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Canada

Spencer Stuart  
Board Index  
Snapshot 2023

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# Canada Spencer Stuart Board Index Snapshot 2023

*Canada Spencer Stuart Board Index Snapshot 2023* (“Snapshot”) provides an in-depth analysis of non-executive director (“NXD”) appointments and board composition for the boards of Canada’s largest publicly traded “blue chips.” The following analyses, together with Spencer Stuart’s expert-level commentary, provides the most authoritative view of board composition and succession trends for a representative sampling of 100 S&P/TSX Composite listed companies with annual revenues exceeding C\$ 1 billion, and referred to throughout as the “CSSBI 100” (see Appendix for complete list of companies).

The 2023 Snapshot spotlights the incoming class of NXDs, measuring progress on board-level diversification, derived from enhanced director self-identification and disclosure by the boards of CSSBI 100 companies. Drawing on Spencer Stuart’s proprietary database and board-focused advisory work, analyses are presented for board turnover, functional and sectoral backgrounds of incoming NXDs, and representation by historically underrepresented groups on CSSBI 100 boards.<sup>1</sup>

Spencer Stuart’s annual review of board compensation for CSSBI 100 companies is also provided, including benchmarks are provided for each of: NXDs, board chairs, lead directors, committee chairs and committee members, in addition to amounts paid for board and committee meetings and travel, where applicable.

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<sup>1</sup> “Historically underrepresented groups” refers to directors of CSSBI 100 boards self-identifying as one or more of the following: Designated Group (women, Aboriginal peoples, members of visible minorities, persons with disabilities), as defined in the Canada Employment Equity Act; LGBTQ2S+; other historically underrepresented group(s), as indicated in company disclosures via director self-identification.



## Board composition is always high on the agenda

Boards face an increasingly complex and competitive business environment, marked by new opportunities, challenges and intensifying activism by investors and other stakeholders. In response, boards are approaching their composition strategically, as well as opportunistically, in ensuring they have the required composition and skills to help their companies succeed today and into the future.

Spencer Stuart's annual board composition analyses continue to show that boards of Canada's largest companies are in a steady state of planned renewal and diversification, with new director recruitment and board and committee chair transitions occurring against a carefully calibrated succession plan. However, situations involving wholesale board changes, often forced by market conditions and/or investors, continue to challenge in the prevailing board governance landscape.



# Highlights: 2023 Class of New Directors

## Board turnover

- » **9%** — The 93 members of the incoming class of new non-executive directors represent 9% of all NXDs. Board turnover in 2023 was slightly lower compared to the prior four years.
- » **60%** of the *CSSBI* 100 index appointed at least one new NXD; one-quarter (25%) appointed two or more, accelerating their renewal process.

# 60%

of the *CSSBI* 100 index appointed at least one new NXD; one-quarter (25%) appointed two or more, accelerating their renewal process.

## Appointment and selection highlights

- » **58%** of NXDs appointed in 2023 were representative of historically underrepresented groups; women constituted the majority.
- » **68%** — Majority of NXDs appointed in 2023 had experience in the company's industry or allied sector, compared to an earlier period (2017 to 2018) when they were roughly balanced with backgrounds in a different industry.
- » **37%** of NXDs appointed in 2023 were non-residents of Canada, most from the U.S.
- » **39%** of NXDs appointed in 2023 were active or retired CEOs, the highest total in the past five years.
- » **40%** of NXDs appointed in 2023 were financial experts, continuing a multi-year trend.
- » **37%** of NXDs appointed in 2023 were first-time public company directors, representing a sizable and consistent proportion of the incoming NXD class.
- » **13** — Number of board chair transitions in 2023 was consistent with recent trends; almost 40% of new board chairs were women, another sign of board-level diversification.

# 58%

of NXDs appointed in 2023 were representative of historically underrepresented groups; women constituted the majority.

# 39%

of NXDs appointed in 2023 were active or retired CEOs, the highest total in the past five years.

## Class of 2023: New non-executive directors in the *CSSBI* 100

- » In 2023, 93 new NXDs were appointed by *CSSBI* 100 boards, 17 fewer than in 2022, when recruitment activity was notably higher. Board turnover in 2023 (9%) was slightly lower compared to levels observed in the prior four years.
- » Sixty percent of boards across the entire *CSSBI* 100 appointed at least one new NXD in 2023, mostly to replace retiring board members on a one-to-one basis, although some boards increased in size. Two or more NXDs were appointed at 25% of *CSSBI* 100 boards, a sign of more accelerated renewal on a sizable number of boards.
- » Generally, these appointments were part of planned renewal initiatives, undertaken by governance and nomination committees (“gov/nomco”); however, as in prior years, wholesale board changes were forced by investors of a few companies.

