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Ontario Securities Commission

**VIA EMAIL TO:**

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**Comments on Ontario Securities Commission (“OSC”) Staff Consultation Paper 58-401:  
Disclosure Requirements Regarding Women on Boards and in Senior Management (the  
“Consultation Paper”)**

Thank you for the opportunity to comment on the Consultation Paper.

TELUS is a leading national telecommunications company in Canada with \$11.2 billion of annual revenue and 13.2 million customer connections. TELUS provides a wide range of communications products and services including wireless, data, internet protocol (IP), voice, television, entertainment, and video.

At TELUS we believe that increasing the diversity of our Board and our team to reflect the communities and customers that we serve is essential to our success. For us, diversity means diversity of background, skills, experience and thought. We also believe that fostering a culture of acceptance and inclusiveness where team members can share their views, their personalities and their uniqueness with confidence and trust, makes us an employer of choice better able to attract and retain talent.

We have divided our input on the Consultation Paper into two parts: the advancement of women on Boards and the advancement of women in senior management.

**I - Advancement of women on Boards**

TELUS strongly supports efforts to promote the advancement of women on boards. For that reason, we support the OSC’s suggested model of disclosure requirements regarding women on boards and the accompanying “comply or explain” approach to such disclosure requirements. We note that this approach is consistent with the current Canadian corporate governance framework and has proven to be a successful way of encouraging the adoption of best practices in Canada in the past.

We would, however, go further. We believe that the focus of diversity on boards should be expanded to include broader diversity considerations, such as age and ethnicity, with a view to ensuring that boards will benefit from a broader range of perspectives and relevant experience.

The TELUS Board of Directors recently approved a Board Diversity Policy. It provides that the Corporate Governance Committee, which is responsible for recommending director nominees to the Board, will consider candidates on merit, based on a balance of skills, background, experience and knowledge. In identifying the highest quality directors, the Committee will take into account diversity considerations such as, for example, gender, age and ethnicity. The Committee will also set measurable objectives for achieving diversity and recommend them to the Board for adoption on an annual basis. Pursuant to the Policy, the Board recently adopted a target of having diverse members represent between 30-40% of its independent members, with a minimum representation of 25% women, by May 2017. The Board has also agreed to have the Corporation sign the Catalyst Accord, and thereby pledge to increase the overall representation of women on the TELUS Board to a minimum of 25% by 2017.

## **II - Advancement of women in senior management**

We applaud the OSC's efforts to tackle the issue of gender diversity in senior management roles.

At TELUS, increasing diversity in our workforce to reflect the communities and customers we serve is a fundamental component of our "Customers First" culture. In 2011, TELUS' Chief Executive Officer, Darren Entwistle, was recognized with the CEO in Action Award by the Diversity Journal for his achievements, leadership, commitment and engagement to TELUS' diversity and inclusiveness initiatives. In 2013, for the fifth consecutive year, TELUS was named one of Canada's Best Diversity Employers in an annual ranking that recognizes the nation's leaders in creating diverse and inclusive workplaces.

TELUS' Diversity and Inclusiveness Council, a committee composed of team members with diverse backgrounds, experiences and perspectives, has developed and implemented many initiatives including providing diversity training to TELUS team members and assisting with the establishment of team member resource groups. TELUS' team member resource groups include:

- Connections, the TELUS women's network
- Abilities Network, our resource group for team members and family members with varying abilities
- Eagles, our Aboriginal team member resource group
- Mosaic, our team member resource group for new Canadians
- Spectrum, our lesbian, gay, bisexual, transgender, queer and allies team member resource group.

### ***Consultation Questions***

#### **Effective policies to advance women in senior roles**

We would like to first address the question in the Consultation Paper regarding effective policies for increasing the number of women in senior management. At TELUS, we strongly support the objective of increasing the number of women in senior roles. However, we recognize that achieving gender diversity in senior management roles is much more complex than at the Board level. In order for diversity to reach all levels of a company and be sustainable, diversity programs must be tied to a company's strategy that drives observable results and shareholder returns and forms part of its culture.

It takes a wide range of measures to promote a culture of inclusiveness and acceptance throughout an organization. Candidate pools for all roles must include diverse candidates; the "pipeline" of diverse

employees must increase at all levels through various recruitment programs. To capitalize on a diversified pool of talent, best practices regarding promotions need to be developed. For instance, special attention must be given to the diversity of candidates on succession plans. Education is also key and all leaders must be trained in conscious and unconscious biases and on the value of diversity for the success of the business' strategy. This is crucial to the decision-making process on recruitment and promotions. As well, there should be fair access to leadership training. A focus on recognition is equally important. Employers ought to celebrate diverse teams and recognize the individuals who lead and inspire them. For example, employers need to celebrate women's achievements and the men and women who champion women. Mentorship, sponsorship and networking should be encouraged, and educating both men and women on the value of such is essential. These are just examples of programs that will be effective in increasing women's representation in senior ranks of an organization and which demonstrate the complexity and breadth of the exercise.

TELUS has introduced such measures in its team of over 40,000 employees and we believe that through these and other measures, a healthy and diverse cultural climate can be created with engaged employees at all levels and from both genders. We are working towards fostering a cultural climate in which women have assumed and will continue to assume leadership roles.

These programs can be combined with a general corporate policy that could declare (i) that regardless of gender, race, ethnicity, religion, sexual orientation, etc, the best candidates shall be hired, promoted and supported; (ii) that open and fair processes for the evaluation and advancement of talent will be in place and (iii) that there will be accountability for progress.

#### Gender Diversity Policy, Content and Disclosure

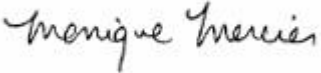
There is a question in the Consultation Paper as to whether issuers should be required to have a gender diversity policy at the management level and if so, whether the OSC should set out recommended content for the policy. Given the complexity of the issue and the variety of measures an issuer can promote, we believe that the OSC should not require that issuers adopt a gender diversity policy for management and, more importantly, should not set out recommended content. As is the case in the United Kingdom, we believe that regulation should remain at the level of the board nomination process and board diversity.

At TELUS, we believe that our diversity programs give us a competitive advantage and we consider these practices and programs to be competitively sensitive information. For that reason, we do not favour disclosure guidelines relating to such programs. As to the disclosure of internal measurable targets, we believe that any internal targets must be flexible and capable of evolving as required and public disclosure would inhibit necessary trial and error and adaptation. We question whether disclosure regarding employment policies, practices and programs promoting gender diversity, or internal company targets relating to these programs, constitutes information that would be material to investors and regulators.

We acknowledge that the disclosure of certain statistics regarding the representation of women in management could be useful, namely the proportion of women in the organization (on a consolidated basis) and in senior management roles. This information would provide some indication of the level of gender diversity in the organization, and the year-over-year progress would provide information on the effectiveness of the diversity strategies implemented, with the caveat that such statistical information will be highly dependent on the nature of the company's business, its industry sector, the diversity of the available pool of talent, and the diversity of its customer base and the communities in which it operates. From the perspective of an investor, what should ultimately matter is whether the company has access to the best available talent and has a team of qualified leaders with a diversity of background, skills, experience and thought that leads to better decision-making and ultimately better shareholder returns.

Thank you for the opportunity to comment on the Consultation Paper. We would be happy to discuss this submission with you in greater detail.

Yours truly,

A handwritten signature in black ink that reads "Monique Mercier". The signature is written in a cursive style with a large initial 'M'.

Monique Mercier,  
Executive Vice President, Chief Legal Officer & Corporate Secretary  
Member of the TELUS team