

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. To receive our future notes on the 2024 proxy season [subscribe here](#).

Failed Say-on-Pay Vote at Enerflex Ltd.

The first failed say-on-pay resolution this proxy season took place at Enerflex Ltd.'s ("Enerflex") shareholder meeting held on May 7, 2024. Only 31.8% of shareholders voted in favour of the resolution. Last year, Enerflex saw a decrease in shareholder support for its say-on-pay resolution compared to 2022. In 2023, 74.6% of shareholders voted in favour of the say-on-pay resolution in comparison to over 90% of shareholders supporting the resolution in 2022.

The chair of Enerflex's Human Resources and Compensation Committee, Mr. W. Byron Dunn, received 68.2% votes cast in favour of his election while the average support levels for Enerflex's directors was 83.7%.

Byte of the Week

May 9, 2024 marked the record for the most number of AGMs held on a single day thus far this proxy season.

51 TSX listed issuers held their AGM on this date.

RB Global, Inc. Continuance Under the *Ontario Business Corporations Act*

RB Global, Inc. ("RB") held its shareholders meeting on May 7, 2024. Approximately 75% of shareholders voted for and approved a resolution for RB to continue under Ontario's *Business Corporations Act* ("OBCA") from the *Canada Business Corporations Act* ("CBCA").

In RB's management information circular, it cites the 25% Canadian director residency requirements imposed by the CBCA as a factor for continuing under the OBCA.

TELUS CEO Elects to Take Salary in Shares

TELUS Corporation ("TELUS") held its AGM on May 9, 2024. The same day, TELUS announced that its CEO, Mr. Darren Entwistle decided to take his salary entirely in the form of TELUS' shares indefinitely. TELUS notes that this decision reflects Mr. Entwistle confidence in TELUS' strategy. This is not the first time Mr. Entwistle has taken his salary entirely in the form of equity compensation. Mr. Entwistle also elected to take his salary in the form of TELUS' shares from 2010 to 2015.

This announcement comes after Glass-Lewis' negative voting recommendation on TELUS' say-on-pay resolution. As of the time of publishing these notes, TELUS' voting results have not been posted.

2024 Proxy Season To Date (TSX Listed Issuers)



Shareholder Proposals

150 submitted

81 proceeding to a vote

5 successful



7 failed director elections



1 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 note.



May 3, 2024 – Belo Sun Mining Corp. (TSX: BSX), "[Belo Sun Mining Announces Changes to Executive Leadership](#)" – Yahoo Finance

Belo Sun Mining Corp. ("Belo Sun") announced on May 3, 2024, that its CEO of more than ten years, Mr. Peter Tagliamonte, will step down effective immediately. In his place, Belo Sun appointed Ms. Ayesha Hira, an independent director, as Interim President and CEO while the board identifies a successor.



May 8, 2024 – Slate Office REIT (TSX: SOT.UN), "[Slate Office REIT Announces Update Regarding Board of Trustees](#)" – Financial Times

Less than a week after Slate Office Real Estate Investment Trust's ("Slate") contested shareholder meeting held on May 3, 2023, one of the dissident's elected nominees announced he will not be able to serve as a director of Slate. Specifically, Slate announced that Mr. Scott Dorsey informed the company that he will be unable to serve on the board due to personal reasons.



May 9, 2024 – Manulife Financial Corp. (TSX: MFC), "[Manulife to ramp up share buyback program after cutting low-growth assets](#)" – The Globe and Mail

On May 9, 2024, Manulife Financial Corp. ("Manulife") announced its intentions to increase its share buyback program. In the first quarter of the year, Manulife bought back shares amounting to \$200 million. For each of the next three quarters this year, Manulife plans to increase the buyback program to repurchase shares totalling \$600 million each quarter.



May 9, 2024 – Gear Energy Ltd. (TSX: GXE), "[Gear Energy Ltd. announces appointment of Scott Robinson as Chair of Board of Directors](#)" – Newsfile

On May 9, 2024, Gear Energy Ltd. ("Gear Energy") announced that its board chair of more than ten years, Mr. Don Gray, will be stepping down as chair but will continue serving as a director. In Mr. Gray's place, Gear Energy has appointed Mr. Scott Robinson, an independent director, as its board chair.

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.