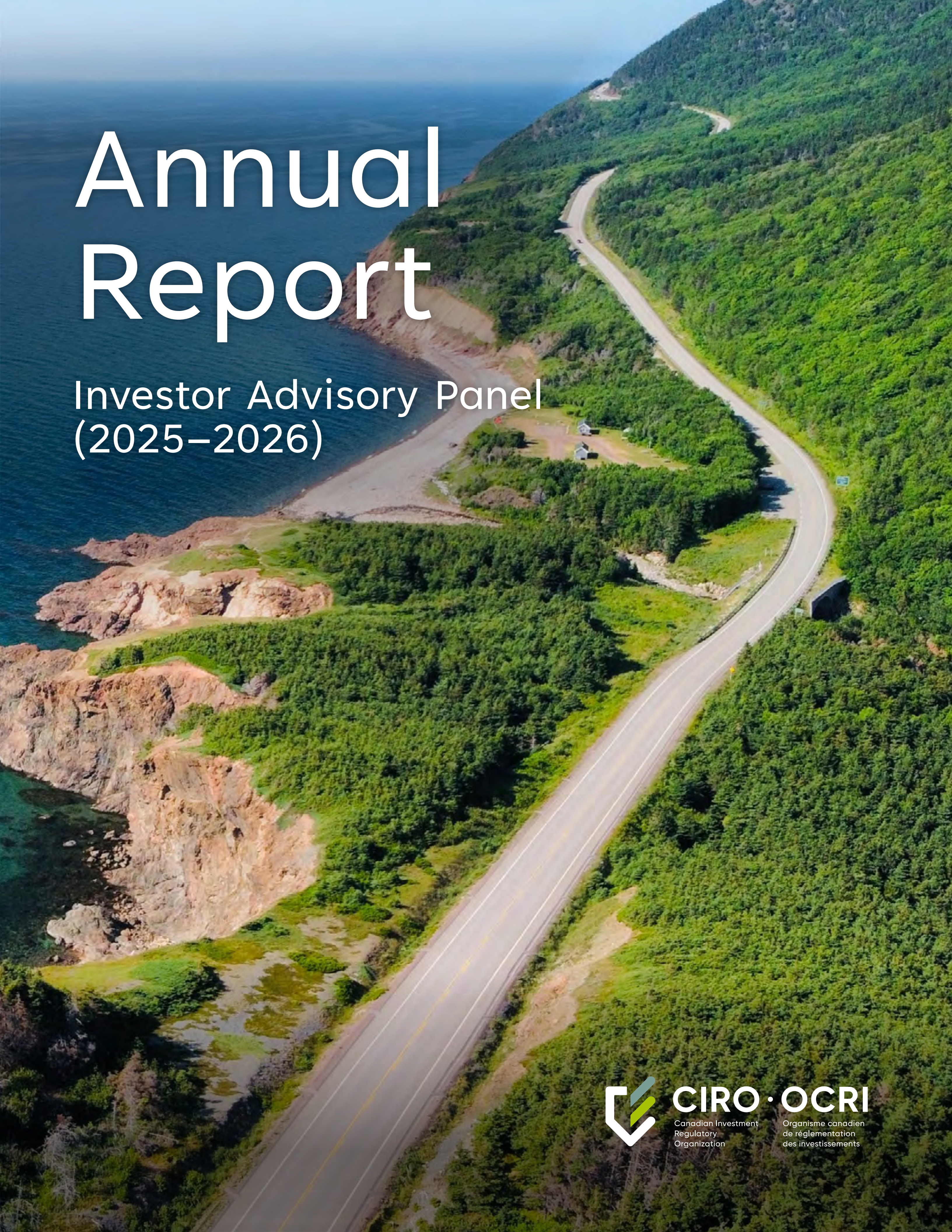

Annual Report

Investor Advisory Panel (2025–2026)

