



# Climate Risk Reporting: An Exercise in Greenwashing

Material Changes in Our Understanding of Climate Science, Models, and Targets

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# CLIMATE RISK REPORTING – AN EXERCISE IN GREENWASHING

## REQUEST FOR COMMENT ON DISCLOSURE OF CLIMATE-RELATED MATTERS

**Canadian Securities Administrators are requesting comment on Proposed National Instrument 51-107 Disclosure of Climate-related Matters. Closing date for comments is Jan. 17, 2022.**

## MISSION

**According to the Mission Statement of the Canadian Securities Administrators:**

*“The mission of CSA members is threefold: to protect investors from unfair, improper or fraudulent practices; to foster fair and efficient capital markets; and to reduce risks to the market’s integrity and to investor confidence in the markets.”<sup>1</sup>*

## MATERIAL CHANGE

**Canadian Securities Administrators are requesting comment on Proposed National Instrument 51-107 Disclosure of Climate-related Matters. Closing date for comments is Jan. 17, 2022.**

Before offering comment, it is prudent to consider if there has been any material change in our understanding of climate change or the impact of climate policies in the interim, since the final report of the Task Force on Climate Related Disclosures, issued in 2017.

This review and commentary is offered in the spirit of **National Instrument 51-102 Continuous Disclosure Obligations** and will review material changes in the business and evidence about climate change and human influence which will have a significant effect on the market price and value of climate-related industries.

### **National Instrument 51-102 Continuous Disclosure Obligations**

*“material change” means (a) a change in the business, operations or capital of the reporting issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the reporting issuer; or (b) a decision to implement a change referred to in paragraph (a) made by the board of directors or other persons acting in a similar capacity or by senior management of*

<sup>1</sup> [https://www.securities-administrators.ca/wp-content/uploads/2021/08/Introduction\\_to\\_CSA\\_170206\\_Eng.pdf#:~:text=Strategic%20Objectives-.Our%20mission,markets%20and%20confidence%20in%20them.](https://www.securities-administrators.ca/wp-content/uploads/2021/08/Introduction_to_CSA_170206_Eng.pdf#:~:text=Strategic%20Objectives-.Our%20mission,markets%20and%20confidence%20in%20them.)

*the reporting issuer who believe that confirmation of the decision by the board of directors or any other persons acting in a similar capacity is probable;*

## CHANGE IN THE BUSINESS CASE

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According to the Bank of Canada report “Using Scenario Analysis to Assess Climate Transition Risk (2022)”<sup>2</sup> released on Jan 14, 2022, the scenarios are based on an earlier work of the Bank of Canada from 2020.<sup>3</sup>

ABOUT THE BANK	CORE FUNCTIONS	MARKETS	BANK NOTES	PUBLICATIONS	RESEARCH	PRESS	STATISTICS	
Scenario		Description						
Business as usual		No further action is taken to limit global warming. Rising emissions cause a substantial rise in average global temperatures.						
Nationally determined contributions (NDCs)		Beginning in 2020, countries act according to their pledges under the Paris Agreement. They reduce global warming, but their actions are not enough to limit warming to an additional 2°C above pre-industrial levels by 2100.						
2°C (consistent)		Countries act to limit global warming to 2°C by 2100.						
2°C (delayed action)		Countries act to limit global warming to 2°C by 2100, but the action does not begin until 2030.						

Unfortunately, these assumptions have been shown by Bjorn Lomborg to be wrong.<sup>4</sup> **Even if all countries met their Paris Agreement targets, there would be an immeasurable reduction in warming,** the costs would be \$1 to 2 trillion dollars per year for no change in climate and no assurance that there would not be extreme weather events as these are integral to climate and not driven by carbon dioxide emissions or global warming.

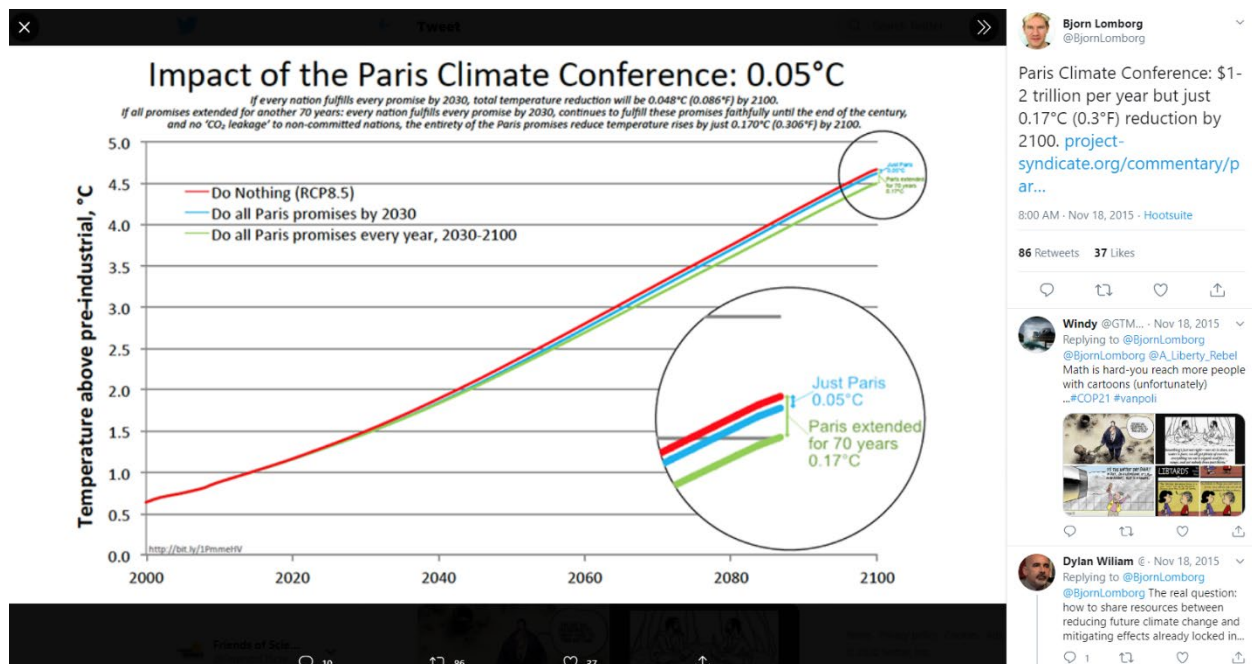
Dr. Lomborg's research reveals:

- *The climate impact of all Paris INDC promises is minuscule: if we measure the impact of every nation fulfilling every promise by 2030, the total temperature reduction will be 0.048°C (0.086°F) by 2100.*
- *Even if we assume that these promises would be extended for another 70 years, there is still little impact: if every nation fulfills every promise by 2030 and continues to fulfill these promises faithfully until the end of the century, and there is no 'CO<sub>2</sub> leakage' to non-committed nations, the entirety of the Paris promises will reduce temperature rises by just 0.17°C (0.306°F) by 2100.*
- *US climate policies, in the most optimistic circumstances, fully achieved and adhered to throughout the century, will reduce global temperatures by 0.031°C (0.057°F) by 2100.*
- *EU climate policies, in the most optimistic circumstances, fully achieved and adhered to throughout the century, will reduce global temperatures by 0.053°C (0.096°F) by 2100.*
- *China climate policies, in the most optimistic circumstances, fully achieved and adhered to throughout the century, will reduce global temperatures by 0.048°C (0.086°F) by 2100.*
- *The rest of the world's climate policies, in the most optimistic circumstances, fully achieved and adhered to throughout the century, will reduce global temperatures by 0.036°C (0.064°F) by 2100.*

<sup>2</sup> <https://www.bankofcanada.ca/wp-content/uploads/2021/11/BoC-OSFI-Using-Scenario-Analysis-to-Assess-Climate-Transition-Risk.pdf>

<sup>3</sup> <https://www.bankofcanada.ca/2020/05/staff-discussion-paper-2020-3/>

<sup>4</sup> <https://www.lomborg.com/press-release-research-reveals-negligible-impact-of-paris-climate-promises>



This suggests that the public, industry, and investors are being greenwashed and fraudulently misled on proposed climate change risk analysis and related regulatory measures. This would be contrary to fundamental securities law and greenwashing regulations of the Competition Bureau.<sup>5</sup>

Follow best practices by making sure that your claims:

- are truthful and **aren't misleading**;
- are **specific**: be precise about the environmental benefits of your product;
- are **substantiated and verifiable**: claims must be tested and all tests must be adequate and proper;
- do not result in misinterpretations;
- **do not exaggerate** the environmental benefits of your product; and
- do not imply that your product is **endorsed by a third-party organization** if it isn't; and,

If you're unsure whether a claim will mislead or misrepresent, then don't make the claim!

<sup>5</sup> <https://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/04607.html>

## LIMITATIONS OF CLIMATE MODELS

While banks and insurance companies believe that climate forecasting/climate risk can be done through the use of modelled scenarios, early and recent evidence shows that this is not true.

**"In climate research and modelling, we should recognize that we are dealing with a coupled non-linear chaotic system, and therefore that long-term prediction of future climate states is not possible."**

**~ The Intergovernmental Panel on Climate Change ~  
(IPCC)  
Third Assessment Report (2001)  
Section 14.2.2.2, page 774**

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**A coupled non-linear chaotic system cannot be forecasted**, no matter the computing power applied to the climate models. Indeed, the more mature the models, the higher the range of error, as was discovered this summer just prior to the release of the latest Intergovernmental Panel on Climate Change (IPCC) AR6 Working Group I (WGI) report (August 9, 2021).

The most recent climate models have predicted implausibly hot outcomes,<sup>6</sup> as reported in Science Magazine, July 27, 2021. In the words of Gavin Schmidt of NASA GISS who said: *"You end up with numbers for even the near-term that are insanely scary—and wrong."*

This outcome was predicted some time ago by various climate and mathematical modelling experts from Christopher Essex to David Orrell. One (of the many) challenges with climate models is that they cannot model clouds, and clouds significantly affect climate and weather patterns.

*"Trying to model a cloud is about as easy as trying to hold one in your hands. Despite the heroic efforts of meteorologists, the best that Global Circulation Model can do is to assign rough values for cloud properties for each cell, making them vary in some plausible way to account for things like temperature and humidity. Such parameterization may be based to a degree on physics, but they are a long way from Newton's laws of motion. (There may be a law of gravity, but there isn't a law of clouds.) They are a major source of error, especially since estimates of cloud cover affect the calculations of temperature, humidity, and so on, which are the calculations used to make the estimate in the first place. To predict how clouds change and evolve with time, details matter. And because clouds exist over a huge range of scales, there is no particular grid size that is small enough to capture all the information. Even if the resolution is improved, new parameterizations will be needed to model the fine scale physics. **The number of model variables will therefore explode and forecast accuracy may actually get worse.**" "Apollo's Arrow" – David Orrell.*

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<sup>6</sup> <https://www.science.org/content/article/un-climate-panel-confronts-implausibly-hot-forecasts-future-warming>

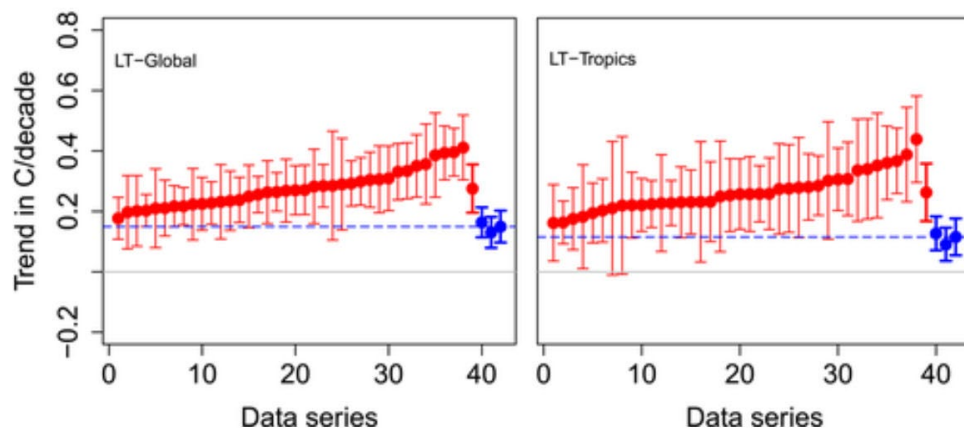


Recent peer-reviewed papers show that the Canadian climate model runs ‘the hottest’, as discussed in layman’s terms at Dr. Judith Curry’s site, “Climate, etc.”:<sup>7</sup>