### NXD APPOINTMENTS ANNUALLY TO BOARDS OF *CSSBI* 100 COMPANIES (2023–2019)

	2023	2022	2021	2020	2019	Five-year average
<b>NXDs appointed (total)</b>	<b>93</b>	<b>110</b>	<b>97</b>	<b>95</b>	<b>94</b>	<b>98</b>
Boards with at least one NXD appointment	60	62	66	59	58	61
Boards with two NXD appointments	17	18	15	15	13	16
Boards with three or more NXD appointments	8	10	7	9	11	9
<b>NXD turnover (annual %)*</b>	<b>9%</b>	<b>11%</b>	<b>10%</b>	<b>9%</b>	<b>10%</b>	<b>10%</b>

\* Total number of incoming NXDs divided by the population of NXDs in the *CSSBI* 100.

## NXDs from historically underrepresented groups constituted the majority of new board members

- » In 2023, nearly 60% of all incoming NXDs to *CSSBI* 100 boards were representative of various historically underrepresented groups. Women, including those also self-identifying as Indigenous, a visible minority, a person with a disability or LGBTQ2S+, comprised most of this cohort.
- » While there were fewer appointments of those self-identifying as Indigenous, a visible minority, a person with a disability and/or LGBTQ2S+ compared to 2022, the totals for 2023 were still three times higher than in 2019.

## APPOINTMENTS OF NXDs FROM HISTORICALLY UNDERREPRESENTED GROUPS TO THE BOARDS OF CSSBI 100 COMPANIES (% OF ALL NXDs APPOINTED, 2023–2019)

	2023	2022	2021	2020	2019	5-year average
<b>NXDs appointed (total)</b>	<b>93</b>	<b>110</b>	<b>97</b>	<b>95</b>	<b>94</b>	<b>98</b>
Representative of historically underrepresented groups (total)	58%	70%	60%	50%	51%	58%
Women	49%	53%	45%	47%	49%	49%
Women (Indigenous Peoples, visible minorities, persons with disabilities, LGBTQ2S+, and/or other)	6%	19%	20%	6%	3%	11%
Men (Indigenous Peoples, visible minorities, persons with disabilities, LGBTQ2S+, and/or other)	9%	17%	15%	3%	2%	9%
Total (Indigenous Peoples, visible minorities, persons with disabilities, LGBTQ2S+, and/or other)	15%	36%	35%	9%	5%	20%

## Strong demand for CEO-level experience, financial experts and transformational leadership credentials

- » In 2023, CSSBI 100 boards succeeded in adding more CEO experience than in the prior four years. CEOs are always in high demand for board roles, given their depth and breadth of experience and chair succession potential; however, supply constraints, especially active public company CEOs, help to explain the variable totals over the past five years.
- » In 2023, “financial experts”<sup>2</sup> totaled a large proportion (35%) of all incoming NXDs. New recruits with financial expertise have consistently represented a large portion of board members appointed by Canada’s largest companies, given the financial depth these boards need to help meet challenging market demands and stringent audit and reporting requirements. Natural turnover and audit committee succession also help to explain the consistently high demand.
- » Operations backgrounds included leaders with experience in large projects, technical and IT operations, global manufacturing and supply chains, and energy transitions.
- » Recruits with core backgrounds in technology (including experience in IT, digital platforms, AI, cybersecurity, data, and analytics) and relevant transformation experience, were also in higher demand based on public disclosures and from our advisory work with many of these boards.

<sup>2</sup> Following definition of the Securities and Exchange Commission (“SEC”).

## EXECUTIVE AND FUNCTIONAL BACKGROUNDS OF NXDs APPOINTED TO THE BOARDS OF CSSBI 100 COMPANIES (2023–2019)

	2023	2022	2021	2020	2019
<b>NXDs appointed (total)</b>	<b>93</b>	<b>110</b>	<b>97</b>	<b>95</b>	<b>94</b>
CEO Profiles	40%	34%	27%	36%	31%
<b>Core Functional Backgrounds</b>					
Financial	35%	31%	28%	39%	43%
Operations	27%	25%	35%	28%	18%
Corporate Development/M&A	12%	5%	8%	2%	4%
Technology	9%	14%	6%	11%	10%
Legal, Regulatory and Public Policy	6%	14%	10%	9%	11%
Sales & Marketing	6%	7%	8%	8%	10%
Human Resources	3%	4%	3%	2%	4%
Other	1%	1%	1%	0%	1%

## Expertise matters: knowledge of the company’s industry prioritized in NXD succession

- » In 2023, just over two-thirds (68%) of new NXDs appointed by CSSBI 100 boards had experience in the company’s industry or a closely allied sector. In recent years, CSSBI 100 boards have added more of this domain, or “in-sector” experience compared to an earlier period (2018 and 2017), when annual NXD appointments were roughly balanced with backgrounds in a different industry.

