

Alfred Page
T 416.367.6020
apage@blg.com

Lynn M. McGrade
T 416.367.6115
lmcgrade@blg.com

Rebecca Cowdery
T 416.367.6340
rcowdery@blg.com

Sonia Molodecky
T 604.640.4086
smolodecky@blg.com

Francesca Smirnakis
T 416.367.6443
fsmirnakis@blg.com

Borden Ladner Gervais LLP
Scotia Plaza, 40 King St W
Toronto, ON, Canada M5H 3Y4
T 416.367.6000
F 416.367.6749
blg.com



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VIA EMAIL

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

Dear Sirs/Mesdames:

**Re: Request for Comment - OSC Staff Consultation Paper 58-401
Disclosure Requirements Regarding Women on Boards and in Senior
Management (the “Consultation Paper”)**

We are pleased to provide the members of the Ontario Securities Commission (OSC) with comments on the Consultation Paper. Our comments are those of individual lawyers in Borden Ladner Gervais LLP’s Securities and Capital Markets practice group and do not necessarily represent the views of BLG, other BLG lawyers or our clients. We note that we have not responded to the specific consultation questions posed by the OSC, rather we have chosen to respond more generally on the concepts proposed in the Consultation Paper.

We would like to express our support for this important initiative. We agree with the Consultation Paper in that corporate decision-making and corporate governance benefits from a diversity of opinions and viewpoints, which is enhanced when women, among other diverse groups, are afforded leadership roles within an organization. The Canadian business community would benefit from ongoing research measuring the success of public issuers pursuing gender and other diversity strategies within their leadership.

We believe that there are many ways to increase diversity generally, and the representation of women specifically, on boards and in senior management. We provide our general comments on

the OSC's proposal and our additional suggestions by breaking down specific action items, some of which are also addressed in the Consultation Paper.

We have focused our comments on the topics raised in the Consultation Paper, but recommend that more consideration be given by Canadian corporations/firms to encourage more diversity, beyond gender diversity, on boards and in senior management generally.

a. Implementation of Mandated Disclosure Requirements

In our view, the proposed model of disclosure requirements described in the Consultation Paper is an important first short-term step in trying to achieve increased gender diversity on boards and in senior management roles. We support the proposed requirements and would emphasize that the disclosure should be easy to understand and focus on women specifically in addition to other diversity elements (e.g., "The company has a director selection process that considers gender diversity and other diversity issues.").

We are in favour of a requirement that the nominating committee (or the board) must have a policy outlining how it will consider gender diversity in identifying director nominees, how it will implement its policy and how the nominating committee (or the board) will assess the effectiveness of its policy. The details of its policy and its implementation should be disclosed in any proxy circular for the election of directors.

We also support a requirement that the board must have and disclose in the issuer's annual information form a policy with regard to the consideration of gender diversity in recruiting and appointing senior management, how its policy is implemented and how the board assesses the effectiveness of its policy.

b. Additional Measurement Disclosure

We support the OSC's recommendation to require an issuer to disclose the proportion of women employees in the whole organization, women in senior executive positions, and women on the board. To supplement this disclosure, we recommend mandating the use of simple and readily available comparators (preferably compiled and published by the OSC or other responsible organizations) to show how the issuer compares to averages specific to the particular industry, sector and geographic location of the issuer. In order to provide meaningful comparisons, we suggest that all issuers use the same comparator sources, which would need to be mandated in the disclosure rules and stated as such in the disclosure (e.g., "The company is providing these comparisons using the comparators mandated by National Instrument 58-101 *Disclosure of Corporate Governance Practices*.")

c. Self-Implementation of Measurable Objectives and Targets

We agree with the OSC in not imposing any mandatory quotas at this time. However, issuers should be encouraged to evaluate their current gender breakdown in senior management and board roles and set internal measurable objectives and targets for their own organization, which are disclosed.

d. Application of Proposals to Investment Funds

We note that gender diversity should extend to investment fund governance. Pursuant to National Instrument 81-107 *Independent Review Committee for Investment Funds*, an investment fund that is a reporting issuer is required to establish an independent review committee. We suggest that disclosure regarding and voluntary targets for women representation on boards of managers of reporting issuer investment funds, and on independent review committees for reporting issuer investment funds, would be a meaningful step in the investment funds industry.

e. Public Education and Ongoing Discussion

We applaud the OSC's efforts in leading a roundtable on this initiative, which we attended, and support continued discussions as a means to educate stakeholders, policy makers and the public at large.

f. Need for Periodic Assessment of Disclosure Approach

We submit that the regulators need to determine a set period to review whether the proposed disclosure model has had the desired impact and if not, whether further steps may be required, such as more specific disclosure or an imposed targeted quota system, assuming that ongoing research demonstrates the benefits of leadership diversity within public companies.

In summary, there are many ways to deal with this issue in terms of long-term policy but the foundation needs to be a shorter-term plan focused on producing immediate results that can be built upon.

We thank you for allowing us the opportunity to comment on the Consultation Paper. Please contact any of us at the contact details listed above if the OSC staff would like further elaboration of our comments. We, together with other BLG lawyers who have considered the Consultation Paper, would be pleased to meet with you at your convenience.

Yours truly,

(signed) *Alfred Page*

(signed) *Lynn McGrade*

(signed) *Rebecca Cowdery*

(signed) *Sonia Molodecky*

(signed) *Francesca Smirnakis*