



# 2011

## Annual Report Card

in association with:



The Conference Board of Canada  
Insights You Can Count On



Canadian Board Diversity Council (CBDC)  
Conseil canadien pour la diversité administrative (CCDA)

# acknowledgements

Thank you to the 40 Founding Members of the Canadian Board Diversity Council who continue to support the Council's work. The Founding Members are Canadian leaders in diversity at the executive team and/or board level; leaders in their respective sectors at the executive team and/or board level; and/or governance experts playing a leadership role in the arena of board diversity.

We also thank BC Hydro, Canadian Pacific, Cisco, Deloitte, Knightsbridge, Korn/Ferry, KPMG, Maytree Foundation, Miller Thomson LLP, Norton Rose OR LLP, Odgers Berndtson, TD Bank Group, Torys LLP, TransCanada, Women on Board and Xstrata Nickel for providing meeting rooms and governance experts to teach in our 'Get on Board' Governance Education Program.

- BC Hydro
- BMO Financial Group
- Beedie School of Business, SFU
- CIBC
- CMHC
- Canada Post
- Canadian Pacific
- Canadian Society of Corporate Secretaries
- Canadian Women in Communications
- Cisco
- Deloitte
- Desjardins
- Directors College
- Enbridge
- Ernst & Young
- Ford of Canada
- HSBC Bank Canada
- Hydro One
- Institute of Corporate Directors
- Jeffery Group
- KPMG
- Korn/Ferry
- Maytree Foundation
- Miller Thomson LLP
- National Bank
- Odgers Berndtson
- PricewaterhouseCoopers
- RBC
- Scotiabank
- Shoppers Drug Mart
- Sionna Investment Managers
- Suncor Energy
- TD Bank Financial Group
- TELUS
- Talisman
- Torys LLP
- TransCanada
- Women on Board
- Women's Executive Network
- Xstrata Nickel







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[www.boarddiversity.ca](http://www.boarddiversity.ca)

“Diverse groups continue to be significantly under-represented on Canadian boards of directors. Non-profit boards are making better progress in adding women compared to corporate boards, but both could do much more to include more individuals who are visible minorities, Aboriginal peoples or have disabilities. Organizations with diverse boards often benefit from better ideation, decision making, and new innovations, which can ultimately help to enhance their competitiveness.”

*Anne Golden  
President and CEO  
Conference Board of Canada*

# vision

The Canadian Board Diversity Council (CBDC) is the leading Canadian organization advancing diversity on Canada's boards. Our goal is to improve the diversity of Canada's corporate boards by increasing the representation of women, visible minorities, Aboriginal Peoples including First Nations, Inuit and Métis, persons with disabilities and members of the LGBT community. Canada's future competitiveness depends on ensuring more boards of directors are comprised of directors who are the most qualified in a greatly-expanded talent pool.

The Council does not support the introduction of quotas in Canada to achieve this goal. We support a made-in Canada approach: collaboration with the corporate director community, our growing group of member companies, governments, academic institutions, aspiring directors, individual shareholders and institutional investors to speed up the pace of change.

It will take courage and enlightened leadership to change the composition of Canada's boards. With the large number of directors retiring over the next five years, now is the time for action.

## What is the mandate of the CBDC?

- Conducting research on the progress of diversity on Canada's corporate boards
- Providing excellence in governance education programming to build a greater pipeline of highly-skilled diverse board candidates
- Educating CBDC members and the governance community on board diversity best practices and principles
- Building a robust network of business leaders committed to diversity including top professionals who reflect Canada's diversity

“It's because of the hard work, commitment and vision of our over 5000 people nationally that we have been named one of Canada's Best Diversity Employers and Best Employers for New Canadians four years in a row. Changing the diversity of board directors is not about white, able-bodied men losing so other people can gain. It's about making sure that everyone has the same opportunity, and that we are acting mindfully when deciding who the right person for the job is. Countless studies have shown the positive impact diversity can have on the bottom line of an organization when they have diverse leadership, and a diverse board. Not just diversity in gender, ethnicity, ability and heritage – but in diversity of thought and experiences.”

*Bill Thomas  
CEO and Senior Partner  
KPMG LLP*

# introduction

## Welcome to the Canadian Board Diversity Council second Annual Report Card.

In our first Annual Report Card in October 2010, we established the first-ever baseline on the representation of women, visible minority groups, persons with disabilities and aboriginal peoples on the boards of Canada's 500 largest organizations. Although 62% of Directors believed their boards were diverse, our research based on the surveys returned by 450 corporate directors revealed that women held 15% of board seats. Visible minorities, persons with disabilities and aboriginal peoples held 5.3%, 2.9% and 0.8% of corporate board seats, respectively.

Our second Annual Report Card examines 206 of Canada's 500 largest organizations in 5 sectors: utilities; finance and insurance; retail trade; manufacturing; and, mining, quarrying, oil and gas. We also examine the boards of Canada's Top 100 charities. We thank the 382 directors who completed our summer survey; Conference Board of Canada who compiled and analyzed the results; and, The Beedie School of Business, SFU who quantified the number of board seats held by women in these 206 organizations and who authored *Closing The Governance Gap*, an important new diversity research report (highlights on page 23). Financial assistance was provided by Status of Women Canada\*.

### **I invite you to reflect on the highlights:**


One in five board seats in the utilities, finance and insurance and retail trade sectors is held by a woman versus one in ten in manufacturing and one in fifteen in the mining, quarrying, oil and gas sectors. Women are much more likely to serve on a Top 100 charity board than on a corporate board: two in five Top 100 charities board seats are held by women.

73% of board members in these five industry sectors believe their board is diverse. 65% of directors in the manufacturing sector and 60% of directors in the mining, quarrying, oil and gas sectors believe their board is diverse.

It is encouraging that 47% of corporate board members, and 61% of charity board members identify the issue of board diversity as very important in their personal opinion. Individual board members however consider the issue of board diversity to be more important than their boards do: 35% of corporate board members and 48% of charity board members consider the issue of board diversity as very important from the perspective of their board. This may explain why only 22% of corporate boards have a written diversity policy. Of those boards without a written diversity policy, the majority of directors do not believe their board should develop one.

### **How can Canada's 500 largest organizations and Top 100 charities work with the Council to continue to improve the overall diversity of their boards?**

1. Attend one of our 2012 Board Diversity Best Practices Roundtables exclusively for CEOs, Board Chairs and Nominating/Governance Chairs for a discussion of best practices with directors of boards who have achieved top quartile diversity.
2. Enroll your organization's managers and executives in our governance education program 'Get on Board', designed to help expand the talent pool of diverse, highly-skilled board candidates. We recommend The Directors College and the Institute of Corporate Directors for in-depth senior executive governance education.
3. Join the Council as a Corporate Member for a cost-effective opportunity to remain well-informed of board diversity best practices, receive the annual Board Diversity Tool Kit, benefit from Get on Board cost savings and contribute to increasing the pipeline of highly-skilled diverse board candidates.



Pamela P. Jeffery, Founder  
pjeffery@boarddiversity.ca

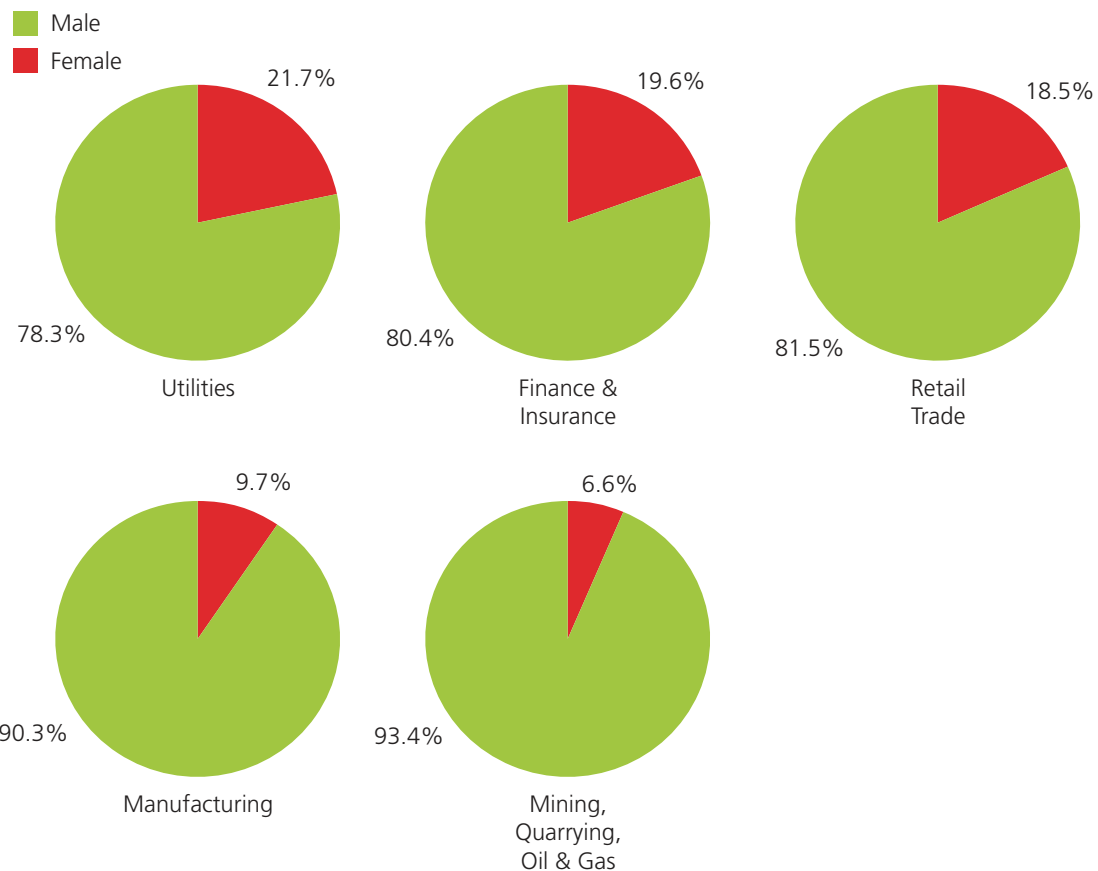
\*The opinions in this document do not necessarily represent the official policy of Status of Women Canada.

