

The Evolution of the Canadian Corporate Director from 2008-18

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A Decade of Change: Boards cast their nets wider

Between 2008 and 2018, boards on the S&P/TSX Composite Index (TSX Index) dramatically changed their approach to director recruitment. In 2018, nearly three quarters of newly elected directors had never before sat on a TSX Index board, compared to 57% in 2008, demonstrating that boards are casting their nets wider and as a result are more demographically and geographically diverse than ever before.^[1]

How many new directors were sitting on their first TSX Index board?

2008 57% 2018 72%

How many new directors represented a visible minority?

2008 2% 2018 15%

How many new directors resided outside of Canada?

2008 37% 2018 49%

How many new directors were women?

2008 15% 2018 38%

Note: In 2008 there were 219 new directors on the TSX Index and in 2018 there were 167 new directors.

[1] The information contained in this report is from the Johnston Centre's database of S&P/TSX Composite Index (TSX Index) companies dating back to 2001. There are two items to consider for directors that affect our determination of a director's TSX Index experience. Primarily, it is possible that a new director in 2008 and 2018 was previously on a TSX Index board prior to 2001. Lastly, the data collected is for TSX Index companies as of September of each year. It is then also possible for a director to have prior board experience on a TSX Index listed company outside of our observation period. With this in mind, we consider a director with no prior TSX Index board memberships in our database to be a first time director on the TSX Index from 2001-2018.

Meet the 27 new recruits to the TSX 60 in 2018

Of the 167 directors that joined their first TSX Index board in 2018, 27 of them joined boards in the TSX 60, an index comprising the sixty largest listed companies in Canada. Here's a snapshot of the TSX 60's new recruits.^[2]

Skills & Experience

This is how many of the 27 new recruits have had professional roles in the following areas.



17

Business
Operations



12

Finance &
Accounting



12

Senior
Executive



11

M&A and
Growth



10

HR, Pay, and
Succession



10

Risk
Management

Demographics

58

Average
Age (years)

18

Non-Canadian
residents

8

Women

6

Members of a visible
minority



[2] How did we collect the data on the TSX 60 new recruits?

TSX Index board composition data was collected using information circulars published in 2017-2018. We defined new recruits as those board members with less than a year of tenure with no prior board memberships in our dataset that spans 2001-2018. The companies were listed on both the TSX Index and the TSX 60 in 2018. Information on director board experience, employment experience, education, professional designations and expertise was collected using the FactSet People database in 2018. Director expertise was classified using information on the director's employment history, education and professional designations.