

Blakes

Board Report
Opportunities for Women
General Counsel

About Blakes

Blakes is a leading business law firm in Canada because of our people. The plurality of voices that inform our policies and actions reflect the diversity of our clients and communities, and ultimately allow us to effectively and creatively meet the needs of our clients in an evolving global marketplace. Our women's programming exemplifies our commitment to equity and inclusion within both Blakes and the business community. Women@Blakes provides mentorship, work/life resources, client development and networking opportunities to our women legal professionals, while programs such as Stepping Up: Preparing to be a GC, Stepping Beyond: Future Opportunities, Women GCs on Boards and Women in Leadership focus on professional development opportunities that champion the role of women in law and in business across Canada.



Women@Blakes

Women GCs on Boards

A Message from Women General Counsel Canada

When it was first published five years ago, the *Blakes Board Report: Opportunities for Women General Counsel* offered a unique perspective on corporate boards in Canada and ignited an important conversation. We've seen real progress since the launch of that first benchmarking study: there's been a 66 per cent increase in the number of GCs on boards, and 75 per cent of that growth is the result of women GCs joining boards.

By collecting data, analyzing metrics and measuring progress over time, the Report allows us to measure the pace of change and helps us identify areas where we need to focus going forward.

I recommend this Report to all women GCs who are thinking about their next step, whether it's for next year or a decade from now. This study asks us to consider finding a place in the business world where many of us haven't historically seen ourselves. It contains useful data and invaluable advice from incredible GCs on boards about actions we can take to become the board members we want to be.

While the number of GCs – including women – on boards has grown, progress has not touched every sector. There is an absolute need to continue to bring about change. Social movements have made diversity a top priority for more organizations, and that evolution needs to happen at the board level, too. The partnership between WGCC and Blakes, board workshops and this Report are all key to bringing about that change.

It's not easy. It takes deliberate work. But we are doing it. At Canadian Western Bank, we're looking to champion and amplify the voices of women and members of our LGBTQ+, Black, Indigenous and racialized communities. To achieve that goal, we've increased our targets and I'm thrilled that we've already nominated incredibly qualified directors who if elected, would comprise 46 per cent women and 15 per cent Black, Indigenous and racialized leaders.

It's encouraging to see the progress we've made so far and I am excited to see how WGCC can continue to work with Blakes and others to bring about change.



Bindu Cudjoe

Director of Women General Counsel Canada and Senior Vice President, General Counsel and Corporate Secretary for CWB Financial Group

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01

BOARD REPORT

Introduction

Five years ago, Blakes took the ambitious and unprecedented step of benchmarking the Canadian public company landscape for women General Counsel (GCs). We were inspired by our conviction that women GCs bring key operational and strategic experience to boards that translates into a persuasive value proposition, and that diversity enriches the conversation and the decision-making at the board table. Year over year, the study has revealed an evolving good news story with respect to women GCs on boards. At the five-year mark, the positive story continues with our 2020 *Blakes Board Report*.

Introduction

The *Blakes Board Report: Opportunities for Women General Counsel* (Board Report) documents our leading-edge research into the progress and prospects for women GCs on Canadian public company boards.

2020 was particularly significant, as the Canada Business Corporations Act (“CBCA”) was amended in 2019 to require public issuers governed by the CBCA to make public disclosures regarding diversity not just by the board of directors, but also the executive pipeline in senior management. The CBCA concept of diversity is broad, and includes women, Indigenous Peoples, visible minorities and people with disabilities.

Blakes has long been committed to championing and promoting women leaders — within the Firm, in business and in the legal profession. We founded Women@Blakes in 2007 to focus on the recruitment, professional development and retention of women, and to create business development and leadership opportunities for women lawyers and clients. Since then, our women’s programming has grown exponentially, reaching more professionals than ever before, building invested communities and making an impact across the country.

To demonstrate its commitment to supporting board success for women lawyers, Blakes selected the topic “Optimizing Your Board Performance” as this year’s theme for the Board Report.

Sensing that the community craves the personal interaction that is so challenging to achieve during this time of COVID disruption, we hosted two virtual roundtables of general counsel, both current and former, who are on public company boards across the country. Moderated by Blakes Partners Stacy McLean and Kathleen Keilty, the roundtables permitted rich discussion and interaction on key themes to help GCs enhance their personal performance in the boardroom.

Listening to these remarkable women interact and share their experiences and insights on board excellence with knowledge and warmth, it quickly became clear that several skillsets consistently resonated across all topics. These include putting the time and effort into building genuine relationships; having open and trust-based communications; and taking your blinkers off to embrace the world beyond law. This last point may be the most difficult for us as lawyers. Our entire professional career is devoted to the relentless pursuit of legal excellence. General counsel are well advised to keep in mind that at the boardroom table, skillsets such as business leadership, active listening, and above all, relationship-building, are of paramount value.

Blakes is proud to support the advancement of women in business and law by helping build the supportive community of like-minded women leaders in law and governance who will take us into the future. Blakes will be there to support you every step of the way.



02

BOARD REPORT

Director Insights

In our 2020 Blakes Board Report, we explore the theme of “Optimizing Your Board Performance” with six corporate directors, both current and former general counsel, who share their wisdom and practical insights on ways to enhance personal performance in the boardroom. The insights gained from our study, together with our partnership with Women General Counsel Canada and Women Get On Board, have been instrumental in helping us leverage the best practices of these women who are established boardroom leaders, enabling us to open up a broader community of corporate directors for women GCs.

Roundtable Participants

We are grateful to our panelists, each of whom has held a GC role and currently serves on a public company board, for their time and their insight. We hope and anticipate that the public company board landscape will continue to evolve, as business leaders across Canada recognize the value of diverse perspectives and the insights that women, BIPOC, LGBTQ2S+ and other under-represented leaders bring to the board table.



Trudy Curran

Former Senior Vice President, General Counsel & Corporate Secretary, Canadian Oil Sands; Director, Baytex Energy (Chair, Nominating and Governance Committee; Member HR and Compensation Committees); Member, Board of Commissioners, Alberta Securities Commission.



Karin McCaskill

Former Senior Vice President, General Counsel and Corporate Secretary, Empire Company Limited and Sobeys Inc.; Director, The Valens Company (Chair, Nominating and Governance Committee).



Barbara Munroe

Former Executive Vice President, Corporate Services & General Counsel & Corporate Secretary, WestJet; Board Chair, Crescent Point Energy.



Sheila Murray

Former President and Executive Vice-President, General Counsel & Corporate Secretary, CI Financial Corp.; Board Chair, Teck Resources Limited; Director, BCE; Trustee, Granite REIT.



Leslie O'Donoghue

Former Executive Vice President, Chief Strategy and Business Development Officer, Nutrien; Former Executive Vice President, Corporate Development & Strategy and Chief Risk Officer, Agrium; Director, Pembina Pipelines, Methanex and Richardson International.



Charlene Ripley

Executive Vice President & General Counsel, SNC-Lavalin Group Inc.; Director, Keyera Corp. (Compensation and Governance Committee).