**Note: All research results were compiled and analyzed by the Conference Board of Canada unless otherwise noted.**

In terms of gender representation, females are significantly less likely than males to serve on corporate boards. This gender imbalance is further highlighted when examining the boards of organizations in 5 different sectors.

## Corporate Board Member Gender

(Beedie School of Business research)

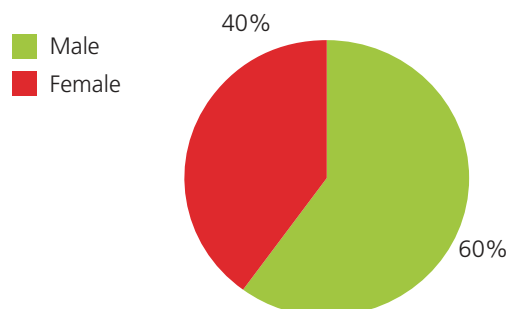


Women hold the greatest percentage of board seats in the Utilities, Finance and Insurance and Retail Trade sectors.

Discouragingly, few board seats in the manufacturing and mining/oil & gas sectors are held by female directors.

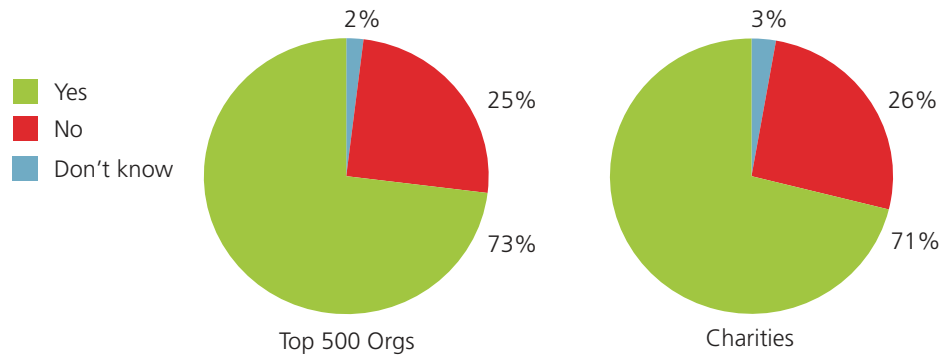
Interestingly, female representation on the boards of Canada's largest 100 charitable organizations is 40%.

## Charity Board Member Gender



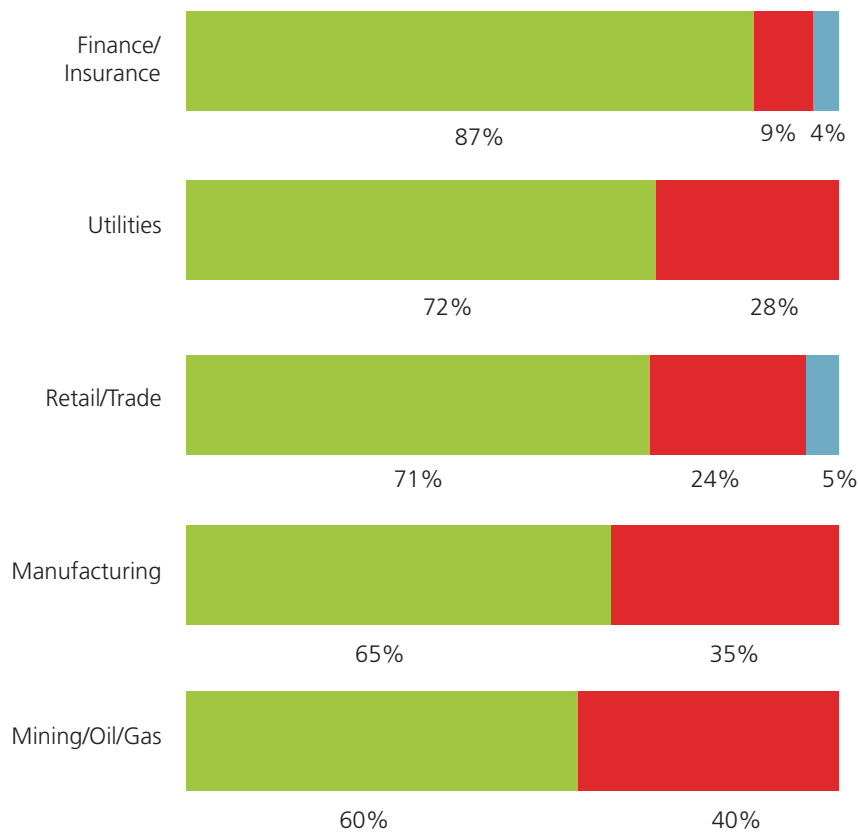
Incidence of gender diversity is quite low on corporate boards. Yet, 73% of corporate board members feel their boards are diverse.

Do you feel that your board is diverse?



Over 70% of board members feel that their board is diverse. Charity and corporate board members are equally likely to say that their boards are diverse.

Do you feel that your board is diverse?



All 5 industry sectors indicate that their boards are diverse. 40% of board members from the mining, oil and gas sector, and 35% from the manufacturing sector feel that their board is not diverse compared with only 9% of finance/insurance sector board members.



Incidence of gender diversity is quite low on corporate boards. Interestingly, this fact does not correlate with the personal opinions of board members: 98% of female board members, and 90% of male board members indicate they consider board diversity to be important or very important.

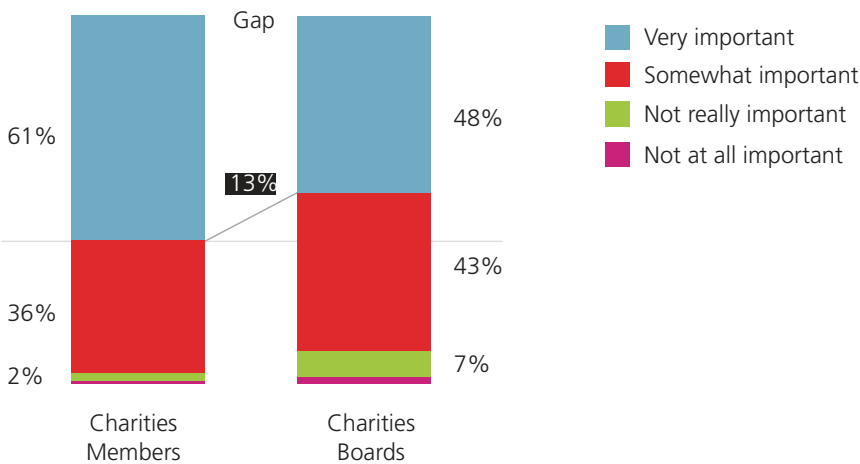
In your personal opinion, how important is the issue of board diversity?



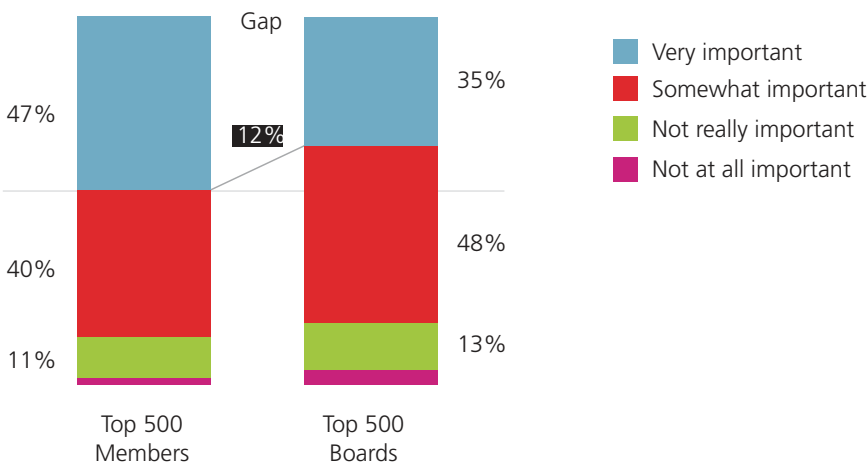


Individual board members consider the issue of board diversity to be more important than their boards do. Charity directors and their boards consider board diversity to be more important than corporate directors and their boards.

From the perspective of this board, how important is the issue of board diversity?



From the perspective of this board, how important is the issue of board diversity?



“Having diversity of thought around the decision making table, through diverse backgrounds and experiences, moves us from traditional thinking to truly dynamic and innovative leadership.”

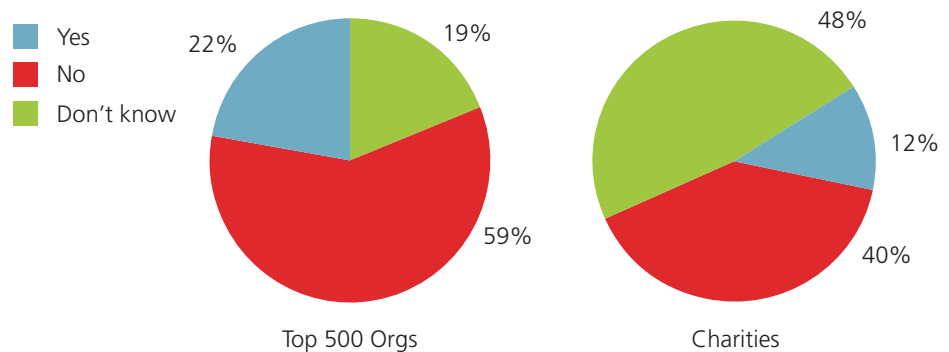
Bill McFarland  
CEO and  
Senior Partner  
PwC Canada

Few boards have formal, written diversity policies. More corporate boards have formal, written diversity policies in place than do charity boards.

