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Dear Ms. Sanci

Comments Re: Proposed Amendments (April 6, 2017) to the TSX Company Manual, Part IV (listed issuers' website disclosure) and Part VI (disclosure regarding security based compensation arrangements)

The Canadian Investor Relations Institute (CIRI), a professional, not-for-profit association of executives responsible for communication between public corporations, investors and the financial community, is pleased to provide comments on the proposed Amendments (April 6, 2017) to the TSX Company Manual, Parts IV and VI, regarding new, revised disclosure requirements. CIRI consistently supports initiatives for full, fair and complete disclosure for its members and recognizes that appropriate disclosure of key security holder documents is a contributing factor in establishing and maintaining the integrity and efficiency of capital markets. CIRI membership represents over 200 publicly listed issuers with a combined market capitalization of \$1.4 trillion. More information about CIRI is provided in Appendix 1.

General Comments re TSX Company Manual, Part IV Amendments (website disclosure requirements for TSX-listed Issuers)

CIRI continues to believe that listed issuers should be required to develop and maintain a publicly accessible website as a means of providing investors access to appropriate corporate governance policies and/or documents. It should be noted that in a brief survey of CIRI members a significant majority indicated that as listed issuers they already disclose the documents, policies and information listed under proposed Section 473 in a form or document that is available to the investing public. These documents are generally already posted on the issuer's website or are incorporated into existing disclosure vehicles (such as the Management Information Circular, the Annual Report or the Annual Information Form) or are available to the investing public via SEDAR. CIRI, therefore, continues to believe that the introduction of Section 473 as a requirement for continued listing seems to be unnecessarily repetitive and duplicative of existing disclosure documents.

The potential for additional regulations that introduce new requirements to disclose information and policies already disclosed by listed issuers seems inconsistent with other regulatory agency initiatives to reduce disclosure duplication. Specifically, the Canadian Securities Administrators (CSA) have published for comment Consultation Paper 51-404 *Considerations for Reducing Regulatory Burden for Non-Investment Fund Reporting Issuers*, which “identifies and offers for consideration options to reduce the regulatory burden associated with raising capital in the public markets and with the continuous disclosure regime, without compromising investor protection or the efficacy of the Canadian capital markets.” In addition, the Ontario Securities Commission (OSC) has released for comment OSC Notice 11-777 *Draft 2017-2018 Statement of Priorities*, which includes as one of its key priorities to “identify opportunities to reduce regulatory burden while maintaining appropriate investor protections.” The OSC draft statement seeks feedback from market participants and stakeholders to identify specific areas of securities legislation that may duplicate other requirements. The statement goes on to identify potential areas for reducing regulatory burden in the public markets including (a) reducing ongoing disclosure requirements, and (b) eliminating overlap in regulatory requirements.

Therefore, CIRI continues to question the value in adding to issuers’ regulatory burden, as stated by the TSX itself, by instituting the new section 473. This additional regulatory requirement would seem to be an unnecessary exercise in duplication, often requiring issuers to extract documents and policies from existing sources and aggregating them in one location on the website, solely to satisfy the requirements of proposed section 473. In addition to increasing the risk of errors and/or inconsistencies in different portions of the website, there is the potential for investors to lose the context of a disclosure policy that has been extracted from a larger, more comprehensive document, such as the Management Information Circular, which may be needed to properly evaluate the policy or document.

Questions – Part IV Amendments

- 1. Should Section 473 require an issuer to disclose, if adopted, its (a) code of business conduct and ethics, (b) diversity policy, (c) anti-corruption policy, (d) human rights policy, (e) environmental policy, or (f) health and safety policy?**

CIRI believes that there is a lack of definition in terms of what constitutes these policies. As such, the content, which is not otherwise subject to regulatory guidelines, could vary significantly from issuer to issuer. Given the current lack of definition for these policies, it may be premature to subject them to regulatory oversight.

Additionally, while many larger listed issuers may have such policies in place, smaller issuers may not yet have developed and adopted them and may suffer a greater impact of the increased regulatory burden associated with mandated disclosure.