## APPOINTMENTS OF NXDs WITH “IN-SECTOR” AND DIFFERENT INDUSTRY EXPERIENCE (% OF ALL NXDs APPOINTED, 2023–2019)

	2023	2022	2021	2020	2019	Five-year average	2018	2017
<b>NXDs appointed (total)</b>	<b>93</b>	<b>110</b>	<b>97</b>	<b>95</b>	<b>94</b>	<b>98</b>	<b>98</b>	<b>95</b>
In-sector experience	68%	74%	64%	74%	67%	69%	55%	54%
Other industry experience	32%	26%	36%	26%	33%	31%	45%	46%



## Canadian boards continue to recruit international directors, and with a higher proportion of recruits from historically underrepresented groups

- » Boards of Canada’s largest companies continued to gain relevant executive leadership experience and knowledge from key international markets. Non-residents of Canada comprised 38% percent of NXDs appointed to *CSSBI* 100 boards in 2023, a total consistent with recent years. Many of these non-residents had prior experience in the company’s industry and/or relevant international growth markets.
- » Notably, in the past two years, about two-thirds of this cohort were representative of historically underrepresented groups, compared to about half from 2019 to 2021. This data reflects Canada’s smaller prospect pool, after factoring competitive conflicts, candidate availability and demographics. The U.S., given its strategic and operational importance, and for the depth and diversity of its prospect pool, continues to be a primary source for Canadian board diversification efforts.

### NON-RESIDENTS OF CANADA APPOINTED TO THE BOARDS OF *CSSBI* 100 COMPANIES (% OF ALL NXDs APPOINTED ANNUALLY, 2023–2019)

	2023	2022	2021	2020	2019	Five-year average
<b>NXDs appointed (total)</b>	<b>93</b>	<b>110</b>	<b>97</b>	<b>95</b>	<b>94</b>	<b>98</b>
Non-residents of Canada	38%	37%	47%	37%	31%	38%
Historically underrepresented groups as a % of non-residents of Canada	63%	75%	52%	54%	48%	58%

## “First-timers” are a critical pipeline for board renewal and diversification

- » First-time public company directors constituted 37% of all incoming NXDs to *CSSBI* 100 boards in 2023. This influx, higher in recent years, should be viewed in the context of board renewal, including the recruitment of NXDs from non-traditional corporate networks, non-residents of Canada and active, next-generation leaders.
- » Notably, in 2023, most (62%) of this cohort were representative of historically underrepresented groups, compared to about half in 2020 and 2019; also close to half of the first-timers (44%) were non-residents of Canada, in a continuing trend.
- » C-level leaders tend to be well represented in the first-timer cohort, representing about half of incoming directors in the past five years. Many boards attach such experience as a prerequisite, with or without prior public company board experience.
- » Effective onboarding and mentorship by the board chair and other seasoned directors takes on even greater importance with a first-time director and/or a less seasoned executive.

## FIRST-TIME PUBLIC COMPANY DIRECTORS APPOINTED TO THE BOARDS OF CSSBI 100 COMPANIES (2023–2019)

	2023	2022	2021	2020	2019	Five-year average
<b>NXDs appointed (total)</b>	<b>93</b>	<b>110</b>	<b>97</b>	<b>95</b>	<b>94</b>	<b>98</b>
First-time public company directors (% all NXDs appointed annually)	37%	33%	40%	26%	30%	33%
Historically underrepresented groups (% of first-time public company directors)	62%	78%	69%	46%	50%	61%
Non-residents of Canada (% of first-time public company directors)	44%	42%	46%	42%	36%	42%
<b>Other attributes of first-time public company directors</b>						
Active	53%	56%	44%	58%	57%	54%
Retired	47%	44%	56%	42%	43%	46%
C-level leaders	62%	56%	33%	50%	43%	49%
Divisional leaders	21%	17%	41%	17%	11%	21%
Other*	17%	27%	26%	33%	46%	30%

\* Includes: advisers, academics, public policy leaders, less senior ranking executives

## Board chair transitions were steady in 2023; more women selected

- » Board chair transitions on CSSBI 100 boards in 2023 (13) were consistent with recent annual totals. Internal successors were chosen in every transition, a clear sign that boards of Canada's largest companies emphasize board continuity and company knowledge. Chair successors had an average of eight years of board tenure before assuming the role; most had prior committee chair or lead director experience, either with the board or that of a different public company.
- » Five of the new board chairs (or close to 40%) were women (two of whom self-identified as visible minorities), as boards of Canada's largest public companies continued to be pace setters in board leadership diversification.

