

Hansell McLaughlin Data Analysis Notes

Hansell McLaughlin Data Analysis Notes provides a weekly review of governance-related topics from our analysis of disclosures of issuers listed on the TSX in 2024. To receive our future notes, [subscribe here](#).

Breaking Down Common Board Renewal Mechanisms at TSX Composite Listed Issuers

Historically, age limits have been a more popular board renewal mechanism than term limits. The trend has changed in recent years, with some issuers opting for term limits over age limits.

This year, six TSX listed issuers disclosed introducing new director term limits for the first time. First Capital REIT and Northwest Healthcare Properties REIT introduced a ten-year term limit, Alamos Gold Inc. introduced a 12-year term limit, and Canadian Apartment Properties REIT, GFL Environmental Inc. and The North West Company Inc. introduced a 15-year term limit for directors.

Some TSX Composite listed issuers have opted to remove or increase their age limits this year. CIBC, Cargojet Inc. and TD Bank removed their age limits. Mullen Group Inc. increased its age limit from 70 years to 73 years, the North West Company increased its age limit from 70 to 75 years and Superior Plus Corp. increased its age limit from 72 years to 75 years.

How Common are Term and Age Limits?

- Nearly half of TSX Composite listed issuers have implemented term OR age limits as a mechanism for board renewal.
- More than a third of TSX Composite listed issuers have adopted age limits.
- More than a third of TSX Composite listed issuers have adopted term limits.

What Term and Age Limits are Most Common?

- Term limits for TSX Composite listed issuers range from 10 to 20 years.
- The most common term limit among TSX Composite listed issuers is 15 years.
- Age limits for TSX listed issuers range from 70 to 80 years.
- The most common age limit among TSX Composite listed issuers is 75 years.

2024 Proxy Season To Date (TSX Listed Issuers)



Shareholder Proposals

154 submitted

81 proceeding to a vote

7 successful



15 failed director elections



3 failed say on pay votes

In the News

Below, we discuss news releases related to governance issues at issuers listed on the TSX since our last weekly note.



June 30, 2024, Alta Copper Corp. (TSX: ATCU), "[Alta Copper Announces Annual General Meeting Voting Results](#)" - Accesswire

Four directors of Alta Copper Corp. ("Alta Copper") failed to receive majority support for their respective elections to the board. The chief executive officer, Joanne Freeze, audit committee chair Steven Latimer and Sean Waller, who is both the compensation committee and technical committee chair, are among those who failed to receive majority shareholder support for their elections. Ms. Freeze and Mr. Waller had previously failed their elections to the board in 2022, however, the board did not accept their resignations. Alta Copper noted that its largest shareholder, Fortescue (controlling 30.96% of shares), voted against these directors in 2022 and 2024.

Pursuant to Alta Copper's majority voting policy, these directors will tender their resignations. The board has not yet decided whether to accept any of these anticipated resignations.



July 2, 2024, Dye & Durham Limited (TSX: DND), "[Brother of Dye & Durham CEO latest dissident to push for governance change](#)" - The Globe and Mail

Dye & Durham Limited ("D&D") rejected a proposal from OneMove Capital Ltd. ("OneMove"), a company controlled by the brother of D&D's CEO, to replace Edward Prittie, an incumbent director, with Eric Shahinian. OneMove had previously nominated Mr. Prittie as part of a shareholder agreement which entitled OneMove to nominate a director as long as it continued to hold a minimum 5% stake in D&D. D&D alleged that OneMove's proposal was motivated by personal grievances since Mr. Prittie did not comply with OneMove's demands (which are not specified). Even so, D&D agreed to honour the shareholder agreement and nominate Mr. Shahinian as well.



July 2, 2024, Gibson Energy Inc. (TSX: GEI), "[Gibson Energy names Curtis Philippon as next president and chief executive](#)" - The Globe and Mail

Gibson Energy Inc. announced that it has identified a successor for its CEO, Steve Spaulding, who had announced in February that he will retire from his position once a successor is appointed. Curtis Philippon will succeed Mr. Spaulding effective August 29, 2024.

Our governance expertise is complemented by a sophisticated data analytics practice which brings you these weekly notes. We analyze the governance practices of all TSX listed issuers. The data is gathered from publicly available information and is managed internally to ensure that the information is standardized, comparable and reliable. [Click here](#) to learn more about our practice areas.