

13 January 2022

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

Fax: 416-593-2318

comment@osc.gov.on.ca

COMMENTS ON 51-107

DISCLOSURE OF CLIMATE-RELATED MATTERS [NI PROPOSED]

References: a. 51-107 - Disclosure of Climate-Related Matters [NI Proposed] [51-107 - Disclosure of Climate-Related Matters \[NI Proposed\] | BCSC](#)

b. PROPOSED NATIONAL INSTRUMENT 51-107 DISCLOSURE OF CLIMATE-RELATED MATTERS [51107-NI-Proposed-October-18-2021.pdf \(bcsc.bc.ca\)](#)

c. Definition at reference A. "Scope 1" means all direct GHG emissions by an issuer

1. I am an individual investor and I am providing comments on the subject proposal from that perspective. I am aware of the trend for companies to self report on Green House Gas (GHG) emissions and that this has been, in many instances, an ad-hoc approach lacking definitive regulation. Similar to non-GAAP financial reporting this leaves investors with a less than clear metric to assess a reporter's emissions or road map to reduce emissions if practicable. Therefore, as an investor, I am in favour of definitive regulation on emissions, albeit in a practical and cost-effective manner. Regulation should not just simply impose another layer of costly reporting.

2. With regards to reporting I do not believe that it should not be optional with an explanation. The only exception to this would be a new a new issuer if they do not have an existing operation and an estimate of their emissions would be permissible. Furthermore, I believe that "Scope 1", at reference C, reporting should be required as "Scope 2-3" would be an onerous undertaking at this stage. That said, I believe that to assist reporters a standardized computer program/web-based model or template for GHG emissions should be provided to reduce reporting costs and to standardize results for investor analysis. On the latter this would avoid differing reporting metrics e.g. one reporter stating vehicle emissions differently than another with a similar fleet. Once the reporting requirement has been implemented, I would think that adding scope 2-3 reporting in a phased approach would be practical. On this I see Scope 1,2,3 as a crawl - walk - run approach to emissions reporting. I am in agreement with the proposal to phase in the first stage of reporting by years to permit a familiarization with reporting. With respect to auditing, absent a standardized reporting regimen, I fear this would be a waste of time and money. Once again, costs on this reporting should be minimized.

3. In summary, as an investor I believe that emissions reporting is a good thing as it provides a measurable incentive for companies to reduce their emissions. As an investor I would consider not investing in company if they huge emitter in comparison to their peers. It would also allow for a review of the company's plans or road map to reduce emissions. As indicated above, this reporting should be standardized to prevent, so far as practicable, green washing.

Alistair Harrigan