Kathleen Keilty | **MODERATOR**

Partner at Blakes; practice focuses on mergers and acquisitions and corporate finance with extensive experience acting for public and private issuers, private equity funds and investment dealers in a broad range of industries.



Stacy McLean | **MODERATOR**

Partner at Blakes; practice focuses on investment funds, corporate finance, securities regulatory matters and public company transactions.

Key Takeaways

01 | Leverage the general counsel role to build your boardroom skillset

- Watch, listen and learn: Use your time as GC to closely observe the most successful members of your board to serve as models.
- Work with the executive, not against them: Once you have crossed from the executive to the boardroom, be mindful of management's challenges in preparing for board meetings.
- Set the context: Give advance notice of questions and concerns so your board and executive colleagues understand the context and are prepared to engage.

03 | Consider formal governance training options that suit your needs

- Build your governance network: Governance expertise may be table stakes for many GCs, but governance training can also help you build a valuable network outside your verticals.
- Tailor training to your needs: Take time from your busy career to identify the skill upgrades that best suit your personal goals.

05 | Go the extra mile to overcome the challenges of COVID-19

- Create time and space to build real relationships: Purposefully reach out to other board members to build relationships with them.
- Use technology to your advantage: Seek out best practices in techniques for online meetings to better engage with the board.

02 | Demonstrate broad strategic leadership skills

- Be the executive in the room: Ensure your value proposition reflects your leadership skills and not just your legal expertise.
- Expand your field of vision: Use your tenure as GCs to learn as much as you can about the core business from the experts at your company.
- Broaden your portfolio: Actively seek out any opportunity to demonstrate your leadership skills with issues, committees and departments beyond Legal.

04 | Develop your voice

- Active listening: Listen carefully and speak when it is impactful.
- Learn the board's culture and dynamics: Observe how people deal with conflict and raise challenging issues.
- Understand the expectations: Understand where the board will look to you for the particular value you bring to the board table.
- Your value proposition is dynamic: Evolve your value proposition with the developing maturity of your company and its board.

06 | Learn the business by touring facilities and meeting people

- Seek multiple perspectives: Take opportunities to visit sites, and meet staff, customers, and key stakeholders.
- Build strategic relationships: Leverage these relationships to help you learn the business.

07 Structure contact with senior management to elevate performance

- Boards govern, managers manage: Relationships with key executive are important, but don't overstep the boundaries of governance.
- Open, trust-based communication: Make sure the Chair and the CEO are onside with any communication with staff.
- Be aware of tone and corporate culture: Be sensitive to the CEO's perspective on board/staff contact.

08 Fine-tune your emotional intelligence to develop a boardroom presence

- Embrace your core values in a new context: Hold tight to your values such as integrity and ethics, but interpret them in light of your new role at the board table.
- Crisis management: Crisis response is the ultimate test of emotional intelligence. As a board member, your words and actions are highly visible.
- Read the room: Awareness of body language is a boardroom superpower.



INSIGHT ONE

Leverage the general counsel role to build your boardroom skillset

The skills and experiences that made you a great general counsel will also serve you well at the boardroom table.

“First and foremost, it’s strategic thinking. In my opinion, one of the best attributes of a good director is being a good decision-maker. Being a good decision-maker means making good strategic decisions,” said Charlene Ripley, to start the discussion. “As general counsel, you’re managing risks and crises. You’re dealing with senior executives with respect to succession planning. All of those skills help as a board member.”

Watch, listen and learn

While all participants agreed that GCs typically develop core governance expertise as part of their job, those skills are not necessarily valued equally by other board members. General counsel work more closely with the board than virtually any other executive beyond the CEO and CFO. Savvy GCs can leverage their board access to gain perspective on optimal boardroom skills while on the management side of the table. Use the opportunity to observe and reflect on the value that directors bring to your workplace board.

“Think about where the value comes from. Who is a good board member? How do they behave? How do they ask questions? How do they interact offline, in the boardroom? What’s the relationship like with the CEO? Take your queues from there,” advised Leslie O’Donoghue. “When you’re sitting on a board, go back to what was productive and helpful when you were general counsel. What really turned the needle?”

“You spend all those years as GC and Corporate Secretary watching the board operate and talking with your colleagues about it,” added Karin McCaskill. “I developed a mental inventory of things to do and things to avoid doing to be a better director. The other intangible that I’ve observed over the years that I’m trying to bring to my board role, is the importance of the board dynamic and functioning as a group – how the directors relate to each other and work with management.”

Work with executives, not against them

The weeks leading up to the quarterly board meeting are full of anxiety for the general counsel and corporate secretary and other management who are under pressure to produce enormous amounts of material for board review. They are never sure if they have provided exactly what the board wants or what is going to trigger an unexpected reaction from a director. General counsel should be guided by those experiences after transitioning to a board role.

“I learned a lot from that experience to help me be a better board member,” reflected Sheila Murray. “As board members, we forget how much stress we put the executive under for these meetings. I’ve learned healthy respect for management. They’ve gone to a lot of trouble to set an agenda with the Chair. If something is coming to you from the materials, bring it up with them ahead of time. Give them a heads-up.”

Set the context

“I usually explain why I’m asking a question. That seems to put management more at ease,” elaborated Barb Munroe. “You don’t want to instill an environment of “gotcha” through your questions. It’s that openness and transparency in the boardroom, that feeling of trust.”

Independent board members need to maintain a position of informed skepticism. At the same time, board dynamics are key to optimal functioning in the boardroom. Maintaining that balance is important.

“One thing I’ve learned from the general counsel role that really makes a board successful, occurs when you actually form that honest working relationship with the other board members and the management team,” noted Trudy Curran. “If you show interest in the business but also in them personally and have touch points – not all the time, but at the correct time – it helps you understand matters at the board level.”

An aerial photograph of two rowers in a scull on a body of water during sunset. The sun is low on the horizon, creating a warm, golden glow over the water. The rowers are wearing white tank tops and blue shorts, and their oars are visible in the water. The water is a deep blue-green color, and the sky is a mix of orange and yellow. The rowers are positioned in the lower right quadrant of the frame, moving towards the upper left.

“ Think about where the value comes from. Who is a good board member? How do they behave? How do they ask questions? How do they interact offline, in the boardroom? What’s the relationship like with the CEO? Take your queues from there. ”

— Leslie O’Donoghue

INSIGHT TWO

Demonstrate broad strategic leadership skills

General counsel need to come to the table with a solid background of broad business and leadership skills in addition to legal expertise.

General counsel have the experience and know-how to be terrific board members, but there are some stereotypes that lawyers may have to overcome to succeed in the boardroom. GCs need to come to the table with a solid background of broad business and leadership skills in addition to legal expertise.

Be the executive in the room

"Just being a general counsel is not going to get you a board appointment," observed Karin McCaskill. "What more broadly do you bring to the table? Running a line of business is top of the list."

"You don't want to be the lawyer in the boardroom. You're the executive in the room," added Charlene Ripley.