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*“We draw attention to the CanESM5 model: it simulates the greatest warming in the troposphere, roughly 7 times larger than the observed trends.” The Canadian government [relies on](#) the CanESM models “to provide science-based quantitative information to inform climate change adaptation and mitigation in Canada and internationally.”*

This figure from McKittrick & Christy 2020 compares trends and 95% confidence intervals in °C per decade in the 38 individual climate models (red), the climate model ensemble mean (thick red) and the three mean observational series (radiosondes, reanalysis, and satellites, thick blue) of the lower troposphere for the global and tropical regions. Every model run in every regional has a mean trend that exceeds the corresponding observed trends regardless of how they are measured. In the global lower troposphere, the average model trend is 186% of the observed average trend, while in the tropics, the average model trend is 237% of the observed average trend. Therefore, the models are wrong and should not be used for setting government policies.



The alleged purpose of the climate-risk analysis by companies is to provide fair reporting to investors and financial markets. Fielder et al (2021)<sup>8</sup> reports that climate models are not robust enough to accomplish this task, and as shown in the foregoing, even if targets were met, there is no likelihood that temperatures or ‘climate’ risks would be reduced; but it is clear that the public would be defrauded of trillions of dollars in the process through climate-driven green crony public policies.

<sup>7</sup> <https://judithcurry.com/2020/08/25/new-confirmation-that-climate-models-overstate-atmospheric-warming/>  
<sup>8</sup> <https://www.nature.com/articles/s41558-020-00984-6>

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Perspective | Published: 08 February 2021

Business risk and the emergence of climate analytics

Tanya Fiedler, Andy J. Pitman, Kate Mackenzie, Nick Wood, Christian Jakob & Sarah E. Perkins-Kirkpatrick

Nature Climate Change 11, 87–94 (2021) | Cite this article

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Abstract

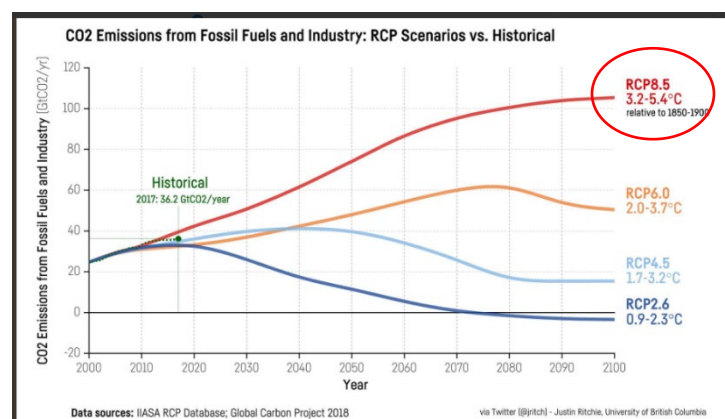
Emerging awareness of climate-related financial risk has prompted efforts to integrate knowledge of climate change risks into financial decision-making and disclosures. Assessment of future climate risk requires knowledge of how the climate will change on time and spatial scales that vary between business entities. The rules by which climate science can be used appropriately to inform assessments of how climate change will impact financial risk have not yet been developed. In this Perspective, we summarize the demands by the business and finance community for reliable climate information, and the potential and limitations of such information in the context of what climate models can and cannot currently provide.

The purpose of the Canadian Securities Administrators is to prevent this these kind of “unfair, improper or fraudulent practices.”

If expert climate scientists and climate models cannot accurately project future climate trends or outcomes, how can corporations be expected to reasonably evaluate or report on ‘climate risk’ beyond conventional insurance risks such as locating on a flood plain, being in wildfire high risk area, using, producing, transporting of high impact dangerous goods, geologic or seismic risks, etc.

## CLIMATE EMERGENCY IS OVER. WE DO HAVE TIME.

The fear of a climate emergency stemmed from the reliance of climate science researchers on what is known as the RCP 8.5 scenario,<sup>9</sup> and implausible scenario, meant for climate research, not policymaking.

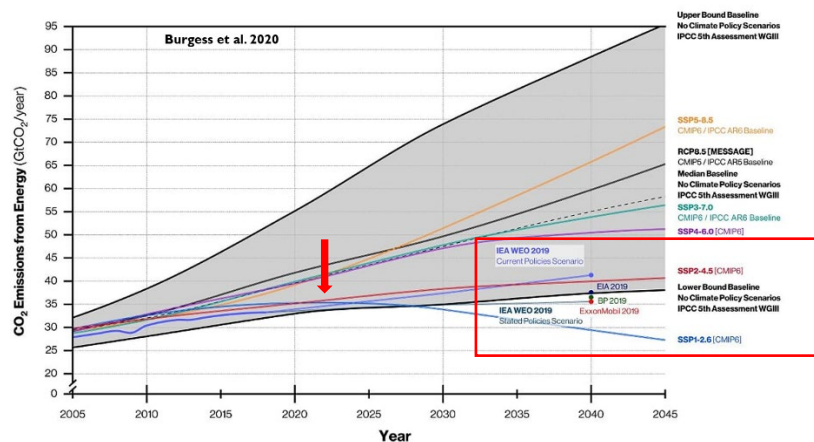


<sup>9</sup> RCP – Representative Concentration Pathways, a series of scenarios designed for climate researchers (not policymakers) by van Vuuren et al (2011)



