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CANADIAN BANKERS ASSOCIATION

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Mr. Emmanuel Faber, ISSB Chair
Ms. Sue Lloyd, ISSB Vice-Chair
IFRS Foundation
Columbus Building
7 Westferry Circus
Canary Wharf
London E14 4HD, UK

Re: CBA[1] comments on Draft International Financial Reporting Standard (IFRS) S1 General Requirements for Disclosure of Sustainability-related Financial Information and Draft IFRS S2 Climate-related Disclosures

Dear Mr. Faber and Ms. Lloyd,

The Canadian Bankers Association (CBA) welcomes the opportunity to provide comments on Draft IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and Draft IFRS S2 Climate-related Disclosures ("ISSB Exposure Drafts"). We appreciate the timely release of the ISSB Exposure Drafts and strongly support the ISSB's efforts to establish a generally accepted international baseline for a sustainability-related reporting framework that would support consistency and comparability across organizations and reduce the potential for global fragmentation in this area. We also applaud the ISSB's coordination efforts and continued diligence with other standard-setters and jurisdictional regulatory bodies to promote interoperability and align, as much as possible, requirements at jurisdictional and international levels[2].

We support an initial focus on climate-related disclosures as highlighted in our earlier response to the IFRS Foundation, in which we suggested taking a pragmatic approach to developing a sustainability-related reporting framework, with a "climate-first" agenda that would prioritize the development of climate-related standards[3]. Climate change is an urgent challenge. It requires prompt, coordinated, and practical action in order to meet our shared goals of achieving rapid, orderly, and meaningful emission reductions, supporting responsible adaptation to climate change, and ensuring that investors, regulators, and banking clients all have access to relevant and material information in a way that supports the full consideration of the challenges at hand. With many banks beginning to disclose their own financed emissions baselines, targets, and transition plans, banks have a unique interest in the development of climate-related standards as both preparers and users of climate related information.

With respect to the current ISSB Exposure Drafts, we understand that the objective of Draft IFRS S1 is to require an entity to disclose information about its significant sustainability-related risks and opportunities

[1] The Canadian Bankers Association is the voice of more than 60 domestic and foreign banks that help drive Canada's economic growth and prosperity. The CBA advocates for public policies that contribute to a sound, thriving banking system to ensure Canadians can succeed in their financial goals. www.cba.ca

[2] As a strong supporter of the ISSB, some of our members were part of the Coalition of Champions supporting Canada's bid to establish the ISSB headquarters in Canada.

[3] Please refer to the CBA letter to the IFRS Foundation (December 18, 2020) with our response to the consultation paper on Sustainability Reporting.

while draft IFRS S2 focuses on disclosure of information about an entity's exposure to significant climate-related risks and opportunities. In this letter, we provide our views and recommendations with respect to Draft IFRS S1 given the early stage of development in terms of sustainability-related financial information. More generally, we also highlight key issues related to harmonization and scope, materiality, and implementation items as they pertain to both Draft IFRS S1 and Draft IFRS S2. Detailed responses to individual questions posed in the ISSB Exposure Drafts are also included in the attached appendices.

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

We believe that the development of harmonized, global guiding principles for sustainability-related disclosure to meet investor expectations is critical. We also believe that the ISSB is in a strong position to set this baseline and that it is urgent to do so sooner rather than later in order to prevent a lack of alignment amongst jurisdiction-specific standards, many of which are being developed in parallel, increasing the risk of divergence and further fragmentation.

While we strongly support the ambition of Draft IFRS S1 as an overarching principles-based 'umbrella' standard, to which subsequent topic-specific standards (such as Draft IFRS S2) will refer, we note that Draft IFRS S1 establishes stand-alone disclosure requirements which would apply regardless of the existence of topic-specific standards. Per Draft IFRS S1 Paragraph 2, "*a reporting entity shall disclose material information about **all** of the significant sustainability-related risks and opportunities to which it is exposed."* We have some concerns with the potential breadth of reporting under this approach, which include:

(i) the fact that methodologies to measure most sustainability-related risks and opportunities are still nascent and under development. To this end, we look forward to further consultation from the ISSB later this year on its standard setting priorities.
(ii) the lack of available data or sufficient direction and specificity on the selection of material, comparable, or reliable metrics and targets for disclosure.

Given these concerns, we believe that it will be difficult to meet the stated objectives of producing consistent and comparable sustainability-related disclosures (see Draft IFRS S1 Paragraph 7). By developing sustainability-related disclosure expectations before sufficient methodologies and techniques are available we are also concerned that this may detract from the focus on climate-related impacts where significant progress is being made.

We recommend that the ISSB first publish IFRS S1 as a conceptual principles-based framework alongside the IFRS S2 topic-specific standard for climate-related financial disclosures and permit jurisdictions the flexibility to adopt IFRS S2 without also simultaneously mandating the use of IFRS S1 for other non-climate-related sustainability risks and opportunities.

We note that this approach is consistent with the June 2021 recommendations of the European Banking Authority (EBA) on the management and supervision of ESG risks for credit institutions and investment firms. These recommendations propose focusing on the inclusion of climate-related and specific environmental factors and risks into the supervisory business model and internal governance analysis, while encouraging institutions and supervisors to build up data and tools to develop quantification approaches to increase the scope of the supervisory analysis to other elements on ESG[4]. It is also consistent with the prioritization of climate-related disclosure requirements by several North American regulators in recent disclosure proposals, including those of the Office of the Superintendent of Financial Institutions (OSFI) in Canada, the Canadian Securities Administrators (CSA), and the U.S. Securities and Exchange Commission (SEC), who have all taken a climate-first approach.

Harmonization and scope

We note that the ISSB Exposure Drafts are being proposed at the same time as a host of other proposed sustainability-related reporting, and climate-related financial disclosure standards, rules, and guidelines. This includes existing and proposed regulatory and voluntary disclosure standards, including, but not limited to:

- CSA National Instrument 51-107 Disclosure of Climate-related Matters applicable to Canadian reporting issuers
- OSFI Draft Guideline B-15 Climate Risk Management applicable to Canadian federally regulated financial institutions
- SEC Proposed Rule on The Enhancement and Standardization of Climate-related Disclosures for Investors applicable to many reporting issuers in the U.S.
- Task Force on Climate-Related Financial Disclosures (TCFD) Guidance on Metrics, Targets and Transition Plans
- Glasgow Financial Alliance for Net Zero (GFANZ) consultation on Recommendations and Guidance on Financial Institution Net-Zero Transition Plans, and
- The Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting and Reporting Standard for the Financial Industry.

As a related matter, the breadth of frameworks that the ISSB would like entities to consider is also extensive (e.g., Carbon Disclosure Standards Board (CDSB), TCFD, Value Reporting Foundation (VRF) Integrated Reporting Framework, World Economic Forum International Business Council stakeholder capitalism metrics).

Divergence in methodologies and requirements is emerging, which could result in added confusion for investors and other stakeholders, operational challenges, reporting burden for preparers, and increased compliance costs. We suggest that the ISSB take a lead role in working towards harmonization by actively identifying and addressing differences among the various frameworks and standards[5], based on feedback collected through the ISSB's public consultations and leading other impacted organizations toward strong and consistent guidance. Working towards addressing any differences will greatly assist entities with their implementation efforts, as it will provide greater transparency and clarity on the applicable disclosure requirements.

We urge the ISSB, as the global lead on disclosure matters, to ensure that its Exposure Drafts are developed in a manner that encourages and facilitates harmonization and coordination between and among various standard setters and regulators, with a view to ultimately formulate a single common

[4] EBA report on Management and Supervision of ESG Risks For Credit Institutions and Investment Firms EBA/REP/2021/18: https://www.eba.europa.eu/sites/default/documents/files/document_library/Publications/Reports/2021/1015656/EBA%20Report%20on%20ESG%20risks%20management%20and%20supervision.pdf

[5] Examples include PCAF vs. ISSB for measuring financed emissions; NZBA vs. TCFD vs. ISSB in relation to the definition of high carbon sectors.

global climate-related disclosure standard that can be adopted and followed internationally, including consideration of industry-based disclosure requirements as outlined in Draft IFRS S2. To this end, we welcome the ISSB's announcement that a jurisdictional working group has been formed, with representatives from several jurisdictions that are actively involved in standard-setting for sustainability-related disclosures, to discuss comparability of those initiatives in order to establish a global baseline.

We encourage the ISSB to follow a similar approach as it has done with SASB, which is to integrate into ISSB standards, any requirements that are considered mandatory from other reporting frameworks (for example the financed emissions calculation methodology of PCAF), so as to truly compile a global baseline reporting standard that stands on its own and does not require reference to multiple standards/frameworks.

We are encouraged by the ISSB's plans to intensify engagement with jurisdictional authorities and market participants to facilitate participation in the ISSB's standard setting process. In particular, we welcome the proposed engagement with IOSCO as we evaluate proposals from the CSA, SEC, and also OSFI on climate-related disclosures that are underpinned by the TCFD framework, similar to the ISSB Exposure Drafts. We strongly encourage coordination efforts to harmonize climate-related disclosure requirements based on the TCFD recommendations. Driving towards a single set of uniform disclosure standards will enhance the comparability of disclosures both within and across jurisdictions and support the investment and decision-making needs of various stakeholders. Many of our members have published voluntary climate-related disclosures generally consistent with the TCFD recommendations and have done so for a number of years.

In addition, we support and encourage the ISSB to continue working with the Global Reporting Initiative (GRI) to clarify the distinction between the GRI's voluntary standards and ESG-related financial disclosure, including the ISSB Exposure Drafts and future topic-specific ISSB standards.

We do not support disclosure of immaterial climate-related opportunities. Irrespective of materiality, we also do not support disclosure of competitive, sensitive, and/or proprietary information with respect to climate-related opportunities. We prefer qualitative over quantitative disclosure of climate-related opportunities and recommend that safe harbour protection be extended to cover such disclosures. Further clarity is needed on the methodologies and guidance used to assess and qualify climate-related opportunities and sector specific guidance to ensure consistency and comparability of disclosure, and ultimately usefulness to investors and other stakeholders.

We are also concerned about the requirements to disclose the current and anticipated financial effects of climate-related risks and opportunities on an entity's financial performance, position, and cash flows. Such disclosures introduce significant measurement uncertainty due to management assumptions and estimates, particularly for long-term time horizons, which may impact the reliability, comparability, and decision-usefulness of such information to investors and other stakeholders. In the absence of guidance related to the measurement of climate-related impacts, we recommend that these disclosures should be qualitative until such time as the ISSB works with the International Accounting Standards Board (IASB) to develop appropriate accounting standards and guidance on quantitative measurement and disclosure methodologies related to climate. For greater clarity, these concerns and recommendations also apply to the current and anticipated financial impact disclosure requirements in all future sustainability-related Exposure Drafts.

Materiality

Our position is that the ISSB should align its definition of materiality for sustainability- and climate-related matters with that used for financial reporting, as we believe those disclosures would support the investment and decision-making needs of various stakeholders, while mixing in other immaterial disclosures will not be useful as it may confuse investors and other stakeholders.

We support the ISSB using the definition of materiality that aligns with the financial reporting definition of materiality in IFRS International Accounting Standard 1 (IAS 1) which is, "that *Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity*[6]". We do not support introducing new standards or definitions into existing definitions that are already well understood and developed.

We are concerned with the significant level of granularity required in many areas for certain industry disclosure requirements, including the following:

- The requirements for board governance are overly prescriptive and do not provide sufficient flexibility to reflect each entity's specific organizational makeup and governance framework; rather, we support principles-based governance disclosures.
- For certain physical risk metrics in areas including Mortgage and Finance (e.g., number and value of mortgage loans in 100-year flood zones) and Insurance (e.g., probable maximum loss), which in the latter case may also reveal confidential and proprietary information.
- For transition risk metrics, Scope 3 financed emissions and certain metrics for Commercial Banks including the percentage of total gross exposure for each specific carbon-related industry, where the scope of the calculation is proposed to include derivatives and differs from the TCFD and PCAF frameworks.
- Volumes B15, B16, B17, B18, require disclosure of absolute and intensity-based financed emissions by Scope 1, 2, and 3. We request that disclosure of financed emissions by scope, be subject to materiality and availability of data and methodologies and that disclosure of Scopes 1 and 2 be required, but disclosure of Scope 3 be on a comply or explain basis. Our request would thereby limit the scope of ISSB's requirements (see detailed S2 template Question 11) and the disclosure of financed emissions would align with guidance from PCAF and NZBA (for example, disclosure requirements related to facilitated emissions and derivatives, as part of Appendix B).

