



ASC NOTICE AND REQUEST FOR COMMENT PROPOSED AMENDMENTS TO NATIONAL INSTRUMENT 58-101 *DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES*

September 14, 2016

Introduction

The Alberta Securities Commission (ASC) is publishing for a 30-day comment period proposed amendments (the **Proposed Amendments**) to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (NI 58-101) and Form 58-101F1 *Corporate Governance Disclosure* (Form 58-101F1).

The Proposed Amendments establish disclosure requirements with respect to the representation of women on the boards of directors and in executive officer positions of Alberta's non-venture issuers as well as with respect to term limits or other mechanisms of board renewal for board directors.

The text of the Proposed Amendments is attached as Annex "A" to this Notice and will be available on the ASC's website at: www.albertasecurities.com

Background

All members of the Canadian Securities Administrators (CSA), other than the ASC, the British Columbia Securities Commission and the Prince Edward Island Office of the Superintendent of Securities, implemented the Proposed Amendments effective December 31, 2014 which apply to all TSX-listed non-venture issuers who report in the jurisdictions that participated (the **2014 Amendments**).

The ASC did not adopt the 2014 Amendments principally because it was not persuaded that the composition of board and senior management teams, from a gender diversity perspective, properly fell within the ASC's mandate.

Since the ASC's 2014 decision not to participate, the jurisdictions that participated in the 2014 Amendments have published materials indicating that the objective of the 2014 Amendments is to increase transparency for investors and other stakeholders regarding the representation of women on boards and in executive officer positions, which is intended to assist investors when making investment and voting decisions¹.

¹ In CSA Multilateral Staff Notice 58-307 *Staff Review of Women on Boards and in Executive Officer Positions – Compliance with NI 58-101 Disclosure of Corporate Governance Practices*, the participating jurisdictions have confirmed that this was, and continues to be, the purpose of the 2014 Amendments.

Further, at the request of the Minister of Finance and Treasury Board, the ASC has reconsidered its position on the 2014 Amendments. Accordingly, this request for comment is being issued.

Summary of the Proposed Amendments

The Proposed Amendments adopt the disclosure requirements found in the 2014 Amendments. The Proposed Amendments would require non-venture reporting issuers to disclose the following information when filing Form 58-101F1:

1. whether or not the issuer has adopted a policy for the identification and nomination of women directors, and if so, the issuer is asked to provide a short summary of the policy's objectives and key provisions;
2. whether or not the issuer's board or nominating committee considers the level of representation of women on the board in identifying and nominating board candidates;
3. whether or not the issuer considers the level of representation of women in executive officer positions in the appointment of executive officers;
4. whether or not the issuer has adopted any targets (numbers or percentages) regarding women on the issuer's board or in executive officer positions of the issuer, and if so, the issuer is asked to disclose what those targets are;
5. the number and proportion (in percentage terms) of directors on the issuer's board who are women;
6. the number and proportion (in percentage terms) of executive officers of the issuer who are women; and
7. whether or not the issuer has any term limits or other mechanisms of board renewal in place for its board of directors.

Further, to the extent that an issuer has not adopted the above mechanisms, policies, or targets, or does not consider the representation of women, it is required to disclose its reasons for not doing so.

The purpose of this disclosure is to provide investors with information that may be useful in making their investment and voting decisions. To the extent issuers are currently reporting issuers in any other CSA jurisdiction (other than British Columbia or Prince Edward Island), the adoption of the Proposed Amendments will not result in any new requirements.

The ASC appreciates that non-venture reporting issuers have varied backgrounds and operate in diverse industries. The Proposed Amendments require disclosure which is intended to solicit the information investors and stakeholders may find useful in making their investment decisions while providing issuers with the flexibility to address these issues as they best see fit for their particular circumstances.

Transition Period

Assuming the comment process does not result in any material changes to the Proposed Amendments, the ASC anticipates having the new disclosure requirements for non-venture issuers that are Alberta reporting issuers in place for the 2017 proxy season.

Request for comments

We welcome all comments on the Proposed Amendments. Please submit your comments in writing on or before **October 14, 2016**. If you are not sending your comments by email, please send a CD containing the submissions (in Microsoft Word format).

Please note that comments received may be made publicly available and a summary may be posted on the ASC website (www.albertasecurities.com). You should not include personal information directly in the comments to be published. It is important that you state on whose behalf you are making the submission.

Please only deliver your submission to the following:

Kari Horn
General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4
kari.horn@asc.ca

Samir Sabharwal
Associate General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4
samir.sabharwal@asc.ca

Contents of Annex

This Notice contains the following annex:

- Annex “A” - Proposed Amendments National Instrument 58-101 *Disclosure of Corporate Governance Practices*

ANNEX A

PROPOSED AMENDMENTS TO

NATIONAL INSTRUMENT 58-101 *DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES*

1. *National Instrument 58-101 Disclosure of Corporate Governance Disclosure is amended by this Instrument.*

2. *Section 1.1 is amended by adding the following definition:*

“major subsidiary” has the same meaning as in National Instrument 55-104 *Insider Reporting Requirements and Exemptions*; .

3. *Form 58-101F1 Corporate Governance Disclosure is amended by adding the following items:*

10. Director Term Limits and Other Mechanisms of Board Renewal –

Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

11. Policies Regarding the Representation of Women on the Board –

- (a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.
- (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 effectively implemented,
 - (iii) annual and cumulative progress by the issuer in 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 –

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 –

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 –

- (a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or 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 a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.
- (c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.
- (d) If the issuer has adopted a target referred to in either (b) or (c), disclose:
 - (i) the target, and
 - (ii) the annual and cumulative progress of the issuer in achieving the target.

15. Number of Women on the Board and in Executive Officer Positions –

- (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 major subsidiaries of the issuer, who are women. .

4. The Instructions of Form 58-101F1 are amended by adding the following sections:

- (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. .*

- 5. This Instrument only applies to management information circulars and AIFs, as the case may be, which are filed following an issuer's financial year ending on or after ●.
- 6. This Instrument comes into force on ●.

ADDENDA

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CAPITAL

October 11, 2016

Sent via electronic mail

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**Subject: Proposed amendments to National Instrument 58-101
Disclosure of Corporate Governance Practices and Form 58-101F1
*Corporate Governance Disclosure***

Dear Ms. Horn and Mr. Sabharwal:

We have reviewed the proposed amendments (the Proposed Amendments) to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (NI 58-101) and Form 58-101F1 *Corporate Governance Disclosure* (Form 58-101F1) and we thank you for the opportunity to provide our comments.

Addenda Capital Inc. is a privately owned investment management firm responsible for investing more than \$28 billion in assets for pension funds, insurance companies, foundations, endowment funds and third party mutual funds of major financial institutions.

We welcome's the Alberta Securities Commission's (ASC) efforts to join the other members of the Canadian Securities Administrators who have already implemented the Proposed Amendments. The increased transparency stemming from the Proposed Amendments should help us make investment and voting decisions.

As noted in many of the comments submitted in response to the request for comments on OSC Staff Consultation Paper 58-401 *Disclosure Requirements Regarding Women on Boards and in Senior Management*, there is a strong business case for higher levels of gender diversity on boards of directors and among executive officers than currently exists. Gender diversity, along with diversity in professional experience, education and ethnicity can all enhance board effectiveness and corporate decision-making. As such, we are in favour of increasing many types of diversity on the boards of directors and in executive officers positions of issuers and view the focus of the Proposed Amendments on gender diversity as an appropriate place to begin.

Addenda Capital provided comments to the Canadian Securities Administrators on the originally proposed amendments in 2014 and we believe those comments, available [here](#), might be relevant to the ASC's consideration of the Proposed Amendments.

We would like to highlight that we are supportive of giving the “comply or explain” approach outlined in the Proposed Amendments an opportunity to promote higher levels of gender diversity. However, we would like to see a commitment from the ASC to revisit the “comply or explain” model outlined in the Proposed Amendments if there is no significant improvement in the number and proportion of directors and executive officers that are women three years from now. For example, the ASC might consider introducing a quota for the minimum number of women on a board (largest of 30% or 3 directors) and a target of 30% women executive officers might be suitable with a five to ten year phase in period.

Most issuers are still a long way from reaching a desired level of gender diversity but the Proposed Amendments might be helping close the gap. The overall percentage of board seats occupied by women is just 12% and only 10% of boards of directors had three women on their board among the issuers examined for CSA Multilateral Staff Notice 58-308 *Staff Review of Women on Boards and in Executive Officer Positions - Compliance with NI 58-101 Disclosure of Corporate Governance Practices* (Staff Notice). According to the Staff Notice, the number of women on Canadian company boards has increased since the nine jurisdictions adopted the Proposed Amendments. The Staff Notice notes that their review found for all sizes of issuers, those that have a policy relating to the representation of women on their boards had a higher percentage of women on their boards than issuers without a policy.

In closing, thank you for providing us with the opportunity to comment on the Proposed Amendments. If you would like to discuss our comments, please do not hesitate to contact me at +1 647-253-1029 or b.minns@addenda-capital.com.

Yours Sincerely,

Brian Minns

Manager, Sustainable Investing

c.c. Maya Milardovic, Director, Government Relations, The Co-operators Group Ltd.



October 12th, 2016

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Samir Sabharwal
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Dear Ms. Horn and Mr. Sabharwal:

Re: Alberta Securities Commission Request for Comments on Proposed Amendments to National Instrument 58-101 Disclosure of Corporate Governance Practices and Form 58-101F1 Corporate Governance Disclosure regarding Gender Diversity and Term Limits

Alberta Investment Management Corporation (AIMCo) would like to take this opportunity to offer support to the Alberta Security Commission's (ASC) proposal to adopt the Ontario Securities Commission's (OSC) amendments to National Instrument (NI) 58-101, in alignment with nine other provinces in Canada. AIMCo welcomes the opportunity to comment on this important topic. AIMCo invests \$90 billion on behalf of 31 clients comprising Albertan pension plans and government funds, and, as such, is an active participant in Canada's equity markets. AIMCo takes our role in the furtherance of good corporate governance seriously. This submission is made by AIMCo, and not on behalf of any particular client or any other stakeholders.

