\checkmark$
initiative (SBTi) Net			
Zero Standard			
European			$\checkmark$
Sustainability			
Reporting Standards			
(ESRS)			
Other			
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

## Policy Tool Name: Indigenous Climate Leadership Initiatives

9. Year of (planned) entry into force or year of publication
10. Does the policy tool have an end date?
No     No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Indigenous Climate Leadership Agency supports "self-determined action in addressing Indigenous Peoples' climate priorities." This includes federal funding to support the development and implementation of Indigenous distinctions-based climate strategies.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Crown-Indigenous Relations and Northern Affairs Canada</u>
2. <u>Environment and Climate Change Canada</u>
○ 3.
o 4.
o 5.
15. To provide contextual information, rate the capacity of Crown-Indigenous Relations and Northern Affairs Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)

department responsible for government to Indigenous negotiations and partnerships.
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of Environment and Climate Change Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
• 2- Medium Capacity (Please explain) <u>ECCC is the federal department responsible for climate change matters, and has capacity to directly engage with Indigenous partners.</u>
o 3- High Capacity (Please explain)
o Prefer not to answer
○ Not Applicable

• 2- Medium Capacity (Please explain) <u>Crown-Indigenous Relations Canada is the primary federal</u>

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

1. Publicly-traded entities 2. Private companies 3. Financial institutions 4. Small and medium-sized enterprises 5. State-owned companies 6. Not-for-profit organizations 7. Government agencies and/or departments (national) 9. Government agencies and/or departments (regional e.g., state, province, region, metropolitan region) 10. Government agencies and/or departments (local e.g., county, district, municipolity, city) 11. Government agencies and/or departments (local e.g., state, province, region, metropolitan region) 12. Sectoral actors (e.g., healthcare, defense, utilities, education) 13. Other TextIndigenous governments and representative organizations		Mandatory	Voluntary	Not targeted
2. Private companies	,			<b>V</b>
3. Financial institutions		П		
4. Small and medium- sized enterprises  5. State-owned companies  6. Not-for-profit organizations  7. Government agencies and/or departments (supranational)  8. Government agencies and/or departments (national)  9. Government agencies and/or departments (regional - e.g., state, province, region) metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (local - e.g., county, district, municipality, city)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other	•			
sized enterprises  5. State-owned companies  6. Not-for-profit organizations  7. Government agencies and/or departments (supranotional)  8. Government agencies and/or departments (regional e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local e.g., county, district, municipality, city)  11. Government agencies and/or departments (local e.g., county, district, municipality, city)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
5. State-owned companies 6. Not-for-profit organizations 7. Government agencies and/or departments (supranational) 8. Government agencies and/or departments (national) 9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan regono) 10. Government agencies and/or departments (local - e.g., county, district, municipality, city) 11. Government agencies and/or departments (local - e.g., county, district, municipality, city) 12. Sectoral actors (e.g., healthcare, defense, utilities, education) 13. Other				
companies 6. Not-for-profit organizations 7. Government agencies and/or departments (supranational) 8. Government agencies and/or departments (national) 9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region) 10. Government agencies and/or departments (local - e.g., county, district, municipality, city) 11. Government agencies and/or departments (local - e.g., county, district, municipality, city) 12. Sectoral actors (e.g., healthcare, defense, utilities, education) 13. Other	·			
6. Not-for-profit organizations 7. Government agencies and/or departments (supranational) 8. Government agencies and/or departments (national) 9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region) 10. Government agencies and/or departments (local - e.g., county, district, municipality, city) 11. Government agencies and/or departments (local - e.g., county, district, municipality, city) 12. Sectoral actors (e.g., healthcare, defense, utilities, education) 13. Other				
organizations 7. Government agencies and/or departments (supranational) 8. Government agencies and/or departments (national) 9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region) 10. Government agencies and/or departments (local - e.g., county, district, municipality, city) 11. Government agencies and/or departments (unspecified) 12. Sectoral actors (e.g., healthcare, defense, utilities, education) 13. Other				
7. Government agencies and/or departments (supranational) 8. Government agencies and/or departments (national) 9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other	· ·			
agencies and/or departments (supranational)  8. Government agencies and/or departments (national)  9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
departments (supranational)  8. Government agencies and/or departments (national)  9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
(supranational)  8. Government agencies and/or departments (national)  9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
8. Government agencies and/or departments (national)  9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other	1			
agencies and/or departments (national)  9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
departments (national)  9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
9. Government agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other	_			
agencies and/or departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
departments (regional - e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
- e.g., state, province, region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
region, metropolitan region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
region)  10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
10. Government agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
agencies and/or departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other		Б		
departments (local - e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
e.g., county, district, municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other	_			
municipality, city)  11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
11. Government agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
agencies and/or departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
departments (unspecified)  12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other				
(unspecified) Image: specified control of the	, ,			
12. Sectoral actors (e.g., healthcare, defense, utilities, education)  13. Other	1			
(e.g., healthcare, defense, utilities, education)  13. Other		П	П	
defense, utilities, education)  13. Other				
education)  13. Other				
13. Other				
		П		П
				<u> </u>

(e.g., healthcare, defense, utilities, education)			
13. Other		$\triangleright$	
13. Other Text:Indigenous	governments and repres	entative organizations	
_		_	

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
○ No
Yes
29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.
Participation is voluntary
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
☐ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
Not applicable (e.g. in cases of voluntary tools)
□ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
Above average
○ Not applicable
● Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
Average
<ul> <li>Above average</li> </ul>
o Not applicable
o Unknown or prefer not to answer
36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Updates on recent Indigenous partnerships and climate transition plans can be found here: <a href="https://web.archive.org/web/20240816220021/https://www.canada.ca/en/environment-climate-change/services/climate-change/indigenous-partnership.html#toc3">https://www.canada.ca/en/environment-climate-change/services/climate-change/indigenous-partnership.html#toc3</a>
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) Not applicable, voluntary scheme for developing climate plans
∘ Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
○ No
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
section/subsection/paragraph of the policy tool where monitoring systems are set.
41. Does the policy tool recommend or require periodic impact assessments?
No
○ Recommended
o Required
43. Does the policy tool recommend or require periodic reviews?
No
○ Recommended
○ Required
·
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No     No
∘ Yes

