

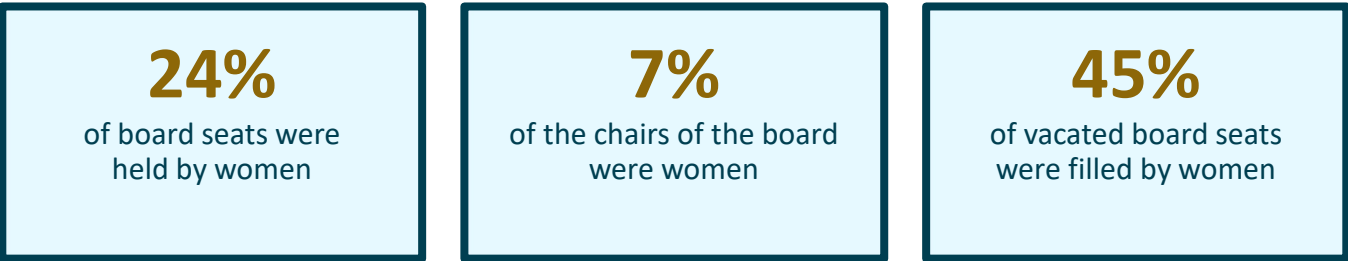
**CSA Multilateral Staff Notice 58-314**  
***Review of Disclosure Regarding Women on Boards  
and in Executive Officer Positions***