CIRO · OCRI

Canadian Investment Regulatory Organization

Organisme canadien de réglementation des investissements

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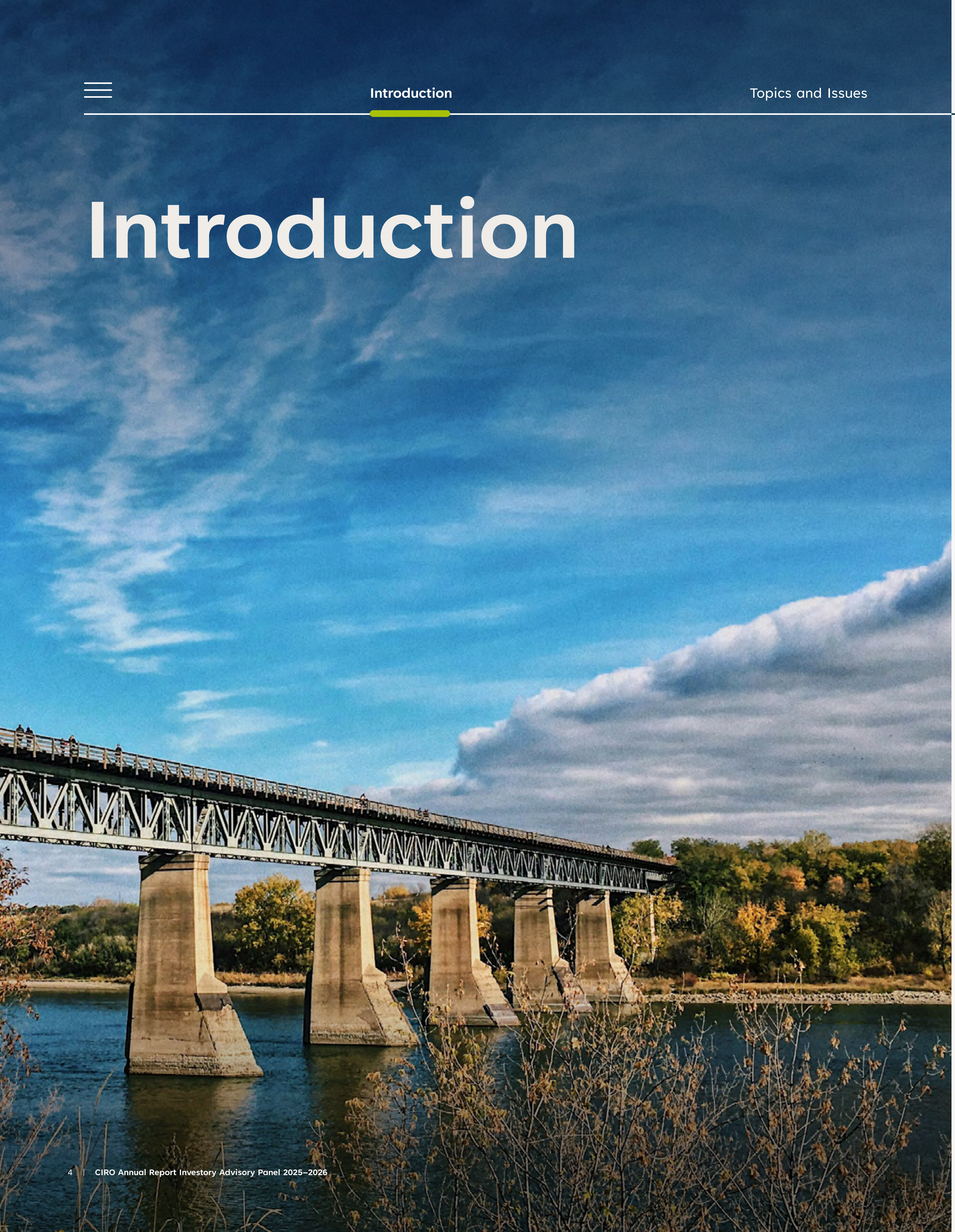


Introduction

The Canadian Investment Regulatory Organization's (CIRO) Investor Advisory Panel (IAP) is a diverse panel of experts on investor issues from across Canada that provides input and advice to CIRO on investor protection issues, the development of regulatory policy, its annual priorities, strategic plans and other regulatory initiatives.