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The federal government has developed "decision-making guidance for federal programs to implement best practices in support of Indigenous self-determined climate leadership." The guidance helps to remove unintentional biases restricting Indigenous access to funding; promote and support Indigenous leadership; and move towards transferring climate funding to Indigenous Peoples.
https://web.archive.org/web/20240815120422/https://www.canada.ca/en/environment-climate-change/services/climate-change/indigenous-partnership/decision-making-guidance.html

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
No     No
∘ Recommended
o Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
No     No
○ Recommended
o Required
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
∘ No
Recommended
○ Required

165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended nor required
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)			
Key Performance Indicators (KPIs) for monitoring transition plan implementation			
Updates to the transition plan			
Third-party verification and/or audited accuracy of the transition plan			
Identified methodology for scenario analysis			<b>~</b>
Monitoring, Oversight, a	nd Implementation		

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in			$\checkmark$
implementing their			
transition plan			
Develop financial			<b>⊘</b>
plans for the			
implementation of			
their transition plan			
Integrate climate-			✓
related matters into			
their financial			
accounting			
Incorporate climate			<b>✓</b>
change considerations			
into their investment			
decision making			
and/or asset planning			<b>✓</b>
Incorporate climate			
change considerations into their capital			
allocation and/or			
expenditure plans			
Any other mechanisms			
for enhancing the			
achievement of			
targets and/or the			
implementation of			
transition plans			
Engagement, Lobbying,	and Governance		

184. Does the policy tool recommend or require targeted entities align any of the following	ng
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			$\checkmark$
engagement			
Investor engagement			✓
Consumer			$\checkmark$
engagement			
Policy engagement			$\checkmark$
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			
financial incentives for			
employees and board members			
members			
· · ·	recommend or require tar	~	•
diligence and/or stewards	ship to achieve their targe	ts and/or implement their	transition plans?
⊕ Na			
No			
o Recommended			
<ul><li>Required</li></ul>			
Standards, Frameworks,	, and Guidelines		

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			
IFRS S2			<b>✓</b>
Task Force on			✓
Climate-related			
Financial Disclosures			
(TCFD)			<b>✓</b>
CDP (formerly known as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			<b>✓</b>
Integrated Reporting		🖰	
Framework			
Global Reporting			<b>✓</b>
Initiative (GRI)			
Sustainability			<b>✓</b>
Accounting Standards			
Board (SASB)			
Science Based Targets			✓
initiative (SBTi)			
Science Based Targets			
initiative (SBTi) Net			
Zero Standard			
European			
Sustainability			
Reporting Standards			
(ESRS)			
Other			
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

This policy tool supported the development of the following climate plans:

National Inuit climate change strategy:

 $\underline{\text{http://web.archive.org/web/20240827220335/https://www.itk.ca/projects/national-inuit-climate-change-strategy/}$ 

<u>Metis National Council climate strategies: https://www.metisnation.ca/what-wedo/environment/climate-change</u>

<u>Assembly of First Nations National Climate Strategy: https://afn.ca/environment/national-climate-strategy/</u>

## Policy Tool Name: Regional Energy and Resource Tables

3. Source material link(s): https://web.archive.org/web/20240816220731/https://natural-

resources.canada.ca/climate-change/regional-energy-and-resource-tables/24356 4. Which of the following governance domains does this policy tool relate to? Select all that apply. ☐ Climate-related disclosure Transition planning ☐ Public procurement 6. Select the category which best describes the author/issuer of the policy tool. ☐ Head of state and/or government ☐ Independent regulatory or supervisory body □ Legislature □ Judiciary Ministry/Department/Agency Other (Please describe) Joint partnerships with the federal government and individual provincial and territorial governments in collaboration with unions and Indigenous partners 7. Status of the policy tool Approved, in force o Approved, not yet in force o Other (Please describe) 9. Year of (planned) entry into force or year of publication 2022

10. Does the policy tool have an end date?
No     No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Regional Energy and Resource Tables are joint partnerships between the federal government
and individual provincial and territorial governments in collaboration with Indigenous partners (and with input from unions and other stakeholders). The goal of the partnership is to "identify and accelerate shared economic priorities for a low-carbon future in the energy and resource sectors."  This is achieved by aligning resources, discovering common opportunities and better coordinating regulatory and permitting processes.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
1. <u>Natural Resources Canada</u>
o 2.
o 3.
o 4.
o 5.
15. To provide contextual information, rate the capacity of Natural Resources Canada to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
• 2- Medium Capacity (Please explain) Natural Resources Canada is not a central department, and is

not the department responsible for many of the programs and initiatives relevant to the regional

tables. Therefore, it must play a coordinating function across the federal government.

o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			<u> </u>
entities			
2. Private companies			•
3. Financial institutions			✓
4. Small and medium-			
sized enterprises			
5. State-owned			$\checkmark$
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			<b>✓</b>
agencies and/or			
departments			
(supranational)			
8. Government		<b>✓</b>	
agencies and/or			
departments (national)			
9. Government		✓	
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region) 10. Government	Б	Б	<b>✓</b>
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city) 11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other		П	
	s communities, unions and	l <b>–</b>	_

(e.g., healthcare, defense, utilities, education)			
13. Other			<b>✓</b>
13. Other Text:Indigenous	communities, unions and	l stakeholders	
<b></b>			

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
∘ No
∘ Yes
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
o Operations within jurisdiction only
<ul><li>Operations beyond the jurisdiction</li></ul>
o Not applicable
31. What are the specific obligations and conditions for entities' operations beyond the jurisdiction? Please reference the relevant section/subsection/paragraph of the policy tool.
The Regional Tables are joint partnerships that advance opportunities to build on the strength of unique mixes of natural resources for each province/region. Thus, the Tables engage provincial
jurisdiction and interprovincial collaboration.
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
☐ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
Not applicable (e.g. in cases of voluntary tools)

□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
● Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
Above average
o Not applicable
<ul><li>Unknown or prefer not to answer</li></ul>
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes

38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

British Columbia and Newfoundland and Labrador have released their Collaboration Framework under the Tables. The Frameworks outline details of economic opportunities in the provinces that can enhance Canada's comparative advantage. The opportunities areas outlined include carbon

