



Innovation, Science and
Economic Development Canada
Corporations Canada

Innovation, Sciences et
Développement économique Canada
Corporations Canada



INCORPORATE
SUCCESS into your BUSINESS

Diversity of Boards of Directors and Senior Management of Federal Distributing Corporations

2021 Annual Report
Corporations Canada

Canada

Table of Contents

About Corporations Canada	1
Executive summary.....	2
• Findings	3
Background	4
• What must be disclosed	5
Key highlights and reporting challenges	6
• Other initiatives to increase diversity in corporate leadership	7
Scope of review	8
• Description of the sample size	8
Methodology	8
Findings	9
• Term limits and other mechanisms for board renewal.....	10
• Written policies for identifying and nominating members of designated groups for directors .	12
• Consideration of the level of representation of designated groups.....	15
• Targets for representation of designated groups.....	22
• Representation of designated groups among boards of directors and senior management teams	27
• Composition of distributing corporations' boards of directors and senior management teams	32
Conclusion.....	37

About Corporations Canada

Our mandate

Corporations Canada helps Canadians incorporate businesses, not-for-profit corporations and other corporate entities according to Canada's laws and regulations.

Our mandate is to provide a regulatory climate that maintains order and fairness in the corporate law arena. This ensures greater certainty in the marketplace and creates a business environment that is supportive of innovation and economic growth, while providing protection to individual Canadians.

Our mandate is derived from a number of statutes, principally the *Canada Business Corporations Act*, the *Canada Not-for-profit Corporations Act*, the *Canada Cooperatives Act* and the *Boards of Trade Act*.

Our mission

Corporations Canada's mission is to contribute to a positive business climate in Canada by:

- Maintaining and administering a modern corporate law framework
- Delivering timely, innovative, client-oriented products and services

Executive summary

Distributing corporations¹ governed by the *Canada Business Corporations Act* (CBCA), including venture issuers², are required by law to provide their shareholders and Corporations Canada with information about the representation of women, Indigenous peoples (First Nations, Inuit and Métis), persons with disabilities and members of visible minorities on their boards of directors and among senior management.



For 2021, we identified approximately 536 distributing corporations required to disclose diversity information. We reviewed 475 proxy circulars³ filed by distributing corporations for meetings held in 2021. This report presents the findings of our review, showing the levels of diversity on corporate boards of directors and senior management teams for the year 2021. It presents progress made against baseline data from the 2020 report and includes a summary of the key highlights and the reported challenges.

Yearly findings enable us to measure progress and trends year over year. The 2021 findings show slight progress in the levels of diversity on corporate boards and among senior management of federal distributing corporations. A total of 38% of federal distributing corporations have adopted a written policy for identifying and nominating women for directors, an increase of 6 percentage points over 2020.

¹ A distributing corporation is one that issues securities to the public, such as shares or bonds, and is subject to continuous disclosure rules under provincial or territorial securities law or under the laws of a jurisdiction outside Canada. Distributing corporations are often listed on stock exchanges. See subsection 2(1) of the *Canada Business Corporations Regulations*, 2001 for a detailed definition. All instances of “distributing corporations” in this report refer to federally incorporated distributing corporations.

² A venture issuer is an emerging company whose securities are listed on the TSX Venture Exchange or Canadian Securities Exchange.

³ A proxy circular is a document prepared by management to solicit proxies from shareholders in advance of a shareholders’ meeting. The circular gives shareholders enough information to make a decision on the issues they will be asked to vote on. It also provides them with information on the corporation’s governance practices.

Findings



Board of directors

- 55% of distributing corporations have at least 1 woman on the board of directors.
- 23% have at least 1 member of a visible minority on the board.
- 2% have at least 1 Indigenous person on the board.
- 2% have at least 1 person with disabilities on the board.

These numbers are up from 2020, when they were 50%, 16%, 1.7% and 1.7%, respectively.



Targets

- 18% of distributing corporations have set targets for the representation of women on their boards.
- 4% have set targets for visible minorities.
- 2% have set targets for Indigenous peoples.
- 2% have set targets for persons with disabilities.

These numbers are all up slightly from 2020, when they were 14%, 1.2%, 1% and 1%, respectively.



Board seats

- Women hold 20% of board seats.
- Members of visible minorities hold 7% of board seats.
- Persons with disabilities and Indigenous peoples each hold 0.4% of board seats.

These results represent a slight increase from 2020, when they were 17%, 4%, 0.3% and 0.3%, respectively.



Written policies

- 38% of distributing corporations have adopted written policies relating to the identification and nomination of women on their boards.
- An average of 32% of distributing corporations have adopted similar policies relating to Indigenous peoples, members of visible minorities and persons with disabilities.

These numbers are up from 2020, when they were 32% and 26%, respectively.



Senior management positions

- Women hold 25% of senior management positions.
- Members of visible minorities hold 9% of senior management positions.
- Persons with disabilities hold 0.7% of senior management positions.
- Indigenous peoples hold 0.4% of senior management positions.