Participants focused on acquisitions, HR/compensation, pensions, sustainability and cybersecurity as key governance topics where general counsel could typically have an opportunity to build significant on-the-job leadership experience. While nobody can be an expert in all subjects, getting a broader business grounding outside the legal department is critical for developing optimal boardroom skills.

Expand your field of vision

"When you're general counsel, the best thing is to learn the different parts of the business," noted Trudy Curran. "Get the experts in the area to help you get up to speed. You're not going to be master of everything, but you do need to understand with a certain degree of experience."

"You don't have to be an expert but understand things like what countries your company does business in and how you are manufacturing in those countries," said Karin McCaskill. "You'll get briefed by your company, but it's incumbent upon directors to also have some independent sources of knowledge. As a GC trying to build your board portfolio, don't just rely on what you are learning at your own company. Go outside that to really try and gain a good grounding."

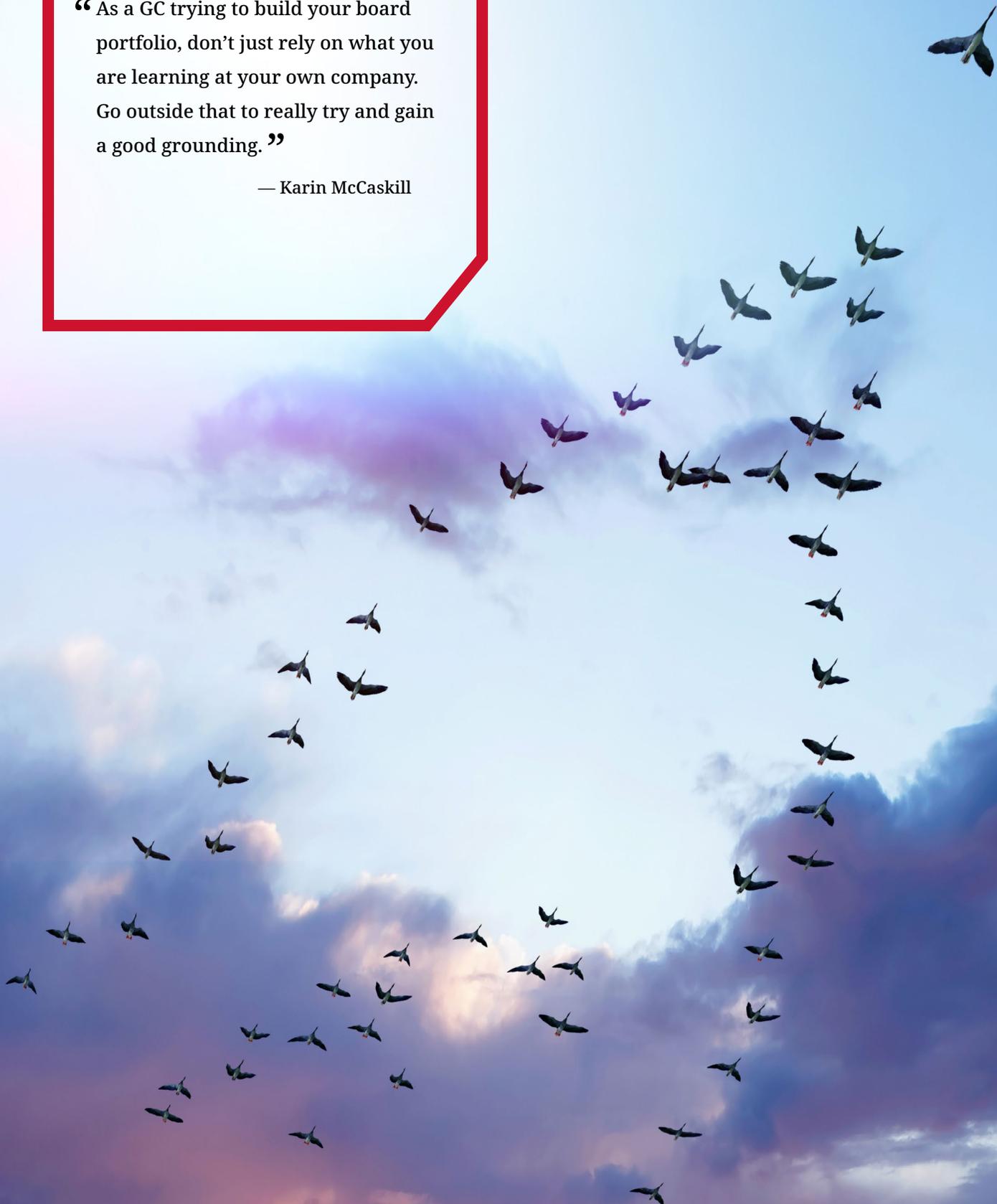
Broaden your portfolio

GCs who are considering their path to the boardroom several years in the future, should seek opportunities to broaden their portfolio. Consider speaking to the CEO to create a plan to develop a solid background in business leadership to enhance your future board skills.

"Take on sustainability. Take on internal audit, government relations or better yet take on a role within the business to expand your business and leadership experience," suggested Leslie O'Donoghue.

“As a GC trying to build your board portfolio, don't just rely on what you are learning at your own company. Go outside that to really try and gain a good grounding.”

— Karin McCaskill



INSIGHT THREE

Consider formal governance training options that suit your needs

Roughly half the roundtable participants had taken the Institute of Corporate Directors (ICD) course to achieve the accredited ICD.D designation. For those who had taken the course, the value was clear.

Build your governance network

"I see huge value. For those of us who practise securities or M&A all of our career, it wasn't so much the course content," said Trudy Curran, who is also the Co-Chair of ICD's Calgary chapter. "To me it was the relationships; the thinking and interaction you get. I am based in Calgary and took it in Toronto. That was the best move ever. There was a very good mix of people from different sectors, and it really helped prepare that thought process you need for the boardroom."

Due to her significant governance experience as General Counsel, Barb Munroe approached the ICD program with some skepticism but was rapidly convinced of its merits. She particularly enjoyed the daily breakout groups that required consideration of a director dilemma. This exercise required the participants to put into action all of the skills that they are going to require around the boardroom table.

Tailor training to your needs

Those who had not done the ICD program cited lack of time and questioned whether the governance focus was best aligned with their individual learning needs, feeling that an MBA or finance education might be more purposeful. ICD membership and taking specific short courses are options for people who lack the interest, time or financial resources to take the full ICD program.

"The ICD program is expensive. If you've never had anything to do with boards, it might be useful, but being a General Counsel for a publicly traded company, I think you have the skills," noted Charlene Ripley.

"The search firms will tell you that, for the most part, companies looking for directors are not asking for the ICD. I think finance and other hardcore business skills would be much more useful," suggested Karin McCaskill. "The Association of Corporate Counsel has a mini-MBA program for in-house counsel that might be a better use of time and money."

“I see huge value. To me it was the relationships, the thinking and interaction you get. I am based in Calgary and took [the “ICD”] in Toronto. There was a very good mix of people from different sectors, and it really helped prepare that thought process you need for the boardroom.”

— Trudy Curran



INSIGHT FOUR

Develop your voice

General counsel need to come to the table with a solid background of broad business and leadership skills in addition to legal expertise.