The misuse and abuse of these scenarios has skewed and distorted our understanding of climate science, according to researchers Roger Pielke, Jr., and Justin Ritchie.<sup>10</sup> The use of improper RCP 8.5 is the source of the alleged climate emergency. The fear generated by this scenario has spawned public efforts by climate activists, capitalizing on the mass formation psychosis plan of clinical psychologist Margaret Klein Salamon,<sup>11</sup> to literally scare people into climate compliance through fear that ‘our house is on fire’; ‘I want you to panic’, and parroted by Greta Thunberg, who is promoted by the carbon market group “We Don’t Have Time.”<sup>12</sup> Likewise, green billionaires Tom Steyer and Michael Bloomberg, along with a bevy of climate activists, created the report “Risky Business”<sup>13</sup> which has been repeatedly referred to as the “business-as-usual” (BAU) model by leading commentators in the financial community, such as Mark Carney, even though it is implausible. Matthew Nisbet’s work suggests a serious conflict of interest in terms of Bloomberg’s position on the TFCRD and interests in forcing cap-and-trade policies worldwide via the funding of ENGOs to agitate for conducive local policies.<sup>14</sup>

First of all, the RCP scenarios were strictly designed for climate science research; they were never meant to be used for policy making or as ‘optional pathways.’ Unfortunately, thousands of climate researchers and organizations, including Environment Canada, have presented them in this way, as if ‘climate choices’. Secondly, RCP 8.5 is a scenario deemed to be implausible, even by scientists who accept climate orthodoxy.<sup>15</sup> As Burgess et al (2020) has shown, we are far from a climate catastrophe. Though Burgess et al claim carbon has peaked,<sup>16</sup> it is clear from US EIA projections, that if there is future growth in emissions, it will only be from non-OECD countries, meaning that burdensome climate risk – financial regulations are irrelevant and economically destructive to Canada.



According to the US EIA, there will be continued use of fossil fuels and the growth will be in non-OECD countries.

<sup>10</sup> <https://www.sciencedirect.com/science/article/abs/pii/S2214629620304655>

<sup>11</sup> <https://www.theclimatemobilization.org/>

<sup>12</sup> [https://blog.friendsofscience.org/wp-content/uploads/2019/12/Greta\\_prospectus\\_short\\_eng.pdf](https://blog.friendsofscience.org/wp-content/uploads/2019/12/Greta_prospectus_short_eng.pdf)

<sup>13</sup> <https://www.forbes.com/sites/rogerpielke/2020/01/02/how-billionaires-tom-steyer-and-michael-bloomberg-corrupted-climate-science/?sh=556eb28e702c>

<sup>14</sup> [https://web.northeastern.edu/matthewnisbet/wp-content/uploads/2018/05/Nisbet2018\\_ClimatePhilanthropy\\_WIREsClimateChange\\_Final.pdf](https://web.northeastern.edu/matthewnisbet/wp-content/uploads/2018/05/Nisbet2018_ClimatePhilanthropy_WIREsClimateChange_Final.pdf)

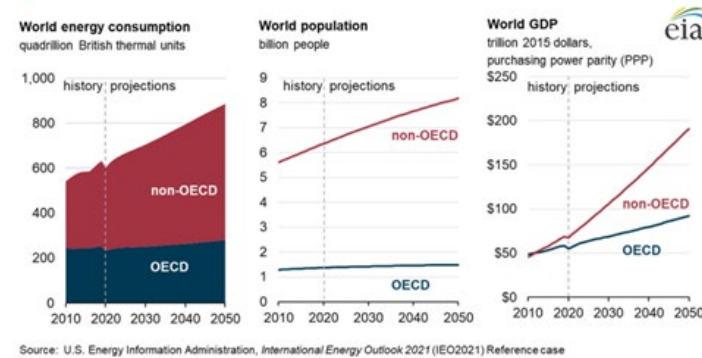
<sup>15</sup> <https://www.nature.com/articles/d41586-020-00177-3>

<sup>16</sup> <https://rogerpielkejr.substack.com/p/the-unstoppable-momentum-of-outdated>

By 2050, global energy use in the Reference case increases nearly 50% compared with 2020—mostly a result of non-OECD economic growth and population, particularly in Asia

*Non-OECD GDP is double OECD GDP by 2050, primarily as a result of fast-growing populations; however, large differences in standards of living remain*

Figure 10.



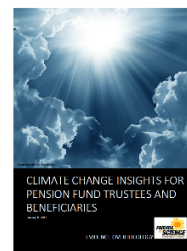
Consequently, to what end does climate-risk reporting serve Canadian corporations, other than making them a further target? Reporting on climate risk is a red flag for climate activists, vulture investors (who can manipulate markets either through climate groups fronting their activities, as in the Tar Sands Campaign green trade war), and geopolitical forces – either competitor nations or enterprises, or nations with other geopolitical objectives such as the economic destruction of Canada, access to our resources riches through means other than conventional trade (i.e. see “Cloak of Green” by Elaine Dewar), or other efforts to empower themselves over our sovereign operations.

This is exactly what happened to the Alberta oil sands with the 2016 CDP report “In the Pipeline”<sup>17</sup> which drove climate-addled investors out of the oil sands,<sup>18</sup> complemented by attacks on investors and insurers by hundreds of ENGOS under the umbrella of groups like BankTrack, as discussed in our report “Unfriend ENGOS – Befriend Facts”,<sup>19</sup> and in the Deloitte report associated with the Allan Inquiry.<sup>20</sup>

We discussed these concerns in our letter to the Ontario Securities Commission of 2017.<sup>21</sup> Our two reports responding to the 2015 Koskie Minsky detail our concerns.