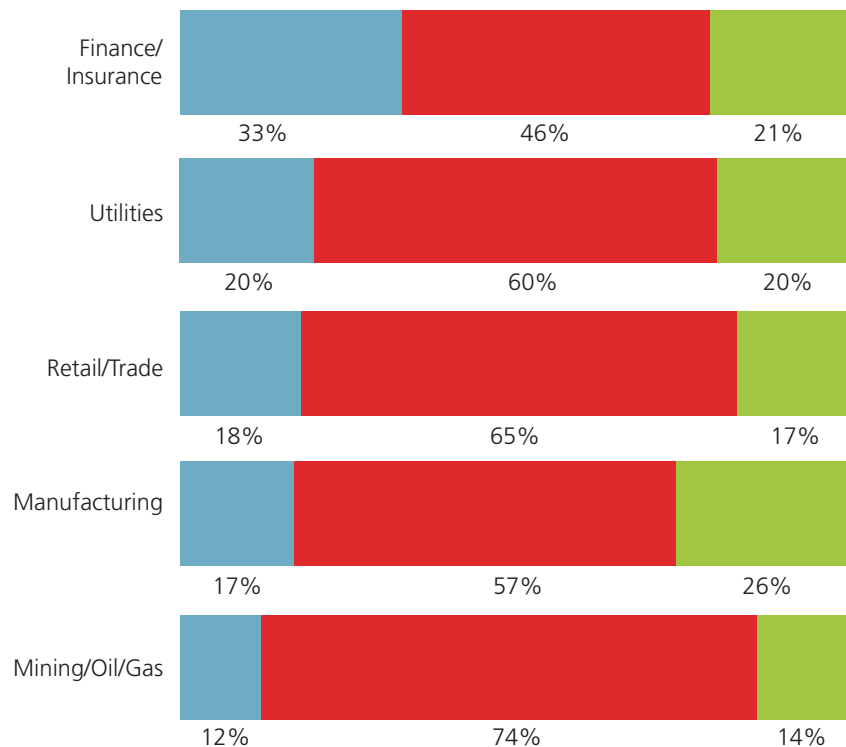
Although 35% of corporate board members state that diversity is important from their board's perspective, only 22% of corporate board members report their board has a written diversity policy.

The adoption of written diversity policies varies considerably among industry sectors. At least 33% of finance and insurance sector boards have written policies, compared with only 12% in the mining, oil, quarrying and gas sector.

### Does your board have a written diversity policy?

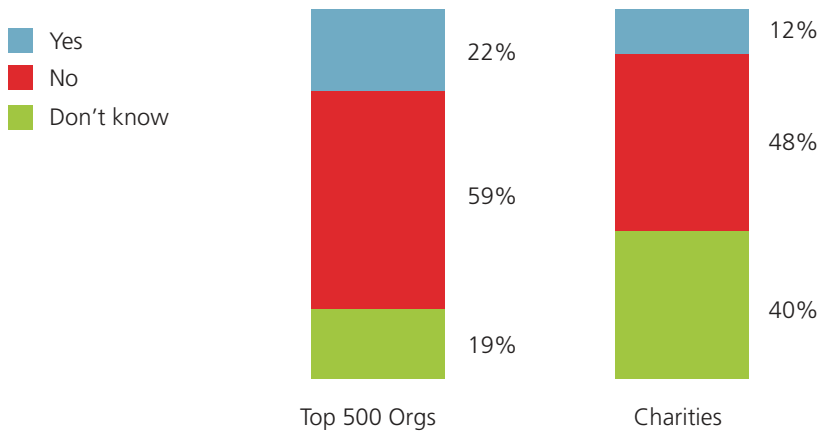


### Does your board have a written diversity policy?

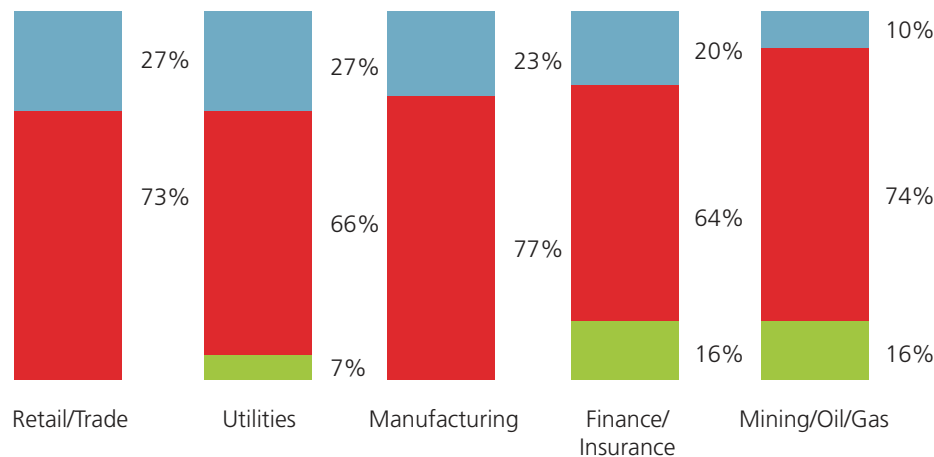


Most board members do not support developing and adopting a formal diversity policy. While almost twice as many corporate board members feel that their board should adopt formal diversity policies, compared to charity board members, percentages for both are low.

Should the board develop and adopt a formal diversity policy?  
(among those whose boards currently do not have a diversity policy)



Should the board develop and adopt a formal diversity policy?  
(among those whose boards currently do not have a diversity policy)



Of those corporate boards without a written diversity policy, only 22% of their board members believe they need one. Even fewer charity board members believe they need one.

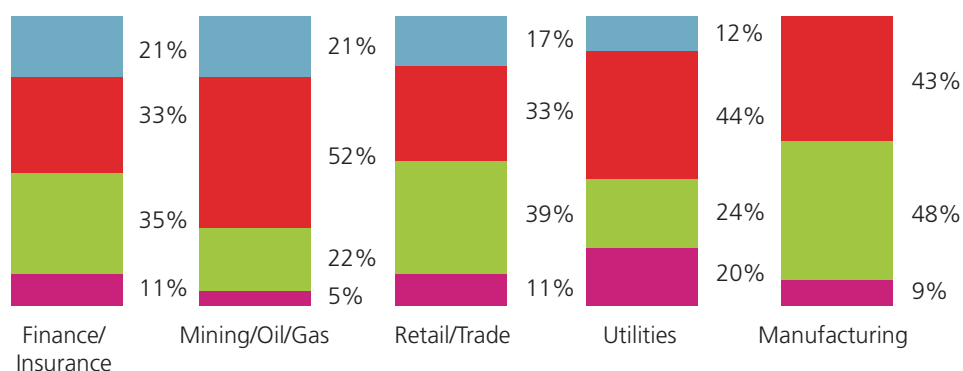
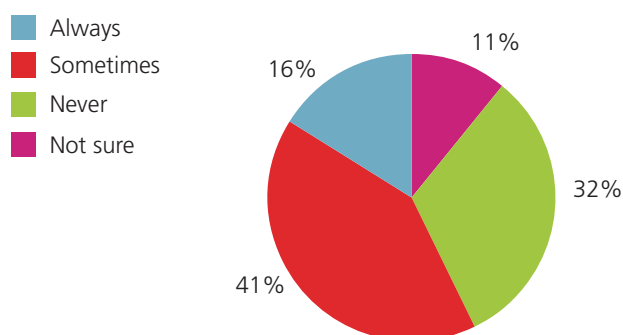
Within the manufacturing and mining sectors, it is discouraging that few board members see the need for a formal policy.

Only 16% of corporate board members report their boards always use the services of a search firm for director recruitment. 41% report their boards use the services sometimes.

75% of board members whose boards use the services of a search firm reported their boards provide direction regarding diversity 'always' or 'sometimes'.

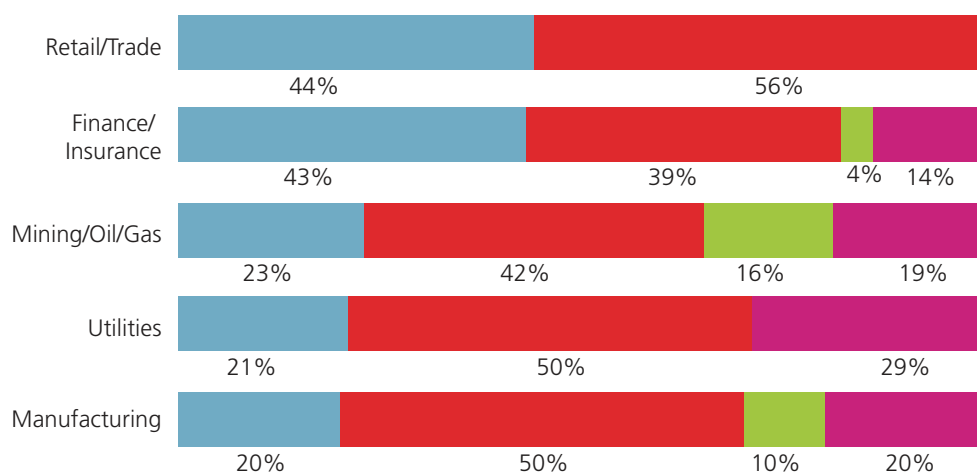
The proportion of boards that use the services of search firms is low. Across all industry sectors, corporate boards are very likely to mandate diverse board candidate recruitment.

### Does your board use the services of a search firm when it comes to board member recruitment?



### Does the board's mandate to the search firm direct that the short list of potential directors must include diverse individuals in terms of gender and/or ethnicity and/or Aboriginal background?

