Departmental Sustainable Development Strategy

Title	2024 to 2025 Departmental Sustainable Development Strategy Report
Date	October 31, 2025

Introduction to the 2024 to 2025 Departmental Sustainable Development Strategy Report

The 2022 to 2026 Federal Sustainable Development Strategy (FSDS) presents the Government of Canada's sustainable development goals and targets, as required by the *Federal Sustainable Development Act*. This is the first FSDS to be framed using the 17 Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda and provides a balanced view of the environmental, social, and economic dimensions of sustainable development.

In keeping with the purpose of the Act, to make decision-making related to sustainable development more transparent and accountable to Parliament, the Office of the Superintendent of Financial Institutions (OSFI) supports the goals laid out in the FSDS through the activities described in OSFI's 2023 to 2027 Departmental Sustainable Development Strategy (DSDS). This Report provides a report on progress related to OSFI's DSDS in the fiscal year 2024 to 2025.

The *Federal Sustainable Development Act* also sets out 7 principles that must be considered in the development of the FSDS as well as DSDSs. These basic principles have been considered and incorporated in OSFI's DSDS and 2024 to 2025 DSDS Report.

To promote coordinated action on sustainable development across the Government of Canada, OSFI's departmental strategy reports on Canada's progress towards implementing the 2030 Agenda and advancing the SDGs, supported by the Global Indicator Framework (GIF) and Canadian Indicator Framework (CIF) targets and

indicators. The Report also now captures progress on SDG initiatives that fall outside the scope of the FSDS.

Commitments for Office of the Superintendent of Financial Institutions

Federal Sustainable Development Strategy 17 Sustainable Development Goals:

1. No poverty
2. Zero hunger
3. Good health and well-being
4. Quality education
5. Gender equality
6. Clean water and sanitation
7. Affordable and clean energy
8. Decent work and economic growth
9. Industry, innovation and infrastructure
10. Reduced inequalities *
11. Sustainable cities and communities
12. Responsible consumption and production *
13. Climate action *
14. Life below water
15. Life on land
16. Peace, justice and strong institutions
17. Partnerships for the goals

*OSFI's mandate supports three FSDS SDGs.

Goal 10: Advance reconciliation with Indigenous Peoples and take action on inequality

FSDS Context: OSFI undertakes deliberate actions on a number of fronts to implement the Call to Action on Anti-racism, Equity, and Inclusion and to combat racism, bolster diversity and equity, while fostering inclusion. Through the implementation of the Diversity, Equity and Inclusion Action Plan, we are well on our way to achieving a diverse and representative workforce. In fact, we have surpassed the workforce availability target for women, persons with disabilities, and members of a visible minority, and are actively working to increase representation of Indigenous Peoples. We support the Government of Canada's commitment to increase opportunities for First Nations, Inuit, and Métis businesses through the federal procurement process. Through the Blueprint for OSFI's Transformation 2022 - 2025, we have committed to advancing diversity, equity, and inclusion initiatives at all levels of the organization for Indigenous Peoples and other equity-seeking groups.

Target theme: Advancing reconciliation with First Nations, Inuit, and the Métis communities

Target: Between 2023 and 2026, and every year on an ongoing basis, develop and table annual progress reports on implementing the *United Nations Declaration on the Rights of Indigenous Peoples Act* (Minister of Justice and Attorney General of Canada)

Implementation strategy: Implement the *United Nations Declaration on the Rights of Indigenous Peoples Act*

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Support the Government of Canada's commitment that a mandatory minimum target of 5% of the total value of contracts is awarded to Indigenous businesses. **Program:** Internal Services	**Performance indicator:** Percentage of contracts with Indigenous businesses **Starting point:** 6% as of March 31, 2023 **Target:** 5% (annual)	This action encourages economic reconciliation with Indigenous Peoples and will contribute to improved socioeconomic outcomes by increasing opportunities for First Nations, Inuit, and Métis businesses through the federal procurement process. This action contributes to the economic rights outlined in the UN Declaration. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies and action in this regard	**Indicator result:** OSFI awarded 7.44% of contracts to Indigenous businesses in 2024-25. **Notes:** OSFI continues to emphasize the use of qualified Indigenous suppliers, particularly for IT hardware and furniture requirements. When running competitive procurement processes for professional services, invitations are extended to Indigenous suppliers where capacity is identified.