We encourage the ISSB to only require that disclosures be made at the consolidated entity level, and to eliminate the requirement for disclosures to be provided for associates, joint ventures, and unconsolidated subsidiaries, as we do not believe that such disclosure will result in material decision-useful information for investors and other stakeholders. We do not agree with the requirements to disclose GHG emissions for associates, joint ventures, and unconsolidated subsidiaries for the following reasons: 1) data availability will be a challenge, as we may not have control or influence over these entities with significant reliance placed on management estimates; 2) this does not align with the GHG Protocol, which allows entities to set their organizational boundaries based on operational control; and 3) this may create double-counting of emissions.

[6] IFRS Definition of Material Amendments to IAS1 and IAS 8 https://www.ifrs.org/content/dam/ifrs/project/definition-of-materiality/definition-of-material-feedback-statement.pdf

Furthermore, we encourage the ISSB to align its definition of materiality with IFRS, specifically in relation to subsidiaries segment disclosures. For example, for banks with subsidiaries belonging to other financial sectors (such as asset management or insurance), we do not believe that sector-specific disclosures (IFRS S2 Appendix B) should be required if these subsidiaries are not material enough to require segmented financial disclosure in the general-purpose financial statements.

We also observe that the ISSB Exposure Drafts use the terms “material” and “significant” interchangeably. The word “significant” is not defined in the proposed guidance and is subject to broad and varied definition by entities, undermining the goal of comparability and introducing confusion for investors and other stakeholders. We recommend that a consistent approach be adopted and propose the use of a single term “material” only as this is an established concept whereas “significant” is not.

We do not support adding the concept of “enterprise value” into materiality as this does not align with the traditional scope of financial materiality for investors, as per IFRS. We are concerned that the concept of “Enterprise Value” is overly broad and may lead to different interpretations across jurisdictions, which could lead to comparability issues. Also, applying “enterprise value” in the short, medium, and long term would be practically challenging given that impacts of sustainability-related matters on an entity’s reputation, performance, and prospects are often difficult to determine. Sustainability-related issues that are considered immaterial in one reporting period can quickly become material to the “enterprise value” of an organization driven by the interests of society and other stakeholders. Alignment of the definition of materiality with IFRS is required. In addition, we ask the ISSB to ensure that the definition of materiality used by the ISSB will harmonize with materiality as defined and used by securities regulators in local jurisdictions. We recommend that the ISSB engage with IOSCO on this critical issue.

We believe that a mandatory climate-related risk disclosure regime that is reflective of the applicable investment and legislative context and grounded in a purposive application of materiality will improve the decision-usefulness of information provided to investors and other stakeholders by fostering comparability of climate-related disclosures and providing clarity to entities on their climate-related reporting obligations.

Implementation items

In this section, we provide our comments on various items related to the implementation of the ISSB Exposure Drafts. While we recognize that not all implementation items may be within the remit of the ISSB, we would like to outline our views on specific items below given the ISSB’s influence and engagement with global and jurisdictional regulators and other standard setting bodies.

Timing and location of climate-related disclosures

We disagree with the proposed ISSB requirement to publish climate-related disclosures at the same time as financial statement disclosures. Rather, we request that the ISSB allow jurisdictional regulators to determine the appropriate timeframe for climate-related disclosures (e.g., OSFI is allowing climate-related disclosures to be published 180 days after year-end). We would like to highlight that the collection of energy consumption and financed emissions data, the calculation of financed emissions, and the process of securing external verification takes several months after banks’ fiscal year-ends to complete, whereas Canadian banks often publish their annual financial statements within four to six weeks of their year-end. We believe that such a lag will not materially affect the decision-usefulness of the disclosure as climate-related impacts from emissions will take longer to manifest and therefore are not as time sensitive as financial measures, and this will also help improve the quality and reliability of the disclosure.

We support the ISSB allowing flexibility on the location of disclosures. We believe that entities should work with their local regulators to determine the appropriate location.

Safe harbour

We strongly encourage the ISSB to work with IOSCO and jurisdictional regulators[7]to further consider climate-related safe harbour protections, in addition to the safe harbour for forward looking statements, as it would be beneficial in encouraging robust climate-related disclosures, even in cases where methodologies are less clear, and data is imperfect. Entities will be required to balance the request for useful, transparent disclosure against the fact that methodologies and data continue to evolve, and so additional safe harbour protection may be beneficial to entities and encourage more transparency and decision-useful disclosures.

For Draft IFRS S2, in recognition of the fact that relevant climate science, data, standards, methodologies and regulatory guidance are still in early development, we request that ISSB work with IOSCO and jurisdictional regulators[7] to provide a meaningful liability safe harbour with respect to disclosures for (1) Scope 1, 2 and 3 GHG emissions, (2) scenario analysis, (3) transition plans, (4) targets and goals, (5) financial impacts of climate-related risks and opportunities and (6) entities' determination with respect to the materiality of climate-related disclosures.

We also support the ISSB working with IOSCO and jurisdictional regulators[7] to provide a safe harbour for any individual (e.g., director), board, committee, or equivalent body identified as having climate-related skills and competencies, similar to the one provided to other "expert" directors in some jurisdictions (e.g., financial experts who are members of audit committees).

Implementation approach and effective date

Requiring disclosure of whether or not specific controls and procedures are adopted to manage climate-related risks creates an implicit requirement to develop such controls and related processes. At present, while we support the need for appropriate governance and controls, we acknowledge that capabilities for establishing such controls are in the early stages of maturity as entities work through present challenges (e.g., lack of guidance, methodologies and approaches, lack of data, etc.). As such, we recommend removing this proposed requirement from the standard and suggest that it be revisited at a future date. If this language remains in place, we request that the ISSB provide clear guidance on the expectations and approach to develop such controls.

For Draft IFRS S2, we suggest a phased-in approach for the industry specific guidance (e.g., Appendix B) and certain components under development (e.g., scenario analysis), with consideration of materiality, whereby such disclosures would be required to be implemented at different stages. We encourage the ISSB to coordinate its requirements with other standard setters and regulatory bodies. We also support initial adoption of qualitative disclosures before quantitative disclosures. Such an approach will allow entities adequate time to build their respective infrastructure and capabilities, as well as establish appropriate processes and controls to support climate-related disclosures. Moreover, a phased-in approach will allow time for data and methodological challenges to be potentially overcome.

[7] ISSB is working with the SEC to provide a safe harbor.

We also support the ISSB proposal of prospective adoption of any disclosure requirements.

We would be pleased to discuss any questions you may have and would like to thank you for the opportunity to provide comments on the ISSB Exposure Drafts.

Sincerely,

Deborah L. Crossman

Attachments

- Appendix 1 – Detailed comments on Draft IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- Appendix 2 – Detailed comments on Draft IFRS S2 Climate-related Disclosures

CBA Members' Comments and Requests for Clarification
Overall comments
We have provided a cover letter that summarizes the key thematic elements of our advocacy.
Introduction (p. 5 - 8)
No comments.
Questions for respondents
Question 1 - Overall approach
(a) Does the Exposure Draft state clearly that an entity would be required to identify and disclose material information about all of the sustainability-related risks and opportunities to which the entity is exposed, even if such risks and opportunities are not addressed by a specific IFRS Sustainability Disclosure Standard? Why or why not? If not, how could such a requirement be made clearer? (p. 9)
No comments.
(b) Do you agree that the proposed requirements set out in the Exposure Draft meet its proposed objective (paragraph 1)? Why or why not? (p. 9)
In its current form, we do not believe that the Exposure Draft will meet its stated objectives in paragraph 1 to facilitate disclosure of sustainability information *"that is useful to the primary users of general-purpose financial reporting when they assess enterprise value and decide whether to provide resources to the entity."* This is due to the Exposure Draft not providing sufficient detail to support the disclosure of consistent, comparable and reliable ESG information, which are critical indicators of success for any ESG disclosure standard. Furthermore, while we agree that publishing a set of guiding principles for assessing significant sustainability-related issues can be a helpful baseline, we are concerned that publishing any general sustainability-related disclosure requirements that are not likely to make meaningful improvement in the areas of ESG reporting will further complicate and confuse the global landscape of ESG disclosures. We recommend that any such standard be deferred until areas such as the following can be successfully addressed:

CBA Members' Comments and Requests for Clarification
Materiality: Based on our interpretation of the Exposure Draft, the materiality assessment process plays an essential role. It is the process by which reporting organizations will determine on which ESG topics they will need to report, and therefore will influence governance structures, strategies, and the selection of metrics and targets. We advocate for the ISSB to align its definition of materiality for sustainability-related disclosures with that used for financial reporting, which we believe is the ISSB's objective as per the guidance included in Draft IFRS S1 paragraph 56 which uses the well-understood definition in International Accounting Standard 1 (IAS 1) as follows: "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provides financial information about a specific reporting entity".[1] We also advocate for the ISSB to align its definition of materiality with IFRS, for example, in relation to subsidiaries segment disclosures (i.e., no sector-specific disclosures from Appendix B should be required for subsidiaries that are not material enough to require segmented financial disclosure in the general-purpose financial statements). We observe that the ISSB Exposure Drafts use the terms "material" and "significant" interchangeably. We recommend a consistent approach and use of the term "material" only as this is an established concept whereas "significant" is not. Finally, it appears that Draft IFRS S1 has many references to "material" whereas Draft IFRS S2 does not. We encourage the ISSB to provide clarity on whether this was the intention, or whether updates will be made for greater consistency. **Enterprise Value**: We do not support including the concept of Enterprise Value into the definition of materiality because it deviates from well-understood standards and will cause investor and preparer confusion. The definition as explained in paragraph 5 is broader than the scope of an enterprise's financial statements. We encourage the ISSB to reconcile this view and confirm the scope of application of the proposed guidance. **Metrics and targets:** Further to the above, there is limited guidance provided in the Exposure Draft regarding metrics and targets. The guidance provided in paragraphs 28, 29 and 54 document how entities today are already selecting metrics to report on in the absence of global baseline standards. We understand this is by design and that it is the ISSB's intention to produce additional topic-specific standards in the future. While this approach may make sense if Draft IFRS S1 were to remain a principles-only standard without stand-alone disclosure requirements, supported by topic-specific standards such as Draft IFRS S2 with more prescriptive guidance, we are concerned that Draft IFRS S1 will not result in any meaningful improvement in the consistency and comparability of metrics and targets on topics for which no topic-specific IFRS standard is available. In addition, the requirement to disclose all metrics and targets used may also induce entities not to develop certain metrics and targets. There is little guidance and very nascent capability as it relates to how to apply metrics and set targets. Stakeholders and regulators should be aware that any requirement to disclose metrics and targets are based on data and methodologies that are in development and that disclosures may change year over

[1] IFRS Definition of Material Amendments to IAS1 and IAS 8 https://www.ifrs.org/content/dam/ifrs/project/definition-of-materiality/definition-of-material-feedback-statement.pdf

CBA Members' Comments and Requests for Clarification
year as capabilities and the ESG space evolve. In summary, we believe that the concerns stipulated above, along with other comments provided herein, suggest that there may be significant costs to global entities and, therefore, providers of capital to implement systems and processes to support reporting against Draft IFRS S1. Costs would be of particular concern for small and medium-sized enterprises that are not as well-resourced or experienced in ESG reporting.
(c) Is it clear how the proposed requirements in the Exposure Draft would be applied together with other IFRS Sustainability Disclosure Standards, including the [draft] IFRS S2 Climate-related Disclosures? Why or why not? If not, what aspects of the proposals are unclear? (p. 9)
No comments.
(d) Do you agree that the requirements proposed in the Exposure Draft would provide a suitable basis for auditors and regulators to determine whether an entity has complied with the proposals? If not, what approach do you suggest and why? (p. 9)
Auditors require an understanding of the basis of an entity's materiality assessment, so that they can opine and perform their audit activities. Therefore, further to our response to Question 1(b), we believe if ISSB aligns its definition of materiality with IAS 1, then auditors would have a suitable basis to determine whether an entity has complied with the proposals. We encourage the ISSB to continue its dialogue with audit and assurance standard-setters to ensure that the ISSB's proposed standards facilitate the provision of audit and assurance activities. We also believe that audit and assurance requirements should be mandated by local jurisdictional regulators, similar to the approach taken for financial reporting.
Question 2 - Objective (paragraphs 1–7)
(a) Is the proposed objective of disclosing sustainability-related financial information clear? Why or why not? (p. 10)
We are generally concerned that the proposed requirement to identify and disclose "*significant*" sustainability-related risks and opportunities (paragraph 1) is overly vague. The word "significant" is not defined in the Exposure Draft and is subject to broad and varied definitions by entities, undermining the goal of comparability. We encourage the ISSB to remove references to ***"significant"*** and focus on clarifying the definition of materiality, by aligning it with the financial reporting definition of materiality as included in IAS 1. See also our response to 1(b).

