



From disclosure to delivery: Transition readiness of Canada's most influential companies

Insights Report

June 2026

Table of contents

Executive summary	3
Introduction	4
Key Findings	5
Financial institutions perform as climate solutions leaders, but fossil fuel laggards in a global context	5
Social disclosure from Canadian companies lacks depth and meaningful performance on human rights	8
Climate targets are being set but lack high levels of maturity	11
Nature reporting outpaces action	13
Implications for Canada's transition	15



Executive summary

Canada's most influential companies, 49 firms across 18 industries, play an outsized role in shaping the sustainability transition at home and abroad. This report looks at the performance of these firms across sustainability themes: people and planet. While these companies demonstrate leadership in transparency and governance, critical gaps persist in actionable commitments particularly in decarbonisation, fossil fuel restrictions, biodiversity protection, and human rights due diligence. Financial institutions excel in low-carbon financing disclosure and climate solutions investment, yet none meet global standards for unconditional fossil fuel phase-outs or sector-specific decarbonisation levers. Real economy companies set climate targets but struggle to demonstrate emissions reductions or low-carbon investment at scale. Meanwhile, nature-related disclosures outpace action, with few companies aligning with global biodiversity goals or integrating nature into climate strategies.

The data reveals a transparency-action gap: Canadian companies and financial institutions are increasingly reporting on sustainability, but few are implementing the structural and operational changes needed for a just, nature-positive, and 1.5°C aligned transition. To close this gap, Canada must move from measurement to management while setting ambitious, integrated targets while embedding decarbonisation levers, Indigenous rights, and just transition principles into core business operations and supply chains. With its resource wealth, strong financial sector, and innovative companies, Canada has the potential to lead the sustainable transition and build Canadian resilience, but only if its most influential actors act with the urgency these global challenges demand.



Introduction

Canada stands at an important moment in its sustainability transition. As a global leader in natural resource production, financial services, and agricultural supply chains, the country's most influential companies have a disproportionate impact on domestic and global sustainability outcomes. This report, drawing on the World Benchmarking Alliance's (WBA) latest assessments, examines the performance of 49 Canadian headquartered companies across 18 industries, using an integrated lens by looking at both people and planet.

The analysis integrates four assessment methodologies to provide a holistic view of the Canadian sustainability context.

- [ACT Core Methodology](#)
- [Just Transition Methodology](#)
- [Social Benchmark Methodology](#)
- [Nature Benchmark Methodology](#)

Across all the data and themes, Canadian companies (27) and financial institutions (22) show leadership in select areas such as low-carbon financing, water management and collective bargaining transparency. The analysis reveals some inconsistencies that stakeholders must grapple with: Canadian companies and financial institutions are global leaders in disclosure and governance but lag in turning commitments into action. Financial institutions, for example, lead in low-carbon financing transparency and climate solutions investment, yet none have unconditional restrictions on fossil fuel financing or meet global standards for 1.5 degree aligned portfolio transitions. Real economy companies set climate targets but often fail to demonstrate emissions reductions or low-carbon capital allocation. Meanwhile, nature related disclosures outpace meaningful action, with few companies aligning with global biodiversity goals or integrating nature into their climate strategies.

This report explores these strengths and gaps using an evidence based, data lens, highlighting where Canadian companies excel and where they can improve. It also underscores the interconnectedness of climate, nature, and social themes, showing how progress in one area can reinforce or undermine progress in others. For example, Teck Resources demonstrates leading practice by integrating climate and nature strategies. For the companies examined at large, the lack of living wage disclosures and weak evidence of human rights due diligence undermines Canada's ability to deliver a just transition.

Ultimately, this report is a call to action. Canada's transition readiness will determine its ability to compete in a low-carbon, nature positive, and socially inclusive global economy. The opportunity is immense, but seizing it requires urgent, integrated action from Canada's most influential companies and financial institutions.



Key findings

Financial institutions perform as climate solutions leaders, but fossil fuel laggards in a global context

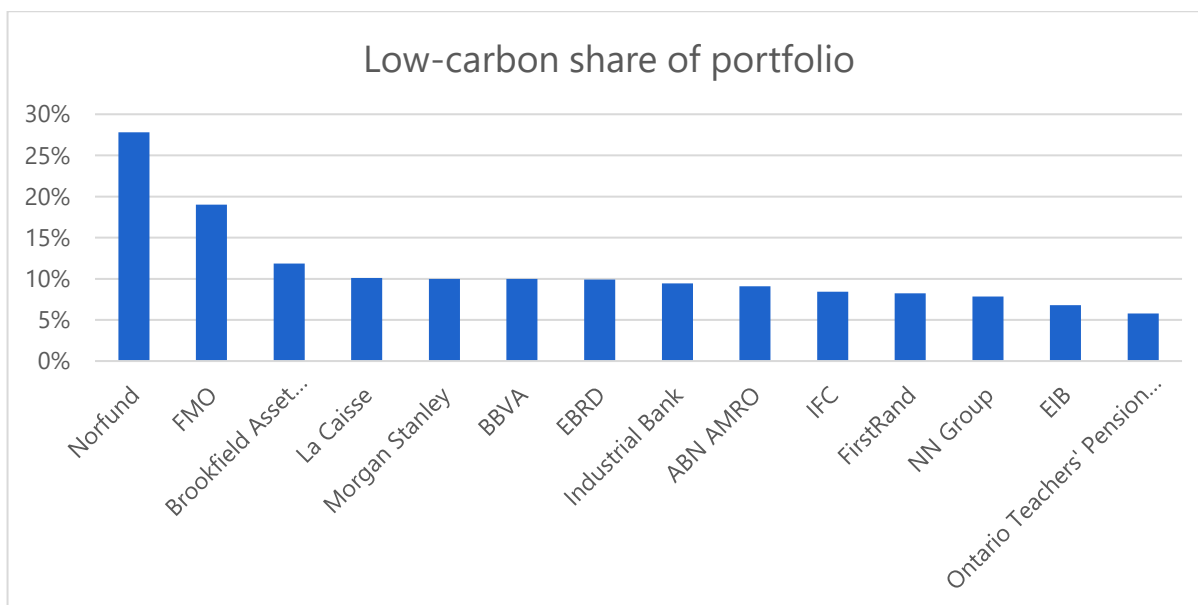
The analysis below looks at 22 Canadian headquartered financial institutions, using the 2026 [ACT Core Methodology](#). These financial institutions are: six banks, eight pension funds, six insurers and two asset managers.

