



VIA ONLINE SUBMISSION

June 1, 2026

European Commission

RE: Public Consultation on Revised European Sustainability Reporting Standards

Dear Members of the European Commission,

Thank you for the opportunity to provide feedback on the Revised European Sustainability Reporting Standards (ESRS 2.0). British Columbia Investment Management Corporation (BCI) is one of Canada's largest institutional investors, with C\$295 billion in gross assets under management as of March 31, 2025, and material holdings in European markets. We generate investment returns across a range of strategies and asset classes to help our institutional clients build a financially secure future. BCI has engaged consistently on sustainability disclosure including by submitting formal comments to [EFRAG on its Amended ESRS Exposure Drafts in September 2025](#) and participating in the ISSB's Investor Advisory Group. This submission builds on that prior feedback.

BCI supports the Commission's objective of reducing reporting burden while preserving high-quality, decision-useful sustainability information for capital markets. Improving interoperability between ESRS and the ISSB Standards is central to that objective. With almost 40 jurisdictions representing over 60% of global GDP¹ having adopted or announced plans to adopt ISSB standards, divergence between frameworks does not reduce total reporting burden, rather it redistributes the burden, creating complexity for multinational companies and data inconsistency for global investors. ESRS will increasingly serve as the de facto standard for multinational disclosure, and its coherence with ISSB Standards directly affects BCI's ability to assess risks across our global portfolio.

Areas of Alignment

The draft includes several important improvements that support interoperability with ISSB Standards and should be preserved in the final legislation. These include: quantitative disclosure of anticipated financial effects; improved transition plan disclosures linked to financial effects and strategy, aligned with IFRS S2; and the explicit permission to use IFRS industry-based guidance for entity-specific disclosures. The alignment of GHG reporting boundaries to permit either financial control or operational control approaches, consistent with the GHG Protocol and ISSB practice, is also a meaningful step forward. BCI supports these improvements and urges the Commission to ensure they remain intact through the final adoption process.

¹ IFRS Foundation, ISSB Sustainability Symposium 2025 — Key Takeaways, November 2025:
<https://www.ifrs.org/content/ifrs/home/news-and-events/news/2025/11/sustainability-symposium-2025-key-takeaways.html>

Areas of Divergence

The draft expands the scope for companies to omit commercially sensitive information beyond what is permitted under IFRS S1 and S2. Under ISSB standards, this relief applies narrowly to sustainability-related opportunities; the ESRS 2.0 draft extends it more broadly, with no ISSB counterpart. Similarly, the draft introduces a provision enabling companies not to disclose information about impacts, risks and opportunities related to investments held subject to fiduciary duty where the company does not retain the risks or rewards of ownership. This provision also has no equivalent in IFRS S1 or S2.

Both provisions risk undermining the availability of quantitative data that investors depend on for risk assessment, and create compliance divergences that companies must navigate when reporting under both frameworks. ESMA and the European Banking Authority raised related concerns in their February 2026 opinions^{2,3}, noting that several relief provisions go beyond or deviate from the IFRS/ISSB framework and risk undermining the availability of key quantitative data. BCI recommends limiting relief provisions to those with an equivalent scope in IFRS S1 or S2, and removing those that do not.

Recommendation: Two Targeted Amendments for Efficient Dual Compliance

For companies reporting under both ESRS and ISSB Standards, two targeted amendments would materially reduce compliance complexity without compromising the substance of either framework. BCI urges the Commission to consider both.

First, the Commission could provide explicit guidance that information disclosed to meet investor information needs (risks, opportunities, and enterprise value impacts) remains clearly identifiable and is not obscured within wider stakeholder-oriented disclosures. This is a prerequisite for investors to efficiently use ESRS-structured reports for capital allocation decisions. As a large institutional investor, BCI depends on this information being readily accessible; where it is not, the practical utility of ESRS reporting for investment analysis is significantly reduced.

Second, companies should be given the option to use a flexible presentation format that allows a single report or filing to satisfy both ESRS and ISSB structural requirements. ESRS organizes disclosures by topic (E, S, G), while IFRS S1/S2 organizes them by management function (governance, strategy, risk management, metrics). These structures cannot be fully reconciled without one framework being difficult to navigate. A flexible presentation format, an approach recommended by the IFRS Foundation, could resolve this without requiring companies to produce two separate reports. The Commission might also update the interoperability guidance to reflect the revised standards promptly upon adoption, so that companies have reliable mapping documentation for dual compliance.

Conclusion

BCI supports the Commission's simplification objectives and commends the meaningful progress achieved in the May 2026 draft. The three actions we recommend: removing relief provisions without ISSB counterparts, clarifying the identifiability of investor-facing disclosures, and

² ESMA Opinion on revised ESRS, 17 February 2026: https://www.esma.europa.eu/sites/default/files/2026-02/ESMA32-846262651-5440_Opinion_on_revised_ESRS.pdf,

³ EBA Opinion on draft amended ESRS, 18 February 2026: <https://www.eba.europa.eu/publications-and-media/press-releases/eba-issues-opinion-european-commission-draft-amended-european-sustainability-reporting-standards>

introducing a flexible presentation format option would demonstrate that simplification and interoperability are complementary, not competing, objectives.

Thank you for your consideration of our comments. For any clarifications related to this submission, please contact Susan Golyak, Director, ESG at susan.golyak@bci.ca.

Sincerely,



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