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**WOMEN GAIN MORE SPOTS AT THE BOARDROOM TABLE WHILE REPRESENTATION
SLIPS FOR VISIBLE MINORITIES AND PERSONS WITH DISABILITIES**

***The Canadian Board Diversity Council challenges Corporate Canada to boost board-level
diversity for improved performance and shareholder value***

Toronto, ON, November 8, 2012 – Canadian women are gaining greater representation at the boardroom table of Canada's largest companies, but the modest increase is occurring at a glacial pace, according to a new survey released today by the Canadian Board Diversity Council in association with The Conference Board of Canada and KPMG LLP.

The Council's Third Annual Report Card finds women now hold 14.4 per cent of all board seats at Canada's FP500 organizations. The number of seats held by Aboriginal Peoples is also up to 1.1 per cent since the Council initiated its first study of board-level diversity in 2010. Discouragingly, the number of seats held by visible minorities and persons with disabilities has slipped to 4.6 per cent and 2.7 per cent, underscoring the need for enlightened leadership to support board-level diversity.

"You have to believe that diversity is better than group think to drive the financial performance of your company," says Pamela Jeffery, Founder of the Canadian Board Diversity Council. "Our multicultural population provides a wealth of talent, connections and perspectives. This means better discussion, greater diligence in decision-making and ultimately, improved financial performance and shareholder value."

The Council's Third Annual Report Card examines the representation of women, visible minorities, Aboriginal Peoples and persons with disabilities at Canada's 500 largest companies in five sectors: Finance and Insurance; Utilities; Retail/Trade; Manufacturing; and Mining/Oil/Gas. Gender diversity is most apparent in the Finance and Insurance sector, now the top in Canada for female representation, where women hold just under a quarter (23 per cent) of all board seats in that industry, an increase of more than 15 per cent from 2011.

"Embracing diversity increases creativity, innovation and success," said Bill Thomas, CEO and Senior Partner at KPMG LLP, a co-sponsor of the Third Annual Report Card. "As we get down to work improving and growing the economy, it is critical that our boardrooms reflect the full breadth of Canadian identity."

Based on the results, the Council issued a call to action for boards to replace at least one of every three retiring directors with a director of a diverse background, and Nominating/Governance Committees to consider three board-ready diverse candidates for each open seat.

"Boards can benefit from the well-credentialed individuals who bring a wider range of skills, experiences and perspectives to corporate governance," says Jeffery. "If boards heed our call to action, more boards will be comprised of directors who are the most qualified in a greatly-expanded talent pool."

Key findings of the survey include:

- Women now hold 13 per cent of board seats in Canada's Manufacturing industry, a 36 per cent increase since 2011.
- Gender diversity is scarce in the Mining, Oil and Gas industries, which have the highest number of board seats of any sector in Canada. In these industries, fewer than 1 in 10 women have a place at the boardroom table.
- An 11-year comparative analysis of gender diversity on FP500 boards finds those in the Utilities sector have one of the highest levels of representation by women (20 per cent). However, the sector saw a one per cent decline in female directors from last year.
- Nearly all corporate board respondents (91 per cent) said that board diversity is either very important (48 per cent) or somewhat important (43 per cent). In fact, 80 per cent report that diversity in terms of gender, ethnicity, and/or Aboriginal background is a prime consideration when recruiting new directors.
- Diversity policies are very infrequently used in FP500 boards. Only 18 per cent of board members said their board has a written diversity policy, a decline of 4 per cent from last year.
- Boards in the Finance and Insurance sector are more than three times more likely to have a written diversity policy than their counterparts in the Mining, Oil and Gas sector, where only 6 per cent of directors see the need to develop and adopt a formal policy at all.
- Nearly one third (32 per cent) of board members in the Retail/Trade, Manufacturing and Mining/Oil/Gas industries feel their boards lack diversity. Regrettably, most board members in these industries (Retail/Trade: 75 per cent; Manufacturing: 73 per cent; Mining/Oil/Gas: 87 per cent) do not believe their board should even develop or adopt a formal diversity policy.

The Third Annual Report Card presents the findings of a survey of nearly 300 board members serving at Canada's 500 largest organizations as measured by revenue, as well as independent research to quantify and verify the representation of women on the boards of the FP500. The survey was conducted in partnership with KPMG LLP and The Conference Board of Canada, as well as with support from the Council's Founding and Corporate Members, 48 leading Canadian organizations who have joined the call for corporate directors to tap Canada's rich resource of skilled multicultural talent for board member appointments.

"Today's global marketplace rewards diversity for its capacity to understand markets," explains Dr. Michael Bloom, Vice President, Organizational Effectiveness and Learning at The Conference Board of Canada, which undertook the survey on behalf of the Council. "The challenge facing Canadian boards is to diversify faster so that they can gain the value that comes from increased representation of women, Aboriginal peoples, visible minorities and individuals with disabilities."

In the coming weeks, the Council will unveil its premier *Diversity 50* list, Canada's first-ever database of diverse, board-ready candidates. The database serves as a valuable resource for directors and search firms looking to identify well-credentialed, highly-skilled individuals who reflect the diversity of Canada's broader population.

The 2012 Annual Report Card is available at: www.boarddiversity.ca.

Survey Methodology

The Conference Board of Canada distributed the survey on behalf of the Canadian Board Diversity Council in July 2012 to 3,992 Corporate Board Chairs and Directors at Canada's 500 largest organizations. The organizations include publicly-listed corporations, public sector corporations, privately held corporations, co-operatives and Canadian subsidiaries of foreign-owned corporations. An individual serving as a director of two boards received two surveys. The survey was completed by 267 FP500 board members in July/August 2012. Results are accurate within +/- 5.79% at a 95 per cent confidence level. The FP500 Industry Codes were used to match companies against the North American Industrial Classification System (NAICS).

In addition to the survey, independent research was conducted to quantify the representation of women on the FP500 boards. This research incorporated publicly available information to verify the identification of board members, as well legal documents posted on the System for Electronic Document Analysis and Retrieval (SEDAR).

About the Canadian Board Diversity Council

The Council is the leading Canadian organization advancing diversity on Canada's boards. Founded in 2009, the Council has since grown to 48 Founding and Corporate Member organizations that are committed to greater diversity in the Canadian workplace. The Council's 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.

For more information, visit www.boarddiversity.ca.

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