

CSA Notice and Request for Comment

Proposed Amendments to National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure*

November 13, 2025

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) are publishing for a 90-day comment period proposed amendments to:

- National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure* (the **Proposed Amendments**),

proposed changes to:

- Companion Policy 52-112 *Non-GAAP and Other Financial Measures Disclosure* (the **Proposed Changes**),

and related proposed consequential amendment to:

- Multilateral Instrument 11-102 *Passport System*,

(collectively, the **Proposed Materials**).

The comment period will end on February 11, 2026.

The text of the Proposed Materials is contained in Annexes A through C of this Notice and will also be available on the websites of CSA jurisdictions, including:

www.lautorite.qc.ca

www.asc.ca

www.bcsc.bc.ca

<https://nssc.novascotia.ca/>

www.nbsc-cvmnb.ca

www.osc.gov.on.ca

www.fcaa.gov.sk.ca

www.mbsecurities.ca

Substance and Purpose

Further to a new IFRS[®] Accounting Standard, IFRS 18 *Presentation and Disclosure in Financial Statements* (**IFRS 18**), that requires disclosure of management-defined performance measures (**MPMs**) in a note to the financial statements, the Proposed Amendments primarily seek to ensure that such measures, that have historically been subject to the requirements of National Instrument 52-112 (**NI 52-112**) remain subject to its requirements.

In addition, the Proposed Amendments:

- Require that additional subtotals are disclosed outside of the financial statements with appropriate context.
- Allow incorporation by reference of certain information to the notes to the financial statements, under certain circumstances, to avoid duplicative disclosure.
- Codify and consolidate existing exemptions currently found in blanket orders as well as Ontario Rule 52-503 that provide relief to certain issuers from certain requirements of NI 52-112 (other than British Columbia's existing blanket order, BC Instrument 52-513, which will continue to apply).

The Proposed Amendments address, in a narrow-scope manner, the consequences arising from IFRS 18 on NI 52-112 and aim to minimize disruption to existing disclosure practices. Under the Proposed Amendments, issuers would not be required to materially change their reporting practices for non-GAAP financial measures disclosed outside the financial statements.

The Proposed Changes provide guidance on how we will interpret and apply the Proposed Amendments.

Background

On May 27, 2021, the CSA published NI 52-112 and Companion Policy 52-112 *Non-GAAP and Other Financial Measures Disclosure* (**CP 52-112**). Together, NI 52-112 and CP 52-112 address stakeholder demands, including reducing uncertainty regarding issuers' disclosure obligations and investors' need for consistent, transparent, and high-quality disclosure for certain financial measures presented outside of financial statements, such as non-GAAP financial measures.

On April 9, 2024, the International Accounting Standard Board (**IASB**) issued IFRS 18, which is effective for annual reporting periods beginning on or after January 1, 2027. Among other things, IFRS 18 requires entities to disclose information about certain financial measures in a note to the financial statements, when specific criteria in IFRS 18 are met (e.g., if an entity uses such measures in public communications *outside* financial statements – such as MD&A, earnings release, investor presentations).

Currently, such financial measures are disclosed outside the financial statements as non-GAAP financial measures. In developing the requirements for MPMs, the IASB and its staff acknowledged that in many jurisdictions, public entities have existing systems and processes in place to monitor and control their public communications to comply with laws and regulations –

that regulate from the onset the type of information permitted to be provided to the market, such as those relating to non-GAAP financial measures – and that existing regulatory requirements for non-GAAP financial measures, if any, would continue to apply in regulated documents, even if those financial measures are identified as MPMs in a note to the financial statements.

Accordingly, in a Canadian reporting issuer context, for a financial measure to be an MPM it must first be disclosed outside financial statements and therefore comply with securities legislation, most notably NI 52-112 before it is disclosed as an MPM in a note to the financial statements.

Since NI 52-112 currently defines a non-GAAP financial measure as, among other things, a financial measure that is not disclosed in the financial statements of the entity, without the Proposed Amendments, many measures that have historically been considered non-GAAP financial measures (e.g., adjusted net income, adjusted EBITDA) would no longer meet the definition of a non-GAAP financial measure in NI 52-112 if those measures are disclosed in the financial statements as MPMs under IFRS 18. Therefore, without the Proposed Amendments, those measures would not be subject to the disclosure requirements in NI 52-112 when disclosed outside of the financial statements.

The disclosure requirements for MPMs in IFRS 18 are not inconsistent with the disclosure requirements for non-GAAP financial measures in NI 52-112. To reduce duplicative disclosures, the Proposed Amendments allow incorporation of information by reference to the notes to the financial statements if such notes contain the information required by NI 52-112.

In addition, to promote connectivity with IFRS 18, which requires an additional subtotal presented on the face of a primary financial statement, such as the statement of profit or loss, to be displayed no more prominently than the totals and subtotals required by IFRS Accounting Standards (e.g., operating profit), we are proposing a similar requirement when such an additional subtotal is disclosed outside the financial statements. This disclosure would, among other things, help ensure investors are provided with appropriate context when such a financial measure is disclosed outside the financial statements.

For clarity, the Proposed Amendments are focused on disclosures outside the financial statements. Nothing in the Proposed Amendments changes or overrides the requirements of IFRS Accounting Standards.

Possible Future Developments

We are aware that the IASB is exploring whether to require the disclosure in the notes to the financial statements of other historically considered non-GAAP financial measures, beyond MPMs (as currently defined), such as certain cash-flow non-GAAP financial measures (e.g., free cash flow).