<https://blog.friendsofscience.org/wp-content/uploads/2017/02/climate-change-risk-clouds-boardroom-competency-final-jan-30-2017.pdf>



<https://blog.friendsofscience.org/wp-content/uploads/2017/02/climate-change-insights-for-pension-fund-trustees-and-beneficiaries-final-jan-31-2017.pdf>

<sup>17</sup> <https://b8f65cb373b1b7b15feb-c70d8ead6ced550b4d987d7c03fcd1d1.ssl.cf3.rackcdn.com/cms/reports/documents/000/001/327/original/oil-gas-report-exec-summary-2016.pdf?1479834286>

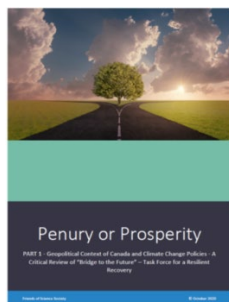
<sup>18</sup> <https://blog.friendsofscience.org/wp-content/uploads/2018/12/TakeStock-CO2-markets-May-6-2015-Ver-4.pdf>

<sup>19</sup> <https://blog.friendsofscience.org/2018/02/21/unfriend-engos-befriend-facts/>

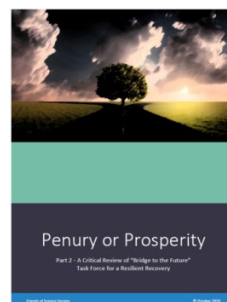
<sup>20</sup> <https://blog.friendsofscience.org/2021/11/02/has-no-one-read-the-deloitte-report/>

<sup>21</sup> [https://blog.friendsofscience.org/wp-content/uploads/2017/08/Ontario\\_SC\\_UNPRI\\_climate\\_risk\\_disclosure\\_August27-2017-3.pdf](https://blog.friendsofscience.org/wp-content/uploads/2017/08/Ontario_SC_UNPRI_climate_risk_disclosure_August27-2017-3.pdf)

Our two-part report “Penury or Prosperity” assesses Canada’s climate policies in the global context and discusses how some proposed ‘solutions’ to climate change appear to be nothing more than stock promotions for ideas that are not market ready, are technically infeasible, or are nothing more than an idea. Again, most of the proposals discussed appear to be greenwashing the public and to suffer from a lack of due diligence at the most basic level.



<https://blog.friendsofscience.org/wp-content/uploads/2020/10/Penury-or-Prosperity-Part-1-Geopolitical-Context-Oct-11-2020-FINAL.pdf>

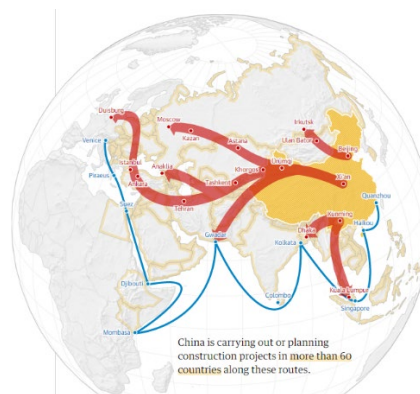


<https://blog.friendsofscience.org/wp-content/uploads/2020/10/Penury-or-Prosperity-Part-2-Critical-Review-Bridge-to-the-Future-Oct-11-2020-Final.pdf>

## GEOPOLITICAL AND ECONOMIC RISKS



*Russia controls most of the EU by controlling energy supply.*

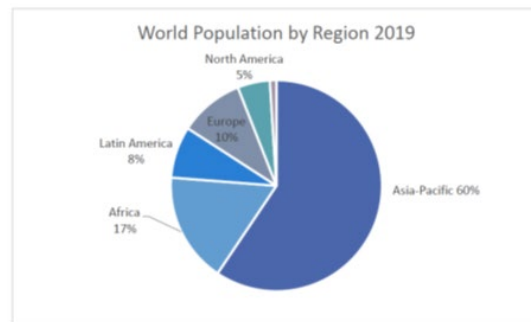


*China has extended vast control over ports and shipping routes and will extend this control through the Belt and Road Initiative.*

**The geopolitical risks to Western Nations through climate initiatives and reporting on GHG emissions cannot be over-stated.** Energy access and use is the power behind every successful nation and enterprise. The extensive reporting the CSA proposes on climate-related risks effectively hands important intelligence to any aggressor, be it a radical domestic climate group like Extinction Rebellion, incited by spokespeople like David Suzuki, or whether it be a foreign competitor company or country.

While many fund managers, banks, and investors believe the world is ‘on board’ for climate policy, due to the much-vaunted Paris Agreement, the fact is that most developing nations only participated in 2015 as they were bribed with the promise of a \$100 billion/year annual Green Climate Fund that they could access with no accountability to reach their alleged ‘climate targets’. This fund did not materialize and

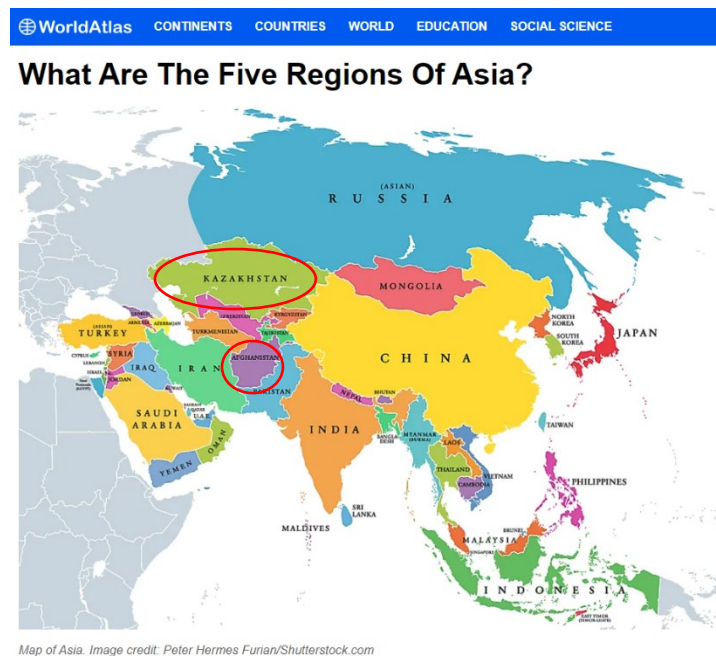
by the fall of 2019, both China and India were demanding that the West “Pay Up!”<sup>22</sup> The West will be left behind or crushed “When Giants Arise.”<sup>23</sup>



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Many people, especially in Europe and North America, may not be aware that their combined populations are only 15% of the world's total, that the population of Africa exceeds that combined total and that the population of Asia is four times that large.

At present, the US has been ousted from Afghanistan, a geographically strategic region rich in energy and mineral resources. China is reportedly making forays there. Likewise, current unrest in Kazakhstan and moves by Russia in the Crimea and Ukraine are deeply concerning for global security.