AIMCo believes that gender diversity is a core attribute of a well-functioning board which supports greater long-term value for shareholders and companies, and which promotes effective governance, leadership development and enhanced corporate reputation. Furthermore, while this request for comment is focused on gender diversity, AIMCo fully recognizes that the notion of board diversity encompasses not only gender, but also ethnicity, age and other key attributes as interpreted by the board to appropriately reflect the company's stakeholder base.

In October 2014, when AIMCo first engaged with the ASC regarding OSC 58-101, the ASC was hesitant to support the disclosure requirement for issuers within a comply or explain context. The ASC sentiment at the time was that board gender diversity was not within ASC's mandate. We commend the ASC on revisiting their prior stance. We would like to affirm that we believe the ASC's adoption of the Proposed Amendments properly falls within the ASC's purview and the mandate to foster fair and efficient capital markets in Alberta.

Although the rate of change for percentages of women on public company boards in Canada remains low, overall percentages have improved from 13.1% in 2013 to 19.4% in 2015 (based on MSCI data). This rate of progress is inhibited by the length of board terms in the short to medium-term, while improvement over the longer-term will demonstrate boards' overall commitment to improve gender diversity. AIMCo encourages companies to develop and disclose gender diversity objectives for their boards and across the organization. Boards also play an overarching role in fostering diversity across the organization and in senior management by overseeing human resource management strategies.

Globally, securities regulators and an increasing number of developed country governments recognize that increased board diversity is necessary to properly reflect changes in the workplace and in companies' customer base, as women make up 50% of the workforce in these markets. Many countries are adopting policies to encourage gender diversity, such as voluntary targets, mandated quotas, and/or a disclosure requirement. The business case for gender diversity on boards is being recognized, with many studies demonstrating material outperformance for companies with higher percentages of women on their boards (E.g. McKinsey & Company, 'Why Diversity Matters', January 2015).

AIMCo remains supportive of the intent behind the Proposed Amendments to improve Canadian corporate governance processes by promoting the conditions for board diversity. Our comments are listed below.

The ASC Notice and Request for Comment states that the Proposed Amendments would require non-venture reporting issuers to disclose the following information when filing Form 58-101F1:

1. *Whether or not the issuer has adopted a policy for the identification and nomination of women directors; and if so, the issuer is asked to provide a short summary of the policy's objectives and key provisions.*

AIMCo supports this recommendation. It follows that boards which adopt policies advancing gender diversity for both the representation of women on the board and in executive officer positions should be more successful in achieving this objective.

2. *Whether or not the issuer's board or nominating committee considers the level of representation of women on the board in identifying and nominating board candidates;*

AIMCo supports this recommendation, which refers to disclosure of the consideration of women in recruitment processes. However, requiring disclosure of recruitment processes does not pro-actively address the question of the board's underlying commitment to gender diversity. Issuers that include gender in their search criteria will likely be more successful in achieving a more gender diverse board. AIMCo furthermore suggests that the 'comply or explain' strategy may be bolstered by requiring reporting of search criteria, such as the board skills matrix.

3. *Whether or not the issuer considers the level of representation of women in executive officer positions in the appointment of executive officers;*

AIMCo supports the principle of this recommendation, which contributes to the progression of women into executive officer positions, thus widening the pool for potential board candidates. Progressive Human Resource management strategies may also serve to propel women to more senior levels in the organization.

4. *Whether or not the issuer has adopted any targets (numbers or percentages) regarding women on the issuer's board or in executive officer positions of the issuer, and if so, the issuer is asked to disclose what those targets are;*

AIMCo still prefers the concept of flexible target ranges to hard quota for representation of women on boards and executive officer positions. The goal should be to demonstrate evidence of a rate of increase of women on the board across a reasonable length of time, such as a 5-year period. This strategy encourages improvement even in industries historically exhibiting low diversity. Progress in achieving targets should be reviewed by the board and reported to shareholders on a regular basis.

5. *The number and proportion (in percentage terms) of directors on the issuer's board who are women;*

AIMCo supports this recommendation. While most public companies already disclose the names of their directors in their annual reports, making this information more readily accessible may assist investors in their investment monitoring and decision making.

6. *The number and proportion (in percentage terms) of executive officers of the issuer who are women;*

AIMCo supports this recommendation. While most public companies already disclose the names of their executive officers as a matter of course in their annual reports, making this information more readily accessible may assist investors in their investment monitoring and decision making.

7. *Whether or not the issuer has any term limits or other mechanisms of board renewal in place for its board of directors.*

AIMCo supports this recommendation. Board term limits promote board renewal, and encourage board diversity, which are fundamental tenets of good governance. We furthermore recommend that issuers develop, and then disclose, other mechanisms and protocols to promote board refreshment such as inviting observer members, or widening search criteria.

We trust that our responses will be helpful and provide support to the successful adoption of the proposed amendments to NI 58-101 and Form 58-101F1. Please do not hesitate to contact us if you have any further questions or concerns.

Yours sincerely,

Kevin Uebelein
Chief Executive Officer

Dale MacMaster
Chief Investment Officer

Alison Schneider
Director, Responsible Investment



October 14, 2016

Kari Horn
General Counsel
Alberta Securities Commission
250 - 5th Street SW
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by email: kari.horn@asc.ca

and to

Samir Sabharwal
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by email: samir.sabharwal@asc.ca

Re: ASC Notice and Request for comment - Proposed Amendments to National Instrument 58-101, Disclosure of Corporate Governance Practices.

Dear Ms. Horn and Mr. Sabharwal,

We are pleased to submit our comments in response to the Alberta Securities Commission's request for comment in respect of proposed amendments that establish disclosure requirements concerning the representation of women on the boards of directors and in executive officer positions of Alberta's non-venture issuers (the "2014 Amendments").

Background

We are pleased that the ASC has reviewed its position and has now determined that it is within its mandate of transparency to adopt the 2014 Amendments. We agree with and support its conclusion that such disclosure is an important first step to enhance the investment and voting decision-making for investors and other stakeholders in respect of the representation of women on boards and executive positions in corporate Alberta. By having failed to do so at the outset, Alberta's economy lost valuable ground. Nonetheless, the implementation of the 2014 Amendments for the upcoming 2017 proxy season is a fresh opportunity and, with it, the ASC and Alberta's boards of directors can benefit from the several published reviews of the effectiveness of the implementation of the 2014 Amendments over the past two years in other Canadian Securities Administrators (CSA) jurisdictions that adopted them in December 2014. Additionally, investors and other stakeholders can benefit from the disclosure of the success of diversity regimes in other jurisdictions, compare them to Canada's including Alberta's, and be

exposed to the growing concern over the lack of gender representation and what that means when making investment decisions.

Alberta Women on Boards Index

With that in mind, we would like to take the opportunity to commend the ASC and University of Calgary's Haskayne School of Business for their research initiative called the *Alberta Women on Boards Index*. This research and resultant report provides a succinct comparative statistical analysis of the number of women on the boards in Alberta for 2014 and 2015, for those Alberta issuers that are subject to the 2014 Amendments by virtue of being a reporting issuer in the CSA member provinces that saw fit to implement the 2014 Amendments in 2014. Consequently, the Alberta Women on Boards Index provides an important measurement of the increase (or not) of the number of women on our boards since the 2014 Amendments were implemented elsewhere, and the effectiveness of the "comply or explain regime" on Alberta's publicly traded TSX and TSX-Venture (TSXV) Alberta issuers. We also support the recent expansion of the scope of Alberta Women on Boards Index in 2016 to include women named executive officers (NEOs, being the top paid executives) of TSX Alberta issuers.

The Proposed Adoption of the 2014 Amendments

We agree with the comply or explain model as opposed to more aggressive models at this time, and fully support its adoption. However, we believe that the comply or explain model has its weaknesses, and has not yet resulted in meaningful change in the number of women on boards anywhere in Canada. Noncompliant issuers are permitted to provide unsubstantiated and simplistic reasons to explain their failure to implement the 2014 Amendments in their disclosure. In fact, the two top reasons for not complying in 2015 were:

"Do not want to compromise the principles of meritocracy."

"May not result in the best candidate being selected."

(See the entire report of Osler, Hoskin & Harcourt LLP, dated October 7, 2016, *Diversity Disclosure Practices, Where are the Women?*)

While these responses strictly comply with the 2014 Amendments, we believe that they do not comply with the spirit or purpose of the 2014 Amendments. In that regard, we recommend that the ASC take further steps to enhance the effectiveness of the 2014 Amendments. While we agree with the adoption of the amendments as provided in the ASC Notice and Request for Comment, we request that these additional steps, noted below, be implemented by the ASC as part of the ASC's continuous disclosure review mandate, or alternatively, within a further expanded scope of the Alberta Women on Boards Index.

Recommendations

1. We recommend that the ASC compile and publish a list of names of Alberta issuers that have no female directors, no female executive officers, or both, and for how many years that has been the case. This list will serve to quickly and readily highlight to investors and stakeholders those corporations that are either not taking meaningful steps to consider the 2014 Amendments, and, if the explanations are not adequate, such as those noted above, take them to task.

2. We recommend that each year the ASC compile and disclose the names of the Alberta issuers that have adopted a diversity policy, and that have added at least one woman to their board that year, including a brief description of what steps they took to add them. The description of the process will encourage directors to go beyond their own networks in searches, which we believe is a significant further barrier for women. The description will allow nomination committees of other issuers to learn from the selection process where change has been successful. We believe it will also serve to highlight the many other available and reliable sources to find appropriate and highly skilled women to join their boards and executive offices.
3. We recommend that the ASC develop a preferred target or rely on the provincial government's stated target of women on boards in Alberta, and prepare and disclose the list of Alberta issuers that meet that target.

