

REGULATION TO AMEND REGULATION 52-112 RESPECTING NON-GAAP AND OTHER FINANCIAL MEASURES DISCLOSURE

Securities Act
(chapter V-1.1, s. 331.1, par. (1), (8), (11) and (34))

1. Section 1 of Regulation 52-112 respecting Non-GAAP and Other Financial Measures Disclosure (chapter V-1.1, r. 28.1) is amended:

- (1) by inserting, before “In this Regulation”, “(1)”;
- (2) by inserting, before the definition of “capital management measure”, the following:
 - ““accounting principles” has the meaning ascribed to it in Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards (chapter V-1.1, r. 25);
 - ““additional subtotal” means a subtotal that
 - (a) is disclosed in the primary financial statements of an entity,
 - (b) is not a financial measure that is defined or listed in the accounting principles applied to the preparation of the entity’s financial statements, or is not a financial measure the composition of which is set out in those accounting principles, and
 - (c) is not a specified financial measure;”
- (3) by inserting, after the definition of “forward-looking information”, the following:
 - ““management-defined performance measure” has the meaning ascribed to it in the accounting principles applied to the preparation of an entity’s financial statements;”
- (4) by replacing the definition of “non-GAAP financial measure” by the following:
 - ““non-GAAP financial measure” means a financial measure disclosed by an issuer, other than a total of segments measure or a capital management measure, that is either of the following:
 - (a) a management-defined performance measure;
 - (b) a financial measure that
 - (i) depicts the historical or expected future financial performance, financial position or cash flow of an entity,
 - (ii) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity,
 - (iii) is not disclosed in the financial statements of the entity, and
 - (iv) is not a ratio, fraction, percentage or similar representation;”;
- (5) by adding, after paragraph (1), the following:
 - “(2) Terms used in this Regulation but not defined in this Regulation, Regulation 14-101 respecting Definitions or other securities legislation, and defined or used in the accounting principles applied to the preparation of the entity’s financial statements, have the same meaning as in those accounting principles.”.

2. Sections 2 and 3 of the Regulation are amended by inserting, after “specified financial measure”, “or an additional subtotal”.

3. Section 4 of the Regulation is amended:

(1) by inserting, before paragraph (1), the following:

“(0.1) In this section,

“eligible issuer” means a reporting issuer that is, or that has a subsidiary or an affiliate that is, a financial institution subject to financial institution guidelines;

“financial institution” means a federal financial institution within the meaning of the Bank Act (S.C. 1991, c. 46) or a financial institution that is authorized to carry on business in the Province of Québec under one of the following acts:

- (a) Insurers Act (chapter, A-32.1);
- (b) Act respecting financial services cooperatives (chapter C-67.3);
- (c) Deposit Institutions and Deposit Protection Act (chapter I-13.2.2);
- (d) Trust Companies and Savings Companies Act (chapter S-29.02);

“financial institution guideline” means any guideline or advisory guidance of the Office of the Superintendent of Financial Institutions of the Government of Canada or the Autorité des marchés financiers established by the Act respecting the regulation of the financial sector (chapter E-6.1) applicable to a financial institution that specifies the composition of a specified financial measure or an additional subtotal.”;

(2) in paragraph (1):

(a) in subparagraph (d):

(i) by replacing “the specified financial measure”, in subparagraph (i) of subparagraph (d), by “a specified financial measure or an additional subtotal”;

(ii) by replacing “disposition”, in the French text of subparagraph (iv), by “sous-paragraphe”;

(b) in subparagraph (e):

(i) by inserting, in the text preceding subparagraph (i) and after “a specified financial measure”, “or an additional subtotal”;

(ii) by replacing “composition of the measure and the measure”, in subparagraph (i), by “composition of the measure or subtotal and the measure or subtotal”;

(iii) by replacing subparagraph (ii) by the following:

“(ii) in proximity to the first instance of the measure or subtotal, the issuer discloses the law or the SRO’s requirement under which the measure or subtotal is disclosed”;

(c) by replacing “specified financial measure if the calculation of the specified financial measure is derived from”, in subparagraph (f), by “specified financial measure or an additional subtotal if the calculation of the measure or subtotal is derived from”;