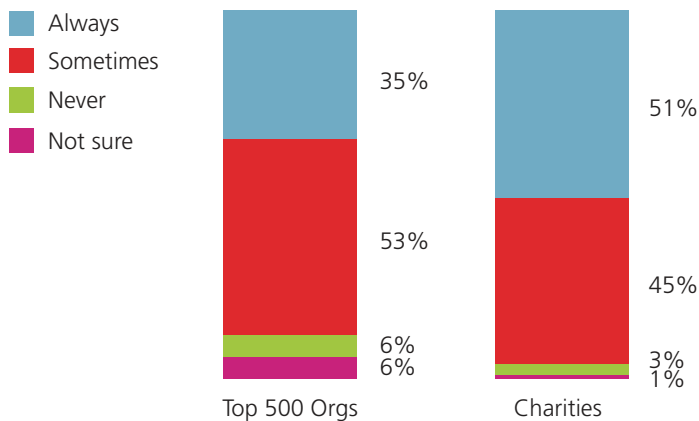
(among those whose boards retain search firms)



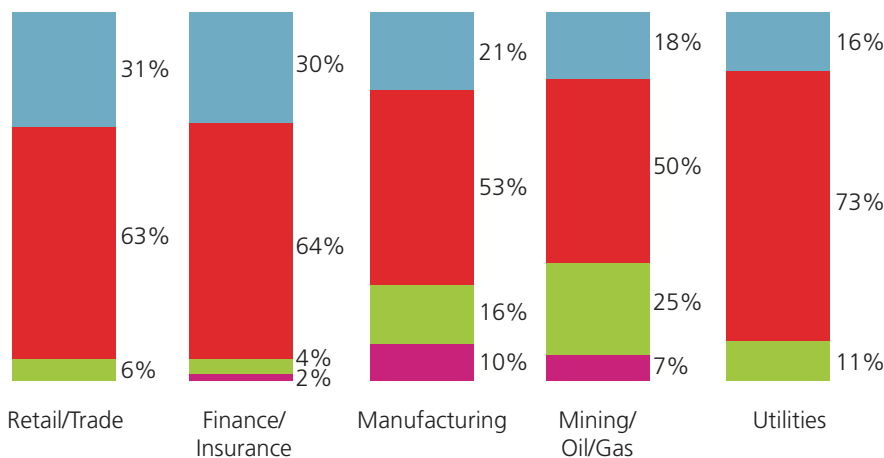
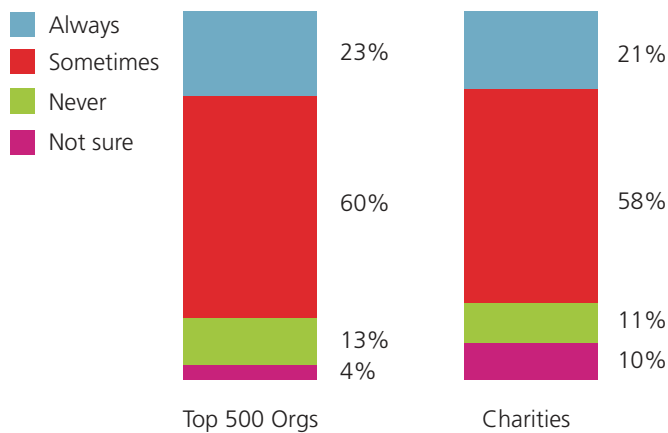


Both Top 500 and charity boards very often tap into personal networks to identify qualified board members.

When recruiting new directors, do board members tap into their personal networks to identify qualified candidates?



Is diversity in terms of gender, ethnicity and/or Aboriginal background a prime consideration when tapping into personal networks?  
(among those who tap into their personal networks)



Most corporate and charity board members 'always' or 'sometimes' consider the diversity of new potential directors when tapping into their personal networks. 83% of corporate board members take diversity into consideration when looking to their personal networks to recruit a new member.

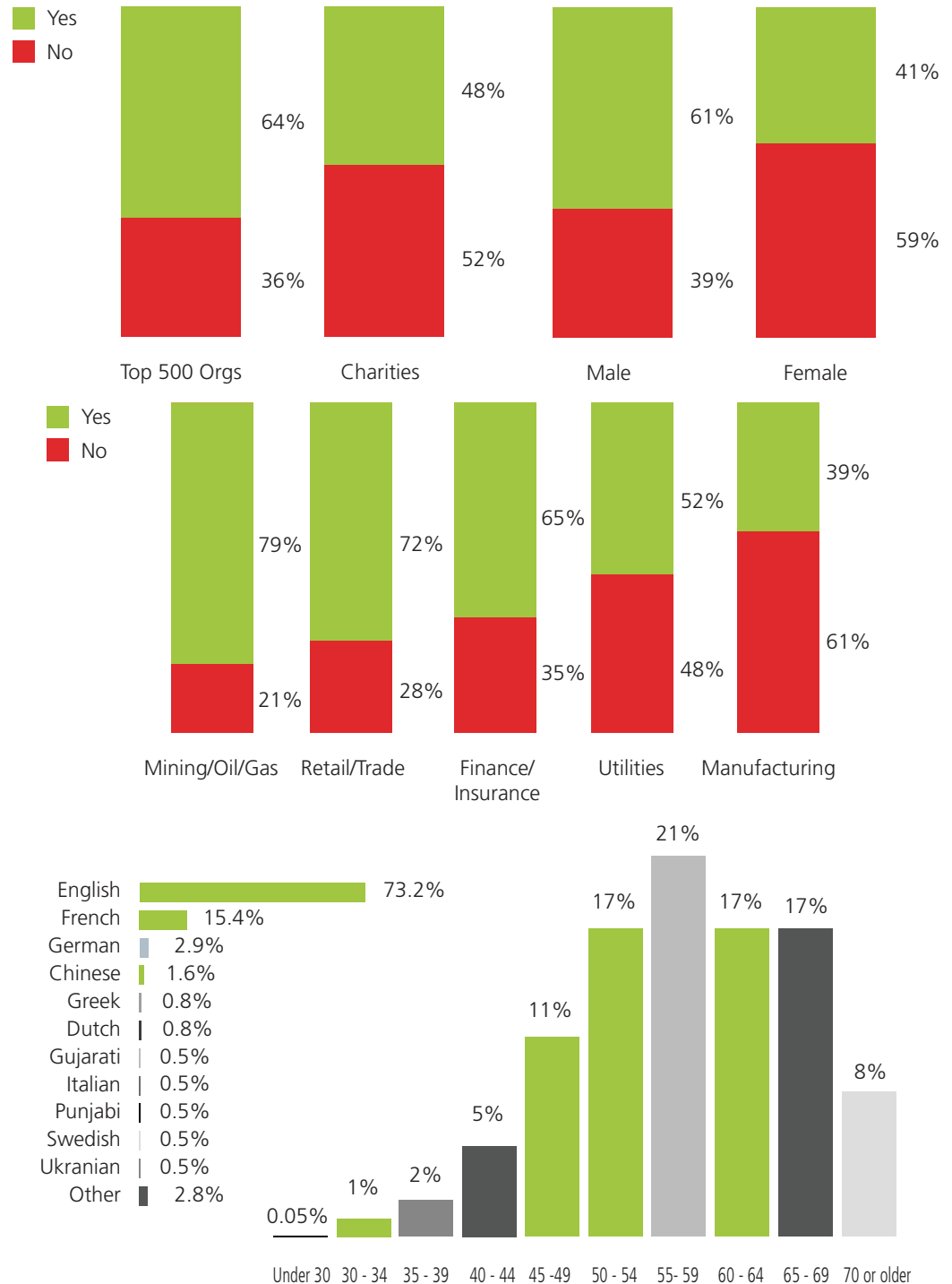
61% of male board members have international experience versus 41% of female board members.

Mining, quarrying, oil and gas sectors board members are most likely to have international experience; manufacturing sector board members are the least likely to have international experience.

73% of board members learned English as their first language. Board members bring a significant number of years of experience to their boards: 42% are 60 or older.

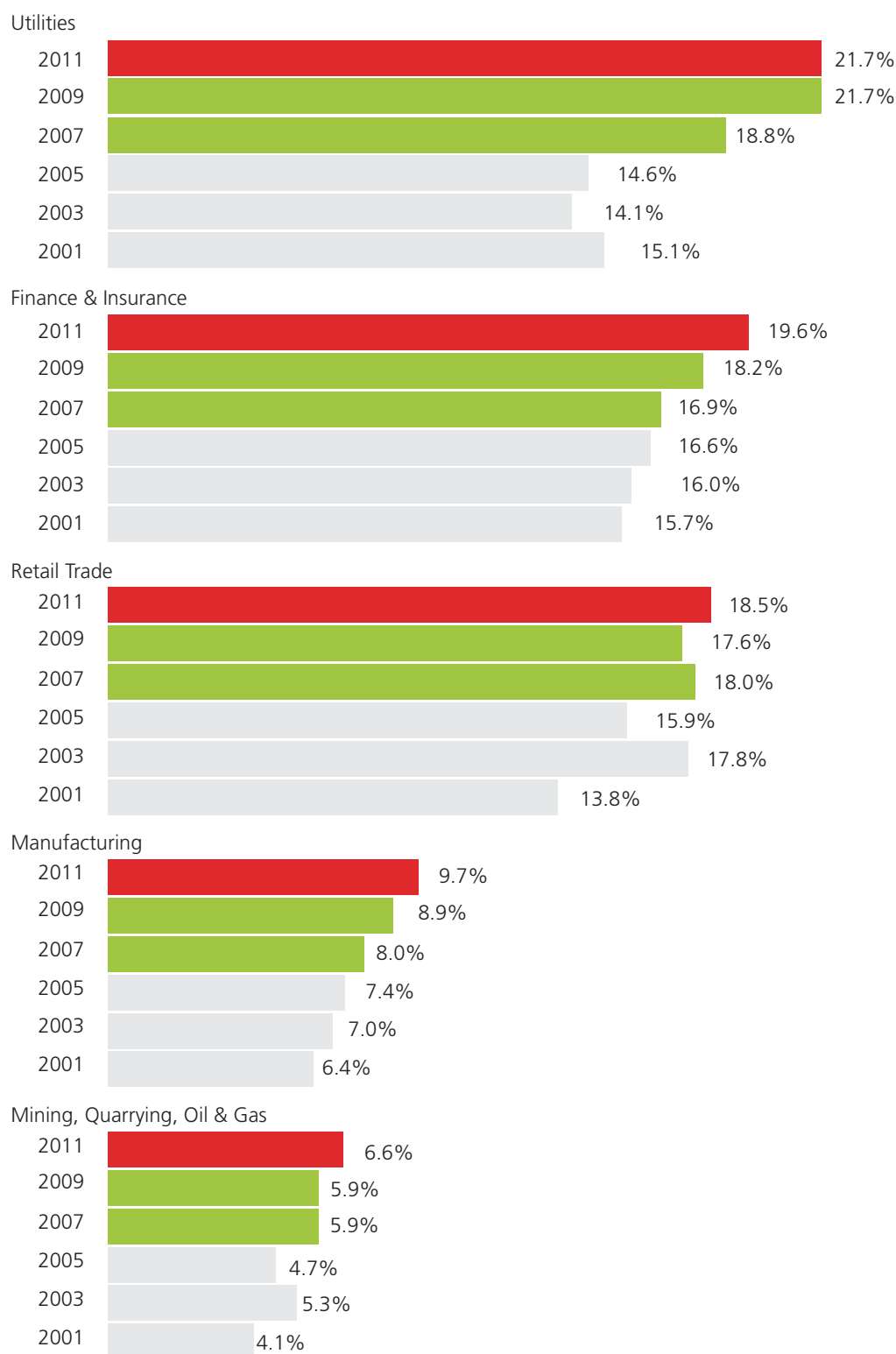
Two thirds of Top 500 board members have international business experience with a significantly larger portion of male respondents with international experience in their careers.