## BOARD CHAIR TRANSITIONS AT CSSBI 100 COMPANIES (2023–2019)

	2023	2022	2021	2020	2019	Five-year total	Five-year average
<b>Annual total</b>	<b>13</b>	<b>14</b>	<b>13</b>	<b>12</b>	<b>17</b>	<b>69</b>	<b>14</b>
Internal board chair successors	100%	100%	77%	83%	82%	N/A	88%
Women board chair successors	38% 5 of 13	14% 2 of 14	15% 2 of 13	25% 3 of 12	24% 4 of 17	16	28%

# 2023 CSSBI 100 Board Diversity and Composition Snapshot

## Highlights - Historically Underrepresented Groups

**45%** of all CSSBI 100 directorships were held by board members representative of historically underrepresented groups, compared to 34% in 2019.

### Women

**38%** of all CSSBI 100 directorships were held by women, almost 30% more than in 2019; and close to one-in-five self-identifying as Indigenous, a member of a visible minority and/or a person with a disability, LGBTQ2S+ or other.

**Gender-balanced boards increasing** — 12% of boards were at least fully gender balanced; women were in the majority on five, and 28 other boards were close to reaching full gender parity.

**177** — number of women serving in board leadership roles (chair, vice chair, lead director, committee chair), an increase from 160 in 2022.

### Men

**7%** of CSSBI 100 male directors self-identify as Indigenous, a member of a visible minority, a person with a disability, and/or LGBTQ2S+ or other.

## Diversity policies and targets

**76% of boards** — a growing majority — had a minimum gender composition target (30% most commonly) as part of their board diversity policies; 21% of boards, an increase from 8% in 2022, had a minimum target for other historically underrepresented groups.

45%

of all CSSBI 100 directorships were held by board members representative of historically underrepresented groups, compared to 34% in 2019.

177

number of women serving in board leadership roles (chair, vice chair, lead director, committee chair), an increase from 160 in 2022.

## Board representation by historically underrepresented groups

- » Boards diversification continued, with more progress for historically underrepresented groups.
- » Boards in Canada are becoming more representative of Canadian and broader populations, company employees, customers and/or broader business and community stakeholders. In 2023, close to half (45%) of all CSSBI 100 directorships were held by board members representative of historically underrepresented groups, 32% higher than five years ago. Women made up the vast majority of those identifying as a member of more than one underrepresented group.
- » In 2023, 14% of total CSSBI 100 directorships were held by those self-identifying as Indigenous, visible minorities, and/or persons with disabilities and/or LGBTQ2S+ — a two percentage point uptick over 2022 and more than double the totals observed five years ago.

### TOTAL CSSBI 100 DIRECTORSHIPS HELD BY LEADERS FROM HISTORICALLY UNDERREPRESENTED GROUPS (2023–2019)

	2023	2022	2021	2020	2019	Five-year change	CAGR
Historically underrepresented groups (total)*	45%	42%	38%	36%	34%	32%	7%
Women (total)	38%	36%	33%	32%	30%	27%	6%
Women (Indigenous Peoples, visible minorities, persons with disabilities, LGBTQ2S+, other)	7%	6%	4%	3%	2%		
Men (Indigenous Peoples, visible minorities, persons with disabilities, LGBTQ2S+, other)	7%	6%	5%	4%	4%		
Total (Indigenous Peoples, visible minorities, persons with disabilities, LGBTQ2S+, other)	14%	12%	9%	7%	6%		

\* Includes women (total) and men (Indigenous Peoples, visible minorities, persons with disabilities, LGBTQ2S+, other).

## Gender balanced boards on the rise

- » As of 2023, 12 CSSBI 100 boards achieved at least full gender parity (women held a majority of board seats on five of these boards), compared to a single board in 2019. Also unprecedented, women achieved near-parity, holding 40% to 49% of board seats, on more than one-quarter of boards — nearly five times more than in 2019.

### PERCENTAGES OF WOMEN ON BOARDS OF CSSBI 100 COMPANIES (2023 COMPARED TO 2019)

Proportion/range of board members	Number of boards: Women, 2023		Number of boards: Women, 2019	
0%	0		0	
1% to 9%	0		1	
10% to 19%	3		20	
20% to 29%	10		38	
30% to 39%	47		32	
40% to 49%	28		8	
50% or more	12		1	
<b>Total</b>	<b>100</b>		<b>100</b>	



## Scale tipping for other historically underrepresented groups

- » Far fewer *CSSBI* 100 boards (9 in 2023 compared to 40 in 2021) were without any representation by directors self-identifying as Indigenous, a member of a visible minority, persons with disabilities and/or LGBTQ2S+. Additionally, more *CSSBI* 100 boards in 2023, compared to 2021, had multiple directors self-identifying against these criteria.
- » Overall, in 2023, close to half (48) *CSSBI* 100 boards had two or more directors self-identifying as Indigenous, a visible minority and/or persons with disabilities and/or LGBTQ2S+.