CIRO is the national self-regulatory organization that oversees all investment dealers, mutual fund dealers and trading activity on Canada's debt and equity marketplaces. CIRO is committed to the protection of investors, providing efficient and consistent regulation, and building Canadians' trust in financial regulation and the people managing their investments. For more information, visit ciro.ca.

Message from the Chair

In its third year, the IAP continued to fulfill its mandate by providing input and advice to CIRO on policy consultations and issues affecting investors. The IAP offered recommendations on ongoing initiatives, including the Rule Consolidation Project, proposed new guidance on Order-Execution-Only (OEO) Account Services and Activities, and proposed changes to the Ombudsman for Banking Services and Investments (OBSI).

I would like to highlight a project that I am particularly proud of this year, which was the publication of our first research project focused on Women and Investing. The IAP's objective for this study was to gain a deeper understanding of the investing needs, goals and experiences of Canadian women at various life stages, and further insights into how the investment industry can meet their needs.

During the year, the IAP, along with CIRO employees, highlighted the results of the survey through webinars, social media and panel discussions. The insights gained from this research will also assist CIRO in developing strategies to help women face the unique financial challenges they experience.

As always, our success is linked to the hard work of CIRO employees, and we extend our gratitude for their continued dedication to the development of regulatory policies and initiatives in our shared commitment to protect investors.

Finally, I want to thank my esteemed fellow panel members, in particular departing panelists, James Emmerton and Hélène Belleau, for their valuable contributions. As we turn toward the coming fiscal year, we look forward to welcoming new members to the panel.

– Dorothy Sanford, Chair

Topics and Issues

Research

IAP Research on Women and Investing

With support from CIRO's Office of the Investor and Innovative Research Group, the IAP published the results of their first research project focused on Women and Investing. This research sought to gain a better understanding of the investing needs, goals and experiences of female investors, including topics such as:

- How women invest and what is important to them.
- The factors that women consider when selecting a financial advisor and their experiences with financial advisors.
- How couples approach their finances and investment decision making. e.g. Do they invest separately or together? Do they share an advisor?
- How women's investing needs and approach changes through different life stages and events.

Major findings included:

- Women invest less and in different, less 'risky' products.
- Women who don't invest feel held back for different reasons. Young women are more likely to say they don't have enough money to invest or don't know where to get started.
- Women make financial decisions with less confidence and have less tolerance for risk than men.
- Women are twice as likely as men to work with a woman financial advisor.
- While women do not report more negative experiences with advisors than men overall, there are certain sub-groups of women who do. Specifically, first generation Canadian women are more likely to report some negative experiences.
- Women are more likely to place importance on the advisor speaking without jargon, showing respect, and showing an understanding of life goals than men.

Consultations

The IAP held four meetings and provided input on the following:

CIRO's Annual Priorities and Strategy – The IAP consulted on CIRO's annual priorities and strategic initiatives including those focused on regulatory evolution and investor research, education and protection.

CIRO Rulebook Consolidation - The IAP offered input at various stages in the approach to the development and implementation of the consolidated CIRO rulebook. This included providing feedback on Phase 5 of the Rule Consolidation Project. In particular, the IAP shared their views on the complaint handling requirements including that the current timeline of 90 days to provide a response should be shortened.

Account Transfers – The IAP discussed proposals to modernize and harmonize CIRO's account transfer rule requirements including proposed rule amendments and proposals to support the development of industry-led technology solutions to enable much greater automation and standardization of account transfers across the investment services sector.

Order-Execution-Only (OEO) – The IAP consulted on proposed guidance that broadens the scope of decision-making supports that OEO Dealers can offer clients.

CIRO's Disclosure Modernization Project - The IAP discussed CIRO's disclosure modernization project to streamline and standardize client disclosure.

Electronic Delivery of Client Documents – The IAP provided feedback on proposed changes to make electronic delivery the default format of communication with clients, with the client having the right to opt for paper delivery.