Canadian financial institutions lead the world on low-carbon disclosure and on governance foundations. On the actual deployment of low-carbon capital they sit close to other major regions, and they lag on decarbonisation levers being the actions that translate a transition plan into real emissions cuts, and unconditional fossil fuel restrictions. Canada looks transition ready, with strong disclosure and a concentration of climate solutions financing. However, the more advanced elements, sector specific decarbonisation levers, Scope 3 targets aligned with 1.5°C, and unconditional fossil fuel restrictions, are largely failing. Their decisions on transition planning, low carbon disclosure and fossil fuel commitments will shape how quickly Canadian capital and therefore real economy sectors align with a 1.5°C pathway.

Strengths

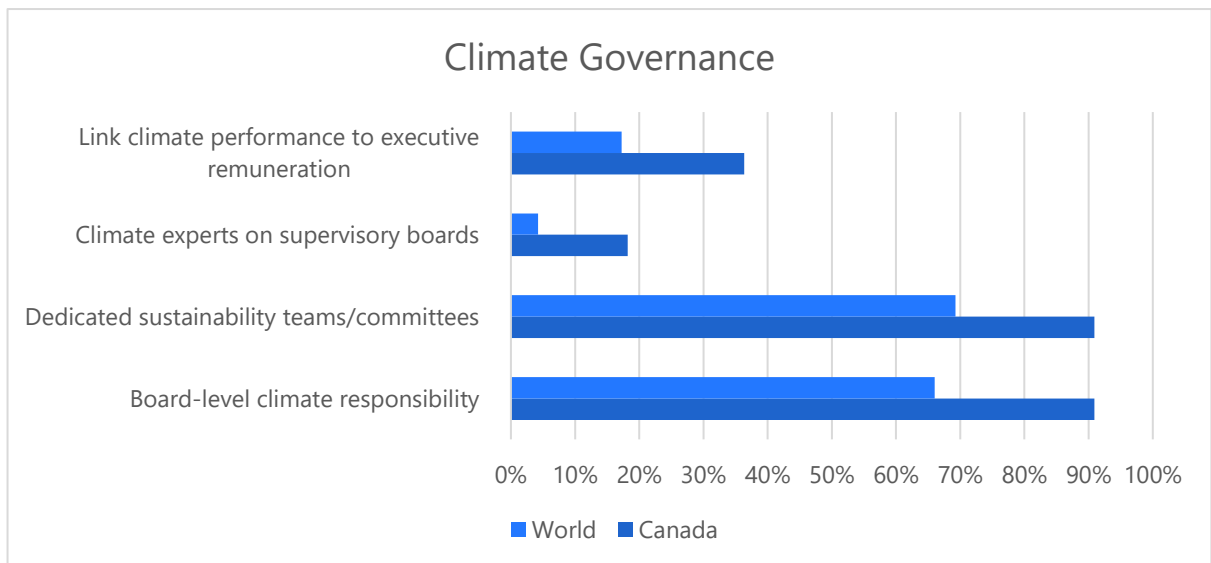
- Low-carbon financing disclosure: Canadian financial institutions are ahead of other regions when looking at disclosure of their low-carbon financing. The rate of disclosure in Canada is 55% (12/22) and the global rate is 26%. Canada's mean low-carbon share is calculated at 3.6% (vs. 2.7% global), on par with Europe & Central Asia and above North America (3.2%). This tells us that the rate of disclosure is positive while the actual low-carbon share within these disclosures is on average with other areas of the world.