Further, in June 2024, the federal government and the British Columbia government announced a series of infrastructure upgrades to support critical mineral development in the province. https://web.archive.org/web/20240801074423/https://www.canada.ca/en/natural-resourcescanada/news/2024/07/canada-and-bc-invest-in-infrastructure-upgrades-to-support-criticalminerals-development-in-northwest-bc-and-create-jobs-across-the-province.html 39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?  $\circ$  No Yes 40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set. The monitoring of the Regional Table and respective Collaboration Framework will likely vary by province. However, as an example, British Columbia's Collaboration Framework states that Natural Resources Canada and the British Columbia Minister of Energy, Mines and Low Carbon Innovation "publicly report on progress across the opportunity areas detailed in this collaborative framework within one year..." https://web.archive.org/web/20240815194833/https://natural-resources.canada.ca/climatechange/regional-energy-and-resource-tables/british-columbia-regional-energy-and-resource-table-<u>framework-for-collaboration-on-th/british-columbia-regional-energy-and-resource-table-</u> framework#a12 41. Does the policy tool recommend or require periodic impact assessments? No o Recommended Required

management, clean electricity, clean fuels, critical minerals, forestry, marine renewables and

regulatory efficiency.

43. Does the policy tool recommend or require periodic reviews?
∘ No
∘ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
○ Not specified
○ Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
○ No
46. Describe the mande misma for only main more later, and adjusting with a classification of an extension of

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.

The Regional Tables by design are mean to enhance regulatory coordination with provincial government. The Collaboration Frameworks further provide details on ways to enhance coordination in carbon management, clean electricity, clean fuels, critical minerals, forestry, marine renewables and regulatory efficiency.

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No
∘ Yes

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
No     No
∘ Recommended
o Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
No     No
○ Recommended
o Required
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
∘ No
Recommended
○ Required

165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended nor required
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)			
Key Performance Indicators (KPIs) for monitoring transition plan implementation			
Updates to the transition plan			
Third-party verification and/or audited accuracy of the transition plan			
Identified methodology for scenario analysis			<b>4</b>
Monitoring, Oversight, a	nd Implementation		

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their			
transition plan			
Develop financial			✓
plans for the			
implementation of			
their transition plan		_	
Integrate climate-			
related matters into their financial			
accounting			
Incorporate climate	<b>V</b>		
change considerations		_	_
into their investment			
decision making			
and/or asset planning			
Incorporate climate	<b>\</b>		
change considerations			
into their capital allocation and/or			
expenditure plans			
Any other mechanisms	П		<b>✓</b>
for enhancing the			
achievement of			
targets and/or the			
implementation of			
transition plans			

180. Describe the obligation to incorporate climate change considerations into investment decision making and asset planning, referencing the relevant section/subsection/paragraph of the policy tool.

Backgrounder: "in each region, a joint action plan will set a path forward for active collaboration between the federal and provincial/territorial governments over the next two years. Each joint action plan would focus on tangible actions to align resources and investment, regulatory and permitting processes, policy tools, identification of key issues and barriers to be overcome."

\_\_\_\_\_

181. Describe the obligation to incorporate climate change considerations into capital allocation and/or expenditure plans, referencing the relevant section/subsection/paragraph of the policy tool.

<u>Backgrounder: "These efforts will culminate in the development of place-based economic strategies</u> that identify the top economic opportunities in each region and associated plans to advance them.

These strategies will integrate Indigenous perspectives on regional opportunities, incorporate input
from experts and engage with industry, labour and others."
Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			
engagement			
Investor engagement			$\checkmark$
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			$ \checkmark $
financial incentives for			
employees and board			
members			
185. Does the policy tool diligence and/or stewards		•	•
No			
o Recommended			
o Required			
Standards, Frameworks,	, and Guidelines		

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			<b>✓</b>
IFRS S2			
Task Force on			<b>✓</b>
Climate-related			
Financial Disclosures			
(TCFD)			
CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			✓
Integrated Reporting			
Framework			
Global Reporting			✓
Initiative (GRI)			
Sustainability			<b>✓</b>
Accounting Standards			
Board (SASB)			
Science Based Targets			<b>V</b>
initiative (SBTi)			
Science Based Targets			
initiative (SBTi) Net			
Zero Standard			<b>✓</b>
European			
Sustainability			
Reporting Standards (ESRS)			
Other		П	П
Other	Ш		
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

News release: /web/20240822231353/https://www.canada.ca/en/natural-resources-canada/news/2022/10/ontario-becomes-ninth-jurisdiction-to-join-canadas-regional-energy-and-resource-tables.html

<u>Backgrounder: /web/20240822231325/https://www.canada.ca/en/natural-resources-canada/news/2022/06/regional-energy-and-resource-tables.html</u>

## Policy Tool Name: Green Requirements in National Model Building Codes

3. Source material link(s):

https://web.archive.org/web/20240816220823/https://nrc.canada.ca/en/certifications-evaluations-standards/codes-canada/new-latest-editions-national-model-codes-now-available

https://web.archive.org/web/20240816221629/https://natural-resources.canada.ca/energy-efficiency/buildings/codes-acceleration-fund/24794

efficiency/buildings/codes-acceleration-fund/24/94
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
☐ Climate-related disclosure
✓ Transition planning
☐ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
☐ Independent regulatory or supervisory body
□ Legislature
✓ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication

10. Does the policy tool have an end date?
● No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the
absence of such disclosures.
The Codes Acceleration Fund's three goals are to: "(1) Accelerate the adoption and implementation of the highest feasible energy performance tiers of the national model energy codes or other high-performance building codes, such as net-zero emissions codes; (2) Promote higher rates of compliance with adopted codes; (3) Build capacity and support market preparedness for ambitious codes adoption"
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
2. National Research Council Canada
o 3.
o <b>4</b> .
o 5.
15. To provide contextual information, rate the capacity of Natural Resources Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)

o 2- Medium Capacity	(Please	explain	)					
● 3- High Capacity (Please explain) Natural Resources Canada is the federal department with the technical expertise on buildings								
o Prefer not to answer	-							
o Not Applicable								
16. To provide contextual information, rate the capacity of National Research Council Canada to undertake the policy tool's implementation and/or enforcement.								
o O- No Capacity (Please explain)								
o 1- Low Capacity (Please explain)								
o 2- Medium Capacity (Please explain)								
● 3- High Capacity (Please explain) National Research Council is the federal department with the technical expertise on research and model codes								
o Prefer not to answer	-							
o Not Applicable								
25. Which entities are	targete	d throug	Jh this p	olicy toc	ol? Select all that apply.			
=	y for one				nere mandatory and voluntary obligations are nother), select "mandatory" as there will be			
Mandatory	Volunt	ary	Not ta	rgeted				
1. Publicly-traded entit	ties			$\checkmark$				
2. Private companies			$\checkmark$					
3. Financial institutions	s 🗆		<b>~</b>					
4. Small and medium-	sized en	terprise	s□					
5. State-owned compo	anies			$\checkmark$				
6. Not-for-profit organ	iizations			<b>✓</b>				

