In September 2017, we called on companies to take prompt and considered action to increase the representation of women on corporate boards and in executive management positions in Canada. Gender diversity is a critical component of good corporate governance. Diverse boards and executive management teams are more likely to achieve better outcomes for investors and other stakeholders by introducing a broader spectrum of perspectives, skills and experience. As asset owners and asset managers with a fiduciary duty to our clients and beneficiaries, we committed to using our ownership rights to achieve a minimum of 30% women on the board and at the executive management level of S&P/TSX Composite Index companies by 2022.

We are pleased to report that Canadian issuers listed on the S&P/TSX Composite Index have responded to our call to action and surpassed the 30% Club’s stated threshold for gender diversity on boards. Women now occupy 31% of board seats at those companies. While we commend the S&P/TSX issuers on reaching this milestone, we reiterate that 30% women on boards is not the end goal but merely the threshold at which women have meaningful representation to exercise voice. Further, we expect this threshold to be achieved at the individual company level as well. We fully acknowledge and recognize the need for sustained action, particularly at the executive team level where progress appears to be lagging. For S&P/TSX Composite companies during the period of 2015 – 2021, the percentage of women on boards increased from 17% to 31%, while the share of women on executive teams grew from 16% to 20.5%. We remain committed to leveraging our rights as shareholders to continue to push for meaningful representation of women across senior management, the board and the broader organization. In doing so, we consider 30% gender diversity to be the starting point supporting the firm’s aspiration to achieve gender parity in corporate leadership in Canada.

Building on our support for gender diversity and in recognition of the intersectionality of gender, race and other identities, we continue to advocate for inclusion of other aspects of diversity, including, but not limited to, Black, Indigenous, other visible minorities, members of the LGBTQ+ community, and persons with disabilities. The recent changes to the disclosure requirements for distributing companies under the CBCA are consistent with this approach as well. As investors, we understand the importance of improving representation of diverse groups at the executive management and board levels and we will engage with our investee companies to convey our expectations.
Renewed Call to Action

We are calling on publicly-traded companies to take prompt and considered action to achieve and exceed the 30% gender diversity target and to enhance the presence of other underrepresented groups on their boards and at the executive management level by:

- Disclosing to investors their diversity policies and processes used to identify diverse board nominees and diverse candidates for executive management positions.
- Disclosing to investors diversity data that is able to be collected, such as the number and percentage of women and other underrepresented groups on the board and in executive management positions.
- Adopting a professional and structured approach to director nominations that ensures directors are appointed based on merit, with due regard for the benefits of diversity.
- Using existing resources and tools to ensure effective consideration of diversity and recognizing and taking steps to mitigate cognitive bias wherever possible.
- Committing to rigorous assessment of director and executive performance, as well as regular board refreshment.
- Committing to best practices and approaches to increase the representation of underrepresented groups on boards and executive management, such as considering adoption of targets appropriate for the business and communities in which it operates and reporting on progress made.

We encourage investors and business leaders to support and join us in our efforts by:

- Engaging in conversations with board chairs and nomination committees to encourage the actions listed above and to convey the high degree of importance that we place on diversity.
- Monitoring companies' efforts and performance on this issue through objective diversity measures, such as the number and percentage of women and other underrepresented groups on the board and in executive management positions.
- Encouraging best practices by highlighting examples of companies that are leading the way in this area.
- Entering into dialogue with investee companies where there is evidence that the nomination process has failed to appropriately consider diversity.
- Assessing the use of our voting rights when nomination committees or boards fall short of our expectations.
About the 30% Club Canada

Recognizing Canada’s distinct corporate governance framework, the aim of the 30% Club Canada is to engage both board Chairs and CEOs to achieve better gender balance at board level, as well at executive management levels. Please contact mailbox@30percentclubcanada.org with any questions or requests for additional information about the 30% Club Canada or the 30% Club Investor Group.
This statement is supported by the following investors

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