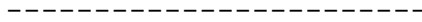


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ONTARIO SECURITIES COMMISSION

OSC VIRTUAL ROUNDTABLE:
RETHINKING DIVERSITY IN CAPITAL MARKETS



HELD ON: Wednesday, October 13, 2021

HELD: Via Videoconference

MODERATOR:

Wendy Berman, Vice-Chair, Ontario Securities Commission

OPENING REMARKS:

Wendy Berman, OSC

1 PANELISTS:

2

3 Rahul Bhardwaj ICD.D, President and CEO, Institute of
4 Corporate Directors

5

6 Wes Hall ICD.D, Executive Chairman and Founder
7 at Kingsdale Advisors, The BlackNorth
8 Initiative, Dragon on CBC's Dragons'
9 Den

10

11 Geordie Hungerford CEO, First Nations Financial Management
12 Board

13

14 Sarah Kaplan Distinguished Professor and Director,
15 Institute for Gender and the Economy,
16 U of T's Rotman School of Management

17

18 Catherine McCall ICD.D, Executive Director, Canadian
19 Coalition for Good Governance

20

21 Rima Ramchandani Partner and Co-Head of Capital Markets
22 Group, Torys LLP

23

24 Paul Schneider ICD.D, Head of Corporate Governance,
25 Ontario Teachers' Pension Plan

26

27 Grant Vingoe Chair and CEO, Ontario Securities
28 Commission

1 EVENT PRODUCER:

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3 Clara Robinson, OSC

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1 --- Upon commencing at 10:00 a.m.

2 OSC VIRTUAL ROUNDTABLE:

3 RETHINKING DIVERSITY IN CAPITAL MARKETS:

4 MS. ROBINSON: Hello, everyone, and welcome to the OSC
5 Virtual Roundtable: Rethinking Diversity in Capital Markets.

6 Before we get started, I would like to go over a few
7 items, so you know how to participate in today's event.

8 You have joined the presentation listening using your
9 computer speaker system. If you have any issues with your
10 audio, I do recommend moving to an Ethernet connection, and
11 also, closing all other applications on your device will also
12 open up more bandwidth.

13 All attendees are in listen-only mode.

14 You will have the opportunity to submit text questions
15 to today's panelists by typing your questions into the questions
16 pane of the control panel. You may send in your questions at
17 any time during the roundtable, and we will collect these and
18 address as many as possible during the Q and A session at the
19 end of today's discussion.

20 Today's virtual roundtable is being recorded and all
21 registered participants will be e-mailed a link to the recording
22 within a few days.

23 I would now like to introduce Wendy Berman, Vice-Chair
24 of the Ontario Securities Commission, who will be the moderator
25 for today's roundtable discussion.

26 Over to you, Wendy. Oh, sorry. Unmute, Wendy.

27 OPENING REMARKS:

28 MS. BERMAN: Gosh. Thank you. Now I'll start that

1 again.

2 So welcome, everyone, to the OSC's Virtual Roundtable
3 on Rethinking Diversity in Capital Markets. Today's event is
4 part of an important and ongoing conversation on diversity
5 issues and we look forward to the discussion and to continuing
6 the conversation.

7 I would like to begin with a land acknowledgement.
8 This land acknowledgement has been developed by OSC staff in
9 close consultation with local Indigenous groups. It's also
10 fitting for today's conversation which is centered on the
11 importance of inclusion and diversity.

12 Indigenous Peoples of Canada have been stewards of
13 this land. It is important to understand the longstanding
14 history of the lands and waters many of us now call home. Much
15 like the Indigenous wampum belts where particular bead patterns
16 symbolize alliances, kinships and land arrangements between
17 different peoples, we, too, respectfully recognize the
18 traditional territory of Indigenous peoples.

19 We acknowledge the Two Row Wampum Belt and we
20 recognize that the beaded pattern signifies that neither group
21 will force its traditions or customs on each other, but will
22 co-exist peacefully as each group follows its own path.

23 With that, I want to acknowledge that Toronto and the
24 Ontario Securities Commission are in the Dish With One Spoon
25 Territory, a treaty between several nations, including the
26 Mississaugas of the Credit, the Anishinaabe, the Chippewa, the
27 Haudenosaunee and the Wendat peoples.

28 The dish represents the land that is to be shared

1 peacefully and the spoon represents the individuals living on
2 and using the resources of the land in a spirit of mutual
3 co-operation and in a manner that does not harm the land.

4 I also acknowledge that Toronto is covered by Treaty
5 13, signed with the Mississaugas of the Credit, and by the
6 Williams Treaty, signed with multiple Mississauga and Chippewa
7 bands.

8 Today, as we join each other on this land, we continue
9 to seek meaningful ways to protect the earth and future
10 benefactors for the peace, reconciliation, and healthy
11 environments being heralded by this land acknowledgement.

12 Thank you.

13 So I want to welcome all of the participants and
14 especially our panelists who I will introduce shortly.

15 It has been seven years since we adopted disclosure
16 requirements for TSX-listed companies to report on the
17 representation of women on boards and in executive roles. Since
18 then, the proportion of women has doubled from 11 percent to 22
19 percent, and while this is very encouraging, we recognize that
20 much more needs to be done.

21 Recent events globally related to equity have
22 heightened the focus on the issue of broader diversity in our
23 capital markets. Many voices have been forcefully advocating
24 for change in the boardroom. We are seeing institutional
25 shareholders use their power to elect directors to effect change
26 on broader diversity, both through board engagement and through
27 their voting policies on diversity.

28 Today's discussion is important and timely, given the

1 momentum for change experienced both domestically and globally
2 on enhancing diversity and addressing systemic racism.

3 In Canada at the federal level, the government has
4 recently introduced new disclosure requirements under the Canada
5 Business Corporations Act that broaden the range of corporations
6 required to provide disclosure regarding women in leadership and
7 add new requirements for disclosure regarding visible
8 minorities, Indigenous persons, and persons with disabilities.

9 The Federal Government also recently launched The 50 -
10 30 Challenge to advance corporate diversity by asking
11 organizations to pledge to have gender parity on their boards
12 and senior management, and 30 percent representation of persons,
13 sorry, 30 percent of persons from underrepresented groups.

14 Internationally, we're also seeing new and similar
15 initiatives being taken. This summer, the U.K. Financial
16 Conduct Authority launched a consultation on proposed rules to
17 enhance diversity disclosure and require listed companies to
18 disclose on a comply or explain basis their performance against
19 specified board diversity targets and data on the gender and
20 ethnic makeup of their boards and senior management.

21 In the U.S., NASDAQ introduced new board diversity
22 rules that require most listed companies to disclose board level
23 diversity statistics and have at least two diverse directors or
24 explain why they don't.

25 Here at home, the Canadian Securities Administrators
26 recently announced further research and consultations for its
27 consideration of broader diversity and any needed changes to our
28 current regime. To us, this is a governance issue. Diversity

1 at the board and management levels brings a variety of opinion
2 which promotes meaningful discussions, better corporate
3 decision-making, and contributes to effective board oversight,
4 all of which enhances the quality of the capital markets.

5 Today, we have an important opportunity to explore the
6 benefits and challenges related to broader corporate diversity,
7 as well as the evolving corporate governance practices of
8 companies and the disclosure needs of Canadian investors, and we
9 do this with an incredible expert panel of leaders.

10 INTRODUCTION OF PANELISTS:

11 MS. BERMAN: And with that, I am pleased to introduce
12 our panel who represent public companies, investors, and
13 advocacy groups as well as governance experts.

14 I'll start with Rahul Bhardwaj, who is the president
15 of the Institute of Corporate Directors. Thank you.

16 MR. BHARDWAJ: Good morning.

17 MS. BERMAN: And next, Wes Hall, who is the executive
18 chairman and founder of Kingsdale Advisors, The BlackNorth
19 Initiative, and a Dragon on CBC's Dragons' Den, which is
20 unfortunate because I wanted the title of "Dragon" in this
21 panel.

22 MR. HALL: Good morning. Thank you.

23 MS. BERMAN: Good morning. Next, we have Geordie
24 Hungerford, who is the chief executive officer of the First
25 Nations Financial Management Board. Welcome, Geordie.

26 MR. HUNGERFORD: Good morning.

27 MS. BERMAN: And next, Sarah Kaplan, who is a
28 distinguished professor and director at the Institute for Gender

1 and the Economy at U of T's Rotman School of Management.

2 Welcome, Sarah.

3 MS. KAPLAN: Morning.

4 MS. BERMAN: And following that, Catherine McCall, who
5 is the executive director of the Canadian Coalition for Good
6 Governance.

7 MS. MCCALL: Good morning.

8 MS. BERMAN: Good morning. And next, we have Rima
9 Ramchandani, who is a partner and co-head of the Capital Markets
10 Group at Torys LLP. Nice to see you, Rima.

11 MS. RAMCHANDANI: Good morning, Wendy.

12 MS. BERMAN: And next we have Paul Schneider, who is
13 the head of corporate governance at the Ontario Teachers'
14 Pension Plan. Welcome, Paul.

15 MR. SCHNEIDER: Good morning. Thank you.

16 MS. BERMAN: And finally, we have our very own Grant
17 Vingoe, Chair and CEO at the OSC.

18 MR. VINGOE: Good morning, everyone.

19 MS. BERMAN: Thank you all very much for being here.
20 Your insights and lived experiences will be valuable in helping
21 us build on the work done today by Canadian securities
22 regulators and determine our next steps. So we've got a lot to
23 cover and so let's get started.