Do you have international business experience, that is, have you worked in a market outside of Canada at any point in your career?



The ten year Comparative Summaries showing the percentage of board seats held by women in these 5 sectors shows that increased gender diversity on boards is occurring at a glacial pace.

(Beedie School of Business research)



The Canadian Board Diversity Council applauds those organizations in the Utilities, Finance and Insurance, and Retail Trade sectors for demonstrating leadership with the result that women hold on average 20% of board seats in these sectors. Our vision is to see the percentage of Top 500 board seats held by women reach 20% by 2013.

# conclusions

We are grateful to the Directors who participated in the second Annual Report Card by responding to our survey this summer. We look forward to continuing the dialogue with the director community: many of you have shared with us your desire to see greater diversity on your boards as the Council has defined it. Most importantly, the Council is here with the forum for knowledge-sharing, the tools and the best practices to assist you.

## next year...

We will undertake our next corporate director survey of all of Canada's Top 500 organizations in the spring of 2012 and report on the progress made in the 24 months since our 2010 Annual Report Card which reported on Canada's Top 500 organizations.

## Call to Action

It is all about shareholder value. It can be a challenge for directors in these economic times to increase shareholder value. With a large number of directors retiring over the next five years, now is the time to bring to your boardroom table the talents of qualified, well-credentialed, experienced and board-ready new directors through a rigorous selection process. The Council calls on boards to replace at least one of every three retiring directors with a director of a diverse background and for Nominating/Governance committees to consider three board-ready diverse candidates for each open board seat. If boards heed our call to action, these two steps will mean more boards will be comprised of directors who are the most qualified in a greatly-expanded talent pool.





# appendix A

# methodology

## Survey

The Conference Board of Canada undertook the survey on behalf of The Canadian Board Diversity Council. The survey was distributed in July 2011 to 1,733 Charity Board Chairs and Directors and 2,444 Corporate Board Chairs and Directors. An individual serving as a director of two Boards received two surveys. Participants had the option of completing the 5 minute online survey via a secure, password-protected survey website or completing the hard-copy survey and returning via postage-paid envelope. The survey was available for completion in either English or French.

### The Charities

The Charity Board Chairs and Directors serve on the boards of 73 of the 100 largest Canadian not-for-profit charities based on the online list 'The 2010 Charity 100' published in June 2010 by Rogers Communications. The list covered nine categories: Culture and Research; Environment; Fundraising Organizations; Health/Health Services; Hospital Foundations; International Aid; Religion; Social Services; and, Other. The Council omitted 27 charities working under an umbrella charity or headquartered outside of Canada without a Canadian board.

### Top 500 Organizations

The Corporate Board Chairs and Directors serve on the boards of 206 of Canada's 500 largest organizations as measured by assets in five sectors: Finance and Insurance; Manufacturing (durable and non-durable goods); Mining, Quarrying, Oil & Gas Extraction; Retail Trade and; Utilities. These sectors are defined by the *North American Industrial Classification System* (NAICS). The organizations are publicly-listed corporations, public sector corporations, privately held corporations, co-operatives and Canadian subsidiaries of foreign-owned corporations.

The survey was completed by 218 charity board members and 164 Top 500 organization board members for a total of 382 board members. No individual companies or board members were identified. This is a highly robust sample of the Canadian board universe: results are accurate within +/-4.92% at a 95 percent confidence level.

### About The Conference Board of Canada

We are:

- The foremost independent, not-for-profit applied research organization in Canada.
- Objective and non-partisan. We do not lobby for specific interests.
- Funded exclusively through the fees we charge for services to the private and public sectors.
- Experts in running conferences but also at conducting, publishing and disseminating research, helping people network, developing individual leadership skills, and building organizational capacity.
- Specialists in economic trends, as well as organizational performance and public policy issues.
- Not a government department or agency, although we are often hired to provide services for all levels of government.
- Independent from, but affiliated with, The Conference Board Inc. of New York, which serves nearly 2,000 companies in 60 nations and has offices in Brussels and Hong Kong.

Contact: Dr. Michael Bloom V-P, Organizational Effectiveness and Learning  
bloom@conferenceboard.ca

## Independent Research

Nathaniel Payne, a graduate student at Beedie School of Business, Simon Fraser University, undertook independent research during the spring and summer of 2011. He quantified the number of board seats held by women in the same 206 organizations whose directors were surveyed by the Conference Board of Canada. He also quantified the number of board seats on those boards in 2001, 2003, 2005, 2007 and 2009. The ratio of female directors (the proportion of female directors) was calculated and expressed as a percentage of total board size. The identification of the sex of board members was confirmed using visual images provided on websites, media and letters which referred to the interested parties as Ms., Mrs., or Miss, and other legal documents posted on SEDAR. To ensure accurate results, 100 of the 206 organizations were selected using random draw (generated from a random number generator), and the composition of the boards was verified by an independent source to ensure that our results were accurate.

# survey

Thank you for participating in this important initiative. We appreciate your time and input. Remember, your individual responses will remain confidential; only aggregated results will be reported.

While you may sit on more than one board, please answer the next few questions as it pertains to this board only.

1. Are you the Chair of this board?

☐ Yes ☐ No

2. Are you an Independent Director?

☐ Yes ☐ No

3. Do you currently sit on any standing or ad hoc board committees?

☐ Yes ☐ No

If "Yes", which committee(s)? Please check all appropriate boxes.

Audit/Finance Committee	<input type="checkbox"/> Member <input type="checkbox"/> Chair
Governance/Ethics Committee	<input type="checkbox"/> Member <input type="checkbox"/> Chair
HR/Compensation Committee	<input type="checkbox"/> Member <input type="checkbox"/> Chair
Nominating Committee	<input type="checkbox"/> Member <input type="checkbox"/> Chair
Risk Committee	<input type="checkbox"/> Member <input type="checkbox"/> Chair
Other _____	

For the balance of the survey, when we say diversity we are referring to the representation of women, Aboriginal Peoples including First Nations, Inuit and Métis, visible minority groups and persons with disabilities.

4. In your personal opinion, how important is the issue of board diversity?

<input type="checkbox"/> Very important	<input type="checkbox"/> Not really important
<input type="checkbox"/> Somewhat important	<input type="checkbox"/> Not at all important

5. From the perspective of this board, how important would you say the issue of board diversity is?

<input type="checkbox"/> Very important	<input type="checkbox"/> Not really important
<input type="checkbox"/> Somewhat important	<input type="checkbox"/> Not at all important

6. Does this board have a written diversity policy?

☐ Yes ☐ Don't know  
☐ No

If "No", do you feel that this board should develop and adopt a formal diversity policy?

☐ Yes ☐ Don't know  
☐ No

7. Do you feel that this board is diverse?

☐ Yes ☐ Don't know  
☐ No

8. Are you Male or Female?

☐ Male ☐ Female

9. Are you an Aboriginal person?

☐ Yes ☐ No

An 'Aboriginal or First Nations person' refers to a person who is a North American Indian or a member of a First Nation, Métis or Inuit. North American Indians or members of a First Nation include treaty, status or registered Indians, as well as non-status and non-registered Indians.

10. Are you a member of a visible minority group?

☐ Yes ☐ No

In Canada, a member of a visible minority is a person, other than an Aboriginal or First Nations person, who is non-Caucasian in race or non-white in colour, regardless of birthplace.

11. Are you a person with a disability?

☐ Yes ☐ No

'Persons with disabilities' refers to those who have long-term or recurring physical, mental, sensory, psychiatric or learning impairment.

12. Does your board use the services of a search firm when it comes to board member recruitment?

☐ Always ☐ Never  
☐ Sometimes ☐ Not sure

If you answered Always or Sometimes, please proceed to Q.13.

If you answered Never or Not sure, please proceed to Q.14.

13. Does the board's mandate to the search firm direct that the short list of potential directors must include qualified and diverse individuals in terms of gender and/or ethnicity and/or aboriginal background?

☐ Always ☐ Never  
☐ Sometimes ☐ Not sure

14. When recruiting new directors, do board members tap into their personal networks to identify qualified candidates?

☐ Always ☐ Never  
☐ Sometimes ☐ Not sure

If you answered Always or Sometimes, please proceed to Q.15.

If you answered Never or Not sure, please proceed to Q.16.

15. Is diversity in terms of gender, ethnicity and/or aboriginal background a prime consideration when tapping into personal networks?

☐ Always ☐ Never  
☐ Sometimes ☐ Not sure

16. Which of the following reflects the first language you learned as a child and can still speak today?

<input type="checkbox"/> English	<input type="checkbox"/> Italian
<input type="checkbox"/> French	<input type="checkbox"/> Portuguese
<input type="checkbox"/> Arabic	<input type="checkbox"/> Punjabi
<input type="checkbox"/> Chinese	<input type="checkbox"/> Spanish
<input type="checkbox"/> Other (please specify) _____	

17. Do you have international business experience, that is, have you worked in a market outside of Canada at any point in your career?

☐ Yes  
☐ No

18. And finally, for statistical classification purposes only, in which of the following ranges does your age fall?

<input type="checkbox"/> Under 30	<input type="checkbox"/> 50-54
<input type="checkbox"/> 30-34	<input type="checkbox"/> 55-59
<input type="checkbox"/> 35-39	<input type="checkbox"/> 60-64
<input type="checkbox"/> 40-44	<input type="checkbox"/> 65-69
<input type="checkbox"/> 45-49	<input type="checkbox"/> 70 or older

Thank you very much for your participation!

# 2011 get on board speakers

Thank you to Get on Board Sponsor Talisman Energy; and, Introductory Series Sponsor Xstrata Nickel, Intermediate Series Sponsor Hydro One and Advanced Series Sponsor Knightsbridge Human Capital Solutions.

Thank you to the directors, governance experts, board career advisors and board search professionals who shared their knowledge and expertise to ensure Get on Board provides excellence in governance education programming.