**Year 8 Report**

October 27, 2022

# Highlights of review findings at a glance

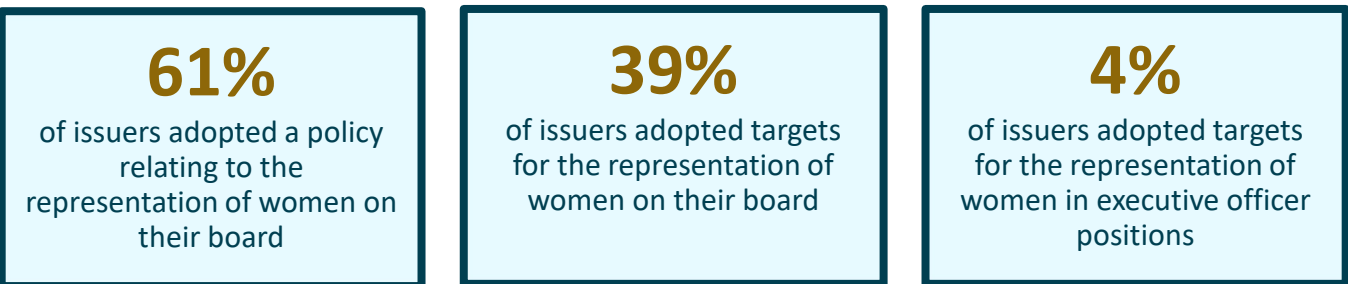
## Board seats



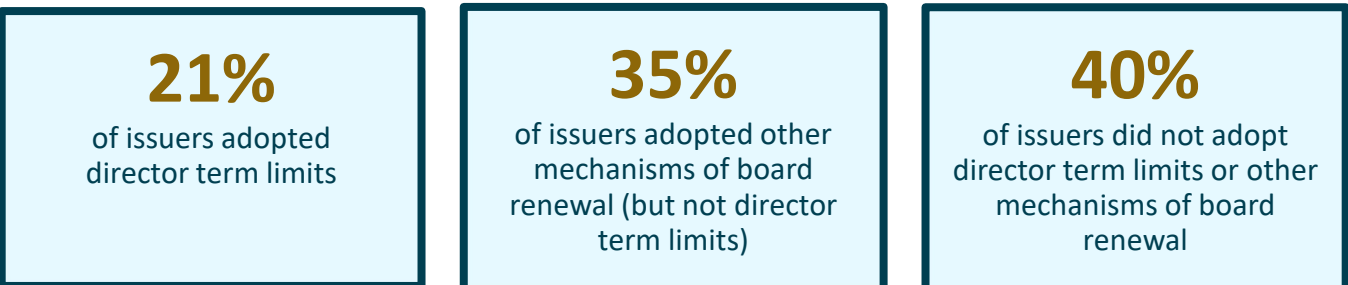
## Executive officer positions



## Policies and targets



## Term limits



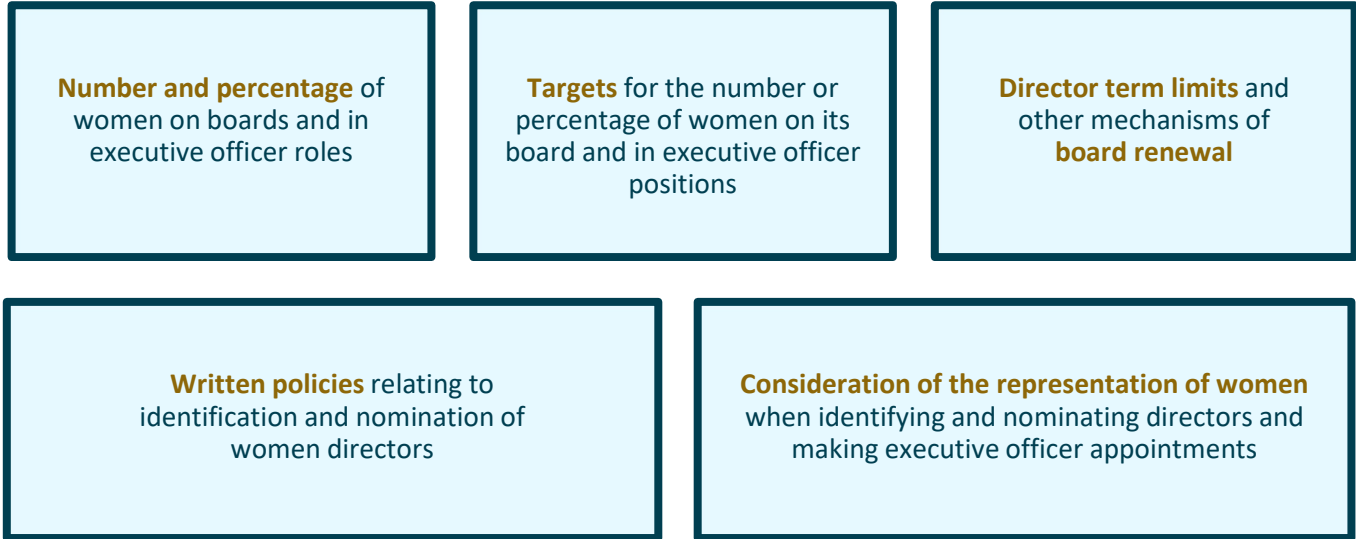
# Disclosure review

## Purpose of report

This report outlines key findings from a recent review of public disclosure regarding women on boards and in executive officer positions as required by Form 58-101F1 *Corporate Governance Disclosure* of National Instrument 58-101 *Disclosure of Corporate Governance Practices* (NI 58-101). This is the eighth consecutive annual review of this disclosure that we have conducted.<sup>1</sup> The review was completed primarily for the purposes of identifying key trends. A qualitative assessment of compliance with the disclosure requirements was not conducted.

## Disclosure requirements

Subject to certain exceptions<sup>2</sup>, issuers listed on the Toronto Stock Exchange (TSX) and other non-venture issuers are required to provide disclosure on an annual basis in the following five areas:



The objective of the disclosure requirements is to increase transparency for investors and other stakeholders regarding the representation of women on boards and in executive officer positions, and the approach that issuers take in respect of such representation.

<sup>1</sup> The trends from our first seven annual reviews are set out in CSA Multilateral Staff Notices 58-307 (year 1), 58-308 (year 2), 58-309 (year 3), 58-310 (year 4), 58-311 (year 5), 58-312 (year 6) and 58-313 (year 7).

<sup>2</sup> Certain TSX listed issuers, such as exchange traded funds, closed-end funds, designated foreign issuers and SEC foreign issuers are not subject to the disclosure requirements.

## Review sample

As of May 31, 2022, approximately 1,779 issuers were listed on the TSX, of which approximately 792 were subject to the disclosure requirements. The data summarized in this report is based on a review sample of 625 issuers that had year-ends between December 31, 2021 and March 31, 2022 (Year 8) and filed information circulars or annual information forms by July 31, 2022. A breakdown of the issuers in the review sample by market capitalization and industry is set out in Annex A.