CBA Members' Comments and Requests for Clarification
We also request the ISSB to add a clear definition of "primary user" in its proposed standard.
(b) Is the definition of 'sustainability-related financial information' clear (see Appendix A)? Why or why not? If not, do you have any suggestions for improving the definition to make it clearer? (p. 10)
We do not support incorporating the concept of Enterprise Value into the definition of materiality. Therefore, we recommend the definition of Sustainability-related financial information be redefined as proposed below: *"Information that gives insight into sustainability-related risks and opportunities that are considered material in accordance with IAS1 in providing a sufficient basis for users of general-purpose financial reporting to assess the resources and relationships on which an entity's business model and strategy for sustaining and developing that model depend."*
Question 3 - Scope (paragraphs 8–10)
Do you agree that the proposals in the Exposure Draft could be used by entities that prepare their general-purpose financial statements in accordance with any jurisdiction's GAAP (rather than only those prepared in accordance with IFRS Accounting Standards)? If not, why not? (p. 11)
We agree that sustainability-related standards proposed by the ISSB may be applied in any jurisdiction, irrespective of the local accounting standards (i.e., US GAAP, IFRS, etc.). However, in order to effectively do so, the ISSB needs to ensure that the terminology used in its standard is clearly defined and well-understood, and aligns with longstanding definitions used in IFRS, including the IAS 1 definition of materiality. We believe the ISSB should address the items we have noted in our responses to questions (1b) and (2a). In addition, further clarification is required on whether the same definition of materiality is to be applied for all the requirements noted in Draft IFRS S1 and other ISSB standards (i.e., Draft IFRS S2). Currently, the scope of application of Draft IFRS S1 paragraph 9 is unclear, as it uses many terms that deviate from IFRS definitions, are not well defined in the guidance (e.g., enterprise value, primary users, etc.) and it does not make any reference to materiality. We encourage ISSB to clarify such items and thereby promote greater consistency upon adoption.
Question 4 - Core content (paragraphs 11–35)
(a) Are the disclosure objectives for governance, strategy, risk management and metrics and targets clear and appropriately defined? Why or why not? (p. 12)

CBA Members' Comments and Requests for Clarification
Please refer to our response in Draft IFRS S2 Question 6, which is also applicable to the Draft IFRS S1 Exposure Draft with regards to current and anticipated financial impacts. There is no standard approach for measuring the financial impacts of sustainability-related factors. The requirement to disclose the financial impact in the absence of a standard is likely to result in lack of comparability and unreliable disclosures that is not decision useful. Qualitative disclosures are more likely to be relevant.
(b) Are the disclosure requirements for governance, strategy, risk management and metrics and targets appropriate to their stated disclosure objective? Why or why not? (p. 12)
See our responses to Question 1(b) and Question 2(a). We recommend that the ISSB first publish IFRS S1 as a conceptual, principles-based document framework alongside the IFRS S2 topic-specific standard for climate-related financial disclosures and permit jurisdictions the flexibility to adopt IFRS S2 without also simultaneously mandating the use of IFRS S1 for other non-climate-related sustainability risks and opportunities. While we support the core content requirements of Draft IFRS S1 being based on the four TCFD pillars, below we provide some concerns related to each of the pillars: **Governance:** We advocate for standards that recognize that reporting is only as reliable as the information and processes that stand behind it. Our members have made extensive efforts to ensure that we employ a holistic, enterprise-wide approach on material ESG issues. In other words, our efforts to address sustainability-related risks and opportunities include processes at the Board level but also extend well beyond the Board level as well. Each entity is unique and, as a result, governance is addressed differently according to the specific organizational structure and governance framework. We therefore ask the ISSB to remove granular governance requirements, including at the Board level. We do, however, support the principles on governance, which are aimed at helping users of general-purpose financial reporting understand processes, controls, and procedures used to monitor and manage sustainability-related risks and opportunities. **Risk management:** We want to ensure that the ISSB is conscious of the fact that risk management practices and tools are continuing to be developed and enhanced and, in some areas, are at the early stages of maturity. As such, it may not be feasible for an entity to operate in a manner whereby it separates the timeframe (short, medium, long term) of expected impacts with any degree of certainty or precision. This may change as tools and frameworks are further developed. We believe that sustainability-related risk is a transverse risk and therefore should be integrated into the assessment of all major risk categories (i.e., credit, market, etc.) per an enterprise's overall enterprise risk management framework. Therefore, the proposed guidance should seek to facilitate integration of climate-related risks into existing risk management frameworks and matrices, with the goal of reducing duplication and overlap.

CBA Members' Comments and Requests for Clarification
Further clarity is needed on the methodologies and guidance used to assess and qualify sustainability-related opportunities and sector-specific guidance to ensure consistency and comparability upon implementation. **Metrics and targets:** We also encourage the ISSB to clarify the requirements of Draft IFRS S1 paragraph 31(b), on the requirement for validation by an external body. We would like to understand how this 'validation' requirement differs from 'assurance' requirements, as the Draft IFRS S2 guidance noted it would not introduce assurance requirements and that ISSB would work with the International Auditing and Assurance Standards Board (IAASB) to provide guidance in that respect. **Financial impacts:** Please refer to our response in Draft IFRS S2 Question 6, which is also applicable to the Draft IFRS S1 Exposure Draft with regards to current and anticipated financial impacts. There is no standard approach for measuring the financial impact of sustainability-related factors. The requirement to disclose the financial impact in the absence of a standard is likely to result in a lack of comparability and unreliable disclosures that are not decision useful. Qualitative disclosures are more likely to be relevant.
Question 5 - Reporting entity (paragraphs 37–41)
(a) Do you agree that the sustainability-related financial information should be required to be provided for the same reporting entity as the related financial statements? If not, why? (p. 13)
Yes, we agree with the objective of consistency with financial statements with respect to reporting entity boundaries. While Draft IFRS S1 states that, in general, a reporting entity's boundary for its sustainability-related financial disclosures is the same as for its financial statements, the Draft IFRS S2 proposal notes additional climate-related disclosures are required for affiliated entities (e.g., Joint Ventures, Associates, etc.). We believe such disclosures would be challenging to produce and would not result in decision-useful information to investors and other stakeholders. We recommend the ISSB to remove this requirement as data availability will be a challenge, as we may not have control or influence over these entities with significant reliance placed on management estimates. Additionally, we are concerned with the scope of application of ISSB Draft IFRS S1 paragraph 40, as it notes consideration of "interactions and relationships and to the use of resources along its value chain". This is very broad and this requirement must be based on materiality.
(b) Is the requirement to disclose information about sustainability-related risks and opportunities related to activities, interactions and relationships, and to the use of resources along its value chain, clear and capable of consistent application? Why or why not? If not, what further requirements or guidance would be necessary and why? (p. 13)

CBA Members’ Comments and Requests for Clarification
While we agree with the general objective of improving connectivity between sustainability-related risks and the financial statements, there is no standard approach for measuring or quantifying the financial impact of sustainability-related factors. The requirement to disclose the financial impact in the absence of a standard is likely to result in a lack of comparability and unreliable disclosures that are not decision useful. Furthermore, we caution that adding such a requirement could potentially be viewed as monetizing sustainability-related issues, specifically social matters such as diversity and inclusion. Qualitative disclosures are more likely to be relevant in this regard while meeting the ISSB’s stated objective.
(c) Do you agree with the proposed requirement for identifying the related financial statements? Why or why not? (p. 13)
No comment.
Question 6 - Connected information (paragraphs 42–44)
(a) Is the requirement clear on the need for connectivity between various sustainability-related risks and opportunities? Why or why not? (p. 14)
We believe the requirement is clear on the need for connectivity between various sustainability-related risks and opportunities.
(b) Do you agree with the proposed requirements to identify and explain the connections between sustainability-related risks and opportunities and information in general-purpose financial reporting, including the financial statements? Why or why not? If not, what do you propose and why? (p. 14)
While we agree with the general objective of improving connectivity between sustainability-related risks and the financial statements, there is no standard approach for measuring or quantifying the financial impact of sustainability-related factors. The requirement to disclose the financial impact in the absence of a standard is likely to result in a lack of comparability and unreliable disclosures that are not decision useful. Furthermore, we caution that adding such a requirement could potentially be viewed as monetizing sustainability-related issues, specifically social matters such as diversity and inclusion. Qualitative disclosures are more likely to be relevant in this regard while meeting the ISSB’s stated objective.
Question 7 - Fair presentation (paragraphs 45–55)

CBA Members' Comments and Requests for Clarification
(a) Is the proposal to present fairly the sustainability-related risks and opportunities to which the entity is exposed, including the aggregation of information, clear? Why or why not? (p. 15)
No comment.
(b) Do you agree with the sources of guidance to identify sustainability-related risks and opportunities and related disclosures? If not, what sources should the entity be required to consider and why? Please explain how any alternative sources are consistent with the proposed objective of disclosing sustainability-related financial information in the Exposure Draft. (p. 15)
No comment.
Question 8—Materiality (paragraphs 56–62)
(a) Is the definition and application of materiality clear in the context of sustainability-related financial information? Why or why not? (p. 16)
See our responses to 1(a), 2(a), and 4(b). The Draft IFRS S1 Exposure Draft should clearly express an intent to ensure that the scope of materiality is not bifurcated between and among financial reporting and disclosure, on the one hand, and sustainability-related reporting on the other. The ISSB should seek to facilitate consistency in the definition of materiality in a manner that ensures a common understanding across all general-purpose financial reporting and allows for entities' discretion in determining if a fact or piece of information is qualitatively material (beyond a quantitative standard). We recommend that the ISSB use the IFRS International Accounting Standard (IAS 1) definition of materiality that is used for financial reporting which we believe is the ISSB's objective as per the guidance included in Draft IFRS S1 paragraph 56, which uses the well-understood definition in IAS 1 as follows: "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity'". We do not support introducing the concept of Enterprise Value into the definition of materiality because it deviates from well-understood standards and will cause confusion for investors and other stakeholders and preparers that need to interpret and apply the requirements. We observe that the ISSB Exposure Drafts use the terms "material" and "significant" interchangeably. We recommend a consistent approach and use of the term "material" only as this is an established concept.