Fully Paid Lending (FPL) – The IAP discussed the proposed amendments regarding Fully Paid Lending.

CIRO's Continuing Education Harmonization – The IAP discussed CIRO's Continuing Education Harmonization project to develop harmonized continuing education rules applicable to both mutual fund and investment dealers.

Submissions

Ombudsman for Banking Services and Investments (OBSI) - The IAP submitted a public comment letter on the Canadian Securities Administrator's (CSA) proposed refinements to the process to provide a designated dispute resolution service, namely OBSI, with the authority to issue binding final decisions. The IAP noted that they believe the focus and priority should be on providing OBSI with binding authority and were supportive of the proposed framework and the elements of the proposed process refinements.

Order Execution Only (OEO) Account Services and Activities – The IAP submitted a public comment letter on proposed guidance related to how CIRO dealers offering OEO account services (OEO Dealers) can provide decision-making supports to Do-It-Yourself (DIY) Investors. The IAP noted that they strongly support CIRO's objective of enhancing investors' financial literacy and awareness. The IAP strongly supports having reliable information tools and resources readily and easily available to DIY investors through their OEO platforms and hopes that such resources can help investors makes informed investment decisions and offset the information available from unqualified avenues.

Presentations

DIY Research Report - CIRO's Office of the Investor presented the results of the DIY Investor research to the IAP. The research included focus on new DIY Investors and examined the sources of information used by DIY investors, particularly social media and financial influencers or "finfluencers", and the use of social trading platforms.

Ombudsman for Banking Services and Investments (OBSI) - OBSI Staff met with the IAP to present the highlights of their Annual Report and discuss current initiatives and complaint trends.

CIRO's Annual Enforcement Report - CIRO Enforcement Staff presented the highlights of their Annual Enforcement Report, including an update on complaints and inquiries (volumes and top complaints), case trends and statistics and selected case highlights.

CIRO Sponsored Partnerships – CIRO's Office of the Investor gave the IAP an overview of the sponsored partnerships initiative, launched on January 9, 2025, which sought organizations that were dedicated to improving financial literacy and investor protection and focused on areas such as financial education, complaint support, or investor advocacy and research.

Guidance on Finfluencer Activity – CIRO Policy Staff presented information on the joint CSA/CIRO guidance aimed to help finfluencers and the firms they work with understand and follow securities laws when posting information about investing online.

Investor Advisory Panel Members

Dorothy Sanford, Chair

Dorothy Sanford, FCPA, FCA, has more than 30 years of experience as a securities regulator, a consultant to a wide range of market participants, and the head of an investor protection fund. As President of the MFDA IPC, Ms. Sanford oversaw the fund's largest insolvency including dealing directly with individual high value claimants, many of whom were in underserviced parts of rural Ontario. As a consultant, she has advised investment dealers, mutual fund dealers and other securities registrants, and executed global regulatory compliance projects for public companies and registrants.

Ms. Sanford also has considerable corporate governance experience, having served as a corporate and not-for-profit Director. She has chaired public company and not-for-profit audit committees, most recently with the Nature Conservancy of Canada.

Heidi Conrad, Vice Chair

Heidi Conrad, CPA, CA, ICD.D has nearly two decades of experience in leadership roles with various investment companies in Alberta. In her roles as CFO and Controller, she has been involved in due diligence for potential acquisitions and public listings via reverse takeovers and has also provided leadership of product integration and mergers following acquisitions. She has a wealth of experience dealing with exempt products, institutional and accredited investors and women investors.

Ms. Conrad is also the Director and Treasurer of the Board for Prospect Human Services Society. She is a CPA Student Mentor Volunteer Advisor, and an advisor and mentor to InterGen.

Paul Archer

Paul Archer holds a Bachelor of Commerce degree in finance and international business from McGill University and is a CFA charterholder. He has spent the majority of his career working in the corporate and investment banking sector, namely for a Canadian financial institution, where he served as the Managing Director and Head of Montreal Corporate Banking. During the course of his career, Mr. Archer has assisted major Quebec based corporations in structuring financing and has also served as an interim treasurer for a large international manufacturer.