These numbers are generally similar to those from 2020 for women and members of visible minorities, when they were 25% and 9%, respectively. There is a slight increase in persons with disabilities and Indigenous peoples over 2020, when they were 0.6% and 0.2%, respectively.

Background

Diversity on boards of directors and among senior management is a significant corporate governance issue in Canada and other countries. According to the Treasury Board Secretariat of Canada report [*Employment Equity in the Public Service of Canada for Fiscal Year 2019 to 2020*](#), 52.7% of the Canadian population available to work were women, 15.3% were members of visible minorities, 9% were persons with disabilities and 4% were Indigenous.⁴ But these numbers are not yet reflected in representation on boards of directors and among senior management.

This is why the Government of Canada has introduced measures to support increased diversity on corporate boards and among senior management. Since January 1, 2020, distributing corporations governed by the CBCA, including venture issuers, have been required to provide their shareholders and Corporations Canada with information about the representation of women, Indigenous peoples (First Nations, Inuit and Métis), persons with disabilities and members of visible minorities on their boards of directors and among senior management.

⁴ The reference for these numbers is the workforce availability (WFA) estimate: [*Employment Equity in the Public Service of Canada 2019–2020*](#)

What must be disclosed

Distributing corporations are required to report on the representation (number and percentage of directors) of the 4 designated groups identified under the *Employment Equity Act*—women, Indigenous peoples, visible minorities and persons with disabilities—on their boards of directors and senior management teams. A corporation’s senior management team includes any of the following:

- Chair and vice-chair of the board of directors
- President of the corporation
- Chief executive officer and chief financial officer
- Vice-president in charge of a principal business unit, division or function, such as sales, finance or production
- Anyone who performs a policy-making function within the corporation

Distributing corporations must disclose diversity information using a “comply or explain” approach. They must either disclose information about their policies and targets for the representation of the designated groups or explain why they don’t have such policies or targets. The information to be disclosed includes, but is not limited to:

- whether the corporation has adopted term limits or other mechanisms for board renewal
- whether the corporation has a written policy on the identification and nomination of directors from designated groups and, if so, a description of the policy
- whether and how the board or nominating committee considers diversity when identifying and nominating candidates for election or re-election to the board
- whether and how diversity is considered when making senior management appointments
- whether the corporation has set targets for representation on the board and among senior management for each of the designated groups and, if so, progress in achieving those targets

The “comply or explain” approach, while not prescriptive, enhances the conversation between management and shareholders about the benefits of diversity.

The requirements under the CBCA are broader in scope than those under provincial securities legislation, which address only the representation of women on boards and in executive officer positions. Also, it should be noted that venture issuers are not subject to gender disclosure requirements under provincial securities legislation, meaning the diversity disclosure requirements under the CBCA are the first to apply to them.

Key highlights and reporting challenges

One of the challenges related to determining which federal corporations are “distributing” (and therefore required to disclose diversity information) is that corporations are required to self-report whether they are distributing or not. For 2020, we identified 669 distributing corporations required to file diversity information; for 2021, we identified 536. This decrease is partly because, this year, we provided better guidance to corporations to help them self-identify when filing their annual returns. We also took additional verification steps to identify distributing corporations, including cross-referencing our database with the list of issuers provided by the Canadian Securities Administrators (CSA) in 2020 and conducting further searches on publicly available information.

As mentioned in our first report covering 2020, there continues to be ongoing challenges in getting a complete picture of diversity because the CBCA and related regulations do not specify **how** distributing corporations should disclose this information. In 2021, an average of 13% of the required diversity information disclosed by distributing corporations was incomplete, missing or not provided in a standardized way.

To better support corporations, in February 2021, we published guidelines to help and encourage distributing corporations to disclose their diversity information annually in a more consistent manner. Consistency in disclosure will:

- enhance shareholder/management dialogue about the benefits of diversity
- improve the comparability of information disclosed by various corporations and help investors, shareholders and other stakeholders efficiently identify and assess relevant information concerning a corporation
- ensure that diversity information can be collected and analyzed in a consistent way
- enable a sound year-over-year analysis that will foster steady progress toward more diverse corporate leadership.

As a result of the diversity disclosure requirements and our awareness-raising activities, distributing corporations are more aware of their filing requirements in 2021 than they were in 2020. Throughout 2021, we reached out to 161 distributing corporations that had not filed their diversity information to ensure they were aware of their disclosure requirements and how to file their proxy circular with us. These activities resulted in an increase of filings.

These activities also ensured distributing corporations understood that they are required to file their proxy circular with us even if they have filed with the System for Electronic Document Analysis and Retrieval (SEDAR), as the [exemption from the filing of certain documents](#) does not apply to management documents that are subject to diversity disclosure requirements. This year, 339 distributing corporations filed their proxy circulars with Corporations Canada (up from 289 in 2020), while 136 filed only with SEDAR (down from 180 in 2020).

We have also made it easier for corporations to file their diversity information. In response to a challenge first identified in 2020, we have streamlined the process to file proxy circulars online.

As a result of these initiatives, 71% of distributing corporations filed their proxy circulars with us, an improvement of 9 percentage points over 2020.