Therefore, CIRI further believes that the decision to disclose and potentially post to its website, any or all of these policies, if adopted, should be left to the discretion of the listed issuer and should not be set out as a mandated requirement under proposed Section 473.

- 2. Should certain types of issuers (e.g. Eligible Interlisted Issuers or Eligible International Interlisted Issuers) be exempt from the requirements of Section 473?**

CIRI has consistently been a strong proponent for full, fair and complete disclosure by listed issuers to the benefit of investors, shareholders and other stakeholders. Consistent with this position, CIRI believes that if Section 473 does indeed come into force that there should be no exemption for any defined category of listed issuers.

However, CIRI recognizes that issuers that are interlisted may face particular challenges in meeting the listing requirements of different exchanges and may at times be faced with the need to provide conflicting or overlapping disclosures under specific exchange rules. In such cases, it seems appropriate to deem such issuers to have met the disclosure requirements of Section 473, if the issuer has already disclosed one or more of the Section 473 noted policies or documents under the requirements of an exchange or other regulatory agency other than the TSX.

3. Are there other modifications TSX should make to the list of documents proposed to be made available?

Some CIRI members have expressed concern about disclosing awards documents and other documents, particularly those pertaining to anti-corruption policies or social and environmental policies since there are no defined standards for such these types of policies. As such, CIRI believes that these documents should not be included in Section 473.

Questions – Part VI Amendments

1. Should the requirement to disclose static terms of a Plan (e.g. financial assistance, vesting, etc.) be limited to Approval Meetings?

CIRI believes that the requirement to disclose static terms of a security-based compensation arrangement (Plan) should be limited to Approval Meetings and such terms should not be required to be disclosed pursuant to other types of meetings. Such static terms are disclosed at the initial approval of a Plan and are not normally expected to be revised during the remaining period that the Plan is in force.

2. Is the burn rate and the formula for calculating it useful and appropriate disclosure?

CIRI has concerns that required disclosure of the burn rate for each Plan for each year of said Plan is not appropriate disclosure since the burn rate can be influenced significantly year-to-year depending on the periodic value of options and can thus be misleading to readers of the disclosure.

CIRI has been pleased to provide the TSX with its further comments and answers to questions raised in the proposed Amendments (April 6, 2017) to the TSX Company Manual, Part IV and Part VI. I would be pleased to answer any questions that may arise from these comments.

Yours truly,



Yvette Lokker
President & CEO

APPENDIX A

The Canadian Investor Relations Institute

The Canadian Investor Relations Institute (CIRI) is a professional, not-for-profit association of executives responsible for communication between public corporations, investors and the financial community. CIRI contributes to the transparency and integrity of the Canadian capital market by advancing the practice of investor relations, the professional competency of its members and the stature of the profession.

Investor Relations Defined

Investor relations is the strategic management responsibility that integrates the disciplines of finance, communications and marketing to achieve an effective two-way flow of information between a public company and the investment community, in order to enable fair and efficient capital markets.

The practice of investor relations involves identifying, as accurately and completely as possible, current shareholders as well as potential investors and key stakeholders and providing them with publicly available information that facilitates knowledgeable investment decisions. The foundation of effective investor relations is built on the highest degree of transparency in order to enable reporting issuers to achieve prices in the marketplace that accurately and fully reflect the fundamental value of their securities.

CIRI is led by an elected Board of Directors of senior IR practitioners, supported by a staff of experienced professionals. The senior staff person, the President and CEO, serves as a continuing member of the Board. Committees reporting directly to the Board include: Human Resource and Corporate Governance; Audit; Membership; and Issues.

CIRI Chapters are located across Canada in Ontario, Quebec, Alberta and British Columbia. Membership is close to 500 professionals serving as corporate investor relations officers in over 200 reporting issuer companies, consultants to issuers or service providers to the investor relations profession.

CIRI is a founding member of the Global Investor Relations Network (GIRN), which provides an international perspective on the issues and concerns of investors and shareholders in capital markets outside of North America. The President and CEO of CIRI has been a member of the Continuous Disclosure Advisory Committee (CDAC) of the Ontario Securities Commission. In addition, several members, including the President and CEO of CIRI, are members of the National Investor Relations Institute (NIRI), the corresponding professional organization in the United States.