24 DIVERSITY - GENDER VS. BROADER DIVERSITY:

25 MS. BERMAN: The first topic, the biggest topic, I
26 want to kick off a discussion on the topic of broader diversity
27 and give each of you an opportunity to provide your views on
28 whether our current regime should be broadened to include other

1 aspects of diversity, and if so, your thoughts on how that
2 diversity should be defined and how we balance the risks of
3 being too prescriptive, for example, perhaps using specific
4 demographics to define diversity, or too vague, leaving it up to
5 public companies themselves to define diversity, and if we
6 broaden diversity, what diversity information should be reported
7 and how, and what are the challenges in gathering the data and
8 providing that diversity disclosure more broadly, particularly
9 given privacy laws.

10 So these are no small questions, and then the final
11 thought you can add to is, are there any aspects, other aspects
12 of diversity disclosure that should be refined to ensure that
13 our investing public has consistent, comparable, and
14 decision-useful information.

15 So with those very big questions, I pass the baton to
16 you, Rahul, to start us off, and then we'll go to Wes, and then
17 to Geordie.

18 MR. BHARDWAJ: Thanks very much, Wendy, and thank you
19 to the OSC for bringing us all together for this very important
20 conversation.

21 Those are a lot of questions, but I know we've been
22 invited to give a quick overview on the landscape as we see it
23 here, and I guess what I would start off by saying, this is a
24 conversation I've been a part of for the last 25 years, so this
25 is not a new conversation, but, boy, it's overdue and I'm glad
26 we're having it now.

27 I recall when the conversation around diversity
28 initially started, it was about why. Why have diversity on

1 boards of senior management, but now we're into the space where
2 we're actually talking about the how, and that's an extremely
3 important transition to acknowledge.

4 I'd say at the beginning, we were trying to make the
5 business case or I'd say that was what everybody was rushing to
6 do, decrease risk, mitigate against unconscious bias, and it
7 took a lot of time for that to really get its grounding, and now
8 we've seen circumstances have really evolved: Equity, fairness,
9 access to opportunity. All of these have really made the case
10 for much broader diversity.

11 So if the question is, should we have more broader
12 diversity, I'd say that horse has already left the barn and for
13 very good reason. We're seeing it in our own legislation in the
14 CBCA, we're seeing it in the NASDAQ, and so there's a huge
15 momentum towards doing that.

16 And I'm looking forward to getting to a more detailed
17 conversation with the group, but maybe the last point I'll leave
18 on this is, for those that are entering the conversation around
19 diversity on board, you're halfway there because now the
20 conversation has really advanced into inclusion, and I know
21 that's not the topic for today, but if you think that just going
22 through diversity is going to get you to where things are moving
23 to, it's probably too early. You're behind the ball on that
24 one. It's really moved to inclusion.

25 So if you're a part of today's conversation,
26 hopefully, you'll get some good, solid counsel on how to move
27 ahead on diversity, so you can enter that conversation around
28 inclusion.

1 So I'll pause there, Wendy. I look forward to hearing
2 from the others.

3 MS. BERMAN: Thank you. Now, Wes, if you could add.

4 MR. HALL: Yeah, this is fantastic, Rahul. You set
5 the stage really well.

6 So, first of all, I want to thank Commissioner Vingoe.
7 Grant has been a huge supporter of the work I'm doing with The
8 BlackNorth Initiative from the get-go, so I want to thank you
9 for your allyship.

10 Well, I'm going to start with just my little
11 experience. You know, two years ago, I was driving my car to
12 work. It's a fancy car, I won't say the name, and I was dressed
13 like this, and a gentleman stopped me. I was in traffic, just
14 outside my building, in the Exchange Tower, and he stopped me
15 and he handed me his business card and he said, "I'm a criminal
16 lawyer. Give me a call if you're looking for a lawyer."

17 Pulled up at the Four Seasons in the same car, and I
18 got out of my car and a gentleman walked up to me and gave me
19 \$20 to valet his car for him.

20 People come to my house and the first question they
21 ask is, "Are you the security guard or the maintenance person?"

22 Just a few months ago, I was coming from a trip and
23 I'm in the priority line, and the lady checking the tickets
24 immediately, without looking at my boarding pass, says, "You're
25 in the wrong line. You need to be in the economy line."

26 Now, those sound like really funny jokes, right, funny
27 experiences, but think about you being on the receiving end, and
28 then think about you having to deal with this for the rest of

1 your life. Every single scenario that you walk into, you have
2 to deal with that behaviour, and the only reason why you're
3 dealing with that is because of representation or lack thereof.

4 See, if I don't have the nice jobs on Bay Street, I
5 can't drive that fancy car. If I don't have that great job, I
6 can't stay at the Four Seasons. If I don't have that fancy job,
7 I can't live in Rosedale, and if I don't have that fancy job, I
8 can't fly business class.

9 So we're going to talk a little bit about the
10 representation, the numbers, and why it's important, and at the
11 end of the day, you're going to make your own mind up as to
12 whether or not we have a case or not.

13 I turn it back to you, Wendy.

14 MS. BERMAN: Thank you very much, Wes. And I want to
15 turn it over to you, Geordie, to provide your thoughts.

16 MR. HUNGERFORD: Vanh gwiinzii shilak kat. Good
17 morning, friends. Geordie Hungerford, bilji [ph]. I'm of the
18 Gwich'in First Nation of the Northwest Territories and Yukon,
19 and I thank you for that territorial acknowledgement earlier.

20 At the last Tragically Hip concert in Kingston,
21 frontman Gord Downie described Indigenous peoples as the people
22 that we, or Ontarians, are trained their entire lives to ignore.
23 Accordingly, in Toronto, the center of Corporate Canada, in my
24 previous 11 years as a regulator for one of the other major
25 Canadian securities regulators, I don't see Indigenous
26 representation in capital markets and I think this needs to
27 change. I'll give you three reasons why:

28 First, ethically, Indigenous peoples are likely the

1 most underrepresented group in Canada for the purposes of
2 equity, diversity and inclusion. Our people are coming out of
3 seven generations of trauma initiated under the Indian Act to,
4 essentially, get rid of us as a people through assimilation,
5 neglect and the winding up of our nations. It was called the
6 final solution to the Indian problem and part of this final
7 solution was also to prevent Indians from having all but a
8 rudimentary education, preventing us from going to university
9 and, through the action of Indian agents, limiting Indigenous
10 trade and commerce.

11 We, therefore, have a seven-generation gap in
12 Indigenous business leadership, and it's no wonder then under
13 the CBCA data that there's an underrepresentation by a factor of
14 about 20 to 25 times of Indigenous people in public company
15 leadership.

16 The Truth and Reconciliation Commission Calls to
17 Action include calling Corporate Canada to embrace Indigenous
18 economic reconciliation, and Indigenous inclusion reporting must
19 be part of this solution.

20 Secondly, Indigenous people have legal and
21 constitutional expectations of inclusion. Our Canadian
22 Constitution recognizes Indigenous peoples like francophones as
23 having special legal and constitutional rights, and as boards in
24 Canada slowly embraced representation of Canada's francophones
25 in the 20th Century, so should boards also have Indigenous
26 representation in the 21st.

27 At 5 percent of the population of Canada, at 1.8
28 million people, or more than the population of each province

1 except for the Big Four, and with a population projected to
2 possibly reach over 3 million in 20 years and owning lands
3 collectively about the size of the province of Manitoba,
4 Indigenous peoples have an expectation to take our place in
5 Confederation and in business.

6 We're tracked separately under the CBCA diversity
7 reporting data because we're a distinct rights-holding group,
8 and so securities reporting should likewise track us separately
9 as well, and with the passing of federal and B.C. legislation
10 implementing the UN Declaration on the Rights of Indigenous
11 People, or UNDRIP, those jurisdictions, Canada and B.C., are now
12 required to ensure that their laws are compliant with UNDRIP.
13 This means that for matters that impact Indigenous peoples,
14 those governments are required to consult and co-operate with
15 us. This includes the BCSC and any federal securities
16 jurisdiction, and I suggest includes a securities requirement
17 for Indigenous reporting in B.C. and in Canada.

18 And then thirdly and finally, investors need to know
19 whether issuers have the capacity to manage Indigenous issues.
20 How many pipelines, rail rights of ways, dams, logging, oil, gas
21 and mining developments have been slowed down or halted because
22 of management and board mishandling or misunderstanding of
23 Indigenous rights? What are the risks of the direct protest
24 actions like blockades, and also the indirect protest actions,
25 including organized boycotts of banking, insurance, and value
26 chain suppliers to businesses?

27 But it's also the opportunities that are out there as
28 well. It's not all doom and gloom. Projects can get done.

1 Issuers with good Indigenous relations who understand the need
2 to work together in partnership with First Nations are getting
3 projects done, and so investors need to know whether issuers
4 understand Indigenous risks and opportunities or not, and
5 Indigenous senior management and board member reporting is an
6 important measure of corporate capacity and commitment. Thanks.

7 MS. BERMAN: Thank you very much, Geordie. And now
8 I'll turn it over to Sarah.

9 MS. KAPLAN: Well, thank you so much, and such a
10 powerful set of opening remarks already. Since I'm an academic
11 researcher, I'm going to echo a little bit of what the research
12 says about these topics.

13 So first, we should definitely expand our definition
14 of diversity beyond gender, first, as you pointed out, Wendy,
15 because we're now behind a lot of other jurisdictions that are
16 already moving in this direction, and we should also have
17 specific definitions of what that diversity is and not just say
18 broader forms of diversity. This issue was raised already in
19 2015 in a similar roundtable to this by Professor Erin
20 Deer [ph], and that was put aside several years ago, but I think
21 we really need to take that recommendation up now.