# Year-over-year comparison of key trends

The following is a snapshot of the year-over-year comparison of the key trends identified in our reviews<sup>3</sup>:

Trends <sup>4</sup>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Board representation								
Total board seats occupied by women	11%	12%	14%	15%	17%	20%	22%	24%
Chairs of the board who are women	--	--	--	--	5%	6%	6%	7%
Board vacancies filled by women	--	--	26%	29%	33%	30%	35%	45%
Issuers with at least one woman on their board	49%	55%	61%	66%	73%	79%	82%	87%
Issuers with three or more women on their board	8%	10%	11%	13%	15%	20%	24%	30%
Board seats occupied by women for issuers with < \$1 billion market capitalization	8%	9%	10%	11%	13%	15%	16%	18%
Board seats occupied by women for issuers with \$1-2 billion market capitalization	11%	13%	17%	19%	20%	24%	24%	27%
Board seats occupied by women for issuers with \$2-10 billion market capitalization	17%	18%	18%	21%	23%	26%	28%	31%
Board seats occupied by women for issuers with over \$10 billion market capitalization	21%	23%	24%	25%	27%	31%	30%	33%

<sup>3</sup> Due to the scope of our sample, our findings, and the comparisons between the current year and the prior six years provide only a partial picture. The issuers in the current year and the prior year samples vary for several reasons including:

- issuers being delisted from the TSX,
- issuers' listings of securities being moved to the TSX-V,
- corporate reorganizations resulting in issuers no longer being listed on the TSX,
- issuers filing information circulars after July 31, 2022 (Year 8),
- issuers completing initial public offerings and becoming listed on the TSX, and
- issuers ceasing to be reporting issuers.

<sup>4</sup> Where a percentage is not identified in this table for a particular trend in a specific year, it is generally because that trend was not included in our reporting during that year's review process.

Trends <sup>5</sup>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Executive officers</b>								
Issuers with at least one woman in an executive officer position <sup>6</sup>	60%	59%	62%	66%	64%	65%	67%	70%
Issuers with a woman CEO	--	--	--	4%	4%	5%	5%	5%
Issuers with a woman CFO	--	--	--	14%	15%	15%	17%	19%
<b>Policies</b>								
Issuers that adopted a policy relating to the representation of women on their board	15%	21%	35%	42%	50%	54%	60%	61%
<b>Targets</b>								
Issuers that adopted targets for the representation of women on their board	7%	9%	11%	16%	22%	26%	32%	39%
Issuers that adopted targets for the representation of women in executive officer positions <sup>5</sup>	2%	2%	3%	4%	3%	4%	6%	4%
<b>Term limits</b>								
Issuers that adopted director term limits	19%	20%	21%	21%	21%	23%	23%	21%

<sup>5</sup> Where a percentage is not identified in this table for a particular trend in a specific year, it is generally because that trend was not included in our reporting during that year's review process.

<sup>6</sup> The decrease in year 5 is driven in part by a change in methodology used to capture executive officer data. Issuers may have included in their disclosure, positions and/or targets for a group other than executive officers, as that term is defined in NI 58-101. In year 5, we focused more closely on disclosure regarding "executive officers" as defined.

# Board seat findings

The percentage of board seats held by women increased from 11% in year 1 to 24% in year 8.

## Board seats held by women

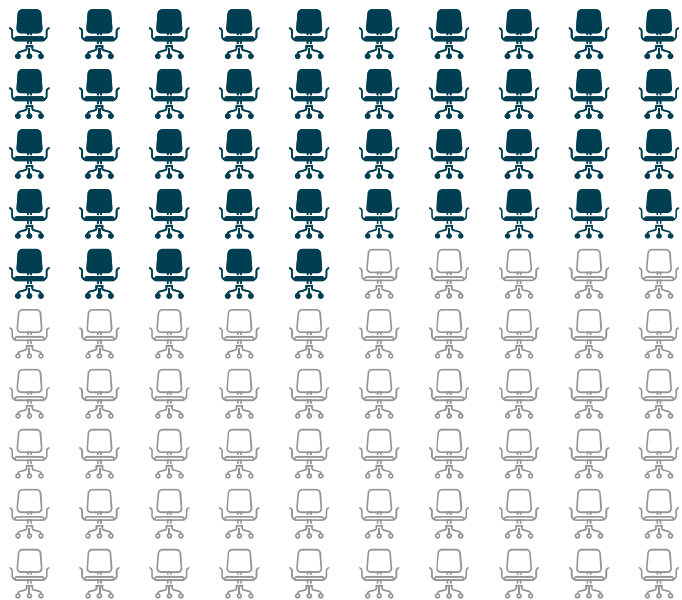
24%



This year, 580 board seats were vacated during the year and 436 of those seats were filled. Of those filled seats, approximately 45% (196 seats) were filled by women which represents a 10% increase over year 7.

