

Hansell McLaughlin Weekly Proxy Notes

Hansell McLaughlin Weekly Proxy Notes provide you with a look into our governance findings for the 2024 proxy season for TSX listed issuers and governance developments that have occurred during the week.

Successful Shareholder Proposal at Air Canada

Following Air Canada's Annual General Meeting on March 28, 2024, a shareholder proposal advocating for in-person annual meetings was approved, garnering over 82% support from shareholders. Interestingly, the board of Air Canada did not make any recommendation regarding the vote, stating that shareholders should "vote as they see fit." A similar shareholder proposal received majority support at Metro Inc. during its January 30, 2024, shareholder meeting.

Byte of the Week

Did you know that Mullen Group Ltd., a TSX listed issuer disclosed that it is increasing its age limit for directors from 70 years to 73 year in its management information circular dated April 2, 2024.

Three of Mullen Group's directors would have reached the original age limit of 70 in the next two years.

Aeterna Zentaris Inc. Merger

A proposed merger transaction between Aeterna Zentaris Inc. ("Aeterna") and Ceapro received majority support from shareholders. Mr. Gilles Gagnon, the CEO of Ceapro also serves on the board of Aeterna. Given Mr. Gagnon's position, he disclosed his conflict of interest to both parties in advance of the merger and recused himself from any discussions or voting involving the merger. If the merger is successful, Mr. Gagnon will be appointed as the new CEO of the combined company.

Mineros S.A Failed Directors

Four of nine nominees of Mineros S.A., a Colombian company listed on the TSX, failed to receive majority support for their election. Mineros received an exemption to circumvent the TSX individual voting and majority voting requirement for directors. This exemption was provided in order to comply with Colombian regulations which requires that directors be elected through a slate process through an electoral quotient system.

2024 Proxy Season To Date (TSX Listed Issuers)



Shareholder Proposals

129 submitted

68 proceeding to a vote



6 failed director elections



0 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 proxy notes.

The logo for Indigo, featuring the word "Indigo" in a bold, dark grey sans-serif font.

April 3, 2024 - Indigo Books and Music Inc. (TSX: IDG), "[Indigo agrees to go private after sale to holding company owned by chief executive's spouse](#)" - The Canadian Press

The controlling shareholder of Indigo Books and Music Inc. ("Indigo"), Trilogy Holdings ("Trilogy"), controlling approximately 60.6% of shares, received approval from the Indigo board to acquire the remaining shares of Indigo at \$2.50 per share, pending shareholder approval. Interestingly, Trilogy is controlled by Mr. Gerald Schwartz, who is married to Ms. Heather Reisman, the CEO of Indigo. This represents an 11% increase from the initial offer of \$2.25 per share made on February 1st by Trilogy. Which also represents a 69% premium over the company's closing price of \$1.48 per share on the date of the initial acquisition announcement on February 1, 2024.

The logo for GLG, featuring a stylized circular emblem with a red maple leaf in the center, surrounded by green and blue curved lines, with the letters "GLG" in a bold blue font below it.

April 3, 2024 -GLG Life Tech Corp (TSX: GLG), "[GLG Life Tech Corporation Confirms TSX Delisting Review and Discussion With TSX Venture Exchange for Listing Continuity](#)" - Yahoo Finance

GLG Life Tech Corporation, a TSX-listed company, faces delisting due to poor financial performance, debt concerns, and low share price and trading activity. Given these challenges, the TSX has granted a 120-day window for remedial action. However, the company has applied for listing on the TSX-V as a precautionary measure due to potentially being unable to meet the TSX's requirements. The board of directors is exploring alternatives such as a reverse takeover in response to this uncertain situation.

The logo for WSP, featuring the letters "WSP" in a bold, red, stylized font.

April 3, 2024 - WSP Global Inc. (TSX: WSP), "[WSP Global shares fall after short seller releases critical report](#)" - CityNews

WSP Global Inc., ("WSP") a Montreal-based engineering firm traded on the TSX, experienced a 5.56% drop on April 3rd in share price following allegations in a report from a short seller, Spruce Point Capital Management. The short seller accuses WSP of inflating its revenue through questionable accounting practices and calls for a board overhaul. WSP has rebutted, asserting its adherence to strict governance standards and committing to reviewing the report for any potential discrepancies.

Our governance expertise is complemented by a sophisticated data analytics practice which brings you these weekly proxy 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.