22 Research also shows that if you don't specify the
23 dimensions of diversity, most companies will actually not talk
24 about race, ethnicity, gender or anything else, but defer to
25 broader kinds of concepts of diversity, like diversity of
26 thought, which, of course, doesn't get you anywhere in terms of
27 the representation that Geordie, Wes and Rahul were already
28 talking about. So yes, we should definitely broaden the

1 definition.

2 The second thing is, we know from research that most
3 diversity initiatives basically benefit white women, and the
4 impact of the current regulations are no different, and I want
5 to just add to that that I worry that there's a tendency to talk
6 about women or race, [inaudible], diversity or Indigenous people
7 or people with disabilities, but we have to recognize that these
8 are intersecting sets. It's not going to be a win if we get a
9 whole bunch of ethnically, racially diverse or Indigenous men
10 into boards and there's no women in those categories as well.
11 So we need to think more intersectionally.

12 And the third thing that I will say from research that
13 I'm actually doing myself is that none of this will matter if
14 it's implemented within the context of the current regulation,
15 which I think is flawed in ways that don't allow it to have the
16 impact that it should have.

17 You know, in five years, as Wendy mentioned, we've
18 gone from 11 to 22 percent, but in the U.S., where they did not
19 have any comply or explain until recently, they're at 30 percent
20 and, of course, in countries that have quotas, they're at 40
21 percent. So I don't think we have a win yet. I think we're
22 actually going slower and, therefore, I don't think that the
23 regulation has really helped.

24 We're doing a study right now that's actually looking
25 very closely at those explanations and I think it highlights a
26 couple of flaws, one of which I'll highlight now, which is that
27 the comply or explain is just companies are just required to put
28 it somewhere in their information circular. Often, those are a

1 hundred pages long. There's no way to actually get that
2 information, make it transparent. The whole goal of comply or
3 explain was to name and shame. We [inaudible] current
4 implementation.

5 So if we're going to move in this direction, which I
6 hope we will, we also have to change so that it's a Web form
7 where everyone puts in consistent information, it's searchable
8 on Internet, and it creates the true transparency because right
9 now, we do not have the needed transparency. The U.K., with
10 their pay transparency law, does have it searchable by anyone on
11 the Internet and we need something similar.

12 I'll finally say that another flaw in the regulation
13 is that the setting of targets was optional. I know we're going
14 to get to that later, so I'll save my comment [inaudible].
15 Plenty more to [inaudible] search, but I'll stop here.

16 MS. BERMAN: Thank you so much, Sarah. And now I'll
17 just turn over to Catherine, and following Catherine, Rima, for
18 both of your thoughts.

19 MS. MCCALL: Thank you, Wendy. I must say those were
20 fantastic comments and I agree with so much or all of what
21 everybody's been saying, so I'm going to focus more on the
22 concept of diversity itself and the question and the problem
23 with how we can get from what we think are important
24 characteristics to actually doing something about it.

25 And I would start by saying that, yes, it's incredibly
26 important that the OSC broaden its concept of diversity beyond
27 gender, and from the perspective of institutional shareholders,
28 long-term value creation is going to depend on systematic social

1 problems, inequalities being addressed. So, obviously, the
2 problem is, how do we get there?

3 So the folk -- when people, as Sarah mentioned, when
4 people talk about diversity, they typically do mean diversity of
5 thought, and they're trying to get at concepts such as avoidance
6 of group-think and fostering innovation, a greater understanding
7 of different stakeholders' perspectives and a willingness to
8 express and hear dissent, and there are many other aspects to
9 this definition of diversity than demographic characteristics,
10 and they don't always capture what we mean by diversity of
11 thought, but demographic characteristics can serve, and they are
12 the best proxy we have, they can serve as a proxy and the best
13 proxy we have for capturing diversity of thought, and there is
14 also, as has been mentioned, just the notion of fundamental
15 justice and equality that we have to address.

16 I think in this context it's important, as Rahul
17 mentioned earlier, that there be a board culture that welcomes
18 diversity, but that is also comfortable with the importance of
19 inclusion in addition to diversity because I think without
20 understanding that fundamental commitment to equality and
21 including all peoples, then you're not going to be able to get
22 to diverse form.

23 I also wanted to point out just briefly that diversity
24 is a contextual concept. It depends on place, region, time,
25 community, other factors like including the nature of the
26 business, and we need diversity in corporate that is pertinent
27 to, in addition to fundamental justice, but that is pertinent to
28 business operations and strategic plans.

1 So, for example, I'd say Indigenous representation is
2 very relevant in Canada and important to most Canadian
3 corporations, not so much perhaps in European countries or
4 European companies. It's also an evolving concept as we can see
5 from the expanded focus on the importance of LGBTQ+ rights in
6 recent years.

7 So it's extremely important that the CBCA has started
8 the conversation to broaden categories of diversity that we're
9 paying attention to beyond gender, and the OSC should follow
10 suit, but I think it's perhaps best to leave the definition of
11 diversity open-ended and not exhaustive, and leave it to
12 companies to define and describe what matters to them, obviously
13 recognizing fundamental categories of justice.

14 And companies should report on their own nuanced
15 categories of diversity and explain why they are relevant using
16 the categories in CBCA and human rights, supported by the human
17 rights legislation as the fundamental categories in which to
18 start, and I think this is going to, if we let companies do this
19 or encourage them, it will start to evolve into what true
20 diversity really does mean.

21 MS. BERMAN: Thank you. Thank you, Catherine. Turn
22 it to you, Rima, and then after Rima, we'll hear from Paul and
23 then Grant.

24 MS. RAMCHANDANI: Thanks, Wendy. Good morning,
25 everybody. Great to be here with you today.

26 Great remarks. I mean, I think I will echo. I agree
27 with everything I've heard today. I think from my perspective,
28 I'm the securities lawyer. I advise market participants, so

1 issuers, underwriters, investors, so I think hearkening back to
2 the comments Rahul made, I think about the how is really what
3 we're talking about, and so I tend to look at this through the
4 lens of, you know, disclosure, right?

5 So what are investors telling us that they need to
6 know in order to make informed decisions in their investment
7 decisions, and I think increasingly, as you said at the outset,
8 it's quite clear that investors, particularly institutional
9 investors in Canada, the U.S. and around the globe, are saying
10 that diversity matters, and in particular, demographic data that
11 goes beyond just the representation of women on boards and
12 management teams is important information.

13 So I think to answer your first question, the current
14 regime ought to be expanded to address the information that
15 investors are saying is important to them.

16 I think there is also, picking up on Sarah's comments,
17 clearly value in creating greater transparency and uniformity in
18 the reporting, so leaving aside the contents of what that looks
19 like, I think having, you know, information in a tabular form
20 with enumerated headings and clear definition I think makes good
21 sense.

22 The final point I'll make is, you know, the rule --
23 and I share some of the frustration that people have in terms of
24 the pace of progress feeling slower than people would like, but
25 our rules are pretty narrow in scope right now, right? Like,
26 not only are they narrow in that they only focus on women, but
27 they also focus on a very small group of individuals, directors
28 and executive officers, the most senior level of the management

1 team, and so I'm not entirely surprised that we haven't seen a
2 lot of change over the period of time we're talking about,
3 right. We wouldn't expect significant turnover at the senior
4 management team in an issuer over that period of time.

5 I think in order to get a true snapshot of diversity
6 at any organization, and also look at, you know, sort of
7 improvements in diversity over time, you really have to see
8 information one, two, three levels down, right, over a longer
9 period of time, and right now, we're not getting that data.

10 So I think -- I say that because I think people should
11 put the data into context and I think if we saw a broader data
12 set, you know, it may show a different trend line over a longer
13 term.

14 MS. BERMAN: Thank you, Rima. Paul.

15 MR. SCHNEIDER: Thank you, Wendy, and thank you for
16 the invitation today. Sort of a disadvantage to going last is
17 everyone's already said a lot of what you want to say, but, you
18 know, great comments thus far.

19 So, you know, I think I'll kind of focus on -- Rima's
20 mentioned the investors, so how we're looking at it and, you
21 know, I think it gets down to in order for us to assess, we have
22 to have the information. So it's about disclosure, and really,
23 the definition, how we are looking at diversity is we are
24 looking at it through that diversity, equity and inclusion lens.
25 So it covers a whole range of different attributes: Gender,
26 race, sexual orientation, abilities, so on and so forth.

27 So it is a very -- it's a broad definition, much
28 broader than what the CBCA has, and we are -- Teachers are going

1 through our own DEI journey right now, and I think that's been
2 very helpful for us to understand, you know, from a, you know,
3 investor's point of view the challenges that can be presented
4 through, you know, collecting the information, respecting
5 privacy. There's a lot of issues around that as well.

6 But I think, you know, you can only progress through
7 disclosure because people have to be able to know where you are,
8 and what -- disclosure, and what are your goals? Like, we
9 really push companies or boards, you know, "Tell us, tell us,
10 you know, your diversity makeup, but also, what are your plans?
11 What's your policy? What do you want to do? Like, what's your
12 sort of North Star for this?" So get them thinking about it and
13 having those discussions.

14 You know, the thing about diversity that's probably
15 very challenging is it's going to require self-disclosure, and I
16 think that's going to be the driver behind it, so people have to
17 get comfortable self-disclosing. You know, don't ask me to look
18 at a picture or read someone's name and assess their, you know,
19 assess their diversity, because that's not the right way to do
20 it, so you need that self-disclosure.