FIGURE 1: LEADING FINANCIAL INSTITUTIONS REPORTING ON LOW-CARBON SHARE OF PORTFOLIO



- **Climate solutions investment:** Canadian financial institutions perform strongly on their climate solutions financing compared to other areas of the world. Overall, 41% (9/22) of Canadian institutions assessed disclose investments in climate solutions, compared with 14% globally. Among Canadian banks, 5 out of 6 (83%) meet this criterion, with National Bank of Canada being the only bank not disclosing evidence. Canadian pension funds also stand out internationally: 3 of the 4 pension funds globally meeting this criterion are Canadian- Healthcare of Ontario Pension Plan (HOOPP), La Caisse, and OMERS.
- **Governance:** Canadian institutions sit well ahead of global peers across all four governance elements that WBA measures, and the lead is widest on the more difficult elements to meet: climate-linked executive remuneration and climate expertise on supervisory boards. These are frontiers where Canada is leading on good governance.
 - 91% have board-level climate responsibility (global: 66%).
 - 91% have dedicated sustainability teams/committees (global: 69%).
 - 18% have climate experts on supervisory boards (global: 4%).
 - 36% link climate performance to executive remuneration (global: 17%).

FIGURE 2: CLIMATE GOVERNANCE ELEMENT SCORES CANADA AND GLOBAL



- **Scope 3 Engagement:** La Caisse is the only Canadian FI (and one of six globally) meeting the criterion for engaging investees on Scope 3 emissions.

Gaps and concerns

- **Decarbonisation Levers:** Decarbonisation levers are the actions that translate a transition plan into real emissions cuts. For instance, restricting new finance to coal or oil and gas companies, or requiring a 1.5°C aligned transition plan from investees. Without these levers, capital from



financial institutions may flow to high carbon activities. Significantly, zero Canadian financial institutions meet WBA's decarbonisation levers criterion.

- The most notable lever that is missing is the complete exit of fossil fuels. No Canadian financial institution meets the global standard of both phasing out existing fossil fuel exposure AND ceasing new fossil fuel financing. All commitments are conditional, with thresholds, carve-outs, or limited sub-sector scope.
- Disclosure details shows that only 1/22 (5%) disclose estimated GHG savings from decarbonisation levers. Only 2/22 (9%) have identified near- and long-term decarbonisation levers, and only 2/22 (9%) have set targets excluding avoided emissions and carbon credits (CIBC and Desjardins). AIMCo and CI Financial Corp meet zero of 30 climate elements assessed.
- Inconsistent performance: Across the biggest Canadian banks, performance varies on core transition alignment. BMO, RBC and TD have strong GHG reduction targets, indicating a clear commitment to emissions reduction over time, whereas Scotiabank, CIBC and National Bank have not set up comparable targets. Transition planning is also widespread, with Scotiabank and CIBC being the only banks not covering both own operations and portfolios. However, climate-linked executive pay is in place in 5/6 banks, BMO does not meet this element.
- Just transition: Only 7 (32%) financial institutions explicitly reference the just transition in their public disclosures. This indicates a slight degree of recognition and alignment with the concept of the transition as a people relevant theme. This compares to 26% of the assessed 400 global financial institutions.
 - Among these institutions, just transition is still most commonly framed as a broad principle linked to the low-carbon transition. Evidence of fully embedded and operationalised approaches remains limited. Global assessment on financial institutions and the just transition show some movement to an operationalised just transition approach, showing action is possible, with ample guidance publicly available on finance and a just transition from leading actors such as [The United Nations Environment Programme Finance Initiative](#).

Call to action

The repeated fossil fuel crises have starkly illustrated how vital transition planning is for global economic stability. Financial institutions are critical, their decisions on allocating capital will determine how fast the global economy can rebuild its resilience.

Canadian financial institutions must close the gap between leadership and action. They need to set unconditional restrictions on fossil fuel financing, adopt sector-specific decarbonisation levers with measurable outcomes, and turn disclosure leadership into time-bound capital allocation targets for low-carbon investments. With performance ranging from leaders to laggards, shared minimum standards are essential.

Findings from [WBA data](#) on real economy companies reveal that \$1.3 trillion in climate investment could be unlocked by the world's most influential companies, which would represent nearly 30% of the annual clean-energy investment required to stay on a 1.5°C pathway. This expansion has a pivotal role for financial institutions in enabling real economy companies to access and deploy this capital.



The global regulatory infrastructure in which financial institutions operate must also shift to support the transition that finance and in turn the real economy must go through to meet the Paris Goals.

Finally, financial institutions must integrate just transition principles into investment frameworks to protect vulnerable stakeholders, as a credible climate transition requires both ambition and accountability.

As expectations from regulators, markets, and stakeholders continue to evolve, financial institutions that move early to strengthen credibility and transparency will be better positioned to benefit from the transition, which the Canadian Government is uniquely positioned to equip and empower. By accelerating its actions to protect ecosystems through different stakeholders, the Canadian government can demonstrate how partnerships across geography, jurisdictions, and sectors can boost investment and align ecosystem protection with economic prosperity, both at home and abroad.

Social disclosure from Canadian companies lacks depth and meaningful performance on human rights

The below analysis uses data across 27 Canadian-headquartered real economy companies on their social performance, using the [WBA Social Benchmark Methodology](#).