## Board vacancies filled by women

45%



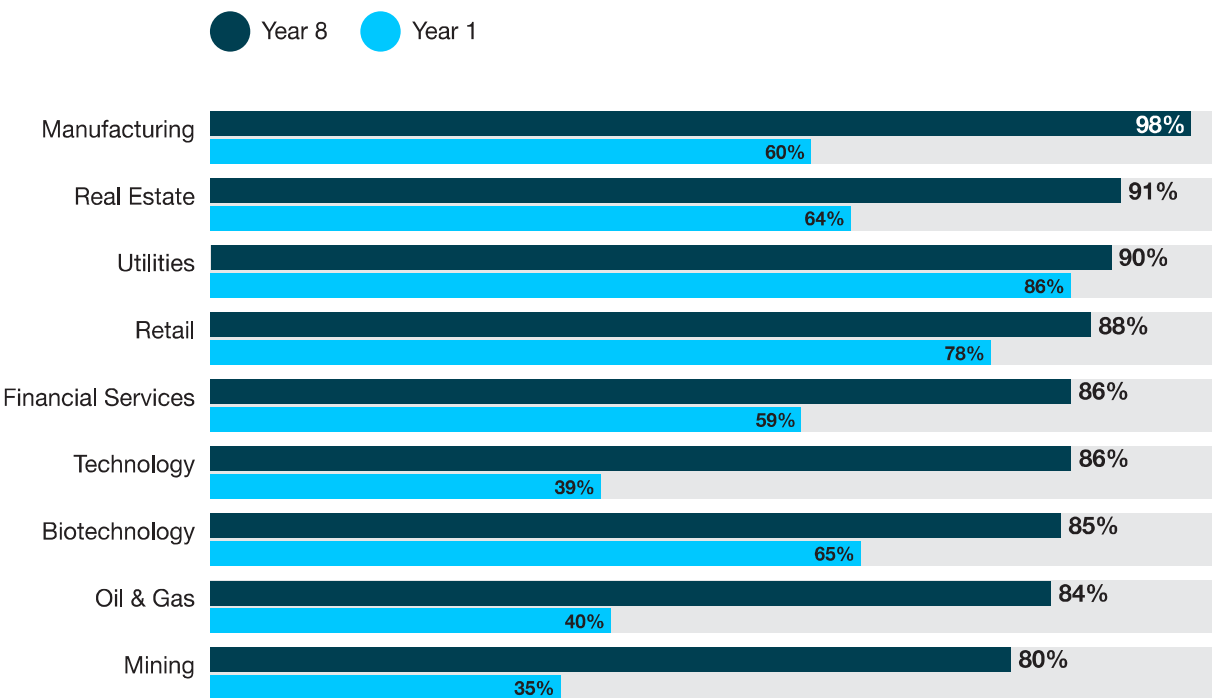
# Other notable findings

## Variation among industries

The number of women on boards varied by industry. The manufacturing, real estate and utilities industries had the highest percentage of issuers with one or more women on their boards.<sup>7</sup> The mining, oil & gas and biotechnology industries had the lowest percentage of issuers with one or more women on their boards.

Refer to Annex B for a year-over-year comparison of the percentage of issuers with one or more women on their boards by industry.