CBA Members' Comments and Requests for Clarification
We have concerns with paragraph 63 regarding comparative information, as that paragraph does not appear to align with IFRS Draft S1 Appendix B, paragraph B2. We note that paragraph 63 mentions that an entity shall disclose comparative information in respect of the previous period for all metrics disclosed in the current period while paragraph B2 of Appendix B notes that an entity is not required to provide the disclosures specified in the draft standard for any period before the date of initial application. Our view is that consistent with Appendix B paragraph B2, paragraph 63 should make clear that an entity is not required to provide disclosures for any period before the date of initial application of the standard.
(b) Do you consider that the proposed definition and application of materiality will capture the breadth of sustainability-related risks and opportunities relevant to the enterprise value of a specific entity, including over time? Why or why not? (p. 16)
We recommend that the ISSB confirm that the definition of materiality is aligned with IFRS IAS 1. For example, if the entity currently does not disclose business segment financial results based on materiality assessments (e.g., an insurance subsidiary of a bank), it would not need to provide sustainability-related metrics specifically for that segment and its disclosures can instead be presented as a consolidated position similar to its general-purpose financial statements.
(c) Is the Exposure Draft and related Illustrative Guidance useful for identifying material sustainability-related financial information? Why or why not? If not, what additional guidance is needed and why? (p. 16)
See our responses to 1(a), 2(a), 4(b), and 8(a).
(d) Do you agree with the proposal to relieve an entity from disclosing information otherwise required by the Exposure Draft if local laws or regulations prohibit the entity from disclosing that information? Why or why not? If not, why? (p. 16)
Yes, if local laws or regulations prohibit disclosure that is otherwise required by an IFRS Sustainability Disclosure Standard, then we agree that the entity should not be forced to make that disclosure, which could possibly make the entity subject to enforcement activities or monetary penalties by potentially breaching local laws or regulations.
Question 9 - Frequency of reporting (paragraphs 66–71)
Do you agree with the proposal that the sustainability-related financial disclosures would be required to be provided at the same time as the financial statements to which they relate? Why or why not? (p. 17)
The nature of sustainability-related information and the present immaturity of ESG reporting systems are such that disclosures inherently take significant time to prepare. While improvements could be made in this area over time through investments in additional headcount and technology, we suggest that the cost of such investments for many organizations may not be outweighed by the benefits to the final users of the general-purpose

CBA Members' Comments and Requests for Clarification
financial reporting. In order to allow for jurisdictional flexibility in the timing of such disclosures, we strongly propose that the ISSB remove its requirement to disclose sustainability-related financial disclosures at the same time as an entity's general-purpose financial statements. There needs to be a proper balance between receiving timely information and the decision-usefulness of that information. While we support that information should be presented in a timely manner, many sustainability-related initiatives take years to implement in order to produce effective and meaningful results. Furthermore, for certain sustainability-related disclosures, we need to close the balance sheet position and use that as a starting point (e.g., for calculating financed emissions). We also note that a significant portion of GHG emissions are indirect and therefore require data from clients, customers, and other third parties in the banks' complex value chains. As such, it is challenging for such information to be published contemporaneously with general-purpose financial statements. We encourage the ISSB to allow for lagged sustainability-related disclosures, as we do not believe having a two-quarter lag between the financial and sustainability-related disclosures would cause a significant impact to the decision-usefulness of the disclosures for investors and other stakeholders. Such an approach to the reporting of sustainability-related information is already being taken by some jurisdictions. In addition, allowing entities to stagger their annual financial and climate-related reporting will not only ease the compliance burdens of preparing both at the same time, but will also allow entities to adopt a deliberative process to assess the specific impacts of their climate-related risks and activities (e.g., initiatives on GHG emissions, decarbonization impacts) on their financial performance. Acknowledging that climate-related risks and opportunities will take longer to manifest in comparison to other financial disclosure impacts, we do not believe this approach would materially impact the relevance or timeliness of disclosures. Finally, our view is that ISSB IFRS S1 paragraph 66 should be revised to state that sustainability-related financial disclosures are only required on an annual basis and for the same reporting period as the annual general-purpose financial statement disclosures.
Question 10 - Location of information (paragraphs 72–78)
(a) Do you agree with the proposals about the location of sustainability-related financial disclosures? Why or why not? (p. 18)
Yes. We support the ISSB providing entities with the flexibility to choose the location of sustainability-related financial disclosures.
(b) Are you aware of any jurisdiction-specific requirements that would make it difficult for an entity to provide the information required by the Exposure Draft despite the proposals on location? (p. 18)

CBA Members' Comments and Requests for Clarification
No comment.
(c) Do you agree with the proposal that information required by IFRS Sustainability Disclosure Standards can be included by cross-reference provided that the information is available to users of general-purpose financial reporting on the same terms and at the same time as the information to which it is cross-referenced? Why or why not? (p. 18)
Yes, information should be allowed to be cross-referenced to provide flexibility to the entity.
(d) Is it clear that entities are not required to make separate disclosures on each aspect of governance, strategy and risk management for individual sustainability-related risks and opportunities, but are encouraged to make integrated disclosures, especially where the relevant sustainability issues are managed through the same approach and/or in an integrated way? Why or why not? (p. 18)
We recommend clarifying what integration would look like in practice for disclosing entities.
Question 11 - Comparative information, sources of estimation and outcome uncertainty, and errors (paragraphs 63–65, 79–83 and 84–90)
(a) Have these general features been adapted appropriately into the proposals? If not, what should be changed? (p. 19)
Paragraph 81: We recommend that the ISSB mandate a requirement to include a caution for forward-looking statements, similar to the general-purpose financial statements for any sustainability-related metrics of a similar nature, including financial estimates based on sustainability-related future assumptions.
(b) Do you agree that if an entity has a better measure of a metric reported in the prior year that it should disclose the revised metric in its comparatives? (p. 19)
Paragraph 64: We agree that the objective is to provide comparability between reporting periods, but more guidance is needed for sustainability-related disclosure. We do not agree that an entity should always revise the metrics in its comparatives if a better measure is available in subsequent years in every situation. For example, reporting of Scope 3 financed emissions uses data that is lagged (1 year) behind financial reporting data (e.g., 2021 disclosure using 2020 emission data). To maintain consistency and comparability with future years, we should allow emissions data to be lagged without requiring restatements). We recommend that the ISSB reconsider and provide more guidance about specific situations when metrics should or should not be restated.

CBA Members' Comments and Requests for Clarification
(c) Do you agree with the proposal that financial data and assumptions within sustainability-related financial disclosures be consistent with corresponding financial data and assumptions used in the entity's financial statements to the extent possible? Are you aware of any circumstances for which this requirement will not be able to be applied? (p. 19)
Yes, consistency whenever possible should be the goal.
Question 12 - Statement of compliance (paragraphs 91-92)
Do you agree with this proposal? Why or why not? If not, what would you suggest and why? (p. 19)
ISSB Draft S1, paragraph 92 states "***An entity whose sustainability-related financial disclosures comply with all of the relevant requirements of IFRS Sustainability Disclosure Standards shall include an explicit and unqualified statement of compliance***". While we support the ISSB aligning with IASB in having a requirement on statement of compliance, we caution the ISSB that unlike IASB IFRS, the ESG space continues to evolve rapidly to overcome data and methodological challenges, which in turn results in entities being at varying levels of maturity with respect to building out their internal capabilities. Therefore, entities may be unable to provide such a statement upon initial implementation of the ISSB's proposals, and rather will work to do so over time, as they mature their processes.
Question 13 - Effective date (Appendix B)
(a) When the ISSB sets the effective date, how long does this need to be after a final Standard is issued? Please explain the reason for your answer, including specific information about the preparation that will be required by entities applying the proposals, those using the sustainability-related financial disclosures and others. (p. 20)
It is important to recognize that climate-related disclosures, even though data challenges remain, have seen increased interest by certain stakeholders, and have hence developed faster than broader ESG disclosures, where a similar level of consolidation has yet to take place. We strongly support the ambition of Draft IFRS S1 as a principles-based, 'umbrella' standard, to which subsequent, topic-specific standards (such as Draft IFRS S2) will refer to. We understand this Exposure Draft would work as the overarching disclosure standard upon which topical standards (such as Draft IFRS S2 for climate-related disclosures) will build and to which they will add more detail. If this is the intention, believe it is appropriate to have the IFRS S1 Exposure Draft published as a principles-based document at the same time as Draft IFRS S2 to establish principles with which jurisdictions, which decide to look at ESG issues beyond climate, can work. Otherwise, we see a risk of fragmentation of the global sustainability-related disclosure landscape.

CBA Members' Comments and Requests for Clarification
As mentioned elsewhere in our comments, we continue to emphasize that the IFRS S1 Exposure Draft disclosure requirements will have limited practical applications until such time as additional topic-specific standards like Draft IFRS S2 can be developed and released. However, the decision of when and how to adopt the disclosure requirements in this Exposure Draft can be left to individual jurisdictions if specific sustainability-related issues require further customizations to improve practical applications locally.
(b) Do you agree with the ISSB providing the proposed relief from disclosing comparatives in the first year of application? If not, why not? (p. 20)
No comment.
Question 14 - Global baseline
Are there any particular aspects of the proposals in the Exposure Draft that you believe would limit the ability of IFRS Sustainability Disclosure Standards to be used in this manner? If so, what aspects and why? What would you suggest instead and why? (p. 20)
A significant limitation of the IFRS Sustainability Disclosure Standards results from the fact that currently the definition of "material" does not align with IFRS (IAS 1) as it introduces new standards and concepts of, "significant", and "enterprise value". We strongly advocate for the ISSB to ensure that it adopts the IFRS definition of materiality.
Question 15 - Digital reporting
Do you have any comments or suggestions relating to the drafting of the Exposure Draft that would facilitate the development of a Taxonomy and digital reporting (for example, any particular disclosure requirements that could be difficult to tag digitally)? (p. 20)
Based on the comments provided elsewhere in this document (particularly to Question 1(b)), we suggest that digital reporting should not be a top priority for the ISSB at this time. We feel that resources would be better directed to producing further topic-specific standards and guidance on materiality to help drive consistency and comparability of sustainability-related financial disclosures. Clarifying baseline expectations for metrics for additional topics first would support a much more efficient process for the development of digital reporting. Specifically, it would be challenging to agree on a digital reporting taxonomy without first knowing the common metrics that are expected to be disclosed.
Question 16 - Costs, benefits and likely effects

CBA Members' Comments and Requests for Clarification
(a) Do you have any comments on the likely benefits of implementing the proposals and the likely costs of implementing them that the ISSB should consider in analysing the likely effects of these proposals? (p. 21)
We believe that the comments provided herein, particularly with respect to metrics and targets and materiality, suggest that there may be significant costs to global entities (and, therefore, providers of capital) to implement systems and processes to support reporting against IFRS S1, with limited resulting value toward the objectives of consistent and comparable sustainability-related financial disclosures. Costs would be of particular concern for small and medium-sized enterprises that are not as well-resourced or experienced in ESG reporting. Without further guidance in these areas, entities will need to invest significant resources in determining what to report and how to report it. These resources would be much more productively invested in work to improve performance on their material sustainability-related issues or redeployed to work more closely with ISSB to develop future sustainability-related topical exposure drafts.
(b) Do you have any comments on the costs of ongoing application of the proposals that the ISSB should consider? (p. 21)
If disclosures are required at the same time as financial reporting, there will be significant costs for ongoing application, as currently many ESG disclosures require significant time and people resources for preparation. We propose that the ISSB remove this requirement. We would like to suggest that the ISSB consider materiality, decision-usefulness, comparability and similar trade-offs as a proxy of benefits to investors and other stakeholders, when concluding on disclosure requirements.
Question 17 - Other comments
Do you have any other comments on the proposals set out in the Exposure Draft? (p. 21)
If ISSB retains the disclosure requirements within IFRS S1, we believe the ISSB should consider providing detailed illustrative examples of reporting under the requirements of the Exposure Draft so that, when the Exposure Draft comes into effect, there will be a common starting point to guide reporting organizations. This would help with the above-stated concerns regarding consistency and comparability.

CBA Members' Comments and Requests for Clarification
Overall comments
We have provided a cover letter that summarizes the key thematic elements of our advocacy.
Introduction (p. 5 - 8)
No comments
Questions for respondents
Question 1 – Objectives of the Exposure Draft
(a) Do you agree with the objective that has been established for the Exposure Draft? Why or why not? (p. 9)
We generally agree with the objective established by the ISSB requiring entities to "disclose information about [their] exposure to climate-related risks and opportunities, enabling investors and other stakeholders of an entity's general-purpose financial reporting..." However, we do not support disclosure of immaterial climate-related opportunities. Irrespective of materiality, we also do not support disclosure of competitive, sensitive, and/or proprietary information with respect to climate-related opportunities. We also prefer qualitative over quantitative disclosure of climate-related opportunities. Our position is that the ISSB should align its definition of materiality for sustainability disclosures with that used for financial reporting, which we believe is the ISSB's objective as per the guidance included in Draft IFRS S1 paragraph 56 which uses the well-understood definition in International Accounting Standard 1 (IAS 1) as follows: "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provides financial information about a specific reporting entity'"[1]. We also advocate for the ISSB to align its definition of materiality with IFRS, for example, in relation to subsidiaries segment disclosures (i.e., no sector-specific disclosures from Appendix B should be required for subsidiaries that are not material enough to require segmented financial disclosure in the general-purpose financial statements).