7. Government agencies and/or departments (supranational)			$\checkmark$				
8. Government agencies and/or departments (national)			$ \checkmark $				
9. Government agencies and/or departments (regional - e.g., s region) $\square$	state, pro	ovince, r	egion, metropolitan				
10. Government agencies and/or departments (local - e.g., col	unty, dis <sup>.</sup>	trict, mu	nicipality, city) 🛚				
11. Government agencies and/or departments (unspecified)			$ \checkmark $				
12. Sectoral actors (e.g., healthcare, defense, utilities, education	on)						
13. Other □ □ <b>☑</b>							
28. Can entities for whom compliance with the policy tool is more comply or explain)?	nandatoı	y opt ou	ut of the obligation (e.g.				
∘ No							
29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.							
Not mandatory							
30. Does the policy tool exclusively apply to entities' domestic entities' operations beyond the jurisdiction?	operatio	ons, or d	loes it also apply to				
<ul><li>Operations within jurisdiction only</li></ul>							
o Operations beyond the jurisdiction							
o Not applicable							
32. What are the sanctions for non-compliance? Select all tha	ıt apply (	and des	cribe in the text field.				
☐ Monetary fine							

□ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
✓ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
Below average
∘ Average
Above average
o Not applicable
o Unknown or prefer not to answer

36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material. https://web.archive.org/web/20240822190538/https://www.efficiencycanada.org/better-buildingcodes-2/ "March 30, 2024 was the deadline for all provinces and territories to adopt the 2020 National Model Codes. While some provinces have increased requirements for energy efficiency in new construction and indicated their intent to move up the tiers, most haven't." 37. Have the climate-specific provisions in this instrument ever been enforced? • No (If relevant, explain) These are model building bodes so they are not intended to be enforced. Enforcement would be beyond the Government of Canada's legal jurisdiction. o Yes 39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool? o No Yes 40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set. Canadian Commission on Building and Fire Codes 41. Does the policy tool recommend or require periodic impact assessments? No o Recommended Required

43. Does the policy tool recommend or require periodic reviews?
○ No
○ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
○ Not specified
○ Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
● Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
Publication of the model building codes so that provinces and territories can draw on them. Use of the Codes Acceleration Fund so provide capacity support to provinces and territories seeking to adopt the model codes.

comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No
∘ Yes
Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
No     No
o Recommended
• Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
No     No
o Recommended
o Required
Transition Plans

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or

164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
No     No
o Recommended
o Required
Monitoring, Oversight, and Implementation
176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.
Recommended Required No
Monitor progress in implementing their transition plan $\ \square$
Develop financial plans for the implementation of their transition plan $\ \square$
Integrate climate-related matters into their financial accounting $\ \square$
Incorporate climate change considerations into their investment decision making and/or asset planning
Incorporate climate change considerations into their capital allocation and/or expenditure plans
Any other mechanisms for enhancing the achievement of targets and/or the implementation of transition plans $\Box$
Engagement, Lobbying, and Governance

184. Does the policy tool recommend or require targeted entities align any of the following engagement and/or governance practices with their targets and/or transition plans?

Recom	imended	d Require	ed	No							
Value chain en	igageme	ent			<b>✓</b>						
Investor engag	gement			<b>✓</b>							
Consumer eng	agemen	nt□		$\checkmark$							
Policy engager	ment an	d lobbyi	ng pract	tices			$\checkmark$				
Corporate gov	ernance	structu	re for tro	ansition	and ver	ification			<b>~</b>		
Climate-relate	d financ	ial incen	itives fo	r employ	ees and	d board	member	rs .			<b>✓</b>
185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?											
No											
o Recommend	ed										
∘ Required											
Standards, Frameworks, and Guidelines											
194. Does the						ference	to any c	of the fol	lowing	standar	ds,
frameworks, o							•				
Requir		Refere	_	Neithei	r require	ed nor re	ference	d			
IFRS S1			$\checkmark$								
IFRS S2			$\checkmark$								
Task Force on Climate-related Financial Disclosures (TCFD) $\ \square$											
CDP (formerly Plans □	known o	as Clima	ite Discl	osure Pi	roject) T	echnica	l Note: F	Reporting	g on Clir	nate Tro	ansition
International Ir	ntegrate	d Repor	ting Fra	mework			$\checkmark$				
Global Reporting Initiative (GRI)											

Additional Important Information				
Other				
	_	_		
European Sustainability Reporting Standards (ESRS)			<b>✓</b>	
Science Based Targets initiative (SBTi) Net Zero Stan	dard			$\checkmark$
Science Based Targets initiative (SBTi) $\Box$	$\checkmark$			
Sustainability Accounting Standards Board (SASB)			$\checkmark$	

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

## Policy Tool Name: Greenhouse Gas Reporting Program under the Canadian Environmental Protection Act

9. Year of (planned) entry into force or year of publication  2004	
o Other (Please describe)	
o Approved, not yet in force	
Approved, in force	
7. Status of the policy tool	
□ Other (Please describe)	
☑ Ministry/Department/Agency	
□ Legislature	
□ Independent regulatory or supervisory body	
☐ Head of state and/or government	
6. Select the category which best describes the author/issuer of the policy tool.	
· 	
□ Public procurement	
☐ Transition planning	
Climate-related disclosure	
change/services/climate-change/greenhouse-gas-emissions/facility-reporting/about.html  4. Which of the following governance domains does this policy tool relate to? Select all that apply.	
3. Source material link(s): https://web.archive.org/web/20240816222910/https://www.canada.ca/en/environment-climate-	

10. Does the policy tool have an end date?
No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Program collect information on greenhouse gas emissions from facilities across Canada.  Facilities that "emit 10 000 tonnes (10 kilotonnes) or more of GHGs in carbon dioxide equivalent units per year" are required to submit a report. The Program helps assess Canada's environmental performance through accurate tracking of greenhouse gas emissions.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. <u>Environment and Climate Change Canada</u>
○ 2.
○ 3.
o <b>4</b> .
○ 5.
15. To provide contextual information, rate the capacity of Environment and Climate Change Canada to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
• 3- High Capacity (Please explain) <u>ECCC is responsible for administering the Canada Environmenta</u> Protection Act and the majority of federal climate policies.