<https://www.worldatlas.com/articles/the-four-regions-of-asia.html>

<sup>22</sup> <https://blog.friendsofscience.org/2019/09/18/pay-up-say-china-and-india/>

<sup>23</sup> <https://blog.friendsofscience.org/2021/03/01/when-giants-arise-the-real-world-of-ghg-emissions-and-growth/>

As we have shown, climate change policies outlined in the Taskforce on Climate Related Disclosure are based on faulty use of the implausible RCP 8.5 scenarios, meaning climate risk reporting is a moot point.

Certainly, based on current global affairs, climate change is now the least of our worries.

## ECONOMIC RISKS

In terms of economic risks, the alleged purpose of climate-risk reporting is to help lead to a Net Zero decarbonized nation or world. Activists and renewables promoters such as those behind the “Exponential Roadmap”<sup>24</sup> claim that this will be a low to zero cost, due to the declining cost of renewables.

A reanalysis of the Thomas Tanton assessment of the cost of electrifying the U.S.A., done by Ken Gregory, Professional Engineer, shows the following:

*“Many governments have made promises to reduce greenhouse gas emissions by replacing fossil fuels with solar and wind generated electricity and to electrify the economy. A report by Thomas Tanton estimates a capital cost of US\$36.4 trillion for the U.S.A. economy to meet net zero emissions using wind and solar power. This study identifies several errors in the Tanton report and provides new capital cost estimates using 2019 and 2020 hourly electricity generation data rather than using annual average conditions as was done in the Tanton report. This study finds that the battery costs for replacing all current fossil fuel fired electricity with wind and solar generated electricity, using 2020 electricity data, is 109 times that estimated by the Tanton report. **The total capital cost of electrification is herein estimated, using 2020 data, at US\$433 trillion, or 20 times the U.S.A. 2019 gross domestic product.** Overbuilding the solar plus wind capacity by 21% reduces overall costs by 18% by reducing battery storage costs. Allowing fossil fuels with carbon capture and storage to provide 50% of the electricity demand dramatically reduces the total costs from US\$433 trillion to US\$24 trillion, which is a reduction of 94.6%. Battery storage costs are highly dependent on the year’s weather and the seasonal shape of electricity demand.”<sup>25</sup>*

Due to the differences in the Canadian weather conditions, transportation requirements, existing power grid (largely hydro), it is not possible to make a direct percentage estimate of cost for Canada, but clearly, the costs would not be sustainable by any measure.

Robert Lyman, former Canadian federal public servant of 27 years and diplomat for 10 years, has offered two summary reports on the challenges of decarbonization, noting that competing demand for essential minerals and materials would make it impossible to meet Net Zero goals.<sup>26,27</sup>

<sup>24</sup> [https://exponentialroadmap.org/wp-content/uploads/2019/09/ExponentialRoadmap\\_1.5\\_20190919\\_Single-Pages.pdf](https://exponentialroadmap.org/wp-content/uploads/2019/09/ExponentialRoadmap_1.5_20190919_Single-Pages.pdf)

<sup>25</sup> <https://blog.friendsofscience.org/2021/12/21/the-cost-of-net-zero-electrification-of-the-u-s-a/>

<sup>26</sup> <https://blog.friendsofscience.org/2021/05/09/speed-bumps-on-the-road-to-decarbonization-part-1/>

<sup>27</sup> <https://blog.friendsofscience.org/2021/06/13/hazards-ahead-speed-bumps-on-the-road-to-decarbonization-part-2/>

Patricia Adams has written a number of reports and commentaries on the fact that China, an aggressive global competitor, has control of most of the rare earth minerals deemed necessary for such a transition, and points out the geopolitical risks of this situation.<sup>28</sup>

Thus, in keeping with your CSA Guiding Principles, which includes this statement:

*Globally competitive and reputable Canadian capital markets result when we foster a regulatory environment that is safe for investors, efficient for raising capital, and cost-effective for market participants.*

It seems clear that climate-risk disclosures do not meet this principle; in fact, create the opposite situation, one of extreme investment risk and non-competitiveness.

## ESG – ENVIRONMENT. SOCIAL. GOVERNANCE.

ESG – Environment, social and governance considerations further burden corporations with reporting on elements that are highly subjective. Based on our reports “Undue Influence – Markets Skewed”<sup>29</sup> and “A Confluence of Carbonbaggers”<sup>30</sup> suggest that ESG ratings are an innovative accounting method to cover the fact that ‘green’ projects do not meet conventional accounting standards or financial performance indicators necessary for evaluating corporate performance.

Meanwhile, competitor nations like China are not encumbered by efforts to meet ESG requirements, climate targets or to go Net Zero by any date. In fact, as Prof. Samuel Furfari notes, rather than transition, it appears that China has actively engaged in advantageous acquisition of energy assets.<sup>31</sup> Who can blame them for making the best of a bad situation, but one must ask what are Western nations doing with their self-defeating climate policies?

Another global competitor is Russia. Canada withdrew from Kyoto in 2011 as we would have had to pay \$14 billion in climate penalties to Russia, while as a declared developing nation, Russia would not have had to do anything at all on climate.

Indeed, Russia’s assessment of Kyoto is that it was an assault on economic growth, environment, public safety, science, and human civilization.<sup>32</sup>

In terms of climate science and global warming, Russian scientist Dr. Habibulov Abdussamatov warns that we are heading into a Little Ice Age and that climate change is driven by solar activity and Total Solar Irradiance.<sup>33</sup>

<sup>28</sup> <https://www.netzerowatch.com/patricia-adams-chinas-climate-power-game/>

<sup>29</sup> <https://blog.friendsofscience.org/wp-content/uploads/2016/04/undue-influence-markets-skewed-april-5-2016-final-ic-bl.pdf>

<sup>30</sup> [https://friendsofscience.org/assets/documents/Carbonbaggers\\_Report.pdf](https://friendsofscience.org/assets/documents/Carbonbaggers_Report.pdf)

<sup>31</sup> <https://blog.friendsofscience.org/2021/04/29/energy-transition-or-chinese-acquisition/?highlight=russia%20kyoto>

<sup>32</sup> <https://blog.friendsofscience.org/2020/09/04/retrospective-the-kyoto-protocol-an-assault-on-economic-growth-environment-public-safety-science-and-human-civilization-itself/?highlight=russia%20kyoto>

<sup>33</sup> <https://blog.friendsofscience.org/2021/03/13/russian-scientist-warns-of-impending-cooling-due-to-solar-inactivity/?highlight=abdussamatov>



It seems that ESG considerations mean nothing to the greatest industrial competitors of Western nations.