**Jane Allen**, Chief Diversity Officer, Deloitte; **Iris Almeida-Côté**, President and CEO, Canada World Youth; **Adam Armstrong**, Partner, Torys LLP; **Janet Austin**, CEO, YWCA Vancouver; **Jennifer Babe**, Partner, Miller Thomson LLP; **Michael Bach**, National Director of Diversity, KPMG; **Chief Kim Baird**, Chief, Tsawwassen First Nation; **Chris Bart**, Professor of Strategic Market Leadership, DeGroote School of Business, McMaster University; **Willa Black**, Vice-President, Corporate Affairs, Cisco Systems; **Malcolm Bernstein**, Principal, Odgers Berndtson; **Brad Beveridge**, Managing Director, Executive Search, Amrop Knightsbridge; **Catherine Booth**, Chief Information Officer, Plexus; **Ken Burnett**, Partner, Miller Thomson LLP; **Heather Campbell**, Vice-President & CIO, Canadian Pacific; **Bob Chan-Kent**, Director, YWCA Vancouver; **Brian Chu**, Lawyer, Bogart Robertson & Chu; **Caroline Codsí**, Principal, Knightsbridge; **Mary Collins**, President, Amarok Holdings Ltd; **Brian Crombie**, Principal, Crombie Capital Partners; **Shirley Dawe**, Director, Birks & Mayors; **Janice Detta-Colli**, Principal, Odgers Berndtson; **Dominique Dionne**, Vice-President, Corporate Affairs, Xstrata Nickel; **Bonnie DuPont**, Director, Bank of Canada; **Karen Dickson**, Partner, Miller Thomson LLP; **Bob Elton**, Chair, Powertech Labs; **Genny Falconetto**, Managing Partner, Odgers Berndtson; **Geneviève Fortier**, Vice-President, Human Resources, McKesson Canada; **Beverly Foy**, Director, Calgary Airport Authority; **Nathalie Francisci**, Senior Vice-President, IAS Québec; **Terry Geib**, Director, Calgary Cooperatives; **Stephen Green**, Partner, Green & Spiegel; **Kevin Gregor**, Managing Partner, Odgers Berndtson; **Sylvia Groves**, Principal, Groves Consulting; **Susan Han**, Associate

Counsel, Miller Thomson LLP; **Don Hathaway**, CEO, Global Risk Institute; **Irene Hensel**, Principal, Odgers Berndtson; **Tim Hewat**, Partner, Amrop Knightsbridge; **Robin Howlings**, President, Danamark WaterCare; **Kirby James**, President, The K James Group; **Jay Katz**, Management Consultant and Executive Coach, Jay Katz; **Lisa Kershaw**, Partner, Odgers Berndtson; **Dora Koop**, Director, Business Solutions, McGill Executive Institute; **Gillian Lansdowne**, Partner, Odgers Berndtson; **Nancy Laughton**, Managing Director, Knightsbridge; **Gillian Lawrence**, Director of Planning, Remington Development Corporation; **Richard LeBlanc**, Associate Professor Law, Governance & Ethics, York University; **Eddie Leschiutta**, Partner, Deloitte; **Kevin Libin**, Consultant, Korn/Ferry International; **Joseph Loughheed**, Partner, Fraser Milner Casgrain LLP; **Nancy McKinstry**, Chair, Insurance Corporation of BC; **Kelly McDougald**, Managing Director, Knightsbridge; **Lachlin McKinnon**, Partner, Conroy Ross Partners; **Jennifer McNeill**, Chief Executive Officer, Planetary Growth; **Peggy Mulligan**, CFO, Valeant Pharmaceuticals; **Patrick O'Callaghan**, Managing Partner, Patrick O'Callaghan and Associates; **Jane O'Hagan**, Executive Vice-President, Sales and Marketing and Chief Marketing Officer, Canadian Pacific; **Beth Oakes**, Founder and Managing Partner, The Oakes Group; **Sherri Olsen**, Founder, Sherri Olsen Consulting; **Ratna Omidvar**, President, Maytree Foundation; **Alan Peretz**, Partner, Deloitte; **Rima Ramchandani**, Partner, Torys LLP; **Joanne Rowe**, President, Director and Corporate Secretary, Peters' Drive-In Ltd; **Jane Peverett**, Corporate Director, CIBC; **Ruth Ramsden-Wood**, President, United Way of Calgary and Area; **Sharon Ranson**, Director, CI Investments; **James Riley**, Director, Canadian Tire Corp; **Joanne Rogers**, Partner, Grant Thornton LLP; **Cynthia Roney**, Founder & Chief Executive Officer, Executive Passage; **Alnasir Samji**, Director, Torstar Corporation; **David Sevalrud**, Partner, Miller Thomson LLP; **Greg Shannon**, Partner, Miller Thomson LLP; **Helen Sinclair**, Director, TD Bank Group; **Janet Soles**, Founding Partner, Odgers Berndtson; **Robert Stewart**, Partner, Miller Thomson LLP; **Tina Tehranchian**, Financial Advisor, Assante Wealth Management; **Sue Tomney**, Chief Executive Officer, YWCA Calgary; **Stella Thompson**, Director, Genome Alberta; **Catherine Van Alstine**, Partner, Odgers Berndtson; **Amju Virmani**, Chief Information Officer, Cargojet; **Ann Wicks**, Managing Director, Board Resourcing and Development Office, Government of British Columbia; **Steven Wesfield**, Partner, Miller Thomson LLP; **Faye Wightman**, President & CEO, Vancouver Foundation; **Phyllis Yaffe**, Lead Director, Torstar Corporation; **Sheryl Yaremco**, Director, British Columbia Public School Employers' Association; Rosemary Zigrossi Director, Business Development Bank.

# 2011 get on board students

Congratulations to the men and women who enrolled in the 2011 Get on Board Program

## Introductory:

Melanie Agopian, Senior Director, Loblaw's; Mila Babic, Director, Employer Information Services, Ontario Teachers' Pension Plan; Diana Barbato, Manager, Common Business Solutions, Ministry of Government Services; Demetria Barbera, Head of Corporate Services & Enterprise Shared Services, CIBC; Darlene Shannon, Strategic Account Manager, Cisco Systems; Dawneen Boyle, Private Account Executive, TDBFG; Kathie Brown, Total Compensation, Canadian Pacific; Corinne Campney, Director, Community Affairs, TELUS Communications; Elana Caplan, Principal Legal Consultant, Caplan Legal Consulting; Amber Choudry, Executive Director, CIBC World Markets Inc.; Pauline Chung, Senior Business Consultant, Primus Consulting Group Inc.; Linda Comand, General Manager, Yield Management, Canadian Pacific; Robin Cooper, Vice-President, Client Relations, HORN; Diane Connolly, Director, Human Resources, GlaxoSmithKline; Emay Cowx, Principal, C2C Strategies; Kara Crawford, Program Advisor, Multiculturalism Unit, Ministry of Social Development, Government of BC; Leslie Elendt, Associate Vice-President, TD Bank Group; Janice Erion, Legal Counsel, Canadian Pacific; Theresa Erskine, Director, Marketing, Munroe Limited; Karen Fellowes, Associate Lawyer, Davis LLP; Michelle Floh, President, VCS Canada; Ivanhoe Francis Jr., Internal Consultant, Xerox Canada; Marina Franco, Director, Procurement, Newalta; Anita Frank, Consultant, Self-Employed; Melody Gaukel, Vice-President, Environics Communications; Mark Gerlitz, Senior Legal Counsel, TransCanada; Alison Gould, Vice President, Investments, Insurance Corporation of British Columbia; Sarah Hamilton, Program Manager, TELUS; Karen Holshoe, Senior Commercial Property Manager & Managing Broker, Gammon International; Pamela Johnston, Financial Advisor & Portfolio Manager, Redefining Success; Sagar Kancharla, Director, Business Performance, Enbridge Gas Distribution; Monique Kavanagh, Vice-President, Business Innovation, Securities (Canada) Ltd.; Jyotsna Krishan, Management Consultant, Capgemini; Victoria Larke, Manager, Schlegel Centre for Entrepreneurship, Wilfrid Laurier University; Terri Lawson, Manager, Americas Global Business Development, Hewlett-Packard; Shannan Levere, Executive Director, Investment Banking, CIBC World Markets Inc.; Tessa Liu-Man-Hin, Partner Business Manager, Cisco Systems; Peter Lavery, Executive Director, Finance, Estee Lauder Cosmetics Ltd; Spencer Low, Director, Strategy, Maple Leaf Foods; Helgi Maki, Associate, Bennett Jones LLP; Afsheen Malik, Purchasing Analyst, TELUS; Rukhsana Malik, President, Malik Computer Solutions Inc.; Denise Mann, Senior Account Manager, TELUS Communications; Elizabeth Mansouri, Account Customer Experience Manager, Hewlett Packard Co.; Liz McCulloch, Director, Group Underwriting, Pacific Blue Cross; Susan McGrath, Senior Business Planning Analyst, Corby Distilleries Limited; Robyn Meredith, Private Wealth Consultant, Bank of Montreal, Harris Private Banking; Zeeva Millman, Management Consultant, A & M Human Resources Consultants; Emily Murray, Senior Vice-President, Pier 21 Asset Management Inc; Anna Salim, Finance Associate, TD Bank; Paula Sanchez; Charlene Schafer, Lawyer, Bennett Jones LLP; Jen Schaeffers, Executive Director, CKNW Orphans' Fund; Becky Seidler, Senior Manager, Forensic, KPMG; Lynn Silkauskas, Corporate Counsel, Cisco Systems Canada Co; Jane Sladjana Sekulic, President and Founder, MPM Experts Inc; Patricia Southern, CFO, University of St. Michael's College; Laura Sullivan; Independent Consultant & Director, Tanami Consulting Inc; Noulmook Sutdhibhasilp, Director, Asian Community AIDS Services (ACAS); Jessica Taylor, Risk and Operational Integrity Leader, Xstrata Nickel; Jennifer Tidmarsh, Manager of Funds, Ontario Power Authority (OPA); Shilpa Tiwari, Senior Social Development Specialist, rePlan; Norma Tombari, Director, Global Diversity, RBC; Dianne Tyers, President, Advance Consulting for Education, INC; Kinga Uto, Manager, Portfolio Optimization and Trading, Capital Power Corporation; Aneesh Vaid, Partner Business Manager, Cisco Systems; Jacqueline Valmont, Principal, Jacqueline Valmont & Associates; Monica Virmani; Ron Watson, CEO Consultant, Consultant Health Care; Stephanie Wolfe, Manager, National Marketing, Dynamic Funds (DundeeWealth); Adriana Zubiri, Senior Manager, IBM Canada.