21 You have to kind of, you know -- we're working through
22 that at our place. I know in the U.S., they have EEO-1
23 disclosures that companies must fill and file with the
24 Department of Labor, I believe it is, and that's really a high
25 level makeup by -- I think what Rima was saying, it's by
26 different levels within the company, diversity across a number
27 of different spectrums, so possibly that's something. Every
28 company has to file it. What we're asking companies to do in

1 the U.S. is to publish that information because it's already
2 collected, it's at a high level, it's not attributable to any
3 individual, so that's a possible way going forward with
4 disclosure.

5 I'll just close on a bit of what I guess for me a
6 disturbing thing that I read when the NASDAQ came out with their
7 diversity rule, the two. There was a group in the U.S., and I
8 believe it's called the Alliance for Fair Board Recruitment,
9 that is taking the NASDAQ to court, claiming that it is, you
10 know, unconstitutional, or whatever the right word is, for
11 NASDAQ to have this requirement.

12 Now, I know this is a U.S. group, but, you know, I
13 think -- you know, and I went to their website and they don't
14 list any members. Membership is private. It's probably, you
15 know, a bunch of older individuals who are afraid of losing
16 their director jobs, you know, if I can be fairly blunt on that,
17 but I think why I say this is there will be, I think, headwinds.
18 I think there could be some pushback, even though, you know, all
19 nine of us are sitting here agreeing and we think, you know, it
20 makes perfect sense, I think there's going to be groups, people
21 who think that, you know, we're trying to push an agenda that
22 is, you know, it's not good for business, but you know, we all
23 believe it's good for business, but I just want to raise that
24 issue that we should, you know, also be figuring out how to deal
25 with those people who will push against us.

26 MS. BERMAN: That's a really important ending point
27 because important change doesn't come without a lot of scars and
28 traumas along the way.

1 So now I'll turn it to Grant who, hopefully, has
2 something unique to say after all of the other eight people
3 spoke. No pressure, Grant.

4 MR. VINGOE: Well, I do think that we have -- we share
5 a common -- you know, many elements of a common view towards
6 broader diversity that were reflected in the opening remarks,
7 and I agree with Paul about possible headwinds. You know,
8 they're not that vocal at the moment, but there are those who
9 question whether -- and they often do it under the guise of
10 whether this is an appropriate subject for securities
11 regulation, for securities regulators, you know, since our
12 regime has been perceived to be based on the disclosure of
13 material information and there's -- they will, you know, assert
14 that it may not be adequately proven how material the
15 information is.

16 And I object to that point of view. I think the
17 correlation to corporate performance, you know, is a good
18 foundation for the involvement of securities regulators in this
19 area, but Paul also talked about the NASDAQ rule and the
20 objectors in the United States. It wasn't only, you know, that
21 one group that's initiated litigation. It was also a party line
22 vote at the SEC that was actually -- the NASDAQ rule was only
23 approved by a majority constituting representatives of one party
24 and the chair, and those who objected, objected on the grounds
25 of, you know, questioning the rigour of the analysis of
26 corporate performance being demonstrated through diversity, and
27 also, you know, questioning the adequacy of the, you know, the
28 foundation that the information is, indeed, important to

1 investors, claiming that it wasn't statistically rigorous.

2 So it's going to be really important for us, you know,
3 to actually be able to respond to those resistant voices by
4 having a rigorous analysis. It's incredibly important that, you
5 know, our institutional investors are being vocal and recording
6 how they use the information and how important it is to their
7 investor process, so that similar objections can't be made in
8 Canada.

9 And it really is hard to, you know, with corporate
10 performance to, you know, isolate diversity as a factor with
11 everything else, you know, that's involved with corporate
12 performance and measuring it, but we all know from, you know,
13 like, at the stages of our careers that we're at, we've been in
14 more diverse and less diverse environments and we know that the
15 conversations that involve more diverse participants are richer
16 and that there are new insights gained and the conversations are
17 superior, but we'll have to, you know, to again be able to deal
18 with those voices that are urging caution or the status quo or
19 that this isn't the subject for securities regulation. We need
20 to be as rigorous as possible and enhance our knowledge in that
21 area.

22 I think we should also bear in mind that securities
23 regulation is one of the kind of institutions of power and
24 authority in Canada and that that has to be taken into account,
25 that our role, we can't be aloof from it because we're part of
26 an institutional setting that has limited access to capital in
27 some cases or, you know, hasn't emphasized the investor needs of
28 diverse communities to an adequate degree. It's something that

1 we're redressing, but, you know, we have to not think of
2 ourselves as aloof from it, but a core of the issue, of the
3 issues.

4 And in terms of the actual definitions, the CBCA has
5 been criticized in part because, you know, it's really difficult
6 to create a definition and a list. You know, they omitted
7 LGBTQ2+ and now they're -- and they drew their definitions from
8 the Employment Equity Act and there's a task force that's
9 looking at appropriate definitions.

10 I do think there needs to be a national consensus and
11 like one set of definitions to have the benefit of securities
12 regulation, which is consistency, so I'm hoping the federal task
13 force on the Employment Equity Act will, you know, be able to
14 attain a consensus today in Canada so we won't lose momentum and
15 that we can use those definitions, and they have to be
16 definitions that people are comfortable self-identifying to, and
17 we have to increase that comfort level.

18 And finally, this whole area won't work if Corporate
19 Canada treats it as a check-the-box phenomenon, and there is
20 that tendency, you know, with some securities law requirements,
21 so it's a cultural shift that can be augmented by disclosure and
22 by securities regulatory endorsement, but it requires
23 maintaining the societal momentum in favour of broader diversity
24 that we're seeing in Canada today. I'll Conclude with that.

25 MS. BERMAN: We are off to a really great start with
26 tons of views and content, so thank you.

27 TARGETS FOR BOARDS AND EXECUTIVES:

28 MS. BERMAN: So now we'll just go from one

1 controversial topic to the next, and when we think about moving
2 the needle on diversity, many voices advocate for targets and
3 others, you know, advocate against targets, so we hear the
4 voices on both sides.

5 So in terms of the views of this panel, I'd like to
6 know your views on targets and whether or not they are effective
7 mechanisms for achieving broader diversity in corporations, and
8 is this a role that Canadian securities regulators should, an
9 area we should step into to require public companies to set
10 targets and report their progress against such targets, and if
11 so, what do those targets look like? Are they prescriptive? Do
12 we make rules? Do we provide guidance and allow companies to
13 set their own targets, recognizing the context, as Catherine
14 mentioned, and if we set guidance, what do you think it should
15 look like?

16 So we have only 10 minutes to go through all of that,
17 but I'd throw it out to Sarah to start off, and then if Wes,
18 Geordie and Rahul could give their views, that would be great.

19 MS. KAPLAN: Yes. Well, thank you. So the answer is
20 yes, there should be targets. As I mentioned, one of the flaws
21 in the current regulation is that targets are optional, and so
22 we see that only 26 percent of companies have actually even
23 chosen to have targets and, you know, what gets measured gets
24 done and so I think every company should set a target.

25 I also believe that we may want to consider, you know,
26 the federal challenge, The 50 - 30 Challenge as a guideline that
27 every company -- we're not going to tell companies what to do.
28 I agree with Catherine that there are some contextual issues,

1 but that every company should set and measure targets.

2 I mean, I've read all of these disclosures and a lot
3 of companies say things like, "We have an aspirational target to
4 have one woman in our board." I read that year after year after
5 year. So I figure "aspirational target" means not actually a
6 target. So I think that is very important.

7 And the only other thing I want to say about that is
8 that the excuses that, or the explanations that companies give
9 for not wanting to set targets right now is one around
10 meritocracy. They say that they simply can't find the quality
11 people, and I will tell you that the academic research tells you
12 that that argument is a reinforcing of the status quo, and that
13 every place where you do set targets and quotas, you actually
14 increase quality, not decrease it and the reason you do is
15 because all these people who had historically been overlooked,
16 who are actually very high quality, get considered.

17 I think the top economics paper that talks about this,
18 the title of the paper says it all, which is "Gender Quotas and
19 the Crisis of the Mediocre Man", and basically, what's happening
20 is, when you set quotas and targets, you actually increase your
21 quality because some people who historically had advantages who
22 weren't maybe as qualified are now not getting considered.

23 So this excuse about meritocracy and all of that is
24 something that's getting in the way of us being able to use
25 targets effectively. Thank you.

26 MS. BERMAN: Wes.

27 MR. HALL: So I think a lot of companies confuse the
28 words "targets" and "quotas", and let's say you use quotas.

1 Quotas is going to be, "I need 10 black men." You get 10 black
2 men. Doesn't really care about, you know, how smart they are.
3 A target says that our objective is to get 10 black men, but we
4 need to make sure that it accomplishes our objective of getting
5 to certain places. We're used to doing that as a street. We
6 report targets, we meet objectives, we don't meet them, we
7 report back to the street our progress.

8 But let me talk a little bit about -- MarketIntelWorks
9 did some work, a lot of work with the 30% Club and they're going
10 to be doing some work with The BlackNorth Initiative, and their
11 report as at June 30th, the 30% Club said, "We want to see 30
12 percent of women in C-suites and our boards by 2020," and it was
13 formed six years ago. They've achieved that objective this
14 year, okay, the reason being was because a target was set, it
15 was measured and it was managed, and everybody were on board and
16 made it happen.