We believe that these steps would encourage Alberta issuers to follow the letter and the spirit of the 2014 Amendments.

Conclusion

As noted by many commentators on the matter of representation of women on corporate boards, this is not a women's issue but an economic and business issue. A growing body of research demonstrates the positive correlation between a strong representation of women on boards and better financial performance, governance, and innovation. We believe that Alberta's lack of diversity has and will continue to negatively impact Alberta's competitiveness domestically and internationally.

Thank you for your consideration.

Best regards,

Roxanne Davis
Vice-President, Board of Directors
Association of Women Lawyers (Calgary)

October 7, 2016

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Subject: NATIONAL INSTRUMENT 58-101 DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Thank you for the opportunity to provide comment on the proposed amendments to National Instrument 58-101 Disclosure of Corporate Governance Practices (NI 58-101) and Form 58-101F1 Corporate Governance Disclosures.

I have the pleasure of currently serving as a Director on a number of profit and not-for-profit boards including PHX Energy Services which is a TSX issuer. As a business leader and Corporate Director, I **strongly support** the ASC signing on to this important initiative.

Regards,

Judith Athaide, B. Comm. (Honors), MBA, P. Eng., ICD.D
President & CEO, The Cogent Group Inc.
Director, PHX Energy Services
Director, NB Power
Chair, ICD Calgary Chapter
Governor, Calgary Petroleum Club



October 14, 2016

Kari Horn
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Via Email: kari.horn@asc.ca and samir.sabharwal@asc.ca

Dear Ms. Horn and Mr. Sabharwal,

Re: Proposed Amendments to National Instrument 58-101: Disclosure of Corporate Governance Practices

British Columbia Investment Management Corporation (bcIMC) is an investment manager with over CAD \$121 billion in assets under management, and one of the largest institutional investors in Canada. Our investment activities help finance the pensions of approximately 500,000 people in our Canadian province, including university and college instructors, teachers, health care workers, firefighters, police officers, municipal and other public sector workers. On behalf of these pension beneficiaries, we provide long term capital to companies around the world that we believe will provide strong and stable financial returns. We welcome the opportunity to respond the Proposed Amendments to NI 58-101.

bcIMC supports the Alberta Securities Commission's (ASC) proposal to adopt NI 58-101 so that it is aligned with nine other Canadian Securities Administrators that have already adopted enhanced disclosure requirements regarding gender diversity and term limits. We were supportive of these amendments when initially introduced in 2014 and we can assure the Commission that this information is useful in informing investment and voting decisions. At present, the disclosure provided under NI 58-101 is evaluated by bcIMC when we exercise our voting rights. As expressed in our proxy voting guidelines, bcIMC will vote against or withhold our support from Nomination and/or Governance committee chairs in cases where there are no female board directors, unless the company has provided a legitimate rationale or plans to address this gap going forward.

bcIMC provided detailed feedback on the proposals to the CSA in [2014](#) and in [2013](#) and we believe those comments may be relevant to the ASC's consideration of the matter today.

bciMC agrees that adopting a comply or explain approach is appropriate at this time. However, we note that the recent disclosure review conducted by the CSA¹ and a report by Osler, Hoskins and Harcourt LLP² point to some, but limited, increases in the representation of women among board directors and in senior leadership and in the numbers of companies that have adopted written diversity policies. This is mostly evident in the practices of large-cap issuers. While we recognize that progress takes time, we would welcome a commitment from the ASC to revisit the comply or explain approach within three years and evaluate whether the enhanced disclosure requirements are having the desired impact on gender diversity among Canadian issuers.

Again, bciMC supports the efforts of CSA members to improve gender diversity in boards and senior management in Canada and is encouraged by the progress made by many TSX-listed issuers. We are optimistic that with the ASC's participation companies will make further progress.

Thank you for this opportunity to provide our views on the proposed amendments. Please do not hesitate to contact Susan Golyak, Manager, ESG Integration at susan.golyak@bcimc.com if you wish to discuss any aspect of this letter in further detail.

Regards,

Bryan Thomson
Senior Vice President, Public Equities

¹ http://www.osc.gov.on.ca/en/NewsEvents_nr_20160928_new-results-women-on-boards.htm

² <https://www.osler.com/en/resources/governance/2016/diversity-disclosure-practices-2016-women-in-lead>

Subject: FW: NI 58-101

From: corrinabryson@simplifycomplexity.ca [<mailto:corrinabryson@simplifycomplexity.ca>]

Sent: October-07-16 10:38 AM

To: Kari Horn

Subject: NI 58-101

Kari,

I would like to express my support for the ASC signing onto the initiative regarding establishment of disclosure requirements with respect to the representation of women on the boards of directors and in executive officer positions of Alberta's non-venture issuers as well as with respect to term limits or other mechanisms of board renewal for board directors, as proposed in Bill NI 581-101.

Thanks,

Corrina Bryson, P.Eng, MCPM, member of ICD.

**Canadian Coalition for
GOOD GOVERNANCE**

September 21, 2016

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Dear Ms. Horn and Mr. Sabharwal,

Re: Alberta Securities Commission Request for Comments on proposed amendments to National Instrument 58-101 Disclosure of Corporate Governance Practices and Form 58-101F1 Corporate Governance Disclosure regarding gender diversity and term limits

The Canadian Coalition for Good Governance (CCGG) is writing in response to the Alberta Securities Commission's (ASC) request for comments dated September 14, 2016.

CCGG's members are Canadian institutional investors that together manage approximately CDN \$3 trillion in assets on behalf of pension funds, mutual fund unit holders, and other institutional and individual investors. A list of our members is attached to this letter as Appendix 1. CCGG promotes good governance practices in Canadian public companies in order to best align the interests of boards and management with those of their shareholders. We also seek to improve Canada's regulatory framework to promote the efficiency and effectiveness of the Canadian capital markets.

CCGG supports the ASC's proposal to align the disclosure requirements under NI 58-101 in Alberta with the nine other jurisdictions in Canada that have adopted the requirements regarding the representation of women on boards of directors and in executive officer positions, as well as with respect to term limits and other mechanisms of board renewal. As we stated previously in our January 11, 2016 letter (CCGG's Letter) to the ASC on this matter (a copy of which is attached as Appendix 2), CCGG believes that the adoption of the proposed amendments falls within the ASC's mandate as a securities regulator to protect investors and

to foster a fair and efficient capital market in Alberta. It is CCGG's view, supported by extensive external academic research, that board diversity improves board quality and thus disclosure about diversity is integral in assisting investors in making investment and voting decisions. In CCGG's Letter we also outline why the support of the ASC in this regard is important.

CCGG provided comments to the Canadian Securities Administrators on the original proposals to amend NI 58-101 and Form 58-101F1 to require disclosure of women on boards of directors and in senior management and we believe those comments, available [here](#) and [here](#), are relevant to the ASC's current consideration of this matter. In addition, we attach as Appendix 3 a copy of CCGG's 2015 *Policy on Board Gender Diversity* which cites some of the research referred to above.

As noted in CCGG's Policy on Board Gender Diversity, CCGG's support for the adoption of gender diversity disclosure requirements is not intended to reflect the view that the lack of other forms of board and senior management diversity do not need to be addressed. Rather, we view the focus on correcting the underrepresentation of half of the population as an appropriate place to begin and we encourage the ASC to align itself with this important initiative.

We thank you for the opportunity to provide our comments on the proposed amendments. If you have any questions regarding the above, please contact our Executive Director, Stephen Erlichman, at 416.847.0524 or serlichman@ccgg.ca or our Director of Policy Development, Catherine McCall, at 416.868.3582 or cmccall@ccgg.ca.

Yours very truly,

Julie Cays
Chair of the Board
Canadian Coalition for Good Governance

APPENDIX 1**CCGG MEMBERS****CCGG Members - 2016**

Alberta Investment Management Corporation (AIMCo)
Alberta Teachers' Retirement Fund (ATRF)
Archdiocese of Toronto
BlackRock Asset Management Canada Limited
BMO Asset Management Inc.
BNY Mellon Asset Management Canada Ltd.
British Columbia Investment Management Corporation (bcIMC)
Burgundy Asset Management Ltd.
Caisse de dépôt et placement du Québec
Canada Pension Plan Investment Board (CPPIB)
Canada Post Corporation Registered Pension Plan
CIBC Asset Management Inc.
Colleges of Applied Arts and Technology Pension Plan (CAAT)
Connor, Clark & Lunn Investment Management Ltd.
Desjardins Global Asset Management
Electrical Safety Authority (ESA)
Fiera Capital Corporation
Franklin Templeton Investments Corp.
Greystone Managed Investments Inc.
Healthcare of Ontario Pension Plan (HOOPP)
Hillsdale Investment Management Inc.
Industrial Alliance Investment Management Inc.
Jarislowsky Fraser Limited
Leith Wheeler Investment Counsel
Lincluden Investment Management Limited
Mackenzie Financial Corporation
Manulife Asset Management Limited
NAV Canada
New Brunswick Investment Management Corporation (NBIMC)
Northwest & Ethical Investments L.P. (NEI Investments)
OceanRock Investments Inc.
Ontario Municipal Employee Retirement System (OMERS)
Ontario Pension Board
Ontario Teachers' Pension Plan (OTPP)
OPSEU Pension Trust
PCJ Investment Counsel Ltd.
Pension Plan of the United Church of Canada
Pier 21 Asset Management Inc.
Public Sector Pension Investment Board (PSP Investments)
RBC Global Asset Management Inc.

