



GENDER AND RACIAL DIVERSITY POLICY

Objective

Recent studies have shown benefits to having a diverse workplace and board of directors. For example, a 2019 McKinsey study found that companies with more than 30 per cent women executives were more likely to outperform those with fewer or none, as were companies with ethnically diverse boards.¹

Diversity promotes the inclusion of different perspectives and ideas, mitigates against group think and improves oversight, decision-making and governance. While Canadian companies and organizations have progressed, they must continue to make an effort to encourage gender and racial diversity in their operations. CUTRIC has a role to play in this mandate.

This policy document aims to educate executive, staff and board members, and provide the principles and strategies for CUTRIC's goal of achieving gender and racial diversity throughout its operations.

Context

While Canada ranks relatively high in terms of gender equality, the average wage earned by a woman working full-time in Canada is still only 76.8 cents for every dollar men make.² Women comprise only 19.5% of the board members for Canada's top 500 companies and just 8.5% of the highest-paid positions in Canada's top 100 listed companies.³

Since 2020, things have gotten worse for Canadian women, as they have been disproportionately affected by the COVID-19 pandemic.⁴ Ten times more women than men in Canada fell out of the labour force in 2020, and Canada has fallen from 19th (2020) to 24th (2021) in the world in terms of closing gender gaps.⁵

Immigrants represent much of Canada's population growth today and, as of 2020, represented roughly 21.5 percent of the total Canadian population. Yet, only 6 per cent of business leaders surveyed rely on immigrant workers to fill their needs for skilled employees.⁶

Boards and senior leadership

In April 2021, the Government of Canada published a report on the impact of new disclosure requirements and other government efforts to increase diversity on corporate boards and in leadership. According to the report, the average percentage of women on Canadian company boards grew from

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<https://www6.royalbank.com/en/di/hubs/now-and-noteworthy/article/the-business-case-for-board-diversity/kkr40d7a>

2 <https://canadianwomen.org/the-facts/women-and-leadership-in-canada/>

3 <https://canadianwomen.org/the-facts/women-and-leadership-in-canada/>

4

<https://pm.gc.ca/en/news/news-releases/2021/06/30/prime-minister-announces-measures-advance-gender-equality-worldwide>

5 <https://www.cmc-canada.ca/blog/Our%20Blog/Gender-Parity-in-Canada-A-Way-Forward>

6 <https://www.bdc.ca/en/articles-tools/employees/recruit/business-benefits-workforce-diversity>



16% in 2016 to 20% in 2020.⁷ The same report showed that the percentage of all-male boards continued to decline meaningfully.

In January 2021, Statistics Canada released a survey showing that the percentages of board members in non-profits from diverse populations are consistently lower than in the Canadian population. The survey also showed that organizations with a policy on the diversity of their directors are more likely to have more diverse board members.⁸

Transportation and clean technology sectors

Globally, jobs in the transportation sector are highly gendered and unequal and, as a result, women's voices are all too often neglected when it comes to transport planning.⁹

The Canadian clean technology sector has significantly more women directors and a modestly larger share of women executive officers compared to the conventional energy sector. However, compared to other Canadian TSX-listed companies, the clean technology sector sits close to the bottom for women executives, but ranks near the top for women directors.¹⁰

According to the Women in Cleantech Challenge, "While women have an important role to play in the clean innovation economy, research shows they have a more difficult time raising capital, lack an adequate support network, and face a number of other barriers that men typically don't face."¹¹

There appears to be little data in terms of racial diversity in the clean technology sector in Canada, though we do know that systemic racism negatively affects racialized Canadians throughout the workforce, through biased recruitment practices and being screened out of senior leadership positions.¹² In the UK, Black, Asian and minority ethnic people make up 27 per cent of engineering graduates, but make up only 7.8 per cent of professional engineers.¹³

Glossary

BIPOC: Black, Indigenous and people of colour.