### PERCENTAGES OF DIRECTORS FROM OTHER HISTORICALLY UNDERREPRESENTED GROUPS ON BOARDS OF *CSSBI* 100 COMPANIES (2023 COMPARED TO 2021)\*

Proportion/range of board members	Number of boards: other historically underrepresented groups, 2023	Number of boards: other historically underrepresented groups, 2021
0%	19	40
1% to 9%	18	24
10% to 19%	37	18
20% to 29%	20	13
30% to 39%	5	3
40% to 49%	0	1
50% to 60%	1	1

\* Includes directors self-identifying as Indigenous, a member of a visible minority and/or persons with disabilities and/or LGBTQ2S+.

## Non-residents helping to diversify Canadian boards

- » In 2023, non-residents of Canada constituted nearly one-third (32%) of the population of directors from historically underrepresented groups serving on *CSSBI* 100 boards. The number of “imports” continues to reflect the international scope of many *CSSBI* 100 companies, as much as the depth of Canada’s prospect pool, after factoring availability, demographics, conflicts and/or readiness for service on large public company boards.

### POPULATION OF DIRECTORS FROM HISTORICALLY UNDERREPRESENTED GROUPS SERVING ON *CSSBI* 100 BOARDS (2023–2019)

	2023	2022	2021	2020	2019	Five-year change
Directors from historically underrepresented groups (total)	508	477	427	394	373	36%
Historically underrepresented groups (non-residents of Canada)	164 (32%)	155 (32%)	134 (31%)	117 (30%)	115 (31%)	42%

## Board diversification policies and composition targets

- » Board diversity targets have been widely adopted for gender but are still evolving to include other underrepresented groups.
- » A growing majority of CSSBI 100 boards (76% in 2023 compared to 56% in 2021) had a minimum gender composition target as part of their board diversity policy; 30% was the most common composition target established by these boards, as it was in 2021.
- » For most boards (67 of 76), the target applied to the full board, rather than independent or non-executive board members.
- » Targets for other historically underrepresented or designated groups, albeit less prevalent across the entire index, more than doubled compared to 2021. Close to one-quarter (21) of CSSBI 100 boards (compared to eight in 2021) had a minimum target for various or specific groups given unique business/market circumstances; others, based on disclosure, were active in formulating their approach as part of a wider board diversification initiative and skills matrix review. Notably, many boards disclosed that they were adapting and broadening their diversity policies and criteria (e.g., having 50% gender and Indigenous/visible minority/LGBTQ2S+ diversity by a certain year, while maintaining at least 30% female representation).
- » To advance progress on targets and/or maintain levels, boards typically insist on long lists and candidate slates (e.g., from third-party search partners) that emphasize gender and other historically underrepresented groups.

### BOARD COMPOSITION TARGETS IN THE CSSBI 100 (2023 COMPARED TO 2021)

Minimum target (% of board composition)	Gender (number of CSSBI boards, 2023)	Gender (number of CSSBI boards, 2021)	Other historically underrepresented groups (number of CSSBI boards), 2023	Other historically underrepresented groups (number of CSSBI boards), 2021
Up to 10%	0	0	5	5
13-15%	0	0	2	0
20%	1	2	3	3
25%	1	3	2	N/A
30%	50	38	0	N/A
33.3%	5	4	0	N/A
35%	3	0	0	N/A
40%	8	4	0	N/A
50%	8	5	0	N/A
Unspecified	0	0	9	N/A
<b>Totals</b>	<b>76</b>	<b>56</b>	<b>21</b>	<b>8</b>

## More women are serving in board leadership, given active chair rotation practices

- » Compared to 2019, there were close to 50% more women serving in formal board leadership positions (board chair, vice chair, lead director and committee chair).
- » Comparing 2023 to 2022, women chairing key board committees increased, except for governance and nominations committees. Women had the largest gain in audit chair appointments compared to other core board committees.
- » Notably, in 2023, five women succeeded to board chair roles (or close to 40% of all new board chairs), the highest number observed in our analyses back to 1996.

