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In 2016, Blakes took the ambitious and unprecedented step of benchmarking the Canadian public company board landscape for GCs. We were inspired by our belief that the operational and strategic experience that GCs bring to the table, combined with their deep expertise in governance, risk management and compliance, would translate into a persuasive value proposition for boards.

This report chronicles our learnings from the first three years of this undertaking — with a particular focus on the progress women GCs have made. This is a keen interest of Blakes, as increasing the number of women GCs on boards is the natural progression of two of our most popular initiatives: Stepping Up – a leadership development program aimed at creating a pipeline for women to advance to GC roles; and Stepping Beyond – a collaborative coaching initiative designed to help women expand their existing GC roles and advance beyond those roles to other strategic positions in business and on boards.

At the three-year mark, the study is a good news story for women GCs. Year over year, the number of GCs on boards overall has increased, and proportionally, women GCs have led the way. These results prompted us to take a closer look at the pipeline. Remarkably, our supplementary study, which was the first to examine the number of S&P/TSX Composite Index companies that have women GCs in place, showed that men overwhelmingly outnumber women in GC and CLO roles, but women GCs outnumber men on boards.

There are still significant opportunities to convince boards without GC members that they will be better served by including GCs, and the positive trend lines we have seen motivate us to continue to provide tactical workshops that elevate the theory of board pursuit in terms of practical action plans for women GCs who want to get on boards.

Our partnership with Women General Counsel Canada and Women Get on Board has been instrumental in leveraging the best practices of both women and men who have succeeded in getting on boards, and in opening up broader corporate director networks for women GCs.

This story began with a commitment to make a difference, and this update gives us all reason to hope that one day, arguing for gender parity on boards will be old news. For now, we will continue to promote and advocate for the pipeline of women GC candidates and measure success one woman GC on a board at a time.
The results of our three-year study led us to take a closer look at the board pipeline by examining the number of S&P/TSX Composite Index companies that have women GCs in place. In the absence of existing data to draw upon, we undertook our own study in support of our efforts to promote and track the progress of women GCs on boards. The results were helpful in shedding a light on the need to continue to develop the pipeline of women to the position of GC — and beyond — to the role of CLO. While only a small percentage of in-house leaders (25%) carry the title “CLO,” 83% of them are men, raising an additional question about the significance of that title both internally and externally. There is still work to be done in terms of achieving parity.

THE IN-HOUSE LANDSCAPE

190 of the 243 companies we surveyed have an in-house leader or an employee in a substantially similar role*

Of those 190 in-house leaders, approximately one-third are women

48% of counsel were appointed to their roles in 2015 or later

*In-house leader equates to a CLO, GC or other comparable titles.

THE SCENE FOR WOMEN IN-HOUSE LEADERS

Industries where women in-house leaders are most prevalent:

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate</td>
<td>58%</td>
</tr>
<tr>
<td>Health/Pharma</td>
<td>50%</td>
</tr>
<tr>
<td>Energy</td>
<td>37%</td>
</tr>
<tr>
<td>Materials</td>
<td>36%</td>
</tr>
<tr>
<td>Banking/Insurance</td>
<td>35%</td>
</tr>
</tbody>
</table>

The smallest number of women GCs were found in the tech sector.
HOW IN-HOUSE LEADERS FUNCTION WITHIN OUR SURVEYED COMPANIES

Inclusion of in-house leaders, independent of gender, on the executive team:

- 170 are part of the executive team and advertised as such
- 14 are part of the executive team, but they are not publicly advertised as such
- 20 are not part of the executive team

OF THE 190 IN-HOUSE LEADERS

THE “CHIEF” DISPARITY

DISTRIBUTION OF TITLES AMONG OUR 190 IN-HOUSE LEADERS

- 59% GCs
- 24% CLOs
- 17% Other

Only 17% of the CLOs are women

Male in-house leaders are almost 5 TIMES MORE LIKELY than their female counterparts to be given the CLO title.
The three-year study shows that boards appear to increasingly recognize the value that GCs bring to the table.