o Prefer not to answer

o Not Applicable		

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted	
1. Publicly-traded	✓			
entities				
2. Private companies	<b>₹</b>			
3. Financial institutions			$\checkmark$	
4. Small and medium-			✓	
sized enterprises				
5. State-owned			$\checkmark$	
companies				
6. Not-for-profit			✓	
organizations				
7. Government				
agencies and/or				
departments				
(supranational)				
8. Government				
agencies and/or				
departments (national)				
9. Government			<b>✓</b>	
agencies and/or				
departments (regional				
- e.g., state, province,				
region, metropolitan				
region)				
10. Government				
agencies and/or				
departments (local -				
e.g., county, district,				
municipality, city)	_	_		
11. Government			<b>~</b>	
agencies and/or				
departments				
(unspecified)				
12. Sectoral actors			$\checkmark$	
(e.g., healthcare,				
defense, utilities,				
education)				
13. Other				
13. Other Text: "Facilities that emit 10 000 tonnes (10 kilotonnes) or more of GHGs in carbon dioxide				
equivalent units per vear are required to submit a report "				

defense, utilities, education)			
13. Other	$\checkmark$		
13. Other Text:"Facilities t	that emit 10 000 tonnes (1	10 kilotonnes) or more of (	GHGs in carbon dioxide
equivalent units per year	are required to submit a re	eport."	

27. E	Describe the threshold	criteria to identi	fy entities for	whom or	instances ir	n which	complianc	e is
man	datory.							

	Other
Minimum number of employees (Enter min	
number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting	
requirements	
28. Can entities for whom compliance with the policomply or explain)?  No	cy tool is mandatory opt out of the obligation (e.g.
○ Yes	
30. Does the policy tool exclusively apply to entities entities' operations beyond the jurisdiction?  Operations within jurisdiction only Operations beyond the jurisdiction  Not applicable	s' domestic operations, or does it also apply to
32. What are the sanctions for non-compliance? Se	elect all that apply and describe in the text field.
Monetary fine <u>"Penalties for a first offence includes for a first offence includes for a corporation. The minimum and massubsequent offences."</u>	de fines of up to \$1,000,000 for an individual and
□ Restriction on business activities	
□ Voiding or setting aside of contract	
□ Exclusion from government contracts	
□ Award of damages or compensation	

☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
Above average
o Not applicable
o Unknown or prefer not to answer
36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The program has collected data from facilities every year since 2004.

37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
● Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The Program has been in force since 2004. Public information on facility greenhouse gas data can be
found on the Government of Canada website.
https://web.archive.org/web/20240303160021/https://www.canada.ca/en/environment-climate-change/services/climate-change/greenhouse-gas-emissions/facility-reporting/data.html
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Environment and Climate Change Canada "reviews the information submitted by facilities and conducts a number of data quality checks of the submitted data for compliance purposes and for completeness." ECCC also follows up with facilities if there is any need for clarification. Facilities must keep all information for a period of three years from the date submitted. Further, facilities are required to submit a Statement of Certification signed by an authorized officer stating that the information is "true, accurate and complete."
https://web.archive.org/web/20240822184803/https://publications.gc.ca/collections/collection_2023/ecc/En81-29-2023-eng.pdf
41. Does the policy tool recommend or require periodic impact assessments?

∘ No
∘ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
<ul> <li>Not specified</li> </ul>
o Other
43. Does the policy tool recommend or require periodic reviews?
No
○ Recommended
o Required
4E. Doos the policy tool include mach unique for exhausing policy or regulatory coordination with
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
Yes

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.

British Columbia, Alberta, Ontario, and New Brunswick to support provincial GHG reporting regulations; and for the National Pollutant Release Inventory, its partners and various other partner programs." https://web.archive.org/web/20240821155153/https://canadagazette.gc.ca/rp-pr/p1/2023/2023-12-09/html/sup1-eng.html 47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?  $\circ$  No Yes 48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material. The federal government provides technical guidance for the reporting requirements, including the emissions subject to reporting, information on methods, and whether the entity is required to submit a report. Other guidance includes a guestion and answers page, and instructions on how to use the Single Window system to report the information. https://web.archive.org/web/20240822184804/https://publications.gc.ca/site/archiveearchived.html?url=https://publications.gc.ca/collections/collection\_2023/eccc/En81-29-2023-eng.pdf

"Information required to be reported as outlined in this notice will continue to be collected via the ECCC Single Window (SW) system. This system currently collects data for ECCC's GHGRP and for

omain-Specific Questions: Disclosure Questions	
Vhat is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended	
1.6	_		nor required	
1. Greenhouse gas (GHG) emissions		<b>V</b>		
2. GHG emissions				
offsets or removals				
3. GHG emissions			$\checkmark$	
reduction targets				
4. Other climate-				
related targets				
5. Physical climate risk			<b>S</b>	
6. Transition risk			<b>②</b>	
7. Transition plan			<b>~</b>	
54. Which GHG emission	s must be disclosed? S	Select all that apply.		
Carbon dioxide (CO <sub>2</sub> )				
Methane (CH <sub>4</sub> )				
☑ Nitrous oxide (N₂O)				
☑ Hydrofluorocarbons (HFCs)				
Perfluorocarbons (PFCs)				
Sulphur hexafluoride (	SF6)			
Nitrogen trifluoride (NF	<del>-</del> 3)			
Carbon dioxide equivalent (CO2e)				
55. Are entities recomme	nded or required to dis	sclose gross emissions	5?	
∘ No				
o Recommended				
<ul><li>Required</li></ul>				

56. Are entities recommended or required to disclose net emissions?
∘ No
∘ Recommended
o Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
∘ No
∘ Recommended
∘ Required
60. If necessary, provide additional clarification to the above responses about greenhouse gas (GHG)

emissions disclosure.