[1] IFRS Definition of Material Amendments to IAS1 and IAS 8 https://www.ifrs.org/content/dam/ifrs/project/definition-of-materiality/definition-of-material-feedback-statement.pdf

CBA Members' Comments and Requests for Clarification
We do not support including the concept of Enterprise Value into the definition of materiality because it deviates from well-understood standards and will cause investor and preparer confusion. We also encourage the ISSB to continue to ensure alignment and harmonization with the TCFD and key reporting and disclosure requirements being promulgated by domestic regulators. This approach is more likely to provide comparable disclosures, avoid prescriptions and requirements that conflict with legislated requirements, and domestic and international climate-related financial disclosure standards. We observe that the ISSB Exposure Drafts use the terms "material" and "significant" interchangeably. We recommend a consistent approach and use of the term "material" only as this is an established concept whereas "significant" is not. The approach to physical and transition risks, climate-related risks and opportunities, scenario planning, targets, and applicable analytical tools should facilitate transparency but avoid prescriptive standards that will dissuade progressive corporate climate action. The Draft IFRS S2 Exposure Draft should be consistent with the flexibility provided for in the TCFD, in order to (i) facilitate climate-related disclosures that are consistent, comparable, and reliable for investors and other stakeholders; (ii) mitigate the reporting burden; and (iii) facilitate understanding of, and avoid confusion about, climate-related financial information for investors and stakeholders around the globe. It should recognize that adherence to a common methodology (for example, PCAF for financed emissions) will aid reporting entities by providing clear direction, while at the same time contributing to the comparability of reported information.
(b) Does the objective focus on the information that would enable users of general-purpose financial reporting to assess the effects of climate-related risks and opportunities on enterprise value? (p. 9)
See our comments noted in (a) above
(c) Do the disclosure requirements set out in the Exposure Draft meet the objectives described in paragraph 1? Why or why not? If not, what do you propose instead and why? (p. 9)
See our comments noted in (a) above
Question 2 – Governance
Do you agree with the proposed disclosure requirements for governance processes, controls and procedures used to monitor and manage climate-related risks and opportunities? Why or why not? (p. 10)

CBA Members' Comments and Requests for Clarification
We support standards that recognize that reporting is only as reliable as the information and processes that stand behind it. Our members have made extensive efforts to employ a holistic, enterprise-wide approach for managing climate-related risks and transitioning to a low-carbon economy. In other words, our efforts to address climate-related risks and opportunities include processes at the Board level but extend well beyond the Board level as well. Such efforts and attention provide credibility for disclosures. Standards that require descriptions of the information considered and processes in place that led to any general assessment will help to demonstrate the reliability of any assessments, as well as promote responsible processes. Each entity is unique and, as a result, governance is addressed differently according to its specific organizational structure and governance framework. We believe that a principles-based approach is the right approach, and that some of the governance disclosure requirements are too granular and not decision-useful for investors and other stakeholders. Specifically: • **Paragraph 5(a)** provides for the disclosure of the body or individual within a body responsible for climate-related risks and opportunities. While we support principles-based disclosure regarding governance processes, controls and procedures, we caution that disclosure of an individual responsible for climate-related risks and opportunities could lead to increased costs and challenges in recruiting and retaining climate experts. As an example, if entities were required to designate one director as the expert in a particular area, that may discourage other directors from engaging in that area and may result in less effective oversight. Furthermore, identifying a director or a group of directors as having climate expertise without a safe harbour provision insulating such director(s) from liability (or supra-liability) resulting from such designation, may publicly distort such director's role in climate-related oversight and negatively affect an entity's ability to recruit and retain such experts. To mitigate these risks, a safe harbour should be added for directors identified as having climate expertise. Also, this level of detail, regarding an entity's internal climate expertise could result in employee retention concerns, particularly at this time of considerable competition for talent in the climate change sector. • **Paragraph 5(c)** requires disclosure of how governance bodies ensure appropriate skills and competencies are available to manage climate-related risks and opportunities. However, competencies of governance bodies (i.e., Boards of Directors (BODs)) is not a new concept, and the same fiduciary obligations exist for other bodies (i.e., Audit Committee). The fiduciary duty of care for climate governing bodies should not be any different than existing bodies, as it may suggest to investors and other stakeholders that the governing of certain risks and opportunities is prioritized over others. Additionally, boards should have flexibility to determine their own composition in a holistic way, in light of all of the needs of the entity more broadly (for example finance, the business, technology) and the collective diversity, expertise, and tenure of current directors, rather than having overly prescriptive regulatory requirements which may place undue emphasis on board oversight of climate risk over other risk management categories. • **Paragraph 5(d)** requests to disclose how and how often the governing bodies are informed about climate-related risks and opportunities. Requiring the disclosure of the frequency with which boards and its committees are informed about climate-related risks and opportunities inappropriately focuses on quantity rather than quality of discussions. This disclosure requirement could result in boards scheduling more time to discuss climate-related issues than they reasonably deem necessary, and could limit attention and time for discussion of other significant matters (as determined by a risk and principles-based approach). We believe that a principles-based approach versus an overly prescriptive approach would be more decision-useful for investors and other stakeholders of general-purpose financial reporting. We are concerned about the significant amount of details on governance and risk oversight in the proposed requirements that would require entities to specify how and how often the governing body considers climate-related risks and

CBA Members' Comments and Requests for Clarification
opportunities when overseeing the entity's strategy, decisions on major transactions and risk management policies. Such prescriptive and granular disclosure requirements may have the opposite impact as entities may have concerns about disclosing their strategic positions. It could also result in entities being pressured to provide details of their business plans to the public earlier than they otherwise would have, which could limit the effectiveness of such plans. In addition, this disclosure could also provide an entity's competitors with competitively important information, with no corresponding benefit to investors and other stakeholders of general-purpose financial reporting.
Question 3 - Identification of climate-related risks and opportunities
(a) Are the proposed requirements to identify and to disclose a description of significant climate-related risks and opportunities sufficiently clear? Why or why not? (p. 11)
We do not support the proposed requirement to identify and disclose "significant" climate-related risks and opportunities. The word "significant" is not defined in the proposed guidance and is subject to broad and varied definition by entities, undermining the goal of comparability and introducing confusion for investors and other stakeholders. Adding a new concept of "significant" to the IAS 1 definition of materiality does not have a legal basis and has not been tested in courts of law. We recommend a consistent approach and use of the term "material" only as this is an established concept whereas "significant" is not. **Risks:** • We want to ensure that the ISSB is conscious of the fact that risk management practices and tools are continuing to be developed and enhanced and in some areas are at the early stages of maturity. As such, it may not be feasible for an entity to disclose the timeframe (short, medium, long term) of expected impacts of climate-related risks with any degree of certainty or precision. This may change as tools and frameworks are further developed. **Opportunities:** • We do not support disclosure of immaterial climate-related opportunities. Irrespective of materiality, we also do not support disclosure of competitive, sensitive, and/or proprietary information with respect to climate-related opportunities. We also prefer qualitative over quantitative disclosure of climate-related opportunities. Further clarity is needed on the methodologies and guidance used to assess and qualify climate-related opportunities and sector specific guidance to ensure consistency and comparability of disclosure, and ultimately usefulness to investors and other stakeholders. • For example, for a bank, do climate-related opportunities include existing revenue from products and services that are enabling the low-carbon transition? If so, which criteria should be used to identify these products/services (e.g., for energy, should facilitating the transition from coal to natural gas be considered an opportunity)? Or are climate-related opportunities defined as the potential market size/opportunity size related to the low carbon transition? Moreover, how should these opportunities be categorized by sector, entity profile, and type of product/service? Sector-specific guidance will be needed to ensure consistency and comparability. • Additionally, we note that safe harbour protection is an important component to cover such disclosures.

CBA Members' Comments and Requests for Clarification
(b) Do you agree with the proposed requirement to consider the applicability of disclosure topics (defined in the industry requirements) in the identification and description of climate-related risks and opportunities? Why or why not? Do you believe that this will lead to improved relevance and comparability of disclosures? Why or why not? Are there any additional requirements that may improve the relevance and comparability of such disclosures? If so, what would you suggest and why? (p. 11)
• Comparability of disclosures among and between entities is paramount given the intended universal nature of the proposed guidance and disclosure requirements, and the ISSB's broader purpose of harmonizing and coordinating the plethora of standards, guidelines and requirements that have evolved over the previous decade. • We agree with the proposal to consider the disclosure topics noted in the industry requirements (Appendix B). However, we believe that a number of the requirements in Appendix B are far too granular and would not be decision-useful to investors and other stakeholders, as many of the disclosures would not be considered material (please see responses in Question 11d & 11j).
Question 4 - Concentrations of climate-related risks and opportunities in an entity's value chain
(a) Do you agree with the proposed disclosure requirements about the effects of significant climate-related risks and opportunities on an entity's business model and value chain? Why or why not? (p. 12)

• We support disclosure of information relating to the material impacts of climate-related risks and opportunities on an entity. We do not support disclosure of immaterial climate-related opportunities. Irrespective of materiality, we also do not support disclosure of competitive, sensitive, and/or proprietary information with respect to climate-related opportunities. We also prefer qualitative over quantitative disclosure of climate-related opportunities.
• The requirement should be revised to clarify that materiality and whether information is proprietary are the applicable indicators for assessing if disclosures should be provided for (a) current and anticipated effects of climate-related risks and opportunities on an entity's value chain; and (b) where in an entity's value chain climate-related risks and opportunities are concentrated.
• Further clarity is needed on how this will be applicable to climate-related risks and opportunities in the value chain on a sector-by-sector basis to ensure comparability.
• In addition, we recommend that
    o Third-party upstream and downstream stakeholder disclosures should not require additional research outside the normal business interactions an entity has.
    o Information from non-public stakeholders should not be required for disclosure as this may lead to unintended consequences such as confidentiality breaches.
• Such disclosure should also be clearly labeled as management's assessment of climate-related risks and opportunities instead of as a factual disclosure, and applicable safe harbours should be available.

CBA Members' Comments and Requests for Clarification
(b) Do you agree that the disclosure required about an entity's concentration of climate-related risks and opportunities should be qualitative rather than quantitative? Why or why not? If not, what do you recommend and why? (p. 12)
• The ability to provide quantitative disclosure is highly contingent on whether and where the data exists, and the availability of methodologies to measure risk. Where data is not available, qualitative disclosure should be provided; where data and measurement methodologies exist, entities should attempt to use and adapt them in order to provide meaningful quantitative disclosure. It is not clear from the requirement whether qualitative disclosure is required to the exclusion of quantitative disclosure, as suggested by the question. • The measurement challenges for preparers mentioned at BC67 are changing rapidly, with new methods of obtaining quantitative information becoming available at an accelerated pace, in turn impacting the maturity of risk capabilities (frameworks, tools, etc.), which are continuing to be developed and refined. This landscape has led to different reporting entities adopting a proliferation of approaches to collecting data and applying methodologies, which in turn leads to the production of disclosures which are neither comparable nor necessarily decision-useful. • For these reasons, quantitative disclosures may be pre-mature in many areas as they may not provide meaningful information to investors and other stakeholders. As such, an entity should have the choice to provide qualitative and/or quantitative disclosure about the concentration of climate-related risks and opportunities in its value chain based on the material information/data available and the evolution of measurement tools and resources available. • **Risks:** The current requirements noted in paragraph 12(b) regarding concentrations by geography, type of assets, etc. are too granular and may not result in material, decision-useful disclosures for investors and other stakeholders. Additionally, any disclosures should have applicable safe harbours. • **Opportunities:** We do not support disclosure of immaterial climate-related opportunities. Irrespective of materiality, we also do not support disclosure of competitive, sensitive, and/or proprietary information with respect to climate-related opportunities. We also prefer qualitative over quantitative disclosure of climate-related opportunities. We agree that the disclosure about an entity's concentration of climate-related opportunities should be qualitative rather than quantitative because opportunities are more future-oriented and subject to greater uncertainty. Furthermore, some opportunities in the infancy planning stage are not appropriate for disclosure as they are considered business trade secrets. Mandating details for these disclosures can hurt the planning process and the chance of the opportunity's success. We recommend that safe harbour protection be extended to cover such disclosures.
Question 5 - Transition plans and carbon offsets
(a) Do you agree with the proposed disclosure requirements for transition plans? Why or why not? (p. 14)
We recommend alignment with existing initiatives such as that issued by the Glasgow Financial Alliance for Net Zero (GFANZ) for financial institutions, and applicable guidance for other industries. We note, however, that GFANZ has recently released new guidance for comment by stakeholders which we are in the process of reviewing.

