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## EQUITY, DIVERSITY, AND INCLUSION (EDI) IN CANADIAN ENERGY DECISION-MAKING

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### **Study in Brief**

This study documents the current state of play and actions around equity, diversity, and inclusion (EDI) in Canada's energy community. Using semi-structured interviews to assess perceptions and views of energy and climate decision-makers it identifies definitions of EDI, initiatives, challenges, and opportunities.

Canada's energy sector is undergoing a collective learning process as societal expectations around fairness, justice, equity, diversity, and inclusion shift rapidly. In the context of Canada's commitment to achieving net-zero emissions by 2050, EDI seems to offer pathways to more representative and trusted decision-making across Canada's energy sector.

The overarching question driving this research is: How are EDI considerations shaping decision-making in Canadian energy organizations? How are they, ultimately, influencing Canada's energy future in an age of climate change? To address this overarching question, this study identifies how Canadian energy decision-makers understand the concept of EDI, examines the importance of EDI considerations for organizations in Canada's energy community today and why they are (or aren't) perceived as important. It documents some of the actions that Canadian energy organizations are taking on EDI, as well as the challenges and opportunities they encounter. This study draws on two key data sources. First, we conducted semi-structured interviews with senior decision-makers from 23 Canadian energy organizations, and Indigenous organizations. Second, we conducted documentary research and analysis to learn more about the EDI activities of private companies and public agencies.



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#### **Key Findings**

Nearly all decision-makers who participated in this study agreed that EDI will shape Canada's energy future in some form or another. At the same time, many participants said that current initiatives to advance EDI in Canadian energy decision-making, including initiatives to strengthen EDI in hiring and promotion, corporate culture, and across all corporate activities do not go far enough and are slow to show tangible results.

Findings also indicate that EDI and decarbonization of the energy system are mutually reinforcing objectives. Decision-makers recognize that without sufficient consideration of EDI in policies and practices, Canada's net zero target becomes much harder to achieve. Without serious global and domestic effort to attain net zero, current societal inequities will worsen, since already marginalized groups are particularly vulnerable to the impacts of climate change.

Finally, this study finds that meaningful advancement of EDI principles requires collective learning processes at multiple levels – the individual, the organizational, and the societal. Effectively advancing EDI requires certain skills ('difficult conversations') and professionals with expertise in engagement, outreach, and facilitation (e.g., how to have effective dialogues with people from different backgrounds and with different perspectives).

#### **Discussion and Implications**

This study indicates that advancing EDI presents a real opportunity for the Canadian energy community. Interviewees in this study indicate that, done right, the principles underpinning EDI can help strengthen public confidence in energy decision-making by making energy organizations more representative of and responsive to the communities they serve. However, if organizations' actions to strengthen EDI are perceived as empty gestures or disingenuous, further erosion of public confidence seems likely.

Study findings also suggest a clear link between the advancement of EDI principles in energy decision-making and the achievement of Canada's climate commitments. Many participants said that achieving Canada's net zero emissions target will require the country to wrestle with EDI – whether that means gender balance in senior management, decision-making that better represents the interests of communities, or ensuring that energy policies do not unfairly burden already marginalized groups.



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#### **Relevance for Decision-Makers**

This study finds that the application of EDI principles in Canada's energy decision-making is still a relatively novel idea with uneven implementation. Decision-makers' ideas about the various ways in which EDI will shape Canada's energy future differ, but the EDI concept appears to be a common framework of thinking. Individual organizations are finding their own approaches and tools within this framework. This 'definitional vacuum' puts the EDI terminology at risk of becoming an 'empty' concept if it is not soon supported by a holistic, accepted definition and tangible, genuine actions. Otherwise, EDI risks becoming yet another polarizing idea rather than an opportunity to foster consensus and trust.

When it comes to the 'how' of implementing EDI principles, this study emphasizes that a lot of learning will be required within and across Canadian energy organizations. Effectively advancing EDI requires certain skills ('difficult conversations') and professionals with expertise in engagement, outreach, and facilitation (e.g., how to have effective dialogues with people from different backgrounds, with different perspectives). Organizations and Canada need to build and invest in these skills to enable EDI to support consensus building – rather than a source of disagreement and polarization.

In short, the Canadian energy community needs to invest in the implementation of EDI principles across its various decision venues. Without meaningful advancement of EDI, it will be harder for governments to implement durable and balanced net zero policies and for companies to achieve the level of innovation necessary to comply with these policies.

#### Link to full report here.