Percentage of issuers with one or more women on boards



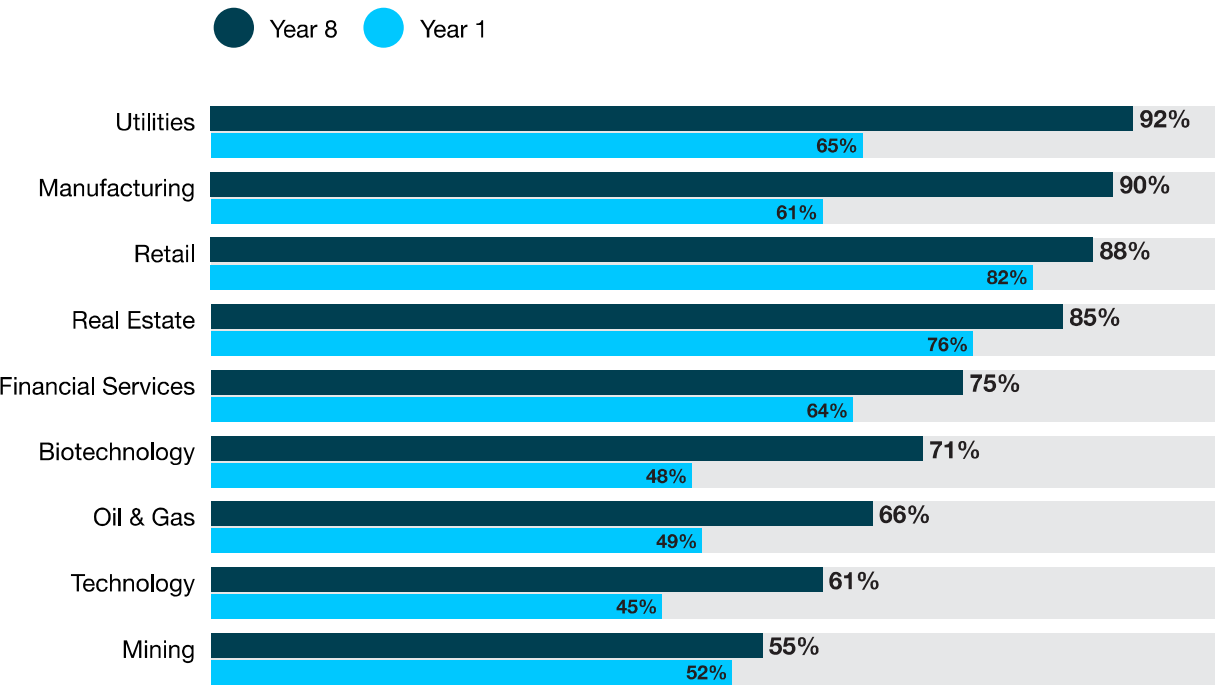
<sup>7</sup> The larger Canadian banks, which are part of an industry that has generally been an early adopter of diversity initiatives, are not captured in the data sample for this review.



The number of women in executive officer positions also varied by industry. The utilities, manufacturing and retail industries had the highest percentage of issuers with one or more women in executive officer positions. The mining, technology and oil & gas industries had the lowest percentage of issuers with one or more women in executive officer positions.

Refer to Annex C for a year-over-year comparison of the percentage of issuers with one or more women in executive officer positions by industry.

Percentage of issuers with one or more women in executive officer positions



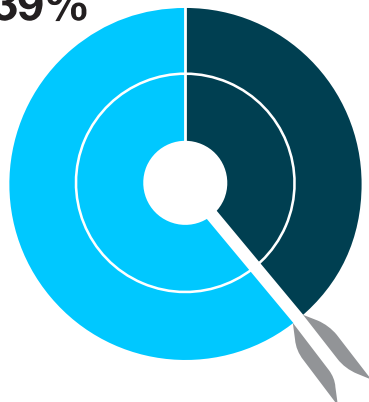
# Diversity measures and board seats held by women

There was a correlation between issuers adopting certain diversity measures and the proportion of board seats held by women.

Issuers who set **targets** for the representation of women on their boards had a greater proportion of board seats held by women. Issuers that adopted board targets had an average of 30% of their board seats held by women, compared to 20% for issuers without targets.

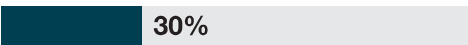
Percentage of issuers with targets

39%

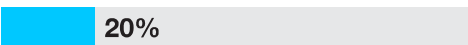


Board seats held by women

Issuers with board targets



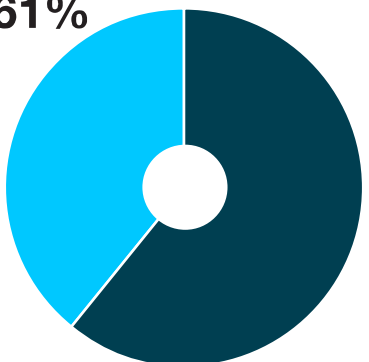
Issuers without board targets



Issuers that adopted a **written policy relating to the representation of women on their board** also tended to have a greater proportion of board seats held by women. Issuers that adopted a policy relating to the representation of women on their boards had an average of 28% of women on their boards, compared to 18% for issuers with no such policy.