Active listening

“Learn when to speak up,” said Trudy Curran. “The one thing we’ve all heard so many times is that you don’t have to talk on every matter. Figure out what is important. If somebody else has said it, you don’t need to repeat what they’ve said.”

“Listen first,” Barb Munroe concurred. “It goes back to what Trudy said. Can I add value to this conversation? Active listening is so important. Be self-aware with your spoken contributions. Repeating what others have already said, or feeling that you need to speak for speaking sake, are not value-adds in the boardroom.”

“Watch for body language and don’t make snap judgments,” Sheila Murray advised additionally. “When you read the board materials, you’ll make a list of questions about things you want to probe more deeply. I tend to wait and listen to the conversation, and see where things are developing before I wade in with my questions. Very often things will be answered for me, or I’ll find that some other directors have changed my view on something by their approach.”

Learn the board’s culture and dynamics

As a new board member, it takes a while to understand the culture of the board and identify the power centres in the room. Observing how people deal with conflict and raise difficult issues respectfully, are key elements of finding your voice.

“What made a big difference for me is developing really good relationships with my fellow board members as well as members of management,” said Charlene Ripley. “Taking the time to get to know them outside of the boardroom really helped give me the depth I needed for the backstory and dynamics on some of the issues.”

Understand the expectations

Companies go through different phases. Understanding where you can add the most value at that time in the organization’s business cycle is a building block of establishing credibility with the other board members.

“The expectations discussion is ongoing,” said Karin McCaskill. “It’s not a one-off upfront. Being clear on what’s expected of you as a director and what you expect of your director colleagues are all really important considerations.”

Your value proposition is dynamic

Keep in mind that your value proposition may shift as the company switches gears over time. The skillsets for which you were originally selected for the board may have been superseded by other needs. Being sensitive to those subtle shifts and adjusting your approach correspondingly is a key attribute of developing a valued voice at the table.

“For the first three or four years [at one of my boards] I added a lot of value on the governance side,” reflected Leslie O’Donoghue. “It became apparent to me that my job was done there. I had to find another avenue to have some sense of where management would look to me. For me, it was mergers and acquisitions. If I had stayed on the governance route, I couldn’t add more value to them, because they just nailed it. My value-add as a board member would have been next to nil, but it was probably very high in the early years.”



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— Barb Munroe

INSIGHT FIVE

Go the extra mile to overcome the challenges of COVID-19

There is no substitute for building meaningful relationships that connect on a personal level beyond boardroom matters.

Platforms such as Zoom and Teams have been effective tools to keep the wheels of board mechanics turning. However, online meetings inhibit relationship-building and those all-important offline conversations. For new board members who don't already have a sense of the personalities and board cultural context around the table, COVID-19 poses unique challenges to optimizing their board performance.

Create time and space to build real relationships

"Joining a new board during COVID-19, the difference is night and day," commented Leslie O'Donoghue. "You can't read the room on video, especially when there's just one camera and you've got the boardroom. Your EQ is lost, so if you think your competitive advantage is understanding group dynamics and being able to read body language, then you're at such a disadvantage during COVID-19."

There is no substitute for building meaningful relationships that connect on a personal level beyond boardroom matters. Karin McCaskill is seeking to overcome the challenges of joining a new board by creating new opportunities for touchpoints.

"I've been doing one-on-ones. I haven't got quite through all the directors, but even though they're virtual, I'm using my relationship skills to find out about people, to see what they think and get their perspective on the board dynamic. I'm trying to open that channel of candid communication early in the relationship. It's been really welcomed by the other directors. I feel like we're already building some effective relationships just because we've taken the time to try and talk and learn a little about each other, and our families and other things we do. You know, all that stuff you would discuss over a glass of wine, I'm trying to do on Zoom 1:1."

"One thing we did was have a virtual cocktail party after our strategy session," said Sheila Murray. "Baskets of food and a bottle of wine were delivered to each board member. For the in-camera session we were having the same refreshments which was nice, at least it lightened the load. I joined the BCE board in April. I knew the CEO and a few of the members but I have not sat in a room with all of the board members. It really is difficult because you can't read a room on Zoom. It is much harder to integrate, but they had a great orientation session and are trying hard."

Use technology to your advantage

Although online meetings create psychological distance at the board table, some companies are using features such as virtual breakout rooms to help board members build and maintain the relationships they need to excel.

"We had a guest speaker at one of our virtual meetings," explained Barb Munroe. "After the end of the first day, the technology person coordinated different breakout rooms. Everybody grabbed their beverage of choice and we each departed to the rooms. Two board members and two members of the executive team were assigned to each room. We just discussed what we thought about the guest speaker's remarks. It really evolved to a bit of a social banter back and forth for about 45 minutes."

"I love that idea, Barb. I'm going to use the separate breakout groups, because that's fantastic," responded Sheila Murray. "You have to work harder at maintaining the relationships. Picking up the phone, talking to people between all of the meetings, and just keeping in touch. It is more difficult. I hope that I'll keep that practice up and not just rely on the meetings and the dinners, because you learn a lot more when you pick up the phone and just talk to people casually."



“ You have to work harder at maintaining the relationships. Picking up the phone, talking to people between meetings, and just keeping in touch. I hope that I’ll keep that practice up. You learn a lot more when you pick up the phone and just talk to people casually. ”

— Sheila Murray

INSIGHT SIX

Learn the business

Learning the business is a critical element for all board members seeking to enhance their boardroom performance. Take advantage of opportunities the company provides to tour facilities and meet people.

Seek multiple perspectives

"In 2019, we went up to a copper mining operation in northern B.C. They put us up in the big cab of the huge transport that moves the ore, just so we could get a sense of what it was like for the people working in there every day for a 12-hour shift," recalled Sheila Murray. "Then we went for lunch with the Indigenous community leaders in that area of British Columbia. Indigenous community relationships in Canada and all over the world where Teck does business are such an important part of the mining business. It gave us an opportunity to sit down and talk about the issues and their concerns, about what we were doing and what Teck was doing right and what it wasn't."

"Keep doing those site visits," agreed Trudy Curran. "One thing that I found really helpful on the Dominion Diamonds board was going to visit our operations in India. I didn't meet just with the team there; I actually met our customers. It was very helpful to understand customer concerns. It really helps round out your understanding of the business. Look for ways to really dig into the business. It doesn't have to all be at once. In fact, you'd probably be overloaded. Spread it over a timeframe and keep learning because the business changes, as does the customer base."

Barb Munroe and Leslie O'Donoghue focused on understanding investor concerns. "As part of onboarding, I found it particularly helpful to sit down with the IR team and hear the story directly from the people that are speaking to the investment community on a daily basis," noted Barb.

"Investor day is huge," said Leslie. "If you go to a couple of investor days, you really do start understanding the issues that the shareholders are looking at. That's not exactly the same as learning the business, but you're collecting information from multiple angles."

Build strategic relationships to help you learn the business

The importance of building genuine personal connections with other board members and senior executive management emerged yet again as a key theme. For Karin McCaskill, meeting management on their own turf rather than in a board meeting and observing how they've included and arrayed their team around them is always a valuable opportunity.