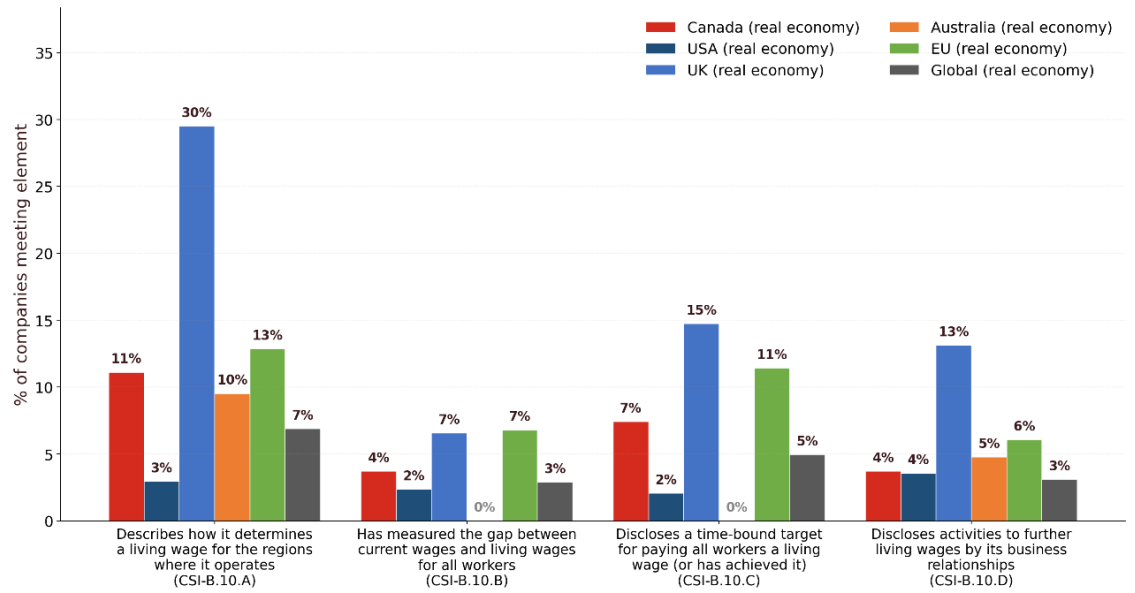
Canadian companies outperform peers in some areas in WBA's Social Benchmark, such as transparency around collective bargaining in the workplace and health and safety monitoring in the supply chain, but their performance lags across human rights due diligence in their supply chain, stakeholder engagement as part of their HRDD process, and workforce health and safety data.

Strengths

- **Collective bargaining in the workforce:** 44% of Canadian real economy companies disclose the proportion of the workforce covered by collective bargaining agreements in their own operations, outperforming companies headquartered in the United States (36%) and the United Kingdom (25%). However, there is even greater disclosure among companies headquartered in Australia (52%) and the European Union (47%). Collective bargaining is the cornerstone of responsible employment and a key pillar for social equity.
- **Paying a living wage in their own operations:** Among Canadian real economy companies, Gildan, Lululemon and Teck Resources determine a living wage in the regions where they operate. This is a crucial step for meeting people's basic needs and achieving a decent standard of living. It not only supports the well-being of workers and their families but also contributes to ending poverty and fostering sustainable development. While performance on paying a living wage is stronger among companies headquartered in the United Kingdom and European Union, Canadian companies consistently outperform companies in the United States and Australia on determining a living wage, measuring the living wage gap and setting targets or having achieved the payment of a living wage among employees.



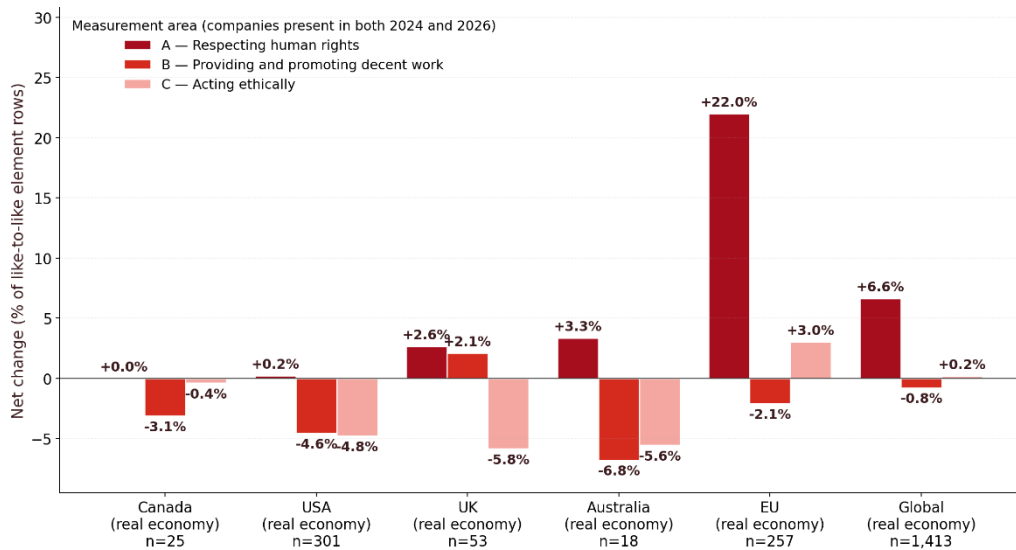
FIGURE 3: LIVING WAGE SCORES ACROSS REGIONS



Gaps and concerns

FIGURE 4: WHILE THE EU ADVANCES ON RESPECTING HUMAN RIGHTS, CANADIAN COMPANIES SHOW LITTLE MOMENTUM

Year-over-year net change (2024→2026) by CSI measurement area, real-economy companies by peer bloc