### WOMEN SERVING IN BOARD LEADERSHIP ROLES ON CSSBI 100 BOARDS (2023–2019)

	2023	2022	2021	2020	2019
Board chairs, vice chairs and lead directors	22	15	19	17	15
Audit chairs	50	42	36	30	29
Gov/nomco chairs	34	38	39	35	28
HRCC chairs	40	36	29	29	30
EH&S chairs	13	12	15	13	12
Other committee chairs	19	17	17	19	13
<b>Totals</b>	<b>177</b>	<b>160</b>	<b>155</b>	<b>143</b>	<b>127</b>

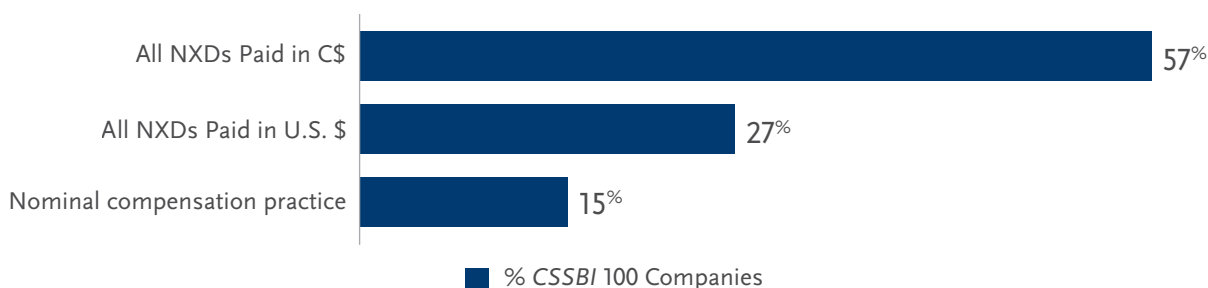
# Selected Board Compensation Benchmarks

Spencer Stuart presents its annual review of board compensation for the *CSSBI* 100. Benchmarks are provided for NXDs, board chairs, lead directors, committee chairs and committee members, in addition to amounts paid for board and committee meetings and travel, where applicable. Amounts are presented in \$CAD unless otherwise noted. Board compensation paid in \$US was converted using average exchange rates for 2023 from the Bank of Canada.

## Currency of compensation

- » **Canadian currency** was by 58% of *CSSBI* Companies to remunerate all their NXDs, irrespective of domicile.
- » **U.S. currency** was used by nearly one-third (30%) to remunerate their NXDs, irrespective of domicile.
- » **Nominal compensation**, whereby U.S. based NXDs received the same scheduled amounts in \$US, based on a one-for-one exchange, was applied by 12 *CSSBI* 100 boards.

### CURRENCY USED FOR BOARD COMPENSATION



## NXD compensation mix in 2023

- » “Flat fee” structured annual NXD retainers (inclusive of per meeting fees) were used by the vast majority (92%) of *CSSBI* 100 companies. Fewer than 10% of companies in 2023 continued to provide incremental compensation for meeting attendance.
- » Close to 60% of the *CSSBI* 100 still provided separate committee member retainers in their NXD pay mix; travel compensation (either per-meeting or an annual lump-sum) was paid by about one-third (32%) of the *CSSBI* 100 to certain directors based on distances travelled.

	Annual NXD Retainer (median, including equity)	Committee member retainer (median)	Board meeting fee (median)	Committee meeting fee (median)	Travel Compensation (range)*
<i>CSSBI</i> 100 (overall)	\$225,000	\$10,000	\$2,000	\$2,000	Per-meeting: \$500 to \$4,000 Lump annual sum: \$10,000 to \$20,000
Percentage of companies paying a retainer or fee	100%	56%	8%	8%	32%

\* Nominal \$, variable based on distances travelled.



## Board chair compensation in 2023

- » Median total board chair compensation was \$423,000 in 2023 (for 76 *CSSBI* 100 companies that scheduled remuneration for service in the role). Half of the total came in the form of risk-based equity compensation.
- » All-inclusive board chair remuneration (i.e., a single board chair retainer or the standard annual director retainer plus an additional board chair retainer) was used by a vast majority (92%) of *CSSBI* 100 companies. Few companies scheduled incremental compensation for committee memberships, board and committee meetings, and *ad hoc* work that typically comes with the board chair role.

	Board chair compensation	All-inclusive model	Cash	Equity
Median (overall) (n=76)	\$423,000	92%	50%	50%

## Growth trends in NXD and board chair compensation

- » Median total compensation for both NXDs and board chairs in 2023 increased by 6% over 2022 (for the constant set of 88 *CSSBI* 100 companies), continuing the trend of single-digit growth.
- » Compensation increases, effective for 2023, were disclosed by a minority of *CSSBI* 100 boards, amid a period of low compensation growth overall.

