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CIRI.org

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Me Philippe Lebel
Corporate Secretary and Executive Director, Legal Affairs
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Autorité des marchés financiers
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Financial and Consumer Services Commission, New Brunswick
Manitoba Securities Commission
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Newfoundland and Labrador
Office of the Superintendent of Securities, Northwest Territories
Office of the Superintendent of Securities Nunavut
Office of the Yukon Superintendent of Securities
Ontario Securities Commission
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island

Dear Secretary and Me Lebel,

**Re: CSA Proposed Amendments to Form 58-101F1 Corporate Governance Disclosure of NI 58-101
Disclosure of Corporate Governance Practices and NP 58-201 Corporate Governance Guidelines**

The Canadian Investor Relations Institute (CIRI), a professional, not-for-profit association of executives responsible for communication between public corporations, investors and the financial community, is pleased to provide comments on the CSA's proposal on corporate governance disclosure. CIRI membership represents more than 230 non-investment fund reporting issuers with a combined market capitalization of \$1.9 trillion. More information about CIRI is provided in Appendix A.



CIRI welcomes the opportunity to provide its comments and perspectives on the Notice. We believe that corporate governance is fundamental to the transparency and integrity of the capital markets and we commend the CSA for ensuring corporate Canada continues to make progress on this front.

General Comments

CIRI believes that Board renewal and diversity are important components of good corporate governance. The challenge with achieving diversity results from limited Board turnover. While many issuers have term and/or age limits in place, CIRI believes that the composition of a Board should, to the greatest degree possible, be left in the hands of shareholders through a process that is both transparent and based on a majority voting policy. As such, we do not feel that term or age limits should be mandated. However, as in past submissions to the CSA, we recommend that there be a requirement for disclosure on diversity considerations in the candidate identification process rather than at the stage of nomination and selection of a director for the Board. We also feel that greater disclosure on Directors, that does not compromise the company, would be beneficial in achieving greater diversity.

Responses to Consultation Questions

CIRI conducted a survey of our members to gain their insights on corporate governance data collection and disclosure practices. Since feedback was limited, we have used it to provide directional commentary in answering the consultation questions.

1. *The Proposed Amendments would require the disclosure of the skills, knowledge, experience, competencies and attributes of candidates that are considered and evaluated. Does this requirement raise concerns for issuers regarding disclosure of confidential or competitively sensitive information? Please explain.*

While the companies of some Investor Relations Officers (IROs) have a policy on how the Board identifies and evaluates new candidates for nomination to the Board, an equal proportion do not. Those that do tend to disclose the policy in their proxy circular or corporate website. All policies address directors' skills and experience while some address knowledge and attributes. Competencies are addressed less often.

Most IROs raised concerns about the level of detail expected and that going beyond skills and experience, which are likely already available in the public domain, could be confidential or competitively sensitive. As such, CIRI suggests the CSA review whether this breadth of disclosure is critical information for investors to have when making investment and/or voting decisions and, if so, re-consider the detail that would be required of issuers to avoid compromising their business.

Regardless of which areas of disclosure are selected, the terms should be clearly defined to ensure issuers understand what information is expected under each and that reporting is consistent from one issuer to the next.

2. *We are consulting on two alternatives with respect to the requirement to provide disclosure on the approach to diversity (Form A and Form B). Which approach best meets the needs of investors for making investing and voting decisions? Which Form best meets the needs of issuers in describing their approach to diversity at the board and executive officer level? Do either of the approaches raise concerns for issuers? Are there certain requirements in either form that you find preferable to the equivalent requirement in the other form? Please explain.*



When it comes to collecting data, the companies of some IROs are gathering information on women in director and executive officer positions followed by Indigenous peoples and visible minority persons. Data on racialized persons is more often collected for Boards, while data for persons with disabilities is more often collected for executive officer positions. Data on linguistic minority and LGBTQ2SI+ persons is very rarely collected for Boards and executive officers.

IROs are concerned with collecting this level of detail, particularly LGBTQ2SI+, linguistic minority and visible minority persons. These concerns stem mostly from privacy but some feel there are too many categories, not the right categories and/or issues with the collection process (i.e. self-identification/declaration).

In addition, it seems that there would be overlap in the data collected. For instance, for Form A, a person categorized under linguistic minority persons could also be categorized as visible minority persons. CIRI questions whether this breadth of disclosure provides decision-critical information for making investments and voting.