Mr. Archer has served on several not-for-profit boards, including roles as Chairperson and as a member of various committees, including audit and risk.

Kerry Baisley

Kerry Baisley has been the Missioner for Indigenous Justice for the Anglican Diocese of New Westminster since 2020. He is retired and has worked for over 35 years in public service in positions ranging from emergency child welfare in British Columbia's Lower Mainland, to work as a regional social worker in what was called Indian Affairs in the Yukon, and Medical Social Work in Residential Care. Mr. Baisley also worked as the Public Guardian and Trustee of BC where he was the Manager for Health Care Decisions. He was most recently Director of Client Relations and Risk Management in Richmond Hospital with Vancouver Coastal Health where he worked for 10 years.

He is a past Board member of the 127 Society for Housing and a member of the Métis Nation of British Columbia.

Hélène Belleau

Hélène Belleau is a full professor at the Institut national de la recherche scientifique (INRS) - Center for Research in Urbanization, Culture and Society, in Quebec City. Professor Belleau has conducted research on the social use of money, with expertise in money management within couples and gender inequalities. She is also Chair, Money, Inequalities and Society funded by the Chambre de la sécurité financière (2022-2028).

Professor Belleau has published extensively in leading academic journals and has authored several books. She has provided expert opinions in various legal cases and is a regular speaker at conferences and training courses recognized by the Institute of Financial Planning (formerly the IQPF) and the Chambre de la sécurité financière.

James Emmerton

Jim Emmerton, BA, LL.B. is a member of the Board of Directors of Brock House Society and served as a director of Ombudsman for Banking Services and Investments (OBSI) from 2012 to March 2022. He was a member of the OBSI Finance & Audit Committee (2012-2016) and Governance and HR Committee (2016 – present) and Chair of the Board 2018 to March 2022. He was the Executive Director of the British Columbia Law Institute (BCLI) / Canadian Centre for Elder Law (2007-2015) leading research and recommendations for new legislation in British Columbia. He has served as a member of:

- The National Seniors Council,
- OBSI's Consumer and Investor Advisory Council,
- Funding Review Committees for the National Energy Board (Canada),
- The Board of Sources Community Services, and
- The Board and Chair, Finance & Audit Committee of Family Councils of Ontario.

Prior to 2007, he served in various senior executive roles including as Treasurer, Secretary, and VP General Counsel of John Labatt Ltd, and SVP Corporate Development Secretary and General Counsel of Methanex Corporation.