Other initiatives to increase diversity in corporate leadership

Corporations across the country should be continuously encouraged to recognize the benefits of bringing diverse backgrounds, experiences and perspectives into their decision-making processes. A number of initiatives have been put in place to advance and recognize diversity, inclusion and economic prosperity from coast to coast to coast. For example, the [50-30 Challenge](#) incentivizes Canadian organizations to increase the representation and inclusion of equity-deserving groups on their boards of directors, on their senior management teams and within their workplaces. In addition, [Budget 2021](#) created several new initiatives designed to further increase corporate diversity. Some of these include incentives to boost the diversity of skilled tradespeople, new diversity reporting requirements by Crown corporations and financial institutions, and funding for research into systemic barriers.

Scope of review

Description of the sample size

For 2021, we identified 536 distributing corporations that are required to disclose diversity information, although this number is approximate.

We reviewed the proxy circulars of 475 distributing corporations that were prepared for shareholders for annual meetings held in 2021 and filed with either Corporations Canada or SEDAR. Of those, 389 (82%) included information on diversity. Of the 86 that did not include any diversity information, 62 were filed by venture issuers and 24 by non-venture issuers.

Methodology

Most distributing corporations chose to disclose diversity information in a narrative way in their proxy circulars. We reviewed each proxy circular, extracted the required diversity information and compiled it. We considered the information as provided in the proxy circulars that were either sent directly to us or filed with SEDAR. The number of directors on the boards and total number of members of the senior management teams were considered as of the date of disclosure. References to “executive officers” were considered to be equivalent to “senior management”.

The following elements were **not** considered:

- Numbers and percentages regarding the future composition of the boards of directors (e.g., nominees for directors) or among senior management teams (e.g., candidates for promotion to senior management)
- Numbers and percentages for groups other than the designated groups
- Information that did not specifically relate to the diversity disclosure requirements

This method of reviewing the proxy circulars allowed us to address the challenges related to the lack of standardization in how the information was reported by ensuring diversity information was analyzed in a consistent way. It also allowed us to generate findings and measure trends and progress on the representation of women, Indigenous peoples, persons with disabilities and members of visible minorities on boards of directors and senior management teams against the baseline established in 2020.

Findings

This section summarizes our findings for 2021 in each of the following key areas, including progress made against the baseline established in 2020:

- Term limits and other mechanisms for board renewal
- Written policies for identifying and nominating members of designated groups for directors
- Consideration of the level of representation of designated groups
- Targets for representation of designated groups
- Representation of designated groups among boards of directors and senior management teams
- Composition of distributing corporations' boards of directors and senior management teams

Findings are based on the 389 proxy circulars compiled and reviewed (138 from venture issuers, 251 from non-venture issuers) that included diversity information. The 86 proxy circulars that did not provide diversity information are not included in the findings.

Most findings presented in this report are for all distributing corporations (venture issuers and non-venture issuers) that disclosed diversity information. However, for some requirements, the findings distinguish the 2 types of distributing corporations. Where there are significant differences between the types, this may be explained by the fact that the diversity disclosure requirements are still new to venture issuers.

It should be noted that, within each figure, a corporation may be counted in more than 1 category. For example, in Figure 2, a corporation could have a policy related to women, but none related to other designated groups.

Term limits and other mechanisms for board renewal

Figure 1. Distributing corporations that have adopted term limits or other mechanisms of board renewal

Have adopted term limits or other mechanisms of board renewal	Percentages
Percentage of the 389 distributing corporations	19%
Percentage of the 138 venture issuers	8%
Percentage of the 251 non-venture issuers	24%

Have not adopted term limits or other mechanisms of board renewal	Percentages
Percentage of the 389 distributing corporations	62%
Percentage of the 138 venture issuers	57%
Percentage of the 251 non-venture issuers	65%

Did not disclose*	Percentages
Percentage of the 389 distributing corporations	19%
Percentage of the 138 venture issuers	35%
Percentage of the 251 non-venture issuers	11%

* “Did not disclose” includes corporations that did not disclose information on a requirement as well as those that included information not considered according to the methodology described earlier in this report.

i: Many corporations have adopted more than one mechanism for the renewal of their boards.

Of the 389 distributing corporations that disclosed diversity information, 19% have adopted at least 1 form of mechanism for board renewal. These include age limits (12%), tenure limits (13%) and other mechanisms (0.5%). The total percentage of corporations with mechanisms in place for board renewal has increased by 3 percentage points since 2020.

Among those that had **not** adopted term limits or other mechanisms for board renewal, the top 3 reasons cited were:

- It reduces continuity or experience on the board.
- It forces valuable experienced and knowledgeable directors to leave.
- It’s not required because the corporation regularly assesses board members for effectiveness.