"[One of my boards] took the three newest board members over to Europe to see their operations, along with their new CFO," recalled Sheila Murray. "You really get to know someone when you are on a long flight and over in Germany for a couple of days. It was fascinating to see the business, but you also get to know the people better when you're thrown together."



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— Leslie O’Donoghue

INSIGHT SEVEN

Structure contact with senior management to elevate performance

Carefully evaluating the CEO's approach to contact with the board/management can help a board member understand how to navigate the boardroom culture.

Building open, trust-based relationships is clearly of paramount importance to optimizing your board performance. Access to executives also helps board members provide appropriate governance oversight on key issues such as corporate culture and the internal CEO succession pipeline. However, frequently these are very sensitive political issues. Board members need to navigate these political rocks while remaining aware of the "noses in, fingers out" paradigm.

Boards govern; managers manage

"Directors have to be really careful to stay up at the governance level," cautioned Karin McCaskill. "If you have a board and directors who are openly clear that they are the governors and not the managers then it should be possible to structure those contacts so that you get exposure to the executives you need in order to understand what's going on and get a sense of the executive group dynamic."

Open, trust-based communication

Board members who build independent relations with senior executive can be threatening for a CEO. "Some CEOs jealously guard their relationship with the board," warned Sheila Murray. "This is an area where you have to have a frank discussion with the CEO to set the context. Explain why it's important in a way that can help the CEO."

Trudy Curran agreed. "Sheila's right, there are some CEOs who are very hesitant. Hopefully, there's less of that now. Build that relationship so that it's a friendly coffee. Don't go in with your CEO not knowing, but have him or her buy in. It's becoming one of those touch points."

If a board member has an ad hoc reason or desire to reach out to management, they should let the Chair and the CEO know. "It gets back to the relationship question again," added Barb Munroe. "It's just that touch point to say, we're reaching into the organization. If it then also happens that management reaches out to a board member because the relationships are good, it is best practice to advise the CEO—just a simple note to say that somebody did reach out. That assists in maintaining the trust that has been built."

Be aware of tone and corporate culture

"In a healthy organization, you should be able to pick up the phone and ask a question or have a meeting without the CEO having to control everything," said Charlene Ripley. "But, out of respect to the CEO it's good to let them know. It's a sign of a healthy culture. Certainly, if meetings like that with board members are discouraged, then you know you've got a big problem."

From Leslie O'Donoghue's perspective, a key success indicator arises "when the CEO says that you don't need to tell them about contact with senior management anymore. Then you know that you've developed the right tone. It's about understanding the tone and the culture. Why are you reaching out? Is it to help you learn or is it to coach them? And at some point I think you can actually be a good coach of executives and the CEO typically will appreciate that," she said.

A woman with dark hair, wearing a black tank top, grey leggings, and a climbing harness with an orange bag, is climbing a rock wall. The wall is divided into a white section on the left and a yellow section on the right. Various colored climbing holds (blue, red, green, purple) are attached to the wall. The woman is positioned on the yellow section, reaching up with her right hand. A red-bordered box is overlaid on the bottom left of the image, containing a quote.

“ If you have a board and directors who are openly clear that they are the governors and not the managers then it should be possible to structure those contacts so that you get exposure to the executives you need in order to understand what’s going on and get a sense of the executive group dynamic. ”

— Karin McCaskill

INSIGHT EIGHT

Fine-tune your emotional intelligence to develop a boardroom presence that inspires others with confidence

The internal transition from general counsel/senior executive to board member is another context that requires emotional intelligence.

Emotional intelligence encompasses some of the intangible factors that can elevate board performance. This can include, among other concepts, self-awareness of one's own biases, emotional self-regulation, awareness of body language and understanding when to be a team player or when to be assertive.

Embrace your core values in a new context

General Counsel have already developed emotional intelligence in order to succeed in senior management. "I don't think it's a different set of skills," pointed out Karin McCaskill. "You're just deploying them in a slightly different environment. It's not really about fine-tuning your EQ. It's about being situational. You already did that as an executive."

For Trudy Curran, the two key components of emotional intelligence are to act with integrity and empathy. "If you can do those two things in any scenario, you'll be fine," she said.

"What did I have to do to change about myself when I walked into the boardroom as a director versus General Counsel?" mused Charlene Ripley. "For me it was getting my head in a different space. General Counsel are fixers, but as a board member I am not the fixer of things. I'm an overseer of things and I provide my opinion and guidance but I can't fix it. It was very frustrating for me that I couldn't just roll up my sleeves and work with management to get it done and assert myself in the process. I had to really rein myself back."