Also, based on feedback from IROs, the categories for which data is collected seems to vary from issuer to issuer. As such, CIRI recommends the CSA lean to a version of Form A since it seems to allow greater latitude in what is being disclosed.

3. *Is information on the diversity approach and objectives of issuers with respect to executive officer positions useful for investors? Does this requirement raise concerns for issuers? Please explain.*

Based on concerns raised by IROs outlined above, the disclosure required in Form A and B is much more detailed than current requirements and CIRI again questions whether this level of detail is useful for making investment decisions or voting proxies.

4. *Should issuers be required to disclose data about specified designated groups, consistent with the approach in Form B? Or should issuers be required to disclose data about women only and the identified groups for which they collect data, consistent with the approach in Form A? Please explain.*

Given that there was division among IROs on the data categories they collect and/or feel are appropriate to collect, issuers would appreciate the latitude to disclose data about women only and the identified groups for which they collect data.

5. *Would it be beneficial to require reported data to be disclosed in a common tabular format? Does this requirement raise concerns for issuers? Please explain.*

CIRI has no concerns with issuers having to disclose information in a tabular format.

6. *For CBCA-incorporated issuers, are there issues or challenges in providing both CBCA disclosures and the disclosure proposed under either Form A or Form B? Please explain.*

A number of survey respondents are also CBCA-incorporated and they do not see any issues or challenges in providing both CBCA and CSA disclosures provided that the terminology and definitions used are consistent.

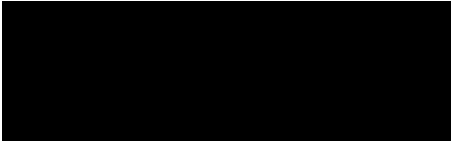
7. *Should we consider developing similar disclosure requirements for venture issuers in a second phase of this project? If so, should any changes be made to the proposed disclosure requirements to reflect the different stages of development and circumstances of venture issuers? Please explain.*



Good governance practices are essential for all issuers regardless of their market cap. Recognizing that venture issuers do not necessarily have the same level of resources, CIRI feels that it would be appropriate for the proposed changes to also apply to venture issuers in due time.

CIRI is pleased to provide the CSA with its comments regarding corporate governance practices and disclosure in Canada. Should you wish to discuss this submission further, please let me know.

Sincerely yours,



Yvette Lokker
President & Chief Executive Officer
Canadian Investor Relations Institute



Appendix A

The Canadian Investor Relations Institute

The Canadian Investor Relations Institute (CIRI) is a professional, not-for-profit association of executives responsible for communication between public corporations, investors and the financial community. CIRI contributes to the transparency and integrity of the Canadian capital market by advancing the practice of investor relations, the professional competency of its members and the stature of the profession.

Investor Relations Defined

Investor relations is the strategic management responsibility that integrates the disciplines of finance, communications, marketing, securities law compliance and sustainability to achieve an effective flow of information between a company, the investment community and other stakeholders, in order to support an informed valuation of the company's securities and enable fair and efficient capital markets.

The practice of investor relations involves identifying, as accurately and completely as possible, current shareholders as well as potential investors and key stakeholders and providing them with publicly available information that facilitates knowledgeable investment decisions. The foundation of effective investor relations is built on the highest degree of transparency in order to enable reporting issuers to achieve prices in the marketplace that accurately and fully reflect the fundamental value of their securities.

CIRI is led by an elected Board of Directors of senior IR practitioners, supported by a staff of experienced professionals. The senior staff person, the President and CEO, serves as a continuing member of the Board. Committees reporting directly to the Board include: Human Resource and Corporate Governance; Audit; Membership; and Issues.

CIRI Chapters are located across Canada in Ontario, Quebec, Alberta and British Columbia. Membership is close to 500 professionals serving as corporate investor relations officers in over 230 reporting issuer companies, consultants to issuers or service providers to the investor relations profession.

CIRI is a founding member of the G5, which provides an international perspective on the issues and concerns of shareholders in capital markets beyond North America. The President and CEO of CIRI has been a member of the Continuous Disclosure Advisory Committee (CDAC) of the Ontario Securities Commission. In addition, several members, including the President and CEO of CIRI, are members of the National Investor Relations Institute (NIRI), the corresponding professional organization in the United States.