Written policies for identifying and nominating members of designated groups for directors

Figure 2. Distributing corporations with written policies on the identification and nomination of members of designated groups for directors

Women

Distributing corporations (389) that	Percentage of women
Have adopted a written policy	38%
Have not adopted a written policy	56%
Did not disclose*	6%

Venture issuers (138) that	Percentage of women
Have adopted a written policy	15%
Have not adopted a written policy	78%
Did not disclose*	7%

Non-venture issuers (251) that	Percentage of women
Have adopted a written policy	50%
Have not adopted a written policy	45%
Did not disclose*	5%

Indigenous peoples

Distributing corporations (389) that	Percentage of Indigenous peoples
Have adopted a written policy	32%
Have not adopted a written policy	60%
Did not disclose*	8%

Venture issuers (138) that	Percentage of Indigenous peoples
Have adopted a written policy	14%
Have not adopted a written policy	77%
Did not disclose*	9%

Non-venture issuers (251) that	Percentage of Indigenous peoples
Have adopted a written policy	42%
Have not adopted a written policy	50%
Did not disclose*	8%

Members of visible minorities

Distributing corporations (389) that	Percentage of members of visible minorities
Have adopted a written policy	33%
Have not adopted a written policy	59%
Did not disclose*	8%

Venture issuers (138) that	Percentage of members of visible minorities
Have adopted a written policy	14%
Have not adopted a written policy	77%
Did not disclose*	9%

Non-venture issuers (251) that	Percentage of members of visible minorities
Have adopted a written policy	43%
Have not adopted a written policy	49%
Did not disclose*	8%

Persons with disabilities

Distributing corporations (389) that	Percentage of persons with disabilities
Have adopted a written policy	31%
Have not adopted a written policy	60%
Did not disclose*	9%

Venture issuers (138) that	Percentage of persons with disabilities
Have adopted a written policy	12%
Have not adopted a written policy	77%
Did not disclose*	11%

Non-venture issuers (251) that	Percentage of persons with disabilities
Have adopted a written policy	42%
Have not adopted a written policy	50%
Did not disclose*	8%

* "Did not disclose" includes corporations that did not disclose information on a requirement as well as those that included information not considered according to the methodology described earlier in this report.

In 2021, more than one-third (38%) of the distributing corporations that disclosed diversity information have adopted written policies relating to the identification and nomination of women for directors, up from 32% in 2020. Thirty-two percent (32%) had similar policies for Indigenous peoples, 33% for members of visible minorities and 31% for persons with disabilities.

In 2021, venture issuers with written policies for identifying and nominating all diversity groups increased by an average of 7 percentage points (from 7% in 2020 to 14% in 2021). However, there are still substantial differences in the policy adoption rate between venture issuers and non-venture issuers. Non-venture issuers were more than 3 times likelier to have adopted a written policy relating to the identification and nomination of women directors than venture issuers (50% vs. 15%).

The main reasons provided for **not** adopting written policies relating to the identification and nomination of women for directors are essentially the same for all distributing corporations (venture issuers and non-venture issuers):

- There are informal procedures in place.
- A policy prevents the selection of the most qualified candidates.
- The size of the corporations and/or its stage of development make it difficult to adopt a policy at this time.

Consideration of the level of representation of designated groups

Board of directors

Figure 3. Distributing corporations that consider the level of representation of designated groups on boards of directors when identifying candidates for election or re-election

Women

Distributing corporations (389) that	Percentage of women
Consider level of representation of designated group	65%
Do not consider level of representation of designated group	16%
Did not disclose*	19%

Venture issuers (138) that	Percentage of women
Consider level of representation of designated group	64%
Do not consider level of representation of designated group	12%
Did not disclose*	24%

Non-venture issuers (251) that	Percentage of women
Consider level of representation of designated group	65%
Do not consider level of representation of designated group	19%
Did not disclose*	16%

Indigenous peoples

Distributing corporations (389) that	Percentage of Indigenous peoples
Consider level of representation of designated group	58%
Do not consider level of representation of designated group	20%
Did not disclose*	22%

Venture issuers (138) that	Percentage of Indigenous peoples
Consider level of representation of designated group	61%
Do not consider level of representation of designated group	12%
Did not disclose*	27%

Non-venture issuers (251) that	Percentage of Indigenous peoples
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	24%
Did not disclose*	20%

Members of visible minorities

Distributing corporations (389) that	Percentage of members of visible minorities
Consider level of representation of designated group	58%
Do not consider level of representation of designated group	20%
Did not disclose*	22%

Venture issuers (138) that	Percentage of members of visible minorities
Consider level of representation of designated group	61%
Do not consider level of representation of designated group	12%
Did not disclose*	27%

Non-venture issuers (251) that	Percentage of members of visible minorities
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	24%
Did not disclose*	20%

Persons with disabilities

Distributing corporations (389) that	Percentage of persons with disabilities
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	20%
Did not disclose*	23%

Venture issuers (138) that	Percentage of persons with disabilities
Consider level of representation of designated group	58%
Do not consider level of representation of designated group	12%
Did not disclose*	30%

Non-venture issuers (251) that	Percentage of persons with disabilities
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	24%
Did not disclose*	20%

* "Did not disclose" includes corporations that did not disclose information on a requirement as well as those that included information not considered according to the methodology described earlier in this report.

Distributing corporations that consider the level of representation of women on their boards of directors increased by 21 percentage points in 2021 — from 44% in 2020 to 65% in 2021. 16% of distributing corporations said they do not consider it.

