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RE : CSA Notice and Request for Comment – Proposed Amendments and Proposed Changes to Implement an Access Equals Delivery Model for Non-Investment Fund Reporting Issuers

To whom it may concern;

I am writing to comment on the proposed amendments to various national instruments intended to implement an Access Equals Delivery (AED) model for certain corporate reporting issuer disclosures.

SHARE (Shareholder Association for Research & Education) is a national non-profit leader in responsible investment services, research and education for institutional investors. Since its creation in 2000, SHARE has carried out this mandate by providing active ownership services, including proxy voting and shareholder engagement, education, policy advocacy, and practical research on issues related to responsible investment and the promotion of a sustainable, inclusive and productive economy. Our clients include pension funds, universities, mutual funds, foundations, Indigenous trusts, endowments, faith-based organizations and asset managers across Canada with more than \$95 billion in assets under management.

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While we appreciate the CSA's effort to reduce the reporting burden for issuers and to provide a more cost-efficient, timely and environmentally friendly manner of communicating information to investors than paper delivery, we do not support the proposed Access Equals Delivery model proposed by the CSA for the following reasons:

- Placing both the final disclosures and a news release announcing their availability on SEDAR is circular. An investor must somehow know to access SEDAR at the appropriate time in order to be alerted (by press release, issued on SEDAR) that it is now the appropriate time to access SEDAR and collect the issuer's latest disclosure. Given that there is relatively little knowledge or understanding of SEDAR amongst retail investors, this is inevitably going to result in less information reaching retail investors. The CSA says that "investors are generally aware that the documents will be available on SEDAR" and that "investors can also predict when the documents will be available since they are subject to prescribed filing deadlines" but provides no evidence that retail investors – and in particular retail investors – are "generally aware" of these timelines for companies incorporated in multiple jurisdictions, foreign issuers, and a full portfolio of companies with different quarter- and year-ends.
- It is not clear why the access equals delivery model is preferable to an electronic notice and access model that still requires issuers to notify investors directly with a link or QR code to access the disclosures on SEDAR or the company's own website. The primary cost to issuers is in printing and mailing reports (estimated at 70-90% of the cost by Broadridge), which may be minimized by a notice and access model without reducing investor protections. Further, the CSA should examine means of using broker web platforms through which many retail investors already access information as a means of notice delivery.
- We appreciate that the CSA currently proposes to institute its AED model for prospectuses generally, annual financial statements, interim financial reports and related MD&A, and not "*at this time*" for documents that require immediate shareholder action and participation, such as proxy-related materials and take-over bid and issuer bid circulars. While we agree it may be appropriate to institute different notification models for time-sensitive documents as opposed to shelf documents, we are concerned that the CSA's unwillingness to explicitly forego an AED model for proxy-related materials and take-over bid and issuer bid circulars puts investors at risk that acceptance of AED for some materials may lead to further erosion of investor protections in future

We believe that investor engagement with issuers is critical for investor protections, and that regulators should be assisting further engagement with issuer disclosures rather than less. We believe this can be done while simultaneously reducing printing and mailing expenses for issuers, but that the proposed AED method does not achieve both ends.

Regards,



Kevin Thomas, CEO
SHARE