



Pension Investment
Association of Canada

Association canadienne des
gestionnaires de caisses de retraite

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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

PIAC would like to extend 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 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