If we remind ourselves of the mission of the CSA, it is difficult to see how incorporating climate-risk reporting standards meet your mission.

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*“The mission of CSA members is threefold: to protect investors from unfair, improper or fraudulent practices; to foster fair and efficient capital markets; and to reduce risks to the market’s integrity and to investor confidence in the markets.”<sup>34</sup>*

CARBON DIOXIDE IS NOT THE CONTROL KNOB.

CLIMATE POLICIES WON’T STOP EXTREME WEATHER EVENTS.

Since the publication of “Vegetation, Water, Humans and the Climate” in 2004<sup>35</sup>, it has been clear that carbon dioxide is not the main driver of climate change. Subsequent review in the “Radiative Forcing of Climate Change” published by the National Academies Press<sup>36</sup> recognized that the greenhouse gas theory was insufficient to explain climate change trends. By 2013, the Intergovernmental Panel on Climate Change had issued the AR5 report which stated there had been no statistically significant rise in global temperatures since before Kyoto was ratified, despite a significant rise in carbon dioxide (known as the ‘hiatus’). In June of 2013, Dr. Hans von Storch indicated that the IPCC would have to confront the fact that models are failing and that: *“There are two conceivable explanations -- and neither is very pleasant for us. The first possibility is that less global warming is occurring than expected because greenhouse gases, especially CO<sub>2</sub>, have less of an effect than we have assumed. This wouldn't mean that there is no man-made greenhouse effect, but simply that our effect on climate events is not as great as we have believed. The other possibility is that, in our simulations, we have underestimated how much the climate fluctuates owing to natural causes.”*<sup>37</sup> In Jan. 2014, Dr. Judith Curry testified to the US Senate that ‘carbon dioxide is not the control knob that can fine tune climate’.<sup>38</sup>

In 2014, the “Risky Business” report was prepared and proliferated, presenting the opposite point of view, and relying on the implausible RCP8.5 scenario, as previously discussed.<sup>39</sup>

Today, almost 1,000 scientists and scholars of CLINTEL,<sup>40</sup> the climate intelligence organization based in Holland, state that there is no climate emergency and natural factors are the main driver of climate change.<sup>41</sup>

<sup>34</sup> [https://www.securities-administrators.ca/wp-content/uploads/2021/08/Introduction to CSA 170206 Eng.pdf#:~:text=Strategic%20Objectives-,Our%20mission,markets%20and%20confidence%20in%20them.](https://www.securities-administrators.ca/wp-content/uploads/2021/08/Introduction_to_CSA_170206_Eng.pdf#:~:text=Strategic%20Objectives-,Our%20mission,markets%20and%20confidence%20in%20them.)

<sup>35</sup> <https://link.springer.com/book/10.1007/978-3-642-18948-7>

<sup>36</sup> <https://www.nap.edu/catalog/11175/radiative-forcing-of-climate-change-expanding-the-concept-and-addressing>

<sup>37</sup> <https://www.spiegel.de/international/world/interview-hans-von-storch-on-problems-with-climate-change-models-a-906721.html>

<sup>38</sup> <https://judithcurry.com/wp-content/uploads/2014/01/curry-senatetestimony-2014-final.pdf>

<sup>39</sup> <https://www.forbes.com/sites/rogerpielke/2020/01/02/how-billionaires-tom-steyer-and-michael-bloomberg-corrupted-climate-science/?sh=556eb28e702c>

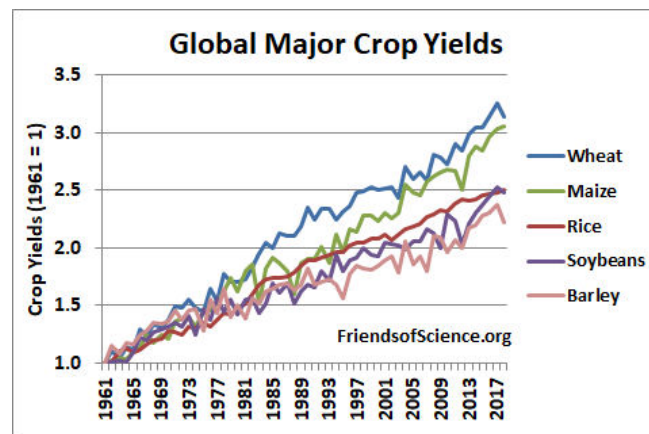
<sup>40</sup> <https://clintel.org/>

<sup>41</sup> <https://clintel.org/world-climate-declaration/>

Ken Gregory, P. Eng. reports on how the social benefits of carbon dioxide are extensive and underreported.<sup>42</sup>

*"The benefits of warming and CO<sub>2</sub> fertilization on agriculture are 95 times the negative impacts of storms and sea level rise combined over 2000 to 2100 as calculated by the FUND economic model. Sea level rise damages are kept in check by protection expenditures which are included by cost-benefit optimization. The graph below shows the global increase of major crop yields since 1961. A large portion of this increase is due to the use of fossil fuel by farm machines, warming and CO<sub>2</sub> fertilization."*

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Dr. Curry has subsequently pointed out with regard to extreme weather that thinking the elimination of fossil fuels (the inherent purpose of the CSA's proposed adoption of climate-risk reporting) is nothing more than magical thinking:

*Thinking that catastrophes like major hurricane landfalls, massive forest fires etc. will be 'cured' by eliminating fossil fuel emissions is laughable. Well its not really funny. Thinking that eliminating fossil fuel emissions will 'solve' the problem of extreme weather events is very sad, sort of on the level of doing rain dances. Every thing that goes wrong, they blame on fossil fuel driven climate change.*

*Imagine how surprised they would be if we were ever to be successful at eliminating fossil fuel emissions, and then we still had bad weather! –  
Dr. Judith Curry, Atmospheric Scientist*