### MEDIAN TOTAL NXD AND BOARD CHAIR COMPENSATION (2023–2019) (NOMINAL \$)\*

	2023	2022	2021	2020	2019	CAGR
NXDs	\$250,000	\$235,000	\$225,000	\$212,000	\$220,000	3.20%
Board chairs	\$415,000	\$393,000	\$420,000	\$363,000	\$375,000	2.60%

\* Nominal currency values were used to remove the effect of fluctuating exchange rates over the five-year period. Totals for 2023 were estimated, reflecting changes (planned increases or decreases) disclosed by individual *CSSBI* 100 companies in their Information Circulars. Annual totals include all forms of applicable NXD compensation, including equity, dividends and travel. Amounts paid for non-board related consulting were excluded.

## Lead director compensation

- » In 2023, all but one of the lead directors (or equivalent) were scheduled to receive additional compensation for serving in this board leadership role. Additional amounts (most commonly \$40,000) consisted of an added retainer or larger equity grant. Compared to 2022, median lead director compensation was \$5,000 higher in 2023.

**COMPENSATION FOR LEAD DIRECTORS IN THE CSSBI 100 (2023–2022)\***

	2023	2022
Lead directors or equivalent	38	39
Additional compensation (median)	\$40,000	\$35,000
Range	\$10,000 to \$150,000	\$10,000 to \$150,000

\* Nominal \$.

**Committee chair retainers**

- » Committee chair retainers have been generally flat, based on median amounts for three core board standing committees.
- » Gov/nomco committee chair retainers did show an increase over 2022, as many boards continued to adjust their tiered pay scale for committee chairs.

**MEDIAN COMMITTEE CHAIR RETAINERS IN THE CSSBI 100 (2023–2019)\***

Committee	2023	2022	2021	2020	2019
Audit	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
HRCC	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Gov/nomco	\$20,000	\$15,000	\$15,000	\$15,000	\$15,000

\* Nominal \$

**Committee member retainers**

- » Just over half (56 in 2023) of CSSBI 100 companies paid additional retainers for committee memberships. NXDs generally received the applicable retainer for each committee membership, although a small number included service on one committee in their annual director retainer or restricted the retainer to audit committee members.
- » Tiered retainers for committee service (employed by 43% of the applicable boards) are reflected in the mean amounts paid to audit, HRCC and gov/nomco members.

**RETAINERS FOR COMMITTEE MEMBERS\***

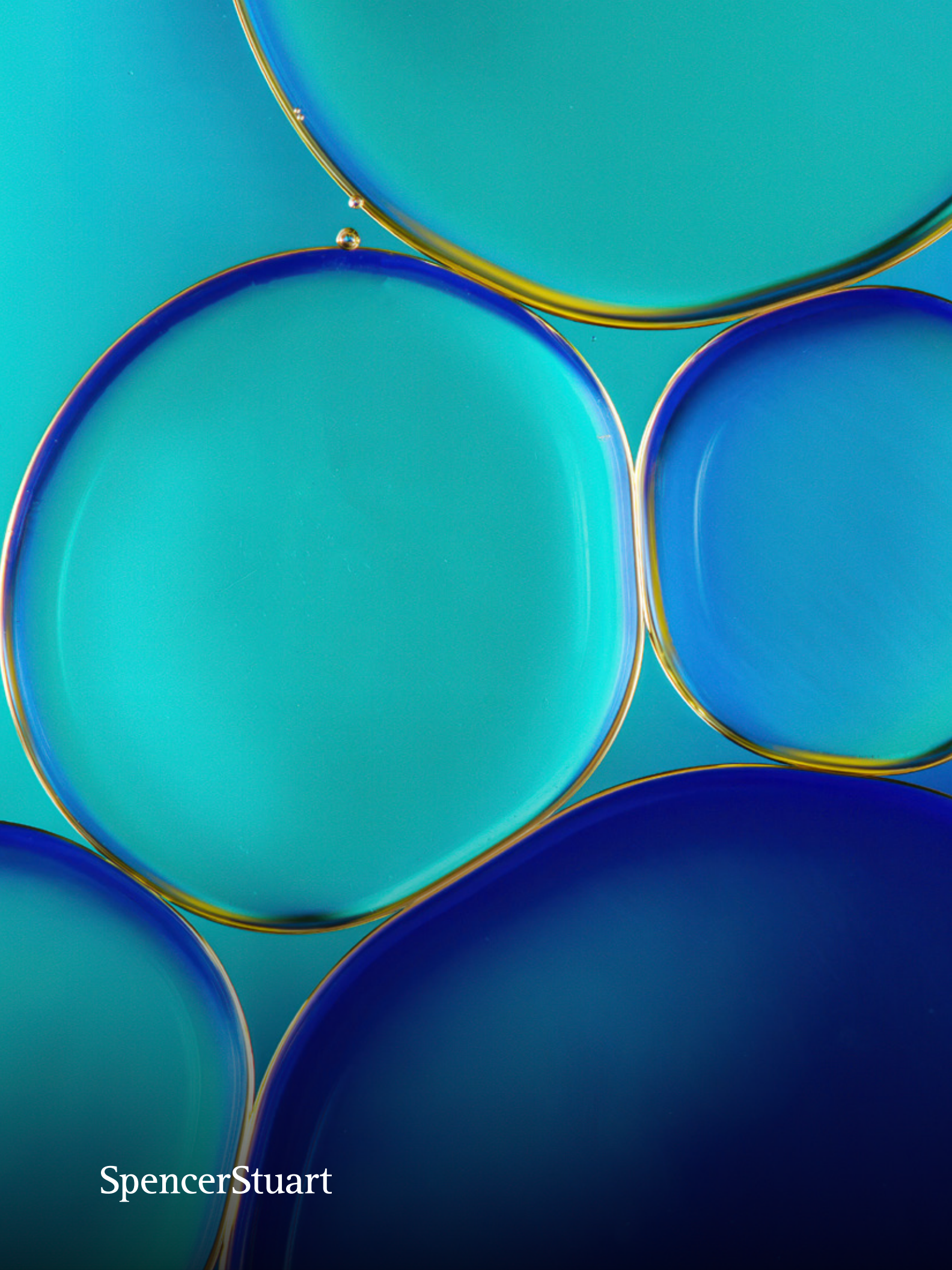
Committee	Median	Mean	Mode	Range
Audit	\$10,000	\$12,300	\$10,000	\$3,500–\$55,000
HRCC	\$10,000	\$11,200	\$10,000	\$3,500–\$55,000
Gov/nomco	\$10,000	\$10,000	\$10,000	\$3,000–\$55,000