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Contribute to reconciliation with Indigenous Peoples and the 94 Calls to Action of the Truth and Reconciliation Commission. **Program:** Internal Services	**Performance indicator:** Co-create the OSFI Reconciliation Action Plan with Indigenous partners and employees **Starting point:** New program **Target:** Plan is created by April 30, 2025	Public servants are in a unique position to help build respectful relationships with Indigenous Peoples in Canada. These actions encourage public service employees to increase their cultural competencies and awareness of issues related to First Nations, Inuit, and Métis in Canada, and their knowledge of the UN Declaration. These actions contribute to the development of necessary cultural competency knowledge and skills to implement the UN Declaration. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies and action in this regard	**Indicator result:** No result available. **Notes:** This work was reprioritized in fiscal year 2024-25 due to resource levels.

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Offer the Kairos Blanket Exercise to OSFI employees to increase understanding of Indigenous history in Canada. **Program:** Internal Services	**Performance indicator:** Percentage of employees who participate in the Kairos Blanket Exercise **Starting point:** 23.51% as of March 31, 2023 **Target:** 90% of employees have completed the training by March 31, 2026	Public servants are in a unique position to help build respectful relationships with Indigenous Peoples in Canada. These actions encourage public service employees to increase their cultural competencies and awareness of issues related to First Nations, Inuit, and Métis in Canada, and their knowledge of the UN Declaration. These actions contribute to the development of necessary cultural competency knowledge and skills to implement the UN Declaration. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies and action in this regard	**Indicator result:** No result available. **Notes:** This course was not offered internally during the 2024-25 fiscal year. OSFI has however promoted it as part of a broader message on diversity, equity, and inclusion and employment equity learning series. We will continue to promote participation through the Canada School of Public Service (CSPS).

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Provide Indigenous cultural competency training. **Program:** Internal Services	**Performance indicator:** Percentage of staff who have completed Indigenous cultural competency training (internal or external) **Starting point:** 5.58% as of March 31, 2023 **Target:** 90% of employees have completed the training by March 31, 2026	Public servants are in a unique position to help build respectful relationships with Indigenous Peoples in Canada. These actions encourage public service employees to increase their cultural competencies and awareness of issues related to First Nations, Inuit, and Métis in Canada, and their knowledge of the UN Declaration. These actions contribute to the development of necessary cultural competency knowledge and skills to implement the UN Declaration. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies and action in this regard	**Indicator result:** 2.46% of employees took courses related to Indigenous learning available at the Canada School of Public Service during the 2024-25 fiscal year, continuing our efforts from 2023-24.

Target theme: Taking action on inequality

Target: Each year, the federal public service meets or surpasses the workforce availability for women, Indigenous persons, persons with a disability, and members of a visible minority (President of the Treasury Board)

Implementation strategy: Advance gender equality in the Government of Canada

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Establish the Pay Equity Committee to develop a Pay Equity Plan for OSFI by September 2024. Update employment systems and identify and reduce barriers. **Program:** Internal Services	**Performance indicator:** The Pay Equity Plan is presented to the Superintendent of Financial Institutions **Starting point:** Project is underway **Target:** Presentation by September 30, 2024	This action promotes equality across the federal government through measures such as advancing a modernized senior leadership strategy for the federal public service that reinforces equity, diversity, and inclusion in leadership culture; advancing the implementation of the *Pay Equity Act* across federal public service workplaces; and continuing to take action to ensure that federal public service workplaces are free from harassment and violence. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	**Indicator result:** No result available. **Notes:** This work is temporarily suspended. A draft Pay Equity Plan was shared with employees in June 2024. However, following the consultation period and a third party review of the draft plan, it was determined that additional work was required. OSFI therefore sought an extension of the deadline to publish its final Plan and is awaiting decisions from the Office of the Pay Equity Commissioner on next steps.