Régimes de retraite de la Société de transport de Montréal (STM)
Russell Investments Canada Limited
Scotia Global Asset Management
Sionna Investment Managers Inc.
State Street Global Advisors, Ltd. (SSgA)
Sun Life Investment Management Inc. (SLIM)
TD Asset Management Inc.
Teachers' Retirement Allowances Fund
UBC Investment Management Trust Inc.
University of Toronto Asset Management Corporation
Workers' Compensation Board - Alberta
York University

INCLUDES COMMENT LETTERS

Subject: FW: Proposed Amendments National Instrument 58-101 and Form 58-101F1

Sent: October-11-16 9:52 PM

To: Stan Magidson

Cc: Kari Horn; Samir Sabharwal

Subject: Proposed Amendments National Instrument 58-101 and Form 58-101F1

Dear Mr. Magidson,

Please be advised of my strong support for the adoption of these amendments as stated. Alberta, a province where we have a significant number of listed companies and a strong head office representation, needs to be a leader in the matter of assuring qualified women are selected as Board members. Further, encouraging listed organizations to assure that women are strongly represented in the executive officer ranks is one way of assuring a pipeline of qualified female Board members and goes hand in hand with a diverse Board. One of the important ways to promote this change in the profile of Boards is to require disclosure and transparency. Information about Director's terms adds another level of information that shareholders can consider in their assessment of the organization's commitment to good governance.

I have served on a number of public and private Boards over the past 20 years. In my experience, Boards are strengthened by diversity of thought, background and gender. The research bears this out. Let's step up and show the country that we understand this and that Alberta can help to lead the way.

Thank you,

Bonnie DuPont, M.Ed, F.ICD.D
Corporate Director



ENMAX Corporation
141 – 50 Avenue SE
Calgary, AB T2G 4S7
Tel (403) 514-3000
enmax.com

October 13, 2016

Alberta Securities Commission
Office of the General Counsel
250-5th Street S.W.
Calgary, AB T2P 0R4

Attention: Ms. Kari Horn

Dear Ms. Horn:

Re: Alberta Securities Commission proposed Amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* and Form 58-101F1 *Corporate Governance Disclosure*

This letter is submitted in response to the Alberta Securities Commission (**ASC**) Notice and Request for Comment regarding proposed Amendments (**Proposed Amendments**) to National Instrument 58-101 *Disclosure of Corporate Governance Practices (NI 58-101)* and Form 58-101F1 *Corporate Governance Disclosure (Form 58-101F1)*.

Although ENMAX Corporation is a private Alberta corporation wholly owned by the City of Calgary, and therefore not required to comply with NI 58-101 and Form 58-101F1, we are a member organization of the Institute of Corporate Directors and our governance practices are informed by leading Canadian guidelines, namely the expectations set out under NI 58-101 and Form 58-101F1.

ENMAX is supportive of the ASC adopting the Proposed Amendments to NI 58-101 and Form 58-101F1. We are of the view that the “comply-or-explain” approach allows each reporting issuer to determine what is in its best interest when making decisions regarding the composition of its board and senior management, and as relating to board term limits or other mechanisms for board renewal, would allow issuers to retain needed term limit flexibility appropriate to individual circumstances. Adoption of the Proposed Amendments would also provide enhanced transparency in diversity disclosure.

Yours truly,

Greg Melchin,
Chair of the Board
ENMAX Corporation

cc: Richard Shaw, Chair, Governance Committee
Gianna Manes, President & CEO



Ernst & Young LLP
Ernst & Young Tower
222 Bay Street, PO Box 251
Toronto, ON M5K 1J7

Tel: +1 416 943 2989
trent.henry@ca.ey.com
ey.com

Trent Henry, FCPA, FCA
Chairman & Chief Executive Officer

VIA EMAIL

Kari Horn
General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4
kari.horn@asc.ca

Date: 13 October 2016

**Re: Request for Comment on proposed amendments to National Instrument 58-101
Disclosure of Corporate Governance Practices (NI 58-101) and Form 58-101F1 *Corporate Governance Disclosure* (Form 58-101F1).**

Dear Ms. Horn,

This letter is submitted on behalf of Ernst & Young LLP (EY) in response to Alberta Securities Commission's (ASC) consultation on proposed amendments to corporate governance disclosure practices, published on 14 September 2016.

EY is a global leader in assurance, tax, transaction and advisory services. For more than 150 years in Canada, we've delivered the insights and quality services that help build trust and confidence in capital markets here and in economies the world over.

Summary of EY's position

We are a strong proponent of gender diversity and support the objectives of ASC's proposed amendments to corporate governance disclosure. We believe that these are both practical and relevant in light of the current state of gender representation in executive positions and on boards of Canadian public companies, and the progress, albeit limited, we've started to see since "comply or explain" came into effect on 1 January 2015 in other Canadian jurisdictions.

We have previously supported similar amendments proposed by the Canadian Securities Administrators (CSA) in our comment letter dated 10 April 2014, and in our 2015 review of leading corporate disclosure practices, *Amendments to NI 58-101: Women on boards and in senior management*.¹

¹ [http://www.ey.com/Publication/vwLUAssets/EY-Amendments-NI-58-101-gender-diversity-disclosure/\\$FILE/EY-Amendments-NI-58-101-gender-diversity-disclosure.pdf](http://www.ey.com/Publication/vwLUAssets/EY-Amendments-NI-58-101-gender-diversity-disclosure/$FILE/EY-Amendments-NI-58-101-gender-diversity-disclosure.pdf)



Since the introduction of “comply or explain”, we’ve seen gender diversity put squarely on the agenda of both senior leadership and boards of directors in our country.

Our position is that:

- The “comply or explain” approach will give business leaders and board members the flexibility they need to determine what is right for their organization,
- The requirement to disclose targets will trigger meaningful business discussion and action planning, and
- The need to develop a written policy will clearly formalize leadership commitment.

In our view, these three requirements are necessary to drive change and achieve the desired outcomes. But, while progress toward gender diversity on boards continues, it varies greatly by industry and the pace of change could be faster.

Similarly, we believe that a “comply or explain” on term limits is needed not only to create room for greater representation of women, but also to support board renewal. The “comply or explain” approach provides flexibility that allows for exceptions for extraordinary contribution or circumstances.

Gender diversity is not a choice

Canadian businesses need to attract, develop and promote the best talent to succeed. And women’s advancement and leadership are central to business performance and economic prosperity. Research shows that board diversity enhances corporate performance, and that failing to address the gender gap can have economic consequences. Yet in most countries around the world, including Canada, women remain underrepresented.

Therefore, we support the ASC’s proposed amendments and encourage businesses to set targets for achieving gender diversity.

Directors are responsible for setting the tone at the top and overseeing the organization’s approach to diversity as it affects the company’s strategy, risk and performance. Investors and regulators will increasingly shine a spotlight on issuers that lag behind in female corporate leadership and as a consequence fail to capitalize on the transformative potential of a diverse group of talent.

Genuine commitment and measurable targets can drive real change to encourage issuers to leverage the talents of all their people. For Canada to maintain and grow its competitiveness on the world stage and foster a high-performance economy, Canadian organizations must take meaningful action now.



We are confident that faced with the facts, business leaders will make the right business decisions.

Conclusion

Generally speaking, we advocate for less or simplified regulation. In this case, however, given the importance of talent for the success and growth of Canadian businesses and the lack of progress observed until more recently in other CSA jurisdictions, we support the adoption of proposed amendments to NI 58-101 and Form 58-101F1.

We support the fact that the required disclosure is focused on the essentials and not too cumbersome. And, we believe it will help organizations achieve the goal of attracting, developing and promoting the best talent.

Yours sincerely,

Trent Henry
Chairman and Chief Executive Officer

Copy to:
Samir Sabharwal, Associate General Counsel, ASC
Doris Stamml, General Counsel, EY

October 12, 2016

Kari Horn
General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4

RE: The Alberta Securities Commission (ASC) 30-day comment period, proposed amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* and Form 58-101F1 *Corporate Governance Disclosure*.

Dear Kari,

This letter constitutes my support of the proposed amendments to the NI 58-101 *Disclosure of Corporate Governance Practices* and Form 58-101F1 *Corporate Governance Disclosure*.

By adopting this practice the ASC members of companies listed on the TSX would be better representing half of our Canadian and Albertan populations and investors for their companies all the while realizing financial gain as a result.

Stan Magidson, ASC Chair, indicated in a September 26, 2016 Calgary Herald article by Deborah Yedlin that, "This was reconsidered by the ASC at the request of the (provincial) Minister of Finance. We would have revisited this issue in any event — it happened to take place on a more expedited time frame," Magidson said. Current times call for current measures and we are at the time for this action here in Alberta.

To quote from a Catalyst report which can be found at:

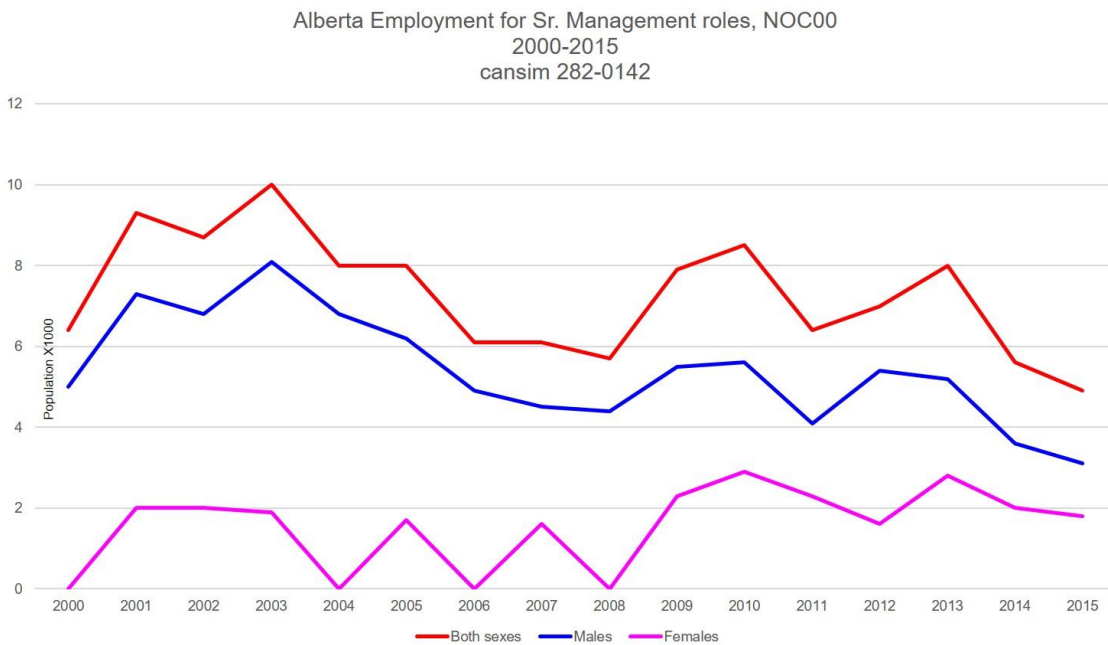
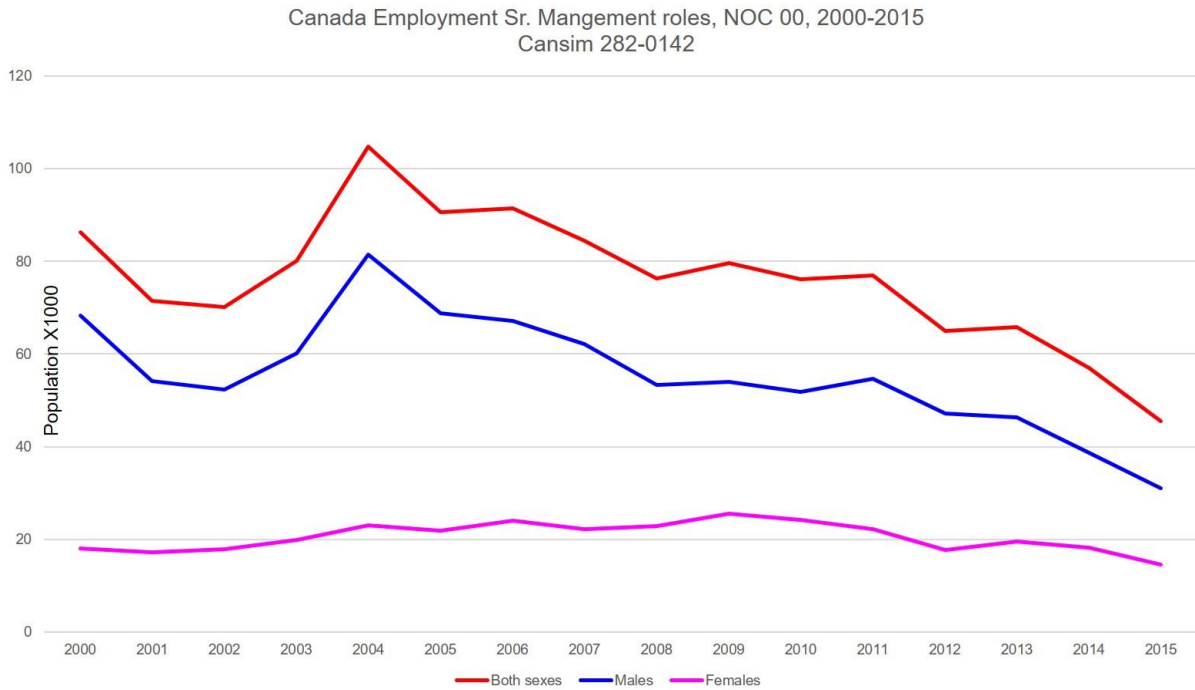
<http://www.catalyst.org/media/companies-more-women-board-directors-experience-higher-financial-performance-according-latest>

"The report found higher financial performance for companies with higher representation of women board directors in three important measures:

- **Return on Equity:** On average, companies with the highest percentages of women board directors outperformed those with the least by **53 percent**.
- **Return on Sales:** On average, companies with the highest percentages of women board directors outperformed those with the least by **42 percent**.
- **Return on Invested Capital:** On average, companies with the highest percentages of women board directors outperformed those with the least by **66 percent.**"

I firmly believe that Alberta oil and gas companies just haven't looked hard enough to capitalize on what potential is there for them. A declining population of female professionals, female executives and female board members in the Alberta oil and gas sector is cause for concern and action. But not only in oil and gas. Our financial friends have realized this potential long ago and have reaped the financial rewards.

According to StatCan data the following graph indicates the Canadian population represented by gender in Senior Management roles, National Occupation Code 00. Alberta's data on the same NOC 00 is below as well. We can improve on these statistics for our great province, our great country and for the benefit of both Alberta's and Canada's GDP.



I wholeheartedly support this NI 58-101 practice for the benefit of us all and for the future of our economy here in Alberta and in Canada. The makeup of any board of directors should represent the company, its employees, its shareholders and its customers all of which it governs.

MARIAN C. HANNA, ICD.

As an ICD.D and a female Board member, I recommend to all boards and executives in Alberta that they would be amazed at how many qualified women there are for executive and board positions that could enhance any company's results.

Diverse boards and executive teams are better regarded to survive and thrive in our global economy where flexible, strategic and well prepared board members are required. It is time for companies to tap this underutilized resource and tremendous talent pool. Our future depends on it.

Best regards,

Marian C. Hanna, ICD.D, P. Geoph., C.P.G
CSEG President and CSEG Foundation Director

INCLUDES COMMENT LETTERS

Subject: FW: ASC Notice and Request for Comment Proposed Amendments to NI 58-101 Disclosure of Corporate Governance Practises

From: Linda Hohol [<mailto:linda@hohol.ca>]

Sent: October-07-16 11:42 AM

To: Kari Horn

Cc: Samir Sabharwal

Subject: ASC Notice and Request for Comment Proposed Amendments to NI 58-101 Disclosure of Corporate Governance Practises

I commend the Alberta Securities Commission (ASC) for your initiative regarding the Proposed Amendments to establish disclosure requirements with respect to the representation of women on the boards of directors and in executive officer positions of Alberta's non-venture issuers as well as with respect to term limits or other mechanisms of board renewal for board directors. I thank you for the opportunity to comment on the Proposed Amendments. I am fully supportive.

I was one of the original signatories and authors of the comment letter to the Ontario Securities Commission (OSC) dated April 9, 2014, "Group of Senior Corporate Directors" (see www.osc.gov.on.ca/en/24538.htm). I reiterate the support expressed in the submission(s) to the OSC. These letters laid out a significant factual and research base establishing why gender diversity is important and the grounds which justify the disclosure requirements. I would encourage you and other respondents to your request for comments to read the referenced submission(s) to the OSC.

As stated in the submission(s) to the OSC, Canada lags much of the developed world with respect to the representation of women on boards and in executive officer positions. And sadly, within Canada, Alberta's performance is second to last on the first metric (women on boards) and last on the second metric (women in executive officer positions).

While I understand that the Proposed Amendments do not result in any new disclosure requirements for TSX listed non-venture issuers, I also appreciate that this is an important message the ASC is sending to Alberta based companies. Women are significantly under-represented on the executive teams and in the boardrooms of companies in Alberta. This is not good governance. I commend the ASC for recognizing this as an issue that investors and stakeholders need to be apprised of.

I make this submission on my own and I am not representing any company or organization in doing so.

Linda Hohol
Corporate Director
Former President TSX Venture Exchange
Former Executive Vice President CIBC



Kari Horn
General Counsel
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250-5th Street S.W.
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Samir Sabharwal
Associate General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, Alberta T2P 0R4
samir.sabharwal@asc.ca

September 30, 2016

Re: Alberta Securities Commission Request for Comment on Proposed Amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* and Form 58-101F1 *Corporate Governance Disclosure*

Dear Ms. Horn and Mr. Sabharwal,

Thank you for the opportunity to provide comments on proposed amendments to Alberta's NI 58-101 and N8-101F1 requirements regarding the implementation of gender diversity and director term limit disclosures.

Institutional Shareholder Services Inc. ("ISS") is a leading provider of corporate governance solutions to the global financial community, including corporate governance analysis and voting recommendations for institutional investors (also referred to as proxy advisory services). More than 1,700 global clients rely on ISS' expertise in providing background research and voting recommendations to help them make more informed voting decisions. In Canada, ISS operates through its wholly-owned subsidiary, Institutional Shareholder Services Canada Corporation, which is based in Toronto.

Our comments below reflect our views in our capacity as a proxy advisor and thought leader in the area of corporate governance, and not necessarily those of our clients.

ISS' corporate governance research and voting recommendations are policy based. ISS' voting policies are the result of an inclusive and transparent annual update process that includes review and trend analysis of specific corporate governance practices. The application of ISS' voting policies is directly dependent upon complete and detailed public disclosures provided by reporting issuers.

ISS supports the Alberta Securities Commission's (ASC's) proposed amendments as the new requirements are identical to those previously implemented in seven other provinces and two territories, providing for a more cohesive and consistent disclosure regime throughout the market. The projected updates will provide

shareholders with information regarding the adoption of director term limits or other board renewal mechanisms, in addition to the representation of women on boards of directors and in executive officer positions.

Previous disclosure amendments adopted by the majority of market jurisdictions in 2015 were implemented in order to address low rates of female participation on boards of directors and in senior executive roles at public companies. The topic of board renewal has also been linked to this issue as a means by which to foster board turnover and provide opportunities for highly qualified women to join boards and potentially replace directors who may no longer be contributing at an optimum level.

ISS has observed that these disclosure requirements were instrumental in contributing to increases in female representation on TSX-listed company boards. In fact, as per a minor review conducted by ISS, it was determined that between Jan. 1, 2015 and Dec. 31, 2015, slightly more than one quarter of S&P/TSX Composite listed companies, and almost 11 percent of other (non-composite) TSX-listed companies, added a woman to their respective boards.¹ This finding appears to indicate that these regulatory updates may have been a driving factor in the increase of women on TSX-listed boards of directors when they first came into effect last year.

