



The Honourable / L'honorable
John P. Manley, P.C., O.C. / C.P., O.C.
President and Chief Executive Officer
Président et chef de la direction

October 4, 2013

The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor
TORONTO, Ontario
M5H 3S8

Re: OSC Staff Consultation Paper 58-401 *Disclosure Requirements Regarding Women on Boards and in Senior Management*

Dear Secretary,

On behalf of the Canadian Council of Chief Executives, I would like to commend your initiative on increasing gender diversity on boards and in senior management in Canadian companies.

The Canadian Council of Chief Executives supports Ontario's call for a 'comply or explain' approach to increase the number of women on boards and in senior management positions. While women's participation in the labour force today is only slightly lower than that of men, only 10.3% of directors of public companies are women, according to Catalyst's 2011 Census. Canada's advancement on this issue has been stagnant in recent years and needs a push.

At the same time, we want to ensure that any new requirements made of publically traded companies are sufficiently flexible to account for the particular circumstances they are facing, and will act as an incentive for them to include gender diversity as part of their long-term business plan.

Amending the Corporate Governance Disclosure Rule to require companies to disclose their performance annually will help to increase transparency and accountability. It will also allow shareholders and investors to assess whether individual firms have taken appropriate action. As well, the process will provide baseline data, enabling progress to be measured over time.

While the OSC's disclosure policy is significant, it is only one instrument to improve the representation of women. It is equally important, if not more so, to ensure that we are "filling the pipeline" with board and management-ready women. Women must be properly recognized and prepared to take on the responsibilities of board and senior management positions. Governments and enterprises should also encourage mentorship and sponsorship opportunities.

In addition, finding ways to encourage incorporation of gender diversity as part of the "way companies do business", from employee interactions to human resources development plans, from frontline work with customers to engaging senior management, will make gender considerations part of everyday business practices, and over time, part of the company culture.

Finally, recognizing efforts already underway raises awareness and shines a spotlight on best practices. Forty-eight corporations have responded to the Canadian Board Diversity Council's (CBDC) call to action to replace at least one of every three retiring directors with a director of diverse background, and for Nominating and Governance Committees to consider three board-ready diverse candidates for each of its board seats.

I would also encourage the OSC to work with its provincial counterparts and the federal government to share best practices and establish a common, consistent framework for Canada, as many businesses operate across provincial borders.

Business leaders stand ready to work with the Ontario Securities' Commission to achieve greater gender diversity on boards and in senior management positions. Please do not hesitate to call on us if we can be of assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Wang", is written below the text "Sincerely,".

**CC: Brenda Long, Chair and Chief Executive Officer
British Columbia Securities Commission**

William S. Rice, Q.C., Chair, Alberta Securities Commission

**Dave Wild, Chair, Financial and Consumer Affairs Authority of
Saskatchewan**

Don Murray, Chair, The Manitoba Securities Commission

**Gary MacDougall, Superintendent of Securities, Department of Justice,
Northwest Territories Securities Office**

Louis Arki, Superintendent of Securities, Nunavut

Fred Pretorius, Superintendent of Securities, Yukon

**Louis Morisset, President and Chief Executive Officer
Autorité des marchés financiers (Québec)**

**David G. Barry, Q.C., Chair and Chief Executive Officer, New Brunswick
Financial and Consumer Services Commission**

Sarah P. Bradley, Chair, Nova Scotia Securities Commission

Katharine Tummon, Superintendent of Securities, Prince Edward Island

**Douglas J. Connolly, Superintendent of Securities, Service Newfoundland
and Labrador, Canadian Securities Administrators**

**Honourable Howard I. Wetston, Q.C., Chair
Ontario Securities Commission**

**The Honourable Dr. Kelly Leitch, P.C., O. Ont, M.P.
Minister for Status of Women, Government of Canada**