

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 Director Election at Extendicare

A director failed to receive majority support for his election at Extendicare Inc.'s ("Extendicare") shareholders meeting held on May 23, 2024. Mr. Alan R. Hibben, received just 41.24% votes cast in favour of his election to the company's board. As a result, Mr. Hibben tendered his resignation from Extendicare's board. In a press release following the meeting, Extendicare thanked Mr. Hibben for his eight years of service on the board and said that the company will begin a process to address the board vacancy shortly.

Mr. Hibben did not leave the board quietly, though. In a LinkedIn post the [day following the annual meeting], he disclosed his surprise at the turn of events. He noted that the board had recommended him to the shareholders for election, but two large shareholders ultimately withheld their support for him. One of these shareholders - Sandpiper Group holds 13.3% of the shares. The founder and CEO of Sandpiper is a member of the Extendicare board. Extendicare's other large shareholder, Global Alpha Capital Management Ltd also withheld their votes, although Mr. Hibben notes that it had never engaged with him to express any concerns.

Byte of the Week

KPMG and PwC are the most commonly appointed auditors for TSX-listed issuers. Together they represent more than 55% of TSX listed issuers.

In 2023, KPMG was appointed as auditor for 27.7% of TSX listed issuers while PwC was appointed as auditor for 26.4% of issuers. Ernst & Young was the next most commonly appointed auditor, being appointed as the auditor for 15.2% of TSX listed issuers.

CI Financial and NorthWest Healthcare Introduce Term Limits for Directors

CI Financial Corp. announced that it amended term limits for directors in its May 17, 2024, management information circular. The company reduced its director term limit from 12 years to ten years for all directors elected after February 7, 2024.

NorthWest Healthcare Properties Real Estate Investment Trust also announced the introduction of a new ten year term limit for directors in its management information circular published on May 15, 2024.

2024 Proxy Season To Date (TSX Listed Issuers)



Shareholder Proposals

150 submitted

81 proceeding to a vote

7 successful



8 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 17, 2024 - Calibre Mining Corp. (TSX: CXB), "[Calibre Announces Proposed Update to its Board of Directors and Change to Senior Management](#)" - Globe Newswire

Calibre Mining Corp. ("Calibre") announced changes to its board and management team on May 17, 2024. Two of Calibre's incumbent directors, Mr. Douglas Hurst and Mr. Raymond Threlkeld, will not seek re-election to the board at the upcoming annual general meeting to be held on June 12, 2024. The board nominated Ms. Omayya Elguindi to replace one of the departing members, who, if elected at the AGM, would join the board immediately. Additionally, Mr. David Splett, Calibre's Senior Vice President and Chief Financial Officer, will resign effective July 31, 2024. Calibre has retained a search firm to assist in identifying a successor for Mr. Splett prior to his departure.



May 22, 2024 - CGI Inc. (TSX: CGI), "[CGI to appoint François Boulanger President and Chief Executive Officer, effective October 1, 2024](#)" - PR Newswire

CGI Inc. ("CGI") announced that its Chief Executive Officer of eight years, Mr. George Schindler, will retire from the board on September 30, 2024. Mr. Schindler will remain on the board following his departure and will serve as a strategic advisor to the company for a short period during the transition. Following Mr. Schindler's retirement, CGI's incumbent President and Chief Operating Officer, Mr. François Boulanger, will be appointed as the company's new CEO on October 1, 2024.



May 23, 2024 - Gildan Activewear Inc. (TSX: GIL), "[Gildan board resigns, clearing the way for Glenn Chamandy to retake control of clothing company](#)" - The Globe and Mail

Days before its shareholder meeting scheduled for May 28, 2024, Gildan Activewear Inc. ("Gildan") announced the resignation of its CEO, Mr. Vince Tyra, and all of its board members. This announcement brings an end to a proxy battle spanning several months with dissident, Browning West, LP ("Browning West"). Browning West and other investors opposed the board's decision to remove the former CEO and co-founder, Mr. Glenn Chamandy. Just days prior to the board's resignation announcement, proxy advisory firms Glass Lewis & Co. and Institutional Shareholder Services Inc., recommended that shareholders vote in favour of all eight of Browning West's proposed director nominees.

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.