As some institutional investors have diversity policies specific to the composition of boards, the proposed amendments will provide these investors with the information they need to be able to implement their policies effectively. The disclosures provided around how or whether women are identified and considered for board nomination; whether female levels of representation are taken into account at the board and executive levels; and the establishment of targets or goals in these areas, may also aid investors in determining the level of importance attributed to these issues by companies and their boards of directors and may be instrumental in preparing for engagement activities with companies on these topics.

The proposed updates also allow shareholders to measure whether or how quickly the company is working towards an established target of women on the board or in executive officer positions. Without transparent disclosure it would be impossible for investors to have enough visibility to review company progress in this area. Conversely, those companies that choose not to implement a policy on this issue nor track women's levels of representation at the company are also providing valuable information for shareholders.

As in all markets covered by ISS, the application of ISS' Canadian proxy voting policies depends on the complete and timely availability of public disclosure filings by issuers and other publicly available information. Mandating this information to be made available is a positive development for shareholders, especially given that most Canadian jurisdictions have already adopted these disclosure practices. This information is of importance for shareholders in order to be able to make informed decisions about the companies they own, including implementing various board related voting policies effectively if they wish to do so, and it also provides the market with an opportunity for dialogue on this issue, including the rate at which women are being included on public company boards or in executive ranks and what future steps may be taken with respect to this issue. These discussions would not be possible without adequate data and the ability to track company progress over time, which the proposed updates provide.

Overall, ISS considers the projected amendments to be positive in nature as they provide shareholders with the information required to inform policies and offer a more continuous disclosure regime for the market as a whole.

¹ 2016 Canada Proxy Season Preview Report pg 10. Figures include TSX-listed companies within the ISS coverage universe from Jan. 1, 2015 to Dec. 31, 2015.

Thank you again for the opportunity to provide these comments.

Respectfully,

Debra L. Sisti,
Executive Director,
Head of Canadian Research,
ISS
26 Wellington Street East,
Suite 820,
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debra.sisti@issgovernance.com

Anjeet Bening,
Vice President,
Canadian Research,
ISS
26 Wellington Street East,
Suite 820,
Toronto, ON M5E 1S2
anjeet.bening@issgovernance.com

INCLUDES COMMENT LETTERS

Subject: FW: Letter from Chair, Calgary Chapter re: NI 58-101 - revised

From: info@joannedavid.com [<mailto:info@joannedavid.com>]

Sent: October-06-16 7:24 PM

To: Institute of Corporate Directors; Kari Horn; Samir Sabharwal

Cc: joanne@internoodle.com

Subject: Re: Letter from Chair, Calgary Chapter re: NI 58-101 - revised

Hello Kari Horn and Samir Sabharwal:

I absolutely support the increased disclosure and transparency, as presented by our Alberta government.

Warm Regards,

Joanne David CFP FCSI

Certified Financial Planner

Keybase Financial Group /

Canadian Financial Strategies, Inc.

Mail address:

36577, 5970 Mullen Way

Edmonton, AB T6R 0S4

Phone 7806691590

Fax 7806697067

eMail info@JoanneDavid.com

Subject: FW: Proposed Amendments National Instrument 58-101 and Form 58-101F1

From: Sue Lee

Sent: October-12-16 1:30 PM

To: Stan Magidson

Cc: Kari Horn; Samir Sabharwal

Subject: Proposed Amendments National Instrument 58-101 and Form 58-101F1

Dear Mr. Magidson,

I am writing to express my strong support for the adoption of these amendments as stated. Alberta, with its significant number of head offices, needs to be a leader in our country on the matter of assuring qualified women are selected as Board Members. In my experience serving on a number of private and publicly traded boards, I have seen that where qualified women are sought after and are members of the board, that the dialogue and problem solving for the company is richer. On these boards, I see that different world views and experiences are more valued, that different management & board styles are more welcomed and that conflicts are surfaced and dealt with - all aimed at doing what is right for the company, its shareholders and stakeholders. So, I support strongly the need for listed companies to ensure that talented women are developed and represented at the executive ranks, which will ensure that we have qualified women to serve on boards. Requiring disclosure and transparency from companies, is needed to promote the change in profile on our boards and to help make Alberta competitive. In addition, as with any organization, healthy turnover and making way for new talent & experiences is healthy. The same applies with boards. Term limits along with sound succession planning practices to match the profile of board members qualifications that best enables the achievement of a company's strategy is another step in the right direction of governance.

Looking forward to seeing Alberta's leadership in promoting diverse qualified boards and showing our country that we can help lead the way.

Thank You,

Yours Sincerely,

Sue Lee

Corporate Director

October 13, 2016

Ms. Kari Horn
General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4
kari.horn@asc.ca

Mr. Samir Sabharwal
Associate General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4
samir.sabharwal@asc.ca

Dear Ms. Horn and Mr. Sabharwal:

**Re: ASC Notice and Request for Comment – Proposed Amendments to National Instrument 58-101
*Disclosure of Corporate Governance Practices***

We are writing in response to the request for comments on the Proposed Amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (NI 58-101) with respect to disclosure on the representation of women on boards and in management.¹ With approximately \$6 billion in assets under management, NEI Investments' approach to investing incorporates the thesis that companies integrating best environmental, social and governance (ESG) practices into their strategy and operations will build long-term sustainable value for all stakeholders and provide higher risk-adjusted returns to shareholders.

We appreciate ASC's decision to reconsider its position on possible implementation of the Proposed Amendments. It is very much the case that, as referenced in the consultation document, disclosure on diversity assists us in making investment and voting decisions. We have long included diversity considerations within our proxy voting guidelines, not only in relation to gender but also other aspects of identity diversity.² Our current guidelines direct us to withhold support for members of the nominating committee of the board at companies where there is no representation of women on the board, unless there is evidence that the issuer is taking steps to address this gap through a strong, time-bound commitment to enhance diversity. Disclosure provided under NI 58-101 is a key input to our deliberations on how and when to exercise our diversity guidelines. Companies in our holdings providing meaningful disclosure on efforts to enhance diversity can benefit in terms of director election vote outcomes, even if they have not yet succeeded in recruiting women to the board. We note in this context that the number of Canadian institutional investors following similar specific diversity voting guidelines is increasing.³

¹ http://www.albertasecurities.com/Regulatory%20Instruments/5317052-v1-ASC_Note_Re_Proposed_Amendments_to_NI_58-101.PDF

² Our proxy voting guidelines can be found here:
<https://www.neiinvestments.com/documents/FlippingBooks/Proxy%20Voting%20Guidelines%202016/index.html>

³ Institutional investors that have updated their proxy voting guidelines recently to include specific diversity voting considerations include RBC Global Asset Management <http://funds.rbcgam.com/investor-information/assets-custom/pdf/rbc-gam-proxy-voting-guidelines-2012.pdf> and

NEI INVESTMENTS

505 – 1111 West Georgia Street | Vancouver, BC | V6E 4M3

T: 604.633.0615 F: 604.633.0619 TF: 1.866.888.0615

www.NEIinvestments.com

Northwest & Ethical Investments L.P. acting through its general partner Northwest & Ethical Investments Inc.

We urge ASC to harmonize its diversity disclosure requirements with those adopted by other CSA members (the 2014 Amendments). This will minimize the cost to companies, as the same disclosure will meet the requirements of any other CSA member to which an issuer is obliged to report. We do not believe that adopting such harmonized diversity disclosure requirements would represent a hardship or additional regulatory burden for Alberta companies, as most non-venture companies domiciled in Alberta appear to have an obligation to report to regulators that have adopted the 2014 Amendments. Indeed, based on a rapid review of Bloomberg and SEDAR information, we identified only three non-venture companies domiciled in Alberta that were not profiled as being obliged to report to a jurisdiction that has adopted the 2014 Amendments, appeared to be reporting currently on corporate governance practices under NI 58-101, and were not providing information in response to the diversity disclosure requirements already.

Although it appears that few companies would face new requirements if the ASC adopted the Proposed Amendments, nevertheless we believe it would be a positive step. It would help emphasize to Alberta-domiciled companies, in particular to oil and gas companies and associated issuers, the importance of addressing the diversity challenge. The energy sector continues to lag in terms of representation of women on boards: according to the recent CSA Staff Review⁴ on compliance with the 2014 Amendments, 60% of non-venture oil and gas issuers surveyed reported having no women on the board, compared to 45% across all issuers. The apparent correlation between board diversity and better corporate performance has been widely discussed, but we believe that lack of diversity is a specific risk for energy companies in light of changing expectations and challenges facing the sector. This lack of diversity encompasses both diversity of identity (gender, ethnicity and other personal attributes) and diversity of expertise - particularly with regard to environmental and social risks and opportunities that are material to the sector. In widening the search for directors to include more female candidates, we believe issuers can and should be looking beyond corporate networks to include consideration of qualified candidates with other backgrounds including academia, public service or the not-for-profit sector. More generally, we believe ASC's adoption of diversity disclosure requirements would contribute to building Alberta's reputation as a progressive energy jurisdiction.

Please do not hesitate to contact me if you have any questions in relation to this submission.

Sincerely,
NEI Investments

Michelle de Cordova
Director, Corporate Engagement & Public Policy
mdecordova@neiinvestments.com 604-742-8319

cc:
Board of Directors, NEI Investments
ESG Committee, NEI Investments
Robert Walker, Vice President, ESG Services, NEI Investments
Jamie Bonham, Manager, Corporate Engagement, NEI Investments

the BC Investment Management Corporation <http://read.uberflip.com/i/500877-proxy-voting-guidelines>.