- Canadian companies stagnate: Companies seem to have stagnated on their progress respecting human rights, where all other peers have improved. There is also a decline in performance on decent work in Canada. The data does not reveal why this might be, but it is notable given the advancement in other regions.
- Supply chain commitments: Canadian companies are the only ones compared to peers where the expectation for suppliers to commit to the ILO’s fundamental rights at work is only half that of the



commitments made within companies' own operations (11% versus 22%). In the United States and the United Kingdom, the expectations between supply chain and own operations have a tighter gap (18% versus 19%, and 34% versus 31% respectively). A policy commitment sets the 'tone at the top' of the company which is needed to continually drive respect for human rights into the core values and culture of the business. By expecting business relationships to commit to respecting the human rights that the ILO has declared to be fundamental rights at work, the company is setting out management's expectations of its suppliers and helps trigger a range of other internal actions that are necessary to meet the commitment in practice.

- Social dialogue in the supply chain: None of the 27 Canadian real economy companies describe how they support their suppliers in relation to freedom of association and collective bargaining. While the overall global average is low at only 2%, there are 14 companies headquartered in the European Union, 7 companies in the United States and six companies in the United Kingdom that disclose how they support supply chain workers to participate in social dialogue mechanisms, showing action is possible.
- Human Rights Due Diligence (HRDD): Disclosure declines sharply across the three steps in Canadian companies:
 - Identify risks: 11% of companies scoring
 - Assess severity: 7% of companies scoring
 - Act to prevent/mitigate/remediate: 4% of companies scoring

Only Lululemon completes all three steps for HRDD in its supply chain.

- Land & natural resource rights: Most Canadian companies lack robust and publicly disclosed commitments on Land and Natural Resource Rights aligned with either the [Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security \(VGGTs\)](#) or the [International Finance Corporation \(IFC\) Performance Standards](#).
 - Over 60% of Canadian companies do not disclose commitments to respecting land, natural resource and tenure rights beyond local legal requirements. 33% disclose insufficient commitments by lacking alignment with VGGT or IFC Performance Standards, use weak language or only have limited coverage, or do not disclose their commitments publicly. Kinross Gold is the only Canadian company that has such commitments in place.
- Free, Prior, and Informed Consent (FPIC): Canadian companies do not commit to FPIC, show weak FPIC implementation, and limited supply chain commitments. Canadian companies underperform peers in requiring FPIC in supply chains. First Quantum Minerals is the only company providing evidence of FPIC implementation. Although FPICs exact legal force and practical application remain subject to ongoing debate and court interpretation in Canada, FPIC is a key mechanism for companies to respect the rights of Indigenous People. Indigenous peoples are particularly vulnerable to the adverse impacts associated with land development projects, including risk of impoverishment and loss of culture, identity and natural resource-based livelihoods. Protecting and securing Indigenous Peoples' rights has been recognised as crucial to advancing conservation, restoration and climate change mitigation and adaptation strategies.



- Stakeholder engagement: Engagement is strongest in identification and assessment of human rights risks but weakest when acting upon identified salient risks to prevent, mitigate or remedy them. Even so, Canadian companies generally show weak stakeholder engagement, with only four of the 27 real economy companies (15%) involving stakeholders in their human rights risk assessment processes. Canadian companies underperform on stakeholder engagement compared to many of its peers, with 31% of companies headquartered in the European Union, 24% of those in Australia and 18% of those in the United Kingdom engaging with stakeholders. Only companies headquartered in the United States have a weaker performance at 7%.

Call to action

Canada's progress on social performance is uneven, with strengths and critical gaps in themes such as human rights due diligence, FPIC and stakeholder engagement. Canada's companies demonstrate strengths in collective bargaining transparency but there is a troubling gap between commitment and action when you look at human rights due diligence, Indigenous rights and supply chain accountability. Companies must operationalise human rights due diligence across their value chains, aligning supplier expectations with internal standards and adopting global frameworks like the UN Guiding Principles on Business and Human Rights. Upholding Indigenous rights, including Free, Prior, and Informed Consent and aligning with international land stewardship standards such as the VGGTs and IFC Performance Standards. This is a critical step toward climate resilience and social equity. To build a just and sustainable economy, action is needed to turn commitments into measurable impact.

Policy must also evolve to match ambition. Considerations should be made around legislation on mandatory human right due diligence and FPIC, as seen in the EU Corporate Sustainability Due Diligence Directive. Collective action also requires continued investor action, industry coalitions and partnerships with civil society to co design solutions that work meaningfully.