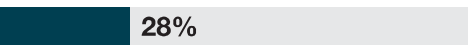
Percentage of issuers with policies

61%

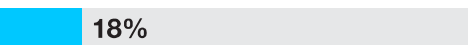


Board seats held by women

Issuers with policies



Issuers without policies

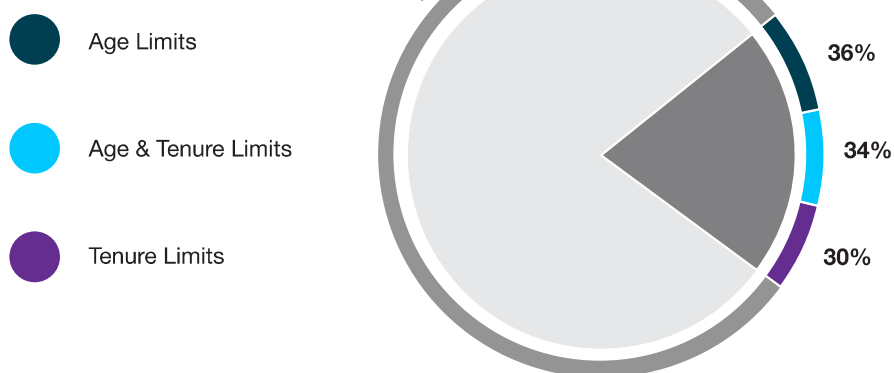


## Term limits

Of the 21% of issuers we reviewed that had adopted director term limits, 36% adopted age limits alone, 30% adopted tenure limits alone, and 34% adopted both age and tenure limits.

Percentage of issuers with term limits

**21%**



Issuers that adopted term limits had an average of 31% of women on their boards, compared to 22% for issuers with no term limits.

## Guidance Related to Disclosure Practices

During our review, we noted that issuers generally provide disclosure addressing the disclosure requirements in different ways. As a result of this, the format and content of disclosure may vary from issuer to issuer. It may also be difficult to locate the relevant disclosure within an information circular and it may be difficult to interpret some of the disclosure. In order to address this, issuers should consider presenting data related to the disclosure requirements in a common tabular format. This would improve consistency and comparability and help investors identify and evaluate the relevant disclosure in an efficient manner. Refer to CSA Multilateral Staff Notice 58-313 *Review of Disclosure Regarding Women on Boards and in Executive Officer Positions (Year 7 Report)* for specific guidance on the format of tabular reporting.

# Questions

If you have any questions regarding this report, please contact:

## Ontario Securities Commission

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## The Manitoba Securities Commission

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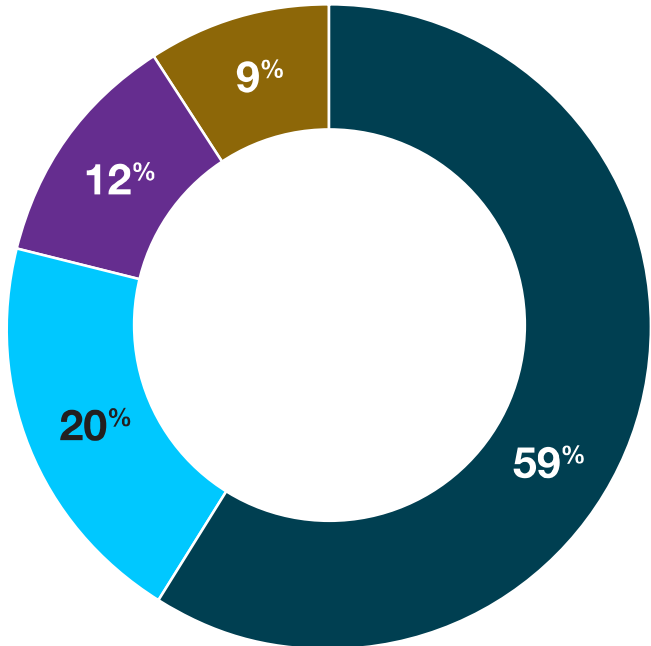
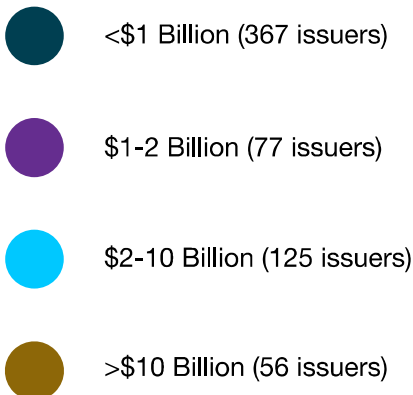
## Nova Scotia Securities Commission