### NUMBER OF GCs HOLDING BOARD POSITIONS ON THE RISE

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of GCs</th>
<th>Active</th>
<th>Former</th>
<th>Retired</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>44</td>
<td>15%</td>
<td>35%</td>
<td>50%</td>
</tr>
<tr>
<td>2017</td>
<td>58</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>74</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- 5% of these GCs held 2 board positions
- 2 of these GCs held 3 board positions

### WOMEN GCs CONTINUE TO OUTPACE MEN IN LANDING BOARD POSITIONS

- Women GCs: 59%
- Men GCs: 41%

GCs on board positions consistent over the three years.
INCREASED EXPOSURE ACROSS INDUSTRY SECTORS IN 2018

Most industry sectors continue to demonstrate an openness to having a GC on their boards with the exception of telecommunications, which remains the only sector without any GCs. The energy sector has overtaken banking and insurance as having the highest number of women GCs on boards.

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Banking/Insurance</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Materials</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Consumer/Retail</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Transportation</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Utilities</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Real Estate</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Health/Pharma</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Industrials</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Technology</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Hotel/Leisure</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Media</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
FIFTY-THREE companies do not yet have a legal professional on their board, representing a universe of potential opportunities for women GCs.*

*53 of the 243 companies in the 2018 S&P/TSX Composite Index
GC VALUE PROPOSITION
MOVING FROM PIPELINE POTENTIAL TO BOARD SUCCESS

GCs are uniquely positioned to bring both operational and strategic experience to boards across a wide range of areas. GCs understand both the threat and opportunity of disruption and are practical solution-oriented decision-makers. They also tend to excel at bridging divergent stakeholder perspectives to facilitate moving strategic business imperatives forward.

In addition to offering these skills, women GCs offer a diverse perspective increasingly in demand at the board level.

This presents a significant opportunity for women GCs who have the focus and drive to pursue board positions. As noted below, the road to boards continues to be long and requires considerable strategic planning, networking and professional development. We noticed, for example, more than 50% of GCs have some form of management experience.

Drawing on our experience and best practices shared at programs across the country, we provide below a brief checklist of recommendations to help build and execute a board-pursuit strategy. As boards increasingly recognize the value of the GCs who join their ranks, we predict that demand for the skills and insights of these legal leaders will continue to increase.

NOW IS THE TIME... TO TURN A PROMISING OPPORTUNITY INTO A BOARDROOM SEAT, CONSIDER TAKING SOME OF THESE STEPS.

1. **START NOW.** If you aim to serve on the board of a public or private company, or Crown corporation — begin to lay the groundwork now. Waiting until you retire is too late.

2. **RECOGNIZE YOUR VALUE.** Ask others to help you articulate your value proposition for the company and position you want to hold — then build on it and develop your brand pillars.

3. **KNOW THE RULES.** Familiarize yourself with your company’s policy on board membership, and consider building a case for the reciprocal value of your board experience for your current employer.

4. **STRETCH.** Identify gaps in your skills and management experience, and volunteer for opportunities to grow, e.g., joining committees for major new initiative, e.g., SAP roll-out.

5. **KEEP TRACK.** Consider using a board matrix to structure accomplishments relating to strategy, change management, HR, succession, governance, M&A, innovation, government relations and IT, as well as active committees and initiatives.

6. **LEAD.** Seek out leadership opportunities internally and externally within your industry.

7. **NETWORK.** Talk to other GCs who have been successful in getting on boards. Ask for introductions. Ask your CEO and board members to introduce you to members of their network.

8. **LEARN.** Educate yourself on board governance, and stay on top of trends. Attend board committee meetings for your company. Consider earning your ICD or equivalent designation.

9. **TALK.** Let others know your interest in getting on a board, and don’t be afraid to ask for help.

10. **DON’T WAIT.** You may not think that you “tick all of the boxes” required for a board position, but try anyway... the experience will be invaluable.
CONTACT

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