Climate targets are being set by real economy companies, but lack high levels of maturity

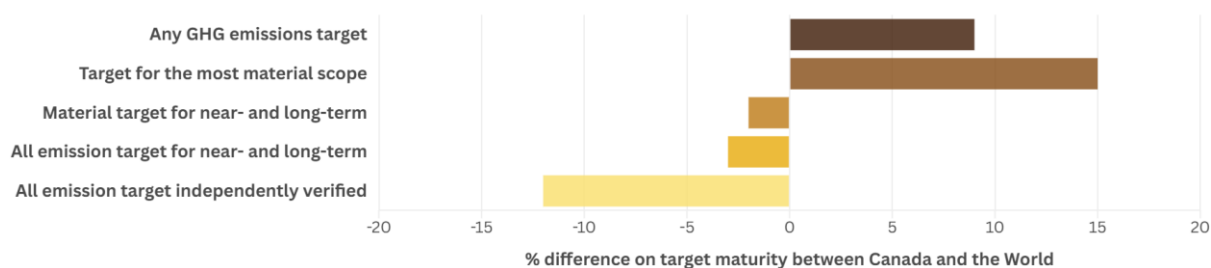
Canadian companies lead in target-setting but struggle with providing evidence of their emissions reductions and their investing in low-carbon solutions. The analysis below looks at data from 27 real economy companies assessed on WBA ACT Core Methodology. These companies, account for roughly 6% of Canada's total territorial emissions. This is a disproportionate footprint given the small number of companies involved, and underscores their outsized role in the national emissions landscape. This territorial emissions estimate is likely even higher, as several high-emitting companies, including all three Oil & Gas firms, did not disclose their data.

Strengths

- Target setting: Canadian-headquartered companies are more likely to have emissions reduction targets than global peers, though this advantage is concentrated at lower maturity levels (e.g., partial scope coverage, missing near/long-term timeframes). Setting ambitious emissions reduction targets positions Canada to thrive in a global economy that is rapidly transitioning away from carbon-intensive activities. Corporates that move early to decarbonise are better placed to attract investment, access growing clean technology markets, and avoid potential trade barriers that can increasingly penalise high-emission exports. Far from being in tension, climate ambition and economic competitiveness are increasingly inseparable and the countries that recognise this earliest stand to benefit the most.



FIGURE 5: PERCENT DIFFERENCE ON TARGET MATURITY OF CANADIAN COMPANIES COMPARED TO COMPANIES ASSESSED IN OTHER REGIONS



Gaps and concerns

- **Target setting:** At higher maturity levels (covering all material scopes, near- and long-term horizons), Canadian companies fall below global standards. No Canadian company reported a target with sufficient information for the highest maturity grade.
- **Emissions trajectory:** To stay within the carbon budget consistent with the 1.5°C ambition, companies must show a reduction of their emissions over the past years. This is closely aligned with transition risk- companies that have decarbonised least to date are the most vulnerable in a transition to meet the Paris Agreement goals. Having a 1.5°C-aligned GHG emissions trajectory is therefore crucial for a company because it aligns with global climate goals, reduces exposure to transition risks and protects the business from potential stranded assets.
 - 75% of Canadian companies do not report enough data to assess trajectory.
 - Only 15% provide evidence of reducing emissions considering both operations and value chain.
 - Only Canadian Solar, a climate solution provider, was found to be low-carbon aligned in terms of their annual solar capacity deployment.
- **Low-carbon investment:** Mobilising low-carbon investment is central to Canada's long-term competitiveness, as global capital increasingly flows toward clean industries and infrastructure. This cannot be the responsibility of any single sector as it requires alignment between real economy companies and the financial institutions that fund them. Understanding how Canada's major corporations are rising to this challenge is therefore an important measure of the country's broader economic positioning in a decarbonising world.
 - Only 15% (4/27) of real economy companies disclose low-carbon CapEx (global: 22%).
 - **Disclosure Gap:** The EU (55%) leads in low-carbon CapEx disclosure due to the EU Taxonomy, which standardizes reporting. Canada lacks a mandatory, standardized framework equivalent to the EU Taxonomy.
 - While low-carbon investment reporting among Canadian companies remains limited, this does not mean the landscape is without good examples: Barrick Gold stands out with \$775M+ committed to low-carbon infrastructure projects across its mining assets.



Call to action

Far from being in tension, climate ambition and economic competitiveness are increasingly inseparable and the countries that recognise this earliest stand to benefit most. To join the leading cohort of corporations doing so four actions stand out for Canadian companies:

1. Companies must raise the maturity of their target-setting, particularly among Oil and Gas majors. With robust global standards now available through SBTi and others, including a dedicated Oil and Gas standard launched in February 2026. There is no reason why Canadian companies cannot close the gap to the global average quickly.
2. Adopt the Canadian Sustainability Disclosure Standards (CSDS) without waiting for a mandate. The CSDS largely align with the ISSB's international framework. Though currently voluntary, early adoption signals credibility and positions companies ahead of inevitable regulatory change.
3. Advocate for CSDS mandatory adoption. To prevent free-riding, major Canadian companies should engage proactively with provincial and territorial regulators to accelerate the path to mandatory CSDS compliance.
4. Companies should move quickly to adopt the [Made-in-Canada sustainable investment guidelines](#) led by the Canadian Climate Institute in collaboration with Business Future Pathways. Once finalised, these will provide science-based criteria for classifying "green" and "transition" investments. In the interim, internationally recognised taxonomies can serve as a credible substitute.