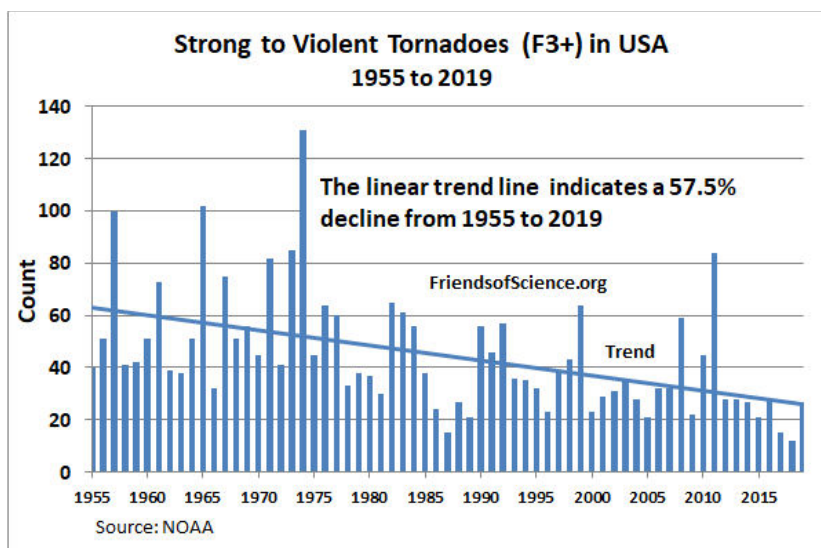
Roger Pielke, Jr., long-time insurance industry consultant and climate policy analyst has assessed the most recent IPCC AR6 report (issued August 2021) and notes that the catastrophic scenario once seen as

<sup>42</sup> <https://blog.friendsofscience.org/2021/05/28/social-cost-benefit-of-carbon-dioxide-from-fund-with-corrected-temperatures-energy-and-co2-fertilization/?highlight=ken%20gregory%20climate%20sensitivity>

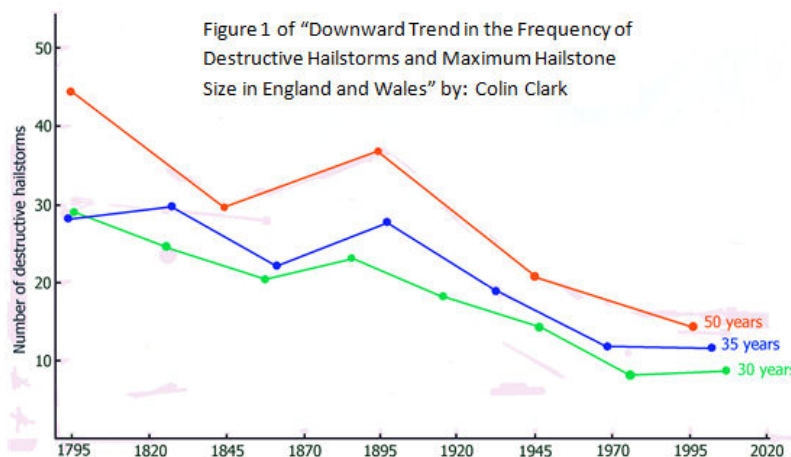
our BAU future is no longer seen as likely<sup>43</sup> – and that extreme weather event data as reported by the IPCC<sup>44</sup> does not reflect the claims of the insurance industry, the Bank of Canada reports, or the claims of climate activists.

Tornadoes and severe hailstorms are caused by cold air masses colliding with warm air. Global warming reduces the polar to tropics temperature gradient that powers storms. The graph below shows that the trend of strong to violent EF3+ tornadoes from 1955 to 2019 is an amazing 57.5% decline. The decline is likely due to global warming according to NASA-award-winning climate scientist, Dr. Roy Spencer.<sup>45</sup> More severe storms and erratic weather conditions are typically associated with cooling periods like the Little Ice Age.

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The graph below shows the dramatic decline in destructive hailstorms in England and Wales.



<sup>43</sup> <https://rogerpielkejr.substack.com/p/how-to-understand-the-new-ipcc-report>

<sup>44</sup> <https://rogerpielkejr.substack.com/p/how-to-understand-the-new-ipcc-report-1e3>

<sup>45</sup> <https://wattsupwiththat.com/2021/12/12/recent-tornadoes-are-due-to-unusually-cold-weather/>

This graph is not representative of global events, however Roger Pielke, Jr.'s research, including his book, indicate that **extreme weather events are not trending upward**.

Full analysis shows that claims of increasing extreme events and costs are due to a combination of: a) population increase, b) populations moving to higher risk areas such as Paradise, CA and many residential areas in British Columbia and other forested areas of Canada, c) formerly urban residents are not familiar with or prepared for wildfire or flood risk, d) improved data due to immediate reporting on extreme events, and e) increase in property values due to high end housing.

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Consequently, it is clear that corporations in Canada and the world have much bigger challenges than counting carbon dioxide molecules and making public reports that endanger corporate economic and reputational security, and perhaps also national and global security. We recommend against adopting climate-risk reporting requirements as part of securities disclosure for Canadian corporations.



#### About Robert Lyman – Policy Advisor and Contributor

**ROBERT LYMAN** is an economist with 27 years' experience as an analyst, policy advisor and manager in the Canadian federal government, primarily in the areas of energy, transportation, and environmental policy. He was also a diplomat for 10 years. Subsequently he has worked as a private consultant conducting policy research and analysis on energy and transportation issues as a principal for Entrants Policy Research Group. He is a frequent contributor of articles and reports for Friends of Science, a Calgary-based independent organization concerned about climate change-related issues. He resides in Ottawa, Canada. [Full bio.](#)

#### ABOUT FRIENDS OF SCIENCE SOCIETY

Friends of Science Society is an independent group of earth, atmospheric and solar scientists, engineers, and citizens that is celebrating its 19th year of offering climate science insights. After a thorough review of a broad spectrum of literature on climate change, Friends of Science Society has concluded that the sun is the main driver of climate change, not carbon dioxide (CO<sub>2</sub>).

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