(d) in subparagraph (g):

(i) by inserting, in the text preceding the French text of subparagraph (i) and after “mesure”, “ou ce sous-total”;

(ii) by inserting, in subparagraph (i) and after “measure”, “or an additional subtotal”;

(iii) by inserting, in subparagraph (ii) and after “measure”, “or subtotal”;

(3) by replacing all occurrences of “sous-disposition” and “disposition”, in the French text of paragraph (2), by “sous-paragraphe”;

(4) by adding, after paragraph (2), the following:

“(3) Except in British Columbia, despite sections 2 and 3, this Regulation does not apply to an eligible issuer in respect of disclosure of a specified financial measure or an additional subtotal pursuant to a financial institution guideline if

(a) the measure or subtotal was determined in accordance with a financial institution guideline, and

(b) in proximity to the first instance of the measure or subtotal, the eligible issuer discloses the financial institution guideline under which the measure or subtotal is disclosed.”.

4. Section 5 of the Regulation is amended:

(1) by replacing “disposition”, in the French text of subparagraphs (a) and (e), by “sous-paragraphe”;

(2) by inserting, after paragraph (1), the following:

“(1.1) Subject to subsection (4), an issuer may incorporate by reference the information required under subparagraph 6(1)(e)(ii) in respect of a management-defined performance measure if the reference is to the notes to the financial statements of the entity to which the measure relates.”;

(3) in paragraph (2):

(a) by replacing “subsection (1)”, in the text preceding subparagraph (a), by “subsection (1) or “(1.1)”;

(b) by inserting, in subparagraph (b) and after “MD&A”, “or in the notes to the financial statements”;

(c) by replacing “is available”, in subparagraph (c), by “and the financial statements are available”;

(4) by replacing “Despite subsection (1)”, in paragraph (4), by “Despite subsections (1) and (1.1)”.

5. Section 6 of the Regulation is amended:

(1) in paragraph (1):

(a) by replacing “in a document unless”, in the text preceding subparagraph (a), by “in a document, other than in financial statements about the entity to which the measure relates, unless”;

(b) by replacing “the most directly comparable financial measure that is disclosed in the primary financial statements of the entity to which the measure relates”, in subparagraph (c), by “the most directly comparable financial measure disclosed in the primary financial statements of the entity to which the financial measure relates that is not a management-defined performance measure”;

(2) by replacing “sous-disposition” and “disposition”, in the French text of paragraph (2), by “sous-paragraphe”.

6. Section 9 of the Regulation is amended by inserting, in paragraph (a) and after “entity”, “to which the financial measure relates that is not a management-defined performance measure”.

7. Section 10 of the Regulation is amended:

(1) in paragraph (1):

(a) by inserting, in the text preceding subparagraph (a) and after “other than”, “in”;

(b) by inserting, in subparagraph (a) and after “entity”, “to which the financial measure relates that is not a management-defined performance measure”;

(c) by replacing “primary financial statements of the issuer”, in subparagraph (C) of subparagraph (ii) of subparagraph (b), by “primary financial statements of the entity to which the financial measure relates that is not a management-defined performance measure”;

(2) by replacing “disposition”, in the French text of paragraph (2), by “sous-paragraphe”.

8. Section 11 of the Regulation is amended by replacing “issuer”, in subparagraph (ii) of paragraph (a), by “entity”.

9. The Regulation is amended by inserting, after section 11, the following part:

**“PART 3.1
ADDITIONAL SUBTOTAL DISCLOSURE**

11.1. An issuer must not disclose an additional subtotal in a document, other than in the financial statements about the entity to which the subtotal relates, unless both of the following apply:

(a) the document discloses the most directly comparable financial measure disclosed in the primary financial statements of the entity to which the subtotal relates that is not a management-defined performance measure;

(b) the subtotal is presented with no more prominence in the document than that of the most directly comparable financial measure referred to in paragraph (a).”.

Effective date

10. (1) This Regulation comes into force on 29 December 2026.

(2) In Saskatchewan, despite paragraph (1), if this Regulation is filed with the Registrar of Regulations after 29 December 2026, this Regulation comes into force on the day on which it is filed with the Registrar of Regulations.