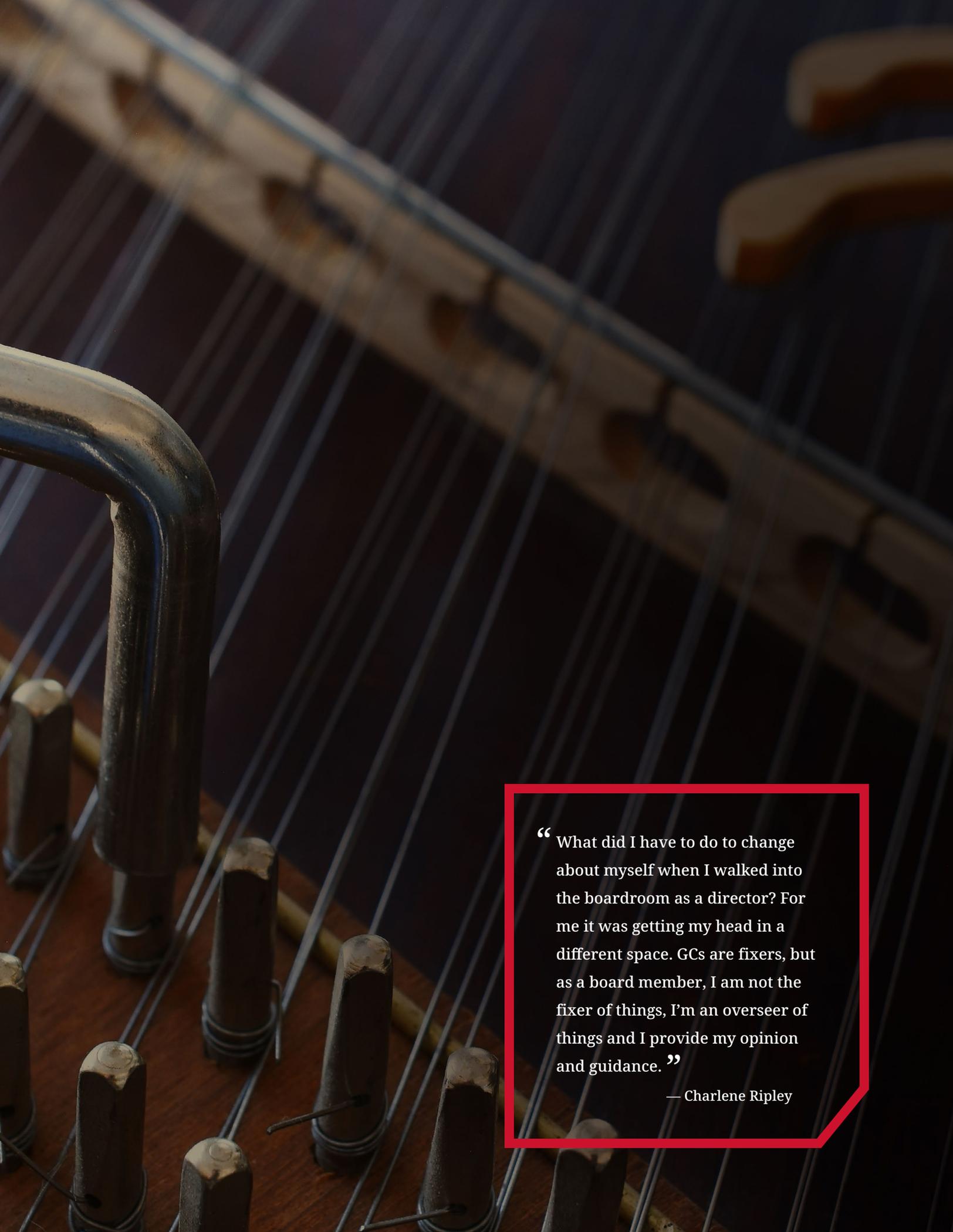
Crisis management

Emotional intelligence comes to the fore in situations involving serious disagreement at the board or negative public attention. "You might have to take a position that's contrary to other people or give advice that the executive doesn't want to hear," noted Barb Munroe. "If you can, do so in a way that says you've thought about it; you've listened and you're exercising some informed judgment while taking into account multiple opinions. What you do and how you express yourself are very visible to other people."

Read the room

Awareness of body language is an emotional intelligence superpower in the boardroom. It helps you understand the difference between what people are saying and what they are thinking – and, conversely, why people aren't saying something.

"During the in-camera session when the CEO is not there, you can say to the other directors, I'm not sure I'm reading the body language here, but I think he doesn't have A, B and C on side on this one. There's something else going on under the rug there that we need to be mindful of," said Leslie O'Donoghue. "As a member you can build really good relationships with management. You learn a lot that way. When sensitive things come up and the CEO is talking while management is sort of silent, you watch the body language."

A close-up, low-angle shot of a typewriter's internal mechanism. The image shows several dark, cylindrical typebars arranged in a row, with their tips pointing upwards. A curved metal arm is visible on the left side. The background is dark and out of focus, showing the intricate wiring and structure of the machine. A red-bordered text box is overlaid on the right side of the image.

“ What did I have to do to change about myself when I walked into the boardroom as a director? For me it was getting my head in a different space. GCs are fixers, but as a board member, I am not the fixer of things, I’m an overseer of things and I provide my opinion and guidance. ”

— Charlene Ripley

03

BOARD REPORT

Progress Report

Year over year, we have seen a steady increase in the number of women GCs on Canadian public company boards. As you will see from this year's Board Report, 2020 was no exception. The positive trend line for board positions held by women GCs stands in sharp contrast to the results of our pipeline study examining the number of women in-house leaders in Canadian public companies.

OVERVIEW

Maintaining Progress in a Turbulent Year

2020 was a year of significant change for the composition of the S&P/TSX Composite Index which saw the number of companies decrease from 239 in 2019 to 219 - representing a loss of 41 companies and a gain of 21 new companies. The magnitude of this change in composition required us to adjust our approach to tracking the progress of women GCs on boards to ensure we were analyzing a consistent dataset of companies. Our analysis focused on the 198 companies that were part of the Index in both 2019 and 2020. Despite a year of massive disruption, the number of women GCs on boards has continued its positive trajectory with women now surpassing their male counterparts in board membership by a ratio of nearly 2:1.

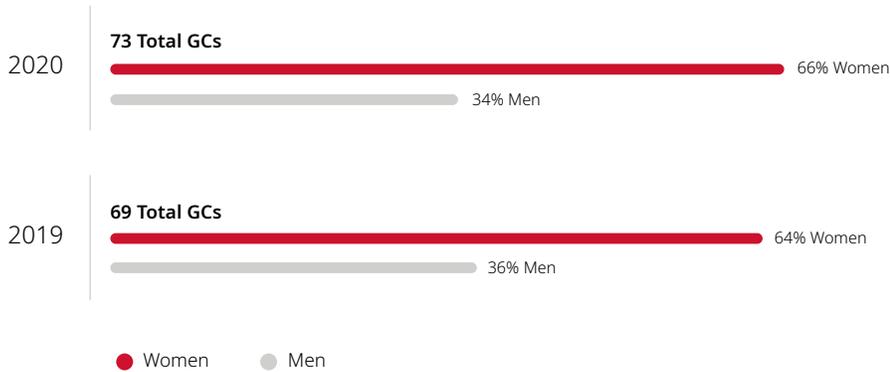
We expanded our research in 2020 to include the S&P/TSX 60 Index which represents some of Canada's larger companies. Our analysis of the Index revealed more good news - 35 per cent of those companies had a woman GC on their board. The Index experienced a moderate amount of change in 2020, with three companies leaving and three joining. Of the three companies that joined the Index, one had a woman GC on their board. Overall, the Index from 2019 to 2020 remained resilient in the number of women GCs on boards. As the boards of Canada's larger companies continue to lead the way on gender diversity, it is our hope, supported by our data, that women GCs will increasingly be viewed as a pipeline of executive talent for boards.