17 Now, when we talk about racial diversity, let's look
18 at the numbers, for example. In 2020, we had 19 black board
19 members. 2021, we had a massive improvement. It went to
20 19 [sic], and that's out of 533 positions in total, which is a
21 3.6 percent increase in that number.

22 The BlackNorth Initiative, as you're aware, committed
23 that -- have companies committed that they would have 3.5
24 percent of their boards and C-suite represented by black folks.
25 Now, at that rate of change, 3.6 percent increase per year, it's
26 going to take us 33 years to accomplish that objective, but the
27 Initiative said that it should be accomplished by 2025.

28 So if it's not measured, how is it going to be

1 managed? And that's really what we need to think about, is that
2 we cannot manage what we do not measure, and that's why the
3 target is there, so that it doesn't take us 33 years to
4 accomplish something that we say we're going to do in five
5 years, right? And so that's what we should think about.

6 Now, if we -- I focus a little bit on the TSX. So if
7 we look at TSX, for example, and the numbers and at the boards,
8 there's 6,034 companies on the TSX. Black board positions on
9 that is 42 of those 6,034, and that was 2020, and in 2019 --
10 2021, that number went up to 70. Executive positions, 6,066
11 companies, 73 black members.

12 And if we go to the Composite, for example, and we
13 look at all the boards on the TSX Composite Index, 2,241
14 companies, 29 board members that are black. C-suites, 2,655
15 positions, 33 are black, and then as we stay in the Index, for
16 example, zero chairs are black, zero CEOs are black, and only
17 two CFOs are black.

18 Again, if we don't have those jobs, can't drive a
19 Ferrari, can't stay at the Four Seasons, can't live in Rosedale,
20 and you don't fly business class, and as a result of that, the
21 stereotype continues.

22 So the reason why we need to think about these numbers
23 is because of the fact that these are publicly-listed companies
24 that are going through money from people like me, and pension
25 funds like Paul is managing, that have money from people like
26 me, right, and so we need to make sure that our policies are
27 inclusive because we know, regardless of what people may say
28 about the stats, inclusive companies are better businesses and

1 they make money. Why do we consistently leave money on the
2 table and we think nothing about it?

3 As CEOs and managers, we have to make sure that every
4 single dollar we can get to create value for our investors, we
5 go and get it, but in this particular case, we're not doing it.
6 So it's either (a) we don't get the problem, or (b) we don't
7 care about the problem, but in either case, it's a problem.

8 MS. BERMAN: Thanks, Wes. So Geordie and then Rahul.

9 MR. HUNGERFORD: Wow, Wes, that was amazing. Totally
10 agree with everything you just said. I mean, I think there
11 should be reporting issuer targets of at least one Indigenous
12 person on every reporting issuer board in Canada, and more so
13 really a goal of mandatory representation on every TSX issuer.

14 These big board firms, as prominent corporate
15 citizens, you know, with investment from all across Canada,
16 should be taking Indigenous reconciliation seriously and show
17 the leadership. I mean, most of these firms have grown wealthy
18 off the bounty of this country of Canada, founded on Indigenous
19 land and Indigenous peoples would expect Indigenous board
20 representation as a show of respect and reconciliation.

21 Regarding executives, I think there should also be
22 similar targets. CBCA data, which has finally given us some
23 good evidence on Indigenous inclusion or lack thereof, showed
24 there were zero, none, Indigenous TSX.V executives, so I guess
25 it can't get any worse. Given these issuers are often involved
26 in resource exploration and extraction, which often has an
27 Indigenous rights angle, there's a lot of Indigenous-related
28 risk that needs better reporting, including Indigenous executive

1 inclusion.

2 And further to a point that was made earlier, I think
3 reconciliation metrics should be including Indigenous
4 representation throughout the organization, from the top to the
5 bottom. In fact, I think there needs to be a CSA project
6 looking more carefully on the concept of Indigenous
7 reconciliation generally.

8 I also agree that, you know, what gets measured gets
9 rewarded. Without tools to measure Indigenous reconciliation,
10 very little will happen and that's why we need those targets.
11 Thank you.

12 MS. BERMAN: Thank you very much, Geordie. Rahul.

13 MR. BHARDWAJ: Thanks very much. Super. Super great
14 comments, and I want to amplify, I don't want to go over what
15 I've heard, but I want to start with what gets measured gets
16 done. Geordie amended that a touch and I'm going to amend it
17 slightly further: What gets measured gets gamed, and we've got
18 to be careful about that part, and if it continues to get gamed,
19 that's going to just breed more cynicism at a time we're trying
20 to build trust. So the notion of, you know, comply or explain,
21 targets, wherever that's going to go, requires clarity and it
22 requires commitment and it certainly requires a shift of
23 culture.

24 I want to share a quick story with you about a webinar
25 we did at the Institute of Corporate Directors about five years
26 ago that involved the discussion around diversity, but we
27 invited a woman named Turid Saove from Norway, a lovely lady, a
28 good friend, who had done remarkable work on advancing gender

1 diversity on boards in Norway, and, of course, she advanced it
2 by really pushing quotas, and that's ultimately where they ended
3 up going.

4 So the point with the conversation we were having in
5 the Canadian context was, well, where do we think about targets,
6 hard targets, quotas, and we polled the audience that day twice.
7 The first time we polled them, we said, "How many of you,
8 Canadian audience, think that we should have quotas for gender
9 diversity on boards in Canada?" Well, not surprisingly, it was
10 about 75/25 against it. No surprise there. That's the Canadian
11 way. We like to go comply or explain. We like voluntary
12 targets, and they all make a lot of sense in a lot of contexts.

13 Then we had the conversation with Turid and we
14 re-polled them, and said, "Based on this conversation and the
15 journey that the European markets had gone through on this,
16 let's re-poll you." That 75/25 against quotas turned into 60/40
17 in favour of quotas. There was such a level of frustration on
18 the lack of progress that's made with these voluntary targets,
19 it's very hard to reconcile.

20 So I think we're in a, you know, we're in a really
21 important flexion point in Canada to really determine how
22 serious are we about making progress. We've been very patient
23 for a long time.

24 Obviously, companies are having challenges meeting
25 these, and if we continue to be laggards on this, we are going
26 to breed cynicism and, ultimately, we're really going to lose
27 the trust and confidence of the multi-stakeholder environment
28 we're in. So it's an inflection point.

1 TERM LIMITS FOR DIRECTORS:

2 MS. BERMAN: Thank you, all. It sets the stage next
3 quite well for our third topic which deals with, you know, the
4 notion of creating the opportunity and recognizing the pipeline
5 that exists, as Wes and others have pointed out. So we'd love
6 to hear the panelists' perspective on director term limits, so
7 creating an environment in which you can have that type of board
8 renewal and opportunity for diverse candidates.

9 So the questions to this, I mean, we've already
10 touched on some of the jurisdictions that deal with that, so the
11 question for some of the panel members are: Do you think that
12 directors' term limits are an effective mechanism for achieving
13 board renewal, and are there opportunities for diversity of the
14 board and management? Are there other more appropriate ways to
15 achieve that sort of healthy level of board renewal? And then
16 if, if you're in favour of creating some form of term limit, if
17 you think that's the most effective mechanism, should public
18 companies be allowed to set their own term limits given the
19 context of their own businesses? Should securities regulators
20 set term limits? Is that an area that we should get into?
21 Should we provide guidance on what we think is appropriate from
22 a governance perspective and what would that guidance look like?

23 So I'll start off with Catherine, and then, Rima, if
24 you could add your comments, and then turning it to Paul and
25 finally Grant.

26 MS. MCCALL: Okay. I think that term limits can be
27 effective in terms of furthering board refreshment, just for the
28 simple reason that you make room on the board, but we've seen in

1 practice and through the OSC's own research that it doesn't --
2 it's not effective in terms of enhancing diversity. The
3 vacancies are just not being filled by diverse candidates.

4 I would like to suggest that a very traditional
5 mechanism is probably better suited to increasing diversity and
6 that is very solid, robust board succession planning processes,
7 where you have a skills matrix that includes the importance of
8 new blood, fresh perspectives, as well as institutional
9 knowledge and is very -- emphasizes the importance of diversity
10 to that company, to those boards.

11 So that if that's part of the essential makeup of what
12 you're looking for, and as a good succession plan is going to
13 put, try and put those into effect, I think that that in itself
14 would move diversity because you would have put the importance
15 of diversity right into your skills matrix and into what you
16 think should happen and where the board should go, and that
17 should reflect not just the board's current state, position and
18 operations, but where the strategy, where they want to end up
19 and what do they need to get that strategy.

20 So I would say that, arguably, strong succession
21 planning is the best defence or mechanism for boards to increase
22 diversity, but that, I don't think that that's happening. I
23 think we can see that it's not being utilized the way it should
24 be and experience has shown that it's really difficult to remove
25 directors. I mean, human nature and psychological propensity to
26 not want to offend or to avoid conflict means that it's not
27 going to happen organically. So I think for practical reasons,
28 it's arguable that there should be a formal mechanism for board

1 renewal, even though I think succession planning is the best
2 way.

3 So I think that, historically, we thought a board
4 evaluation, this is CCGG, has thought that a board evaluation
5 process is the best because you can -- evaluation process where
6 the results are actually followed, so that you can remove poorly
7 performing directors, but theoretically, we now realize that
8 that's not sound because, in theory, you could have directors
9 that are on for 20 years that are all highly performing, which
10 wouldn't happen if you were looking at a succession planning
11 that included diversity.