The average of distributing corporations that consider the level of representation of Indigenous peoples, members of visible minorities and persons with disabilities on their boards of directors increased by 24 percentage points, from an average of 34% in 2020 to an average of 58% in 2021.

The average percentage of venture issuers that consider representation on their boards of directors for any of the designated groups has more than doubled in 2021, reaching 61% in 2021 compared to 29% in 2020. The average of non-venture issuers that considered representation on their board of directors for any of the designated groups also increased this year, rising by 16 percentage points (from 42% in 2020 to 58% in 2021).

The main reasons for **not** considering the level of representation of designated groups on the board of directors are essentially the same for all distributing corporations (venture issuers and non-venture issuers):

- It prevents the selection of the most qualified candidates.
- There are informal procedures in place.
- The size of the corporation and/or its stage of development makes consideration difficult.

Senior management

Figure 4. Distributing corporations that consider the level of representation of designated groups in senior management positions when identifying candidates for appointment

Women

Distributing corporations (389) that	Percentage of women
Consider level of representation of designated group	61%
Do not consider level of representation of designated group	17%
Did not disclose*	22%

Venture issuers (138) that	Percentage of women
Consider level of representation of designated group	59%
Do not consider level of representation of designated group	12%
Did not disclose*	29%

Non-venture issuers (251) that	Percentage of women
Consider level of representation of designated group	61%
Do not consider level of representation of designated group	21%
Did not disclose*	18%

Indigenous peoples

Distributing corporations (389) that	Percentage of Indigenous peoples
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	19%
Did not disclose*	26%

Venture issuers (138) that	Percentage of Indigenous peoples
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	12%
Did not disclose*	32%

Non-venture issuers (251) that	Percentage of Indigenous peoples
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	23%
Did not disclose*	21%

Members of visible minorities

Distributing corporations (389) that	Percentage of members of visible minorities
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	19%
Did not disclose*	25%

Venture issuers (138) that	Percentage of members of visible minorities
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	12%
Did not disclose*	32%

Non-venture issuers (251) that	Percentage of members of visible minorities
Consider level of representation of designated group	56%
Do not consider level of representation of designated group	23%
Did not disclose*	21%

Persons with disabilities

Distributing corporations (389) that	Percentage of persons with disabilities
Consider level of representation of designated group	55%
Do not consider level of representation of designated group	19%
Did not disclose*	26%

Venture issuers (138) that	Percentage of persons with disabilities
Consider level of representation of designated group	54%
Do not consider level of representation of designated group	12%
Did not disclose*	34%

Non-venture issuers (251) that	Percentage of persons with disabilities
Consider level of representation of designated group	55%
Do not consider level of representation of designated group	23%
Did not disclose*	22%

* "Did not disclose" includes corporations that did not disclose information on a requirement as well as those that included information not considered according to the methodology described earlier in this report.

Distributing corporations that consider the level of representation of women on their senior management teams increased by 16 percentage points in 2021, up to 61% in 2021 from 45% in 2020. The average of distributing corporations that consider the level of representation on senior management teams for Indigenous peoples, members of visible minorities and persons with disabilities increased by 21 percentage points, from an average of 35% in 2020 to an average of 56% in 2021.

The average percentage of venture issuers that consider representation on senior management teams for all designated groups almost doubled in 2021, climbing from an average of 30% in 2020 to an average of 56% in 2021.

The main reasons for **not** considering the level of representation of designated groups for senior management teams are essentially the same for all distributing corporations (venture issuers and non-venture issuers):

- It prevents the selection of the most qualified candidates.
- There are informal procedures in place.
- It is not in the best interest of the corporation or its shareholders.

Targets for representation of designated groups

Board of directors

Figure 5. Distributing corporations with targets for representation of designated groups on boards of directors by a specific date

Women

Distributing corporations (389) that	Percentage of women
Have a set target	18%
Have not set a target	74%
Did not disclose*	8%

Venture issuers (138) that	Percentage of women
Have a set target	4%
Have not set a target	84%
Did not disclose*	12%

Non-venture issuers (251) that	Percentage of women
Have a set target	25%
Have not set a target	69%
Did not disclose*	6%

Indigenous peoples

Distributing corporations (389) that	Percentage of Indigenous peoples
Have a set target	2%
Have not set a target	85%
Did not disclose*	13%

Venture issuers (138) that	Percentage of Indigenous peoples
Have a set target	2%
Have not set a target	81%
Did not disclose*	17%

Non-venture issuers (251) that	Percentage of Indigenous peoples
Have a set target	2%
Have not set a target	87%
Did not disclose*	11%

Members of visible minorities

Distributing corporations (389) that	Percentage of members of visible minorities
Have a set target	4%
Have not set a target	84%
Did not disclose*	12%

Venture issuers (138) that	Percentage of members of visible minorities
Have a set target	2%
Have not set a target	82%
Did not disclose*	16%

Non-venture issuers (251) that	Percentage of members of visible minorities
Have a set target	4%
Have not set a target	85%
Did not disclose*	11%

Persons with disabilities

Distributing corporations (389) that	Percentage of persons with disabilities
Have a set target	2%
Have not set a target	85%
Did not disclose*	13%

Venture issuers (138) that	Percentage of persons with disabilities
Have a set target	2%
Have not set a target	82%
Did not disclose*	16%

Non-venture issuers (251) that	Percentage of persons with disabilities
Have a set target	2%
Have not set a target	87%
Did not disclose*	11%

* "Did not disclose" includes corporations that did not disclose information on a requirement as well as those that included information not considered according to the methodology described earlier in this report.