2020

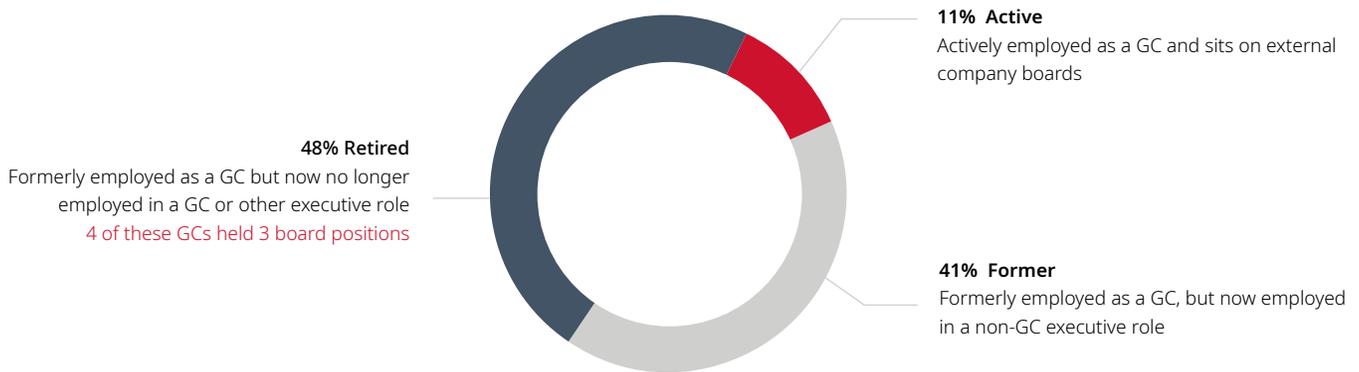
GC board Trends

Gender Breakdown of GCs Holding Board Positions



Women exceeded gender parity by nearly **2:1** in 2020

Work Status of GCs Holding Board Positions



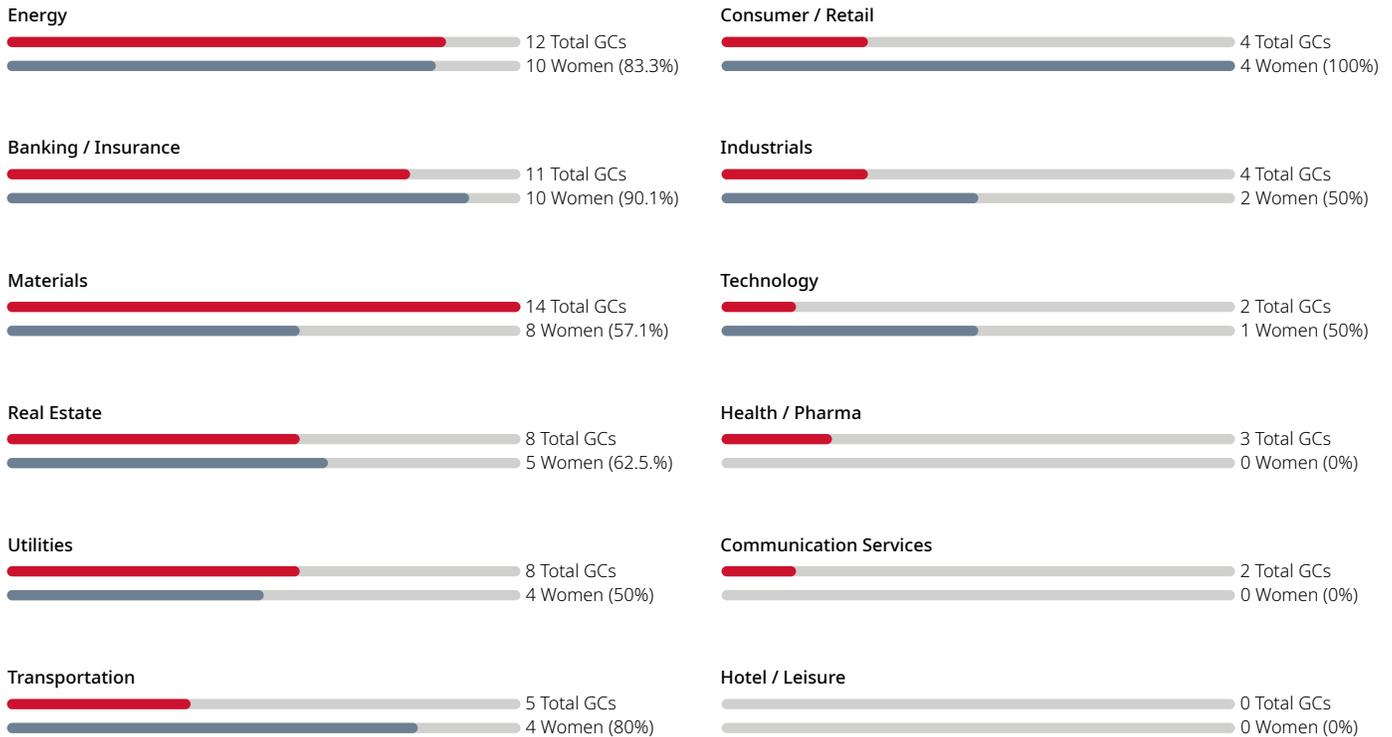
The term "GCs on boards" is defined in our study to include GCs who fall into one of the following three categories: (1.) are currently serving in the role of GC or chief legal officer (CLO) (active); (2.) have served in the role of GC or CLO and are now in a non-legal executive role (former); and (3.) are no longer employed in a GC, CLO or other non-legal executive role (retired).

Our analysis is based on the 198 companies that were part of the S&P/TSX Composite Index in 2019 and 2020.

The study is based on 2019 and 2020 proxy data provided by ISS Corporate Solutions, Inc. and supplemented with biographical information from S&P Market Intelligence. We gathered S&P/TSX Composite Index data for 2019 (239 companies, 1,904 individuals, 2,272 board positions) and 2020 (219 companies, 1,802 individuals, 2,128 board positions). Our analysis is based on the 198 companies that were consistent in both 2019 (1,598 individuals, 1,929 board positions) and 2020 (1,638 individuals, 1,953 board positions).

Prevalence of Women GCs Across Industries

Women GCs continue to have success in securing opportunities on boards in most industries. The energy and banking/insurance sectors are, once again, in the top two positions for having the highest number of women GCs on boards, with the materials sector following closely behind in third position. Sectors that continue to lag behind for women GCs on boards include hotel/leisure, communication services, health/pharma and technology.



A universe of opportunity
for Women GCs

154

companies do not yet have
a GC on their board*

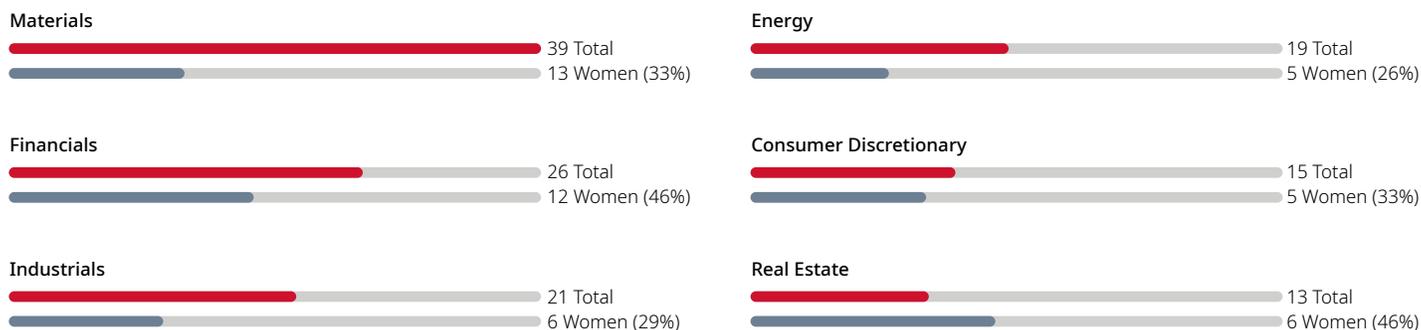
* Of the 219 companies in the 2020 S&P/TSX Composite Index, 154 do not have a GC as a board director.