12 So I think that you need to have some kind of
13 mechanism that's there, but that is not too prescriptive, and I
14 don't think there's a perfect solution because the common, the
15 most common term limits are those that talk about age and that
16 talk about length of tenure for either an individual director or
17 on average for the board as a whole, and I think that they have
18 problems. Like, one is ageist. One is too inflexible. One is
19 frequently -- they can be frequently ignored by the board
20 through exercise of discretion.

21 I think there's another alternative that might present
22 a solution, and that is something that you see in the U.S. and
23 the U.K., where there is an independence standard that is
24 stipulated. So that in the U.K., for example, there's a
25 rebuttable presumption that directors are not independent after
26 nine years and the board must explain if their director is on
27 longer than that, the longer tenure, why they should still be
28 considered independent.

1 So this has implications for board composition and
2 turnover that would be important for diversity, and under this
3 alternative, I think it makes sense for regulators to provide
4 guidance about what length of period is independent, to be
5 considered or not, no longer independent, so 10 years or
6 whatever.

7 MS. BERMAN: Thank you. Sorry to cut you off. I'm
8 just going to -- those are some really important points and very
9 helpful, but in order to get time, I'm just going to --

10 MS. MCCALL: Thank you.

11 MS. BERMAN: -- pass it on, on to Rima, and to see if
12 you have anything you'd like to add on to those thoughts.

13 MS. RAMCHANDANI: Sure. Thanks, Wendy. I mean, I
14 agree with what Catherine said. I'm not persuaded that term
15 limits are, you know, or the absence of term limits are a
16 meaningful hurdle when we're talking about increasing diversity,
17 and I think the OSC data over the last five years shows that, as
18 Catherine said, right? I think only around 30 percent. It's
19 been sort of hovering around 30 percent, since you've been
20 reporting, the vacancies are held by women. So that tells me
21 that it's not, it's not that we need to create more seats to
22 fill. I think there is [inaudible] and there's still not even
23 parity in terms of the seats.

24 So I'm not convinced that, yes, term limits is -- the
25 link between term limits and diversity is clear-cut. You know,
26 I think it's a totally credible conversation, and ask to have
27 from a corporate governance perspective is, is the adoption of
28 some sort of term limit appropriate to ensure board renewal and

1 refreshment and that you have the right skill set around the
2 table.

3 I mean, I think almost every board has a skills
4 matrix. Almost every board reproduces it. I think people do
5 this. I think the -- you know, if there's a criticism or a
6 failing, it's in the robustness of that process, and so I think
7 that is probably the best way to tackle ensuring that you have
8 the appropriate members around the table.

9 I think there's lots of good reasons not to adopt
10 fixed term limits. I think you don't want to have directors for
11 life, but I think lots of directors, long-serving directors have
12 institutional knowledge that's valuable to the company, not
13 easily replaced.

14 I think shareholders elect the directors every year,
15 and they have an opportunity to decide whether people are
16 performing or not performing. I appreciate that that vote is
17 not always exercised in a meaningful way after some sort of
18 crisis, but I think there are already mechanisms in the
19 corporate law to address it, so I'm not, you know, I'm not a big
20 proponent of term limits, and I don't see them as being a
21 meaningful driver on the diversity conversation.

22 MS. BERMAN: Thank you. I don't know, Paul, if you
23 have anything different to add from the institutional investor
24 perspective.

25 MR. SCHNEIDER: Well, I think I tend to agree with
26 Rima and Catherine in that, you know, term limits alone are not
27 the driver for diversity. It's the effectiveness of the
28 recruitment function that drives it. I mean, term limits are --

1 you know, they can create that opening, but what does the
2 board -- what does the search committee do with that opening is
3 probably the important part there.

4 And, you know, we've, for a number of years now, we
5 look at sort of the total makeup of the board. We have a -- if
6 average tenure is more than 10 years, we get a little bit of a
7 concern, plus we even get more concerned if there's been no new
8 directors in the last three years. So that's really -- you
9 know, we're trying to think, okay, is this an entrenched board
10 and that's the last thing we want to see, is that entrenchment.
11 So we kind of use that guide as our sort of flags to highlight
12 potential issues with term limits.

13 But I think, you know, and I don't want to sound
14 overly, like, with rose-coloured glasses on, but it is, it is so
15 much dependent on that, that, you know, renewal is so much
16 dependent upon a strong chair who can properly and effectively
17 execute the assessment, you know, the assessment process. You
18 really need that and you need to have some tough conversations.

19 Each one of us, well, you know, I'll speak for myself,
20 but I have to go through a performance approval, appraisal every
21 year, right? If my performance isn't good, then, you know, we
22 have a different conversation.

23 So I think we've always felt that, you know, a
24 directorship is a really important job. It's a hard job, it's a
25 tough job, but I think with -- comes that, you also have to
26 perform, and I think there's also going to be a bit of a
27 cultural thing here where, you know, if people come on the board
28 knowing they have, you know, "I have five to seven years or 10

1 years and then I'm going to move on to something else," I think
2 that's also part of it.

3 And I think, finally, to Rima's point, as
4 shareholders, we have to start to hold boards to account when we
5 see these diversity or these tenure issues or something like
6 that. I've seen crazy stuff, not necessarily in Canada, but
7 40-year board tenure and then that's like, well, you know,
8 that's a lot of institutional knowledge, but is that the right
9 institutional knowledge you need to have on the board.

10 So I will stop at that because I know we're getting
11 stretched for time, so...

12 MS. BERMAN: Thank you, Paul. So now, Grant, I don't
13 know if you have something -- well, I know you have something to
14 add in terms of thoughts on term limits and other mechanisms.

15 MR. VINGOE: Yeah. I have a slightly different view
16 that, you know, the discussion about term limits have been
17 talking about, like, generally and most, many recommendations,
18 it's been a 12-year tenure with some exceptional instances of 15
19 years, and I actually -- I think that, you know, those are not
20 very, you know, stringent requirements, but they send a societal
21 signal, you know, about turnover and the need for turnover, and
22 if it's augmented by the cultural shift I talked about and the
23 targets on a comply or explain basis, I think it takes on the
24 concept of indispensability.

25 You know, people are -- individual board directors
26 would rarely be indispensable after a dozen years and with
27 appropriate succession planning and, you know, transfer of
28 information and the right culture of renewal, I think it's an

1 important societal message.

2 It does tread more directly into corporate law
3 requirements, you know, and that could be an issue for
4 securities regulators, but it does -- I think, ultimately, it's
5 one of those tools that together with targets and an enlarged
6 definition of diversity could ultimately be useful and take on
7 the idea of indispensability.

8 I also think there is almost inevitably management
9 capture of any director who's served for 15 years, you know, and
10 the idea that they could be independent. You know, it probably
11 exists in practice, but I'd be very skeptical and think that the
12 approach, which does fall within, more naturally, within the
13 realm of securities regulation, to say there has to be, you
14 know, a limit on someone being treated as independent when
15 they've benefited from the management control of the proxy
16 machinery for 15 years and been re-elected. We really have to
17 question, you know, whether someone can truly be independent at
18 that point.

19 So I'm more favourable than the other speakers about
20 term limits.

21 FINAL REMARKS:

22 MS. BERMAN: Well, thank you, all. I think we're just
23 going to move to one last sort of rapid round because we've got
24 questions coming in fairly fast and furious from the audience,
25 which is wonderful to see.

26 So just ask you to spend a minute, if you could share
27 with us your sort of one final thought for enhancing diversity
28 through a securities regulatory regime. So specific to our

1 sandbox and our authority, just share your one last thought, and
2 maybe what I'll do is I'll start off with Paul and then go to
3 Rima, and then go to Catherine, and then I'll pass it on from
4 there.

5 MR. SCHNEIDER: Thanks, Wendy. I guess -- so one
6 thought with a minute, okay. You know, I think, you know, if I
7 could pick one thing, it would be disclosure because disclosure
8 really drives change, if people have to, you know, disclose what
9 they're doing about diversity, you know, the targets they have
10 and how they're progressing against those targets. So I think
11 that probably would be the best thing, a good mechanism to drive
12 change, if I had to pick one thing.

13 MS. BERMAN: Thank you. Very good. Under a minute.
14 Rima.

15 MS. RAMCHANDANI: I'm going to pick more than one
16 thing, but I'll still stay under a minute. So facilitating
17 transparency of data for disclosure, as Paul said. I think
18 engaging, from a securities regulatory perspective, engaging
19 proactively with investors on what matters to them, again
20 driving the disclosure, and then educating, educating market
21 participants on this topic and what's happening around the
22 globe.

23 Canada is not alone. Our market is not an isolated
24 market. We have to be cognizant of what's happening in the
25 U.S., the most dominant market. It influences everything we do,
26 and so I think it's important that we understand what's
27 happening in the world and that we not be left behind.

28 MS. BERMAN: Spoken like a true lawyer: Three things

1 in one minute. So now to you, Catherine.

2 MS. MCCALL: I have to agree that I think disclosure
3 is key, and that is the purview of the Commission, and I think
4 that that's where they can make the most, obviously, impact.

5 I would take a slightly -- I think that disclosure
6 that's comparable is extremely important and the idea of having
7 graphs or charts that set out exactly the same disclosure that's
8 required for all issuers is good, but I think in addition to
9 that, that narrative disclosure is very important, so that I
10 think issuers need to be given the opportunity to explain what
11 is unique about -- for them in terms of diversity and inclusion.
12 So I'll leave it at that.

13 MS. KAPLAN: Thank you. So I will say just that, as a
14 closing thought, that I think that in those narratives that I
15 have now read all of, I would say that there's a lot of
16 unhelpful rhetoric and jargon that is impeding progress, in
17 particular, as I mentioned before, around meritocracy and
18 quality and the pipeline, the supposed pipeline problem.

