Toronto Stock Exchange (TSX): Sustainability Highlights
Owned and operated by TMX Group Limited (TSX: X)
Country: Canada
Regulatory Body: Ontario Securities Commission (OSC)

Guidance, Training or Other Work with Issuers on ESG

- Since 2011, has held ongoing, half-day workshops for TSX issuers: "**Exploring Environmental & Social Disclosure"**
  - Description: "In October 2010, the Canadian Securities Administrators issued CSA Staff Notice 51-333 *Environmental Reporting Guidance*....TSX staff, along with the local securities regulatory authorities, will explore this Staff Notice and help issuers understand what information about both environmental and social issues must be disclosed and how issuers can enhance that disclosure to address the interest of their security holders."
  - Marketed in partnership with the Finance and Sustainability Initiative
- Similar workshops are provided on understanding corporate governance disclosure requirements
- Disclosure resources on website include:
  - Under TSX Issuer Resources -- Listings -- Continuous Disclosure -- Environmental & Social Disclosure -- New:
    - ***CSA Staff Notice*: *51-333 - Environmental Reporting Guidance*** ("This guidance identifies where requirements for disclosure exist, discusses materiality and provides examples of 'entity-specific' disclosure."): http://www.osc.gov.on.ca/en/29620.htm
    - ***Primer for Environmental & Social Disclosure*** ("An overview of selected resources that issuers may find useful to better understand their disclosure requirements, learn about voluntary reporting initiatives and be aware of the drivers for environmental and social information by institutional investors."): http://www.tmx.com/en/pdf/A-Primer-for-Environmental-and-Social-Disclosure.pdf
    - ***Canadian Institute of Chartered Accountants (CICA) Sustainability Publications and Activities*** ("A collection of CICA publications and articles with respect to sustainability reporting."): http://www.cica.ca/focus-on-practice-areas/sustainability/cica-publications-and-activities/item61319.aspx
  - TMX Learning Academy lists an Integrated Reporting Luncheon in its upcoming Seminars, and the page's section on Guidance from Certified Professional Accountants of Canada (CPA Canada) includes links to CICA resources on Governance, Strategy and Risk, and Sustainability.
  - April 2010 Issuer Update addresses sustainability disclosure: http://www.tmx.com/en/pdf/issuer_update_april2010.pdf

ESG Indices

- S&P/TSX Clean Technology Index

- http://www.tmx.com/en/listings/sector_profiles/clean_technology.html
- Launched in March 2010, the constituents included in the index are screened by Sustainalytics
- According to Standard & Poors, in order to be included in the index, "a company must generate 50% or more of its revenue from products or services focused on reducing or eliminating negative ecological impacts, while at the same time improving the productive and responsible use of natural resources."

- According to *SUSTAINABLE STOCK EXCHANGES: A Report On Progress - A Paper Prepared for the Sustainable Stock Exchanges 2012 Global Dialogue*,[1] TSX is investigating market interest for a general sustainability index.

Sustainable Governance / Other

- **TSX Governance Requirements: Amendments to Part IV of the TSX Company Manual** (effective Dec. 31, 2012)
  - Companies will be required to elect directors individually and annually, disclose the votes for directors, and report whether they have a majority voting policy for uncontested director elections.
  - Fall 2012: TSX sought comments on proposed amendments to the TSX Company Manual that would require issuers to have majority voting for uncontested director elections.
- OSC proposal that would impact TSX issuers: **OSC Staff Consultation Paper 58-401 *Disclosure Requirements Regarding Women on Boards and in Senior Management***
  - In July 2013, the OSC launched a 60-day comment period on a proposal that would require TSX issuers to provide disclosure regarding women on boards and in senior management in Ontario

Sustainability Reporting

None

Links to Key Documents

TMX Group Limited 2012 Annual Information Form:
http://www.tmx.com/en/pdf/TMX-Group-Annual-Info-Form.pdf

Board Charter:
http://www.tmx.com/en/pdf/TMXGroupBoardCharter_m.pdf

Board Code of Conduct:
http://www.tmx.com/en/pdf/TMXGroupBoardConduct.pdf

[1] Responsible Research, now Sustainalytics; Commissioned by Aviva Investors. Available online at http://www.unglobalcompact.org/docs/issues_doc/Financial_markets/Sustainable_Stock_Exchanges.pdf

A Capital Opportunity*: *Mining (TMX Group's 2013 mining presentation states that TMX Group's equity exchanges list the most mining companies in the world): http://www.tmx.com/en/pdf/Mining_Presentation.pdf

A Capital Opportunity: A Global Market for Oil & Gas Companies (TMX Group's 2013 oil & gas presentation states that TMX Group's equity exchanges rank #1 in listed oil & gas companies globally and #1 in listed energy services companies globally): http://www.tmx.com/en/pdf/OilGas_Presentation.pdf

Participation in Key Initiatives

- Member of the World Federation of Exchanges (WFE); Thomas Kloet, CEO of TMX Group, is Vice Chairman of the WFE Board of Directors.
- CDP: TMX Group's 2012 Carbon Disclosure Score was 84, and is part of the 2012 Canada 200 Carbon Disclosure Leadership Index. TMX Group supported the CDP 2011 Canada Report, and Robert Peterman from TMX Group served as an Advisory Council Member for the CDP 2011 Canada Report.
- Founding supporter of the MaRS Centre for Impact Investing (opened in 2011).

Convened Events

- TSX and Sustainable Development Technology Canada (SDTC) held Cleantech Investor Days for Cleantech companies in May 2009 and October 2008
- Global Reporting Initiative (GRI): Hosted the Official G4 Launch in Canada in June 2013. TSX hosted GRI Master Classes, as part of the GRI Canada Conference, in October 2012.