Distributing corporations that have set a target for women on their boards of directors increased by 4 percentage points in 2021, going from 14% in 2020 to 18% in 2021.

On average, 3% of non-venture issuers had set targets for any of the designated groups other than women on their boards of directors, a slight increase of 2 percentage points over 2020.

The main reasons for **not** adopting targets for their boards of directors are essentially the same for all distributing corporations (venture issuers and non-venture issuers):

- Targets prevent the selection of the most qualified candidates.
- There are informal procedures in place.
- The size of the corporation and/or its stage of development make it difficult to set targets at this time.

Senior management

Figure 6. Distributing corporations with targets for representation of designated groups in senior management by a specific date

Women

Distributing corporations (389) that	Percentage of women
Have a set target	7%
Have not set a target	84%
Did not disclose*	9%

Venture issuers (138) that	Percentage of women
Have a set target	4%
Have not set a target	86%
Did not disclose*	10%

Non-venture issuers (251) that	Percentage of women
Have a set target	9%
Have not set a target	84%
Did not disclose*	7%

Indigenous peoples

Distributing corporations (389) that	Percentage of Indigenous peoples
Have a set target	1%
Have not set a target	87%
Did not disclose*	12%

Venture issuers (138) that	Percentage of Indigenous peoples
Have a set target	1%
Have not set a target	83%
Did not disclose*	16%

Non-venture issuers (251) that	Percentage of Indigenous peoples
Have a set target	1%
Have not set a target	89%
Did not disclose*	10%

Members of visible minorities

Distributing corporations (389) that	Percentage of members of visible minorities
Have a set target	3%
Have not set a target	85%
Did not disclose*	12%

Venture issuers (138) that	Percentage of members of visible minorities
Have a set target	1%
Have not set a target	83%
Did not disclose*	16%

Non-venture issuers (251) that	Percentage of members of visible minorities
Have a set target	4%
Have not set a target	87%
Did not disclose*	9%

Persons with disabilities

Distributing corporations (389) that	Percentage of persons with disabilities
Have a set target	1%
Have not set a target	87%
Did not disclose*	12%

Venture issuers (138) that	Percentage of persons with disabilities
Have a set target	1%
Have not set a target	83%
Did not disclose*	16%

Non-venture issuers (251) that	Percentage of persons with disabilities
Have a set target	1%
Have not set a target	89%
Did not disclose*	10%

* "Did not disclose" includes corporations that did not disclose information on a requirement as well as those that included information not considered according to the methodology described earlier in this report.

Distributing corporations that set a target for women in senior management roles increased by 1.5 percentage point in 2021 (from 5.5% in 2020 to 7% in 2021).

Among non-venture issuers, 9% had set targets for the representation of women on their senior management teams. This finding is similar to the one observed in 2020.

In 2021, an average of 2% of non-venture issuers had set targets for any of the designated groups other than women on their senior management teams, while 1% of venture issuers did so. These findings represent a very small increase (1 percentage point) over those observed in 2020.

The main reasons for not adopting targets for their senior management teams are essentially the same for all distributing corporations (venture issuers or non-venture issuers):

- Targets prevent the selection of the most qualified candidates.
- There are informal procedures in place.
- The size of the corporation and/or its stage of development make it difficult to set targets at this time.

Representation of designated groups among boards of directors and senior management teams

Table 1. Level of representation of designated groups on boards of directors and senior management teams

Women on the board of directors

Distributing corporations (389) that	Percentage of corporations
Do have at least 1 woman on the board of directors	55%
Do not have at least 1 woman on the board of directors	27%
Did not disclose*	18%

Venture issuers (138) that	Percentage of corporations
Do have at least 1 woman on the board of directors	31%
Do not have at least 1 woman on the board of directors	43%
Did not disclose*	26%

Non-venture issuers (251) that	Percentage of corporations
Do have at least 1 woman on the board of directors	68%
Do not have at least 1 woman on the board of directors	19%
Did not disclose*	13%

Women in senior management

Distributing corporations (389) that	Percentage of corporations
Do have at least 1 woman in senior management	51%
Do not have at least 1 woman in senior management	31%
Did not disclose*	18%

Venture issuers (138) that	Percentage of corporations
Do have at least 1 woman in senior management	35%
Do not have at least 1 woman in senior management	20%
Did not disclose*	45%

Non-venture issuers (251) that	Percentage of corporations
Do have at least 1 woman in senior management	59%
Do not have at least 1 woman in senior management	27%
Did not disclose*	14%