## Intermediate:

Katherine Acheson, Vice-President, Private Banking, TD Waterhouse; Cynthia Amsterdam, Partner, Heenan Blaikie LLP; Valerie Barker, CFO & Secretary, Gluskin Sheff + Associates Inc.; Jerome Beaudoin, CIO, CEDA; Niloufer Bhesania, CFO, Chemsynergy Inc.; Anne Bury, General Manager, Finance Business Strategy and Controls, Canadian Pacific Railway; Leslie Castellani, Director, Executive Communications, TELUS; Lucy Coschignano, Vice-President, Aon; Sharon Craver, Director, Human Resources, Insurance Corporation of British Columbia; Heather Crosbie, Principal, Innovaction Consulting Inc.; Corina Deaconu, Director, Global Risk Management, Scotiabank; Danielle Doll, Assistant Corporate Secretary, Calgary Board of Education; Joan Dornian, Equity Partner, McMillan LLP; Laurel Douglas, CEO, Women's Enterprise Centre; Brent Douzich, Director, Human Resources, TELUS Communications; Sue Drinnan, Founder & Principal, Insight Leadership Development; Janet Dsouza, Manager, KPMG; Frances Garofalo, Retired: Supervisory Officer, Thunder Bay Catholic District School Board; Debra Gillies, Director, Finance, Energizer Canada; Sharon Giraud, Director, Business Development & Strategic Alliances, Commonwealth Legal; Caireen Hanert, Partner, Heenan Blaikie; Alana Giustizia, Director, Asset Entitlement & Continuous Improvement, Xstrata Nickel; Kristina Harrison, Senior Manager, Regional Marketing, Novo Nordisk Canada Inc; Heather Holden, Wealth Advisor, ScotiaMcLeod; Wayne Horchover, Director, Credit Risk Policy and Governance, Bank of Nova Scotia; Jennifer Keenan, Director, Give a Day Inc; Leslie Anne Kennedy, President, Cec Brown Associates Inc; Heidi Kritschgau, Senior Advisor, Hydro One Inc.; Renata Kurschner, Director, Generation Resource Management, BC Hydro; Karen Laforet, Associate Director of Nursing, Calea Ltd; Sheelagh Lawrence, Manager, Community Investment & Freedom of Information, Hydro One Inc.; Jean Lucas, Executive Vice-President, Business Development, Eco Waste Solutions; Mary Ann MacKenzie, Vice-President, Strategic Account Management, Franklin Templeton Investments; Bernadett Maxwell, Managing Director, EnerVision Solutions Inc; Joseph Mbuyi, President, Iris Power LP; Mary McClure, Vice-President, M Cubed Inc.; Sheila McCracken, Vice-President, Business Development, Intersections Inc.; Terri McKinnon, Partner, PWC LLP; Patricia McLeod, Associate General Counsel, AltaLink; Nicole Navarette, Vice-President, Citigroup; Carol Anne O'Brien, Barrister & Solicitor; Carol Anne O'Brien, Barrister & Solicitor; Glenda Ouellette, Vice-President, Insurance Broker & Customer Services, Insurance Corporation of British Columbia (ICBC); Adele Pantusa, Senior Legal Counsel, Hydro One Inc.; Eve Paré, Directrice commercialisation et économie, Fédération des producteurs de porcs du Québec; Ginette Paquin, Vice-President, Business Development, Intact; Katarina Patel, Director, Sales, L'Oreal Canada; Trish Pেকেles, Director, BC Hydro; B. Christine Penney, Director, Policy & Quality Assurance, College of Registered Nurses of B. C. (CRNBC); Lisa Pulcini, Director, Business Development, Systems Canada Inc.; Beverly Robb, President, Les Equipements Marshall Ltée; C. Bev Rodin, President, Bev Rodin Studios Inc; Cheryl Sandercock, Director, Scotia Waterous; Stacy Shields, Vice-President, Human Resources, Pacific National Exhibition; Joan Simmins, Director, Scotia Waterous; Christie Stephenson, Manager, Sustainability Evaluations, Northwest & Ethical Investments LP; Ingrid Suurmann, Senior Manager, Deloitte; Cheryl Sylvester, President, Brand Coach & Beyond Success Leadership; Ann-Margaret Tait, Leader, IT Strategy, Planning, and Enterprise Architecture, BC Hydro; Richard Taylor, Managing Principal, iSTAR Inc; Maria Thornton, Manager, Customer Services, Newalta Corporation; Garth Wallbridge, Principal, Wallbridge Law Office; Janet Weiss, Assistant Vice-President, Investor Relations, Canadian Pacific; Mary Whittle, Global Director, Business Development, Avaya Inc.; Sharon Wingfelder, Vice-President, Canadian Imperial Bank of Commerce; Kathy Zandbergen, Director, Business Enablement, TELUS.

## Advanced:

Lynda Bowles, Partner, Deloitte; Gerard Buckley, Director, Human Resources, Jaguar Capital Inc.; Brian Chu, Lawyer, Bogart Robertson & Chu; Lisa Coltart, Director, Power Smart & Customer Care, BC Hydro; Elizabeth Davidson, President, Davidson-Langley Incorporated Architects; Connie Denesiuk, Director, Human Resources, B.C. School Trustees Association; Myra D'Souza Kormann, Director, Calgary Co-operative Association; Jan L. Fisher, Retired; Director & Chair Governance & Compensation Committee, Travel Alberta Board of Directors; Terry Geib, Vice Chair, Calgary Co-operative Association; Jacquie Griffiths, Associate Executive Director, BC Public School Employers' Association; Helen Hayward, Director, Western Management Consultants; Sandra Heath, President, HTD Inc; Cheryl Hooper, Senior Director, Inspections, Canadian Public Accountability Board; Rina Mancini, President, 360 Credit Management Inc.; Jacqui McGillivray, Head of Global HR, Talisman Energy; Dorothy Millman, President, SBS Communications Inc.; Ron Otsuki, Consultant, ROConsulting; Frances Picherack, President, Petrine Consulting Inc; Maureen Quigley, Health Strategies Facilitator and Adviser, Maureen Quigley and Associates Inc.; Dianne Romano, Director, Self-employed; Sandra Stash, SVP of Health, Safety, Environment, and Operational Integrity, Talisman Energy; Sheryl Yaremco, Director, BCPSEA, Ministry of Education Province of British Columbia.



# board best practices roundtables

Spirited discussion characterizes  
CBDC's Best Practices Roundtables  
By Ernst & Young LLP

Early in 2011, Ernst & Young and Odgers Berndtson co-sponsored a series of CBDC Roundtables which brought together FP500 Board Chairs, Nominating Chairs and CEOs to share 'best practices' and discuss issues related to implementing board diversity guidelines and policies.

Joining directors from 43 of Canada's largest organizations were Fiona Macfarlane, Ernst & Young's Chief Inclusiveness Officer, and representatives from Odgers Berndtson, including Gillian Lansdowne, Partner. Following presentations by participants from FP500 companies with top-quartile board diversity, the group engaged in frank and constructive debate. Amidst wide-ranging discussion, some common themes surfaced:

## **True diversity reaches beyond gender and lives outside our comfort zone**

Though diversity has conventionally been defined simply as adding women to boards, participants discussed the importance of broadening the definition to include varied experiences, skills, ethnicities and age. Participants debated the value of reaching out to candidates who reflect the company's customer or other stakeholder base, regardless of CEO or board experience. The challenge of reaching beyond one's own bias and existing "go-to" network was examined as a potential roadblock in identifying board nominees, while recognizing the importance of intangible factors such as "fit" and chemistry.

## **Real debate about who is driving board diversity**

Vigorous discussions occurred about the impact of quotas and legislation regarding board composition, and whether the most effective drivers are in-house targets or externally imposed requirements. In discussing the role of shareholders, several participants argued that until the business imperative is demonstrated, diversity goals will not be driven by this community. Finally, attendees debated whether companies and search firms can work more effectively together, and which has the responsibility to define search characteristics.

## **Purposeful planning advances diversity**

Recommendations generated in the discussions included periodically reviewing boards to identify gaps in skills and perspectives, and implementing tenure caps and renewal schedules. Several felt it essential to include 'mandatories' in an evaluation matrix or diversity policy for use by the search firm and the company. Others suggested tying diversity directly to corporate goals to generate the necessary support. Finally, mentoring and training were identified as important success factors, particularly when reaching outside traditional networks for candidates.

CBDC Founder Pamela Jeffery concluded each session by inviting participants to advance board diversity without the need for government-mandated targets:

1. For every three Directors retiring over the next three years, ensure at least one is replaced with a woman or person of diverse background.
2. For every empty position, ensure three candidates of diverse background are interviewed.

Seven more Ernst & Young/Odgers Berndtson sponsored Roundtables are planned in forthcoming months; contact CBDC to participate.

# toolkit

## 8 Steps to improve your Board's Diversity

The brand new 2011 Board Diversity Tool Kit was created by Gillian Lansdowne, Partner, Odgers Berndtson Executive Search with the support of the Canadian Board Diversity Council. The full Tool Kit is provided to the Directors and CEOs who attend the Council Board Best Practices Roundtables held across Canada each year as well as to the Council Founding and Corporate Members. The Tool Kit is updated annually.

The Tool Kit presents a series of 8 steps and detailed information on each step to guide Boards and their Nominating/Governance Committees in making changes to board composition.

Thank you to all the Corporate Directors who inspired the creation of the Tool Kit by being so candid in describing the challenges they face in improving the diversity of their boards. We hope the Tool Kit will help boards address the important issue of board diversity.