\* Nominal \$

# Appendix: 2023 *CSSBI* 100 Companies

- » AENTRA
- » Aecon Group
- » Agnico Eagle Mines Limited
- » Air Canada
- » Algonquin Power & Utilities Corporation
- » Alimentation Couche-Tard
- » AltaGas
- » ATCO
- » AtkinsRéalis
- » Bank of Montreal
- » Bank of Nova Scotia, The
- » Barrick Gold Corporation
- » BCE
- » Bombardier
- » Brookfield Corporation
- » BRP
- » CAE
- » Cameco Corporation
- » Canadian Imperial Bank of Commerce
- » Canadian National Railway Company
- » Canadian Natural Resources Limited
- » Canadian Pacific Kansas City Limited
- » Canadian Tire Corporation Limited
- » Canfor Corporation
- » Cascades
- » CCL Industries
- » Celestica
- » Cenovus Energy
- » CGI
- » Chemtrade Logistics Income Fund
- » CI Financial Corporation
- » Cogeco
- » Constellation Software
- » Converge Technology Solutions Corporation
- » Corus Entertainment
- » Dollarama
- » Dorel Industries
- » Emera
- » Empire Company Limited
- » Enbridge
- » Fairfax Financial Holdings Limited
- » Finning International
- » First Quantum Minerals
- » Fortis
- » George Weston Limited
- » GFL Environmental
- » Gibson Energy
- » Gildan Activewear
- » Hydro One Limited
- » iA Financial Corporation
- » IAMGOLD Corporation
- » Imperial Oil Limited
- » Intact Financial Corporation
- » Interfor Corporation
- » Keyera Corporation
- » Kinross Gold Corporation
- » Linamar Corporation
- » Magna International
- » Manulife Financial Corporation
- » Maple Leaf Foods
- » Martinrea International
- » Methanex Corporation
- » Metro
- » National Bank of Canada
- » NFI Group
- » The North West Company
- » Nutrien Limited
- » Onex Corporation
- » Open Text Corporation
- » Parkland Corporation
- » Pembina Pipeline Corporation
- » Power Corporation of Canada
- » Premium Brands Holdings Corporation
- » Quebecor
- » Restaurant Brands International
- » RioCan Real Estate Investment Trust
- » Rogers Communications
- » Royal Bank of Canada
- » Russel Metals
- » Saputo
- » Shopify
- » Spin Master Corporation
- » Stantec
- » Stella-Jones
- » Sun Life Financial
- » Suncor Energy
- » Superior Plus Corporation
- » TC Energy Corporation
- » Teck Resources Limited
- » TELUS Corporation
- » TFI International
- » Thomson Reuters Corporation
- » Toromont Industries Limited
- » The Toronto-Dominion Bank
- » TransAlta Corporation
- » Transat A.T.
- » Transcontinental
- » Wajax Corporation
- » West Fraser Timber Co. Limited
- » WSP Global





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