Nature reporting outpaces action

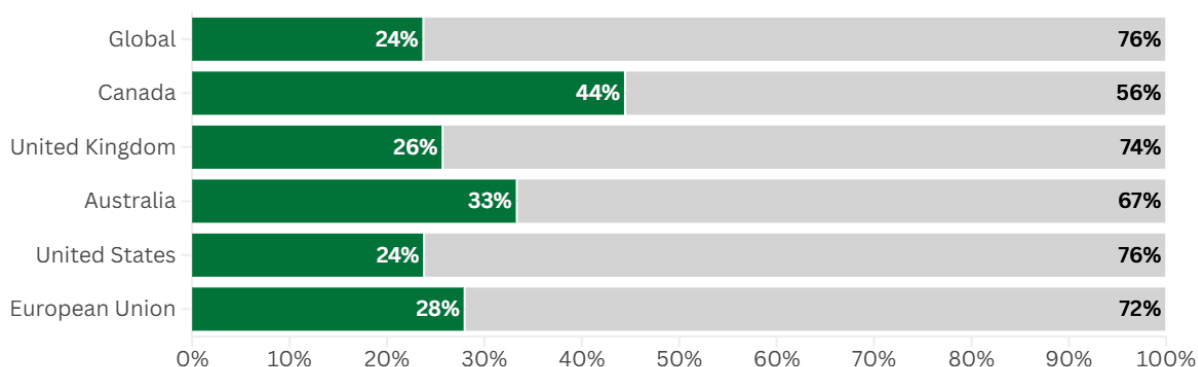
Canada is one of the most nature-rich countries in the world, [holding a quarter of the world's boreal forest and a fifth of the world's freshwater](#). Its forests, farmlands, waters, and fisheries contribute at least 3.6 trillion dollars to the country's economy. The private sector's role in protecting nature is therefore imperative. Canadian companies lead on disclosing their activities that pose risks to ecosystem loss yet lag on supporting and actioning global norms. The below analysis looks at 18 Canadian-headquartered companies on their biodiversity and ecosystem protection disclosures, using the [WBA Nature Benchmark Methodology](#).

Strengths

- Transparency: The Nature Benchmark companies have an impact and are dependent on nature. Corporate actions, either through sourcing or own activities, result in environmental damage that translates into business disruptions. Identifying activities that pose risks to ecosystem loss is an initial step to ensure effective risk management and business resilience. Canadian companies lead in transparency on activities posing ecosystem loss risks, with 8 out of 18 companies (44%) – Barrick Gold, Bausch Health, First Quantum Minerals, Kinross Gold, Lululemon, Saputo, Sobey's, and Teck Resources – disclosing on topics like land use; conversion-driving commodities (rubber, timber, palm oil); or location data.
- Canadian companies perform above the global average in this topic, although comparisons should be taken with caution due to differing sample sizes. Additionally, Canada outperforms multiple countries such as the United Kingdom, Australia, and the United States.



FIGURE 6: GLOBAL REPORTING ON ACTIVITIES POSING ECOSYSTEM LOSS RISK



Metals and mining: a leading industry

Canadian metals and mining companies demonstrate leadership in their nature-related disclosures. As one of the most water-intensive industries in the world, responsible water management is critical, especially when these companies compete with local communities for quality freshwater access. Metals & Mining companies headquartered in Canada perform above average in the Nature Benchmark’s water use indicator, with an average score of 0.44 compared to the sector’s global average of 0.16. The four assessed companies (Barrick Gold, Kinross Gold, Teck Resources, and First Quantum Minerals) report on their water withdrawal and consumption. Notably, all of them have performed water risk assessments at the site level, and three of the four report site-level data on their water use.

Teck Resources shows leading practice globally, being among one of the 18 out of 750 companies (and one of two in the industry) that have disclosed a nature transition plan. Its disclosures show an understanding of the interconnections between its climate and nature strategies. For example, by assessing climate-related water supply risks and securing desalinated water access.

Gaps and concerns

- Support of SDG15: Despite the establishment of the Global Biodiversity Framework (GBF) in Montreal in 2022, only four Canadian companies (22%) – West Fraser Timber, Teck Resources, Kinross Gold, and First Quantum Minerals – publicly support the framework or SDG15: Life on Land through their policies, goals, or strategies. With around a [quarter of the world’s animal and plant species threatened, and 200 species in the Canadian context](#), the achievement of the goals in the GBF is needed to halt the global rate of species extinction. Other countries, such as the United Kingdom and Australia, show a higher proportion of companies aligning with international biodiversity goals, with 14/35 (40%) and 3/9 (33%) of companies, respectively.



Call to action

Supporting these international goals is only an initial step to achieve meaningful nature-related progress. Companies must also set measurable and timebound targets to achieve ecosystem protection, restoration, or regeneration.

Moving beyond disclosures is imperative to achieve global and national nature goals. Although some foundations are present, including identifying activities that pose ecosystem risks, water risk assessments, and scattered support of international goals, credible action is lagging. Companies may achieve meaningful progress by:

- Setting measurable and timebound targets to achieve ecosystem protection, restoration, and regeneration
- Establishing a nature transition plan, and integrating it with current climate strategies
- Aligning targets and strategies with international goals like those set by the GBF.



Implications for Canada's transition

While Canada's economy includes many small and medium enterprises, these large, influential corporates drive sustainability performance at home and abroad. Their transition readiness will determine Canada's ability to compete in a low-carbon, nature positive, socially inclusive global economy.