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Conduct an annual self-identification campaign. **Program:** Internal Services	**Performance indicator:** Percentage of employees who have completed the self-identification questionnaire **Starting point:** 77% as of March 31, 2023 **Target:** 90% by March 31, 2026	This action promotes equality across the federal government through measures such as advancing a modernized senior leadership strategy for the federal public service that reinforces equity, diversity, and inclusion in leadership culture; advancing the implementation of the *Pay Equity Act* across federal public service workplaces; and continuing to take action to ensure that federal public service workplaces are free from harassment and violence. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	**Indicator result:** As of March 31, 2025, 99% of employees completed the self-identification questionnaire.

Implementation strategy: Foster diversity, inclusion and accessibility in the federal public service

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Implement the Diversity, Equity and Inclusion Action Plan. **Program:** Internal Services	**Performance indicator:** Percentage of employees who are women **Starting point:** 51.6% as of March 31, 2023 **Target:** Meet or exceed most recent Labour Market Availability1 (2016: 48.20%) (annual)	This action fosters diversity, inclusion, and accessibility in the federal public service. Measures such as labour force representation, capacity building, and implementation strategies ensure that federal public service workplaces are diverse, inclusive, and accessible to all Canadians. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and actions in this regard	**Indicator result:** As of March 31, 2025, 50.8% of employees identified as women. **Notes:** In the 2024-25 fiscal year, the Canadian Labour Market Availability (LMA) data was updated to reflect the 2021 Census and 2022 Canadian Survey on Disability. The 2021 LMA for women is 48.2%. As such, OSFI's representation remains above the LMA.

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Identify targeted recruitment process for Indigenous Peoples. **Program:** Internal Services	**Performance indicator:** Percentage of employees who are Indigenous persons **Starting point:** 1.5% as of March 31, 2023 **Target:** Meet or exceed most recent Labour Market Availability[1] (2016: 4.0%) (annual)	This action fosters diversity, inclusion, and accessibility in the federal public service. Measures such as labour force representation, capacity building, and implementation strategies ensure that federal public service workplaces are diverse, inclusive, and accessible to all Canadians. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and actions in this regard	**Indicator result:** As of March 31, 2025, 1.6% of employees identified as being Indigenous peoples. **Notes:** In the 2024-25 fiscal year, the Canadian Labour Market Availability (LMA) data was updated to reflect the 2021 Census and 2022 Canadian Survey on Disability. The 2021 LMA for Indigenous peoples is 4.2%. As such, OSFI's representation remains below the LMA.

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Identify targeted recruitment process for persons with disabilities. **Program:** Internal Services	**Performance indicator:** Percentage of employees who are persons with a disability **Starting point:** 9.4% as of March 31, 2023 **Target:** Meet or exceed most recent Labour Market Availability1 (2016: 9.1%) (annual)	This action fosters diversity, inclusion, and accessibility in the federal public service. Measures such as labour force representation, capacity building, and implementation strategies ensure that federal public service workplaces are diverse, inclusive, and accessible to all Canadians. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and actions in this regard	**Indicator result:** As of March 31, 2025, 10.2% of employees identified as persons with disabilities. **Notes:** In the 2024-25 fiscal year, the Canadian Labour Market Availability (LMA) data was updated to reflect the 2021 Census and 2022 Canadian Survey on Disability. The 2021 LMA for persons with disabilities is 12.3%. Although OSFI's representation is below the updated LMA, we have maintained representation at 10.2%.

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Increase representation of persons who are a member of a visible minority at OSFI based on previous years' self identification stats (June 2023). **Program:** Internal Services	**Performance indicator:** Percentage of employees who are members of a visible minority **Starting point:** 41.62% as of March 31, 2023 **Target:** Meet or exceed most recent Labour Market Availability1 (2016: 21.3%) (annual)	This action fosters diversity, inclusion, and accessibility in the federal public service. Measures such as labour force representation, capacity building, and implementation strategies ensure that federal public service workplaces are diverse, inclusive, and accessible to all Canadians. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and actions in this regard	**Indicator result:** As of March 31, 2025, 44.8% of employees identified as members of visible minorities. **Notes:** In the 2024-25 fiscal year, the Canadian Labour Market Availability (LMA) data was updated to reflect the 2021 Census and 2022 Canadian Survey on Disability. The 2021 LMA for members of visible minorities is 26.8%. As such, OSFI's representation remains above the LMA.