19 And just linking back to Geordie's comment earlier.
20 It feels to me like that means that your skills matrix is not
21 correctly set and that if you feel like you have a pipeline
22 problem or meritocracy is impeding diversity, then you probably
23 haven't looked correctly at your skills matrix. Why, for
24 example, would any resource company not have Indigenous
25 representation on its board? It just makes no sense.

26 And so one way to get around some of this, the
27 challenge around the rhetoric, is simply to think about what are
28 the implications of the 21st Century for the skills matrix and

1 do you have the right one, and meritocracy is just not an
2 adequate excuse anymore. It's -- people use it, but it's a
3 go-slow technique.

4 MS. BERMAN: Geordie --

5 MR. HALL: So Wendy --

6 MS. BERMAN: Oh, Wes. Go ahead.

7 MR. HALL: First of all, it's not possible for me to
8 talk about one thing for one minute, okay? So I'll take Paul's
9 minute and among others. Okay, but here's the thing:

10 This conversation doesn't have to be the elephant in
11 the room, and it has been treated that way for such a long
12 period of time. Nobody wants to touch it, and I'm not quite
13 sure why because it's really a good conversation to have, and I
14 hear all the time people say to me, "Wes, if you keep on talking
15 about this stuff, aren't you afraid that people are going to
16 tune you out?" And no, I'm not because the more you speak about
17 something because it's the right thing to speak about, the more
18 people actually start to pay attention to it.

19 When we sign The BlackNorth Initiative pledge, the
20 pledge is not a legal document. The pledge is a principle-based
21 document that says, "On principle, my company will be
22 inclusive." That's it. If they don't do it, the companies
23 don't do it, they're not breaking any laws. They're not going
24 to be thrown into jail. Nothing is going to happen to them.
25 They're going to continue being the CEO because the CEO pledge,
26 nothing changes, but you broke your principle and that means a
27 lot, and if you're investing in that company, that should mean a
28 lot to you as an investor, right?

1 So we're saying to folks is that do it because -- not
2 only because it's the right thing to do, but because you're
3 running a business that should return profit to investors, it's
4 the most profitable thing to do, and you're actually doing your
5 job.

6 MS. BERMAN: Thank you, Wes. So just over a minute,
7 so you took maybe some of Geordie and Rahul's time, but we can
8 probably extend. So Geordie, I don't know if you have anything
9 you'd like to add on and then pass the baton to Rahul.

10 MR. HUNGERFORD: Yeah, sure. We Indigenous people say
11 nothing about us without us. So we want inclusion of Indigenous
12 peoples and activities that affect our rights and our lands, but
13 right now, capital markets and securities regulation which
14 manages the flow of money and commerce, which frequently
15 interacts with those Indigenous rights and title, doesn't
16 include Indigenous people.

17 The CBCA data speaks to the 25 times
18 underrepresentation: The zero Indigenous TSX.V executives. I
19 know of one Indigenous staff member across the whole CSA, for
20 example. I understand there's only a dozen Indigenous CFA
21 charter holders in all of North America.

22 Accounting, finance, investment banking, asset
23 management, Wes's fast car and business class professions,
24 there's a huge underrepresentation, and I find it hard to name
25 prominent Indigenous executives or finance professionals, but I
26 know hundreds of Indigenous people, particularly younger
27 leaders, who are capable and ready. It's time for reporting
28 issuers, registrants, and regulators to pick up their game and

1 report on Indigenous inclusion.

2 I'm going to leave you with some words of Senator
3 Murray Sinclair, who was the Chair of the Truth and
4 Reconciliation Commission speaking on reconciliation. He said:

5 "We have described for you a mountain. We have shown
6 you the way to the top. We call upon you to do the climbing."

7 So now I think is the time for corporations and
8 securities regulators to do the climbing. Hi cho [ph].

9 MS. BERMAN: Very powerful words, Geordie. Thank you.
10 And now, Rahul, you're the follow-up to that.

11 MR. BHARDWAJ: Great. So I don't want to go over the
12 excellent comments I've already heard, but let me just amplify
13 them a little bit by saying with the greatest of respect,
14 leaders and particularly corporate leaders know the right thing
15 to say, especially when it relates to diversity. What they need
16 are the tools to do the right thing now.

17 And I think, building off of Grant's earlier comments,
18 where I picked up around societal signals around the culture
19 change about the regulator not being within a bubble, it's a
20 leadership role that the regulator can take by putting those
21 tools in place and corporate leaders can work with.

22 And I think there's been an issue all along on what
23 those tools are, and I know you're looking far and wide to find
24 out what they are, but at the end of the day, wherever you land,
25 it's going to take risk, but I would leave you with, there's
26 more risk in not acting now than ever.

27 QUESTIONS FROM THE AUDIENCE:

28 MS. BERMAN: So thank you, all. I think I'm going to

1 turn now to questions. We've got a short period of time.

2 So the first question is actually directed to you,
3 Geordie. So there's been lots of discussion about
4 self-identification, and the question is whether it's even
5 possible to self-identify as a particular group, or are there
6 cultural issues that come into play when you're asked to
7 self-identify? And then the same question when it comes to
8 gender, so -- and recognizing the, you know, sort of gender
9 fluidity and whether or not it's possible or are there other
10 hurdles?

11 So start off with Geordie and then if there's one of
12 the women on the panel would like to take the second part of the
13 question.

14 MR. HUNGERFORD: Yeah. I wouldn't let the good get in
15 the way of the perfect, and I don't see any evidence of issues
16 with the CBCA reporting which, presumably, focuses on personal
17 identification or self-disclosure, but if there ever was a need
18 for more bright line tests, there are options.

19 Indigenous identity generally means that a community
20 or nation owns you, and you identify with that community, and so
21 there are metrics and ways that this is proven. So an Indian
22 status card, membership in an Indian band, enrollment in a
23 modern treaty nation, Métis cards, these are all bright line
24 tests that show evidence of membership, and these types of
25 documents cover the vast majority of Indigenous peoples.

26 So, you know, I wouldn't -- unless there's evidence of
27 a problem, I wouldn't flag it.

28 MS. BERMAN: Thank you. I don't know, Sarah or

1 Catherine or Rima, if you want to address.

2 MS. KAPLAN: I can just say a little bit. One, I
3 think people are recognizing that gender is not a binary, and so
4 more and more forms are including, you know, different ways of
5 people identifying their gender, and I think that's incredibly
6 important.

7 And I just want to double down on the point that Paul
8 made earlier about in the U.S., the EEOC and the fact that
9 every -- over a hundred [inaudible] must ask each employee to
10 self-identify, and what that does is it creates this very safe
11 space because it's the government mandate that everyone
12 self-identifies.

13 Right now in Canada, each employer has to basically
14 ask their employees if they would be willing to do it with no
15 broader mandate, and I think that's more the problem when it
16 comes to this self-identification, is that we don't have the
17 government umbrella in terms of that self-identification that
18 occurs in the U.S. and, therefore, the data is then available in
19 the ways that we talked about.

20 MS. RAMCHANDANI: I would just add, I mean, obviously,
21 the data isn't perfect because it requires voluntary
22 self-identification. I think though, coming back to the earlier
23 comment, these are personal, very personal characteristics of
24 people, right? And we can talk about this in big terms about
25 the importance of diversity, the importance of the data, but
26 when you're talking about, again, a very small group of people,
27 the notion of anonymity in that information is kind of
28 ridiculous, right?

1 You know, you know the directors and the executive
2 officers, and so I don't think we should underestimate the point
3 that Sarah just made, which is when you're talking about
4 information like this, when it's aggregated and when it's across
5 the organization, that looks very different than when you're
6 talking about a chart of these 10 people and who fits the box.

7 That's like to me the definition of the box-ticking
8 exercise. That's where I think you get into some of these
9 issues about, you know, what's really happening. You've got to
10 really look deeper in the organization to get at this.

11 So I don't think -- while I don't think this leads you
12 to the conclusion that you just don't ask, right, but I do think
13 we should be sensitive to the fact that our current regime
14 really doesn't protect people's anonymity. It really doesn't
15 protect people's personal information, and when we're talking
16 about, you know, gender with -- maybe that's easier, although
17 probably not, but there's lots of other qualities that we're
18 talking about that I think are very personal and people may be
19 very reluctant to disclose.

20 So I do think when you're thinking about rules around
21 diversity disclosure, more aggregated, bigger numbers, capturing
22 the bigger number of employees is, frankly, easier and better
23 disclosure for a lot of people.

24 MR. HALL: Wendy, just quickly add.

25 MS. BERMAN: Okay. Go ahead. And then Catherine.

26 MR. HALL: I've heard a lot of comments regarding
27 that, and the thing that companies are missing is the why. They
28 don't give their employees the why are you collecting this data.

1 They just go, "Give me your diverse information," and because of
2 the fact that people in minority groups, for example, have had
3 this information used against them when they used to put on
4 applications, "Do you have a criminal record? Do you have this?
5 Do you have that?", it was used historically to exclude people
6 from the organization. It was used as a weapon against them,
7 and now we have it as a benefit, but we're not explaining to the
8 folks what the benefit is of self-identity, and once we do a
9 good job of that, when people actually see us being intentional
10 about how we're using the data, over time people will
11 self-identify happily, but right now, we just don't give them
12 the why.