Members of a visible minority on the board of directors

Distributing corporations (389) that	Percentage of corporations
Do have at least 1 member of a visible minority on the board of directors	23%
Do not have at least 1 member of a visible minority on the board of directors	51%
Did not disclose*	26%

Venture issuers (138) that	Percentage of corporations
Do have at least 1 member of a visible minority on the board of directors	14%
Do not have at least 1 member of a visible minority on the board of directors	53%
Did not disclose*	23%

Non-venture issuers (251) that	Percentage of corporations
Do have at least 1 member of a visible minority on the board of directors	28%
Do not have at least 1 member of a visible minority on the board of directors	49%
Did not disclose*	23%

Members of a visible minority in senior management

Distributing corporations (389) that	Percentage of corporations
Do have at least 1 member of a visible minority in senior management	28%
Do not have at least 1 member of a visible minority in senior management	46%
Did not disclose*	26%

Venture issuers (138) that	Percentage of corporations
Do have at least 1 member of a visible minority in senior management	17%
Do not have at least 1 member of a visible minority in senior management	51%
Did not disclose*	32%

Non-venture issuers (251) that	Percentage of corporations
Do have at least 1 member of a visible minority in senior management	35%
Do not have at least 1 member of a visible minority in senior management	42%
Did not disclose*	23%

Indigenous persons on the board of directors

Distributing corporations (389) that	Percentage of corporations
Do have at least 1 Indigenous person on the board of directors	2%
Do not have at least 1 Indigenous person on the board of directors	72%
Did not disclose*	26%

Venture issuers (138) that	Percentage of corporations
Do have at least 1 Indigenous person on the board of directors	14%
Do not have at least 1 Indigenous person on the board of directors	53%
Did not disclose*	33%

Non-venture issuers (251) that	Percentage of corporations
Do have at least 1 Indigenous person on the board of directors	2%
Do not have at least 1 Indigenous person on the board of directors	76%
Did not disclose*	22%

Indigenous persons in senior management

Distributing corporations (389) that	Percentage of corporations
Do have at least 1 Indigenous person in senior management	2%
Do not have at least 1 Indigenous person in senior management	71%
Did not disclose*	27%

Venture issuers (138) that	Percentage of corporations
Do have at least 1 Indigenous person in senior management	0%
Do not have at least 1 Indigenous person in senior management	64%
Did not disclose*	36%

Non-venture issuers (251) that	Percentage of corporations
Do have at least 1 Indigenous person in senior management	3%
Do not have at least 1 Indigenous person in senior management	75%
Did not disclose*	22%

Persons with disabilities on the board of directors

Distributing corporations (389) that	Percentage of corporations
Do have at least 1 person with disabilities on the board of directors	2%
Do not have at least 1 person with disabilities on the board of directors	72%
Did not disclose*	26%

Venture issuers (138) that	Percentage of corporations
Do have at least 1 person with disabilities on the board of directors	1%
Do not have at least 1 person with disabilities on the board of directors	65%
Did not disclose*	34%

Non-venture issuers (251) that	Percentage of corporations
Do have at least 1 person with disabilities on the board of directors	2%
Do not have at least 1 person with disabilities on the board of directors	76%
Did not disclose*	22%

Persons with disabilities in senior management

Distributing corporations (389) that	Percentage of corporations
Do have at least 1 person with disabilities in senior management	3%
Do not have at least 1 person with disabilities in senior management	70%
Did not disclose*	27%

Venture issuers (138) that	Percentage of corporations
Do have at least 1 person with disabilities in senior management	1%
Do not have at least 1 person with disabilities in senior management	63%
Did not disclose*	36%

Non-venture issuers (251) that	Percentage of corporations
Do have at least 1 person with disabilities in senior management	4%
Do not have at least 1 person with disabilities in senior management	73%
Did not disclose*	23%

* "Did not disclose" includes corporations that did not disclose information on a requirement as well as those that included information not considered according to the methodology described earlier in this report.

Overall, the representation of designated groups among distributing corporations’ boards of directors and senior management teams increased slightly over 2020 findings.

In 2021, 55% of distributing corporations reported having at least 1 woman on their board of directors, an increase of 5 percentage points over 2020.

23% of distributing corporations have at least 1 member of a visible minority, 2% have at least 1 Indigenous person and 2% have at least 1 person with disability on their boards of directors. These findings represent increases of 7, 0.3 and 0.3 percentage points, respectively, over the findings from 2020.

Just over half (51%) of distributing corporations have at least 1 woman on their senior management teams, representing a 4-percentage point increase over 2020. 28% of distributing corporations have at least 1 member of a visible minority, 2% have at least 1 Indigenous person and 3% have at least 1 person with disability on their senior management teams. These findings represent increases of 5.2, 0.8 and 0.8 percentage points, respectively, over the findings from 2020.

Composition of distributing corporations’ boards of directors and senior management teams

In addition to looking at the broad level of representation among distributing corporations, we also reviewed the composition of their boards and senior management teams to see the proportion of leadership positions held by members of the 4 designated groups.

The following percentages are based on a total of 2,603 directors for distributing corporations (719 for venture issuers and 1,884 for non-venture issuers) in 2021. The totals for 2020 were 2,411, 627 and 1,784, respectively.