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Deliver foundational training on diversity, equity, and inclusion (DEI) to all employees. **Program:** Internal Services	**Performance indicator:** Percentage of employees who complete the DEI foundational training **Starting point:** New Program – 0% as of March 31, 2023 **Target:** 90% of employees have completed the training by March 31, 2026	This action fosters diversity, inclusion, and accessibility in the federal public service. Measures such as labour force representation, capacity building, and implementation strategies ensure that federal public service workplaces are diverse, inclusive, and accessible to all Canadians. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and actions in this regard	**Indicator result:** Results will be available in fiscal year 2025-26. **Notes:** The content for the DEI foundational training program requires an update prior to being made available on OSFI's Learning Management System.

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Provide people leaders with unconscious bias training. **Program:** Internal Services	**Performance indicator:** Percentage of people leaders who have completed the Canada School of Public Service Inclusive Hiring Practices for a Diverse Workforce **Starting point:** 58% as of March 31, 2023 **Target:** 100% of people leaders have completed the training by March 31, 2026	This action fosters diversity, inclusion, and accessibility in the federal public service. Measures such as labour force representation, capacity building, and implementation strategies ensure that federal public service workplaces are diverse, inclusive, and accessible to all Canadians. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians live free of discrimination and inequalities are reduced **CIF Indicator:** N/A **GIF Target:** 10.3 Ensure equal opportunity and reduce inequalities of outcome, including through eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and actions in this regard	**Indicator result:** 3.6% of people leaders completed Inclusive Practices for a Diverse Workforce training with the Canada School of Public Service in 2024-25. This brings the total of people leaders having completed the course to 58%. **Notes:** The number of people leaders fluctuates from one year to another. The calculation used for the 2024-25 result was: percentage of people leaders who completed the course during the fiscal year over total number of people leaders. The calculation used for the total cumulative result was: total number of people leaders who completed the training since 2022-23 over total number of people leaders as of March 31, 2025.

1 Labour Market Availability is based on data from Canada's Census of Population.

Goal 12: Reduce waste and transition to zero-emission vehicles

FSDS Context: As the supervisor and regulator of federally regulated financial institutions (FRFIs), we do not own or operate a fleet of vehicles or manufacture products. We also produce very little waste. In fact, before the COVID-19 pandemic, we implemented a number of measures to reduce waste on our premises, such as eliminating most of the printers to achieve a paperless office. Furthermore, we contribute to Goal 12 by applying responsible consumption in accordance with the federal Policy on Green Procurement. Through the process for competitive procurement, we apply environmental criteria in our purchasing decisions to encourage suppliers to adopt practices that minimize the environmental impact of the goods and services they deliver.

Target theme: Federal Leadership on Responsible Consumption

Target: The Government of Canada's procurement of goods and services will be net-zero emissions by 2050, to aid the transition to a net-zero, circular economy (All Ministers)

Implementation strategy: Strengthen green procurement criteria

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved

Ensure that all procurement and/or materiel management specialists complete the Canada School of Public Service Green Procurement course (C215) or equivalent and increase awareness of the Policy on Green Procurement as part of ongoing training programs offered to OSFI managers. **Program:** Internal Services	**Performance indicator:** Percentage of procurement and/or materiel management specialists who have completed training on green procurement **Starting point:** 100% as of March 31, 2023 **Target:** 100% (annual)	Green procurement incorporates environmental considerations into purchasing decisions and is expected to motivate suppliers to reduce the environmental impact of the goods and services they deliver and of their supply chains. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians consume in a sustainable manner **CIF Indicator:** 12.2.1 Proportion of businesses that adopted selected environmental protection activities and management practices **GIF Target:** 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities	**Indicator result:** 100% of the procurement specialists have completed training as of March 31, 2025. **Notes:** In June 2024, OSFI's contracting delegation was re-profiled to procurement specialists, with materiel management specialists being removed.

