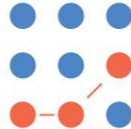


INSTITUTE OF  
CORPORATE  
DIRECTORS

THINK BEYOND  
THE BOARDROOM.

INSTITUT DES  
ADMINISTRATEURS  
DE SOCIÉTÉS

PENSER AU-DELÀ  
DE LA SALLE DU CONSEIL.



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

To the attention of:

The Secretary  
Ontario Securities Commission  
20 Queen Street West  
22nd Floor, Box 55  
Toronto, Ontario M5H 3S8  
Email: [comment@osc.gov.on.ca](mailto:comment@osc.gov.on.ca)

Me Philippe Lebel  
Corporate Secretary and Executive Director, Legal  
Affairs  
Autorité des marchés financiers  
Place de la Cité, tour Cominar  
2640, boulevard Laurier, bureau 400,  
Québec (Québec) G1V 5C1  
Email: [consultation-en-cours@lautorite.qc](mailto:consultation-en-cours@lautorite.qc)

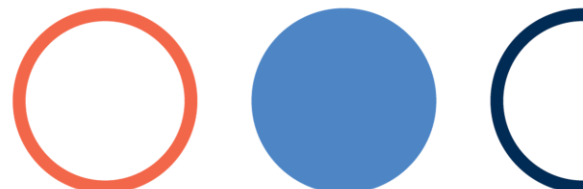
To whom it may concern:

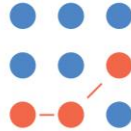
**Re: Proposed Amendments to Form 58-101F1 Corporate Governance Disclosure of National Instrument 58-101 Disclosure of Corporate Governance Practices and Proposed Changes to National Policy 58-201 Corporate Governance Guidelines.**

The Institute of Corporate Directors (the “ICD”) welcomes the opportunity to comment on the Canadian Securities Administrators’ (the “CSA”) consultation on enhancing disclosure of board and senior executive diversity. The ICD is a national organization that represents a community of

T. 416.593.7741 | Toll-Free 1.877.593.7741  
Direct Line: 416.593.3350  
2701-250 Yonge Street, Toronto, ON M5B 2L7

[icd.ca/ias.ca](http://icd.ca/ias.ca)





over 17,000 members, serving on boards of directors across every sector of the Canadian economy.

The ICD believes that enhanced diversity brings new and valuable perspectives to board oversight of culture, strategy and risk and better reflects the makeup of Canada’s population. Transparent, diverse perspectives enable high-performing businesses, and reflect Canada’s strength as a highly diverse nation. The ICD’s own Board and Senior Management Diversity Policy and Public Company Board Diversity Toolkit developed in collaboration with Osler, Hoskin and Harcourt LLP, point out that “[d]iversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink, and improves oversight, decision-making and governance.” Further, we expect that “[d]iversity on the Board demonstrates the Company’s commitment to diversity at all levels within the Company.”<sup>1</sup>

We commend the CSA for continuing to focus on the importance of gender diversity. We also recognize that Canada is a nation with much broader diversity, and as such, believe there is benefit in disclosing how boards of directors and those in executive positions reflect that broader diversity. The ICD also supports specific efforts to recruit Indigenous Peoples in recognition of their status as unique rights holders, unique recognition in Canada’s constitution, and in furtherance of the public policy goals of the Truth and Reconciliation Commission.

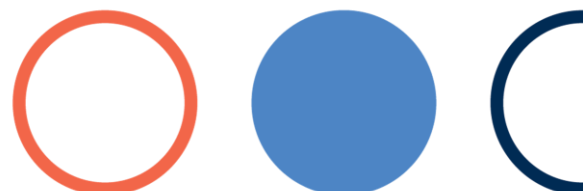
The ICD is also a strong proponent of diversity disclosure as a good corporate governance practice as it provides relevant information to stakeholders (whether employees, clients, shareholders, community etc.) to assist them in their decision-making process.

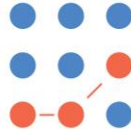
### **ICD Recommendation**

To ensure our response reflected an informed process, the ICD conducted research and consulted stakeholders and colleagues in the director community of issuers to seek their views about diversity disclosure. The message was clear: diversity is valued, and boards and executive teams that reflect their stakeholders are important. However, there are, and will remain, differing opinions and approaches to diversity and diversity disclosure.

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<sup>1</sup> <https://osler-gavel.io/run/playground2/Board%20Diversity%20Policy%20%20Osler/#/1>





The prevailing view among those we consulted is that mandating prescriptive regulatory requirements on all issuers is not conducive to fostering the development and effective operation of capital markets in Canada and does not recognize the diverse nature of issuers in Canada.

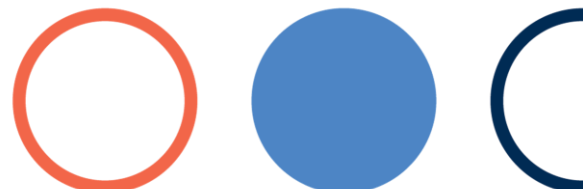
Once a board of directors has reflected on diversity and publicly disclosed its position, it is the responsibility of that board to engage with its stakeholders (whether employees, clients, shareholders, community etc.) and articulate and defend its position. It is also the responsibility of concerned stakeholders with a vested interest in the matter to engage in those exchanges with the expectation of advancing to where those stakeholders believe it should be.

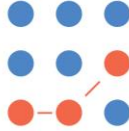
In its 2023 *CSA Multilateral Staff Notice 58-316 Review of Disclosure Regarding Women on Boards and in Executive Officer Positions – Year 9 Report*, it was noted that those issuers who had diversity policies in place and set targets had a higher proportion of women on boards.<sup>2</sup> This suggests that policies and targets are helpful and important. As such, the ICD believes it is a good corporate governance practice for a board to approve a diversity policy. Creating and adhering to a broad diversity policy compels boards to seriously consider their diversity practices and objectives in the context of the company’s strategy. Within a diversity policy, we encourage boards to adopt voluntary targets to advance the goals of their diversity policy and ensure that transparent and comparable data required by stakeholders is readily available.

While the ICD encourages and provides support to its member boards to adopt and implement diversity policies, our consultation cautions against further regulation mandating the adoption, content and disclosure of those policies because such action fails to recognize the diverse nature of issuers in Canada and is not conducive to the development and effective operation of capital markets in Canada. The preferred approach would be flexible regulations that allow issuers to choose to adopt and disclose diversity policies with content that fits their individual circumstances or explain why they have chosen not to.

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<sup>2</sup> <https://www.osc.ca/en/securities-law/instruments-rules-policies/5/58-316/csa-multilateral-staff-notice-58-316-review-disclosure-regarding-women-boards-and-executive>





We appreciate the opportunity to respond to this proposal and encourage the CSA to adopt a nationwide approach to enhanced diversity disclosure that will positively impact Canada's capital markets.

Please feel free to contact us if you wish to discuss this further.

Yours truly,

Rahul Bhardwaj, LL.B, ICD.D  
President & CEO  
Institute of Corporate of Directors