13 MS. MCCALL: I would just say that I think it is a
14 more complex issue, the privacy problem with this, and to your
15 point, Rima, about the smaller groups and smaller companies,
16 that it's very challenging and I'm not sure even if, you know,
17 you're given the why, if that would necessarily overcome that.
18 So I think that's going to be a big hurdle.

19 MS. BERMAN: Thank you. So I want to pick up on
20 another question, which sort of triggers off of your comments,
21 Rahul, which is wanting to hear about, you know, the notion that
22 the current tools being used, like a comply and explain model,
23 are doomed to fail or have been a failure, and are -- you know,
24 and so then this question, very provocatively to my boss, Grant,
25 is, are securities regulators prepared to provide Corporate
26 Canada with the tools necessary to drive this important change?

27 MR. VINGOE: Well, actually, we certainly are willing
28 to do it and, you know, it's sort of -- actually, the way the

1 question was posed, it also implicates whether we'd be prepared
2 to move to quotas which, in turn, relates to the split between
3 corporate law and securities regulation.

4 My hope is that targets can be made to work and, you
5 know, I do believe that the discourse that has arisen over the
6 last seven years based on women on boards and in executive
7 positions, you know, has jump-started discussions, and while the
8 progress has been slow and you can actually say, as was
9 mentioned, that even in the absence of a regime like that, other
10 jurisdictions have outstripped Canada. So that's a reality, but
11 it's still, you know, been part of a complex that's brought us
12 to this point of discussion and has contributed to a cultural
13 change and to this moment.

14 So I think with even more emphasis on the tools that
15 we have and moving to more directive targets on a comply or
16 explain basis, possibly introducing term limits as an additional
17 cultural and disclosure signal, we can be doing a lot more and
18 we need, as securities regulators, to continue to facilitate
19 that discussion and make -- and really emphasize the importance
20 of these tools and what they can accomplish.

21 You know, one thing about the NASDAQ rule that often
22 gets overlooked is the fact that they also offered recruiting
23 services to their especially smaller companies that are listed
24 on NASDAQ, and I actually do think that the professionals who
25 were involved in the selection of director nominees and the
26 recruitment process that interacts with the governance and
27 nominating committees of corporations need also to make this a
28 focus of attention.

1 I don't think we have enough recruiting resources, and
2 resources actually expended in identifying candidates and
3 mentoring candidates to actually fulfill board and executive
4 positions. So that part of the professional ecosystem could
5 really be enhanced.

6 And I'd like to see the securities regulators work
7 with private sector groups in actually enhancing access to
8 really well-developed recruitment and mentorship opportunities
9 and professionals to make this work better because I think
10 that's something that's lacking today in the Canadian
11 environment.

12 MS. KAPLAN: I just want to jump in on one thing about
13 what the Ontario Securities Commission could do, which is, as I
14 suggested earlier, don't make all of this disclosure happen just
15 somewhere in the information circular.

16 I mean, we've studied the language. The language in
17 the circular is actually more obfuscating than, the language on
18 diversity, than in any other area of the circular. I think we
19 need people to click something that says, "I have targets or not
20 and here's what the target is," and then we need to make it more
21 transparent and searchable.

22 And I was told by people at the OSC that the reason
23 it's not that way is because of paperwork minimization rules,
24 but I do not think, based on having read all of these documents,
25 that paperwork has been minimized through that approach.

26 And so I think one easy thing, maybe not easy, but one
27 important thing the OSC should do is make this a separate
28 reporting Web form and then make it searchable so that anyone

1 can get that information.

2 MR. VINGOE: I'm very supportive of that, and, in
3 fact, it lends itself to the behavioural insights approach that
4 we're taking to improve all our disclosure documents, and it has
5 to be easy to find, searchable, and in a position that has an
6 impact and not just for, you know, professional users, but for
7 all users of the disclosure.

8 MS. BERMAN: I think we have a moment to just squeeze
9 in one more question, which is directed probably more to Rahul
10 and/or Catherine, is how do you tackle the skills matrix issue
11 to expand the corporate vision to be receptive to diversity?
12 And so how do we -- what's the most pragmatic way to tackle
13 that?

14 MS. MCCALL: Can I go first? I think from our
15 perspective, it's -- my perspective, it's shareholders insisting
16 on the matrix be a meaningful document that actually reflects
17 thought and what's needed by the company.

18 So I think shareholders have a role to play when
19 they're engaging with companies, that they make sure it isn't
20 the sort of just formalistic practice that Sarah's alluding to
21 in other areas. I think that shareholders can pursue this
22 effectively if they use their voice and they use their ability,
23 their rights.

24 MS. BERMAN: Rahul, any last comment?

25 MR. BHARDWAJ: Sure. I'd support that, and add
26 something as well. When I think of what happened with the
27 ExxonMobil case down in the U.S., there's shareholders, you
28 know, flexing their muscle in terms of board composition, and I

1 think you're going to see a lot more of that.

2 So if you haven't looked up "Engine No. 1", go look
3 that up, that's quite a story, but the other thing that I would
4 say is, this is where leadership and the role of a chair are
5 really, really important. When you start to think about, you
6 know, oversight of culture, strategy and risk, in particular
7 around strategy, this is where a board needs to do some deep
8 thinking to understand what their oversight role is, what their
9 own makeup is, and this should be reflected in its matrix.

10 So I think the shareholders are certainly, you know,
11 one very important stakeholder group to provide input on to that
12 to make sure there's an alignment around strategy, but this is
13 the deep thinking and learning that a board has to do and its
14 own self-assessment to say, do they have the skill set around
15 the table, to have proper oversight of culture, strategy and risk.

16 And as we know, this is becoming even more and more
17 complex in a time of, you know, geopolitical uncertainty,
18 digital, cyber, all the transformations, and it's at the heart
19 of what we teach in our courses at ICD, by the way, but at the
20 end of the day, does boil down to strong leadership at the chair
21 level and a really good assessment process and connecting it
22 with strategy.

23 MR. SCHNEIDER: Wendy, can I just jump in? Sorry,
24 I'll be very quick.

25 Just on the skills matrix, you know, I've seen lots
26 and lots of skills matrices over my years, and what I'm seeing
27 now, more companies or a few companies talking about why that
28 skill is there. Like, so not just present the skill, but what

1 is it -- why, why did the board decide that this was an
2 important skill.

3 And also, we encourage companies not to have, like, a
4 laundry list of skills. You know, we've seen that where, you
5 know, if everybody has a skill, then it's probably -- you can
6 probably take it off your matrix. It's really the skills that
7 are really important for your operation of the board.

8 MS. BERMAN: Thank you, Paul. Well, I'm going to turn
9 it over to Grant to have the last and important word to sum up
10 today's incredible roundtable.

11 CLOSING REMARKS:

12 MR. VINGOE: Well, it's been incredibly -- as you say,
13 it's been really valuable for me and I think for all of us to
14 hear where we have common ground and what the issues are. It's
15 been a really rich discussion and I'm glad we had an opportunity
16 to answer some of the questions from the audience as well.

17 The Women on Boards Initiative, as I said before, I
18 think has really had a significant impact on the discourse,
19 maybe not the numbers that we would want to see, but on the
20 discourse that's led us to this point about discussing broader
21 diversity and what the role of securities regulation is, and
22 we're in a really good position to build on that, and we can
23 improve the quality of disclosure to make it even more
24 impactful. So, you know, I certainly support that.

25 So we -- my belief is that we have had an impact.
26 Securities regulation absolutely has a role in this, and it's
27 also a very useful mechanism. Like, we have the machinery in
28 place for disclosure. We have the machinery in place for

1 examinations to determine that standards are met and that the
2 quality of the disclosure is appropriate and to disseminate
3 information.

4 So, you know, to those who think it should fall to
5 another agency or another realm of law and regulation, I think
6 expedience and the urgency of this necessitates our involvement
7 and the use of the resources that we have to carry it out, so I
8 think we're central in the change that has to come.

9 And there really is an urgency for this change, given
10 the circumstances that we've seen in the world, you know, the
11 increasing divisiveness, the violence in some cases, the
12 exclusion that persists in the face of the most compelling cases
13 for inclusion, and so we have to take advantage of this
14 opportunity. I think there is always a risk that it just gets
15 out of sight and out of mind and ceases to be at the top of mind
16 for people because something else displaces it. I don't know
17 what that something else would be, this is so compelling, but
18 the urgent need is there now. We need to seize the opportunity.

19 And the OSC itself is part of the journey in the same
20 way that others have described how their own institutions are
21 reflecting on these issues and engaging with their employees and
22 outside stakeholders to enhance their own diversity and their
23 own inclusion and culture shift.

24 So we're doing that. We're deeply engaged. We've set
25 up, you know, infrastructure within the OSC for engagement with
26 management. We've, as Wes mentioned, endorsed The BlackNorth
27 Initiative commitments and we're deeply committed to actually
28 quantitative and cultural change at the OSC as an important part

1 of the justice system.

2 And it's both a -- it's of practical importance, and
3 as I said earlier, I think it's also of symbolic importance that
4 extends even, you know, beyond our function for an entity that's
5 central to the capital markets to itself display this commitment
6 to change, and we are committed to doing that.

7 So with that, I'd like to thank everyone, the audience
8 and especially my fellow panelists for participating today, and
9 we look forward to our next steps.

10 MS. ROBINSON: Thank you.

11 MS. BERMAN: Thanks, everyone.

12 --- Whereupon the proceedings were adjourned at 11:32 a.m.

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15

I HEREBY CERTIFY THE FOREGOING

16

to be a true and accurate
transcription of my shorthand notes
to the best of my skill and ability.

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Beverley Killen, CSR
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