Ensure that the process for competitive procurements with an estimated value over $1 million includes evaluation criteria related to inducing suppliers to measure and disclose their GHG emissions and/or adopting a science-based target to reduce GHG emissions in line with the Paris Agreement as part of participating in the Net-Zero Challenge or in an equivalent initiative or standard. **Program:** Internal Services	**Performance indicator:** Percentage of competitive solicitations >$1 million that have incorporated green evaluation criteria **Starting point:** New program – 0% as of March 31, 2023 **Target:** 90% by March 31, 2026	Green procurement incorporates environmental considerations into purchasing decisions and is expected to motivate suppliers to reduce the environmental impact of the goods and services they deliver and of their supply chains. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians consume in a sustainable manner **CIF Indicator:** 12.2.1 Proportion of businesses that adopted selected environmental protection activities and management practices **GIF Target:** 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities	**Indicator result:** No result available. **Notes:** At this time, OSFI has not yet incorporated green evaluation criteria into competitive solicitations over $1 million. We recognize the importance of integrating environmental considerations into procurement, particularly for goods and services with a high environmental impact, as outlined in the Greening Government Strategy. Rather than developing criteria independently, we intend to align with the standardized guidance and tools developed by the Centre for Greening Government and other federal leads. We are currently assessing how best to implement this approach in a consistent and meaningful way across our procurement activities.

Train managers who make procurement decisions and implement procurement plans, and acquisition cardholders on green procurement options, strategies, and life-cycle considerations. **Program:** Internal Services	**Performance indicator:** Percentage of procurement planners who have received internal training / attended presentations on green procurement **Starting point:** New program – 0% as of March 31, 2023 **Target:** 95% by March 31, 2026	Green procurement incorporates environmental considerations into purchasing decisions and is expected to motivate suppliers to reduce the environmental impact of the goods and services they deliver and of their supply chains. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians consume in a sustainable manner **CIF Indicator:** 12.2.1 Proportion of businesses that adopted selected environmental protection activities and management practices **GIF Target:** 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities	**Indicator result:** No result available. **Notes:** We intend to align with training offered by the Canada School of Public Service (CSPS), and we are currently assessing how best to approach and align green procurement training within OSFI.

Leverage common use procurement instruments (standing offers, supply arrangement, etc.) that include environmental criteria or considerations, where feasible. **Program:** Internal Services	**Performance indicator:** Percentage of procurement leveraging common-use procurement instruments that include environmental criteria or considerations, relative to the total volume of procurement leveraging common-use procurement instruments **Starting point:** New program – Baseline information is not available **Target:** 90% by March 31, 2026	Green procurement incorporates environmental considerations into purchasing decisions and is expected to motivate suppliers to reduce the environmental impact of the goods and services they deliver and of their supply chains. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians consume in a sustainable manner **CIF Indicator:** 12.2.1 Proportion of businesses that adopted selected environmental protection activities and management practices **GIF Target:** 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities	**Indicator result:** 83% of common-use procurement instruments leveraged by OSFI included environmental criteria or considerations in 2024-25.

Goal 13: Take action on climate change and its impacts

FSDS Context: Meeting the 2030 emissions reduction target of 40 to 45% below 2005 levels and the 2050 net-zero target will require a great adjustment while Canada transitions to a low-carbon economy. Canada's financial system

will be a critical enabler of this adjustment. FRFIs and FRPPs must remain safe and sound to be able to play this role. OSFI contributes to this goal by ensuring that FRFIs and FRPPs address risks generally but also the physical and transition risks of climate change specifically. We are collaborating at the national and international levels on research regarding physical and transition risks related to climate change, and on identification and awareness, preparedness and response to climate risk and all-hazards events. Our dedicated Climate Risk Hub and Risk Assessment and Intervention Hub are spearheading new strategies, processes, resources, and tools that promote accountability and transparency regarding climate-risk action, and resilience to the impacts of climate change.