The findings of this report reveal a critical paradox: Canada's most influential companies and financial institutions are global leaders in transparency and governance, yet they are lagging in the structural changes required for a just, nature positive, and 1.5°C aligned transition. These 49 companies spanning energy, mining, finance, and agriculture employ over 2.1 million people and underpin core economic systems, from global energy supply to critical minerals and food production. Their decisions will determine not only Canada's competitiveness in a decarbonising world but also its ability to protect ecosystems, uphold Indigenous rights, and ensure a fair transition for workers and communities.

The data is clear in showing that disclosure alone is not enough. Canadian financial institutions lead in low-carbon financing transparency but fail to restrict fossil fuel financing, creating a mismatch between ambition and action. Real economy companies set climate targets but struggle to demonstrate emissions reductions or low-carbon investment at scale. The transition could be undermined if social performance does not improve. And while nature-related disclosures outpace action, few companies align with global biodiversity goals or integrate nature into climate strategies. The gap between measurement and management must be closed.

To seize this moment, Canada's most influential companies must:

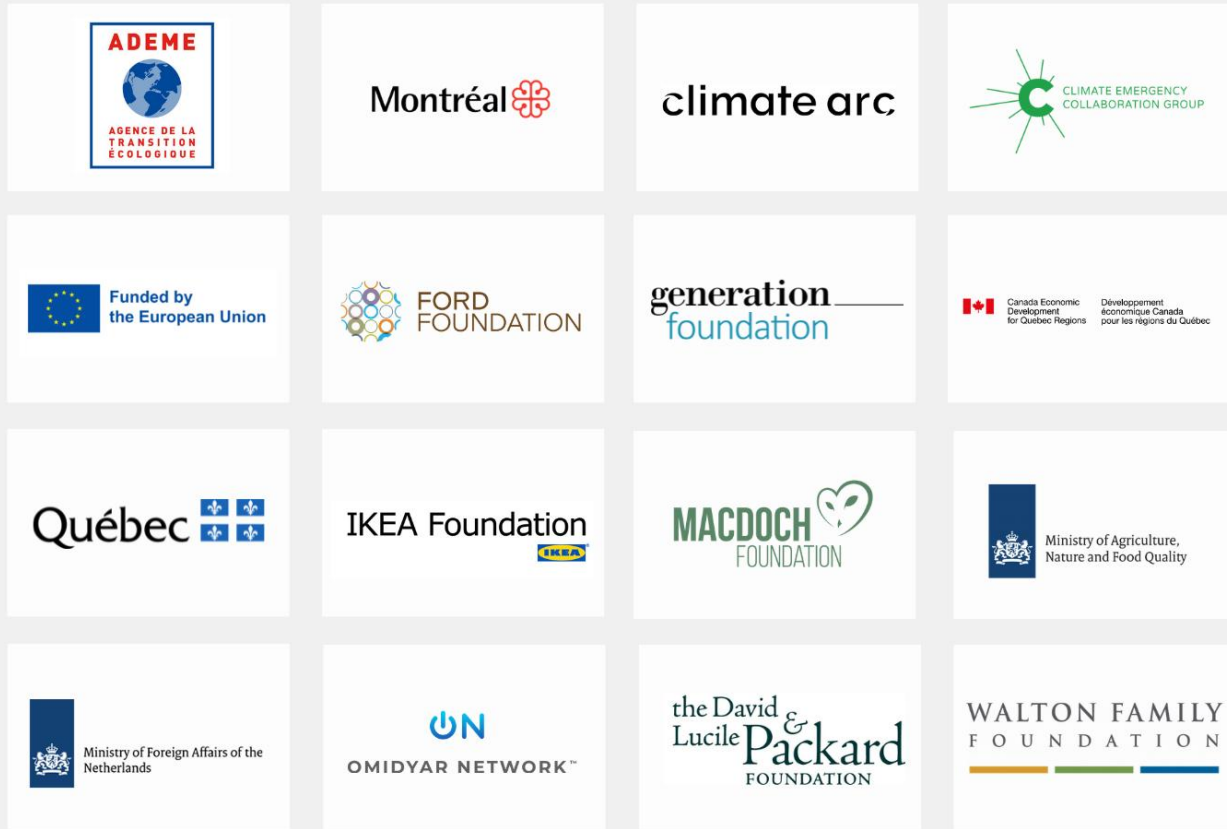
- Financial institutions: Align financing with 1.5°C by setting unconditional fossil fuel restrictions, adopting sector-specific decarbonization levers, and turning disclosure leadership into time-bound capital allocation targets for low-carbon investments.
- Real economy companies: Raise the maturity of climate targets advocate for mandatory sustainability disclosure standards, support global nature norms and disclose low-carbon investments
- All companies would also benefit to integrating climate, nature, and social transition plans, respecting Indigenous rights, and embedding just transition principles to move from transparency to transformation.

Furthermore, in order for these companies to take action they need to be supported and encouraged by their key stakeholders, including banks and investors making capital allocation decisions, as well as their insurance providers, clients and suppliers. Companies also benefit from a clear and strong policy environment that incentivises this transition.

The opportunity is immense. With its resource wealth, strong financial sector, and innovative companies, Canada can position itself as a global leader in the sustainable transition, but only if its most influential actors move with the urgency these global challenges demand. The time for half-measures is over as the transition is happening at pace, action is for now and not tomorrow.



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