CBA Members' Comments and Requests for Clarification
(b) Are there any additional disclosures related to transition plans that are necessary (or some proposed that are not)? If so, please describe those disclosures and explain why they would (or would not) be necessary. (p. 14)
No comments
(c) Do you think the proposed carbon offset disclosures will enable users of general purpose financial reporting to understand an entity's approach to reducing emissions, the role played by carbon offsets and the credibility of those carbon offsets? Why or why not? If not, what do you recommend and why? (p. 14)
Transparency with respect to reliance on carbon offsets in transition plans, and the sources and quality of offsets, are important factors for comparability between reporting entities. However, there is currently no agreed upon or widely recognized definition of a "credible offset". Further, financial institutions have a unique challenge with respect to offsets as we will need to account for offsets purchased by our clients to reduce their own emissions as well as our own purchased offsets to meet our targets. efforts are underway by the GHG Protocol, NZBA, and others to develop guidance on carbon offsets and how financial institutions should appropriately account for them. Once this guidance is developed, the ISSB should take these developments into consideration and ensure that the ISSB's requirements are aligned. In addition, banks should be provided with adequate time to incorporate the guidance.
(d) Do you think the proposed carbon offset requirements appropriately balance costs for preparers with disclosure of information that will enable users of general-purpose financial reporting to understand an entity's approach to reducing emissions, the role played by carbon offsets and the soundness or credibility of those carbon offsets? Why or why not? If not, what do you propose instead and why? (p. 14)
No comments
Question 6 - Current and anticipated effects
(a) Do you agree with the proposal that entities shall disclose quantitative information on the current and anticipated effects of climate-related risks and opportunities unless they are unable to do so, in which case qualitative information shall be provided (see paragraph 14)? Why or why not? (p. 16)
• We agree with the proposed alternative to provide qualitative information for climate-related risks. Quantitative information is difficult to provide given that assessment of the direct impact of climate change on financial performance may not be possible for many entities. Also, there are no generally accepted standards for assessing the impact of climate change on financial performance which increases the risk around the quality and comparability of such disclosures. Example - Some quantitative information, like market valuation movements, are driven by multiple factors. The deterioration in the value of a financial asset in the carbon sector may include both climate-related credit and other credit drivers, as

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well as other macroeconomic drivers. We would like additional guidance from the ISSB on how to measure these financial impacts to ensure comparability of disclosures. We do not believe at this initial stage of implementation such quantitative disclosure would be decision-useful as these are considered management's estimate rather than factual financial results.
(b) Do you agree with the proposed disclosure requirements for the financial effects of climate-related risks and opportunities on an entity's financial performance, financial position and cash flows for the reporting period? If not, what would you suggest and why? (p. 16)
• As mentioned in (6a) above, allocating or isolating the impacts of a financial transaction between climate and non-climate-related would require significant management assumptions, estimation, and allocation methodologies, and therefore introduce significant measurement uncertainty. This would be especially inappropriate for cash flow statement impact disclosures, as it is at best only a management estimate. • Some financial effects of climate-related risks and opportunities are estimated on a "what-if" basis. For example, an installation of climate-resilient technology to a physical asset can reduce the loss from physical climate-related risk, but such cost savings are only estimated by management. The reported expenses are also based on the actual physical risk event frequency and severity that will be different year-over-year. In the absence of guidance related to the measurement of climate-related impacts, these disclosures should be qualitative and there should be no quantitative requirement until such time as the ISSB works with the IASB to develop appropriate accounting standards and guidance on measurement and disclosure methodologies related to climate. • We also seek clarification from the ISSB that the proposed disclosure requirements for the financial effects of climate-related risks and opportunities on an entity's financial performance, financial position, and cash flows for the reporting period do not include opportunity costs. If an entity were to replace a legacy product with one that is more climate-friendly, it should not be required to estimate the financial impact of continuing to offer the legacy product that has been discontinued. In such a case, the enterprise should only need to disclose the financial impact of the new product introduced, if it is considered material. We do not believe disclosure of opportunity costs are decision-useful for investors and other stakeholders.
(c) Do you agree with the proposed disclosure requirements for the anticipated effects of climate-related risks and opportunities on an entity's financial position and financial performance over the short, medium and long term? If not, what would you suggest and why? (p. 16)
• No, we do not agree with this proposed requirement. Such disclosures introduce significant measurement uncertainty due to management assumptions and estimates, particularly for long-term time horizons, which may impact the reliability, comparability, and decision-usefulness of such information to investors and other stakeholders. This requirement would be over and above the disclosures required by IFRS in the financial statements and by Canadian securities laws which do not require quantitative disclosure of the anticipated financial impacts of risks over the short, medium, or long term. Determining these anticipated future effects of climate-related risks would be based on significant estimates and assumptions and any projections would be so uncertain that they would be unlikely to be reliable, and as such we do not believe this information would be decision-useful. Financial impact assessments for climate-related risks and opportunities usually take a longer time to

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manifest than strategic financial planning time horizons. Similarly, forecasting financial effects from climate-related opportunities is subject to greater uncertainties than other, more mature financial position forecasts. • We do not support disclosure of immaterial climate-related opportunities. Irrespective of materiality, we also do not support disclosure of competitive, sensitive, and/or proprietary information with respect to climate-related opportunities. We also prefer qualitative over quantitative disclosure of climate-related opportunities. We recommend that the ISSB coordinate with jurisdictional authorities to extend safe harbour protection to cover such forward-looking disclosures.
Question 7 - Climate resilience
(a) Do you agree that the items listed in paragraph 15(a) reflect what users need to understand about the climate resilience of an entity's strategy? Why or why not? If not, what do you suggest instead and why? (p. 19)

• While we are supportive of providing disclosures with respect to climate-related resilience and specifically the results of climate-related scenario analysis, we believe such disclosures should only be provided if material, and that any potentially sensitive, proprietary information should not be required and should remain confidential between entities and their prudential regulators. Scenario analysis disclosures should not be required until the scenarios and methodologies necessary to conduct and to disclose useful results of analyses are sufficiently well developed and standardized. Furthermore, disclosures should be qualitative and not quantitative, as supported by the examples of reasons noted below:
  o Lack of standardized scenarios and methodologies, as they are being developed by financial regulators and are not yet well-established.
    ▪ We recommend quantitative climate-related scenario analysis disclosure be delayed while different industries are working with their regulators to harmonize scenarios and develop methodologies (e.g., OSFI/CBA climate-related scenario developments in Canada).
  o Data limitations (e.g., data availability and data quality) lead to challenges in driving decision-useful results from scenario analysis exercises.
  o Lack of maturity of an entity's internal capabilities due to the challenges noted above.
  o Disclosure of quantitative scenario analysis will require entities to disclose substantial amounts of proprietary and confidential data.
    ▪ Effective scenario analysis requires the use of substantial amounts of competitively sensitive proprietary data relating to an entity's forecasted future performance, potential business plans, capital planning, risk models and other factors that entities have a legitimate need to keep strictly confidential in order to compete effectively.
• The requirements place disproportionate emphasis on risk management of "climate" over other risk management topics currently described under a principles-based framework.
• We recommend that such disclosure be done primarily on a qualitative basis, and that safe harbour protection is an important component to cover such disclosures.

(b) The Exposure Draft proposes that if an entity is unable to perform climate related scenario analysis, that it can use alternative methods or techniques (for example, qualitative analysis, single-point forecasts, sensitivity analysis and stress tests) instead of scenario analysis to assess the climate resilience of its strategy. (p. 19)

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a. Do you agree with this proposal? Why or why not? **b. Do you agree with the proposal that an entity that is unable to use climate-related scenario analysis to assess the climate resilience of its strategy be required to disclose the reason why? Why or why not?** **c. Alternatively, should all entities be required to undertake climate-related scenario analysis to assess climate resilience? If mandatory application were required, would this affect your response to Question 14(c) and if so, why?**
• Yes, we agree with the proposal to disclose other alternative methods and techniques, as climate-related risk sensitivity analysis (e.g., heatmaps) are a useful tool that will help to inform scenario analysis, as well as help to shape risk management policies for specific portfolios. • We do not agree that a 'comply or explain' requirement is needed. Rather, we support that if quantitative analysis cannot be disclosed, then qualitative disclosure can be provided. Furthermore, if scenario analysis is not conducted, disclosure of other tools can be included instead, as is stated in the guidance. • We do not agree with mandatory scenario analysis disclosure requirements for the reasons noted in our response to question 7(a) above.
(c) Do you agree with the proposed disclosures about an entity's climate-related scenario analysis? Why or why not? (p. 19)
We do not agree with the level of granularity required for scenario analysis based on paragraph 15(b)(I), based on the reasons noted in our response to question 7(a) above.
(d) Do you agree with the proposed disclosure about alternative techniques (for example, qualitative analysis, single-point forecasts, sensitivity analysis and stress tests) used for the assessment of the climate resilience of an entity's strategy? Why or why not? (p. 19)
Alternatives to scenario planning should be encouraged where appropriate based on the surrounding context. Thus, we agree with the proposal to allow for disclosure about alternative techniques; however, we believe that some of the requirements noted in paragraph 15(b)(ii) are far too granular (e.g., assumptions and inputs) and not decision-useful for investors and other stakeholders.
(e) Do the proposed disclosure requirements appropriately balance the costs of applying the requirements with the benefits of information on an entity's strategic resilience to climate change? Why or why not? If not, what do you recommend and why? (p. 19)
No – the disclosure requirements should first and foremost be focused on providing material, decision-useful information to investors and other stakeholders. Currently, many of the granular disclosure requirements would require substantial costs to produce with limited benefit for investors and other stakeholders.
Question 8 - Risk management

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Do you agree with the proposed disclosure requirements for the risk management processes that an entity uses to identify, assess and manage climate-related risks and opportunities? Why or why not? If not, what changes do you recommend and why? (p. 20)
We agree with providing disclosures to enable investors and other stakeholders to understand the processes an entity uses to identify, assess, and manage material climate-related risks and opportunities. However, we believe that some of the proposed disclosure requirements (e.g., quantitative thresholds used to assess the likelihood of effects, input parameters, etc.) will result in granularity that would lack comparability and would not result in material disclosures that would be decision-useful for investors and other stakeholders. The proposed disclosure requirement concerning how an entity prioritizes climate-related risks above other categories of risk would be counter-productive as climate risk is a transverse risk; therefore, any disclosures regarding its prioritization over other major risk categories would not highlight the vast array of integration that is required for climate-related risks to be effectively assessed and managed. Climate-related risk is certainly an important risk, but it is one of many risks that a financial institution is required to manage. For example, in an inflationary environment, credit risk and market risk are very significant risks in the short term. We believe giving climate-related risks prescriptive prominence relative to other risks that may be of equal or greater importance to a particular entity makes it difficult for investors and other stakeholders to understand what information is actually important. Additionally, we believe that climate-related risk is a transverse risk and therefore should be integrated into the assessment of other risk categories (i.e., credit, market, etc.) per an enterprise's overall enterprise risk management framework. Therefore, the proposed guidance should seek to facilitate integration of climate-related risks into existing risk management frameworks and matrices, with the goal of reducing duplication and overlap.
Question 9 - Cross-industry metric categories and greenhouse gas emissions
(a) The cross-industry requirements are intended to provide a common set of core, climate-related disclosures applicable across sectors and industries. Do you agree with the seven proposed cross-industry metric categories including their applicability across industries and business models and their usefulness in the assessment of enterprise value? Why or why not? If not, what do you suggest and why? (p. 23)

• We agree with the 7 proposed cross-industry metric categories, as they align with the TCFD guidance issued in October 2021, and we believe these metrics will help facilitate cross-industry comparisons. However, further clarity and refinement are needed in the areas highlighted below:
    o See additional comments on GHG emissions in our responses to questions 9c, 9d, 9e, and 9f.
    o **Climate-related opportunities -** We do not support disclosure of immaterial climate-related opportunities. Irrespective of materiality, we also do not support disclosure of competitive, sensitive, and/or proprietary information with respect to climate-related opportunities. We also prefer qualitative over quantitative disclosure of climate-related opportunities.