1. Make Diversity and Inclusion a Strategic Priority
2. Embed Diversity Into CEO Accountabilities
3. Review and Amend Board Composition By-Laws
4. Make Your Commitment to Diversity Visible and Transparent
5. Develop A Recruitment Policy Aligned to the Desired Composition
6. Set a Policy on the Number of Boards and Terms
7. Conduct an Annual Board Assessment
8. Review Employee Board Service Policy

Diversity is imperative, particularly in the boardroom. It helps to spark innovation, create new solutions to old challenges and generate powerful ideas and profound change.

*Fiona Macfarlane  
Chief Inclusiveness Officer, Ernst & Young  
Managing Partner, Western Canada*

# diversity 50

The Canadian Board Diversity Council is pleased to announce Diversity 50, a collaborative 'sponsor'-driven approach to improving board diversity.

We believe sponsorship is critical to men and women being invited to join their first corporate board. According to the January 2011 Harvard Business Review Research Report 'The Sponsor Effect', high-performing women fail to acquire the backing they need to attain leadership positions. The key finding of the study is that "the vast majority of highly qualified women don't have political allies to propel, inspire and protect them through the perilous straits of upper management. They lack, in a word, sponsorship."

Diversity 50 will be driven by 10 highly-respected CEOs and Chairs. HSBC Canada CEO Lindsay Gordon and Deloitte Canada Chief Executive Alan MacGibbon are leading Diversity 50. Joining them is Norton Rose OR LLP Chairman Norman Steinberg. As we prepare for the spring 2012 launch of Diversity 50, we will select seven more Board Chairs and CEOs across Canada.

The design of Diversity 50 is rooted in dialogue with corporate directors from coast to coast who have highlighted a key nominating/governance issue that, if resolved, will increase the speed at which a qualified director of a diverse background is elected to his/her first corporate board. The issue is how to find potential new directors in a rigorous and transparent recruitment and nominating process that searches beyond the board's network. Diversity 50 addresses this by creating a list of 50 board-ready candidates who are sponsored by 10 Board Chairs and CEOs.

The Council will make the list of these diverse executives available to boards. It will be up to the individual board (and their search firm) to assess the individual's credentials against the board's requirements. In this way, boards can identify potential directors who are unknown to them but who are recommended for consideration by a CEO or a Board Chair they know either personally or by reputation.

Over the next few months, please visit the Council at [www.boarddiversity.ca](http://www.boarddiversity.ca) to learn more about Diversity 50 as we embark on this new initiative to advance diversity on Canada's boards.



# corporate membership

In becoming a Corporate Member of CBDC, your organization will join our growing membership receiving the following five key benefits:

## Learn & Contribute

Opportunities to learn about board diversity best practices and principles, and contribute to the leading governance initiative tracking the status of Canadian corporate board diversity and increasing the pipeline of highly-skilled diverse board candidates. Members receive the CBDC Board Diversity Tool Kit which is updated annually.

## Networking Participation

Membership in the CBDC's growing network of business leaders committed to diversity in governance, including complimentary attendance at our annual launch event for the Annual Report Card.

## Opportunities for Distinction

Admission for consideration for the CBDC's new Award, CBDC Diversity in Corporate Governance Distinction.

## Recognition

CBDC's media coverage and public recognition as an organization committed to diversity in governance and leadership, facilitating opportunities to enhance stakeholder relationships and attract top talent from Canada's increasingly diverse population.

## Program Cost Savings

A \$1,000 credit and reduced enrollment fees for the CBDC Get on Board Program taught by directors and governance experts across the country.

## 2011 new corporate members:

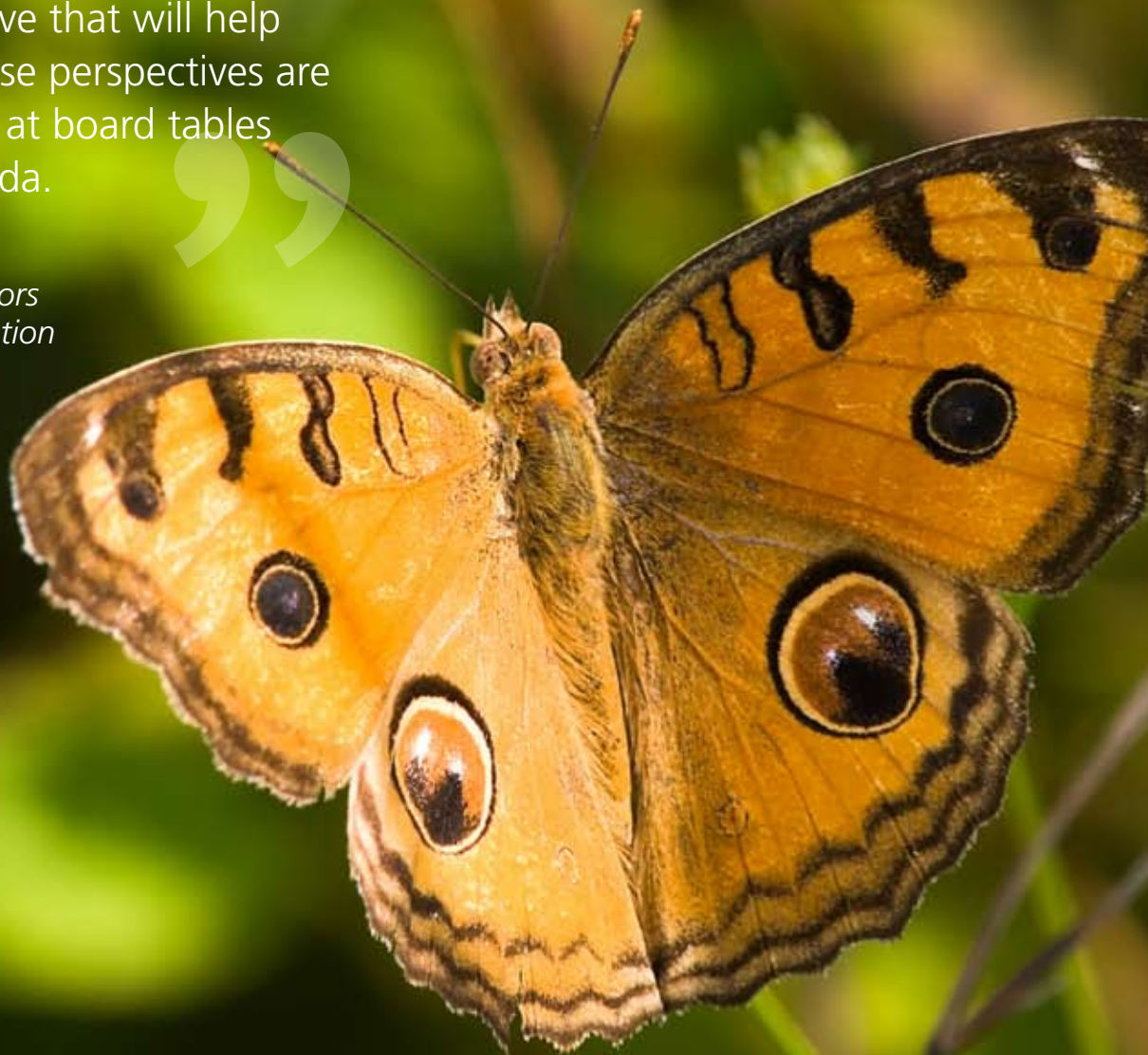
Accenture, Potash Corporation, Norton Rose OR LLP, Ontario Public Service, CEDA International and Soberman LLP

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“At Potash, diversity in board composition is an explicit governance principle. We saw Corporate Membership in the Council as a cost-effective opportunity to remain well-informed of board diversity best practices and contribute to an initiative that will help ensure diverse perspectives are represented at board tables across Canada.”

*Mary Mogford  
Board of Directors  
Potash Corporation*





“As the makeup of Canada continues to evolve, embracing diversity is vital to the achievement of our goals. CMHC recognizes the value of diversity on its Board and throughout the Corporation and is proud to be named a Best Diversity Employer for the third consecutive year.”

*Karen Kinsley  
President and CEO  
Canada Mortgage and Housing Corporation*



# closing the governance gap

Serving as an important starting point for future diversity research, this report was commissioned by the Canadian Board Diversity Council. The Council is proud to collaborate with The Beedie School of Business, SFU.

It examines the critical and significant advantages that female directors can bring to boards. Perhaps more importantly, this research, while giving readers the opportunity to peer inside the boardrooms of leading Canadian organizations, also seeks to explore the controversies facing diversity research, as well as the barriers that continue to prevent well-credentialed Canadian women from reaching the boardroom.

Over 200 peer-reviewed journal articles discussing diversity and governance were analyzed and reviewed. A secondary research study was conducted which reviewed the diversity of boards of 206 large Canadian organizations. These organizations, drawn exclusively from the mining, quarrying, oil & gas, utilities, retail trade, manufacturing, finance and insurance industries, formed a highly representative sample. And what did we find?

Women, minorities and aboriginal peoples continue to be overlooked and under-appointed in governance roles. Our ground breaking research found support for the argument that female directors in Canada have a substantial and positive impact on board effectiveness. Our research also found support for the claim that at least three females are needed on a board to ensure that their work is recognized and their contributions maximized. Finally, regardless of industry, female directors provide a number of substantial benefits to organizations and their boards. These benefits include increased monitoring and risk management, enhanced decision making, a strengthened organizational reputation, and improved administrative and resource deployment capabilities.

To view the entire Report on-line, visit the Knowledge Centre at [www.boarddiversity.ca](http://www.boarddiversity.ca)

# leadership



**Clare Beckton (ON)**  
Executive Director  
Centre for Women in Politics  
and Public Leadership  
Carleton University  
Corporate Director



**Pamela Jeffery (ON)**  
Founder  
The Canadian Board  
Diversity Council  
Not-for-Profit &  
Public Sector Director



**Bob Elton (BC)**  
Chair  
Canadian Business  
for Social Responsibility  
Corporate Director



**Colleen Johnston (ON)**  
Group Head Finance &  
Chief Financial Officer  
TD Bank Group



**Norman Inkster (ON)**  
President  
INKSTER Incorporated  
Corporate Director



**Alnasir Samji (ON)**  
Managing Principal  
Alderidge Consulting  
Corporate Director



**Roberta Jamieson (ON)**  
CEO  
National Aboriginal  
Achievement Foundation



**Stella Thompson (AB)**  
Corporate Director

[www.boarddiversity.ca](http://www.boarddiversity.ca)

