

JURISDICTIONAL SNAPSHOT: Canada



‘Canadian Sustainability Disclosure Standards provide Canadian organizations a framework for sustainability-related disclosures that align with the ISSB standards, a global reporting baseline. The Canadian Sustainability Standards Board remains committed to supporting the adoption of these standards in Canada.’

Canadian Sustainability Standards Board

The IFRS Foundation is providing this high-level overview of the regulatory approach the jurisdiction has proposed or indicated it intends to take for the adoption or other use of ISSB Standards (including local sustainability-related disclosure requirements (or standards) designed to deliver functionally aligned outcomes to those resulting from the application of IFRS S1 and IFRS S2). The IFRS Foundation has undertaken a preliminary review of the proposed regulatory framework. The final jurisdictional approach may differ from the preliminary summary provided herein. This overview may therefore differ from content the IFRS Foundation may publish in a future jurisdictional profile, including as a result of additional information or changes made by a jurisdiction in finalising its regulatory approach to sustainability-related reporting.

Regulatory stage	<p>In progress.</p> <p>The Canadian Sustainability Standards Board (CSSB) finalised and issued the Canadian Sustainability Disclosure Standards (CSDSs) in December 2024.</p> <p>The CSSB's Standards are voluntary unless mandated by applicable legislation or by relevant regulators.</p> <p>For the CSDSs to become mandatory disclosures under securities legislation in any jurisdiction of Canada, the CSDSs would need to be incorporated into the securities legislation of that jurisdiction.</p> <p>The Canadian Securities Administrators (CSA) announced in April 2025 that it is pausing work on a climate-related disclosures rule that would consider standards issued by the CSSB, including any modifications considered appropriate for the Canadian capital markets. The CSA's April 2025 announcement noted that securities legislation already requires issuers to disclose material climate-related risks affecting their business in the same way that issuers are required to disclose other types of material information. The CSA noted that the CSSB's Standards provide a useful voluntary disclosure framework for sustainability and climate-related disclosure that issuers are encouraged to refer to when preparing disclosures.</p>
Relevant authority or authorities	<p>Standard-setter: Canadian Sustainability Standards Board (CSSB)</p> <p>Securities regulators: Canadian Securities Administrators (CSA)</p> <p>Prudential regulators: Office of the Superintendent of Financial Institutions (OSFI) and Autorité des marchés financiers (Québec) (AMF)</p> <p>Corporate regulators: Federal and provincial governments</p>

Proposed requirements

Name of framework or standards	<p>Canadian Sustainability Disclosure Standards (CSDSs).</p> <p>These include CSDS 1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i> and CSDS 2 <i>Climate-related Disclosures</i>.</p> <p>CSDS 1 and CSDS 2 align with IFRS S1 and IFRS S2, but with transition relief modifications and a jurisdictional modification (see details below). All provisions in ISSB Standards will come into effect following the expiration of provided transition relief (see section on <i>Extension of transition reliefs</i>).</p>
Date when requirements are proposed to become effective	<p>CSSB's Standards have an effective date of 1 January 2025 on a voluntary basis.</p> <p>No date for mandatory reporting has been established by securities authorities.</p>
Reporting entities	<p>The CSDSs apply to all reporting entities on a voluntary basis. The reporting entities subject to mandatory adoption of the CSDSs have not yet been determined by the applicable Canadian authorities.</p>
Required or permitted	<p>Permitted (see <i>Regulatory Stage</i> section above).</p>
Focus	<p>Existing and potential investors, lenders and other creditors</p>
Scope of sustainability-related risks and opportunities on which entities must report	<p>Subject to the extension of transition reliefs, the CSDSs provide a framework for entities to report on a voluntary basis on all sustainability-related risks and opportunities.</p> <p>Although its project is currently paused, the CSA previously indicated that it was considering a climate-first approach and therefore was focusing on the requirements in the CSDSs that would be necessary to support a climate-related disclosure rule.</p>
Materiality filter for disclosures	<p>Disclosures under the CSDSs are subject to materiality.</p> <p>The definition of 'material information' in the CSDSs is the same as in ISSB Standards.</p>
Timing, location and reporting entity	<p>The requirements in the CSDSs are aligned with ISSB Standards.</p> <p>In relation to the timing of reporting under the CSDSs, the requirements will be aligned with those in the ISSB Standards once the transition relief allowing an entity to report its sustainability-related financial disclosures after it publishes its related financial statements expires (see section on <i>Extension of transition reliefs</i>).</p>

Extension of transition reliefs	<p>The CSDSs include the following extensions to the transition reliefs in IFRS S1 and IFRS S2:</p> <ul style="list-style-type: none"> • In addition to the one-year relief included in IFRS S1, the CSSB has extended this relief for two additional years (three years in total) in which the entity is not required to align the timing to report sustainability-related financial disclosures with the timing of the related financial statements. In the first annual reporting period in which an entity applies the CSDSs, the entity is permitted to report its sustainability-related financial disclosures within nine months of the end of the annual reporting period. In the second and third reporting periods, the entity is permitted to report its sustainability-related financial disclosures within six months of the end of the annual reporting period. • In addition to the one-year relief included in IFRS S1, the CSSB has extended this relief for one additional year (two years in total) in which the entity is permitted to disclose information on only climate-related risks and opportunities in accordance with IFRS S2. • In addition to the one-year relief included in IFRS S2, the CSSB has extended this relief for two additional years (three years in total) in which the entity is not required to report on Scope 3 greenhouse gas emissions.
Jurisdictional modifications from requirements in ISSB Standards	<p>In addition to the extensions of transition reliefs included in IFRS S1 and IFRS S2 described in the section on <i>Extensions of transition reliefs</i>, the CSSB has included a transition relief to allow reporting entities not to report on the quantitative aspects of scenario analysis in the first three annual reporting periods.</p>
Additional disclosure requirements	<p>Not applicable.</p>
Assurance requirements	<p>Under consideration.</p>
Further information	<p>In February 2025, Canada's Office of the Superintendent of Financial Institutions (OSFI) announced updates to its Guideline B-15: Climate Risk Management, which applies to federally regulated financial institutions. The updates ensure interoperability with corresponding requirements of the CSSB's standards. The B-15 Guideline sets out OSFI's governance and risk management expectations for climate-related risks and its expectations for the disclosure requirements of climate-related risks.</p> <p>In March 2025, the Autorité des marchés financiers (Québec) (AMF) revised its Climate Risk Management Guideline, which applies to provincially regulated financial institutions in Québec. The Climate Risk Management Guideline sets out specific expectations on governance, integrated risk management, climate scenarios and stress testing, capital and liquidity adequacy, fair treatment of clients and climate-related financial disclosures. The expectations on climate-related financial disclosures are largely based on the corresponding requirements of the CSSB's standards.</p> <p>Guideline B-15: Climate Risk Management issued by OSFI and the Climate Risk Management Guideline issued by the AMF both establish climate-related disclosure expectations for regulated financial institutions subject to those guidelines.</p> <p>Canadian securities regulators statement on proposed sustainability disclosure standards and ongoing climate consultation</p>

	CSA update on approach to climate-related disclosure project
Relevant document(s)	<p>CSDS 1 and CSDS 2 and their accompanying Bases for Conclusions are available in the CPA Canada Handbook – Sustainability</p> <p>Summary of modifications to IFRS S1 and IFRS S2</p> <p>CSSB resource on release of Canadian Sustainability Disclosure Standards (CSDS 1 and CSDS 2)</p>