Since there is no certainty on the direction of the IASB work, the Proposed Amendments have not taken these potential future developments into consideration, resulting in a narrow proposed amendment to the definition of “non-GAAP financial measure” based on the known changes to IFRS Accounting Standards.

We will continue to monitor developments in this area and will assess whether future amendments to NI 52-112 are required.

Summary of the Proposed Amendments

We are proposing the following amendments to existing requirements in NI 52-112:

Definitions

- Amending the definition of “non-GAAP financial measure” to include MPMs.
- Adding new definitions for “additional subtotal” and “management-defined performance measure”.

Incorporating Information by Reference

- Allowing the incorporation of certain information by reference to the notes to the financial statements to avoid duplicative disclosure.

Additional Subtotal Disclosure

- Adding prominence disclosure requirements for an additional subtotal disclosed outside the financial statements.

Exemption for certain issuers

- Adding an exemption for issuers that are currently exempt from NI 52-112 under existing blanket orders and Rule 52-503 in Ontario (other than British Columbia’s existing blanket order, BC Instrument 52-513)¹, under the same conditions.

Consequential Amendment

We propose to amend Multilateral Instrument 11-102 *Passport System* to include NI 52-112 in Appendix D of that Instrument. This amendment will allow any applications pertaining to NI 52-112 to be made under the passport system.

Local Matters

Where applicable, an additional annex is being published in any local jurisdiction that is making related changes to local securities laws, including local notices or other policy instruments in that jurisdiction. It also includes any additional information that is relevant to that jurisdiction only.

Request for Comments

We welcome your comments on the Proposed Materials. We particularly appreciate comments that are specific and accompanied by concrete examples.

Please submit your comments in writing on or before February 11, 2026.

¹ As a result, all blanket orders pertaining to NI 52-112 (other than British Columbia’s existing blanket order, BC Instrument 52-513), as well as Rule 52-503 in Ontario, will be rescinded upon adoption of the Proposed Amendments. BC Instrument 52-513 will continue to apply, ensuring uniformity in the application of the existing exemption for issuers across Canada.

Address your submission to all of the CSA as follows:

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission, New Brunswick
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Service NL
Northwest Territories Office of the Superintendent of Securities
Office of the Yukon Superintendent of Securities
Nunavut Securities Office

Deliver your comments only to the addresses below. Your comments will be distributed to the other participating CSA.

The Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8
Fax: 416-593-2318
comment@osc.gov.on.ca

Me Philippe Lebel
Corporate Secretary and Executive Director, Legal Affairs
Autorité des marchés financiers
Place de la Cité, tour PwC
2640, boulevard Laurier, bureau 400
Québec (Québec) G1V 5C1
Fax: 514-864-8381
consultation-en-cours@lautorite.qc.ca

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of the written comments received during the comment period. All comments received will be posted on the websites of each of the Alberta Securities Commission at www.asc.ca, the Autorité des marchés financiers at www.lautorite.qc.ca and the Ontario Securities Commission at www.osc.gov.on.ca. Therefore, you should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

Contents of Annexes

- Annex A: Proposed Amendments to National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure*
- Annex B: Proposed Changes to Companion Policy 52-112 *Non-GAAP and Other Financial Measures Disclosure*
- Annex C: Proposed consequential amendment to Multilateral Instrument 11-102 *Passport System*
- Annex D: Local Matters

Questions

Please refer your questions to any of the following:

Autorité des marchés financiers

Sophie Yelle
Leader - Securities Chief Accounting Office
514-395-0337 # 4455
sophie.yelle@lautorite.qc.ca

Lucie Massé
Senior Analyst, Accounting and Assurance
Standards - Securities Chief Accounting Office
418-525-0337 # 4404
lucie.masse@lautorite.qc.ca

Martin Latulippe
Senior Policy Advisor
514-395-0337 # 4331
martin.latulippe@lautorite.qc.ca

Alberta Securities Commission

Brian Banderk
Chief Accountant
403-297-2082
brian.banderk@asc.ca

Gillian Findlay
Senior Legal Counsel
403-297-3302
gillian.findlay@asc.ca

British Columbia Securities Commission

Ryne Smetheram
Associate Chief Accountant
604-899-6978
rsmetheram@bcsc.bc.ca

Amanda T. Wong
Senior Securities Analyst
604-899-6927
atwong@bcsc.bc.ca

Financial and Consumer Affairs Authority of Saskatchewan

Heather Kuchuran
Director, Corporate Finance
306-787-1009
heather.kuchuran@gov.sk.ca

Manitoba Securities Commission

Patrick Weeks
Deputy Director, Corporate Finance
204-945-3326
patrick.weeks@gov.mb.ca

**Financial and Consumer Services
Commission of New Brunswick**

Ray Burke
Manager, Corporate Finance
506-643-7435
ray.burke@fcnb.ca

Ontario Securities Commission

Alex Fisher
Senior Advisor
416-593-3682
afisher@osc.gov.on.ca

Jonathan Blackwell
Senior Accountant
437-993-2533
jblackwell@osc.gov.on.ca

Nova Scotia Securities Commission

Jack Jiang
Securities Analyst
902-424-7059
Jack.Jiang@novascotia.ca

Valerie Tracy
Securities Analyst
902-424-5718
Valerie.Tracy@novascotia.ca