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(b) Are there any additional cross-industry metric categories related to climate related risks and opportunities that would be useful to facilitate cross-industry comparisons and assessments of enterprise value (or some proposed that are not)? If so, please describe those disclosures and explain why they would or would not be useful to users of general-purpose financial reporting. (p. 23)
We agree with the categories noted as they align with the TCFD guidance published in October 2021 and we believe these metrics will help facilitate cross-industry comparisons.
(c) Do you agree that entities should be required to use the GHG Protocol to define and measure Scope 1, Scope 2 and Scope 3 emissions? Why or why not? Should other methodologies be allowed? Why or why not? (p. 23)
Yes, as the GHG Protocol is the most well-known and is a widely used standard. Its consistent application will help ensure comparability across disclosures. Recognition of the PCAF methodology would also aid in standardizing an approach to measuring financed emissions for financial institutions and asset managers.
(d) Do you agree with the proposals that an entity be required to provide an aggregation of all seven greenhouse gases for Scope 1, Scope 2, and Scope 3— expressed in CO2 equivalent; or should the disclosures on Scope 1, Scope 2 and Scope 3 emissions be disaggregated by constituent greenhouse gas (for example, disclosing methane (CH4) separately from nitrous oxide (NO2))? (p. 23)
CO2 equivalent is the most commonly used format for accounting for and reporting on GHG emissions. We feel that providing a detailed GHG breakdown may not be decision-useful for investors and other stakeholders and may be challenging to accomplish given the lack of available data for some categories of GHG emissions.
(e) Do you agree that entities should be required to separately disclose Scope 1 and Scope 2 emissions for: (p. 23) **(i) the consolidated entity; and** **(ii) for any associates, joint ventures, unconsolidated subsidiaries and affiliates? Why or why not?**
We do not agree with the requirements to disclose GHG emissions for associates, joint ventures, and unconsolidated subsidiaries for the following reasons: 1. Data availability will be a challenge, as we may not have control or influence over these entities with significant reliance placed on management estimates. 2. This does not adhere to the GHG Protocol which gives the end user the choice to select operational or financial control. 3. This may create double-counting of emissions.

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(f) Do you agree with the proposed inclusion of absolute gross Scope 3 emissions as a cross-industry metric category for disclosure by all entities, subject to materiality? If not, what would you suggest and why? (p. 23)
• We recommend that the proposed inclusion of Scope 3 emissions as a cross-industry metric be phased in based on materiality and availability of data and methodologies. For financed emissions we advocate for alignment with PCAF and NZBA (see further comments in response to question 11). • We recommend that the ISSB foster consistency and harmonization between various existing standards on disclosure of Scope 3 emissions. o Safe harbour from liability for Scope 1, 2, & 3 emissions disclosure.
Question 10 – Targets
(a) Do you agree with the proposed disclosure about climate-related targets? Why or why not? (p. 24)
Yes, we agree with the proposed disclosure requirements, as the disclosure of climate-related targets provides useful insight on companies' transition progress and is aligned with NZBA requirements, although entities should be given an opportunity to qualitatively describe any differences in their chosen targets and pathways from the 'latest international agreement on climate change' (e.g. pathways chosen that better reflect the geography of where the entities do business)
(b) Do you think the proposed definition of 'latest international agreement on climate change' is sufficiently clear? If not, what would you suggest and why? (p. 24)
We recommend an express citation to the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC), as a living body of law that evolves through subsequent decisions. If a new international agreement on climate change displaces the current role of the Paris Agreement as the primary consensus international agreement on climate change, then we propose that an amendment to the Exposure Draft would be in order. This would also facilitate other changes to the Exposure Draft that may be required in the event of a marked change in the international order and governance with respect to climate change.
Question 11 - Industry-based requirements
(a) Do you agree with the approach taken to revising the SASB Standards to improve the international applicability, including that it will enable entities to apply the requirements regardless of jurisdiction without reducing the clarity of the guidance or substantively altering its meaning? If not, what alternative approach would you suggest and why? (p. 25)

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Industry-based requirements based on revisions to the SASB Standards are appropriate but should be formulated with sufficient flexibility to allow entities to contextualize disclosure of climate-related risks and opportunities by providing information and assessment of the trends, value chain issues, market forces, and other factors specifically affecting the relevant industry or industries. Of note, the previous SASB standards were not equally applied by all entities. Given that they were not mandatory in many jurisdictions, entities voluntarily disclosed the items they believe would be helpful for investors and other stakeholders of their ESG reports. As such, we request that the comments noted below in response to Question 11 be taken into consideration when finalizing the SASB metrics to be included in the final ISSB guidance.
(b) Do you agree with the proposed amendments that are intended to improve the international applicability of a subset of industry disclosure requirements? If not, why not? (p. 25)
1. Global Industry Classification Standard Codes (GICS) – Mandating the use of one classification code (i.e., GICS) will be costly for many organizations. Different organizations from different jurisdictions may follow different sets of classification systems (e.g., NAICS, SIC, NASCE, etc.). We recommend that the ISSB allow flexibility to continue using local classifications, if they are comparable to the GICs. In addition, organizations should be given flexibility regarding the versions of classifications they use, as some version updates can be costly to implement while yielding minimal marginal benefit. 2. Materiality Assessments for Sector-Specific Metrics Disclosure – We would like to clarify that materiality is the appropriate standard for sector-specific metrics disclosure. For example, if a bank has multiple lines of businesses that make up only a small portion of the consolidated results, there would be no requirement to disclose the sector-specific metrics for those businesses or subsidiaries, if currently such segmented results are not material.
(c) Do you agree that the proposed amendments will enable an entity that has used the relevant SASB Standards in prior periods to continue to provide information consistent with the equivalent disclosures in prior periods? If not, why not? (p. 25)
See response to part (a) above.
(d) Do you agree with the proposed industry-based disclosure requirements for financed and facilitated emissions, or would the cross-industry requirement to disclose Scope 3 emissions (which includes Category 15: Investments) facilitate adequate disclosure? Why or why not? (p. 26)
1. All Financials Volumes: • The cross-industry requirement to disclose Scope 3 emissions (including Category 15: Investments) is adequate disclosure as it would encompass the most intensive carbon emissions exposures of a financial institution. The level of incremental decision-useful data that would be produced by taking an industry-based approach is likely to be immaterial and the effort to produce this data (given the need to follow individual guidance for each) is likely to be substantial.

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- We request that financed emissions disclosure should be at the enterprise level based on materiality, rather than disclosing separately for each subsector that a bank may operate in (e.g., commercial banking, investment banking, asset management, insurance, etc.).
- Volumes B15, B16, B17, B18, require disclosure of absolute and intensity-based financed emissions by Scope 1, 2 and 3. We recommend that disclosure of financed emissions by scope be subject to materiality and availability of data and methodologies. Our proposed recommendation would thereby limit the scope of ISSB's requirements (see below responses for Question 11) and aligns with guidance from PCAF and NZBA.
- Currently, for reporting borrowers and investees' scope 3 emissions, PCAF follows a phased-in approach, which allows for the disclosure of scope 3 for selected sectors over time. We recommend aligning to PCAF given that the comparability, coverage, transparency, and reliability of scope 3 data still varies greatly by sector.

2. Volume B16 – Commercial Banks:

- At 4.1, ISSB states that the scope of disclosure includes but is not limited to loans, project finance, bonds, equity investments and derivatives. However, to-date there is no accepted and adopted methodology for measuring financed emissions for the derivatives book and derivatives financing is arguably less clearly linked to climate impact than lending, project finance, and bond issuance, calling into question the value of adding this to the list of products for which climate measurement should be implemented.
- We recommend exempting any asset classes that do not have a defined PCAF methodology until such methodologies are defined. There are currently no PCAF-defined methodologies for all of the following examples: mortgage-backed securities (MBS), Securities issued by other banks, asset-backed securities (ABS), Trading Book investments holdings, margin loans or securities financing transactions like reverse repurchase agreements, derivatives, and other asset classes (sovereign bonds, personal loans, credit card loans, green/sustainable bonds investments, etc.). Further, we recommend the exclusion of derivatives for financed emissions calculations because this will result in double counting, as the actual financing of the emissions in the real economy is the underlying loan to the customer. For example, a bank may have a derivative position with a loan customer and offset that exposure with another counterparty financial institution. If emissions are calculated in all three cases, this will result in double counting.
- Generally, the disclosure requirements under Volume B16 are extensive and will involve a lot more work, data, and system changes. The data in many cases is not available at all. If banks are using their own approach to developing proxies, then accuracy and comparability will be problematic.

3. Volume B18 – Investment Banking:

- **Facilitated Emissions**: Facilitated emissions should not be required at this time, given that there is no industry agreed methodology, and several hurdles are still being worked through in the PCAF working group. Furthermore, the NZBA does not refer to off balance sheet activities at present, however it does note that it will be considered in its guidance going forward.
- Clarification is needed on how securitizations and covered bonds underwriting activities should be measured if such securitization transactions are not performed for third-party clients. For example, a bank may choose to securitize its own auto loan portfolio into ABS and engage its own investment banking arm to complete the transaction. There is a risk of double counting, if the bank ends up reporting the same set of loans as both financed as well as facilitated emissions. We also request that the ISSB provide more guidance on any loans that are securitized and funded by ABS or MBS investors.

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4. Volume B19 – Mortgage Finance:

- Volume B19 on Mortgage Finance does not include financed emissions in the metrics section. Does this mean there is no requirement to disclose financed emissions for these loans? Or are they still expected to be disclosed as part of the Exposure Draft S2 requirement noted in paragraph 21?

5. Volume 17 – Insurance:

- In the Metrics section, this volume refers to "financed emissions" and makes reference to loans. We believe the terminology here should be focused on "insured emissions" instead.
- A PCAF-defined methodology to measure insured emissions does not yet exist. We recommend exempting these activities until a methodology is defined.

6. Timing of Financed & Facilitated Emissions Disclosure:

- Operating Feasibility – The nature of financed emissions is such that it is very challenging to fully align the period of timing of the underlying data for the desired results. Estimating these emissions depends on the output of financial and climate-related disclosures of other entities, which takes time (see table below for examples assuming an October 31, 2021 calculation)

Input Data Required	Source	Expected Delay
A. Financial exposure to the client (drawn loan balance, undrawn volumes, investment amount)	Bank's own source system	October 31, 2021 data is processed during year-end reporting and takes approximately 4-6 weeks to be finalized. This may be improved with bank's internal efficiency improvements.
B. Investee's Balance Sheet Financials	Investee's financial records/disclosures	Up to 12 months delay, depending on the fiscal year of the investee vs. fiscal year of the bank. **This is a structural issue that is outside of the control of banks.**
C. Investee's Emission Data	Investee's disclosure. If it is not disclosed, industry proxies are used instead.	Up to 24 months delay, depending on the lag of the investee's disclosure, and the availability and data recency of the industry proxy. **This is a structural issue that is outside of the control of banks.**
D. Investee's production volumes (for Intensity calculation)	Investee's disclosure. If it is not disclosed, industry proxies are used instead.	Up to 24 months delay, depending on the lag of the investee's disclosure, and the availability and data recency of the industry proxy.

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		This is a structural issue that is outside of the control of banks.

- We propose that when the emission calculations are performed using a specific cut-off timeline to facilitate disclosure requirements by the ISSB, that the underlying data used is allowed to be lagged, as long as the most recent public information is available for processing, and that no restatements are required to realign the data periods in subsequent periods. This will promote consistency and avoid ongoing duplicative processes with minimal value.
- Decision-usefulness – Given that the nature of emission calculations can never be fully aligned with the most recent data without significant lag, there needs to be a proper balance between receiving timely information and the decision-usefulness of that information. While we agree that information should be presented in a timely manner, many climate and decarbonization initiatives take years to implement to produce effective and meaningful emission reduction results. We do not believe having a two-quarter lag between the financial and emissions disclosures would cause significant impact to decision-usefulness, especially if the primary goal for many banks is to work with their clients in implementing their long-term decarbonization pathway.

(e) Do you agree with the industries classified as 'carbon-related' in the proposals for commercial banks and insurance entities? Why or why not? Are there other industries you would include in this classification? If so, why? (p. 26)

The proposed definition for carbon-related industries is different than the definition used by the NZBA, which is leveraged for purposes of setting targets and transition plans. It also differs from the industries noted in the definition of Carbon Related Assets published in the October 2021 TCFD Guidance.

We recommend alignment on the definitions of carbon-related/intensive industries and encourage the ISSB to work with industry groups (i.e., NZBA, TCFD, etc.) and regulators (i.e., SEC, CSA, etc.) on developing harmonized guidance and disclosure requirements. This will allow for greater transparency and comparability across entities.

(f) Do you agree with the proposed requirement to disclose both absolute- and intensity-based financed emissions? Why or why not? (p. 26)

We agree with the requirement to disclose both absolute and intensity based financed emissions. However, we note that requiring disclosure of physical emissions intensity (CO_2 per production output) is not consistent with the PCAF methodology. There is no standardized approach to calculating physical emissions intensity, making it difficult for reporting entities to produce comparable intensity-based financed emissions data. Additionally, sourcing physical emissions intensity data is difficult, which will force entities to use proxies to fill data gaps and contribute to the lack of physical emissions intensity disclosure comparability. However, economic emissions intensity (CO_2 per dollar lent or invested) can be useful for comparing different portfolios or parts of portfolios and for managing climate-related transition risks, and therefore we support the inclusion of this metric.

