



Pension Investment
Association of Canada
Association canadienne des
gestionnaires de caisses de retraite

June 30, 2017

The Honourable Navdeep Singh Bains, MP
Minister of Innovation, Science and Economic Development
House of Commons
Ottawa, Ontario
K1A 0A6
Via email: Navdeep.Bains@parl.gc.ca

Dear Minister Bains:

Re: Bill C-25 *An Act to amend the Canada Business Corporations Act, the Canada Cooperatives Act, the Canada Not-for-profit Corporations Act and the Competition Act*

The Pension Investment Association of Canada (PIAC) wishes to express our unequivocal support for the proposed amendments to the *Canada Business Corporations Act* ("CBCA") set out in Bill C-25.

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 \$1.8 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.

As noted in our letter to you dated October 21, 2016, we believe that the proposed amendments to the CBCA will represent a significant improvement in corporate governance practices in Canada. The proposals not only eliminate the ability of CBCA corporations to pursue staggered elections and slate voting, but allow shareholders to properly vote 'against' director nominees, finally allowing for true majority voting. Canada has lagged other developed countries in this regard and as such PIAC supports these Bill C-25 amendments as necessary to bring our corporate governance protocols up to international standards on majority voting.

PIAC also fully supports the diversity disclosure requirements proposed in Bill C-25 in order to promote greater corporate accountability for board diversity, which should in turn have a positive impact in increasing the number of women on boards and in senior management. We also concur with the Canadian Coalition for Good Governance (CCGG)'s letter to the Prime Minister, copied to you, dated May 10, 2017.

Please do not hesitate to contact Katharine Preston, Chair of the Investor Stewardship Committee (416-681-2944, kpreston@optrust.com), if you wish to discuss any aspect of this letter in further detail.

Yours sincerely,

A handwritten signature in black ink, appearing to read "K. M. Fahey". The signature is fluid and cursive, with a large, stylized initial "K" and "F".

Kevin Fahey
Chair

Copy: Canadian Coalition for Good Governance