GHG reporting requirements can be found in the regulation: https://canadagazette.gc.ca/rp-pr/p1/2023/2023-12-09/html/sup1-eng.html
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			<b>₹</b>
3. Taxonomies			$\checkmark$
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			<b>⊘</b>
6. Assumptions and Dependencies			<b>V</b>
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			<b>Y</b>
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with				
long lifespans				
15. Dirty asset			<b>✓</b>	
divestiture				
16. Nature-related				
impacts				
17. Just transition			$\checkmark$	
indicators				
Standards, Frameworks, and Guidelines				

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			
2. IFRS S2			<b>✓</b>
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			<b>✓</b>
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

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Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

## Policy Tool Name: GHG reporting requirements under the Greenhouse Gas Pollution Pricing Act

3. Source material link(s): https://web.archive.org/web/20240816222847/https://lawslois.justice.gc.ca/eng/acts/g-11.55/ 4. Which of the following governance domains does this policy tool relate to? Select all that apply. Climate-related disclosure Transition planning ☐ Public procurement 5. If relevant, briefly explain how the policy tool applies or is linked to multiple domains. The Act requires that provinces and territories put a minimum price on carbon. Under this scheme, provinces can either design their own pricing system to meet local needs or opt the federal pricing system. "If a province or territory decides not to price pollution or proposes a system that does not meet these standards, the federal system is put in place. " 6. Select the category which best describes the author/issuer of the policy tool. ✓ Head of state and/or government ☐ Independent regulatory or supervisory body ✓ Legislature ☐ Judiciary Ministry/Department/Agency ☐ Other (Please describe) 7. Status of the policy tool Approved, in force o Approved, not yet in force Other (Please describe)

9. Year of (planned) entry into force or year of publication
2019
10. Does the policy tool have an end date?
No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The purpose of the GGPPA is to ensure that carbon pollution pricing applies broadly throughout Canada. Provinces must meet or exceed the GGPPA's minimum national standards, otherwise the Act will impose the federal carbon pollution pricing system on the jurisdiction. "If a province or territory decides not to price pollution or proposes a system that does not meet these standards, the federal system is put in place."
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
1. Environment and Climate Change Canada
2. <u>Canada Revenue Agency</u>
o 3.
o 4.
o 5.

15. To provide contextual information, rate the capacity of Environment and Climate Change Canada to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
© 2- Medium Capacity (Please explain) <u>Environment and Climate Change Canada does not have significant enforcement powers, particularly when it comes to federal-provincial relations. That is why the Canada Revenue Agency plays an important role.</u>
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of Canada Revenue Agency to undertake the
policy tool's implementation and/or enforcement.
policy tool's implementation and/or enforcement.  o O- No Capacity (Please explain)
o 0- No Capacity (Please explain)
<ul><li>0 - No Capacity (Please explain)</li><li>1 - Low Capacity (Please explain)</li></ul>
<ul> <li>0 - No Capacity (Please explain)</li> <li>1 - Low Capacity (Please explain)</li> <li>2 - Medium Capacity (Please explain)</li> </ul>
<ul> <li>0 - No Capacity (Please explain)</li> <li>1 - Low Capacity (Please explain)</li> <li>2 - Medium Capacity (Please explain)</li> <li>3 - High Capacity (Please explain) <u>Canada Revenue Agency has strong enforcement powers</u></li> </ul>
<ul> <li>0- No Capacity (Please explain)</li> <li>1- Low Capacity (Please explain)</li> <li>2- Medium Capacity (Please explain)</li> <li>3- High Capacity (Please explain) Canada Revenue Agency has strong enforcement powers</li> <li>Prefer not to answer</li> </ul>
<ul> <li>0 - No Capacity (Please explain)</li> <li>1 - Low Capacity (Please explain)</li> <li>2 - Medium Capacity (Please explain)</li> <li>3 - High Capacity (Please explain) Canada Revenue Agency has strong enforcement powers</li> <li>Prefer not to answer</li> </ul>

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			✓
entities			
2. Private companies			$\checkmark$
3. Financial institutions			$\checkmark$
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government			$\checkmark$
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			$\checkmark$
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			$\checkmark$
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			
13. Other Text:provinces	<u>(if province's carbon pricir</u>	<u>ng mechanism does not m</u>	<u>eet Act's minimum</u>
<u>standards)</u>			

27. Describe the threshold criteria to identify	entities for	whom or	instances in	which	compliand	e is
mandatory.						

	Government agencies and/or departments
	(regional - e.g. state, province, region,
	metropolitan region)
Minimum number of employees (Enter min	
number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum	
contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	Provinces that do not meet the federal minimum carbon pricing standards
requirements	carbon pricing standards
28. Can entities for whom compliance with the pol	icy tool is mandatory opt out of the obligation (e.g.
comply or explain)?	
No	
● NO	
∘ Yes	
30. Does the policy tool exclusively apply to entitie	s' domestic operations, or does it also apply to
entities' operations beyond the jurisdiction?	
, , ,	
<ul><li>Operations within jurisdiction only</li></ul>	
Operations beyond the jurisdiction	
o operations beyond the jurisdiction	
o Not applicable	
32. What are the sanctions for non-compliance? S	elect all that apply and describe in the text field.
D.M. a. atam. Gara	
☐ Monetary fine	
☐ Restriction on business activities	
☐ Voiding or setting aside of contract	
☐ Exclusion from government contracts	
□ Award of damages or compensation	

☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other Canada Revenue Agency enforcement tools
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
Average
Above average
o Not applicable
o Unknown or prefer not to answer

36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

While some provinces and territories have made compliance a high priority (eg. BC, PEI) others have made it a low priority (eg. Saskatchewan)

37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
The Canada Revenue Agency is in the process of enforcing these provisions with respect to the province of Saskatchewan.
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Annual reports and regular assessments
41. Does the policy tool recommend or require periodic impact assessments?
No
○ Recommended
○ Required
43. Does the policy tool recommend or require periodic reviews?

∘ No
○ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
$\circ$ 10 or more years
○ Not specified
○ Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
○ No
● Yes
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
The policy sets a national minimum standard for carbon pricing across all of Canada's provinces and territories.
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or

comply with the policy tool (e.g. industry working groups, outreach campaigns, education and

training, etc.)?

