

## Disclosure Requirements for Non-Venture Issuers Regarding Women in Board and Executive Officer Positions - A Review

June 8, 2017

On June 7, 2017, the Canadian news cycle addressed cannabis industry insider criticism at the dearth of women on boards and in senior management positions at Canadian cannabis companies, with [reports](#) suggesting that 5% of board seats at publicly traded marijuana producers are occupied by women.

As Canada's medical marijuana industry continues to develop, and its companies mature and graduate from private to publicly listed companies, it helps to revisit Ontario's regulatory rules regarding representation of women on boards.

Ontario does not require companies to adopt a specified quota of women on boards or in senior management. However, Ontario has adopted a "comply or explain" model that requires non-venture issuers to make annual disclosures describing their company's policies and processes with respect to representation of women on their board and in senior management positions. Specifically, under Form 58-101F1 *Corporate Governance Disclosure* of National Instrument 58-101 *Disclosure of Corporate Governance Practices*, non-venture issuers are required to make the following disclosures:

**(1) Item 11 Policies Regarding the Representation of Women on the Board** – An issuer is required to disclose whether it has adopted a written policy relating to the identification and nomination of women directors with details on, among other things, the objectives of the policy and the measures taken to ensure that the policy is being effectively implemented. If a policy has not been adopted, the issuer must disclose why it has not done so.

**(2) Item 12 Consideration of the Representation of Women in the Director Identification and Selection Process** – An issuer is required to disclose whether and how its board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If such consideration is not given, the issuer must explain its reasons why.

**(3) Item 13 Consideration Given to the Representation of Women in Executive Officer Appointments** – An issuer must disclose whether and how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If such consideration is not given, the issuer must explain its reasons why.

**(4) Item 14 Issuer's Targets Regarding the Representation of Women on the Board and in Executive**

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**Officer Positions** – An issuer must disclose whether it has adopted a target (either a number, percentage or range of numbers or percentages) for women on the issuer's board or in executive officer positions, and if so, what that target is and its process towards achieving the target. If such a target has not been adopted, the issuer must explain its reasons why.

**(5) Item 15 Number of Women on the Board and in Executive Officer Positions** – An issuer must disclose the number and proportion of directors and executive officers (including for all major subsidiaries) who are women.

For further information on corporate governance and securities law compliance, please contact a member of the firm's Cannabis Group or Securities Group.

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