⁴ Canadian Securities Administrators (2016). CSA Multilateral Staff Notice 58-308: Staff Review of Women on Boards and in Executive Officer Positions – Compliance with NI 58-101 *Disclosure of Corporate Governance Practices* http://www.osc.gov.on.ca/documents/en/Securities-Category5/sn_20160928_58-308_staff-review-women-on-boards.pdf

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October 05, 2016

Ms. Kari Horn
General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4

Mr. Samir Sabharwal
Associate General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4

Dear Ms. Horn and Mr. Sabharwal:

RE: PROPOSED AMENDMENTS TO NATIONAL INSTRUMENT 58-101 *DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES*

Thank you for the opportunity to provide comments to the Alberta Securities Commission ("ASC") in response to proposed amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") and Form 58-101F1 *Corporate Governance Disclosure* ("Form 58-101F1").

Ontario Teachers' ("Teachers'") is the largest single-profession pension plan in Canada, managing over CAD \$170 billion in assets for approximately 300,000 current and active elementary and secondary school teachers in the province of Ontario.

Teachers' supports the adoption of the amendments to NI 58-101 and Form 58-101F. We have long held the view that good governance is good business and good governance starts with a strong and effective board, built with qualified directors selected from a diverse pool of candidates. Gender diversity is one of many forms, and it has been demonstrated in a number of studies that having women on a board positively impacts performance. More recent evidence of this impact is can be found in reports published by MSCI in November 2015¹ and Credit Suisse in September 2016².

¹Lee, Linda-Eling; Marshall, Ric; Rallis, Damion and Moscardi, Matt. "Women on Boards: Global Trends in Gender Diversity on Corporate Boards". MSCI ESG Research Inc. November 2015.

² Dawson, Julie; Natella, Stephano and Kersley, Richard. "The CS Gender 3000: The Reward for Change". Credit Suisse AG Research Institute. September 2016.

Furthermore, the MSCI study also found that gender diverse boards tend to suffer less governance-related controversies than boards lacking gender diversity¹.

Both studies reported the current percentage of women on boards to be around 20%. While this participation rate has increased over the past few years, the rate of increase has been slow (about 1% to 2% per year) indicating that further efforts are needed to encourage a swifter rate of female director appointments. We also believe that increased transparency for investors and other stakeholders regarding the representation of women on boards and in executive officer positions will assist investors in making investment decisions.

Adoption of the amendments by the remaining provinces is appropriate and necessary to encourage further advancements in gender diversity in Canadian boardrooms.

Once the amendments have been adopted by the ASC, we would encourage you to conduct a follow-up review of the disclosures provided under these new rules to ensure that issuers' reporting is aligned with the spirit of the rule. Should deficiencies be noted, we would expect the ASC to take the necessary corrective action.

Thank you again for the opportunity to comment on the proposed amendments to NI 58-101 and NI 58-101F. Should you have any questions please contact Paul Schneider, Head of Corporate Governance at paul_schneider@otpp.com or 416-730-5307.

Yours sincerely,

Jeff Davis
General Counsel, Senior Vice President Corporate Affairs
& Corporate Secretary

¹ Ibid. Page 4.



Pension Investment
Association of Canada

Association canadienne des
gestionnaires de caisses de retraite

October 14, 2016

Kari Horn
General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P OR4
Via email kari.horn@asc.ca

Samir Sabharwal
Associate General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary AB T2P OR4
Via email samir.sabharwal@asc.ca

Dear Ms. Horn and Mr. Sabharwal,

Re: Alberta Securities Commission Request for Comments on Proposed Amendments to National Instrument 58-101 Disclosure of Corporate Governance Practices and Form 58-101F1 Corporate Governance Disclosure regarding Gender Diversity and Term Limits

PIAC would like to extend support to the Alberta Security Commission's (ASC) proposal to adopt the Ontario Securities Council's (OSC) amendments to National Instrument (NI) 58-101, in alignment with nine other provincial jurisdictions in Canada.

PIAC has been the national voice for Canadian pension funds since 1977. Senior investment professionals employed by PIAC's member funds are responsible for the oversight and management of over \$1.5 trillion in assets on behalf of millions of Canadians. PIAC's mission is to promote sound investment practices and good governance for the benefit of pension plan sponsors and beneficiaries. PIAC's positions on public policy reflect the fiduciary framework in which member funds operate and its commitment to work in the best interests of plan members.

PIAC member funds are long-term institutional investors in the global equity markets. Through proxy voting our members promote better corporate governance and corporate responsibility with the objective of enhancing issuer performance and shareholder value. PIAC is of the view that diversity is an important criterion to ensure robust board composition; and, where a board is committed to diversity, this commitment will translate into board recruitment processes which consider women as potential candidates. PIAC furthermore supports boards' adoption of diversity policies to foster deeper commitment to diversity, and the use of executive search firms to aid boards in casting a wider net to seek qualified candidates.

Although the rate of change for percentages of women on public company boards in Canada remains low, overall percentages have improved from 13.1% in 2013 to 19.4% in 2015 (based on MSCI data). Improvement over the longer term will hopefully demonstrate Canadian boards' overall commitment to improve gender diversity. PIAC encourages companies to develop and disclose gender diversity objectives for their boards and across the organization.

Globally, securities regulators and an increasing number of developed country governments recognize that increased board diversity is necessary to properly reflect changes in the workplace and in companies' customer base. Many countries are adopting policies and protocols to encourage gender diversity, such as voluntary targets (UK, Netherlands) mandated quotas (France, Germany, Italy, Spain) and/or a disclosure requirement, and it is important that Canadian issuers make progress on this key metric.

PIAC remains supportive of the intent behind the Proposed Amendments to improve Canadian corporate governance processes by promoting the conditions for board diversity. The Proposed Amendments essentially adopt the disclosure requirements found in the OSC 2014 Amendments.

We suggest that the provincial securities commissions consider revisiting this issue within three years to determine whether these enhanced disclosure requirements have had a positive impact on gender diversity at Canadian issuers.

We trust that our responses have been helpful. Please do not hesitate to contact us if you have any further questions or concerns. We thank you for the attention to our letter and would be happy to discuss this matter further with you or answer any questions you may have. Please do not hesitate to contact Katharine Preston, Chair of the Stewardship Committee (416-681-2944 or kpreston@optrust.com), for additional information.

Yours sincerely,

Lisa Jankov
Chair

October 6, 2016

To The Office of the Alberta Securities Commission -

I would like to provide my input on NI 58-101 per the ASC's recent request for comment. I fully support the ASC signing on to all elements of the notice.

The Alberta Securities Commission has published, for a 30-day comment period, proposed amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* and Form 58-101F1 *Corporate Governance Disclosure*. The Proposed Amendments establish disclosure requirements with respect to the representation of women on the boards of directors and in executive officer positions of Alberta's non-venture issuers as well as with respect to term limits or other mechanisms of board renewal for board directors. If the ASC signs on to the initiative, this would bring Alberta in-line with most of the jurisdictions in the CSA except BC and PEI. While any TSX-listed company would already be obligated to comply with the amendments by virtue of the OSC overseeing the TSX, the ASC is seeking input as the ASC considers signing on to this initiative.

I am a full time corporate director and though I am providing comments as an individual, I sit on Loblaw's, Vermilion Energy's, Ritchie Bros, and Commercial Metals Company (US) boards, and am a past director of Shoppers Drug Mart, Canadian Oil Sands and MicroPlanet Technology. For over 20 years I have been on boards including over 15 not-for-profit and Provincial and Federal Crown Corporation boards such as the Institute of Corporate Directors as a board member and Calgary Chapter Chair, Chair of the Alberta Electric System Operator, President of the Calgary Petroleum Club, and the Business Development Bank of Canada. I have an ICD.D and a D100 designation, the latter from the National Association of Corporate Directors as one of 50 most influential directors in the US in 2015. I am a retired Executive Vice President of TransCanada.

This issue has been thoroughly reviewed in the past. I assisted in the Institute of Corporate Directors' previous response dated April 15, 2014 to the OSC notice for comment as a part of a task force consisting of myself, Jalynn Bennett, Robert Prichard, John Thompson and Martine Turcotte. My fellow task force members are very respected and experienced directors. I also was on Canadian Oil Sands' board when Trudy Curran submitted a response dated April 7, 2014 on behalf of the board.

Again, I applaud the ASC's initiative to receive input on this and I fully support the ASC signing on to all elements of NI 58-101.

Sincerely,

Sarah E Raiss
Corporate Director



October 14, 2016

Sent via electronic mail

Kari Horn
General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4
kari.horn@asc.ca

Samir Sabharwal
Associate General Counsel
Office of the General Counsel
Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4
samir.sabharwal@asc.ca

Re: Proposed amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* and Form 58-101F1 *Corporate Governance Disclosure*

Dear Ms. Horn and Mr. Sabharwal:

We have reviewed the proposed amendments (the Proposed Amendments) to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (NI 58-101) and Form 58-101F1 *Corporate Governance Disclosure* (Form 58-101F1), and thank you for the opportunity to provide our comments.

The Responsible Investment Association (RIA) is Canada's membership association for Responsible Investment (RI). Our members, representing over \$1 trillion in assets under management, include financial institutions, asset management firms, mutual fund companies, advisors, investment research firms, pension funds, foundations and others. The RIA's members believe that the integration of environmental, social and governance (ESG) factors into the selection and management of investments can provide superior risk adjusted returns and positive societal impact.

We welcome the Alberta Securities Commission's (ASC) efforts to join the other members of the Canadian Securities Administrators who have already implemented the Proposed Amendments. The increased transparency stemming from the Proposed Amendments should help investors make investment and voting decisions. We do not believe that adopting such harmonized diversity disclosure requirements would represent a hardship or additional regulatory burden for Alberta companies, as most non-venture companies domiciled in Alberta appear to have an obligation to report to regulators that have adopted the Proposed Amendments.

