

Submission to the Ontario Securities Commission on

Proposed Disclosure Requirements Regarding

The Representation of Women on Boards and In

Senior Management

Submitted by the Business and Professional Women's Clubs of Ontario

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OSC's report to the Minister of Finance and Minister Responsible for Women's Issues

On December 18, 2013, the OSC delivered OSC Report 58-402 *Report to Minister of Finance and Minister Responsible for Women's Issues -- Disclosure Requirements Regarding Women on Boards and in Senior Management* (the Report).

After considering the feedback from stakeholders, the OSC recommended proposing amendments to NI 58-101, specifically to Form 58-101F1. The proposed amendments would follow a "comply or explain" approach and require non-venture issuers to provide disclosure regarding the representation of women on boards and in executive officer positions. In particular, the OSC made the following seven recommendations:

- Recommendation #1** Require disclosure regarding director term limits or an explanation for the absence of such limits
- Recommendation #2** Require disclosure of policies regarding the representation of women on the board or an explanation for the absence of such policies
- Recommendation #3** Require disclosure of the board's or nominating committee's consideration of the representation of women in the director identification and selection process or an explanation for the absence of such consideration
- Recommendation #4** Require disclosure of the consideration given to the representation of women in executive officer positions when making executive officer appointments or an explanation for the absence of such consideration
- Recommendation #5** Require disclosure of targets adopted regarding the representation of women on the board and in executive officer positions or an explanation for the absence of such targets
- Recommendation #6** Require disclosure of the number of women on the board and in executive officer positions
- Recommendation #7** Conduct a review of compliance with any new disclosure requirements after issuers have provided this disclosure for three annual reporting periods

The Business and Professional Women's Clubs of Ontario (BPW) agree with the above 7 Recommendations and the Proposed Amendments in Appendix A with comments below.

ONTARIO SECURITIES COMMISSION SPECIFIC REQUESTS FOR COMMENT

We would appreciate feedback on the Proposed Amendments generally as well as on the following questions:

1. Are the scope and content of the Proposed Amendments appropriate? Are there additional or different disclosure requirements that should be considered? Please explain.

We (BPW Ontario) would like to suggest that in addition to disclosing the number of women on Boards and in Senior Management that companies also disclose the number of female employees and the number of male employees or the ratio of women to men employed by the company.

2. Should the Proposed Amendments be phased in, with only larger non-venture issuers being required to comply with them initially? If so, which issuers should be required to comply with the Proposed Amendments initially? Should the test be based on an issuer's market capitalization or index membership? When should smaller non-venture issuers be required to comply with the Proposed Amendments?

We would like to see these amendments implemented as soon as possible and not phased in over time.

3. Do you agree that the Proposed Amendments requiring non-venture issuers to provide disclosure regarding term limits will encourage an appropriate level of board renewal?

We agree that the amendments should be applied to non-venture issuers.

4. In support of disclosure regarding director term limits, should there be greater transparency regarding the number of new directors appointed to an issuer's board and whether those new appointees are women? Specifically, should there be an additional disclosure requirement that non-venture issuers disclose: (i) the number of new directors appointed to the issuer's board at its last annual general meeting and (ii) of these new appointments, how many were women?

We agree that greater transparency is the goal and there should be additional disclosure for non-venture issuers in the number of new directors and how many were women.

5. Item 11 of the Proposed Amendments requires disclosure of policies regarding the representation of women on the board or an explanation for the absence of such policies. The term "policy" can be interpreted broadly. Should the proposed disclosure item explicitly indicate that the term "policy" can include both formal written policies and informal unwritten policies? What are the challenges for non-venture issuers reporting publicly on informal unwritten policies adopted by their boards?

We do not support informal unwritten policies. The lack of transparency and inconsistent application of unwritten policies would impede the successful implementation and monitoring of this amendment. The term "policy" should refer only to formal written policies.

Appendix A**AMENDMENT INSTRUMENT FOR****FORM 58-101F1 CORPORATE GOVERNANCE DISCLOSURE**

1. Form 58-101F1 Corporate Governance Disclosure is amended by this Instrument.

2. Form 58-101F1 is amended by adding the following after Item 9:

10. Term limits (Ontario only) -- Disclose whether or not the issuer has adopted term limits for the directors on its board. If the issuer has not adopted term limits, disclose why it has not.

11. Policies regarding the representation of women on the board (Ontario only) -

(a) Disclose whether the issuer has adopted a policy for the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not.

(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:

(i) a short summary of its objectives and key provisions,

(ii) the measures taken to ensure that the policy has been implemented effectively,

(iii) annual and cumulative progress by the issuer on achieving the objectives of the policy, and

(iv) whether and, if so how, the board or its nominating committee measures the effectiveness of the policy.

12. Consideration of the representation of women in the director identification and selection process (Ontario only) -- Disclose whether and, if so how, the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.

13. Consideration given to the representation of women in executive officer appointments (Ontario only) -- Disclose whether and, if so how, the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.

14. Issuer's targets regarding the representation of women on the board and in executive officer positions (Ontario only) -

(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers and percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.

(b) Disclose whether the issuer has adopted target(s) regarding women on the issuer's board. If the issuer has not adopted such target(s), disclose why it has not.

(c) Disclose whether the issuer has adopted target(s) regarding women in executive officer positions of the issuer. If the issuer has not adopted such target(s), disclose why it has not.

(d) If the issuer has adopted target(s) referred to in either Item 14(b) or (c), disclose the annual and cumulative progress of the issuer in achieving its target(s).

15. Number of women on the board and in executive officer positions (Ontario only) -

(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.

(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all subsidiary entities of the issuer, who are women.

3. Form 58-101F1 is amended by adding the following after the paragraph 3.1 in the Instructions:

(4) An issuer may disclose any additional information that is relevant in order to understand the context of the information disclosed by the issuer under Item 15(a) or (b) of this Form.

(5) An issuer may incorporate information required to be disclosed under Items 10 to 15 by reference to another document. The issuer must clearly identify the reference document or any excerpt of it that the issuer incorporates into the disclosure provided under Items 10 to 15. Unless the issuer has already filed the reference document or excerpt under its SEDAR profile, the issuer must file it at the same time as it files the document containing the disclosure required under this Form.

4. This Instrument only applies to disclosure required to be prepared under Part 2 of National Instrument 58-101 *Disclosure of Corporate Governance Practices* and included in documents required to be prepared, filed, delivered or sent under National Instrument 51-102 *Continuous Disclosure Obligations* for periods relating to financial years ending on or after ●.

5. This Instrument comes into force on ●.

Closing Remarks

The Business and Professional Women of Ontario are pleased to share our experience with the Ontario Securities Commission and suggest that your leadership in providing concrete guidance and support to corporate Ontario can make a significant impact on achieving the objectives outlined in this request for public comment.

We are happy to support your efforts and are willing to assist as you might deem appropriate. It is our recommendation that the government take this opportunity to build collaboration across relevant internal ministries and external stakeholders to create an integrated strategy to address the broad issues outlined in the Women's Empowerment Principles <http://www.weprinciples.org/> in achieving gender-based economic equality.