Black: A social construct referring to people who have dark skin colour and/or other related racialized

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<https://www.osler.com/osler/media/Osler/reports/corporate-governance/Diversity-and-Leadership-in-Corporate-Canada-2020.pdf>

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<https://www.imaginecanada.ca/en/360/statistics-canada-data-show-lack-diversity-nonprofit-boards-statement-survey-advisory-group>

⁹ https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/briefingnote/wcms_234882.pdf

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<https://www.osler.com/en/resources/governance/2020/diversity-disclosure-practices-report-clean-technology-sector>

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<https://www.womenincleantech.ca/faq/>

¹² <https://ceric.ca/2020/10/supporting-the-careers-of-individuals-who-are-black-indigenous-and-people-of-colour/>

¹³ <https://energymonitor.ai/policy/just-transition/why-a-diverse-workforce-would-benefit-the-clean-energy-transition>



characteristics. Diverse societies apply different criteria to determine who is Black.¹⁴

Diversity: The presence of a wide range of human qualities and attributes within an individual, group or organization. Diversity includes such factors as age, sex, race, ethnicity, physical and intellectual ability, religion, sexual orientation, [gender identity], educational background and expertise.¹⁵

Gender parity: Gender parity is a statistical measure that compares a particular indicator among women, such as income or workforce representation, to the same indicator among men.

Gender equality: The concept that all human beings, regardless of their gender, are free to develop their personal abilities and make choices without the limitations set by stereotypes, rigid gender roles and prejudices, and that the different behaviours, aspirations and needs of people of all genders are considered, valued and favoured equally.¹⁶

Gender equity: The fair treatment of people of all genders, according to their respective needs. This treatment can be different, but must be equivalent in terms of rights, benefits, obligations and opportunities.¹⁷

Gender diversity: Gender diversity refers to a wide range of gender-related identities and ways of expression.¹⁸

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<http://www.ohrc.on.ca/en/teaching-human-rights-ontario-guide-ontario-schools/appendix-1-glossary-human-rights-terms>

¹⁵

<http://www.ohrc.on.ca/en/teaching-human-rights-ontario-guide-ontario-schools/appendix-1-glossary-human-rights-terms>

¹⁶ <https://www.btb.termiumplus.gc.ca/publications/diversite-diversity-eng.html>

¹⁷ <https://www.btb.termiumplus.gc.ca/publications/diversite-diversity-eng.html>

¹⁸

https://www.pdac.ca/docs/default-source/priorities/responsible-exploration/gender/pdac-understanding-gender-terms-and-definitions-final_june-14-2019.pdf?sfvrsn=a8908c98_2



POLICY

PRINCIPLES

1. CUTRIC leadership will aim for gender parity in the composition of its board of directors and throughout its operation. This will be achieved through bylaws requiring gender-equal and merit-based selection, and progress will be regularly monitored and evaluated by a third party.
2. CUTRIC will encourage member organizations to follow its lead on gender parity in their respective operations, promoting women's participation in the transportation sector, and in the innovation of new technologies related to zero-carbon and smart mobility.
3. CUTRIC recognizes that gender diversity is the equitable representation of people of all gender identities and expressions, and is committed to providing a supportive environment for women, transgender and non-binary individuals.¹⁹
4. CUTRIC will ensure that no barriers exist to prevent racialized employees from advancing within the organization, with a focus on encouraging the hiring and advancement of women of colour.
5. CUTRIC will support gender and racial diversity training and education programs for staff, executive and the Board, and build cultural awareness into its activities.

STRATEGIES

1. Establishing and maintaining gender and racial diversity targets
 - At least 50 per cent of CUTRIC staff, board members and member designates will be women, including in technical roles
 - At least 30 per cent of vendors will have at least 50 per cent female executive teams and demonstrate racial diversity in their executive ranks
 - Annual indicator assessment by an external vendor to evaluate gender and racial diversity throughout CUTRIC's operations.
2. Creating opportunities for women, non-binary and racially diverse staff
 - \$5,000 per annum in training and professional development opportunities to staff members who identify as women, non-binary, women of colour or non-binary folks of colour
 - Paid-for opportunities for women to attend motivational women's conferences
 - Paid-for opportunities for non-binary staff to attend motivational conferences directed towards folks of different gender identity
 - ESL support to overcome any language barriers that might otherwise prevent staff from advancing within CUTRIC, especially for women/non-binary staff of colour and racialized newcomers

¹⁹ <https://www.linezero.com/blog/positive-effects-gender-diversity-in-the-workplace>



3. Building organizational awareness and education about gender and racial diversity

- Written organizational core values that highlight diversity and inclusion
- Gender and diversity training for executives and staff through external vendor support
- Board and executive staff attendance at the Conference Board's Annual Diversity and Inclusion Conference or the CSAE Diversity and Inclusion Conference
- Cultural celebrations and additional paid days off for diverse religious holidays and events
- Annual survey of staff, executive and Board of inclusion perception