Target theme: Climate Change Mitigation and Adaption

Target: Achieve 40 to 45% greenhouse gas emission reductions below 2005 levels by 2030, and achieve net-zero greenhouse gas emissions by 2050 (Minister of Environment and Climate Change supported by all other Ministers)

Implementation strategy: Support climate change adaptation across Canada

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved

Engage with and build capacity and knowledge among FRFIs on climate risk management through the Climate Risk Forum. **Program:** Regulation and Guidance of Federally Regulated Financial Institutions	**Performance indicator:** Percentage of positive feedback from surveyed Climate Risk Forum participants **Starting point:** New product – The Climate Risk Forum was launched on June 19, 2023, and baseline figures are not available at this point **Target:** 60 - 80% (annual)	Canada's financial system will be a critical enabler to achieving Canada's net zero ambitions. OSFI has an obligation to ensure that FRFIs manage the risks that will accompany that adjustment. A key component of this is that FRFIs issue public disclosures about climate risk, as outlined in Guideline B-15. Public disclosure may encourage FRFIs to: • Understand and mitigate against potential impacts of climate-related risks to its business model and strategy; • Have appropriate governance and risk management practices to manage identified climate-related risks; • Remain financially resilient through severe, yet plausible, climate risk scenarios, and operationally resilient through disruption due to climate-related disasters. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians are well-equipped and resilient to face the effects of Climate change **CIF Indicator:** N/A **GIF Target:** 13.3 Improve education, awareness-raising	**Indicator result:** 83% of the Climate Risk Forum (CRF) participants surveyed said they were satisfied, or very satisfied with the events they attended in 2024-25. **Notes:** Over 1,000 participants attended each of the CRF events in 2024-25, including the Standardized Climate Scenario Exercise (SCSE) information sessions on: • Wildfire Weather Exposure Assessment • Flood Exposure Assessment • Climate Transition Risk for Commercial Exposures • Evaluation Report

Centralize access to climate risk information and disclosures by FRFIs on OSFI's website. **Program:** Regulation and Guidance of Federally Regulated Financial Institutions	**Performance indicator:** Percentage of in-scope FRFIs publishing climate-related financial disclosures in accordance with Annex 2.2 of Guideline B-15 on OSFI's website **Starting point:** New product – Public disclosures on OSFI's website are expected to be launched in 2025 **Target:** 100% by March 31, 2027	Canada's financial system will be a critical enabler to achieving Canada's net zero ambitions. OSFI has an obligation to ensure that FRFIs manage the risks that will accompany that adjustment. A key component of this is that FRFIs issue public disclosures about climate risk, as outlined in Guideline B-15. Public disclosure may encourage FRFIs to: • Understand and mitigate against potential impacts of climate-related risks to its business model and strategy; • Have appropriate governance and risk management practices to manage identified climate-related risks; • Remain financially resilient through severe, yet plausible, climate risk scenarios, and operationally resilient through disruption due to climate-related disasters. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians are well-equipped and resilient to face the effects of Climate change **CIF Indicator:** N/A **GIF Target:** 13.3 Improve education, awareness-raising	**Indicator result:** 100% of in-scope FRFIs reported in line with requirements. The 10 largest institutions in Canada (six Domestic Systemically Important Banks (D-SIBs) and four Internationally Active Insurance Groups (IAIGs)), that were expected to comply with Guideline B-15 in fiscal year 2025 have produced public disclosure reports. **Notes:** Smaller institutions will be phased in, with disclosures beginning in 2026.