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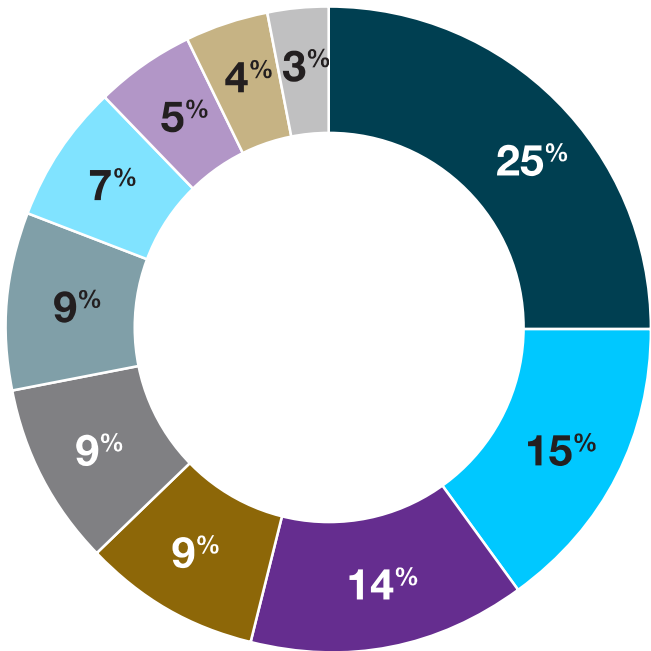
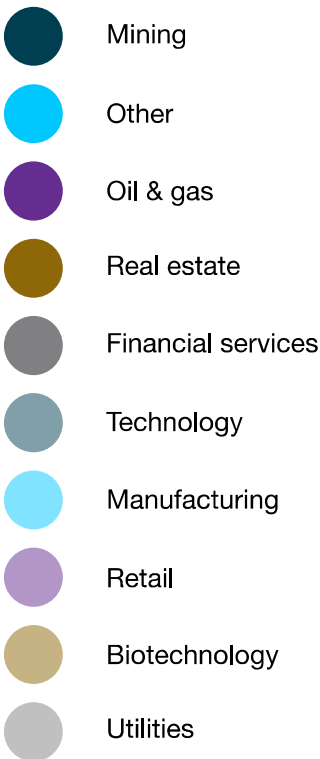
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# Annex A

Market capitalization  
in sample (issuer breakdown)



Industries in sample



## Annex B

The following is a year-over-year comparison of the percentage of issuers with at least one woman on their board by industry:

Industry	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Biotechnology	65%	57%	56%	56%	67%	59%	64%	85%
Financial Services	59%	67%	60%	61%	73%	77%	85%	86%
Manufacturing	60%	68%	84%	89%	93%	93%	95%	98%
Mining	35%	38%	54%	59%	62%	72%	78%	80%
Oil & Gas	40%	40%	45%	56%	70%	73%	81%	84%
Real Estate	64%	66%	59%	73%	80%	90%	89%	91%
Retail	78%	79%	89%	84%	86%	91%	94%	88%
Technology	39%	52%	52%	68%	73%	84%	74%	86%
Utilities	86%	82%	86%	81%	85%	87%	90%	90%

## Annex C

The following is a year-over-year comparison of the percentage of issuers with at least one woman in an executive officer position by industry:

Industry	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Biotechnology	48%	66%	71%	64%	61%	73%	82%	71%
Financial Services	64%	63%	66%	71%	76%	71%	74%	75%
Manufacturing	61%	81%	79%	80%	70%	74%	76%	90%
Mining	52%	49%	52%	56%	52%	52%	57%	55%
Oil & Gas	49%	46%	48%	53%	54%	58%	58%	66%
Real Estate	76%	76%	80%	80%	83%	79%	79%	85%
Retail	82%	71%	68%	76%	80%	78%	88%	88%
Technology	45%	44%	59%	52%	55%	68%	55%	61%
Utilities	65%	73%	67%	75%	70%	75%	79%	92%