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(g) Do you agree with the proposals to require disclosure of the methodology used to calculate financed emissions? If not, what would you suggest and why? (p. 26)
Yes, this is aligned with NZBA requirements.
(h) Do you agree that an entity be required to use the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard to provide the proposed disclosures on financed emissions without the ISSB prescribing a more specific methodology (such as that of the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting & Reporting Standard for the Financial Industry)? If you don't agree, what methodology would you suggest and why? (p. 26)
We recommend that alignment with PCAF methodology be encouraged for financial institutions.
(i) In the proposal for entities in the asset management and custody activities industry, does the disclosure of financed emissions associated with total assets under management provide useful information for the assessment of the entity's indirect transition risk exposure? Why or why not? (p. 26)
Currently the scope of emissions calculations of many entities does not include Assets Under Management (AUM). Such a requirement could be met with present data availability; however, time would be required to conclude on an appropriate approach. Additionally, the results of the output would need to be assessed to determine if the information is material and decision-useful for investors and other stakeholders. If not, a disclosure may not be warranted.
(j) Do you agree with the proposed industry-based requirements? Why or why not? If not, what do you suggest and why? (p. 27)

• Physical risk metrics
  ○ We are concerned with the level of granularity required for certain metrics in the industry-specific disclosure requirements:
    ▪ Mortgage Finance:
      • For the metrics related to the topic of "Environmental Risks to Mortgaged Properties" (e.g., number and value of mortgage loans in 100-year flood zones), we believe this information is too granular and will not result in material, decision-useful disclosures for investors and other stakeholders. In addition, entities that are calculating such details today are using a number of proxies; thus, in order to achieve comparability across peers, standard flood zone data by region (e.g., Canada) would need to be developed and maintained. Also, the scope of such a disclosure would need to be defined to clarify what type(s) of loans would be in scope (i.e., residential, commercial, etc.). Further, data on

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collateral would be challenging to obtain for certain loans and proxies would need to be used, which would diminish comparability across entities. • For the metrics related to the topic of "Environmental Risks to Mortgaged Properties" (e.g., total expected loss and Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region), we believe this information is too granular and will not result in material, decision-useful disclosures for investors and other stakeholders. In addition, further clarity would be required on how to determine whether a catastrophe is a driver of default and how to go about with attribution. A localized flooding, for example, may not be indicative of default. • For the metrics related to the topic of "Environmental Risks to Mortgaged Properties" (e.g., description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting), we believe origination and underwriting disclosures with respect to processing and monitoring activities would be valuable; however, providing disclosures regarding how risks may affect origination models and the valuation of collateral would require further clarity from the ISSB, and may be too premature and not decision-useful for investors and other stakeholders. ▪ Insurance • We recommend that the ISSB not mandate this sector-specific requirement until IFRS 17 is fully implemented into the entity's financial disclosure. Otherwise, this may cause comparability and consistency issues. • We have the following concerns regarding the physical risk metrics: o They are too granular, such that the outputs will not result in material, decision-useful information for users. o Some of the information requested is confidential and proprietary, and thus does not warrant disclosure as it would put entities at a competitive disadvantage. ▪ For example, we are concerned that the proposed level of granularity for probable maximum loss (PML) may lead to disclosure of sensitive, detailed business position information. For smaller insurers, such levels of disclosure may provide data that allows competitors to identify specific geographical regions where these smaller players are concentrated. We advocate removing granularity (gross/net split and event split) requirements in the public disclosure space. If needed for risk monitoring purposes, it should only be disclosed privately to regulators instead. o Probable Maximum Loss Catastrophe models currently used by many insurance entities are based on existing weather patterns, most of which have not been overlaid with specific climate change-related risk factors. Furthermore, these models are more related to stress-testing in nature (i.e., short-term severe shock) and are

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not compatible with climate-related scenario analysis. Mandating such disclosure in the near term may not provide additional benefits for a climate-resiliency assessment.

- Models may not exist in the industry for some of the noted catastrophe events (e.g., tsunamis, extreme heat, etc.).
- Some of the information requested is not yet available as entities are not yet in their maturity with respect to the information (e.g., FN-IN-450a.3, section 2.1, physical risks from changing frequencies and intensities of weather-related perils, etc.).
- Furthermore, the purpose of catastrophe (CAT) modelling is broader than just climate, and the approach looks at the past to predict effects in the short-term horizon. In contrast, scenario analysis is solely focused on climate, and the approach involves forward-looking information and making projections about the future (longer-term).

- Transition risk metrics
    - We are concerned with the level of granularity required for certain metrics in the industry-specific disclosure requirements Appendix B):
        - Commercial Banks
            - There is a requirement related to gross exposures for carbon-related industries (FN-CB-1). We believe the scope of the requirement is too broad and does not align with current methodologies of calculations. We do not believe the gross exposure of derivatives should be in scope, nor should the granularity required by the metrics (e.g., % of total gross exposure for each carbon-related industry), as it would not result in material, decision-useful information for investors and other stakeholders. Furthermore, we recommend alignment on the definitions of carbon-related/intensive industries (section 1.4.1) and encourage the ISSB to work with industry groups (i.e., NZBA, TCFD, etc.) and regulators (i.e., SEC, CSA, etc.) on developing harmonized guidance and disclosure requirements. Further, the classification standard noted in section 1.4.2 (GICs) should allow for greater flexibility in line with the October 2021 TCFD guidance, where SIC, NAICS, and NASCE are permitted. Finally, it would be helpful to get clarity on the broad category of GIC codes that should be in scope for these metrics, as that would allow for greater transparency and comparability.

(k) Are there any additional industry-based requirements that address climate-related risks and opportunities that are necessary to enable users of general-purpose financial reporting to assess enterprise value (or are some proposed that are not)? If so, please describe those disclosures and explain why they are or are not necessary. (p. 27)

Please see our detailed comments above in response to Question 9 for further details regarding our views on certain industry-based metrics.

CBA Members' Comments and Requests for Clarification
(I) In noting that the industry classifications are used to establish the applicability of the industry-based disclosure requirements, do you have any comments or suggestions on the industry descriptions that define the activities to which the requirements will apply? Why or why not? If not, what do you suggest and why? (p. 27)
Mandating the use of one classification code (GICS) will be costly for many organizations. Different organizations from different jurisdictions may follow different sets of classification systems (NAICS, SIC, NASCE, etc.). We recommend that the ISSB allow entities the flexibility to continue using those local classifications if they are comparable to the GICS. In addition, organizations should be given flexibility regarding the versions of classifications they use, as some version updates can be costly and immaterial, with little marginal benefit.
Question 12 - Costs, benefits and likely effects
(a) Do you have any comments on the likely benefits of implementing the proposals and the likely costs of implementing them that the ISSB should consider in analysing the likely effects of these proposals? (p. 28)
We encourage the ISSB to conduct a thorough and rigorous cost-benefit analysis as part of its requirements process, particularly with respect to assessing costs for banking organizations. The ISSB largely does not quantify benefits and the benefits that are discussed are highly speculative, whereas the ISSB undercounts costs. We would like to suggest that when the ISSB proposes new metrics or qualitative information for disclosure, it should consider materiality, decision-usefulness, and comparability as this will help to facilitate a robust disclosure framework.
(b) Do you have any comments on the costs of ongoing application of the proposals that the ISSB should consider? (p. 28)
If disclosures are required at the same time as Canadian banks financial reporting, there may be significant costs to entities, as currently ESG disclosures require significant time for preparation that does not allow for simultaneous publication with general-purpose financial reporting. We disagree with the proposed ISSB requirement to publish climate-related disclosures at the same time as financial statement disclosures. Rather, we request that the ISSB allow for jurisdictional regulators to determine the appropriate timeframe for climate-related disclosures (e.g., OSFI is allowing climate-related disclosures to be published 180 days after year-end).
(c) Are there any disclosure requirements included in the Exposure Draft for which the benefits would not outweigh the costs associated with preparing that information? Why or why not? (p. 28)
Below are some examples where we identified that the cost of disclosure outweighs the benefits to investors and other stakeholders:

CBA Members' Comments and Requests for Clarification
(a) Please see our response to Question 11(j) above regarding the granular requirements for insurance PML disclosure, which do not contain climate change-related risk factors. Please also see our response to Question 11(l) above, regarding mandating GICS codes. We do not believe the potential benefits of these proposed requirements would outweigh their costs. (b) Disclosing scope 1 and 2 GHG emissions (and certain scope 3 categories) by subsectors (e.g., commercial banking, investment banking, insurance, etc.) would require significant capacity and estimation. We do not believe that this information will be useful to investors and other stakeholders given that we measure and manage our GHG emissions at the organizational level. (c) Disclosing GHG emissions for associates, joint ventures, and unconsolidated subsidiaries would also require significant capacity and estimation. We do not believe that this information will be useful to investors and other stakeholders and will lead to double-counting. Please also see our response to 9(e). (d) Disclosing financed and facilitated emissions for all business activities/subsectors would result in significant costs for limited benefit given that our transition plans will be focused on the most material parts of our portfolio.
Question 13 - Verifiability and enforceability
Are there any disclosure requirements proposed in the Exposure Draft that would present particular challenges to verify or to enforce (or that cannot be verified or enforced) by auditors and regulators? If you have identified any disclosure /requirements that present challenges, please provide your reasoning. (p. 28)
• We request that the ISSB consider potential challenges in the verifiability and enforceability of some third-party ESG data that entities use in preparing their sustainability-related disclosures. For example, many entities choose green or sustainable investments based on ESG ratings provided by rating agencies or market data providers and report them as investment assets. Another example where the same verifiability and enforceability concerns arise is the use of a third-party data provider to obtain data on an entity's GHG emissions, production, etc. for the purpose of calculating Scope 3 financed and facilitated emissions. • We support an approach that is not prescriptive, regarding the verification needed by an entity. However, to give entities greater certainty, the ISSB should provide additional information regarding which verification standards would be acceptable.
Question 14 - Effective date
(a) Do you think that the effective date of the Exposure Draft should be earlier, later or the same as that of [draft] IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information? Why? (p. 29)
• We recommend that some parts of the exposure drafts be delayed to align with the timing of the implementation of the other exposure drafts they rely upon (i.e., IFRS 17 and PCAF methodology development for other asset classes).

CBA Members' Comments and Requests for Clarification
(b) When the ISSB sets the effective date, how long does this need to be after a final Standard is issued? Please explain the reason for your answer including specific information about the preparation that will be required by entities applying the proposals in the Exposure Draft. (p. 29)
The ISSB should take into consideration the content and timelines of the final standards of other regulatory requirements (i.e., CSA, OSFI, SEC, etc.) in order to allow for a harmonized approach for the effective dates of multiple standards for entities.
(c) Do you think that entities could apply any of the disclosure requirements included in the Exposure Draft earlier than others? (For example, could disclosure requirements related to governance be applied earlier than those related to the resilience of an entity's strategy?) If so, which requirements could be applied earlier and do you believe that some requirements in the Exposure Draft should be required to be applied earlier than others? (p. 29)
Yes, we would be supportive of a phased-in approach, where qualitative requirements around governance, risk management, etc. could be disclosed sooner than quantitative requirements, given the maturity of various entities and the need to further develop internal capabilities for quantitative measurement in light of evolving industry methodological approaches and standards.
Question 15 - Digital reporting
Do you have any comments or suggestions relating to the drafting of the Exposure Draft that would facilitate the development of a Taxonomy and digital reporting (for example, any particular disclosure requirements that could be difficult to tag digitally)? (p. 30)
The ISSB should take care to avoid application of taxonomies that are markedly different from existing taxonomies or that impose difficult requirements. Many taxonomies exist across the SASB, TCFD, GRI, and other standards, and the ISSB should seek to harmonize and coordinate any promulgated taxonomy with those that already exist and are in use by entities.
Question 16 - Global baseline
Are there any particular aspects of the proposals in the Exposure Draft that you believe would limit the ability of IFRS Sustainability Disclosure Standards to be used in this manner? If so, what aspects and why? What would you suggest instead and why? (p. 30)
In order to achieve harmonization and the development of a true global baseline, we encourage the ISSB to work with international regulators (i.e., CSA, OSFI, SEC, etc.) to resolve areas of divergence per the proposed guidance, as this will help with this objective and result in greater transparency and comparability across disclosures.
Question 17 - Other comments

CBA Members' Comments and Requests for Clarification
Do you have any other comments on the proposals set out in the Exposure Draft? (p. 30)
No comments.