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Delivered By Email: [consultation-en-cours@lautorite.qc.ca](mailto:consultation-en-cours@lautorite.qc.ca), [comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca)

To the Canadian Securities Administrators:

Alberta Securities Commission  
Autorité des marchés financiers  
British Columbia Securities Commission  
Financial and Consumer Services Commission, New Brunswick  
Financial and Consumer Affairs Authority of Saskatchewan  
Manitoba Securities Commission  
Nova Scotia Securities Commission  
Nunavut Securities Office  
Office of the Superintendent of Securities, Newfoundland and Labrador,  
Ontario Securities Commission  
Office of the Superintendent of Securities, Northwest Territories  
Office of the Yukon Superintendent of Securities  
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island

The Secretary  
Ontario Securities Commission  
20 Queen Street West  
22nd Floor  
Toronto, Ontario M5H 3S8

Me Philippe Lebel  
Corporate Secretary and Executive Director, Legal Affairs  
Autorité des marchés financiers  
Place de la Cité, tour Cominar  
2640, boulevard Laurier, bureau 400  
Québec (Québec) G1V 5C1

Dear Sirs and Mesdames:

Honeytree Investment Management is a Toronto-based asset management firm focused on responsible growth. Honeytree Investment Management is committed to embedding and treating ESG data as core fundamental data in our portfolio construction process. As one of a small number of women founded asset management firms in Canada, our goal is to build robust, concentrated, and high conviction strategies that focus on investing in the most responsibly growing companies in the world.

Our investment process identifies those companies where long-term financial success is inextricably linked to making a direct positive impact on the environment, employees, supply chains, customers and society as a whole. Our thesis of responsible growth is based on the idea that stakeholder governed companies are more purpose driven, provide more positive impact and ultimately grow more consistently and responsibly in the long term.

We use diversity-related information to assess investment risks and opportunities of individual securities and to guide engagement activities.

Honeytree is supportive of the Proposed Instrument and the requirement to expand the current corporate governance disclosure requirements contained in Form 58-101F1 to include specified designated groups in addition to the disclosure regarding women that is already required.

Investment managers require consistent and comparable diversity-related information from reporting issuers to inform investment decision-making. Like other investment managers, Honeytree uses diversity-related information to assess investment risks and opportunities of individual issuers and to guide corporate engagement and proxy voting activities.

Responses to detailed questions are provided below.

### Approach to diversity

- 2 We are consulting on two alternatives with respect to the requirement to provide disclosure on the approach to diversity (Form A and Form B). Which approach best meets the needs of investors for making investing and voting decisions? Which Form best meets the needs of issuers in describing their approach to diversity at the board and executive officer level? Do either of the approaches raise concerns for issuers? Are there certain requirements in either form that you find preferable to the equivalent requirement in the other form? Please explain.

**Response:** Honeytree is in favour of the Proposed Amendments in Form B of Form 58-101F1, that would require mandatory reporting on the representation of the five designated groups, being women, Indigenous peoples, racialized persons, persons with disabilities and LGBTQ2SI+ persons, on boards and in executive officer positions.

Since the founding of Honeytree in 2018 we have always looked at racial and other areas of diversity. The lack of data has been challenging for us. Eventually we would like to see this data available across whole firm employees. This data provides deeper insight into company governance and innovation.

- 3 Is information on the diversity approach and objectives of issuers with respect to executive officer positions useful for investors? Does this requirement raise concerns for issuers? Please explain. (Please refer to the table entitled “Approach to Diversity – Executive Officer Positions” in Annex A for a description of this proposed requirement).

**Response:** Information on the diversity approach and objectives of issuers with respect to executive officer positions is important information for investment managers. While data is important, it is also important to understand corporate philosophy, governance, strategy, and intentions related to diversity and inclusion.

- 4 Should issuers be required to disclose data about specified designated groups, consistent with the approach in Form B? Or should issuers be required to disclose data about women only and the identified groups for which they collect data, consistent with the approach in Form A? Please explain. (Please refer to the table entitled “Concept of Diversity” in Annex A for a description of “designated groups” and “identified group”)

**Response:** As stated above, investment managers require consistent and comparable diversity-related information from reporting issuers to inform investment decision-making. Honeytree’s view is that there is sufficient evidence that diverse companies are better governed and benefit from a diversity of thought and perspective. Also, Honeytree believes that diversity within companies benefits the broader society and therefore the long-term interests of companies operating in those societies.

In consideration of the importance of consistent, comparable diversity-related information for all designated groups, Honeytree is in favour of the Proposed Amendments in Form B of Form 58-101F1, that would require mandatory reporting on the representation of women, Indigenous peoples, racialized persons, persons with disabilities and LGBTQ2SI+ persons, on boards and in executive officer positions.

- 5 Would it be beneficial to require reported data to be disclosed in a common tabular format? Does this requirement raise concerns for issuers? Please explain.

**Response:** A common tabular format would provide the greatest efficiency for data collection and use much like the EEO1 reporting in the US.

### **Application to venture issuers**

7. Should we consider developing similar disclosure requirements for venture issuers in a second phase of this project? If so, should any changes be made to the proposed disclosure requirements to reflect the different stages of development and circumstances of venture issuers? Please explain.

**Response:** This should be considered given the relatively large number of venture companies compared to non-venture companies.

Paula Glick  
Co-Founder  
Honeytree Investment Management

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