Domain-Specific Questions: Disclosure Questions	
What is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			<b>&gt;</b>
2. GHG emissions offsets or removals			<b>\</b>
3. GHG emissions reduction targets			<b>&gt;</b>
4. Other climate- related targets			<b>&gt;</b>
5. Physical climate risk			$\checkmark$
6. Transition risk			<b>✓</b>
7. Transition plan			$\checkmark$
Other disclosures			

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			✓ Inorrequired
opportunities			
2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies			<b>V</b>
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			<b>✓</b>
			<b>✓</b>
6. Assumptions and Dependencies			
7. Data limitations of			<b>✓</b>
scenario analyses			
8. Financial			<b>✓</b>
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			<b>✓</b>
9. Stewardship (e.g.,			
whether stewardship codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			✓
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			
ownership in the			
context of climate			
change 12. Sectoral			<b>✓</b>
investment policies			
13. Climate-related			<b>✓</b>
lobbying and/or policy			
engagement			
14. Locked-in			<b>✓</b>
emissions or			
information on			

emissive assets with			
long lifespans			
15. Dirty asset			$\checkmark$
divestiture			
16. Nature-related			$\checkmark$
impacts			
17. Just transition			
indicators			
		<u></u>	
Standards, Frameworks	, and Guidelines		

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			$\checkmark$
2. IFRS S2			$\checkmark$
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			<b>~</b>
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

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Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
Question 3), provide a web-archived link to the source material.

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
<del>-</del> .
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
○ No
∘ Recommended
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
No
○ Recommended
○ Required

achieving their targets?
• No
Recommended
Required

138. Does the policy tool recommend or require targeted entities to publicly report on progress in

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions			<b>~</b>
reduction target			
An intensity-based			$\checkmark$
emissions reduction			
target			
A net zero target			
Interim targets (e.g. 2030, 2050)			
Targets covering non-			<b>✓</b>
carbon GHG emissions			
A Scope 3 emissions			<b>✓</b>
target			
A target derived using			✓
a sectoral			
decarbonization			
approach			
A level of ambition for			
emissions reductions			
(e.g. 80% reduction)			
A baseline year from			
which progress is			
measured			<b>/</b>
A target timeframe			
(e.g. by 2040)			<b>✓</b>
Targets for renewable energy procurement			
Targets for fossil fuel			<b>✓</b>
phase down/phase up			
Separate targets for	П	П	<b>✓</b>
GHG offsets and/or			
removals			
Targets or goals			$\checkmark$
related to climate	_	_	
adaptation			
Targets or goals			✓
related to nature and			
biodiversity			
Other targets related			✓
to sustainability			

162. Describe and reference the section/subsection/paragraph of the policy tool related to setting other targets.

To meet a national minimum standard for carbon pricing (consumer and industrial)

Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plans
No     No
∘ Recommended
o Required
Monitoring, Oversight, and Implementation

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in			$\checkmark$
implementing their			
transition plan			
Develop financial			
plans for the			
implementation of			
their transition plan			
Integrate climate-			$\checkmark$
related matters into			
their financial			
accounting			
Incorporate climate			$\checkmark$
change considerations			
into their investment			
decision making			
and/or asset planning Incorporate climate			<b>✓</b>
change considerations			
into their capital			
allocation and/or			
expenditure plans			
Any other mechanisms			
for enhancing the			
achievement of			
targets and/or the			
implementation of			
transition plans			
Engagement, Lobbying,	and Governance		

184. Does the policy tool recommend or require targeted entities align any of the following	ng
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No
Value chain			
engagement			
Investor engagement			$\checkmark$
Consumer			
engagement			
Policy engagement			
and lobbying practices			
Corporate governance			
structure for transition			
and verification			
Climate-related			$\checkmark$
financial incentives for			
employees and board			
members			
185. Does the policy tool diligence and/or stewards	•	•	•
No			
<ul> <li>Recommended</li> </ul>			
o Required			
Standards, Frameworks,	, and Guidelines		

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			$\checkmark$
IFRS S2			<b>✓</b>
Task Force on Climate-related			$\mathbf{\mathcal{C}}$
Financial Disclosures			
(TCFD)			
CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on Climate Transition			
Plans			
International			<b>✓</b>
Integrated Reporting			
Framework			
Global Reporting			<b>✓</b>
Initiative (GRI)			
Sustainability			<b>✓</b>
Accounting Standards			
Board (SASB)			
Science Based Targets			<b>✓</b>
initiative (SBTi)			
Science Based Targets			✓
initiative (SBTi) Net			
Zero Standard			<b>✓</b>
European Sustainability			
Reporting Standards			
(ESRS)			
Other			
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

## Policy Tool Name: Adaptation Action Plans under the National Adaptation Strategy

3. Source material link(s):

https://web.archive.org/web/20240816224437/https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/national-adaptation-strategy.html

https://web.archive.org/web//web/20240827222946/https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/national-adaptation-strategy/action-plan.html

4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
☐ Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
Mead of state and/or government
□ Independent regulatory or supervisory body
□ Legislature
□ Judiciary
✓ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2023</u>

10. Does the policy tool have an end date?
No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
Under the Strategy, provincial and territorial governments work with the federal government to advance action plans. "Provincial and territorial governments in Canada are responsible for and set the direction for climate change adaptation measures in their respective jurisdictions."
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
1. <u>Environment and Climate Change Canada</u>
o 2.
o 3.
o 4.
o 5.
15. To provide contextual information, rate the capacity of Environment and Climate Change Canada to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 3- High Capacity (Please explain)

<ul> <li>Prefer not to answer</li> </ul>		
o Not Applicable		

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			<u> </u>
entities			
2. Private companies			<b>₹</b>
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			$\checkmark$
organizations			
7. Government			$\checkmark$
agencies and/or			
departments			
(supranational)			
8. Government		$\checkmark$	
agencies and/or			
departments (national)			
9. Government		<b>✓</b>	
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			<b>✓</b>
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city) 11. Government			<b>✓</b>
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other		<b>✓</b>	
13. Other Text:Indigenous		_	<u> </u>

(unspecified)		
12. Sectoral actors		<b>✓</b>
(e.g., healthcare,		
defense, utilities,		
education)		
13. Other		
L3. Other Text:Indigenous	<u>governments</u>	

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
○ No
Yes
29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.
Provinces and Indigenous groups can simply chose not to develop an action plan.
30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
o Operations within jurisdiction only
Operations beyond the jurisdiction
o Not applicable
31. What are the specific obligations and conditions for entities' operations beyond the jurisdiction?
Please reference the relevant section/subsection/paragraph of the policy tool.
Provincial and territorial governments work with the federal government to advance bilateral action plans. "Provincial and territorial governments in Canada are responsible for and set the direction for climate change adaptation measures in their respective jurisdictions."
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
□ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
□ Award of damages or compensation

☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
entities have made compliance a priority.
entities have made compliance a priority.  Output  Output  Delow average
entities have made compliance a priority.  O Below average  Average
entities have made compliance a priority.  O Below average  Average  Above average
entities have made compliance a priority.  Output  Description  Average  Above average  Not applicable
entities have made compliance a priority.  Output  Description  Average  Above average  Not applicable
entities have made compliance a priority.  O Below average  Average  Above average  Not applicable  Unknown or prefer not to answer
entities have made compliance a priority.  Below average  Average  Not applicable  Unknown or prefer not to answer
entities have made compliance a priority.  o Below average o Average o Above average o Not applicable  O Unknown or prefer not to answer
entities have made compliance a priority.  Below average  Average  Above average  Not applicable  Unknown or prefer not to answer  37. Have the climate-specific provisions in this instrument ever been enforced?  No (If relevant, explain)

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
The National Action plan will be reviewed and updated at least every five years as to better
understand what actions are reducing risks.
"To ensure adaptation targets and objectives are guiding federal investments, the programs and actions within this plan will be monitored and results will be measured using metrics and indicators aligned to the National Adaptation Strategy's monitoring and evaluation framework"
Further, the National Adaptation Strategy highlights the need to enhance its monitoring and evaluative framework through working with the provincial and territorial governments and other partners.
https://web.archive.org/web/20240817093744/https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/national-adaptation-strategy/action-plan.html#toc24
41. Does the policy tool recommend or require periodic impact assessments?
○ No
∘ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
o 2-5 years
o 5-10 years

o 10 or more years
Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
○ No
o Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
o 10 or more years
○ Not specified
o Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
Yes

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.

The primary mechanism for federal-provincial-territorial cooperation is the Canadian Council of Ministers of the Environment, which is a minister-led intergovernmental forum which aims to "facilitate inter-jurisdictional cooperation on climate change mitigation and adaptation, including collaborate action to implementing the Pan-Canadian Framework on Clean Growth and Climate Change."

The National Strategy also outlines other entities that facilitate cooperation, including "Canadian Council of Resource Ministers, Canadian Council of Forest Ministers, Canadian Council of Fisheries and Aquaculture Ministers and Canadian Council of Ministers Responsible for Transportation and Highway Safety."

https://web.archive.org/web/20240817093744/https://www.canada.ca/en/services/environment/wea
her/climatechange/climate-plan/national-adaptation-strategy/action-plan.html#toc24
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
● Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Government of Canada Adaptation Action Plan outlines how the Government of Canada is taking adaption action to establish and disseminate "climate change knowledge and understanding to assist governments, Indigenous partners, communities, individuals and businesses in understanding climate risks and how they can adapt."

For instance, regarding disaster resilience, the Strategy outlines one of the goals is to implement the "Advancing the Federal-Provincial-Territorial Emergency Management Strategy: Areas for Action" action plan. This plan "sets out a first-ever shared federal-provincial-territorial vision for strong, resilient communities and calls for strengthened collaboration among all partners in emergency management, in accordance with each government's respective priorities, roles and responsibilities."

https://web.archive.org/web/20240817093744/https://www.canada.ca/en/services/environment/weat her/climatechange/climate-plan/national-adaptation-strategy/action-plan.html#toc24

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Domain-Specific Questions: Disclos	sure Questions	
What is being disclosed?		

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended
4.6			nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions			
offsets or removals			
3. GHG emissions			
reduction targets			
4. Other climate-			
related targets			
5. Physical climate risk			
6. Transition risk			
7. Transition plan			<b>V</b>
86. What types of physico		1?	
To society (double mat	eriality)		
87. What is the materialit	ry standard for the disclo	osure of physical risk?	
<ul> <li>Self-assessed material</li> </ul>	risk		
<ul> <li>Externally-defined mate</li> </ul>	erial risk		
o Other (Describe)			
88. Are entities recomment that are related to physical to the physical transfer are	•	ose the results of climate r	isk-related stress tests
∘ No			
o Recommended			

o Required
89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?
No     No
o Recommended
o Required
90. Are risk assessments of physical risk recommended or required to be third-party verified?
● No
o Recommended
o Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			<b>Ø</b>
2. Remuneration based on achieving climate-related goals			<b>⊘</b>
3. Taxonomies			<
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			✓
6. Assumptions and Dependencies			<b>&gt;</b>
7. Data limitations of scenario analyses			<b>&gt;</b>
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies		<b>Y</b>	
13. Climate-related lobbying and/or policy engagement			<b>Y</b>
14. Locked-in emissions or information on			

emissive assets with				
long lifespans				
15. Dirty asset			$\checkmark$	
divestiture				
16. Nature-related impacts				
17. Just transition			<b>✓</b>	
indicators	1			
113. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosures regarding the financial implications of climate-related matters.  Canada's National Adaptation Strategy: https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/national-adaptation-strategy/full-strategy.html  The National Adaptation Strategy outlines a shared path to a more climate-resilient Canada. It establishes a shared vision of what we want our future to look like and sets out a common direction for action across five interconnected systems that are at the heart of our lives and communities.  1. Disaster Resilience 2. Health and Well-being 3. Nature and Biodiversity 4. Infrastructure 5. Economy and Workers				
117. In which of the following sectors are entities recommended or required to disclose information regarding sectoral investment policies? Select all that apply.				
□ Coal				
□ Oil and gas				
☐ Renewable energy				
☐ Land-use and deforest	ation			
<b>✓</b> Other				
□ None specified				

122. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of nature-related impacts.

Canada's National Adaptation Strategy:

https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/nationaladaptation-strategy/full-strategy.html

The National Adaptation Strategy outlines a shared path to a more climate-resilient Canada. It establishes a shared vision of what we want our future to look like and sets out a common direction for action across five interconnected systems that are at the heart of our lives and communities.

1. Disaster Resilience 2. Health and Well-being 3. Nature and Biodiversity 4. Infrastructure 5. Economy and Workers Standards, Frameworks, and Guidelines 125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			$\checkmark$
2. IFRS S2			✓
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			<b>✓</b>
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in
Question 3), provide a web-archived link to the source material.
Additional Important Information
· 

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>