



February 16, 2022

The Secretary
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Me Philippe Lebel
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Re: CSA Proposed National Instrument 51-107 Disclosure of Climate-related Matters and its companion policy (“CSA proposal”)

Dear Ontario Securities Commission Secretary and Me Lebel,

Thank you for the opportunity to provide comments related to the CSA’s Consultation on proposed climate-related disclosure requirements. Below, you will find CIBC’s response to part 10, questions one through three, as they are specific to our experience with climate disclosure. For the remaining questions, CIBC has provided input into the response provided by the Canadian Banker’s Association.

Experience with TCFD recommendations

1. [For reporting issuers that have provided climate-related disclosures voluntarily in accordance with the TCFD recommendations, what has been the experience generally in providing those disclosures?](#)

We have issued our first TCFD report “Building a Sustainable Future” and are currently preparing our next climate-related disclosure in accordance with the TCFD recommendations. At a high level, the main disclosure elements outlined by the TCFD are clear and the phased approach to disclosure allows for continuous improvement over time. There are, however, specific elements of the disclosure that allow for different interpretations related to methodology.

Specifically, metrics related to carbon intensive assets and scope 3 financed emissions do not have clearly defined methodologies. In the absence of clearly defined methodologies related to recommended metrics, the Canadian D-SIB banks are working together through the Canadian Banker's Association to develop a consistent and comparable approach.

The biggest challenges related to preparing scenario analysis are data availability to perform the analysis and the lack of consistent approaches to performing this assessment that allows for comparability across issuers. Industry and regulatory standards for scenario analysis are still under development and are expected to improve over time.

Disclosure of GHG Emissions and Scenario Analysis

2. For reporting issuers, do you currently disclose GHG emissions on a voluntary basis? If so, are the GHG emissions calculated in accordance with the GHG Protocol?

Yes, we currently disclose GHG emissions (Scope 1, 2 and three categories of Scope 3) on an annual basis. Our GHG emissions are calculated in accordance with the GHG Protocol and externally assured using the principles of ISO14064-3:2019.

3. For reporting issuers, do you currently conduct climate scenario analysis (regardless of whether the analysis is disclosed)? If so, what are the benefits and challenges with preparing and/or disclosing the analysis?

Yes, we have begun to include climate-related considerations into our risk management approach. We developed a preliminary heatmap to help identify material areas of focus for climate-related physical risk exposures at both a sector and industry level. Heatmapping is an efficient approach to provide an early indication of where higher risks may lie within a portfolio, and brings focus for deep-dive analyses of risk 'hotspots' or client engagement.

Scenario analysis is a key element of our risk identification process that focuses efforts on the more impacted sectors as we develop risk-based approaches to quantify and mitigate the impacts of climate change. This approach was initially documented in our TCFD disclosure "Building a Sustainable Future". The biggest challenges related to preparing scenario analysis are data availability to perform the analysis and the lack of consistent approaches to performing this assessment that allows for comparability across banks.

We welcome any questions you may have and would like to thank you for the opportunity to provide comments on the CSA proposal.

Regards,

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