Work with international partners and standard-setting bodies to inform policy decisions/actions. **Program:** Regulation and Guidance of Federally Regulated Financial Institutions	**Performance indicator:** Qualitative summary statement on OSFI's active participation in international standard-setting bodies related to financial sector climate risk **Starting point:** New program **Target:** OSFI will participate by being a member or chairing international forums and related working groups, and providing feedback on products being produced. (annual)	Canada's financial system will be a critical enabler to achieving Canada's net zero ambitions. OSFI has an obligation to ensure that FRFIs manage the risks that will accompany that adjustment. Working with international partners aids in the development of best practises. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians are well-equipped and resilient to face the effects of Climate change **CIF Indicator:** N/A **GIF Target:** 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	**Indicator result:** As of 2024-25, OSFI has been an active member of climate risk working groups within: • The Financial Stability Board • The Basel Committee on Banking Supervision Task Force on Climate-Related Financial Risk • The International Association of Insurance Supervisors Climate Risk Steering Group • Sustainable Insurance Forum • The Network for Greening the Financial System **Notes:** Active participation includes co-leading projects, contributing to publications and application papers, presenting OSFI's climate-risk approach to international members, and involvement in international industry outreach sessions.

Ensure that FRFIs are fit to manage the risks that will accompany that adjustment by including climate risk as a transverse risk in the Supervisory Framework, and have it contribute to the overall risk rating. **Program:** Risk Assessment and Intervention – Federally Regulated Financial Institutions	**Performance indicator:** Climate risk is included in the Supervisory Framework **Starting point:** Under the current Supervisory Framework, the risk matrix used to record risk assessments of regulated entities does not include climate risk as an evaluation factor **Target:** Climate risk is included in the Supervisory Framework as a transverse risk by April 1, 2024	Canada's financial system will be a critical enabler to achieving Canada's net zero ambitions. OSFI has an obligation to ensure that FRFIs manage the risks that will accompany that adjustment. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians are well-equipped and resilient to face the effects of Climate change **CIF Indicator:** N/A **GIF Target:** 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	**Indicator result:** Climate risk was included as a transverse risk category in OSFI's new Supervisory Framework which was released on February 8, 2024. The risk assessment package used internally in rating decision making now includes a section dedicated to climate risk. **Notes:** The new Supervisory Framework became effective on April 1, 2024.
Note: The target and/or metric may be revised in the future as more data and insights are collected.			

Target theme: Federal Leadership on Greenhouse Gas Emissions Reductions and Climate Resilience

Target: The Government of Canada will transition to climate resilient operations by 2050 (All Ministers)

Implementation strategy: Reduce risks posed by climate change to federal assets, services and operations

Departmental action	Performance indicator, starting point, target	How the departmental action contributes to the FSDS goal and target and, where applicable, to Canada's 2030 Agenda National Strategy and SDGs	Results achieved
Develop actuarial climate change scenarios and analysis. **Program:** Actuarial Valuation and Advice	**Performance indicator:** Number of statutory actuarial reports that include hypothetical climate change scenarios **Starting point:** 1 as of March 31, 2023 – The 31st Actuarial Report on the Canada Pension Plan **Target:** 3 reports by March 31, 2026	This action encourages national social security programs and public pension plans to consider the effect of climate change when planning for the future viability of the program. **Relevant targets or ambitions:** **CIF Ambition/Target:** Canadians are well-equipped and resilient to face the effects of Climate change **CIF Indicator:** N/A **GIF Target:** 13.2 Integrate climate change measures into national policies, strategies and planning	**Indicator result:** 1 report in 2024-25, for a cumulative total of 3 reports from 2022-23 to 2024-25. **Notes:** The Actuarial Report (20th) on the Pension Plan for the Public Service of Canada as at 31 March 2023 was published in November 2024, and it includes a section on climate change. The 32nd Actuarial Report on the Canada Pension Plan is set to be tabled in Q3 2025-26 (November or December 2025) and is on track.

Integrating Sustainable Development

OSFI will continue to ensure that its decision-making process includes consideration of FSDS goals and targets through its Strategic Environmental and Economic Assessment (SEEA) process. A SEEA for a policy, program or regulatory proposal includes an analysis of the climate, nature, environmental and economic effects of the given proposal.

Public statements on the results of OSFI's assessments are issued when an initiative that was the subject of a detailed Strategic Environmental and Economic Assessment is implemented or announced. The purpose of the public statement is to demonstrate that the environmental and economic effects, including contributions to the FSDS goals and targets, of an initiative have been considered during proposal development and decision making.

OSFI did not have any proposals subject to a detailed SEEA that were announced or implemented in 2024-25.