For the senior management positions, the total number of individuals is 2,420 for distributing corporations (230 for venture issuers and 2,130 for non-venture issuers) in 2021. The totals for 2020 were 2,158, 320 and 1,838, respectively.

Board of directors

Table 2. Percentage of seats held by designated groups on boards of directors

Women – All distributing corporations

Year	Percentage of corporations
2021	20%
2020	17%

Women – Venture issuers

Year	Percentage of corporations
2021	10%
2020	6%

Women – Non-venture issuers

Year	Percentage of corporations
2021	23%
2020	21%

Visible minorities – All distributing corporations

Year	Percentage of corporations
2021	7%
2020	4%

Visible minorities – Venture issuers

Year	Percentage of corporations
2021	6%
2020	4%

Visible minorities – Non-venture issuers

Year	Percentage of corporations
2021	7%
2020	4%

Indigenous peoples – All distributing corporations

Year	Percentage of corporations
2021	0.4%
2020	0.3%

Indigenous peoples – Venture issuers

Year	Percentage of corporations
2021	0.4%
2020	0.3%

Indigenous peoples – Non-venture issuers

Year	Percentage of corporations
2021	0.4%
2020	0.3%

Persons with disabilities – All distributing corporations

Year	Percentage of corporations
2021	0.4%
2020	0.3%

Persons with disabilities – Venture issuers

Year	Percentage of corporations
2021	0.4%
2020	0.3%

Persons with disabilities – Non-venture issuers

Year	Percentage of corporations
2021	0.4%
2020	0.3%

Senior management teams

Table 3. Percentage of positions held by designated groups on senior management teams

Women – All distributing corporations

Year	Percentage of corporations
2021	25%
2020	25%

Women – Venture issuers

Year	Percentage of corporations
2021	20%
2020	18%

Women – Non-venture issuers

Year	Percentage of corporations
2021	26%
2020	26%

Visible minorities – All distributing corporations

Year	Percentage of corporations
2021	9%
2020	9%

Visible minorities – Venture issuers

Year	Percentage of corporations
2021	11%
2020	11%

Visible minorities – Non-venture issuers

Year	Percentage of corporations
2021	8%
2020	9%

Indigenous peoples – All distributing corporations

Year	Percentage of corporations
2021	0.4%
2020	0.2%

Indigenous peoples – Venture issuers

Year	Percentage of corporations
2021	0%
2020	0%

Indigenous peoples – Non-venture issuers

Year	Percentage of corporations
2021	0.4%
2020	0.3%

Persons with disabilities – All distributing corporations

Year	Percentage of corporations
2021	0.7%
2020	0.6%

Persons with disabilities – Venture issuers

Year	Percentage of corporations
2021	0%
2020	0.3%

Persons with disabilities – Non-venture issuers

Year	Percentage of corporations
2021	0.7%
2020	0.6%

Conclusion

2021 was the second year that distributing corporations, including venture issuers, were required to disclose to shareholders and Corporations Canada information about the representation of the 4 designated groups (women, members of visible minorities, Indigenous peoples and persons with disabilities) on their boards of directors and senior management teams.

The diversity information we received and compiled in 2021 was measured against the baseline established in 2020.

The second-year findings show slight progress in the representation of designated groups on boards of directors and among senior management. This reveals that the disclosure of diversity information stimulates conversations between corporate management and shareholders of distributing corporations on the important benefits to foster steady progress toward a more diverse corporate

leadership. Findings still show a disparity in the representation of designated groups and the population available to work.

The [*Employment Equity in the Public Service of Canada for Fiscal Year 2019 to 2020*](#) report indicates that 52.7% of the Canadian population available to work in 2019–2020 were women, 15.3% were members of visible minorities, 9% were persons with disabilities and 4% were Indigenous⁴. However, these numbers are not reflected in boards of directors or senior management of distributing corporations. In 2021, 20% of all board seats and 25% of senior management positions are held by women. 7% of board seats are held by members of visible minorities, 0.4% by persons with disabilities and 0.4% by Indigenous peoples. Members of visible minorities hold 9% of senior management positions, while persons with disabilities hold just 0.7% and Indigenous peoples hold 0.4%.

For 2022, we will encourage further progress on corporate diversity by undertaking the following activities:

- We will continue to review and compile diversity information disclosed by federal distributing corporations. This will allow us to identify trends and monitor progress on the representation of women, Indigenous peoples, persons with disabilities and members of visible minorities on boards of directors and senior management teams.
- We will continue to raise awareness of filing requirements and make it easier for federal distributing companies to disclose their information clearly and consistently. Over the next years, our efforts will include enhancing our disclosure guidelines to improve the consistency of information filed.

⁴ The reference for these numbers is the workforce availability (WFA) estimate: [*Employment Equity in the Public Service of Canada 2019–2020*](#)



INCORPORATE
SUCCESS into your BUSINESS



Innovation, Science and
Economic Development Canada
Corporations Canada

Innovation, Sciences et
Développement économique Canada
Corporations Canada

Canada