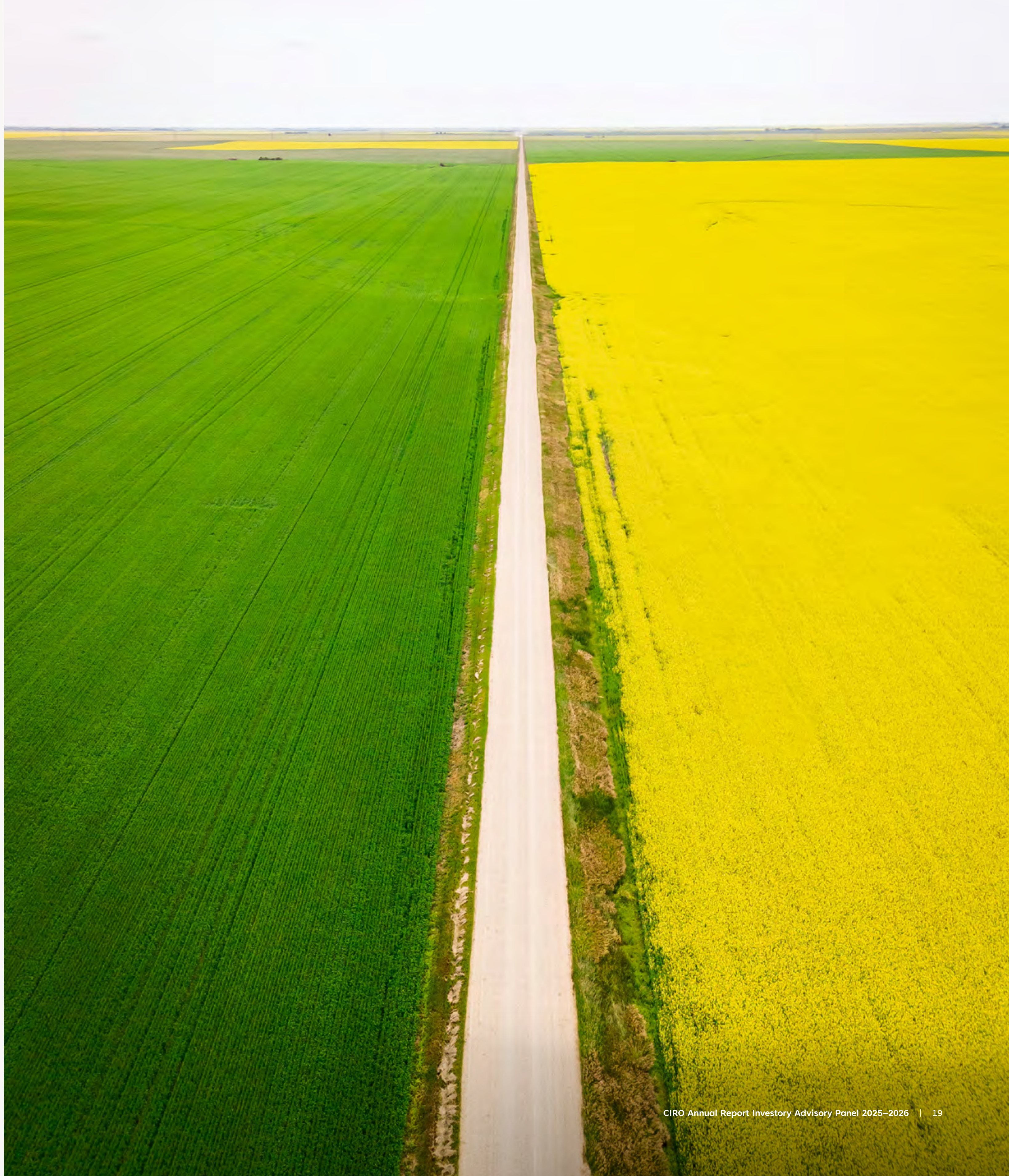
Andrew Nicholson

Andrew Nicholson is retired from the Financial and Consumer Services Commission, New Brunswick's provincial securities regulator. During his career he was responsible for the planning and execution of their investor education and financial literacy initiatives, as well as registrant registration and compliance. He served two terms as a member of the Financial Consumer Agency of Canada (FCAC) National Steering Committee on Financial Literacy and served on the subcommittee charged with developing a best practices framework for financial literacy initiatives in the workplace. Mr. Nicholson is the past Chair of the Financial Education Network (FEN). He served two terms on the CPA New Brunswick Audit Committee and is a past Board member for the New Brunswick Society of Management Accountants. Prior to joining the New Brunswick securities regulator, he worked for a large, chartered bank and was a registered mutual fund salesperson.

Enoch Omololu

Dr. Enoch Omololu owns and operates savvynewcanadians.com, a personal finance education platform focused on helping newcomers understand Canada's financial landscape. He has a passion for helping first-time and marginalized investors get a head start, and in the last six years, he has addressed thousands of questions from Canadians regarding their finances and investments. Since the company's founding in 2016, his writings on investing and personal finances have been read by more than 16.5 million visitors.

Dr. Omololu holds a Master of Science (Economics) degree in Finance and Investment Management from the University of Aberdeen and a Master of Science degree in Agricultural Economics from the University of Manitoba. He also has a Doctor of Veterinary Medicine degree from the University of Ibadan in Nigeria and managed Manitoba's provincial animal welfare enforcement program for several years.



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