A PIPELINE FOR TALENT

The landscape for in-house leaders

In 2018, we decided to take a closer look at the CLO/GC in-house leadership pipeline for boards by examining the number of companies whose in-house leaders are women. Our goal in undertaking our own study was to support our efforts to promote and track the progress of women GCs on boards. The results have shed a helpful light on the need for further progress in developing the pipeline of women to the position of GC - and beyond - to the role of CLO. Almost 60 per cent of in-house leaders have been appointed within the last five years and yet, women still only comprise one-third of these leadership roles. Of the 219 companies surveyed on the S&P/TSX Composite Index, 174 have an in-house leader. And while the percentage of in-house leaders (25 per cent) who carry the title of “CLO” remains small, 72 per cent of them are men. It raises the question of the importance of the CLO title both internally within the organization and externally in the pursuit of career opportunities including board positions.

Sectors with the Greatest Number of In-House Leaders



Proportionately, there are more women in-house leaders in communication services and health care at 67 per cent and 57 per cent respectively, but these sectors have the lowest total number of GCs at three and seven, respectively.

The In-House Landscape 2020

219

The number of companies surveyed on the S&P/TSX Composite Index

79%

174 of the 219 companies we surveyed have an in-house leader or an employee in a substantially similar role



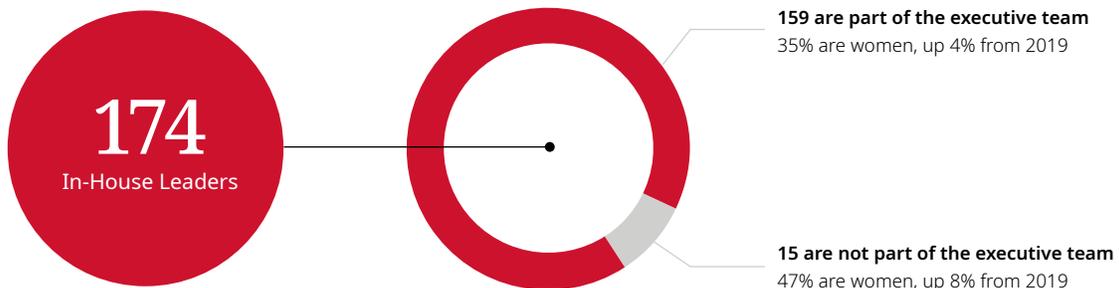
Over one-third (36%) of those in-house leaders are women

4% ▲

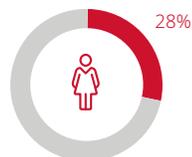
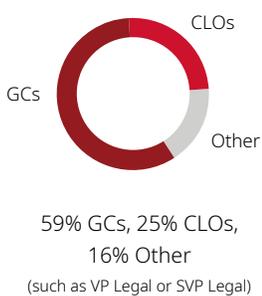
A four per cent year-over-year increase from 2019

The data is based on the S&P/TSX Composite Index as of October 2020, which was comprised of 219 companies. “In-house leader” equates to a CLO, GC or other comparable title.

Inclusion of In-House Leaders, Independent of Gender, on the Executive Team



The “Chief” Disparity: Distribution of Titles Among Our 174 In-House Leaders



3% ▲

A three per cent
increase in women
CLOs from 2019



Male in-house leaders are
two and a half times more
likely than their female
counterparts to have the
CLO title*

* Given that women only account for 36 per cent of the population of in-house leaders, it is not surprising that the CLO disparity would be significantly amplified for women in-house leaders.

04

BOARD REPORT

GC Value Proposition

Boards are viewing women GCs as strong candidates who bring the right skills and experience to a world that is increasingly complex and heavily regulated. Despite the successes revealed by the Board Report, there is still ample opportunity. Fully, 154 companies in the study sample do not have a woman GC on their board.

GC VALUE PROPOSITION

Set Your Goals and Focus on Moving Forward

Since the launch of our first benchmarking study in 2016, there has been a 66 per cent increase in the number of GCs on boards. And the exciting part is that 75 per cent of that growth in GC board positions went to women GCs. Women GCs now surpass their male counterparts in board membership by a ratio of approximately 2:1 (an increase from 3:2 in 2019).

The longer-term results remain consistent even through the extreme turbulence of 2020, that resulted in an overall 9 per cent reduction in the number of companies on the S&P/TSX Composite Index.

Despite these successes, there is still much opportunity. Fully 154 of the companies in the study sample do not have a woman GC on their board, including none in the hotel/leisure, health/pharma and communications services sectors. A review of the in-house GC pipeline suggests that recent appointments of women to in-house leadership positions are not keeping pace with their male counterparts. And although there are no published diversity metrics to establish a reliable baseline at this time, a preliminary review suggests that less than 20 per cent of in-house leaders come from a visible minority group.

Blakes believes that diversity is a strength to celebrate. Including unique perspectives and approaches is at the core of our ability to help our clients succeed. The increasing drivers for diversity - from regulators and institutional investors to broader societal expectations - suggest this is a time for boards to reflect on opportunities to strengthen diversity in its broadest sense at the board level.

Boards are viewing women GCs as strong candidates who bring the right skills and experience to a world that is increasingly complex and heavily regulated. At the same time, women GCs are stepping up, putting themselves forward for board positions and optimizing their skillsets. We have prepared the following tips to help you achieve your goals on your board journey.



GC VALUE PROPOSITION

Steps to Boardroom Success

Now is the time... Consider taking some of these steps to turn a promising opportunity into a boardroom seat.



Start Now

If you aim to serve on the board of a public or private company, or Crown corporation—begin to lay the groundwork now. Waiting until you retire is too late.



Gain Perspective

Leverage your board access while on the management side to gain perspective on boardroom skills and how to optimize your presence.



Know the Rules

Familiarize yourself with your company's policy on board membership and start building a case for the reciprocal value of your board experience for your current employer.



Lead

Learn the different parts of your company's business and seek out experts who can enhance your knowledge of the industry. Look for leadership opportunities inside your organization, beyond Legal, and outside, within your industry.



Stretch

Identify gaps in your skills and management experience and seek out opportunities to broaden your business and leadership skills outside of Legal. Share your board aspirations with other members of the senior management team including the CEO. Ask for their help/support in creating a plan to help you develop and enhance your board skills.



Learn

Educate yourself on board governance and stay on top of trends. Attend board committee meetings for your company. Find out what local programs are available for you to attend like Blakes Women GCs on Boards and Women Get On Board. Consider earning your board designation.



Recognize Your Value

Ask others to help you articulate your value proposition for the company and position you want to hold, then build on it and develop your brand pillars. Communicate and amplify your brand using social media platforms.



Talk

Let others in your community know that you are interested in getting on a board. Don't be afraid to ask for help including feedback on your résumé.



Keep Track

Consider using a board matrix to structure and track accomplishments and committee participation relating to areas such as: strategy, risk management, HR/compensation, pensions, M&A, cybersecurity, sustainability, government relations, and IT.



Don't Wait

You may not think that you “tick all the boxes” for a board position but try anyway. The experience will be invaluable. When you are successful in getting an interview, seek out a “board coaching buddy” to help you prepare.



Network

Talk to other GCs who have been successful in getting on boards. Consider asking your CEO and board members to introduce you to members of their networks. Remember... building your network is a long-term investment.

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