There is a strong business case for higher levels of gender diversity on boards of directors and among executive officers than currently exists. A growing body of evidence links diverse leadership with stronger financial performance compared with more homogenous boards and executive teams. A recent working paper from the International Monetary Fund examined the link between gender diversity in senior corporate positions and financial performance of two million companies in Europe. It found companies with a higher share of women in senior positions had a higher return on assets, especially

for firms in sectors that employ significantly more women in their labour force and have greater demand for higher creativity and critical thinking.¹

In addition, companies in the MSCI World Index with strong female leadership had a 36.4% higher return on equity as well as a 12.8% higher price/book value compared with companies without, according to a recent MSCI report.²

A 2015 report released by McKinsey & Co. also found that there was "a statistically significant relationship between a more diverse leadership team and better financial performance." In its analysis of hundreds of companies in the U.K., Canada, Latin America and the U.S., organizations with higher gender diversity were "15% more likely to have financial returns that were above their national industry median. Companies in the top quartile of racial/ethnic diversity were 35% more likely to have financial returns above their national industry median."³

While we are supportive of giving the "comply or explain" approach outlined in the Proposed Amendments an opportunity to promote higher levels of gender diversity, we would like to see a commitment from the ASC to revisit the "comply or explain" model outlined in the Proposed Amendments if there is no significant improvement in the number and proportion of women directors and executive officers three years from now. For example, the ASC might consider introducing a quota for the minimum number of women on a board (largest of 30% or 3 directors) and a target of 30% women executive officers might be suitable with a five to ten year phase in period.

Although there has been progress, most issuers are still a long way from reaching a desired level of gender diversity; however, we believe the Proposed Amendments are helping to close the gap.

We thank you for the opportunity to provide comments. Should you have any questions regarding this letter, please do not hesitate to contact me.

Sincerely,

Deb Abbey
Chief Executive Officer
Responsible Investment Association
778.686.3962
deb@riacanada.ca
www.riacanada.ca

¹ IMF Working Paper, *Gender Diversity in Senior Positions and Firm Performance: Evidence from Europe*, March 2016 (<https://www.imf.org/external/pubs/ft/wp/2016/wp1650.pdf>)

² MSCI ESG Research, *Women on Boards: Global Trends in Gender Diversity on Corporate Boards*, November 2015 (<https://www.msci.com/documents/10199/04b6f646-d638-4878-9c61-4eb91748a82b>)

³ Hunt, V., Layton, D., Prince, S., *Diversity Matters*, February 2015 (<http://assets.mckinsey.com/~media/857F440109AA4D13A54D9C496D86ED58.ashx>)

INCLUDES COMMENT LETTERS

Subject: FW: Support for the Proposed Amendment to the Disclosure of Corporate Governance Practices

-----Original Message-----

From:
Sent: October-14-16 2:08 PM
To: Kari Horn
Subject: Support for the Proposed Amendment to the Disclosure of Corporate Governance Practices

Dear Ms. Horn:

I am writing in support of the Proposed Amendments to National Instrument 58-101 Disclosure of Corporate Governance Practices (NI58-101) and Form 58-101F1 Corporate Governance Disclosure (Form 58-101F1).

I strongly support these amendments to the disclosures.

As an experienced director (both nationally and internationally) I have seen the benefit of board diversity and defined mechanisms to ensure appropriate Board renewal. These business benefits (particularly as pertains to diversity) have been confirmed by numerous studies of which you are aware.

I believe that the "disclose or explain " approach is an appropriate first step to encourage Boards to specifically consider their philosophy and approach to these subjects and to publicly disclose same. As proposed, it enables a reporting issuer to specifically consider what is in its best interest when making decisions with respect to the composition of the board, senior management and board renewal processes and provides transparency on the results of those deliberations.

I believe it is well-established that the inclusion of women in Board and senior management decision-making leads to increased corporate profitability. In encouraging corporations in this regard, the ASC is contributing to the fulfillment of its mandate to "foster fair and efficient capital markets in Alberta."

Regards,
Kathleen Sendall, C.M. LLD(Hon), FCAE, FEC, P.Eng

Submission by Stella Thompson, MA, ICD.D
With respect to Proposed Amendments to National Instrument 58-101 Disclosure of Corporate Governance Practices (NI 58-101) and Form 58-101F1 Corporate Governance Disclosure (Form 58-101F1)
October, 2016

This submission is in response to the request for comments on the Proposed Amendments to National Instrument 58-101 Disclosure of Corporate Governance Practices (NI 58-101) and Form 58-101F1 Corporate Governance Disclosure (Form 58-101F1). I strongly support these amendments to the disclosures.

I am also attaching to this brief document a much more comprehensive 2013 submission I was part of preparing in response to the OSC's request for comments when the corporate governance disclosure amendments were first considered for TSX issuers. I have extracted a few relevant excerpts from that document but all of it bolsters the case for the ASC's proposed amendments.

In the information provided with the call for comments, the ASC states that the "ASC did not adopt the 2014 Amendments principally because it was not persuaded that the composition of board and senior management teams, from a gender diversity perspective, properly fell within the ASC's mandate." Given that the ASC's mandate is to "foster a fair and efficient capital market in Alberta", I believe that there is ample evidence (as discussed below) that the involvement of women in the senior decision making of a corporation leads to more profitable organizations. For a capital market to be efficient, investors need good information to be informed as to factors which may affect the profitability of companies and to be aware of actions being taken by management which may have a positive or negative effect on future earnings. Thus, I would contend that this amendment to the Corporate Governance Disclosure Practices is very much within the mandate of the ASC – and cannot be construed as some form of 'social engineering' outside the mandate of the Commission.

There is a large body of data which indicates that the profitability of companies can be materially affected by the level of participation of women in the decision making of companies at the most senior levels, i.e., the board and senior management. Some examples of studies which support this thesis are as follows (the following are excerpts from a submission to the OSC which I have attached to this letter and which I was part of the drafting team) :

- "Credit Suisse's 6-year global research study, which began in 2006, of more than 20,000 companies worldwide showed that women on boards improve business performance by key metrics, including stock performance, as demonstrated by the fact that companies with a market capitalization of more than \$10 billion, whose boards have women,

outperformed shares of comparable businesses with all-male boards by 26%, also found that:

- There has been a greater correlation between stock performance and the presence of women on a board since the financial crisis in 2008
- Companies with women on their boards significantly outperformed others when the recession occurred,
- Net income growth for companies with women on their boards averaged 14% over a six-year period, compared with 10% for those with no women directors
- A McKinsey study entitled “Women Matter” showed that companies where women are strongly represented at board or top-management levels are also companies that perform the best.
- A McMaster University Study, published in 2013 and based on surveys of more than 600 corporate directors, concluded that female directors are better with complex issues, are more willing to “rock the boat”, and are more open to new ideas than their male counterparts.
- Research by Catalyst has demonstrated that Fortune 500 companies with women on their boards achieve superior business results:
 - Higher Return on Equity: On average, companies with the highest percentages of women board directors outperformed those with the least by 53%
 - Superior Sales: On average, companies with the highest percentages of women board directors outperformed those with the least by 42%
 - Higher ROI: On average, companies with the highest percentages of women board directors outperformed those with the least by 66 percent.
 - Companies with the best financial results had three or more women directors.

These are not trivial differences, but meaningful data points proving that companies benefit when women join their boards.

Additionally, A TD Economics Special Report entitled “Get On Board Corporate Canada” released in March, 2013, noted that Canada is slipping in international rankings regarding gender diversity on corporate boards, and flagged this as an economic competitiveness issue

Board and senior executive appointments should always be made on merit, with the best-qualified person getting the job. To achieve this, companies need access to a wide talent pool. Women and girls comprise over half of Canada’s population and more working-age women than men now hold university degrees in Canada. Research has demonstrated that there are more than enough well-qualified women in Canada to serve as corporate directors, having regard to the number of women who currently serve in senior executive positions and others

who have distinguished themselves in academia, public service, professional disciplines and non-profit board service.

Women, as consumers, drive the world economy. Having women on boards, who in many cases would represent the users and customers of the companies' products, should lead to more informed decision-making, an increase responsiveness to customer needs and therefore more potential for profit.

Research has demonstrated that having a critical mass of women on boards increases those boards' standards of corporate governance.

In conclusion, while the above reasons are not exhaustive, they strongly support why Alberta investors would be well served to have the companies in which they are considering investing be required to be very clear how they are or are not utilising the skills of women at the senior levels to make their businesses stronger.



October 6, 2016

SENT BY E-MAIL

Alberta Securities Commission
250-5th Street S.W.
Calgary, AB T2P 0R4

Attention: *Kari Horn and Samir Sabharwal*

Dear Sirs / Mesdames:

Re: Request for Comments – Proposed Amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices*

TMX Group Limited welcomes the opportunity to comment on behalf of Toronto Stock Exchange (“**TSX**”) on the request for comments published by the Alberta Securities Commission (“**ASC**”) on September 14, 2014 in regards to proposed amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* and Form 58-101F1 *Corporate Governance Disclosure* (collectively, the “**Proposed Amendments**”).

When the Ontario Securities Commission published for comment its gender diversity corporate governance disclosure requirement, TSX supported the initiative and continues to believe that the disclosure requirement strikes the appropriate balance of supporting gender diversity while promoting the principles of meritocracy. With the benefit of experience, TSX believes that the “comply or explain” disclosure requirement has successfully promoted dialogue among directors of issuers and investors about improving gender diversity in the boardroom. Additionally, TSX believes the Proposed Amendments will, over time, contribute to improvement in the representation of women on boards of TSX issuers.

TSX, therefore supports the ASC's initiative to implement the Proposed Amendments which importantly, creates greater national alignment by members of the Canadian Securities Administrators (“**CSA**”) for the Proposed Amendments. TSX encourages the ASC, with other CSA members who have implemented the Proposed Amendments, to provide flexible and scaled guidance to issuers about the content of typical policies and how issuers can cost effectively implement and monitor compliance with them. TSX also encourages such CSA members to continue to offer guidance to issuers about how they can provide concise and meaningful disclosure for the Proposed Amendments.

Thank you for the opportunity to comment on the Proposed Amendments. We would be pleased to answer any questions that you may have about our submission.

Yours truly,

Ungad Chadda
President
Capital Formation, Equity Capital Markets